

DEPARTMENT OF THE ARMY

FISCAL YEAR (FY) 2017 BUDGET ESTIMATES



FEBRUARY 2016

Volume I

Operation and Maintenance, Army
JUSTIFICATION OF ESTIMATES

The estimated cost of the report for the Department of Defense (DoD) is approximately \$602,000.00. This includes \$162,000.00 in expenses and \$440,000 in DoD labor. This cost includes both the Base and Overseas Contingency Operations Justification Books.

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<u>Appropriations Summary</u>	<u>FY 2015 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2016 Enacted</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>
Operation and Maintenance, Army	51,195.7	878.3	-20,392.9	31,681.1	284.5	1,843.4	33,809.0

Description of Operations Financed:

The Operation and Maintenance, Army (OMA) appropriation funds the recruiting, organizing, sustaining, equipping, and training of the Army's All-Volunteer Force for the conduct of prompt and sustained land combat operations in support of Geographic Combatant Commands. Additionally, OMA resources vital programs supporting Soldiers, their Families, and Army civilians in the day-to-day operation of 74 installations worldwide. More specifically, the appropriation funds the Army's Ground and Air Operating Tempo (OPTEMPO), flying hours, fuel, supplies, and the maintenance of weapons systems and aircraft. It funds quality of life activities, specialized services for Soldiers, civilians, and their Families and educational and career development programs for Soldiers and civilians. OMA resources the Army's management structure, logistics, command, control, and communication programs; the Department of Defense's contribution to the North Atlantic Treaty Organization; and Army support responsibilities for U.S. Africa Command, U.S. European Command, U.S. Southern Command, and U.S. Forces Korea. OMA supports FY 2017 force structure of 990,000 Soldiers across the three components; specifically, OMA funds all support for 460 thousand active component Soldiers and funds select activities for the U.S. Army Reserve and the Army National Guard. Additionally, the appropriation funds 97,398 full-time civilian personnel employed in Service wide support functions.

Overall Assessment:

The FY 2017 OMA budget resources critical near-term readiness and activities required for the Army to prevent conflict, shape security environments, and win wars while operating as part of joint and coalition teams. Through the U.S. Army Operating Concept, and in support of the Army Vision, this budget submission represents the Army's three priorities of readiness, the future Army, and taking care of its Soldiers, Families, and civilians. As the Army nears the end of its transition to a smaller, more lethal fighting force, it must maintain the ability to support joint force commanders' current demand while preparing forces for the challenges and complexity of the future. The Army is the only Service that can fully enforce the Nation's will and decisively defeat an enemy on land. It does so by dominating the human domain through its ability to consolidate strategic gains, to integrate operations, and to enable sustained operations. In order to retain this vital competitive advantage, resources must be available to support the efforts required of a force simultaneously in transition, in action, and in preparation. This budget submission provides necessary near-term readiness to support the defense strategy and allows the Army to be rotationally focused and surge ready to contribute vital land forces trained in decisive action operations. The Army is focused on developing a leaner, smaller force that remains the most highly-trained and professional All-Volunteer land force in the world; one that is uniquely organized with the capability and capacity to provide expeditionary, decisive land power to the Joint Force, and is ready to perform the range of military operations in support of Combatant Commanders to defend the Nation and its interests at home and abroad, both today and against emerging threats. The major resource areas for this budget submission are:

Training the Force

Operational Training: The training objective in FY 2017 is to continue to restore core capabilities and balance operational capability and flexibility across the Army to meet the National Military Strategy. The Army continues the transition from resourcing an Army Contingency Force and non-assigned ground units at tiered training readiness

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levels to resourcing all ground units to conduct Decisive Action training and achieve the highest training readiness levels attainable based on available resources in FY 2017. The FY 2017 budget request focuses resources to rebuild the Army's combined arms maneuver and wide area security capabilities validated through Combat Training Center (CTC) exercises, by shifting the focus of training from security assistance activities to rebuilding warfighting core competencies, with greater emphasis on the ability to rapidly deploy, fight, sustain, and win against complex state and non-state threats in austere environments. This budget sustains or improves readiness in critical enabling formations (fires, engineers, military police, signal, sustainment, etc.). Funds decisive action training at home station and the CTCs and training initiatives including the continued implementation of the Live, Virtual, and Constructive - Integrated Training Environment. The FY 2017 base budget funds 839 Operating Tempo Full Spectrum Training Miles and 9.5 flying hours per crew, per month.

Adaptive Army Leaders for a Complex World: Today's uncertain world requires military and civilian leaders who can adapt their thinking to a myriad of complex situations as required. The FY 2017 budget request invests in leader development as a priority to ensure availability of leader capacity to meet these demands. FY 2017 also resources Army civilian leader development; focused on leader development, improvements to the Civilian Education System and continued maturity of the Senior Enterprise Talent Management Program; all designed to continue to develop and maintain a professional and competency-based civilian workforce.

Operating the Force

Primary Combat Formations: The budget supports 9 Armored Brigade Combat Teams, 14 Infantry Brigade Combat Teams, 7 Stryker Brigade Combat Teams, and 11 Combat Aviation Brigades.

Regionally Aligned Forces (RAF): The goal of RAF is to provide Combatant Commanders predictable, task-organized, and responsive capabilities to achieve Global Employment of the Force end states and meet other requirements across the full range of military operations, to include joint task force-capable headquarters, crisis or contingency response, operations support, theater security cooperation, and bilateral or multilateral military exercises. The FY2017 request funds one Brigade Combat Team and one Multiple Launch Rocket System battalion rotation to the Republic of Korea, an exercise of the RAF concept.

Sustaining the Force.

Sustainment Readiness Plan: The Army's sustainment readiness plan focuses on adequately preserving rapid response capabilities supported by depot maintenance, technical support, strategic mobility, deployment readiness, and core logistics functions. These focus areas provide high quality sustainment support to a wide range of equipment and related programs.

Army Preposition Stocks (APS): This submission supports the Army's comprehensive restructuring of the worldwide equipment set footprint, in FY 2017 focusing on the expanding the European Activity Set to a full Armored Brigade Combat Team.

Installation/Enterprise Support

Installations and Environment: The Army's FY 2017 strategy for base operating services prioritizes funding for Life, Health and Safety programs and services ensuring

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Soldiers are trained and equipped to meet the demands of our nation. Additionally, it increases funding for installation security. The budget funds facility sustainment at 67 percent of the Department of Defense Facility Sustainment Model and continues to support critical multi-year initiatives such as the European Infrastructure Consolidation and the West Point Cadet Barracks Upgrade Program. The Army based its strategy for achieving long-term sustainability and resource security goals on Net Zero. Net Zero also supports compliance with a variety of Federal mandates and statutes such as those contained in Executive Order 13514, the Energy Policy Act of 2005, and the Energy Independence and Security Act of 2007. Net Zero allows the Army to continue climate change adaptation and mitigation efforts and develop a strategy for all Army installations.

Soldier and Family Programs: The Army remains committed to Soldier quality of life programs to include: Morale, Welfare and Recreation and child care. The Army remains focused on improving access and predictability of services in programs that reinforce holistic fitness, mitigate stress, and build resilience. These prevention-focused initiatives include the Sexual Harassment Response and Prevention Program, Comprehensive Soldier and Family Fitness, Army Substance Abuse Program, Suicide Prevention, and Soldier and Family Assistance Centers. Finally, this request provides funding for transition programs to ensure that the Army postures Soldiers for successful transition to Civilian life as they separate from the Army.

Man the Army and enhance the All-Volunteer Force: The Army strives to retain the capabilities of a combat seasoned force and maintain the trust of Soldiers and Families while responsibly reducing numbers to achieve a smaller, balanced force. The Army continues to attract high quality Soldiers and Civilians from diverse backgrounds. The FY 2017 enlisted recruiting mission is 60,700 Soldiers.

The Operation and Maintenance, Army budget increased by \$284 million in FY 2017 based on pricing adjustments (e.g. inflation, fuel, foreign currency adjustments) and \$1,843 million supporting programmatic increases. The single largest contributor to this overall increase is the restoral of the funding (\$2,200 million) that was realigned from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016. The Army is complying with the Bipartisan Budget Act limitations by requesting \$1,575 million to support generating unit readiness and other activities with a direct nexus to providing forces to fight the Global War on Terrorism and other contingency operations in its FY 2017 Overseas Contingency Operations Request. The 2017 request also continues the implementation of Headquarters reductions (-\$47 million) and Civilian workforce reductions (-\$291 million), which result in an overall decrease of 1,760 civilian full time equivalents; although, savings from the decrease in manpower are partially offset by an increase in average annual civilian pay rates.

The budget reflects the resourcing strategy required to execute the priorities established by the Secretary of the Army and the Chief of Staff of the Army and supports the framework for cultural change and focus on the future to prepare and sustain land forces capable of preventing conflict, shaping the security environment, and when called upon, fighting to win decisively. The budget supports Army Soldiers, civilians, Families, and Veterans adapting from more than a decade at war with programs that build resilience and uphold Army Values that characterize the Army Profession.

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<u>Budget Activity</u>	<u>FY 2015 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2016 Enacted</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>
Operating Forces (BA-01)	34,233.9	531.3	-16,589.5	18,175.7	168.3	1,478.6	19,822.6

Budget Activity 01: Operating Forces - Major Program Changes:

The Operating Forces budget activity provides funding for day-to-day operations of the ground and air units, installations, and Soldiers required for the training and readiness of our combat elements. This budget activity consists of three activities: Land Forces, Land Forces Readiness, and Land Forces Readiness Support.

Land Forces provides for the resourcing of the ground and air Operating Tempo (OPTEMPO) training for all Brigade Combat Teams (BCTs), modular support brigades, echelons above brigade, theater level assets, land forces operations support, aviation assets, and special operations forces. The Land Forces Readiness activity supports training support centers, training areas, ranges and operations, battle simulation centers, and active component support to the reserve components; as well as Combat Developments Testing and Force Structure Development; and the depot level maintenance for hardware, software, and equipment associated with Army weapons systems. Land Forces Readiness Support provides for the Active Army's Installation services worldwide, ensuring an environment in which Soldiers, Civilians and Families can thrive, and provides a structure that supports an expeditionary Army with information and community services, municipal services, logistics, and security; maintains and sustains the Army's facilities, restores facilities to industry standards; and modernizes facilities to meet the full range of tasks necessary to provide relevant and ready land power for this Nation; finances the day-to-day operation of Army Management Headquarters Activities as well as Combatant Command Support Agency (CCSA) responsibilities for the three assigned Geographic Combatant Commands' core and direct missions.

After accounting for pricing of \$168 million there was an overall increase to programs of \$1,479 million due to the restoral of funding that was realigned from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016. The Army continues to resource force structure consistent with the FY 2016 President's Budget. In FY 2017, the Army supports the posture of land forces in the Asia-Pacific region by leveraging training opportunities and exercises with allies in this region to promote and strengthen partnerships. Forward stationed forces in the Republic of Korea will remain ready, as will those dedicated to Global Response Force requirements. The Army continues the Combined Arms Training Strategy to support Decisive Action training, while leveraging live, virtual, and constructive capabilities in support of Unified Land Operations. The FY 2017 budget request focuses resources to rebuild the Army's combined arms maneuver and wide area security capabilities validated through Combat Training Center (CTC) exercises, by shifting the focus of training from security assistance to rebuilding warfighting core competencies, with greater emphasis on the ability to rapidly deploy, fight, sustain, and win against complex state and non-state threats in austere environments. The budget provides resources to fully integrate Special Operations Forces into all CTC rotations. The FY 2017 base budget funds OPTEMPO at 839 Full Spectrum Training Miles for non-deployed units. The budget provides resources to train and sustain the active component combat forces at readiness levels consistent with mission requirements and supports the active component ground OPTEMPO metrics, encompassing actual miles driven for home station training and CTC rotations, and virtual miles driven by using simulators such as the Close Combat Tactical Trainer and the Unit Conduct of Fire Trainer. The FY 2017 base budget funds the Flying Hour Program at 9.5 hours per crew per month for non-deployed units and resources aviation training for individual crewmembers and units according to approved aviation training strategies, providing individual and collective proficiency in support of ongoing combat and non-combat air operations.

The FY 2017 budget also leverages the use of Overseas Contingency Operations (OCO) to improve and maintain readiness while complying with the Bipartisan Budget

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Act of 2015 limitations. In addition to the above base funded training readiness, \$1,359 million in Budget Activity 1 is requested in OCO as a critical component to the Army's overall readiness strategy.

Land Forces Readiness supports essential training and readiness support for the Land Forces with increased training support, use and sustainment of training areas, training range operations and maintenance, battle simulations use, and depot maintenance operations. The Land Forces Readiness Support reflects the increased use of installation facilities, increased utilities, and increased maintenance and services due to the increased time at home-station precipitated by the decrease in requirements to support ongoing operations. Land Forces Depot Maintenance supports the Army's Modernization and Equipping Strategies by sustaining the availability and reliability of fielded systems.

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<u>Budget Activity</u>	<u>FY 2015 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2016 Enacted</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>
Mobilization (BA-02)	599.3	20.2	25.2	644.7	-19.8	109.7	734.6

Budget Activity 02: Mobilization - Major Program Changes:

The mobilization budget activity provides an immediate capability to deploying forces. It consists of three groups: Strategic Mobility, Army Prepositioned Stocks (APS), and Industrial Preparedness. It funds the assembling and preparing of troops and supplies for war. This includes the Army's Power Projection efforts, material amassed in peacetime to meet an increase of military requirements at the outbreak of war, and an analysis of the industrial base toward migrating shortfalls in industrial capacity.

After accounting for price decrease of \$20 million, there was a \$110 million increase to programs. The primary contributor is the increase in maintenance for Army Prepositioned Stocks (APS)-5 (Europe) to expand the European Activity Set to a full Armored Brigade Combat Team through the addition of two Combined Arms Battalion sets. The budget also provides for replacement of shelf life items associated with War Reserve Secondary Items needed for the first 30 days of a contingency operation. Increases are partially offset by a decrease to APS-3 (Afloat) due to the reduction of 1 Roll-on/Roll-off ship and the associated care of supplies in storage.

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<u>Budget Activity</u>	<u>FY 2015 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2016 Enacted</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>
Training and Recruiting (BA-03)	4,448.4	68.3	32.6	4,549.3	49.1	39.0	4,637.4

Budget Activity 03: Training and Recruiting - Major Program Changes:

The Training and Recruiting budget activity provides funds for accessing and training Soldiers and civilians required to man the Army. This budget activity consists of three activity groups: Accession Training; Basic Skill and Advanced Training; and Recruiting, Other Training and Education. Accession Training transforms civilian volunteers from private citizens into trained enlisted Soldiers and commissioned officers to meet force structure requirements. Basic Skill and Advanced Training produces technically competent Soldiers. Recruiting and Other Training and Education ensures the Army is able to recruit quality Soldiers and provide continuing education for Soldiers and Army civilians.

Overall, after accounting for pricing increase of \$49 million there was a small increase to programs of \$39 million. The programs contributing to the growth are Army Recruiting and Advertising, the civilian intern program, operations at Army Training Centers, training support to units, and undergraduate flight training, which is increasing training seats by 86 in support of the transition to the UH-72 Lakota helicopter. This budget funds Recruit Training and Initial Entry Training for both officer and enlisted Soldiers. It funds Army programs that continue to recruit and train the force - both active and reserve component - to enhance the Army's Land Force capability. The FY 2017 budget reflects decreases in tuition assistance enrollments, efficiencies in flying hours for pilot training, and a reduction in special skill training seats.

The Army continues to attract and retain high quality Soldiers and civilians from diverse backgrounds; the expanding of the civilian intern program is a critical investment for the quality of workforce necessary to excel in a complex environment. The FY 2017 Active Army enlisted recruiting mission is 60,700 Soldiers. The institutional training base directly supports the Army's readiness by graduating technically competent and trained Soldiers. It develops military and civilian leaders that can handle the challenges of a joint, interagency, intergovernmental, and multinational environment.

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<u>Budget Activity</u>	<u>FY 2015 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2016 Enacted</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>
Administration and Servicewide Activities (BA-04)	11,914.1	258.6	-3,861.3	8,311.4	86.9	216.2	8,614.5

Budget Activity 04: Administration and Servicewide Activities - Major Program Changes:

The Administration and Servicewide Activities budget activity provides funds for the administration, logistics, communications, and other servicewide support functions required to support Army forces worldwide. This budget activity consists of four activities: Security Programs, Logistics Operations, Servicewide Support, and Support of Other Nations.

Security Programs include classified and unclassified programs in support of Cryptology, Defense Intelligence, Foreign Counterintelligence, National Geospatial-Intelligence, Military Intelligence Program, Security and Intelligence Activities, and Arms Control Treaties implementation and compliance.

Logistics Operations ensure the logistics for transportation, supplies, support activities, and ammunition management. This supports requirements for force modernization and equipment fielding, and also supports funding increases for demilitarization preparation and end item disposal due to the Army's initiative to rapidly divest excess equipment resulting from force structure reductions. Increases in funding support Second Destination Transportation for the modernization and equipment fielding strategies in support of BCT reorganization as well as funding for the European Activity Set (EAS) and Army Prepositioned Stocks global repositioning strategy.

Servicewide Activities include those programs that impact the whole Army in administration, communications, manpower management, service support by Joint and Defense agencies, claims against the Army, real estate management, and Financial Improvement and Audit Readiness.

Support of Other Nations funds the Department of Defense's contribution to the North Atlantic Treaty Organization and directed missions to other nations in support of security cooperation strategies and stability with other nations.

Overall, after accounting for pricing growth of \$87 million, the program increases \$216 million. The most significant cause of growth is the Enterprise Services program, which reflects an increase for the Army's share of Defense Information Systems Agency (DISA) bill and for the implementation of Unified Capabilities (UC) as required by DoD policy. UC enables the integration of voice, video, and/or data services delivered across secure network infrastructure. The submission includes increased funding for ammunition receipt, storage, and issue due to higher demand such as the expanded EAS and for the Army's share of the Defense Finance and Accounting Service bill.

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				<u>(Dollars in Thousands)</u>		
				<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Budget Activity 01: Operating Forces</u>						
<u>Land Forces</u>				<u>6,665,251</u>	<u>6,479,511</u>	<u>4,183,429</u>
2020A	111	Maneuver Units		1,238,906	1,298,105	791,450
2020A	112	Modular Support Brigades		61,989	64,329	68,373
2020A	113	Echelons Above Brigade		490,788	468,310	438,823
2020A	114	Theater Level Assets		2,055,110	1,832,042	660,258
2020A	115	Land Forces Operations Support		1,463,038	1,338,748	863,928
2020A	116	Aviation Assets		1,355,420	1,477,977	1,360,597
<u>Land Forces Readiness</u>				<u>6,444,549</u>	<u>5,956,238</u>	<u>4,539,383</u>
2020A	121	Force Readiness Operations Support		4,920,152	4,312,905	3,086,443
2020A	122	Land Forces Systems Readiness		576,005	549,381	439,488
2020A	123	Land Forces Depot Maintenance		948,392	1,093,952	1,013,452
<u>Land Forces Readiness Support</u>				<u>21,124,097</u>	<u>18,240,373</u>	<u>11,099,795</u>
2020A	131	Base Operations Support		8,003,055	7,487,593	7,816,343
2020A	132	Sustainment, Restoration and Modernization		2,413,286	2,628,253	2,234,546
2020A	133	Management and Operational Headquarters		404,186	410,698	452,105
2020A	134	Combatant Commands Core Operations		180,229	163,225	155,658
2020A	135	Additional Activities		9,694,512	7,123,993	0
2020A	138	Combatant Commands Direct Mission Support		428,829	426,611	441,143
TOTAL, BA 01: Operating Forces				<u>34,233,897</u>	<u>30,676,122</u>	<u>19,822,607</u>

Budget Activity 02: Mobilization

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	(Dollars in Thousands)		
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Strategic Mobilization and War Reserves</u>	<u>599,275</u>	<u>684,733</u>	<u>734,578</u>
2020A 211 Strategic Mobility	299,873	387,118	336,329
2020A 212 Army Prepositioned Stocks	213,376	291,083	390,848
2020A 213 Industrial Preparedness	86,026	6,532	7,401
TOTAL, BA 02: Mobilization	599,275	684,733	734,578
<u>Budget Activity 03: Training and Recruiting</u>			
<u>Accession Training</u>	<u>621,598</u>	<u>696,849</u>	<u>707,954</u>
2020A 311 Officer Acquisition	127,833	128,997	131,942
2020A 312 Recruit Training	40,554	47,468	47,846
2020A 313 One Station Unit Training	40,362	41,954	45,419
2020A 314 Senior Reserve Officer Training Corps	412,849	478,430	482,747
<u>Basic Skill and Advanced Training</u>	<u>2,546,122</u>	<u>2,657,594</u>	<u>2,647,987</u>
2020A 321 Specialized Skill Training	904,019	938,759	921,025
2020A 322 Flight Training	874,712	926,320	902,845
2020A 323 Professional Development Education	171,503	221,917	216,583
2020A 324 Training Support	595,888	570,598	607,534
<u>Recruiting and Other Training and Education</u>	<u>1,280,721</u>	<u>1,194,866</u>	<u>1,281,420</u>
2020A 331 Recruiting and Advertising	592,456	479,121	550,599
2020A 332 Examining	167,136	175,937	187,263
2020A 333 Off-Duty and Voluntary Education	202,006	219,210	189,556
2020A 334 Civilian Education and Training	143,807	145,583	182,835
2020A 335 Junior Reserve Officer Training Corps	175,316	175,015	171,167
TOTAL, BA 03: Training and Recruiting	4,448,441	4,549,309	4,637,361

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	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Budget Activity 04: Administration and Servicewide Activities</u>			
<u>Security Programs</u>	<u>2,278,466</u>	<u>2,292,310</u>	<u>1,151,023</u>
2020A 411 Security Programs	2,278,466	2,292,310	1,151,023
<u>Logistics Operations</u>	<u>3,910,600</u>	<u>3,017,215</u>	<u>2,229,566</u>
2020A 421 Servicewide Transportation	2,160,469	1,248,555	230,739
2020A 422 Central Supply Activities	695,300	780,360	850,060
2020A 423 Logistic Support Activities	588,302	668,522	778,757
2020A 424 Ammunition Management	466,529	319,778	370,010
<u>Servicewide Support</u>	<u>4,891,073</u>	<u>4,768,523</u>	<u>4,780,652</u>
2020A 431 Administration	469,106	372,235	451,556
2020A 432 Servicewide Communications	1,728,976	1,736,106	1,888,123
2020A 433 Manpower Management	285,598	277,101	276,403
2020A 434 Other Personnel Support	430,516	475,334	369,443
2020A 435 Other Service Support	1,161,421	1,077,926	1,096,074
2020A 436 Army Claims	193,978	215,153	207,800
2020A 437 Other Construction Support and Real Estate Management	429,127	391,730	240,641
2020A 438 Financial Improvement and Audit Readiness (FIAR)	192,351	222,938	250,612
<u>Support of Other Nations</u>	<u>456,396</u>	<u>416,412</u>	<u>453,253</u>
2020A 441 International Military Headquarters	432,021	376,804	416,587
2020A 442 Miscellaneous Support of Other Nations	24,375	39,608	36,666
<u>Year of Execution SAGs</u>	<u>377,600</u>	<u>0</u>	<u>0</u>
2020A 451 Closed Account Adjustments	16,298	0	0
2020A 461 Judgment Fund	450	0	0
2020A 471 Foreign Currency Fluctuation	-137,147	0	0
2020A 493 Defense Environmental Restoration Account (DERA)	497,999	0	0

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O-1 Exhibit

	<u>(Dollars in Thousands)</u>		
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
TOTAL, BA 04: Administration and Servicewide Activities	11,914,135	10,494,460	8,614,494
Total Operation and Maintenance, Army	51,195,748	46,404,624	33,809,040

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
O-1A Exhibit

	<u>(Dollars in Thousands)</u>		
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Budget Activity 01: Operating Forces</u>			
<u>Land Forces</u>	<u>6,665,251</u>	<u>3,514,029</u>	<u>4,183,429</u>
2020A 111 Maneuver Units	1,238,906	340,205	791,450
2020A 112 Modular Support Brigades	61,989	64,329	68,373
2020A 113 Echelons Above Brigade	490,788	468,310	438,823
2020A 114 Theater Level Assets	2,055,110	674,432	660,258
2020A 115 Land Forces Operations Support	1,463,038	531,947	863,928
2020A 116 Aviation Assets	1,355,420	1,434,806	1,360,597
<u>Land Forces Readiness</u>	<u>6,444,549</u>	<u>3,595,277</u>	<u>4,539,383</u>
2020A 121 Force Readiness Operations Support	4,920,152	2,576,520	3,086,443
2020A 122 Land Forces Systems Readiness	576,005	424,805	439,488
2020A 123 Land Forces Depot Maintenance	948,392	593,952	1,013,452
<u>Land Forces Readiness Support</u>	<u>21,124,097</u>	<u>11,066,380</u>	<u>11,099,795</u>
2020A 131 Base Operations Support	8,003,055	7,437,593	7,816,343
2020A 132 Sustainment, Restoration and Modernization	2,413,286	2,628,253	2,234,546
2020A 133 Management and Operational Headquarters	404,186	410,698	452,105
2020A 134 Combatant Commands Core Operations	180,229	163,225	155,658
2020A 135 Additional Activities	9,694,512	0	0
2020A 138 Combatant Commands Direct Mission Support	428,829	426,611	441,143
TOTAL, BA 01: Operating Forces	<u>34,233,897</u>	<u>18,175,686</u>	<u>19,822,607</u>

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
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	(Dollars in Thousands)		
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Budget Activity 02: Mobilization</u>			
<u>Strategic Mobilization and War Reserves</u>			
2020A 211 Strategic Mobility	299,873	387,118	336,329
2020A 212 Army Prepositioned Stocks	213,376	251,083	390,848
2020A 213 Industrial Preparedness	86,026	6,532	7,401
TOTAL, BA 02: Mobilization	599,275	644,733	734,578
 <u>Budget Activity 03: Training and Recruiting</u>			
<u>Accession Training</u>			
2020A 311 Officer Acquisition	127,833	128,997	131,942
2020A 312 Recruit Training	40,554	47,468	47,846
2020A 313 One Station Unit Training	40,362	41,954	45,419
2020A 314 Senior Reserve Officer Training Corps	412,849	478,430	482,747
<u>Basic Skill and Advanced Training</u>	2,546,122	2,657,594	2,647,987
2020A 321 Specialized Skill Training	904,019	938,759	921,025
2020A 322 Flight Training	874,712	926,320	902,845
2020A 323 Professional Development Education	171,503	221,917	216,583
2020A 324 Training Support	595,888	570,598	607,534
<u>Recruiting and Other Training and Education</u>	1,280,721	1,194,866	1,281,420
2020A 331 Recruiting and Advertising	592,456	479,121	550,599
2020A 332 Examining	167,136	175,937	187,263
2020A 333 Off-Duty and Voluntary Education	202,006	219,210	189,556
2020A 334 Civilian Education and Training	143,807	145,583	182,835
2020A 335 Junior Reserve Officer Training Corps	175,316	175,015	171,167

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	(Dollars in Thousands)		
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
TOTAL, BA 03: Training and Recruiting	4,448,441	4,549,309	4,637,361
<u>Budget Activity 04: Administration and Servicewide Activities</u>			
<u>Security Programs</u>	<u>2,278,466</u>	<u>1,132,678</u>	<u>1,151,023</u>
2020A 411 Security Programs	2,278,466	1,132,678	1,151,023
<u>Logistics Operations</u>	<u>3,910,600</u>	<u>2,248,629</u>	<u>2,229,566</u>
2020A 421 Servicewide Transportation	2,160,469	485,002	230,739
2020A 422 Central Supply Activities	695,300	780,360	850,060
2020A 423 Logistic Support Activities	588,302	668,522	778,757
2020A 424 Ammunition Management	466,529	314,745	370,010
<u>Servicewide Support</u>	<u>4,891,073</u>	<u>4,513,693</u>	<u>4,780,652</u>
2020A 431 Administration	469,106	372,235	451,556
2020A 432 Servicewide Communications	1,728,976	1,736,106	1,888,123
2020A 433 Manpower Management	285,598	277,101	276,403
2020A 434 Other Personnel Support	430,516	374,854	369,443
2020A 435 Other Service Support	1,161,421	1,077,926	1,096,074
2020A 436 Army Claims	193,978	215,153	207,800
2020A 437 Other Construction Support and Real Estate Management	429,127	237,380	240,641
2020A 438 Financial Improvement and Audit Readiness (FIAR)	192,351	222,938	250,612
<u>Support of Other Nations</u>	<u>456,396</u>	<u>416,412</u>	<u>453,253</u>
2020A 441 International Military Headquarters	432,021	376,804	416,587
2020A 442 Miscellaneous Support of Other Nations	24,375	39,608	36,666

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 O-1A Exhibit

	(Dollars in Thousands)		
<u>Year of Execution SAGs</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
	<u>377,600</u>	<u>0</u>	<u>0</u>
2020A 451 Closed Account Adjustments	16,298	0	0
2020A 461 Judgment Fund	450	0	0
2020A 471 Foreign Currency Fluctuation	-137,147	0	0
2020A 493 Defense Environmental Restoration Account (DERA)	497,999	0	0
 TOTAL, BA 04: Administration and Servicewide Activities	 11,914,135	 8,311,412	 8,614,494
 Total Operation and Maintenance, Army	 51,195,748	 31,681,140	 33,809,040

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-32
(\$ in Thousands)

	<u>FY 2015</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017</u> <u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>											
0101 EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	8,697,405	0	1.26%	109,609	335,355	9,142,369	0	1.51%	138,167	-14,427	9,266,109
0103 WAGE BOARD	437,433	0	1.05%	4,594	-32,582	409,445	0	1.39%	5,704	-12,018	403,131
0104 FOREIGN NATIONAL DIRECT HIRE (FNDH)	276,187	299	0.53%	1,465	-141,168	136,783	751	1.31%	1,795	-6,316	133,013
0105 SEPARATION LIABILITY (FNDH)	1,190	0	0.00%	0	-1,190	0	0	0.00%	0	0	0
0106 BENEFITS TO FORMER EMPLOYEES	16,932	0	0.00%	0	-16,932	0	0	0.00%	0	0	0
0110 UNEMPLOYMENT COMPENSATION	25,444	0	0.00%	0	16,589	42,033	0	0.00%	0	-13,540	28,493
0111 DISABILITY COMPENSATION	83,032	0	0.00%	0	29,035	112,067	0	0.00%	0	0	112,067
0199 TOTAL CIVILIAN PERSONNEL COMPENSATION	9,537,623	299		115,668	189,107	9,842,697	751		145,666	-46,301	9,942,813
<u>TRAVEL</u>											
0308 TRAVEL OF PERSONS	1,172,570	75	1.70%	19,932	518,834	1,711,411	0	1.80%	30,806	-895,431	846,786
0399 TOTAL TRAVEL	1,172,570	75		19,932	518,834	1,711,411	0		30,806	-895,431	846,786
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>											
0401 DLA ENERGY (FUEL PRODUCTS)	614,671	-5	-7.30%	-44,867	440,187	1,009,986	0	-8.20%	-82,819	-634,046	293,121
0402 SERVICE FUND FUEL	22,340	0	-7.30%	-1,630	333,657	354,367	0	-8.20%	-29,058	-311,405	13,904
0411 ARMY SUPPLY	3,537,262	0	2.55%	90,195	-1,122,201	2,505,256	0	-4.63%	-115,993	-526,045	1,863,218
0412 NAVY MANAGED SUPPLIES AND MATERIALS	894	0	3.36%	30	-323	601	0	4.66%	28	-137	492
0414 AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	1,446	0	-1.66%	-24	-219	1,203	0	0.83%	10	-242	971
0416 GSA MANAGED SUPPLIES AND MATERIALS	150,667	0	1.70%	2,561	18,532	171,760	0	1.80%	3,091	-28,076	146,775
0417 LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	12,240	0	1.70%	208	1,350	13,798	0	1.80%	248	-2,011	12,035
0418 AIR FORCE RETAIL SUPPLY (GENERAL SUPPORT DIVISION)	1,383	0	0.22%	3	1,032	2,418	0	3.60%	87	0	2,505
0421 DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	280,103	0	-0.60%	-1,680	-152,368	126,055	0	1.40%	1,766	-29,089	98,732
0422 DLA MATERIEL SUPPLY CHAIN (MEDICAL)	50,240	0	0.40%	200	-6,211	44,229	0	-0.40%	-176	17,562	61,615
0423 DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	9,986	0	-1.89%	-189	29,649	39,446	0	-0.70%	-276	-31,082	8,088

Exhibit OP-32 Summary of Price and Program Change

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-32
(\$ in Thousands)

	<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
0424 DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	528,434	0	1.30%	6,870	-36,770	498,534	0	-6.00%	-29,912	-60,429	408,193
0499 TOTAL SUPPLIES AND MATERIALS PURCHASES	5,209,666	-5		51,677	-493,685	4,767,653	0		-253,004	-1,605,000	2,909,649
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>											
0502 ARMY FUND EQUIPMENT	206,500	0	0.00%	0	472,227	678,727	1,589	-0.26%	-1,766	-601,231	77,319
0503 NAVY FUND EQUIPMENT	46,205	0	0.00%	0	-43,919	2,286	0	3.85%	88	15	2,389
0505 AIR FORCE FUND EQUIPMENT	917	0	0.00%	0	534	1,451	0	0.00%	0	0	1,451
0506 DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	34,906	0	1.01%	351	-4,918	30,339	0	-0.10%	-30	-1,128	29,181
0507 GSA MANAGED EQUIPMENT	500,829	0	1.70%	8,515	-101,493	407,851	0	1.80%	7,339	-194,545	220,645
0508 DLA MATERIEL SUPPLY CHAIN (INDUSTRIAL HARDWARE)	13	0	7.69%	1	7	21	0	-4.76%	-1	0	20
0599 TOTAL STOCK FUND EQUIPMENT PURCHASES	789,370	0		8,867	322,438	1,120,675	1,589		5,630	-796,889	331,005
<u>OTHER FUND PURCHASES</u>											
0601 ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	1,489,434	0	7.92%	117,964	-967,637	639,761	0	-0.11%	-704	218,211	857,268
0603 DLA DISTRIBUTION	35,677	0	1.99%	709	-17,010	19,376	0	15.16%	2,937	2,459	24,772
0610 NAVAL AIR WARFARE CENTER	5,286	0	1.21%	64	-5,350	0	0	0.00%	0	0	0
0611 NAVAL SURFACE WARFARE CENTER	5,361	0	1.47%	79	1,852	7,292	0	3.22%	235	-127	7,400
0614 SPACE AND NAVAL WARFARE CENTER	22	0	0.00%	0	-22	0	0	0.00%	0	0	0
0630 NAVAL RESEARCH LABORATORY	1,200	0	9.83%	118	-1,318	0	0	0.00%	0	0	0
0633 DLA DOCUMENT SERVICES	191	0	-1.57%	-3	23,368	23,556	0	1.46%	345	0	23,901
0647 DISA ENTERPRISE COMPUTING CENTERS	126	0	-10.32%	-13	23,061	23,174	0	-10.00%	-2,318	110,000	130,856
0671 DISA DISN SUBSCRIPTION SERVICES (DSS)	62,296	0	-9.29%	-5,788	334,171	390,679	0	-7.00%	-27,347	4,323	367,655
0672 PRMRF PURCHASES	109,386	0	-1.22%	-1,334	-2,677	105,375	0	2.93%	3,087	-2,096	106,366
0675 DLA DISPOSITION SERVICES	26,400	0	0.00%	0	27,087	53,487	0	0.00%	0	-24,388	29,099
0676 DEFENSE COMMISSARY OPERATIONS	5	0	0.00%	0	-5	0	0	0.00%	0	0	0
0679 COST REIMBURSABLE PURCHASES	99,820	0	1.70%	1,697	1,065	102,582	0	1.90%	1,950	22,223	126,755
0691 DFAS FINANCIAL OPERATIONS (ARMY)	460,427	0	1.32%	6,077	-8,666	457,838	0	-0.42%	-1,923	49,987	505,902

Exhibit OP-32 Summary of Price and Program Change

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	<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
			<u>Percent</u>					<u>Percent</u>			
0699 TOTAL INDUSTRIAL FUND PURCHASES	2,295,631	0		119,570	-592,081	1,823,120	0		-23,738	380,592	2,179,974
<u>TRANSPORTATION</u>											
0702 AMC SAAM (FUND)	904,546	0	0.00%	0	-882,340	22,206	0	0.00%	0	-21,853	353
0703 JCS EXERCISES	2,450	0	-0.29%	-7	6,479	8,922	0	-9.01%	-804	682	8,800
0705 AMC CHANNEL CARGO	181,197	1	2.00%	3,625	-59,616	125,207	0	1.80%	2,254	-89,307	38,154
0707 AMC TRAINING	8	0	0.00%	0	-8	0	0	0.00%	0	0	0
0708 MSC CHARTERED CARGO	0	0	0.00%	0	16,418	16,418	0	5.40%	887	-93	17,212
0717 SDDC GLOBAL POV	187	0	-3.21%	-6	4,125	4,306	0	-16.09%	-693	-245	3,368
0718 SDDC LINER OCEAN TRANSPORTATION	47,315	0	1.90%	899	13,481	61,695	0	-1.80%	-1,110	-35,501	25,084
0719 SDDC CARGO OPERATION (PORT HANDLING)	359,807	0	38.80%	139,602	-384,894	114,515	0	0.80%	918	1,331	116,764
0722 MSC AFLOAT PREPOSITIONING ARMY	185,412	0	5.50%	10,198	-14,179	181,431	0	-14.50%	-26,307	1,367	156,491
0771 COMMERCIAL TRANSPORTATION	2,131,673	45	1.70%	36,238	-715,977	1,451,979	0	1.80%	26,137	-828,823	649,293
0799 TOTAL TRANSPORTATION	3,812,595	46		190,549	-2,016,511	1,986,679	0		1,282	-972,442	1,015,519
<u>OTHER PURCHASES</u>											
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	496,861	-78,282	1.06%	4,443	-68,823	354,199	2,136	1.50%	5,329	-4,197	357,467
0902 SEPARATION LIABILITY (FNIH)	4,746	13	0.76%	36	-1,398	3,397	34	1.37%	47	0	3,478
0912 RENTAL PAYMENTS TO GSA (SLUC)	73,567	0	1.70%	1,249	28,384	103,200	0	1.80%	1,857	-10,798	94,259
0913 PURCHASED UTILITIES (NON-FUND)	868,851	3,043	1.70%	14,820	-51,857	834,857	0	1.80%	15,030	25,480	875,367
0914 PURCHASED COMMUNICATIONS (NON-FUND)	853,818	0	1.70%	14,509	-81,078	787,249	0	1.80%	14,173	-667,363	134,059
0915 RENTS (NON-GSA)	388,140	0	1.70%	6,599	1,753,267	2,148,006	0	1.80%	38,664	-1,800,475	386,195
0917 POSTAL SERVICES (U.S.P.S)	110,791	0	1.70%	1,882	-101,213	11,460	0	1.78%	204	-778	10,886
0920 SUPPLIES AND MATERIALS (NON-FUND)	714,326	1,252	1.70%	12,165	515,434	1,243,177	0	1.80%	22,377	-480,931	784,623
0921 PRINTING AND REPRODUCTION	245,041	0	1.70%	4,166	-54,034	195,173	0	1.80%	3,511	30,188	228,872
0922 EQUIPMENT MAINTENANCE BY CONTRACT	4,629,698	0	1.70%	78,709	-1,314,727	3,393,680	0	1.80%	61,087	-1,219,413	2,235,354
0923 OPERATION AND MAINTENANCE OF FACILITIES	4,171,261	2,338	1.70%	70,950	-592,777	3,651,772	0	1.80%	65,732	-419,396	3,298,108

Exhibit OP-32 Summary of Price and Program Change

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	<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
0925 EQUIPMENT PURCHASES (NON-FUND)	1,301,182	0	1.70%	22,121	-509,299	814,004	0	1.80%	14,654	-196,073	632,585
0927 AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	15,550	0	1.70%	264	-14,974	840	0	1.79%	15	0	855
0928 SHIP MAINTENANCE BY CONTRACT	32,918	0	1.70%	560	17,547	51,025	0	1.80%	919	-8,930	43,014
0929 AIRCRAFT REWORKS BY CONTRACT	15	0	0.00%	0	48,600	48,615	0	1.80%	875	-19,595	29,895
0930 OTHER DEPOT MAINTENANCE (NON-FUND)	93,761	0	1.70%	1,594	-95,087	268	0	1.87%	5	-273	0
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	2,020,947	0	1.70%	34,354	-1,459,666	595,635	0	1.80%	10,717	-20,763	585,589
0933 STUDIES, ANALYSIS, AND EVALUATIONS	218,148	0	1.70%	3,709	-180,460	41,397	0	1.80%	744	-5,104	37,037
0934 ENGINEERING AND TECHNICAL SERVICES	721,612	0	1.70%	12,266	-634,425	99,453	0	1.80%	1,791	-15,687	85,557
0937 LOCALLY PURCHASED FUEL (NON-FUND)	470,517	0	-7.30%	-34,347	-182,314	253,856	0	-8.20%	-20,815	-208,573	24,468
0953 MILITARY - OTHER PERSONNEL BENEFITS	23	0	0.00%	0	-23	0	0	0.00%	0	0	0
0955 MEDICAL CARE	21	0	4.76%	1	425	447	0	3.80%	17	0	464
0957 LAND AND STRUCTURES	706,825	0	1.70%	12,015	-389,331	329,509	0	1.80%	5,929	-19,879	315,559
0959 INSURANCE CLAIMS AND INDEMNITIES	23,848	0	1.69%	404	-19,107	5,145	0	1.81%	93	8,611	13,849
0960 INTEREST AND DIVIDENDS	25	0	0.00%	0	107	132	0	1.52%	2	0	134
0964 SUBSISTENCE AND SUPPORT OF PERSONS	20,650	0	1.69%	349	55,899	76,898	0	1.80%	1,384	59	78,341
0985 RESEARCH AND DEVELOPMENT CONTRACTS	39,051	0	0.00%	0	-36,592	2,459	0	0.00%	0	734	3,193
0987 OTHER INTRA-GOVERNMENT PURCHASES	2,806,504	2,936	1.70%	47,760	414,399	3,271,599	0	1.80%	58,890	-789,014	2,541,475
0988 GRANTS, SUBSIDIES AND CONTRIBUTIONS	476,550	2,300	1.70%	8,140	-160,933	326,057	0	1.80%	5,869	33,656	365,582
0989 OTHER SERVICES	4,627,058	28	1.70%	78,660	-440,283	4,265,463	0	1.80%	76,777	-2,923,216	1,419,024
0990 IT CONTRACT SUPPORT SERVICES	2,146,297	55	1.70%	36,490	-262,909	1,919,933	0	1.80%	34,559	-287,270	1,667,222
0991 FOREIGN CURRENCY VARIANCE	-137,147	0	0.00%	0	137,147	0	0	0.00%	0	0	0
0993 OTHER SERVICES - SCHOLARSHIPS	236,838	0	1.70%	4,026	82,620	323,484	0	1.80%	5,823	1,476	330,783
0999 TOTAL OTHER PURCHASES	28,378,293	-66,317		437,894	-3,597,481	25,152,389	2,170		426,259	-8,997,524	16,583,294
9999 GRAND TOTAL	51,195,748	-65,902		944,157	-5,669,379	46,404,624	4,510		332,901	-12,932,995	33,809,040

Exhibit OP-32 Summary of Price and Program Change

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-32A
(\$ in Thousands)

	<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>											
0101 EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	8,697,405	0	1.26%	109,609	335,355	9,142,369	0	1.51%	138,167	-14,427	9,266,109
0103 WAGE BOARD	437,433	0	1.05%	4,594	-32,582	409,445	0	1.39%	5,704	-12,018	403,131
0104 FOREIGN NATIONAL DIRECT HIRE (FNDH)	276,187	299	0.53%	1,465	-141,168	136,783	751	1.31%	1,795	-6,316	133,013
0105 SEPARATION LIABILITY (FNDH)	1,190	0	0.00%	0	-1,190	0	0	0.00%	0	0	0
0106 BENEFITS TO FORMER EMPLOYEES	16,932	0	0.00%	0	-16,932	0	0	0.00%	0	0	0
0110 UNEMPLOYMENT COMPENSATION	25,444	0	0.00%	0	16,589	42,033	0	0.00%	0	-13,540	28,493
0111 DISABILITY COMPENSATION	83,032	0	0.00%	0	29,035	112,067	0	0.00%	0	0	112,067
0199 TOTAL CIVILIAN PERSONNEL COMPENSATION	9,537,623	299		115,668	189,107	9,842,697	751		145,666	-46,301	9,942,813
<u>TRAVEL</u>											
0308 TRAVEL OF PERSONS	1,172,570	75	1.70%	19,932	-367,168	825,409	0	1.80%	14,858	6,519	846,786
0399 TOTAL TRAVEL	1,172,570	75		19,932	-367,168	825,409	0		14,858	6,519	846,786
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>											
0401 DLA ENERGY (FUEL PRODUCTS)	614,671	-5	-7.30%	-44,867	-283,696	286,103	0	-8.20%	-23,461	30,479	293,121
0402 SERVICE FUND FUEL	22,340	0	-7.30%	-1,630	-6,231	14,479	0	-8.20%	-1,187	612	13,904
0411 ARMY SUPPLY	3,537,262	0	2.55%	90,195	-1,989,191	1,638,266	0	-4.63%	-75,851	300,803	1,863,218
0412 NAVY MANAGED SUPPLIES AND MATERIALS	894	0	3.36%	30	-492	432	0	4.63%	20	40	492
0414 AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	1,446	0	-1.66%	-24	-577	845	0	0.83%	7	119	971
0416 GSA MANAGED SUPPLIES AND MATERIALS	150,667	0	1.70%	2,561	-20,343	132,885	0	1.80%	2,392	11,498	146,775
0417 LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	12,240	0	1.70%	208	-2,612	9,836	0	1.80%	177	2,022	12,035
0418 AIR FORCE RETAIL SUPPLY (GENERAL SUPPORT DIVISION)	1,383	0	0.22%	3	1,032	2,418	0	3.60%	87	0	2,505
0421 DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	280,103	0	-0.60%	-1,680	-232,626	45,797	0	1.40%	643	52,292	98,732
0422 DLA MATERIEL SUPPLY CHAIN (MEDICAL)	50,240	0	0.40%	200	-10,299	40,141	0	-0.40%	-159	21,633	61,615
0423 DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	9,986	0	-1.89%	-189	-1,651	8,146	0	-0.70%	-57	-1	8,088

Exhibit OP-32A Summary of Price and Program Change

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-32A
(\$ in Thousands)

	<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
0424 DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	528,434	0	1.30%	6,870	-187,511	347,793	0	-6.00%	-20,868	81,268	408,193
0499 TOTAL SUPPLIES AND MATERIALS PURCHASES	5,209,666	-5		51,677	-2,734,197	2,527,141	0		-118,257	500,765	2,909,649
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>											
0502 ARMY FUND EQUIPMENT	206,500	0	0.00%	0	-143,845	62,655	0	-0.26%	-161	14,825	77,319
0503 NAVY FUND EQUIPMENT	46,205	0	0.00%	0	-43,919	2,286	0	3.85%	88	15	2,389
0505 AIR FORCE FUND EQUIPMENT	917	0	0.00%	0	534	1,451	0	0.00%	0	0	1,451
0506 DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	34,906	0	1.01%	351	-11,298	23,959	0	-0.10%	-24	5,246	29,181
0507 GSA MANAGED EQUIPMENT	500,829	0	1.70%	8,515	-305,330	204,014	0	1.80%	3,671	12,960	220,645
0508 DLA MATERIEL SUPPLY CHAIN (INDUSTRIAL HARDWARE)	13	0	7.69%	1	7	21	0	-4.76%	-1	0	20
0599 TOTAL STOCK FUND EQUIPMENT PURCHASES	789,370	0		8,867	-503,851	294,386	0		3,573	33,046	331,005
<u>OTHER FUND PURCHASES</u>											
0601 ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	1,489,434	0	7.92%	117,964	-1,121,014	486,384	0	-0.11%	-535	371,419	857,268
0603 DLA DISTRIBUTION	35,677	0	1.99%	709	-18,510	17,876	0	15.16%	2,710	4,186	24,772
0610 NAVAL AIR WARFARE CENTER	5,286	0	1.21%	64	-5,350	0	0	0.00%	0	0	0
0611 NAVAL SURFACE WARFARE CENTER	5,361	0	1.47%	79	1,852	7,292	0	3.22%	235	-127	7,400
0614 SPACE AND NAVAL WARFARE CENTER	22	0	0.00%	0	-22	0	0	0.00%	0	0	0
0630 NAVAL RESEARCH LABORATORY	1,200	0	9.83%	118	-1,318	0	0	0.00%	0	0	0
0633 DLA DOCUMENT SERVICES	191	0	-1.57%	-3	23,368	23,556	0	1.46%	345	0	23,901
0647 DISA ENTERPRISE COMPUTING CENTERS	126	0	-10.32%	-13	23,061	23,174	0	-10.00%	-2,318	110,000	130,856
0671 DISA DISN SUBSCRIPTION SERVICES (DSS)	62,296	0	-9.29%	-5,788	334,171	390,679	0	-7.00%	-27,347	4,323	367,655
0672 PRMRF PURCHASES	109,386	0	-1.22%	-1,334	-2,677	105,375	0	2.93%	3,087	-2,096	106,366
0675 DLA DISPOSITION SERVICES	26,400	0	0.00%	0	27,087	53,487	0	0.00%	0	-24,388	29,099
0676 DEFENSE COMMISSARY OPERATIONS	5	0	0.00%	0	-5	0	0	0.00%	0	0	0
0679 COST REIMBURSABLE PURCHASES	99,820	0	1.70%	1,697	1,065	102,582	0	1.90%	1,950	22,223	126,755
0691 DFAS FINANCIAL OPERATIONS (ARMY)	460,427	0	1.32%	6,077	-8,666	457,838	0	-0.42%	-1,923	49,987	505,902

Exhibit OP-32A Summary of Price and Program Change

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-32A
(\$ in Thousands)

	<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
			<u>Percent</u>					<u>Percent</u>			
0699 TOTAL INDUSTRIAL FUND PURCHASES	2,295,631	0		119,570	-746,958	1,668,243	0		-23,796	535,527	2,179,974
<u>TRANSPORTATION</u>											
0702 AMC SAAM (FUND)	904,546	0	0.00%	0	-904,193	353	0	0.00%	0	0	353
0703 JCS EXERCISES	2,450	0	-0.29%	-7	4,053	6,496	0	-9.02%	-586	2,890	8,800
0705 AMC CHANNEL CARGO	181,197	1	2.00%	3,625	-59,616	125,207	0	1.80%	2,254	-89,307	38,154
0707 AMC TRAINING	8	0	0.00%	0	-8	0	0	0.00%	0	0	0
0708 MSC CHARTERED CARGO	0	0	0.00%	0	16,418	16,418	0	5.40%	887	-93	17,212
0717 SDDC GLOBAL POV	187	0	-3.21%	-6	4,125	4,306	0	-16.09%	-693	-245	3,368
0718 SDDC LINER OCEAN TRANSPORTATION	47,315	0	1.90%	899	13,481	61,695	0	-1.80%	-1,110	-35,501	25,084
0719 SDDC CARGO OPERATION (PORT HANDLING)	359,807	0	38.80%	139,602	-384,980	114,429	0	0.80%	917	1,418	116,764
0722 MSC AFLOAT PREPOSITIONING ARMY	185,412	0	5.50%	10,198	-14,179	181,431	0	-14.50%	-26,307	1,367	156,491
0771 COMMERCIAL TRANSPORTATION	2,131,673	45	1.70%	36,238	-1,579,912	588,044	0	1.80%	10,586	50,663	649,293
0799 TOTAL TRANSPORTATION	3,812,595	46		190,549	-2,904,811	1,098,379	0		-14,052	-68,808	1,015,519
<u>OTHER PURCHASES</u>											
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	496,861	-78,282	1.06%	4,443	-68,823	354,199	2,136	1.50%	5,329	-4,197	357,467
0902 SEPARATION LIABILITY (FNIH)	4,746	13	0.76%	36	-1,398	3,397	34	1.37%	47	0	3,478
0912 RENTAL PAYMENTS TO GSA (SLUC)	73,567	0	1.70%	1,249	27,759	102,575	0	1.80%	1,846	-10,162	94,259
0913 PURCHASED UTILITIES (NON-FUND)	868,851	3,043	1.70%	14,820	-90,204	796,510	0	1.80%	14,340	64,517	875,367
0914 PURCHASED COMMUNICATIONS (NON-FUND)	853,818	0	1.70%	14,509	-736,222	132,105	0	1.80%	2,380	-426	134,059
0915 RENTS (NON-GSA)	388,140	0	1.70%	6,599	-48,993	345,746	0	1.80%	6,224	34,225	386,195
0917 POSTAL SERVICES (U.S.P.S)	110,791	0	1.70%	1,882	-101,800	10,873	0	1.78%	194	-181	10,886
0920 SUPPLIES AND MATERIALS (NON-FUND)	714,326	1,252	1.70%	12,165	-54,789	672,954	0	1.80%	12,114	99,555	784,623
0921 PRINTING AND REPRODUCTION	245,041	0	1.70%	4,166	-54,322	194,885	0	1.80%	3,506	30,481	228,872
0922 EQUIPMENT MAINTENANCE BY CONTRACT	4,629,698	0	1.70%	78,709	-2,852,330	1,856,077	0	1.80%	33,409	345,868	2,235,354
0923 OPERATION AND MAINTENANCE OF FACILITIES	4,171,261	2,338	1.70%	70,950	-803,753	3,440,796	0	1.80%	61,934	-204,622	3,298,108

Exhibit OP-32A Summary of Price and Program Change

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-32A
(\$ in Thousands)

	<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
0925 EQUIPMENT PURCHASES (NON-FUND)	1,301,182	0	1.70%	22,121	-751,180	572,123	0	1.80%	10,300	50,162	632,585
0927 AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	15,550	0	1.70%	264	-14,974	840	0	1.79%	15	0	855
0928 SHIP MAINTENANCE BY CONTRACT	32,918	0	1.70%	560	17,547	51,025	0	1.80%	919	-8,930	43,014
0929 AIRCRAFT REWORKS BY CONTRACT	15	0	0.00%	0	48,600	48,615	0	1.80%	875	-19,595	29,895
0930 OTHER DEPOT MAINTENANCE (NON-FUND)	93,761	0	1.70%	1,594	-95,355	0	0	0.00%	0	0	0
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	2,020,947	0	1.70%	34,354	-1,496,114	559,187	0	1.80%	10,061	16,341	585,589
0933 STUDIES, ANALYSIS, AND EVALUATIONS	218,148	0	1.70%	3,709	-180,460	41,397	0	1.80%	744	-5,104	37,037
0934 ENGINEERING AND TECHNICAL SERVICES	721,612	0	1.70%	12,266	-637,270	96,608	0	1.80%	1,740	-12,791	85,557
0937 LOCALLY PURCHASED FUEL (NON-FUND)	470,517	0	-7.30%	-34,347	-406,790	29,380	0	-8.20%	-2,408	-2,504	24,468
0953 MILITARY - OTHER PERSONNEL BENEFITS	23	0	0.00%	0	-23	0	0	0.00%	0	0	0
0955 MEDICAL CARE	21	0	4.76%	1	425	447	0	3.80%	17	0	464
0957 LAND AND STRUCTURES	706,825	0	1.70%	12,015	-400,488	318,352	0	1.80%	5,729	-8,522	315,559
0959 INSURANCE CLAIMS AND INDEMNITIES	23,848	0	1.69%	404	-19,107	5,145	0	1.81%	93	8,611	13,849
0960 INTEREST AND DIVIDENDS	25	0	0.00%	0	107	132	0	1.52%	2	0	134
0964 SUBSISTENCE AND SUPPORT OF PERSONS	20,650	0	1.69%	349	55,899	76,898	0	1.80%	1,384	59	78,341
0985 RESEARCH AND DEVELOPMENT CONTRACTS	39,051	0	0.00%	0	-36,592	2,459	0	0.00%	0	734	3,193
0987 OTHER INTRA-GOVERNMENT PURCHASES	2,806,504	2,936	1.70%	47,760	-497,767	2,359,433	0	1.80%	42,471	139,571	2,541,475
0988 GRANTS, SUBSIDIES AND CONTRIBUTIONS	476,550	2,300	1.70%	8,140	-160,933	326,057	0	1.80%	5,869	33,656	365,582
0989 OTHER SERVICES	4,627,058	28	1.70%	78,660	-3,326,050	1,379,696	0	1.80%	24,834	14,494	1,419,024
0990 IT CONTRACT SUPPORT SERVICES	2,146,297	55	1.70%	36,490	-859,352	1,323,490	0	1.80%	23,823	319,909	1,667,222
0991 FOREIGN CURRENCY VARIANCE	-137,147	0	0.00%	0	137,147	0	0	0.00%	0	0	0
0993 OTHER SERVICES - SCHOLARSHIPS	236,838	0	1.70%	4,026	82,620	323,484	0	1.80%	5,823	1,476	330,783
0999 TOTAL OTHER PURCHASES	28,378,293	-66,317		437,894	-13,324,985	15,424,885	2,170		273,614	882,625	16,583,294
9999 GRAND TOTAL	51,195,748	-65,902		944,157	-20,392,863	31,681,140	2,921		281,606	1,843,373	33,809,040

Exhibit OP-32A Summary of Price and Program Change

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
PB-31D Summary of Increases and Decreases
(\$ in Thousands)

FY 2016 President's Budget Request	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
	21,114,514	669,853	4,713,155	8,610,024	35,107,546
1. Congressional Adjustments					
a) Distributed Adjustments					
(1) Additional SOUTHCOM ISR and Intel support (SAG: 411)	0	0	0	18,000	18,000
(2) Army support to Capitol 4th (SAG: 435)	0	0	0	5,500	5,500
(3) Classified adjustment (SAG: 411)	0	0	0	-7,722	-7,722
(4) Excess to requirement (SAG: 314)	0	0	-5,000	0	-5,000
(5) Justification does not match price and program growth (SAG: 435)	0	0	0	-32,400	-32,400
(6) OCO/GWOT Operations - Transfer to Title IX (SAGs: 111, 115, 121, 123)	-2,200,000	0	0	0	-2,200,000
(7) Overestimation of IT contract support services (SAG: 138)	-20,000	0	0	0	-20,000
(8) Price growth requested as program growth (SAGs: 121, 211, 432)	-1,000	-12,000	0	-33,000	-46,000
(9) Program increase (SAGs: 123, 132, 335)	109,087	0	5,500	0	114,587
(10) Program increase - Language capabilities (SAG: 321)	0	0	10,000	0	10,000
(11) Program increase - Vital Torso Protection (body armor plates) (SAG: 121)	46,000	0	0	0	46,000
(12) Recruiting Center security upgrades - OSD requested transfer (SAG: 131)	80,300	0	0	0	80,300
(13) Remove one-time fiscal year 2015 funding increase (SAGs: 321, 435)	0	0	-10,000	-4,900	-14,900
(14) Unjustified growth (SAGs: 114, 121, 122)	-98,900	0	0	0	-98,900
(15) Unjustified program growth (SAGs: Multiple)	0	0	-72,100	-47,851	-119,951
Total Distributed Adjustments	-2,084,513	-12,000	-71,600	-102,373	-2,270,486
b) Undistributed Adjustments					
(1) Financial Education (SAG: 131)	250	0	0	0	250
(2) OPM data breach credit monitoring contract costs (SAG: 411)	0	0	0	21,500	21,500
(3) Overestimation of Civilian FTE targets and streamlining management headquarters (SAGs: Multiple)	-68,447	-3,531	-74,293	-107,329	-253,600
(4) Recruiting Center upgrade requirements - OSD requested transfer (SAGs: 131, 436)	-14,992	0	0	-6,508	-21,500
(5) Spares and repair parts (SAGs: Multiple)	-29,330	-684	-3,963	-293	-34,270
(6) Working Capital Fund carryover above allowable ceiling (SAG: 123)	-150,000	0	0	0	-150,000
Total Undistributed Adjustments	-262,519	-4,215	-78,256	-92,630	-437,620

Exhibit PB-31D

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
PB-31D Summary of Increases and Decreases
(\$ in Thousands)

	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
c) Adjustments to Meet Congressional Intent					
(1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) (SAGs: Multiple)	233,676	1,213	35,472	988	271,349
Total Adjustments to Meet Congressional Intent	233,676	1,213	35,472	988	271,349
d) General Provisions					
(1) Sec 8024. Federally Funded Research and Development Centers (SAGs: Multiple)	-574	-19	-717	-373	-1,683
(2) Sec 8077. Savings due to favorable foreign exchange rates (SAGs: Multiple)	-367,156	-8,439	-208	-102,872	-478,675
(3) Sec 8126. Excess Cash Balances Working Capital Funds (SAGs: Multiple)	-138,000	0	0	0	-138,000
(4) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs (SAGs: Multiple)	-319,742	-1,660	-48,537	-1,352	-371,291
Total General Provisions	-825,472	-10,118	-49,462	-104,597	-989,649
FY 2016 Appropriated Amount	18,175,686	644,733	4,549,309	8,311,412	31,681,140
2. War-Related and Disaster Supplemental Appropriations					
a) Overseas Contingency Operations Supplemental Appropriation, 2016					
(1) Overseas Contingency Operations Supplemental (SAGs: Multiple)	12,500,436	40,000	0	2,183,048	14,723,484
Total Overseas Contingency Operations Supplemental Appropriation, 2016	12,500,436	40,000	0	2,183,048	14,723,484
b) Military Construction and Emergency Hurricane	0	0	0	0	0
c) X-Year Carryover	0	0	0	0	0
3. Fact-of-Life Changes					
a) Functional Transfers					
(1) Transfers In	0	0	0	0	0
(2) Transfers Out	0	0	0	0	0
b) Emergent Requirements					
(1) Program Increases					
a) One-Time Costs	0	0	0	0	0
b) Program Growth	0	0	0	0	0
(2) Program Reductions					
a) One-Time Costs	0	0	0	0	0

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
b) Program Decreases	0	0	0	0	0
FY 2016 Appropriated and Supplemental Funding	30,676,122	684,733	4,549,309	10,494,460	46,404,624
4. Anticipated Reprogramming (Requiring 1415 Actions)					
a) Increases	0	0	0	0	0
b) Decreases	0	0	0	0	0
Revised FY 2016 Estimate	30,676,122	684,733	4,549,309	10,494,460	46,404,624
5. Less: Emergency Supplemental Funding					
a) Less: War Related and Disaster Supplemental Appropriation	-12,500,436	-40,000	0	-2,183,048	-14,723,484
b) Less: X-Year Carryover	0	0	0	0	0
Normalized FY 2016 Current Enacted	18,175,686	644,733	4,549,309	8,311,412	31,681,140
6. Price Change	168,328	-19,843	49,127	86,915	284,527
7. Transfers					
a) Transfers In					
(1) Army Acquisition Executive Support (SAG: 435)	0	0	0	1,026	1,026
(2) Army Enterprise Architecture (SAG: 121)	2,357	0	0	0	2,357
(3) Army Financial Management Optimization (AFMO) (SAG: 438)	0	0	0	2,705	2,705
(4) Army Intermodal and Distribution Platform Management Office (AIDPMO) (SAG: 423)	0	0	0	3,483	3,483
(5) Army Service Component Command Tactical Units (SAG: 121)	1,299	0	0	0	1,299
(6) Army Training Center Operations - Aviation Warrant Officer Basic Course (SAG: 321)	0	0	531	0	531
(7) Assistant Chief of Staff for Installation Management Consolidation (SAG: 431)	0	0	0	42,925	42,925
(8) Combat Development Core (SAG: 423)	0	0	0	7,518	7,518
(9) Combat Training Center (CTC) Operations (SAG: 115)	7,851	0	0	0	7,851

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(10) Counterintelligence Support - Intelligence Support to Operations (SAG: 121)	6,238	0	0	0	6,238
(11) Cyberspace Operations (SAG: 121)	13,959	0	0	0	13,959
(12) Eighth Army Headquarters (SAGs: 114, 435)	14,435	0	0	615	15,050
(13) Enterprise Services (SAG: 432)	0	0	0	80,856	80,856
(14) Family and Morale, Welfare, and Recreational Program Support (SAG: 133)	27,282	0	0	0	27,282
(15) Fires Brigades (SAG: 112)	5,777	0	0	0	5,777
(16) General Fund Enterprise Business System (GFEBS) (SAG: 438)	0	0	0	146	146
(17) Global Cyber Network Operations and Security Centers (SAG: 121)	89,266	0	0	0	89,266
(18) Logistics Readiness Centers - Transportation (SAG: 131)	745	0	0	0	745
(19) Logistics Support Realignment (SAG: 423)	0	0	0	133	133
(20) Major Army Management Headquarters Activities (SAG: 431)	0	0	0	3,128	3,128
(21) Management Operational Headquarters Realignment (SAG: 133)	13,254	0	0	0	13,254
(22) North Atlantic Treaty Organization (NATO) Support (SAG: 441)	0	0	0	702	702
(23) Records Management (SAG: 432)	0	0	0	2,907	2,907
(24) Second Army (SAG: 121)	2,078	0	0	0	2,078
(25) Second Destination Transportation (SDT) Army Post Office (APO) Mail (SAG: 121)	1,019	0	0	0	1,019
(26) Security Services (SAG: 131)	324	0	0	0	324
(27) Sexual Harassment/Assault Response and Prevention (SHARP) - Special Victim Counsel (SAG: 434)	0	0	0	3,500	3,500
(28) Soldier for Life - Transition Assistance Program (SAG: 434)	0	0	0	8,518	8,518
(29) Special Operations Forces (SAG: 111)	26,119	0	0	0	26,119
(30) Technology Export Control (SAG: 423)	0	0	0	400	400
(31) Training Development (SAG: 324)	0	0	5,454	0	5,454
(32) Training Support Systems - Training Information Infrastructure (TII) (SAG: 121)	54,319	0	0	0	54,319
(33) U.S. Army Combat Readiness Center (SAG: 435)	0	0	0	1,358	1,358
(34) U.S. Army Criminal Investigation Command Realignment (SAG: 121)	370	0	0	0	370
(35) U.S. Army Human Resources Command (SAG: 433)	0	0	0	2,006	2,006
(36) U.S. Army Human Resources Command Core Automation Support (SAG: 434)	0	0	0	1,986	1,986
(37) U.S. Army Military Academy (USMA) (SAG: 311)	0	0	4,192	0	4,192
(38) U.S. Army War College - U.S. Army's Strategic Studies Group (SAG: 323)	0	0	2,156	0	2,156
Total Transfers In	266,692	0	12,333	163,912	442,937

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
b) Transfers Out					
(1) Armed Forces DNA Identification Lab (SAG: 434)	0	0	0	-19,232	-19,232
(2) Army Acquisition Executive Support (SAGs: 423, 432)	0	0	0	-525	-525
(3) Army Enterprise Architecture (SAG: 431)	0	0	0	-2,357	-2,357
(4) Army Financial Management Optimization (AFMO) (SAGs: 431, 435)	0	0	0	-2,705	-2,705
(5) Army Intermodal and Distribution Platform Management Office (AIDPMO) (SAG: 421)	0	0	0	-3,483	-3,483
(6) Army Security Programs (SAG: 121)	-119	0	0	0	-119
(7) Army Service Component Command Tactical Units (SAG: 432)	0	0	0	-1,299	-1,299
(8) Army Training Center Operations - Aviation Warrant Officer Basic Course (SAG: 322)	0	0	-531	0	-531
(9) Assistant Chief of Staff for Installation Management Consolidation (SAGs: 131, 435)	-35,389	0	0	-3,670	-39,059
(10) Base Operations on Reserve Installations (SAGs: 131, 434)	-1,754	0	0	-536	-2,290
(11) Combat Development Core (SAG: 432)	0	0	0	-7,518	-7,518
(12) Combat Training Center (CTC) Operations (SAG: 121)	-7,851	0	0	0	-7,851
(13) Counterintelligence Support - Intelligence Support to Operations (SAG: 411)	0	0	0	-6,238	-6,238
(14) Cyberspace Operations (SAG: 114)	-13,959	0	0	0	-13,959
(15) Defense Video and Imagery Distribution System (DVIDS) (SAG: 435)	0	0	0	-11,050	-11,050
(16) Eighth Army Headquarters (SAG: 133)	-15,050	0	0	0	-15,050
(17) Enterprise Services (SAG: 435)	0	0	0	-80,856	-80,856
(18) Family and Morale, Welfare, and Recreational Program Support (SAG: 131)	-27,282	0	0	0	-27,282
(19) Fires Brigades (SAG: 113)	-5,777	0	0	0	-5,777
(20) General Fund Enterprise Business System (GFEBS) (SAG: 423)	0	0	0	-146	-146
(21) Global Cyber Network Operations and Security Centers (SAGs: 114, 432)	-27,059	0	0	-62,207	-89,266
(22) Logistics Readiness Centers - Transportation (SAG: 435)	0	0	0	-745	-745
(23) Logistics Support Realignment (SAG: 434)	0	0	0	-133	-133
(24) Major Army Management Headquarters Activities (SAGs: 433, 435)	0	0	0	-3,128	-3,128
(25) Management Operational Headquarters Realignment (SAGs: 131, 211, 424, 434)	-12,112	-419	0	-723	-13,254
(26) North Atlantic Treaty Organization (NATO) Support (SAG: 121)	-702	0	0	0	-702
(27) Physical Disability Board of Review (PDBR) (SAG: 435)	0	0	0	-4,968	-4,968
(28) Second Army (SAG: 432)	0	0	0	-2,078	-2,078

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(29) Second Destination Transportation (SDT) Army Post Office (APO) Mail (SAG: 138)	-1,019	0	0	0	-1,019
(30) Security Services (SAG: 432)	0	0	0	-324	-324
(31) Sexual Harassment and Assault Response - Reserve Installations (SAG: 434)	0	0	0	-536	-536
(32) Sexual Harassment/Assault Response and Prevention (SHARP) - Special Victim Counsel (SAG: 436)	0	0	0	-3,500	-3,500
(33) Soldier for Life - Transition Assistance Program (SAG: 333)	0	0	-8,518	0	-8,518
(34) Special Operations Forces (SAG: 113)	-26,119	0	0	0	-26,119
(35) Technology Export Control (SAG: 442)	0	0	0	-400	-400
(36) Training Development (SAG: 323)	0	0	-5,454	0	-5,454
(37) Training Support Systems - Soldier Training Support Program (SAG: 121)	-4,278	0	0	0	-4,278
(38) Training Support Systems - Training Information Infrastructure (TII) (SAGs: 324, 432)	0	0	-30,728	-28,548	-59,276
(39) U.S. Army Combat Readiness Center (SAG: 431)	0	0	0	-1,358	-1,358
(40) U.S. Army Criminal Investigation Command Realignment (SAG: 131)	-370	0	0	0	-370
(41) U.S. Army Human Resources Command (SAG: 434)	0	0	0	-2,006	-2,006
(42) U.S. Army Human Resources Command Core Automation Support (SAG: 131)	-1,986	0	0	0	-1,986
(43) U.S. Army Military Academy (USMA) (SAGs: Multiple)	-1,268	0	-1,135	-1,789	-4,192
(44) U.S. Army Test and Evaluation Command Realignment (SAGs: 121, 131, 423)	-13,028	0	0	-175	-13,203
(45) U.S. Army War College - U.S. Army's Strategic Studies Group (SAG: 431)	0	0	0	-2,156	-2,156
Total Transfers Out	-195,122	-419	-46,366	-254,389	-496,296
8. Program Increases					
a) Annualization of New FY 2016 Program	0	0	0	0	0
b) One-Time FY 2017 Costs	0	0	0	0	0
c) Program Growth in FY 2017					
(1) Acquisition Support Systems (SAG: 423)	0	0	0	5,217	5,217
(2) Advertising (SAG: 331)	0	0	50,891	0	50,891
(3) Aircraft Modernization (SAG: 116)	5,149	0	0	0	5,149
(4) Ammunition Management - Non-Single Manager Conventional Ammunition (SAG: 424)	0	0	0	7,170	7,170
(5) Ammunition Management - Single Manager Conventional Ammunition (SAG: 424)	0	0	0	45,621	45,621

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(6) Anti-Terrorism (SAG: 121)	127	0	0	0	127
(7) Army Acquisition Executive Support (SAG: 435)	0	0	0	5,587	5,587
(8) Army Financial Management Optimization (AFMO) (SAG: 438)	0	0	0	8,965	8,965
(9) Army Force Management Training (SAG: 323)	0	0	2,114	0	2,114
(10) Army Intern Program (SAG: 334)	0	0	29,312	0	29,312
(11) Army Intern Program Support (SAG: 334)	0	0	8,384	0	8,384
(12) Army Management Headquarters Activities Information Management (SAG: 431)	0	0	0	46,600	46,600
(13) Army Prepositioned Stocks-1 (CONUS) (SAG: 212)	0	8,683	0	0	8,683
(14) Army Prepositioned Stocks-2 (Europe) (SAG: 212)	0	95,683	0	0	95,683
(15) Army Prepositioned Stocks-3 (Afloat) (SAG: 211)	0	1,367	0	0	1,367
(16) Army Prepositioned Stocks-4 (Northeast Asia) (SAG: 212)	0	13,522	0	0	13,522
(17) Army Recruiting (SAG: 331)	0	0	11,439	0	11,439
(18) Army Recruiting and Retention Initiatives (SAG: 323)	0	0	1,190	0	1,190
(19) Army Security Programs (SAG: 121)	13,571	0	0	0	13,571
(20) Army Training Center Operations (SAGs: 312, 313, 321, 324)	0	0	23,869	0	23,869
(21) Automation and Communications Support - Commercial Satellite Communications (SAG: 432)	0	0	0	7,288	7,288
(22) Automation and Communications Systems Support - Enterprise Services (SAG: 432)	0	0	0	106,689	106,689
(23) Automation Systems Support (SAG: 438)	0	0	0	5,775	5,775
(24) Balkans Operations (SAG: 441)	0	0	0	5,566	5,566
(25) Chemical Biological Radiological Nuclear (CBRN) Dismounted Reconnaissance (DR) Sets, Kits, Outfits (SKO) (SAG: 113)	958	0	0	0	958
(26) Civilian Average Annual Compensation (SAGs: Multiple)	94,510	1,113	31,126	75,666	202,415
(27) Civilian Average Annual Compensation - U.S. Africa Command (SAGs: 134, 138)	1,656	0	0	0	1,656
(28) Civilian Average Annual Compensation - U.S. European Command (SAGs: 134, 138)	1,573	0	0	0	1,573
(29) Civilian Average Annual Compensation - U.S. Forces Korea (SAG: 134)	395	0	0	0	395
(30) Civilian Average Annual Compensation - U.S. Southern Command (SAGs: 134, 138)	1,200	0	0	0	1,200
(31) Classified Adjustment (SAGs: 411, 437)	0	0	0	61,098	61,098
(32) Combat Training Center (CTC) Aviation (SAG: 116)	19,292	0	0	0	19,292

Exhibit PB-31D

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(33) Combat Training Center (CTC) Operations (SAG: 115)	19,097	0	0	0	19,097
(34) Combat Training Center (CTC) Rotations (SAG: 115)	50,275	0	0	0	50,275
(35) Combat Training Center (CTC) Special Operations Forces (SOF) (SAG: 115)	7,462	0	0	0	7,462
(36) Community Services (SAG: 131)	19,560	0	0	0	19,560
(37) Contractor to Civilian Conversion - U.S. European Command (SAG: 138)	1,182	0	0	0	1,182
(38) Cybersecurity (SAG: 432)	0	0	0	19,211	19,211
(39) Cyberspace and Information Operations - U.S. Africa Command (SAG: 138)	3,500	0	0	0	3,500
(40) Cyberspace and Information Operations - U.S. Africa Command Joint Cyber Center (SAG: 138)	467	0	0	0	467
(41) Cyberspace and Information Operations - U.S. European Command Joint Cyber Center (SAG: 138)	467	0	0	0	467
(42) Cyberspace and Information Operations - U.S. Southern Command Joint Cyber Center (SAG: 138)	234	0	0	0	234
(43) Cyberspace Operations (SAGs: 121, 133)	50,129	0	0	0	50,129
(44) Defense Finance and Accounting Service (DFAS) (SAG: 435)	0	0	0	49,987	49,987
(45) Defense Language Program (SAG: 321)	0	0	2,536	0	2,536
(46) Defense Satellite Communications Systems (SAG: 432)	0	0	0	20,498	20,498
(47) Depot Maintenance - Aviation (SAG: 123)	341,545	0	0	0	341,545
(48) Depot Maintenance - Combat Vehicles (SAG: 123)	116,985	0	0	0	116,985
(49) Depot Maintenance - Communication-Electronics (SAG: 123)	76,760	0	0	0	76,760
(50) Depot Maintenance - General Purpose (SAG: 123)	69,941	0	0	0	69,941
(51) Depot Maintenance - Missiles (SAG: 123)	93,306	0	0	0	93,306
(52) Depot Maintenance - Post Production Software Support (SAG: 123)	342,614	0	0	0	342,614
(53) Developing Country's Combined Exercise Program - U.S. European command (SAG: 138)	2,762	0	0	0	2,762
(54) Digital Training Management System (DTMS) (SAG: 115)	6,100	0	0	0	6,100
(55) Disposition of Remains (SAG: 434)	0	0	0	3,138	3,138
(56) End Item Procurement Operations (SAG: 422)	0	0	0	5,876	5,876
(57) End Item Supply Depot Operations (SAG: 422)	0	0	0	2,448	2,448
(58) Enterprise License Agreements (SAG: 432)	0	0	0	42,037	42,037
(59) Environmental Program (SAG: 131)	30,568	0	0	0	30,568
(60) Facility Operations (SAG: 131)	304,311	0	0	0	304,311
(61) Facility Reduction Program (SAG: 132)	614	0	0	0	614

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(62) Field Force Engineering (SAG: 437)	0	0	0	3,075	3,075
(63) Flying Hour Program (SAG: 321)	0	0	1,599	0	1,599
(64) General Fund Enterprise Business System (SAG: 438)	0	0	0	31,768	31,768
(65) Global Cyber Network Operations and Security Centers (SAG: 121)	29,162	0	0	0	29,162
(66) Industrial Preparedness Operations (SAG: 213)	0	674	0	0	674
(67) Information Management (SAG: 423)	0	0	0	59,239	59,239
(68) Intelligence Support to Operations (SAG: 121)	6,700	0	0	0	6,700
(69) Joint and Department of Defense Support (SAG: 435)	0	0	0	21,882	21,882
(70) Joint Defense Activities - U.S. European Command (SAG: 138)	11,940	0	0	0	11,940
(71) Joint Defense Activities - U.S. Forces Korea (USFK) (SAG: 138)	3,057	0	0	0	3,057
(72) Joint Defense Activities - U.S. Southern Command (SAG: 138)	4,583	0	0	0	4,583
(73) Judge Advocate General Corps Network (SAG: 436)	0	0	0	1,131	1,131
(74) Judge Advocate General Organization and Claims (SAG: 436)	0	0	0	8,611	8,611
(75) Law Enforcement (SAG: 121)	382	0	0	0	382
(76) Logistics Operations (SAGs: 131, 423)	12,691	0	0	44,821	57,512
(77) Logistics Operations - Chemical Demilitarization (SAG: 423)	0	0	0	5,000	5,000
(78) Logistics Sustainment Programs (SAG: 423)	0	0	0	3,509	3,509
(79) Long Haul Communications (SAG: 432)	0	0	0	4,297	4,297
(80) Medical Combat Support (SAG: 122)	7,766	0	0	0	7,766
(81) Medical Potency and Dated Supply Readiness (SAG: 211)	0	4,165	0	0	4,165
(82) Military Burial Honors (SAG: 434)	0	0	0	1,000	1,000
(83) Military Training Specific Allotment (SAG: 324)	0	0	14,211	0	14,211
(84) National Museum of the United States Army (SAG: 435)	0	0	0	29,548	29,548
(85) Network Operations and Security Centers (SAG: 431)	0	0	0	3,890	3,890
(86) Non-Divisional Modified Table of Organization and Equipment (MTOE) Units - U.S. Army Pacific (SAG: 121)	6,063	0	0	0	6,063
(87) Noncommissioned Officer (NCO) Professional Development (SAG: 321)	0	0	3,184	0	3,184
(88) North Atlantic Treaty Organization (NATO) Support (SAG: 441)	0	0	0	28,096	28,096
(89) Paperless Contracting (SAG: 435)	0	0	0	2,260	2,260
(90) Personnel and Pay Systems (SAG: 432)	0	0	0	1,954	1,954
(91) Personnel Security Investigations (SAGs: 121, 133, 335)	8,184	0	196	0	8,380
(92) Physical Security - U.S. Forces Korea (SAG: 138)	490	0	0	0	490

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(93) Professional Education (SAG: 321)	0	0	1,098	0	1,098
(94) Public Transportation Benefit Program (SAG: 435)	0	0	0	10,812	10,812
(95) Rapid Equipping Force (REF) (SAG: 121)	10,408	0	0	0	10,408
(96) Reserve Component Training Support (SAG: 121)	10,841	0	0	0	10,841
(97) Restoral of Transfer for OCO (SAGs: 111, 115, 121, 123)	2,200,000	0	0	0	2,200,000
(98) Retrograde War Reserves Stockpile - Korea (WRSA-K) (SAG: 421)	0	0	0	291	291
(99) Second Army (SAG: 121)	14,387	0	0	0	14,387
(100) Second Destination Transportation - Army and Air Force Exchange Services (AAFES) (SAG: 421)	0	0	0	7,156	7,156
(101) Second Destination Transportation - Operations (SAG: 421)	0	0	0	10,363	10,363
(102) Second Destination Transportation - Subsistence (SAG: 421)	0	0	0	14,989	14,989
(103) Second Destination Transportation - War Reserves (Non-Ammunition) (SAG: 421)	0	0	0	4,911	4,911
(104) Secretary of the Army Field Operating Agencies (SAG: 435)	0	0	0	1,722	1,722
(105) Senior Reserve Officer Training Corps Scholarship Program (SAG: 314)	0	0	1,476	0	1,476
(106) Sexual Harassment/Assault Response and Prevention (SHARP) (SAGs: Multiple)	1,870	0	0	3,276	5,146
(107) Sexual Harassment/Assault Response and Prevention (SHARP) - Program Academy (SAG: 434)	0	0	0	14,382	14,382
(108) Sexual Harassment/Assault Response and Prevention (SHARP) - Program Office (SAG: 431)	0	0	0	3,064	3,064
(109) Sexual Harassment/Assault Response and Prevention (SHARP) - Special Victims Counsel (SAG: 434)	0	0	0	3,344	3,344
(110) Soldier for Life - Transition Assistance Program (SAG: 434)	0	0	0	3,971	3,971
(111) Support to Capitol 4th (SAG: 435)	0	0	0	5,500	5,500
(112) Sustainment Systems Technical Support (SAG: 422)	0	0	0	50,050	50,050
(113) Tactical Exploitation of National Capabilities (TENCAP) Military Exploitation of Reconnaissance and Intelligence Technology (MERIT) Projects (SAG: 122)	2,044	0	0	0	2,044
(114) Training Development (SAG: 324)	0	0	28,644	0	28,644
(115) Training Readiness (SAGs: Multiple)	164,071	0	0	0	164,071
(116) Training Support Systems - Training Aids, Devices, Simulators, and Simulations (TADSS) Maintenance (SAG: 121)	27,710	0	0	0	27,710
(117) Training Support Systems - Training Support System Management (SAG: 121)	9,430	0	0	0	9,430
(118) Training Support to Units (SAG: 324)	0	0	30,850	0	30,850

DEPARTMENT OF THE ARMY
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PB-31D Summary of Increases and Decreases
(\$ in Thousands)

	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(119) U.S. Army Combat Readiness Center (SAG: 435)	0	0	0	1,050	1,050
(120) U.S. Army Criminal Investigation Command (SAG: 121)	15,103	0	0	0	15,103
(121) U.S. Army Museum System (SAG: 434)	0	0	0	3,529	3,529
(122) U.S. Army War College (SAG: 323)	0	0	960	0	960
(123) U.S. Military Entrance Processing Command (USMEPCOM) - Operations (SAG: 332)	0	0	733	0	733
(124) U.S. Military Entrance Processing Command - Automation (SAG: 332)	0	0	6,600	0	6,600
(125) UH-72 Light Utility Helicopter (LUH) Maintenance (SAG: 116)	4,194	0	0	0	4,194
(126) Undergraduate Flight Training (SAG: 322)	0	0	37,377	0	37,377
(127) Unmanned Aerial System (UAS) Gray Eagle (SAG: 114)	49,776	0	0	0	49,776
(128) War Reserve Secondary Items (SAG: 212)	0	25,696	0	0	25,696
(129) Weapon Systems Maintenance (SAG: 115)	12,222	0	0	0	12,222
(130) Weapons of Mass Destruction Domestic Response (SAG: 121)	27,937	0	0	0	27,937
Total Program Growth in FY 2017	4,317,321	150,903	287,789	912,928	5,668,941

9. Program Decreases

a) One-Time FY 2016 Costs

(1) Additional SOUTHCOM ISR and Intel support (SAG: 411)	0	0	0	-18,000	-18,000
(2) Army Support to Capitol 4th (SAG: 435)	0	0	0	-5,500	-5,500
(3) FY 2016 Congressional Program Increase (SAG: 132)	-79,087	0	0	0	-79,087
(4) OPM data breach credit monitoring contract costs (SAG: 411)	0	0	0	-21,500	-21,500
(5) Organizational Clothing and Individual Equipment - Vital Torso Protection (Body Armor Plates) (SAG: 121)	-46,000	0	0	0	-46,000
(6) Program Increase (SAGs: 123, 335)	-30,000	0	-5,500	0	-35,500
Total One-Time FY 2016 Costs	-155,087	0	-5,500	-45,000	-205,587

b) Annualization of FY 2016 Program Decreases

c) Program Decreases in FY 2017

(1) Air Defense Patriot Systems in Pacific Theater (SAG: 114)	-5,169	0	0	0	-5,169
(2) Army Acquisition Executive Support (SAG: 122)	-1,216	0	0	0	-1,216
(3) Army Acquisition Support (SAG: 432)	0	0	0	-1,681	-1,681
(4) Army Prepositioned Stocks-3 (Afloat) (SAG: 211)	0	-27,599	0	0	-27,599
(5) Army Prepositioned Stocks-5 (Southwest Asia) (SAG: 212)	0	-6,258	0	0	-6,258

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(6) Army Recruiting (SAG: 324)	0	0	-13,018	0	-13,018
(7) Army Tuition Assistance (TA) Program (SAG: 333)	0	0	-25,460	0	-25,460
(8) Asymmetric Warfare Group (SAG: 121)	-7,557	0	0	0	-7,557
(9) Automation - Information Technology (IT) Systems (SAG: 434)	0	0	0	-3,643	-3,643
(10) Automation and Communications Systems Support - Logistic Automation Systems Sustainment (SAG: 432)	0	0	0	-1,649	-1,649
(11) Biometrics (SAG: 432)	0	0	0	-1,471	-1,471
(12) Bipartisan Budget Act of 2015 Compliance (SAGs: Multiple)	-1,359,001	0	-16,274	-200,000	-1,575,275
(13) Brigade Combat Team (BCT) Rotation to Korea (SAG: 111)	-7,558	0	0	0	-7,558
(14) Chemical Weapons Stockpile and Materiel Storage (SAG: 424)	0	0	0	-106	-106
(15) Civilian Average Annual Compensation (SAG: 334)	0	0	-1,192	0	-1,192
(16) Civilian Unemployment Compensation (SAG: 436)	0	0	0	-13,540	-13,540
(17) Civilian Workforce Reduction (SAGs: Multiple)	-78,621	-1,759	-33,795	-104,235	-218,410
(18) Classified Adjustment (SAG: 437)	0	0	0	-4,403	-4,403
(19) Commercial Satellite Air Time (SAG: 121)	-4,268	0	0	0	-4,268
(20) Compensable Days (SAGs: Multiple)	-27,122	-210	-8,274	-14,867	-50,473
(21) Compensable Days - U.S. Africa Command (SAGs: 134, 138)	-368	0	0	0	-368
(22) Compensable Days - U.S. European Command (SAGs: 134, 138)	-260	0	0	0	-260
(23) Compensable Days - U.S. Forces Korea (SAG: 134)	-98	0	0	0	-98
(24) Compensable Days - U.S. Southern Command (SAGs: 134, 138)	-236	0	0	0	-236
(25) Compensable Days Adjustment (SAG: 422)	0	0	0	-3,063	-3,063
(26) Confinement Facilities (SAG: 434)	0	0	0	-1,337	-1,337
(27) Defense Language Program (SAG: 324)	0	0	-5,545	0	-5,545
(28) Depot Maintenance - Aviation (SAG: 123)	-319,505	0	0	0	-319,505
(29) Depot Maintenance - Combat Vehicles (SAG: 123)	-29,634	0	0	0	-29,634
(30) Depot Maintenance - Communication-Electronics (SAG: 123)	-55,719	0	0	0	-55,719
(31) Depot Maintenance - General Purpose (SAG: 123)	-46,714	0	0	0	-46,714
(32) Depot Maintenance - Missiles (SAG: 123)	-28,820	0	0	0	-28,820
(33) Depot Maintenance - Post Production Software (SAG: 123)	-249,647	0	0	0	-249,647
(34) Financial Operations and Systems Support (SAG: 438)	0	0	0	-26,055	-26,055
(35) Flying Hour Program (SAG: 322)	0	0	-38,544	0	-38,544
(36) Graduate Pilot Training (SAG: 322)	0	0	-18,820	0	-18,820

Exhibit PB-31D

DEPARTMENT OF THE ARMY
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PB-31D Summary of Increases and Decreases
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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(37) Ground-based Midcourse Defense (SAG: 121)	-18,494	0	0	0	-18,494
(38) Headquarters Reduction (SAGs: Multiple)	-27,354	0	0	-32,892	-60,246
(39) Headquarters Reduction - U.S. Africa Command (SAG: 134)	-3,077	0	0	0	-3,077
(40) Headquarters Reduction - U.S. European Command (SAG: 134)	-3,955	0	0	0	-3,955
(41) Headquarters Reduction - U.S. Forces Korea (SAG: 134)	-999	0	0	0	-999
(42) Headquarters Reduction - U.S. Southern Command (SAG: 134)	-4,315	0	0	0	-4,315
(43) Homeland Integrated Air Defense (SAG: 121)	-3,305	0	0	0	-3,305
(44) Housing Services (SAG: 131)	-22,855	0	0	0	-22,855
(45) Joint Defense Activities - U.S. Africa Command (SAG: 138)	-6,064	0	0	0	-6,064
(46) Joint Defense Activities - U.S. European Command (SAG: 138)	-751	0	0	0	-751
(47) Judge Advocate General (JAG) Corps Military Occupational Specialty (MOS) Qualification (SAG: 321)	0	0	-2,403	0	-2,403
(48) Junior Reserve Officer Training Corps Program (SAG: 335)	0	0	-1,698	0	-1,698
(49) Medical Combat Development (SAG: 122)	-1,866	0	0	0	-1,866
(50) Medical Nuclear, Biological, and Chemical Defense (SAG: 211)	0	-4,970	0	0	-4,970
(51) Multiple Launch Rocket System (MLRS) Rotation to Korea (SAG: 112)	-2,253	0	0	0	-2,253
(52) Non-Divisional Modified Table of Organization and Equipment Units (SAG: 324)	0	0	-2,590	0	-2,590
(53) Non-Standard Rotary Wing (SAG: 442)	0	0	0	-1,602	-1,602
(54) Noncommissioned Officer (NCO) Professional Development (SAG: 323)	0	0	-2,499	0	-2,499
(55) Officer Candidate School (SAG: 311)	0	0	-377	0	-377
(56) Operations in the Former Yugoslavia Republic of Macedonia (Balkans) (SAG: 114)	-30,525	0	0	0	-30,525
(57) Overseas Military Banking Program (SAG: 436)	0	0	0	-951	-951
(58) Pacific Pathways (SAG: 121)	-870	0	0	0	-870
(59) Pentagon Reservation Facility (SAG: 437)	0	0	0	-2,096	-2,096
(60) Personnel Recovery Program - U.S. Africa Command (SAG: 138)	-15,000	0	0	0	-15,000
(61) Reception Stations (SAG: 312)	0	0	-414	0	-414
(62) Restoration and Modernization - European Infrastructure Consolidation (SAG: 132)	-86,000	0	0	0	-86,000
(63) Restoration and Modernization - Facility Investment Strategy (SAG: 132)	-116,008	0	0	0	-116,008
(64) Restoration and Modernization - West Point Cadet Barracks Upgrade Program (SAG: 132)	-5,900	0	0	0	-5,900
(65) Second Destination Transportation - Army Post Office Mail (SAG: 421)	0	0	0	-1,404	-1,404

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PB-31D Summary of Increases and Decreases
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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(66) Second Destination Transportation - Force Modernization/Recapitalization (SAG: 421)	0	0	0	-18,448	-18,448
(67) Second Destination Transportation - Material Movement and Redistribution (SAG: 421)	0	0	0	-76,057	-76,057
(68) Second Destination Transportation for Direct Material Movement/Redistribution (SAG: 121)	-5,440	0	0	0	-5,440
(69) Senior Reserve Officer Training Corps Program (SAG: 314)	0	0	-7,067	0	-7,067
(70) Sexual Harassment/Assault Response and Prevention (SHARP) (SAG: 434)	0	0	0	-28,576	-28,576
(71) Special Skills Training (SAG: 321)	0	0	-27,390	0	-27,390
(72) Standardization and Interoperability Programs (SAGs: 441, 442)	0	0	0	-2,607	-2,607
(73) Sustainment - Real Property Maintenance (SAG: 132)	-146,513	0	0	0	-146,513
(74) Tactical Network Communications (SAG: 121)	-14,404	0	0	0	-14,404
(75) Training Information Infrastructure (SAG: 432)	0	0	0	-18,322	-18,322
(76) Training Support Systems - Soldier Training Support Program (SAG: 121)	-5,023	0	0	0	-5,023
(77) Training Support Systems - Sustainable Range Program (SAG: 121)	-12,727	0	0	0	-12,727
(78) U.S. Army Bands (SAG: 434)	0	0	0	-589	-589
(79) U.S. Army Human Resource Command (SAG: 433)	0	0	0	-1,690	-1,690
(80) U.S. Army Military Academy (USMA) (SAG: 311)	0	0	-2,986	0	-2,986
(81) Undergraduate Flight Training (SAG: 324)	0	0	-985	0	-985
Total Program Decreases in FY 2017	-2,755,211	-40,796	-209,331	-561,284	-3,566,622
FY 2017 Budget Request	19,822,607	734,578	4,637,361	8,614,494	33,809,040

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PB-31R Personnel Summary

O&M, Summary	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)*</u>	436,667	422,462	409,665	-12,797
Officer	80,607	79,472	77,820	-1,652
Enlisted	356,060	342,990	331,845	-11,145
<u>Civilian End Strength (Total)</u>	99,055	104,458	98,958	-5,500
U.S. Direct Hire	84,901	90,716	85,600	-5,116
Foreign National Direct Hire	5,891	5,803	5,492	-311
Total Direct Hire	90,792	96,519	91,092	-5,427
Foreign National Indirect Hire	8,263	7,939	7,866	-73
<i>(Reimbursable Civilians (Memo))**</i>	16,050	19,557	18,343	-1,214
<u>Active Military Average Strength (A/S) (Total)*</u>	446,422	429,588	416,084	-13,504
Officer	81,869	80,054	78,657	-1,397
Enlisted	364,553	349,534	337,427	-12,107
<u>Civilian FTEs (Total)</u>	100,595	99,158	97,398	-1,760
U.S. Direct Hire	86,036	85,666	84,282	-1,384
Foreign National Direct Hire	6,087	5,702	5,399	-303
Total Direct Hire	92,123	91,368	89,681	-1,687
Foreign National Indirect Hire	8,472	7,790	7,717	-73
<i>(Reimbursable Civilians (Memo))**</i>	16,774	19,249	18,045	-1,204
<u>Contractor FTEs (Total)</u>	90,322	55,480	57,844	2,364

Personnel Summary Explanations:

*This exhibit reflects direct Military Personnel E/S and A/S associated with the Operation and Maintenance, Army appropriation. A more complete breakdown of the Active Component is available on the following page. **This exhibit does not address reimbursable Military Personnel.

