

DEPARTMENT OF THE ARMY

FISCAL YEAR (FY) 2018 BUDGET ESTIMATES



MAY 2017

Volume I

Operation and Maintenance, Army
JUSTIFICATION OF ESTIMATES

The estimated cost of the report for the Department of Defense (DoD) is approximately \$1,074,500. This includes \$147,000 in expenses and \$927,500 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 2016 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate*</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2018 Estimate</u>
Operation and Maintenance, Army	50,148.6	268.2	-14,726.8	35,690.0	658.9	2,596.5	38,945.4
CR Adjustment	<u>0.0</u>	<u>0.0</u>	<u>-2,459.0</u>	<u>-2,459.0</u>	<u>0.0</u>	<u>2,459.0</u>	<u>0.0</u>
Total	50,148.6	268.2	-17,185.8	33,231.0	658.9	5,055.5	38,945.4

*A full-year appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-424). FY 2017 column includes amounts requested in the President's Budget and the Request for Additional Appropriations.

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, 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 2018 Total Army end strength of 1,018,000 Soldiers across the three components; specifically, OMA funds all support for 476,000 active component Soldiers and funds select activities for the U.S. Army Reserve and the Army National Guard. Additionally, the appropriation funds a civilian end-strength of 98,184 employed in Service wide support functions.

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Overall Assessment:

This submission provides near-term readiness activities for the Army to prevent conflict, shape security environments, and win wars as part of joint and coalition teams. Consistent with the Army Campaign Plan, this budget submission represents the Army's three priorities of Readiness, the Future Army, and Care of Troops (taking care of its Soldiers, Families, and civilians). The Army remains at high military risk of not meeting the demands of current operations while also responding to two near-simultaneous contingencies. To increase Armor capacity, the Army is adjusting the mix of Brigade Combat Teams (BCTs) while reducing the number of Infantry BCTs and balancing Stryker BCTs within the active and reserve components. The Army is also adjusting force structure in response to operational demand by building Security Force Assistance (SFA) units in both the active component and the Army National Guard to focus on the SFA mission and preserve BCT Readiness. This budget submission provides resources to sustain readiness gains anticipated in FY 2017 and sustains the increase in Army's programmed end strength. Army is supporting Combatant Commanders around the world today in deterring aggression and assuring our allies. The major resource areas for this budget submission are:

Training the Force

Operational Training: The training objective in FY 2018 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 FY 2018 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 core warfighting 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 2018 base budget funds 1,188 Operating Tempo Full Spectrum Training Miles and 10.6 flying hours per crew, per month for an expected overall training proficiency of BCT(-).

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 2018 budget request invests in leader development as a priority to ensure availability of leader capacity to meet these demands. FY 2018 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 10 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

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contingency response, operations support, theater security cooperation, and bilateral or multilateral military exercises. The FY2018 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.

Air and Missile Defense (AMD): With more than 50 percent of the Army AMD force currently forward deployed, AMD currently supports four Geographical Combatant Commanders (U.S. Northern Command, U.S. Pacific Command, U.S. European Command, and U.S. Central Command) in 11 different countries and territories (Qatar, United Arab Emirates, Bahrain, Kuwait, Iraq, Afghanistan, Japan, Germany, Guam, Jordan, and Korea). Modernizing Army AMD capabilities and increasing AMD capacity is critical to deterring potential adversaries and defeating critical threats.

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 2018 focusing on the expanding an additional four activity sets within the U.S. Army Pacific area of responsibility.

Installation/Enterprise Support

Installations and Environment: The Army's FY 2018 strategy for base operating services prioritizes funding for Life, Health and Safety programs and services ensuring 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 76 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. Additionally, the Army is investing in restoration and modernization of facilities to reduce risk.

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 2018 enlisted recruiting mission is 66,000 Soldiers.

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The Operation and Maintenance, Army budget increased by \$659 million in FY 2018 based on pricing adjustments (e.g. inflation, fuel, foreign currency adjustments) and \$2,596 million supporting programmatic increases. A significant contributor to this overall increase is the restoration of the funding (\$1,348 million) that was requested in OCO to comply with the Bipartisan Budget Act of 2015. The other major increase is to address Restoration and Modernization shortfalls by growing this program by \$437 million. The 2018 request also continues the implementation of Headquarters and civilian workforce reductions, which result in an overall decrease of 242 civilian full time equivalents; although, these reductions are partially offset by specified increases for reimbursable to direct manpower conversions to comply with the Data Accountability and Transparency Act.