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PB-31R Personnel Summary

Average Strength														
			FY 2015 Actuals				FY 2016 Budgeted				FY 2017 Budgeted			
			Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total
BASE	AC	Base	92,066	394,547	4,349	490,962	93,169	384,240	4,375	481,784	90,697	373,325	4,370	468,392
		Mobilization	364	877	-	1,241	502	1,324	-	1,826	533	1,343	-	1,876
	RC	ADOS	492	916	-	1,408	252	387	-	639	252	387	-	639
		RC Total	856	1,793	-	2,649	754	1,711	-	2,465	785	1,730	-	2,515
	Base Total		92,922	396,340	4,349	493,611	93,923	385,951	4,375	484,249	91,482	375,055	4,370	470,907
			FY 2015 Actuals				FY 2016 Budgeted				FY 2017 Budgeted			
			Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total
OCO	AC	Above 490	4,377	2,677	-	7,054	-	-	-	-	-	-	-	-
		AC Total	4,377	2,677	-	7,054	-	-	-	-	-	-	-	-
	RC	RC on Active Duty	3,730	12,657	-	16,387	3,326	11,439	-	14,765	-	-	-	-
		OCO Total	8,107	15,334	-	23,441	3,326	11,439	-	14,765	-	-	-	-
BASE and OCO	AC Total		96,443	397,224	4,349	498,016	93,169	384,240	4,375	481,784	90,697	373,325	4,370	468,392
	RC Total		4,586	14,450	-	19,036	4,080	13,150	-	17,230	785	1,730	-	2,515
	Total		101,029	411,674	4,349	517,052	97,249	397,390	4,375	499,014	91,482	375,055	4,370	470,907

End Strength														
			FY 2015 Actuals				FY 2016 Budgeted				FY 2017 Budgeted			
			Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total
Base	AC	Base	94,610	390,962	4,428	490,000	91,941	378,581	4,478	475,000	88,834	366,656	4,510	460,000
OCO	AC	Above 490	-	1,365	-	1,365	-	-	-	-	-	-	-	-
Base and OCO Total			94,610	392,327	4,428	491,365	91,941	378,581	4,478	475,000	88,834	366,656	4,510	460,000

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I. Total O&M Sub Activity (SAG) Financial Summary (\$ in Thousands):

Category/COCOM Detail	FY 2015	FY 2016	FY 2017
Total Cost	555,716	543,628	548,057
Total HQ Support	146,195	136,828	129,564
Total Mission Programs Support	409,521	406,820	418,493
U.S Africa Command (USAFRICOM)			
HQ Support	67,072	61,796	60,655
Mission Programs Support	177,182	178,870	165,050
Total U.S Africa Command	244,254	240,666	225,705
U.S. European Command (USEUCOM)			
HQ Support	32,464	30,513	27,478
Mission Programs Support	88,847	88,883	106,823
Total U.S. European Command	121,311	119,396	134,301
U.S. Southern Command (USSOUTHCOM)			
HQ Support	46,659	44,519	41,431
Mission Programs Support	143,492	139,067	146,620
Total U.S. Southern Command	190,151	183,586	188,051

Description:

COCOM CORE OPERATIONS - Supports day-to-day operations of the unified commands' headquarters (HQ) and HQ support. The Army, as the COCOM Support Agent for USAFRICOM, USEUCOM, and USSOUTHCOM, is responsible for funding COCOM HQ requirements and activities. The Unified Command Plan establishes the missions and geographic responsibilities among the combatant commanders.

COCOM DIRECT MISSION SUPPORT - Supports COCOM mission activities that promote regional stability and shape the international security environment in ways that favor U.S. National Security. The Army is also responsible for funding the COCOMs' mission areas, such as conducting Theater Security Cooperation to build positive relationships, developing partner nation security capabilities, promoting the exchange of information, and affording U.S. forces with peacetime and contingency access to support training and military operations.

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II. Individual COCOM Financial/Program Data (\$ in Thousands)

COCOM: U.S Africa Command (USAFRICOM)

Budget Activity 01: Operating Forces
 Subactivity Group: 134: Combatant Commands Core Operations 138: Combatant Direct Mission Support

	FY 2015	FY 2016	FY 2017
Total Cost U.S Africa Command	244,254	240,646	225,705
Total HQ Support	67,072	61,796	60,655
Total Mission Programs Support	177,182	178,870	165,050
U.S. Africa Command Mission One	54,834	45,873	41,326
U.S. Africa Command Mission Two	48,198	54,135	52,732
U.S. Africa Command Mission Three	73,349	73,871	73,211

Description:

U.S Africa Command Mission One: Contain and degrade Al-Shabaab, Al Qaeda (AQAA) and Other Terrorist Organizations (OTOs) in East Africa.

U.S Africa Command Mission Two: Contain and degrade Al-Qaida in Lands of the Islamic Maghreb, AQAA, and OTOs in Northwest Africa.

U.S Africa Command Mission Three: Protect U.S. citizens and facilities at high-threat, high-risk posts.

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COCOM: U.S European Command (USEUCOM)

Budget Activity

01: Operating Forces

Subactivity Group:

134: Combatant Commands Core Operations 138: Combatant Direct Mission Support

	FY 2015	FY 2016	FY 2017
Total Cost U.S European Command	121,311	119,396	134,301
Total HQ Support	32,464	30,513	27,478
Total Mission Programs Support	88,847	88,883	106,823
U.S European Command Mission One	25,061	30,124	38,797
U.S European Command Mission Two	4,943	5,129	10,309
U.S European Command Mission Three	22,188	24,660	25,398

Description:

U.S European Command Mission One: USEUCOM Traditional COCOM Activities support regional security engagement and promote U.S national security goals in the European theater. A primary TCA end state is the preservation of strategic partnerships forged during years of multinational combat operations.

U.S. European Command Mission Two: USEUCOM Ballistic Missile Defense Mission is to organize, plan, coordinate and conduct Theater Integrated Air and Missile operations with allies, Partner Nations, North Atlantic Treaty Organization components and other U.S. Government agencies to defend the USEUCOM area of responsibility.

U.S. European Command Mission Three: USEUCOM Command and Control supports the development and execution of operations in support of U.S. interests and regional alliances in the USEUCOM area of responsibility; ensures joint and combined war fighting capability through operational directives, plans, orders, joint training and exercises; and is the principle conduit of operations information and requirements between National Command Authorities, Joint Staff, North Atlantic Treaty Organizations, USEUCOM and subordinate commands.

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COCOM: U.S Southern Command (USSOUTHCOM)

Budget Activity

01: Operating Forces

Subactivity Group:

134: Combatant Commands Core Operations 138: Combatant Direct Mission Support

	FY 2015	FY 2016	FY 2017
Total Cost U.S. Southern Command	190,151	183,586	188,051
Total HQ Support	46,659	44,519	41,431
Total Mission Programs Support	143,492	139,067	146,620
U.S. Southern Command Mission	49,245	47,912	47,446
U.S. Southern Command Mission Two	5,570	5,570	5,162
U.S. Southern Command Mission Three	58,312	63,614	50,584

Description:

U.S. Southern Command Mission One: Active engagement with partner nations through various programs such as Traditional Combatant Activities (TCA), Humanitarian Civic Assistance (HCA) and Developing Countries Combined Exercise Program (DCCEP). The TCA provides military-to-military engagement activities with civilian-military authorities and security forces. The HCA provides medical, surgical, dental and engineering assistance to Partner Nation citizens as well as medical training for PN military medical personnel as part of an annual series of Medical Readiness Exercises. The DCCEP provides the lodging, travel, meals, fuel and other critical expenses to allow PN military personnel to participate in several annual joint/combined interoperability exercises.

U.S. Southern Command Mission Two: USSOUTHCOM Information Operations provide the following military capabilities: Military Information Support Operations, Electronic Warfare, Operations Security, Military Deception, DoD Rewards, Space Operations, Offensive Cyberspace Operations and Special Information Operations.

U.S. Southern Command Mission Three: USSOUTHCOM Command, Control, Communications and Computer Systems (C4S) provide secure and non-secure voice, data and video capabilities to a COCOM Headquarters, various Joint Task Forces and all Security Cooperation Offices within the area of responsibility. This program ensures network reliability, resiliency and security (protect and defend), as well as maintenance and lifecycle of all associated communications equipment. The C4S program facilitates the sharing of releasable classified and unclassified information to the Command's interagency and mission partners. It provides help desk support to all end users and ensures headquarters staff can reliably perform day-to-day functions.

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Operation and Maintenance, Army
PB-58 Combatant Command Direct Funding

III. Reconciliation of Increases and Decreases

	<u>(\$ in Thousands)</u>		
	SAG 134	SAG 138	Totals
FY 2015 President's Budget Request	179,399	432,281	611,680
Congressional Adjustment	0	0	0
Distributed Adjustments	0	0	0
Undistributed Adjustments	0	0	0
Adjustments to Meet Congressional Intent	0	0	0
General Provisions	-270	-374	-644
			0
Appropriated Amount	179,129	431,907	611,036
Price Change	2,917	20,985	23,902
Program Increases and Decreases	-17,303	-4,259	-21,562
Transfers	-9,024	-2,493	-11,517
Transfers In	0	8,095	8,095
Transfers Out	-9,024	-10,588	-19,612
Program Increases	0	22,366	22,366
One-Time Costs	0	0	0
Program Growth	0	22,366	22,366
Program Decreases	-8,279	-24,132	-32,411
One-Time Costs	0	0	0
Program Reductions	-8,279	-24,132	-32,411
			0
Baseline Funding	164,743	448,633	613,376
Reprogrammings/Overseas Contingency Operations	0	0	0
Anticipated Overseas Contingency Operations	0	0	0
Reprogrammings (Requiring 1415 Actions)	0	0	0
Increases	0	0	0
Decreases	-1,518	-22,022	-23,540

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
PB-58 Combatant Command Direct Funding

Revised FY 2016 Estimate	163,225	426,611	589,836
Price Change	2,245	6,873	9,118
Transfers	0	-1,019	-1,019
Transfers In	0	0	0
Transfers Out	0	-1,019	-1,019
Program Increases	2,300	30,384	32,684
Annualization of New FY 2016 Program	0	0	0
One-Time FY 2017 Costs	0	0	0
Program Growth in FY 2017	2,300	30,384	32,684
Program Decreases	-12,112	-21,706	-33,818
One-Time FY 2016 Costs	0	0	0
Annualization of FY 2016 Program Decreases	0	0	0
Program Decreases in FY 2017	-12,112	-21,706	-33,818
FY 2017 Budget Request	155,658	441,143	596,801

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
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IV. Personnel Summary

	FY 2015	FY 2016	FY 2017	Change FY2016/FY2017
COCOM				
<u>Active Military End Strength (E/S) (Total)</u>	1,933	1,654	1,607	-47
Officer	1,346	1,260	1,233	-27
Enlisted	587	394	374	-20
<u>Reserve Drill Strength (E/S) (Total)</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Active Duty Full Time Reservists(E/S) (Total) Army Reserve</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Active Duty Full Time Reservists(E/S) (Total) Army National Guard</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Civilian End Strength (Total)</u>	938	914	881	-33
U.S. Direct Hire	907	889	856	-33
Foreign National Direct Hire	24	14	14	0
Total Direct Hire	931	903	870	-33
Foreign National indirect Hire	7	11	11	0
<u>Contractor Strength</u>	1,226	1,182	1071	-111

Contract Full Time Equivalent displayed in this budget, in accordance with Section 807 of Public Law 111-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2015

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
Direct Funded Personnel (includes OC 13)	102,074	99,055	100,595	7,221,279	145,071	12,827	159,930	317,828	7,539,107	2,500,123	10,039,230	71,785	74,944	99,798	4.4%	34.6%
D1. US Direct Hire (USDH)	87,894	84,901	86,036	6,513,852	134,728	11,209	153,710	299,647	6,813,499	2,321,339	9,134,838	75,710	79,193	106,173	4.6%	35.6%
D1a. Senior Executive Schedule	197	197	198	32,539	0	0	2,335	2,335	34,874	8,806	43,680	164,338	176,131	220,606	7.2%	27.1%
D1b. General Schedule	81,215	78,693	79,927	6,174,156	116,910	10,496	145,295	272,701	6,446,857	2,206,868	8,653,725	77,247	80,659	108,270	4.4%	35.7%
D1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D1d. Wage System	6,482	6,019	5,912	307,157	17,818	713	6,080	24,611	331,768	105,665	437,433	51,955	56,118	73,991	8.0%	34.4%
D1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D2. Direct Hire Foreign Nationals (DHFN)	5,621	5,891	6,087	214,470	6,439	1,618	6,220	14,277	228,747	47,440	276,187	35,234	37,580	45,373	6.7%	22.1%
D3. Total Direct Hire	93,515	90,792	92,123	6,728,322	141,167	12,827	159,930	313,924	7,042,246	2,368,779	9,411,025	73,035	76,443	102,156	4.7%	35.2%
D4. Indirect Hire Foreign Nationals (IHFN)	8,559	8,263	8,472	492,957	3,904	0	0	3,904	496,861	4,746	501,607	58,187	58,647	59,208	.8%	1.0%
Subtotal – Direct Funded (excludes OC 13)	102,074	99,063	100,596	7,221,279	145,071	12,827	159,930	317,828	7,539,107	2,373,525	9,912,632	71,785	74,944	98,539	4.4%	32.9%
D5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	126,598	126,598	0	0	0	0.0%	0.0%
D5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	125,408	125,408	0	0	0	0.0%	0.0%
D5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	1,190	1,190	0	0	0	0.0%	0.0%
Reimbursable Funded Personnel (includes OC 13)	16,917	16,050	16,774	1,222,255	24,866	1,495	32,687	59,048	1,281,303	364,263	1,645,566	72,866	76,386	98,102	4.8%	29.8%
R1. US Direct Hire	13,524	12,916	12,886	1,188,131	24,490	1,280	31,944	57,714	1,245,845	356,706	1,602,551	92,203	96,682	124,364	4.9%	30.0%
R1a. Senior Executive Schedule	11	12	12	1,873	0	0	71	71	1,944	502	2,446	156,083	162,000	203,833	3.8%	26.8%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2015

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
R1b. General Schedule	13,196	12,673	12,670	1,175,931	23,547	1,261	31,652	56,460	1,232,391	352,678	1,585,069	92,812	97,268	125,104	4.8%	30.0%
R1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R1d. Wage System	317	231	204	10,327	943	19	221	1,183	11,510	3,526	15,036	50,623	56,422	73,706	11.5%	34.1%
R1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R2. Direct Hire Foreign Nationals	144	67	824	33,703	376	215	743	1,334	35,037	5,796	40,833	40,902	42,521	49,555	4.0%	17.2%
R3. Total Direct Hire	13,668	12,983	13,710	1,221,834	24,866	1,495	32,687	59,048	1,280,882	362,502	1,643,384	89,120	93,427	119,868	4.8%	29.7%
R4. Indirect Hire Foreign Nationals	3,249	3,067	3,064	421	0	0	0	0	421	0	421	137	137	137	0.0%	0.0%
Subtotal – Reimbursable Funded (excludes OC 13)	<u>16,917</u>	<u>16,050</u>	<u>16,774</u>	<u>1,222,255</u>	<u>24,866</u>	<u>1,495</u>	<u>32,687</u>	<u>59,048</u>	<u>1,281,303</u>	<u>362,502</u>	<u>1,643,805</u>	<u>72,866</u>	<u>76,386</u>	<u>97,997</u>	<u>4.8%</u>	<u>29.7%</u>
R5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	1,761	1,761	0	0	0	0.0%	0.0%
R5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	1,761	1,761	0	0	0	0.0%	0.0%
R5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
Total Personnel (includes OC 13)	118,991	115,113	117,370	8,443,534	169,937	14,322	192,617	376,876	8,820,410	2,864,386	11,684,796	71,939	75,150	99,555	4.5%	33.9%
T1. US Direct Hire	101,418	97,825	98,923	7,701,983	159,218	12,489	185,654	357,361	8,059,344	2,678,045	10,737,389	77,858	81,471	108,543	4.6%	34.8%
T1a. Senior Executive Schedule	208	209	210	34,412	0	0	2,406	2,406	36,818	9,308	46,126	163,867	175,324	219,648	7.0%	27.0%
T1b. General Schedule	94,411	91,366	92,597	7,350,087	140,457	11,757	176,947	329,161	7,679,248	2,559,546	10,238,794	79,377	82,932	110,574	4.5%	34.8%
T1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T1d. Wage System	6,799	6,250	6,116	317,484	18,761	732	6,301	25,794	343,278	109,191	452,469	51,910	56,128	73,981	8.1%	34.4%
T1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2015

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
T1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T2. Direct Hire Foreign Nationals	5,765	5,958	6,911	248,173	6,815	1,833	6,963	15,611	263,784	53,236	317,020	35,910	38,169	45,872	6.3%	21.5%
T3. Total Direct Hire	107,183	103,783	105,834	7,950,156	166,033	14,322	192,617	372,972	8,323,128	2,731,281	11,054,409	75,119	78,643	104,450	4.7%	34.4%
T4. Indirect Hire Foreign Nationals	11,808	11,330	11,536	493,378	3,904	0	0	3,904	497,282	4,746	502,028	42,769	43,107	43,518	.8%	1.0%
Subtotal – Total Funded (excludes OC 13)	<u>118,991</u>	<u>115,113</u>	<u>117,370</u>	<u>8,443,534</u>	<u>169,937</u>	<u>14,322</u>	<u>192,617</u>	<u>376,876</u>	<u>8,820,410</u>	<u>2,736,027</u>	<u>11,556,437</u>	<u>71,939</u>	<u>75,150</u>	<u>98,462</u>	<u>4.5%</u>	<u>32.4%</u>
T5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	128,359	128,359	0	0	0	0.0%	0.0%
T5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	127,169	127,169	0	0	0	0.0%	0.0%
T5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	1,190	1,190	0	0	0	0.0%	0.0%

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2016

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
Direct Funded Personnel (includes OC 13)	99,063	104,458	99,158	7,336,966	0	12,062	137,039	149,101	7,486,067	2,714,226	10,200,293	73,993	75,496	102,869	2.0%	37.0%
D1. US Direct Hire (USDH)	84,909	90,716	85,666	6,898,903	0	10,426	133,292	143,718	7,042,621	2,621,260	9,663,881	80,533	82,210	112,809	2.1%	38.0%
D1a. Senior Executive Schedule	197	281	279	46,707	0	0	2,238	2,238	48,945	13,184	62,129	167,409	175,430	222,685	4.8%	28.2%
D1b. General Schedule	78,693	84,307	79,691	6,556,198	0	9,895	126,078	135,973	6,692,171	2,500,136	9,192,307	82,270	83,976	115,349	2.1%	38.1%
D1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D1d. Wage System	6,019	6,128	5,696	295,998	0	531	4,976	5,507	301,505	107,940	409,445	51,966	52,933	71,883	1.9%	36.5%
D1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D2. Direct Hire Foreign Nationals (DHFN)	5,891	5,803	5,702	83,864	0	1,636	3,747	5,383	89,247	47,536	136,783	14,708	15,652	23,989	6.4%	56.7%
D3. Total Direct Hire	90,800	96,519	91,368	6,982,767	0	12,062	137,039	149,101	7,131,868	2,668,796	9,800,664	76,425	78,057	107,266	2.1%	38.2%
D4. Indirect Hire Foreign Nationals (IHFN)	8,263	7,939	7,790	354,199	0	0	0	0	354,199	3,397	357,596	45,468	45,468	45,904	0.0%	1.0%
Subtotal – Direct Funded (excludes OC 13)	99,063	104,458	99,158	7,336,966	0	12,062	137,039	149,101	7,486,067	2,672,193	10,158,260	73,993	75,496	102,445	2.0%	36.4%
D5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	42,033	42,033	0	0	0	0.0%	0.0%
D5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	42,033	42,033	0	0	0	0.0%	0.0%
D5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
Reimbursable Funded Personnel (includes OC 13)	16,050	19,557	19,249	1,481,832	0	1,034	30,152	31,186	1,513,018	462,095	1,975,113	76,982	78,602	102,609	2.1%	31.2%
R1. US Direct Hire	12,916	15,514	15,279	1,444,132	0	946	29,513	30,459	1,474,591	456,665	1,931,256	94,517	96,511	126,399	2.1%	31.6%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2016

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
R1a. Senior Executive Schedule	12	9	9	1,505	0	0	72	72	1,577	424	2,001	167,222	175,222	222,333	4.8%	28.2%
R1b. General Schedule	12,673	14,773	14,547	1,404,728	0	903	28,467	29,370	1,434,098	441,421	1,875,519	96,565	98,584	128,928	2.1%	31.4%
R1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R1d. Wage System	231	732	723	37,899	0	43	974	1,017	38,916	14,820	53,736	52,419	53,826	74,324	2.7%	39.1%
R1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R2. Direct Hire Foreign Nationals	67	388	385	11,844	0	88	639	727	12,571	5,046	17,617	30,764	32,652	45,758	6.1%	42.6%
R3. Total Direct Hire	12,983	15,902	15,664	1,455,976	0	1,034	30,152	31,186	1,487,162	461,711	1,948,873	92,950	94,941	124,417	2.1%	31.7%
R4. Indirect Hire Foreign Nationals	3,067	3,655	3,585	25,856	0	0	0	0	25,856	384	26,240	7,212	7,212	7,319	0.0%	1.5%
Subtotal – Reimbursable Funded (excludes OC 13)	16,050	19,557	19,249	1,481,832	0	1,034	30,152	31,186	1,513,018	462,095	1,975,113	76,982	78,602	102,609	2.1%	31.2%
R5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
Total Personnel (includes OC 13)	115,113	124,015	118,407	8,818,798	0	13,096	167,191	180,287	8,999,085	3,176,321	12,175,406	74,479	76,001	102,827	2.0%	36.0%
T1. US Direct Hire	97,825	106,230	100,945	8,343,035	0	11,372	162,805	174,177	8,517,212	3,077,925	11,595,137	82,649	84,375	114,866	2.1%	36.9%
T1a. Senior Executive Schedule	209	290	288	48,212	0	0	2,310	2,310	50,522	13,608	64,130	167,403	175,424	222,674	4.8%	28.2%
T1b. General Schedule	91,366	99,080	94,238	7,960,926	0	10,798	154,545	165,343	8,126,269	2,941,557	11,067,826	84,477	86,231	117,445	2.1%	36.9%
T1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T1d. Wage System	6,250	6,860	6,419	333,897	0	574	5,950	6,524	340,421	122,760	463,181	52,017	53,033	72,158	2.0%	36.8%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2016

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
T1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T2. Direct Hire Foreign Nationals	5,958	6,191	6,087	95,708	0	1,724	4,386	6,110	101,818	52,582	154,400	15,723	16,727	25,366	6.4%	54.9%
T3. Total Direct Hire	103,783	112,421	107,032	8,438,743	0	13,096	167,191	180,287	8,619,030	3,130,507	11,749,537	78,843	80,528	109,776	2.1%	37.1%
T4. Indirect Hire Foreign Nationals	11,330	11,594	11,375	380,055	0	0	0	0	380,055	3,781	383,836	33,411	33,411	33,744	0.0%	1.0%
Subtotal – Total Funded (excludes OC 13)	<u>115,113</u>	<u>124,015</u>	<u>118,407</u>	<u>8,818,798</u>	<u>0</u>	<u>13,096</u>	<u>167,191</u>	<u>180,287</u>	<u>8,999,085</u>	<u>3,134,288</u>	<u>12,133,373</u>	<u>74,479</u>	<u>76,001</u>	<u>102,472</u>	<u>2.0%</u>	<u>35.5%</u>
T5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	42,033	42,033	0	0	0	0.0%	0.0%
T5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	42,033	42,033	0	0	0	0.0%	0.0%
T5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2017

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
Direct Funded Personnel (includes OC 13)	104,458	98,958	97,398	7,423,446	0	12,028	138,018	150,046	7,573,492	2,730,266	10,303,758	76,218	77,758	105,790	2.0%	36.8%
D1. US Direct Hire (USDH)	90,716	85,600	84,282	6,984,079	0	10,466	134,366	144,832	7,128,911	2,652,396	9,781,307	82,866	84,584	116,055	2.1%	38.0%
D1a. Senior Executive Schedule	281	286	284	48,285	0	0	2,308	2,308	50,593	13,631	64,224	170,018	178,144	226,141	4.8%	28.2%
D1b. General Schedule	84,307	79,629	78,476	6,644,397	0	9,942	127,126	137,068	6,781,465	2,532,487	9,313,952	84,668	86,415	118,685	2.1%	38.1%
D1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D1d. Wage System	6,128	5,685	5,522	291,397	0	524	4,932	5,456	296,853	106,278	403,131	52,770	53,758	73,005	1.9%	36.5%
D1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D2. Direct Hire Foreign Nationals (DHFN)	5,803	5,492	5,399	81,900	0	1,562	3,652	5,214	87,114	45,899	133,013	15,169	16,135	24,637	6.4%	56.0%
D3. Total Direct Hire	96,519	91,092	89,681	7,065,979	0	12,028	138,018	150,046	7,216,025	2,698,295	9,914,320	78,790	80,463	110,551	2.1%	38.2%
D4. Indirect Hire Foreign Nationals (IHFN)	7,939	7,866	7,717	357,467	0	0	0	0	357,467	3,478	360,945	46,322	46,322	46,773	0.0%	1.0%
Subtotal – Direct Funded (excludes OC 13)	104,458	98,958	97,398	7,423,446	0	12,028	138,018	150,046	7,573,492	2,701,773	10,275,265	76,218	77,758	105,498	2.0%	36.4%
D5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	28,493	28,493	0	0	0	0.0%	0.0%
D5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	28,493	28,493	0	0	0	0.0%	0.0%
D5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
Reimbursable Funded Personnel (includes OC 13)	19,557	18,343	18,045	1,419,026	0	940	28,824	29,764	1,448,790	441,187	1,889,977	78,638	80,288	104,737	2.1%	31.1%
R1. US Direct Hire	15,514	14,331	14,106	1,381,713	0	857	28,190	29,047	1,410,760	435,852	1,846,612	97,952	100,011	130,910	2.1%	31.5%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2017

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
R1a. Senior Executive Schedule	9	9	9	1,530	0	0	73	73	1,603	432	2,035	170,000	178,111	226,111	4.8%	28.2%
R1b. General Schedule	14,773	13,699	13,481	1,347,093	0	819	27,234	28,053	1,375,146	422,418	1,797,564	99,925	102,006	133,341	2.1%	31.4%
R1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R1d. Wage System	732	623	616	33,090	0	38	883	921	34,011	13,002	47,013	53,718	55,213	76,320	2.8%	39.3%
R1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R2. Direct Hire Foreign Nationals	388	372	369	11,757	0	83	634	717	12,474	4,943	17,417	31,862	33,805	47,201	6.1%	42.0%
R3. Total Direct Hire	15,902	14,703	14,475	1,393,470	0	940	28,824	29,764	1,423,234	440,795	1,864,029	96,267	98,324	128,776	2.1%	31.6%
R4. Indirect Hire Foreign Nationals	3,655	3,640	3,570	25,556	0	0	0	0	25,556	392	25,948	7,159	7,159	7,268	0.0%	1.5%
Subtotal – Reimbursable Funded (excludes OC 13)	19,557	18,343	18,045	1,419,026	0	940	28,824	29,764	1,448,790	441,187	1,889,977	78,638	80,288	104,737	2.1%	31.1%
R5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
Total Personnel (includes OC 13)	124,015	117,301	115,443	8,842,472	0	12,968	166,842	179,810	9,022,282	3,171,453	12,193,735	76,596	78,154	105,626	2.0%	35.9%
T1. US Direct Hire	106,230	99,931	98,388	8,365,792	0	11,323	162,556	173,879	8,539,671	3,088,248	11,627,919	85,029	86,796	118,184	2.1%	36.9%
T1a. Senior Executive Schedule	290	295	293	49,815	0	0	2,381	2,381	52,196	14,063	66,259	170,017	178,143	226,140	4.8%	28.2%
T1b. General Schedule	99,080	93,328	91,957	7,991,490	0	10,761	154,360	165,121	8,156,611	2,954,905	11,111,516	86,905	88,700	120,834	2.1%	37.0%
T1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T1d. Wage System	6,860	6,308	6,138	324,487	0	562	5,815	6,377	330,864	119,280	450,144	52,865	53,904	73,337	2.0%	36.8%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2017

				(\$ in Thousands)								Rates				
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Total Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Total Comp	Comp & Benefits	% BC Variables	% BC Benefits
T1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T1f. Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T2. Direct Hire Foreign Nationals	6,191	5,864	5,768	93,657	0	1,645	4,286	5,931	99,588	50,842	150,430	16,237	17,266	26,080	6.3%	54.3%
T3. Total Direct Hire	112,421	105,795	104,156	8,459,449	0	12,968	166,842	179,810	8,639,259	3,139,090	11,778,349	81,219	82,945	113,084	2.1%	37.1%
T4. Indirect Hire Foreign Nationals	11,594	11,506	11,287	383,023	0	0	0	0	383,023	3,870	386,893	33,935	33,935	34,278	0.0%	1.0%
Subtotal – Total Funded (excludes OC 13)	<u>124,015</u>	<u>117,301</u>	<u>115,443</u>	<u>8,842,472</u>	<u>0</u>	<u>12,968</u>	<u>166,842</u>	<u>179,810</u>	<u>9,022,282</u>	<u>3,142,960</u>	<u>12,165,242</u>	<u>76,596</u>	<u>78,154</u>	<u>105,379</u>	<u>2.0%</u>	<u>35.5%</u>
T5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	28,493	28,493	0	0	0	0.0%	0.0%
T5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	28,493	28,493	0	0	0	0.0%	0.0%
T5b. DHFN – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T5c. Voluntary Separation Incentive Pay (VSIP)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
T5d. Foreign National Separation Liability Accrual	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

Operation & Maintenance, Army

2015

DATE: February 2016

A. SUMMARY OF CIVILIAN PAY:

1. Total Civilian Pay:	11,684,796
2. Reimbursable Civilian Pay	1,645,566

B. REIMBURSABLE CIVILIAN PAY DISTRIBUTION BY SOURCE:

4. Intra Service:	1,645,566
Reimbursable total	1,645,566

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 OP-8 Part 2 Reimbursable Civilian Personnel Costs

Operation & Maintenance, Army

2016

DATE: February 2016

A. SUMMARY OF CIVILIAN PAY:

1. Total Civilian Pay:	12,175,406
2. Reimbursable Civilian Pay	1,975,113

B. REIMBURSABLE CIVILIAN PAY DISTRIBUTION BY SOURCE:

3. Intra Account:	159,619
4. Intra Service:	1,099,038
Aircraft Procurement	145,587
Army Family Housing, Construction	0
Army Family Housing, Operations	24,932
Ammunition Procurement	40,050
Army Working Capital Fund	179,551
Base Realignment & Closure	0
Joint Improvised Explosive Device Defeat Organization	0
Military Construction, Army	64,538
Military Construction, Army Reserve	1,710
Missiles Procurement	49,879
Operation and Maintenance, Army Reserve	4,325
Operation and Maintenance, Army National Guard	5,568
Other Procurement, Army	369,162
Project Funded - Internal Army Customers	1,588
Research, Development, Test and Evaluation	125,522
Weapons and Tracked Combat Vehicles	86,626
5. Inter Service:	716,456
Chemical Biological Defense Program	3,835
Counter Narcotics Program	72,048
Chemical Demilitarization	75,739
Civil Works Program	3,542

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

Defense Advanced Research Project Agency	727
Defense Commisary Agency	2,341
Defense Environmental Restoration Agency	104,077
Defense Security Cooperatiuon Agency - Humanitarian Assistance Program	1,737
Defense Health Program	56,917
Defense Health Program, Research Development Test and Evaluation	87
Defense Human Resource Agency	787
Department of Homeland Security	754
Defense Intelligence Agency	380
Defense Information System Agency	7,499
Defense Logistics Agency	4,705
Department of Justice	1,066
Department of State	2,098
Defense Security Cooperatiuon Agency	13,329
Defense Threat Reduction Agency	599
Department of Veterans Affairs	279
Forestry & Agriculture/Grazing Reimbursable Act	3,853
Foreign Military Sales - Admin	131,996
Foreign Military Sales - Case	105,154
Homeowners' Assistance Program	709
Immediate Office of Secretary of Defense	6,546
Japan Master Labor Contract	0
Missile Defense Agency	276
National Air and Space Agency	214
North Atlantic Treaty Organization	5,917
U.S. Navy	14,253
Other than Department of Defense	0
Other Governmental Acitivities	3,658
Other Non-governmental Activities	4,289

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

Office of the Secretary of Defense	0
Project Funded - External Customers	24,818
Residential Communities Initiative	5,259
Special Operations Forces	12,574
U.S. Air Force	13,572
U.S. Marine Corps	15,908
Washington Headquarters Services	9,533
West Point Cadet Fund	5,381
6. Other	0
External to Department of Defense	0

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

Operation & Maintenance, Army

2017

DATE: February 2016

A. SUMMARY OF CIVILIAN PAY:

1. Total Civilian Pay:	12,193,735
2. Reimbursable Civilian Pay	1,889,977

B. REIMBURSABLE CIVILIAN PAY DISTRIBUTION BY SOURCE:

3. Intra Account:	149,772
4. Intra Service:	1,036,724
Aircraft Procurement	149,036
Army Family Housing, Construction	0
Army Family Housing, Operations	16,839
Ammunition Procurement	41,533
Army Working Capital Fund	135,590
Base Realignment & Closure	0
Joint Improvised Explosive Device Defeat Organization	0
Military Construction, Army	66,648
Military Construction, Army Reserve	1,765
Missiles Procurement	48,861
Operation and Maintenance, Army Reserve	4,329
Operation and Maintenance, Army National Guard	5,606
Other Procurement, Army	367,806
Project Funded - Internal Army Customers	3,237
Research, Development, Test and Evaluation	105,703
Weapons and Tracked Combat Vehicles	89,771
5. Inter Service:	703,481
Chemical Biological Defense Program	4,277
Counter Narcotics Program	74,356
Chemical Demilitarization	75,476
Civil Works Program	3,470

Exhibit OP-8 Part 2

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

Defense Advanced Research Project Agency	750
Defense Commisary Agency	1,566
Defense Environmental Restoration Agency	102,846
Defense Security Cooperatiuon Agency - Humanitarian Assistance Program	1,647
Defense Health Program	55,121
Defense Health Program, Research Development Test and Evaluation	88
Defense Human Resource Agency	393
Department of Homeland Security	772
Defense Intelligence Agency	390
Defense Information System Agency	6,653
Defense Logistics Agency	5,572
Department of Justice	982
Department of State	2,030
Defense Security Cooperatiuon Agency	13,622
Defense Threat Reduction Agency	611
Department of Veterans Affairs	288
Forestry & Agriculture/Grazing Reimbursable Act	3,974
Foreign Military Sales - Admin	130,603
Foreign Military Sales - Case	104,715
Homeowners' Assistance Program	585
Immediate Office of Secretary of Defense	5,881
Japan Master Labor Contract	0
Missile Defense Agency	279
National Air and Space Agency	220
North Atlantic Treaty Organization	6,107
U.S. Navy	13,834
Other than Department of Defense	0
Other Governmental Acitivities	3,438
Other Non-governmental Activities	4,051

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

Office of the Secretary of Defense	0
Project Funded - External Customers	21,158
Residential Communities Initiative	5,223
Special Operations Forces	10,312
U.S. Air Force	12,824
U.S. Marine Corps	14,846
Washington Headquarters Services	9,034
West Point Cadet Fund	5,487
6. Other	0
External to Department of Defense	0

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 11: Land Forces
Detail by Subactivity Group 111: Maneuver Units

I. Description of Operations Financed:

MANEUVER UNITS - Funds the training and operations required to maintain readiness in the active Army's Brigade Combat Teams (BCT) and all organic forces associated with those BCTs through force generation, while leveraging live, virtual, and constructive capabilities to conduct training focused on Decisive Action in support of Unified Land Operations. Funds training for units available to train at home station in FY 2017. The incremental costs associated with deployed forces deployment training and support costs are included in the Overseas Contingency Operations requests.

The training objective in FY 2017 continues restoral of core capabilities and balances operational capability and flexibility across the Army to meet the National Military Strategy. The Army resources all active component ground units to conduct Decisive Action training and achieve the highest training readiness levels attainable based on available resources. The Army remains committed to providing the necessary resources to train and prepare Soldiers, leaders and units to support current and future operations.

II. Force Structure Summary:

The Maneuver Unit force structure reflects the Active Army's structure at the BCT level and below. This Subactivity Group (SAG) funds the Division headquarters, Armored BCTs, Infantry BCTs (includes airborne and air assault BCTs), and Stryker BCTs. In addition, this SAG funds sustainment and operations of authorized equipment such as tanks, armored personnel carriers, Stryker armored vehicles, tactical wheeled vehicles, radios, and reconnaissance and surveillance platforms. Also supports Army common and Army procured equipment for Special Forces Groups and the 75th Ranger Regiment.

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command

Army Service Component Commands:

U.S. Army Africa / Southern European Task Force
U.S. Army Europe
U.S. Army Pacific
U.S. Army Special Operations Command

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 11: Land Forces
Detail by Subactivity Group 111: Maneuver Units

III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
MANEUVER UNITS	\$1,238,906	\$1,094,429	\$-754,224	-68.91%	\$340,205	\$340,205	\$791,450	
SUBACTIVITY GROUP TOTAL	\$1,238,906	\$1,094,429	\$-754,224	-68.91%	\$340,205	\$340,205	\$791,450	
			<u>Change</u>					
			<u>FY 2016/FY 2016</u>	<u>Change</u>				
				<u>FY 2016/FY 2017</u>				
BASELINE FUNDING			\$1,094,429	\$340,205				
Congressional Adjustments (Distributed)			-700,000					
Congressional Adjustments (Undistributed)			-7,043					
Adjustments to Meet Congressional Intent			17,260					
Congressional Adjustments (General Provisions)			-64,441					
SUBTOTAL APPROPRIATED AMOUNT			340,205					
War Related and Disaster Supplemental Appropriation			957,900					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING			1,298,105					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			-957,900					
Less: X-Year Carryover			0					
Price Change				-8,459				
Functional Transfers				26,119				
Program Changes				433,585				
NORMALIZED CURRENT ESTIMATE			\$340,205	\$791,450				

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 11: Land Forces
 Detail by Subactivity Group 111: Maneuver Units

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 1,094,429
1. Congressional Adjustments	\$ -754,224
a) Distributed Adjustments	\$ -700,000
1) OCO/GWOT Operations - Transfer to Title IX	\$ -700,000
b) Undistributed Adjustments	\$ -7,043
1) Spares and repair parts	\$ -7,043
c) Adjustments to Meet Congressional Intent	\$ 17,260
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 17,260
d) General Provisions	\$ -64,441
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -564
2) Sec 8126. Excess Cash Balances Working Capital Funds	\$ -40,260

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 11: Land Forces
 Detail by Subactivity Group 111: Maneuver Units

3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -23,617

FY 2016 Appropriated Amount \$ 340,205

2. War-Related and Disaster Supplemental Appropriations \$ 957,900

a) Overseas Contingency Operations Supplemental Appropriation, 2016 \$ 957,900

1) Overseas Contingency Operations Supplemental \$ 957,900

3. Fact-of-Life Changes \$ 0

FY 2016 Appropriated and Supplemental Funding \$ 1,298,105

4. Anticipated Reprogramming (Requiring 1415 Actions) \$ 0

Revised FY 2016 Estimate \$ 1,298,105

5. Less: Emergency Supplemental Funding \$ -957,900

a) Less: War Related and Disaster Supplemental Appropriation \$ -957,900

b) Less: X-Year Carryover \$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 11: Land Forces
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Normalized FY 2016 Current Enacted	\$ 340,205
6. Price Change	\$ -8,459
7. Transfers.....	\$ 26,119
a) Transfers In	\$ 26,119
1) Special Operations Forces.....	\$ 26,119
Transfers funding for Special Operations Forces (SOF) units from SAG113: Echelons Above Brigade to SAG111: Maneuver Units to improve visibility and integration of conventional and unconventional capabilities. Funding directly supports the readiness of the Special Forces Groups, 160th Aviation Regiment, 75th Ranger Regiment, and the associated SOF enablers. (Baseline: \$0)	
b) Transfers Out	\$ 0
8. Program Increases	\$ 758,236
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 758,236
1) Restoral of Transfer for OCO.....	\$ 700,000
Funds reflect program growth of \$700 million as a result of the FY 2016 congressional realignment from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016. The \$700 million funds	

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Brigade Combat Teams' home station training and associated operations and maintenance costs for repair parts, fuel, supplies, and other home station training support costs. (Baseline: \$0)

2) Training Readiness \$ 58,236
 Funds an increase in Decisive Action focused training and continues to restore core capabilities with all units achieving the highest levels of training readiness attainable. Increases funding for Brigade Combat Teams' operations and maintenance costs for repair parts, fuel, supplies, and other home station training support costs commensurate with increased training. (Baseline: \$251,537)

9. Program Decreases \$ -324,651

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases \$ 0

c) Program Decreases in FY 2017 \$ -324,651

1) Bipartisan Budget Act of 2015 Compliance \$ -317,093
 Decrease in funding to home station training required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$317,093)

2) Brigade Combat Team (BCT) Rotation to Korea \$ -7,558
 Reduces funding for BCT cyclical rotations to Korea in support of the National Defense Strategy. The Army plans to conduct only one transfer of authority (TOA) in FY 2017 vice two in FY 2016. Approximately every three years the nine month rotation cycle generates two TOAs in the same FY. Rotation supports rebalance to the Asia Pacific region and strengthens alliance with the Republic of Korea. (Baseline: \$57,138)

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FY 2017 Budget Request.....\$ 791,450

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IV. Performance Criteria and Evaluation Summary:

		<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Combat Vehicles				
Abrams Tank System	M1	813	813	813
Bradley Fighting Vehicle System	M2	959	1,064	1,157
Cavalry Fighting Vehicle System	M3	288	141	0
Stryker Infantry Combat Vehicle	ICV	2,527	2,611	2,360
Total for Combat Vehicles		4,587	4,629	4,330
Combat Support Pacing Item				
105MM Towed Howitzer	105(T)	192	168	184
155MM Self-Propelled (SP) Howitzer	M109A6	162	162	162
155MM Towed Howitzer	155(T)	222	234	218
Heavy Assault Bridge	AVLB (M60)	25	21	17
	Wolverine	12	16	20
Bradley Fire Support Team Vehicle	BFSTV	135	135	117
Armored Recovery Vehicle	M88	341	341	332
Armored Personnel Carrier	M113A3	601	589	523
Armored Combat Earthmover	M9	24	24	24
Total for Combat Support Pacing Item		1,714	1,690	1,597

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	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Brigade Combat Teams			
Armored Brigade Combat Team (ABCT)	9	9	9
Infantry Brigade Combat Team (IBCT)	15	13	14
Stryker Brigade Combat Team (SBCT)	8	8	7
Total for Brigade Combat Teams	32	30	30
Special Operations Forces (SOF) Elements			
Civil Affairs Brigade	0	0	1
Military Information Support Group	0	0	2
Ranger Regiment	0	0	1
Special Forces Group	0	0	5
Special Operations Aviation Regiment	0	0	1
Sustainment Brigade (SOF)	0	0	1
Total for SOF Elements	0	0	11
	<u>FY 2015</u>	<u>FY 2016⁴</u>	<u>FY 2017⁵</u>
Ground OPTEMPO Measures (Maneuver Units)			
Ground OPTEMPO (\$000)	1,238,906	340,205	791,450
Full Spectrum Training Miles (FSTMs) Budgeted ^{1,2}	1,070	625	839
FSTMs Executed	1,001	0	0
Percent of FSTMs Executed	94%	0%	0%
Tank Miles Budgeted	541	356	471
Tank Miles Executed	521		
Percent of Tank Miles Executed	96%	0	0
Unit Proficiency Level Goal ³	BCT	BCT	BCT
Unit Proficiency Level Budgeted ⁴	Tiered	Company (-)	Battalion (-)
Percent of Training Readiness Goal Funded	72%	43%	62%

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NOTE:

1. FSTMs are calculated based on the BCT force structure, BCTs available for home station training and Force Generation training requirements. FSTM includes the M1, M2, and M3 in the Armored BCT; Up-Armored High Mobility Multipurpose Wheeled Vehicle in the Infantry BCT; and all Strykers in the Stryker BCT.
2. FSTMs measure funded levels of training and applies to all units in Activity Group 11: Land Forces.
3. Unit proficiency is achieved by units executing funded miles and training events. The training readiness goal for BCTs is to achieve BCT unit proficiency which is 100% of the training readiness goal funded.
4. In FY 2016 Army funded a total of 1,022 FSTMs, 625 miles in the Base budget and 397 miles in the Overseas Contingency Operations (OCO) budget; funded 71% of the training readiness goal. Unit proficiency level funded at Battalion.
5. In FY 2017 Army funded a total of 1,051 FSTMs, 839 miles funded in the Base budget and 212 miles funded in the OCO budget; funded at 78% of training readiness goal. Unit proficiency funded at Battalion (+).

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	151,200	140,643	136,011	-4,632
Officer	17,545	14,188	13,665	-523
Enlisted	133,655	126,455	122,346	-4,109
<u>Active Military Average Strength (A/S) (Total)</u>	156,965	145,922	138,328	-7,594
Officer	17,957	15,867	13,927	-1,940
Enlisted	139,008	130,055	124,401	-5,654
<u>Civilian FTEs (Total)</u>	65	0	0	0
U.S. Direct Hire	65	0	0	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	65	0	0	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	128	0	0	0
<u>Contractor FTEs (Total)</u>	507	37	102	65

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	8,324	0	0.00%	0	-8,324	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	8,324	0		0	-8,324	0	0		0	0	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	67,514	25	1.70%	1,148	-37,294	31,393	0	1.80%	565	7,063	39,021
0399	TOTAL TRAVEL	67,514	25		1,148	-37,294	31,393	0		565	7,063	39,021
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	66,130	0	-7.30%	-4,827	-48,051	13,252	0	-8.20%	-1,087	17,591	29,756
0402	SERVICE FUND FUEL	4,856	0	-7.30%	-354	-3,781	721	0	-8.20%	-59	1,809	2,471
0411	ARMY SUPPLY	566,480	0	2.55%	14,445	-436,907	144,018	0	-4.63%	-6,668	278,885	416,235
0412	NAVY MANAGED SUPPLIES AND MATERIALS	241	0	3.48%	8	-182	67	0	4.94%	3	88	158
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	468	0	-1.67%	-8	-321	139	0	0.96%	1	178	318
0416	GSA MANAGED SUPPLIES AND MATERIALS	15,502	0	1.70%	264	-11,599	4,167	0	1.80%	75	5,375	9,617
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	4,696	0	1.70%	80	-3,320	1,456	0	1.80%	26	2,130	3,612
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	1,991	0	-0.60%	-12	-256	1,723	0	1.40%	24	904	2,651
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	4,853	0	0.40%	19	-3,530	1,342	0	-0.40%	-5	3,436	4,773
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	147,697	0	1.30%	1,920	-105,280	44,337	0	-6.00%	-2,660	69,394	111,071
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	812,914	0		11,535	-613,227	211,222	0		-10,350	379,790	580,662
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	21,271	0	0.00%	0	-13,000	8,271	0	-0.26%	-21	15,021	23,271
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	6,083	0	1.00%	61	-3,150	2,994	0	-0.10%	-3	5,362	8,353
0507	GSA MANAGED EQUIPMENT	6,472	0	1.70%	110	-4,981	1,601	0	1.80%	29	2,992	4,622
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	33,826	0		171	-21,131	12,866	0		5	23,375	36,246
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	1,704	0	-0.30%	-5	188	1,887	0	-9.00%	-170	3,106	4,823

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		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0719	SDDC CARGO OPERATION (PORT HANDLING)	8,980	0	38.80%	3,484	-12,464	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	146,589	0	1.70%	2,492	-97,485	51,596	0	1.80%	929	-9,329	43,196
0799	TOTAL TRANSPORTATION	157,273	0		5,971	-109,761	53,483	0		759	-6,223	48,019
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	292	0	1.70%	5	13	310	0	1.80%	6	345	661
0914	PURCHASED COMMUNICATIONS (NON-FUND)	199	0	1.70%	3	-116	86	0	1.80%	2	27	115
0915	RENTS (NON-GSA)	322	0	1.70%	5	-327	0	0	0.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	0	0	1.70%	0	7	7	0	1.80%	0	12	19
0920	SUPPLIES AND MATERIALS (NON-FUND)	49,327	28	1.70%	839	-31,502	18,692	0	1.80%	336	27,120	46,148
0921	PRINTING AND REPRODUCTION	1	0	1.70%	0	49	50	0	1.80%	1	49	100
0922	EQUIPMENT MAINTENANCE BY CONTRACT	21,096	0	1.70%	359	-21,325	130	0	1.80%	2	14	146
0923	OPERATION AND MAINTENANCE OF FACILITIES	23,915	0	1.70%	407	-24,022	300	0	1.80%	5	297	602
0925	EQUIPMENT PURCHASES (NON-FUND)	17,206	0	1.70%	293	-13,283	4,216	0	1.80%	76	8,224	12,516
0927	AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	2,322	0	1.70%	39	-2,361	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	7,320	0	1.70%	124	-7,444	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	553	0	1.70%	9	-562	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	2,477	0	-7.30%	-181	-2,296	0	0	0.00%	0	0	0
0957	LAND AND STRUCTURES	2,245	0	1.70%	38	-2,283	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	8,234	0	1.70%	140	-6,189	2,185	0	1.80%	39	9,546	11,770
0989	OTHER SERVICES	22,022	0	1.70%	374	-21,681	715	0	1.80%	13	2,931	3,659
0990	IT CONTRACT SUPPORT SERVICES	1,524	0	1.70%	26	3,000	4,550	0	1.80%	82	7,134	11,766
0999	TOTAL OTHER PURCHASES	159,055	28		2,480	-130,322	31,241	0		562	55,699	87,502
9999	GRAND TOTAL	1,238,906	53		21,305	-920,059	340,205	0		-8,459	459,704	791,450

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I. Description of Operations Financed:

MODULAR SUPPORT BRIGADES - Funds the training and operations of modular, multi-functional support brigades through force generation, while leveraging live, virtual, and constructive capabilities to conduct training focused on Decisive Action in support of Unified Land Operations. Funds training for units available to train at home station. The incremental costs associated with deployed forces deployment training and support are included in the Overseas Contingency Operations request. The training objective in FY 2017 continues restoral of core capabilities and balances operational capability and flexibility across the Army to meet the National Military Strategy. The Army resources all active component ground units to conduct Decisive Action training and achieve the highest training readiness levels attainable based on available resources. The Army remains committed to providing the necessary resources to train and prepare Soldiers, leaders and units to support current and future operations.

II. Force Structure Summary:

The Modular Support Brigades force structure reflects the Active Army's Multi-Functional Modular Support Brigades such as Fires, Expeditionary Military Intelligence, and Sustainment Brigades that support the Brigade Combat Teams.

Army Commands:

U.S. Army Forces Command

Army Service Component Commands:

U.S. Army Europe

U.S. Army Pacific

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III. Financial Summary (\$ in Thousands):

	FY 2016							
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Normalized</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>Estimate</u>	
	<u>Enacted</u>							
MODULAR SUPPORT BRIGADES	\$61,989	\$68,873	\$-4,544	-6.60%	\$64,329	\$64,329	\$68,373	
SUBACTIVITY GROUP TOTAL	\$61,989	\$68,873	\$-4,544	-6.60%	\$64,329	\$64,329	\$68,373	
B. <u>Reconciliation Summary</u>			<u>Change</u>			<u>Change</u>		
			<u>FY 2016/FY 2016</u>			<u>FY 2016/FY 2017</u>		
BASELINE FUNDING			\$68,873			\$64,329		
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			-331					
Adjustments to Meet Congressional Intent			5,946					
Congressional Adjustments (General Provisions)			-10,159					
SUBTOTAL APPROPRIATED AMOUNT			64,329					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING			64,329					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change						-1,938		
Functional Transfers						5,777		
Program Changes						205		
NORMALIZED CURRENT ESTIMATE			\$64,329			\$68,373		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 68,873
1. Congressional Adjustments	\$ -4,544
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -331
1) Spares and repair parts	\$ -331
c) Adjustments to Meet Congressional Intent	\$ 5,946
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 5,946
d) General Provisions	\$ -10,159
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -101
2) Sec 8126. Excess Cash Balances Working Capital Funds	\$ -1,922
3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -8,136

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FY 2016 Appropriated Amount	\$ 64,329
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 64,329
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 64,329
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 64,329
6. Price Change	\$ -1,938
7. Transfers.....	\$ 5,777

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a) Transfers In \$ 5,777

1) Fires Brigades \$ 5,777
 Transfers Fires Brigade firing units and associated support companies from SAG113: Echelons Above
 Brigade to SAG112: Modular Support Brigades to align all Fires Brigade units to one Subactivity
 Group. (Baseline: \$0)

b) Transfers Out \$ 0

8. Program Increases \$ 8,362

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 8,362

1) Training Readiness \$ 8,362
 Funds an increase in Decisive Action focused training and continues to restore core capabilities with all
 units achieving the highest levels of training readiness attainable. Increases funding for multi-functional
 support brigades' operations and maintenance costs for repair parts, fuel, supplies, and other home
 station training support costs commensurate with increased training. (Baseline: \$55,691)

9. Program Decreases \$ -8,157

a) One-Time FY 2016 Costs \$ 0

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b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -8,157

1) Bipartisan Budget Act of 2015 Compliance \$ -5,904
 Decrease in funding to home station training required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$5,904)

2) Multiple Launch Rocket System (MLRS) Rotation to Korea \$ -2,253
 Reduces funding for MLRS Battalion cyclical rotations to Korea in support of current Defense Strategy. The Army plans to conduct one transfer of authority (TOA) in FY 2017 vice two in FY 2016. Approximately every three years the nine month rotation cycle generates two TOA rotations. Costs are for transportation of unit to and from Korea. Rotation supports rebalance to the Asia Pacific region and strengthens alliance with the Republic of South Korea. (Baseline: \$8,638)

FY 2017 Budget Request..... \$ 68,373

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IV. Performance Criteria and Evaluation Summary:

		<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Combat Support Pacing Item				
Multiple Launch Rocket System	MLRS	96	96	112
High Mobility Artillery Rocket System	HIMARS	32	32	80
Armored Recovery Vehicle	M88	18	18	21
Total for Combat Support Pacing Item		146	146	213
 Multifunctional Support Brigades				
Expeditionary Military Intelligence Brigade		3	3	3
Fires Brigade		6	4	4
Sustainment Brigade		11	11	11
Total for Multifunctional Support Brigades		20	18	18
 Ground OPTEMPO Measures (Modular Support Brigades)				
Ground OPTEMPO (\$000)		<u>FY 2015</u> 61,989	<u>FY 2016²</u> 64,329	<u>FY 2017³</u> 68,373
Unit Proficiency Level Goal		Brigade	Brigade	Brigade
Unit Proficiency Level Budgeted ¹		Tiered	Company (-)	Battalion (-)
Percent of Training Readiness Goal Funded		72%	43%	62%

1. Unit proficiency is achieved by units executing funded miles and training events. The training readiness goal for multifunctional brigades is to achieve brigade level unit proficiency which is 100% of the training readiness goal funded.
2. In FY 2016 Army funded a total of 1,022 Full Spectrum Training Miles (FSTMs), 625 miles in the Base budget and 397 miles in the Overseas Contingency Operations (OCO) budget; funded 71% of the training readiness goal. Unit proficiency level funded at Battalion for multifunctional brigades.
3. In FY 2017 Army funded a total of 1,051 FSTMs, 839 miles funded in the Base budget and 212 miles funded in the OCO budget; funded at 78% of training readiness goal. Unit proficiency level funded at Battalion (+).

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	12,956	12,346	12,368	22
Officer	2,330	2,199	2,236	37
Enlisted	10,626	10,147	10,132	-15
<u>Active Military Average Strength (A/S) (Total)</u>	14,114	12,652	12,358	-294
Officer	2,497	2,265	2,218	-47
Enlisted	11,617	10,387	10,140	-247
<u>Civilian FTEs (Total)</u>	0	0	0	0
U.S. Direct Hire	0	0	0	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	0	0	0	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 1	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	0	0	0	0
<u>Contractor FTEs (Total)</u>	2	8	9	1

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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Detail by Subactivity Group 112: Modular Support Brigades

VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	22	0	0.00%	0	-22	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	22	0		0	-22	0	0		0	0	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,890	0	1.70%	32	2,275	4,197	0	1.80%	76	-44	4,229
0399	TOTAL TRAVEL	1,890	0		32	2,275	4,197	0		76	-44	4,229
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	7,923	0	-7.30%	-578	-3,543	3,802	0	-8.20%	-312	682	4,172
0402	SERVICE FUND FUEL	612	0	-7.30%	-45	-241	326	0	-8.20%	-27	44	343
0411	ARMY SUPPLY	27,442	0	2.55%	700	-2,681	25,461	0	-4.63%	-1,179	4,914	29,196
0412	NAVY MANAGED SUPPLIES AND MATERIALS	13	0	3.48%	0	-3	10	0	4.94%	0	2	12
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	40	0	-1.67%	-1	-9	30	0	0.96%	0	0	30
0416	GSA MANAGED SUPPLIES AND MATERIALS	914	0	1.70%	16	116	1,046	0	1.80%	19	40	1,105
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	367	0	1.70%	6	54	427	0	1.80%	8	37	472
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	163	0	-0.60%	-1	24	186	0	1.40%	3	63	252
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	286	0	0.40%	1	59	346	0	-0.40%	-1	106	451
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	11,518	0	1.30%	150	941	12,609	0	-6.00%	-757	867	12,719
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	49,278	0		248	-5,283	44,243	0		-2,246	6,755	48,752
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	1,807	0	0.00%	0	103	1,910	0	-0.26%	-5	128	2,033
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	594	0	1.00%	6	176	776	0	-0.10%	-1	186	961
0507	GSA MANAGED EQUIPMENT	342	0	1.70%	6	89	437	0	1.80%	8	134	579
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	2,743	0		12	368	3,123	0		2	448	3,573
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	2,966	0	1.70%	50	3,513	6,529	0	1.80%	118	-2,427	4,220

Exhibit OP-5, Subactivity Group 112

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0799 TOTAL TRANSPORTATION	2,966	0		50	3,513	6,529	0		118	-2,427	4,220
<u>OTHER PURCHASES</u>											
0920 SUPPLIES AND MATERIALS (NON-FUND)	3,330	0	1.70%	57	-305	3,082	0	1.80%	55	549	3,686
0925 EQUIPMENT PURCHASES (NON-FUND)	974	0	1.70%	17	273	1,264	0	1.80%	23	268	1,555
0987 OTHER INTRA-GOVERNMENT PURCHASES	497	0	1.70%	8	78	583	0	1.80%	10	295	888
0989 OTHER SERVICES	200	0	1.70%	3	0	203	0	1.80%	4	64	271
0990 IT CONTRACT SUPPORT SERVICES	89	0	1.70%	2	1,014	1,105	0	1.80%	20	74	1,199
0999 TOTAL OTHER PURCHASES	5,090	0		87	1,060	6,237	0		112	1,250	7,599
9999 GRAND TOTAL	61,989	0		429	1,911	64,329	0		-1,938	5,982	68,373

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Detail by Subactivity Group 113: Echelons Above Brigade

I. Description of Operations Financed:

ECHELONS ABOVE BRIGADE - Funds the training and day-to-day operations of echelons above brigade operational units whose mission is to provide critical, actionable intelligence, force protection, and area logistics support to Brigade Combat Teams through force generation, while leveraging live, virtual, and constructive capabilities to conduct training focused on Decisive Action in support of Unified Land Operations. Funds training for units available to train at home station. This includes critical tactical and national assets, such as: Phase Arrayed Tracking Radar, Inceptor of Target Air (PATRIOT) Defense Battalions and Chemical, Biological, Radiological/Nuclear, and Explosive units/operations required to protect both deployed units and the homeland. It also funds Army support to military police units providing force protection. The incremental costs associated with deployed forces deployment training and support are included in the Overseas Contingency Operations request. The training objective in FY 2017 continues restoral of core capabilities and balances operational capability and flexibility across the Army to meet the National Military Strategy. The Army resources all active component ground units to conduct Decisive Action training and achieve the highest training readiness levels attainable based on available resources. The Army remains committed to providing the necessary resources to train and prepare Soldiers, leaders and units to support current and future operations.

II. Force Structure Summary:

Echelons Above Brigade force structure includes chemical, engineer, medical, signal, military police, military intelligence, air defense artillery, and logistics units. Some of these units are aligned with the various multi-functional and functional support brigades in Subactivity Groups 112 and 114. In addition, funds all of the authorized equipment such as Stryker; armored personnel carriers; Patriot missile launchers; Avenger air defense weapons; wheeled vehicles; radios; and reconnaissance and surveillance platforms.

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Material Command

Army Service Component Commands:

U.S. Army Europe
U.S. Army Central
U.S. Army North
U.S. Army Pacific
U.S. Army Space and Missile Defense Command/Army Strategic Command

Direct Reporting Units:

U.S. Army Military District Washington
U.S. Army Corps of Engineers
U.S. Army Acquisition Support Center
U.S. Army Intelligence and Security Command
U.S. Army Criminal Investigation Command

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III. Financial Summary (\$ in Thousands):

	FY 2016							
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Normalized</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	<u>Estimate</u>	
ECHELONS ABOVE BRIGADE	\$490,788	\$508,008	\$-39,698	-7.81%	\$468,310	\$468,310	\$438,823	
SUBACTIVITY GROUP TOTAL	\$490,788	\$508,008	\$-39,698	-7.81%	\$468,310	\$468,310	\$438,823	
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>				
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>				
BASELINE FUNDING			\$508,008	\$468,310				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			-3,265					
Adjustments to Meet Congressional Intent			52,743					
Congressional Adjustments (General Provisions)			-89,176					
SUBTOTAL APPROPRIATED AMOUNT			468,310					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING			468,310					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					-10,160			
Functional Transfers					-31,896			
Program Changes					12,569			
NORMALIZED CURRENT ESTIMATE			\$468,310		\$438,823			

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 508,008
1. Congressional Adjustments	\$ -39,698
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -3,265
1) Spares and repair parts	\$ -3,265
c) Adjustments to Meet Congressional Intent	\$ 52,743
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 52,743
d) General Provisions	\$ -89,176
1) Sec 8024. Federally Funded Research and Development Centers	\$ -18
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -482
3) Sec 8126. Excess Cash Balances Working Capital Funds	\$ -16,507

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4) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -72,169

FY 2016 Appropriated Amount **\$ 468,310**

2. War-Related and Disaster Supplemental Appropriations \$ 0

3. Fact-of-Life Changes \$ 0

FY 2016 Appropriated and Supplemental Funding **\$ 468,310**

4. Anticipated Reprogramming (Requiring 1415 Actions) \$ 0

Revised FY 2016 Estimate **\$ 468,310**

5. Less: Emergency Supplemental Funding \$ 0

a) Less: War Related and Disaster Supplemental Appropriation \$ 0

b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted **\$ 468,310**

6. Price Change \$ -10,160

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7. Transfers.....	\$ -31,896
a) Transfers In	\$ 0
b) Transfers Out	\$ -31,896
1) Fires Brigades	\$ -5,777
Transfers Fires Brigade firing units and associated support companies from SAG 113: Echelons Above Brigade to SAG 112: Modular Support Brigades to align all Fires Brigade units to one Subactivity Group. (Baseline: \$5,777)	
2) Special Operations Forces.....	\$ -26,119
Transfers funding for Special Operations Forces (SOF) units from SAG 113: Echelons Above Brigade to SAG 111: Maneuver Units to improve visibility and integration of conventional and unconventional capabilities. Funding directly supports the readiness of the Special Forces Groups, 160th Aviation Regiment, 75th Ranger Regiment, and the associated SOF enablers. (Baseline: \$26,119)	
8. Program Increases	\$ 51,183
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 51,183
1) Chemical Biological Radiological Nuclear (CBRN) Dismounted Reconnaissance (DR) Sets, Kits, Outfits (SKO)	\$ 958
Funds sustainment costs for updated CBRN DR SKO. The system provides capability to identify potential Weapons of Mass Destruction (WMD) and/or WMD precursors and determine levels of	

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protection required to access and inhabit a sensitive site. These site locations may be enclosed or confined, and not accessible by traditional CBRN mounted reconnaissance platforms. (Baseline: \$1,244)

2) Training Readiness \$ 50,225

Funds an increase in Decisive Action focused training and continues to restore core capabilities with all units achieving the highest levels of training readiness attainable. Increases funding for functional support brigades' and other echelons above corps units' operations and maintenance costs for repair parts, fuel, supplies, and other home station training support costs commensurate with increased training. (Baseline: \$363,009)

9. Program Decreases\$ -38,614

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017 \$ -38,614

1) Bipartisan Budget Act of 2015 Compliance \$ -38,614

Decrease in funding to home station training required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$38,614)

FY 2017 Budget Request.....\$ 438,823

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IV. Performance Criteria and Evaluation Summary:

		<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Combat Vehicles				
Stryker Infantry Combat Vehicle	ICV	59	67	48
Total for Combat Vehicles		59	67	48
Combat Support Pacing Item¹				
Multiple Launch Rocket System	MLRS	16	16	0
High Mobility Artillery Rocket	HIMARS	48	48	0
Track Armored Recovery Vehicle	M88	16	17	14
Short Range Air Defense Weapon System	Avenger	48	48	48
Armored Personnel Carrier	M113A3	180	182	182
Heavy Assault Bridge / Armored Vehicle Launch Bridge (AVLB)	AVLB (M60)	0	12	12
	Wolverine	18	6	6
Armored Combat Earthmover	M9	12	12	12
Patriot Launcher	Patriot	288	288	288
Unmanned Aircraft System	Raven	2,175	2,175	2,175
Total for Combat Support Pacing Item		2,801	2,804	2,737
Multifunctional Support Brigades				
		<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Expeditionary Transportation Brigade		1	1	1
Total for Multifunctional Support Brigades		1	1	1

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	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Functional Support Brigades			
Air Defense Brigade	4	4	4
Chemical, Biological, Radiological, Nuclear Brigade	1	1	1
Engineer Brigade	4	4	4
Explosives Ordnance Group	2	2	2
Medical Brigade	4	4	4
Military Police Brigade	5	5	5
Military Police Brigade (Criminal Investigation Command)	2	2	2
Signal Brigade	2	2	2
Space Brigade	1	1	1
Civil Affairs Brigade	1	1	1
Total for Functional Support Brigades	26	26	26
Special Operations Forces (SOF) Elements²			
Civil Affairs Brigade	1	1	0
Military Information Support Group	2	2	0
Ranger Regiment	1	1	0
Special Forces Group	5	5	0
Special Operations Aviation Regiment	1	1	0
Sustainment Brigade (SOF)	1	1	0
Total for SOF Elements	11	11	0
Commands/Centers			
Air Missile Defense Command	1	1	1
Chemical, Biological, Radiological, Nuclear, Explosives Command	1	1	1
Sustainment Command	3	3	3
Total for Commands/Centers	5	5	5

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Ground OPTEMPO Measures (Echelons above Brigade)	<u>FY 2015</u>	<u>FY 2016⁴</u>	<u>FY 2017⁵</u>
Ground OPTEMPO (\$000)	490,788	468,310	438,823
Unit Proficiency Level Goal	Brigade	Brigade	Brigade
Unit Proficiency Level Budgeted	Tiered	Company (-)	Battalion (-)
Percent of Training Readiness Goal Funded ³	72%	43%	62%

NOTES:

1. Fires Brigades and Multiple Launch Rocket System, High Mobility Artillery Rocket, and Track Armored Recovery Vehicles transferred to SAG 112 in FY 2017.
2. Special Operation Force units transferred to SAG 111 in FY 2017.
3. Unit proficiency is achieved by units executing funded miles and training events. The training readiness goal for functional brigades is to achieve brigade level unit proficiency which is 100% of the training readiness goal funded.
4. In FY 2016 Army funded a total of 1,022 Full Spectrum Training Miles (FSTMs), 625 miles in the Base budget and 397 miles in the Overseas Contingency Operations (OCO) budget; funded 71% of the training readiness goal. Unit proficiency level funded at Battalion for functional brigades.
5. In FY 2017 Army funded a total of 1,051 FSTMs, 839 miles funded in the Base budget and 212 miles funded in the OCO budget; funded at 78% of training readiness goal. Unit proficiency level funded at Battalion (+).

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>80,722</u>	<u>76,847</u>	<u>72,373</u>	<u>-4,474</u>
Officer	9,516	8,721	8,169	-552
Enlisted	71,206	68,126	64,204	-3,922
<u>Active Military Average Strength (A/S) (Total)</u>	<u>82,149</u>	<u>78,785</u>	<u>74,610</u>	<u>-4,175</u>
Officer	9,810	9,119	8,445	-674
Enlisted	72,339	69,666	66,165	-3,501
<u>Civilian FTEs (Total)</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>
U.S. Direct Hire	2	0	0	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	2	0	0	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 4	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	<u>460</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Contractor FTEs (Total)</u>	<u>357</u>	<u>469</u>	<u>449</u>	<u>-20</u>

Personnel Summary Explanations:

n/a

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	919	0	0.00%	0	-919	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	919	0		0	-919	0	0		0	0	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	20,375	3	1.70%	347	4,399	25,124	0	1.80%	452	-27	25,549
0399	TOTAL TRAVEL	20,375	3		347	4,399	25,124	0		452	-27	25,549
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	58,587	0	-7.30%	-4,276	-21,526	32,785	0	-8.20%	-2,688	4,074	34,171
0402	SERVICE FUND FUEL	4,347	0	-7.30%	-317	-1,116	2,914	0	-8.20%	-239	187	2,862
0411	ARMY SUPPLY	175,785	0	2.55%	4,482	-42,349	137,918	0	-4.63%	-6,386	-14,724	116,808
0412	NAVY MANAGED SUPPLIES AND MATERIALS	83	0	3.48%	3	-19	67	0	4.94%	3	-15	55
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	193	0	-1.67%	-3	-33	157	0	0.96%	1	-32	126
0416	GSA MANAGED SUPPLIES AND MATERIALS	6,714	0	1.70%	114	-239	6,589	0	1.80%	119	-469	6,239
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	2,748	0	1.70%	47	-80	2,715	0	1.80%	49	-126	2,638
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	1,070	0	-0.60%	-6	54	1,118	0	1.40%	16	-85	1,049
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	1,988	0	0.40%	8	303	2,299	0	-0.40%	-9	-89	2,201
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	82,724	0	1.30%	1,075	-13,285	70,514	0	-6.00%	-4,231	-954	65,329
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	334,239	0		1,127	-78,290	257,076	0		-13,365	-12,233	231,478
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	9,769	0	0.00%	0	4,877	14,646	0	-0.26%	-38	-414	14,194
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	5,285	0	1.00%	53	1,643	6,981	0	-0.10%	-7	-193	6,781
0507	GSA MANAGED EQUIPMENT	2,464	0	1.70%	42	475	2,981	0	1.80%	54	-230	2,805
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	17,518	0		95	6,995	24,608	0		9	-837	23,780
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	746	0	-0.30%	-2	762	1,506	0	-9.00%	-136	-207	1,163

Exhibit OP-5, Subactivity Group 113

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
0771	COMMERCIAL TRANSPORTATION	15,504	0	1.70%	264	-5,413	10,355	0	1.80%	186	-278	10,263
0799	TOTAL TRANSPORTATION	16,250	0		262	-4,651	11,861	0		50	-485	11,426
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	367	0	1.70%	6	38	411	0	1.80%	7	-418	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	875	0	1.70%	15	-733	157	0	1.80%	3	-33	127
0917	POSTAL SERVICES (U.S.P.S)	3	0	1.70%	0	-3	0	0	0.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	24,847	6	1.70%	422	14,958	40,233	0	1.80%	724	-224	40,733
0921	PRINTING AND REPRODUCTION	0	0	1.70%	0	30	30	0	1.80%	1	-2	29
0922	EQUIPMENT MAINTENANCE BY CONTRACT	34,094	0	1.70%	580	20,851	55,525	0	1.80%	999	22	56,546
0923	OPERATION AND MAINTENANCE OF FACILITIES	5,330	5	1.70%	90	-4,307	1,118	0	1.80%	20	-581	557
0925	EQUIPMENT PURCHASES (NON-FUND)	9,508	0	1.70%	162	1,915	11,585	0	1.80%	209	-411	11,383
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	8,420	0	1.70%	143	-8,563	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	2,189	0	1.70%	37	-2,226	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	1,459	0	-7.30%	-106	-1,353	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	8,988	0	1.70%	153	14,054	23,195	0	1.80%	418	-1,518	22,095
0989	OTHER SERVICES	4,805	0	1.70%	82	5,236	10,123	0	1.80%	182	-2,433	7,872
0990	IT CONTRACT SUPPORT SERVICES	602	0	1.70%	10	6,652	7,264	0	1.80%	131	-147	7,248
0999	TOTAL OTHER PURCHASES	101,487	11		1,594	46,549	149,641	0		2,694	-5,745	146,590
9999	GRAND TOTAL	490,788	14		3,425	-25,917	468,310	0		-10,160	-19,327	438,823

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I. Description of Operations Financed:

THEATER LEVEL ASSETS - Funds the training and operations of military units that directly support world-wide operations, the deployable elements of the Army Service Component Commands headquarters, through force generation, while leveraging live, virtual, and constructive capabilities to conduct training focused on Decisive Action in support of Unified Land Operations. Funds home station training for units available. Supports world-wide information operations and actionable intelligence to include reach back capability for deployed forces. Funds the contractor logistics support of reconnaissance and surveillance platforms such as the Gray Eagle and Shadow unmanned aircraft systems. It also funds costs associated with world-wide criminal investigation support provided by military investigators. Includes support for equipment, facilities, and all associated costs specifically identified to these units. The incremental costs associated with deployed forces deployment training and support are included in the Overseas Contingency Operations request. The training objective in FY 2017 continues restoral of core capabilities and balances operational capability and flexibility across the Army to meet the National Military Strategy. The Army resources all active component ground units to conduct Decisive Action training and achieve the highest training readiness levels attainable based on available resources. The Army remains committed to providing the necessary resources to train and prepare Soldiers, leaders and units to support current and future operations.

II. Force Structure Summary:

Theater Level Assets are the active Army's functional support brigade headquarters and subordinate Army commands such as signal, medical, and financial management. Structure includes deployable command posts of the Army Service Component Commands, information operations battalions, criminal investigation units, logistics units, and air defense/air space mission command units. Although called theater level assets, these units support combat forces throughout the world and provide critical reach back capability in the areas of information operations, intelligence, and logistics.

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Material Command

Army Service Component Commands:

U.S. Army Central
U.S. Army Africa/ Southern European Task Force
U.S. Army North, U.S. Army South
U.S. Army Europe
U.S. Army Space and Missile Defense Command/ Army Forces Strategic Command
U.S. Army Pacific

Direct Reporting Units:

U.S. Army Military District Washington
U.S. Army Corps of Engineers

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U.S. Intelligence and Security Command
U.S. Army Medical Command
Second Army
U.S. Army Criminal Investigation Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
THEATER LEVEL ASSETS	\$2,055,110	\$763,300	\$-88,868	-11.64%	\$674,432	\$674,432	\$660,258	
SUBACTIVITY GROUP TOTAL	\$2,055,110	\$763,300	\$-88,868	-11.64%	\$674,432	\$674,432	\$660,258	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
B. <u>Reconciliation Summary</u>			\$763,300			\$674,432		
BASELINE FUNDING			-70,000					
Congressional Adjustments (Distributed)			-1,951					
Congressional Adjustments (Undistributed)			8,385					
Adjustments to Meet Congressional Intent			-25,302					
Congressional Adjustments (General Provisions)			<u>674,432</u>					
SUBTOTAL APPROPRIATED AMOUNT			1,157,610					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			<u>1,832,042</u>					
SUBTOTAL BASELINE FUNDING			0					
Anticipated Reprogramming (Requiring 1415 Actions)			-1,157,610					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover						3,314		
Price Change						-26,583		
Functional Transfers						<u>9,095</u>		
Program Changes			\$674,432			\$660,258		
NORMALIZED CURRENT ESTIMATE								

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 763,300
1. Congressional Adjustments	\$ -88,868
a) Distributed Adjustments	\$ -70,000
1) Unjustified growth	\$ -70,000
b) Undistributed Adjustments	\$ -1,951
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -369
2) Spares and repair parts	\$ -1,582
c) Adjustments to Meet Congressional Intent	\$ 8,385
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 8,385
d) General Provisions	\$ -25,302
1) Sec 8024. Federally Funded Research and Development Centers	\$ -5

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2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -5,091
3) Sec 8126. Excess Cash Balances Working Capital Funds	\$ -8,733
4) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -11,473

FY 2016 Appropriated Amount.....\$ 674,432

2. War-Related and Disaster Supplemental Appropriations.....\$ 1,157,610

a) Overseas Contingency Operations Supplemental Appropriation, 2016\$ 1,157,610

1) Overseas Contingency Operations Supplemental.....\$ 1,157,610

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 1,832,042

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 1,832,042

5. Less: Emergency Supplemental Funding.....\$ -1,157,610

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a) Less: War Related and Disaster Supplemental Appropriation \$ -1,157,610

b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted.....\$ 674,432

6. Price Change \$ 3,314

7. Transfers.....\$ -26,583

a) Transfers In \$ 14,435

1) Eighth Army Headquarters..... \$ 14,435

Transfers funding and 125 FTEs from SAG 133: Management and Operational Headquarters to SAG 114: Theater Level Assets to realign Eighth Army headquarters support functions into the appropriate Subactivity Group. (Baseline: \$0; 125 FTE)

b) Transfers Out \$ -41,018

1) Cyberspace Operations \$ -13,959

Transfers funding from SAG 114, Theatre Level Assets to SAG 121, Land Forces Readiness Support to consolidate U.S. Army Cyber Command resources in the appropriate Subactivity Group. Funding supports knowledge management and Command, Control, Communications, and Computer Information Management equipment and services. (Baseline: \$13,959)

2) Global Cyber Network Operations and Security Centers \$ -27,059

Transfers funding and FTEs from the following SAGs: SAG 114, Theatre Level Assets (\$-27,059; -16 FTEs) and SAG 432, Servicewide Communications (\$-62,207;-250 FTEs) to SAG 121, Land Forces

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Readiness Support (\$89,266; 266 FTEs) to properly align resources for U.S. Army Cyber Command and Second Army into the appropriate Subactivity Group. (Baseline: \$27,059; -16 FTE)

8. Program Increases	\$ 53,525
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 53,525
1) Training Readiness	\$ 3,749
Funds an increase in Decisive Action focused training and continues to restore core capabilities with all units achieving the highest levels of training readiness attainable. This increases theater level assets' operations and maintenance funding for repair parts, fuel, life cycle support costs, and other home station training support costs commensurate with increased training. (Baseline: \$200,068)	
2) Unmanned Aerial System (UAS) Gray Eagle	\$ 49,776
Funds two additional Gray Eagle companies, one company in a Aerial Exploitation Battalion at theater level (12 aircraft per company) and one in a Combat Aviation Brigade (CAB) at division level (9 aircraft per company). Funds operational and sustainment costs in support of Global Force Management missions and also supports home station training costs for the CAB's UAS company. Support includes repair parts for UAS aircraft and their sensors. (Baseline: \$115,337)	
9. Program Decreases.....	\$ -44,430
a) One-Time FY 2016 Costs	\$ 0

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b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -44,430

1) Air Defense Patriot Systems in Pacific Theater \$ -5,169
Decrease funding based on reduced demand for Patriot Systems repair parts in the Pacific Theater. The Army adjusts its repair parts cost estimate based on a rolling three year average of demand for parts. The Pacific Theater had a particularly high demand for Patriot system repair parts in FY 2011 (removed from average) and lower demands in FY 2014 (added to average) which created an overall lower cost for those repair parts for FY 2017. This adjustment is separate from the pricing of repair parts and is theater specific. (Baseline: \$13,997)

2) Bipartisan Budget Act of 2015 Compliance \$ -8,361
Decrease in funding to home station training required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$8,361)

3) Compensable Days..... \$ -375
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$55,496)

4) Operations in the Former Yugoslavia Republic of Macedonia (Balkans) \$ -30,525
Decreases funding for Class III petroleum, oil and lubricants, supplies, transportation and linguists support. (Baseline: \$88,087)

FY 2017 Budget Request.....\$ 660,258

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IV. Performance Criteria and Evaluation Summary:

		<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Combat Vehicles				
Stryker Infantry Combat Vehicle	ICV	12	18	18
Total for Combat Vehicles		12	18	18
Combat Support Pacing Item				
105MM Towed Howitzer	105(T)	8	8	8
Short Range Air Defense Weapon System	Avenger	24	24	24
Patriot Launcher	Patriot	72	72	72
Unmanned Aircraft System	Gray Eagle ¹	7	8	9
	Gray Eagle ²	1	2	3
	Shadow	104	104	104
Total for Combat Support Pacing Item		208	210	212
Functional Support Brigades				
Air Defense Brigade		1	1	1
Army Field Support Brigade		7	7	7
Medical Brigade		1	1	1
Military Intelligence Brigade		6	7	7
Signal Brigade		7	7	7
Total for Functional Support Brigades		22	23	23

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	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Theater Commands/Centers			
Air Missile Defense Command	3	2	2
Finance Command/Center	3	3	3
Information Operations Command	1	1	1
Medical Command	1	1	1
Personnel Command/Center	3	3	3
Signal Command/Center	2	2	2
Sustainment Command	5	4	4
Total for Theater Commands/Centers	18	16	16
Ground OPTEMPO Measures (Theater Level Assets)			
	<u>FY 2015</u>	<u>FY 2016⁴</u>	<u>FY 2017⁵</u>
Ground OPTEMPO (\$000)	2,055,110	674,432	660,258
Unit Proficiency Level Goal ³	Brigade	Brigade	Brigade
Unit Proficiency Level Budgeted	Tiered	Company (-)	Battalion (-)
Percent of Training Readiness Goal Funded	72%	43%	62%

NOTE:

1. Theater level companies; Nine Gray Eagle aircraft per company.
2. Combat aviation brigade level companies; 12 Gray Eagle aircraft per company.
3. Unit proficiency is achieved by units executing funded miles and training events. The training readiness goal for functional brigades is to achieve brigade level unit proficiency which is 100% of the training readiness goal funded.
4. In FY 2016 Army funded a total of 1,022 Full Spectrum Training Miles (FSTMs), 625 miles in the Base budget and 397 miles in the Overseas Contingency Operations (OCO) budget; funded 71% of the training readiness goal. Unit proficiency level funded at Battalion for functional brigades.
5. In FY 2017 Army funded a total of 1,051 FSTMs, 839 miles funded in the Base budget and 212 miles funded in the OCO budget; funded at 78% of training readiness goal. Unit proficiency level funded at Battalion (+).

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	23,837	23,101	22,337	-764
Officer	4,521	4,697	4,316	-381
Enlisted	19,316	18,404	18,021	-383
<u>Active Military Average Strength (A/S) (Total)</u>	23,867	23,469	22,720	-749
Officer	4,529	4,609	4,507	-102
Enlisted	19,338	18,860	18,213	-647
<u>Civilian FTEs (Total)</u>	544	335	444	109
U.S. Direct Hire	544	335	407	72
Foreign National Direct Hire	0	0	37	37
Total Direct Hire	544	335	444	109
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 13	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	156	166	151	-15
<u>Contractor FTEs (Total)</u>	7,891	1,630	1,616	-14

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	81,646	0	0.82%	667	-26,817	55,496	0	1.79%	995	9,802	66,293
0103	WAGE BOARD	3,348	0	0.00%	0	-3,348	0	0	0.00%	0	0	0
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	0	0	0	5	140.00%	7	552	564
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	84,994	0		667	-30,165	55,496	5		1,002	10,354	66,857
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	38,516	32	1.70%	655	9,090	48,293	0	1.80%	869	-4,920	44,242
0399	TOTAL TRAVEL	38,516	32		655	9,090	48,293	0		869	-4,920	44,242
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	10,214	0	-7.30%	-746	-3,144	6,324	0	-8.20%	-519	-831	4,974
0402	SERVICE FUND FUEL	783	0	-7.30%	-57	-227	499	0	-8.20%	-41	-142	316
0411	ARMY SUPPLY	177,337	0	2.55%	4,522	-103,147	78,712	0	-4.63%	-3,644	-4,097	70,971
0412	NAVY MANAGED SUPPLIES AND MATERIALS	25	0	3.48%	1	-9	17	0	4.94%	1	-5	13
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	56	0	-1.67%	-1	-16	39	0	0.96%	0	-10	29
0416	GSA MANAGED SUPPLIES AND MATERIALS	6,238	0	1.70%	106	-3,690	2,654	0	1.80%	48	-196	2,506
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	1,374	0	1.70%	23	148	1,545	0	1.80%	28	-76	1,497
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	8,428	0	-0.60%	-51	-107	8,270	0	1.40%	116	-122	8,264
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	507	0	0.40%	2	261	770	0	-0.40%	-3	-37	730
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	23,662	0	1.30%	308	2,437	26,407	0	-6.00%	-1,584	-2,320	22,503
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	228,624	0		4,107	-107,494	125,237	0		-5,598	-7,836	111,803
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	13,021	0	0.00%	0	-167	12,854	0	-0.26%	-33	-578	12,243
0503	NAVY FUND EQUIPMENT	11,211	0	0.00%	0	-11,211	0	0	0.00%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	4,393	0	1.00%	44	284	4,721	0	-0.10%	-5	-45	4,671
0507	GSA MANAGED EQUIPMENT	160,025	0	1.70%	2,720	-161,074	1,671	0	1.80%	30	-70	1,631
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	188,650	0		2,764	-172,168	19,246	0		-8	-693	18,545

Exhibit OP-5, Subactivity Group 114

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		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>OTHER FUND PURCHASES</u>												
0675	DLA DISPOSITION SERVICES	1,520	0	0.00%	0	-1,520	0	0	0.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	1,520	0		0	-1,520	0	0		0	0	0
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	0	0	-0.30%	0	163	163	0	-9.00%	-15	-7	141
0719	SDDC CARGO OPERATION (PORT HANDLING)	13,911	0	38.80%	5,397	-19,308	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	21,097	35	1.70%	359	-10,895	10,596	0	1.80%	191	-4,967	5,820
0799	TOTAL TRANSPORTATION	35,008	35		5,756	-30,040	10,759	0		176	-4,974	5,961
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	495	0	1.70%	8	-503	0	0	0.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	14,317	0	1.70%	243	655	15,215	0	1.80%	274	-684	14,805
0915	RENTS (NON-GSA)	277	0	1.70%	5	-282	0	0	0.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	0	0	1.70%	0	95	95	0	1.80%	2	-15	82
0920	SUPPLIES AND MATERIALS (NON-FUND)	81,834	1,000	1.70%	1,408	26,610	110,852	0	1.80%	1,995	-1,814	111,033
0921	PRINTING AND REPRODUCTION	3,049	0	1.70%	52	-2,911	190	0	1.80%	3	-33	160
0922	EQUIPMENT MAINTENANCE BY CONTRACT	739,408	0	1.70%	12,570	-604,310	147,668	0	1.80%	2,658	39,445	189,771
0923	OPERATION AND MAINTENANCE OF FACILITIES	25,943	0	1.70%	441	13,014	39,398	0	1.80%	709	-14,869	25,238
0925	EQUIPMENT PURCHASES (NON-FUND)	47,430	0	1.70%	806	-39,342	8,894	0	1.80%	160	-793	8,261
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	91,360	0	1.70%	1,553	-92,913	0	0	1.80%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	23,047	0	1.70%	392	-23,439	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	114,942	0	1.70%	1,954	-116,896	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	5,014	0	-7.30%	-366	1,438	6,086	0	-8.20%	-499	-1,904	3,683
0957	LAND AND STRUCTURES	1,366	0	1.70%	23	-1,389	0	0	0.00%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	12	0	1.70%	0	-12	0	0	0.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	527	0	0.00%	0	-527	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	101,688	0	1.70%	1,728	-86,236	17,180	0	1.80%	309	-1,941	15,548
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	9	0	1.70%	0	-9	0	0	0.00%	0	0	0
0989	OTHER SERVICES	162,349	0	1.70%	2,760	-148,876	16,233	0	1.80%	292	-2,376	14,149

Exhibit OP-5, Subactivity Group 114

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		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0990	IT CONTRACT SUPPORT SERVICES	64,731	55	1.70%	1,101	-12,297	53,590	0	1.80%	965	-24,435	30,120
0999	TOTAL OTHER PURCHASES	1,477,798	1,055		24,678	-1,088,130	415,401	0		6,868	-9,419	412,850
9999	GRAND TOTAL	2,055,110	1,122		38,627	-1,420,427	674,432	5		3,309	-17,488	660,258

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I. Description of Operations Financed:

LAND FORCES OPERATIONS SUPPORT - Funds force related maneuver training at the four Combat Training Centers (CTCs), which include the National Training Center, the Joint Readiness Training Center, the Joint Multinational Readiness Center and at the U.S. Army Combined Arms Center (Mission Command Training Program). Funds support joint training integration during CTC exercises. At the CTCs, funding supports ground OPTEMPO for the Opposing Force units, deployment costs for the units training, and contracts for the operation and maintenance of training devices. It includes repair parts and fuel support for Mine Resistant Ambush Protected vehicles located at each CTC, and funds the Contractor Logistics Support contracts for multiple systems, such as Biological Identification Detection System, Portal Shields, High Mobility Artillery Rocket Systems, and Multiple Launch Rocket Systems. The training objective in FY 2017 continues restoral of core capabilities and balances operational capability and flexibility across the Army to meet the National Military Strategy. The Army resources all active component ground units to conduct Decisive Action training and achieve the highest training readiness levels attainable based on available resources. The Army remains committed to providing the necessary resources to train and prepare Soldiers, leaders and units to support current and future operations.

II. Force Structure Summary:

Combat Training Center locations:

Joint Multinational Readiness Center, Hohenfels, Germany

Joint Readiness Training Center, Fort Polk, Louisiana

National Training Center, Fort Irwin, California

U.S. Army Combined Arms Center Mission Command Training Program, Fort Leavenworth, Kansas

Army Commands:

U.S. Army Forces Command

U.S. Army Training and Doctrine Command

U.S. Army Material Command

Army Service Component Commands:

U.S. Army Special Operations Command

U.S. Army Europe

U.S. Army Pacific

Direct Reporting Units:

U.S. Army Installation Management Command

U.S. Army Acquisition Support Center

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III. Financial Summary (\$ in Thousands):

		FY 2016				Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>
LAND FORCES OPERATIONS SUPPORT	\$1,463,038	\$1,054,322	\$-522,375	-49.55%	\$531,947	\$531,947	\$863,928
SUBACTIVITY GROUP TOTAL	\$1,463,038	\$1,054,322	\$-522,375	-49.55%	\$531,947	\$531,947	\$863,928
		<u>Change</u>		<u>Change</u>			
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>			
BASELINE FUNDING		\$1,054,322		\$531,947			
Congressional Adjustments (Distributed)			-500,000				
Congressional Adjustments (Undistributed)			-2,794				
Adjustments to Meet Congressional Intent			3,117				
Congressional Adjustments (General Provisions)			-22,698				
SUBTOTAL APPROPRIATED AMOUNT		531,947					
War Related and Disaster Supplemental Appropriation			806,801				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING		1,338,748					
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			-806,801				
Less: X-Year Carryover			0				
Price Change					7,016		
Functional Transfers					7,851		
Program Changes					317,114		
NORMALIZED CURRENT ESTIMATE		\$531,947		\$863,928			

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 1,054,322
1. Congressional Adjustments	\$ -522,375
a) Distributed Adjustments	\$ -500,000
1) OCO/GWOT Operations - Transfer to Title IX	\$ -500,000
b) Undistributed Adjustments	\$ -2,794
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -2,794
c) Adjustments to Meet Congressional Intent	\$ 3,117
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 3,117
d) General Provisions	\$ -22,698
1) Sec 8024. Federally Funded Research and Development Centers	\$ -20
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -16,835

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3) Sec 8126. Excess Cash Balances Working Capital Funds \$ -1,578

4) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -4,265

FY 2016 Appropriated Amount.....\$ 531,947

2. War-Related and Disaster Supplemental Appropriations.....\$ 806,801

a) Overseas Contingency Operations Supplemental Appropriation, 2016 \$ 806,801

1) Overseas Contingency Operations Supplemental..... \$ 806,801

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 1,338,748

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 1,338,748

5. Less: Emergency Supplemental Funding.....\$ -806,801

a) Less: War Related and Disaster Supplemental Appropriation\$ -806,801

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b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted.....\$ 531,947

6. Price Change\$ 7,016

7. Transfers.....\$ 7,851

a) Transfers In \$ 7,851

1) Combat Training Center (CTC) Operations \$ 7,851

Transfers funding from SAG121, Force Readiness Operations Support to SAG 115, Land Forces Operations Support to realign CTC operational support into the appropriate Subactivity Group. Funding provides personnel and equipment for various services to include: multimedia operations; access control; after action review production/support; equipment maintenance; and interagency planners. (Baseline: \$71,240)

b) Transfers Out \$ 0

8. Program Increases\$ 597,615

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 597,615

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- 1) Civilian Average Annual Compensation \$ 2,459
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$145,696)
- 2) Combat Training Center (CTC) Operations \$ 19,097
 Funds expanded maneuver area instrumentation support and increased costs for rail and air transportation for all maneuver CTC rotations and Warfighter exercises. Also funds operational environment enhancements for Special Forces training at the National Training Center (NTC) and Joint Readiness Training Center (JRTC). Provides for additional contract role players to act as local guerilla forces for Special Forces to train/lead, as well as transportation and life support supplies for unconventional warfare training at NTC and JRTC rotations. (Baseline: \$71,240)
- 3) Combat Training Center (CTC) Rotations \$ 50,275
 Funds the CTC operations costs for two brigade combat team rotations with appropriate enablers; one rotation at National Training Center and one at Joint Readiness Training Center. Costs include transportation, supplies, repair parts, contracted role players, and other operational costs. (Baseline: \$130,535)
- 4) Combat Training Center (CTC) Special Operations Forces (SOF) \$ 7,462
 Increases funding to support the full integration of SOF units into all CTC rotations. This funds transportation and operational costs for six Special Forces task forces and three Ranger task forces to train SOF/General Purpose Force interoperability at each National Training Center and Joint Readiness Training Center rotation. (Baseline: \$1,638)
- 5) Digital Training Management System (DTMS) \$ 6,100
 Funds the management and sustainment of DTMS for all Army components. DTMS is a critical training

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management system which Army units from company to brigade use to manage and plan training. From scheduling, tracking and reporting unit-level training, DTMS enhances training readiness and plays a pivotal role in the planning, preparation and execution of unit training. (Baseline: \$0)

6) Restoral of Transfer for OCO \$ 500,000

Funds reflect program growth of \$500 million as a result of the FY 2016 congressional realignment from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016. The \$500 million fund Combat Training Center operations costs that include transportation, supplies, repair parts, contracted role players, and other operational costs. (Baseline: \$0)

7) Weapon Systems Maintenance \$ 12,222

Funds additional decisive action focused training and the associated maintenance funding for High Mobility Artillery Rocket Systems, Multiple Launch Rocket Systems, Javelin Missile Systems, Sentinel Radars, and Improved Target Acquisition Systems for Tube-launched, Optically-tracked, Wire guided missile systems. (Baseline: \$53,546)

9. Program Decreases \$ -280,501

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017 \$ -280,501

1) Bipartisan Budget Act of 2015 Compliance \$ -279,072

Decrease in funding to home station training of \$279 million required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$279,072)

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2) Civilian Workforce Reduction \$ -739
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$12,764; -10 FTE)

3) Compensable Days \$ -690
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$144,410)

FY 2017 Budget Request.....\$ 863,928

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IV. Performance Criteria and Evaluation Summary:

<u>COMPO</u>	<u>CTC Location</u>	<u>CTC Rotations</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>
Active	JMRC, Germany	Capacity	1	1	1
Active	JRTC, Ft. Polk, Louisiana	Capacity	9	8	8
Active	NTC, Ft. Irwin, California	Capacity	9	8	9
Active	MCTP, Ft. Leavenworth, Kansas	Capacity	40	44	44
Guard	JRTC, Ft. Polk, Louisiana	Capacity	1	1	1
Guard	NTC, Ft. Irwin, California	Capacity	1	1	1
Guard	MCTP, Ft. Leavenworth, Kansas	Capacity	19	20	20
Reserve	MCTP, Ft. Leavenworth, Kansas	Capacity	9	9	9
			<u>FY2015</u>	<u>FY2016¹</u>	<u>FY2017²</u>
Active	JMRC, Germany	Funded	1	1	1
Active	JRTC, Ft. Polk, Louisiana	Funded	9	8	8
Active	NTC, Ft. Irwin, California	Funded	9	8	8
All Compo	MCTP, Ft. Leavenworth, Kansas	Funded	54	65	65
Guard	JRTC, Ft. Polk, Louisiana	Funded	1	1	1
Guard	NTC, Ft. Irwin, California	Funded	1	1	1

Notes:

- 1** FY 2016: Thirteen rotations are funded in the Overseas Contingency Operations (OCO) budget; six rotations are funded in the Base budget.
2 FY 2017: Seven rotations are funded in the OCO budget; twelve rotations are funded in the Base budget.

NTC National Training Center
JMRC Joint Multinational Readiness Center
JRTC Joint Readiness Training Center
MCTP Mission Command Training Program

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	2,679	2,550	2,550	0
Officer	1,137	1,152	1,152	0
Enlisted	1,542	1,398	1,398	0
<u>Active Military Average Strength (A/S) (Total)</u>	2,684	2,615	2,550	-65
Officer	1,123	1,145	1,152	7
Enlisted	1,561	1,470	1,398	-72
<u>Civilian FTEs (Total)</u>	2,062	1,917	1,907	-10
U.S. Direct Hire	976	1,058	1,052	-6
Foreign National Direct Hire	476	462	460	-2
Total Direct Hire	1,452	1,520	1,512	-8
Foreign National Indirect Hire	610	397	395	-2
 <i>(Reimbursable Civilians (Memo))</i>	 31	 150	 147	 -3
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	76	73	75	2
<u>Contractor FTEs (Total)</u>	4,606	1,209	1,679	470

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	81,082	0	1.41%	1,145	14,461	96,688	0	1.53%	1,484	1,759	99,931
0103	WAGE BOARD	19,665	0	0.93%	183	-3,472	16,376	0	1.39%	227	-531	16,072
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	18,897	22	0.40%	75	-11,883	7,111	54	1.35%	97	-106	7,156
0106	BENEFITS TO FORMER EMPLOYEES	76	0	0.00%	0	-76	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	119,720	22		1,403	-970	120,175	54		1,808	1,122	123,159
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	41,981	0	1.70%	714	-13,637	29,058	0	1.80%	523	107	29,688
0399	TOTAL TRAVEL	41,981	0		714	-13,637	29,058	0		523	107	29,688
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	5,598	0	-7.30%	-408	-3,726	1,464	0	-8.20%	-120	3,335	4,679
0402	SERVICE FUND FUEL	2	0	-7.30%	0	35	37	0	-8.20%	-3	8	42
0411	ARMY SUPPLY	68,096	0	2.55%	1,737	-55,677	14,156	0	-4.63%	-655	31,265	44,766
0412	NAVY MANAGED SUPPLIES AND MATERIALS	67	0	3.48%	2	-69	0	0	0.00%	0	0	0
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	110	0	-1.67%	-2	-102	6	0	0.96%	0	7	13
0416	GSA MANAGED SUPPLIES AND MATERIALS	10,347	0	1.70%	176	-8,299	2,224	0	1.80%	40	560	2,824
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	2	0	1.70%	0	173	175	0	1.80%	3	280	458
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	1,401	0	-0.60%	-8	-1,068	325	0	1.40%	5	895	1,225
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	276	0	0.40%	1	88	365	0	-0.40%	-1	629	993
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	70	0	-1.90%	-1	-69	0	0	0.00%	0	0	0
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	18,413	0	1.30%	239	-2,962	15,690	0	-6.00%	-941	21,643	36,392
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	104,382	0		1,736	-71,676	34,442	0		-1,672	58,622	91,392
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	1,957	0	0.00%	0	-830	1,127	0	-0.26%	-3	903	2,027
0503	NAVY FUND EQUIPMENT	3,978	0	0.00%	0	-3,978	0	0	0.00%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	378	0	1.00%	4	-298	84	0	-0.10%	0	9	93

Exhibit OP-5, Subactivity Group 115

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
0507	GSA MANAGED EQUIPMENT	30,982	0	1.70%	527	-30,706	803	0	1.80%	14	1,436	2,253
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	37,295	0		531	-35,812	2,014	0		11	2,348	4,373
<u>OTHER FUND PURCHASES</u>												
0675	DLA DISPOSITION SERVICES	480	0	0.00%	0	-480	0	0	0.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	480	0		0	-480	0	0		0	0	0
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	478	0	38.80%	185	-663	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	269,625	0	1.70%	4,583	-170,693	103,515	0	1.80%	1,863	175,777	281,155
0799	TOTAL TRANSPORTATION	270,103	0		4,768	-171,356	103,515	0		1,863	175,777	281,155
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	36,772	-4,653	0.76%	245	-13,102	19,262	112	1.52%	295	-92	19,577
0912	RENTAL PAYMENTS TO GSA (SLUC)	1,965	0	1.70%	33	-1,730	268	0	1.80%	5	232	505
0913	PURCHASED UTILITIES (NON-FUND)	326	0	1.70%	6	-158	174	0	1.80%	3	48	225
0914	PURCHASED COMMUNICATIONS (NON-FUND)	710	0	1.70%	12	-225	497	0	1.80%	9	376	882
0915	RENTS (NON-GSA)	5,741	0	1.70%	98	-4,551	1,288	0	1.80%	23	2,017	3,328
0917	POSTAL SERVICES (U.S.P.S)	0	0	1.70%	0	5	5	0	1.80%	0	3	8
0920	SUPPLIES AND MATERIALS (NON-FUND)	22,828	161	1.70%	391	-5,116	18,264	0	1.80%	329	6,618	25,211
0921	PRINTING AND REPRODUCTION	309	0	1.70%	6	-27	288	0	1.80%	5	179	472
0922	EQUIPMENT MAINTENANCE BY CONTRACT	361,577	0	1.70%	6,147	-290,721	77,003	0	1.80%	1,386	40,126	118,515
0923	OPERATION AND MAINTENANCE OF FACILITIES	18,863	0	1.70%	320	-8,855	10,328	0	1.80%	186	6,711	17,225
0925	EQUIPMENT PURCHASES (NON-FUND)	55,261	0	1.70%	939	-56,077	123	0	1.80%	2	102	227
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	1,303	0	1.70%	22	-1,325	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	91,022	0	1.70%	1,547	-92,569	0	0	1.80%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	3,122	0	1.70%	53	-3,175	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	2,615	0	1.70%	45	-2,660	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	1,663	0	-7.30%	-121	-1,542	0	0	0.00%	0	0	0
0957	LAND AND STRUCTURES	58	0	1.70%	1	-59	0	0	0.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	9,983	0	0.00%	0	-9,983	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 115

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Detail by Subactivity Group 115: Land Forces Operations Support

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
0987	OTHER INTRA-GOVERNMENT PURCHASES	38,845	0	1.70%	660	-27,313	12,192	0	1.80%	219	2,042	14,453
0989	OTHER SERVICES	154,905	0	1.70%	2,633	-77,297	80,241	0	1.80%	1,444	12,917	94,602
0990	IT CONTRACT SUPPORT SERVICES	81,209	0	1.70%	1,381	-59,780	22,810	0	1.80%	411	15,710	38,931
0999	TOTAL OTHER PURCHASES	889,077	-4,492		14,418	-656,260	242,743	112		4,317	86,989	334,161
9999	GRAND TOTAL	1,463,038	-4,470		23,570	-950,191	531,947	166		6,850	324,965	863,928

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Detail by Subactivity Group 116: Aviation Assets

I. Description of Operations Financed:

AVIATION ASSETS - Funds the training and operations required to maintain readiness in the Army's aviation units and all organic forces associated with those units through force generation, while leveraging live, virtual, and constructive capabilities to conduct training focused on Decisive Action in support of Unified Land Operations. Funds training for units available to train at home station. This includes Combat Aviation Brigades (CABs), Echelon Above Brigade Aviation units, and Theater Aviation assets including the headquarters, aviation support, aviation maintenance support, and aviation operations support. The incremental costs associated with deployed forces deployment training and support are included in the Overseas Contingency Operations request. The training objective in FY 2017 continues restoral of core capabilities and balances operational capability and flexibility across the Army to meet the National Military Strategy. The Army resources all active component ground units to conduct Decisive Action training and achieve the highest training readiness levels attainable based on available resources. The Army remains committed to providing the necessary resources to train and prepare Soldiers, leaders and units to support current and future operations.

II. Force Structure Summary:

Aviation Assets force structure reflects the active Army's aviation assets in Combat Aviation Brigades, Echelons Above Brigade Aviation units, Theater Aviation assets, and all aviation support and aviation maintenance support associated with these units. In addition, funds all authorized equipment supporting this structure such as helicopters, wheeled vehicles, radios, and aviation ground support equipment.

Army Commands:

U.S. Army Materiel Command
U.S. Army Forces Command

Army Service Component Commands:

U.S. Army Central
U.S. Army South
U.S. Army Europe
U.S. Army Pacific

Direct Reporting Units:

U.S. Intelligence and Security Command
U.S. Army Military District Washington
U.S. Army Acquisition Support Center

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III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
AVIATION ASSETS	\$1,355,420	\$1,546,129	\$-111,323	-7.20%	\$1,434,806	\$1,434,806	\$1,360,597	
SUBACTIVITY GROUP TOTAL	\$1,355,420	\$1,546,129	\$-111,323	-7.20%	\$1,434,806	\$1,434,806	\$1,360,597	
				<u>Change</u>				
				<u>FY 2016/FY 2016</u>	<u>Change</u>			
					<u>FY 2016/FY 2017</u>			
BASELINE FUNDING				\$1,546,129	\$1,434,806			
Congressional Adjustments (Distributed)				0				
Congressional Adjustments (Undistributed)				-11,417				
Adjustments to Meet Congressional Intent				81,696				
Congressional Adjustments (General Provisions)				-181,602				
SUBTOTAL APPROPRIATED AMOUNT				1,434,806				
War Related and Disaster Supplemental Appropriation				43,171				
X-Year Carryover				0				
Fact-of-Life Changes (2016 to 2016 Only)				0				
SUBTOTAL BASELINE FUNDING				1,477,977				
Anticipated Reprogramming (Requiring 1415 Actions)				0				
Less: War Related and Disaster Supplemental Appropriation				-43,171				
Less: X-Year Carryover				0				
Price Change					-39,835			
Functional Transfers					0			
Program Changes					-34,374			
NORMALIZED CURRENT ESTIMATE				\$1,434,806	\$1,360,597			

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 1,546,129
1. Congressional Adjustments	\$ -111,323
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -11,417
1) Spares and repair parts	\$ -11,417
c) Adjustments to Meet Congressional Intent	\$ 81,696
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 81,696
d) General Provisions	\$ -181,602
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -816
2) Sec 8126. Excess Cash Balances Working Capital Funds	\$ -69,000
3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -111,786

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FY 2016 Appropriated Amount	\$ 1,434,806
2. War-Related and Disaster Supplemental Appropriations.....	\$ 43,171
a) Overseas Contingency Operations Supplemental Appropriation, 2016	\$ 43,171
1) Overseas Contingency Operations Supplemental.....	\$ 43,171
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 1,477,977
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 1,477,977
5. Less: Emergency Supplemental Funding.....	\$ -43,171
a) Less: War Related and Disaster Supplemental Appropriation	\$ -43,171
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 1,434,806

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6. Price Change	\$ -39,835
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 72,217
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 72,217
1) Aircraft Modernization	\$ 5,149
Increases funding for the fielding of 15 HH-60Ms in one medical evacuation company and 30 UH-60Ms in two assault helicopter battalions and 48 AH-64E in two Attack-Reconnaissance battalions. The HH-60 Ms and UH-60Ms replace UH-60Ls and the AH-64Es replace AH-64Ds. The cost of repair parts for both the UH-60M and AH-64E aircraft is higher than the costs for the UH-60L and AH-64D aircraft. (Baseline: \$82,197)	
2) Civilian Average Annual Compensation	\$ 83
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability	

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and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$2,772)

3) Combat Training Center (CTC) Aviation \$ 19,292

Funds the increased operating costs at the National Training Center and Joint Readiness Training Center created by the replacement of the UH-72A and OH-58AC aircraft from the CTCs and replace them with UH-60s. The operating costs of the UH-60 are significantly higher than the costs of the UH-72A and OH-58AC aircraft they are replacing. (Baseline: \$8,526)

4) Training Readiness \$ 43,499

Funds an increase in Decisive Action focused training with all units achieving the highest levels of training readiness attainable. Increases funding for combat aviation brigades operations and maintenance costs for repair parts, fuel, supplies, and other home station training support costs commensurate with increased training. (Baseline: \$884,237)

5) UH-72 Light Utility Helicopter (LUH) Maintenance \$ 4,194

Funds the increase in maintenance required to support the sustainment and operations of additional LUH aircraft and the shift of LUHs to Fort Rucker, Alabama to support Army Flight School. (Baseline: \$134,656)

9. Program Decreases.....\$ -106,591

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases.....\$ 0

c) Program Decreases in FY 2017.....\$ -106,591

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- 1) Bipartisan Budget Act of 2015 Compliance \$ -106,424
 Decrease in funding to home station training and flying hours for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$106,424)

- 2) Compensable Days..... \$ -16
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$2,827)

- 3) Headquarters Reduction \$ -151
 Reduces FTEs, civilian pay, and associated operating costs to support strategic efficiency reduction in management headquarters funding and staffing for better alignment and to provide support to a smaller military force. (Baseline: \$2,772; -1 FTE)

FY 2017 Budget Request.....\$ 1,360,597

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IV. Performance Criteria and Evaluation Summary:

		<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Aircraft				
Kiowa	OH-58C	10	20	20
Kiowa Warrior	OH-58D	261	60	30
Chinook	CH-47F	160	144	144
Longbow Apache	AH-64D	301	384	360
	AH-64E	107	96	144
Blackhawk	UH-60A	40	82	82
	UH-60L	379	230	185
	UH-60M	261	278	308
	HH-60M	90	90	105
Lakota	UH-72A	338	347	402
Aerial Reconnaissance Low	RC-7/E-05	8	8	8
Airplane (Fixed Wing)	C-12	107	103	115
Jet Airplane (Fixed Wing)	C-20	2	1	1
	C-26	11	11	11
	C-37	3	3	3
	UC-35	28	26	26
Quick Look (Fixed Wing)	RC-12	38	44	19
	MC-12	0	20	24
Total for Aircraft		2,144	1,947	1,987
Multifunctional Support Brigades				
Combat Aviation Brigade		13	11	11
Total for Multifunctional Support Brigades		13	11	11

Exhibit OP-5, Subactivity Group 116

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	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Ground OPTEMPO Measures (Aviation Assets)			
Ground OPTEMPO (\$000)	641,233	579,388	565,943
Air OPTEMPO Measures (Aviation Assets)			
Flying Hour (\$000)	<u>797,820</u>	<u>855,418</u>	<u>794,654</u> ¹
Flying Hours Budgeted (000)	276	282	265
Total Hours flown (000)	242	N/A	N/A
Percent of Hours flown	88%	N/A	N/A
Hours per Crew per Month Budgeted	9.3	11.5	9.5
Hours per Crew per Month Executed	10.7		

Fixed Wing Aircraft Contractor Logistics Support Contracted Operational Readiness Rates:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
C-12	80%	80%	80%
C-20	90%	90%	90%
C-26	85%	85%	85%
C-37	90%	90%	90%
RC-12	85%	85%	85%
UC-35	80%	80%	80%
RC-7/E-05	85%	85%	85%
UH-72A ²	>80%	>80%	>80%

Notes:

1. In FY17 Army funded a total of 10.6 Hours per Crew per Month (H/C/M), 9.5 H/C/M in the Base and 1.1 H/C/M in the Overseas Contingency Operations budget.

2. The >80% Operational Availability rate is contractually required.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	34,566	30,944	30,733	-211
Officer	6,119	5,643	5,579	-64
Enlisted	28,447	25,301	25,154	-147
<u>Active Military Average Strength (A/S) (Total)</u>	35,588	32,755	30,839	-1,916
Officer	6,512	5,881	5,611	-270
Enlisted	29,076	26,874	25,228	-1,646
<u>Civilian FTEs (Total)</u>	26	19	18	-1
U.S. Direct Hire	26	19	18	-1
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	26	19	18	-1
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	151	149	155	6
<u>Contractor FTEs (Total)</u>	2,677	2,815	2,791	-24

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	3,913	0	0.82%	32	-1,118	2,827	0	1.41%	40	-83	2,784
0106	BENEFITS TO FORMER EMPLOYEES	25	0	0.00%	0	-25	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	3,938	0		32	-1,143	2,827	0		40	-83	2,784
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	10,446	0	1.70%	177	1,015	11,638	0	1.80%	209	-15	11,832
0399	TOTAL TRAVEL	10,446	0		177	1,015	11,638	0		209	-15	11,832
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	109,864	0	-7.30%	-8,020	-7,824	94,020	0	-8.20%	-7,710	467	86,777
0402	SERVICE FUND FUEL	9,545	0	-7.30%	-697	865	9,713	0	-8.20%	-796	-1,295	7,622
0411	ARMY SUPPLY	625,246	0	2.55%	15,943	33,759	674,948	0	-4.63%	-31,250	-14,904	628,794
0412	NAVY MANAGED SUPPLIES AND MATERIALS	225	0	3.48%	8	14	247	0	4.94%	12	-30	229
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	434	0	-1.67%	-7	47	474	0	0.96%	5	-24	455
0416	GSA MANAGED SUPPLIES AND MATERIALS	9,110	0	1.70%	155	849	10,114	0	1.80%	182	-622	9,674
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	3,053	0	1.70%	52	413	3,518	0	1.80%	63	-223	3,358
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	470	0	-0.60%	-3	228	695	0	1.40%	10	-110	595
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	854	0	0.40%	3	212	1,069	0	-0.40%	-4	-6	1,059
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	112,993	0	1.30%	1,469	18,052	132,514	0	-6.00%	-7,951	-7,465	117,098
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	871,794	0		8,903	46,615	927,312	0		-47,439	-24,212	855,661
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	3,471	0	0.00%	0	590	4,061	0	-0.26%	-11	-591	3,459
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	1,699	0	1.00%	17	425	2,141	0	-0.10%	-2	-52	2,087
0507	GSA MANAGED EQUIPMENT	12,375	0	1.70%	210	-11,278	1,307	0	1.80%	24	-88	1,243
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	17,545	0		227	-10,263	7,509	0		11	-731	6,789
<u>TRANSPORTATION</u>												

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0703 JCS EXERCISES	0	0	-0.30%	0	800	800	0	-9.00%	-72	30	758
0719 SDDC CARGO OPERATION (PORT HANDLING)	11	0	38.80%	4	-15	0	0	0.00%	0	0	0
0771 COMMERCIAL TRANSPORTATION	2,042	0	1.70%	35	5,812	7,889	0	1.80%	142	-3,119	4,912
0799 TOTAL TRANSPORTATION	2,053	0		39	6,597	8,689	0		70	-3,089	5,670
<u>OTHER PURCHASES</u>											
0912 RENTAL PAYMENTS TO GSA (SLUC)	0	0	1.70%	0	290	290	0	1.80%	5	-34	261
0920 SUPPLIES AND MATERIALS (NON-FUND)	13,730	1	1.70%	233	317	14,281	0	1.80%	257	-631	13,907
0922 EQUIPMENT MAINTENANCE BY CONTRACT	407,019	0	1.70%	6,920	26,461	440,400	0	1.80%	7,927	-3,613	444,714
0925 EQUIPMENT PURCHASES (NON-FUND)	4,625	0	1.70%	79	-1,107	3,597	0	1.80%	65	-156	3,506
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	596	0	1.70%	11	-607	0	0	1.80%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	418	0	1.70%	7	-425	0	0	1.80%	0	0	0
0934 ENGINEERING AND TECHNICAL SERVICES	3,280	0	1.70%	56	-3,336	0	0	1.80%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	12,608	0	-7.30%	-920	1,400	13,088	0	-8.20%	-1,073	-1,565	10,450
0987 OTHER INTRA-GOVERNMENT PURCHASES	3,122	0	1.70%	53	-1,457	1,718	0	1.80%	31	-62	1,687
0989 OTHER SERVICES	3,975	1	1.70%	67	-3,580	463	0	1.80%	8	-107	364
0990 IT CONTRACT SUPPORT SERVICES	271	0	1.70%	5	2,718	2,994	0	1.80%	54	-76	2,972
0999 TOTAL OTHER PURCHASES	449,644	2		6,511	20,674	476,831	0		7,274	-6,244	477,861
9999 GRAND TOTAL	1,355,420	2		15,889	63,495	1,434,806	0		-39,835	-34,374	1,360,597

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Activity Group 12: Land Forces Readiness
Detail by Subactivity Group 121: Force Readiness Operations Support

I. Description of Operations Financed:

FORCE READINESS OPERATIONS SUPPORT provides support for key activities essential to Land Forces readiness. Includes operation of training ranges and associated facilities, active component support to the reserve components, centralized purchase and issue of Operation and Maintenance, Army funded clothing and equipment, and operation of key communication and tactical intelligence and related activities intelligence systems. Funds civilian pay, equipment, necessary facilities, and the associated cost specifically identified and measurable to Army units.

Provides resources for Training Support Systems sustainment, maintenance, and operations of training programs and capabilities to support active component live, virtual, constructive, and gaming requirements. This includes: Training Support Centers, Integrated Training Area Management, Training Ranges, Battle Simulation Centers, Mission Command Training Complexes, and fielded system and non-system training devices.

Force Readiness Operations Support activities provide non-organic administration, maintenance, and operational support for both Modified Table of Organization and Equipment and deployable Table of Distribution and Allowance (TDA) units critical to readiness but not funded by the Land Forces Activity Group.

Funding enables U.S. Army North, as an Army Service Component Command, to execute the U.S. Northern Command Commander's homeland defense missions including Weapons of Mass Destruction Civil Support Teams and Integrated Air Defense. Activities resourced are training readiness oversight and participation in training exercises.

Funding supports operations and maintenance of key activities essential to the operational readiness of forward deployed land forces, such as Ground-based Midcourse Defense.

Force Readiness Intelligence Support provides resources for the operation of TDA intelligence units and activities not identified elsewhere. Intelligence support enables the Army to leverage national intelligence systems, conduct tactical intelligence collection, satellite communication dissemination, and regularly access strategic level imagery for training and operational use.

Supports the operation and defense of the Army LandWarNet via the Army Cyberspace Operations and Integration Center, Army Global Network Control Center, Global Cyber Network Operations and Security Centers, and Regional Computer Emergency Response Teams. Also supports Cyberspace operations and training for the Army and in support of the Combatant Commands.

Resources activities which provide security, air traffic control, airfield and heliport support to Army installations, and end of life/technical refresh of commercial off-the-shelf computer components to Army units.

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II. Force Structure Summary:

Force Readiness Operations Support funds collective unit training and readiness support for the following organizations:

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Central
U.S. Army Africa
U.S. Army North
U.S. Army Special Operations Command
U.S. Army South
U.S. Army Europe
U.S. Army Space and Missile Defense Command/Army Forces Strategic Command
U.S. Army Pacific

Direct Reporting Units:

U.S. Army Test and Evaluation Command
U.S. Military District of Washington
U.S. Military Academy
U.S. Army Corps of Engineers
U.S. Army Acquisition Support Center
U.S. Army Intelligence and Security Command
U.S. Army Medical Command
Second Army
U.S. Army Installation Management Command
U.S. Army Criminal Investigation Command

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III. Financial Summary (\$ in Thousands):

	<u>FY 2015</u> <u>Actual</u>	<u>Budget</u> <u>Request</u>	<u>FY 2016</u>			<u>Normalized</u> <u>Current</u> <u>Enacted</u>	<u>FY 2017</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
A. Program Elements							
FORCE READINESS OPERATIONS SUPPORT	\$4,920,152	\$3,158,606	\$-582,086	-18.43%	\$2,576,520	\$2,576,520	\$3,086,443
SUBACTIVITY GROUP TOTAL	\$4,920,152	\$3,158,606	\$-582,086	-18.43%	\$2,576,520	\$2,576,520	\$3,086,443
B. Reconciliation Summary			<u>Change</u> <u>FY 2016/FY 2016</u>		<u>Change</u> <u>FY 2016/FY 2017</u>		
BASELINE FUNDING			\$3,158,606		\$2,576,520		
Congressional Adjustments (Distributed)			-475,000				
Congressional Adjustments (Undistributed)			-43,532				
Adjustments to Meet Congressional Intent			14,010				
Congressional Adjustments (General Provisions)			-77,564				
SUBTOTAL APPROPRIATED AMOUNT			2,576,520				
War Related and Disaster Supplemental Appropriation			1,736,385				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			4,312,905				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			-1,736,385				
Less: X-Year Carryover			0				
Price Change					33,844		
Functional Transfers					157,589		
Program Changes					318,490		
NORMALIZED CURRENT ESTIMATE			\$2,576,520		\$3,086,443		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 3,158,606
1. Congressional Adjustments	\$ -582,086
a) Distributed Adjustments	\$ -475,000
1) OCO/GWOT Operations - Transfer to Title IX	\$ -500,000
2) Price growth requested as program growth	\$ -1,000
3) Program increase - Vital Torso Protection (body armor plates)	\$ 46,000
4) Unjustified growth	\$ -20,000
b) Undistributed Adjustments	\$ -43,532
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -40,781
2) Spares and repair parts	\$ -2,751
c) Adjustments to Meet Congressional Intent	\$ 14,010

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1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..\$ 14,010

d) General Provisions.....\$ -77,564

1) Sec 8024. Federally Funded Research and Development Centers\$ -177

2) Sec 8077. Savings due to favorable foreign exchange rates\$ -58,217

3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs\$ -19,170

FY 2016 Appropriated Amount.....\$ 2,576,520

2. War-Related and Disaster Supplemental Appropriations.....\$ 1,736,385

a) Overseas Contingency Operations Supplemental Appropriation, 2016\$ 1,736,385

1) Overseas Contingency Operations Supplemental.....\$ 1,736,385

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 4,312,905

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

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Revised FY 2016 Estimate	\$ 4,312,905
5. Less: Emergency Supplemental Funding	\$ -1,736,385
a) Less: War Related and Disaster Supplemental Appropriation	\$ -1,736,385
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 2,576,520
6. Price Change	\$ 33,844
7. Transfers.....	\$ 157,589
a) Transfers In	\$ 170,905
1) Army Enterprise Architecture	\$ 2,357
Transfers funding and 14 FTEs from SAG 431, Administration to SAG 121, Land Forces Readiness Support to properly align resources into the appropriate Subactivity Group. (Baseline: \$0; 14 FTE)	
2) Army Service Component Command Tactical Units.....	\$ 1,299
Transfers funding and 10 FTEs from SAG 432, Servicewide Communications to SAG 121, Land Forces Readiness Support to properly align U.S. Army Pacific resources and personnel to the appropriate Subactivity Group. (Baseline: \$3,505; 10 FTE)	
3) Counterintelligence Support - Intelligence Support to Operations.....	\$ 6,238
Transfers funding from SAG 411, Security Programs to SAG 121, Land Forces Readiness Support to	

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properly align information technology resources for Sensitive Compartmented Information Facilities into the appropriate Subactivity Group. Funding supports mission-unique hardware and software, cybersecurity, and information technology contract support services. (Baseline: \$88,156)

4) Cyberspace Operations \$ 13,959

Transfers funding from SAG 114, Theatre Level Assets to SAG 121, Land Forces Readiness Support to consolidate U.S. Army Cyber Command resources in the appropriate Subactivity Group. Funding supports knowledge management and Command, Control, Communications, and Computer Information Management equipment and services. (Baseline: \$150,933)

5) Global Cyber Network Operations and Security Centers \$ 89,266

Transfers funding and FTEs from the following SAGs: SAG 114, Theatre Level Assets (\$-27,059; -16 FTEs) and SAG 432, Servicewide Communications (\$-62,207; -250 FTEs) to SAG 121, Land Forces Readiness Support (\$89,266; 266 FTEs) to properly align resources for U.S. Army Cyber Command and Second Army into the appropriate Subactivity Group. (Baseline: \$9,719; 266 FTE)

6) Second Army..... \$ 2,078

Transfers funding and 12 FTEs from SAG 432, Servicewide Communications to SAG 121: Land Forces Readiness Support to consolidate resources for the Second Army Regional Cyber Centers into the appropriate Subactivity Group. (Baseline: \$268,731; 12 FTE)

7) Second Destination Transportation (SDT) Army Post Office (APO) Mail..... \$ 1,019

Transfers funding from SAG 138, Combatant Commands Direct Mission Support to SAG 121, Land Forces Readiness Support to SDT APO Mail within the appropriate Subactivity Group. Funding supports SDT APO Mail for all locations within the U.S. Army Pacific area of responsibility. (Baseline: \$2,890)

8) Training Support Systems - Training Information Infrastructure (TII) \$ 54,319

Transfers funding and FTEs from the following SAGs: SAG 324, Training Support (\$-30,728; -28 FTEs) and SAG 432, Servicewide Communications (\$-28,548; -16 FTEs) to SAG 121, Land Forces Readiness Support (\$54,319; 44 FTEs) and to Research, Development, Test and Evaluation, Army (\$4,957) to properly align resources for the TII programs into the appropriate Subactivity

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Group/appropriation. The TII includes the Army Training Information System and the Distributed Learning Points of Delivery. (Baseline: \$0; 44 FTE)

9) U.S. Army Criminal Investigation Command Realignment \$ 370
 Transfers funding and 2 FTEs from SAG 131, Base Operations Support to SAG 121, Land Forces Readiness Support to properly align U.S. Criminal Investigation Command resources into the appropriate Subactivity Group. (Baseline: \$92,224; 2 FTE)

b) Transfers Out \$ -13,316

1) Army Security Programs \$ -119
 Transfers funding and 1 FTE from Operation and Maintenance, Army SAG 121, Land Forces Readiness Support to Operation and Maintenance, Army Reserve SAG 131, Base Operations Support for Installation Security Program Management Support. (Baseline: \$17,526; -1 FTE)

2) Combat Training Center (CTC) Operations \$ -7,851
 Transfers funding from SAG121, Force Readiness Operations Support to SAG 115, Land Forces Operations Support to realign CTC operational support into the appropriate Subactivity Group. Funding provides personnel and equipment for various services to include: multimedia operations; access control; after action review production/support; equipment maintenance; and interagency planners. (Baseline: \$11,611)

3) North Atlantic Treaty Organization (NATO) Support..... \$ -702
 Transfers funding from SAG 121, Force Readiness Operations Support to SAG 441, International Military Headquarters to realign the NATO Support Responsibility into the appropriate Subactivity Group. (Baseline: \$702)

4) Training Support Systems - Soldier Training Support Program \$ -4,278
 Transfers funding from Operation and Maintenance, Army SAG 121, Land Forces Readiness Support (\$-4,278) to Operation and Maintenance, National Guard (\$800) in support of the Ft. Indiantown Gap, Pennsylvania Training Aids Center and to Operation and Maintenance, Army Reserve (\$3,478) in

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support of the Training Support Center Operations. This transfer aligns funding to the correct appropriations. (Baseline: \$71,462)

5) U.S. Army Military Academy (USMA) \$ -15
 Transfers funding and FTEs from the following SAGs: SAG 121, Force Readiness Operations Support (\$-15; 0 FTE); SAG 131, Base Operations Support (\$-1,253; -3 FTEs); SAG 331, Recruiting and Advertising (\$-1,135; 0 FTE); SAG 434, Other Personnel Support (\$-625; 0 FTE); SAG 435, Other Service Support (\$-1,059; -7 FTEs); and SAG 442, Miscellaneous Support of Other Nations (\$-105; 0 FTE) to SAG 311, Officer Acquisition (\$4,192; 10 FTEs) for consolidation of USMA resources into the appropriate Subactivity Group. (Baseline: \$7,811)

6) U.S. Army Test and Evaluation Command Realignment..... \$ -351
 Transfers funding and 156 FTEs from the following Operation and Maintenance, Army SAGs: SAG 121, Land Forces Readiness (\$-351; -4 FTEs); SAG 131, Base Operations Support (\$-12,677; -150 FTEs); and SAG 423, Logistic Support Activities (\$-175; -2 FTEs) to the Research, Development, Test and Evaluation, Army (\$13,203; 156 FTEs) in support of the U.S. Army Test and Evaluation Command. (Baseline: \$3,785; -4 FTE)

8. Program Increases\$ 726,652

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 726,652

1) Anti-Terrorism \$ 127
 Increases funding and 1 FTE in support of the Army's Insider Threat Program, Train, Report, and Respond Line of Effort. Train, Report, and Respond ensures personnel are provided Insider Threat Awareness Training and are trained to respond to incident reporting. Funding and 1 FTE provide

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resources necessary to analyze and to address threats at Army installations and to participate in regional Joint Terrorism Task Forces. (Baseline: \$0; 1 FTE)

- 2) Army Security Programs \$ 13,571
 Increases funding and 66 FTEs in support of the Army's Insider Threat Program, Clear the Army and Train, Report, and Respond Lines of Effort. Clear the Army determines a person's eligibility for access to classified information. Funding and 62 FTEs provide resources necessary to conduct follow-up activities after an anomaly indicative of an insider threat is detected through multiple sources. Train, Report, and Respond ensures personnel are provided Insider Threat Awareness Training and are trained to respond to incident reporting. Funding and 4 FTEs support a robust and unified Insider Threat training program for Army Security Managers. (Baseline: \$17,526; 66 FTE)
- 3) Civilian Average Annual Compensation \$ 22,061
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$1,216,242)
- 4) Cyberspace Operations \$ 28,430
 Funding and 5 FTEs support the operations and training requirements of the U.S. Army Cyber Command. Specifically, funding supports cyber force mission training and equipment life cycle replacement; sustainment and maintenance of cyber tools and platforms for the Army's Cyber Mission Force to deliver specialized effects in and through cyberspace; and tailored cyber mission/event training for geographically dispersed forces. Funding also supports the Joint Force Headquarters-Cyber which plans and executes cyberspace operations. (Baseline: \$150,933; 5 FTE)
- 5) Global Cyber Network Operations and Security Centers \$ 29,162
 Increases funding and 5 FTEs in support of the Army's Insider Threat Program, Clear the Army (\$600); Protect the Networks (\$10,303); and Establish and Operate the Hub (\$4,602, 5 FTEs) Lines of Effort.

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Clear the Army determines a person's eligibility for access to classified information. Funding supports tools for screening personnel. Protect the Networks is the process to monitor network user activity. Funding supports the implementation of User Activity Monitoring. Establish and Operate the Hub implements an integrated, analytical response capability in accordance with National Insider Threat policy. Funding and FTEs support Insider Threat program management and the establishment and ongoing operations of the hub (supplies, software/hardware, and IT contract support). Funding also supports the completion and maintenance of the U.S. Army Cyber Command headquarters' information technology infrastructure (\$13,657). (Baseline: \$9,719; 5 FTE)

6) Intelligence Support to Operations \$ 6,700
 Increases funding to support Sensitive Compartmented Information Facility - Information Technology, including the Joint Worldwide Intelligence Communication System; provides mission critical intelligence systems, data, and secure communications for approximately 58,000 users across the Army. (Baseline: \$88,156)

7) Law Enforcement \$ 382
 Increases funding and 3 FTEs in support of the Army's Insider Threat Program, Train, Report, and Respond Line of Effort. Train, Report, and Respond ensures personnel are provided Insider Threat Awareness Training and are trained to respond to incident reporting. Funding and 3 FTEs provide resources necessary to analyze and address threats at Army installations and to participate in regional Joint Terrorism Task Forces. (Baseline: \$0; 3 FTE)

8) Non-Divisional Modified Table of Organization and Equipment (MTOE) Units - U.S. Army Pacific..... \$ 6,063
 Increases funding for U.S. Army Pacific in support of the Emergency Deployment Readiness Exercise Program. (Baseline: \$120,622)

9) Personnel Security Investigations..... \$ 4,340
 Increases funding and 32 FTEs in support of the Army's Insider Threat Program, Screen the Army Line of Effort. Screen the Army determines a person's suitability for employment. Funding and FTEs support enhanced screening of medical personnel with regular contact with children. (Baseline: \$0; 32 FTE)

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- 10) Rapid Equipping Force (REF)..... \$ 10,408
 Increases funding for emerging requirements requested by Soldiers/units deployed to areas not covered by a named operation. The REF rapidly provides urgent capabilities to U.S. Army forces employed globally by harnessing technologies in order to increase Soldier effectiveness, protection and lethality in any operational environment. Funding supports projects that do not meet the investment threshold, contractor support, necessary facilities, and supplies. (Baseline: \$9,867)
- 11) Reserve Component Training Support \$ 10,841
 Increases funding for U.S. Army Forces Command Reserve Component Training Support. Funds support First Army pre-mobilization training support and direct training management interaction with Reserve Component unit/Soldier to improve the readiness of the Reserve Component, such as coordinating training management, developing Single Integrated Training Plan, synchronizing training, coordinating scenario development, providing exercise training support, and initiating leader mentoring. (Baseline: \$48,592)
- 12) Restoral of Transfer for OCO..... \$ 500,000
 Funds reflect program growth of \$500 million as a result of the FY 2016 congressional realignment from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016. The \$500 million is allocated to the following programs: Training Support Services (\$350 million) and Body Armor / Organizational Clothing and Individual Equipment (\$150 million). (Baseline: \$329,396)
- 13) Second Army..... \$ 14,387
 Increases funding for Second Army in support of IT support contracts, hardware and software licensing, travel, training, and supplies. Funding supports the operation and defense of the Army's enterprise network, enabling Second Army to provide reliable support to the Combatant Commands and Army Service Component Commands. (Baseline: \$268,731)
- 14) Training Support Systems - Training Aids, Devices, Simulators, and Simulations (TADSS) Maintenance..... \$ 27,710
 Increases funding for life-cycle operations and maintenance of TADSS to maintain training readiness of units, to support training at U.S. Army Training and Doctrine Command schools, and to support Combat Training Center exercises. The Army maintains approximately 336,400 TADSS which support

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live, virtual, and constructive training requirements. (Baseline: \$11,611)

15) Training Support Systems - Training Support System Management \$ 9,430

Increases funding for Training Support System Management below Headquarters, Department of Army level. Funding supports the Joint Pacific Multinational Readiness Capability (JPMRC) and the development of training devices and simulations. The JPMRC is an enhanced home station training capability supporting the U.S. Pacific Command theater of operation and significantly increases the training readiness for U.S. Army Pacific, Joint, and Multinational partners. This effort supports the Department of Defense Rebalance strategy to the Pacific. (Baseline: \$50,344)

16) U.S. Army Criminal Investigation Command \$ 15,103

Increases funding and 7 FTEs in support of the Army's Insider Threat Program, Train, Report, and Respond (\$1,561) Line of Effort. Train, Report, and Respond ensures personnel are provided Insider Threat Awareness Training and are trained to respond to incident reporting. Funding and 7 FTEs support the Army's response to the increased Insider Threat reporting as a result of additional awareness training and Insider Threat monitoring capabilities. Additionally, increases funding for operational and support sustainment costs for the Defense Forensic Science Center (DFSC) (\$13,542). The DFSC utilizes expertise in traditional and expeditionary forensic laboratory services, training, and information sharing to support the full range of military operations. (Baseline: \$92,224; 7 FTE)

17) Weapons of Mass Destruction Domestic Response..... \$ 27,937

Increases funding for U.S. Army Forces Command to conduct additional Defense Chemical, Biological, Radiological, and Nuclear (CBRN) Response Force training required by Combatant Command Joint Mission-Essential Tasks and/or Federal law; to maintain and to recertify equipment; and to plan for a secondary venue to accomplish CBRN Response Enterprise training and validation requirements. (Baseline: \$64,603)

9. Program Decreases.....\$ -408,162

a) One-Time FY 2016 Costs \$ -46,000

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1) Organizational Clothing and Individual Equipment - Vital Torso Protection (Body Armor Plates)	\$ -46,000
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017	\$ -362,162
1) Asymmetric Warfare Group	\$ -7,557
Decreases funding for Asymmetric Warfare Group travel and operational contract support. (Baseline: \$22,763)	
2) Bipartisan Budget Act of 2015 Compliance	\$ -253,533
Decreases funding for Training Support Services and Military Training Specific Allotment required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$253,533)	
3) Civilian Workforce Reduction	\$ -30,075
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$1,216,242; -343 FTE)	
4) Commercial Satellite Air Time.....	\$ -4,268
Decreases funding for commercial satellite airtime in support of U.S. Army North's Defense Support of Civil Authorities and Homeland Defense missions due to more economical pricing of bandwidth and network services. (Baseline: \$7,256)	

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5) Compensable Days..... Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$1,216,242)	\$ -6,466
6) Ground-based Midcourse Defense Decreases funding for Ground-based Midcourse Defense due to transitioning mission operations and maintenance functions from contract personnel to Soldiers. (Baseline: \$138,894)	\$ -18,494
7) Homeland Integrated Air Defense Decreases funding for Homeland Integrated Air Defense due to efficiencies gained from replacing General Service Administration lodging contracts with an on-base lodging solution for Soldiers deployed in support of National Capital Region - Integrated Air Defense mission. (Baseline: \$49,593)	\$ -3,305
8) Pacific Pathways Decreases funding for Pacific Pathways based on refined requirements. (Baseline: \$13,870)	\$ -870
9) Second Destination Transportation for Direct Material Movement/Redistribution..... Decreases funding for the U.S. Army Pacific Command Common User Land Transportation program based on refined requirements. (Baseline: \$10,651)	\$ -5,440
10) Tactical Network Communications Decreases funding for the Warfighter Information Network-Tactical to align funding with requirements. (Baseline: \$20,782)	\$ -14,404
11) Training Support Systems - Soldier Training Support Program Decreases funding for Soldier Training Support Program Virtual Training Aids, Devices, Simulators, and Simulations instructors/operators in accordance with the Army's training strategy. (Baseline: \$71,462)	\$ -5,023

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12) Training Support Systems - Sustainable Range Program.....\$ -12,727
Decreases funding for Sustainable Range Programs in accordance with the Army's training strategy.
(Baseline: \$268,511)

FY 2017 Budget Request.....\$ 3,086,443

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IV. Performance Criteria and Evaluation Summary:

	FY 2015	FY 2016	FY 2017
Criminal Investigation Division Activities			
Number of Investigative Actions ¹	20,400	20,000	20,000
Number of Cases per 1,000 Soldiers ¹	5.5	5.4	5.3
Percent of Cases Over 120 Days Old ¹	47%	47%	47%
Number of Name Checks Prepared ²	481,438	529,581	609,018
Number of Cases Processed by the Defense Forensic Science Center Forensic Laboratory	2,247	2,250	2,250
Army Cyber and Network Operations			
Regional Hub Nodes	5	5	5
Global Cyber Network Operations Support Centers	6	6	6
Cyber Protection Teams	19	20	20
Missile and Radar Defense			
Number of Integrated Air and Missile Defense Sites ³	10	0	0
Number of Forward Deployed Radar	5	5	5
Financial, Human Resources, Logistics and Technical Support for Soldiers assigned to (number of personnel):			
Divisional Units	312,683	293,583	278,855
Modular Support Brigades	156,965	145,922	138,328
Echelons Above Brigade Multifunctional Brigades	14,114	12,652	12,358
Theater Units	82,149	78,785	74,610
Aviation Units	23,867	23,469	22,720
	35,588	32,755	30,839

Exhibit OP-5, Subactivity Group 121

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	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Training Support Systems</u>			
Sustainable Range Program			
Number of Ranges ⁴	3773	3779	3792
Number of Range Complexes ⁵	94	94	94
Number of Acres (millions)	10	10	10
Number of Range Maintenance Projects	826	920	858
Soldier Training Support Program			
Number of Training Support Centers	56	56	56
Mission Training Complexes (MTC)			
Number of MTCs	34	35	35

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¹ The U.S. Army Criminal Investigation Command (USACIDC) defines an investigative action as any effort expended by a USACIDC agent to investigate a criminal allegation, to conduct a crime prevention survey, to collect/analyze criminal intelligence, to conduct an investigative action at the request of another office to complete a criminal investigation, to perform a protective service mission, and other similar or related investigative actions. A case is defined as a compilation of a number of investigative actions and represents a complete investigation which results in a report to a commander.

² The U.S. Army Crime Records Center (USACRC) is subordinate to the U.S. Army Criminal Investigation Command. The majority of name checks are prepared in support of promotion or command selection boards and Sexual Assault Response Coordinators/Victim Advocates name checks. Army Directive 2014-23, Conduct of Screening and Background Checks for Individuals Who Have Regular Contact with Children, September 2014, states all individuals who have regular contact with children will have name checks prepared, initially and then annually. Additionally, the Army is currently running a pilot program to have all child care name checks prepared centrally. It is anticipated that the pilot will be adopted and the USACRC will pick up this workload as a new mission.

³ There are 11 Integrated Air and Missile Defense (IAMD) sites. In FY 2015, one of the IAMD sites was funded by Overseas Contingency Operations (OCO). In FY 2016, 11 of the IAMD sites are funded by OCO. In FY 2017, funding for the 11 IAMD sites is requested in the OCO budget.

⁴ A range is defined as an Army training area with targetry used to conduct traditional, crew, collective, and table gunnery live fire qualifications and exercises. Army ranges are located on Active, Reserve, and National Guard installations supported by both civilian and military staff to familiarize, train and qualify Soldiers on weapon systems.

⁵ A Range Complex is defined as an Army location that includes live fire and maneuver training facilities. These locations support both Active, Reserve and National Guard units. The ranges will vary from small arms to complex digital collective maneuver ranges.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	8,381	8,331	8,147	-184
Officer	2,761	3,038	2,826	-212
Enlisted	5,620	5,293	5,321	28
<u>Active Military Average Strength (A/S) (Total)</u>	8,052	8,357	8,239	-118
Officer	2,666	2,900	2,932	32
Enlisted	5,386	5,457	5,307	-150
<u>Civilian FTEs (Total)</u>	14,520	14,585	14,704	119
U.S. Direct Hire	8,858	9,441	9,634	193
Foreign National Direct Hire	1,681	1,468	1,412	-56
Total Direct Hire	10,539	10,909	11,046	137
Foreign National Indirect Hire	3,981	3,676	3,658	-18
 <i>(Reimbursable Civilians (Memo))</i>	 3,646	 3,059	 3,054	 -5
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	85	83	87	4
<u>Contractor FTEs (Total)</u>	12,545	4,140	5,530	1,390

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	901,735	0	1.33%	12,026	86,987	1,000,748	0	1.59%	15,891	47,449	1,064,088
0103	WAGE BOARD	51,648	0	1.32%	682	8,271	60,601	0	1.42%	863	-381	61,083
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	73,919	74	0.42%	311	-45,156	29,148	191	1.32%	388	-815	28,912
0105	SEPARATION LIABILITY (FNDH)	215	0	0.00%	0	-215	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	1,386	0	0.00%	0	-1,386	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	1,028,903	74		13,019	48,501	1,090,497	191		17,142	46,253	1,154,083
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	252,575	0	1.70%	4,294	-151,453	105,416	0	1.80%	1,897	105	107,418
0399	TOTAL TRAVEL	252,575	0		4,294	-151,453	105,416	0		1,897	105	107,418
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	30,596	0	-7.30%	-2,234	-4,789	23,573	0	-8.20%	-1,933	-2,330	19,310
0402	SERVICE FUND FUEL	2,060	0	-7.30%	-150	-1,910	0	0	-8.20%	0	0	0
0411	ARMY SUPPLY	385,580	0	2.55%	9,832	-328,721	66,691	0	-4.63%	-3,088	-1,859	61,744
0412	NAVY MANAGED SUPPLIES AND MATERIALS	236	0	3.48%	8	-244	0	0	4.94%	0	0	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	5,118	0	1.70%	87	902	6,107	0	1.80%	110	-775	5,442
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	182,389	0	-0.60%	-1,094	-148,595	32,700	0	1.40%	458	50,000	83,158
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	21,755	0	0.40%	87	-18,696	3,146	0	-0.40%	-13	0	3,133
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	9,296	0	-1.90%	-177	-2,949	6,170	0	-0.70%	-43	0	6,127
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	61,405	0	1.30%	798	-19,885	42,318	0	-6.00%	-2,539	0	39,779
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	698,435	0		7,157	-524,887	180,705	0		-7,048	45,036	218,693
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	43,999	0	0.00%	0	-43,999	0	0	-0.26%	0	0	0
0503	NAVY FUND EQUIPMENT	2,403	0	0.00%	0	-2,403	0	0	3.86%	0	0	0
0505	AIR FORCE FUND EQUIPMENT	4	0	0.00%	0	-4	0	0	0.00%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	9,072	0	1.00%	91	-9,163	0	0	-0.10%	0	0	0

Exhibit OP-5, Subactivity Group 121

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
0507	GSA MANAGED EQUIPMENT	3,261	0	1.70%	56	8,642	11,959	0	1.80%	215	0	12,174
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	58,739	0		147	-46,927	11,959	0		215	0	12,174
<u>OTHER FUND PURCHASES</u>												
0603	DLA DISTRIBUTION	13,793	0	1.99%	274	-14,067	0	0	0.00%	0	0	0
0633	DLA DOCUMENT SERVICES	19	0	-2.17%	0	684	703	0	1.47%	10	0	713
0647	DISA ENTERPRISE COMPUTING CENTERS	0	0	-10.01%	0	0	0	0	-10.00%	0	15,180	15,180
0679	COST REIMBURSABLE PURCHASES	184	0	1.70%	3	375	562	0	1.90%	11	0	573
0699	TOTAL INDUSTRIAL FUND PURCHASES	13,996	0		277	-13,008	1,265	0		21	15,180	16,466
<u>TRANSPORTATION</u>												
0702	AMC SAAM (FUND)	45,134	0	0.00%	0	-45,134	0	0	0.00%	0	0	0
0718	SDDC LINER OCEAN TRANSPORTATION	4,787	0	1.90%	91	2,402	7,280	0	-1.80%	-131	0	7,149
0719	SDDC CARGO OPERATION (PORT HANDLING)	0	0	38.80%	0	400	400	0	0.80%	3	0	403
0771	COMMERCIAL TRANSPORTATION	51,808	0	1.70%	880	-39,414	13,274	0	1.80%	239	19,814	33,327
0799	TOTAL TRANSPORTATION	101,729	0		971	-81,746	20,954	0		111	19,814	40,879
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	204,606	-24,321	0.83%	1,499	-59,436	122,348	851	1.48%	1,823	-621	124,401
0902	SEPARATION LIABILITY (FNIH)	4,703	13	0.76%	36	-1,355	3,397	34	1.37%	47	0	3,478
0912	RENTAL PAYMENTS TO GSA (SLUC)	307	0	1.70%	5	-312	0	0	1.80%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	5,236	0	1.70%	89	1,378	6,703	0	1.80%	121	0	6,824
0914	PURCHASED COMMUNICATIONS (NON-FUND)	17,678	0	1.70%	300	-9,300	8,678	0	1.80%	156	724	9,558
0915	RENTS (NON-GSA)	3,196	0	1.70%	54	-3,250	0	0	1.80%	0	225	225
0917	POSTAL SERVICES (U.S.P.S)	156	0	1.70%	3	-159	0	0	1.80%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	121,713	0	1.70%	2,069	-57,776	66,006	0	1.80%	1,188	72,886	140,080
0921	PRINTING AND REPRODUCTION	22	0	1.70%	0	1,103	1,125	0	1.80%	20	181	1,326
0922	EQUIPMENT MAINTENANCE BY CONTRACT	425,485	0	1.70%	7,234	-389,735	42,984	0	1.80%	774	94,112	137,870
0923	OPERATION AND MAINTENANCE OF FACILITIES	333,201	0	1.70%	5,664	-161,110	177,755	0	1.80%	3,200	-6,403	174,552
0925	EQUIPMENT PURCHASES (NON-FUND)	239,038	0	1.70%	4,064	-128,320	114,782	0	1.80%	2,066	38,165	155,013
0927	AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	6,618	0	1.70%	113	-6,731	0	0	1.80%	0	0	0

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		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	455,085	0	1.70%	7,736	-351,801	111,020	0	1.80%	1,998	2,858	115,876
0933	STUDIES, ANALYSIS, AND EVALUATIONS	20,128	0	1.70%	343	-14,851	5,620	0	1.80%	101	-938	4,783
0934	ENGINEERING AND TECHNICAL SERVICES	188,649	0	1.70%	3,207	-129,754	62,102	0	1.80%	1,118	-15,377	47,843
0937	LOCALLY PURCHASED FUEL (NON-FUND)	705	0	-7.30%	-51	944	1,598	0	-8.20%	-131	0	1,467
0960	INTEREST AND DIVIDENDS	55	0	1.70%	1	-56	0	0	1.80%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	718	0	1.70%	12	-730	0	0	1.80%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	221,077	0	1.70%	3,758	-35,434	189,401	0	1.80%	3,409	15,146	207,956
0989	OTHER SERVICES	352,058	0	1.70%	5,985	-272,814	85,229	0	1.80%	1,534	27,700	114,463
0990	IT CONTRACT SUPPORT SERVICES	165,341	0	1.70%	2,811	-1,176	166,976	0	1.80%	3,006	121,033	291,015
0999	TOTAL OTHER PURCHASES	2,765,775	-24,308		44,932	-1,620,675	1,165,724	885		20,430	349,691	1,536,730
9999	GRAND TOTAL	4,920,152	-24,234		70,797	-2,390,195	2,576,520	1,076		32,768	476,079	3,086,443

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I. Description of Operations Financed:

LAND FORCES SYSTEMS READINESS supports a centralized program for the management of commercial satellite airtime for Army training with battle command systems and Warfighter Information Network-Tactical. Funds the operational costs for the Center for Army Analysis. Enables U.S. Army Training and Doctrine Command in its conduct of the Network Integration Evaluation and implementation of the Army Warfighting Assessment, evaluating modernization in the context of joint/multinational interoperability, implications of new capabilities across organizational designs, the human dimension, and training innovations. Provides expertise required for experimentation and wargaming, foundational to the Army Capabilities Integration Center and the evolution of the Army as an agile and adaptive component of the Total Joint Force that meets current and future requirements through the development of concepts and capabilities for affordable warfighter solutions. Integrates capabilities development across doctrine, organization, training, materiel, leadership and education, personnel, and facilities domains, warfighting functions, and formations; develops Army concepts that provide strategic and operational direction through the Army Operating Concept Framework; evaluates capabilities needed for the future force in operational environments to support Combatant Commander requirements across the range of military operations; communicates with government, industry partners, media and other key stakeholders; establishes baselines and metrics to support Army requirements and trades; conducts cost-benefit analyses informed by Soldier needs and lessons learned; drives innovation to put emerging capability solutions in the hands of Soldiers early; and identifies prioritized capability gaps to shape the Army program, resource decisions, and long-range investments. Joint Trauma Analysis for Prevention of Injury in Combat program continuously integrates and analyzes combat casualty data within the context of materiel, operational, and intelligence information to develop solutions and to provide decision support for improved protection systems, enhanced warfighter survivability, and reduction of injury. Supports the Directorate of Medical Equipment Test and Evaluation.

II. Force Structure Summary:

Land Forces Systems Readiness provides equipment and force structure development, support equipment, and command and control capabilities for the following organizations:

Headquarters, Department of Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Material Command

Army Service Component Commands:

U.S. Army Special Operations Command
U.S. Army South
U.S. Army Europe
U.S. Army Space and Missile Defense Command/ Army Forces Strategic Command
U.S. Army Pacific

Direct Reporting Units:

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U.S. Army Test and Evaluation Command
U.S. Army Acquisition Support Center
U.S. Army Medical Command
Second Army

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III. Financial Summary (\$ in Thousands):

	<u>FY 2015</u>	<u>FY 2016</u>				<u>Normalized</u>	<u>FY 2017</u>
		<u>Actual</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>		
A. Program Elements							
LAND FORCES SYSTEMS READINESS	\$576,005	\$438,909	\$-14,104	-3.21%	\$424,805	\$424,805	\$439,488
SUBACTIVITY GROUP TOTAL	\$576,005	\$438,909	\$-14,104	-3.21%	\$424,805	\$424,805	\$439,488
B. Reconciliation Summary			<u>Change</u>		<u>Change</u>		
			<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>		
BASELINE FUNDING			\$438,909		\$424,805		
Congressional Adjustments (Distributed)			-8,900				
Congressional Adjustments (Undistributed)			-1,953				
Adjustments to Meet Congressional Intent			105				
Congressional Adjustments (General Provisions)			-3,356				
SUBTOTAL APPROPRIATED AMOUNT			424,805				
War Related and Disaster Supplemental Appropriation			124,576				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			549,381				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			-124,576				
Less: X-Year Carryover			0				
Price Change					5,989		
Functional Transfers					0		
Program Changes					8,694		
NORMALIZED CURRENT ESTIMATE			\$424,805		\$439,488		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 438,909
1. Congressional Adjustments	\$ -14,104
a) Distributed Adjustments	\$ -8,900
1) Unjustified growth	\$ -8,900
b) Undistributed Adjustments	\$ -1,953
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -1,845
2) Spares and repair parts	\$ -108
c) Adjustments to Meet Congressional Intent	\$ 105
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 105
d) General Provisions	\$ -3,356
1) Sec 8024. Federally Funded Research and Development Centers	\$ -165

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2) Sec 8077. Savings due to favorable foreign exchange rates \$ -3,047

3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -144

FY 2016 Appropriated Amount.....\$ 424,805

2. War-Related and Disaster Supplemental Appropriations.....\$ 124,576

a) Overseas Contingency Operations Supplemental Appropriation, 2016 \$ 124,576

1) Overseas Contingency Operations Supplemental..... \$ 124,576

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 549,381

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 549,381

5. Less: Emergency Supplemental Funding.....\$ -124,576

a) Less: War Related and Disaster Supplemental Appropriation\$ -124,576

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b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted.....\$ 424,805

6. Price Change \$ 5,989

7. Transfers..... \$ 0

a) Transfers In \$ 0

b) Transfers Out \$ 0

8. Program Increases \$ 13,356

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 13,356

1) Civilian Average Annual Compensation \$ 3,546

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such

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as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$178,965)

2) Medical Combat Support \$ 7,766

Increases funding for the U.S. Army Medical Command's Medical Combat Support Program. Funding will fill equipment shortages or upgrade outdated equipment in approximately 748 Medical Equipment Sets (MES) throughout the Army. MES include state of the art initial trauma resuscitation equipment and are fielded to units and medical personnel that treat from the point of injury through the combat support hospitals levels of care. MES may consist of ambulatory care, dental, environmental, laboratory/blood gas, therapy/treatment, testing measurement diagnostic equipment, veterinary, and x-ray sets. (Baseline: \$38,426)

3) Tactical Exploitation of National Capabilities (TENCAP) Military Exploitation of Reconnaissance and Intelligence Technology (MERIT) Projects \$ 2,044

Provides operational support and below depot-level maintenance of classified, low-density tactical intelligence software and equipment performed or managed at the National Level by either in-house or joint national contractor activities provided by TENCAP MERIT Projects. Provides for the sustainment of these national capabilities until fully transitioned into an Army Program of Record. Includes operation and maintenance of software and equipment, and the associated costs specifically identified and measurable to these units. (Baseline: \$0)

9. Program Decreases \$ -4,662

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases \$ 0

c) Program Decreases in FY 2017 \$ -4,662

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- 1) Army Acquisition Executive Support \$ -1,216
 Decreases funding for contracts associated with Headquarters, Department of the Army management, assistance, and advisory services and equipment maintenance. (Baseline: \$1,733)

- 2) Civilian Workforce Reduction \$ -604
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$178,965; -5 FTE)

- 3) Compensable Days \$ -976
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$178,965)

- 4) Medical Combat Development \$ -1,866
 Reduces funding for fuel products and contract requirements to offset the increase in average civilian salary. (Baseline: \$16,302)

FY 2017 Budget Request.....\$ 439,488

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Models and Simulation Projects	2	2	2
U.S. Army Medical Command – Medical Equipment Sets	1,143	882	1,586
Joint Capabilities Integration Documents	693	693	722
Network Integration Evaluations	2	2	1
Network Integration Evaluation combined with Army Warfighting Assessment	0	0	1
Accelerated Capabilities Development	20	20	6
Concept Development and Learning			
- Title 10 Annual Wargame Study on National Security Warfare Challenges through 2040 and Beyond	1	1	1
- Capstone and Functional Concept Developments, Validations, and Refinement Assessments	20	20	20
Commercial Satellite Airtime			
Warfighter Information Network-Tactical Training – Number of Missions Supported	1,196	1,232	1,296
Blue Force Tracking – Number of Transmission (millions)	25.9	88.0	90.6

Models and Simulation (M and S) Projects

Provides for accessible and discoverable models, simulations, supporting data, and documentation for users and developers to allow for shared use in order to gain efficiencies, reduce cost, and facilitate cost-effective and efficient development of M and S capabilities. Projects enable the leveraging and synchronization of M and S across the Army, Department of Defense, Government agencies, international partners, industry, and academia.

U.S. Army Medical Command – Medical Equipment Sets

Provides the medical expendable supplies required to complete Medical Sets / Kits / Outfits (SKOs). SKOs provide state of the art initial trauma resuscitation procedures from the point of injury through the combat support hospital.

Joint Capabilities Integration Documents (JCIDS)

The U.S. Army Training and Doctrine Command's Centers of Excellence and the Army Capabilities Integration Center integrate capabilities development across the Army's Doctrine, Organization, Training, Materiel, Leadership, Personnel and Facilities (DOTMLPF). The JCIDS analysis and outputs include Initial Capability Documents; Requirements Definition Packages; Capability Development Documents; Capability Production Documents; Organizational Requirements Document Revisions; and DOTMLPF Change Recommendations.

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Network Integration Evaluations (NIE) and Army Warfighting Assessments (AWA)

NIEs provide for Soldier-led evaluations designed to further integrate, mature, and rapidly progress the Army's tactical network. One of the two annual NIEs will include the AWA, a new Army annual war game exercise for developing new technologies and concepts that will emphasize joint and international cooperation. AWAs are a major component of Force 2025 maneuvers, a variety of experiments and exercises aimed at transforming concepts into capabilities for the force. AWAs are aimed at improving training readiness, supporting future force development, and increasing interoperability.

Accelerated Capabilities Development

Focused assessments on Army warfighting challenges which enable the rapid evaluation and fielding of Doctrine, Organization, Training, Materiel, Leadership, Personnel and Facilities solutions; aligned with Rapid Equipping Force in support of force modernization for near-, mid-, and far-acquisition equipping and deliberate development.

Concept Development and Learning

Title 10 Annual Wargame Study on National Security Warfare Challenges through 2040 and Beyond through the Unified Quest series of wargaming seminars. Capstone and Functional Concept Developments, Validations, and Refinement Assessments are major components of Force 2025 maneuvers, a variety of experiments and exercises aimed at transforming concepts into capabilities into the force. The focus is shaped by the Army's new operating concept, "Win in a Complex World" where Army planners have organized future warfare challenges into 20 functional categories from cyber electromagnetic operations to increased situational understanding for the Soldier.

Blue Force Tracking (BFT)

Metric represents an estimate of the number of transmissions received by the BFT Center on an annual basis. Transmissions are used to provide Soldiers/units with a common operating picture during exercises/operations. BFT is primarily funded with Overseas Contingency Operations funding in FY 2015; BFT funding is included in the FY 2016 and FY 2017 base requests.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,172	1,268	1,263	-5
Officer	880	971	958	-13
Enlisted	292	297	305	8
<u>Active Military Average Strength (A/S) (Total)</u>	1,312	1,221	1,266	45
Officer	988	926	965	39
Enlisted	324	295	301	6
<u>Civilian FTEs (Total)</u>	1,444	1,488	1,483	-5
U.S. Direct Hire	1,288	1,314	1,309	-5
Foreign National Direct Hire	9	2	2	0
Total Direct Hire	1,297	1,316	1,311	-5
Foreign National Indirect Hire	147	172	172	0
 <i>(Reimbursable Civilians (Memo))</i>	 210	 464	 438	 -26
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	116	119	123	4
<u>Contractor FTEs (Total)</u>	1,851	1,081	1,082	1

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	159,081	0	1.29%	2,045	8,486	169,612	0	1.54%	2,608	1,964	174,184
0103	WAGE BOARD	83	0	0.00%	0	-83	0	0	0.00%	0	0	0
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	365	0	0.00%	0	-336	29	0	0.00%	0	2	31
0106	BENEFITS TO FORMER EMPLOYEES	416	0	0.00%	0	-416	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	159,945	0		2,045	7,651	169,641	0		2,608	1,966	174,215
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	13,603	0	1.70%	232	-7,896	5,939	0	1.80%	107	0	6,046
0399	TOTAL TRAVEL	13,603	0		232	-7,896	5,939	0		107	0	6,046
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	181	0	-7.30%	-13	211	379	0	-8.20%	-31	-72	276
0411	ARMY SUPPLY	909	0	2.55%	23	2,981	3,913	0	-4.63%	-181	0	3,732
0416	GSA MANAGED SUPPLIES AND MATERIALS	234	0	1.70%	4	-206	32	0	1.80%	1	0	33
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	6,186	0	0.40%	25	5,948	12,159	0	-0.40%	-49	0	12,110
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	7,510	0		39	8,934	16,483	0		-260	-72	16,151
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	6,593	0	0.00%	0	-5,169	1,424	0	-0.26%	-4	0	1,420
0503	NAVY FUND EQUIPMENT	19,313	0	0.00%	0	-19,313	0	0	0.00%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	981	0	1.00%	10	3,789	4,780	0	-0.10%	-5	0	4,775
0507	GSA MANAGED EQUIPMENT	46	0	1.70%	1	3,894	3,941	0	1.80%	71	0	4,012
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	26,933	0		11	-16,799	10,145	0		62	0	10,207
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	0	0	1.90%	0	15,463	15,463	0	-1.80%	-278	0	15,185
0719	SDDC CARGO OPERATION (PORT HANDLING)	0	0	38.80%	0	833	833	0	0.80%	7	0	840
0771	COMMERCIAL TRANSPORTATION	384	0	1.70%	7	59	450	0	1.80%	8	0	458

Exhibit OP-5, Subactivity Group 122

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		<u>FY 2015</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017</u> <u>Program</u>
0799	TOTAL TRANSPORTATION	384	0		7	16,355	16,746	0		-263	0	16,483
	<u>OTHER PURCHASES</u>											
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	8,113	-1,980	1.53%	94	1,102	7,329	48	1.53%	113	0	7,490
0912	RENTAL PAYMENTS TO GSA (SLUC)	4	0	1.70%	0	482	486	0	1.80%	9	0	495
0914	PURCHASED COMMUNICATIONS (NON-FUND)	5,779	0	1.70%	98	1,243	7,120	0	1.80%	128	0	7,248
0915	RENTS (NON-GSA)	571	0	1.70%	10	-457	124	0	1.80%	2	0	126
0917	POSTAL SERVICES (U.S.P.S)	41	0	1.70%	1	-11	31	0	1.80%	1	0	32
0920	SUPPLIES AND MATERIALS (NON-FUND)	15,547	0	1.70%	264	-12,814	2,997	0	1.80%	54	1,000	4,051
0921	PRINTING AND REPRODUCTION	624	0	1.70%	11	-447	188	0	1.80%	3	0	191
0922	EQUIPMENT MAINTENANCE BY CONTRACT	139,679	0	1.70%	2,375	-111,401	30,653	0	1.80%	552	1,044	32,249
0923	OPERATION AND MAINTENANCE OF FACILITIES	676	0	1.70%	11	2,746	3,433	0	1.80%	62	0	3,495
0925	EQUIPMENT PURCHASES (NON-FUND)	27,159	0	1.70%	462	-10,369	17,252	0	1.80%	311	5,691	23,254
0929	AIRCRAFT REWORKS BY CONTRACT	15	0	1.70%	0	-15	0	0	1.80%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	54,281	0	1.70%	923	2,809	58,013	0	1.80%	1,044	-935	58,122
0933	STUDIES, ANALYSIS, AND EVALUATIONS	27,402	0	1.70%	466	-10,513	17,355	0	1.80%	312	0	17,667
0934	ENGINEERING AND TECHNICAL SERVICES	9,032	0	1.70%	154	-7,148	2,038	0	1.80%	37	0	2,075
0985	RESEARCH AND DEVELOPMENT CONTRACTS	5,414	0	0.00%	0	-5,414	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	17,622	0	1.70%	300	-17,922	0	0	1.80%	0	0	0
0989	OTHER SERVICES	13,987	0	1.70%	238	-14,225	0	0	1.80%	0	0	0
0990	IT CONTRACT SUPPORT SERVICES	41,684	0	1.70%	709	16,439	58,832	0	1.80%	1,059	0	59,891
0999	TOTAL OTHER PURCHASES	367,630	-1,980		6,116	-165,915	205,851	48		3,687	6,800	216,386
9999	GRAND TOTAL	576,005	-1,980		8,450	-157,670	424,805	48		5,941	8,694	439,488

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I. Description of Operations Financed:

LAND FORCES DEPOT MAINTENANCE - This program funds depot level maintenance for equipment and digital technology associated with Army weapon systems. Depot Maintenance is the national maintenance standard that restores equipment condition and service life. It includes overhaul (restores equipment or components to a completely serviceable condition with a measurable [expected] life); rebuild (a near zero hour/zero mile maintenance process requiring end item total tear down involving the replacement of all expendable components, all aged components, reconditioning of structural components, in addition to the procedures identified for overhaul); and recapitalization (rebuilds and restores items to a standard configuration, installs modification work orders / engineering change proposals, and allows for technology insertion).

Land Forces Depot Maintenance supports the Army's Modernization and Equipping Strategies by sustaining the availability and reliability of fielded systems. This ensures that Soldiers have the equipment they need to execute their assigned mission as they progress through the Sustainable Readiness Model Process. Army objectives for the Depot Maintenance program are: (1) sustain near and long term readiness; (2) maintain fleet reliability and capabilities; (3) resource core capabilities and maintain organic sources of repair (depots) in accordance with Title 10 U.S.C. 2464; (4) maintain Post Production Software Support to support a network centric Army battlefield; and (5) ensure a ready, responsive and flexible source of support to the Army.

II. Force Structure Summary:

The Land Forces Depot Maintenance Subactivity Group funds the following organizations:

Headquarters, Department of Army

Army Commands:

U.S. Army Materiel Command

Direct Reporting Units:

U.S. Army Acquisition Support Center

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III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
LAND FORCES DEPOT MAINTENANCE	\$948,392	\$1,214,116	\$-620,164	-51.08%	\$593,952	\$593,952	\$1,013,452	
SUBACTIVITY GROUP TOTAL	\$948,392	\$1,214,116	\$-620,164	-51.08%	\$593,952	\$593,952	\$1,013,452	
				<u>Change</u>	<u>Change</u>			
				<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING				\$1,214,116	\$593,952			
Congressional Adjustments (Distributed)				-470,000				
Congressional Adjustments (Undistributed)				-150,121				
Adjustments to Meet Congressional Intent				5				
Congressional Adjustments (General Provisions)				-48				
SUBTOTAL APPROPRIATED AMOUNT				593,952				
War Related and Disaster Supplemental Appropriation				500,000				
X-Year Carryover				0				
Fact-of-Life Changes (2016 to 2016 Only)				0				
SUBTOTAL BASELINE FUNDING				1,093,952				
Anticipated Reprogramming (Requiring 1415 Actions)				0				
Less: War Related and Disaster Supplemental Appropriation				-500,000				
Less: X-Year Carryover				0				
Price Change					3,461			
Functional Transfers					0			
Program Changes					416,039			
NORMALIZED CURRENT ESTIMATE				\$593,952	\$1,013,452			

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 1,214,116
1. Congressional Adjustments	\$ -620,164
a) Distributed Adjustments	\$ -470,000
1) OCO/GWOT Operations - Transfer to Title IX	\$ -500,000
2) Program increase	\$ 30,000
b) Undistributed Adjustments	\$ -150,121
1) Spares and repair parts	\$ -121
2) Working Capital Fund carryover above allowable ceiling	\$ -150,000
c) Adjustments to Meet Congressional Intent	\$ 5
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 5
d) General Provisions	\$ -48

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- 1) Sec 8024. Federally Funded Research and Development Centers \$ -2
- 2) Sec 8077. Savings due to favorable foreign exchange rates \$ -39
- 3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -7

FY 2016 Appropriated Amount.....\$ 593,952

2. War-Related and Disaster Supplemental Appropriations.....\$ 500,000

a) Overseas Contingency Operations Supplemental Appropriation, 2016 \$ 500,000

1) Overseas Contingency Operations Supplemental..... \$ 500,000

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 1,093,952

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 1,093,952

5. Less: Emergency Supplemental Funding.....\$ -500,000

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a) Less: War Related and Disaster Supplemental Appropriation \$ -500,000

b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted.....\$ 593,952

6. Price Change\$ 3,461

7. Transfers.....\$ 0

a) Transfers In \$ 0

b) Transfers Out \$ 0

8. Program Increases\$ 1,541,670

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 1,541,670

1) Civilian Average Annual Compensation \$ 519

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and

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less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$80,354)

2) Depot Maintenance - Aviation..... \$ 341,545

Increases funding to support FY 2016 cost increase adjustments for the recapitalization of four additional Blackhawks in support of the Army's modernization efforts, supporting the Army's readiness and ability to prepare and deploy forces to meet ongoing operations. Additionally, funding supports a total of 68 overhauls (Radar Sets, Digital Captive Boresight, and Tactical Command Systems); 11 repair and returns on Air Traffic Controls; and support depot teams. (Baseline: \$305,351)

3) Depot Maintenance - Combat Vehicles \$ 116,985

Funds 45 additional M1A2 Abrams System Enhancement Package/Retrofits recapitalizations through a public-private partnership to support the Army's modernizations efforts, supporting the Army's readiness and ability to prepare and deploy forces to meet ongoing operations. Resources support a total of 35 overhauls (M109A6 Paladin Self-Propelled Howitzers, Bradley Fighting Vehicle Systems, and Stryker variants) and the combat evaluation assessment teams for the program. (Baseline: \$73,901)

4) Depot Maintenance - Communication-Electronics..... \$ 76,760

Increases funding to support Communications Electronics End Item Maintenance for Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance equipment and will provide mission readiness and warfighter secure communications through 400 overhauls and 1070 repair and returns on control satellite systems. (tactical command systems, electronic repair shelter, vans, radar sets and environment control units) (Baseline: \$32,095)

5) Depot Maintenance - General Purpose \$ 69,941

Increases funding to support General Purpose major end items in accordance with Title 47 and Title 49 of the Code of Federal Regulations. Specifically, funding is increased for overhauls of watercraft and locomotives; Nuclear Biological and Chemical equipment; small arms; Test, Measurement, and Diagnostic equipment repairs; progressive maintenance of 3 120-ton locomotives; inspections, and

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depot support teams. (Baseline: \$63,949)

6) Depot Maintenance - Missiles..... \$ 93,306
 Increases funding to support the Army's modernization efforts for Phase Array Tracking Radar, Intercept of Target (PATRIOT) recapitalizations and repair missile re-certifications (10 rocket launchers overhauls, and 2 guided missile repair and returns). (Baseline: \$118,656)

7) Depot Maintenance - Post Production Software Support..... \$ 342,614
 Increases funding to support 828 embedded software support systems for the sustainment of Army's Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance. Funding also supports the Army's migration from an analog force to a net centric force on a digitized battlefield and enables Army to distribute intelligence information. Resources support the following areas: Certification and Accreditations; Information Assurance Vulnerability Alerts; Infrastructure and Operational Support; Field Software Engineers and licenses. (Baseline: \$0)

8) Restoral of Transfer for OCO..... \$ 500,000
 Funds reflect program growth of \$x million as a result of the FY 2016 congressional realignment from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016. The \$500.0 million was allocated to the following commodities: Aviation (\$44.4 million), General Purpose (\$39.9 million), Combat Vehicles (\$14.2 million), Post Production Software Systems (\$323.8 million), Communication - Electronics (\$23.6 million), and Missiles (\$53.7 million). (Baseline: \$475,296)

9. Program Decreases.....\$ -1,125,631

a) One-Time FY 2016 Costs \$ -30,000

1) Program Increase \$ -30,000

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b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017.....	\$ -1,095,631
1) Bipartisan Budget Act of 2015 Compliance	\$ -350,000
Decrease in funding to Depot Maintenance of \$350.0 million required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The \$350.0 million was allocated to the following commodities: Missiles (\$53.7million), Post Production Software Support (\$214.0 million), General Purpose (\$31.8 million), and Aviation (\$50.0 million). (Baseline: \$350,000)	
2) Civilian Workforce Reduction	\$ -15,221
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$80,354; -122 FTE)	
3) Compensable Days.....	\$ -371
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$80,354)	
4) Depot Maintenance - Aviation.....	\$ -319,505
Decreases funding for 1019 overhauls (MH60M Blackhawk, UH-60L Blackhawk, M272 Launchers), 29 UH-60 recapitalizations 534 repair and returns, and depot teams. (Baseline: \$305,351)	
5) Depot Maintenance - Combat Vehicles	\$ -29,634
Decreases funding for 43 overhauls (Field Artillery Ammunition Support Vehicles, Armored Vehicle Bridges), and the progressive maintenance of 21 end items (M113A3 Personnel Carriers, M1064A3 Mortar Carriers, Command Post Carriers M577A3s). (Baseline: \$73,901)	

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6) Depot Maintenance - Communication-Electronics..... \$ -55,719
 Decreases funding for the overhauls, and repair and returns of 5723 Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance end items. (Baseline: \$32,095)

7) Depot Maintenance - General Purpose \$ -46,714
 Decreases funding for overhauls of watercraft (Causeway Ferry; Landing Craft, Mechanized -8 Modification 1; Landing Craft Utility 2000; large and small tugs) and Nuclear Biological and Chemical Equipment. (Baseline: \$63,949)

8) Depot Maintenance - Missiles..... \$ -28,820
 Decreases funding for 137 overhauls for Phased Array Tracking Radar, Intercept of Target (PATRIOT) Advance Capability-3 major end items and Missile Segment Enhancement repairs; 109 Guided Enhanced Missiles repair and returns; 52 missile re-certifications (Guided Missile and Large Rocket, Army Tactical Missile System requirements), and 3347 PATRIOT recapitalizations. (Baseline: \$118,656)

9) Depot Maintenance - Post Production Software..... \$ -249,647
 Decreases funding for 305 embedded software support systems for the sustainment of Army's Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance in the following end item categories: Certification and Accreditations, Information Assurance Vulnerability Alerts, Infrastructure and Operational Support, Field Software Engineers, licenses and Category III/IV/V priorities.(Distributed Common Ground System-Army, Enhanced Position Location and Reporting System, Advanced Field Artillery Tactical Data System and Firefinder) (Baseline: \$0)

FY 2017 Budget Request.....\$ 1,013,452

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IV. Performance Criteria and Evaluation Summary:

	FY 2015						FY 2016					FY 2017	
	Budget ¹		Estimated Inductions		Completions		Budget ²		Estimated Inductions		Carry-in	Budget ³	
	Qty	\$(M)	Qty	\$(M)	Prior Year	Current Year	Qty	\$(M)	Qty	\$(M)	Qty	Qty	\$(M)
Aircraft	44.0	191.0	44.0	191.0	NA	NA	2,286.0	305.4	2,286.0	305.4	NA	136.0	293.6
Memo	44.0	191.0	44.0	191.0	76.0	69.0	45.0	257.6	45.0	257.6	38.0	42.0	272.2
Combat Vehicles	20.0	20.0	20.0	20.0	NA	NA	155.0	73.9	155.0	73.9	NA	237.0	175.9
Memo	10.0	15.6	10.0	15.6	4.0	11.0	123.0	73.9	123.0	73.9	9.0	231.0	175.9
Commo	1,115.0	65.4	1,115.0	65.4	NA	NA	9,352.0	32.1	9,352.0	32.1	NA	1,759.0	76.9
Memo	54.0	15.8	74.0	15.8	28.0	54.0	198.0	28.9	198.0	28.9	0.0	100.0	25.9
Missiles	2,142.0	61.4	2,142.0	61.4	NA	NA	434.0	118.6	434.0	118.6	NA	340.0	130.1
Memo	51.0	15.8	51.0	15.8	156.0	146.0	162.0	118.6	162.0	118.6	38.0	250.0	120.6
Other	374.0	44.8	17,488.0	44.8	NA	NA	52.0	63.9	52.0	63.9	NA	4,372.0	61.2
Memo	19.0	27.8	8,610.0	27.8	312.0	7,284.0	27.0	49.9	27.0	49.9	2,086.0	3,185.0	90.4
Software	N/A	26.6	N/A	26.6	NA	NA	N/A	0.0	N/A	0.0	NA	N/A	275.6
TOTAL	NA	409.2	NA	409.2	NA	NA	NA	593.9	NA	593.9	NA	NA	1,013.3

Data sources used for the analysis were the following: Army Workload Performance System, Logistics Modernization Program, General Fund Enterprise Business System, and the Depot Maintenance Operations Planning System.

Memo entries reflect the following selected systems work performance data in AWPS: Apache (AH-64), Black Hawk (UH-60), Chinook (CH-47), Kiowa (OH-58), Stryker, Abrams, Bradley, HERCULES (M88), Field Artillery Ammunition Supply Vehicle, M9 Armored Combat Earthmover, Paladin, Firefinder, PATRIOT, Standard Integrated Command Post System, High Capacity Line of Sight Radio Terminal (TRC-190), Electronic Shop Vans, watercraft, small arms, Test, Measurement, and Diagnostic Equipment and software.

1. FY 2015 Actuals - Reflects a \$450M transfer to Title IX - OCO Operations.

2. FY 2016 Base Budget Request - Reflects a \$500M transfer to Title IX - OCO Operations in compliance with the Bipartisan Budget Act of 2015.

3. FY 2017 Base Budget Request - Reflects a \$350M transfer to Title IX - OCO Operations in compliance with the Bipartisan Budget Act of 2015.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	1	3	2	-1
Officer	1	3	2	-1
Enlisted	0	0	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	2	2	3	1
Officer	2	2	3	1
Enlisted	0	0	0	0
<u>Civilian FTEs (Total)</u>	689	652	530	-122
U.S. Direct Hire	674	639	518	-121
Foreign National Direct Hire	15	13	12	-1
Total Direct Hire	689	652	530	-122
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 389	 431	 410	 -21
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	111	123	125	2
<u>Contractor FTEs (Total)</u>	2,993	804	1,397	593

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	56,829	0	1.49%	844	12,522	70,195	0	1.21%	846	-14,632	56,409
0103	WAGE BOARD	18,977	0	0.60%	114	-9,037	10,054	0	1.38%	139	-433	9,760
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	766	0	0.00%	0	-661	105	1	0.94%	1	-8	99
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	76,572	0		958	2,824	80,354	1		986	-15,073	66,268
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	7,322	0	1.70%	125	-5,790	1,657	0	1.80%	30	0	1,687
0399	TOTAL TRAVEL	7,322	0		125	-5,790	1,657	0		30	0	1,687
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	9	0	-7.30%	0	17	26	0	-8.20%	-2	-5	19
0411	ARMY SUPPLY	10,468	0	2.55%	266	-9,905	829	0	-4.63%	-38	0	791
0416	GSA MANAGED SUPPLIES AND MATERIALS	188	0	1.70%	3	-10	181	0	1.80%	3	0	184
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	12	0	1.30%	0	1,283	1,295	0	-6.00%	-78	0	1,217
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	10,677	0		269	-8,615	2,331	0		-115	-5	2,211
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	4,051	0	0.00%	0	-3,990	61	0	-0.26%	0	0	61
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	0	0	1.00%	0	44	44	0	-0.10%	0	0	44
0507	GSA MANAGED EQUIPMENT	21	0	1.70%	0	386	407	0	1.80%	7	0	414
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	4,072	0		0	-3,560	512	0		7	0	519
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	346,607	0	7.92%	27,451	-27,851	346,207	0	-0.11%	-381	336,066	681,892
0647	DISA ENTERPRISE COMPUTING CENTERS	126	0	-10.01%	-13	-113	0	0	-10.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	346,733	0		27,438	-27,964	346,207	0		-381	336,066	681,892
<u>TRANSPORTATION</u>												

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
0771	COMMERCIAL TRANSPORTATION	426	0	1.70%	7	-235	198	0	1.80%	4	0	202
0799	TOTAL TRANSPORTATION	426	0		7	-235	198	0		4	0	202
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	267	0	1.70%	5	-230	42	0	1.80%	1	0	43
0913	PURCHASED UTILITIES (NON-FUND)	28	0	1.70%	0	175	203	0	1.80%	4	0	207
0914	PURCHASED COMMUNICATIONS (NON-FUND)	1,071	0	1.70%	18	-768	321	0	1.80%	6	0	327
0915	RENTS (NON-GSA)	4	0	1.70%	0	2	6	0	1.80%	0	0	6
0917	POSTAL SERVICES (U.S.P.S)	23	0	1.70%	0	-2	21	0	1.80%	0	0	21
0920	SUPPLIES AND MATERIALS (NON-FUND)	2,489	0	1.70%	42	-1,928	603	0	1.80%	11	0	614
0921	PRINTING AND REPRODUCTION	850	0	1.70%	14	-768	96	0	1.80%	2	0	98
0922	EQUIPMENT MAINTENANCE BY CONTRACT	293,800	0	1.70%	4,995	-298,795	0	0	1.80%	0	97,633	97,633
0923	OPERATION AND MAINTENANCE OF FACILITIES	3,912	0	1.70%	66	4,283	8,261	0	1.80%	149	0	8,410
0925	EQUIPMENT PURCHASES (NON-FUND)	11,219	0	1.70%	191	-4,784	6,626	0	1.80%	119	0	6,745
0928	SHIP MAINTENANCE BY CONTRACT	32,682	0	1.70%	556	17,588	50,826	0	1.80%	915	-8,930	42,811
0929	AIRCRAFT REWORKS BY CONTRACT	0	0	1.70%	0	48,602	48,602	0	1.80%	875	-19,595	29,882
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	4,359	0	1.70%	74	-4,433	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	18,468	0	1.70%	314	-18,782	0	0	1.80%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	2,573	0	1.70%	44	-2,617	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	17,878	0	1.70%	304	-18,182	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	5	0	-7.30%	0	7	12	0	-8.20%	-1	-1	10
0957	LAND AND STRUCTURES	1,292	0	1.70%	22	-1,314	0	0	1.80%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	15	0	1.70%	0	-15	0	0	1.80%	0	0	0
0960	INTEREST AND DIVIDENDS	24	0	1.70%	0	-24	0	0	1.80%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	7	0	1.70%	0	-7	0	0	1.80%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	257	0	0.00%	0	-257	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	21,279	0	1.70%	362	6,339	27,980	0	1.80%	504	-1	28,483
0989	OTHER SERVICES	34,575	0	1.70%	588	-26,626	8,537	0	1.80%	154	0	8,691
0990	IT CONTRACT SUPPORT SERVICES	55,513	0	1.70%	944	-45,900	10,557	0	1.80%	190	25,945	36,692
0999	TOTAL OTHER PURCHASES	502,590	0		8,539	-348,436	162,693	0		2,929	95,051	260,673

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
9999	GRAND TOTAL	948,392	0		37,336	-391,776	593,952	1		3,460	416,039	1,013,452

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I. Description of Operations Financed:

BASE OPERATIONS SUPPORT (BOS) - Finances the Active Army installation services world-wide, ensuring an environment in which Soldiers and Families can thrive, and provides a structure that supports the readiness of an expeditionary Army. BOS supports all aspects of mission readiness and training, provides for operating and maintaining installations world-wide that serve as our Nation's power projection platforms, and provides essential services and programs that promote quality of life for our Soldiers, Families, and civilian workforce. Installation support is provided through the following programs and services:

FACILITIES OPERATIONS - Provides basic municipal services to operate and maintain Army installations. Significant components of Facilities Operations are: (1) Pest Control; (2) Custodial Service and Refuse Collection; (3) Engineering Services and Real Property Maintenance including public works management and real estate/real property administration; (4) Grounds Maintenance and Pavement Clearing including grass cutting operations, removal of snow and ice, and street sweeping; (5) Fire Protection and Emergency Services for the protection of installation population including protection of critical infrastructure and aircraft, "First Responder" medical and hazardous materials services, land wild fires and conduct of life/safety/health programs for installation population and fire fighters; (6) Real Property Leases including all world-wide costs for General Services Administration (GSA) and non-GSA real estate leases; and (7) Utility costs associated with the procurement, production and distribution of utility services for Army installations including purchased electricity, steam, hot water, and other utilities, as well as the operation of electrical, natural gas, heating, air conditioning, refrigeration, water, and wastewater treatment systems.

LOGISTICS OPERATIONS - Sustains supply operations, operation of dining facilities, installation transportation services, and maintenance of tactical and non-tactical installation equipment. The three components of Logistics Services are: (1) Community Logistics including laundry and dry cleaning; Army food services (funds civilian pay, contracts and other costs to operate installation dining facilities, purchases operating supplies and replaces equipment for dining facilities), and Troop Issue Subsistence Activities services; (2) Transportation Logistics including arrangements for freight and personal property shipments, passenger movements, and Non-Tactical Vehicle (NTV) management for GSA or commercial leased and installation owned vehicles. Provides installation services such as contracted bus service, local drayage for household goods, operation of rail equipment, fuel for vehicles, and maintenance of Army-owned equipment and NTVs; and (3) Supply Logistics including operation of Central Issue Facilities, Retail Supply, and Installation Property Book accountability.

COMMUNITY SERVICES - Supports Soldiers and their Families through the following: (1) Morale, Welfare, and Recreation Programs such as Sports and Fitness, Libraries, Arts and Crafts Centers, and Outdoor Recreation operations designed to improve Soldier readiness by promoting mental and physical fitness, building morale, and enhancing Soldier, Family and Army civilian well-being; (2) Military and Family Support Programs which provide statutory and regulatory Army Community Services (ACS) to promote self-reliance and satisfaction with military life through education and training. Core ACS programs include Deployment-Mobilization Programs, Emergency Assistance and Placement Care, Soldier for Life Transition Assistance Program, Exceptional Family Member Program, Family Advocacy, Financial Readiness, Information and Referral, and Outreach; (3) Child and Youth Programs which provide for children and youth, ages four weeks to eighteen years, enhancing readiness by reducing conflict between Soldiers' parental and military duties; (4) Lodging including activities designed to maximize lodging in Department of Defense facilities for both Temporary Duty and Permanent Change of Station Soldiers and Families; (5) Army Substance Abuse Program and (6) Suicide Prevention (7) Strong Bonds.

SECURITY SERVICES - Comprises (1) Installation Law Enforcement including Department of Army police; and (2) Installation Physical Security including services related to vehicle registration, visitor pass control facilities, communications, Access Control Point security, vehicle inspection areas, controlled access to mission

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essential and/or vulnerable areas, insider threat compliance, and anti-terrorism training to support and test security procedures and installation defensive measures. Supports the Installation Preparedness Program that provides for protection against Chemical, Biological, Radiological, Nuclear, and high-yield Explosive incidents.

ENVIRONMENTAL PROGRAMS - Addresses (1) Compliance including projects and activities to ensure compliance with federal, state, and local laws and regulations, binding agreements, and country-specific Final Governing Standards; (2) Conservation including management and sustainment of natural and cultural resources; (3) Pollution Prevention including prevention-based solutions to correct deficiencies and minimize future environmental liabilities; and (4) Restoration including legally-mandated cleanup not eligible for funding under the Defense Environmental Restoration Program or Base Realignment and Closure Environmental Restoration Program.

INFORMATION TECHNOLOGY SERVICES MANAGEMENT - Resources base communications to include local telephone service, local dedicated circuits, Wide-Area Telephone Service toll charges, administrative telephone services, and trunked radio systems. The program includes installation, operation, maintenance, augmentation, modification, rehabilitation and leasing of non-tactical communications, terminal and switching facilities and services associated with production, acquisition, and support of visual images. Supports all common user Command, Control, Communication, Computers, and Information Management technological services, information management services, and network services. Provides funds for civilian manpower, contracts, support equipment, and costs to plan, manage, coordinate, and execute Information Technology Services Management. Supports Information Assurance services at Army installations and provides resources to monitor compliance and ensure availability of Non-classified and Secure Internet Protocol Router Network, conduct annual Federal Information Security Management Act system security controls, provides civilian manpower to conduct certification and accreditation, and fund the resources needed for the On-line Certificate Status Protocol licenses and personnel.

HOUSING SERVICES - Promotes the planning, management, coordination, and execution of government owned, leased, and contracted Unaccompanied Personnel Housing.

OPERATIONAL MISSION SERVICES - Sustains the conduct of (1) Airfield Operations including weather, air traffic control, terminal airspace management, airfield and flight management, RADAR, Air Traffic Control and Landing System (including off airfield navigational aids), communications systems maintenance, airfield equipment, transient services, liaison with movement for the provision of airfield passenger and cargo terminals, and support to assigned, tenant, and transient U.S. military aircraft and aircrew and (2) Port Services including Ship Movements, Berth Days, Magnetic Silencing, and Waterborne Spill Response at Department of Defense and commercial seaports.

COMMAND [Garrison] SUPPORT - Establishes resources for Installation: (1) Public Affairs including distribution of internal information (e.g., base newspapers, military radio/TV stations), Public Information (e.g., press releases, media training/outreach), and Website Content Management; (2) Legal Support including Military Justice, Installation Operations, Administrative, International, and Business Law; (3) Financial Management including program/budget analysis/development, financial advisory services, budget execution support, and accounting liaison services; (4) Management Analysis including strategic planning, requirements development, performance management systems, and organizational structure analysis; (5) Procurement Operations including purchasing, leasing, obtaining supplies, services, minor construction; contract operations, and Government Purchase Cards management; (6) Installation Safety including training, evaluations/consultations; mishap and near misses/complaint investigations; airfield, industrial, off-duty recreational, range, explosives, and traffic safety awareness programs; (7) Installation Chaplain Ministries including worship services, chaplaincy education/training, advice to Commander, and counseling; (8) Installation History including accurate record of installation activities in peace/war and management of historical artifacts; (9) Postal Services, Honors/Protocol, Advisory Services, Administration, Executive Office, and Inspector

Exhibit OP-5, Subactivity Group 131

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General/Internal Review; (10) Army Contracting which provides a structure to execute effective and responsive contracting support world-wide for Army and other federal agencies to meet Warfighter needs across the full spectrum of military operations from installation operations to the last tactical mile.

HUMAN RESOURCES MANAGEMENT - Military Personnel Services includes support services that directly provide or indirectly result in benefits to the military community and the mission, such as personnel processing, deployment cycle support, casualty operations, individual personnel actions, retirement services, and Survivor Outreach Services.

ENERGY - Provides resources to secure access to energy, water, and land resources in order to preserve future choice in a rapidly changing world, focused on renewable energy, water and energy intensity reductions, and leveraging public/private partnerships.

II. Force Structure Summary:

The Base Operations Support program detailed above supports the Combatant Commands, Army Commands, Army Service Component Commands and Direct Reporting Units.