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 2016 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2018 Estimate</u>
Operating Forces (BA-01)	33,285.9	97.9	-12,137.5	21,246.3	390.0	2,116.1	23,752.4

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 responsibilities for the three assigned Geographic Combatant Commands' core and direct missions.

After accounting for pricing of \$390 million there was an overall increase to programs of \$2,116 million due to the restoral of funding that was requested in the FY 2017 Overseas Contingency Operations President's Budget to comply with the Bipartisan Budget Act of 2015. In FY 2018, 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.

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.

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 2018 budget request focuses resources to rebuild the Army's combined arms maneuver and wide area security capabilities validated through Combat Training Center exercises, by shifting the focus of training from security assistance to rebuilding core warfighting competencies, with greater emphasis on

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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 2018 base budget funds OPTEMPO at 1,188 Full Spectrum Training Miles for non-deployed units. The budget provides resources to train and sustain the active component combat forces at BCT (-) readiness levels consistent with mission requirements and supports the active component ground OPTEMPO metrics, encompassing actual miles driven for home station training and Combat Training Center rotations, and virtual miles driven by using simulators such as the Close Combat Tactical Trainer and the Unit Conduct of Fire Trainer. The FY 2018 base budget funds the Flying Hour Program at 10.6 hours per crew per month 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.

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<u>Budget Activity</u>	<u>FY 2016 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2018 Estimate</u>
Mobilization (BA-02)	717.8	-23.8	40.6	734.6	46.3	-4.4	776.5

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 \$46 million, there was a \$4 million decrease to programs. The decrease is driven primarily by the reduction of one maintenance cycle for equipment stored in the APS-3 (Afloat). Offsetting this decrease is the Army's comprehensive restructuring of the worldwide equipment set footprint and expansion of an additional four activity sets within the U.S. Army Pacific area of responsibility. This budget also funds the redesign and conversion of a Corps Combat Support Hospital and a Field Hospital along with medical supplies, surgical and laboratory equipment.

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<u>Budget Activity</u>	<u>FY 2016 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2018 Estimate</u>
Training and Recruiting (BA-03)	4,651.7	53.0	102.8	4,807.5	95.3	206.0	5,108.8

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 \$95 million there was an increase to programs of \$206 million. The programs contributing to the growth are Army Flying hours, Recruiting, the civilian training, operations at Army Training Centers, training support to units, Continuing Education, Senior Reserve Officer Training Corps Scholarships, and foreign language program. 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 2018 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 FY 2018 Active Army enlisted recruiting mission is 66,000 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 2016 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2018 Estimate</u>
Administration and Servicewide Activities (BA-04)	11,493.2	141.2	-2,732.8	8,901.6	127.3	278.8	9,307.7

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 Brigade Combat Team reorganization as well as funding for the European Activity Set 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 \$127 million, the program increases \$279 million. The most significant cause of growth is increase in ammunition management, counterintelligence, commercial satellite communications, enterprise satellite communications, acquisition support, field operating and service support, enterprise services, infrastructure services, information technology and network modernization, intelligence support to operations, internal audit and oversight, second destination transportation, specialized information technology, and sustainment systems technical support.