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Central
U.S. Army Africa
U.S. Army North
U.S. Army Special Operations Command
U.S. Army South U.S. Army Europe
U.S. Army Space and Missile Defense Command/ Army Strategic Command
U.S. Army Pacific

Direct Reporting Units:

U.S. Army Test and Evaluation Command
U.S. Army Military District Washington
U.S. Military Academy
U.S. Army Corps of Engineers
U.S. Army Acquisition Command
U.S. Army Intelligence and Security Command

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U.S. Army Medical Command
Second Army
U.S. Army Installation Management Command
U.S. Army Criminal Investigation Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
BASE OPERATIONS SUPPORT	\$8,003,055	\$7,616,008	\$-178,415	-2.34%	\$7,437,593	\$7,437,593	\$7,816,343	
SUBACTIVITY GROUP TOTAL	\$8,003,055	\$7,616,008	\$-178,415	-2.34%	\$7,437,593	\$7,437,593	\$7,816,343	
			<u>Change</u>					
			<u>FY 2016/FY 2016</u>	<u>Change</u>				
				<u>FY 2016/FY 2017</u>				
BASELINE FUNDING			\$7,616,008			\$7,437,593		
Congressional Adjustments (Distributed)			80,300					
Congressional Adjustments (Undistributed)			-30,913					
Adjustments to Meet Congressional Intent			48,926					
Congressional Adjustments (General Provisions)			-276,728					
SUBTOTAL APPROPRIATED AMOUNT			7,437,593					
War Related and Disaster Supplemental Appropriation			50,000					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING			7,487,593					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			-50,000					
Less: X-Year Carryover			0					
Price Change						112,751		
Functional Transfers						-91,754		
Program Changes						357,753		
NORMALIZED CURRENT ESTIMATE			\$7,437,593			\$7,816,343		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 7,616,008
1. Congressional Adjustments	\$ -178,415
a) Distributed Adjustments	\$ 80,300
1) Recruiting Center security upgrades - OSD requested transfer	\$ 80,300
b) Undistributed Adjustments	\$ -30,913
1) Financial Education.....	\$ 250
2) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -13,860
3) Recruiting Center upgrade requirements - OSD requested transfer	\$ -14,992
4) Spares and repair parts	\$ -2,311
c) Adjustments to Meet Congressional Intent	\$ 48,926
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 48,926

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d) General Provisions.....	\$ -276,728
1) Sec 8024. Federally Funded Research and Development Centers	\$ -124
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -209,658
3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -66,946

FY 2016 Appropriated Amount.....\$ 7,437,593

2. War-Related and Disaster Supplemental Appropriations.....\$ 50,000

a) Overseas Contingency Operations Supplemental Appropriation, 2016

1) Overseas Contingency Operations Supplemental.....\$ 50,000

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 7,487,593

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 7,487,593

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5. Less: Emergency Supplemental Funding\$ -50,000

a) Less: War Related and Disaster Supplemental Appropriation\$ -50,000

b) Less: X-Year Carryover\$ 0

Normalized FY 2016 Current Enacted.....\$ 7,437,593

6. Price Change\$ 112,751

7. Transfers.....\$ -91,754

a) Transfers In\$ 1,069

1) Logistics Readiness Centers - Transportation\$ 745

Transfers funding and 5 FTEs from SAG 435, Other Service Support to SAG 131, Base Operations Support to support Personnel Property Processing Office and passenger travel at the Logistics Readiness Center Fort Belvoir, Virginia. (Baseline: \$341,484; 5 FTE)

2) Security Services\$ 324

Transfers funding and 2 FTEs from SAG 432, Servicewide Communication to SAG 131, Base Operations Support to properly align Defense Forensics and Biometrics Agency security services manpower to the correct Subactivity Group. (Baseline: \$17,420; 2 FTE)

b) Transfers Out\$ -92,823

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- 1) Assistant Chief of Staff for Installation Management Consolidation \$ -35,389
 Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-35,389; -207 FTEs); SAG 435, Other Service Support (\$-3,670; -20 FTEs) and Army Family Housing Operations (\$-3,866; -22 FTEs) to SAG 431, Administration (\$42,925; 249 FTEs) to disestablish the Installation Support Management Agency and consolidate the resources under the Office of the Assistant Chief of Staff for Installation Management. (Baseline: \$35,389; -207 FTE)
- 2) Base Operations on Reserve Installations..... \$ -1,754
 Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (-\$1,754; -18 FTEs) and SAG 434 Other Personnel Support (\$-536; -8 FTEs) to Operations and Maintenance, Army Reserve SAG 131, Base Operations Support, SAG 121 Force Readiness Operations Support and SAG 434 Other Personnel Support to resolve appropriation inconsistencies. (Baseline: \$1,754; -18 FTE)
- 3) Family and Morale, Welfare, and Recreational Program Support..... \$ -27,282
 Transfers funding from SAG 131, Base Operations Support to SAG 133 Management and Operational Headquarters to properly align the Uniform Funding and Management personnel who manage Family and Morale, Welfare and Recreation programs at the Installation Management Command headquarters into the appropriate Subactivity Group. (Baseline: \$23,453; 0 FTE)
- 4) Management Operational Headquarters Realignment \$ -12,112
 Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-12,112; -93 FTEs); SAG 211, Strategic Mobility (\$-419; -4 FTEs); SAG 424, Ammunition Management (\$-314; -3 FTEs) and SAG 434, Other Personnel Support (\$-409; -3 FTEs) to SAG 133, Management and Operational Headquarters (\$13,254; 103 FTEs) to properly align U.S. Army Forces Command, U.S. Army Material Command, and U.S. Army Installation Management Command resources to the appropriate Subactivity Group. (Baseline: \$12,112; -93 FTE)
- 5) U.S. Army Criminal Investigation Command Realignment \$ -370
 Transfers funding and 2 FTEs from SAG 131, Base Operations Support to SAG 121, Land Forces Readiness Support to properly align U.S. Criminal Investigation Command resources into the

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appropriate Subactivity Group. (Baseline: \$370; -2 FTE)

6) U.S. Army Human Resources Command Core Automation Support \$ -1,986
 Transfers funding from SAG 131, Base Operations Support to SAG 434, Other Personnel Support to realign telephonic and network support services to the correct Subactivity Group. (Baseline: \$1,986)

7) U.S. Army Military Academy (USMA) \$ -1,253
 Transfers funding and FTEs from the following SAGs: SAG 121, Force Readiness Operations Support (\$-15; 0 FTE); SAG 131, Base Operations Support (\$-1,253; -3 FTEs); SAG 331, Recruiting and Advertising (\$-1,135; 0 FTE); SAG 434, Other Personnel Support (\$-625; 0 FTE); SAG 435, Other Service Support (\$-1,059; -7 FTEs); and SAG 442, Miscellaneous Support of Other Nations (\$-105; 0 FTE) to SAG 311, Officer Acquisition (\$4,192; 10 FTEs) for consolidation of USMA resources into the appropriate Subactivity Group. (Baseline: \$1,253; -3 FTE)

8) U.S. Army Test and Evaluation Command Realignment..... \$ -12,677
 Transfers funding and 156 FTEs from the following Operation and Maintenance, Army SAGs: SAG 121, Land Forces Readiness (\$-351; -4 FTEs); SAG 131, Base Operations Support (\$-12,677; -150 FTEs); and SAG 423, Logistic Support Activities (\$-175; -2 FTEs) to the Research, Development, Test and Evaluation, Army (\$13,203; 156 FTEs) in support of the U.S. Army Test and Evaluation Command. (Baseline: \$12,677; -150 FTE)

8. Program Increases\$ 419,875

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 419,875

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1) Civilian Average Annual Compensation \$ 52,745

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$2,866,112)

2) Community Services \$ 19,560

Increases funding to sustain the Army's commitment to Soldiers and Families. Total Army Strong and Ready and Resilient remain top priorities. The Army continues efforts to resource Soldier and Family quality of life programs to the maximum extent possible to sustain the All-Volunteer Force and an Army recovering from over a decade at war. Funding also provides for extended service hours at Army Child Development Centers in order to alleviate conflict between Soldiers' mission requirements and parental responsibilities. (Baseline: \$976,065)

3) Environmental Program \$ 30,568

Increases funding to support the Army's response to the growing number of federally threatened and endangered species at Army installations and the Army's efforts to comply with the Endangered Species Act. Increased funding will support required updates to installation Natural Resource Management Plans triggered by species listing decisions as well as the cost of implementing these plans. (Baseline: \$374,482)

4) Facility Operations \$ 304,311

Increased funding reflects the Army's effort to reduce risk in Facility Operations, primarily in the areas of utilities, municipal and engineering services so that Army Installations continue to enhance Soldier readiness and resilience. This investment more closely reflects the actual cost of public works activities and will ensure our installations can serve as secure and sustainable training and power projection platforms. Additionally, funding supports the increased demand for utilities, actual costs for municipal and engineering services and contracts, as well as increased costs associated with Joint

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Recruiting and National Capital Region leases. (Baseline: \$2,688,487)

5) Logistics Operations \$ 12,691
 Increases funding for contracted maintenance of Army-owned equipment and non-tactical vehicles (NTV), including life, health, and safety vehicles such as fire trucks, ambulances, and police cruisers. Other NTVs related to base operations include garbage trucks, dump trucks, road graders, and heavy lift equipment. (Baseline: \$974,541)

9. Program Decreases.....\$ -62,122

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -62,122

1) Civilian Workforce Reduction \$ -24,012
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$2,866,112; -261 FTE)

2) Compensable Days..... \$ -15,255
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$2,866,112)

3) Housing Services \$ -22,855
 Reduces funding to reflect the elimination of Build Then Lease Phases II/III unaccompanied personnel housing leases in the Republic of Korea. (Baseline: \$111,455)

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FY 2017 Budget Request.....\$ 7,816,343

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Command and Staff (\$000)	841,701	611,628	571,600
(Military ES)	1,409	862	827
(Civilian FTE)	5,612	5,341	5,011
Number of Installations, Total	74	74	74
(CONUS)	47	47	47
(Overseas)	27	27	27
Population Served, Total	2,017,839	1,957,923	1,938,005
(Military) ¹	1,342,032	1,295,456	1,278,818
(Civilian) ²	675,807	662,467	659,187
Operations (\$000)	1,425,715	1,521,896	1,534,167
(Military ES)	678	775	772
(Civilian FTE)	7,895	8,402	8,396
Engineering Services (\$000)	3,777,169	3,254,686	3,614,063
(Military ES)	28	19	18
(Civilian FTE)	11,405	9,589	9,391
No. of UPH Officer Quarters ³	6,643	6,511	6,511
No. of UPH Enlisted Quarters ³	175,992	175,627	175,627
No. Training Barracks spaces ⁴	167,276	168,696	169,176

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Payment to GSA (\$000)	62,659	100,941	92,393
Standard Level User Charges (\$000)	62,659	100,941	92,393
GSA Leased Space (000 Sq Ft)	2,097	3,799	3,592
Non-GSA lease Payment (\$000)	257,823	274,115	310,981
Non-GSA Leased Space (000 Sq Ft)	7,420	8,105	8,783
Utilities:			
Electricity (MWH)	9,606,037	9,317,856	9,038,320
Heating (MBTU)	34,358,973	33,328,204	32,328,358
Water, Plants, Systems (000 GPD)	83,590	79,410	75,439
Sewage & Waste Systems (000 GPD)	82,841	78,699	74,764
Air Conditioning & Refrigeration (Ton)	186,877	177,533	168,656
Logistics Services (\$000)	972,555	974,541	991,032
(Military ES)	30	24	26
(Civilian FTE)	4,542	4,590	4,484
Number of Motor Vehicles			
Owned	10,320	10,050	10,025
Leased	51,450	50,950	49,950
Human Resources Management ⁸ (\$000)	122,865	129,483	129,398
Personnel Support			
(Military ES)	10	45	45
(Civilian FTE)	1,359	1,345	1,317

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Morale, Welfare and Recreation (\$000)	157,165	225,654	224,197
(Military ES)	0	0	0
(Civilian FTE)	424	399	373
Family Programs (\$000) ⁵	705,885	769,705	751,511
Number of Child Development Centers (CDC) ⁶	288	288	288
Number of Family Child Care (FCC) Homes ⁷	625	625	392
Total Military Child Population (0-12 years)	424,895	364,008	340,694
Total Required Child Care Spaces	107,082	82,424	77,395
Total CDS Spaces	85,666	65,939	61,913
Percent Spaces in Relation to Required Spaces	80%	80%	80%
Number of Youth Facilities	95	95	95
Total Military Youth Population (Grades 1-12)	306,067	263,860	248,234
Total Required Youth Program Spaces	146,411	135,931	127,470
Total Youth Spaces	50,598	46,918	43,937
Percent Spaces in Relation to Required Spaces	35%	35%	35%
Family Services (continued)			
(Military ES)	16	13	13
(Civilian FTE)	2,359	2,400	2,367
<i>Military</i>	2,171	1,738	1,701
<i>Civilian</i>	33,596	32,066	31,339
Funding (\$000)	8,003,055	7,487,593	7,815,968

1. Military population includes all military (active and full-time guard and reserve) including students, trainees, and transients assigned to Army installations.
2. Civilian population includes all Civilians (appropriated and non-appropriated fund) including contractors, students, trainees, and transients assigned to Army locations. Additionally, the Civilian Population total number of 659,187 does not include Military Family Members. Population Served: Updated population served data from the Army Stationing and Installations Plans, dated October 31, 2015.

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3. Number of Unaccompanied Personnel Housing (UPH) Senior Leader Quarters and UPH Enlisted Quarters: The numbers provided are for the number government owned permanently constructed bedrooms. UPH Enlisted Quarters data for FY 2015, FY 2016 and FY 2017 is based on a 100 percent validation inventory conducted to achieve audit readiness goals.
4. The number of Training Barracks spaces for FY 2015, FY 2016 and FY 2017 is based on a 100 percent validation inventory conducted to achieve audit readiness goals.
5. Family Programs includes Army Community Services, Child, Youth and School Services, Alcohol/Substance Abuse Programs and Suicide Prevention and Comprehensive Soldier Fitness.
6. Child Development Centers: Child, Youth, and School Services has engaged in a robust construction program over the last 10 years, based on Army transformation. Additional capacity was built as well as replacement of failing buildings. Remaining construction program facilities are projected to come on line in FY 2017. Opportunities for reduction of excess capacity will be based on continued analysis of child care demand and troop strength changes.
7. The reduction in the number of Family Child Care Homes are the result of military end strength reductions and homes that did not elect to undergo additional enhanced background checks.
8. The "Human Resources Management" category was labeled "Community Services" in previous submissions.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	2,171	1,738	1,701	-37
Officer	590	533	522	-11
Enlisted	1,581	1,205	1,179	-26
<u>Active Military Average Strength (A/S) (Total)</u>	2,225	1,955	1,720	-235
Officer	605	562	528	-34
Enlisted	1,620	1,393	1,192	-201
<u>Civilian FTEs (Total)</u>	33,596	32,066	31,339	-727
U.S. Direct Hire	28,170	26,835	26,307	-528
Foreign National Direct Hire	2,584	2,482	2,332	-150
Total Direct Hire	30,754	29,317	28,639	-678
Foreign National Indirect Hire	2,842	2,749	2,700	-49
 <i>(Reimbursable Civilians (Memo))</i>	 545	 1,203	 1,078	 -125
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	86	89	92	3
<u>Contractor FTEs (Total)</u>	13,631	11,429	11,717	288

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	2,427,670	0	1.24%	30,037	37,218	2,494,925	0	1.51%	37,657	-17,945	2,514,637
0103	WAGE BOARD	153,496	0	1.05%	1,607	-11,358	143,745	0	1.39%	2,003	-4,233	141,515
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	113,871	152	0.63%	721	-46,226	68,518	383	1.29%	891	-3,091	66,701
0105	SEPARATION LIABILITY (FNDH)	973	0	0.00%	0	-973	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	3,807	0	0.00%	0	-3,807	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	2,699,817	152		32,365	-25,146	2,707,188	383		40,551	-25,269	2,722,853
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	161,504	0	1.70%	2,745	-22,456	141,793	0	1.80%	2,552	-7,482	136,863
0399	TOTAL TRAVEL	161,504	0		2,745	-22,456	141,793	0		2,552	-7,482	136,863
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	80,394	0	-7.30%	-5,868	-41,189	33,337	0	-8.20%	-2,734	5,233	35,836
0402	SERVICE FUND FUEL	0	0	-7.30%	0	11	11	0	-8.20%	-1	1	11
0411	ARMY SUPPLY	49,206	0	2.55%	1,254	88,616	139,076	0	-4.63%	-6,439	12,120	144,757
0416	GSA MANAGED SUPPLIES AND MATERIALS	8,265	0	1.70%	140	-3,736	4,669	0	1.80%	84	5	4,758
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	16	0	-1.90%	0	350	366	0	-0.70%	-3	-1	362
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	0	0	1.30%	0	1,562	1,562	0	-6.00%	-94	103	1,571
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	137,881	0		-4,474	45,614	179,021	0		-9,187	17,461	187,295
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	12,362	0	0.00%	0	-12,362	0	0	-0.26%	0	0	0
0507	GSA MANAGED EQUIPMENT	123,376	0	1.70%	2,098	-4,134	121,340	0	1.80%	2,184	2,121	125,645
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	135,738	0		2,098	-16,496	121,340	0		2,184	2,121	125,645
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	0	0	7.92%	0	6,647	6,647	0	-0.11%	-7	533	7,173
0611	NAVAL SURFACE WARFARE CENTER	2,046	0	1.48%	30	5,216	7,292	0	3.22%	235	-127	7,400

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	0	0	-9.29%	0	189	189	0	-7.00%	-13	26	202
0675	DLA DISPOSITION SERVICES	701	0	0.00%	0	-64	637	0	0.00%	0	0	637
0679	COST REIMBURSABLE PURCHASES	6,584	0	1.70%	112	-5,827	869	0	1.90%	17	0	886
0699	TOTAL INDUSTRIAL FUND PURCHASES	9,331	0		142	6,161	15,634	0		232	432	16,298
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	12	0	-3.80%	0	760	772	0	-16.10%	-124	126	774
0718	SDDC LINER OCEAN TRANSPORTATION	0	0	1.90%	0	533	533	0	-1.80%	-10	20	543
0719	SDDC CARGO OPERATION (PORT HANDLING)	54,289	0	38.80%	21,064	-2,422	72,931	0	0.80%	583	578	74,092
0771	COMMERCIAL TRANSPORTATION	16,411	0	1.70%	279	13,951	30,641	0	1.80%	552	1,086	32,279
0799	TOTAL TRANSPORTATION	70,712	0		21,343	12,822	104,877	0		1,001	1,810	107,688
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	186,087	-36,203	1.35%	2,016	7,024	158,924	859	1.50%	2,390	-3,224	158,949
0912	RENTAL PAYMENTS TO GSA (SLUC)	62,659	0	1.70%	1,065	37,212	100,936	0	1.80%	1,817	-10,360	92,393
0913	PURCHASED UTILITIES (NON-FUND)	858,285	3,043	1.70%	14,642	-95,918	780,052	0	1.80%	14,041	64,191	858,284
0914	PURCHASED COMMUNICATIONS (NON-FUND)	111,410	0	1.70%	1,894	-112,128	1,176	0	1.80%	21	1	1,198
0915	RENTS (NON-GSA)	257,823	0	1.70%	4,383	11,887	274,093	0	1.80%	4,934	31,954	310,981
0917	POSTAL SERVICES (U.S.P.S)	93,077	0	1.70%	1,582	-92,475	2,184	0	1.80%	39	2	2,225
0920	SUPPLIES AND MATERIALS (NON-FUND)	111,056	0	1.70%	1,888	-12,632	100,312	0	1.80%	1,806	-6,007	96,111
0921	PRINTING AND REPRODUCTION	6,132	0	1.70%	105	1,774	8,011	0	1.80%	144	8	8,163
0922	EQUIPMENT MAINTENANCE BY CONTRACT	190,090	0	1.70%	3,232	33,241	226,563	0	1.80%	4,078	2,347	232,988
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,335,976	0	1.70%	22,711	-121,256	1,237,431	0	1.80%	22,274	191,601	1,451,306
0925	EQUIPMENT PURCHASES (NON-FUND)	83,883	0	1.70%	1,426	-48,596	36,713	0	1.80%	661	264	37,638
0928	SHIP MAINTENANCE BY CONTRACT	152	0	1.70%	3	44	199	0	1.80%	4	0	203
0929	AIRCRAFT REWORKS BY CONTRACT	0	0	1.70%	0	13	13	0	1.80%	0	0	13
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	148,768	0	1.70%	2,529	-145,812	5,485	0	1.80%	99	-99	5,485
0933	STUDIES, ANALYSIS, AND EVALUATIONS	4,261	0	1.70%	72	-4,333	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	31,090	0	1.70%	529	-31,285	334	0	1.80%	6	-6	334
0937	LOCALLY PURCHASED FUEL (NON-FUND)	3,929	0	-7.30%	-286	-152	3,491	0	-8.20%	-286	168	3,373
0955	MEDICAL CARE	21	0	3.70%	1	425	447	0	3.80%	17	0	464

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
0957	LAND AND STRUCTURES	176,395	0	1.70%	2,999	-16,213	163,181	0	1.80%	2,937	12,295	178,413
0959	INSURANCE CLAIMS AND INDEMNITIES	760	0	1.70%	13	-577	196	0	1.80%	4	0	200
0960	INTEREST AND DIVIDENDS	-107	0	1.70%	-2	241	132	0	1.80%	2	0	134
0964	SUBSISTENCE AND SUPPORT OF PERSONS	131	0	1.70%	2	58,837	58,970	0	1.80%	1,061	59	60,090
0985	RESEARCH AND DEVELOPMENT CONTRACTS	13,018	0	0.00%	0	-11,166	1,852	0	0.00%	0	0	1,852
0987	OTHER INTRA-GOVERNMENT PURCHASES	713,841	2,936	1.70%	12,185	12,488	741,450	0	1.80%	13,346	3,728	758,524
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	16	0	1.70%	0	261	277	0	1.80%	5	0	282
0989	OTHER SERVICES	276,897	0	1.70%	4,707	-150,770	130,834	0	1.80%	2,355	-8,376	124,813
0990	IT CONTRACT SUPPORT SERVICES	122,422	0	1.70%	2,081	9,981	134,484	0	1.80%	2,421	-1,620	135,285
0999	TOTAL OTHER PURCHASES	4,788,072	-30,224		79,777	-669,885	4,167,740	859		74,176	276,926	4,519,701
9999	GRAND TOTAL	8,003,055	-30,072		133,996	-669,386	7,437,593	1,242		111,509	265,999	7,816,343

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Detail by Subactivity Group 132: Sustainment, Restoration and Modernization

I. Description of Operations Financed:

SUSTAINMENT, RESTORATION AND MODERNIZATION (SRM), and FACILITY REDUCTION - Finances world-wide operations, activities, and initiatives necessary to maintain and sustain the Army's facilities; restores facilities to industry standards; and modernizes facilities to meet the full range of tasks necessary to provide relevant and ready land power for the Nation. These facilities are our community based installations and training sites. The Army leverages geographical locations of installations as power projection and support platforms and utilizes information infrastructure in support of reach-back capabilities. This program also supports the reduction of excess and obsolete inventory. The Army's Energy Program enables leaders to maximize available resources by providing the capability to manage energy status and resources.

SUSTAINMENT - Provides resources for maintenance and repair necessary to sustain facilities in good working order and in accordance with industry standards. Includes recurring maintenance checks and emergency repairs; plumbing, electrical, heating, ventilation, air conditioning maintenance and repair; major components repair; and replacement of roofs, furnaces, and air conditioners. Sustainment funding is required to prevent deterioration and corrosion of existing facilities and to complement the Army's restoration and modernization effort.

RESTORATION - Provides resources necessary to restore degraded facilities to working condition. Restoration consists of repair and replacement work to fix facilities damaged by previous inadequate sustainment, excessive age, natural disasters, fires, and accidents.

MODERNIZATION - Provides resources necessary to upgrade facilities to meet new standards or fulfill new functions. Modernization alters facilities solely to implement new or advanced technologies, to accommodate new functions, or to replace building components that exceed the overall service life of the facilities. Modernization provides upgrades to bring systems into compliance with current building code, enables handicap access, and enhances Force Protection. Energy sustainment security initiatives support the Environmental Protection Act of 2005 and the Energy Independence and Security Act of 2007. These initiatives reduce future cost of operation and maintenance; and enhance operational and business effectiveness through institutionalizing energy considerations in Army planning and processes. Energy modernization increases strategic energy resilience by developing alternative/assured fuels and energy.

FACILITY REDUCTION - Disposal of excess facility capacity eliminates obsolete infrastructure from the inventory. Age, size, and condition of these facilities make them expensive to sustain and it is not cost effective to restore or modernize.

II. Force Structure Summary:

Supports the active Army Commands, Army Service Component Commands, and Direct Reporting Units.

Headquarters, Department of the Army

Army Commands:

U.S. Army Materiel Command

Direct Reporting Units:

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U.S. Army Corps of Engineers
U.S. Army Installation Management Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
SUSTAINMENT, RESTORATION AND MODERNIZATION	\$2,413,286	\$2,617,169	\$11,084	0.42%	\$2,628,253	\$2,628,253	\$2,234,546	
SUBACTIVITY GROUP TOTAL	\$2,413,286	\$2,617,169	\$11,084	0.42%	\$2,628,253	\$2,628,253	\$2,234,546	
B. <u>Reconciliation Summary</u>			Change	Change				
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>				
BASELINE FUNDING			\$2,617,169	\$2,628,253				
Congressional Adjustments (Distributed)			79,087					
Congressional Adjustments (Undistributed)			-387					
Adjustments to Meet Congressional Intent			641					
Congressional Adjustments (General Provisions)			<u>-68,257</u>					
SUBTOTAL APPROPRIATED AMOUNT			2,628,253					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			<u>0</u>					
SUBTOTAL BASELINE FUNDING			2,628,253					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					46,459			
Functional Transfers					0			
Program Changes					<u>-440,166</u>			
NORMALIZED CURRENT ESTIMATE			\$2,628,253		\$2,234,546			

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 2,617,169
1. Congressional Adjustments	\$ 11,084
a) Distributed Adjustments	\$ 79,087
1) Program increase.....	\$ 79,087
b) Undistributed Adjustments	\$ -387
1) Spares and repair parts	\$ -387
c) Adjustments to Meet Congressional Intent	\$ 641
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 641
d) General Provisions.....	\$ -68,257
1) Sec 8024. Federally Funded Research and Development Centers	\$ -7
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -67,373

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3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -877

FY 2016 Appropriated Amount **\$ 2,628,253**

2. War-Related and Disaster Supplemental Appropriations \$ 0

3. Fact-of-Life Changes \$ 0

FY 2016 Appropriated and Supplemental Funding **\$ 2,628,253**

4. Anticipated Reprogramming (Requiring 1415 Actions) \$ 0

Revised FY 2016 Estimate **\$ 2,628,253**

5. Less: Emergency Supplemental Funding \$ 0

a) Less: War Related and Disaster Supplemental Appropriation \$ 0

b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted **\$ 2,628,253**

6. Price Change \$ 46,459

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7. Transfers.....		\$ 0
a) Transfers In		\$ 0
b) Transfers Out		\$ 0
8. Program Increases		\$ 2,068
a) Annualization of New FY 2016 Program.....		\$ 0
b) One-Time FY 2017 Costs		\$ 0
c) Program Growth in FY 2017		\$ 2,068
1) Civilian Average Annual Compensation		\$ 1,454
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$166,088)		
2) Facility Reduction Program.....		\$ 614
Increases funding to support the demolition and disposal of excess, unusable, and unsafe facilities that are no longer economical to maintain. Demolition of these facilities ensures the Army spends resources on those facilities that contribute to force readiness. (Baseline: \$33,085)		

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9. Program Decreases.....	\$ -442,234
a) One-Time FY 2016 Costs	\$ -79,087
1) FY 2016 Congressional Program Increase.....	\$ -79,087
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017.....	\$ -363,147
1) Civilian Workforce Reduction	\$ -7,970
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$166,088; -130 FTE)	
2) Compensable Days.....	\$ -756
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$166,088)	
3) Restoration and Modernization - European Infrastructure Consolidation.....	\$ -86,000
Reduces funding for the renovation required to consolidate Army forces in Europe. The Army has funded the projects necessary to maintain the execution timeline enabling implementation of the European Infrastructure Consolidation initiative. (Baseline: \$97,420)	
4) Restoration and Modernization - Facility Investment Strategy	\$ -116,008
Decreases funding in support of other critical Army near-term readiness programs. Results in deferral of renovation projects supporting the ongoing Training Barracks Upgrade Program as well as deferral	

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of restoration and modernization projects for enduring facilities and other infrastructure. (Baseline: \$242,197)

5) Restoration and Modernization - West Point Cadet Barracks Upgrade Program \$ -5,900
 Reduces funding for the Cadet Barracks Upgrade Program in the fifth year of a nine year barracks renovation project. The program focuses on renovation of the nine existing Cadet Barracks at the U.S. Military Academy. The Army will continue to adjust funding annually in accordance with the barracks renovation project requirements. (Baseline: \$56,600)

6) Sustainment - Real Property Maintenance \$ -146,513
 Reduces funding for facilities sustainment from 79 percent in FY 2016 to 67 percent in FY 2017 of the Department of Defense Facilities Sustainment Model requirement. Life, health, safety and emergency functions, as well as minimal preventive maintenance, remain funded. (Baseline: \$2,125,389)

FY 2017 Budget Request.....\$ 2,234,546

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IV. Performance Criteria and Evaluation Summary:

	FY 2015	FY 2016	FY 2017
Total (\$000)	2,413,286	2,628,253	2,234,546
A. Facilities Sustainment	1,694,763	2,125,389	1,980,171
B. Facilities Restoration and Modernization	698,501	469,779	220,676
C. Facility Reduction Program	20,022	33,085	33,699
Buildings (Square Feet in Thousands)	455,520	432,640	446,619
Pavements (Square Yards in Thousands)	217,470	267,033	269,790
Land (Acreage)	12,587,131	12,482,669	12,481,669
Other Facilities (Square Feet in Thousands)	20,964	26,727	26,500
Railroad Trackage (Linear Feet in Thousands)	4,073	3,923	3,731

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Civilian FTEs (Total)</u>	2,970	2,751	2,621	-130
U.S. Direct Hire	1,665	1,597	1,518	-79
Foreign National Direct Hire	689	651	602	-49
Total Direct Hire	2,354	2,248	2,120	-128
Foreign National Indirect Hire	616	503	501	-2
 <i>(Reimbursable Civilians (Memo))</i>	 121	 217	 206	 -11
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	71	60	62	2
<u>Contractor FTEs (Total)</u>	10,909	11,960	9,533	-2,427

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	45,905	0	1.05%	483	-6,483	39,905	0	1.34%	533	-4,819	35,619
0103	WAGE BOARD	97,316	0	1.05%	1,025	-7,980	90,361	0	1.42%	1,284	-1,690	89,955
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	31,305	33	0.34%	105	-21,564	9,879	77	1.27%	126	-664	9,418
0106	BENEFITS TO FORMER EMPLOYEES	175	0	0.00%	0	-175	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	174,701	33		1,613	-36,202	140,145	77		1,943	-7,173	134,992
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	6,757	0	1.70%	115	217	7,089	0	1.80%	128	-722	6,495
0399	TOTAL TRAVEL	6,757	0		115	217	7,089	0		128	-722	6,495
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	1,003	0	-7.30%	-73	-682	248	0	-8.20%	-20	2	230
0411	ARMY SUPPLY	29,835	0	2.55%	761	-28,103	2,493	0	-4.63%	-115	49	2,427
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,506	0	1.70%	26	20,489	22,021	0	1.80%	396	-4,110	18,307
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	32,344	0		714	-8,296	24,762	0		261	-4,059	20,964
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	3	0	1.70%	0	3,166	3,169	0	1.80%	57	3	3,229
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	3	0		0	3,166	3,169	0		57	3	3,229
<u>OTHER FUND PURCHASES</u>												
0675	DLA DISPOSITION SERVICES	0	0	0.00%	0	13,462	13,462	0	0.00%	0	0	13,462
0679	COST REIMBURSABLE PURCHASES	64	0	1.70%	1	28,315	28,380	0	1.90%	539	-2,277	26,642
0699	TOTAL INDUSTRIAL FUND PURCHASES	64	0		1	41,777	41,842	0		539	-2,277	40,104
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	10,897	0	38.80%	4,228	-15,125	0	0	0.80%	0	0	0
0771	COMMERCIAL TRANSPORTATION	35	0	1.70%	1	30	66	0	1.80%	1	0	67

Exhibit OP-5, Subactivity Group 132

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		<u>FY 2015</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017</u> <u>Program</u>
0799	TOTAL TRANSPORTATION	10,932	0		4,229	-15,095	66	0		1	0	67
	<u>OTHER PURCHASES</u>											
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	36,524	-6,255	1.09%	330	-4,656	25,943	150	1.52%	397	-99	26,391
0913	PURCHASED UTILITIES (NON-FUND)	0	0	1.70%	0	919	919	0	1.80%	17	0	936
0914	PURCHASED COMMUNICATIONS (NON-FUND)	525	0	1.70%	9	230	764	0	1.80%	14	1	779
0915	RENTS (NON-GSA)	49	0	1.70%	1	224	274	0	1.80%	5	0	279
0920	SUPPLIES AND MATERIALS (NON-FUND)	66,677	0	1.70%	1,133	-5,450	62,360	0	1.80%	1,122	-3,956	59,526
0922	EQUIPMENT MAINTENANCE BY CONTRACT	1,213	0	1.70%	21	1,843	3,077	0	1.80%	55	3	3,135
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,598,719	2,321	1.70%	27,218	183,366	1,811,624	0	1.80%	32,609	-386,681	1,457,552
0925	EQUIPMENT PURCHASES (NON-FUND)	1,450	0	1.70%	25	-1,440	35	0	1.80%	1	0	36
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	3,015	0	1.70%	51	-3,066	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	168	0	1.70%	3	-171	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	95	0	-7.30%	-7	189	277	0	-8.20%	-23	2	256
0957	LAND AND STRUCTURES	98,244	0	1.70%	1,670	25,388	125,302	0	1.80%	2,255	-20,366	107,191
0987	OTHER INTRA-GOVERNMENT PURCHASES	291,532	0	1.70%	4,956	12,665	309,153	0	1.80%	5,565	-11,801	302,917
0989	OTHER SERVICES	90,038	0	1.70%	1,531	-20,237	71,332	0	1.80%	1,284	-3,041	69,575
0990	IT CONTRACT SUPPORT SERVICES	236	0	1.70%	4	-120	120	0	1.80%	2	0	122
0999	TOTAL OTHER PURCHASES	2,188,485	-3,934		36,945	189,684	2,411,180	150		43,303	-425,938	2,028,695
9999	GRAND TOTAL	2,413,286	-3,901		43,617	175,251	2,628,253	227		46,232	-440,166	2,234,546

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Detail by Subactivity Group 133: Management and Operational Headquarters

I. Description of Operations Financed:

MANAGEMENT AND OPERATIONAL HEADQUARTERS - Finances the day-to-day operation of Army Management Headquarters Activities. Funds civilian pay and other support costs (e.g. travel, contracts, supplies, and services) for civilian and military personnel. The Army Management Headquarters develop policy and guidance; performs long-range planning, programming and budgeting; manages and distributes resources; and conducts program performance reviews and evaluations. These Headquarters perform the synchronization and integration necessary to ensure that manpower, equipment, facilities, and other resources are available to produce trained and ready Soldiers and units. They also provide the supervision and administration required to ensure that the Army operates in accordance with U.S. law, Congressional intent, and the policies of the President and the Department of Defense.

II. Force Structure Summary:

Funds the following organizations:

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Central
U.S. Army Africa
U.S. Army North
U.S. Army Special Operations Command
U.S. Army South
U.S. Army Europe
U.S. Army Space and Missile Defense Command/Army Strategic Command
U.S. Army Pacific
U.S. Army Cyber Command

Direct Reporting Units:

U.S. Army Test and Evaluation Command
U.S. Army Military District Washington
U.S. Army Medical Command
Second Army
U.S. Army Installation Management Command
U.S. Army Criminal Investigation Command

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Detail by Subactivity Group 133: Management and Operational Headquarters

III. Financial Summary (\$ in Thousands):

	FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
MANAGEMENT AND OPERATIONAL HEADQUARTERS	<u>Actual</u>	<u>Request</u>	<u> </u>	<u> </u>	<u> </u>	<u>Enacted</u>	<u>Estimate</u>
SUBACTIVITY GROUP TOTAL	\$404,186	\$421,269	\$-10,571	-2.51%	\$410,698	\$410,698	\$452,105
SUBACTIVITY GROUP TOTAL	\$404,186	\$421,269	\$-10,571	-2.51%	\$410,698	\$410,698	\$452,105
B. <u>Reconciliation Summary</u>			<u>Change</u>		<u>Change</u>		
			<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>		
BASELINE FUNDING			\$421,269		\$410,698		
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			-7,916				
Adjustments to Meet Congressional Intent			11				
Congressional Adjustments (General Provisions)			-2,666				
SUBTOTAL APPROPRIATED AMOUNT			410,698				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			410,698				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					6,285		
Functional Transfers					25,486		
Program Changes					9,636		
NORMALIZED CURRENT ESTIMATE			\$410,698		\$452,105		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 421,269
1. Congressional Adjustments	\$ -10,571
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -7,916
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -7,902
2) Spares and repair parts	\$ -14
c) Adjustments to Meet Congressional Intent	\$ 11
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 11
d) General Provisions	\$ -2,666
1) Sec 8024. Federally Funded Research and Development Centers	\$ -2
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -2,649

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3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -15

FY 2016 Appropriated Amount **\$ 410,698**

2. War-Related and Disaster Supplemental Appropriations \$ 0

3. Fact-of-Life Changes \$ 0

FY 2016 Appropriated and Supplemental Funding **\$ 410,698**

4. Anticipated Reprogramming (Requiring 1415 Actions) \$ 0

Revised FY 2016 Estimate **\$ 410,698**

5. Less: Emergency Supplemental Funding \$ 0

a) Less: War Related and Disaster Supplemental Appropriation \$ 0

b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted **\$ 410,698**

6. Price Change \$ 6,285

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 Detail by Subactivity Group 133: Management and Operational Headquarters

7. Transfers.....	\$ 25,486
a) Transfers In	\$ 40,536
1) Family and Morale, Welfare, and Recreational Program Support	\$ 27,282
Transfers funding from SAG 131, Base Operations Support to SAG 133 Management and Operational Headquarters to properly align the Uniform Funding and Management personnel who manage Family and Morale, Welfare and Recreation programs at the Installation Management Command headquarters into the appropriate Subactivity Group. (Baseline: \$0; 0 FTE)	
2) Management Operational Headquarters Realignment	\$ 13,254
Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-12,112; -93 FTEs); SAG 211, Strategic Mobility (\$-419; -4 FTEs); SAG 424, Ammunition Management (\$-314; -3 FTEs) and SAG 434, Other Personnel Support (\$-409; -3 FTEs) to SAG 133, Management and Operational Headquarters (\$13,254; 103 FTEs) to properly align U.S. Army Forces Command, U.S. Army Material Command, and U.S. Army Installation Management Command resources to the appropriate Subactivity Group. (Baseline: \$69,445; 103 FTE)	
b) Transfers Out	\$ -15,050
1) Eighth Army Headquarters.....	\$ -15,050
Transfers funding and FTEs from SAG 133, Management and Operational Headquarters (\$-15,050; -129 FTEs) to SAG 114, Theater Level Assets (\$14,435; 125 FTEs) and SAG 435, Other Service Support (\$615; 4 FTEs) to realign Eighth Army, a subordinate of U.S. Army Pacific headquarters, support functions into the appropriate Subactivity Group. (Baseline: \$203,425; -129 FTE)	
8. Program Increases	\$ 39,056
a) Annualization of New FY 2016 Program.....	\$ 0

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b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 39,056
1) Civilian Average Annual Compensation	\$ 11,643
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$393,354)	
2) Cyberspace Operations	\$ 21,699
Provides funding for management headquarters general operations for U.S. Army Cyber Command/Second Army headquarters at Fort Gordon, Georgia beginning in FY 2017. (Baseline: \$0)	
3) Personnel Security Investigations.....	\$ 3,844
Provides funding and 22 FTEs to the U.S. Army Installation Management Command headquarters to provide management and oversight of the initial background check process and the periodic reinvestigation of all personnel who regularly interact with children in Army-sponsored and sanctioned child and youth services programs. (Baseline: \$0; 22 FTE)	
4) Sexual Harassment/Assault Response and Prevention (SHARP)	\$ 1,870
Provides funding and 10 FTEs to establish Program Managers for U.S. Army South, U.S. Army Special Operations Command, U.S. Army Installation Management Command, U.S. Army Military District of Washington, U.S. Army Africa, U.S. Army Europe, U.S. Army Forces Command, U.S. Army Criminal Investigation Command, U.S. Army Pacific Command, and U.S. Army Test and Evaluation Command headquarters. The program manager oversees the prevention and training activities within the	

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command, and ensures compliance with training requirements. (Baseline: \$0; 10 FTE)

9. Program Decreases.....	\$ -29,420
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017	\$ -29,420
1) Compensable Days.....	\$ -2,217
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$393,354)	
2) Headquarters Reduction	\$ -27,203
Reduces funding and FTEs to support strategic efficiency reduction in management headquarters funding and staffing for better alignment and to provide support to a smaller military force. (Baseline: \$342,262; -78 FTE)	
FY 2017 Budget Request.....	\$ 452,105

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IV. Performance Criteria and Evaluation Summary:

	FY 2015		FY 2016		FY 2017	
	<u>ACTUAL</u> (\$000)	<u>FTE</u>	<u>ENACTED</u> (\$000)	<u>FTE</u>	<u>ESTIMATE</u> (\$000)	<u>FTE</u>
Army Commands						
U.S. Army Forces Command	79,719	524	79,609	545	80,411	548
Army Service Component Commands						
U.S. Army Central	11,626	49	11,311	59	11,511	59
U.S. Army Africa ¹	39,602	194	39,154	220	38,795	222
U.S. Army North	23,490	175	22,866	168	21,277	152
U.S. Army South	33,106	240	30,623	231	28,234	227
U.S. Army Europe	60,516	417	59,793	433	60,510	388
U.S. Army Space and Missile Defense Command	13,559	94	13,620	84	12,184	77
U.S. Army Pacific	44,813	307	46,157	313	34,418	186
Direct Reporting Units						

Exhibit OP-5, Subactivity Group 133

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U.S. Army Test and Evaluation Command	0	0	0	0	88	1
U.S. Army Military District of Washington	14,041	99	14,026	96	15,820	97
Second Army	13,305	120	14,165	97	22,572	86
U.S. Army Medical Command	0	0	0	0	945	9
U.S. Army Installation Management Command	58,128	413	68,380	524	114,208	648
U.S. Army Criminal Investigation Command	9,998	65	10,394	65	10,577	63
Other²	2,283	7	600	5	555	5
Total	404,186	2,704	410,698	2,840	452,105	2,768

¹ Includes Special Operations Forces

² Includes Headquarters personnel for U.S. Army Materiel command and U.S. Training and Doctrine Command

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	3,683	2,791	2,417	-374
Officer	2,114	1,759	1,518	-241
Enlisted	1,569	1,032	899	-133
<u>Active Military Average Strength (A/S) (Total)</u>	3,741	3,238	2,605	-633
Officer	2,144	1,937	1,639	-298
Enlisted	1,597	1,301	966	-335
<u>Civilian FTEs (Total)</u>	2,704	2,840	2,768	-72
U.S. Direct Hire	2,625	2,760	2,729	-31
Foreign National Direct Hire	41	38	1	-37
Total Direct Hire	2,666	2,798	2,730	-68
Foreign National Indirect Hire	38	42	38	-4
 <i>(Reimbursable Civilians (Memo))</i>	 7	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	133	139	144	5
<u>Contractor FTEs (Total)</u>	114	48	106	58

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	350,722	0	1.34%	4,689	34,052	389,463	0	1.52%	5,920	289	395,672
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	2,695	3	0.30%	8	-1,959	747	0	0.13%	1	-687	61
0105	SEPARATION LIABILITY (FNDH)	2	0	0.00%	0	-2	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	1,155	0	0.00%	0	-1,155	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	354,574	3		4,697	30,936	390,210	0		5,921	-398	395,733
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	12,877	0	1.70%	219	-9,511	3,585	0	1.80%	65	2,421	6,071
0399	TOTAL TRAVEL	12,877	0		219	-9,511	3,585	0		65	2,421	6,071
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	18	0	-7.30%	-1	-17	0	0	-8.20%	0	0	0
0411	ARMY SUPPLY	195	0	2.55%	5	-57	143	0	-4.63%	-7	672	808
0416	GSA MANAGED SUPPLIES AND MATERIALS	242	0	1.70%	4	-126	120	0	1.80%	2	74	196
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	455	0		8	-200	263	0		-5	746	1,004
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	513	0	0.00%	0	-513	0	0	-0.26%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	156	0	1.00%	2	-158	0	0	-0.10%	0	0	0
0507	GSA MANAGED EQUIPMENT	21	0	1.70%	0	213	234	0	1.80%	4	1,684	1,922
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	690	0		2	-458	234	0		4	1,684	1,922
<u>OTHER FUND PURCHASES</u>												
0603	DLA DISTRIBUTION	5	0	1.99%	0	-5	0	0	15.16%	0	0	0
0614	SPACE AND NAVAL WARFARE CENTER	22	0	1.62%	0	-22	0	0	1.04%	0	0	0
0676	DEFENSE COMMISSARY OPERATIONS	5	0	0.00%	0	-5	0	0	0.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	32	0		0	-32	0	0		0	0	0

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		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
<u>TRANSPORTATION</u>												
0707	AMC TRAINING	7	0	-2.60%	0	-7	0	0	-9.40%	0	0	0
0771	COMMERCIAL TRANSPORTATION	585	0	1.70%	10	62	657	0	1.80%	12	513	1,182
0799	TOTAL TRANSPORTATION	592	0		10	55	657	0		12	513	1,182
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	3,771	-849	1.37%	40	182	3,144	18	1.39%	44	-300	2,906
0902	SEPARATION LIABILITY (FNIH)	43	0	0.00%	0	-43	0	0	0.00%	0	0	0
0912	RENTAL PAYMENTS TO GSA (SLUC)	46	0	1.70%	1	-47	0	0	1.80%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	1,352	0	1.70%	23	-1,023	352	0	1.80%	6	218	576
0915	RENTS (NON-GSA)	14	0	1.70%	0	158	172	0	1.80%	3	106	281
0917	POSTAL SERVICES (U.S.P.S)	222	0	1.70%	4	-222	4	0	1.80%	0	3	7
0920	SUPPLIES AND MATERIALS (NON-FUND)	4,145	0	1.70%	70	-2,823	1,392	0	1.80%	25	2,402	3,819
0921	PRINTING AND REPRODUCTION	159	0	1.70%	3	-123	39	0	1.80%	1	28	68
0922	EQUIPMENT MAINTENANCE BY CONTRACT	33	0	1.70%	1	35	69	0	1.80%	1	42	112
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,264	0	1.70%	21	272	1,557	0	1.80%	28	2,341	3,926
0925	EQUIPMENT PURCHASES (NON-FUND)	5,678	0	1.70%	97	-4,903	872	0	1.80%	16	446	1,334
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,573	0	1.70%	27	-1,600	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	788	0	1.70%	13	-801	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	0	0	-7.30%	0	1	1	0	-8.20%	0	1	2
0957	LAND AND STRUCTURES	161	0	1.70%	3	72	236	0	1.80%	4	146	386
0959	INSURANCE CLAIMS AND INDEMNITIES	55	0	1.70%	1	-56	0	0	1.80%	0	0	0
0960	INTEREST AND DIVIDENDS	35	0	1.70%	1	-36	0	0	1.80%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	912	0	1.70%	15	-927	0	0	1.80%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	1,678	0	1.70%	29	258	1,965	0	1.80%	35	17,680	19,680
0989	OTHER SERVICES	5,151	27	1.70%	88	-5,011	255	0	1.80%	5	3,168	3,428
0990	IT CONTRACT SUPPORT SERVICES	7,886	0	1.70%	134	-2,329	5,691	0	1.80%	102	3,875	9,668
0999	TOTAL OTHER PURCHASES	34,966	-822		571	-18,966	15,749	18		270	30,156	46,193
9999	GRAND TOTAL	404,186	-819		5,507	1,824	410,698	18		6,267	35,122	452,105

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I. Description of Operations Financed:

COMBATANT COMMANDS CORE OPERATIONS - Supports day-to-day operations of the unified commands' headquarters (HQ) and HQ support. The Army, as the Combatant Command Support Agent (CCSA) for U.S. Africa Command (USAFRICOM), U.S. European Command (USEUCOM), and U.S. Southern Command (USSOUTHCOM), is responsible for funding their HQ requirements and activities. The Unified Command Plan establishes the missions and geographic responsibilities among the combatant commanders. Additionally, the Army provides funding to the U. S. Forces Korea (USFK) under this Subactivity Group.

USAFRICOM, in concert with other U.S. Government agencies and international partners, conducts sustained security engagement through military programs, military sponsored activities, and other military operations as directed to promote a stable and secure African environment in support of U.S. foreign policy. USAFRICOM conducts military operations with 54 African nations. Its area of responsibility covers all of Africa, except Egypt (U.S. Central Command).

USEUCOM conducts military operations and builds partner capacity to enhance transatlantic security and defend the homeland forward. Situated at the crossroads of Asia, the Middle East, and Africa, Europe is home to the U. S. ' most capable allies and partners. USEUCOM works together with the NATO alliance, its allies, and partners in the region to address the shared security challenges threatening the U.S vital national interests. USEUCOM's area of responsibility covers 51 countries and territories, including Europe, Iceland, Greenland, and Israel.

USSOUTHCOM is responsible for providing contingency planning, operations, and security cooperation for Central America, South America, and the Caribbean (except U.S. commonwealths, territories, and possessions); as well as for the force protection of U.S. military resources at these locations. USSOUTHCOM is also responsible for ensuring the defense of 24 South and Central American countries and the Panama Canal.

USFK supports the Republic of Korea against external aggression and maintains peace and stability in East Asia.

II. Force Structure Summary:

Combatant Commands Core Operations funds the Geographic Combatant Command mission activities of :

Combatant Commands:

U.S. Africa Command
U.S. European Command
U.S. Southern Command
U.S. Forces Korea* (USFK)

*Although a subordinate unified command of U.S. Pacific Command, Army provides manpower and funding to the USFK headquarters in this Subactivity Group.

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III. Financial Summary (\$ in Thousands):

	FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	<u>Change</u>
	<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>	<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>	<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>	<u>FY 2016/FY 2017</u>
COMBATANT COMMANDS CORE OPERATIONS	\$180,229	\$164,743	\$-1,518	-0.92%	\$163,225	\$163,225	\$155,658
SUBACTIVITY GROUP TOTAL	\$180,229	\$164,743	\$-1,518	-0.92%	\$163,225	\$163,225	\$155,658
B. <u>Reconciliation Summary</u>			Change	Change			
			FY 2016/FY 2016	FY 2016/FY 2017			
BASELINE FUNDING			\$164,743	\$163,225			
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			-896				
Adjustments to Meet Congressional Intent			136				
Congressional Adjustments (General Provisions)			-758				
SUBTOTAL APPROPRIATED AMOUNT			163,225				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			163,225				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					2,468		
Functional Transfers					0		
Program Changes					-10,035		
NORMALIZED CURRENT ESTIMATE			\$163,225		\$155,658		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 164,743
1. Congressional Adjustments	\$ -1,518
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -896
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -896
c) Adjustments to Meet Congressional Intent	\$ 136
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 136
d) General Provisions	\$ -758
1) Sec 8024. Federally Funded Research and Development Centers	\$ -25
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -547
3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -186

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FY 2016 Appropriated Amount	\$ 163,225
2. War-Related and Disaster Supplemental Appropriations.....	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 163,225
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 163,225
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 163,225
6. Price Change	\$ 2,468
7. Transfers.....	\$ 0

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a) Transfers In \$ 0

b) Transfers Out \$ 0

8. Program Increases \$ 3,077

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 3,077

1) Civilian Average Annual Compensation - U.S. Africa Command \$ 1,334

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$58,744)

2) Civilian Average Annual Compensation - U.S. European Command..... \$ 611

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive

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compensation costs. (Baseline: \$24,473)

3) Civilian Average Annual Compensation - U.S. Forces Korea \$ 395

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$17,531)

4) Civilian Average Annual Compensation - U.S. Southern Command..... \$ 737

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$28,166)

9. Program Decreases.....\$ -13,112

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017.....\$ -13,112

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- 1) Compensable Days - U.S. Africa Command \$ -332
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$58,744)

- 2) Compensable Days - U.S. European Command..... \$ -152
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$24,473)

- 3) Compensable Days - U.S. Forces Korea..... \$ -98
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$17,531)

- 4) Compensable Days - U.S. Southern Command..... \$ -184
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$28,166)

- 5) Headquarters Reduction - U.S. Africa Command..... \$ -3,077
Reduces FTEs, civilian pay, and associated operating costs to support strategic efficiency reduction in management headquarters funding and staffing for better alignment and to provide support to a smaller military force. (Baseline: \$61,796; -16 FTE)

- 6) Headquarters Reduction - U.S. European Command \$ -3,955
Reduces FTEs, civilian pay, and associated operating costs to support strategic efficiency reduction in management headquarters funding and staffing for better alignment and to provide support to a smaller military force. (Baseline: \$30,513; -8 FTE)

- 7) Headquarters Reduction - U.S. Forces Korea \$ -999
Reduces FTEs, civilian pay, and associated operating costs to support strategic efficiency reduction in management headquarters funding and staffing for better alignment and to provide support to a smaller military force. (Baseline: \$30,513; -8 FTE)

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military force. (Baseline: \$26,397; -1 FTE)

8) Headquarters Reduction - U.S. Southern Command \$ -4,315
Reduces FTEs, civilian pay, and associated operating costs to support strategic efficiency reduction in
management headquarters funding and staffing for better alignment and to provide support to a smaller
military force. (Baseline: \$44,519; -8 FTE)

FY 2017 Budget Request.....\$ 155,658

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 Detail by Subactivity Group 134: Combatant Commands Core Operations

IV. Performance Criteria and Evaluation Summary:

COCOM Direct Funding

Combatant Commands Core Operations Financial Summary (\$ in Thousands)

Category/COCOM Detail	FY 2015		FY 2016		FY 2017	
	Baseline	FTE	Baseline	FTE	Baseline	FTE
Total HQ Support	180,229	938	163,225	914	155,658	881
USAFRICOM						
HQ Support	67,072	374	61,796	398	60,655	382
USEUCOM						
HQ Support	32,464	182	30,513	183	27,478	175
USSOUTHCOM						
HQ Support	46,659	270	44,519	219	41,431	211
USFK						
HQ Support	34,034	112	26,397	114	26,094	113

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,119	979	950	-29
Officer	833	754	741	-13
Enlisted	286	225	209	-16
<u>Active Military Average Strength (A/S) (Total)</u>	1,121	1,050	965	-85
Officer	841	794	748	-46
Enlisted	280	256	217	-39
<u>Civilian FTEs (Total)</u>	938	914	881	-33
U.S. Direct Hire	907	889	856	-33
Foreign National Direct Hire	24	14	14	0
Total Direct Hire	931	903	870	-33
Foreign National Indirect Hire	7	11	11	0
 <i>(Reimbursable Civilians (Memo))</i>	 8	 29	 29	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	144	151	156	5
<u>Contractor FTEs (Total)</u>	158	82	48	-34

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	131,727	0	1.25%	1,652	3,938	137,317	0	1.49%	2,047	-2,756	136,608
0103	WAGE BOARD	557	0	0.00%	0	-557	0	0	0.00%	0	0	0
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	1,682	0	0.12%	2	-1,422	262	2	0.76%	2	2	268
0106	BENEFITS TO FORMER EMPLOYEES	225	0	0.00%	0	-225	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	134,191	0		1,654	1,734	137,579	2		2,049	-2,754	136,876
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	7,414	8	1.70%	126	-4,259	3,289	0	1.80%	59	0	3,348
0399	TOTAL TRAVEL	7,414	8		126	-4,259	3,289	0		59	0	3,348
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	116	0	-7.30%	-8	121	229	0	-8.20%	-19	-43	167
0411	ARMY SUPPLY	52	0	2.55%	1	69	122	0	-4.63%	-6	0	116
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	168	0		-7	190	351	0		-25	-43	283
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	1	0	1.70%	0	303	304	0	1.80%	5	0	309
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1	0		0	303	304	0		5	0	309
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	3	0	-3.80%	0	4	7	0	-16.10%	-1	0	6
0719	SDDC CARGO OPERATION (PORT HANDLING)	0	0	38.80%	0	94	94	0	0.80%	1	0	95
0771	COMMERCIAL TRANSPORTATION	55	0	1.70%	1	84	140	0	1.80%	3	0	143
0799	TOTAL TRANSPORTATION	58	0		1	182	241	0		3	0	244
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	651	-156	1.62%	8	74	577	4	1.55%	9	0	590
0914	PURCHASED COMMUNICATIONS (NON-FUND)	882	0	1.70%	15	-897	0	0	1.80%	0	0	0

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
0915	RENTS (NON-GSA)	57	0	1.70%	1	-58	0	0	1.80%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	3,208	0	1.70%	55	1,057	4,320	0	1.80%	78	-1,916	2,482
0921	PRINTING AND REPRODUCTION	93	0	1.70%	2	-42	53	0	1.80%	1	0	54
0922	EQUIPMENT MAINTENANCE BY CONTRACT	51	0	1.70%	1	-30	22	0	1.80%	0	0	22
0923	OPERATION AND MAINTENANCE OF FACILITIES	622	0	1.70%	11	1,038	1,671	0	1.80%	30	-685	1,016
0925	EQUIPMENT PURCHASES (NON-FUND)	619	0	1.70%	11	-615	15	0	1.80%	0	0	15
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	12,355	0	1.70%	210	-9,961	2,604	0	1.80%	47	-1,958	693
0933	STUDIES, ANALYSIS, AND EVALUATIONS	1,327	0	1.70%	23	-1,350	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	115	0	-7.30%	-8	-63	44	0	-8.20%	-4	-8	32
0957	LAND AND STRUCTURES	70	0	1.70%	1	2,382	2,453	0	1.80%	44	0	2,497
0959	INSURANCE CLAIMS AND INDEMNITIES	35	0	1.70%	1	-36	0	0	1.80%	0	0	0
0960	INTEREST AND DIVIDENDS	1	0	1.70%	0	-1	0	0	1.80%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	2	0	1.70%	0	-2	0	0	1.80%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	621	0	0.00%	0	-146	475	0	0.00%	0	0	475
0987	OTHER INTRA-GOVERNMENT PURCHASES	7,571	0	1.70%	129	-6,981	719	0	1.80%	13	0	732
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	50	0	1.70%	1	-51	0	0	1.80%	0	0	0
0989	OTHER SERVICES	4,309	0	1.70%	73	-1,916	2,466	0	1.80%	44	0	2,510
0990	IT CONTRACT SUPPORT SERVICES	5,758	0	1.70%	98	186	6,042	0	1.80%	109	-2,671	3,480
0999	TOTAL OTHER PURCHASES	38,397	-156		632	-17,412	21,461	4		371	-7,238	14,598
9999	GRAND TOTAL	180,229	-148		2,406	-19,262	163,225	6		2,462	-10,035	155,658

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I. Description of Operations Financed:

ADDITIONAL ACTIVITIES - Only Overseas Contingency Operations (OCO) funding is executed in this SAG.

II. Force Structure Summary:

The execution data for the Combatant Commands' Counter Drug Programs and resources, which are received from the Office of the Secretary of Defense in the year of execution, are captured here.

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III. Financial Summary (\$ in Thousands):

A. <u>Program Elements</u>	<u>FY 2015</u> <u>Actual</u>	<u>Budget</u> <u>Request</u>	<u>FY 2016</u>			<u>Normalized</u> <u>Current</u> <u>Enacted</u>	<u>FY 2017</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
ADDITIONAL ACTIVITIES	\$9,694,512	\$0	\$0	0.00	\$0	\$0	\$0
SUBACTIVITY GROUP TOTAL	\$9,694,512	\$0	\$0	0.00	\$0	\$0	\$0
			<u>Change</u> <u>FY 2016/FY 2016</u>	<u>Change</u> <u>FY 2016/FY 2017</u>			
BASELINE FUNDING			\$0		\$0		
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL APPROPRIATED AMOUNT			0				
War Related and Disaster Supplemental Appropriation			7,123,993				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			7,123,993				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			-7,123,993				
Less: X-Year Carryover			0				
Price Change					0		
Functional Transfers					0		
Program Changes					0		
NORMALIZED CURRENT ESTIMATE			\$0		\$0		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 0
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2016 Appropriated Amount	\$ 0
2. War-Related and Disaster Supplemental Appropriations	\$ 7,123,993
a) Overseas Contingency Operations Supplemental Appropriation, 2016	\$ 7,123,993
1) Overseas Contingency Operations Supplemental	\$ 7,123,993
3. Fact-of-Life Changes	\$ 0

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FY 2016 Appropriated and Supplemental Funding	\$ 7,123,993
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 7,123,993
5. Less: Emergency Supplemental Funding	\$ -7,123,993
a) Less: War Related and Disaster Supplemental Appropriation	\$ -7,123,993
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 0
6. Price Change	\$ 0
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 0

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a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 0
9. Program Decreases.....	\$ 0
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017	\$ 0
FY 2017 Budget Request.....	\$ 0

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IV. Performance Criteria and Evaluation Summary:

There is no Performance Criteria for this Subactivity Group.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change</u> <u>FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Civilian FTEs (Total)</u>	<u>308</u>	<u>0</u>	<u>0</u>	<u>0</u>
U.S. Direct Hire	308	0	0	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	308	0	0	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 74	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	<u>166</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Contractor FTEs (Total)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	39,556	0	0.00%	0	-39,556	0	0	0.00%	0	0	0
0103	WAGE BOARD	11,428	0	0.00%	0	-11,428	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	1	0	0.00%	0	-1	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	50,985	0		0	-50,985	0	0		0	0	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	83,701	0	1.70%	1,423	-85,124	0	0	0.00%	0	0	0
0399	TOTAL TRAVEL	83,701	0		1,423	-85,124	0	0		0	0	0
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	184,779	0	-7.30%	-13,489	-171,290	0	0	0.00%	0	0	0
0411	ARMY SUPPLY	1,129,825	0	2.55%	28,811	-1,158,636	0	0	0.00%	0	0	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	33,574	0	1.70%	571	-34,145	0	0	0.00%	0	0	0
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	8,017	0	0.40%	32	-8,049	0	0	0.00%	0	0	0
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	69,738	0	1.30%	907	-70,645	0	0	0.00%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,425,933	0		16,832	-1,442,765	0	0		0	0	0
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	61,057	0	0.00%	0	-61,057	0	0	0.00%	0	0	0
0503	NAVY FUND EQUIPMENT	7,687	0	0.00%	0	-7,687	0	0	0.00%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	5,315	0	1.00%	53	-5,368	0	0	0.00%	0	0	0
0507	GSA MANAGED EQUIPMENT	121,231	0	1.70%	2,061	-123,292	0	0	0.00%	0	0	0
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	195,290	0		2,114	-197,404	0	0		0	0	0
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	956,768	0	7.92%	75,776	-1,032,544	0	0	0.00%	0	0	0
0603	DLA DISTRIBUTION	21,879	0	1.99%	435	-22,314	0	0	0.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	978,647	0		76,211	-1,054,858	0	0		0	0	0

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
<u>TRANSPORTATION</u>												
0702	AMC SAAM (FUND)	474,921	0	0.00%	0	-474,921	0	0	0.00%	0	0	0
0705	AMC CHANNEL CARGO	2,436	0	2.00%	49	-2,485	0	0	0.00%	0	0	0
0718	SDDC LINER OCEAN TRANSPORTATION	4,570	0	1.90%	87	-4,657	0	0	0.00%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	11,538	0	38.80%	4,477	-16,015	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	163,837	0	1.70%	2,785	-166,622	0	0	0.00%	0	0	0
0799	TOTAL TRANSPORTATION	657,302	0		7,398	-664,700	0	0		0	0	0
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	1,554	0	1.70%	26	-1,580	0	0	0.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	345,277	0	1.70%	5,870	-351,147	0	0	0.00%	0	0	0
0915	RENTS (NON-GSA)	24,066	0	1.70%	409	-24,475	0	0	0.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	9,752	0	1.70%	166	-9,918	0	0	0.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	16,469	0	1.70%	280	-16,749	0	0	0.00%	0	0	0
0921	PRINTING AND REPRODUCTION	25,553	0	1.70%	434	-25,987	0	0	0.00%	0	0	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	1,006,927	0	1.70%	17,118	-1,024,045	0	0	0.00%	0	0	0
0923	OPERATION AND MAINTENANCE OF FACILITIES	589,968	0	1.70%	10,029	-599,997	0	0	0.00%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	333,141	0	1.70%	5,664	-338,805	0	0	0.00%	0	0	0
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	88,089	0	1.70%	1,498	-89,587	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	14,261	0	1.70%	242	-14,503	0	0	0.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	8,956	0	1.70%	152	-9,108	0	0	0.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	33,774	0	1.70%	574	-34,348	0	0	0.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	433,528	0	-7.30%	-31,648	-401,880	0	0	0.00%	0	0	0
0957	LAND AND STRUCTURES	49,295	0	1.70%	838	-50,133	0	0	0.00%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	273	0	1.70%	5	-278	0	0	0.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	856	0	0.00%	0	-856	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	425,440	0	1.70%	7,233	-432,673	0	0	0.00%	0	0	0
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	92,647	0	1.70%	1,575	-94,222	0	0	0.00%	0	0	0
0989	OTHER SERVICES	2,373,215	0	1.70%	40,345	-2,413,560	0	0	0.00%	0	0	0
0990	IT CONTRACT SUPPORT SERVICES	429,613	0	1.70%	7,303	-436,916	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 135

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		<u>FY 2015</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017</u> <u>Program</u>
0999	TOTAL OTHER PURCHASES	6,302,654	0		68,113	-6,370,767	0	0		0	0	0
9999	GRAND TOTAL	9,694,512	0		172,091	-9,866,603	0	0		0	0	0

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I. Description of Operations Financed:

COMBATANT COMMANDS DIRECT MISSION SUPPORT - Supports Combatant Commands mission activities that promote regional stability and shape the international security environment in ways that favor U.S. National Security. The Army is the Combatant Command Support Agent for U.S. Africa Command (USAFRICOM), U.S. European Command (USEUCOM), and U.S. Southern Command (USSOUTHCOM). The Army is responsible for funding the Combatant Commands mission areas such as conducting Theater Security Cooperation activities to build positive relationships, developing partner nation security capabilities, promoting the exchange of information, and affording U.S. forces with peacetime and contingency access to support training and military operations. Additionally, the Army provides funding to the U. S. Forces Korea (USFK) under this Subactivity Group.

USAFRICOM, in concert with other U.S. Government agencies and international partners, conducts sustained security engagement through military programs, military sponsored activities, and other military operations as directed to promote a stable and secure African environment in support of U.S. foreign policy. USAFRICOM fosters military relations with 54 African countries. Its area of responsibility covers all of Africa, except Egypt (U.S. Central Command).

USEUCOM conducts military operations and builds partner capacity to enhance transatlantic security and defend the homeland forward. Situated at the crossroads of Asia, the Middle East, and Africa, Europe is home to the U. S. ' most capable allies and partners. USEUCOM works together with the NATO alliance, its allies and partners in the region to address the shared security challenges threatening the U.S vital national interests. USEUCOM's area of responsibility covers 51 countries and territories, including Europe, Iceland, Greenland, and Israel.

USSOUTHCOM is responsible for providing contingency planning, operations, and security cooperation for Central America, South America, and the Caribbean (except U.S. Commonwealths, territories, and possessions) as well as for the force protection of U.S. military resources at these locations. USSOUTHCOM is also responsible for ensuring the defense of 24 South and Central American countries and the Panama Canal.

USFK supports the Republic of Korea against external aggression and maintains peace and stability in East Asia.

II. Force Structure Summary:

Combatant Commands Direct Mission Support funds the Geographic Combatant Command mission activities of :

Combatant Commands:

U.S. Africa Command
U.S. European Command
U.S. Southern Command
U.S. Forces Korea* (USFK)

*Although a subordinate unified command of U.S. Pacific Command, Army provides manpower and funding to the USFK headquarters in this Subactivity Group.

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III. Financial Summary (\$ in Thousands):

	<u>FY 2015</u>	<u>FY 2016</u>				<u>Normalized</u>	<u>FY 2017</u>
		<u>Actual</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>		
A. Program Elements							
COMBATANT COMMANDS DIRECT MISSION							
SUPPORT							
SUBACTIVITY GROUP TOTAL	<u>\$428,829</u>	<u>\$448,633</u>	<u>\$-22,022</u>	<u>-4.91%</u>	<u>\$426,611</u>	<u>\$426,611</u>	<u>\$441,143</u>
	\$428,829	\$448,633	\$-22,022	-4.91%	\$426,611	\$426,611	\$441,143
B. Reconciliation Summary			Change	Change			
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING			\$448,633	\$426,611			
Congressional Adjustments (Distributed)			-20,000				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			695				
Congressional Adjustments (General Provisions)			<u>-2,717</u>				
SUBTOTAL APPROPRIATED AMOUNT			426,611				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			<u>0</u>				
SUBTOTAL BASELINE FUNDING			426,611				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					7,133		
Functional Transfers					-1,019		
Program Changes					<u>8,418</u>		
NORMALIZED CURRENT ESTIMATE			\$426,611		\$441,143		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 448,633
1. Congressional Adjustments	\$ -22,022
a) Distributed Adjustments	\$ -20,000
1) Overestimation of IT contract support services	\$ -20,000
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 695
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 695
d) General Provisions	\$ -2,717
1) Sec 8024. Federally Funded Research and Development Centers	\$ -29
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -1,737
3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -951

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FY 2016 Appropriated Amount	\$ 426,611
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 426,611
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 426,611
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 426,611
6. Price Change	\$ 7,133
7. Transfers.....	\$ -1,019

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a) Transfers In \$ 0

b) Transfers Out \$ -1,019

1) Second Destination Transportation (SDT) Army Post Office (APO) Mail \$ -1,019
 Transfers funding from SAG 138, Combatant Commands Direct Mission Support to SAG 121, Land Forces Readiness Support to SDT APO Mail within the appropriate Subactivity Group. Funding supports SDT APO Mail for all locations within the U.S. Army Pacific area of responsibility. (Baseline: \$1,019)

8. Program Increases \$ 30,429

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 30,429

1) Civilian Average Annual Compensation - U.S. Africa Command \$ 322
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$8,910)

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- 2) Civilian Average Annual Compensation - U.S. European Command..... \$ 962
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$27,858)
- 3) Civilian Average Annual Compensation - U.S. Southern Command..... \$ 463
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$42,029)
- 4) Contractor to Civilian Conversion - U.S. European Command..... \$ 1,182
 Increases funding to support the insourcing of 11 civilian FTEs that were previously contracted man-year equivalents. (Baseline: \$52,388; 11 FTE)
- 5) Cyberspace and Information Operations - U.S. Africa Command..... \$ 3,500
 Increased funding supports an adversary-focused, social media-based military information support operations program in coordination with the Department of State, other U.S. Government Agencies, and partner nations. The program targets violent extremist organizations (VEO), their supporters, and their enablers in key geographic locations to shape the information environment, and challenge VEO propaganda and enabling networks in support of theater military objectives. (Baseline: \$3,840)

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6) Cyberspace and Information Operations - U.S. Africa Command Joint Cyber Center..... \$ 467

Increases funding for 4 FTEs in support of the Joint Cyber Center (JCC). The JCC is a geographic command and control construct established at all Geographic Combatant Commands. The JCC coordinates, integrates, and synchronizes cyberspace operations enabling fusion of intelligence, operational planning, and coordination of Department of Defense Information Networks Operations, Defensive Cyberspace Operations, and Offensive Cyberspace Operations. (Baseline: \$3,840; 4 FTE)

7) Cyberspace and Information Operations - U.S. European Command Joint Cyber Center \$ 467

Increases funding for 4 FTEs in support of the Joint Cyber Center (JCC). The JCC is a geographic command and control construct established at all Geographic Combatant Commands. The JCC coordinates, integrates, and synchronizes cyberspace operations enabling fusion of intelligence, operational planning, and coordination of Department of Defense Information Networks Operations, Defensive Cyberspace Operations, and Offensive Cyberspace Operations. (Baseline: \$4,800; 4 FTE)

8) Cyberspace and Information Operations - U.S. Southern Command Joint Cyber Center \$ 234

Increases funding for 2 FTEs in support of the Joint Cyber Center (JCC). The JCC is a geographic command and control construct established at all Geographic Combatant Commands. The JCC coordinates, integrates, and synchronizes cyberspace operations enabling fusion of intelligence, operational planning, and coordination of Department of Defense Information Networks Operations, Defensive Cyberspace Operations, and Offensive Cyberspace Operations. (Baseline: \$5,570; 2 FTE)

9) Developing Country's Combined Exercise Program - U.S. European command..... \$ 2,762

Increase in funding supports partner nation expenses for U.S. Army Europe's (USAREUR) Allied Spirit exercise that leverages the training of USAREUR units to achieve North Atlantic Treaty Organization allied and coalition interoperability with a large number of nations in each event, vice multiple bilateral events in host nations. (Baseline: \$2,153)

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10) Joint Defense Activities - U.S. European Command \$ 11,940

Increased funding supports the centralized program development, policy and oversight guidance, advocacy, and management of the European Command Open Source Element (ECOSE) program (\$1,540). ECOSE provides diverse collection, processing, analysis, visualization, and collaboration capabilities to support a variety of functions, to include force protection, intelligence indications and warning, counterintelligence, all-source analysis integration, anticipatory intelligence, social media monitoring and exploitation, awareness of dark web trends, strategic communications development, media monitoring and theater information assessments. Increased funding also supports a comprehensive 2 year systems engineering study to determine Integrated Air and Missile Defense operational requirements (\$5,000), and the newly established Russia Strategic Initiative (RSI) (\$5,400). RSI establishes a study program to evaluate the emerging Russian threat and to develop a government assessment of Russian intentions, strategy, and policy that will help to inform and shape USEUCOM's operational planning. (Baseline: \$52,388)

11) Joint Defense Activities - U.S. Forces Korea (USFK)..... \$ 3,057

Increases funding for Command, Control, Communications, Computers and Information Management (C4IM) and Technology service contracts in support of the USFK Commander's warfighting networks. The contract support services provides USFK with information technology, information assurance, architecture and engineering, Command and Control (C2) networks and associated C2 systems, network and infrastructure availability, information protection, information delivery, and interoperable communications capability to maintain readiness of the USFK Joint C2 networks. (Baseline: \$13,008)

12) Joint Defense Activities - U.S. Southern Command \$ 4,583

Increases funding to support the Traditional Commander's Activities program designed to promote Security Cooperation through interoperability, professionalism, transformation and modernization, humanitarian assistance and disaster preparedness (\$2,325). Increase in funding also support the Joint Southern Surveillance Reconnaissance Operation Center (JSSROC) (\$2,258). The JSSROC serves as the collection and fusion cell that acts as the link manager for all link capable ships and aircraft, support flight monitoring, scheduling, and message traffic for reconnaissance flights within the U.S. Southern Command's area of responsibility. (Baseline: \$87,728)

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13) Physical Security - U.S. Forces Korea..... \$ 490
Increase in funding supports the Defense Biometric Identification System (DBIDS) contract used for adding, retrieving, updating, and displaying information for individuals who require access to military installations, camps, and stations in the Republic of Korea. DBIDS enhances the military law enforcement mission by allowing real-time access to data. (Baseline: \$1,575)

9. Program Decreases.....\$ -22,011

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases.....\$ 0

c) Program Decreases in FY 2017..... \$ -22,011

1) Compensable Days - U.S. Africa Command \$ -36
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$8,910)

2) Compensable Days - U.S. European Command..... \$ -108
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$27,858)

3) Compensable Days - U.S. Southern Command..... \$ -52
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$42,029)

4) Joint Defense Activities - U.S. Africa Command..... \$ -6,064
Decreases funding for Information Technology contract services and other personnel support related

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costs. (Baseline: \$109,385)

5) Joint Defense Activities - U.S. European Command \$ -751
 Decreases funding associated with Information Technology contract support. (Baseline: \$52,388)

6) Personnel Recovery Program - U.S. Africa Command..... \$ -15,000
 Decreases funding for Personnel Recovery program services contract that provides coverage within the U.S. Africa Command's area of operations to quickly locate and recover personnel from downed aircraft or other emergencies. This program is primarily in support of counter terrorism operations and is funded in the Overseas Contingency Operations appropriation for FY 2017. (Baseline: \$15,000)

FY 2017 Budget Request.....\$ 441,143

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IV. Performance Criteria and Evaluation Summary:

COCOM Direct Funding

Combatant Commands Direct Mission Support Financial Summary (\$ in Thousands)

Category/COCOM Detail	FY 2015		FY 2016		FY 2017	
	Baseline	FTE	Baseline	FTE	Baseline	FTE
Total Mission Programs Support	428,829	354	426,611	266	441,143	287
USAFRICOM						
Mission Programs Support	177,182	23	178,870	49	165,050	53
USEUCOM						
Mission Programs Support	88,847	89	88,883	143	106,823	158
USSOUTHCOM						
Mission Programs Support	143,492	242	139,067	74	146,620	76
USFK						
HQ Support	19,308	0	19,791	0	22,650	0

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	814	675	657	-18
Officer	513	506	492	-14
Enlisted	301	169	165	-4
<u>Active Military Average Strength (A/S) (Total)</u>	806	745	666	-79
Officer	506	510	499	-11
Enlisted	300	235	167	-68
<u>Civilian FTEs (Total)</u>	354	266	287	21
U.S. Direct Hire	354	149	170	21
Foreign National Direct Hire	0	117	117	0
Total Direct Hire	354	266	287	21
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 96	 444	 444	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	143	115	122	7
<u>Contractor FTEs (Total)</u>	1,220	1,200	1,248	48

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	50,738	0	0.56%	286	-27,188	23,836	0	1.76%	419	3,900	28,155
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	83	6,732	6,815	0	1.51%	103	1	6,919
0106	BENEFITS TO FORMER EMPLOYEES	25	0	0.00%	0	-25	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	50,763	0		369	-20,481	30,651	0		522	3,901	35,074
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	56,646	0	1.70%	963	1,312	58,921	0	1.80%	1,061	0	59,982
0399	TOTAL TRAVEL	56,646	0		963	1,312	58,921	0		1,061	0	59,982
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	96	0	-7.30%	-7	-57	32	0	-8.20%	-3	0	29
0402	SERVICE FUND FUEL	135	0	-7.30%	-10	111	236	0	-8.20%	-19	0	217
0411	ARMY SUPPLY	1,230	0	2.55%	31	889	2,150	0	-4.63%	-100	0	2,050
0412	NAVY MANAGED SUPPLIES AND MATERIALS	4	0	3.48%	0	3	7	0	4.94%	0	0	7
0416	GSA MANAGED SUPPLIES AND MATERIALS	6	0	1.70%	0	4	10	0	1.80%	0	0	10
0418	AIR FORCE RETAIL SUPPLY (GENERAL SUPPORT DIVISION)	1,383	0	0.23%	3	1,032	2,418	0	3.61%	87	0	2,505
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	204	0	0.40%	1	152	357	0	-0.40%	-1	0	356
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	497	0	-1.90%	-9	381	869	0	-0.70%	-6	0	863
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	198	0	1.30%	3	145	346	0	-6.00%	-21	0	325
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	3,753	0		12	2,660	6,425	0		-63	0	6,362
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	922	0	0.00%	0	543	1,465	0	-0.26%	-4	0	1,461
0503	NAVY FUND EQUIPMENT	1,245	0	0.00%	0	734	1,979	0	3.86%	76	0	2,055
0505	AIR FORCE FUND EQUIPMENT	913	0	0.00%	0	538	1,451	0	0.00%	0	0	1,451
0507	GSA MANAGED EQUIPMENT	31	0	1.70%	1	17	49	0	1.80%	1	0	50
0508	DLA MATERIEL SUPPLY CHAIN (INDUSTRIAL HARDWARE)	13	0	4.40%	1	7	21	0	-6.00%	-1	0	20
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	3,124	0		2	1,839	4,965	0		72	0	5,037

Exhibit OP-5, Subactivity Group 138

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
<u>OTHER FUND PURCHASES</u>												
0611	NAVAL SURFACE WARFARE CENTER	480	0	1.48%	7	-487	0	0	3.22%	0	0	0
0630	NAVAL RESEARCH LABORATORY	1,200	0	9.81%	118	-1,318	0	0	0.50%	0	0	0
0679	COST REIMBURSABLE PURCHASES	1,367	0	1.70%	23	-1,390	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	3,047	0		148	-3,195	0	0		0	0	0
<u>TRANSPORTATION</u>												
0702	AMC SAAM (FUND)	904	0	0.00%	0	-551	353	0	0.00%	0	0	353
0705	AMC CHANNEL CARGO	0	0	2.00%	0	215	215	0	1.80%	4	0	219
0707	AMC TRAINING	1	0	-2.60%	0	-1	0	0	-9.40%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	31,219	0	38.80%	12,113	-22,880	20,452	0	0.80%	164	-3,000	17,616
0771	COMMERCIAL TRANSPORTATION	19,288	0	1.70%	328	-1,181	18,435	0	1.80%	332	-1,019	17,748
0799	TOTAL TRANSPORTATION	51,412	0		12,441	-24,398	39,455	0		500	-4,019	35,936
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	6	0	1.70%	0	9	15	0	1.80%	0	0	15
0913	PURCHASED UTILITIES (NON-FUND)	110	0	1.70%	2	-2	110	0	1.80%	2	0	112
0914	PURCHASED COMMUNICATIONS (NON-FUND)	12,081	0	1.70%	205	-7,533	4,753	0	1.80%	86	0	4,839
0915	RENTS (NON-GSA)	8,350	0	1.70%	142	-176	8,316	0	1.80%	150	0	8,466
0917	POSTAL SERVICES (U.S.P.S)	67	0	1.70%	1	-68	0	0	1.80%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	10,048	0	1.70%	171	-811	9,408	0	1.80%	169	0	9,577
0921	PRINTING AND REPRODUCTION	0	0	1.70%	0	67	67	0	1.80%	1	0	68
0922	EQUIPMENT MAINTENANCE BY CONTRACT	759	0	1.70%	13	-588	184	0	1.80%	3	0	187
0923	OPERATION AND MAINTENANCE OF FACILITIES	6,432	0	1.70%	109	-4,813	1,728	0	1.80%	31	0	1,759
0925	EQUIPMENT PURCHASES (NON-FUND)	9,086	0	1.70%	154	-9,211	29	0	1.80%	1	0	30
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	12,005	0	1.70%	204	-8,310	3,899	0	1.80%	70	1	3,970
0933	STUDIES, ANALYSIS, AND EVALUATIONS	1,147	0	1.70%	19	-1,166	0	0	1.80%	0	5,400	5,400
0934	ENGINEERING AND TECHNICAL SERVICES	5,267	0	1.70%	90	-5,357	0	0	1.80%	0	5,000	5,000
0937	LOCALLY PURCHASED FUEL (NON-FUND)	961	0	-7.30%	-70	219	1,110	0	-8.20%	-91	0	1,019
0957	LAND AND STRUCTURES	9,149	0	1.70%	156	8,689	17,994	0	1.80%	324	0	18,318

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Activity Group 13: Land Forces Readiness Support
Detail by Subactivity Group 138: Combatant Commands Direct Mission Support

	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0959 INSURANCE CLAIMS AND INDEMNITIES	21	0	1.70%	0	-21	0	0	1.80%	0	0	0
0964 SUBSISTENCE AND SUPPORT OF PERSONS	3,847	0	1.70%	65	-155	3,757	0	1.80%	68	0	3,825
0985 RESEARCH AND DEVELOPMENT CONTRACTS	611	0	0.00%	0	-611	0	0	0.00%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	20,255	0	1.70%	344	34,567	55,166	0	1.80%	993	0	56,159
0988 GRANTS, SUBSIDIES AND CONTRIBUTIONS	2	0	1.70%	0	-2	0	0	1.80%	0	0	0
0989 OTHER SERVICES	30,922	0	1.70%	526	-8,101	23,347	0	1.80%	420	2,676	26,443
0990 IT CONTRACT SUPPORT SERVICES	128,949	0	1.70%	2,192	25,170	156,311	0	1.80%	2,814	-5,560	153,565
0993 OTHER SERVICES - SCHOLARSHIPS	9	0	1.70%	0	-9	0	0	1.80%	0	0	0
0999 TOTAL OTHER PURCHASES	260,084	0		4,323	21,787	286,194	0		5,041	7,517	298,752
9999 GRAND TOTAL	428,829	0		18,258	-20,476	426,611	0		7,133	7,399	441,143

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Budget Activity 02: Mobilization
Activity Group 21: Strategic Mobilization and War Reserves
Detail by Subactivity Group 211: Strategic Mobility

I. Description of Operations Financed:

STRATEGIC MOBILITY – The Army is enhancing its strategic mobility program to provide a more globally responsive and regionally engaged program that directly supports the National Military Strategy (NMS), the Army Strategic Planning Guidance (ASPG), the Army Vision deployment objectives, and Geographic Combatant Commanders' Operational Plans in an effort to link current capabilities with future force projection requirements. The three major efforts for Strategic Mobility are prepositioning of combat materiel (both afloat and ashore), power projection out-loading, and deployment readiness training. Strategic Mobility supports the NMS and the ASPG through the Army Prepositioned Stocks (APS) unit equipment and activity sets by providing an immediate response capability to deploying forces. The cost of APS-3 (Afloat) includes the leasing and operation of the U.S. Navy's Military Sealift Command controlled ships which are strategically located for rapid power projection and the maintenance of materiel stored on these ships. Additionally, Strategic Mobility funds operations and support costs associated with Army Watercraft unit sets prepositioned in the U.S. Central Command and U.S. Pacific Command areas of operation, as well as the Army's share of the Oman Access Fee. Strategic Mobility consists of:

APS-3 (Afloat) - Operation and support costs for afloat unit equipment and activity sets, munitions and operational projects as well as ship leases and operation costs.

APS-4 (Northeast Asia) - Operation and support costs for Northeast Asia-based watercraft.

APS-5 (Southwest Asia) - Operation and support costs for Southwest Asia-based watercraft and State Department negotiated Oman Access Fee.

The Strategic Mobility Program executes the Army Power Projection Program (AP3), which rapidly deploys and sustains military forces. The AP3 is a key component of a relevant and ready land force as the Army enhances its strategic mobility capabilities in order to execute contingency operations and transforms to meet the emerging strategic realities of the 21st century. It enables a well-balanced deployment of forces into areas of operation and sustains a Continental United States (CONUS)-based military force capable of achieving decisive victory. Deployment readiness training includes Emergency Deployment Readiness Exercises and Sea Emergency Deployment Readiness Exercises which ensure Contingency Force units sustain force projection capabilities and meet deployment standards. Funding also supports force projection modeling, studies and analyses of strategic mobility.

Medical Potency and Dated Supply Readiness - Operation and support cost for Medical Potency and Dated Supply materiel for CONUS early deploying Echelon above Brigade Medical Units within the first 30 days of contingency operations.

Force Projection Outload - Operation and support costs for power projection outload capability of personnel, equipment, sustaining supplies and acquisition of essential rail equipment and management of intermodal containers required for rapid power projection. Also supports the annual Emergency Deployment Readiness Exercises and Sea Emergency Deployment Readiness Exercises exercises/readiness training program.

Medical Nuclear, Biological, and Chemical Defense - Operation and support cost for medical materiel countermeasures and other capabilities for force protection against Chemical, Biological, Radiological, and Nuclear threats.

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Detail by Subactivity Group 211: Strategic Mobility

II. Force Structure Summary:

Support Activities fund the following organizations:

Headquarters, Department of the Army

Army Commands:

U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Central

U.S. Army Pacific

Direct Reporting Units:

U.S. Army Medical Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
STRATEGIC MOBILITY	\$299,873	\$401,638	\$-14,520	-3.62%	\$387,118	\$387,118	\$336,329	
SUBACTIVITY GROUP TOTAL	\$299,873	\$401,638	\$-14,520	-3.62%	\$387,118	\$387,118	\$336,329	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
B. <u>Reconciliation Summary</u>			\$401,638			\$387,118		
BASELINE FUNDING			-12,000					
Congressional Adjustments (Distributed)			-2,319					
Congressional Adjustments (Undistributed)			521					
Adjustments to Meet Congressional Intent			-722					
Congressional Adjustments (General Provisions)			<u>387,118</u>					
SUBTOTAL APPROPRIATED AMOUNT			0					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			<u>0</u>					
SUBTOTAL BASELINE FUNDING			387,118					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change						-23,318		
Functional Transfers						-419		
Program Changes						<u>-27,052</u>		
NORMALIZED CURRENT ESTIMATE			\$387,118			\$336,329		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 401,638
1. Congressional Adjustments	\$ -14,520
a) Distributed Adjustments	\$ -12,000
1) Price growth requested as program growth	\$ -12,000
b) Undistributed Adjustments	\$ -2,319
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -2,319
c) Adjustments to Meet Congressional Intent	\$ 521
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 521
d) General Provisions	\$ -722
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -9
2) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -713

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FY 2016 Appropriated Amount	\$ 387,118
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 387,118
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 387,118
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 387,118
6. Price Change	\$ -23,318
7. Transfers.....	\$ -419

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a) Transfers In \$ 0

b) Transfers Out \$ -419

1) Management Operational Headquarters Realignment \$ -419

Transfers funding and 103 FTEs from the following SAGs: SAG 131, Base Operations Support (\$-12,112; -93 FTEs); SAG 211, Strategic Mobility (\$-419; -4 FTEs); SAG 424, Ammunition Management (\$-314; -3 FTEs) and SAG 434, Other Personnel Support (\$-409; -3 FTEs) to SAG 133, Management and Operational Headquarters (\$13,254; 103 FTEs) to properly align U.S. Army Forces Command, U.S. Army Material Command, and U.S. Army Installation Management Command resources to the appropriate Subactivity Group. (Baseline: \$34,595; -4 FTE)

8. Program Increases \$ 5,733

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 5,733

1) Army Prepositioned Stocks-3 (Afloat) \$ 1,367

Increases funding for repair parts for RG-31, Medium Mine Protected Vehicles, operational projects, and the activity sets associated with the care of supplies in storage. (Baseline: \$286,839)

2) Civilian Average Annual Compensation \$ 201

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability

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and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$5,842)

3) Medical Potency and Dated Supply Readiness..... \$ 4,165
 Funds the purchase of Unit Deployment Programs (UDPs) materiel to support one Medical Detachment Veterinary Medical, two Preventative Medicine Sanitation, two Area Support Medical Companies, two Minimal Care Detachments, one Area Medical Lab, one Medical Detachment Blood Support, one Reno Hemodialysis, one Head and Neck Team, two Combat Stress Control Teams, four Forward Surgical Teams, and one 248 Bed Corps Combat Support Hospital. There are 18 critical UDPs for the Echelons Above Brigade early deploying units within the first 31 days of major combat operations. Increased funds are required to maintain current readiness levels. (Baseline: \$8,679)

9. Program Decreases.....\$ -32,785

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017.....\$ -32,785

1) Army Prepositioned Stocks-3 (Afloat) \$ -27,599
 Decreases funding due to the reduction of 1 Large, Medium-Speed Roll-on/Roll-off ship and the associated care of supplies in storage. (Baseline: \$286,839)

2) Civilian Workforce Reduction \$ -185
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline:

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\$-185; -1 FTE)

3) Compensable Days..... \$ -31
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$5,842)

4) Medical Nuclear, Biological, and Chemical Defense \$ -4,970
Decreases funding due to a reduction of the costs for medical countermeasures. (Baseline: \$34,595)

FY 2017 Budget Request.....\$ 336,329

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IV. Performance Criteria and Evaluation Summary:

<u>Programs (\$ in Thousands)</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
	299,873	387,118	336,329
Medical NBC Defense	6,469	34,595	27,562
Medical Potency and Dated Supply Readiness	9,042	8,679	12,313
Force Projection Outload	1,812	14,679	15,517
Army Prepositioned Stocks (APS-3/Afloat)	254,240	286,839	239,145
Army Prepositioned Stocks(APS-4/Northeast Asia)	11,548	14,610	14,020
Army Prepositioned Stocks (APS-5/Southwest Asia)	16,762	27,716	27,772

<u>Strategic Mobilization</u>	<u>Measure</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Total Number/Type of Prepositioned ships in Army Power Projection Program	Qty	8	7	7
Army Prepositioned Stocks (APS-3)				
Large Medium Speed Roll-On/Roll-Off (New Build)	Qty	6	5	5
Full Operating Status	Qty	6	5	5
Reduced Operating Status	Qty	0	1	0
Container	Qty	2	2	2
Storage Capacity	Sq. Ft. (M)	1.5	1.3	1.3
Emergency Deployment Readiness Exercise	Qty	0	4	4
Afloat Prepositioned Exercise (APS-3)	Qty	0	0	0
Total Prepositioned Watercraft Units Sets in Army Power Projection Program	Equipment Sets	8	8	8

Exhibit OP-5, Subactivity Group 211

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(Army Watercraft Assets (APS-4/APS-5))

APS-4 Pacific (Yokohama North Dock, Japan)

Equipment Sets	4	4	4
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APS-5 Southwest Asia (Kuwaiti Naval Base, Kuwait)

Equipment Sets	4	4	4
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Brigade Inspection Readiness Exercise Program

Qty	1	1	1
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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	14	12	11	-1
Officer	9	6	6	0
Enlisted	5	6	5	-1
<u>Active Military Average Strength (A/S) (Total)</u>	16	14	12	-2
Officer	10	8	6	-2
Enlisted	6	6	6	0
<u>Civilian FTEs (Total)</u>	48	49	44	-5
U.S. Direct Hire	45	49	44	-5
Foreign National Direct Hire	3	0	0	0
Total Direct Hire	48	49	44	-5
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	117	119	125	6
<u>Contractor FTEs (Total)</u>	398	663	560	-103

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	5,482	0	1.28%	70	290	5,842	0	1.35%	79	-434	5,487
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	118	0	0.00%	0	-118	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	5,600	0		70	172	5,842	0		79	-434	5,487
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,227	0	1.70%	21	32	1,280	0	1.80%	23	4	1,307
0399	TOTAL TRAVEL	1,227	0		21	32	1,280	0		23	4	1,307
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	7	0	-7.30%	-1	0	6	0	-8.20%	0	-2	4
0411	ARMY SUPPLY	3,933	0	2.55%	100	834	4,867	0	-4.63%	-225	-2,038	2,604
0416	GSA MANAGED SUPPLIES AND MATERIALS	2,521	0	1.70%	43	931	3,495	0	1.80%	63	-13	3,545
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	5,306	0	0.40%	21	9,009	14,336	0	-0.40%	-57	-5,148	9,131
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	11,767	0		163	10,774	22,704	0		-219	-7,201	15,284
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	317	0	0.00%	0	138	455	0	-0.26%	-1	0	454
0507	GSA MANAGED EQUIPMENT	15	0	1.70%	0	236	251	0	1.80%	5	0	256
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	332	0		0	374	706	0		4	0	710
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	14	0	7.92%	1	34	49	0	-0.11%	0	0	49
0699	TOTAL INDUSTRIAL FUND PURCHASES	14	0		1	34	49	0		0	0	49
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	11,024	0	38.80%	4,277	-13,338	1,963	0	0.80%	16	-950	1,029
0722	MSC AFLOAT PREPOSITIONING ARMY	185,412	0	5.50%	10,198	-14,179	181,431	0	-14.50%	-26,307	1,367	156,491
0771	COMMERCIAL TRANSPORTATION	2,017	0	1.70%	34	-2,012	39	0	1.80%	1	0	40

Exhibit OP-5, Subactivity Group 211

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0799 TOTAL TRANSPORTATION	198,453	0		14,509	-29,529	183,433	0		-26,290	417	157,560
<u>OTHER PURCHASES</u>											
0912 RENTAL PAYMENTS TO GSA (SLUC)	242	0	1.70%	4	-246	0	0	1.80%	0	0	0
0913 PURCHASED UTILITIES (NON-FUND)	118	0	1.70%	2	155	275	0	1.80%	5	0	280
0920 SUPPLIES AND MATERIALS (NON-FUND)	304	0	1.70%	5	225	534	0	1.80%	10	0	544
0922 EQUIPMENT MAINTENANCE BY CONTRACT	51,443	0	1.70%	875	10,179	62,497	0	1.80%	1,125	0	63,622
0923 OPERATION AND MAINTENANCE OF FACILITIES	614	0	1.70%	10	8,856	9,480	0	1.80%	171	-3,216	6,435
0925 EQUIPMENT PURCHASES (NON-FUND)	1,088	0	1.70%	18	644	1,750	0	1.80%	31	0	1,781
0928 SHIP MAINTENANCE BY CONTRACT	84	0	1.70%	1	-85	0	0	1.80%	0	0	0
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,789	0	1.70%	30	-1,819	0	0	1.80%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	882	0	1.70%	15	-897	0	0	1.80%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	885	0	-7.30%	-65	-501	319	0	-8.20%	-26	-60	233
0987 OTHER INTRA-GOVERNMENT PURCHASES	18,075	0	1.70%	307	47,149	65,531	0	1.80%	1,180	-3,552	63,159
0989 OTHER SERVICES	6,739	0	1.70%	115	25,864	32,718	0	1.80%	589	-13,429	19,878
0990 IT CONTRACT SUPPORT SERVICES	217	0	1.70%	4	-221	0	0	1.80%	0	0	0
0999 TOTAL OTHER PURCHASES	82,480	0		1,321	89,303	173,104	0		3,085	-20,257	155,932
9999 GRAND TOTAL	299,873	0		16,085	71,160	387,118	0		-23,318	-27,471	336,329

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Operation and Maintenance, Army
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Detail by Subactivity Group 212: Army Prepositioned Stocks

I. Description of Operations Financed:

ARMY PREPOSITIONED STOCKS (APS) - The Army is expanding its APS program to develop a more globally responsive and regionally engaged Army that directly supports the National Military Strategy and the Army Strategic Planning Guidance by providing a rapid response capability to deploying forces in support of Geographic Combatant Commander requirements. APS is a key component of a relevant and ready land force as the Army enhances its strategic mobility capabilities to execute Contingency Operations and transforms to meet the emerging strategic realities of the 21st century. APS supports the Army's capability to project combat-ready forces from Continental United States (CONUS), Europe, Southwest Asia, Republic of Korea, and Japan to conduct operations anywhere in the world. The regional storage sites for APS are:

APS-1 (CONUS) - Operation and support costs for CONUS-based APS sustainment stocks, operational projects and CONUS-based prepositioned unit set equipment, and worldwide management of APS Program.

APS-2 (Europe) - Operation and support costs for Europe-based activity sets, operational projects, munitions, sustainment and War Reserve Stocks for Allies-Israel.

APS-4 - (Northeast Asia) - Operation and support costs for Northeast Asia-based unit equipment sets, activity sets, munitions, operational projects and sustainment stocks.

APS-5 (Southwest Asia) - Operation and support costs for Southwest Asia-based unit equipment sets, activity sets, munitions, operational projects and sustainment stocks.

APS-WRSI (War Reserve Secondary Items) - Operation and support costs for WRSI medical stocks and initial supplies. (Included in the sustainment for each storage site above.)

Four Brigade Combat Team (BCT) unit equipment sets, two Armored BCTs and one Infantry BCT stored on land as well as land based activity sets in APS-2, APS-4 and APS-5 are the centerpieces of the APS program. These sets enable the rapid deployment of CONUS-based Soldiers for future contingency operations and exercise support for allied partnership building. The Army continues to build and maintain stocks in all APS, to include multiple Sustainment Brigades ashore and afloat and watercraft unit sets in Southwest Asia and Northeast Asia. Also included in the APS are various sustainment and functional support capabilities, such as the storage and maintenance of Operational Projects, which are tailored sets of equipment and supplies, configured for specific missions. Specific missions include airdrop resupply, base camps (Force Provider), and pipeline operations (water and petroleum). Also included are sustainment medical supplies to enable the BCTs and other reinforcing units to operate in theater for the first 60 days of a major combat operation, until sea lines of communication from CONUS can be established. Funding supports the manpower, materiel handling, other support equipment, necessary facilities and associated costs specifically required to receive, store, maintain, and issue prepositioned stocks of materiel.

II. Force Structure Summary:

Support Activities fund the following organizations:

Headquarters, Department of the Army

Exhibit OP-5, Subactivity Group 212

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Army Commands:

U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Pacific

Direct Reporting Units:

U.S. Army Medical Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
ARMY PREPOSITIONED STOCKS	\$213,376	\$261,683	\$-10,600	-4.05%	\$251,083	\$251,083	\$390,848	
SUBACTIVITY GROUP TOTAL	\$213,376	\$261,683	\$-10,600	-4.05%	\$251,083	\$251,083	\$390,848	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
BASELINE FUNDING		\$261,683		\$251,083				
Congressional Adjustments (Distributed)		0						
Congressional Adjustments (Undistributed)		-1,896						
Adjustments to Meet Congressional Intent		692						
Congressional Adjustments (General Provisions)		-9,396						
SUBTOTAL APPROPRIATED AMOUNT		251,083						
War Related and Disaster Supplemental Appropriation		40,000						
X-Year Carryover		0						
Fact-of-Life Changes (2016 to 2016 Only)		0						
SUBTOTAL BASELINE FUNDING		291,083						
Anticipated Reprogramming (Requiring 1415 Actions)		0						
Less: War Related and Disaster Supplemental Appropriation		-40,000						
Less: X-Year Carryover		0						
Price Change				3,375				
Functional Transfers				0				
Program Changes				136,390				
NORMALIZED CURRENT ESTIMATE		\$251,083		\$390,848				

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 261,683
1. Congressional Adjustments	\$ -10,600
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -1,896
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -1,212
2) Spares and repair parts	\$ -684
c) Adjustments to Meet Congressional Intent	\$ 692
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 692
d) General Provisions.....	\$ -9,396
1) Sec 8024. Federally Funded Research and Development Centers	\$ -19
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -8,430

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3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -947

FY 2016 Appropriated Amount \$ 251,083

2. War-Related and Disaster Supplemental Appropriations \$ 40,000

a) Overseas Contingency Operations Supplemental Appropriation, 2016 \$ 40,000

1) Overseas Contingency Operations Supplemental \$ 40,000

3. Fact-of-Life Changes \$ 0

FY 2016 Appropriated and Supplemental Funding \$ 291,083

4. Anticipated Reprogramming (Requiring 1415 Actions) \$ 0

Revised FY 2016 Estimate \$ 291,083

5. Less: Emergency Supplemental Funding \$ -40,000

a) Less: War Related and Disaster Supplemental Appropriation \$ -40,000

b) Less: X-Year Carryover \$ 0

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Normalized FY 2016 Current Enacted	\$ 251,083
6. Price Change	\$ 3,375
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 144,368
a) Annualization of New FY 2016 Program	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 144,368
1) Army Prepositioned Stocks-1 (CONUS)	\$ 8,683
Increases funding for care of supplies in storage for Inland Petroleum Distribution Systems, Large Area Maintenance Shelters, and Force Providers. This funding also supports shelf life testing of chemical defense equipment. (Baseline: \$28,677)	
2) Army Prepositioned Stocks-2 (Europe)	\$ 95,683
Increase in funding supports the care of supplies in storage and cyclic maintenance of 2 additional Combined Arms Battalions to the European Activity Set (EAS). This addition expands the EAS to a full	

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Armored Brigade Combat Team which supports the revised APS Strategy. (Baseline: \$19,395)

3) Army Prepositioned Stocks-4 (Northeast Asia) \$ 13,522
 Increase in funding supports care of supplies in storage requirements for new equipment sets and operational projects such as Route Clearance units, Multi-Role Bridging companies, and Humanitarian Assistance / Disaster Relief packages. (Baseline: \$55,482)

4) Civilian Average Annual Compensation \$ 784
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$25,826)

5) War Reserve Secondary Items \$ 25,696
 Increases funding to support hospital new buys, combat support hospital force design updates, upgrades and European Activity Set Potency and Dated replacements. Funding also supports the rise in pharmaceutical costs and the replacement of shelf life items associated with War Reserve Secondary items needed for the first 30 days of a contingency operations. (Baseline: \$29,466)

9. Program Decreases \$ -7,978

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases \$ 0

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c) Program Decreases in FY 2017 \$ -7,978

1) Army Prepositioned Stocks-5 (Southwest Asia) \$ -6,258
 Decreases funding for care of supplies in storage cost due to a reduction in costs associated with moving equipment to inside storage facilities. (Baseline: \$118,063)

2) Civilian Workforce Reduction \$ -1,574
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$26,689; -19 FTE)

3) Compensable Days \$ -146
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$26,689)

FY 2017 Budget Request.....\$ 390,848

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IV. Performance Criteria and Evaluation Summary:

Programs (\$ in Thousands)	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Retrograde War Reserve Stockpile Korea (WRSA-K) ¹		9,513	10,132
Army Prepositioned Stocks (APS-1/CONUS)	27,083	28,677	37,728
Army Prepositioned Stocks (APS-2/Europe)	103,674	19,395	115,327
Army Prepositioned Stocks(APS-4/Northeast Asia) ¹	47,307	45,969	59,583
Army Prepositioned Stocks (APS-5/Southwest Asia)	12,301	118,063	113,369
War Reserve Secondary Items	23,011	29,466	54,709
Total	213,376	251,083	390,848

1. FY 2015 execution included in APS-4/Northeast Asia

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	68	67	64	-3
Officer	26	21	21	0
Enlisted	42	46	43	-3
<u>Active Military Average Strength (A/S) (Total)</u>	70	68	66	-2
Officer	26	24	21	-3
Enlisted	44	44	45	1
<u>Civilian FTEs (Total)</u>	477	327	308	-19
U.S. Direct Hire	118	138	133	-5
Foreign National Direct Hire	358	189	175	-14
Total Direct Hire	476	327	308	-19
Foreign National Indirect Hire	1	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 194	 179	 176	 -3
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	73	82	85	3
<u>Contractor FTEs (Total)</u>	685	344	714	370

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	15,858	0	1.41%	224	2,529	18,611	0	1.49%	277	-193	18,695
0103	WAGE BOARD	247	0	0.81%	2	-104	145	0	0.00%	0	-145	0
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	18,815	2	0.50%	95	-10,979	7,933	4	1.40%	111	-598	7,450
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	34,920	2		321	-8,554	26,689	4		388	-936	26,145
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	3,056	0	1.70%	52	-2,289	819	0	1.80%	15	0	834
0399	TOTAL TRAVEL	3,056	0		52	-2,289	819	0		15	0	834
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	574	0	-7.30%	-42	-151	381	0	-8.20%	-31	-107	243
0411	ARMY SUPPLY	14,523	0	2.55%	370	-730	14,163	0	-4.63%	-656	8,163	21,670
0416	GSA MANAGED SUPPLIES AND MATERIALS	29,615	0	1.70%	503	2,908	33,026	0	1.80%	594	10,575	44,195
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	0	0	0.40%	0	3,951	3,951	0	-0.40%	-16	22,742	26,677
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	44,712	0		831	5,978	51,521	0		-109	41,373	92,785
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	599	0	0.00%	0	-594	5	0	-0.26%	0	0	5
0507	GSA MANAGED EQUIPMENT	108	0	1.70%	2	92	202	0	1.80%	4	0	206
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	707	0		2	-502	207	0		4	0	211
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	0	0	7.92%	0	2,778	2,778	0	-0.11%	-3	0	2,775
0679	COST REIMBURSABLE PURCHASES	0	0	1.70%	0	32,811	32,811	0	1.90%	623	22,642	56,076
0699	TOTAL INDUSTRIAL FUND PURCHASES	0	0		0	35,589	35,589	0		620	22,642	58,851
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	3,146	0	38.80%	1,221	-4,367	0	0	0.80%	0	0	0

Exhibit OP-5, Subactivity Group 212

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
0771	COMMERCIAL TRANSPORTATION	325	0	1.70%	6	-226	105	0	1.80%	2	0	107
0799	TOTAL TRANSPORTATION	3,471	0		1,227	-4,593	105	0		2	0	107
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	34	0	0.00%	0	-34	0	0	0.00%	0	0	0
0912	RENTAL PAYMENTS TO GSA (SLUC)	204	0	1.70%	3	-207	0	0	1.80%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	1,082	0	1.70%	18	7	1,107	0	1.80%	20	0	1,127
0917	POSTAL SERVICES (U.S.P.S)	584	0	1.70%	10	-246	348	0	1.80%	6	0	354
0920	SUPPLIES AND MATERIALS (NON-FUND)	2,037	0	1.70%	35	77	2,149	0	1.80%	39	2,218	4,406
0922	EQUIPMENT MAINTENANCE BY CONTRACT	83,217	0	1.70%	1,415	-84,632	0	0	1.80%	0	64,590	64,590
0925	EQUIPMENT PURCHASES (NON-FUND)	8,770	0	1.70%	149	657	9,576	0	1.80%	172	1,842	11,590
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	7,998	0	1.70%	136	-8,134	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	403	0	1.70%	7	-410	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	613	0	-7.30%	-45	-568	0	0	-8.20%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	6,809	0	1.70%	116	61,848	68,773	0	1.80%	1,238	9,718	79,729
0989	OTHER SERVICES	13,685	0	1.70%	233	39,067	52,985	0	1.80%	954	-5,057	48,882
0990	IT CONTRACT SUPPORT SERVICES	1,074	0	1.70%	18	123	1,215	0	1.80%	22	0	1,237
0999	TOTAL OTHER PURCHASES	126,510	0		2,095	7,548	136,153	0		2,451	73,311	211,915
9999	GRAND TOTAL	213,376	2		4,528	33,177	251,083	4		3,371	136,390	390,848

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Detail by Subactivity Group 213: Industrial Preparedness

I. Description of Operations Financed:

INDUSTRIAL PREPAREDNESS - The Army executes industrial analysis tools to help obtain end-item and repair parts support (excluding ammunition). Additionally, it provides for a planning base with private industry and government owned industrial plants including program administration, project management, and industrial base management. Industrial analysis is performed on industrial sectors, which support weapon system acquisition, readiness, and sustainment. An integral element of this program is the evaluation of industrial base capability and development of recommendations to mitigate the risk of sector deficiencies and shortfalls in capability. Industrial Preparedness also provides resources to meet the requirements of 10 U.S. Code Section 2504 and 2505. The Army is required under the Defense Production Act of 1950 as amended by 50 U.S. Code Section 2061, to bolster production and supply capabilities to support national defense objectives. Industrial Preparedness funds operations relating to Class II, VII and IX items (excluding munitions) to assure that an industrial base will be available to support peacetime/wartime production and respond to the relevant national security objectives as provided for in the Strategic Planning guidance and Department of the Army Readiness Goals.

II. Force Structure Summary:

Army Command:

U.S. Army Material Command

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III. Financial Summary (\$ in Thousands):

		FY 2016				Normalized	
A. Program Elements	FY 2015	Budget	Amount	Percent	Appn	Current	FY 2017
	Actual	Request	Change	Change	Enacted	Estimate	
			FY 2016/FY 2016	FY 2016/FY 2017			
INDUSTRIAL PREPAREDNESS	\$86,026	\$6,532	\$0	0.00%	\$6,532	\$6,532	\$7,401
SUBACTIVITY GROUP TOTAL	\$86,026	\$6,532	\$0	0.00%	\$6,532	\$6,532	\$7,401
B. Reconciliation Summary							
BASELINE FUNDING			\$6,532	\$6,532			
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL APPROPRIATED AMOUNT			6,532				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			6,532				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					100		
Functional Transfers					0		
Program Changes					769		
NORMALIZED CURRENT ESTIMATE			\$6,532		\$7,401		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 6,532
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2016 Appropriated Amount	\$ 6,532
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 6,532
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0

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Revised FY 2016 Estimate	\$ 6,532
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 6,532
6. Price Change	\$ 100
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 802
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0

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c) Program Growth in FY 2017 \$ 802

1) Civilian Average Annual Compensation \$ 128

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$6,428)

2) Industrial Preparedness Operations \$ 674

Increased funding supports the program's critical tasks such as conducting Industrial Base capability assessments, single point failure analyses and supplier capability assessments; and providing support for the Defense Production Act Committee. (Baseline: \$6,532)

9. Program Decreases \$ -33

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases \$ 0

c) Program Decreases in FY 2017 \$ -33

1) Compensable Days \$ -33

Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$6,428)

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FY 2017 Budget Request.....\$ 7,401

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IV. Performance Criteria and Evaluation Summary:

Critical task metrics are used to evaluate output goals and measures are as follows:

	FY2015	FY2016	FY2017
Number of Critical Tasks Industrial Preparedness Operations - 213			
Conduct Industrial Based Capability Assessments, Single Point Failure Analyses and Supplier Health Assessments	37	25	20
Support the Sector by Sector, Tier by Tier – Fragility and Criticality and IB Baseline Assessments	4	0	0
Support the Defense Production Act Committee (DPAC)	1	1	1
Defense Production Act Title I Compliance	6	5	5
Defense Production Act Title III (DPA Title III) Compliance	5	4	4
Annual Industrial Capabilities Report to Congress	1	1	1
Critical Infrastructure Risk Management Program	6	6	6
Diminishing Manufacturing Sources Material Shortages (DMSMS)	310	100	100
Counterfeit Electronic Parts Prevention	44	10	10
Army Supplier Risk Tracker (ASRT)	15000	8000	7000
Defense Production Act Title VII Compliance	143	147	147
Critical Energetic Materials and Rare Earth Elements Initiatives	1	1	1

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Conduct Industrial Base (IB) Capability Assessments, Single Point Failure Analyses and Supplier Health Assessments

Measures the number of assessments performed within the Army IB to determine the health of a specific IB sector or subsector such as the Aviation, Missile, Ground Combat Systems, Information Technology, and other. Assess the Army's risk to the supply chain by identifying single point(s) of failure within the commercial IB, and assesses suppliers of interest, their level of risk based on financial information and future workload. Personnel availability and workload determine the number of assessments we are able to perform.

Support the Sector by Sector, Tier by Tier - Fragility and Criticality and IB Baseline Assessments

Provides support for joint IB assessments to meet Deputy Assistant Secretary of Defense - Manufacturing and IB Policy (DASD-MIBP) requirements. These requirements are used to determine the Critical and Fragile (at risk) state of a specific IB capability that impacts the Department of Defense (DoD).

Support the Defense Production Act (DPA) Committee

The Army is required under the Defense Production Act of 1950 as amended by 50 U.S.C Section 2061, to bolster production and supply capabilities to support national defense objectives. The Army executes this authority through DPA Title I and III compliance process.

Defense Production Act Title I Compliance

Resources are allocated to support DoD and Army Defense Priorities and Allocation System priority rating authority requirements to support national security. Industrial preparedness personnel provide coordination with industry, DoD, military departments, or other federal agencies to obtain IB capabilities, materiel, or services to support national security or in case of national emergency. There is a "statutory" requirement for the Army, when called upon to respond, to have a prompt delivery of the articles or materials for exclusive DoD use.

Defense Production Act Title III Compliance

Resources are allocated to ensure compliance in supporting the authority when directed by the Secretary of Defense. The industrial preparedness funds the resources to support DoD requirements to support the authority to develop, maintain, modernize, and expand the production capacities of domestic sources for critical components, critical technology items, and industrial resources essential for the execution of the national security strategy.

Annual Industrial Capabilities Report to Congress

Provides resources to meet the requirements of 10 U.S.C Section 2505. The Secretary of Defense is required to annually prepare selected assessments of the capability of the national technology and IB to attain the national security objectives. The Army is required to provide inputs to DASD-MIBP on assessments. These assessments identify technological and industrial capabilities and processes gaps in the national industrial and technology base that could impact national security objectives.

Critical Infrastructure Risk Management Program

Army nominates key assets in the Defense Industrial Base Critical Infrastructure List for DoD to analyze for protection under the requirements of Defense Critical Infrastructure Protection program. This program evaluates Army IB critical facilities to nominate critical assets for DoD review and evaluates infrastructure assets.

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Diminishing Manufacturing Sources Material Shortages (DMSMS)

DMSMS addresses the loss, or impending loss, of the last known manufacturer or supplier of raw materials and other critical components for production or repair parts. Due to the shrinking national industrial base there is an increasing concern as the service lives of Department of Defense (DoD) weapon systems are extended and the product life cycle for high technology components decrease.

Army Supplier Risk Tracker

The Army has developed a process to track the financial health of critical suppliers to support Industrial Capability Analysis and Sector Assessment. Funding provided sources the ability to obtain financial data on specific supplier, determine their risk to the Army supply chain, and the impact to the weapon system acquisition or sustainment to support Army operations for national security.

Defense Production Act Title VII Compliance

The Committee on Foreign Investment in the United States is authorized to conduct national security reviews of foreign acquisitions of U.S.-based firms. The committee conducts heavy analysis on each of the time-sensitive cases, to ensure critical suppliers and technologies are not adversely affected or compromised as part of the transactions. Through detailed analysis the committee looks for impacts to science and technology, industrial base to assure no loss of critical suppliers or capabilities impacting national security.

Critical Energetic Materials and Rare Earth Elements (REE) Initiatives

Chartered by the Under Secretary of Defense for Acquisition, Technology, and Logistics to address high risks and issues the Army faces with the limited availability of energetic materials for missile motors. These initiatives also support studies to identify the impact of REE in the manufacture or production of Army weapon systems.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Civilian FTEs (Total)</u>	13	46	46	0
U.S. Direct Hire	13	46	46	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	13	46	46	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	131	123	127	4
<u>Contractor FTEs (Total)</u>	0	0	0	0

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	1,700	0	3.88%	66	3,914	5,680	0	1.55%	88	95	5,863
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	1,700	0		66	3,914	5,680	0		88	95	5,863
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	76	0	1.70%	1	-77	0	0	1.80%	0	0	0
0399	TOTAL TRAVEL	76	0		1	-77	0	0		0	0	0
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	84,191	0	-0.60%	-505	-82,906	780	0	1.40%	11	747	1,538
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	84,191	0		-505	-82,906	780	0		11	747	1,538
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	2	0	1.70%	0	-2	0	0	1.80%	0	0	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	32	0	1.70%	1	-33	0	0	1.80%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	0	0	1.70%	0	72	72	0	1.80%	1	-73	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	14	0	1.70%	0	-14	0	0	1.80%	0	0	0
0989	OTHER SERVICES	11	0	1.70%	0	-11	0	0	1.80%	0	0	0
0999	TOTAL OTHER PURCHASES	59	0		1	12	72	0		1	-73	0
9999	GRAND TOTAL	86,026	0		-437	-79,057	6,532	0		100	769	7,401

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Activity Group 31: Accession Training
Detail by Subactivity Group 311: Officer Acquisition

I. Description of Operations Financed:

OFFICER ACQUISITION - Funds three mission-essential institutions: U.S. Military Academy, U.S. Military Academy Preparatory School, and Officer Candidate School. These institutions provide the Army with qualified officers. In addition, it finances the costs for Class III (fuel and oils) and Class IX (repair parts) to operate and maintain equipment sets at these locations. U.S. MILITARY ACADEMY (USMA) - Funds admissions to the USMA and execution of the Cadet Leader Development System. This includes resident instruction for 4,400 cadets in an accredited program leading to a Bachelor of Science degree. It finances the Cadet Leader Development System administration, civilian personnel pay and benefits, cadet support, preparation of academy training aids, and training literature. Other costs included are temporary duty (travel and per diem), cadet summer training, academic and general supplies and equipment, contractual services, Army research, and the cadet academic library. U.S. MILITARY ACADEMY PREPARATORY SCHOOL (USMAPS) - Funds USMAPS, an academic institution that accepts 245 students and Soldiers, per year, from diverse backgrounds and challenges them to meet and exceed West Point's rigorous admission standards. As a military school with a career focus, USMAPS also develops the foundation of professional and physical attributes needed for growth as an officer in the U.S. Army. USMAPS prepares candidates selected by the USMA Admissions office for the academic, physical, and military challenges of the USMA at West Point. Cadet candidates are enlisted Soldiers currently serving in the Active Army, Army Reserve, and Army National Guard. A limited number of civilian high school graduates are authorized by the Department of the Army, and selected by West Point, to enlist in the Army Reserve, specifically for attending USMAPS. Upon successful completion, students attend USMA. OFFICER CANDIDATE SCHOOL (OCS) - Funds operating costs for officer candidates training at the OCS at Fort Benning, Georgia in support of the Army's Officer Accession Mission requirements. Provides funding for the officer accession training course, associated civilian pay, supplies and equipment. Other costs included are contract services and organizational clothing issued to each candidate, whether on active or reserve duty.

II. Force Structure Summary:

The Officer Acquisition program detailed above supports one Army Command and a Direct Reporting Unit.

Army Command:

U.S Army Training and Doctrine Command

Direct Reporting Unit:

U.S. Military Academy

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III. Financial Summary (\$ in Thousands):

		FY 2016					
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Normalized</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	<u>Estimate</u>
OFFICER ACQUISITION	\$127,833	\$131,536	\$-2,539	-1.93%	\$128,997	\$128,997	\$131,942
SUBACTIVITY GROUP TOTAL	\$127,833	\$131,536	\$-2,539	-1.93%	\$128,997	\$128,997	\$131,942
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>			
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING			\$131,536	\$128,997			
Congressional Adjustments (Distributed)			-2,000				
Congressional Adjustments (Undistributed)			-466				
Adjustments to Meet Congressional Intent			198				
Congressional Adjustments (General Provisions)			-271				
SUBTOTAL APPROPRIATED AMOUNT			128,997				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			128,997				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					2,056		
Functional Transfers					4,192		
Program Changes					-3,303		
NORMALIZED CURRENT ESTIMATE			\$128,997		\$131,942		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 131,536
1. Congressional Adjustments	\$ -2,539
a) Distributed Adjustments	\$ -2,000
1) Unjustified program growth	\$ -2,000
b) Undistributed Adjustments	\$ -466
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -369
2) Spares and repair parts	\$ -97
c) Adjustments to Meet Congressional Intent	\$ 198
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 198
d) General Provisions	\$ -271
1) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -271

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FY 2016 Appropriated Amount	\$ 128,997
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 128,997
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 128,997
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 128,997
6. Price Change	\$ 2,056
7. Transfers.....	\$ 4,192

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a) Transfers In \$ 4,192

1) U.S. Army Military Academy (USMA) \$ 4,192

Transfers funding and FTEs from the following SAGs: SAG 121, Force Readiness Operations Support (\$-15; 0 FTE); SAG 131, Base Operations Support (\$-1,253; -3 FTEs); SAG 331, Recruiting and Advertising (\$-1,135; 0 FTE); SAG 434, Other Personnel Support (\$-625; 0 FTE); SAG 435, Other Service Support (\$-1,059; -7 FTEs); and SAG 442, Miscellaneous Support of Other Nations (\$-105; 0 FTE) to SAG 311, Officer Acquisition (\$4,192; 10 FTEs) for consolidation of USMA resources into the appropriate Subactivity Group. (Baseline: \$127,213; 10 FTE)

b) Transfers Out \$ 0

8. Program Increases \$ 1,638

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 1,638

1) Civilian Average Annual Compensation \$ 1,638

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$74,055)

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9. Program Decreases.....	\$ -4,941
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017.....	\$ -4,941
1) Civilian Workforce Reduction	\$ -1,150
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$74,055; -10 FTE)	
2) Compensable Days.....	\$ -428
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$74,055)	
3) Officer Candidate School	\$ -377
Decreases funding due to reduction in student load. The number of candidate decreases from 328 in FY 2016 to 236 in FY 2017. Cost categories reduced include supplies and materials, equipment, and travel (Baseline: \$1,784)	
4) U.S. Army Military Academy (USMA)	\$ -2,986
Decreases funding for recruitment, marketing and lifecycle replacement of laboratory equipment and decreases the number of Individual Advanced Developmental cadet assignments and cadet summer training and cadet receptions and commissioning events. (Baseline: \$127,213)	
FY 2017 Budget Request.....	\$ 131,942

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IV. Performance Criteria and Evaluation Summary:

	FY 2015			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Officer Candidate School	798	730	183	1,427	1,307	328
USMA Preparatory School	236	198	189	245	200	182
Total Direct	1,034	928	372	1,672	1,507	510
	FY 2017					
	INPUT	OUTPUT	WORKLOAD			
Officer Candidate School	1,028	942	236			
USMA Preparatory School	245	208	189			
Total Direct	1,273	1,150	425			
	Change FY 2016/2017			Change FY 2016/2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Officer Candidate School	629	577	145	-399	-365	-92
USMA Preparatory School	9	2	-7	0	8	7
Total Direct	638	579	138	-399	-357	-85
U.S. Military Academy	FY 2015	FY 2016	FY 2017			
Beginning Strength (1 October)	4,508	4,511	4,537			
Attrition	180	210	192			
Graduates	1,037	1,019	1,016			
Entries	1,263	1,255	1,255			
End Strength (30 September)	4,511	4,537	4,584			
Average Onboard	4,369	4,404	4,363			

Input is the number of new students entering during a given fiscal year;

Output is the number of students graduating during a given fiscal year.

The **input** and **output** figures pertain to separate classes (i.e., for the USMA Preparatory School in FY 2015, input is the incoming Class of 2016 while output is the graduating Class of 2015).

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Workload is the equivalent of student workyears for four class years for a fifty-week fiscal year.

Workload for USMAPS is the average of number entered (Input) and number graduated (output) multiplied by 10/12 to account for the 10-month duration of the program (as reflected on the OP-14 report).

Figures account for approximately 60 foreign cadets (USMA).

Historical data from USMA Form 2-317 (USCC Attrition Report) as of 14 December 2015 were used for projections.

Average Onboard for USMA is the average of 12 monthly end-strength projections, including foreign cadets.

but excludes non-pay status Administrative Leave cadets (i.e., academic/honor/conduct suspensions - about 25% of Administrative Leave total).

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	873	767	760	-7
Officer	718	627	626	-1
Enlisted	155	140	134	-6
<u>Active Military Average Strength (A/S) (Total)</u>	847	821	764	-57
Officer	707	673	627	-46
Enlisted	140	148	137	-11
<u>Civilian FTEs (Total)</u>	651	654	654	0
U.S. Direct Hire	651	654	654	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	651	654	654	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 39	 29	 28	 -1
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	108	113	117	4
<u>Contractor FTEs (Total)</u>	66	78	90	12

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017</u> <u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	69,180	0	1.27%	877	2,906	72,963	0	1.54%	1,127	1,209	75,299
0103	WAGE BOARD	854	0	1.41%	12	226	1,092	0	1.37%	15	1	1,108
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	70,034	0		889	3,132	74,055	0		1,142	1,210	76,407
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	8,846	0	1.70%	150	269	9,265	0	1.80%	167	-438	8,994
0399	TOTAL TRAVEL	8,846	0		150	269	9,265	0		167	-438	8,994
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	27	0	-7.30%	-2	2	27	0	-8.20%	-2	0	25
0411	ARMY SUPPLY	595	0	2.55%	15	44	654	0	-4.63%	-30	20	644
0416	GSA MANAGED SUPPLIES AND MATERIALS	2,189	0	1.70%	37	161	2,387	0	1.80%	43	321	2,751
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	2,811	0		50	207	3,068	0		11	341	3,420
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	5,035	0	1.70%	86	371	5,492	0	1.80%	99	0	5,591
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	5,035	0		86	371	5,492	0		99	0	5,591
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	112	0	1.70%	2	403	517	0	1.80%	9	-121	405
0799	TOTAL TRANSPORTATION	112	0		2	403	517	0		9	-121	405
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	480	0	1.70%	8	16	504	0	1.80%	9	0	513
0915	RENTS (NON-GSA)	56	0	1.70%	1	4	61	0	1.80%	1	0	62
0920	SUPPLIES AND MATERIALS (NON-FUND)	4,130	0	1.70%	70	1,875	6,075	0	1.80%	109	-1,049	5,135
0921	PRINTING AND REPRODUCTION	531	0	1.70%	9	28	568	0	1.80%	10	-40	538
0922	EQUIPMENT MAINTENANCE BY CONTRACT	657	0	1.70%	11	48	716	0	1.80%	13	0	729

Exhibit OP-5, Subactivity Group 311

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0923 OPERATION AND MAINTENANCE OF FACILITIES	1,525	0	1.70%	26	113	1,664	0	1.80%	30	0	1,694
0925 EQUIPMENT PURCHASES (NON-FUND)	296	0	1.70%	5	3,249	3,550	0	1.80%	64	-1,276	2,338
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	395	0	1.70%	7	-402	0	0	1.80%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	0	0	1.70%	0	500	500	0	1.80%	9	0	509
0937 LOCALLY PURCHASED FUEL (NON-FUND)	311	0	-7.30%	-23	8	296	0	-8.20%	-24	0	272
0957 LAND AND STRUCTURES	12,632	0	1.70%	215	-12,847	0	0	1.80%	0	0	0
0959 INSURANCE CLAIMS AND INDEMNITIES	10	0	1.70%	0	0	10	0	1.80%	0	0	10
0964 SUBSISTENCE AND SUPPORT OF PERSONS	49	0	1.70%	1	4	54	0	1.80%	1	0	55
0987 OTHER INTRA-GOVERNMENT PURCHASES	12,852	0	1.70%	218	947	14,017	0	1.80%	252	0	14,269
0989 OTHER SERVICES	5,449	0	1.70%	93	1,184	6,726	0	1.80%	121	2,178	9,025
0990 IT CONTRACT SUPPORT SERVICES	1,622	0	1.70%	28	209	1,859	0	1.80%	33	84	1,976
0999 TOTAL OTHER PURCHASES	40,995	0		669	-5,064	36,600	0		628	-103	37,125
9999 GRAND TOTAL	127,833	0		1,846	-682	128,997	0		2,056	889	131,942

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 312: Recruit Training

I. Description of Operations Financed:

RECRUIT TRAINING - This program funds civilian pay and benefits, trainee processing at reception stations, trainee support, resident instruction, local reproduction of training aids and training literature, procurement of supplies and equipment, and contractual services. It also includes temporary duty (travel and per diem) for staff and faculty, organizational clothing, and equipment issued for use during the training period. This program also funds costs for Class III (fuel and oils) and Class IX (repair parts) to operate and maintain equipment sets.

II. Force Structure Summary:

Basic Combat Training is a 10-week introductory and combat survival skill training course given to recruits at four Army Training Centers:
Fires Center of Excellence, Fort Sill, Oklahoma
Maneuver Center of Excellence, Fort Benning, Georgia
Maneuver Support Center of Excellence, Fort Leonard Wood, Missouri
U.S. Army Training Center, Fort Jackson, South Carolina

Army Command:

U.S. Army Training and Doctrine Command

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 312: Recruit Training

III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>				
RECRUIT TRAINING	\$40,554	\$47,843	\$-375	-0.78%	\$47,468	\$47,468	\$47,846	
SUBACTIVITY GROUP TOTAL	\$40,554	\$47,843	\$-375	-0.78%	\$47,468	\$47,468	\$47,846	
B. <u>Reconciliation Summary</u>			Change	Change				
			FY 2016/FY 2016	FY 2016/FY 2017				
BASELINE FUNDING			\$47,843	\$47,468				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			-279					
Adjustments to Meet Congressional Intent			255					
Congressional Adjustments (General Provisions)			-351					
SUBTOTAL APPROPRIATED AMOUNT			47,468					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING			47,468					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					269			
Functional Transfers					0			
Program Changes					109			
NORMALIZED CURRENT ESTIMATE			\$47,468		\$47,846			

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

Exhibit OP-5, Subactivity Group 312

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 31: Accession Training
 Detail by Subactivity Group 312: Recruit Training

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 47,843
1. Congressional Adjustments	\$ -375
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -279
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -158
2) Spares and repair parts	\$ -121
c) Adjustments to Meet Congressional Intent	\$ 255
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 255
d) General Provisions.....	\$ -351
1) Sec 8024. Federally Funded Research and Development Centers	\$ -2
2) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -349

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 31: Accession Training
 Detail by Subactivity Group 312: Recruit Training

FY 2016 Appropriated Amount	\$ 47,468
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 47,468
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 47,468
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 47,468
6. Price Change	\$ 269
7. Transfers.....	\$ 0

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 31: Accession Training
 Detail by Subactivity Group 312: Recruit Training

a) Transfers In \$ 0

b) Transfers Out \$ 0

8. Program Increases \$ 1,343

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 1,343

1) Army Training Center Operations \$ 1,058
 Increases funding support costs associated with initial issue of safety and protective clothing and equipment for Soldiers attending Basic Combat Training. (Baseline: \$37,868)

2) Civilian Average Annual Compensation \$ 285
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$13,042)

9. Program Decreases \$ -1,234

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 31: Accession Training
 Detail by Subactivity Group 312: Recruit Training

a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017	\$ -1,234
1) Civilian Workforce Reduction	\$ -749
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$13,042; -12 FTE)	
2) Compensable Days.....	\$ -71
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$13,042)	
3) Reception Stations	\$ -414
Reduces funding at the Reception Stations as a result of reduced workload. This will result in a decrease of equipment purchases, supplies and materials, and other intra-government purchases. (Baseline: \$9,600)	
FY 2017 Budget Request.....	\$ 47,846

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 312: Recruit Training

IV. Performance Criteria and Evaluation Summary:

RECRUIT TRAINING

	FY2015 Actual			FY2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	38,832	36,043	7,488	41,051	38,134	7,919
Army Reserve	11,157	10,323	2,148	15,303	14,212	2,952
Army National Guard	21,795	20,203	4,200	24,471	22,681	4,715
Total Direct	71,784	66,569	13,836	80,825	75,027	15,586

	FY2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	39,233	36,439	7,568
Army Reserve	13,982	13,010	2,699
Army National Guard	23,952	22,213	4,616
Total Direct	77,167	71,662	14,883

	Change FY2015/FY2016			Change FY2016/FY2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	2,219	2,091	431	-1,818	-1,695	-351
Army Reserve	4,146	3,889	804	-1,321	-1,202	-253
Army National Guard	2,676	2,478	515	-519	-468	-99
Total Direct	9,041	8,458	1,750	-3,658	-3,365	-703

Input is the number of students entering during a given fiscal year.
Output is the number of students graduating during a given fiscal year.
Workload is the equivalent of an average number of students on any given day in the fiscal year.

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 312: Recruit Training

V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change</u> <u>FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	3,549	3,601	3,427	-174
Officer	381	356	347	-9
Enlisted	3,168	3,245	3,080	-165
<u>Active Military Average Strength (A/S) (Total)</u>	3,613	3,576	3,515	-61
Officer	408	369	352	-17
Enlisted	3,205	3,207	3,163	-44
<u>Civilian FTEs (Total)</u>	256	212	200	-12
U.S. Direct Hire	256	212	200	-12
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	256	212	200	-12
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	61	62	63	1
<u>Contractor FTEs (Total)</u>	20	22	22	0

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 312: Recruit Training

VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	15,417	0	1.01%	156	-2,531	13,042	0	1.46%	190	-535	12,697
0103	WAGE BOARD	6	0	0.00%	0	-6	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	302	0	0.00%	0	-302	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	15,725	0		156	-2,839	13,042	0		190	-535	12,697
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,183	0	1.70%	20	576	1,779	0	1.80%	32	23	1,834
0399	TOTAL TRAVEL	1,183	0		20	576	1,779	0		32	23	1,834
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	334	0	-7.30%	-24	-94	216	0	-8.20%	-18	9	207
0411	ARMY SUPPLY	6,865	0	2.55%	175	681	7,721	0	-4.63%	-357	18	7,382
0416	GSA MANAGED SUPPLIES AND MATERIALS	2,643	0	1.70%	45	3,434	6,122	0	1.80%	110	41	6,273
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	9,842	0		196	4,021	14,059	0		-265	68	13,862
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	40	0	1.00%	0	50	90	0	-0.10%	0	14	104
0507	GSA MANAGED EQUIPMENT	224	0	1.70%	4	567	795	0	1.80%	14	27	836
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	264	0		4	617	885	0		14	41	940
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	50	0	1.70%	1	171	222	0	1.80%	4	31	257
0799	TOTAL TRANSPORTATION	50	0		1	171	222	0		4	31	257
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	220	0	1.70%	4	102	326	0	1.80%	6	15	347
0915	RENTS (NON-GSA)	275	0	1.70%	5	280	560	0	1.80%	10	10	580
0917	POSTAL SERVICES (U.S.P.S)	1	0	1.70%	0	10	11	0	1.80%	0	1	12

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 312: Recruit Training

	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0920 SUPPLIES AND MATERIALS (NON-FUND)	6,510	0	1.70%	111	1,092	7,713	0	1.80%	139	94	7,946
0921 PRINTING AND REPRODUCTION	197	0	1.70%	3	200	400	0	1.80%	7	55	462
0922 EQUIPMENT MAINTENANCE BY CONTRACT	6	0	1.70%	0	10	16	0	1.80%	0	10	26
0923 OPERATION AND MAINTENANCE OF FACILITIES	633	0	1.70%	11	300	944	0	1.80%	17	17	978
0925 EQUIPMENT PURCHASES (NON-FUND)	987	0	1.70%	17	733	1,737	0	1.80%	31	108	1,876
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	883	0	1.70%	15	-898	0	0	1.80%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	104	0	-7.30%	-8	100	196	0	-8.20%	-16	0	180
0987 OTHER INTRA-GOVERNMENT PURCHASES	2,357	0	1.70%	40	1,200	3,597	0	1.80%	65	127	3,789
0989 OTHER SERVICES	1,304	0	1.70%	22	78	1,404	0	1.80%	25	33	1,462
0990 IT CONTRACT SUPPORT SERVICES	13	0	1.70%	0	564	577	0	1.80%	10	11	598
0999 TOTAL OTHER PURCHASES	13,490	0		220	3,771	17,481	0		294	481	18,256
9999 GRAND TOTAL	40,554	0		597	6,317	47,468	0		269	109	47,846

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 313: One Station Unit Training

I. Description of Operations Financed:

ONE STATION UNIT TRAINING - This program funds trainee support, resident instruction, local preparation of training aids and training literature, procurement of supplies and equipment, and contractual services. It also includes temporary duty (travel and per diem) for staff and faculty, civilian pay and benefits, and organizational clothing and equipment issued for use during the training period. Also finances costs for Class III (fuel and oils) and Class IX (repair parts) and to operate and maintain equipment sets.

II. Force Structure Summary:

A 13 to 19 week combined Basic Combat Training/Advanced Individual Training Program provided to recruits at two Army Training Centers:
Maneuver Center of Excellence, Fort Benning, Georgia
Maneuver Support Center of Excellence, Fort Leonard Wood, Missouri

The One Station Unit Training program detailed above supports one Army Command.

Army Command:

U.S. Army Training and Doctrine Command

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 313: One Station Unit Training

III. Financial Summary (\$ in Thousands):

		FY 2016				Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	<u>Change</u>
	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>	<u>Enacted</u>	<u>Estimate</u>	<u>Change</u>
ONE STATION UNIT TRAINING	\$40,362	\$42,565	\$-611	-1.44%	\$41,954	\$41,954	\$45,419
SUBACTIVITY GROUP TOTAL	\$40,362	\$42,565	\$-611	-1.44%	\$41,954	\$41,954	\$45,419
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>			
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING			\$42,565	\$41,954			
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			-232				
Adjustments to Meet Congressional Intent			1,024				
Congressional Adjustments (General Provisions)			-1,403				
SUBTOTAL APPROPRIATED AMOUNT			41,954				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			41,954				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					-496		
Functional Transfers					0		
Program Changes					3,961		
NORMALIZED CURRENT ESTIMATE			\$41,954		\$45,419		

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 31: Accession Training
 Detail by Subactivity Group 313: One Station Unit Training

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 42,565
1. Congressional Adjustments	\$ -611
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -232
1) Spares and repair parts	\$ -232
c) Adjustments to Meet Congressional Intent	\$ 1,024
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 1,024
d) General Provisions	\$ -1,403
1) Sec 8024. Federally Funded Research and Development Centers	\$ -2
2) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -1,401
FY 2016 Appropriated Amount.....	\$ 41,954

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
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 Detail by Subactivity Group 313: One Station Unit Training

2. War-Related and Disaster Supplemental Appropriations.....	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 41,954
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 41,954
5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 41,954
6. Price Change	\$ -496
7. Transfers.....	\$ 0
a) Transfers In	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
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 Detail by Subactivity Group 313: One Station Unit Training

b) Transfers Out \$ 0

8. Program Increases \$ 4,081

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 4,081

1) Army Training Center Operations \$ 3,879

Funds increase in student load for One Station Unit from 8,256 in FY 2016 to 8,972 in FY 2017 at the Army Training Centers. Provides the funding required for additional supply usage and life cycle replacement equipment necessary to train additional Soldiers. Supports initial organizational clothing and individual equipment issued to Soldiers entering training. The additional cost also includes funding required for staff travel that supports the training courses, equipment purchases, and supplies and materials. (Baseline: \$42,565)

2) Civilian Average Annual Compensation \$ 202

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$13,042)

9. Program Decreases \$ -120

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
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 Activity Group 31: Accession Training
 Detail by Subactivity Group 313: One Station Unit Training

a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017	\$ -120
1) Civilian Workforce Reduction	\$ -68
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$9,006; -1 FTE)	
2) Compensable Days.....	\$ -52
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$9,006)	
FY 2017 Budget Request.....	\$ 45,419

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 313: One Station Unit Training

IV. Performance Criteria and Evaluation Summary:

ONE STATION UNIT TRAINING

	FY2015 Actual			FY2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	17,775	15,898	4,768	18,602	16,522	5,024
Army Reserve	1,273	1,065	392	1,405	1,180	423
Army National Guard	10,405	9,371	2,645	11,172	10,066	2,809
Total	29,453	26,334	7,805	31,179	27,768	8,256

	FY2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	22,621	20,396	5,645
Army Reserve	1,419	1,190	434
Army National Guard	12,175	11,057	2,892
Total	36,215	32,643	8,972

	Change FY2015/FY2016			Change FY2016/FY2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	827	624	256	4,019	3,874	621
Army Reserve	132	115	31	14	10	11
Army National Guard	767	695	164	1,003	991	83
Total	1,726	1,434	451	5,036	4,875	716

One Station Unit Training (OSUT) combines Initial Entry and Skill Training into one course.
Input is the number of students entering during a given fiscal year.
Output is the number of students graduating during a given fiscal year.
Workload is the equivalent of an average number of students on any given day in the fiscal year.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 313: One Station Unit Training

V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	2,137	2,056	2,149	93
Officer	218	179	186	7
Enlisted	1,919	1,877	1,963	86
<u>Active Military Average Strength (A/S) (Total)</u>	1,900	2,097	2,103	6
Officer	182	199	183	-16
Enlisted	1,718	1,898	1,920	22
<u>Civilian FTEs (Total)</u>	177	134	133	-1
U.S. Direct Hire	177	134	133	-1
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	177	134	133	-1
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	67	67	69	2
<u>Contractor FTEs (Total)</u>	24	20	24	4

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	11,155	0	0.97%	108	-2,317	8,946	0	1.52%	136	81	9,163
0103	WAGE BOARD	487	0	0.00%	0	-427	60	0	0.00%	0	1	61
0106	BENEFITS TO FORMER EMPLOYEES	296	0	0.00%	0	-296	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	11,938	0		108	-3,040	9,006	0		136	82	9,224
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,355	2	1.70%	23	664	2,044	0	1.80%	37	100	2,181
0399	TOTAL TRAVEL	1,355	2		23	664	2,044	0		37	100	2,181
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	1,492	0	-7.30%	-109	-284	1,099	0	-8.20%	-90	10	1,019
0411	ARMY SUPPLY	16,216	0	2.55%	413	311	16,940	0	-4.63%	-784	646	16,802
0416	GSA MANAGED SUPPLIES AND MATERIALS	996	0	1.70%	17	519	1,532	0	1.80%	28	391	1,951
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	67	0	1.30%	1	-68	0	0	-6.00%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	18,771	0		322	478	19,571	0		-846	1,047	19,772
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	1,071	0	0.00%	0	229	1,300	0	-0.26%	-3	103	1,400
0507	GSA MANAGED EQUIPMENT	444	0	1.70%	8	463	915	0	1.80%	16	436	1,367
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,515	0		8	692	2,215	0		13	539	2,767
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	57	0	1.70%	1	889	947	0	1.80%	17	84	1,048
0799	TOTAL TRANSPORTATION	57	0		1	889	947	0		17	84	1,048
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	86	0	1.70%	1	36	123	0	1.80%	2	0	125
0917	POSTAL SERVICES (U.S.P.S)	20	0	1.70%	0	-20	0	0	1.80%	0	0	0

Exhibit OP-5, Subactivity Group 313

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0920 SUPPLIES AND MATERIALS (NON-FUND)	1,225	0	1.70%	21	1,350	2,596	0	1.80%	47	1,089	3,732
0921 PRINTING AND REPRODUCTION	486	0	1.70%	8	33	527	0	1.80%	9	93	629
0922 EQUIPMENT MAINTENANCE BY CONTRACT	5	0	1.70%	0	358	363	0	1.80%	7	44	414
0923 OPERATION AND MAINTENANCE OF FACILITIES	916	0	1.70%	16	392	1,324	0	1.80%	24	52	1,400
0925 EQUIPMENT PURCHASES (NON-FUND)	1,376	0	1.70%	23	149	1,548	0	1.80%	28	550	2,126
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,350	0	1.70%	23	-1,373	0	0	1.80%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	263	0	-7.30%	-19	-244	0	0	-8.20%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	34	0	1.70%	1	567	602	0	1.80%	11	145	758
0989 OTHER SERVICES	908	0	1.70%	15	44	967	0	1.80%	17	78	1,062
0990 IT CONTRACT SUPPORT SERVICES	57	0	1.70%	1	63	121	0	1.80%	2	58	181
0999 TOTAL OTHER PURCHASES	6,726	0		90	1,355	8,171	0		147	2,109	10,427
9999 GRAND TOTAL	40,362	2		552	1,038	41,954	0		-496	3,961	45,419

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I. Description of Operations Financed:

SENIOR RESERVE OFFICER TRAINING CORPS (SROTC) - Resources the SROTC program and the senior mission command, Fort Knox, Kentucky. The SROTC program produces over 70 percent of all U.S. Army officers and remains the broadest avenue of entry for men and women seeking to serve as officers in the Army. Provides for campus detachment operations and training, scholarships for students, summer camp operations, operation of SROTC Brigade Headquarters, and the Cadet Command Headquarters. Campus detachment support includes funds for civilian staff pay and benefits; temporary duty (travel and per diem); contractual support; transportation; and the purchase of organizational clothing, equipment, textbooks, reference publications, and supplies. Scholarship funds provide for tuition costs, academic textbooks, laboratory fees, and other academic expenses for the students who are awarded or continue on scholarships each school year.

II. Force Structure Summary:

The U.S. Army Cadet Command accomplishes its mission through the Headquarters, eight SROTC Brigades, 275 SROTC Battalions (host schools), and 1,294 satellite schools.

Army Command:

U.S. Army Training and Doctrine Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Normalized</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	<u>Estimate</u>
	<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>					
SENIOR RESERVE OFFICER TRAINING CORPS	\$412,849	\$490,378	\$-11,948	-2.44%	\$478,430	\$478,430	\$482,747
SUBACTIVITY GROUP TOTAL	\$412,849	\$490,378	\$-11,948	-2.44%	\$478,430	\$478,430	\$482,747
B. <u>Reconciliation Summary</u>							
BASELINE FUNDING			\$490,378			\$478,430	
Congressional Adjustments (Distributed)			-5,000				
Congressional Adjustments (Undistributed)			-6,946				
Adjustments to Meet Congressional Intent			5				
Congressional Adjustments (General Provisions)			-7				
SUBTOTAL APPROPRIATED AMOUNT			478,430				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			478,430				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change						8,357	
Functional Transfers						0	
Program Changes						-4,040	
NORMALIZED CURRENT ESTIMATE			\$478,430			\$482,747	

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 490,378
1. Congressional Adjustments	\$ -11,948
a) Distributed Adjustments	\$ -5,000
1) Excess to requirement	\$ -5,000
b) Undistributed Adjustments	\$ -6,946
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -6,902
2) Spares and repair parts	\$ -44
c) Adjustments to Meet Congressional Intent	\$ 5
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 5
d) General Provisions	\$ -7
1) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -7

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FY 2016 Appropriated Amount	\$ 478,430
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 478,430
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 478,430
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 478,430
6. Price Change	\$ 8,357
7. Transfers.....	\$ 0

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a) Transfers In \$ 0

b) Transfers Out \$ 0

8. Program Increases \$ 3,568

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 3,568

1) Civilian Average Annual Compensation \$ 2,092

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$93,514)

2) Senior Reserve Officer Training Corps Scholarship Program \$ 1,476

Funds increased scholarship costs for tuition and fees. According to the College Board's current report for pricing, in-state tuition and fees at public four-year institutions increased an average of 2.9 percent and the average tuition and fees at private, nonprofit four-year institutions rose by 3.6 percent. The increase also results from increased use of scholarships at more costly private schools to support cadets acquiring degrees in the fields of Science, Technology, Engineering and Mathematics. (Baseline: \$323,484)

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9. Program Decreases.....	\$ -7,608
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017.....	\$ -7,608
1) Compensable Days.....	\$ -541
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$93,514)	
2) Senior Reserve Officer Training Corps Program	\$ -7,067
Reduces funding for cadre and civilian training, travel, and other personnel support to include administrative support, supplies, materials, and equipment. (Baseline: \$478,430)	
FY 2017 Budget Request.....	\$ 482,747

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IV. Performance Criteria and Evaluation Summary:

	FY 2015			FY 2016			FY 2017		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Total Enrollment	35,953	37,342	38,731	32,952	34,225	35,498	33,137	34,417	35,697
MS I	13,193	13,703	14,212	10,570	10,978	11,386	10,616	11,026	11,436
MS II	9,445	9,810	10,175	9,369	9,731	10,093	9,296	9,655	10,014
Basic Course	22,638	23,513	24,387	19,939	20,709	21,479	19,912	20,681	21,450
MS III	6,480	6,731	6,981	6,572	6,826	7,080	6,812	7,076	7,339
MS IV	6,835	7,099	7,363	6,441	6,690	6,939	6,413	6,661	6,908
Adv Course	13,315	13,830	14,344	13,013	13,516	14,019	13,225	13,736	14,247
	Change FY 2015/FY 2016			Change FY 2016/FY 2017					
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END			
Total Enrollment	-3,001	-3,117	-3,233	185	192	199			
MS I	-2,623	-2,725	-2,826	46	48	50			
MS II	-76	-79	-82	-73	-76	-79			
Basic Course	-2,699	-2,804	-2,908	-27	-28	-29			
MS III	92	96	99	240	250	259			
MS IV	-394	-409	-424	-28	-30	-31			
Adv Course	-302	-314	-325	212	220	228			

MS I-IV represents academic year 1-4.

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	FY 2015			FY 2016			FY 2017		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Non-Scholarship Students	23,696	24,612	25,527	20,505	21,298	22,090	20,952	21,761	22,570
MS I	11,913	12,373	12,833	9,304	9,663	10,022	9,352	9,713	10,074
MS II	6,262	6,504	6,746	6,273	6,516	6,758	6,307	6,551	6,794
Basic Course	18,175	18,877	19,579	15,577	16,179	16,780	15,659	16,264	16,868
MS III	2,567	2,667	2,766	2,785	2,893	3,001	3,105	3,226	3,346
MS IV	2,954	3,068	3,182	2,143	2,226	2,309	2,188	2,272	2,356
Adv Course	5,521	5,735	5,948	4,928	5,119	5,310	5,293	5,498	5,702

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Non-Scholarship Students	-3,191	-3,314	-3,437	447	464	480
MS I	-2,609	-2,710	-2,811	48	50	52
MS II	11	12	12	34	35	36
Basic Course	-2,598	-2,699	-2,799	82	85	88
MS III	218	227	235	320	333	345
MS IV	-811	-842	-873	45	46	47
Adv Course	-593	-616	-638	365	379	392

MS I-IV represents academic year 1-4.

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	FY 2015			FY 2016			FY 2017		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Scholarship Students	12,257	12,731	13,204	12,447	12,928	13,408	12,185	12,656	13,127
MS I	1,280	1,330	1,379	1,266	1,315	1,364	1,264	1,313	1,362
MS II	3,183	3,306	3,429	3,096	3,216	3,335	2,989	3,105	3,220
Basic Course	4,463	4,636	4,808	4,362	4,531	4,699	4,253	4,418	4,582
MS III	3,913	4,064	4,215	3,787	3,933	4,079	3,707	3,850	3,993
MS IV	3,881	4,031	4,181	4,298	4,464	4,630	4,225	4,389	4,552
Adv Course	7,794	8,095	8,396	8,085	8,397	8,709	7,932	8,239	8,545

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Scholarship Students	190	197	204	-262	-272	-281
MS I	-14	-15	-15	-2	-2	-2
MS II	-87	-91	-94	-107	-111	-115
Basic Course	-101	-105	-109	-109	-113	-117
MS III	-126	-131	-136	-80	-83	-86
MS IV	417	433	449	-73	-76	-78
Adv Course	291	302	313	-153	-159	-164

MS I-IV represents academic year 1-4.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change</u> <u>FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>1,804</u>	<u>1,919</u>	<u>2,026</u>	<u>107</u>
Officer	976	1,114	1,175	61
Enlisted	828	805	851	46
<u>Active Military Average Strength (A/S) (Total)</u>	<u>1,763</u>	<u>1,862</u>	<u>1,973</u>	<u>111</u>
Officer	938	1,045	1,145	100
Enlisted	825	817	828	11
<u>Civilian FTEs (Total)</u>	<u>1,259</u>	<u>1,210</u>	<u>1,210</u>	<u>0</u>
U.S. Direct Hire	1,259	1,210	1,210	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,259	1,210	1,210	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	<u>76</u>	<u>77</u>	<u>80</u>	<u>3</u>
<u>Contractor FTEs (Total)</u>	<u>199</u>	<u>140</u>	<u>124</u>	<u>-16</u>

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	95,053	0	1.19%	1,128	-2,667	93,514	0	1.55%	1,446	1,551	96,511
0103	WAGE BOARD	16	0	0.00%	0	-16	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	921	0	0.00%	0	-921	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	95,990	0		1,128	-3,604	93,514	0		1,446	1,551	96,511
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	36,940	0	1.70%	628	-5,605	31,963	0	1.80%	575	-3,807	28,731
0399	TOTAL TRAVEL	36,940	0		628	-5,605	31,963	0		575	-3,807	28,731
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	5	-5	-7.30%	0	4	4	0	-8.20%	0	0	4
0411	ARMY SUPPLY	533	0	2.55%	14	-269	278	0	-4.63%	-13	-31	234
0416	GSA MANAGED SUPPLIES AND MATERIALS	735	0	1.70%	12	-372	375	0	1.80%	7	-45	337
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	1	0	0.40%	0	0	1	0	-0.40%	0	0	1
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,274	-5		26	-637	658	0		-6	-76	576
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	2,285	0	1.70%	39	-1,197	1,127	0	1.80%	20	-3	1,144
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	2,285	0		39	-1,197	1,127	0		20	-3	1,144
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	906	0	1.70%	15	-446	475	0	1.80%	9	-56	428
0799	TOTAL TRANSPORTATION	906	0		15	-446	475	0		9	-56	428
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	1,435	0	1.70%	24	-140	1,319	0	1.80%	24	-159	1,184
0915	RENTS (NON-GSA)	5	0	1.70%	0	-1	4	0	1.80%	0	0	4
0917	POSTAL SERVICES (U.S.P.S)	25	0	1.70%	0	0	25	0	1.80%	0	0	25

Exhibit OP-5, Subactivity Group 314

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Activity Group 31: Accession Training
Detail by Subactivity Group 314: Senior Reserve Officer Training Corps

	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0920 SUPPLIES AND MATERIALS (NON-FUND)	6,091	0	1.70%	104	-2,610	3,585	0	1.80%	65	-426	3,224
0921 PRINTING AND REPRODUCTION	112	0	1.70%	2	-2	112	0	1.80%	2	0	114
0922 EQUIPMENT MAINTENANCE BY CONTRACT	10	0	1.70%	0	-1	9	0	1.80%	0	0	9
0923 OPERATION AND MAINTENANCE OF FACILITIES	15,053	0	1.70%	256	-1,300	14,009	0	1.80%	252	-1,672	12,589
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	2,186	0	1.70%	37	-2,223	0	0	1.80%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	5	0	-7.30%	0	-5	0	0	-8.20%	0	0	0
0964 SUBSISTENCE AND SUPPORT OF PERSONS	952	0	1.70%	16	-358	610	0	1.80%	11	0	621
0987 OTHER INTRA-GOVERNMENT PURCHASES	252	0	1.70%	4	-5	251	0	1.80%	5	0	256
0989 OTHER SERVICES	4,170	0	1.70%	71	-1,816	2,425	0	1.80%	44	-290	2,179
0990 IT CONTRACT SUPPORT SERVICES	8,329	0	1.70%	142	-3,611	4,860	0	1.80%	87	-578	4,369
0993 OTHER SERVICES - SCHOLARSHIPS	236,829	0	1.70%	4,026	82,629	323,484	0	1.80%	5,823	1,476	330,783
0999 TOTAL OTHER PURCHASES	275,454	0		4,682	70,557	350,693	0		6,313	-1,649	355,357
9999 GRAND TOTAL	412,849	-5		6,518	59,068	478,430	0		8,357	-4,040	482,747

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Detail by Subactivity Group 321: Specialized Skill Training

I. Description of Operations Financed:

SPECIALIZED SKILL TRAINING - Funds Military Occupational Specialty and mid-level promotion qualifying courses for all Soldiers. Costs include student support, resident instruction, local preparation and reproduction of training aids and training literature, procurement of supplies and equipment, civilian pay and benefits, and contractual services. Funds temporary duty (travel and per diem) for staff and faculty trips, organizational clothing, and equipment issued for use during the training period. The Army uses these resources to enable the following courses: Basic Officer Leader Course, Captains' Career Course, and Advanced Individual Training for Soldiers after completion of Basic Combat Training. Additionally, funding supports the Non-commissioned Officer Education System training that includes basic and advanced levels of training. As the Department of Defense executive agent, the Army is responsible for supporting Foreign Language Training at the Defense Language Institute Foreign Language Center.

II. Force Structure Summary:

U.S. Army Training and Doctrine Command operates six Warfighting Functions Centers of Excellence (COE) as follows:

- Maneuver COE, Fort Benning, Georgia (Armor Center/School and Infantry Center/School)
- Aviation CoE, Fort Rucker, Alabama (Aviation Center/School)
- Fires CoE, Fort Sill, Oklahoma (Field Artillery Center/School and Air Defense Artillery Center/School)
- Maneuver Support CoE, Fort Leonard Wood, Missouri (Chemical, Engineer and Military Police Schools, Fort Leonard Wood, Missouri; and Ordnance Munitions and Electronic Maintenance School, Redstone Arsenal, Alabama)
- Sustainment CoE, Fort Lee, Virginia (Soldier Support Institute (Adjutant General and Finance Schools), Fort Jackson, South Carolina; Transportation School, Joint Base Langley-Eustis, Virginia; and the Quartermaster School, Fort Lee, Virginia)
- Mission Command CoE, Fort Leavenworth, Kansas (Consists of part of the U.S. Army Combined Arms Center at Fort Leavenworth, Kansas and includes the Intelligence CoE at Fort Huachuca, Arizona and the Cyber CoE at Fort Gordon, Georgia)

Headquarters, Department of the Army

Army Commands:

- U.S. Army Forces Command
- U.S. Army Training and Doctrine Command
- U.S. Army Material Command

Army Service Component Commands:

- U.S. Army Africa
- U.S. Army Special Operation Command
- U.S. Army South U.S. Army Europe
- U.S. Army Space and Missile Defense Command/Army Forces Strategic Command
- U.S. Army Pacific

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Direct Reporting Units:

U.S. Army Corps of Engineers

U.S. Army Intelligence and Security Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
SPECIALIZED SKILL TRAINING	\$904,019	\$981,000	\$-42,241	-4.31%	\$938,759	\$938,759	\$921,025	
SUBACTIVITY GROUP TOTAL	\$904,019	\$981,000	\$-42,241	-4.31%	\$938,759	\$938,759	\$921,025	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
BASELINE FUNDING		\$981,000		\$938,759				
Congressional Adjustments (Distributed)			-27,000					
Congressional Adjustments (Undistributed)			-14,028					
Adjustments to Meet Congressional Intent			2,615					
Congressional Adjustments (General Provisions)			-3,828					
SUBTOTAL APPROPRIATED AMOUNT		938,759						
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING		938,759						
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					11,708			
Functional Transfers					531			
Program Changes					-29,973			
NORMALIZED CURRENT ESTIMATE		\$938,759		\$921,025				

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 981,000
1. Congressional Adjustments	\$ -42,241
a) Distributed Adjustments	\$ -27,000
1) Program increase - Language capabilities	\$ 10,000
2) Remove one-time fiscal year 2015 funding increase	\$ -10,000
3) Unjustified program growth	\$ -27,000
b) Undistributed Adjustments	\$ -14,028
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -13,383
2) Spares and repair parts	\$ -645
c) Adjustments to Meet Congressional Intent	\$ 2,615
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 2,615

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d) General Provisions.....	\$ -3,828
1) Sec 8024. Federally Funded Research and Development Centers	\$ -147
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -103
3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -3,578

FY 2016 Appropriated Amount.....\$ 938,759

2. War-Related and Disaster Supplemental Appropriations.....	\$ 0
3. Fact-of-Life Changes	\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 938,759

4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
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Revised FY 2016 Estimate\$ 938,759

5. Less: Emergency Supplemental Funding.....	\$ 0
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a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
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b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted.....\$ 938,759

6. Price Change\$ 11,708

7. Transfers.....\$ 531

a) Transfers In \$ 531

1) Army Training Center Operations - Aviation Warrant Officer Basic Course \$ 531
 Transfers funding for 1,210 students in the Aviation Warrant Officer Basic Course from SAG 322, Flight Training to SAG 321, Specialized Skill Training to consolidate all of the Warrant Officer Basic Courses into a single Subactivity Group. (Baseline: \$432,821)

b) Transfers Out \$ 0

8. Program Increases\$ 34,938

a) Annualization of New FY 2016 Program.....\$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017\$ 34,938

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- 1) Army Training Center Operations \$ 16,679
 Increases funding for operational training requirements associated with Unmanned Aircraft Systems (UAS) to support the growing Gray Eagle force structure. The Army is resourcing an additional 252 training seats for UAS Electronic Maintenance Specialists, UAS Operators, and Tactical UAS Operations Warrant Officer Technicians. (Baseline: \$432,821)
- 2) Civilian Average Annual Compensation \$ 9,842
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$459,398)
- 3) Defense Language Program..... \$ 2,536
 Increases funds to support the number of training seats from 4,637 in FY 2016 to 4,888 in FY 2017 for the students attending the intermediate and advanced level courses at the Army's Defense Language Institute Foreign Language Center. The institute provides mobile training teams of instructors to conduct modular training in lieu of resident courses, thus minimizing the time soldiers are away from their unit. These on-site courses can be tailored to the operational theater and mission the unit is projected to be operating in. Increased funding includes program support costs, supplies and the life cycle replacement of equipment required to accommodate the increased number of training seats. (Baseline: \$234,763)
- 4) Flying Hour Program \$ 1,599
 Increases funding for the flying hour program supports an additional five medical evacuation UH-60 Black Hawk helicopters at the U.S. Army Maneuver Center of Excellence. Additional helicopters will enable the Army to conduct dedicated medical evacuation support for U.S. Army Ranger School at Dahlonaga, Georgia and the Maneuver Center training at Fort Benning, Georgia. (Baseline: \$9,179)

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5) Noncommissioned Officer (NCO) Professional Development \$ 3,184

Funds the establishment of a Cyber Center of Excellence program to provide rapid and phased procurement of existing industry curriculum and certifications with specialized cyber security training in the NCO Education System. The Army will analyze the need for new Military Occupation Specialties for offensive and defensive Cyberspace Operations. This increase enables Department of Defense and U.S. Army personnel to obtain the training necessary to secure and defend the Army's network. (Baseline: \$22,238)

6) Professional Education \$ 1,098

Funds the establishment of the Army's Cyber Captains' Career and Warrant Officer Advanced courses to train approximately 40 officers from each course totaling 80 annually. Funding personnel support costs for military and contract instructors, contract training courses, equipment and software licenses. This will enable Department of Defense and U.S. Army personnel to obtain the training necessary to secure and defend the Army's network. The Army is developing institutional capability that can build, train and retain a professional cyber force with the requisite skills to operate effectively within the cyberspace domain. (Baseline: \$39,980)

9. Program Decreases \$ -64,911

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases \$ 0

c) Program Decreases in FY 2017 \$ -64,911

1) Bipartisan Budget Act of 2015 Compliance \$ -3,565

Decrease in funding to Specialized Skill Training required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$3,565)

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- 2) Civilian Workforce Reduction \$ -29,064
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$459,398; -329 FTE)

- 3) Compensable Days \$ -2,489
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$459,398)

- 4) Judge Advocate General (JAG) Corps Military Occupational Specialty (MOS) Qualification \$ -2,403
 Reduces funding due to efficiencies gained through refurbishment of existing facilities that eliminated the need for commercial leased space. (Baseline: \$12,197)

- 5) Special Skills Training \$ -27,390
 Decreases funding due to the reduced number of training seats by 21,153 seats. Reduces the purchases of travel, supplies and materials, equipment purchases, contract support services, equipment maintenance and printed material that support training courses. (Baseline: \$169,996)

FY 2017 Budget Request.....\$ 921,025

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IV. Performance Criteria and Evaluation Summary:

SPECIALIZED SKILL TRAINING

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	138,677	135,141	18,029	142,495	137,103	18,668
Army Reserve	24,110	23,697	2,561	28,722	28,023	3,011
Army National Guard	44,025	43,144	5,788	45,489	44,376	6,083
Other	36,165	35,717	4,731	47,676	46,643	5,821
Total Direct	242,977	237,699	31,109	264,382	256,145	33,583
Other (Non-U.S.)	1,969	1,944	518	2,900	2,821	691
Total	244,946	239,643	31,627	267,282	258,966	34,274
Warrant Officer Candidate School	3,049	3,049	188	3,532	3,532	227

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	123,749	119,349	18,154
Army Reserve	29,139	28,549	3,304
Army National Guard	44,668	43,615	6,141
Other	39,503	38,710	5,564
Total Direct	237,059	230,223	33,163
Other (Non-U.S.)	2,163	2,116	625
Total	239,222	232,339	33,788
Warrant Officer Candidate School	3,455	3,455	222

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	3,818	1,962	639	-18,746	-17,754	-514
Army Reserve	4,612	4,326	450	417	526	293
Army National Guard	1,464	1,232	295	-821	-761	58
Other	11,511	10,926	1,090	-8,173	-7,933	-257
Total Direct	21,405	18,446	2,474	-27,323	-25,922	-420
Other (Non-U.S.)	931	877	173	-737	-705	-66
Total	22,336	19,323	2,647	-28,060	-26,627	-486
Warrant Officer Candidate School	483	483	39	-42	-77	-5

Initial Skill (Officer)

	FY2015 Actual			FY2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	5,801	5,797	1,673	5,862	5,856	1,759
Army Reserve	1,816	1,811	415	2,282	2,269	499
Army National Guard	3,198	3,195	837	3,720	3,713	1,010
Other	267	267	66	359	359	95
Total Direct	11,082	11,070	2,991	12,223	12,197	3,363
Other (Non-U.S.)	436	436	141	613	612	202
Total	11,518	11,506	3,132	12,836	12,809	3,565

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	FY2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	7,427	7,422	1,822
Army Reserve	2,758	2,750	531
Army National Guard	4,366	4,361	1,022
Other	380	380	99
Total Direct	14,931	14,913	3,474
Other (Non-U.S.)	445	445	151
Total	15,376	15,358	3,625

	Change FY 2015/FY 2016			Change FY 2015/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	61	59	86	1,565	1,566	63
Army Reserve	466	458	84	476	481	32
Army National Guard	522	518	173	646	648	12
Other	92	92	29	21	21	4
Total Direct	1,141	1,127	372	2,708	2,716	111
Other (Non-U.S.)	177	176	61	-168	-167	-51
Total	1,318	1,303	433	2,540	2,549	60

Initial Skill (Enlisted)

	FY2015 Actual			FY2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	37,038	35,919	6,934	42,736	41,394	7,775
Army Reserve	11,964	11,671	1,581	12,223	11,863	1,674
Army National Guard	27,305	26,545	4,084	26,022	25,199	4,012
Other	9,725	9,499	1,010	13,126	12,822	1,270
Total Direct	86,032	83,634	13,609	94,107	91,278	14,731
Other (Non-U.S.)	367	363	110	600	589	153
Total	86,399	83,997	13,719	94,707	91,867	14,884

Exhibit OP-5, Subactivity Group 321

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Detail by Subactivity Group 321: Specialized Skill Training

	FY2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	42,260	40,768	7,910
Army Reserve	15,065	14,629	2,142
Army National Guard	27,754	26,902	4,241
Other	11,802	11,532	1,134
Total Direct	96,881	93,831	15,427
Other (Non-U.S.)	611	600	188
Total	97,492	94,431	15,615

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	5,698	5,475	841	-476	-626	135
Army Reserve	259	192	93	2,842	2,766	468
Army National Guard	-1,283	-1,346	-72	1,732	1,703	229
Other	3,401	3,323	260	-1,324	-1,290	-136
Total Direct	8,075	7,644	1,122	2,774	2,553	696
Other (Non-U.S.)	233	226	43	11	11	35
Total	8,308	7,870	1,165	2,785	2,564	731

Defense Language Institute (DLI)

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	2,538	2,533	1,052	1,435	1,424	1,298
Army Reserve	79	79	10	104	99	91
Army National Guard	578	578	189	291	290	252
Other	5,751	5,744	2,394	8,719	8,677	2,996
Total Direct	8,946	8,934	3,645	10,549	10,490	4,637
Other (Non-U.S.)	49	49	3	0	0	0
Total	8,995	8,983	3,648	10,549	10,490	4,637

Exhibit OP-5, Subactivity Group 321

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	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	1,455	1,452	1,251
Army Reserve	157	157	105
Army National Guard	424	424	293
Other	8,862	8,827	3,239
Total Direct	10,898	10,860	4,888
Other (Non-U.S.)	0	0	0
Total	10,898	10,860	4,888

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-1,103	-1,109	246	20	28	-47
Army Reserve	25	20	81	53	58	14
Army National Guard	-287	-288	63	133	134	41
Other	2,968	2,933	602	143	150	243
Total Direct	1,603	1,556	992	349	370	251
Other (Non-U.S.)	-49	-49	-3	0	0	0
Total	1,554	1,507	989	349	370	251

Additional Skill Identifier/Special Qualification Identifier

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	54,565	52,654	3,408	47,362	43,826	2,949
Army Reserve	5,397	5,338	243	7,637	7,435	343
Army National Guard	4,793	4,724	260	6,922	6,708	334
Other	15,239	15,072	799	19,550	18,929	956
Total Direct	79,994	77,788	4,710	81,471	76,898	4,582
Other (Non-U.S.)	426	408	34	657	604	59
Total	80,420	78,196	4,744	82,128	77,502	4,641

Exhibit OP-5, Subactivity Group 321

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	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	37,014	34,641	2,451
Army Reserve	5,516	5,438	197
Army National Guard	4,909	4,764	232
Other	12,879	12,437	632
Total Direct	60,318	57,280	3,512
Other (Non-U.S.)	324	294	31
Total	60,642	57,574	3,543

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-7,203	-8,828	-459	-10,348	-9,185	-498
Army Reserve	2,240	2,097	100	-2,121	-1,997	-146
Army National Guard	2,129	1,984	74	-2,013	-1,944	-102
Other	4,311	3,857	157	-6,671	-6,492	-324
Total Direct	1,477	-890	-128	-21,153	-19,618	-1,070
Other (Non-U.S.)	231	196	25	-333	-310	-28
Total	1,708	-694	-103	-21,486	-19,928	-1,098

Skill Progression (Officer)

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	7,561	7,548	1,873	7,806	7,764	1,877
Army Reserve	3,363	3,348	185	4,264	4,235	244
Army National Guard	5,919	5,896	284	6,611	6,580	369
Other	390	389	64	568	562	67
Total Direct	17,233	17,181	2,406	19,249	19,141	2,557
Other (Non-U.S.)	533	532	210	735	730	238
Total	17,766	17,713	2,616	19,984	19,871	2,795

Exhibit OP-5, Subactivity Group 321

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	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	7,147	7,110	1,947
Army Reserve	3,930	3,917	213
Army National Guard	5,763	5,739	281
Other	529	528	64
Total Direct	17,369	17,294	2,505
Other (Non-U.S.)	554	550	231
Total	17,923	17,844	2,736

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	245	216	4	-659	-654	70
Army Reserve	901	887	59	-334	-318	-31
Army National Guard	692	684	85	-848	-841	-88
Other	178	173	3	-39	-34	-3
Total Direct	2,016	1,960	151	-1,880	-1,847	-52
Other (Non-U.S.)	202	198	28	-181	-180	-7
Total	2,218	2,158	179	-2,061	-2,027	-59

Skill Progression (Enlisted)

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	31,174	30,690	3,089	37,294	36,839	3,010
Army Reserve	1,491	1,450	127	2,212	2,122	160
Army National Guard	2,232	2,206	134	1,923	1,886	106
Other	4,793	4,746	398	5,354	5,294	437
Total Direct	39,690	39,092	3,748	46,783	46,141	3,713
Other (Non-U.S.)	158	156	20	295	286	39
Total	39,848	39,248	3,768	47,078	46,427	3,752

Exhibit OP-5, Subactivity Group 321

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	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	28,446	27,956	2,773
Army Reserve	1,713	1,658	116
Army National Guard	1,452	1,425	72
Other	5,051	5,006	396
Total Direct	36,662	36,045	3,357
Other (Non-U.S.)	229	227	24
Total	36,891	36,272	3,381

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	6,120	6,149	-79	-8,848	-8,883	-237
Army Reserve	721	672	33	-499	-464	-44
Army National Guard	-309	-320	-28	-471	-461	-34
Other	561	548	39	-303	-288	-41
Total Direct	7,093	7,049	-35	-10,121	-10,096	-356
Other (Non-U.S.)	137	130	19	-66	-59	-15
Total	7,230	7,179	-16	-10,187	-10,155	-371

Input is the number of students entering during a given fiscal year.

Output is the number of students graduating during a given fiscal year.

Workload is the equivalent of an average number of students on any given day in the fiscal year.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	11,968	11,416	11,292	-124
Officer	2,127	1,846	1,848	2
Enlisted	9,841	9,570	9,444	-126
<u>Active Military Average Strength (A/S) (Total)</u>	12,210	11,693	11,354	-339
Officer	2,073	1,987	1,847	-140
Enlisted	10,137	9,706	9,507	-199
<u>Civilian FTEs (Total)</u>	5,247	5,275	4,946	-329
U.S. Direct Hire	5,247	5,275	4,946	-329
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	5,247	5,275	4,946	-329
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 13	 218	 112	 -106
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	85	87	90	3
<u>Contractor FTEs (Total)</u>	1,946	1,856	1,790	-66

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	393,894	0	1.22%	4,824	2,015	400,733	0	1.45%	5,827	-17,174	389,386
0103	WAGE BOARD	53,314	0	1.24%	661	4,690	58,665	0	1.32%	777	-4,538	54,904
0106	BENEFITS TO FORMER EMPLOYEES	1,008	0	0.00%	0	-1,008	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	448,216	0		5,485	5,697	459,398	0		6,604	-21,712	444,290
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	30,566	2	1.70%	520	-3,109	27,979	0	1.80%	504	-50	28,433
0399	TOTAL TRAVEL	30,566	2		520	-3,109	27,979	0		504	-50	28,433
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	2,118	0	-7.30%	-155	416	2,379	0	-8.20%	-195	3,050	5,234
0411	ARMY SUPPLY	43,097	0	2.55%	1,099	1,267	45,463	0	-4.63%	-2,105	-38	43,320
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,454	0	1.70%	25	250	1,729	0	1.80%	31	-50	1,710
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	46,669	0		969	1,933	49,571	0		-2,269	2,962	50,264
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	4,249	0	0.00%	0	5,000	9,249	0	-0.26%	-24	-75	9,150
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	457	0	1.00%	5	575	1,037	0	-0.10%	-1	-35	1,001
0507	GSA MANAGED EQUIPMENT	3,032	0	1.70%	52	2,523	5,607	0	1.80%	101	-55	5,653
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	7,738	0		57	8,098	15,893	0		76	-165	15,804
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	96	0	7.92%	8	600	704	0	-0.11%	-1	-30	673
0679	COST REIMBURSABLE PURCHASES	284	0	1.70%	5	0	289	0	1.90%	5	-25	269
0699	TOTAL INDUSTRIAL FUND PURCHASES	380	0		13	600	993	0		4	-55	942
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	1,614	0	38.80%	626	-2,240	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 321

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
0771	COMMERCIAL TRANSPORTATION	1,409	0	1.70%	24	494	1,927	0	1.80%	35	-55	1,907
0799	TOTAL TRANSPORTATION	3,023	0		650	-1,746	1,927	0		35	-55	1,907
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	1,776	0	1.70%	30	7	1,813	0	1.80%	33	-57	1,789
0915	RENTS (NON-GSA)	3,273	0	1.70%	56	500	3,829	0	1.80%	69	-45	3,853
0917	POSTAL SERVICES (U.S.P.S)	247	0	1.70%	4	250	501	0	1.80%	9	-110	400
0920	SUPPLIES AND MATERIALS (NON-FUND)	22,477	0	1.70%	382	6,457	29,316	0	1.80%	528	-150	29,694
0921	PRINTING AND REPRODUCTION	5,331	0	1.70%	90	-404	5,017	0	1.80%	90	-58	5,049
0922	EQUIPMENT MAINTENANCE BY CONTRACT	8,950	0	1.70%	152	6,949	16,051	0	1.80%	289	-85	16,255
0923	OPERATION AND MAINTENANCE OF FACILITIES	17,409	0	1.70%	296	1,066	18,771	0	1.80%	338	-45	19,064
0925	EQUIPMENT PURCHASES (NON-FUND)	9,262	0	1.70%	157	12,515	21,934	0	1.80%	395	-35	22,294
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	68,362	0	1.70%	1,162	3,046	72,570	0	1.80%	1,306	-1,289	72,587
0933	STUDIES, ANALYSIS, AND EVALUATIONS	13,499	0	1.70%	229	-4,823	8,905	0	1.80%	160	-9,065	0
0934	ENGINEERING AND TECHNICAL SERVICES	5,960	0	1.70%	101	-6,061	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	2,353	0	-7.30%	-172	-800	1,381	0	-8.20%	-113	743	2,011
0957	LAND AND STRUCTURES	594	0	1.70%	10	600	1,204	0	1.80%	22	0	1,226
0985	RESEARCH AND DEVELOPMENT CONTRACTS	132	0	0.00%	0	0	132	0	0.00%	0	-20	112
0987	OTHER INTRA-GOVERNMENT PURCHASES	25,195	0	1.70%	428	4,425	30,048	0	1.80%	541	-59	30,530
0989	OTHER SERVICES	137,935	0	1.70%	2,345	-17,535	122,745	0	1.80%	2,209	-57	124,897
0990	IT CONTRACT SUPPORT SERVICES	44,672	0	1.70%	759	3,350	48,781	0	1.80%	878	-35	49,624
0999	TOTAL OTHER PURCHASES	367,427	0		6,029	9,542	382,998	0		6,754	-10,367	379,385
9999	GRAND TOTAL	904,019	2		13,723	21,015	938,759	0		11,708	-29,442	921,025

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I. Description of Operations Financed:

FLIGHT TRAINING - Resources provide military training instruction for students attending Initial Entry Rotary Wing undergraduate and graduate flight training. This Subactivity Group also funds the support costs of training flight students including equipment maintenance, petroleum, oil, and lubricants (POL), repair parts, depot level reparable parts, and the operation of the aviation school airfields and airfield equipment. The purpose of undergraduate flight training is to generate qualified aviators for the Army. The purpose of the graduate flight training program is to train Army aviators as maintenance test pilots, instructor pilots, as well as qualify aviators in other rotary wing mission design series aircraft and fixed wing aircraft. The number of pilots trained in a given year or training seats, is the most important drive of the dollar resources required within this Subactivity Group. Institutional training requirements are established on the basis of Modified Table of Equipment and Allowances and Table of Distribution and Allowances authorized manning levels.

II. Force Structure Summary:

Flight Training provides funding for the training and support of pilots in rotary and fixed wing aircraft for the following Army Commands.

Army Commands:

U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>		<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
		<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>
	FLIGHT TRAINING	\$874,712	\$940,872	\$-14,552	-1.55%	\$926,320	\$926,320	\$902,845
	SUBACTIVITY GROUP TOTAL	\$874,712	\$940,872	\$-14,552	-1.55%	\$926,320	\$926,320	\$902,845
				<u>Change</u>		<u>Change</u>		
				<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>		
BASELINE FUNDING				\$940,872		\$926,320		
	Congressional Adjustments (Distributed)			0				
	Congressional Adjustments (Undistributed)			-3,202				
	Adjustments to Meet Congressional Intent			30,012				
	Congressional Adjustments (General Provisions)			-41,362				
SUBTOTAL APPROPRIATED AMOUNT				926,320				
	War Related and Disaster Supplemental Appropriation			0				
	X-Year Carryover			0				
	Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING				926,320				
	Anticipated Reprogramming (Requiring 1415 Actions)			0				
	Less: War Related and Disaster Supplemental Appropriation			0				
	Less: X-Year Carryover			0				
	Price Change					-4,138		
	Functional Transfers					-531		
	Program Changes					-18,806		
NORMALIZED CURRENT ESTIMATE				\$926,320		\$902,845		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 940,872
1. Congressional Adjustments	\$ -14,552
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -3,202
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -1,318
2) Spares and repair parts	\$ -1,884
c) Adjustments to Meet Congressional Intent	\$ 30,012
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 30,012
d) General Provisions.....	\$ -41,362
1) Sec 8024. Federally Funded Research and Development Centers	\$ -296
2) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -41,066

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FY 2016 Appropriated Amount	\$ 926,320
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 926,320
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 926,320
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 926,320
6. Price Change	\$ -4,138
7. Transfers.....	\$ -531

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a) Transfers In \$ 0

b) Transfers Out \$ -531

1) Army Training Center Operations - Aviation Warrant Officer Basic Course \$ -531
 Transfers funding for 1,210 students in the Aviation Warrant Officer Basic Course from SAG 322, Flight Training to SAG 321, Specialized Skill Training to consolidate all of the Warrant Officer Basic Courses into a single Subactivity Group. (Baseline: \$467,353)

8. Program Increases \$ 38,558

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 38,558

1) Civilian Average Annual Compensation \$ 1,181
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$72,313)

2) Undergraduate Flight Training \$ 37,377
 Increases funding for an additional 86 undergraduate flight training seats and the training simulators in

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support of the LUH-72 Lakota helicopter. (Baseline: \$467,353)

9. Program Decreases.....	\$ -57,364
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017	\$ -57,364
1) Flying Hour Program	\$ -38,544
Decreases funding for the flying hour program as a result of efficiencies in the U.S. Army pilot training program. (Baseline: \$285,197)	
2) Graduate Pilot Training	\$ -18,820
Decreases funding for the graduate flight training program as a result of reduced student workload for fixed-wing multi-engine aircraft. (Baseline: \$173,770)	
FY 2017 Budget Request.....	\$ 902,845

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IV. Performance Criteria and Evaluation Summary:

FLIGHT TRAINING

Undergraduate Pilot Flight Training

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	2,942	2,912	513	3,202	3,173	582
Army Reserve	228	225	44	234	232	44
Army National Guard	1,454	1,437	265	1,710	1,693	317
Other	62	62	1	15	15	-
Total Direct	4,686	4,636	823	5,161	5,113	943
Other (Non-US)	175	169	61	194	189	75
Undergraduate Pilot Total	4,861	4,805	884	5,355	5,302	1,018

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	3,118	3,094	604
Army Reserve	208	205	37
Army National Guard	1,408	1,408	268
Other	3	3	-
Total Direct	4,737	4,710	909
Other (Non-US)	120	117	47
Undergraduate Pilot Total	4,857	4,827	956

NOTE: In FY 2017, Student numbers decrease as a result of the transfer of the Aviation Warrant Officer Basic Course from the Undergraduate Pilot Flight Training to Initial Skill (Officer) training. In FY 2016, student inputs for Aviation Warrant Officer Basic Course reflect 788.

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	260	261	69	(84)	(79)	22
Army Reserve	6	7	-	(26)	(27)	(7)
Army National Guard	256	256	52	(302)	(285)	(49)
Other	(47)	(47)	(1)	(12)	(12)	-
Total Direct	475	477	120	(424)	(403)	(34)
Other (Non-US)	19	20	14	(74)	(72)	(28)
Undergraduate Pilot Total	494	497	134	(498)	(475)	(62)

Input is the number of students entering during a fiscal year.

Output is the number of students graduating during a given fiscal year.

Workload is the equivalent of an average number of students on any given day in the fiscal year.

NOTE 1: Other = reimbursable workload

NOTE 2: Performance Criteria changed to reflect affordable input, output, and workload levels as a result of a recently developed capability to derive this data.

NOTE3: OP-14 (Tab-C-2) does not include non-flight courses.

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FLIGHT TRAINING

Advance Flight Training-Fixed Wing

(Graduate Training)

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	185	185	30	139	139	23
Army Reserve	91	91	8	103	103	8
Army National Guard	166	166	14	187	186	14
Other	138	138	4	141	141	4
Total Direct	580	580	56	570	569	49
Other (Non-US)	-	-	-	-	-	-
Advance Flight Training-FW Total	580	580	56	570	569	49

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	94	94	12
Army Reserve	126	126	10
Army National Guard	182	182	13
Other	134	134	4
Total Direct	536	536	39
Other (Non-US)	-	-	-
Advance Flight Training-FW Total	536	536	39

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	(46)	(46)	(7)	(45)	(45)	(11)
Army Reserve	12	12	-	23	23	2
Army National Guard	21	20	-	(5)	(4)	(1)
Other	3	3	-	(7)	(7)	-
Total Direct	(10)	(11)	(7)	(34)	(33)	(10)
Other (Non-US)	-	-	-	-	-	-
Advance Flight Training-FW Total	(10)	(11)	(7)	(34)	(33)	(10)

Input is the number of students entering during a given fiscal year.

Output is the number of students graduating during a given fiscal year.

Workload is the equivalent of an average number of students on any given day in the fiscal year.

NOTE 1: Other = reimbursable workload

NOTE 2: Performance Criteria changed to reflect affordable input, output, and workload levels as a result of a recently developed capability to derive this data.

NOTE 3: OP-14 (Tab-C-2) does not include non-flight courses.

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FLIGHT TRAINING

Advance Flight Training-Rotary Wing

(Graduate Training)

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	711	708	122	739	737	134
Army Reserve	18	18	3	76	76	11
Army National Guard	168	168	24	376	375	53
Other	148	148	19	48	47	6
Total Direct	1,045	1,042	168	1,239	1,235	204
Other (Non-US)	553	553	97	219	218	39
Advance Flight Training-RW Total	1,598	1,595	265	1,458	1,453	243

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	792	789	139
Army Reserve	90	90	13
Army National Guard	312	311	44
Other	143	143	21
Total Direct	1,337	1,333	217
Other (Non-US)	186	186	29
Advance Flight Training-RW Total	1,523	1,519	246

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	28	29	12	53	52	5
Army Reserve	58	58	8	14	14	2
Army National Guard	208	207	29	(64)	(64)	(9)
Other	(100)	(101)	(13)	95	96	15
Total Direct	194	193	36	98	98	13
Other (Non-US)	(334)	(335)	(58)	(33)	(32)	(10)
Advance Flight Training-RW Total	(140)	(142)	(22)	65	66	3

Input is the number of students entering during a fiscal year.

Output is the number of students graduating during a given fiscal year.

Workload is the equivalent of an average number of students on any given day in the fiscal year.

NOTE 1: Other = reimbursable workload

NOTE 2: Performance Criteria changed to reflect affordable input, output, and workload levels as a result of a recently developed capability to derive this data.

NOTE 3: OP-14 (Tab-C-2) does not include non-flight courses.

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 32: Basic Skill and Advanced Training
 Detail by Subactivity Group 322: Flight Training

FLIGHT TRAINING

Advanced Flight Training (Other)

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	896	893	152	878	877	157
Army Reserve	109	109	11	179	179	19
Army National Guard	334	334	38	563	561	67
Other	286	286	23	189	188	10
Total Direct	1,625	1,622	224	1,809	1,805	253
Other (Non-US)	553	553	97	219	218	39
Advanced Flight Training (Other) Pilot Total	2,178	2,175	321	2,028	2,023	292

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	886	883	151
Army Reserve	216	216	23
Army National Guard	494	493	57
Other	277	277	25
Total Direct	1,873	1,869	256
Other (Non-US)	186	186	29
Advanced Flight Training (Other) Pilot Total	2,059	2,055	285

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Detail by Subactivity Group 322: Flight Training

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	(18)	(16)	5	8	6	(6)
Army Reserve	70	70	8	37	37	4
Army National Guard	229	227	29	(69)	(68)	(10)
Other	(97)	(98)	(13)	88	89	15
Total Direct	184	183	29	64	64	3
Other (Non-US)	(334)	(335)	(58)	(33)	(32)	(10)
Advanced Flight Training (Other) Pilot Total	(150)	(152)	(29)	31	32	(7)

Input is the number of students entering during a fiscal year.

Output is the number of students graduating during a given fiscal year.

Workload is the equivalent of an average number of students on any given day in the fiscal year.

NOTE 1: Other = reimbursable workload

NOTE 2: Performance Criteria changed to reflect affordable input, output, and workload levels as a result of a recently developed capability to derive this data.

NOTE 3: OP-14 (Tab-C-2) does not include non-flight courses.

FLIGHT TRAINING

	FY 2015 Actual	FY 2016	FY 2017	Change FY 2015/ FY 2016	Change FY 2016/ FY 2017
Flying Hours (Hours in 000s)	199	219	220	20	1
Undergraduate Pilot Training	153	164	169	11	5
Other Flying Hours (Graduate Training)	46	55	51	9	(4)

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Detail by Subactivity Group 322: Flight Training

V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	948	923	869	-54
Officer	532	527	474	-53
Enlisted	416	396	395	-1
<u>Active Military Average Strength (A/S) (Total)</u>	923	936	897	-39
Officer	507	530	501	-29
Enlisted	416	406	396	-10
<u>Civilian FTEs (Total)</u>	686	680	680	0
U.S. Direct Hire	686	680	680	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	686	680	680	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	96	106	110	4
<u>Contractor FTEs (Total)</u>	3,564	3,032	2,996	-36

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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Detail by Subactivity Group 322: Flight Training

VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	64,982	0	1.32%	856	5,377	71,215	0	1.55%	1,102	1,181	73,498
0103	WAGE BOARD	878	0	1.37%	12	208	1,098	0	1.37%	15	0	1,113
0106	BENEFITS TO FORMER EMPLOYEES	125	0	0.00%	0	-125	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	65,985	0		868	5,460	72,313	0		1,117	1,181	74,611
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,822	0	1.70%	31	1,180	3,033	0	1.80%	55	-773	2,315
0399	TOTAL TRAVEL	1,822	0		31	1,180	3,033	0		55	-773	2,315
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	51,396	0	-7.30%	-3,752	23,682	71,326	0	-8.20%	-5,849	-937	64,540
0411	ARMY SUPPLY	151,240	0	2.55%	3,857	53,969	209,066	0	-4.63%	-9,680	-705	198,681
0416	GSA MANAGED SUPPLIES AND MATERIALS	455	0	1.70%	8	500	963	0	1.80%	17	-400	580
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	3	0	1.30%	0	10	13	0	-6.00%	-1	0	12
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	203,094	0		113	78,161	281,368	0		-15,513	-2,042	263,813
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	100	0	0.00%	0	275	375	0	-0.26%	-1	0	374
0507	GSA MANAGED EQUIPMENT	886	0	1.70%	15	350	1,251	0	1.80%	23	-424	850
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	986	0		15	625	1,626	0		22	-424	1,224
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	2,221	0	38.80%	862	1,090	4,173	0	0.80%	33	-901	3,305
0771	COMMERCIAL TRANSPORTATION	103	0	1.70%	2	250	355	0	1.80%	6	-151	210
0799	TOTAL TRANSPORTATION	2,324	0		864	1,340	4,528	0		39	-1,052	3,515
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	187	0	1.70%	3	200	390	0	1.80%	7	-353	44

Exhibit OP-5, Subactivity Group 322

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
0917	POSTAL SERVICES (U.S.P.S)	8	0	1.70%	0	10	18	0	1.80%	0	-18	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	24,298	0	1.70%	413	17,167	41,878	0	1.80%	754	-3,580	39,052
0921	PRINTING AND REPRODUCTION	385	0	1.70%	7	800	1,192	0	1.80%	21	-713	500
0922	EQUIPMENT MAINTENANCE BY CONTRACT	415,565	0	1.70%	7,065	40,500	463,130	0	1.80%	8,336	-850	470,616
0925	EQUIPMENT PURCHASES (NON-FUND)	5,132	0	1.70%	87	6,537	11,756	0	1.80%	212	-2,469	9,499
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	123,375	0	1.70%	2,097	-125,472	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	3,723	0	1.70%	63	-3,786	0	0	1.80%	0	0	0
0957	LAND AND STRUCTURES	1,561	0	1.70%	27	100	1,688	0	1.80%	30	-598	1,120
0987	OTHER INTRA-GOVERNMENT PURCHASES	16,177	0	1.70%	275	13,201	29,653	0	1.80%	534	-3,680	26,507
0989	OTHER SERVICES	8,971	0	1.70%	152	980	10,103	0	1.80%	182	-2,851	7,434
0990	IT CONTRACT SUPPORT SERVICES	1,119	0	1.70%	19	2,506	3,644	0	1.80%	66	-1,115	2,595
0999	TOTAL OTHER PURCHASES	600,501	0		10,208	-47,257	563,452	0		10,142	-16,227	557,367
9999	GRAND TOTAL	874,712	0		12,099	39,509	926,320	0		-4,138	-19,337	902,845

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 32: Basic Skill and Advanced Training
Detail by Subactivity Group 323: Professional Development Education

I. Description of Operations Financed:

PROFESSIONAL DEVELOPMENT EDUCATION - Funds the operation and support of the U.S. Army War College, the Command and General Staff College, and the Army Sergeants Major Academy. Resources also provide the tuition and fees for the Advanced Civil Schooling Program and fund Army officers attending foreign military schools (schools in other nations), to include temporary duty (travel and per diem).