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				<u>(Dollars in Thousands)</u>		
				<u>FY 2016</u>	<u>FY 2017*</u>	<u>FY 2018</u>
<u>Budget Activity 01: Operating Forces</u>						
<u>Land Forces</u>				<u>7,123,630</u>	<u>5,058,510</u>	<u>5,623,828</u>
2020A	111	Maneuver Units		1,701,632	1,320,147	1,455,366
2020A	112	Modular Support Brigades		64,849	69,849	105,147
2020A	113	Echelons Above Brigade		481,901	442,935	604,117
2020A	114	Theater Level Assets		2,057,264	912,855	793,217
2020A	115	Land Forces Operations Support		1,378,061	934,127	1,169,478
2020A	116	Aviation Assets		1,439,923	1,378,597	1,496,503
<u>Land Forces Readiness</u>				<u>6,671,313</u>	<u>4,770,283</u>	<u>5,586,137</u>
2020A	121	Force Readiness Operations Support		4,968,989	3,267,343	3,675,901
2020A	122	Land Forces Systems Readiness		608,526	439,488	466,720
2020A	123	Land Forces Depot Maintenance		1,093,798	1,063,452	1,443,516
<u>Land Forces Readiness Support</u>				<u>19,490,915</u>	<u>11,417,531</u>	<u>11,925,302</u>
2020A	131	Base Operations Support		7,582,606	7,890,043	8,080,357
2020A	132	Sustainment, Restoration and Modernization		2,762,524	2,465,882	3,401,155
2020A	133	Management and Operational Headquarters		416,406	464,805	443,790
2020A	134	Combatant Commands Core Operations		163,193	155,658	0
2020A	135	Additional Activities		8,128,008	0	0
2020A	138	Combatant Commands Direct Mission Support		438,178	441,143	0
<u>Combatant Command Support</u>				<u>0</u>	<u>0</u>	<u>617,123</u>
2020A	141	U.S. Africa Command		0	0	225,382
2020A	142	U.S. European Command		0	0	141,352
2020A	143	U.S. Southern Command		0	0	190,811
2020A	144	U.S. Forces Korea		0	0	59,578

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TOTAL, BA 01: Operating Forces	33,285,858	21,246,324	23,752,390
 <u>Budget Activity 02: Mobilization</u>			
<u>Strategic Mobilization and War Reserves</u>	<u>717,838</u>	<u>734,578</u>	<u>776,525</u>
2020A 211 Strategic Mobility	382,090	336,329	346,667
2020A 212 Army Prepositioned Stocks	329,231	390,848	422,108
2020A 213 Industrial Preparedness	6,517	7,401	7,750
TOTAL, BA 02: Mobilization	717,838	734,578	776,525
 <u>Budget Activity 03: Training and Recruiting</u>			
<u>Accession Training</u>	<u>706,739</u>	<u>707,954</u>	<u>759,552</u>
2020A 311 Officer Acquisition	149,120	131,942	137,556
2020A 312 Recruit Training	47,409	47,846	58,872
2020A 313 One Station Unit Training	41,716	45,419	58,035
2020A 314 Senior Reserve Officer Training Corps	468,494	482,747	505,089
<u>Basic Skill and Advanced Training</u>	<u>2,737,999</u>	<u>2,768,087</u>	<u>2,978,508</u>
2020A 321 Specialized Skill Training	1,045,805	1,036,194	1,015,541
2020A 322 Flight Training	919,236	902,845	1,124,115
2020A 323 Professional Development Education	203,364	216,583	220,688
2020A 324 Training Support	569,594	612,465	618,164
<u>Recruiting and Other Training and Education</u>	<u>1,206,929</u>	<u>1,331,420</u>	<u>1,370,762</u>
2020A 331 Recruiting and Advertising	506,924	600,599	613,586
2020A 332 Examining	166,698	187,263	171,223
2020A 333 Off-Duty and Voluntary Education	202,882	189,556	214,738

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2020A 334 Civilian Education and Training	155,410	182,835	195,099
2020A 335 Junior Reserve Officer Training Corps	175,015	171,167	176,116
TOTAL, BA 03: Training and Recruiting	4,651,667	4,807,461	5,108,822
<u>Budget Activity 04: Administration and Servicewide Activities</u>			
<u>Security Programs</u>	<u>2,387,691</u>	<u>1,186,369</u>	<u>1,242,222</u>
2020A 411 Security Programs	2,387,691	1,186,369	1,242,222
<u>Logistics Operations</u>	<u>3,084,534</u>	<u>2,270,336</u>	<u>2,612,103</u>
2020A 421 Servicewide Transportation	1,314,852	230,739	555,502
2020A 422 Central Supply Activities	792,136	851,830	894,208
2020A 423 Logistic Support Activities	654,484	778,757	715,462
2020A 424 Ammunition Management	323,062	409,010	446,931
<u>Servicewide Support</u>	<u>5,136,692</u>	<u>4,991,652</u>	<u>4,990,805</u>
2020A 431 Administration	428,377	451,556	493,616
2020A 432 Servicewide Communications	1,903,907	2,089,123	2,084,922
2020A 433 Manpower Management	282,117	276,403	259,588
2020A 434 Other Personnel Support	445,960	369,443	326,387
2020A 435 Other Service Support	1,116,935	1,096,074	1,087,602
2020A 436 Army Claims	185,161	207,800	210,514
2020A 437 Other Construction Support and Real Estate Management	523,275	240,641	243,584
2020A 438 Financial Improvement and Audit Readiness (FIAR)	250,960	260,612	284,592
<u>Support of Other Nations</u>	<u>411,055</u>	<u>453,253</u>	<u>462,550</u>
2020A 441 International Military Headquarters	375,741	416,587	415,694
2020A 442 Miscellaneous Support of Other Nations	35,314	36,666	46,856