II. Force Structure Summary:

Headquarters, Department of the Army

Army Command:

U.S. Army Training and Doctrine Command

Army Service Support Command:

U.S. Army Special Operations Command

Direct Reporting Units:

U.S. Army War College

U.S. Army Acquisition Support Center

DEPARTMENT OF THE ARMY
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Detail by Subactivity Group 323: Professional Development Education

III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>				
PROFESSIONAL DEVELOPMENT EDUCATION	\$171,503	\$230,324	\$-8,407	-3.65%	\$221,917	\$221,917	\$216,583	
SUBACTIVITY GROUP TOTAL	\$171,503	\$230,324	\$-8,407	-3.65%	\$221,917	\$221,917	\$216,583	
B. <u>Reconciliation Summary</u>			Change	Change				
			FY 2016/FY 2016	FY 2016/FY 2017				
BASELINE FUNDING			\$230,324	\$221,917				
Congressional Adjustments (Distributed)			-7,000					
Congressional Adjustments (Undistributed)			-1,391					
Adjustments to Meet Congressional Intent			5					
Congressional Adjustments (General Provisions)			-21					
SUBTOTAL APPROPRIATED AMOUNT			221,917					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING			221,917					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					3,696			
Functional Transfers					-3,298			
Program Changes					-5,732			
NORMALIZED CURRENT ESTIMATE			\$221,917		\$216,583			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
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 Detail by Subactivity Group 323: Professional Development Education

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 230,324
1. Congressional Adjustments	\$ -8,407
a) Distributed Adjustments	\$ -7,000
1) Unjustified program growth	\$ -7,000
b) Undistributed Adjustments	\$ -1,391
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -1,370
2) Spares and repair parts	\$ -21
c) Adjustments to Meet Congressional Intent	\$ 5
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 5
d) General Provisions	\$ -21
1) Sec 8024. Federally Funded Research and Development Centers	\$ -11

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 Detail by Subactivity Group 323: Professional Development Education

- 2) Sec 8077. Savings due to favorable foreign exchange rates \$ -3
- 3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -7

FY 2016 Appropriated Amount.....\$ 221,917

2. War-Related and Disaster Supplemental Appropriations.....\$ 0

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 221,917

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 221,917

5. Less: Emergency Supplemental Funding.....\$ 0

a) Less: War Related and Disaster Supplemental Appropriation\$ 0

b) Less: X-Year Carryover\$ 0

Normalized FY 2016 Current Enacted.....\$ 221,917

DEPARTMENT OF THE ARMY
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6. Price Change	\$ 3,696
7. Transfers.....	\$ -3,298
a) Transfers In	\$ 2,156
1) U.S. Army War College - U.S. Army's Strategic Studies Group	\$ 2,156
Transfers funding and 5 FTEs from SAG 431, Administration to SAG 323, Professional Development Education to realign the administrative support of the Chief of Staff of the Army's Strategic Studies Group from the Office of the Chief of the Army to the U.S. Army War College. (Baseline: \$40,426; 5 FTE)	
b) Transfers Out	\$ -5,454
1) Training Development.....	\$ -5,454
Transfers funding from SAG 323, Professional Development Education to SAG 324, Training Support to realign Army Living Doctrine and Mobile Learning funding to the appropriate Subactivity Group. (Baseline: \$18,402)	
8. Program Increases	\$ 6,312
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 6,312

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1) Army Force Management Training \$ 2,114
 Increases funding for operations at the Army Force Management School (AFMS) at current student load (989), contractor-taught course offerings (31), and training standards. (Baseline: \$4,012)

2) Army Recruiting and Retention Initiatives \$ 1,190
 Increases funding due to costs associated with the Graduate School for Active Duty Service Obligation (GRADSO) in the Army's Recruiting and Retention Initiatives program. The number of officers eligible for GRADSO increased from 2,197 in FY 2016 to 2,780 in FY 2017. (Baseline: \$24,771)

3) Civilian Average Annual Compensation \$ 2,048
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$90,107)

4) U.S. Army War College \$ 960
 Increases funding to support increased number of training seats for students attending the Command Sergeant Major/Sergeant Major Executive Leadership Course at the U.S. Army War College. This program includes a two-week course that enhances the education of senior nominative-position Command Sergeants Majors/Sergeants Major at the 1-2 star command (strategic) level. Also funds the 30-day Senior Leader Seminar II, a general officer strategic leader development course that enhances the development of select General Officers to prepare them for service at the national/strategic level. (Baseline: \$40,426)

9. Program Decreases \$ -12,044

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a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017 \$ -12,044

1) Bipartisan Budget Act of 2015 Compliance \$ -9,021
 Decrease funding for Professional Development Education required for the Department to comply with the Bipartisan Budget Agreement of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$9,021)

2) Compensable Days..... \$ -524
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$90,107)

3) Noncommissioned Officer (NCO) Professional Development \$ -2,499
 Decreases funding for the NCO Professional Development courses, the purchases of supplies and materials, equipment purchases, travel and contract support services. (Baseline: \$18,402)

FY 2017 Budget Request.....\$ 216,583

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IV. Performance Criteria and Evaluation Summary:

ARMY WAR COLLEGE

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	924	922	283	735	733	222
Army Reserve	488	488	61	770	770	68
Army National Guard	936	936	86	741	740	73
Other	374	374	85	395	393	92
Total Direct	2,722	2,720	515	2,641	2,636	455
Other (Non-U.S.)	222	221	84	140	139	69
Total	2,944	2,941	599	2,781	2,775	524
	FY 2017					
	INPUT	OUTPUT	WORKLOAD			
Active Army	979	977	273			
Army Reserve	782	782	74			
Army National Guard	756	756	71			
Other	410	410	82			
Total Direct	2,927	2,925	500			
Other (Non-U.S.)	140	139	71			
Total	3,067	3,064	571			

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-189	-189	-61	244	244	51
Army Reserve	282	282	7	12	12	6
Army National Guard	-195	-196	-13	15	16	-2
Other	21	19	7	15	17	-10
Total Direct	-81	-84	-60	286	289	45
Other (Non-U.S.)	-82	-82	-15	0	0	2
Total	-163	-166	-75	286	289	47

Command and General Staff

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	4,148	4,148	1,070	5,522	5,521	1,188
Army Reserve	1,514	1,514	163	1,938	1,937	150
Army National Guard	1,587	1,587	134	1,576	1,575	123
Other	250	250	148	210	210	168
Total Direct	7,499	7,499	1,515	9,246	9,243	1,629
Other (Non-U.S.)	109	109	90	129	129	99
Total	7,608	7,608	1,605	9,375	9,372	1,728

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	4,155	4,155	1,037
Army Reserve	2,272	2,272	160
Army National Guard	2,264	2,264	152
Other	210	210	164
Total Direct	8,901	8,901	1,513
Other (Non-U.S.)	122	122	99
Total	9,023	9,023	1,612

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	1,374	1,373	118	-1,367	-1,366	-151
Army Reserve	424	423	-13	334	335	10
Army National Guard	-11	-12	-11	688	689	29
Other	-40	-40	20	0	0	-4
Total Direct	1,747	1,744	114	-345	-342	-116
Other (Non-U.S.)	20	20	9	-7	-7	0
Total	1,767	1,764	123	-352	-349	-116

Sergeants Major Academy

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	643	626	338	845	822	452
Army Reserve	257	253	57	417	410	82
Army National Guard	714	706	87	715	706	89
Other	22	22	8	27	26	14
Total Direct	1,636	1,607	490	2,004	1,964	637
Other (Non-U.S.)	94	92	47	45	43	36
Total	1,730	1,699	537	2,049	2,007	673

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	825	809	391
Army Reserve	603	601	98
Army National Guard	1,215	1,214	127
Other	20	20	9
Total Direct	2,663	2,644	625
Other (Non-U.S.)	40	38	32
Total	2,703	2,682	657

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	202	196	114	-20	-13	-61
Army Reserve	160	157	25	186	191	16
Army National Guard	1	0	2	500	508	38
Other	5	4	6	-7	-6	-5
Total Direct	368	357	147	659	680	-12
Other (Non-U.S.)	-49	-49	-11	-5	-5	-4
Total	319	308	136	654	675	-16

Advanced Professional Education - Enlisted

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	1,757	1,757	151	1,327	1,327	114
Army Reserve	50	50	4	72	72	6
Army National Guard	32	32	3	20	19	2
Other	0	0	0	0	0	0
Total Direct	1,839	1,839	158	1,419	1,418	122
Other (Non-U.S.)	5	5	0	5	5	0
Total	1,844	1,844	158	1,424	1,423	122

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	1,345	1,345	115
Army Reserve	150	150	13
Army National Guard	40	40	3
Other	0	0	0
Total Direct	1,535	1,535	131
Other (Non-U.S.)	4	4	0
Total	1,539	1,539	131

DEPARTMENT OF THE ARMY
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Activity Group 32: Basic Skill and Advanced Training
Detail by Subactivity Group 323: Professional Development Education

	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-430	-430	-37	18	18	1
Army Reserve	22	22	2	78	78	7
Army National Guard	-12	-13	-1	20	21	1
Other	0	0	0	0	0	0
Total Direct	-420	-421	-36	116	117	9
Other (Non-U.S.)	0	0	0	-1	-1	0
Total	-420	-421	-36	115	116	9

Advanced Professional Education - Officer

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	1,131	1,129	138	1,074	1,071	145
Army Reserve	160	160	9	127	126	8
Army National Guard	259	259	15	263	264	15
Other	40	40	21	240	240	25
Total Direct	1,590	1,588	183	1,704	1,701	193
Other (Non-U.S.)	125	125	16	131	131	13
Total	1,715	1,713	199	1,835	1,832	206

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	1,161	1,159	160
Army Reserve	161	161	9
Army National Guard	344	344	21
Other	237	237	27
Total Direct	1,903	1,901	217
Other (Non-U.S.)	132	132	12
Total	2,035	2,033	229

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-57	-58	7	87	88	15
Army Reserve	-33	-34	-1	34	35	1
Army National Guard	4	5	0	81	80	6
Other	200	200	4	-3	-3	2
Total Direct	114	113	10	199	200	34
Other (Non-U.S.)	6	6	-3	1	1	-1
Total	120	119	7	200	201	23

Advanced Professional Education - Other (OSDTYPE C3 - Functional Training)

	FY 2015 Actual			FY 2016		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	1,975	1,975	71	1,851	1,850	71
Army Reserve	319	319	13	57	57	2
Army National Guard	132	132	6	105	105	4
Other	611	610	15	566	566	14
Total Direct	3,037	3,036	105	2,579	2,578	91
Other (Non-U.S.)	14	14	0	0	0	0
Total	3,051	3,050	105	2,579	2,578	91

	FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	2,105	2,104	88
Army Reserve	506	506	19
Army National Guard	171	171	9
Other	805	804	21
Total Direct	3,587	3,585	137
Other (Non-U.S.)	0	0	0
Total	3,587	3,585	137

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	Change FY 2015/FY 2016			Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-124	-125	0	254	254	17
Army Reserve	-262	-262	-11	449	449	17
Army National Guard	-27	-27	-2	66	66	5
Other	-45	-44	-1	239	238	7
Total Direct	-458	-458	-14	1,008	1,006	46
Other (Non-U.S.)	-14	-14	0	0	0	0
Total	-472	-472	-14	1,008	1,007	46

Input is the number of students entering during a given fiscal year

Output is the number of students graduating during a given fiscal year.

Workload is the equivalent of an average number of students on any given day in the fiscal year.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	719	708	694	-14
Officer	466	501	484	-17
Enlisted	253	207	210	3
<u>Active Military Average Strength (A/S) (Total)</u>	712	714	702	-12
Officer	461	484	493	9
Enlisted	251	230	209	-21
<u>Civilian FTEs (Total)</u>	795	809	814	5
U.S. Direct Hire	795	809	814	5
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	795	809	814	5
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	105	111	115	4
<u>Contractor FTEs (Total)</u>	371	441	406	-35

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	82,599	0	1.30%	1,072	5,306	88,977	0	1.56%	1,386	2,160	92,523
0103	WAGE BOARD	884	0	1.58%	14	232	1,130	0	1.33%	15	-71	1,074
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	83,483	0		1,086	5,538	90,107	0		1,401	2,089	93,597
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	10,454	2	1.70%	178	5,087	15,721	0	1.80%	283	-481	15,523
0399	TOTAL TRAVEL	10,454	2		178	5,087	15,721	0		283	-481	15,523
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	523	0	2.55%	13	627	1,163	0	-4.63%	-54	-850	259
0416	GSA MANAGED SUPPLIES AND MATERIALS	77	0	1.70%	1	2,150	2,228	0	1.80%	40	-198	2,070
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	600	0		14	2,777	3,391	0		-14	-1,048	2,329
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	1,093	0	1.70%	19	1,667	2,779	0	1.80%	50	-259	2,570
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,093	0		19	1,667	2,779	0		50	-259	2,570
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	29	0	38.80%	11	50	90	0	0.80%	1	-79	12
0771	COMMERCIAL TRANSPORTATION	383	0	1.70%	7	0	390	0	1.80%	7	-380	17
0799	TOTAL TRANSPORTATION	412	0		18	50	480	0		8	-459	29
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	319	0	1.70%	5	324	648	0	1.80%	12	-600	60
0915	RENTS (NON-GSA)	178	0	1.70%	3	139	320	0	1.80%	6	-160	166
0917	POSTAL SERVICES (U.S.P.S)	140	0	1.70%	2	150	292	0	1.80%	5	-97	200
0920	SUPPLIES AND MATERIALS (NON-FUND)	2,934	0	1.70%	50	9,775	12,759	0	1.80%	230	-1,323	11,666
0921	PRINTING AND REPRODUCTION	1,176	0	1.70%	20	3,500	4,696	0	1.80%	85	-1,023	3,758

Exhibit OP-5, Subactivity Group 323

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
0922	EQUIPMENT MAINTENANCE BY CONTRACT	137	0	1.70%	2	1,097	1,236	0	1.80%	22	-381	877
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,178	0	1.70%	20	2,097	3,295	0	1.80%	59	-520	2,834
0925	EQUIPMENT PURCHASES (NON-FUND)	1,895	0	1.70%	32	4,647	6,574	0	1.80%	118	-12	6,680
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	5,625	0	1.70%	96	0	5,721	0	1.80%	103	0	5,824
0933	STUDIES, ANALYSIS, AND EVALUATIONS	5,657	0	1.70%	96	0	5,753	0	1.80%	104	-1	5,856
0934	ENGINEERING AND TECHNICAL SERVICES	1,850	0	1.70%	31	0	1,881	0	1.80%	34	-1	1,914
0937	LOCALLY PURCHASED FUEL (NON-FUND)	10	0	-7.30%	-1	15	24	0	-8.20%	-2	-14	8
0987	OTHER INTRA-GOVERNMENT PURCHASES	12,472	0	1.70%	212	6,498	19,182	0	1.80%	345	-1,154	18,373
0989	OTHER SERVICES	32,343	0	1.70%	550	1,052	33,945	0	1.80%	611	-2,646	31,910
0990	IT CONTRACT SUPPORT SERVICES	9,547	0	1.70%	162	3,404	13,113	0	1.80%	236	-940	12,409
0999	TOTAL OTHER PURCHASES	75,461	0		1,280	32,698	109,439	0		1,968	-8,872	102,535
9999	GRAND TOTAL	171,503	2		2,595	47,817	221,917	0		3,696	-9,030	216,583

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Detail by Subactivity Group 324: Training Support

I. Description of Operations Financed:

TRAINING SUPPORT - Funds Army-wide support of the training establishment including development of training programs and materials. Additionally, it funds the following programs: Tactical Equipment Maintenance for institutional training equipment - repairable and major end items used to operate and maintain equipment sets; automation training support efforts throughout the various Army and Joint schools - courseware development, courseware conversion, managing course and student schedules, and the equipment and software for Computer Based Instruction; Air Traffic Control Management Army - Army control of aircraft on the ground and in airspace adjacent to the installation, and operation of navigational facilities associated with aviation training at Fort Rucker, Alabama; temporary duty (travel and per diem) - expenses for Soldiers attending school at the Army's training centers and schools; control and supervision over utilization of ranges and training facilities - scheduling and use of facilities, training areas and supporting weapons, and the actual operation of ranges; support operation functions of the Army Management Headquarters Activities, U.S. Army Training and Doctrine Command at Joint Base Langley - Eustis, Virginia; and training modernization such as distance learning and transitioning from the current institutional training to more enhanced methods. As the Department of Defense executive agent, the Army is responsible for supporting Foreign Language Training at the Defense Language Institute Foreign Language Center.

II. Force Structure Summary:

U.S. Army Training and Doctrine Command operates six Warfighting-Functions Centers of Excellence (CoE) as follows:

- Maneuver CoE, Fort Benning, Georgia (Armor Center/School and Infantry Center/School)
- Aviation CoE, Fort Rucker, Alabama (Aviation Center/School)
- Fires CoE, Fort Sill, Oklahoma (Field Artillery Center/School and Air Defense Artillery Center/School)
- Maneuver Support CoE, Fort Leonard Wood, Missouri (Chemical, Engineer and Military Police Schools, Fort Leonard Wood, Missouri; and Ordnance Munitions and Electronic Maintenance School, Redstone Arsenal, Alabama)
- Sustainment CoE, Fort Lee, Virginia (Soldier Support Institute (Adjutant General and Finance Schools), Fort Jackson, South Carolina; Transportation School, Joint Base Langley-Eustis, Virginia; and the Quartermaster School, Fort Lee, Virginia)
- Mission Command CoE, Fort Leavenworth, Kansas (Consists of part of the U.S. Army Combined Arms Center at Fort Leavenworth, Kansas and includes the Intelligence CoE at Fort Huachuca, Arizona and the Cyber CoE at Fort Gordon, Georgia)

Headquarters, Department of the Army

Army Commands:

U.S. Army Training and Doctrine Command
U.S. Army Material Command

Army Service Component Commands:

U.S. Army Special Operations Command
U.S. Army Pacific

Direct Reporting Units:

U.S. Army War College

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U.S. Army Corps of Engineers
U.S. Army Medical Command
U.S. Army Installation Management Command
U.S. Army Criminal Investigation Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
TRAINING SUPPORT	\$595,888	\$603,519	\$-32,921	-5.45%	\$570,598	\$570,598	\$607,534	
SUBACTIVITY GROUP TOTAL	\$595,888	\$603,519	\$-32,921	-5.45%	\$570,598	\$570,598	\$607,534	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
BASELINE FUNDING		\$603,519		\$570,598				
Congressional Adjustments (Distributed)		-13,000						
Congressional Adjustments (Undistributed)		-19,549						
Adjustments to Meet Congressional Intent		825						
Congressional Adjustments (General Provisions)		-1,197						
SUBTOTAL APPROPRIATED AMOUNT		570,598						
War Related and Disaster Supplemental Appropriation		0						
X-Year Carryover		0						
Fact-of-Life Changes (2016 to 2016 Only)		0						
SUBTOTAL BASELINE FUNDING		570,598						
Anticipated Reprogramming (Requiring 1415 Actions)		0						
Less: War Related and Disaster Supplemental Appropriation		0						
Less: X-Year Carryover		0						
Price Change				6,942				
Functional Transfers				-25,274				
Program Changes				55,268				
NORMALIZED CURRENT ESTIMATE		\$570,598		\$607,534				

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 603,519
1. Congressional Adjustments	\$ -32,921
a) Distributed Adjustments	\$ -13,000
1) Unjustified program growth	\$ -13,000
b) Undistributed Adjustments	\$ -19,549
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -18,969
2) Spares and repair parts	\$ -580
c) Adjustments to Meet Congressional Intent	\$ 825
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 825
d) General Provisions	\$ -1,197
1) Sec 8024. Federally Funded Research and Development Centers	\$ -44

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2) Sec 8077. Savings due to favorable foreign exchange rates \$ -24

3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -1,129

FY 2016 Appropriated Amount.....\$ 570,598

2. War-Related and Disaster Supplemental Appropriations.....\$ 0

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 570,598

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 570,598

5. Less: Emergency Supplemental Funding.....\$ 0

a) Less: War Related and Disaster Supplemental Appropriation\$ 0

b) Less: X-Year Carryover\$ 0

Normalized FY 2016 Current Enacted.....\$ 570,598

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6. Price Change	\$ 6,942
7. Transfers.....	\$ -25,274
a) Transfers In	\$ 5,454
1) Training Development.....	\$ 5,454
Transfers funding from SAG 323, Professional Development Education to SAG 324, Training Support to realign Army Living Doctrine and Mobile Learning funding to the appropriate Subactivity Group. (Baseline: \$87,848)	
b) Transfers Out	\$ -30,728
1) Training Support Systems - Training Information Infrastructure (TII)	\$ -30,728
Transfers funding and FTEs from the following SAGs: SAG 324, Training Support (\$-30,728; -28 FTEs) and SAG 432, Servicewide Communications (\$-28,548; -16 FTEs) to SAG 121, Land Forces Readiness Support (\$54,319; 44 FTEs) and to Research, Development, Test and Evaluation, Army (\$4,957) to properly align resources for the TII programs into the appropriate Subactivity Group/appropriation. The TII includes the Army Training Information System and the Distributed Learning Points of Delivery. (Baseline: \$32,230; -28 FTE)	
8. Program Increases	\$ 83,497
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0

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c) Program Growth in FY 2017	\$ 83,497
1) Army Training Center Operations	\$ 2,253
Increases funding for Stryker vehicle repair parts as it replaces the Indirect Fire Infantryman vehicle within U.S. Army Training and Doctrine Command (TRADOC). Funds also supports TRADOC single course Program of Instruction (POI) for the 19D10 Cavalry Scout Ground Operational Tempo course until the new two-phase course POIs are developed. (Baseline: \$53,969)	
2) Civilian Average Annual Compensation	\$ 7,539
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$318,269)	
3) Military Training Specific Allotment	\$ 14,211
Increases funding for Active Component Soldiers on Temporary Duty Status while attending institutional training, Professional Military Education, selected courses of instruction, Military Officer, Enlisted reclassification, functional training, and Pre-Command courses. (Baseline: \$123,267)	
4) Training Development	\$ 28,644
Increases funding to develop doctrine, training, training products, and materials that supports the Army's operational and institutional training, and warfighting functions. This increase also funds development of training and doctrine in support of the newly established Cyber Center of Excellence. (Baseline: \$87,848)	
5) Training Support to Units	\$ 30,850
Increases funding provides support to develop and sustain distributed learning courseware content.	

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Funding also supports service contract costs required for the newly established Cyber Center of Excellence. Funding also supports operational costs for the Operational Environment Training Support Center which harnesses the power of technology to deliver Live, Virtual, Constructive and Gaming training environments that accurately replicate the operational environment. (Baseline: \$97,879)

9. Program Decreases.....	\$ -28,229
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017.....	\$ -28,229
1) Army Recruiting.....	\$ -13,018
Reduction based on anticipated cost savings associated with operating costs due to the relocation of the Recruiting and Retention School. The Recruiting and Retention School relocated from its former location at Fort Jackson, South Carolina to Fort Knox, Kentucky. (Baseline: \$16,684)	
2) Bipartisan Budget Act of 2015 Compliance	\$ -2,434
Decrease in funding to Training Support required for the Department to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$2,434)	
3) Civilian Workforce Reduction.....	\$ -1,843
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$318,269; -16 FTE)	

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- 4) Compensable Days..... \$ -1,814
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$318,269)

- 5) Defense Language Program..... \$ -5,545
 Decreases funding for support activities associated with training and doctrine development and distributed learning courseware development; also reduces support to Army Centers and Schools. This decrease includes consumables, equipment purchases, supplies and materials, contracts, contract support services and other services. (Baseline: \$66,232)

- 6) Non-Divisional Modified Table of Organization and Equipment Units..... \$ -2,590
 Funds decreased operational support requirements for Headquarters at U.S. Army Training and Doctrine Command. Reduction includes travel, office supplies, computer life cycle replacement due to manpower reduction. (Baseline: \$44,574)

- 7) Undergraduate Flight Training \$ -985
 Reduction in funding for Undergraduate Flight Training support due to a decrease in the tactical equipment repair and maintenance program. Decreases funds available for repair parts, contracts and supplies used to conduct training. (Baseline: \$1,636)

FY 2017 Budget Request.....\$ 607,534

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IV. Performance Criteria and Evaluation Summary:

Number of Personnel to perform functions in Program and Services:

<u>FY 2015 Actual</u>	<u>FY 2016</u>	<u>FY 2017</u>
2,962	2,965	2,747

Programs and Services:

	<u>FY 2015 Actual</u>	<u>FY 2016</u>	<u>FY 2017</u>
Distributed Learning (DL) Course Completed ¹	9,436,670	9,196,532	9,201,260
Deployable Digital Training Campus/Hours Used ⁴	60/6,526	60/7,444	0
Facilities in support of DL Activities	584	584	584
Students trained in Inspector General School	558	553	608
Foreign Language Tests Developed	12	17	19
Foreign Language Training Products	475	493	510
Reserve Component Training Institutions Accredited ²	440	440	440
Foreign Students Support (WHINSEC) ³	1,400	1,400	1,400
Maintenance Miles Supported in TRADOC Schools	9,175,821	9,180,382	9,221,540
Cyber Training and Doctrine Development Products ⁵	0	0	1,038

Notes:

1. The Army's Distributed Learning activities include Professional Development, Non-Resident Components of Soldier Qualification Courses, Structured Self-Development, Foreign Language Training courses designed to certify Soldiers to comply with statutory EPA requirements, required annual training courses and other functional and developmental courses.
2. The Army Training Institutes conducts external evaluations for the RC of the Total Army School System Institutions consisting of 371 RC related courses at 135 locations.
3. The training support for the Western Hemisphere Institute for Security Cooperation (WHINSEC) provides training and education for students from 19 countries. The exact number of participants is not known until the end of training year.
4. 28 FTEs (\$3.2 million) and IT Contracts Support Services (\$27.5 million) were transferred to SAG 121 in FY 2017.
5. Cyber Training and Doctrine Product requirements to support the Army's training and operational units.

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Detail by Subactivity Group 324: Training Support

V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	3,047	3,054	2,986	-68
Officer	990	985	965	-20
Enlisted	2,057	2,069	2,021	-48
<u>Active Military Average Strength (A/S) (Total)</u>	3,043	3,051	3,020	-31
Officer	988	988	975	-13
Enlisted	2,055	2,063	2,045	-18
<u>Civilian FTEs (Total)</u>	2,625	2,807	2,763	-44
U.S. Direct Hire	2,624	2,806	2,762	-44
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	2,624	2,806	2,762	-44
Foreign National Indirect Hire	1	1	1	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 14	 14	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	110	113	117	4
<u>Contractor FTEs (Total)</u>	743	577	624	47

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
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Activity Group 32: Basic Skill and Advanced Training
Detail by Subactivity Group 324: Training Support

VI. OP-32A Line Items:

		<u>FY 2015</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017</u> <u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	286,193	0	1.34%	3,831	27,950	317,974	0	1.52%	4,848	719	323,541
0103	WAGE BOARD	314	0	0.32%	1	-72	243	0	0.82%	2	-60	185
0106	BENEFITS TO FORMER EMPLOYEES	1,205	0	0.00%	0	-1,205	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	287,712	0		3,832	26,673	318,217	0		4,850	659	323,726
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	57,304	1	1.70%	974	-13,648	44,631	0	1.80%	803	13,000	58,434
0399	TOTAL TRAVEL	57,304	1		974	-13,648	44,631	0		803	13,000	58,434
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	1,264	0	-7.30%	-92	-541	631	0	-8.20%	-52	102	681
0411	ARMY SUPPLY	36,707	0	2.55%	936	-2,245	35,398	0	-4.63%	-1,639	2,275	36,034
0416	GSA MANAGED SUPPLIES AND MATERIALS	54	0	1.70%	1	-21	34	0	1.80%	1	35	70
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	38,025	0		845	-2,807	36,063	0		-1,690	2,412	36,785
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	9,035	0	0.00%	0	-4,292	4,743	0	-0.26%	-12	186	4,917
0503	NAVY FUND EQUIPMENT	330	0	0.00%	0	-23	307	0	3.86%	12	15	334
0507	GSA MANAGED EQUIPMENT	889	0	1.70%	15	-504	400	0	1.80%	7	15	422
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	10,254	0		15	-4,819	5,450	0		7	216	5,673
<u>OTHER FUND PURCHASES</u>												
0633	DLA DOCUMENT SERVICES	3	0	-2.17%	0	-3	0	0	1.47%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	3	0		0	-3	0	0		0	0	0
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	25	0	1.90%	0	-20	5	0	-1.80%	0	10	15
0719	SDDC CARGO OPERATION (PORT HANDLING)	2,310	0	38.80%	896	-1,206	2,000	0	0.80%	16	92	2,108

Exhibit OP-5, Subactivity Group 324

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Detail by Subactivity Group 324: Training Support

		<u>FY 2015</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017</u> <u>Program</u>
0771	COMMERCIAL TRANSPORTATION	480	0	1.70%	8	-306	182	0	1.80%	3	954	1,139
0799	TOTAL TRANSPORTATION	2,815	0		904	-1,532	2,187	0		19	1,056	3,262
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	64	-14	2.00%	1	1	52	0	1.92%	1	1	54
0914	PURCHASED COMMUNICATIONS (NON-FUND)	520	0	1.70%	9	-131	398	0	1.80%	7	0	405
0915	RENTS (NON-GSA)	54,477	0	1.70%	926	-514	54,889	0	1.80%	988	118	55,995
0917	POSTAL SERVICES (U.S.P.S)	37	0	1.70%	1	-24	14	0	1.80%	0	38	52
0920	SUPPLIES AND MATERIALS (NON-FUND)	5,913	0	1.70%	101	-857	5,157	0	1.80%	93	3,196	8,446
0921	PRINTING AND REPRODUCTION	572	0	1.70%	10	-183	399	0	1.80%	7	489	895
0922	EQUIPMENT MAINTENANCE BY CONTRACT	6,382	0	1.70%	108	-339	6,151	0	1.80%	111	246	6,508
0923	OPERATION AND MAINTENANCE OF FACILITIES	6,005	0	1.70%	102	-603	5,504	0	1.80%	99	203	5,806
0925	EQUIPMENT PURCHASES (NON-FUND)	7,194	0	1.70%	122	-3,778	3,538	0	1.80%	64	0	3,602
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	19,905	0	1.70%	338	323	20,566	0	1.80%	370	-2,521	18,415
0933	STUDIES, ANALYSIS, AND EVALUATIONS	5,592	0	1.70%	95	-5,687	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	5,406	0	1.70%	92	-5,498	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	150	0	-7.30%	-11	-135	4	0	-8.20%	0	25	29
0957	LAND AND STRUCTURES	259	0	1.70%	4	-263	0	0	1.80%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	15,857	0	1.70%	270	-7,031	9,096	0	1.80%	164	1,910	11,170
0989	OTHER SERVICES	37,035	0	1.70%	630	-8,865	28,800	0	1.80%	518	953	30,271
0990	IT CONTRACT SUPPORT SERVICES	34,407	0	1.70%	585	-5,510	29,482	0	1.80%	531	7,993	38,006
0999	TOTAL OTHER PURCHASES	199,775	-14		3,383	-39,094	164,050	0		2,953	12,651	179,654
9999	GRAND TOTAL	595,888	-13		9,953	-35,230	570,598	0		6,942	29,994	607,534

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Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 331: Recruiting and Advertising

I. Description of Operations Financed:

RECRUITING AND ADVERTISING - Funds a key component of the Army's mission to maintain the highest quality force possible. Program provides funding to recruit sufficient manpower to sustain the Active Army. Innovative marketing methods are required to attract recruits with the particular qualifications needed to operate the Army's modern, technologically advanced weaponry, telecommunications systems, and other equipment. The best prospects are recruited by placing an emphasis on college and high school senior/graduate markets. Funding provides the capability to use mass media advertising and publicity to communicate reasons for enlistment to young people and those adults (e.g., family members, school officials) who may influence candidate decision-making. Recruits with the most potential are motivated by opportunities for personal growth in challenging situations; help in pursuing long range occupational and educational goals through technical training; and money for college. The Army Marketing Research Group, a Field Operating Agency of the Assistant Secretary of the Army for Manpower and Reserve Affairs, executes the Army's advertising and marketing mission. Advertising targets both enlisted and officer recruiting missions. Also funds accessions automation/communication requirements, which supports both the enlisted and officer missions of the Active and Reserve Components.

II. Force Structure Summary:

The U.S. Army Recruiting Command consist of six separate Brigades, 44 Battalions, 245 Companies, and over 1,800 recruiting stations geographically dispersed in support of the Army's accessioning missions.

Headquarters, Department of the Army

Army Command:

U.S. Army Training and Doctrine Command

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III. Financial Summary (\$ in Thousands):

	<u>FY 2015</u>	<u>FY 2016</u>				<u>Normalized</u>	<u>FY 2017</u>
		<u>Actual</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>		
A. Program Elements							
RECRUITING AND ADVERTISING	\$592,456	\$491,922	\$-12,801	-2.60%	\$479,121	\$479,121	\$550,599
SUBACTIVITY GROUP TOTAL	\$592,456	\$491,922	\$-12,801	-2.60%	\$479,121	\$479,121	\$550,599
B. Reconciliation Summary			<u>Change</u>	<u>Change</u>			
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING			\$491,922	\$479,121			
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			-12,577				
Adjustments to Meet Congressional Intent			25				
Congressional Adjustments (General Provisions)			-249				
SUBTOTAL APPROPRIATED AMOUNT			<u>479,121</u>				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			<u>479,121</u>				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					8,203		
Functional Transfers					-1,135		
Program Changes					64,410		
NORMALIZED CURRENT ESTIMATE			<u>\$479,121</u>		<u>\$550,599</u>		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 491,922
1. Congressional Adjustments	\$ -12,801
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -12,577
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -12,329
2) Spares and repair parts	\$ -248
c) Adjustments to Meet Congressional Intent	\$ 25
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 25
d) General Provisions	\$ -249
1) Sec 8024. Federally Funded Research and Development Centers	\$ -215
2) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -34

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FY 2016 Appropriated Amount	\$ 479,121
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 479,121
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 479,121
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 479,121
6. Price Change	\$ 8,203
7. Transfers.....	\$ -1,135

DEPARTMENT OF THE ARMY
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a) Transfers In \$ 0

b) Transfers Out \$ -1,135

1) U.S. Army Military Academy (USMA) \$ -1,135
 Transfers funding and FTEs from the following SAGs: SAG 121, Force Readiness Operations Support (\$-15; 0 FTE); SAG 131, Base Operations Support (\$-1,253; -3 FTEs); SAG 331, Recruiting and Advertising (\$-1,135; 0 FTE); SAG 434, Other Personnel Support (\$-625; 0 FTE); SAG 435, Other Service Support (\$-1,059; -7 FTEs); and SAG 442, Miscellaneous Support of Other Nations (\$-105; 0 FTE) to SAG 311, Officer Acquisition (\$4,192; 10 FTEs) for consolidation of USMA resources into the appropriate Subactivity Group. (Baseline: \$1,135)

8. Program Increases \$ 65,139

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 65,139

1) Advertising \$ 50,891
 Increases funding for media efforts and events marketing; increases the number of high schools the Army reaches with quality marketing engagements such as music or science, technology, engineering, and math events; increases, with added television media, the frequency and reach of young people and adults (e.g., parents, other family members, coaches, and others school officials) who may influence candidate decision-making, and increases targeted online media efforts that leverage new youth-oriented technologies. These additional efforts offset an unfavorable recruiting environment, educate the public on the value of Army service, and motivate more youth to consider Army enlistment and more of their influencers to support that decision. (Baseline: \$189,101)

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2) Army Recruiting..... \$ 11,439
 Increases funding for support to recruiters and recruiting activities; includes travel, applicant meals and lodging, small purchases, supplies and equipment also increase funding for operation and maintenance of recruiting automation systems. (Baseline: \$260,867)

3) Civilian Average Annual Compensation \$ 2,809
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$126,019)

9. Program Decreases.....\$ -729

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases.....\$ 0

c) Program Decreases in FY 2017.....\$ -729

1) Compensable Days.....\$ -729
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$126,019)

FY 2017 Budget Request.....\$ 550,599

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IV. Performance Criteria and Evaluation Summary:

	FY 2015			FY 2016			FY 2017		
	Total	I-III A	HSDG	Total	I-III A	HSDG	Total	I-III A	HSDG
Non-Prior Services Males	48.3	29.9	47.1	51.9	47.2	51.7	50.4	45.8	50.2
Non-Prior Services Females	9.9	5.1	9.8	10.6	8.0	10.8	10.3	7.8	10.5
Total Non-Prior Service	58.2	39.6	56.9	61.4	61.3	61.4	59.7	59.5	59.7
Prior Service	1	0.8	1	1.1	1.2	1.1	1.0	1.2	1.0
Total	59.2	40.4	57.9	62.5	42.7	61.1	60.7	41.4	59.4

	Change FY 2015/FY2016			Change FY 2016/FY2017		
	Total	I-III A	HSDG	Total	I-III A	HSDG
Non-Prior Services Males	3.6	17.3	4.6	-1.5	-1.4	-1.5
Non-Prior Services Females	0.7	2.9	1.0	-0.3	-0.2	-0.3
Total Non-Prior Service	3.2	21.7	4.5	-1.8	-1.8	-1.8
Prior Service	0.1	0.4	0.1	0.0	0.0	0.0
Total	3.3	2.3	3.2	-1.8	-1.2	-1.8

Total - Number represents accessions target.

I-III A - Number represents the target for recruits scoring in the three highest test score categories.

HSDG - High School Diploma Graduates

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	9,158	8,044	8,166	122
Officer	636	596	603	7
Enlisted	8,522	7,448	7,563	115
<u>Active Military Average Strength (A/S) (Total)</u>	9,111	8,601	8,106	-495
Officer	622	616	600	-16
Enlisted	8,489	7,985	7,506	-479
<u>Civilian FTEs (Total)</u>	1,438	1,499	1,499	0
U.S. Direct Hire	1,438	1,499	1,499	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,438	1,499	1,499	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	82	84	87	3
<u>Contractor FTEs (Total)</u>	2,509	1,709	2,062	353

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	117,063	0	1.29%	1,513	7,009	125,585	0	1.54%	1,940	2,081	129,606
0103	WAGE BOARD	131	0	2.29%	3	300	434	0	1.38%	6	-1	439
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	117,194	0		1,516	7,309	126,019	0		1,946	2,080	130,045
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	52,838	0	1.70%	898	0	53,736	0	1.80%	967	667	55,370
0399	TOTAL TRAVEL	52,838	0		898	0	53,736	0		967	667	55,370
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	1,434	0	2.55%	37	0	1,471	0	-4.63%	-68	185	1,588
0416	GSA MANAGED SUPPLIES AND MATERIALS	2,775	0	1.70%	47	0	2,822	0	1.80%	51	378	3,251
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	4,209	0		84	0	4,293	0		-17	563	4,839
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	15,902	0	1.70%	270	0	16,172	0	1.80%	291	1,520	17,983
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	15,902	0		270	0	16,172	0		291	1,520	17,983
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	1,515	0	1.70%	26	0	1,541	0	1.80%	28	207	1,776
0799	TOTAL TRANSPORTATION	1,515	0		26	0	1,541	0		28	207	1,776
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	459	0	1.70%	8	0	467	0	1.80%	8	0	475
0915	RENTS (NON-GSA)	7	0	1.70%	0	0	7	0	1.80%	0	0	7
0917	POSTAL SERVICES (U.S.P.S)	152	0	1.70%	3	0	155	0	1.80%	3	0	158
0920	SUPPLIES AND MATERIALS (NON-FUND)	10,758	0	1.70%	183	-3,779	7,162	0	1.80%	129	1,481	8,772
0921	PRINTING AND REPRODUCTION	188,048	0	1.70%	3,196	-61,034	130,210	0	1.80%	2,344	29,791	162,345
0922	EQUIPMENT MAINTENANCE BY CONTRACT	288	0	1.70%	5	0	293	0	1.80%	5	0	298

Exhibit OP-5, Subactivity Group 331

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Detail by Subactivity Group 331: Recruiting and Advertising

		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0923	OPERATION AND MAINTENANCE OF FACILITIES	5,757	0	1.70%	98	0	5,855	0	1.80%	105	0	5,960
0933	STUDIES, ANALYSIS, AND EVALUATIONS	3,043	0	1.70%	52	-1,234	1,861	0	1.80%	33	0	1,894
0937	LOCALLY PURCHASED FUEL (NON-FUND)	43	0	-7.30%	-3	0	40	0	-8.20%	-3	0	37
0964	SUBSISTENCE AND SUPPORT OF PERSONS	12,907	0	1.70%	219	0	13,126	0	1.80%	236	0	13,362
0989	OTHER SERVICES	145,327	0	1.70%	2,470	-64,200	83,597	0	1.80%	1,505	25,271	110,373
0990	IT CONTRACT SUPPORT SERVICES	34,009	0	1.70%	578	0	34,587	0	1.80%	623	1,695	36,905
0999	TOTAL OTHER PURCHASES	400,798	0		6,809	-130,247	277,360	0		4,988	58,238	340,586
9999	GRAND TOTAL	592,456	0		9,603	-122,938	479,121	0		8,203	63,275	550,599

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Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 332: Examining

I. Description of Operations Financed:

EXAMINING - Funds the U.S. Military Entrance Processing Command (USMEPCOM), the U.S. Army Accessions Support Brigade, the U.S. Army Marksmanship Unit, and the U.S. Army Parachute Team. These organizations provide support to the Recruiting and Cadet Command forces. USMEPCOM tests all Armed Forces applicants to ensure they are medically qualified and administers the Armed Services Vocational Aptitude Battery to all applicants, to include high school students. USMEPCOM enlists volunteer applicants during peacetime and inducts registrants conscripted through the Selective Service System during mobilization. Personnel from Military Entrance Processing Stations (MEPS) sites conduct aptitude testing. USMEPCOM consists of 65 MEPS and 469 MET sites throughout Continental U. S. , Hawaii, Alaska, and Puerto Rico.

II. Force Structure Summary:

Army is the Executive Agent for the USMEPCOM. The Examining program detailed above supports:

Headquarters, Department of the Army

U.S. Military Entrance Processing Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>		<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
		<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>
	EXAMINING	\$167,136	\$194,079	\$-18,142	-9.35%	\$175,937	\$175,937	\$187,263
	SUBACTIVITY GROUP TOTAL	\$167,136	\$194,079	\$-18,142	-9.35%	\$175,937	\$175,937	\$187,263
				<u>Change</u>		<u>Change</u>		
				<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>		
BASELINE FUNDING				\$194,079		\$175,937		
	Congressional Adjustments (Distributed)			-6,100				
	Congressional Adjustments (Undistributed)			-11,855				
	Adjustments to Meet Congressional Intent			508				
	Congressional Adjustments (General Provisions)			-695				
SUBTOTAL APPROPRIATED AMOUNT				175,937				
	War Related and Disaster Supplemental Appropriation			0				
	X-Year Carryover			0				
	Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING				175,937				
	Anticipated Reprogramming (Requiring 1415 Actions)			0				
	Less: War Related and Disaster Supplemental Appropriation			0				
	Less: X-Year Carryover			0				
	Price Change					2,724		
	Functional Transfers					0		
	Program Changes					8,602		
NORMALIZED CURRENT ESTIMATE				\$175,937		\$187,263		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 194,079
1. Congressional Adjustments	\$ -18,142
a) Distributed Adjustments	\$ -6,100
1) Unjustified program growth	\$ -6,100
b) Undistributed Adjustments	\$ -11,855
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -11,802
2) Spares and repair parts	\$ -53
c) Adjustments to Meet Congressional Intent	\$ 508
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 508
d) General Provisions	\$ -695
1) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -695

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FY 2016 Appropriated Amount	\$ 175,937
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 175,937
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 175,937
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 175,937
6. Price Change	\$ 2,724
7. Transfers.....	\$ 0

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a) Transfers In \$ 0

b) Transfers Out \$ 0

8. Program Increases \$ 10,071

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 10,071

1) Civilian Average Annual Compensation \$ 2,738

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$135,827)

2) U.S. Military Entrance Processing Command (USMEPCOM) - Operations \$ 733

Increases operational funding for travel, printing and reproduction and other services in support of the USMEPCOM. (Baseline: \$106,724)

3) U.S. Military Entrance Processing Command - Automation \$ 6,600

Increases information technology funding to improve the effectiveness of recruiting and accessions by using modern data analytics, expanding non-cognitive testing and digitizing the Military Entrance

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Processing System process. (Baseline: \$45,863)

9. Program Decreases.....	\$ -1,469
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017.....	\$ -1,469
1) Civilian Workforce Reduction	\$ -689
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$135,827; -9 FTE)	
2) Compensable Days.....	\$ -780
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$135,827)	
FY 2017 Budget Request.....	\$ 187,263

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IV. Performance Criteria and Evaluation Summary:

<u>Examining (Number in Thousands)</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2015/FY2016</u>	<u>Change FY 2016/FY2017</u>
<u>Military Entrance Processing Station Accession Workload</u>					
Army (Active and Reserve Component)	111.2	108.7	117.5	-2.5	8.8
Navy	37.7	39.0	39.2	1.3	0.2
Air Forces	24.4	27.8	28.0	3.4	0.2
Marines	35.9	38.4	36.4	2.5	-2.0
Coast Guard	3.0	3.0	3.0	0.0	0.0
Total	212.2	216.9	224.1	4.7	7.2
<u>Production Testing</u>					
Army (Active and Reserve Component)	205.4	200.7	216.9	-4.7	16.2
Navy	73.8	76.4	76.8	2.6	0.4
Air Forces	55.2	63.0	63.3	7.8	0.3
Marines	60.2	64.2	60.9	4.0	-3.3
Coast Guard	7.0	7.0	7.0	0.0	0.0
Total	401.6	411.3	424.9	9.7	13.6
<u>Medical Testing</u>					
Army (Active and Reserve Component)	131.6	128.7	139.0	-2.9	10.3
Navy	55.8	57.7	58.0	1.9	0.3
Air Forces	43.8	50.0	50.2	6.2	0.2
Marines	50.0	53.3	50.6	3.3	-2.7
Coast Guard	5.0	5.0	5.0	0.0	0.0
Total	286.2	294.7	302.8	8.5	8.1

FY 2015 - 2017 Accession estimates from the Office of the Under Secretary Defense for Personnel and Readiness, Accession Policy, except Coast Guard data.

The Military Entrance Processing Stations (MEPS) mission is a direct reflection of the number of contracts written by all Service recruiters. The preponderance of the contract mission has two parts – the Accession Mission and the Delayed Entry Program (DEP) Mission.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	443	408	402	-6
Officer	157	145	145	0
Enlisted	286	263	257	-6
<u>Active Military Average Strength (A/S) (Total)</u>	449	426	405	-21
Officer	158	151	145	-6
Enlisted	291	275	260	-15
<u>Civilian FTEs (Total)</u>	1,596	1,802	1,793	-9
U.S. Direct Hire	1,596	1,802	1,793	-9
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,596	1,802	1,793	-9
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	72	75	78	3
<u>Contractor FTEs (Total)</u>	218	163	208	45

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	114,286	0	1.43%	1,632	19,617	135,535	0	1.53%	2,080	1,269	138,884
0103	WAGE BOARD	176	0	1.14%	2	114	292	0	0.68%	2	0	294
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	114,462	0		1,634	19,731	135,827	0		2,082	1,269	139,178
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	6,952	0	1.70%	118	-1,836	5,234	0	1.80%	94	176	5,504
0399	TOTAL TRAVEL	6,952	0		118	-1,836	5,234	0		94	176	5,504
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	5	0	2.55%	0	0	5	0	-4.63%	0	0	5
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,185	0	1.70%	20	-312	893	0	1.80%	16	0	909
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,190	0		20	-312	898	0		16	0	914
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	3,066	0	1.70%	52	-810	2,308	0	1.80%	42	0	2,350
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	3,066	0		52	-810	2,308	0		42	0	2,350
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	56	0	1.70%	1	0	57	0	1.80%	1	0	58
0799	TOTAL TRANSPORTATION	56	0		1	0	57	0		1	0	58
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	206	0	1.70%	3	0	209	0	1.80%	4	0	213
0915	RENTS (NON-GSA)	79	0	1.70%	1	0	80	0	1.80%	1	0	81
0917	POSTAL SERVICES (U.S.P.S)	96	0	1.70%	2	0	98	0	1.80%	2	0	100
0920	SUPPLIES AND MATERIALS (NON-FUND)	6,293	0	1.70%	107	-1,662	4,738	0	1.80%	85	0	4,823
0921	PRINTING AND REPRODUCTION	2,301	0	1.70%	39	-560	1,780	0	1.80%	32	260	2,072
0922	EQUIPMENT MAINTENANCE BY CONTRACT	2,431	0	1.70%	41	-642	1,830	0	1.80%	33	0	1,863

Exhibit OP-5, Subactivity Group 332

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0923 OPERATION AND MAINTENANCE OF FACILITIES	417	0	1.70%	7	0	424	0	1.80%	8	0	432
0937 LOCALLY PURCHASED FUEL (NON-FUND)	870	0	-7.30%	-64	0	806	0	-8.20%	-66	0	740
0957 LAND AND STRUCTURES	2	0	1.70%	0	0	2	0	1.80%	0	0	2
0987 OTHER INTRA-GOVERNMENT PURCHASES	92	0	1.70%	2	0	94	0	1.80%	2	0	96
0989 OTHER SERVICES	5,801	0	1.70%	99	-1,532	4,368	0	1.80%	79	297	4,744
0990 IT CONTRACT SUPPORT SERVICES	22,822	0	1.70%	388	-6,026	17,184	0	1.80%	309	6,600	24,093
0999 TOTAL OTHER PURCHASES	41,410	0		625	-10,422	31,613	0		489	7,157	39,259
9999 GRAND TOTAL	167,136	0		2,450	6,351	175,937	0		2,724	8,602	187,263

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 333: Off-Duty and Voluntary Education

I. Description of Operations Financed:

OFF-DUTY AND VOLUNTARY EDUCATION - Finances three Army programs: First, the Army Continuing Education System (ACES). The ACES is an integrated system of self-development education providing programs and services that support Army readiness, recruitment, and retention. It provides the Soldier with academic and vocational counseling services to aid in establishing professional and educational goals. Additionally, the ACES provides Soldiers job-related instruction to improve basic educational competencies necessary for job proficiency and offers a wide range of postsecondary programs on Army installations from the associate through graduate degree level, including technical courses for licensure or certification. Second, the Army Tuition Assistance provides financial assistance authorized by Congress (Title 10, USC 2007) for voluntary off-duty education programs that support the educational objectives of the Army and the Soldier's personal self-development goals. Finally, the Veterans Education Assistance Program (VEAP) is an education benefit program available to Soldiers who entered the service for the first time between January 1, 1977, and June 30, 1985. The program allows Soldiers to contribute from their military pay to participate in the program. The government then matches contributions on a \$2 to \$1 basis.

II. Force Structure Summary:

Headquarters, Department of Army

Direct Reporting Unit:

U.S. Army Installation Management Command

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Detail by Subactivity Group 333: Off-Duty and Voluntary Education

III. Financial Summary (\$ in Thousands):

	<u>FY 2015</u>	<u>Budget</u>	<u>FY 2016</u>			<u>Normalized</u>	<u>FY 2017</u>
			<u>Actual</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	
A. Program Elements							
OFF-DUTY AND VOLUNTARY EDUCATION	\$202,006	\$227,951	\$-8,741	-3.83%	\$219,210	\$219,210	\$189,556
SUBACTIVITY GROUP TOTAL	\$202,006	\$227,951	\$-8,741	-3.83%	\$219,210	\$219,210	\$189,556
B. Reconciliation Summary			<u>Change</u>	<u>Change</u>			
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING			\$227,951	\$219,210			
Congressional Adjustments (Distributed)			-7,000				
Congressional Adjustments (Undistributed)			-1,696				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			-45				
SUBTOTAL APPROPRIATED AMOUNT			<u>219,210</u>				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			<u>219,210</u>				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					3,876		
Functional Transfers					-8,518		
Program Changes					-25,012		
NORMALIZED CURRENT ESTIMATE			<u>\$219,210</u>		<u>\$189,556</u>		

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 Detail by Subactivity Group 333: Off-Duty and Voluntary Education

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 227,951
1. Congressional Adjustments	\$ -8,741
a) Distributed Adjustments	\$ -7,000
1) Unjustified program growth	\$ -7,000
b) Undistributed Adjustments	\$ -1,696
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -1,686
2) Spares and repair parts	\$ -10
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ -45
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -45
FY 2016 Appropriated Amount.....	\$ 219,210

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 Detail by Subactivity Group 333: Off-Duty and Voluntary Education

2. War-Related and Disaster Supplemental Appropriations.....	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 219,210
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 219,210
5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 219,210
6. Price Change	\$ 3,876
7. Transfers.....	\$ -8,518
a) Transfers In	\$ 0

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 Detail by Subactivity Group 333: Off-Duty and Voluntary Education

b) Transfers Out \$ -8,518

1) Soldier for Life - Transition Assistance Program \$ -8,518
 Transfers funding from SAG 333, Off-Duty and Voluntary Education to SAG 434, Other Personnel Support to align resources for the Transition Assistance and Veterans Opportunity to Work (VOW) Act programs to the appropriate Subactivity Group. (Baseline: \$60,607)

8. Program Increases\$ 604

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 604

1) Civilian Average Annual Compensation \$ 604
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$27,148)

9. Program Decreases\$ -25,616

a) One-Time FY 2016 Costs \$ 0

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 Detail by Subactivity Group 333: Off-Duty and Voluntary Education

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -25,616

1) Army Tuition Assistance (TA) Program \$ -25,460
 Reduces the Army Tuition Assistance Program. Program Semester Hours decreased from 713,024 in FY 2016 to 642,868 in FY 2017. (Baseline: \$158,100)

2) Compensable Days..... \$ -156
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$27,148)

FY 2017 Budget Request..... \$ 189,556

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 Budget Activity 03: Training and Recruiting
 Activity Group 33: Recruiting and Other Training and Education
 Detail by Subactivity Group 333: Off-Duty and Voluntary Education

IV. Performance Criteria and Evaluation Summary:

Off-duty and Voluntary Education: Army Continuing Education System

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change</u> <u>FY 2015/FY 2016</u>	<u>Change</u> <u>FY 2016/FY 2017</u>
Tuition Assistance (Enrollments)	309,685	235,209	212,169	-74,476	-23,040
Tuition Assistance (Semester Hours)	938,346	713,024	642,868	-225,322	-70,156
Tuition Assistance Funding (\$000)	146,974	158,100	133,138	11,126	-24,962
Tests Administered (Tests)	106,559	124,748	123,345	18,189	-1,403
Functional Academic Skills Training (Enrollments)	1,156	2,935	1,468	1,779	-1,467
American/Army Registry Transcript System Manuscripts	450,167	451,365	450,754	1,198	-611

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Detail by Subactivity Group 333: Off-Duty and Voluntary Education

V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change</u> <u>FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	0	0	0	0
Officer	0	0	0	0
Enlisted	0	0	0	0
<u>Civilian FTEs (Total)</u>	256	271	271	0
U.S. Direct Hire	251	266	266	0
Foreign National Direct Hire	4	3	3	0
Total Direct Hire	255	269	269	0
Foreign National Indirect Hire	1	2	2	0
 <i>(Reimbursable Civilians (Memo))</i>	 3	 8	 8	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	90	100	103	3
<u>Contractor FTEs (Total)</u>	137	131	131	0

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 333: Off-Duty and Voluntary Education

VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	22,790	0	1.42%	324	3,878	26,992	0	1.55%	418	447	27,857
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	217	0	0.00%	0	-168	49	0	0.00%	0	1	50
0106	BENEFITS TO FORMER EMPLOYEES	25	0	0.00%	0	-25	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	23,032	0		324	3,685	27,041	0		418	448	27,907
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	138	0	1.70%	2	1	141	0	1.80%	3	0	144
0399	TOTAL TRAVEL	138	0		2	1	141	0		3	0	144
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0416	GSA MANAGED SUPPLIES AND MATERIALS	59	0	1.70%	1	0	60	0	1.80%	1	0	61
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	59	0		1	0	60	0		1	0	61
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	781	0	1.70%	13	0	794	0	1.80%	14	0	808
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	781	0		13	0	794	0		14	0	808
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	3,793	0	1.70%	64	0	3,857	0	1.80%	69	0	3,926
0799	TOTAL TRANSPORTATION	3,793	0		64	0	3,857	0		69	0	3,926
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	64	-29	2.86%	1	71	107	1	0.93%	1	0	109
0913	PURCHASED UTILITIES (NON-FUND)	16	0	1.70%	0	0	16	0	1.80%	0	0	16
0915	RENTS (NON-GSA)	4	0	1.70%	0	0	4	0	1.80%	0	0	4
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,209	0	1.70%	21	0	1,230	0	1.80%	22	0	1,252
0921	PRINTING AND REPRODUCTION	28	0	1.70%	0	0	28	0	1.80%	0	0	28
0922	EQUIPMENT MAINTENANCE BY CONTRACT	2	0	1.70%	0	0	2	0	1.80%	0	0	2

Exhibit OP-5, Subactivity Group 333

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 333: Off-Duty and Voluntary Education

	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0923 OPERATION AND MAINTENANCE OF FACILITIES	33	0	1.70%	1	8	42	0	1.80%	1	0	43
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,614	0	1.70%	27	-964	677	0	1.80%	12	0	689
0957 LAND AND STRUCTURES	1	0	1.70%	0	0	1	0	1.80%	0	0	1
0987 OTHER INTRA-GOVERNMENT PURCHASES	2,224	0	1.70%	38	0	2,262	0	1.80%	41	0	2,303
0989 OTHER SERVICES	149,413	0	1.70%	2,540	11,067	163,020	0	1.80%	2,934	-33,978	131,976
0990 IT CONTRACT SUPPORT SERVICES	19,595	0	1.70%	333	0	19,928	0	1.80%	359	0	20,287
0999 TOTAL OTHER PURCHASES	174,203	-29		2,961	10,182	187,317	1		3,370	-33,978	156,710
9999 GRAND TOTAL	202,006	-29		3,365	13,868	219,210	1		3,875	-33,530	189,556

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 334: Civilian Education and Training

I. Description of Operations Financed:

CIVILIAN EDUCATION AND TRAINING - Funds Army civilian training to achieve optimum performance through three major programs: the Army Intern Program, the Army Civilian Training Program, and the Acquisition Corps Training Program. Training is performed at military installations, training centers, colleges, universities, and civilian contracted facilities.

The Army Intern Program covers all career programs ensuring an end state career force with the proper mix of skills, education, and experience by providing placement into highly specialized occupations that are not available through normal labor market sources. Interns, normally hired at the GS 5/7 level, undergo an intensive, structured 18-24 month program. The Master Intern Training Plan provides formal classroom instruction, combined with rotational, on-the-job training under close supervision. It is a comprehensive program of instruction to carry the intern from entry- to journeyman-level.

The Army Civilian Functional Training Program includes Senior Executive training, functional training for members of all 31 Career Programs, and Army National Guard civilian training. The Leader Development Program includes the Civilian Education System (CES) leader development courses, the Senior Enterprise Talent Management and the Enterprise Talent Management Programs, which include Senior Service Schools, Intermediate Level Education (CGSOC) and Fellowships. All Civilian training and leader development programs include formal school attendance, short and long term broadening assignments and some include graduate placement following completion.

The Acquisition Corps Training Program ensures that the Army complies with the Defense Acquisition Workforce Improvement Act. Included are professional development assignments and tuition assistance for civilian acquisition training.

II. Force Structure Summary:

Headquarters, Department of the Army

Army Command:

U.S. Army Training and Doctrine Command

Direct Reporting Unit:

U.S. Army Acquisition Support Center

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 334: Civilian Education and Training

III. Financial Summary (\$ in Thousands):

	FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>	<u> </u>	<u> </u>	<u> </u>	<u>Enacted</u>	<u>Estimate</u>
CIVILIAN EDUCATION AND TRAINING	\$143,807	\$161,048	\$-15,465	-9.60%	\$145,583	\$145,583	\$182,835
SUBACTIVITY GROUP TOTAL	\$143,807	\$161,048	\$-15,465	-9.60%	\$145,583	\$145,583	\$182,835
B. <u>Reconciliation Summary</u>			<u>Change</u>		<u>Change</u>		
			<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>		
BASELINE FUNDING			\$161,048		\$145,583		
Congressional Adjustments (Distributed)			-10,000				
Congressional Adjustments (Undistributed)			-5,432				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			-33				
SUBTOTAL APPROPRIATED AMOUNT			145,583				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			145,583				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					2,799		
Functional Transfers					0		
Program Changes					34,453		
NORMALIZED CURRENT ESTIMATE			\$145,583		\$182,835		

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 33: Recruiting and Other Training and Education
 Detail by Subactivity Group 334: Civilian Education and Training

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 161,048
1. Congressional Adjustments	\$ -15,465
a) Distributed Adjustments	\$ -10,000
1) Unjustified program growth	\$ -10,000
b) Undistributed Adjustments	\$ -5,432
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -5,427
2) Spares and repair parts	\$ -5
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ -33
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -33
FY 2016 Appropriated Amount.....	\$ 145,583

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
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 Detail by Subactivity Group 334: Civilian Education and Training

2. War-Related and Disaster Supplemental Appropriations.....	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 145,583
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 145,583
5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 145,583
6. Price Change	\$ 2,799
7. Transfers.....	\$ 0
a) Transfers In	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
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 Detail by Subactivity Group 334: Civilian Education and Training

b) Transfers Out	\$ 0
8. Program Increases	\$ 37,696
a) Annualization of New FY 2016 Program	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 37,696
1) Army Intern Program	\$ 29,312
Reinvests funding and restores 397 FTEs into the Army Intern Program. The additional funding and FTEs transition the Intern Program from decentralized recruitment to an enterprise recruitment model. This refocuses the program to matching job opportunities to Army long-term personnel requirements. The additional FTEs ensure the appropriate number of Army Interns is recruited and onboard to meet Army human capital needs. (Baseline: \$87,225; 397 FTE)	
2) Army Intern Program Support	\$ 8,384
Funds additional travel, transportation, supplies and materials, and other administrative services in support of the Army Intern Program. (Baseline: \$86,485)	
9. Program Decreases	\$ -3,243
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
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 Detail by Subactivity Group 334: Civilian Education and Training

c) Program Decreases in FY 2017..... \$ -3,243

1) Bipartisan Budget Act of 2015 Compliance \$ -1,254

Decrease in funding to Civilian Intern Program general operations of \$1.3 million required for the Department to comply with the Bipartisan Budget Agreement of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$1,254)

2) Civilian Average Annual Compensation \$ -1,192

Modifies civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$87,225)

3) Civilian Workforce Reduction..... \$ -145

Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$97,225; -2 FTE)

4) Compensable Days..... \$ -652

Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$87,225)

FY 2017 Budget Request.....\$ 182,835

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
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 Detail by Subactivity Group 334: Civilian Education and Training

IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change</u> <u>FY 2015/2016</u>	<u>Change</u> <u>FY 2016/2017</u>
Career Program Interns (Funded Work Years)	1,119	1,103	1,500	-16	397
Leader Development for Senior Executive Service	199	199	119	0	-80
Career Program Functional Training	6,444	6,797	6,821	353	24
*Civilian Education System (CES) Leader Development Training	40,724	41,044	42,517	320	1,473
CES Resident-Inputs	3,673	3,993	3,864	320	-129
CES Distributed Learning-Inputs	37,051	37,051	38,653	0	1,602
Senior Service College-Civilian-Inputs	25	39	35	14	-4
Command and General Staff Officer Course					
Intermediate Level Education-Civilian-Inputs	0	5	15	5	10

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Operation and Maintenance, Army
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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	14	18	16	-2
Officer	14	18	16	-2
Enlisted	0	0	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	11	16	17	1
Officer	11	16	17	1
Enlisted	0	0	0	0
<u>Civilian FTEs (Total)</u>	1,190	1,199	1,594	395
U.S. Direct Hire	1,190	1,199	1,594	395
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,190	1,199	1,594	395
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 1	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	72	73	73	0
<u>Contractor FTEs (Total)</u>	173	166	186	20

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
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VI. OP-32A Line Items:

		<u>FY 2015</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016</u> <u>Program</u>	<u>FC Rate</u> <u>Diff</u>	<u>Price</u> <u>Growth</u> <u>Percent</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017</u> <u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	85,014	0	1.24%	1,052	1,159	87,225	0	2.01%	1,749	27,467	116,441
0103	WAGE BOARD	313	0	0.00%	0	-313	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	85,327	0		1,052	846	87,225	0		1,749	27,467	116,441
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	26,467	0	1.70%	450	0	26,917	0	1.80%	484	3,296	30,697
0399	TOTAL TRAVEL	26,467	0		450	0	26,917	0		484	3,296	30,697
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	436	0	1.70%	7	0	443	0	1.80%	8	0	451
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	436	0		7	0	443	0		8	0	451
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	2,703	0	1.70%	46	0	2,749	0	1.80%	49	337	3,135
0799	TOTAL TRANSPORTATION	2,703	0		46	0	2,749	0		49	337	3,135
<u>OTHER PURCHASES</u>												
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,944	0	1.70%	33	0	1,977	0	1.80%	36	242	2,255
0921	PRINTING AND REPRODUCTION	56	0	1.70%	1	0	57	0	1.80%	1	0	58
0922	EQUIPMENT MAINTENANCE BY CONTRACT	655	0	1.70%	11	0	666	0	1.80%	12	0	678
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	483	0	1.70%	8	-491	0	0	1.80%	0	0	0
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	10	0	1.70%	0	-10	0	0	1.80%	0	0	0
0989	OTHER SERVICES	23,272	0	1.70%	396	-615	23,053	0	1.80%	415	2,823	26,291
0990	IT CONTRACT SUPPORT SERVICES	2,454	0	1.70%	42	0	2,496	0	1.80%	45	288	2,829
0999	TOTAL OTHER PURCHASES	28,874	0		491	-1,116	28,249	0		509	3,353	32,111
9999	GRAND TOTAL	143,807	0		2,046	-270	145,583	0		2,799	34,453	182,835

Exhibit OP-5, Subactivity Group 334

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

I. Description of Operations Financed:

JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC) - Funds programs located in all 50 states, the four territories, and on seven U.S. bases in foreign countries as mandated by the U.S. Congress in 10 USC 2031. JROTC, a public service program available to high school students, provides a citizenship program that motivates young people to become stronger leaders and better citizens. Funding supports retired military instructor salaries, costs of unit supplies, equipment, summer camps for 10 percent of enrolled cadets, and travel and per diem costs for instructors.

II. Force Structure Summary:

Army Command:

U.S. Army Training and Doctrine Command

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Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

III. Financial Summary (\$ in Thousands):

		FY 2016				Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>
JUNIOR RESERVE OFFICER TRAINING CORPS	\$175,316	\$170,118	\$4,897	2.88%	\$175,015	\$175,015	\$171,167
SUBACTIVITY GROUP TOTAL	\$175,316	\$170,118	\$4,897	2.88%	\$175,015	\$175,015	\$171,167
		<u>Change</u>		<u>Change</u>			
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>			
BASELINE FUNDING		\$170,118		\$175,015			
Congressional Adjustments (Distributed)			5,500				
Congressional Adjustments (Undistributed)			-603				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL APPROPRIATED AMOUNT		175,015					
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING		175,015					
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					3,131		
Functional Transfers					0		
Program Changes					-6,979		
NORMALIZED CURRENT ESTIMATE		\$175,015		\$171,167			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 33: Recruiting and Other Training and Education
 Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 170,118
1. Congressional Adjustments	\$ 4,897
a) Distributed Adjustments	\$ 5,500
1) Program increase	\$ 5,500
b) Undistributed Adjustments	\$ -603
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -580
2) Spares and repair parts	\$ -23
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2016 Appropriated Amount	\$ 175,015
2. War-Related and Disaster Supplemental Appropriations	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
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 Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 175,015
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 175,015
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 175,015
6. Price Change	\$ 3,131
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 33: Recruiting and Other Training and Education
 Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

8. Program Increases	\$ 344
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 344
1) Civilian Average Annual Compensation	\$ 148
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$6,540)	
2) Personnel Security Investigations.....	\$ 196
Increases funding and 2 FTEs in support of the Army's Insider Threat Program, Screen the Army Line of Effort. Screen the Army is the process to determine a person's suitability for employment. Increase enhances screening for individuals who have regular contact with students in the Junior Reserve Officer Training Corps Program. (Baseline: \$0; 2 FTE)	
9. Program Decreases.....	\$ -7,323
a) One-Time FY 2016 Costs	\$ -5,500

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
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 Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

1) Program Increase \$ -5,500

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -1,823

1) Civilian Workforce Reduction \$ -87
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$6,540; -1 FTE)

2) Compensable Days..... \$ -38
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$6,540)

3) Junior Reserve Officer Training Corps Program..... \$ -1,698
 Reduces operational funding and personnel support to include administrative support, supplies, and materials. (Baseline: \$175,015)

FY 2017 Budget Request.....\$ 171,167

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 Activity Group 33: Recruiting and Other Training and Education
 Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change</u> <u>FY 2015 / FY 2016</u>	<u>Change</u> <u>FY 2016 / FY 2017</u>
Number of Junior ROTC Units Projected	1,697	1,709	1,704	12	-5
Continental United States (Cadet Command)	1,638	1,650	1,645	12	-5
Outside the Continental United States	59	59	59	0	0
Number of JROTC Units Funded	1,731	1,709	1,704	-22	-5
Average Number of Enrollments	313,609	310,350	309,600	-3,259	-750

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Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>2</u>	<u>1</u>	<u>7</u>	<u>6</u>
Officer	2	1	1	0
Enlisted	0	0	6	6
<u>Active Military Average Strength (A/S) (Total)</u>	<u>2</u>	<u>2</u>	<u>4</u>	<u>2</u>
Officer	2	2	1	-1
Enlisted	0	0	3	3
<u>Civilian FTEs (Total)</u>	<u>77</u>	<u>75</u>	<u>76</u>	<u>1</u>
U.S. Direct Hire	77	75	76	1
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	77	75	76	1
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	<u>87</u>	<u>87</u>	<u>90</u>	<u>3</u>
<u>Contractor FTEs (Total)</u>	<u>11</u>	<u>9</u>	<u>10</u>	<u>1</u>

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	6,564	0	1.20%	79	-103	6,540	0	1.57%	103	198	6,841
0106	BENEFITS TO FORMER EMPLOYEES	145	0	0.00%	0	-145	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	6,709	0		79	-248	6,540	0		103	198	6,841
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	3,142	0	1.70%	53	-290	2,905	0	1.80%	52	0	2,957
0399	TOTAL TRAVEL	3,142	0		53	-290	2,905	0		52	0	2,957
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	51	0	2.55%	1	-4	48	0	-4.63%	-2	0	46
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,828	0	1.70%	31	-169	1,690	0	1.80%	30	0	1,720
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,879	0		32	-173	1,738	0		28	0	1,766
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	87	0	1.70%	1	-8	80	0	1.80%	1	0	81
0799	TOTAL TRANSPORTATION	87	0		1	-8	80	0		1	0	81
<u>OTHER PURCHASES</u>												
0920	SUPPLIES AND MATERIALS (NON-FUND)	6,289	0	1.70%	107	-580	5,816	0	1.80%	105	0	5,921
0921	PRINTING AND REPRODUCTION	121	0	1.70%	2	0	123	0	1.80%	2	0	125
0923	OPERATION AND MAINTENANCE OF FACILITIES	22	0	1.70%	0	0	22	0	1.80%	0	0	22
0987	OTHER INTRA-GOVERNMENT PURCHASES	8	0	1.70%	0	0	8	0	1.80%	0	0	8
0989	OTHER SERVICES	155,597	0	1.70%	2,645	-1,811	156,431	0	1.80%	2,816	-7,177	152,070
0990	IT CONTRACT SUPPORT SERVICES	1,462	0	1.70%	25	-135	1,352	0	1.80%	24	0	1,376
0999	TOTAL OTHER PURCHASES	163,499	0		2,779	-2,526	163,752	0		2,947	-7,177	159,522
9999	GRAND TOTAL	175,316	0		2,944	-3,245	175,015	0		3,131	-6,979	171,167

Exhibit OP-5, Subactivity Group 335

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Activity Group 41: Security Programs
Detail by Subactivity Group 411: Security Programs

I. Description of Operations Financed:

SECURITY PROGRAMS - Includes the Consolidated Cryptologic Program (CCP), General Defense Intelligence Program (GDIP), National Geospatial-Intelligence Program (NGP), Military Intelligence Program (MIP), Security and Related Activities, and Arms Control Treaties implementation and compliance.

The CCP, GDIP, and NGP are part of the National Intelligence Program (NIP), regulated by Executive Order 12333. The respective program managers are: CCP - Director, National Security Agency/Central Security Services; GDIP - Director, Defense Intelligence Agency; and NGP - Director, National Geospatial-Intelligence Agency. The CCP, GDIP, and NGP budgets are fully documented and justified in classified submissions and are available on request to individuals with the appropriate security clearance and need to know.

The MIP supports a seamless intelligence enterprise - national, theater, allied, and service - which is required to provide actionable intelligence to Soldiers and commanders at the tactical level. The MIP provides essential components necessary for cutting-edge collection and fusion systems; a "flat", integrated, all-source network; and trained, professional Soldiers and civilians across the intelligence areas of emphasis. The MIP provides direct funding for the operation of various intelligence and Counterintelligence/Security Countermeasures activities at all levels of command. The MIP budget is fully documented and justified in classified submissions and is available on request to individuals with the appropriate security clearance and need to know.

Security and Related Activities includes Personnel Security Investigations (PSI) and security activities on Army installations. It funds PSIs for military and civilian personnel in accordance with national standards (e.g., Executive Order 12968), policy, and regulations to meet accession, commissioning, specialty designations, job assignments, vetting for Common Access Card (CAC) credentialing, information management system, promotion requirements, and security clearance determinations as well as provides access to government systems, facilities, and classified information. Resources the staffing, processing, and acquisition of systems required for the processing of fingerprints to support personnel security / suitability / CAC credentialing background investigations. These funds provide support to force protection, including personnel security, intelligence support to anti-terrorism, support to foreign disclosure and industrial security, and information security. Funding supports all operating and development activities that are in accordance with statutory and regulatory treaties, guidance from legally binding agreements, and the Arms Control Treaties agreement implementation. The Security and Related Activities budget is fully documented and justified in classified submissions. Details are available on request to individuals with the appropriate security clearance and need to know.

II. Force Structure Summary:

The Security Program provides funding for the following organizations:

Headquarters, Department of the Army

Combatant Commands:

U.S. Southern Command

Army Commands:

U.S. Army Forces Command

U.S. Army Training and Doctrine Command

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U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Africa

U.S. Army Europe

U.S. Army Space and Missile Defense Command/ Army Forces Strategic Command

U.S. Army Pacific

Direct Reporting Units:

U.S. Army Intelligence and Security Command

Second Army

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III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
SECURITY PROGRAMS	\$2,278,466	\$1,120,974	\$11,704	1.04%	\$1,132,678	\$1,132,678	\$1,151,023	
SUBACTIVITY GROUP TOTAL	\$2,278,466	\$1,120,974	\$11,704	1.04%	\$1,132,678	\$1,132,678	\$1,151,023	
			Change					
			FY 2016/FY 2016	Change				
			FY 2016/FY 2017					
BASELINE FUNDING			\$1,120,974			\$1,132,678		
Congressional Adjustments (Distributed)			10,278					
Congressional Adjustments (Undistributed)			1,458					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			-32					
SUBTOTAL APPROPRIATED AMOUNT			1,132,678					
War Related and Disaster Supplemental Appropriation			1,159,632					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING			2,292,310					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			-1,159,632					
Less: X-Year Carryover			0					
Price Change						18,579		
Functional Transfers						-6,238		
Program Changes						6,004		
NORMALIZED CURRENT ESTIMATE			\$1,132,678			\$1,151,023		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 1,120,974
1. Congressional Adjustments	\$ 11,704
a) Distributed Adjustments	\$ 10,278
1) Additional SOUTHCOM ISR and Intel support	\$ 18,000
2) Classified adjustment	\$ -7,722
b) Undistributed Adjustments	\$ 1,458
1) OPM data breach credit monitoring contract costs	\$ 21,500
2) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -20,023
3) Spares and repair parts	\$ -19
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ -32

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1) Sec 8024. Federally Funded Research and Development Centers \$ -32

FY 2016 Appropriated Amount \$ 1,132,678

2. War-Related and Disaster Supplemental Appropriations \$ 1,159,632

a) Overseas Contingency Operations Supplemental Appropriation, 2016 \$ 1,159,632

1) Overseas Contingency Operations Supplemental \$ 1,159,632

3. Fact-of-Life Changes \$ 0

FY 2016 Appropriated and Supplemental Funding \$ 2,292,310

4. Anticipated Reprogramming (Requiring 1415 Actions) \$ 0

Revised FY 2016 Estimate \$ 2,292,310

5. Less: Emergency Supplemental Funding \$ -1,159,632

a) Less: War Related and Disaster Supplemental Appropriation \$ -1,159,632

b) Less: X-Year Carryover \$ 0

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Normalized FY 2016 Current Enacted	\$ 1,132,678
6. Price Change	\$ 18,579
7. Transfers.....	\$ -6,238
a) Transfers In	\$ 0
b) Transfers Out	\$ -6,238
1) Counterintelligence Support - Intelligence Support to Operations.....	\$ -6,238
Transfers funding from SAG 411, Security Programs to SAG 121, Land Forces Readiness Support to properly align information technology resources for Sensitive Compartmented Information Facilities into the appropriate Subactivity Group. Funding supports mission-unique hardware and software, cybersecurity, and information technology contract support services.	
8. Program Increases	\$ 69,219
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 69,219
1) Civilian Average Annual Compensation	\$ 12,179
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct	

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consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$568,844)

2) Classified Adjustment \$ 57,040
 Adjustments to classified programs. Details will be provided under separate cover to properly cleared individuals on a need to know basis.

Includes an increase in funding in support of Personnel Security Investigations due to increases in the Office of Personnel Management (OPM) investigation rates; OPM data breach credit monitoring contract costs; and to comply with revised Federal Investigation Standards (FIS). The FIS changes Secret level periodic reinvestigations from 10 years to 5 years, resulting in an estimated increase of 200 thousand investigations per year.

9. Program Decreases\$ -63,215

a) One-Time FY 2016 Costs \$ -39,500

1) Additional SOUTHCOM ISR and Intel support \$ -18,000

2) OPM data breach credit monitoring contract costs \$ -21,500

b) Annualization of FY 2016 Program Decreases \$ 0

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c) Program Decreases in FY 2017 \$ -23,715

1) Civilian Workforce Reduction \$ -20,549

Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$568,844; -133 FTE)

2) Compensable Days \$ -3,166

Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$568,844)

FY 2017 Budget Request.....\$ 1,151,023

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IV. Performance Criteria and Evaluation Summary:

Performance criteria are classified. Details will be provided under separate cover to properly cleared individuals on a need to know basis.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,013	1,052	1,040	-12
Officer	412	383	378	-5
Enlisted	601	669	662	-7
<u>Active Military Average Strength (A/S) (Total)</u>	991	1,033	1,047	14
Officer	403	398	381	-17
Enlisted	588	635	666	31
<u>Civilian FTEs (Total)</u>	3,070	3,737	3,604	-133
U.S. Direct Hire	3,065	3,637	3,505	-132
Foreign National Direct Hire	0	88	87	-1
Total Direct Hire	3,065	3,725	3,592	-133
Foreign National Indirect Hire	5	12	12	0
 <i>(Reimbursable Civilians (Memo))</i>	 156	 23	 22	 -1
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	151	152	157	5
<u>Contractor FTEs (Total)</u>	6,259	1,402	1,334	-68

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	461,869	0	1.48%	6,824	97,772	566,465	0	1.49%	8,440	-11,519	563,386
0103	WAGE BOARD	392	0	1.02%	4	-31	365	0	1.64%	6	-1	370
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	1,427	5	1.05%	15	-62	1,385	13	1.29%	18	-15	1,401
0106	BENEFITS TO FORMER EMPLOYEES	93	0	0.00%	0	-93	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	463,781	5		6,843	97,586	568,215	13		8,464	-11,535	565,157
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	33,335	0	1.70%	566	-11,246	22,655	0	1.80%	408	0	23,063
0399	TOTAL TRAVEL	33,335	0		566	-11,246	22,655	0		408	0	23,063
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	1,372	0	-7.30%	-100	-1,272	0	0	-8.20%	0	0	0
0411	ARMY SUPPLY	6,328	0	2.55%	161	-5,833	656	0	-4.63%	-30	0	626
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	145	0	-1.67%	-2	-143	0	0	0.00%	0	0	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	470	0	1.70%	8	87	565	0	1.80%	10	0	575
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	5	0	0.40%	0	-5	0	0	-0.40%	0	0	0
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	4	0	-1.90%	0	160	164	0	-0.70%	-1	0	163
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	4	0	1.30%	0	184	188	0	-6.00%	-11	0	177
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	8,328	0		67	-6,822	1,573	0		-32	0	1,541
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	1,182	0	0.00%	0	-1,182	0	0	0.00%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	453	0	1.00%	5	-458	0	0	0.00%	0	0	0
0507	GSA MANAGED EQUIPMENT	956	0	1.70%	16	32	1,004	0	1.80%	18	0	1,022
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	2,591	0		21	-1,608	1,004	0		18	0	1,022
<u>OTHER FUND PURCHASES</u>												
0610	NAVAL AIR WARFARE CENTER	5,286	0	1.22%	64	-5,350	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 411

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
0633	DLA DOCUMENT SERVICES	9	0	-2.17%	0	-9	0	0	1.47%	0	0	0
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	73	0	-9.29%	-7	-66	0	0	-7.00%	0	0	0
0679	COST REIMBURSABLE PURCHASES	58	0	1.70%	1	-59	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	5,426	0		58	-5,484	0	0		0	0	0
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	316	0	1.90%	6	-322	0	0	-1.80%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	7	0	38.80%	3	-10	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	1,572	0	1.70%	27	-1,599	0	0	1.80%	0	0	0
0799	TOTAL TRANSPORTATION	1,895	0		36	-1,931	0	0		0	0	0
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	1,251	-170	0.74%	8	-460	629	4	1.58%	10	0	643
0912	RENTAL PAYMENTS TO GSA (SLUC)	140	0	1.70%	2	-142	0	0	1.80%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	116	0	1.70%	2	1,232	1,350	0	1.80%	24	0	1,374
0914	PURCHASED COMMUNICATIONS (NON-FUND)	12,990	0	1.70%	221	-4,325	8,886	0	1.80%	160	0	9,046
0915	RENTS (NON-GSA)	1,372	0	1.70%	23	-1,395	0	0	1.80%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	36	0	1.70%	0	59	95	0	1.80%	2	0	97
0920	SUPPLIES AND MATERIALS (NON-FUND)	7,981	0	1.70%	136	2,121	10,238	0	1.80%	184	3,224	13,646
0921	PRINTING AND REPRODUCTION	143	0	1.70%	3	-12	134	0	1.80%	2	0	136
0922	EQUIPMENT MAINTENANCE BY CONTRACT	387,754	0	1.70%	6,592	-344,309	50,037	0	1.80%	901	-18,000	32,938
0923	OPERATION AND MAINTENANCE OF FACILITIES	21,696	0	1.70%	369	-6,875	15,190	0	1.80%	273	0	15,463
0925	EQUIPMENT PURCHASES (NON-FUND)	314,972	0	1.70%	5,354	-305,912	14,414	0	1.80%	259	5,881	20,554
0927	AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	6,610	0	1.70%	112	-6,722	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	300,973	0	1.70%	5,117	-214,739	91,351	0	1.80%	1,644	-40	92,955
0933	STUDIES, ANALYSIS, AND EVALUATIONS	27,252	0	1.70%	463	-27,715	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	128,017	0	1.70%	2,176	-128,032	2,161	0	1.80%	39	0	2,200
0957	LAND AND STRUCTURES	786	0	1.70%	13	-799	0	0	1.80%	0	0	0
0960	INTEREST AND DIVIDENDS	1	0	1.70%	0	-1	0	0	1.80%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	900	0	1.70%	15	-915	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	451,983	0	1.70%	7,684	-177,298	282,369	0	1.80%	5,083	13,128	300,580

Exhibit OP-5, Subactivity Group 411

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 04: Administration and Servicewide Activities
 Activity Group 41: Security Programs
 Detail by Subactivity Group 411: Security Programs

		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0989	OTHER SERVICES	42,501	0	1.70%	723	-18,749	24,475	0	1.80%	441	1,163	26,079
0990	IT CONTRACT SUPPORT SERVICES	55,636	0	1.70%	946	-18,680	37,902	0	1.80%	682	5,945	44,529
0999	TOTAL OTHER PURCHASES	1,763,110	-170		29,959	-1,253,668	539,231	4		9,704	11,301	560,240
9999	GRAND TOTAL	2,278,466	-165		37,550	-1,183,173	1,132,678	17		18,562	-234	1,151,023

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 42: Logistics Operations
Detail by Subactivity Group 421: Servicewide Transportation

I. Description of Operations Financed:

SERVICEWIDE TRANSPORTATION - Finances world-wide movement of materiel for Army force modernization, sustainment, and restructuring. Servicewide transportation operations include the movement of materiel between the Army depots and Army customers; movement of goods and mail to support service members world-wide; management of ground transportation; and port operations. The program reimburses the Military Surface Deployment and Distribution Command (SDDC) for freight management, personal property services, and other transportation support and related systems outside the rate structure.

SECOND DESTINATION TRANSPORTATION (SDT) - Finances line haul, over-ocean, and inland transportation for world-wide movement of Army supplies and equipment to and from depots, between commands, and to overseas commands by civilian and military air and surface modes. SDT funds the over-ocean transportation of Army civilian employees, their dependents, and personal property in conjunction with a permanent change-of-station overseas; the movement of Army Post Office mail, Army and Air Force Exchange Service (AAFES) products, subsistence, fielding and directed materiel redistribution of major end-items, and ammunition to fill equipment readiness shortages. It also funds the security escort of ammunition movements within the continental U. S. ; the costs of charter, rental, or lease of transportation movement equipment; services not available on government tariff basis; and other fact-of-life necessities. Funding also supports SDT of Army supplies and equipment transported by the Air Mobility Command, Military Sealift Command, Military SDDC, and commercial carriers. The Army reimburses the Defense Logistics Agency (DLA) for over-ocean movement, of DLA-managed secondary items to Army customers. The performance measures are expressed in short tons of cargo shipped, and the respective cost per ton.

TRAFFIC MANAGEMENT - Finances a variety of traffic management services including: the Guaranteed Traffic Program, Transportation Service Provider qualifications, and port handling fixed costs for readiness. Strategic wartime planning, contract costs for safety, and security monitoring are also funded by this program.

II. Force Structure Summary:

Servicewide Transportation funds are centrally managed by Headquarters, Department of the Army, G-4 for all Army commands.

Headquarters, Department of the Army

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 42: Logistics Operations
Detail by Subactivity Group 421: Servicewide Transportation

III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
SERVICEWIDE TRANSPORTATION	\$2,160,469	\$485,778	\$-776	-0.16%	\$485,002	\$485,002	\$230,739	
SUBACTIVITY GROUP TOTAL	\$2,160,469	\$485,778	\$-776	-0.16%	\$485,002	\$485,002	\$230,739	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
BASELINE FUNDING		\$485,778		\$485,002				
Congressional Adjustments (Distributed)		0						
Congressional Adjustments (Undistributed)		0						
Adjustments to Meet Congressional Intent		269						
Congressional Adjustments (General Provisions)		-1,045						
SUBTOTAL APPROPRIATED AMOUNT		485,002						
War Related and Disaster Supplemental Appropriation		763,553						
X-Year Carryover		0						
Fact-of-Life Changes (2016 to 2016 Only)		0						
SUBTOTAL BASELINE FUNDING		1,248,555						
Anticipated Reprogramming (Requiring 1415 Actions)		0						
Less: War Related and Disaster Supplemental Appropriation		-763,553						
Less: X-Year Carryover		0						
Price Change				7,419				
Functional Transfers				-3,483				
Program Changes				-258,199				
NORMALIZED CURRENT ESTIMATE		\$485,002		\$230,739				

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 04: Administration and Servicewide Activities
 Activity Group 42: Logistics Operations
 Detail by Subactivity Group 421: Servicewide Transportation

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 485,778
1. Congressional Adjustments	\$ -776
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 269
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 269
d) General Provisions	\$ -1,045
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -677
2) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -368
FY 2016 Appropriated Amount.....	\$ 485,002
2. War-Related and Disaster Supplemental Appropriations	\$ 763,553

DEPARTMENT OF THE ARMY
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 Detail by Subactivity Group 421: Servicewide Transportation

a) Overseas Contingency Operations Supplemental Appropriation, 2016	\$ 763,553
1) Overseas Contingency Operations Supplemental	\$ 763,553
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 1,248,555
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 1,248,555
5. Less: Emergency Supplemental Funding	\$ -763,553
a) Less: War Related and Disaster Supplemental Appropriation	\$ -763,553
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 485,002
6. Price Change	\$ 7,419
7. Transfers.....	\$ -3,483

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2017 Budget Estimates
 Operation and Maintenance, Army
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 Detail by Subactivity Group 421: Servicewide Transportation

a) Transfers In \$ 0

b) Transfers Out \$ -3,483

1) Army Intermodal and Distribution Platform Management Office (AIDPMO) \$ -3,483
 Transfers funding from SAG 421, Servicewide Transportation to SAG 423, Logistic Support Activities to accurately align the AIDPMO to the appropriate Subactivity Group. (Baseline: \$14,254)

8. Program Increases \$ 37,710

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 37,710

1) Retrograde War Reserves Stockpile - Korea (WRSA-K) \$ 291
 Increased funding due to increased container leasing costs to support WRSA-K retrograde. (Baseline: \$17,934)

2) Second Destination Transportation - Army and Air Force Exchange Services (AAFES) \$ 7,156
 Increases funding to fully support over-ocean transportation of AAFES merchandise. (Baseline: \$101,295)

3) Second Destination Transportation - Operations \$ 10,363
 Funds increase in the Army's portion of the U.S. Transportation Command service level bills for Traffic Management and Port Operations to maintain the necessary level of support. (Baseline: \$98,055)

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
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4) Second Destination Transportation - Subsistence..... \$ 14,989
Increase in funding is driven by the Army's improved internal controls and new billing methodology by U.S. Transportation Command. Changes in methodology were implemented to meet the Financial Improvement and Audit Readiness requirements. (Baseline: \$9,514)

5) Second Destination Transportation - War Reserves (Non-Ammunition)..... \$ 4,911
Increase supports redistribution of Army Prepositioned Stocks (APS) equipment to support the Third Maneuver Battalion as well as new APS initiatives in Europe (APS-2) and the Pacific (APS-4). (Baseline: \$7,788)

9. Program Decreases.....\$ -295,909

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -295,909

1) Bipartisan Budget Act of 2015 Compliance \$ -200,000
Decrease in funding in Second Destination Transportation to comply with the Bipartisan Budget Act of 2015. The funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request. (Baseline: \$200,000)

2) Second Destination Transportation - Army Post Office Mail \$ -1,404
Decreases funding to reflect reduced mail requirements due to lower troop strength outside of the continental U.S. and cost saving initiatives by Military Postal Agency. (Baseline: \$25,370)

3) Second Destination Transportation - Force Modernization/Recapitalization..... \$ -18,448
Reflects incremental reduction in new equipment fieldings and recapitalizations as the force structure

DEPARTMENT OF THE ARMY
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decreases during the Army Reorganization. (Baseline: \$65,779)

4) Second Destination Transportation - Material Movement and Redistribution \$ -76,057
Decreases funding as a result of disposing higher levels of equipment in prior fiscal years and
completion of the majority of the planned Army Reorganization. (Baseline: \$159,267)

FY 2017 Budget Request.....\$ 230,739

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
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Activity Group 42: Logistics Operations
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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015</u>		<u>FY 2016</u>		<u>FY 2017</u>	
	<u>Units</u>	<u>Amount (\$K)</u>	<u>Units</u>	<u>Amount (\$K)</u>	<u>Units</u>	<u>Amount (\$K)</u>
Air Short Tons	13,925	\$87,450	19,795	\$124,311	9,402	\$59,046
Sea Short Tons	643,512	\$167,314	914,754	\$237,836	434,498	\$112,970
Other Transportation Short Tons	N/A	\$86,972	N/A	\$123,631	N/A	\$58,723
Second Destination Transportation (SDT) Totals		\$341,735		\$485,778		\$230,739
SDT by Selected Quality-of-Life Commodities (units are supportable troop strength):						
Subsistence	91,953	\$10,518	83,175	\$9,514	215,491	\$24,649
Army Post Office Mail	53,084	\$25,654	52,496	\$25,370	50,394	\$23,354
Army and Air Force Exchange Service-SDT	86,629	\$118,000	74,365	\$101,295	80,756	\$35,000
Transportation Operations	N/A	\$111,847	N/A	\$98,055	N/A	\$34,918

NOTE:

In FY 2017 Army funded a total of 385,201 SDT Short Ton units in the Overseas Contingency Operations budget for \$200,000. Air Short Tons 8,280 units - \$52,000; Sea Short Tons 376,921 units - \$98,000; and Other Transportation Short Tons N/A \$50,000.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	99	102	102	0
Officer	38	44	44	0
Enlisted	61	58	58	0
<u>Active Military Average Strength (A/S) (Total)</u>	105	101	102	1
Officer	41	41	44	3
Enlisted	64	60	58	-2
<u>Civilian FTEs (Total)</u>	0	0	0	0
U.S. Direct Hire	0	0	0	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	0	0	0	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	0	0	0	0
<u>Contractor FTEs (Total)</u>	55	8	8	0

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 42: Logistics Operations
Detail by Subactivity Group 421: Servicewide Transportation

VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	5,181	0	1.70%	88	-3,794	1,475	0	1.80%	27	-608	894
0399	TOTAL TRAVEL	5,181	0		88	-3,794	1,475	0		27	-608	894
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	194	0	-7.30%	-14	-180	0	0	-8.20%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	194	0		-14	-180	0	0		0	0	0
<u>OTHER FUND PURCHASES</u>												
0679	COST REIMBURSABLE PURCHASES	2,070	0	1.70%	35	-2,105	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	2,070	0		35	-2,105	0	0		0	0	0
<u>TRANSPORTATION</u>												
0702	AMC SAAM (FUND)	368,937	0	0.00%	0	-368,937	0	0	0.00%	0	0	0
0703	JCS EXERCISES	0	0	-0.30%	0	2,000	2,000	0	-9.00%	-180	-32	1,788
0705	AMC CHANNEL CARGO	178,578	1	2.00%	3,572	-57,159	124,992	0	1.80%	2,250	-89,307	37,935
0708	MSC CHARTERED CARGO	0	0	-2.10%	0	16,418	16,418	0	5.40%	887	-93	17,212
0717	SDDC GLOBAL POV	0	0	-3.80%	0	1,190	1,190	0	-16.10%	-192	-397	601
0718	SDDC LINER OCEAN TRANSPORTATION	37,617	0	1.90%	715	-222	38,110	0	-1.80%	-686	-35,531	1,893
0719	SDDC CARGO OPERATION (PORT HANDLING)	195,372	0	38.80%	75,804	-261,230	9,946	0	0.80%	80	291	10,317
0771	COMMERCIAL TRANSPORTATION	1,360,491	0	1.70%	23,128	-1,094,018	289,601	0	1.80%	5,213	-136,082	158,732
0799	TOTAL TRANSPORTATION	2,140,995	1		103,219	-1,761,958	482,257	0		7,372	-261,151	228,478
<u>OTHER PURCHASES</u>												
0915	RENTS (NON-GSA)	42	0	1.70%	1	-43	0	0	1.80%	0	0	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	2,431	0	1.70%	41	-1,230	1,242	0	1.80%	22	-55	1,209
0937	LOCALLY PURCHASED FUEL (NON-FUND)	268	0	-7.30%	-20	-220	28	0	-8.20%	-2	-15	11
0987	OTHER INTRA-GOVERNMENT PURCHASES	3,201	0	1.70%	54	-3,255	0	0	1.80%	0	147	147
0989	OTHER SERVICES	5,887	0	1.70%	100	-5,987	0	0	1.80%	0	0	0

Exhibit OP-5, Subactivity Group 421

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 42: Logistics Operations
Detail by Subactivity Group 421: Servicewide Transportation

		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0990	IT CONTRACT SUPPORT SERVICES	200	0	1.70%	3	-203	0	0	1.80%	0	0	0
0999	TOTAL OTHER PURCHASES	12,029	0		179	-10,938	1,270	0		20	77	1,367
9999	GRAND TOTAL	2,160,469	1		103,507	-1,778,975	485,002	0		7,419	-261,682	230,739

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2017 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 42: Logistics Operations
Detail by Subactivity Group 422: Central Supply Activities

I. Description of Operations Financed:

CENTRAL SUPPLY ACTIVITIES - Funds end-item procurement, management, and sustainment of materiel and equipment to equip, deploy, and sustain the Army and other U.S. Military Services world-wide.

SUSTAINMENT SYSTEMS TECHNICAL SUPPORT (SSTS) - SSTS provides for component re-engineering, design, modification, and technical support for the Army's Recapitalization and National Maintenance Programs. Preserves the Army's resource investment in tactical and combat vehicles, missiles, bridges, rail, and watercraft systems currently deployed throughout the world. The program also provides tactical field units with on-site and remote, organic, and contractual technical assistance with critical contractor-unique skill sets. It is the only post-production capability for maintaining and sustaining key Army weapon systems.

END-ITEM MATERIEL MANAGEMENT - Redistributes, procures, modernizes, and sustains all Army weapon systems and major end items. Programs include Supply Depot Operations at the Defense Logistics Agency, Army Depots, Arsenals, National Inventory Control Points, and End-Item Procurement Offices supporting Program Executive Offices and Foreign Military Sales. End-Item Materiel Management contributes to the total logistics effort world-wide and improves the readiness and responsiveness for forces in the field.

NATIONAL INVENTORY CONTROL POINTS - Provides inventory management, materiel fielding and redistribution, requisition processing functions, and major end-item disposition instructions to field activities.

CENTRAL PROCUREMENT OPERATIONS - Procurement offices process procurement actions, prepare and issue solicitation documents, evaluate contract bids and proposals, conduct contract negotiations and awards, and exercise contract management and oversight.

ARMY END-ITEM SUPPLY DEPOT OPERATIONS (SDO) - Finances the issue, receipt, storage, care of supplies in storage, packaging, set assembly and disassembly of major end-items. SDO are predominantly performed by Defense Logistics Agency depots, which the Army reimburses for the work performed. Army Depots and arsenals perform supply depot operation functions for missiles and other unique or hazardous end-item requirements.