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(Dollars in Thousands)			
<u>Year of Execution SAGs</u>	<u>FY 2016</u>	<u>FY 2017*</u>	<u>FY 2018</u>
	<u>473,230</u>	<u>0</u>	<u>0</u>
2020A 451 Closed Account Adjustments	44,571	0	0
2020A 461 Judgment Fund	913	0	0
2020A 471 Foreign Currency Fluctuation	-57,175	0	0
2020A 493 Defense Environmental Restoration Account (DERA)	484,921	0	0
TOTAL, BA 04: Administration and Servicewide Activities	11,493,202	8,901,610	9,307,680
CR Adjustment	0	-2,458,959	0
Total Operation and Maintenance, Army	50,148,565	33,231,014	38,945,417

* A full-year appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-424). FY 2017 column includes amounts requested in the President's Budget and the Request for Additional Appropriations.

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	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	8,888,038	0	1.55%	138,167	239,904	9,266,109	0	1.84%	170,488	-286,799	9,149,798
0103 WAGE BOARD	435,325	0	1.31%	5,704	-37,898	403,131	0	1.90%	7,662	-16,395	394,398
0104 FOREIGN NATIONAL DIRECT HIRE (FNDH)	120,124	751	1.49%	1,795	10,343	133,013	893	1.61%	2,160	-15,974	120,092
0105 SEPARATION LIABILITY (FNDH)	772	0	0.00%	0	-772	0	0	0.00%	0	0	0
0106 BENEFITS TO FORMER EMPLOYEES	19,147	0	0.00%	0	-19,147	0	0	0.00%	0	0	0
0110 UNEMPLOYMENT COMPENSATION	19,271	0	0.00%	0	9,222	28,493	0	0.00%	0	-5,096	23,397
0111 DISABILITY COMPENSATION	83,369	0	0.00%	0	28,698	112,067	0	0.00%	0	-3,792	108,275
0199 TOTAL CIVILIAN PERSONNEL COMPENSATION	9,566,046	751		145,666	230,350	9,942,813	893		180,310	-328,056	9,795,960
<u>TRAVEL</u>											
0308 TRAVEL OF PERSONS	1,375,929	0	1.80%	24,763	-519,069	881,623	0	2.00%	17,635	15,974	915,232
0399 TOTAL TRAVEL	1,375,929	0		24,763	-519,069	881,623	0		17,635	15,974	915,232
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>											
0401 DLA ENERGY (FUEL PRODUCTS)	579,883	0	-8.20%	-47,549	-214,747	317,587	0	-0.40%	-1,270	34,201	350,518
0402 SERVICE FUND FUEL	12,626	0	-8.20%	-1,035	3,642	15,233	0	-0.39%	-59	2,501	17,675
0411 ARMY SUPPLY	4,131,469	0	-4.63%	-191,285	-1,736,494	2,203,690	0	2.84%	62,583	288,782	2,555,055
0412 NAVY MANAGED SUPPLIES AND MATERIALS	5,761	0	4.91%	283	-5,469	575	0	0.70%	4	838	1,417
0414 AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	956	0	0.84%	8	177	1,141	0	-8.24%	-94	489	1,536
0416 GSA MANAGED SUPPLIES AND MATERIALS	149,960	0	1.80%	2,700	469	153,129	0	2.00%	3,060	14,438	170,627
0417 LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	11,272	0	1.80%	203	3,230	14,705	0	1.99%	293	1,946	16,944
0418 AIR FORCE RETAIL SUPPLY (GENERAL SUPPORT DIVISION)	75	0	4.00%	3	2,427	2,505	0	5.99%	150	-2,655	0
0421 DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	14,101	0	1.41%	199	86,357	100,657	0	0.13%	130	261	101,048
0422 DLA MATERIEL SUPPLY CHAIN (MEDICAL)	8,443	0	-0.37%	-31	64,964	73,376	0	-0.01%	-7	-8,769	64,600
0423 DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	184	0	0.00%	0	7,904	8,088	0	-1.76%	-142	-838	7,108