II. Force Structure Summary:

Central Supply Activities fund the following organizations:

Direct Reporting Units:

U.S. Army Materiel Command

Program Executive Offices:

Aviation

Missiles and Space

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Activity Group 42: Logistics Operations
Detail by Subactivity Group 422: Central Supply Activities

III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
CENTRAL SUPPLY ACTIVITIES	\$695,300	\$813,881	\$-33,521	-4.12%	\$780,360	\$780,360	\$850,060	
SUBACTIVITY GROUP TOTAL	\$695,300	\$813,881	\$-33,521	-4.12%	\$780,360	\$780,360	\$850,060	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
BASELINE FUNDING		\$813,881		\$780,360				
Congressional Adjustments (Distributed)		0						
Congressional Adjustments (Undistributed)		-30,801						
Adjustments to Meet Congressional Intent		5						
Congressional Adjustments (General Provisions)		-2,725						
SUBTOTAL APPROPRIATED AMOUNT		780,360						
War Related and Disaster Supplemental Appropriation		0						
X-Year Carryover		0						
Fact-of-Life Changes (2016 to 2016 Only)		0						
SUBTOTAL BASELINE FUNDING		780,360						
Anticipated Reprogramming (Requiring 1415 Actions)		0						
Less: War Related and Disaster Supplemental Appropriation		0						
Less: X-Year Carryover		0						
Price Change				14,626				
Functional Transfers				0				
Program Changes				55,074				
NORMALIZED CURRENT ESTIMATE		\$780,360		\$850,060				

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 Detail by Subactivity Group 422: Central Supply Activities

C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 813,881
1. Congressional Adjustments	\$ -33,521
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -30,801
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -30,771
2) Spares and repair parts	\$ -30
c) Adjustments to Meet Congressional Intent	\$ 5
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 5
d) General Provisions.....	\$ -2,725
1) Sec 8024. Federally Funded Research and Development Centers	\$ -20
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -2,698

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3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -7

FY 2016 Appropriated Amount **\$ 780,360**

2. War-Related and Disaster Supplemental Appropriations \$ 0

3. Fact-of-Life Changes \$ 0

FY 2016 Appropriated and Supplemental Funding **\$ 780,360**

4. Anticipated Reprogramming (Requiring 1415 Actions) \$ 0

Revised FY 2016 Estimate **\$ 780,360**

5. Less: Emergency Supplemental Funding \$ 0

a) Less: War Related and Disaster Supplemental Appropriation \$ 0

b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted **\$ 780,360**

6. Price Change \$ 14,626

DEPARTMENT OF THE ARMY
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 Operation and Maintenance, Army
 Budget Activity 04: Administration and Servicewide Activities
 Activity Group 42: Logistics Operations
 Detail by Subactivity Group 422: Central Supply Activities

7. Transfers.....		\$ 0
a) Transfers In		\$ 0
b) Transfers Out		\$ 0
8. Program Increases		\$ 70,656
a) Annualization of New FY 2016 Program.....		\$ 0
b) One-Time FY 2017 Costs		\$ 0
c) Program Growth in FY 2017		\$ 70,656
1) Civilian Average Annual Compensation		\$ 12,282
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$547,096)		
2) End Item Procurement Operations		\$ 5,876
Increases funding in support of operational costs associated with executing the Better Buying Power program, including communities of practice and sustainment of virtual contracting enterprise tools; development of standards of practice, including sustainment of the Procurement Management Review Program. Additionally, funding provides for the consolidation of multiple contracts into single		

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overarching centrally administered contracts such as Enhanced Army Global Logistics Enterprise.
 (Baseline: \$283,990)

3) End Item Supply Depot Operations \$ 2,448
 Increases funds for the Defense Logistics Agency's storage of major end-items awaiting demilitarization
 or disposal. (Baseline: \$91,857)

4) Sustainment Systems Technical Support \$ 50,050
 Increases funding to support Army initiatives to retain specified non-standard equipment that provides
 better screening of biometrics (Army Biometrics Automated Toolset and Tactical Ground Station).
 Supports modernization efforts that will reduce life cycle sustainment cost by using data-driven
 knowledge-enabled actions and decision support and analysis capabilities, such as Condition-Based
 Maintenance Plus. (Baseline: \$404,513)

9. Program Decreases \$ -15,582

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases \$ 0

c) Program Decreases in FY 2017 \$ -15,582

1) Civilian Workforce Reduction \$ -12,519
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate
 with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline:
 \$547,096; -99 FTE)

2) Compensable Days Adjustment \$ -3,063
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260

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days) than in FY 2016 (262 days). (Baseline: \$547,096)

FY 2017 Budget Request.....\$ 850,060

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IV. Performance Criteria and Evaluation Summary:

	(\$ in Millions)		
	FY 2015	FY 2016	FY2017
Sustainment System Technical Support (SSTS)			
SSTS Budget Funded Levels	334	404	461
SSTS Measured Areas			
Airworthiness Reporting (AWR) Worked	4,138	4,672	5,133
Safety Messages	206	225	395
Investigation (Number of investigations)	29	33	51
Aircraft Configuration Management Worked (Number of engineer calls and orders)	3,335	3,766	4,140
AWR /Quality Deficiency Reports (QDRs) (CAT I Only)	616	688	752
Total Airworthiness Reporting Actions	8,324	9,384	10,471
Logistics Assistance Representation (Number of transactions perform)	2,395,775	2,213,741	2,282,412
Missiles Stockpile Reliability Program Test (Test performed)	247	259	382
Engineering Actions Worked	58,605	63,958	67,746
Engineering Change Packages Prepared	1,815	1,760	1,868
Technical Data Package Updates	8,120	8,238	9,783
Data Management			
Drawings and Technical Data Updates	39,423	48,276	49,388
Condition Based Maintenance Data Warehouse Storage Capacity (Terabytes)	764	168	690
Logistics Engineering Software Users (Power Log, PFSA, CASA, COMPASS, SYSPARS)	12,151	10,342	11,244
Electronic Technical Manuals Updated	12,914	12,726	13,356
Technical Manuals - Pages updated	104,747	110,034	119,183
Technical Manuals Printed	432	723	565
PS Magazine Field Maintenance Articles Published	833	812	856
PS Magazine Direct Answers to Soldier Queries	2,585	2,106	2,269
Engineering Data Management	6,726	5,623	5,804

Exhibit OP-5, Subactivity Group 422

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Other

Customer Inquiries (Manhours)	152,652	193,602	308,809
Provisional Parts List	6,744	5,876	6,085
All Other Quality Deficiency Reports	1,013	921	947
Resolving Technical Issues (Manhours)	355,485	443,556	568,269
Stockpile Reliability Tests	1,656	1,457	1,479

Note: Logistics Engineering Software Users systems:

- 1) Power Log - Army Logistics Supportability Analysis and Data Management Tool
- 2) PFSA - Post Fielding Support Analysis
- 3) CASA - Cost Analysis Strategy Assessment
- 4) COMPASS - Cost of Maintenance Planning Assessment Systems Software
- 5) SYSPARS - Systems Planning and Requirements Software

PS Magazine - Post Script Monthly Publication of Preventive Maintenance Tips

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	138	142	139	-3
Officer	89	98	96	-2
Enlisted	49	44	43	-1
<u>Active Military Average Strength (A/S) (Total)</u>	137	141	141	0
Officer	89	94	97	3
Enlisted	48	47	44	-3
<u>Civilian FTEs (Total)</u>	4,141	4,392	4,293	-99
U.S. Direct Hire	3,971	4,252	4,158	-94
Foreign National Direct Hire	91	66	61	-5
Total Direct Hire	4,062	4,318	4,219	-99
Foreign National Indirect Hire	79	74	74	0
 <i>(Reimbursable Civilians (Memo))</i>	 1,253	 1,072	 921	 -151
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	126	125	129	4
<u>Contractor FTEs (Total)</u>	346	522	702	180

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	511,027	0	1.27%	6,508	22,814	540,349	0	1.51%	8,175	-3,213	545,311
0103	WAGE BOARD	267	0	0.37%	1	-65	203	0	0.99%	2	1	206
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	5,689	1	0.25%	14	-4,455	1,249	3	1.28%	16	-88	1,180
0106	BENEFITS TO FORMER EMPLOYEES	325	0	0.00%	0	-325	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	517,308	1		6,523	17,969	541,801	3		8,193	-3,300	546,697
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	8,369	0	1.70%	142	3,858	12,369	0	1.80%	223	12	12,604
0399	TOTAL TRAVEL	8,369	0		142	3,858	12,369	0		223	12	12,604
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	1	0	-7.30%	0	9	10	0	-8.20%	-1	21	30
0411	ARMY SUPPLY	453	0	2.55%	12	3,342	3,807	0	-4.63%	-176	0	3,631
0416	GSA MANAGED SUPPLIES AND MATERIALS	548	0	1.70%	9	-230	327	0	1.80%	6	0	333
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,002	0		21	3,121	4,144	0		-171	21	3,994
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	104	0	0.00%	0	-103	1	0	-0.26%	0	0	1
0507	GSA MANAGED EQUIPMENT	1,298	0	1.70%	22	726	2,046	0	1.80%	37	7	2,090
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,402	0		22	623	2,047	0		37	7	2,091
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	24,187	0	7.92%	1,916	-26,103	0	0	-0.11%	0	4,485	4,485
0603	DLA DISTRIBUTION	0	0	1.99%	0	17,876	17,876	0	15.16%	2,710	4,186	24,772
0633	DLA DOCUMENT SERVICES	0	0	-2.17%	0	1,511	1,511	0	1.47%	22	0	1,533
0679	COST REIMBURSABLE PURCHASES	29,562	0	1.70%	503	-9,582	20,483	0	1.90%	389	2,019	22,891
0699	TOTAL INDUSTRIAL FUND PURCHASES	53,749	0		2,419	-16,298	39,870	0		3,121	10,690	53,681

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>TRANSPORTATION</u>												
0705	AMC CHANNEL CARGO	183	0	2.00%	4	-187	0	0	1.80%	0	0	0
0717	SDDC GLOBAL POV	28	0	-3.80%	-1	183	210	0	-16.10%	-34	26	202
0719	SDDC CARGO OPERATION (PORT HANDLING)	55	0	38.80%	21	-76	0	0	0.80%	0	0	0
0771	COMMERCIAL TRANSPORTATION	1,413	10	1.70%	24	3,817	5,264	0	1.80%	95	1,746	7,105
0799	TOTAL TRANSPORTATION	1,679	10		48	3,737	5,474	0		61	1,772	7,307
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	6,324	-1,183	1.30%	67	87	5,295	29	1.52%	81	0	5,405
0912	RENTAL PAYMENTS TO GSA (SLUC)	1,182	0	1.70%	20	-1,202	0	0	1.80%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	1,331	0	1.70%	23	-429	925	0	1.80%	17	1	943
0915	RENTS (NON-GSA)	76	0	1.70%	1	-77	0	0	1.80%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	88	0	1.70%	1	-47	42	0	1.80%	1	0	43
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,107	0	1.70%	19	2,008	3,134	0	1.80%	56	24	3,214
0921	PRINTING AND REPRODUCTION	901	0	1.70%	15	-709	207	0	1.80%	4	0	211
0922	EQUIPMENT MAINTENANCE BY CONTRACT	3,941	0	1.70%	67	28,576	32,584	0	1.80%	587	18,439	51,610
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,195	0	1.70%	20	501	1,716	0	1.80%	31	0	1,747
0925	EQUIPMENT PURCHASES (NON-FUND)	2,966	0	1.70%	50	5,916	8,932	0	1.80%	161	23	9,116
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	17,603	0	1.70%	299	514	18,416	0	1.80%	331	6,552	25,299
0933	STUDIES, ANALYSIS, AND EVALUATIONS	1,111	0	1.70%	19	-637	493	0	1.80%	9	-502	0
0934	ENGINEERING AND TECHNICAL SERVICES	5,732	0	1.70%	97	1,876	7,705	0	1.80%	139	-3,041	4,803
0937	LOCALLY PURCHASED FUEL (NON-FUND)	9	0	-7.30%	-1	4	12	0	-8.20%	-1	11	22
0987	OTHER INTRA-GOVERNMENT PURCHASES	44,995	0	1.70%	765	28,277	74,037	0	1.80%	1,333	16,843	92,213
0989	OTHER SERVICES	13,161	0	1.70%	224	4,097	17,482	0	1.80%	315	7,522	25,319
0990	IT CONTRACT SUPPORT SERVICES	10,069	0	1.70%	171	-6,565	3,675	0	1.80%	66	0	3,741
0999	TOTAL OTHER PURCHASES	111,791	-1,183		1,857	62,190	174,655	29		3,130	45,872	223,686
9999	GRAND TOTAL	695,300	-1,172		11,032	75,200	780,360	32		14,594	55,074	850,060

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I. Description of Operations Financed:

LOGISTICS SUPPORT ACTIVITIES (LSA) - Funds various logistics support functions, which equip, deploy, and sustain the Army and other Services world-wide. LSA contains the world-wide Logistics Management Systems for Class VII major end-item fielding and redistribution; Class IX repair parts unit-level and wholesale requisitioning and distribution; and readiness and asset visibility reporting. LSA programs include Logistics Sustainment Programs, Logistics Operations, Information Management, and Acquisition Support Systems.

LOGISTICS SUSTAINMENT PROGRAMS (LSP) - LSP includes world-wide Logistics Assistance Offices that provide technical supply assistance to the field Soldier, weapon systems life cycle management, cost forecasting and modeling support to Program Executive Offices and Army Materiel Command (AMC). LSP include: Radioactive Waste Disposal, Army Logistics Innovation, Management Headquarters (Logistics), Operation of AMC Major Subordinate Commands and Life Cycle Management Commands/Logistics Support Activity. LSP supports central supply activities performed by system/program/project product managers of AMC as well as the Strategic Logistics Agency (SLA), including the Armament System Office, Weapons System Management Directorates, Targets Management Office and Special Systems Management Office. LSP contains a wide variety of Logistics Support Programs that are tied to logistics and most are sustainment enablers that directly support the soldier. Resources manpower and operating facilities identified for disposal of Department of Defense low-level radioactive waste or unwanted radioactive material. It includes Army Executive Agency responsibilities for operations supporting the Air Force, Defense Logistics Agency, and other Services under inter-service or intra-government support agreements and/or studies.

LOGISTICS OPERATIONS (LO) - LO include a series of logistics programs with requirements that directly support the operational needs of the Army. LO programs include: Army Oil Analysis Program (AOAP): Includes direct costs, manpower, and operation of facilities specifically identified and measurable to the AOAP. AOAP is part of a Department of Defense wide effort to determine impending component failures and to determine lubricant condition through periodic laboratory evaluation of used oil samples. Corrosion Prevention and Control (CPC): Supports the Army's CPC improvement projects and a CPC office responsible for the collection of data that will determine the Return on Investment for investing in the CPC. Troop Issue Subsistence Activities: Funds the requisitioning, receiving, storing, issuing, and selling of subsistence items to appropriated fund dining facilities, Army Reserve, and National Guard organizations. This includes field rations and support of all organizational/unit dining facility operations. Logistic Assistance Program (LAP): Includes all manpower and costs not included in established product lines (ammunition and end items). Provides support to combatant commanders and field commanders through regional Logistics Support Elements (LSEs), worldwide Logistics Assistance Offices (LAOs) and customer support centers. Force Projection Outload: Operation and support costs for power projection outload capability of personnel, equipment, sustaining supplies and acquisition of essential rail equipment and management of intermodal containers required for rapid power projection. Also supports the annual Emergency Deployment Readiness Exercise (EDRE) and Sea Emergency Deployment Readiness Exercise (SEDRE)/readiness training program. Army End Item Demilitarization Preparation: Supports demilitarization preparation of end items when such action is required prior to acceptance by the property disposal activity for disposal purposes. Excludes demilitarization preparation of conventional ammunition. Army End Item Disposal Services: Provides funding for disposition of major end items. Reimburses the Property Disposal Activity (Defense Logistics Agency, Disposition Services) for disposal services of obsolete and excess major end items from U.S. Army units. Reimbursement for services based on the Property Disposal Activity billing rates. Includes all costs associated with major end item disposal services after acceptance of the materiel or equipment by the Property Disposal Activity. Maintenance Management: Headquarters, U.S. Army Materiel Command, as the National Maintenance Manager (NMM), distributes the total sustainment maintenance workload across and below depot-level activities based on national need, through a national requirements determination process. The National Maintenance Program (NMP), directed by the NMM, establishes two categories of management for Army maintenance: national and field. The primary focus of the NMP is sustainment readiness, repair, and return to the single stock fund of Class IX repair parts managed by the NMM. Under the NMP, items repaired for return to stock will be repaired by an approved national maintenance provider (organic depots, contractor facilities, or below depot-level maintenance activities) to an overhaul standard. The focus of the field category of management is support to

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near-term readiness, repair in accordance with the maintenance standards, and return to user. The field category consists of organizational, direct, and general support levels of maintenance.

INFORMATION MANAGEMENT (IM) - IM includes resources for computer system analysis, design, and programming. Funds provides for automation technical support and associated personnel, equipment, and other costs supporting mission data processing facilities. Funding also support organizations or activities responsible for designing, coding, testing, documenting, and subsequently maintaining/modifying computer operations or applications programs for Army-wide use. IM programs also include: Information Program Management, Information Management of Automation Support, Information Management of Central Software Design Activities, Army Logistics Innovation, Core Combat Development, Tactical Logistic Automation Systems Sustainment, Single Army Logistics Enterprise Sustainment and Army Materiel Command (AMC) Logistics System Operations.

ACQUISITION SUPPORT SYSTEMS - Funds manpower authorizations, peculiar and support equipment, necessary facilities and associated costs specifically identified to project managers assigned to Army Acquisition Executive chartered Program Executive Officers. Funds support the acquisition of multiple operational systems to include fixed wing aircraft systems, communications systems, air defense, and protective systems. Includes office salary and expense costs other than RDTE phase for the life cycle of the system. Excludes development, procurement, and sustainment costs of the weapon systems themselves and reimbursement from procurement accounts for the system program management.

II. Force Structure Summary:

Headquarters, Department of the Army

Army Commands:

U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Special Operations Command
U.S. Army Europe
U.S. Army Pacific
U.S. Army South

Direct Reporting Units:

U.S. Army Test and Evaluation Command
U.S. Army Corps of Engineers

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
LOGISTIC SUPPORT ACTIVITIES	\$588,302	\$714,781	\$-46,259	-6.47%	\$668,522	\$668,522	\$778,757	
SUBACTIVITY GROUP TOTAL	\$588,302	\$714,781	\$-46,259	-6.47%	\$668,522	\$668,522	\$778,757	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
B. <u>Reconciliation Summary</u>			\$714,781			\$668,522		
BASELINE FUNDING			-38,000					
Congressional Adjustments (Distributed)			-7,881					
Congressional Adjustments (Undistributed)			54					
Adjustments to Meet Congressional Intent			-432					
Congressional Adjustments (General Provisions)			<u>668,522</u>					
SUBTOTAL APPROPRIATED AMOUNT			0					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			<u>0</u>					
SUBTOTAL BASELINE FUNDING			668,522					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change						9,253		
Functional Transfers						10,854		
Program Changes						<u>90,128</u>		
NORMALIZED CURRENT ESTIMATE			\$668,522			\$778,757		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 714,781
1. Congressional Adjustments	\$ -46,259
a) Distributed Adjustments	\$ -38,000
1) Unjustified program growth	\$ -38,000
b) Undistributed Adjustments	\$ -7,881
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -7,851
2) Spares and repair parts	\$ -30
c) Adjustments to Meet Congressional Intent	\$ 54
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 54
d) General Provisions	\$ -432
1) Sec 8024. Federally Funded Research and Development Centers	\$ -51

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- 2) Sec 8077. Savings due to favorable foreign exchange rates \$ -307
- 3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -74

FY 2016 Appropriated Amount.....\$ 668,522

2. War-Related and Disaster Supplemental Appropriations.....\$ 0

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 668,522

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 668,522

5. Less: Emergency Supplemental Funding.....\$ 0

a) Less: War Related and Disaster Supplemental Appropriation\$ 0

b) Less: X-Year Carryover\$ 0

Normalized FY 2016 Current Enacted.....\$ 668,522

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6. Price Change\$ 9,253

7. Transfers.....\$ 10,854

a) Transfers In\$ 11,534

1) Army Intermodal and Distribution Platform Management Office (AIDPMO)..... \$ 3,483

Transfers funding from SAG 421, Servicewide Transportation to SAG 423, Logistic Support Activities to accurately align the AIDPMO to the appropriate Subactivity Group. (Baseline: \$0)

2) Combat Development Core \$ 7,518

Transfers funding from SAG 432, Servicewide Communication to SAG 423, Logistic Support Activities to correct alignment of resources to support the Combat Development Integration Directorates in each of the Centers of Excellence as well as architecture development and computer security related integration and validation support services by the Architecture Integration and Management Directorate, Army Capabilities Integration Center, U.S. Army Training and Doctrine Command. (Baseline: \$0)

3) Logistics Support Realignment \$ 133

Transfers funding and 1 FTE from SAG 434, Other Personnel Support to SAG 423, Logistics Support Activities to properly align resources for U.S. Army Materiel Command headquarters into the appropriate Subactivity Group. (Baseline: \$0; 1 FTE)

4) Technology Export Control \$ 400

Transfers funding and 3 FTEs from SAG 442, Miscellaneous Support of Other Nations to SAG 423, Logistics Support Activities to properly align resources for U.S. Army Materiel Command headquarters into the appropriate Subactivity Group. (Baseline: \$0; 3 FTE)

b) Transfers Out\$ -680

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Detail by Subactivity Group 423: Logistic Support Activities

1) Army Acquisition Executive Support \$ -359
Transfers funding and FTEs from the following SAGs: SAG 423, Logistic Support Activity (\$-359; - 1 FTE); SAG 432, Servicewide Communication (\$-166; -1 FTE), and Research, Development, Testing and Evaluation (\$-501; -3 FTE), to SAG 435, Other service Support (\$1,026; 6 FTEs) to realign the Department of the Army Systems Coordinators from the individual Program Executive Offices to the Office of the Assistant Secretary of the Army for Acquisition, Logistics and Technology. (Baseline: \$2,350; -1 FTE)

2) General Fund Enterprise Business System (GFEBS) \$ -146
Transfers funding and 1 FTE from SAG 423, Logistics Support Activities to SAG 438, Financial Improvement and Audit Readiness for GFEBS Product Support Manager implementation. (Baseline: \$1,918; -1 FTE)

3) U.S. Army Test and Evaluation Command Realignment..... \$ -175
Transfers funding and 156 FTEs from the following Operation and Maintenance, Army SAGs: SAG 121, Land Forces Readiness (\$-351; -4 FTEs); SAG 131, Base Operations Support (\$-12,677; -150 FTEs); and SAG 423, Logistic Support Activities (\$-175; -2 FTEs) to the Research, Development, Test and Evaluation, Army (\$13,203; 156 FTEs) in support of the U.S. Army Test and Evaluation Command. (Baseline: \$64,768; -2 FTE)

8. Program Increases\$ 127,385

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 127,385

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1) Acquisition Support Systems \$ 5,217

Increases funding and 24 FTEs to support activities associated with executing the acquisition of multiple Army operational and support systems. Supports increased costs in the Transport and Special Electronic Mission Aircraft product offices and ongoing fixed wing aircraft requirements. Funds the Army Acquisition Executive and additional support of Defense Acquisition Workforce Improvement Act requirements and major Army weapons and automation programs. (Baseline: \$19,311; 24 FTE)

2) Civilian Average Annual Compensation \$ 9,331

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$416,374)

3) Information Management \$ 59,239

Funds migration of the Global Combat Service Support-Army Enterprise Resource Planning system and the Army Enterprise Service Integration Program to the Defense Information Systems Agency's (DISA) Defense Enterprise Computing Center (DECC) (\$27,944). Increased funding sustains and improves DISA DECC data access, data storage, data security, computing power/speed and supports efforts to achieve auditability as directed by the National Defense Authorization Act of 2010. The increase also funds emerging cybersecurity requirements for current and legacy systems (\$18,956). Enterprise architecture development, integration, and validation support services for the U.S. Army Training and Doctrine Command's Architecture Integration and Management Directorate (\$12,339). (Baseline: \$127,158)

4) Logistics Operations \$ 44,821

Funding supports the Army Oil Analysis Program by providing organic base instruments replacement as required to avoid obsolescence and information technology refresh for laboratories and the program office (\$4,291). Funding increases improved corrosion prevention and control, collection of corrosion data, reporting, and analysis, actions which slow the progression of corrosion, and helps improve

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current fleet readiness and weapons system reliability, safety, and useful life (\$10,288). Supports increases in manpower and operations and support costs associated with power projection outload capability. Facilitates creation of a Mission Common Operating Picture (MCOP) tool/application that leverages data and capabilities in the Army's Logistics Enterprise. This application will provide an MCOP at the global level for Headquarters, Department of the Army, which will bridge the gap of disparate data sources and business intelligence capabilities across legacy information systems and primary enterprise resource planning systems, such as Global Combat Service Support-Army, Logistics Modernization Program, General Fund Enterprise Business System, and the Army Enterprise Systems Integration Program (\$30,242, 6 FTE). (Baseline: \$256,819; 6 FTE)

5) Logistics Operations - Chemical Demilitarization \$ 5,000

Funds support operations and logistics of directed U.S. assistance to the Government of Panama in order to conduct a non-intrusive assessment of World War II-era chemical agent weapons found on San Jose Island, Panama. Funding will also pay for labor, travel, transportation of equipment, and support for deployment of the munitions assessment team tasked to identify the type of chemical agent fill, assess the condition of explosive components, and present its findings to a Materiel Assessment Review Board. (Baseline: \$0)

6) Logistics Sustainment Programs \$ 3,509

Increases funding for logistics special programs such as lead material integrator, explosive ordnance disposal, firing tables, and increased emphasis on disposal of low level radioactive waste. Funding also contributes to the Army portion of Defense Automation and Production Service related to military standards documents, and the creation, modernization, maintenance and sustainment of military standards. The Army's focus on logistics standards includes quantitative analysis of enterprise logistics management issues, modification and development of logistics policies and processes that will guide the future direction of the logistic practice, and program reviews to support the Army's compliance with logistics audit readiness standards. Funding is also associated with logistics technology assessments related to Conditioned Based Maintenance enhanced data transmission and storage to share operational readiness information across the logistics enterprise. (Baseline: \$265,234)

7) Sexual Harassment/Assault Response and Prevention (SHARP) \$ 268

Provides funding and 2 FTEs to establish Program Managers for the U.S. Army Materiel Command headquarters. The Program Managers oversee the prevention and training activities within the

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command, and ensures compliance with training requirements. (Baseline: \$0; 2 FTE)

9. Program Decreases.....	\$ -37,257
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017	\$ -37,257
1) Civilian Workforce Reduction	\$ -27,267
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$416,340; -232 FTE)	
2) Compensable Days.....	\$ -2,206
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$416,340)	
3) Headquarters Reduction	\$ -7,784
Reduces FTEs, civilian pay, and associated operating costs to support strategic efficiency reduction in management headquarters funding and staffing for better alignment and to provide support to a smaller military force. (Baseline: \$416,340; -61 FTE)	
FY 2017 Budget Request.....	\$ 778,757

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IV. Performance Criteria and Evaluation Summary:

Army Oil Analysis Program (AOAP)	(# of Samples Conducted)		
	FY 2015	FY 2016	FY2017
Samples conducted Outside of the Continental United States (OCONUS)			
Camp Arifjan, Kuwait	10,278	5,614	5,814
Camp Humphreys, Korea	11,552	12,502	12,802
Kaiserslautern Army Depot, GE	5,601	6,709	7,000
Samples conducted within the Continental United States (OCONUS)			
Fort Campbell	65,760	64,000	64,660
Fort Carson	46,289	50,796	51,296
Fort Bragg	48,049	46,591	47,091
Fort Hood	37,740	40,817	40,997
Joint Base Lewis-McChord (JBLM)	37,017	38,930	39,000
Redstone Arsenal	23,232	28,566	28,766
Fort Bliss	30,203	26,000	26,691
Fort Rucker	18,707	22,904	23,404
Total Samples Conducted	334,428	343,429	347,521

Types of equipment of samples conducted per Army Regulation 750-1, Army Materiel Policy, Chapter 8-2, watercraft, aircraft, locomotives and combat vehicles. The type of samples conducted at the locations include engine, transmission, gearbox, and hydraulic.

Information Management (IM)	(# of Users)		
	FY 2015	FY 2016	FY2017
IM Measured Areas			
Sustainment of software for logistics business systems for Army Enterprise Service Integration Program	20,000	100,000	160,000
Sustainment of software for logistics business systems for Army Legacy Sustainment	148,000	68,000	8,000

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	938	1,064	1,022	-42
Officer	697	830	804	-26
Enlisted	241	234	218	-16
<u>Active Military Average Strength (A/S) (Total)</u>	824	1,002	1,043	41
Officer	578	764	817	53
Enlisted	246	238	226	-12
<u>Civilian FTEs (Total)</u>	2,926	3,144	2,883	-261
U.S. Direct Hire	2,903	3,122	2,861	-261
Foreign National Direct Hire	18	10	10	0
Total Direct Hire	2,921	3,132	2,871	-261
Foreign National Indirect Hire	5	12	12	0
 <i>(Reimbursable Civilians (Memo))</i>	 4,992	 5,426	 4,949	 -477
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	133	132	137	5
<u>Contractor FTEs (Total)</u>	779	533	865	332

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	387,466	0	1.29%	4,988	22,830	415,284	0	1.41%	5,874	-27,931	393,227
0103	WAGE BOARD	636	0	0.16%	1	-300	337	0	0.59%	2	3	342
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	865	0	0.00%	0	-738	127	0	0.00%	0	2	129
0106	BENEFITS TO FORMER EMPLOYEES	1,161	0	0.00%	0	-1,161	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	390,128	0		4,989	20,631	415,748	0		5,876	-27,926	393,698
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	9,044	0	1.70%	154	-3,586	5,612	0	1.80%	101	6	5,719
0399	TOTAL TRAVEL	9,044	0		154	-3,586	5,612	0		101	6	5,719
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	70	0	-7.30%	-5	24	89	0	-8.20%	-7	212	294
0411	ARMY SUPPLY	589	0	2.55%	15	1,979	2,583	0	-4.63%	-120	832	3,295
0416	GSA MANAGED SUPPLIES AND MATERIALS	459	0	1.70%	8	-320	147	0	1.80%	3	0	150
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	0	0	-1.90%	0	577	577	0	-0.70%	-4	0	573
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,118	0		18	2,260	3,396	0		-128	1,044	4,312
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	964	0	0.00%	0	-832	132	0	-0.26%	0	0	132
0507	GSA MANAGED EQUIPMENT	416	0	1.70%	7	4,322	4,745	0	1.80%	85	2,255	7,085
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,380	0		7	3,490	4,877	0		85	2,255	7,217
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	0	0	7.92%	0	5,223	5,223	0	-0.11%	-6	5,060	10,277
0647	DISA ENTERPRISE COMPUTING CENTERS	0	0	-10.01%	0	1,578	1,578	0	-10.00%	-158	27,944	29,364
0675	DLA DISPOSITION SERVICES	23,699	0	0.00%	0	14,616	38,315	0	0.00%	0	-26,978	11,337
0699	TOTAL INDUSTRIAL FUND PURCHASES	23,699	0		0	21,417	45,116	0		-164	6,026	50,978

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	0	0	-3.80%	0	39	39	0	-16.10%	-6	0	33
0719	SDDC CARGO OPERATION (PORT HANDLING)	0	0	38.80%	0	0	0	0	0.80%	0	5,623	5,623
0771	COMMERCIAL TRANSPORTATION	223	0	1.70%	4	418	645	0	1.80%	12	74	731
0799	TOTAL TRANSPORTATION	223	0		4	457	684	0		6	5,697	6,387
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	429	-160	2.97%	8	315	592	4	1.51%	9	0	605
0912	RENTAL PAYMENTS TO GSA (SLUC)	418	0	1.70%	7	-425	0	0	1.80%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	2	0	1.70%	0	284	286	0	1.80%	5	0	291
0914	PURCHASED COMMUNICATIONS (NON-FUND)	2,641	0	1.70%	45	-364	2,322	0	1.80%	42	0	2,364
0915	RENTS (NON-GSA)	1,628	0	1.70%	28	-1,656	0	0	1.80%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	76	0	1.70%	1	352	429	0	1.80%	8	0	437
0920	SUPPLIES AND MATERIALS (NON-FUND)	4,017	0	1.70%	68	3,054	7,139	0	1.80%	128	2,223	9,490
0921	PRINTING AND REPRODUCTION	978	0	1.70%	17	791	1,786	0	1.80%	32	0	1,818
0922	EQUIPMENT MAINTENANCE BY CONTRACT	6,420	0	1.70%	109	8,365	14,894	0	1.80%	268	11,420	26,582
0923	OPERATION AND MAINTENANCE OF FACILITIES	5,147	0	1.70%	87	9,578	14,812	0	1.80%	267	6,295	21,374
0925	EQUIPMENT PURCHASES (NON-FUND)	9,778	0	1.70%	166	-3,472	6,472	0	1.80%	116	1,820	8,408
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	48,184	0	1.70%	819	-45,587	3,416	0	1.80%	61	10,062	13,539
0933	STUDIES, ANALYSIS, AND EVALUATIONS	9,030	0	1.70%	154	-9,184	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	6,381	0	1.70%	108	1,546	8,035	0	1.80%	145	11	8,191
0937	LOCALLY PURCHASED FUEL (NON-FUND)	25	0	-7.30%	-2	-23	0	0	-8.20%	0	0	0
0957	LAND AND STRUCTURES	370	0	1.70%	6	5,506	5,882	0	1.80%	106	0	5,988
0987	OTHER INTRA-GOVERNMENT PURCHASES	22,454	0	1.70%	382	62,961	85,797	0	1.80%	1,544	56,584	143,925
0989	OTHER SERVICES	19,358	0	1.70%	329	536	20,223	0	1.80%	364	12,464	33,051
0990	IT CONTRACT SUPPORT SERVICES	25,374	0	1.70%	431	-4,801	21,004	0	1.80%	378	13,001	34,383
0999	TOTAL OTHER PURCHASES	162,710	-160		2,763	27,776	193,089	4		3,473	113,880	310,446
9999	GRAND TOTAL	588,302	-160		7,935	72,445	668,522	4		9,249	100,982	778,757

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I. Description of Operations Financed:

AMMUNITION MANAGEMENT – The Ammunition Management Program funds the Army in its role as the Department of Defense (DoD) Single Manager for Conventional Ammunition (SMCA) and includes the Office of the Executive Director for Conventional Ammunition. The ammunition management program encompasses research, development, acquisition, distribution, storage, maintenance and demilitarization. It equips, sustains and demilitarizes ammunition and armament capabilities across the services. The program is responsible to develop and support the protective systems enabling joint warfighter dominance. Funding for Ammunition Management supports a ready and modern Army and ensures reshaping of the current force from one optimized for large-scale missions to a force that is broadly capable of missions across the range of military operations. The Army remains globally responsive and regionally engaged and aligned throughout the world. Funding ensures compliance with the treaty responsibilities of: Convention on the Prohibition of the Development, Production, Stockpiling, and use of Chemical Weapons and on Their Destruction. Requested funds support U.S. Code Sec 4552, which states: “It is the policy of the U. S. – (6) to encourage the creation of jobs through increased investment in the private sector of the U. S. economy; (7) to foster a more efficient, cost – effective, and adaptable armaments industry in the U. S. ; (8) to achieve, with respect to armaments manufacturing, storage, maintenance, renovation, and demilitarization capacity, an optimum level of readiness of the national technology and industrial base within the U. S. that is consistent with the projected threats to the national security of the U. S. and the projected emergency requirements of the armed forces...”

CONVENTIONAL AMMUNITION SMCA – Directed Mission: funds National Inventory Control Point operations, supply depot operations to receive, store, inventory, issue and maintain readiness for depot level stored ammunition for all services. The funding supports the Army Stockpile Reliability Program (ASRP) encompassing explosive safety and ammunition management. It resources the acquisition planning and logistical support for conventional ammunition assigned to the SMCA. Conventional ammunition includes all explosive and kinetic energy munitions but excludes nuclear, chemical, and biological devices. Ammunition management resources provide for "cradle-to-grave" operations within the life-cycle of conventional ammunition, including procurement administration, storage, surveillance, distribution, maintenance, and demilitarization for all Services. The Conventional Ammunition program supports the Active Army, Army National Guard, Army Reserve and other services training ammunition requirements. Ammunition management functions also support efficient packaging of munitions for rapid deployment and ensure availability of munitions to meet contingency requirements. Conventional ammunition management cost drivers are directly related to the size of the Continental U.S. (CONUS) ammunition inventory, as well as the quantity of ammunition procured, issued, received, maintained, and demilitarized.

CHEMICAL WEAPONS STOCKPILE AND MATERIEL STORAGE – The Army is DoD's Executive Agent for chemical and biological matters. This program also provides storage facilities with chemical monitoring, leaking vessel isolation/containerization, and safety and security requirements for these highly sensitive munitions awaiting demilitarization and destruction. Provides for site clean-up property disposition and personnel transition after demilitarization is complete and storage mission ends. The Army has completed disposal of chemical munitions at seven of the nine original sites. Johnston Island; Aberdeen Proving Grounds, Maryland; Newport, Indiana; Pine Bluff, Arkansas; Anniston, Alabama; Umatilla, Oregon; and Tooele, Utah. All seven sites are in administrative closeout waiting for final audits and rate adjustments. The demilitarization plants at the two remaining sites, Pueblo, Colorado, and Blue Grass, Kentucky are under the Assembled Chemical Weapons Alternatives (ACWA). Per the ACWA program office's 2015 estimate, Pueblo is scheduled to begin plant operations in mid-late FY 2016 with projected completion in mid FY 2020. Blue Grass is scheduled to begin main plant operations in late FY 2018 with expected completion in early FY 2023. Closure activities are projected to culminate in mid FY 2023 at Pueblo and late FY 2025 at Blue Grass.

CONVENTIONAL AMMUNITION NON-SMCA – Funding supports Non-SMCA activities (defined as service specific ammunition requirements). Supports an Army that is modern and ready, globally responsive and regionally engaged. Increasing capabilities of Army forces is critical to support Combatant Commanders'

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requirements. These include primary transportation of Army conventional ammunition within the CONUS as well as the renovation of munitions, maintenance engineering support, and development of configuration control data, technical data, and quality control standards for conventional ammunition. This program also resources the preparation of publications such as technical manuals, depot maintenance work requirements, and technical data packages.

FORMER WAR RESERVE FOR ALLIES-KOREA (WRSA-K) and Cluster Munitions Retrograde – Funds retrograde of former WRSA-K stocks in accordance with the bilateral agreement between the U.S. and the Republic of Korea. This agreement ensures dedicated funding to meet directed timelines of 2018 for non-cluster, non-landmine stocks and 2024 for cluster and landmine munitions.

II. Force Structure Summary:

Ammunition Management funds the following organizations:

Headquarters, Department of the Army

Army Commands:

U.S. Army Materiel Command
U.S. Army Training and Doctrine Command

Army Service Component Command:

U.S. Army Pacific

Direct Reporting Units:

U.S. Army Test and Evaluation Command
U.S. Army Medical Command
Program Executive Office Ammunition

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	
AMMUNITION MANAGEMENT	\$466,529	\$322,127	\$-7,382	-2.29%	\$314,745	\$314,745	\$370,010	
SUBACTIVITY GROUP TOTAL	\$466,529	\$322,127	\$-7,382	-2.29%	\$314,745	\$314,745	\$370,010	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
BASELINE FUNDING		\$322,127		\$314,745				
Congressional Adjustments (Distributed)		0						
Congressional Adjustments (Undistributed)		-7,337						
Adjustments to Meet Congressional Intent		95						
Congressional Adjustments (General Provisions)		-140						
SUBTOTAL APPROPRIATED AMOUNT		314,745						
War Related and Disaster Supplemental Appropriation		5,033						
X-Year Carryover		0						
Fact-of-Life Changes (2016 to 2016 Only)		0						
SUBTOTAL BASELINE FUNDING		319,778						
Anticipated Reprogramming (Requiring 1415 Actions)		0						
Less: War Related and Disaster Supplemental Appropriation		-5,033						
Less: X-Year Carryover		0						
Price Change				2,891				
Functional Transfers				-314				
Program Changes				52,688				
NORMALIZED CURRENT ESTIMATE		\$314,745		\$370,010				

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 322,127
1. Congressional Adjustments	\$ -7,382
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -7,337
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -7,325
2) Spares and repair parts	\$ -12
c) Adjustments to Meet Congressional Intent	\$ 95
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 95
d) General Provisions.....	\$ -140
1) Sec 8024. Federally Funded Research and Development Centers	\$ -10
2) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -130

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FY 2016 Appropriated Amount	\$ 314,745
2. War-Related and Disaster Supplemental Appropriations.....	\$ 5,033
a) Overseas Contingency Operations Supplemental Appropriation, 2016	\$ 5,033
1) Overseas Contingency Operations Supplemental.....	\$ 5,033
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 319,778
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 319,778
5. Less: Emergency Supplemental Funding.....	\$ -5,033
a) Less: War Related and Disaster Supplemental Appropriation	\$ -5,033
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 314,745

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6. Price Change	\$ 2,891
7. Transfers.....	\$ -314
a) Transfers In	\$ 0
b) Transfers Out	\$ -314
1) Management Operational Headquarters Realignment	\$ -314
Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-12,112; -93 FTEs); SAG 211, Strategic Mobility (\$-419; -4 FTEs); SAG 424, Ammunition Management (\$-314; -3 FTEs) and SAG 434, Other Personnel Support (\$-409; -3 FTEs) to SAG 133, Management and Operational Headquarters (\$13,254; 103 FTEs) to properly align U.S. Army Forces Command, U.S. Army Material Command, and U.S. Army Installation Management Command resources to the appropriate Subactivity Group. (Baseline: \$6,600; -3 FTE)	
8. Program Increases	\$ 55,188
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 55,188
1) Ammunition Management - Non-Single Manager Conventional Ammunition	\$ 7,170
Increases funding for Non-Single Management Conventional Ammo to support transportation costs associated with distributing ammo for training to meet operational tempo. (Baseline: \$22,590)	

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2) Ammunition Management - Single Manager Conventional Ammunition \$ 45,621
 Increases funding in support of the receipt, storage and issue of ammunition for all of the Military Services. Growth supports call forward ammunition for increased operations tempo due to the European Activity Set, Regionally Aligned Forces, various regional training exercises, and increased force structure activities vice deployment activities. Funding supports the Army Stockpile Reliability Program, which assures quality, reliability, and safety of Army munitions by increasing inspections and reliability assessments. (Baseline: \$220,923)

3) Civilian Average Annual Compensation \$ 2,397
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$119,369)

9. Program Decreases \$ -2,500

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases \$ 0

c) Program Decreases in FY 2017 \$ -2,500

1) Chemical Weapons Stockpile and Materiel Storage \$ -106
 Decreases funding used to maintain base operations at current support levels at the material storage sites. (Baseline: \$71,232)

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2) Civilian Workforce Reduction \$ -1,717
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$119,639; -15 FTE)

3) Compensable Days \$ -677
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$119,639)

FY 2017 Budget Request.....\$ 370,010

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IV. Performance Criteria and Evaluation Summary:

Ammunition Management	FY 2015	FY 2016	FY 2017
Number of Short Tons Shipped			
Issues	138,027	121,900	116,600
Receipts	114,867	99,098	94,600
Ammunition Second Destination Transportation	69,544	56,348	71,500
War Reserve for Allies - Korea Receipts	23,989	19,102	18,500
War Reserve for Allies - Korea Second Destination Transportation	23,989	19,102	18,500
Number of Short Tons			
Maintenance Tons Operation and Maintenance, Army	2,000	2,000	2,000
Support Activities			
Field Service Short Tons in Storage	1,849,413	1,772,445	1,675,496
Number of Lots Inspected			
Periodic Inspections	13,769	10,500	9,800
Safety in Storage Inspections	21,504	19,400	14,000
Safety Inspections	14,314	15,300	15,300

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	19	18	15	-3
Officer	14	16	13	-3
Enlisted	5	2	2	0
<u>Active Military Average Strength (A/S) (Total)</u>	22	19	17	-2
Officer	16	15	15	0
Enlisted	6	4	2	-2
<u>Civilian FTEs (Total)</u>	1,012	1,074	1,056	-18
U.S. Direct Hire	1,012	1,072	1,054	-18
Foreign National Direct Hire	0	2	2	0
Total Direct Hire	1,012	1,074	1,056	-18
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 415	 702	 674	 -28
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	112	111	114	3
<u>Contractor FTEs (Total)</u>	798	191	249	58

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	105,268	0	1.27%	1,341	4,721	111,330	0	1.52%	1,687	-310	112,707
0103	WAGE BOARD	7,126	0	1.26%	90	706	7,922	0	1.45%	115	-1	8,036
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	1	116	117	0	0.85%	1	0	118
0106	BENEFITS TO FORMER EMPLOYEES	684	0	0.00%	0	-684	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	113,078	0		1,432	4,859	119,369	0		1,803	-311	120,861
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	3,601	0	1.70%	61	-3,441	221	0	1.80%	4	0	225
0399	TOTAL TRAVEL	3,601	0		61	-3,441	221	0		4	0	225
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	131	0	-7.30%	-10	76	197	0	-8.20%	-16	13	194
0411	ARMY SUPPLY	450	0	2.55%	11	-353	108	0	-4.63%	-5	5	108
0416	GSA MANAGED SUPPLIES AND MATERIALS	162	0	1.70%	3	-52	113	0	1.80%	2	706	821
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	743	0		4	-329	418	0		-19	724	1,123
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	228	0	0.00%	0	-207	21	0	-0.26%	0	0	21
0507	GSA MANAGED EQUIPMENT	145	0	1.70%	2	754	901	0	1.80%	16	1,549	2,466
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	373	0		2	547	922	0		16	1,549	2,487
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	161,762	0	7.92%	12,812	-49,863	124,711	0	-0.11%	-137	25,305	149,879
0675	DLA DISPOSITION SERVICES	0	0	0.00%	0	1,073	1,073	0	0.00%	0	2,590	3,663
0679	COST REIMBURSABLE PURCHASES	8	0	1.70%	0	19	27	0	1.90%	1	815	843
0699	TOTAL INDUSTRIAL FUND PURCHASES	161,770	0		12,812	-48,771	125,811	0		-136	28,710	154,385
<u>TRANSPORTATION</u>												

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		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0717	SDDC GLOBAL POV	26	0	-3.80%	-1	-25	0	0	-16.10%	0	0	0
0771	COMMERCIAL TRANSPORTATION	35,903	0	1.70%	610	-16,246	20,267	0	1.80%	365	7,386	28,018
0799	TOTAL TRANSPORTATION	35,929	0		609	-16,271	20,267	0		365	7,386	28,018
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	854	0	1.70%	15	-869	0	0	1.80%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	0	0	1.70%	0	422	422	0	1.80%	8	510	940
0914	PURCHASED COMMUNICATIONS (NON-FUND)	206	0	1.70%	3	234	443	0	1.80%	8	204	655
0917	POSTAL SERVICES (U.S.P.S)	343	0	1.70%	6	-332	17	0	1.80%	0	0	17
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,761	0	1.70%	30	-123	1,668	0	1.80%	30	2	1,700
0921	PRINTING AND REPRODUCTION	437	0	1.70%	7	-415	29	0	1.80%	1	0	30
0922	EQUIPMENT MAINTENANCE BY CONTRACT	278	0	1.70%	5	-73	210	0	1.80%	4	0	214
0923	OPERATION AND MAINTENANCE OF FACILITIES	62,216	0	1.70%	1,058	-44,884	18,390	0	1.80%	331	1,632	20,353
0925	EQUIPMENT PURCHASES (NON-FUND)	1,856	0	1.70%	32	402	2,290	0	1.80%	41	3	2,334
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	8,524	0	1.70%	145	-4,277	4,392	0	1.80%	79	2,729	7,200
0933	STUDIES, ANALYSIS, AND EVALUATIONS	898	0	1.70%	15	-913	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	645	0	1.70%	11	-656	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	34	0	-7.30%	-2	-15	17	0	-8.20%	-1	113	129
0957	LAND AND STRUCTURES	713	0	1.70%	12	-316	409	0	1.80%	7	1	417
0959	INSURANCE CLAIMS AND INDEMNITIES	192	0	1.70%	3	-195	0	0	1.80%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	21,183	0	1.70%	360	-9,198	12,345	0	1.80%	222	4,156	16,723
0989	OTHER SERVICES	46,252	0	1.70%	786	-45,200	1,838	0	1.80%	33	3,942	5,813
0990	IT CONTRACT SUPPORT SERVICES	4,643	0	1.70%	79	545	5,267	0	1.80%	95	1,024	6,386
0999	TOTAL OTHER PURCHASES	151,035	0		2,565	-105,863	47,737	0		858	14,316	62,911
9999	GRAND TOTAL	466,529	0		17,485	-169,269	314,745	0		2,891	52,374	370,010

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I. Description of Operations Financed:

ADMINISTRATION - Finances the operation (civilian pay, training, supplies, equipment, and contracts) of the Headquarters, Department of the Army (HQDA). HQDA is responsible for executing all functions and responsibilities bestowed on the Secretary of the Army, pursuant to Title 10 USC, section 3013. In general, these functions and responsibilities include developing policies, plans, and programs; establishing and prioritizing requirements; and providing resources to support the organization, manning, training, and equipping of forces to meet the combatant commands' current and future operational requirements.

II. Force Structure Summary:

Headquarters, Department of the Army

Direct Reporting Unit:

U.S. Army Medical Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					<u>Normalized</u>	
A. <u>Program Elements</u>		<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
		<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>
	ADMINISTRATION	\$469,106	\$384,813	\$-12,578	-3.27%	\$372,235	\$372,235	\$451,556
	SUBACTIVITY GROUP TOTAL	\$469,106	\$384,813	\$-12,578	-3.27%	\$372,235	\$372,235	\$451,556
				<u>Change</u>	<u>Change</u>			
				<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING				\$384,813	\$372,235			
Congressional Adjustments (Distributed)				0				
Congressional Adjustments (Undistributed)				-12,567				
Adjustments to Meet Congressional Intent				0				
Congressional Adjustments (General Provisions)				-11				
SUBTOTAL APPROPRIATED AMOUNT				372,235				
War Related and Disaster Supplemental Appropriation				0				
X-Year Carryover				0				
Fact-of-Life Changes (2016 to 2016 Only)				0				
SUBTOTAL BASELINE FUNDING				372,235				
Anticipated Reprogramming (Requiring 1415 Actions)				0				
Less: War Related and Disaster Supplemental Appropriation				0				
Less: X-Year Carryover				0				
Price Change					6,135			
Functional Transfers					39,841			
Program Changes					33,345			
NORMALIZED CURRENT ESTIMATE				\$372,235		\$451,556		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 384,813
1. Congressional Adjustments	\$ -12,578
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -12,567
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -12,540
2) Spares and repair parts	\$ -27
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ -11
1) Sec 8024. Federally Funded Research and Development Centers	\$ -11
FY 2016 Appropriated Amount	\$ 372,235
2. War-Related and Disaster Supplemental Appropriations	\$ 0

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3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 372,235
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 372,235
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 372,235
6. Price Change	\$ 6,135
7. Transfers.....	\$ 39,841
a) Transfers In	\$ 46,053
1) Assistant Chief of Staff for Installation Management Consolidation	\$ 42,925
Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-35,389; -207 FTEs); SAG 435, Other Service Support (\$-3,670; -20 FTEs) and Army Family Housing Operations (\$-3,866; -22 FTEs) to SAG 431, Administration (\$42,925; 249 FTEs) to disestablish the Installation	

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Support Management Agency and consolidate the resources under the Office of the Assistant Chief of Staff for Installation Management. (Baseline: \$0; 249 FTE)

2) Major Army Management Headquarters Activities \$ 3,128
Transfers funding for FTEs and general operations from the following SAGs: SAG 435, Other Service Support (\$-259; -2 FTES) and SAG 433, Manpower Management (\$-2,869; -17 FTES) to SAG 431, Administration (\$3,128; 19 FTES) to properly realign resources to Headquarters, Department of Army into the appropriate Subactivity Group. (Baseline: \$351,886; 19 FTE)

b) Transfers Out \$ -6,212

1) Army Enterprise Architecture \$ -2,357
Transfers funding and 14 FTEs from SAG 431, Administration to SAG 121, Land Forces Readiness Support to properly align resources into the appropriate Subactivity Group. (Baseline: \$5,190; -14 FTE)

2) Army Financial Management Optimization (AFMO) \$ -341
Transfers funding and FTEs from the following SAGs: SAG 431, Administration (\$-341; 0 FTE) and SAG 435, Other Service Support (\$-2,364; -16 FTES) to SAG 438, Financial Improvement and Audit Readiness (\$2,705; 16 FTES) to support the AFMO initiative to achieve auditability and greater efficiencies through enhanced and reinforced auditable business practices. (Baseline: \$341; 0 FTE)

3) U.S. Army Combat Readiness Center \$ -1,358
Transfers funding and 5 FTEs from SAG 431, Administration to SAG 435, Other Service Support to realign the resources for the Army Safety Office under the U.S. Army Combat Readiness Center. (Baseline: \$1,358; -5 FTE)

4) U.S. Army War College - U.S. Army's Strategic Studies Group \$ -2,156
Transfers funding and 5 FTEs from SAG 431, Administration to SAG 323, Professional Development Education to realign the administrative support of the Chief of Staff of the Army's Strategic Studies

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Group from the Office of the Chief of the Army to the U.S. Army War College. (Baseline: \$2,156; -5 FTE)

8. Program Increases	\$ 60,319
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 60,319
1) Army Management Headquarters Activities Information Management	\$ 46,600
<p>Increases funding in an effort to mitigate risk in three Information Technology (IT) mission areas: Cybersecurity, Mission Critical Systems, and IT Services. The Cybersecurity mission focuses on client systems, servers, the network, and mission critical systems. This increase funds lifecycle replacement of the Headquarters Department of the Army mission critical data services hardware and software licenses. The Mission Critical Systems operations and maintenance includes but is not limited to the Army Readiness Management System, Deployment and Augmentation System, the Strategic Management System, the Enterprise Decision Support System, and the Knowledge Management Systems supporting Army operations. The IT Service desk provides support to user desktop, phone, printer, remote desktop support, and self-help resources available for user on line. It includes support for all facets of what a user might need. (Baseline: \$11,784)</p>	
2) Civilian Average Annual Compensation	\$ 6,765
<p>Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce</p>	

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remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$353,034)

3) Network Operations and Security Centers \$ 3,890

Funds 22 FTEs in support of the Army's administration of the Insider Threat Program, Share Information, and Establish/Operate the Hub. Share Information is the process to deploy a technology to provide a common operating picture of the threat. Establish/Operate the Hub is the process to implement an integrated analytical and response capability, in accordance with the National Insider Threat Policy. (Baseline: \$0; 22 FTE)

4) Sexual Harassment/Assault Response and Prevention (SHARP) - Program Office..... \$ 3,064

Increases funding for 14 Program Managers and general operations, responsible for establishing policy, ensuring compliance, and providing management and oversight for the Army SHARP Program. The SHARP Program is vital to the preservation of the Army Profession with the goal of cultivating a culture of trust, dignity, and respect. Program Managers oversees the prevention and training activities within the Headquarters and ensures compliance with training requirements. (Baseline: \$488; 14 FTE)

9. Program Decreases.....\$ -26,974

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -26,974

1) Compensable Days..... \$ -2,164

Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260)

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days) than in FY 2016 (262 days). (Baseline: \$353,034)

2) Headquarters Reduction \$ -24,810
Reduces FTEs, civilian pay, and associated operating costs to support strategic efficiency reduction in management headquarters funding and staffing for better alignment and to provide support to a smaller military force. (Baseline: \$353,034; -145 FTE)

FY 2017 Budget Request.....\$ 451,556

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015 Actuals</u>	<u>FY 2016 Enacted</u>	<u>FY 2017 Estimate</u>
Number of Actions in Support of Headquarters Department of Army			
Legislative Liaison Office, Congressional Inquiries	230,208	228,254	226,795
Army Publications Revised, Created, or Rescinded	156	145	150
Army Appropriations	28	28	28
Headquarters Department of Army Technology Capabilities			
Communications/Computing Infrastructure	10	4	3
Functional Area Applications	19	12	27
Related Technical Activities	2	1	1

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,214	1,028	961	-67
Officer	1,086	932	873	-59
Enlisted	128	96	88	-8
<u>Active Military Average Strength (A/S) (Total)</u>	1,252	1,121	995	-126
Officer	1,121	1,009	903	-106
Enlisted	131	112	92	-20
<u>Civilian FTEs (Total)</u>	2,039	2,122	2,257	135
U.S. Direct Hire	2,039	2,122	2,257	135
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	2,039	2,122	2,257	135
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 35	 22	 21	 -1
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	159	166	171	5
<u>Contractor FTEs (Total)</u>	714	99	389	290

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	323,174	0	1.32%	4,257	25,603	353,034	0	1.64%	5,787	27,273	386,094
0103	WAGE BOARD	115	0	0.00%	0	-115	0	0	0.00%	2	156	158
0106	BENEFITS TO FORMER EMPLOYEES	1,137	0	0.00%	0	-1,137	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	324,426	0		4,257	24,351	353,034	0		5,789	27,429	386,252
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	10,008	0	1.70%	170	-9,138	1,040	0	1.80%	19	75	1,134
0399	TOTAL TRAVEL	10,008	0		170	-9,138	1,040	0		19	75	1,134
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	1,245	0	2.55%	32	-1,277	0	0	-4.63%	0	0	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	284	0	1.70%	5	-161	128	0	1.80%	2	125	255
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,529	0		37	-1,438	128	0		2	125	255
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	638	0	1.70%	11	-400	249	0	1.80%	4	0	253
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	638	0		11	-400	249	0		4	0	253
<u>OTHER FUND PURCHASES</u>												
0633	DLA DOCUMENT SERVICES	0	0	-2.17%	0	70	70	0	1.47%	1	0	71
0679	COST REIMBURSABLE PURCHASES	104	0	1.70%	2	-106	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	104	0		2	-36	70	0		1	0	71
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	110	0	-3.80%	-4	-106	0	0	-16.10%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	741	0	38.80%	287	-1,028	0	0	0.80%	0	0	0
0771	COMMERCIAL TRANSPORTATION	109	0	1.70%	2	-73	38	0	1.80%	1	0	39
0799	TOTAL TRANSPORTATION	960	0		285	-1,207	38	0		1	0	39

Exhibit OP-5, Subactivity Group 431

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	784	0	1.70%	13	-797	0	1.80%	0	0	0	
0913	PURCHASED UTILITIES (NON-FUND)	267	0	1.70%	5	-184	88	1.80%	2	0	90	
0914	PURCHASED COMMUNICATIONS (NON-FUND)	556	0	1.70%	9	-406	159	1.80%	3	0	162	
0917	POSTAL SERVICES (U.S.P.S)	89	0	1.70%	2	-54	37	1.80%	1	0	38	
0920	SUPPLIES AND MATERIALS (NON-FUND)	3,754	0	1.70%	64	-2,444	1,374	1.80%	25	-859	540	
0921	PRINTING AND REPRODUCTION	983	0	1.70%	17	-1,000	0	1.80%	0	0	0	
0922	EQUIPMENT MAINTENANCE BY CONTRACT	2,041	0	1.70%	35	-2,076	0	1.80%	0	0	0	
0925	EQUIPMENT PURCHASES (NON-FUND)	1,638	0	1.70%	28	-1,666	0	1.80%	0	116	116	
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	49,977	0	1.70%	850	-42,582	8,245	1.80%	148	1,761	10,154	
0933	STUDIES, ANALYSIS, AND EVALUATIONS	8,707	0	1.70%	148	-8,079	776	1.80%	14	1	791	
0934	ENGINEERING AND TECHNICAL SERVICES	1,696	0	1.70%	29	167	1,892	1.80%	34	2	1,928	
0959	INSURANCE CLAIMS AND INDEMNITIES	12	0	1.70%	0	-12	0	1.80%	0	0	0	
0987	OTHER INTRA-GOVERNMENT PURCHASES	13,492	0	1.70%	229	-13,378	343	1.80%	6	-300	49	
0989	OTHER SERVICES	15,213	0	1.70%	259	-13,576	1,896	1.80%	34	0	1,930	
0990	IT CONTRACT SUPPORT SERVICES	32,232	0	1.70%	548	-29,914	2,866	1.80%	52	44,836	47,754	
0999	TOTAL OTHER PURCHASES	131,441	0		2,236	-116,001	17,676		319	45,557	63,552	
9999	GRAND TOTAL	469,106	0		6,998	-103,869	372,235		6,135	73,186	451,556	

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I. Description of Operations Financed:

SERVICEWIDE COMMUNICATIONS - Funds communications to key organizations including: Headquarters, Department of the Army; the U.S. Army Materiel Command, the Army Space and Missile Defense Command, and the U.S. Army Acquisition Support Center. The functional categories resourced are Army Acquisition Support, Biometrics, Cybersecurity Operations, Defense Satellite Communications System, Enterprise License Agreements Information Services, Long Haul Communications, Personnel and Pay Systems, and Automation and Communication Systems Support for: Commercial Satellite, Enterprise Services, and Logistics Automation Systems Sustainment.

ARMY ACQUISITION SUPPORT - Funds Congressionally mandated missions of the Army Acquisition Executive. Provides resources for support of Defense Acquisition Workforce Improvement Act and major Army acquisition automation programs.

AUTOMATION AND COMMUNICATIONS SYSTEMS SUPPORT:

Commercial Satellite - Procures and sustains the strategic military satellite communications terminals, control, and related equipment required to satisfy the long-haul communications requirements of the deployed warfighter. Provides critical conduit for intelligence information transfer to the deployed forces worldwide. Provides worldwide warfighter essential support services such as network operations, engineering, and installation support for military satellite communications.

Enterprise Services - Supports the Computer Hardware and Enterprise Software and Solutions to develop, implement and manage commercial information technology contracts that provide enterprise-wide net-centric hardware, software, and support services for the Army. Resources the Army's enterprise service solution for Army Knowledge Online, Enterprise Email Service, Enterprise Service Desk, Unified Capabilities (UC), Content Management, and Collaboration and Messaging. Includes the Single Army Logistics Enterprise, Subsistence Support Programs, Army Wide Publishing, and Technical Support of Information Systems Engineering Missions.

Logistics Automation Systems Sustainment - Funds automation of supply, ammunition, ground and aviation maintenance, property accountability, transportation, distribution, finance, and resource management. Supports the Army's critical core logistics, readiness, asset management, distribution, and requisitioning systems for all classes of supply. Funds contractor logistics support and combat development activities not weapon-system specific, and selected acquisition activities of information systems and for automation support.

BIOMETRICS - Supports the Department of Defense Automated Biometrics Information System (ABIS) and the Defense Forensics and Biometrics Agency in an effort to provide biometric identification capabilities and expertise to Joint, Interagency, Intergovernmental, and Multinational partners. The ABIS is a comprehensive, multi-modal, multi-domain biometric storage, matching and sharing capability for biometric information enabling the Department of Defense to utilize biometric technologies and identify new biometric applications across the full spectrum of operations.

CYBERSECURITY - Protects telecommunications and information systems that process classified or national security related information. Cybersecurity systems secure the Army's tactical and strategic communications, command and control, electronic warfare, and information systems. Cybersecurity prevents exploitation through interception and unauthorized electronic access. It also ensures authenticity, confidentiality, integrity, and the availability of the information and the system.

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DEFENSE SATELLITE COMMUNICATIONS SYSTEM (DSCS) - Supports Department of Defense military communications satellites that provide high data rate communications for military forces, diplomatic corps, and the White House. DSCS provides long-haul super-high frequency voice and high data rate communications for fixed and transportable terminals, and extends mobile service to a limited number of ships and aircraft.

ENTERPRISE LICENSE AGREEMENTS - Provides funding for the Army and Joint Enterprise License and Services agreements that provide maintenance and sustainment support (i.e. engineering services, tiered service operations, technical training) for Commercial Off-the-Shelf (COTS) software and hardware purchases through the total lifecycle of the commodity investment. Maintenance funding extends the useful life of hardware and software by providing updates and upgrades to current enterprise agreements.

INFORMATION SERVICES - Provides resources for a range of Common Information Technology services to all organizations and customers within the Pentagon reservation. Supports the funds for operation and maintenance, technical upgrade, lifecycle refresh, engineering, integration, architecture and the infrastructure needed to provide these services. Resources Army enterprise architecture, Pentagon information technology, records management activities, and mailrooms, to include the operation and maintenance of the Pentagon Audio-Visual Information Center that provides joint visual information services.

LONG HAUL COMMUNICATIONS - Resources long haul communications for Army installations to interconnect through the DoD Information Network (DoDIN) for common user telecommunications services (voice, data, video, messaging, etc.). Program resources long lines, leased communications facilities, engineering, and physical installation. Resources support communications for the Defense Information Systems Network (DISN).

PERSONNEL AND PAY SYSTEMS - Provides Army personnel and pay support to Soldiers and civilians for travel and per diem expenses, training requirements, personnel operations, and human resources. Provides resources for all activities associated with accessing and sustaining Army's civilian force to include recruitment, force shaping, development, pay and benefits, and employee relations. Resources the design and automation requirements of the integrated personnel and pay web-based system that supports all military personnel in career and retirement phases and ensures accurate and timely pay and benefits for all Soldiers and Family members.

II. Force Structure Summary:

Servicewide Communications provides support to the following organizations:

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Central Command
U.S. Army North Command

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U.S. Special Operations Command
U.S. Army South Command
U.S. Army Europe Command
U.S. Army Space and Missile Defense Command/Army Strategic Command

Direct Reporting Units:

U.S. Army Test and Evaluation Command
U.S. Military District of Washington
U.S. Army Corps of Engineers
U.S. Army Acquisition Support Center
U.S. Army Intelligence and Security Command
U.S. Army Medical Command
Second Army
U.S. Army Installation Management Command

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III. Financial Summary (\$ in Thousands):

		FY 2016						
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Normalized</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Current</u>	<u>Estimate</u>	
						<u>Enacted</u>		
SERVICEWIDE COMMUNICATIONS	\$1,728,976	\$1,781,350	\$-45,244	-2.54%	\$1,736,106	\$1,736,106	\$1,888,123	
SUBACTIVITY GROUP TOTAL	\$1,728,976	\$1,781,350	\$-45,244	-2.54%	\$1,736,106	\$1,736,106	\$1,888,123	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>				
B. <u>Reconciliation Summary</u>								
BASELINE FUNDING				\$1,781,350	\$1,736,106			
Congressional Adjustments (Distributed)				-33,000				
Congressional Adjustments (Undistributed)				-11,544				
Adjustments to Meet Congressional Intent				4				
Congressional Adjustments (General Provisions)				-704				
SUBTOTAL APPROPRIATED AMOUNT				1,736,106				
War Related and Disaster Supplemental Appropriation				0				
X-Year Carryover				0				
Fact-of-Life Changes (2016 to 2016 Only)				0				
SUBTOTAL BASELINE FUNDING				1,736,106				
Anticipated Reprogramming (Requiring 1415 Actions)				0				
Less: War Related and Disaster Supplemental Appropriation				0				
Less: X-Year Carryover				0				
Price Change					-7,173			
Functional Transfers					-18,377			
Program Changes					177,567			
NORMALIZED CURRENT ESTIMATE				\$1,736,106	\$1,888,123			

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 1,781,350
1. Congressional Adjustments	\$ -45,244
a) Distributed Adjustments	\$ -33,000
1) Price growth requested as program growth	\$ -33,000
b) Undistributed Adjustments	\$ -11,544
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -11,434
2) Spares and repair parts	\$ -110
c) Adjustments to Meet Congressional Intent	\$ 4
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 4
d) General Provisions	\$ -704
1) Sec 8024. Federally Funded Research and Development Centers	\$ -57

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- 2) Sec 8077. Savings due to favorable foreign exchange rates \$ -642
- 3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -5

FY 2016 Appropriated Amount.....\$ 1,736,106

2. War-Related and Disaster Supplemental Appropriations.....\$ 0

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 1,736,106

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 1,736,106

5. Less: Emergency Supplemental Funding.....\$ 0

a) Less: War Related and Disaster Supplemental Appropriation\$ 0

b) Less: X-Year Carryover\$ 0

Normalized FY 2016 Current Enacted.....\$ 1,736,106

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6. Price Change\$ -7,173

7. Transfers.....\$ -18,377

a) Transfers In \$ 83,763

1) Enterprise Services \$ 80,856

Transfers funding from SAG 435, Other Service Support to SAG 432, Servicewide Communications to properly align the resources for Enterprise Services provided by the Defense Information Systems Agency into the appropriate Subactivity Group. (Baseline: \$0)

2) Records Management..... \$ 2,907

Transfers funding from Operation and Maintenance, Army Reserve SAG 433 to Operation and Maintenance, Army SAG 432, Servicewide Communications as the Army is the Executive agent for this function. Resources provide support to the National Archives and Records Administration for retrieval and archiving records on behalf of Army Reserve veterans and retirees. (Baseline: \$26,696)

b) Transfers Out \$ -102,140

1) Army Acquisition Executive Support \$ -166

Transfers funding and FTEs from the following SAGs: SAG 423, Logistic Support Activity (\$-359; - 2 FTE); SAG 432, Servicewide Communication (\$-166; -1 FTE), and Research, Development, Testing and Evaluation (\$-501; -3 FTE), to SAG 435, Other service Support (\$1,026; 6 FTEs) to realign the Department of the Army Systems Coordinators from the individual Program Executive Offices to the Office of the Assistant Secretary of the Army for Acquisition, Logistics and Technology. (Baseline: \$166; -1 FTE)

2) Army Service Component Command Tactical Units..... \$ -1,299

Transfers funding and 10 FTEs from SAG 432, Servicewide Communications to SAG 121, Land Forces Readiness Support to properly align U.S. Army Pacific resources and personnel to the appropriate

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Subactivity Group. (Baseline: \$1,299; -10 FTE)

3) Combat Development Core \$ -7,518

Transfers funding from SAG 432, Servicewide Communication to SAG 423, Logistic Support Activities to correct alignment of resources to support the Combat Development Integration Directorates in each of the Centers of Excellence as well as architecture development and computer security related integration and validation support services by the Architecture Integration and Management Directorate, Army Capabilities Integration Center, U.S. Army Training and Doctrine Command. (Baseline: \$7,518)

4) Global Cyber Network Operations and Security Centers \$ -62,207

Transfers funding and FTEs from the following SAGs: SAG 114, Theatre Level Assets (\$-27,059; -16 FTEs) and SAG 432, Servicewide Communications (\$-62,207;-250 FTEs) to SAG 121, Land Forces Readiness Support (\$89,266; 266 FTEs) to properly align resources for U.S. Army Cyber Command and Second Army into the appropriate Subactivity Group. (Baseline: \$62,207; -250 FTE)

5) Second Army \$ -2,078

Transfers funding and 12 FTEs from SAG 432, Servicewide Communications to SAG 121: Land Forces Readiness Support to consolidate resources for the Second Army Regional Cyber Centers into the appropriate Subactivity Group. (Baseline: \$2,078; -12 FTE)

6) Security Services \$ -324

Transfers funding and 2 FTEs from SAG 432, Servicewide Communication to SAG 131, Base Operations Support to properly align Defense Forensics and Biometrics Agency security services manpower to the correct Subactivity Group. (Baseline: \$324; -2 FTE)

7) Training Support Systems - Training Information Infrastructure (TII) \$ -28,548

Transfers funding and FTEs from the following SAGs: SAG 324, Training Support (\$-30,728; -28 FTEs) and SAG 432, Servicewide Communications (\$-28,548; -16 FTEs) to SAG 121, Land Forces Readiness Support (\$54,319; 44 FTEs) and to Research, Development, Test and Evaluation, Army (\$4,957) to properly align resources for the TII programs into the appropriate Subactivity Group/appropriation. The TII includes the Army Training Information System and the Distributed

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Learning Points of Delivery. (Baseline: \$28,548; -16 FTE)

8. Program Increases	\$ 208,409
a) Annualization of New FY 2016 Program	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 208,409
1) Automation and Communications Support - Commercial Satellite Communications	\$ 7,288
<p>Increases funding to support Network Operations in the execution of a worldwide commercial Satellite Communications network consisting of five teleport earth stations, to include engineering services and Integrated Logistics Support infrastructure. Network services must be maintained to support the global logistics requirements provided by fourteen satellites covering: North America, Europe, Asia, Central and South America, West Pacific, and Africa. (Baseline: \$100,664)</p>	
2) Automation and Communications Systems Support - Enterprise Services	\$ 106,689
<p>Funds the Army's share of the Defense Information Systems Agency (DISA) bill for Non-classified Internet Protocol Router (NIPR) and Secret Internet Protocol Router (SIPR) email, enabling users to access their Army email from anywhere in the Department of Defense (DoD), and collaborate with any Army user worldwide. Increases email storage for each user from 200 megabytes to 500 megabytes for a basic account and 4 gigabytes for business class accounts. Increase also supports deployment of Combined Unified Capabilities (UC), Messaging, and Collaboration as required by DoD policy. UC enables the integration of voice, video, and/or data services delivered across a secure and highly available network infrastructure, independent of technology, to provide increased mission effectiveness for DoD Components. (Baseline: \$185,326)</p>	
3) Civilian Average Annual Compensation	\$ 6,435
<p>Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of</p>	

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trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$260,195)

4) Cybersecurity \$ 19,211
 Increases funding to meet Cybersecurity and Department of Defense mandated certification and accreditation requirements for Command-level information systems and applications in order to maintain network security across Department of Defense and Federal networks. (Baseline: \$111,020)

5) Defense Satellite Communications Systems \$ 20,498
 Increases funding for Information Technology support and specialized contractor support to the Ballistic Missile Defense Operations. Increase also supports the alignment of resources to Army to perform Department of Defense executive agency responsibilities for the execution of Tactical Waveform development oversight/management. (Baseline: \$162,445)

6) Enterprise License Agreements \$ 42,037
 Increases funding due to increase of centralized information technology networking and Brocade storage license contracts, BMC help desk ticketing software licenses, Cisco contract switches, and Axway security authentication licenses. (Baseline: \$248,124)

7) Long Haul Communications \$ 4,297
 Increases funding based on the approved new Defense Information Systems Agency (DISA) cost recovery model for Defense Information Systems Network (DISN) services. The new cost recovery model allocates costs to mission partners based on consumption. Increase reflects Army's share of the re-allocation of funds across the Services and Department of Defense Agencies based on current consumption of DISN services. (Baseline: \$390,823)

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8) Personnel and Pay Systems..... \$ 1,954
 Increases funding for personnel and pay systems information management - automation support, to include continued software license support and maintenance sustainment. (Baseline: \$65,698)

9. Program Decreases.....\$ -30,842

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -30,842

1) Army Acquisition Support..... \$ -1,681
 Reduces funding to support the realignment of resources of Program Executive Office Headquarters and U.S. Army Acquisition Support Center to achieve balance of operating expenses. (Baseline: \$27,616)

2) Automation and Communications Systems Support - Logistic Automation Systems Sustainment \$ -1,649
 Reduced funding due to the retirement of the Standard Army Retail Supply System resulting from the implementation of the Global Combat Support System-Army. (Baseline: \$72,153)

3) Biometrics \$ -1,471
 Reduces funding due to reductions in communication lines, technology refresh, networking and Information Assurance equipment, specialized software licenses and maintenance due to consolidating at the Biometrics Technology Center. (Baseline: \$37,951)

4) Civilian Workforce Reduction..... \$ -6,470
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline:

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\$260,195; -48 FTE)

5) Compensable Days..... \$ -1,249
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$260,195)

6) Training Information Infrastructure..... \$ -18,322
 Decreases funding for Army Learning Management System, Deployable Digital Training Campus, and Digital Training Facilities in accordance with the Army's training strategy. (Baseline: \$18,322)

FY 2017 Budget Request.....\$ 1,888,123

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
COMMERICAL SATELLITE COMMUNICATIONS (SATCOM)			
Hours of video teleconference connectivity/year supported by commercial SATCOM provisions	500	500	500
Number of logistics SATCOM terminals supported by commercial SATCOM	2,149	2,149	2,149
LONG HAUL COMMUNICATIONS			
Number of service types provided to Army Commands	28	28	28
CYBERSECURITY			
Account audits/inspections	212	235 ¹	235 ¹
Facility audits	204	205 ²	180 ²
Incident cases	2000	2150 ³	2500 ³
Number of students taught at specialized information systems security classes/modules	1,476	855 ⁴	914 ⁴
BIOMETRICS			
Average system availability	97.30%	97.50%	97.70%
Average throughput of daily transactions	30,000	30,000	30,000
DEFENSE SATELLITE COMMUNICATION SYSTEMS			
Number of space-track updates provided to the U.S. Army Space and Missile Defense Command	48,000	48,000	48,000
Number of joint tactical ground station sections supported	5	5	5

¹The number of account audits/inspections have been increased in FY 2016/2017 based on the increased failure rate documented in the FY14 Annual Assessment.

²The number of facility audits are lower in FY 2016/2017 due to the implementation of the Cybersecurity Automated Registration System (CARS).

³ Incidents were increased in FY 2016/2017 to reflect the increased number of administrative discrepancies being reported through the Cybersecurity Incident Monitoring and Management System (CIMMS).

⁴The numbers also reflect the Command Cybersecurity Inspectors Certification Course (CCICC) students.

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Detail by Subactivity Group 432: Servicewide Communications

V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	246	220	213	-7
Officer	112	97	91	-6
Enlisted	134	123	122	-1
<u>Active Military Average Strength (A/S) (Total)</u>	245	234	217	-17
Officer	113	105	94	-11
Enlisted	132	129	123	-6
<u>Civilian FTEs (Total)</u>	1,754	1,955	1,616	-339
U.S. Direct Hire	1,734	1,930	1,616	-314
Foreign National Direct Hire	11	25	0	-25
Total Direct Hire	1,745	1,955	1,616	-339
Foreign National Indirect Hire	9	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 801	 896	 830	 -66
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	129	133	138	5
<u>Contractor FTEs (Total)</u>	6,528	3,480	4,028	548

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	218,540	0	1.39%	3,046	32,033	253,619	0	1.28%	3,248	-39,638	217,229
0103	WAGE BOARD	4,789	0	1.36%	65	914	5,768	0	1.44%	83	-101	5,750
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	631	1	1.42%	9	167	808	0	0.00%	0	-808	0
0106	BENEFITS TO FORMER EMPLOYEES	766	0	0.00%	0	-766	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	224,726	1		3,120	32,348	260,195	0		3,331	-40,547	222,979
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	5,757	0	1.70%	98	2,828	8,683	0	1.80%	156	640	9,479
0399	TOTAL TRAVEL	5,757	0		98	2,828	8,683	0		156	640	9,479
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	1	0	-7.30%	0	-1	0	0	-8.20%	0	0	0
0411	ARMY SUPPLY	2,394	0	2.55%	61	-1,102	1,353	0	-4.63%	-63	0	1,290
0412	NAVY MANAGED SUPPLIES AND MATERIALS	0	0	3.48%	0	17	17	0	4.94%	1	0	18
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,244	0	1.70%	21	11,301	12,566	0	1.80%	226	0	12,792
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	3,639	0		82	10,215	13,936	0		164	0	14,100
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	5,307	0	0.00%	0	-4,896	411	0	-0.26%	-1	142	552
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	0	0	1.00%	0	21	21	0	-0.10%	0	0	21
0507	GSA MANAGED EQUIPMENT	0	0	1.70%	0	719	719	0	1.80%	13	0	732
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	5,307	0		0	-4,156	1,151	0		12	142	1,305
<u>OTHER FUND PURCHASES</u>												
0633	DLA DOCUMENT SERVICES	0	0	-2.17%	0	13,975	13,975	0	1.47%	205	0	14,180
0647	DISA ENTERPRISE COMPUTING CENTERS	0	0	-10.01%	0	21,596	21,596	0	-10.00%	-2,160	66,876	86,312
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	0	0	-9.29%	0	390,490	390,490	0	-7.00%	-27,334	4,297	367,453
0679	COST REIMBURSABLE PURCHASES	5,045	0	1.70%	86	-3,872	1,259	0	1.90%	24	0	1,283

Exhibit OP-5, Subactivity Group 432

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0699 TOTAL INDUSTRIAL FUND PURCHASES	5,045	0		86	422,189	427,320	0		-29,265	71,173	469,228
<u>TRANSPORTATION</u>											
0703 JCS EXERCISES	0	0	-0.30%	0	140	140	0	-9.00%	-13	0	127
0717 SDDC GLOBAL POV	8	0	-3.80%	0	-8	0	0	-16.10%	0	0	0
0719 SDDC CARGO OPERATION (PORT HANDLING)	7,360	0	38.80%	2,856	-10,216	0	0	0.80%	0	0	0
0771 COMMERCIAL TRANSPORTATION	411	0	1.70%	7	756	1,174	0	1.80%	21	0	1,195
0799 TOTAL TRANSPORTATION	7,779	0		2,863	-9,328	1,314	0		8	0	1,322
<u>OTHER PURCHASES</u>											
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	1,088	0	0.00%	0	-1,088	0	0	0.00%	0	0	0
0912 RENTAL PAYMENTS TO GSA (SLUC)	2,019	0	1.70%	34	-2,053	0	0	1.80%	0	0	0
0913 PURCHASED UTILITIES (NON-FUND)	8	0	1.70%	0	2,456	2,464	0	1.80%	44	0	2,508
0914 PURCHASED COMMUNICATIONS (NON-FUND)	309,786	0	1.70%	5,266	-245,935	69,117	0	1.80%	1,244	-266	70,095
0915 RENTS (NON-GSA)	2,738	0	1.70%	47	-2,785	0	0	1.80%	0	0	0
0917 POSTAL SERVICES (U.S.P.S)	3,202	0	1.70%	54	1,873	5,129	0	1.80%	92	0	5,221
0920 SUPPLIES AND MATERIALS (NON-FUND)	9,429	0	1.70%	160	8,600	18,189	0	1.80%	327	331	18,847
0921 PRINTING AND REPRODUCTION	1,843	0	1.70%	31	32,363	34,237	0	1.80%	616	0	34,853
0922 EQUIPMENT MAINTENANCE BY CONTRACT	21,871	0	1.70%	372	102,185	124,428	0	1.80%	2,240	2,386	129,054
0923 OPERATION AND MAINTENANCE OF FACILITIES	16,541	0	1.70%	281	12,580	29,402	0	1.80%	529	0	29,931
0925 EQUIPMENT PURCHASES (NON-FUND)	54,186	0	1.70%	921	181,987	237,094	0	1.80%	4,268	-8,000	233,362
0927 AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	0	0	1.70%	0	840	840	0	1.80%	15	0	855
0930 OTHER DEPOT MAINTENANCE (NON-FUND)	10	0	1.70%	0	-10	0	0	1.80%	0	0	0
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	250,269	0	1.70%	4,255	-249,947	4,577	0	1.80%	82	-719	3,940
0933 STUDIES, ANALYSIS, AND EVALUATIONS	17,686	0	1.70%	301	-17,987	0	0	1.80%	0	0	0
0934 ENGINEERING AND TECHNICAL SERVICES	60,455	0	1.70%	1,028	-51,023	10,460	0	1.80%	188	621	11,269
0937 LOCALLY PURCHASED FUEL (NON-FUND)	3	0	-7.30%	0	-3	0	0	-8.20%	0	0	0
0953 MILITARY - OTHER PERSONNEL BENEFITS	23	0	0.00%	0	-23	0	0	0.00%	0	0	0
0957 LAND AND STRUCTURES	1,302	0	1.70%	22	-1,324	0	0	1.80%	0	0	0
0959 INSURANCE CLAIMS AND INDEMNITIES	60	0	1.70%	1	-61	0	0	1.80%	0	0	0
0960 INTEREST AND DIVIDENDS	16	0	1.70%	0	-16	0	0	1.80%	0	0	0

Exhibit OP-5, Subactivity Group 432

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		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0985	RESEARCH AND DEVELOPMENT CONTRACTS	5,683	0	0.00%	0	-5,683	0	0	0.00%	0	754	754
0987	OTHER INTRA-GOVERNMENT PURCHASES	73,907	0	1.70%	1,257	67,337	142,501	0	1.80%	2,565	47,126	192,192
0989	OTHER SERVICES	89,152	0	1.70%	1,516	-51,339	39,329	0	1.80%	708	7,026	47,063
0990	IT CONTRACT SUPPORT SERVICES	555,446	0	1.70%	9,443	-259,149	305,740	0	1.80%	5,503	78,523	389,766
0999	TOTAL OTHER PURCHASES	1,476,723	0		24,989	-478,205	1,023,507	0		18,421	127,782	1,169,710
9999	GRAND TOTAL	1,728,976	1		31,238	-24,109	1,736,106	0		-7,173	159,190	1,888,123

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Detail by Subactivity Group 433: Manpower Management

I. Description of Operations Financed:

MANPOWER MANAGEMENT - Funds the administration and professional personnel management of the Army's Active and Reserve Components as well as its civilian employees. Supports the U.S. Army Human Resources Command workforce infrastructure. Manpower Management also funds the Civilian Human Resources Agency operations which recruit, access, and retain the Army's civilian personnel through continued modernization, restructure of programs, and streamlining processes and procedures.

II. Force Structure Summary:

Headquarters, Department of the Army

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>				
MANPOWER MANAGEMENT	\$285,598	\$292,532	\$-15,431	-5.27%	\$277,101	\$277,101	\$276,403	
SUBACTIVITY GROUP TOTAL	\$285,598	\$292,532	\$-15,431	-5.27%	\$277,101	\$277,101	\$276,403	
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>				
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>				
BASELINE FUNDING			\$292,532	\$277,101				
Congressional Adjustments (Distributed)			-3,200					
Congressional Adjustments (Undistributed)			-8,118					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			-4,113					
SUBTOTAL APPROPRIATED AMOUNT			277,101					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2016 to 2016 Only)			0					
SUBTOTAL BASELINE FUNDING			277,101					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					4,233			
Functional Transfers					-863			
Program Changes					-4,068			
NORMALIZED CURRENT ESTIMATE			\$277,101		\$276,403			

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 292,532
1. Congressional Adjustments	\$ -15,431
a) Distributed Adjustments	\$ -3,200
1) Unjustified program growth	\$ -3,200
b) Undistributed Adjustments	\$ -8,118
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -8,114
2) Spares and repair parts	\$ -4
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ -4,113
1) Sec 8024. Federally Funded Research and Development Centers	\$ -3
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -4,110

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FY 2016 Appropriated Amount	\$ 277,101
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 277,101
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 277,101
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 277,101
6. Price Change	\$ 4,233
7. Transfers.....	\$ -863

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a) Transfers In \$ 2,006

1) U.S. Army Human Resources Command \$ 2,006
Transfers funding from SAG 434, Other Personnel Support to SAG 433, Manpower Management to properly realign the resources into the appropriate Subactivity Group. (Baseline: \$121,745)

b) Transfers Out \$ -2,869

1) Major Army Management Headquarters Activities \$ -2,869
Transfers funding for FTEs and general operations from the following SAGs: SAG 435, Other Service Support (\$-259; -2 FTEs) and SAG 433, Manpower Management (\$-2,869; -17 FTEs) to SAG 431, Administration (\$3,128; 19 FTEs) to properly realign resources to Headquarters, Department of Army into the appropriate Subactivity Group. (Baseline: \$2,869; -17 FTE)

8. Program Increases \$ 4,797

a) Annualization of New FY 2016 Program..... \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 4,797

1) Civilian Average Annual Compensation \$ 4,797
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such

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as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$266,083)

9. Program Decreases.....	\$ -8,865
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017.....	\$ -8,865
1) Civilian Workforce Reduction	\$ -5,739
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$266,083; -59 FTE)	
2) Compensable Days.....	\$ -1,436
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$266,083)	
3) U.S. Army Human Resource Command.....	\$ -1,690
Decreases U.S. Army Human Resources Command operational funding to support a smaller force. (Baseline: \$121,745)	
FY 2017 Budget Request.....	\$ 276,403

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IV. Performance Criteria and Evaluation Summary:

Personnel Actions processed by Human Resources Command:

		FY 2015	FY 2016	FY 2017
Manpower:	Officer (Army)	94,610	91,941	88,834
	Enlisted (Army)	390,962	378,581	366,656
	Officer (Army Reserve)	36,589	40,643	40,103
	Enlisted (Army Reserve)	161,963	157,357	151,897
	Cadets	4,428	4,478	4,510
	Total	688,552	673,000	655,000
Military Personnel Actions:		17,515,975	17,500,000	17,500,000

Types of personnel actions: Re-Assignments; Officer Accession Assignments; Enlisted Accession; Promotion Board Screening; Promotion Actions; Awards Boards Cases complete; Retirements; Implement Army Review Boards Agency Case Decisions; Exceptional Family Member Program Actions; Traumatic Service Member's Group Life Insurance; Pay Allowance Continuation; Promotion Packages; Traumatic Service Member's Group Life Insurance; Military Occupational Specialty Strength Analysis/Projections; Enlisted Accessions; Retention Actions; Reclassifications; Retirements; Military Schools Scheduled (screened/cancelled); Exceptional Family Member Program Actions; Soldier Special Actions; Leadership Development; Background Screening; Soldier Special Actions; Special Mission Division; Health Services Division; Army, Guard and Reserve Applications; Army, Guard and Reserve Assignments, Army, Guard and Reserve Soldier Engagement; Transactions for Human Immunodeficiency Virus positive Soldiers; Periodic Health Assessment Evaluation; Images indexed into Interactive Personnel Electronic Records Management System (iPERMS); Resolution of Duplicate Documents in iPERMS; Requests for access to iPERMS; and Yearly Statement of Retirement points earned.

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Personnel Actions processed by Civilian Human Resources Agency:

	FY 2015	FY 2016	FY 2017
Manpower:			
Army Civilians	248,498	245,862	239,603
Human Resource Training Courses	750	482	500
Unemployment Workshop Training Hours	0	0	0
Suspected Fraud Tracking for Unemployment and Injury Compensation Cases	1500	1000	750
Civilian Personnel Actions:	3,590,357	3,662,250	3,655,300

New Recruit Fill (R/F) Actions Received, Completed, and Cancelled; Closed R/F Actions that had two or more Announcements; Routine Classifications; Non-Routine Classifications; United States Army Staffing applications Reviewed; Non Recruit Actions Completed; Retirements Processed; Thrift Savings Plan Transactions; Thrift Savings Plan (Catch Up) Transactions; Federal Employee Health Benefit Transactions; Retirement Annuity Estimates; Unemployment Compensation Claims; New Workers' Compensation Claims Received; Active Workers' Compensation Claims; Special Retirement Coverage Air Traffic Controller Packets; and Special Retirement Coverage Fire Fighters Packets.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	392	336	311	-25
Officer	245	217	202	-15
Enlisted	147	119	109	-10
<u>Active Military Average Strength (A/S) (Total)</u>	402	364	324	-40
Officer	244	231	210	-21
Enlisted	158	133	114	-19
<u>Civilian FTEs (Total)</u>	2,780	2,816	2,740	-76
U.S. Direct Hire	2,588	2,628	2,550	-78
Foreign National Direct Hire	73	55	55	0
Total Direct Hire	2,661	2,683	2,605	-78
Foreign National Indirect Hire	119	133	135	2
 <i>(Reimbursable Civilians (Memo))</i>	 1,265	 1,134	 1,090	 -44
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	92	94	97	3
<u>Contractor FTEs (Total)</u>	77	32	43	11

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	240,535	0	1.27%	3,063	10,434	254,032	0	1.50%	3,805	-4,030	253,807
0103	WAGE BOARD	80	0	2.50%	2	185	267	0	0.75%	2	1	270
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	4,288	6	0.56%	24	-2,077	2,241	15	1.33%	30	3	2,289
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	244,903	6		3,089	8,542	256,540	15		3,837	-4,026	256,366
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	9,408	0	1.70%	160	-7,395	2,173	0	1.80%	39	-1,817	395
0399	TOTAL TRAVEL	9,408	0		160	-7,395	2,173	0		39	-1,817	395
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0402	SERVICE FUND FUEL	0	0	-7.30%	0	8	8	0	-8.20%	-1	0	7
0411	ARMY SUPPLY	101	0	2.55%	3	19	123	0	-4.63%	-6	0	117
0416	GSA MANAGED SUPPLIES AND MATERIALS	109	0	1.70%	2	41	152	0	1.80%	3	0	155
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	210	0		5	68	283	0		-4	0	279
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0503	NAVY FUND EQUIPMENT	38	0	0.00%	0	-38	0	0	3.86%	0	0	0
0507	GSA MANAGED EQUIPMENT	113	0	1.70%	2	227	342	0	1.80%	6	-90	258
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	151	0		2	189	342	0		6	-90	258
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	2,027	0	38.80%	786	-1,716	1,097	0	0.80%	9	-236	870
0771	COMMERCIAL TRANSPORTATION	461	0	1.70%	8	-190	279	0	1.80%	5	0	284
0799	TOTAL TRANSPORTATION	2,488	0		794	-1,906	1,376	0		14	-236	1,154
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	10,176	-2,250	1.53%	121	1,496	9,543	55	1.55%	149	137	9,884
0912	RENTAL PAYMENTS TO GSA (SLUC)	0	0	1.70%	0	71	71	0	1.80%	1	0	72

Exhibit OP-5, Subactivity Group 433

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0913 PURCHASED UTILITIES (NON-FUND)	0	0	1.70%	0	147	147	0	1.80%	3	0	150
0914 PURCHASED COMMUNICATIONS (NON-FUND)	88	0	1.70%	1	-30	59	0	1.80%	1	0	60
0915 RENTS (NON-GSA)	3	0	1.70%	0	55	58	0	1.80%	1	0	59
0917 POSTAL SERVICES (U.S.P.S)	88	0	1.70%	1	150	239	0	1.80%	4	0	243
0920 SUPPLIES AND MATERIALS (NON-FUND)	1,663	56	1.70%	29	-1,488	260	0	1.80%	5	-229	36
0921 PRINTING AND REPRODUCTION	141	0	1.70%	2	19	162	0	1.80%	3	-162	3
0922 EQUIPMENT MAINTENANCE BY CONTRACT	153	0	1.70%	3	-108	48	0	1.80%	1	0	49
0923 OPERATION AND MAINTENANCE OF FACILITIES	2,101	0	1.70%	36	-1,801	336	0	1.80%	6	0	342
0925 EQUIPMENT PURCHASES (NON-FUND)	1,693	0	1.70%	29	-1,043	679	0	1.80%	12	-515	176
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,055	0	1.70%	18	-1,073	0	0	1.80%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	2	0	1.70%	0	132	134	0	1.80%	2	1	137
0957 LAND AND STRUCTURES	811	0	1.70%	14	-825	0	0	1.80%	0	0	0
0959 INSURANCE CLAIMS AND INDEMNITIES	142	0	1.70%	2	-144	0	0	1.80%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	1,772	0	1.70%	30	-1,577	225	0	1.80%	4	0	229
0989 OTHER SERVICES	7,546	0	1.70%	128	-4,150	3,524	0	1.80%	63	0	3,587
0990 IT CONTRACT SUPPORT SERVICES	1,004	0	1.70%	17	-119	902	0	1.80%	16	2,006	2,924
0999 TOTAL OTHER PURCHASES	28,438	-2,194		431	-10,288	16,387	55		271	1,238	17,951
9999 GRAND TOTAL	285,598	-2,188		4,481	-10,790	277,101	70		4,163	-4,931	276,403

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I. Description of Operations Financed:

OTHER PERSONNEL SUPPORT - Funds a system of personnel management programs in support of the Army's Active Component Soldiers and civilian employees during all phases of their careers to include recruitment, training, assignments, and career progression.

SEXUAL HARASSMENT/ASSAULT RESPONSE AND PREVENTION (SHARP) - Supports Army's effort to prevent sexual harassment and sexual assaults before they occur. The goal is to eliminate sexual harassment and sexual assaults by creating a climate that respects the dignity of every member of the Army Family. The Army will reinforce a culture in basic training units, officer training courses and operational units in which sexual harassment, sexual assault, and hazing are not tolerated.

SPECIAL VICTIM PROSECUTORS, SPECIAL VICTIM COUNSEL, AND SPECIAL VICTIM WITNESS LIAISONS - Supports the statutorily mandated program to provide special victim capabilities for the purposes of investigating and prosecuting allegations of child abuse, serious domestic violence or sexual offenses; and providing support for the victims of such offenses. Funding provides for travel and training of Special Victim Prosecution Teams, Special Victim Counsel, and Special Victim Witness Liaisons to provide worldwide prosecution of sexual assault cases and worldwide representation to victims of sexual assault. The funds provide appropriate tools to ensure proper client representation and support. These funds further ensure partitions where privacy is of the utmost concern.

SOLDIER FOR LIFE - TRANSITION ASSISTANCE PROGRAM (SFL-TAP) - The Army Career and Alumni Program (ACAP) was rebranded to the SFL-TAP. SFL-TAP delivers transition services required by Sections 1142 and 1143, Title 10, U.S. Code. The Veterans Opportunity to Work (VOW) to Hire Heroes Act of 2011 mandates all eligible transitioning Soldiers with 180 days of continuous active duty service to participate in transition services. SFL-TAP provides transitioning and retiring Soldiers, Family members, and DA civilians with skills they require to obtain appropriate employment and to maximize the use of benefits earned through employment and job training assistance. The program offers a full spectrum of SFL-TAP transition services, activities, and information relating to transition assistance benefits and job search skills. In addition, SFL-TAP provides outreach services to Soldiers stationed in remote and isolated locations through the use of 24/7 virtual counseling and/or Mobile Transition Teams.

AUTOMATION - INFORMATION TECHNOLOGY (IT) SYSTEM - Provides timely, reliable, and accurate delivery of critical IT infrastructure and automated services to the Army Human Resources community in support of Soldiers. The Army procures, manages, and maintains a large portion of the technical infrastructure and support services necessary to execute day-to-day operations within the Army (i.e., strength accounting, personnel movement, assignment actions, career management, training, recruiting, reenlistment, record management, mobilization, and civilian pay). These IT activities directly provide support to Army Retirees, Veterans, and Family members.

CHAPLAIN ACTIVITIES - Finances Soldier and Family programs including Family Life Ministries, Chief of Chaplains Spiritual Resiliency, and Minority/Multi-Cultural Ministries. These funds support innovative worship opportunities in an environment of changing life styles, moral, lay leadership development training, and clinical pastoral education. Family Life Training is primarily provided through the Family Life Centers which provide premarital, marriage, and Family counseling, marriage enrichment workshops, personal growth seminars, parent-child relationship classes, religious education, parish development, and religious retreats. Funds also provide for the refurbishment and replacement of chapel items as well as procurement of ecclesiastical materials, religious materials, supplies, and equipment.

CORRECTIONAL FACILITIES - Finances administration and operation of five Army correctional facilities (including the U.S. Disciplinary Barracks, Fort

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Leavenworth, Kansas; U.S. Army Regional Correctional Facility (RCF), Fort Sill, Oklahoma; U.S. Army RCF, Joint Base Lewis-McChord, Washington; U.S. RCF Europe; and U.S. RCF Korea). It provides funds for correctional custody, management, professional services support, education, vocational, and employment training as well as funding for Army prisoners confined in foreign penal institutions.

DISPOSITION OF REMAINS - Operates the Casualty and Mortuary Affairs Operations Center with policy guidance and operational control of Army casualty functions (reporting, notification, and assistance) and mortuary affairs (care of remains).

MILITARY BURIAL HONORS - Provides Military Burial Honors to all eligible veterans upon request as required by the FY 2012 National Defense Authorization Act. This program includes transportation or reimbursement for transportation, expenses, material, equipment, and training for active duty Soldiers, veteran organizations, and other authorized providers.

OTHER - Funds the U.S. Army Field Bands, U.S. Army Museum System, Boy Scouts of America support, and the Center for Military History Program.

II. Force Structure Summary:

Other Personnel Support provides funding to the following organizations:

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army North
U.S. Army Europe
U.S. Army Space and Missile Defense Command/Army Strategic Command
U.S. Army Pacific

Direct Reporting Units:

U.S. Army Military District of Washington
U.S. Military Academy
U.S. Army Medical Command
U.S. Army Installation Management Command

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III. Financial Summary (\$ in Thousands):

	FY 2016					<u>Normalized</u>	
A. Program Elements	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>	<u> </u>	<u> </u>	<u> </u>	<u>Enacted</u>	<u>Estimate</u>
OTHER PERSONNEL SUPPORT	\$430,516	\$375,122	\$-268	-0.07%	\$374,854	\$374,854	\$369,443
SUBACTIVITY GROUP TOTAL	\$430,516	\$375,122	\$-268	-0.07%	\$374,854	\$374,854	\$369,443
B. Reconciliation Summary			<u>Change</u>		<u>Change</u>		
			<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>		
BASELINE FUNDING			\$375,122		\$374,854		
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			-34				
Adjustments to Meet Congressional Intent			8				
Congressional Adjustments (General Provisions)			-242				
SUBTOTAL APPROPRIATED AMOUNT			374,854				
War Related and Disaster Supplemental Appropriation			100,480				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			475,334				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			-100,480				
Less: X-Year Carryover			0				
Price Change					6,438		
Functional Transfers					-9,473		
Program Changes					-2,376		
NORMALIZED CURRENT ESTIMATE			\$374,854		\$369,443		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 375,122
1. Congressional Adjustments	\$ -268
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -34
1) Spares and repair parts	\$ -34
c) Adjustments to Meet Congressional Intent	\$ 8
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 8
d) General Provisions	\$ -242
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -231
2) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -11
FY 2016 Appropriated Amount.....	\$ 374,854

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2. War-Related and Disaster Supplemental Appropriations.....	\$ 100,480
a) Overseas Contingency Operations Supplemental Appropriation, 2016	\$ 100,480
1) Overseas Contingency Operations Supplemental.....	\$ 100,480
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 475,334
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 475,334
5. Less: Emergency Supplemental Funding.....	\$ -100,480
a) Less: War Related and Disaster Supplemental Appropriation	\$ -100,480
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 374,854
6. Price Change	\$ 6,438

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7. Transfers.....\$ -9,473

a) Transfers In\$ 14,004

1) Sexual Harassment/Assault Response and Prevention (SHARP) - Special Victim Counsel \$ 3,500
 Transfers funding from SAG 436, Army Claims to SAG 434, Other Personnel Support to realign
 SHARP Special Victims Counsel funding to the appropriate Subactivity Group. (Baseline: \$0)

2) Soldier for Life - Transition Assistance Program \$ 8,518
 Transfers funding from SAG 333, Off-Duty and Voluntary Education to SAG 434, Other Personnel
 Support to align resources for the Transition Assistance and Veterans Opportunity to Work (VOW) Act
 programs to the appropriate Subactivity Group. (Baseline: \$47,187)

3) U.S. Army Human Resources Command Core Automation Support \$ 1,986
 Transfers funding from SAG 131, Base Operations Support to SAG 434, Other Personnel Support to
 realign telephonic and network support services to the correct Subactivity Group. (Baseline: \$71,483)

b) Transfers Out\$ -23,477

1) Armed Forces DNA Identification Lab \$ -19,232
 Transfers funding and executive agency responsibility from the Department of the Army to the Defense
 Health Agency for the Armed Forces DNA Identification Laboratory for the continued execution of these
 functions under the Armed Forces Medical Examiner System. (Baseline: \$19,232)

2) Base Operations on Reserve Installations..... \$ -536
 Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (-\$1,754; -
 18 FTEs) and SAG 434 Other Personnel Support (\$-536; -8 FTEs) to Operations and Maintenance,
 Army Reserve SAG 131, Base Operations Support, SAG 121 Force Readiness Operations Support

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and SAG 434 Other Personnel Support to resolve appropriation inconsistencies. (Baseline: \$536; -8 FTE)

3) Logistics Support Realignment \$ -133

Transfers funding and 1 FTE from SAG 434, Other Personnel Support to SAG 423, Logistics Support Activities to properly align resources for U.S. Army Material Command headquarters into the appropriate Subactivity group. (Baseline: \$133; -1 FTE)

4) Management Operational Headquarters Realignment \$ -409

Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-12,112; -93 FTEs); SAG 211, Strategic Mobility (\$-419; -4 FTEs); SAG 424, Ammunition Management (\$-314; -3 FTEs) and SAG 434, Other Personnel Support (\$-409; -3 FTEs) to SAG 133, Management and Operational Headquarters (\$13,254; 103 FTEs) to properly align U.S. Army Forces Command, U.S. Army Material Command, and U.S. Army Installation Management Command resources to the appropriate Subactivity Group. (Baseline: \$409; -3 FTE)

5) Sexual Harassment and Assault Response - Reserve Installations..... \$ -536

Transfers funding from Operation and Maintenance, Army SAG 434, Other Personnel Support to Operation and Maintenance, Army Reserve SAG 434, Other Personnel Support to properly align resources for Army Reserve headquarters into the correct appropriation. (Baseline: \$536)

6) U.S. Army Human Resources Command \$ -2,006

Transfers funding from SAG 434, Other Personnel Support to SAG 433, Manpower Management to properly realign the resources into the appropriate Subactivity Group. (Baseline: \$2,006)

7) U.S. Army Military Academy (USMA) \$ -625

Transfers funding and FTEs from the following SAGs: SAG 121, Force Readiness Operations Support (\$-15; 0 FTE); SAG 131, Base Operations Support (\$-1,253; -3 FTEs); SAG 331, Recruiting and Advertising (\$-1,135; 0 FTE); SAG 434, Other Personnel Support (\$-625; 0 FTE); SAG 435, Other Service Support (\$-1,059; -7 FTEs); and SAG 442, Miscellaneous Support of Other Nations (\$-105; 0 FTE) to SAG 311, Officer Acquisition (\$4,192; 10 FTEs) for consolidation of USMA resources into the

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appropriate Subactivity Group. (Baseline: \$625)

8. Program Increases		\$ 35,598
a) Annualization of New FY 2016 Program		\$ 0
b) One-Time FY 2017 Costs		\$ 0
c) Program Growth in FY 2017		\$ 35,598
1) Civilian Average Annual Compensation		\$ 3,613
<p style="margin-left: 20px;">Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$125,031)</p>		
2) Disposition of Remains		\$ 3,138
<p style="margin-left: 20px;">Increases funding for disposition of remains proportional to the increased forecast of past conflict identifications required by the FY 2010 National Defense Authorization Act. Funding supports the Personnel Effects Tracking System upgrade to use industry best practices and technology to process personnel effects. Increase also permanently establishes the Joint Personnel Effect Depot operation in Dover, Delaware as an enduring mission. (Baseline: \$26,266)</p>		
3) Military Burial Honors		\$ 1,000
<p style="margin-left: 20px;">Provides funding for travel, training, and equipment to support Military Funeral Honors conducted by</p>		

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the Active Component. (Baseline: \$924)

- 4) Sexual Harassment/Assault Response and Prevention (SHARP) \$ 2,621
 Provides funding and 27 FTEs to establish a Subordinate Command Program Manager for the U.S. Army Network Enterprise Technology Command, U.S. Military Academy, U.S. Army Intelligence and Security Command, U.S. Army Space and Missile Defense Command, U.S. Army Training and Doctrine Command, U.S. Army Materiel Command, U.S. Army Medical Command, U.S. Army Forces Command, U.S. Army Pacific, U.S. Army Europe, U.S. Army Central, and U.S. Army North. The Program Manager oversees the prevention and training activities within each command, and ensures compliance with training requirements. (Baseline: \$0; 27 FTE)

- 5) Sexual Harassment/Assault Response and Prevention (SHARP) - Program Academy \$ 14,382
 Provides funding and 16 FTEs to resource the centralized Sexual Harassment/Assault Response and Prevention Program Academy established at Fort Leavenworth, Kansas, in support of Federal and Departmental directives, to provide institutionalized certification training and education for Sexual Assault Response Coordinators, Victim Advocates, SHARP Trainers, and Program Managers. (Baseline: \$0; 16 FTE)

- 6) Sexual Harassment/Assault Response and Prevention (SHARP) - Special Victims Counsel \$ 3,344
 Provides funding and 27 FTEs to comply with Federal statutory and Department of Defense mandated requirement improvements to the Army's Sexual Harassment/Assault Response and Prevention Program by providing travel and training for Special Victims Prosecution Teams and for Special Victims Counsel comprised of 5 Sexual Assault Prosecution Experts and 22 Special Victim Witness liaisons to provide legal representation for victims of sexual assault. (Baseline: \$0; 27 FTE)

- 7) Soldier for Life - Transition Assistance Program \$ 3,971
 Increases funding to administer Federal statutory and Department of Defense guidelines for the Army Credentialing Program and Career Skills Program to pay the fees associated with coursework, licensing, and examinations leading to credentialing, licenses, and certifications of transitioning Army Soldiers. (Baseline: \$59,466)

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8) U.S. Army Museum System..... \$ 3,529
 Provides increased funding for movement of artifacts to support the Army Museum System as part of an effort to consolidate over 700 thousand historically significant artifacts and original works of art at over 200 different locations to a limited number of sites in order to more efficiently manage, maintain, and conserve the collection; and for contract exhibit design, material fabrication, and installation for a museum of artifacts and gallery at the U.S. Military Academy Museum, Rock Island Arsenal Museum, and Harbor Defense Museum. (Baseline: \$13,446)

9. Program Decreases.....\$ -37,974

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -37,974

1) Automation - Information Technology (IT) Systems \$ -3,643
 Reduced funding due to the realignment of the interactive Personnel Electronic Records Management System and KEYSTONE IT system to the U.S. Army Human Resources Command Core Automation system. (Baseline: \$115,760)

2) Civilian Workforce Reduction..... \$ -3,086
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$125,031; -30 FTE)

3) Compensable Days..... \$ -743
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$125,031)

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4) Confinement Facilities..... \$ -1,337
 Reduced funding in accordance with reduced correctional facilities population. (Baseline: \$20,653)

5) Sexual Harassment/Assault Response and Prevention (SHARP) \$ -28,576
 Reduced funding due to lower cost of projected contract estimates and decentralized training cost. This decrease offsets program growth for the SHARP Program Academy, Special Victims Counsel, and Program Managers. The Army continues to aggressively address sexual assault by providing services for victims of sexual harassment or assault; and focusing on prevention through awareness, education and training, victim advocacy, response, reporting, and accountability to ensure the Army is meeting the needs of the Soldiers, Department of Army civilians, family members and the Nation. (Baseline: \$95,620)

6) U.S. Army Bands..... \$ -589
 Reduces funding by inactivating three U.S. Army bands and resizing many of the remaining Army bands. (Baseline: \$11,047)

FY 2017 Budget Request.....\$ 369,443

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IV. Performance Criteria and Evaluation Summary:

Soldier for Life - Transition Assistance Program (SFL-TAP)

	FY 2015	FY 2016 ¹	FY 2017 ¹
AC Projected Separations	72,282	89,255	87,637
RC Soldiers ²	20,420	27,937	17,591 ³
Total Transitioned Soldiers ⁴	92,702	117,192	105,228

SOLDIER FOR LIFE - TRANSITION ASSISTANCE PROGRAM (SFL-TAP) - The Army Career and Alumni Program (ACAP) was rebranded to the SFL-TAP. SFL-TAP delivers transition services required by Sections 1142 and 1143, Title 10, U.S. Code. The Veterans Opportunity to Work (VOW) to Hire Heroes Act of 2011 mandates all eligible transitioning Soldiers with 180 days of continuous active duty service to participate in transition services. SFL-TAP provides transitioning and retiring Soldiers, Family members, and DA civilians with skills they require to obtain appropriate employment and to maximize the use of benefits earned through employment and job training assistance. The program offers a full spectrum of SFL-TAP transition services, activities, and information relating to transition assistance benefits and job search skills. In addition, SFL-TAP provides outreach services to Soldiers stationed in remote and isolated locations through the use of 24/7 virtual counseling and/or Mobile Transition Teams.

Notes:

¹ Projections on Assumed Army end strength efforts of 450,000 by FY 2018.

² Reserve Component Soldiers (ARNG, USAR) to be mobilized for greater than 180 days.

³ The reduced RC projections in FY 2017 are based on decreased ARNG projections to support major combat operations.

⁴ Describes the number of Soldiers who received SFL-TAP during the Fiscal Year.

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	FY 2015	FY 2016	FY 2017
Office of the Judge Advocate General			
Victim Witness - Counsel receiving training:	650	680	695
Special Victims Counsel Program:			
Counsel Trained	320	336	353
Clients Represented	2,000	2,100	2,205
Courts-Martial Attended	415	436	458
Judicial Hearings Attended	420	441	463
Special Victims Prosecution Program:			
Courts-martial assistance	495	545	570
Counsel trained	1099	1154	1209
	FY 2015	FY 2016	FY 2017
Sexual Harassment and Sexual Assault Prevention			
80-Hour Certification Training	4,524	4,600	4,600
24-Hour Recertification	2,449	2,480	2,480
D-SAACP ¹ National Certification (New)	1,977	2,200	2,220
D-SAACP ¹ National Certification (Renewal)	2,449	2,480	2,480
Total Number of Individuals Trained and Certified:	11,399	11,760	11,780

¹Department of Defense-Sexual Assault Advocate Certification Program

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,891	1,916	1,720	-196
Officer	129	130	126	-4
Enlisted	1,762	1,786	1,594	-192
<u>Active Military Average Strength (A/S) (Total)</u>	1,807	1,904	1,818	-86
Officer	108	130	128	-2
Enlisted	1,699	1,774	1,690	-84
<u>Civilian FTEs (Total)</u>	1,325	1,235	1,263	28
U.S. Direct Hire	1,322	1,232	1,260	28
Foreign National Direct Hire	1	1	1	0
Total Direct Hire	1,323	1,233	1,261	28
Foreign National Indirect Hire	2	2	2	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 357	 357	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	93	101	105	4
<u>Contractor FTEs (Total)</u>	1,071	806	759	-47

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	119,750	0	1.21%	1,447	-242	120,955	0	1.59%	1,923	5,746	128,624
0103	WAGE BOARD	3,240	0	1.33%	43	659	3,942	0	1.42%	56	3	4,001
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	61	0	0.00%	0	-46	15	0	0.00%	0	0	15
0106	BENEFITS TO FORMER EMPLOYEES	100	0	0.00%	0	-100	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	123,151	0		1,490	271	124,912	0		1,979	5,749	132,640
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	21,035	0	1.70%	357	2,128	23,520	0	1.80%	423	867	24,810
0399	TOTAL TRAVEL	21,035	0		357	2,128	23,520	0		423	867	24,810
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	176	0	-7.30%	-13	-103	60	0	-8.20%	-5	5	60
0402	SERVICE FUND FUEL	0	0	-7.30%	0	9	9	0	-8.20%	-1	0	8
0411	ARMY SUPPLY	1,826	0	2.55%	46	-1,555	317	0	-4.63%	-15	0	302
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,809	0	1.70%	30	-1,058	781	0	1.80%	14	-250	545
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	3,811	0		63	-2,707	1,167	0		-7	-245	915
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	2,270	0	0.00%	0	-2,150	120	0	-0.26%	0	0	120
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	0	0	1.00%	0	242	242	0	-0.10%	0	0	242
0507	GSA MANAGED EQUIPMENT	0	0	1.70%	0	2,487	2,487	0	1.80%	45	0	2,532
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	2,270	0		0	579	2,849	0		45	0	2,894
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	0	0	7.92%	0	65	65	0	-0.11%	0	0	65
0699	TOTAL INDUSTRIAL FUND PURCHASES	0	0		0	65	65	0		0	0	65
<u>TRANSPORTATION</u>												

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		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
0702	AMC SAAM (FUND)	14,650	0	0.00%	0	-14,650	0	0	0.00%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	0	0	38.80%	0	450	450	0	0.80%	4	0	454
0771	COMMERCIAL TRANSPORTATION	3,605	0	1.70%	61	-1,820	1,846	0	1.80%	33	638	2,517
0799	TOTAL TRANSPORTATION	18,255	0		61	-16,020	2,296	0		37	638	2,971
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	167	-32	0.74%	1	-17	119	0	1.68%	2	0	121
0912	RENTAL PAYMENTS TO GSA (SLUC)	6	0	1.70%	0	-6	0	0	1.80%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	0	0	1.70%	0	84	84	0	1.80%	2	0	86
0914	PURCHASED COMMUNICATIONS (NON-FUND)	995	0	1.70%	16	-145	866	0	1.80%	16	0	882
0915	RENTS (NON-GSA)	21,817	0	1.70%	371	-21,756	432	0	1.80%	8	0	440
0917	POSTAL SERVICES (U.S.P.S)	933	0	1.70%	16	-859	90	0	1.80%	2	0	92
0920	SUPPLIES AND MATERIALS (NON-FUND)	25,395	0	1.70%	431	6,770	32,596	0	1.80%	587	-5,019	28,164
0921	PRINTING AND REPRODUCTION	2,565	0	1.70%	44	-956	1,653	0	1.80%	30	938	2,621
0922	EQUIPMENT MAINTENANCE BY CONTRACT	2,050	0	1.70%	35	24,845	26,930	0	1.80%	485	-1,183	26,232
0923	OPERATION AND MAINTENANCE OF FACILITIES	10,209	0	1.70%	174	-9,855	528	0	1.80%	9	901	1,438
0925	EQUIPMENT PURCHASES (NON-FUND)	20,935	0	1.70%	356	6,278	27,569	0	1.80%	496	-1,200	26,865
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	12,558	0	1.70%	213	-12,771	0	0	1.80%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	6,342	0	1.70%	108	-6,450	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	789	0	1.70%	13	-802	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	1,042	0	-7.30%	-76	-952	14	0	-8.20%	-1	0	13
0957	LAND AND STRUCTURES	15,513	0	1.70%	264	-15,777	0	0	1.80%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	10	0	1.70%	0	-10	0	0	1.80%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	8,863	0	1.70%	151	22,029	31,043	0	1.80%	559	-4,937	26,665
0989	OTHER SERVICES	75,847	0	1.70%	1,289	-27,088	50,048	0	1.80%	901	-6,715	44,234
0990	IT CONTRACT SUPPORT SERVICES	55,958	0	1.70%	951	-8,836	48,073	0	1.80%	865	-1,643	47,295
0999	TOTAL OTHER PURCHASES	261,994	-32		4,357	-46,274	220,045	0		3,961	-18,858	205,148
9999	GRAND TOTAL	430,516	-32		6,328	-61,958	374,854	0		6,438	-11,849	369,443

Exhibit OP-5, Subactivity Group 434

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I. Description of Operations Financed:

OTHER SERVICE SUPPORT - Funds a wide array of world-wide support functions that are vital to overall Army readiness and which enable the Army to comply with public laws and Department of Defense (DoD) directives. Other Service Support addresses centralized functions, which benefit DoD, Defense Finance and Accounting Service (DFAS), Army Audit Agency (AAA), Inspector General, Army Safety Center, Judge Advocate General activities, and the Army as a whole. These centralized functions yield efficiencies through consolidation.

ACCOUNTING AND INTERNAL AUDITING SERVICES - The Office of the Secretary of the Army centrally manages funds used to pay for finance and accounting services performed for the Army on a reimbursable basis by DFAS. AAA provides objective and independent auditing services. These services help the Army make informed decisions, resolve issues, use resources effectively, and satisfy statutory and fiduciary responsibilities.

JOINT AND DoD SUPPORT - Funds Joint and DoD agencies and activities for which the Army is assigned Executive Agent responsibilities. These agencies and activities provide both direct and indirect support to the entire Army. It also pays for operational functions performed by Office of Administrative Assistant to the Secretary of the Army, and agencies and activities which provide direct and indirect support to the entire Army.

PUBLIC AFFAIRS - Supports the Army and Nation through public communication campaigns and community relations activities to Army organizations and installations world-wide. Sustainment provides official communication engagements between Military Departments and Defense Agencies, and the public and media through all potential communication media. This includes developing and maintaining legacy media representative relations (print, television, radio, magazine and books, motion picture, etc.) as well as developing, sustaining and maintaining public and media engagement through social and internet media venues. The Army generates public communication products and accomplishes public conversations to fulfill Army's Title 10 obligation of informing the public consistent with operational security in response to requests for information and initiatives about the Department of Defense.

THE ARMY MUSEUMS AND THE NATIONAL MUSEUM OF THE U.S. ARMY - Supports the Army and the Nation by accurately collecting, preserving, interpreting, publishing, and expressing the Army's history and material culture in order to educate and professionally develop the Army, the military profession and the Nation. Supports all certified Army museums that comprise the Army Museum system. Provides Secretariat and the Army Staff with historical background material and ensures Army compliance with federal law and regulations on historical and archival issues.

II. Force Structure Summary:

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

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Army Service Component Commands:

U.S. Army Central
U.S. Army North
U.S. Army Special Operations Command
U.S. Army South
U.S. Army Europe
U.S. Army Pacific

Direct Reporting Units:

U.S. Army Military District Washington
U.S. Army War College
U.S. Army Corps of Engineers
U.S. Army Acquisition Support Center
U.S. Army Medical Command Second Army
U.S. Installation Management Command
U.S. Army Criminal Investigation Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>	
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>	
OTHER SERVICE SUPPORT	\$1,161,421	\$1,119,848	\$-41,922	-3.74%	\$1,077,926	\$1,077,926	\$1,096,074	
SUBACTIVITY GROUP TOTAL	\$1,161,421	\$1,119,848	\$-41,922	-3.74%	\$1,077,926	\$1,077,926	\$1,096,074	
				<u>Change</u>				
				<u>FY 2016/FY 2016</u>	<u>Change</u>			
					<u>FY 2016/FY 2017</u>			
BASELINE FUNDING				\$1,119,848	\$1,077,926			
Congressional Adjustments (Distributed)				-36,251				
Congressional Adjustments (Undistributed)				-5,544				
Adjustments to Meet Congressional Intent				35				
Congressional Adjustments (General Provisions)				-162				
SUBTOTAL APPROPRIATED AMOUNT				1,077,926				
War Related and Disaster Supplemental Appropriation				0				
X-Year Carryover				0				
Fact-of-Life Changes (2016 to 2016 Only)				0				
SUBTOTAL BASELINE FUNDING				1,077,926				
Anticipated Reprogramming (Requiring 1415 Actions)				0				
Less: War Related and Disaster Supplemental Appropriation				0				
Less: X-Year Carryover				0				
Price Change					7,138			
Functional Transfers					-101,972			
Program Changes					112,982			
NORMALIZED CURRENT ESTIMATE				\$1,077,926	\$1,096,074			

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 1,119,848
1. Congressional Adjustments	\$ -41,922
a) Distributed Adjustments	\$ -36,251
1) Army support to Capitol 4th	\$ 5,500
2) Justification does not match price and program growth	\$ -32,400
3) Remove one-time fiscal year 2015 funding increase	\$ -4,900
4) Unjustified program growth	\$ -4,451
b) Undistributed Adjustments	\$ -5,544
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -5,530
2) Spares and repair parts	\$ -14
c) Adjustments to Meet Congressional Intent	\$ 35

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1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) .. \$ 35

d) General Provisions \$ -162

1) Sec 8024. Federally Funded Research and Development Centers \$ -15

2) Sec 8077. Savings due to favorable foreign exchange rates \$ -99

3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -48

FY 2016 Appropriated Amount.....\$ 1,077,926

2. War-Related and Disaster Supplemental Appropriations\$ 0

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 1,077,926

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 1,077,926

5. Less: Emergency Supplemental Funding.....\$ 0

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a) Less: War Related and Disaster Supplemental Appropriation \$ 0

b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted.....\$ 1,077,926

6. Price Change\$ 7,138

7. Transfers.....\$ -101,972

a) Transfers In \$ 2,999

1) Army Acquisition Executive Support \$ 1,026

Transfers funding and FTEs from the following SAGs: SAG 423, Logistic Support Activity (\$-359; - 2 FTE); SAG 432, Servicewide Communication (\$-166; -1 FTE), and Research, Development, Testing and Evaluation (\$-501; -3 FTE), to SAG 435, Other Service Support (\$1,026; 6 FTEs) to realign the Department of the Army Systems Coordinators from the individual Program Executive Offices to the Office of the Assistant Secretary of the Army for Acquisition, Logistics and Technology. (Baseline: \$99,529; 6 FTE)

2) Eighth Army Headquarters..... \$ 615

Transfers funding and FTEs from SAG 133, Management and Operational Headquarters (\$-15,050; - 129 FTEs) to SAG 114, Theater Level Assets (\$14,435; 125 FTEs) and SAG 435, Other Service Support (\$615; 4 FTEs) to realign Eighth Army, a subordinate of U.S. Army Pacific headquarters, support functions into the appropriate Subactivity Group. (Baseline: \$1,250; 4 FTE)

3) U.S. Army Combat Readiness Center \$ 1,358

Transfers funding and 5 FTEs from SAG 431, Administration to SAG 435, Other Service Support to realign the resources for the Army Safety Office under the U.S. Army Combat Readiness Center.

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(Baseline: \$24,779; 5 FTE)

b) Transfers Out \$ -104,971

1) Army Financial Management Optimization (AFMO) \$ -2,364

Transfers funding and FTEs from the following SAGs: SAG 431, Administration (\$-341; 0 FTE) and SAG 435, Other Service Support (\$-2,364; -16 FTEs) to SAG 438, Financial Improvement and Audit Readiness (\$2,705; 16 FTEs) to support the AFMO initiative to achieve auditability and greater efficiencies through enhanced and reinforced auditable business practices. (Baseline: \$2,364; -16 FTE)

2) Assistant Chief of Staff for Installation Management Consolidation \$ -3,670

Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-35,389; -207 FTEs); SAG 435, Other Service Support (\$-3,670; -20 FTEs) and Army Family Housing Operations (\$-3,866; -22 FTEs) to SAG 431, Administration (\$42,925; 249 FTEs) to disestablish the Installation Support Management Agency and consolidate the resources under the Office of the Assistant Chief of Staff for Installation Management. (Baseline: \$3,670; -20 FTE)

3) Defense Video and Imagery Distribution System (DVIDS)..... \$ -11,050

Transfers funding for the DVIDS Program from U.S. Army Central Command (Operation and Maintenance, Army) to Defense Media Activity (Operation and Maintenance, Defense-Wide). (Baseline: \$11,050)

4) Enterprise Services \$ -80,856

Transfers funding from SAG 435, Other Service Support to SAG 432, Servicewide Communications to properly align the resources for Enterprise Services provided by the Defense Information Systems Agency into the appropriate Subactivity Group. (Baseline: \$80,856)

5) Logistics Readiness Centers - Transportation \$ -745

Transfers funding and 5 FTEs from SAG 435, Other Service Support to SAG 131, Base Operations Support to support Personnel Property Processing Office and passenger travel at the Logistics

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Readiness Center Fort Belvoir, Virginia. (Baseline: \$745; -5 FTE)

6) Major Army Management Headquarters Activities \$ -259

Transfers funding for FTEs and general operations from the following SAGs: SAG 435, Other Service Support (\$-259; -2 FTES) and SAG 433, Manpower Management (\$-2,869; -17 FTES) to SAG 431, Administration (\$3,128; 19 FTES) to properly realign resources to Headquarters, Department of Army into the appropriate Subactivity Group. (Baseline: \$259; -2 FTE)

7) Physical Disability Board of Review (PDBR) \$ -4,968

Transfers funding from U.S. Army (Operation and Maintenance, Army) to the U.S. Air Force (Operation and Maintenance, Air Force) for management of the PDBR. The Air Force is designated as the lead service for the PDBR within the Department of Defense. (Baseline: \$4,968)

8) U.S. Army Military Academy (USMA) \$ -1,059

Transfers funding and FTEs from the following SAGs: SAG 121, Force Readiness Operations Support (\$-15; 0 FTE); SAG 131, Base Operations Support (\$-1,253; -3 FTES); SAG 331, Recruiting and Advertising (\$-1,135; 0 FTE); SAG 434, Other Personnel Support (\$-625; 0 FTE); SAG 435, Other Service Support (\$-1,059; -7 FTES); and SAG 442, Miscellaneous Support of Other Nations (\$-105; 0 FTE) to SAG 311, Officer Acquisition (\$4,192; 10 FTES) for consolidation of USMA resources into the appropriate Subactivity Group. (Baseline: \$29,475; -7 FTE)

8. Program Increases \$ 143,062

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 143,062

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- 1) Army Acquisition Executive Support \$ 5,587
Increases funding and 36 FTEs to support the realignment of Department of the Army Systems Coordinators from reimbursable in the individual Program Executive Offices (PEOs) to direct funded in the Office of the Assistant Secretary of the Army for Acquisition, Logistics, and Technology. This change is necessary to properly align the work within the oversight responsibility and provide independent review of PEO acquisition programs. (Baseline: \$99,529; 36 FTE)
- 2) Civilian Average Annual Compensation \$ 14,489
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$415,220)
- 3) Defense Finance and Accounting Service (DFAS) \$ 49,987
Increases funding to pay the Army's share of the DFAS bill, which is calculated based on work counts and rates for individual transactions. Rates are published annually and updated during the budget cycle, using the best available information. (Baseline: \$457,838)
- 4) Joint and Department of Defense Support \$ 21,882
Funds official passports for the Department of Defense. The State Department will begin charging Federal agencies for diplomatic, official, and no-fee passports to employees, contractors, and other individuals traveling abroad to carry out official duties. The Department of Army is the executive agent for this program. (Baseline: \$64,053)
- 5) National Museum of the United States Army \$ 29,548
Supports the acceleration of the anticipated opening date for the National Museum of the U.S. Army from FY 2022 to FY 2019. The requested funding is required to begin exhibit planning, fabrication, installation, storage, and conservation of the artifacts for seven galleries, the Experiential Learning

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Center, Army timeline, a children discovery area, lunch area, visitor seating area, and the Army Theater, presenting the Army's 240 year history. (Baseline: \$4,957)

6) Paperless Contracting..... \$ 2,260

Increases funds to support the sustainment of the Army-wide implementation of paperless contracting (electronic commerce) business processes. This is a long-term sustainment profile through FY 2020 when the current (legacy) contract writing system will be retired. Funds support the purchase of information technology services from commercial providers and interagency support agreements, and the equipment for system configuration and lifecycle maintenance. The related purchases are: database maintenance, End-user Help Desk support, system upgrades, configuration management, system certification, consolidated data center server hosting, data storage, and business intelligence data management. (Baseline: \$3,649)

7) Public Transportation Benefit Program..... \$ 10,812

Funds transit subsidy for civilian personnel. The benefit is increased from \$130 to \$255 a month. In 2017, the Army anticipates on average 24,574 participants per month, with an estimated monthly benefits claim of \$145 per person. (Baseline: \$31,000)

8) Secretary of the Army Field Operating Agencies..... \$ 1,722

Increases funding for the U.S. Army Review Boards Agency (ARBA) to implement Congressional guidance on how cases involving Post-Traumatic Stress Disorder, Traumatic Brain Injury, Depression, Suicide, and Sexual Assault are reviewed and processed. Funding provides necessary web application upgrades and enhancements to the ARBA Case Tracking System (ACTS) to add additional case query variables that will improve timeliness and accuracy of reporting and case processing. (Baseline: \$21,419)

9) Sexual Harassment/Assault Response and Prevention (SHARP) \$ 225

Provides funding and 1 FTE to establish a Program Manager for the U.S. Army Acquisition Support Center headquarters. The Program Manager oversees the prevention and training activities within the command, and ensures compliance with training requirements. (Baseline: \$95; 1 FTE)

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10) Support to Capitol 4th \$ 5,500
 Funds the Army's interagency agreement with the Department of Interior, supporting the nationally televised Memorial Day and Fourth of July concerts. (Baseline: \$0)

11) U.S. Army Combat Readiness Center \$ 1,050
 Increases funding for information technology sustainment and maintenance costs (help desk support and automation) for risk management reporting and analytical applications currently in development and being fielded under the Army Safety Management Information System (ASMIS). Future capabilities for ASMIS are aimed at improving the fidelity and accuracy of field reported data, providing a central repository for accident and risk identification statistics that measure the Army's overall compliance with the Occupational Safety and Health Program standards. Funding also supports the sustainment of travel and training cost to conduct up to 35 Centralized Accident Investigations in FY 2017. (Baseline: \$24,779)

9. Program Decreases \$ -30,080

a) One-Time FY 2016 Costs \$ -5,500

1) Army Support to Capitol 4th \$ -5,500

b) Annualization of FY 2016 Program Decreases \$ 0

c) Program Decreases in FY 2017 \$ -24,580

1) Civilian Workforce Reduction \$ -22,275
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline:

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\$415,220; -139 FTE)

2) Compensable Days.....\$ -2,305
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$415,220)

FY 2017 Budget Request.....\$ 1,096,074

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Army Audit Agency Cases	162	170	148
Army Combat Readiness/Safety Center Number of Inspections	24	35	35
Army Inspector General Cases	110	115	121
Army Review Board Agency Cases	20,165	20,815	20,815
Defense Finance Accounting Services Work Counts	49,371,100	48,343,851	48,743,670
Mass Transit Benefit Participants	23,581	24,052	24,575
Spirit of America Events	9	0	0
Visitors to U.S. Army Museums	2,338,820	2,445,520	2,445,480

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	748	706	679	-27
Officer	540	523	509	-14
Enlisted	208	183	170	-13
<u>Active Military Average Strength (A/S) (Total)</u>	865	728	693	-35
Officer	672	532	516	-16
Enlisted	193	196	177	-19
<u>Civilian FTEs (Total)</u>	2,824	2,732	2,595	-137
U.S. Direct Hire	2,809	2,725	2,588	-137
Foreign National Direct Hire	9	7	7	0
Total Direct Hire	2,818	2,732	2,595	-137
Foreign National Indirect Hire	6	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 320	 156	 148	 -8
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	143	152	159	7
<u>Contractor FTEs (Total)</u>	962	547	510	-37

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	395,096	0	1.15%	4,526	9,367	408,989	0	1.36%	5,552	-9,386	405,155
0103	WAGE BOARD	6,011	0	1.13%	68	48	6,127	0	1.40%	86	-72	6,141
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	519	0	0.19%	1	-416	104	1	0.95%	1	1	107
0106	BENEFITS TO FORMER EMPLOYEES	1,173	0	0.00%	0	-1,173	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	402,799	0		4,595	7,826	415,220	1		5,639	-9,457	411,403
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	15,753	0	1.70%	268	-4,454	11,567	0	1.80%	208	366	12,141
0399	TOTAL TRAVEL	15,753	0		268	-4,454	11,567	0		208	366	12,141
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	0	0	-7.30%	0	147	147	0	-8.20%	-12	0	135
0411	ARMY SUPPLY	403	0	2.55%	10	-375	38	0	-4.63%	-2	0	36
0416	GSA MANAGED SUPPLIES AND MATERIALS	44	0	1.70%	1	161	206	0	1.80%	4	0	210
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	447	0		11	-67	391	0		-10	0	381
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	144	0	0.00%	0	-136	8	0	-0.26%	0	0	8
0507	GSA MANAGED EQUIPMENT	510	0	1.70%	9	1,047	1,566	0	1.80%	28	0	1,594
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	654	0		9	911	1,574	0		28	0	1,602
<u>OTHER FUND PURCHASES</u>												
0611	NAVAL SURFACE WARFARE CENTER	2,835	0	1.48%	42	-2,877	0	0	3.22%	0	0	0
0633	DLA DOCUMENT SERVICES	160	0	-2.17%	-3	7,140	7,297	0	1.47%	107	0	7,404
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	62,223	0	-9.29%	-5,781	-56,442	0	0	-7.00%	0	0	0
0679	COST REIMBURSABLE PURCHASES	40,725	0	1.70%	692	-28,535	12,882	0	1.90%	245	0	13,127
0691	DFAS FINANCIAL OPERATIONS (ARMY)	459,427	0	1.32%	6,064	-7,653	457,838	0	-0.42%	-1,923	49,987	505,902
0699	TOTAL INDUSTRIAL FUND PURCHASES	565,370	0		1,014	-88,367	478,017	0		-1,571	49,987	526,433

Exhibit OP-5, Subactivity Group 435

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	0	0	-3.80%	0	1,303	1,303	0	-16.10%	-210	0	1,093
0719	SDDC CARGO OPERATION (PORT HANDLING)	25	0	38.80%	10	-35	0	0	0.80%	0	0	0
0771	COMMERCIAL TRANSPORTATION	156	0	1.70%	3	857	1,016	0	1.80%	18	0	1,034
0799	TOTAL TRANSPORTATION	181	0		13	2,125	2,319	0		-192	0	2,127
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	599	0	0.00%	0	-599	0	0	0.00%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	5	0	1.70%	0	143	148	0	1.80%	3	0	151
0914	PURCHASED COMMUNICATIONS (NON-FUND)	1,792	0	1.70%	30	-1,677	145	0	1.80%	3	0	148
0915	RENTS (NON-GSA)	1,108	0	1.70%	19	-1,127	0	0	1.80%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	36	0	1.70%	1	809	846	0	1.80%	15	0	861
0920	SUPPLIES AND MATERIALS (NON-FUND)	4,260	0	1.70%	72	3,398	7,730	0	1.80%	139	59	7,928
0921	PRINTING AND REPRODUCTION	742	0	1.70%	13	-107	648	0	1.80%	12	441	1,101
0922	EQUIPMENT MAINTENANCE BY CONTRACT	1,299	0	1.70%	22	2,440	3,761	0	1.80%	68	0	3,829
0923	OPERATION AND MAINTENANCE OF FACILITIES	8,082	12	1.70%	138	-4,877	3,355	0	1.80%	60	0	3,415
0925	EQUIPMENT PURCHASES (NON-FUND)	4,409	0	1.70%	75	-1,061	3,423	0	1.80%	62	0	3,485
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	15,349	0	1.70%	261	-9,585	6,025	0	1.80%	108	6	6,139
0934	ENGINEERING AND TECHNICAL SERVICES	6,756	0	1.70%	115	-6,871	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	62	0	-7.30%	-5	-14	43	0	-8.20%	-4	0	39
0957	LAND AND STRUCTURES	217	0	1.70%	4	-221	0	0	1.80%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	14,286	0	1.70%	243	55,348	69,877	0	1.80%	1,258	-24,024	47,111
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	54	0	1.70%	1	282	337	0	1.80%	6	0	343
0989	OTHER SERVICES	33,189	0	1.70%	564	-14,057	19,696	0	1.80%	355	-8,833	11,218
0990	IT CONTRACT SUPPORT SERVICES	83,972	0	1.70%	1,427	-32,595	52,804	0	1.80%	950	2,465	56,219
0999	TOTAL OTHER PURCHASES	176,217	12		2,980	-10,371	168,838	0		3,035	-29,886	141,987
9999	GRAND TOTAL	1,161,421	12		8,890	-92,397	1,077,926	1		7,137	11,010	1,096,074

Exhibit OP-5, Subactivity Group 435

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 43: Servicewide Support
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I. Description of Operations Financed:

Funds administrative personnel and logistical support for Army centralized legal functions executed by Judge Advocate General Corps (JAGC) Organizations: U.S. Army Legal Services Agency (USALSA), U.S. Army Claims Service (USARCS), Office of the Judge Advocate General, Information Technology Division (ITD), Center for Law and Military Operations, and Army Claims Fund.

USALSA provides centralized Army legal functions as required by law or Secretarial directive, including the Army Court of Criminal Appeals, the Government and Defense Appellate Divisions, the statutorily required provision of Trial Defense Service (TDS) and Trial Judiciary for all Army courts-martial world-wide, and the Army Litigation Center. The TDS includes all Army defense counsel at every installation. Counseling services provided by TDS include misconduct and suspect rights advice, separation boards, weight control, show cause boards, cadet boards, academic boards, and flight evaluation boards. The Army Litigation Center represents the Army in civil litigation before courts and administrative bodies in cases challenging Army policies and legal claims. Cases involve military and civilian personnel issues, Freedom of Information Act, tort claims, and contract disputes. TDS defends the Army in environmental litigation, protects Army's ability to continue training in areas with potential environmental impact, and pursues affirmative claims on behalf of the Army for reimbursement of environmental restoration costs and natural resource damages. It also defends Army's interests in contract litigation, including defending against contract protests to allow mission to continue, and defending against contract appeals, saving the Army in court judgments. It represents Army's interests before State Regulatory bodies in areas of telecommunications, energy, water, cable television, and other utilities to prevent Army installations from prospective overpayment, to ensure quality services, and to seek repayment when overpayment occurs.

ARMY CLAIMS - Administrates the USARCS. Assigned agencies process, investigate, adjudicate, and negotiate settlements of non-contractual claims world-wide on behalf of, and against the Department of Defense and the Department of the Army civilians and other personnel. The Army Claims Program funds the administration of the Army Claims Service and a wide variety of claims such as: personal claims including military and civilian claims for lost or damaged personal property; tort claims for loss, injury, or death caused by negligence of U.S. Army personnel; medical malpractice; automobile accidents; environmental damages; or damages caused by military operations. It also funds foreign claims for loss, injury, or death caused by U.S. Army personnel and Status of Forces Agreement claims pursuant to international agreements. Other support and services funded within this Subactivity Group are unemployment compensation and civilian injury compensation, International Cooperative Administrative Support Services, State Department support overseas, affirmative claims made on behalf of the U.S., miscellaneous repayments of erroneous collections, the Army's portion of the Overseas Banking Operation, the German Statutory Accident Insurance payment, the Victim Services Program, and the Voluntary Protection Program.

ITD administers the Judge Advocate General Corps Network (JAGNET). JAGNET is the JAGC on-line military legal resource, which is critical for field/deployed Judge Advocates. It provides legal practitioners stationed across the world with access to the materials and sources they need to accomplish the Army's legal mission.

II. Force Structure Summary:

U.S. Army Legal Services Agency, U.S. Army Claims Service, and Office of the Judge Advocate General provide legal services across the Army, at unit, installation, and Headquarters level including the following:

Headquarters, Department of the Army

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Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Central
U.S. Army Africa
U.S. Army North
U.S. Army Special Operations Command
U.S. Army South
Military Surface Deployment and Distribution Command
U.S. Army Europe
U.S. Army Space and Missile Defense Command/Army Forces Strategic Command
U.S. Army Pacific

Direct Reporting Units:

U.S. Army Test and Evaluation Command
U.S. Army Military District Washington
U.S. Military Academy
U.S. Army Corps of Engineers
U.S. Army Acquisition Support Center
U.S. Army Intelligence and Security Command
U.S. Army Medical Command
Second U.S. Army
U.S. Army Installation Management Command
U.S. Army Criminal Investigation Command

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III. Financial Summary (\$ in Thousands):

		FY 2016					Normalized	
A. <u>Program Elements</u>		<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
		<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>
	ARMY CLAIMS	\$193,978	\$225,358	\$-10,205	-4.53%	\$215,153	\$215,153	\$207,800
	SUBACTIVITY GROUP TOTAL	\$193,978	\$225,358	\$-10,205	-4.53%	\$215,153	\$215,153	\$207,800
B. <u>Reconciliation Summary</u>				<u>Change</u>	<u>Change</u>			
				<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING				\$225,358	\$215,153			
	Congressional Adjustments (Distributed)			0				
	Congressional Adjustments (Undistributed)			-6,932				
	Adjustments to Meet Congressional Intent			0				
	Congressional Adjustments (General Provisions)			-3,273				
SUBTOTAL APPROPRIATED AMOUNT				215,153				
	War Related and Disaster Supplemental Appropriation			0				
	X-Year Carryover			0				
	Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING				215,153				
	Anticipated Reprogramming (Requiring 1415 Actions)			0				
	Less: War Related and Disaster Supplemental Appropriation			0				
	Less: X-Year Carryover			0				
	Price Change				1,059			
	Functional Transfers				-3,500			
	Program Changes				-4,912			
NORMALIZED CURRENT ESTIMATE				\$215,153		\$207,800		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 225,358
1. Congressional Adjustments	\$ -10,205
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -6,932
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -422
2) Recruiting Center upgrade requirements - OSD requested transfer	\$ -6,508
3) Spares and repair parts	\$ -2
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions.....	\$ -3,273
1) Sec 8077. Savings due to favorable foreign exchange rates	\$ -3,273
FY 2016 Appropriated Amount.....	\$ 215,153

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2. War-Related and Disaster Supplemental Appropriations.....	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 215,153
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 215,153
5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 215,153
6. Price Change	\$ 1,059
7. Transfers.....	\$ -3,500
a) Transfers In	\$ 0

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b) Transfers Out \$ -3,500

1) Sexual Harassment/Assault Response and Prevention (SHARP) - Special Victim Counsel \$ -3,500
 Transfers funding from SAG 436, Army Claims to SAG 434, Other Personnel Support to realign
 SHARP Special Victim Counsel funding to the appropriate Subactivity Group. (Baseline: \$3,500)

8. Program Increases \$ 10,050

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 10,050

1) Civilian Average Annual Compensation \$ 308
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of
 trends in workforce composition observed over the last several years. These trends are the direct
 consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and
 less skilled technical and clerical populations on the civilian workforce, while preserving the capability
 and flexibility provided by more senior, professional, and technological workers. The workforce
 remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such
 as the National Capital Region. These concentrations have competitive labor markets that also drive
 compensation costs. (Baseline: \$13,939)

2) Judge Advocate General Corps Network \$ 1,131
 Increases funding for the Judge Advocate General Corps Network information technology contract,
 which provides recurring system maintenance, software upgrades, and access to legal research and
 claims portal to Army legal practitioners worldwide. (Baseline: \$3,144)

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3) Judge Advocate General Organization and Claims..... \$ 8,611
 Increases funding for payment of claims required by Federal statute for lost or damaged property,
 personal injury, death, medical malpractice, mission maneuver and environmental damage, natural
 disasters and other costs incurred by Army operations. (Baseline: \$24,262)

9. Program Decreases.....\$ -14,962

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -14,962

1) Civilian Unemployment Compensation..... \$ -13,540
 Reduces funding in reimbursement to the Department of Labor due to projected decline in the number
 of unemployment claimants by former Department of Army civilian employees. (Baseline: \$42,033)

2) Civilian Workforce Reduction \$ -393
 Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate
 with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline:
 \$13,939; -3 FTE)

3) Compensable Days..... \$ -78
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260
 days) than in FY 2016 (262 days). (Baseline: \$13,939)

4) Overseas Military Banking Program \$ -951
 Reduces funding for the Overseas Military Banking Program in anticipation of lower contracting costs.

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(Baseline: \$3,914)

FY 2017 Budget Request.....\$ 207,800

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IV. Performance Criteria and Evaluation Summary:

CLAIMS CASELOAD	FY 2015	FY 2016	FY 2017
UNITED STATES ARMY LEGAL SERVICES AGENCY			
Litigation Division Civil Litigation	924	966	995
Contract and Fiscal Law Division			
Armed Services Board of Contract Appeals	200	209	225
GAO Protests	310	324	250
COFC Protests	22	22	22
Procurement Fraud cases	970	1,014	680
Legal Opinions/Reviews Performed	700	732	745
 Environmental Law Division			
Environmental Civil Litigation against Army	87	91	95
Affirmative Civil Litigation on behalf of Army	4	4	18
Legal Opinions/Reviews Performed	470	492	560
 Regulatory Law and Intellectual Property Division			
Rate hearings/proceedings	60	63	63
Civil Litigation	25	26	28
Legal Opinions/Reviews Performed	1,100	1,150	1,160
 Trial Judiciary General and Special Courts-Martial	1,500	1,568	1,650
Trial Defense			
Preferred General and Special Courts-Martial	4,000	4,180	4,368
Summary Courts-Martial Consultations	1,000	1,045	1,092
Article 15 Actions	39,000	40,760	42,594
Other Board and Consultation Actions	58,000	60,630	63,358

Exhibit OP-5, Subactivity Group 436

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CLAIMS CASELOAD (cont.)

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
ARMY CLAIMS SERVICE			
Personnel Claims and Recovery Division			
Personnel Claims World-wide	3,828	3,800	3,800
<u>Torts Division</u>			
Total Number of Assigned Claims	4,568	3,500	3,500
Affirmative Claims	17,586	17,500	17,500
Civilian Illness and Injury Compensation			
Number of Claims	11,454	9,470	8,516
Average Cost Per Claim ¹ (\$)	7,247	11,260	12,000

Notes:

¹ Cost per claim varies by type of claim.

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	232	248	246	-2
Officer	192	216	213	-3
Enlisted	40	32	33	1
<u>Active Military Average Strength (A/S) (Total)</u>	237	240	248	8
Officer	199	204	215	11
Enlisted	38	36	33	-3
<u>Civilian FTEs (Total)</u>	118	108	105	-3
U.S. Direct Hire	118	108	105	-3
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	118	108	105	-3
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 1	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	129	129	133	4
<u>Contractor FTEs (Total)</u>	39	99	106	7

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	14,987	0	1.11%	167	-1,215	13,939	0	1.51%	210	-163	13,986
0103	WAGE BOARD	53	0	0.00%	0	-53	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	125	0	0.00%	0	-125	0	0	0.00%	0	0	0
0110	UNEMPLOYMENT COMPENSATION	25,444	0	0.00%	0	16,589	42,033	0	0.00%	0	-13,540	28,493
0111	DISABILITY COMPENSATION	83,032	0	0.00%	0	29,035	112,067	0	0.00%	0	0	112,067
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	123,641	0		167	44,231	168,039	0		210	-13,703	154,546
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	4,940	0	1.70%	84	737	5,761	0	1.80%	104	-1,500	4,365
0399	TOTAL TRAVEL	4,940	0		84	737	5,761	0		104	-1,500	4,365
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	137	0	0.00%	0	-137	0	0	-0.26%	0	0	0
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	137	0		0	-137	0	0		0	0	0
<u>OTHER FUND PURCHASES</u>												
0679	COST REIMBURSABLE PURCHASES	2,722	0	1.70%	46	-1,568	1,200	0	1.90%	23	-951	272
0699	TOTAL INDUSTRIAL FUND PURCHASES	2,722	0		46	-1,568	1,200	0		23	-951	272
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	92	0	1.70%	2	-94	0	0	1.80%	0	0	0
0799	TOTAL TRANSPORTATION	92	0		2	-94	0	0		0	0	0
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	141	0	1.70%	2	-143	0	0	1.80%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	4	0	1.70%	0	-4	0	0	1.80%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	352	0	1.70%	6	1,076	1,434	0	1.80%	26	0	1,460
0921	PRINTING AND REPRODUCTION	1	0	1.70%	0	-1	0	0	1.80%	0	0	0

Exhibit OP-5, Subactivity Group 436

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
0922 EQUIPMENT MAINTENANCE BY CONTRACT	0	0	1.70%	0	182	182	0	1.80%	3	0	185
0925 EQUIPMENT PURCHASES (NON-FUND)	30	0	1.70%	1	-31	0	0	1.80%	0	0	0
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	72	0	1.70%	1	-73	0	0	1.80%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	127	0	1.70%	2	-129	0	0	1.80%	0	0	0
0959 INSURANCE CLAIMS AND INDEMNITIES	22,251	0	1.70%	378	-17,690	4,939	0	1.80%	89	8,611	13,639
0987 OTHER INTRA-GOVERNMENT PURCHASES	33,592	0	1.70%	571	-16,054	18,109	0	1.80%	326	-2,000	16,435
0989 OTHER SERVICES	654	0	1.70%	11	13,524	14,189	0	1.80%	255	0	14,444
0990 IT CONTRACT SUPPORT SERVICES	5,222	0	1.70%	89	-4,011	1,300	0	1.80%	23	1,131	2,454
0999 TOTAL OTHER PURCHASES	62,446	0		1,061	-23,354	40,153	0		722	7,742	48,617
9999 GRAND TOTAL	193,978	0		1,360	19,815	215,153	0		1,059	-8,412	207,800

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Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 43: Servicewide Support
Detail by Subactivity Group 437: Other Construction Support and Real Estate Management

I. Description of Operations Financed:

OTHER CONSTRUCTION SUPPORT AND REAL ESTATE MANAGEMENT - Resources U.S. Army Corps of Engineers (USACE) Headquarters and its subordinate commands. Resources provide for policy formulation, program management, national and regional coordination, and quality assurance of the construction support and real estate management world-wide. Resources the supervision and direction of USACE activities engaged in developing and publishing guidance. This includes planning, designing, and constructing facilities, buildings, and other structures that land-based military forces require for base development and tactical operations. Resources USACE to act as Executive Agent on Computer Assisted Design, Building Information Model, and Geographic Information System standardization to support Joint Basing Activities. Resources Field Force Engineering operations, to include agile, responsive technical engineering and contract construction support capabilities to Geographic Combatant Commands (GCCs) during contingencies, exercises, and peacetime engagement. Supports GCCs in their theaters of operations by enabling in-theater engineer assets to leverage Continental U.S. based technical engineering centers through reach-back systems to installations worldwide. Resources the execution of USACE-managed real estate missions such as: negotiation and execution of transactions for expansion, modification or disposal of existing installations, and acquisition of new installations. This includes appraisals, deed transfers, obtaining title evidence, and preparing and executing real estate instruments within delegated authority. Real estate missions also include negotiation of supplemental agreements, terminations, and expiration actions for Army leases and out grants. Resources real estate establishment, audit, maintenance, and reporting of real property documentation for all Army leases, licenses, permits, and easement legal instruments where the USACE is the auditable source. Supports legal and maintenance activities of realty instruments where USACE has the perpetual record holding responsibility on behalf of the U.S. Government. Resources the operation of Army-assigned space in the Pentagon.

II. Force Structure Summary:

Other Construction Support and Real Estate Management provides support to the following organization:

Headquarters, Department of the Army

Direct Reporting Unit:

U.S. Army Corps of Engineers

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III. Financial Summary (\$ in Thousands):

A. <u>Program Elements</u>	<u>FY 2015</u> <u>Actual</u>	<u>Budget</u> <u>Request</u>	<u>FY 2016</u>			<u>Normalized</u> <u>Current</u> <u>Enacted</u>	<u>FY 2017</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
OTHER CONSTRUCTION SUPPORT AND REAL ESTATE MANAGEMENT	<u>\$429,127</u>	<u>\$239,755</u>	<u>\$-2,375</u>	<u>-0.99%</u>	<u>\$237,380</u>	<u>\$237,380</u>	<u>\$240,641</u>
SUBACTIVITY GROUP TOTAL	<u>\$429,127</u>	<u>\$239,755</u>	<u>\$-2,375</u>	<u>-0.99%</u>	<u>\$237,380</u>	<u>\$237,380</u>	<u>\$240,641</u>
			<u>Change</u> <u>FY 2016/FY 2016</u>	<u>Change</u> <u>FY 2016/FY 2017</u>			
BASELINE FUNDING			\$239,755		\$237,380		
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			-2,375				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL APPROPRIATED AMOUNT			237,380				
War Related and Disaster Supplemental Appropriation			154,350				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			391,730				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			-154,350				
Less: X-Year Carryover			0				
Price Change					5,214		
Functional Transfers					0		
Program Changes					-1,953		
NORMALIZED CURRENT ESTIMATE			\$237,380		\$240,641		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 239,755
1. Congressional Adjustments	\$ -2,375
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -2,375
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -2,371
2) Spares and repair parts	\$ -4
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2016 Appropriated Amount	\$ 237,380
2. War-Related and Disaster Supplemental Appropriations	\$ 154,350
a) Overseas Contingency Operations Supplemental Appropriation, 2016	\$ 154,350

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1) Overseas Contingency Operations Supplemental..... \$ 154,350

3. Fact-of-Life Changes\$ 0

FY 2016 Appropriated and Supplemental Funding\$ 391,730

4. Anticipated Reprogramming (Requiring 1415 Actions)\$ 0

Revised FY 2016 Estimate\$ 391,730

5. Less: Emergency Supplemental Funding.....\$ -154,350

a) Less: War Related and Disaster Supplemental Appropriation\$ -154,350

b) Less: X-Year Carryover\$ 0

Normalized FY 2016 Current Enacted.....\$ 237,380

6. Price Change\$ 5,214

7. Transfers.....\$ 0

a) Transfers In\$ 0

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b) Transfers Out \$ 0

8. Program Increases \$ 9,328

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 9,328

1) Civilian Average Annual Compensation \$ 2,033

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$97,364)

2) Classified Adjustment \$ 4,058

Increases funding and 25 FTEs for adjustments to classified programs. Details will be provided under separate cover to properly cleared individuals on a need-to-know basis. (25 FTE)

3) Field Force Engineering \$ 3,075

Increases funding in support of the U.S. Army Corps of Engineers deployable Forward Engineering Support Teams - Advance. These teams provide the Combatant Commander essential technical engineering support services such as environmental assessments, real estate acquisition, engineer reconnaissance, and planning and design to include base camp master planning. (Baseline: \$11,762)

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4) Sexual Harassment/Assault Response and Prevention (SHARP) \$ 162
Provides funding and 1 FTE to establish a Program Manager for the U.S. Army Corps of Engineers headquarters. The Program Manager oversees the prevention and training activities within the command and ensures compliance with training requirements. (Baseline: \$0; 1 FTE)

9. Program Decreases.....\$ -11,281

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017.....\$ -11,281

1) Civilian Workforce Reduction \$ -4,220
Reduces FTEs, civilian pay, and associated operating costs to shape the workforce commensurate with force structure levels and to meet the requirements of the Defense Strategic Guidance. (Baseline: \$97,364; -26 FTE)

2) Classified Adjustment \$ -4,403
Decreases funding for adjustments to classified programs. Details will be provided under separate cover to properly cleared individuals on a need-to-know basis. (Baseline: \$22,897)

3) Compensable Days..... \$ -562
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$97,364)

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4) Pentagon Reservation Facility \$ -2,096
Decreases funding based on approved Pentagon Force Protection Agency operational changes that
reduce security costs. (Baseline: \$105,375)

FY 2017 Budget Request.....\$ 240,641

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IV. Performance Criteria and Evaluation Summary:

A. FIELD FORCE ENGINEERING (FFE) SUPPORT TO COMBATANT COMMANDERS (COCOM):

OBJECTIVE – Provide Combatant Commanders full spectrum engineering and contingency support (Other than OCO).

STANDARD – Support Combatant Commanders in the theater of operations with assets to leverage CONUS-based technical engineering centers through reach-back systems to installations worldwide.

METRICS FY 2017 – To provide two weeks per year of direct support to five Combatant Command aligned brigades for the U.S. Africa Command, U.S. Pacific Command, U.S. Southern Command, U.S. Central Command, and U.S. European Command.

	FY 2015	FY 2016	FY 2017
% Participation	100%	100%	100%

B. COMMAND AND CONTROL (C2):

PROGRAM DESCRIPTION – C2 for building and sustaining critical facilities for the military.

METRIC DESCRIPTION – Manage risk in program execution; construct critical facilities for military on time and within budget.

Performance Goal: 90% or greater of C2 completed on-time.

Metric #1: Beneficial Occupancy Date

FY 2017 PERFORMANCE GOAL – Reduce project cost growth below 4% and beneficial occupancy time growth below 8%.

	FY 2015	FY 2016	FY 2017
MILCON MANAGEMENT	100%	100%	100%

C. PENTAGON RENT AND RENOVATION:

	FY 2015	FY 2016	FY 2017
Non General Services Administration Leased Payment for space (\$000)	109,385	105,375	106,366
Leased Space (000 sq. ft.)	957,110	957,110	957,110

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	11	9	9	0
Officer	7	7	7	0
Enlisted	4	2	2	0
<u>Active Military Average Strength (A/S) (Total)</u>	11	10	9	-1
Officer	7	7	7	0
Enlisted	4	3	2	-1
<u>Civilian FTEs (Total)</u>	729	609	609	0
U.S. Direct Hire	729	609	609	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	729	609	609	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 423	 251	 239	 -12
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	147	160	165	5
<u>Contractor FTEs (Total)</u>	832	100	88	-12

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
				<u>Percent</u>					<u>Percent</u>			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	107,061	0	1.09%	1,170	-11,012	97,219	0	1.54%	1,497	1,397	100,113
0103	WAGE BOARD	302	0	0.66%	2	-159	145	0	1.38%	2	74	221
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	57	0	0.00%	0	-57	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	107,420	0		1,172	-11,228	97,364	0		1,499	1,471	100,334
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	6,059	0	1.70%	103	-3,207	2,955	0	1.80%	53	275	3,283
0399	TOTAL TRAVEL	6,059	0		103	-3,207	2,955	0		53	275	3,283
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0416	GSA MANAGED SUPPLIES AND MATERIALS	333	0	1.70%	6	158	497	0	1.80%	9	0	506
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	97	0	-1.90%	-2	-95	0	0	-0.70%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	430	0		4	63	497	0		9	0	506
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	1,860	0	1.70%	31	-765	1,126	0	1.80%	20	0	1,146
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,860	0		31	-765	1,126	0		20	0	1,146
<u>OTHER FUND PURCHASES</u>												
0672	PRMRF PURCHASES	109,386	0	-1.22%	-1,334	-2,677	105,375	0	2.93%	3,087	-2,096	106,366
0679	COST REIMBURSABLE PURCHASES	9,242	0	1.70%	157	-5,579	3,820	0	1.90%	73	0	3,893
0699	TOTAL INDUSTRIAL FUND PURCHASES	118,628	0		-1,177	-8,256	109,195	0		3,160	-2,096	110,259
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	359	0	1.70%	6	-365	0	0	1.80%	0	0	0
0799	TOTAL TRANSPORTATION	359	0		6	-365	0	0		0	0	0
<u>OTHER PURCHASES</u>												

Exhibit OP-5, Subactivity Group 437

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Program</u>
0912	RENTAL PAYMENTS TO GSA (SLUC)	297	0	1.70%	5	-302	0	0	1.80%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	428	0	1.70%	7	-435	0	0	1.80%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	64	0	1.70%	1	-65	0	0	1.80%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	103	0	1.70%	2	59	164	0	1.80%	3	597	764
0921	PRINTING AND REPRODUCTION	1	0	1.70%	0	-1	0	0	1.80%	0	0	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	6,516	0	1.70%	110	-4,626	2,000	0	1.80%	36	-1,888	148
0923	OPERATION AND MAINTENANCE OF FACILITIES	22,233	0	1.70%	378	-22,611	0	0	1.80%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	3,671	0	1.70%	62	-2,982	751	0	1.80%	14	1,143	1,908
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	18,303	0	1.70%	311	-18,614	0	0	1.80%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	662	0	1.70%	11	-673	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	73,894	0	1.70%	1,256	-75,150	0	0	0.00%	0	0	0
0957	LAND AND STRUCTURES	271	0	1.70%	4	-275	0	0	1.80%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	225	0	1.70%	4	-229	0	0	0.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	1,944	0	0.00%	0	-1,944	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	58,455	0	1.70%	993	-49,772	9,676	0	1.80%	174	-1,455	8,395
0989	OTHER SERVICES	3,639	0	1.70%	61	9,952	13,652	0	1.80%	246	0	13,898
0990	IT CONTRACT SUPPORT SERVICES	3,665	0	1.70%	63	-3,728	0	0	1.80%	0	0	0
0999	TOTAL OTHER PURCHASES	194,371	0		3,268	-171,396	26,243	0		473	-1,603	25,113
9999	GRAND TOTAL	429,127	0		3,407	-195,154	237,380	0		5,214	-1,953	240,641

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Detail by Subactivity Group 438: Financial Improvement and Audit Readiness (FIAR)

I. Description of Operations Financed:

FINANCIAL IMPROVEMENT AND AUDIT READINESS (FIAR) - Complies with the Department of Defense's strategy to have fully auditable statement of budgetary resources in accordance with the National Defense Authorization Act of 2012. The FIAR Plan manages financial improvement activities by providing the strategy, methodology, and means for monitoring progress to achieve Congress' audit readiness requirement. The FIAR Plan also serves to advance the Department's fiscal stewardship and improve the financial information needed to manage the Department. Furthermore, the Department of Defense utilizes the FIAR Plan to organize and prioritize the financial improvement efforts of the Military Departments and Defense Agencies. This supports the financial Information Technology / Accountability Systems, which include the automation supporting Planning, Programming, Budgeting, and Development System, General Fund Enterprise Business System, and the Army Chief Financial Operations and Systems.

PLANNING, PROGRAMMING, BUDGETING, AND EXECUTION DEVELOPMENT SYSTEM - Provides automation support through Headquarters Department of the Army systems, developed in direct support of the President's Budget justification requirements, including the Office of the Secretary of Defense program and budget review process. These systems include the Planning Programming Budget Operating System, Integrated Resource Management Information System, and Structure and Manpower Allocation System.

GENERAL FUND ENTERPRISE BUSINESS SYSTEM - Provides core financial functions such as general ledger management, payment management, receivables management, funds management, and cost management and reporting. This system supports the "Future Force" transition path of the Transformation Campaign Plan.

ARMY CHIEF FINANCIAL OFFICER OPERATIONS AND SYSTEMS - Provides and captures non-Army Management Headquarters Agencies' requirements and resources of the Assistant Secretary of the Army (Financial Management and Comptroller) mission as the Army's Chief Financial Officer.

ARMY FINANCIAL MANAGEMENT OPTIMIZATION - Supports the Army's objective to achieve auditability and accountability through enhanced and reinforced auditable business practices, resulting in greater efficiencies.

II. Force Structure Summary:

The Financial Improvement and Audit Readiness program detailed above supports Army Command and Reporting Units.

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command
U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Direct Reporting Units:

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U.S. Army Medical Command
U.S. Installation Management Command

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Detail by Subactivity Group 438: Financial Improvement and Audit Readiness (FIAR)

III. Financial Summary (\$ in Thousands):

	<u>FY 2015</u>	<u>Budget</u>	<u>FY 2016</u>			<u>Normalized</u>	<u>FY 2017</u>
			<u>Actual</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	
A. Program Elements							
FINANCIAL IMPROVEMENT AND AUDIT READINESS (FIAR)	<u>\$192,351</u>	<u>\$223,319</u>	<u>\$-381</u>	<u>-0.17%</u>	<u>\$222,938</u>	<u>\$222,938</u>	<u>\$250,612</u>
SUBACTIVITY GROUP TOTAL	<u>\$192,351</u>	<u>\$223,319</u>	<u>\$-381</u>	<u>-0.17%</u>	<u>\$222,938</u>	<u>\$222,938</u>	<u>\$250,612</u>
B. Reconciliation Summary			<u>Change</u>	<u>Change</u>			
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
BASELINE FUNDING			\$223,319	\$222,938			
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			-210				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			<u>-171</u>				
SUBTOTAL APPROPRIATED AMOUNT			222,938				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			<u>0</u>				
SUBTOTAL BASELINE FUNDING			222,938				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					3,991		
Functional Transfers					2,851		
Program Changes					<u>20,832</u>		
NORMALIZED CURRENT ESTIMATE			\$222,938		\$250,612		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 223,319
1. Congressional Adjustments	\$ -381
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -210
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -210
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ -171
1) Sec 8024. Federally Funded Research and Development Centers	\$ -171
FY 2016 Appropriated Amount.....	\$ 222,938
2. War-Related and Disaster Supplemental Appropriations.....	\$ 0
3. Fact-of-Life Changes	\$ 0

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FY 2016 Appropriated and Supplemental Funding	\$ 222,938
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 222,938
5. Less: Emergency Supplemental Funding	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted	\$ 222,938
6. Price Change	\$ 3,991
7. Transfers.....	\$ 2,851
a) Transfers In	\$ 2,851
1) Army Financial Management Optimization (AFMO)	\$ 2,705
<p style="margin-left: 40px;">Transfers funding and FTEs from the following SAGs: SAG 431, Administration (\$-341; 0 FTE) and SAG 435, Other Service Support (\$-2,364; -16 FTEs) to SAG 438, Financial Improvement and Audit Readiness (\$2,705; 16 FTEs) to support the AFMO initiative to achieve auditability and greater efficiencies through enhanced and reinforced auditable business practices. (Baseline: \$24,790; 16 FTE)</p>	

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2) General Fund Enterprise Business System (GFEBS) \$ 146
 Transfers funding and 1 FTE from SAG 423, Logistics Support Activities to SAG 438, Financial Improvement and Audit Readiness for GFEBS Product Support Manager implementation. (Baseline: \$53,161; 1 FTE)

b) Transfers Out \$ 0

8. Program Increases\$ 47,019

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 47,019

1) Army Financial Management Optimization (AFMO) \$ 8,965
 Increases funding for the consolidation of financial systems planning and design under the AFMO effort. Funding sustains system support operations and contracts that allow the Army to identify, implement, and manage financial management system capabilities that support auditability goals, meet new compliance requirements, implement business process improvements, and provide help desk support to ensure end user technology competency. Increase is funded through reductions to the Financial Operations and Systems Support program. (Baseline: \$24,790)

2) Automation Systems Support \$ 5,775
 Implements mandated cloud and data center migration as well as security upgrades such as public key infrastructure and common access card authentication. (Baseline: \$23,473)

3) Civilian Average Annual Compensation \$ 511
 Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of

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trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$20,606)

4) General Fund Enterprise Business System \$ 31,768
 Increases funding for system integrator sustainment costs due to new software requirements and customer care enhancements needed to support audit readiness. Funding supports increase in hosting costs resulting from an increase in servers and storage from large volume data increases. Funds the new software license agreement, which is required to operate and maintain support for critical cybersecurity upgrades. Increase also supports increased scope of audit certification requirements mandated by the Federal Financial Management Improvement Act of 1996, Federal Information System Controls Audit Manual, Standard Financial Information Structure, and Business Enterprise Architecture. (Baseline: \$58,625)

9. Program Decreases \$ -26,187

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases \$ 0

c) Program Decreases in FY 2017 \$ -26,187

1) Compensable Days \$ -132

Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$20,606)

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2) Financial Operations and Systems Support \$ -26,055
Reduces funding to optimal sustainment levels for contracts that support financial operation discovery, evaluation testing and correction action, data cleansing and migration, functional feeder system audit compliance, and external audit examinations. Funding decrease also supports the functional realignment of systems planning and design capabilities to the Army Financial Management Optimization program. This capability provides financial systems solutions to meet auditability goals, meeting new compliance requirements, and aligning system enhancements with command operations. (Baseline: \$116,205)

FY 2017 Budget Request.....\$ 250,612

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IV. Performance Criteria and Evaluation Summary:

<u>Audit Readiness Status Goal Report</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Schedule of Budgetary Activity Audit	✓	✓	✓
Real Property Examination / Corrective Actions	✓	✓	
Operational Materials and Supplies Examination / Corrective Actions	✓		
Existence, Completeness, and Valuation of Army Assets		✓	✓
Discovery Efforts on Remaining 3 Financial Statements / Assertion by 2017	✓		
Full General Fund Financial Statement Assertion			✓
Fund Balance with Treasury Examination		✓	

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	0	1	21	20
Officer	0	1	8	7
Enlisted	0	0	13	13
<u>Active Military Average Strength (A/S) (Total)</u>	0	1	12	11
Officer	0	1	5	4
Enlisted	0	0	7	7
<u>Civilian FTEs (Total)</u>	26	159	176	17
U.S. Direct Hire	26	159	176	17
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	26	159	176	17
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 2	 2	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	149	130	134	4
<u>Contractor FTEs (Total)</u>	1,178	1,211	1,331	120

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	3,874	0	6.35%	246	16,486	20,606	0	1.69%	349	2,619	23,574
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	3,874	0		246	16,486	20,606	0		349	2,619	23,574
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	908	0	1.70%	15	897	1,820	0	1.80%	33	0	1,853
0399	TOTAL TRAVEL	908	0		15	897	1,820	0		33	0	1,853
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	2,069	0	1.70%	35	1,018	3,122	0	1.80%	56	0	3,178
0915	RENTS (NON-GSA)	389	0	1.70%	7	304	700	0	1.80%	13	0	713
0917	POSTAL SERVICES (U.S.P.S)	69	0	1.70%	1	55	125	0	1.80%	2	0	127
0920	SUPPLIES AND MATERIALS (NON-FUND)	465	0	1.70%	8	1,622	2,095	0	1.80%	38	1,383	3,516
0921	PRINTING AND REPRODUCTION	10	0	1.70%	0	10	20	0	1.80%	0	0	20
0922	EQUIPMENT MAINTENANCE BY CONTRACT	0	0	1.70%	0	16,396	16,396	0	1.80%	295	0	16,691
0923	OPERATION AND MAINTENANCE OF FACILITIES	46	0	1.70%	1	53	100	0	1.80%	2	0	102
0925	EQUIPMENT PURCHASES (NON-FUND)	821	0	1.70%	14	765	1,600	0	1.80%	29	383	2,012
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	140,770	0	1.70%	2,393	-6,712	136,451	0	1.80%	2,456	0	138,907
0933	STUDIES, ANALYSIS, AND EVALUATIONS	15,541	0	1.70%	264	-15,805	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	6,840	0	1.70%	116	-6,956	0	0	1.80%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	929	0	1.70%	16	955	1,900	0	1.80%	34	0	1,934
0989	OTHER SERVICES	5,224	0	1.70%	89	5,688	11,001	0	1.80%	198	0	11,199
0990	IT CONTRACT SUPPORT SERVICES	14,396	0	1.70%	245	12,361	27,002	0	1.80%	486	19,298	46,786
0999	TOTAL OTHER PURCHASES	187,569	0		3,189	9,754	200,512	0		3,609	21,064	225,185
9999	GRAND TOTAL	192,351	0		3,450	27,137	222,938	0		3,991	23,683	250,612

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I. Description of Operations Financed:

INTERNATIONAL MILITARY HEADQUARTERS - Supports the North Atlantic Treaty Organization (NATO) and the Republic of Korea / U.S. Combined Forces Command.

NATO MILITARY BUDGET - The NATO Military Budget is detailed in the Medium Term Resource Plan and includes Military Budget Committee developed requirements approved by the NATO Atlantic Council. Currently, the U.S. share is approximately 25 percent toward the day-to-day operational costs of the NATO headquarters, the NATO international staff, and subordinate commands. The principal cost driver is the U.S. commitment via International Treaties/Agreements.

NATO AIRBORNE EARLY WARNING AND CONTROL SYSTEM (AWACS) - Supports the operational costs of the NATO AWACS, Headquarters, the operation and maintenance of aircraft, facilities maintenance, program administration, and communications.

NATO INTERNATIONAL MILITARY HEADQUARTERS - Funds the U.S. contribution to the military budget of the NATO military headquarters, Allied Command Operations, Allied Command Transformation, and subordinate commands (i.e. operation headquarters - Joint Force Command HQ Brunssum-Netherland and Joint Force Command HQ Naples-Information Technology, Headquarters in the Balkans, etc.). Funding provides for cost of operations including: NATO Civilian personnel, automatic data processing, general operating costs, utilities, facilities, and maintenance.

STANDARDIZATION PROGRAMS - Supports a collection of capabilities, relationships, and processes that together enable the Army to conduct effective multinational operations across the full spectrum of military missions. They encompass not only the capability to conduct effective military operations with coalition partners, but also factors (interoperability in doctrine, training, leadership, organizational structure, material support, and Soldier development) that contribute to the development and maintenance of an alliance or coalition partnership. It supports U.S. participation as a working group chairman, heads of delegations, and subject matter experts in NATO, American, British, Canadian, Australian, and New Zealand Armies' Program.

OTHER SUPPORT/CONTRIBUTIONS - Includes other U.S. contributions to NATO agencies, multinational headquarters, and support to U.S. elements assigned to various NATO International Military Headquarters (IMH) in accordance with Department of Defense 7000.14-R, Vol. 11A, Chapter 9, Support of International Military Activities. Funding also supports the U.S. Army and NATO as well as civilian pay for the U.S. Mission to NATO.

II. Force Structure Summary:

Funds U.S. commitments to the following international military activities:

Headquarters, Department of the Army

Combatant Commander:

U.S. Forces Korea (USFK)*

Army Service Component Commands:

U.S. Army Europe

U.S. Army Pacific

*USFK is a subordinate unified command of the U.S. Pacific Command.

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III. Financial Summary (\$ in Thousands):

		FY 2016				Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>	<u>Change</u>	<u>Change</u>	<u>Enacted</u>	<u>Estimate</u>	
			<u>FY 2016/FY 2016</u>	<u>FY 2016/FY 2017</u>			
INTERNATIONAL MILITARY HEADQUARTERS	\$432,021	\$469,865	\$-93,061	-19.81%	\$376,804	\$376,804	\$416,587
SUBACTIVITY GROUP TOTAL	\$432,021	\$469,865	\$-93,061	-19.81%	\$376,804	\$376,804	\$416,587
B. <u>Reconciliation Summary</u>							
BASELINE FUNDING			\$469,865		\$376,804		
Congressional Adjustments (Distributed)			-2,200				
Congressional Adjustments (Undistributed)			-6				
Adjustments to Meet Congressional Intent			46				
Congressional Adjustments (General Provisions)			-90,901				
SUBTOTAL APPROPRIATED AMOUNT			376,804				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2016 to 2016 Only)			0				
SUBTOTAL BASELINE FUNDING			376,804				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					6,696		
Functional Transfers					702		
Program Changes					32,385		
NORMALIZED CURRENT ESTIMATE			\$376,804		\$416,587		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 469,865
1. Congressional Adjustments	\$ -93,061
a) Distributed Adjustments	\$ -2,200
1) Unjustified program growth	\$ -2,200
b) Undistributed Adjustments	\$ -6
1) Spares and repair parts	\$ -6
c) Adjustments to Meet Congressional Intent	\$ 46
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 46
d) General Provisions	\$ -90,901
1) Sec 8024. Federally Funded Research and Development Centers	\$ -3
2) Sec 8077. Savings due to favorable foreign exchange rates	\$ -90,835

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3) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs \$ -63

FY 2016 Appropriated Amount **\$ 376,804**

2. War-Related and Disaster Supplemental Appropriations \$ 0

3. Fact-of-Life Changes \$ 0

FY 2016 Appropriated and Supplemental Funding **\$ 376,804**

4. Anticipated Reprogramming (Requiring 1415 Actions) \$ 0

Revised FY 2016 Estimate **\$ 376,804**

5. Less: Emergency Supplemental Funding \$ 0

a) Less: War Related and Disaster Supplemental Appropriation \$ 0

b) Less: X-Year Carryover \$ 0

Normalized FY 2016 Current Enacted **\$ 376,804**

6. Price Change \$ 6,696

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7. Transfers.....	\$ 702
a) Transfers In	\$ 702
1) North Atlantic Treaty Organization (NATO) Support.....	\$ 702
Transfers funding from SAG 121, Force Readiness Operations Support to SAG 441, International Military Headquarters to realign the NATO Support Responsibility into the appropriate Subactivity Group. (Baseline: \$358,760)	
b) Transfers Out	\$ 0
8. Program Increases	\$ 34,046
a) Annualization of New FY 2016 Program.....	\$ 0
b) One-Time FY 2017 Costs	\$ 0
c) Program Growth in FY 2017	\$ 34,046
1) Balkans Operations.....	\$ 5,566
Fully funds the U.S. International Treaty responsibilities to include payment for the U.S. cost share for North Atlantic Treaty Organization (NATO) International Headquarters in the Balkans and the payment for Peacetime Establishment costs directly in support of U.S. Soldiers performing NATO Headquarters support Mission at Camp Butmir in Sarajevo. (Baseline: \$6,974)	
2) Civilian Average Annual Compensation	\$ 384
Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct	

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consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$21,749)

3) North Atlantic Treaty Organization (NATO) Support..... \$ 28,096
 Funds the U.S. share of the NATO military budget for day-to-day operations at NATO Headquarters.
 (Baseline: \$358,760)

9. Program Decreases.....\$ -1,661

a) One-Time FY 2016 Costs \$ 0

b) Annualization of FY 2016 Program Decreases..... \$ 0

c) Program Decreases in FY 2017..... \$ -1,661

1) Compensable Days..... \$ -122
 Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$21,749)

2) Headquarters Reduction \$ -298
 Reduces FTEs, civilian pay, and associated operating costs to support strategic efficiency reduction in management headquarters funding and staffing for better alignment and to provide support to a smaller military force. (Baseline: \$21,749; -2 FTE)

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3) Standardization and Interoperability Programs..... \$ -1,241
Reduces funding for Standardization and Interoperability Programs to resource higher priority initiatives
and critical programs. (Baseline: \$2,269)

FY 2017 Budget Request.....\$ 416,587

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IV. Performance Criteria and Evaluation Summary:

NORTH ATLANTIC TREATY ORGANIZATION (NATO) AND OTHER INTERNATIONAL MILITARY HEADQUARTERS
 (\$ in Thousands)

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Balkans Crisis Response Operation Contributions	13,628	6,974	12,679
Combined Forces Command	0	6,469	6,469
NATO Administrative Agent (Direct Support)	9,675	9,746	9,746
NATO Airborne Early Warning Combat System	164,677	164,449	164,449
NATO International Military Headquarters	193,521	138,094	172,149
NATO Multinational Contribution/Support to Other/Unit Support	20,361	20,945	20,965
NATO Special Operations Headquarters Framework Costs	30,159	30,127	30,130
Total	432,021	376,804	416,587

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,012	1,044	1,033	-11
Officer	368	392	390	-2
Enlisted	644	652	643	-9
<u>Active Military Average Strength (A/S) (Total)</u>	1,009	1,028	1,039	11
Officer	373	380	391	11
Enlisted	636	648	648	0
<u>Civilian FTEs (Total)</u>	152	151	149	-2
U.S. Direct Hire	152	138	136	-2
Foreign National Direct Hire	0	9	9	0
Total Direct Hire	152	147	145	-2
Foreign National Indirect Hire	0	4	4	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 42	 42	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	143	144	148	4
<u>Contractor FTEs (Total)</u>	124	127	119	-8

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	21,671	0	1.15%	250	-721	21,200	0	1.50%	317	-37	21,480
0103	WAGE BOARD	99	0	0.00%	0	-26	73	0	0.00%	0	0	73
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	1	140	141	2	1.40%	2	0	145
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	21,770	0		251	-607	21,414	2		319	-37	21,698
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	6,522	0	1.70%	111	-1,763	4,870	0	1.80%	88	0	4,958
0399	TOTAL TRAVEL	6,522	0		111	-1,763	4,870	0		88	0	4,958
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	1	0	-7.30%	0	54	55	0	-8.20%	-5	0	50
0411	ARMY SUPPLY	10	0	2.55%	0	169	179	0	-4.63%	-8	0	171
0416	GSA MANAGED SUPPLIES AND MATERIALS	493	0	1.70%	8	-388	113	0	1.80%	2	0	115
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	2	0	0.40%	0	-2	0	0	-0.40%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	506	0		8	-167	347	0		-11	0	336
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	0	0	0.00%	0	16	16	0	-0.26%	0	0	16
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	0	0	1.00%	0	48	48	0	-0.10%	0	0	48
0507	GSA MANAGED EQUIPMENT	0	0	1.70%	0	51	51	0	1.80%	1	0	52
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	0	0		0	115	115	0		1	0	116
<u>OTHER FUND PURCHASES</u>												
0691	DFAS FINANCIAL OPERATIONS (ARMY)	1,000	0	1.32%	13	-1,013	0	0	-0.42%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	1,000	0		13	-1,013	0	0		0	0	0
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	1,899	0	38.80%	737	-2,636	0	0	0.80%	0	0	0

Exhibit OP-5, Subactivity Group 441

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	<u>FY 2015 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Program</u>	<u>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Program</u>	
0771	COMMERCIAL TRANSPORTATION	1,901	0	1.70%	32	-1,859	74	0	1.80%	1	0	75
0799	TOTAL TRANSPORTATION	3,800	0		769	-4,495	74	0		1	0	75
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	16	-27	-36.36%	4	342	335	1	1.49%	5	1	342
0913	PURCHASED UTILITIES (NON-FUND)	0	0	1.70%	0	316	316	0	1.80%	6	0	322
0914	PURCHASED COMMUNICATIONS (NON-FUND)	3,668	0	1.70%	62	-1,650	2,080	0	1.80%	37	0	2,117
0917	POSTAL SERVICES (U.S.P.S)	1,112	0	1.70%	19	-1,116	15	0	1.80%	0	0	15
0920	SUPPLIES AND MATERIALS (NON-FUND)	238	0	1.70%	4	612	854	0	1.80%	15	0	869
0921	PRINTING AND REPRODUCTION	0	0	1.70%	0	68	68	0	1.80%	1	0	69
0922	EQUIPMENT MAINTENANCE BY CONTRACT	19	0	1.70%	0	409	428	0	1.80%	8	0	436
0923	OPERATION AND MAINTENANCE OF FACILITIES	276	0	1.70%	5	748	1,029	0	1.80%	19	0	1,048
0925	EQUIPMENT PURCHASES (NON-FUND)	1,398	0	1.70%	24	-489	933	0	1.80%	17	0	950
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,089	0	1.70%	19	4,449	5,557	0	1.80%	100	6	5,663
0937	LOCALLY PURCHASED FUEL (NON-FUND)	80	0	-7.30%	-6	-39	35	0	-8.20%	-3	0	32
0987	OTHER INTRA-GOVERNMENT PURCHASES	0	0	1.70%	0	0	0	0	1.80%	0	702	702
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	372,701	2,300	1.70%	6,375	-55,933	325,443	0	1.80%	5,858	33,656	364,957
0989	OTHER SERVICES	7,190	0	1.70%	122	240	7,552	0	1.80%	136	-1,241	6,447
0990	IT CONTRACT SUPPORT SERVICES	10,636	0	1.70%	181	-5,478	5,339	0	1.80%	96	0	5,435
0999	TOTAL OTHER PURCHASES	398,423	2,273		6,809	-57,521	349,984	1		6,295	33,124	389,404
9999	GRAND TOTAL	432,021	2,273		7,961	-65,451	376,804	3		6,693	33,087	416,587

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I. Description of Operations Financed:

MISCELLANEOUS SUPPORT OF OTHER NATIONS - Supports Office of the Secretary of Defense directed missions to other nations to promote regional stability and shape the international security environment in ways that favor U.S. national security. It supports Army programs designed to promote and facilitate multinational force compatibility, enhances the Army's ability to fight as a member of an alliance or coalition, and supports data and technology exchange programs. Includes Senior National Representatives, Engineer/Scientist Exchange Program, Data Exchange Agreements, Subject Matter Expert Exchanges, and North Atlantic Treaty Organization's Council of National Armaments Directors. It provides administrative and logistics support (travel, administrative support, and contract costs) and civilian pay for security cooperation programs to shape the security environment and promote important military interactions to build trust and confidence between the U.S. and its multinational allies. This SAG also supports political-military interaction programs including Latin American Cooperation, Conference of American Armies, Western Hemispheric Institute for Security Cooperation, Military Review (Spanish/Portuguese editions), foreign dignitary visits, and United Nations observers. Programs funded:

SENIOR NATIONAL REPRESENTATIVE - U.S. participation in the Five Power (U.S., France, Germany, Italy, and United Kingdom) working groups in the areas of Threat, Integrated Targeting, Military Operations in Urban Terrain, Soldier Systems, Interoperability, Combat Identification, and Chemical Biological.

UNITED STATES AIR AND TRADE SHOW - Army participation in DoD-sponsored air and trade shows.

ENGINEER/SCIENTIST EXCHANGE PROGRAM - Supports U.S. participants in professional exchanges to work on-site assignments in foreign defense establishments to promote research and development cooperation between participating countries and professional development of individual participants.

DATA EXCHANGE AGREEMENTS and SUBJECT MATTER EXPERT EXCHANGES - Negotiation, staffing, and management of data exchange, cooperative research, and development programs to ensure access to foreign technologies, accelerate technology development, reduce development costs and life-cycle management costs, and reduce fielding time to the war fighter.

LATIN AMERICAN COOPERATION - Travel and per diem for Latin American army officer and student visits and exchanges to the U.S. for activities related to southern hemisphere security cooperation. This is a tool used to promote democracy and the professionalism of Latin American armies.

MILITARY REVIEW - Translation and publication costs for this U.S. Army periodical. As part of the Army's security cooperation strategy, the Military Review magazine is translated into Spanish and Portuguese for Central and South American military personnel.

UNITED NATIONS TRUCE SUPERVISION ORGANIZATION - Supplies, equipment, and travel for personnel assigned to this organization.

NON-STANDARD ROTARY WING - Army is the designated Lead service for procurement and support activities.

II. Force Structure Summary:

Miscellaneous Support of Other Nations provides funding for the following organizations:

Headquarters, Department of the Army

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Army Commands:

U.S. Army Training and Doctrine Command
U.S. Army Materiel Command

Army Service Component Commands:

U.S. Army Central
U.S. Army Africa
U.S. Army North
U.S. Army South
U.S. Army Europe
U.S. Army Pacific

Direct Reporting Units:

U.S. Army Test and Evaluation Command
U.S. Army Military District Washington
U.S. Military Academy
U.S. Army Acquisition Support Center

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III. Financial Summary (\$ in Thousands):

		FY 2016				Normalized	
A. <u>Program Elements</u>	<u>FY 2015</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Request</u>				<u>Enacted</u>	<u>Estimate</u>
MISCELLANEOUS SUPPORT OF OTHER NATIONS	\$24,375	\$40,521	\$-913	-2.25%	\$39,608	\$39,608	\$36,666
SUBACTIVITY GROUP TOTAL	\$24,375	\$40,521	\$-913	-2.25%	\$39,608	\$39,608	\$36,666
		<u>Change</u>		<u>Change</u>			
		<u>FY 2016/FY 2016</u>		<u>FY 2016/FY 2017</u>			
B. <u>Reconciliation Summary</u>				\$40,521	\$39,608		
BASELINE FUNDING				0			
Congressional Adjustments (Distributed)				-739			
Congressional Adjustments (Undistributed)				472			
Adjustments to Meet Congressional Intent				-646			
Congressional Adjustments (General Provisions)				<u>39,608</u>			
SUBTOTAL APPROPRIATED AMOUNT				39,608			
War Related and Disaster Supplemental Appropriation				0			
X-Year Carryover				0			
Fact-of-Life Changes (2016 to 2016 Only)				<u>0</u>			
SUBTOTAL BASELINE FUNDING				39,608			
Anticipated Reprogramming (Requiring 1415 Actions)				0			
Less: War Related and Disaster Supplemental Appropriation				0			
Less: X-Year Carryover				0			
Price Change					416		
Functional Transfers					-505		
Program Changes					<u>-2,853</u>		
NORMALIZED CURRENT ESTIMATE				\$39,608	\$36,666		

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C. Reconciliation of Increases and Decreases:

FY 2016 President's Budget Request	\$ 40,521
1. Congressional Adjustments	\$ -913
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ -739
1) Overestimation of Civilian FTE targets and streamlining management headquarters	\$ -738
2) Spares and repair parts	\$ -1
c) Adjustments to Meet Congressional Intent	\$ 472
1) Restoral to base budget (Title II) for Section 8128 fuel price savings applied to Overseas Contingency Operations (Title IX) ..	\$ 472
d) General Provisions.....	\$ -646
1) Sec 8128. Adjustment to reflect savings due to lower than anticipated fuel costs	\$ -646
FY 2016 Appropriated Amount.....	\$ 39,608

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2. War-Related and Disaster Supplemental Appropriations.....	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2016 Appropriated and Supplemental Funding	\$ 39,608
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2016 Estimate	\$ 39,608
5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation	\$ 0
b) Less: X-Year Carryover	\$ 0
Normalized FY 2016 Current Enacted.....	\$ 39,608
6. Price Change	\$ 416
7. Transfers.....	\$ -505
a) Transfers In	\$ 0

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b) Transfers Out \$ -505

1) Technology Export Control \$ -400

Transfers funding and 3 FTEs from SAG 442, Miscellaneous Support of Other Nations to SAG 423, Logistics Support Activities to properly align resources for U.S. Army Materiel Command headquarters into the appropriate subactivity group. (Baseline: \$2,073; -3 FTE)

2) U.S. Army Military Academy (USMA) \$ -105

Transfers funding and FTEs from the following SAGs: SAG 121, Force Readiness Operations Support (\$-15; 0 FTE); SAG 131, Base Operations Support (\$-1,253; -3 FTEs); SAG 331, Recruiting and Advertising (\$-1,135; 0 FTE); SAG 434, Other Personnel Support (\$-625; 0 FTE); SAG 435, Other Service Support (\$-1,059; -7 FTEs); and SAG 442, Miscellaneous Support of Other Nations (\$-105; 0 FTE) to SAG 311, Officer Acquisition (\$4,192; 10 FTEs) for consolidation of USMA resources into the appropriate Subactivity Group. (Baseline: \$105)

8. Program Increases \$ 142

a) Annualization of New FY 2016 Program \$ 0

b) One-Time FY 2017 Costs \$ 0

c) Program Growth in FY 2017 \$ 142

1) Civilian Average Annual Compensation \$ 142

Increases civilian pay to the most current mandatory cost adjustments and the projected continuation of trends in workforce composition observed over the last several years. These trends are the direct consequence of the downsizing. Reductions and divestitures have fallen primarily on entry-level and less skilled technical and clerical populations on the civilian workforce, while preserving the capability and flexibility provided by more senior, professional, and technological workers. The workforce remaining has a higher average salary and tends to be concentrated in higher cost-of-living areas such

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as the National Capital Region. These concentrations have competitive labor markets that also drive compensation costs. (Baseline: \$4,962)

9. Program Decreases.....	\$ -2,995
a) One-Time FY 2016 Costs	\$ 0
b) Annualization of FY 2016 Program Decreases.....	\$ 0
c) Program Decreases in FY 2017.....	\$ -2,995
1) Compensable Days.....	\$ -27
Reduces civilian compensation funding to account for two less compensable days in FY 2017 (260 days) than in FY 2016 (262 days). (Baseline: \$4,962)	
2) Non-Standard Rotary Wing.....	\$ -1,602
Decreases funding for aircraft maintenance contracts. (Baseline: \$12,606)	
3) Standardization and Interoperability Programs.....	\$ -1,366
Reduces funding for Standardization and Interoperability Programs to resource higher priority initiatives and critical programs. (Baseline: \$6,391)	
FY 2017 Budget Request.....	\$ 36,666

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
International Test Operations Procedures	150	150	150
Number of Foreign Military Students in Pilot Training	116	112	104
Western Hemisphere Institute for Security Cooperation's Military Review Magazine (Spanish and Portuguese Editions)	16	16	20
Number of Officers in Anti-terrorism Training in the United Nations Observers Group Prior to their United Nation Mission assignment	43	48	48
Number of Engineers and Scientists in the Exchange Program	9	16	20
Number of Laboratories in Support of Standardization and Interoperability Worldwide	7	7	7
Numbers of Bilateral and Multilateral International Cooperative Research Development and Acquisition Agreements	11	20	20
Army Civic Action Team (13 members) to the Republic of Palau	1	1	1
Allied Spirit Multinational Exercise	1	3	3
Strategic Senior Leader Engagements	125	85	85
Regional Army Land Forces Symposiums	2	6	6
Partner Army Military-to-Military Events	214	275	275

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V. Personnel Summary

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Change FY 2016/2017</u>
<u>Active Military End Strength (E/S) (Total)</u>	683	812	820	8
Officer	331	374	370	-4
Enlisted	352	438	450	12
<u>Active Military Average Strength (A/S) (Total)</u>	681	748	816	68
Officer	320	353	372	19
Enlisted	361	395	444	49
<u>Civilian FTEs (Total)</u>	36	42	39	-3
U.S. Direct Hire	33	42	39	-3
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	33	42	39	-3
Foreign National Indirect Hire	3	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 1,537	 1,986	 1,902	 -84
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	106	118	122	4
<u>Contractor FTEs (Total)</u>	35	60	59	-1

Contract Full Time Equivalents displayed in this budget, in accordance with Section 807 of Public Law 110-181, are derived using approved Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Army continues to improve the fidelity of its contract inventory.

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VI. OP-32A Line Items:

		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	3,708	0	1.56%	58	1,196	4,962	0	1.35%	67	-285	4,744
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	3,708	0		58	1,196	4,962	0		67	-285	4,744
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	4,140	0	1.70%	70	11,639	15,849	0	1.80%	285	0	16,134
0399	TOTAL TRAVEL	4,140	0		70	11,639	15,849	0		285	0	16,134
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	0	0	-7.30%	0	5	5	0	-8.20%	0	0	5
0402	SERVICE FUND FUEL	0	0	-7.30%	0	5	5	0	-8.20%	0	0	5
0411	ARMY SUPPLY	53	0	2.55%	1	1,181	1,235	0	-4.63%	-57	0	1,178
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	53	0		1	1,191	1,245	0		-57	0	1,188
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	43	0	1.70%	1	-5	39	0	1.80%	1	0	40
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	43	0		1	-5	39	0		1	0	40
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	0	0	-3.80%	0	785	785	0	-16.10%	-126	0	659
0718	SDDC LINER OCEAN TRANSPORTATION	0	0	1.90%	0	304	304	0	-1.80%	-5	0	299
0719	SDDC CARGO OPERATION (PORT HANDLING)	336	0	38.80%	130	-466	0	0	0.80%	0	0	0
0771	COMMERCIAL TRANSPORTATION	256	0	1.70%	4	-204	56	0	1.80%	1	0	57
0799	TOTAL TRANSPORTATION	592	0		134	419	1,145	0		-130	0	1,015
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	125	0	0.00%	0	-125	0	0	0.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	31	0	1.70%	1	25	57	0	1.80%	1	0	58
0915	RENTS (NON-GSA)	-2	0	1.70%	0	531	529	0	1.80%	10	0	539

Exhibit OP-5, Subactivity Group 442

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		<u>FY 2015</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>
		<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
0920	SUPPLIES AND MATERIALS (NON-FUND)	3,746	0	1.70%	64	-3,218	592	0	1.80%	11	0	603
0921	PRINTING AND REPRODUCTION	153	0	1.70%	3	539	695	0	1.80%	13	0	708
0922	EQUIPMENT MAINTENANCE BY CONTRACT	3,483	0	1.70%	59	2,157	5,699	0	1.80%	103	0	5,802
0923	OPERATION AND MAINTENANCE OF FACILITIES	264	0	1.70%	4	-268	0	0	1.80%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	180	0	1.70%	3	-183	0	0	1.80%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	350	0	1.70%	6	-226	130	0	1.80%	2	0	132
0933	STUDIES, ANALYSIS, AND EVALUATIONS	30	0	1.70%	1	-31	0	0	1.80%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	311	0	1.70%	5	-316	0	0	1.80%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	809	0	-7.30%	-59	-292	458	0	-8.20%	-38	0	420
0957	LAND AND STRUCTURES	948	0	1.70%	16	-964	0	0	1.80%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	0	0	1.70%	0	381	381	0	1.80%	7	0	388
0987	OTHER INTRA-GOVERNMENT PURCHASES	4,503	0	1.70%	77	630	5,210	0	1.80%	94	-2,968	2,336
0989	OTHER SERVICES	383	0	1.70%	7	1,136	1,526	0	1.80%	27	-105	1,448
0990	IT CONTRACT SUPPORT SERVICES	525	0	1.70%	9	557	1,091	0	1.80%	20	0	1,111
0999	TOTAL OTHER PURCHASES	15,839	0		196	333	16,368	0		250	-3,073	13,545
9999	GRAND TOTAL	24,375	0		460	14,773	39,608	0		416	-3,358	36,666