Exhibit OP-32 Summary of Price and Program Change

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	<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>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 2018</u> <u>Program</u>
0424 DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	342,834	0	-6.00%	-20,570	147,671	469,935	0	-0.59%	-2,772	40,524	507,687
0499 TOTAL SUPPLIES AND MATERIALS PURCHASES	5,257,564	0		-257,074	-1,639,869	3,360,621	0		61,876	371,718	3,794,215
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>											
0502 ARMY FUND EQUIPMENT	943,994	1,589	-0.26%	-2,456	-850,379	92,748	0	2.84%	2,635	19,789	115,172
0503 NAVY FUND EQUIPMENT	1,270	0	3.78%	48	1,076	2,394	0	3.84%	92	-2,119	367
0505 AIR FORCE FUND EQUIPMENT	10,360	0	0.00%	0	-8,909	1,451	0	0.00%	0	-1,451	0
0506 DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	30,715	0	-0.10%	-30	3,459	34,144	0	-1.77%	-605	866	34,405
0507 GSA MANAGED EQUIPMENT	254,972	0	1.80%	4,589	-34,654	224,907	0	2.00%	4,498	18,061	247,466
0508 DLA MATERIEL SUPPLY CHAIN (INDUSTRIAL HARDWARE)	0	0	0.00%	0	20	20	0	5.00%	1	-21	0
0599 TOTAL STOCK FUND EQUIPMENT PURCHASES	1,241,311	1,589		2,151	-889,387	355,664	0		6,621	35,125	397,410
<u>OTHER FUND PURCHASES</u>											
0601 ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	1,475,327	0	-0.11%	-1,622	-536,200	937,505	0	0.00%	0	-235	937,270
0603 DLA DISTRIBUTION	21,109	0	15.16%	3,200	463	24,772	0	4.15%	1,028	7,152	32,952
0610 NAVAL AIR WARFARE CENTER	3,375	0	3.17%	107	-3,482	0	0	0.00%	0	0	0
0611 NAVAL SURFACE WARFARE CENTER	9,341	0	3.22%	301	-2,242	7,400	0	1.43%	106	0	7,506
0633 DLA DOCUMENT SERVICES	8,442	0	1.47%	124	15,335	23,901	0	-1.30%	-310	-179	23,412
0647 DISA ENTERPRISE COMPUTING CENTERS	82,534	0	-10.00%	-8,253	56,575	130,856	0	0.00%	0	6,336	137,192
0671 DISA DISN SUBSCRIPTION SERVICES (DSS)	558,908	0	-7.00%	-39,122	-152,131	367,655	0	1.90%	6,986	-59,140	315,501
0672 PRMRF PURCHASES	110,175	0	2.93%	3,228	-7,037	106,366	0	-0.51%	-542	-2,110	103,714
0675 DLA DISPOSITION SERVICES	14,099	0	0.00%	0	15,000	29,099	0	0.00%	0	0	29,099
0679 COST REIMBURSABLE PURCHASES	101,081	0	1.90%	1,919	24,328	127,328	0	1.90%	2,418	-5,942	123,804
0680 PURCHASES FROM BUILDING MAINTENANCE FUND	1	0	0.00%	0	-1	0	0	0.00%	0	0	0
0691 DFAS FINANCIAL OPERATIONS (ARMY)	492,618	0	-0.42%	-2,069	15,353	505,902	0	-3.42%	-17,302	-13,482	475,118
0697 REFUNDS	250	0	0.00%	0	-250	0	0	0.00%	0	0	0
0699 TOTAL INDUSTRIAL FUND PURCHASES	2,877,260	0		-42,187	-574,289	2,260,784	0		-7,616	-67,600	2,185,568

Exhibit OP-32 Summary of Price and Program Change

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	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>											
0702 AMC SAAM (FUND)	0	0	0.00%	0	353	353	0	0.00%	0	496	849
0703 JCS EXERCISES	541,540	0	-9.00%	-48,738	-481,440	11,362	0	1.30%	148	-9,373	2,137
0705 AMC CHANNEL CARGO	242,846	0	1.80%	4,371	-209,063	38,154	0	2.00%	763	3,110	42,027
0708 MSC CHARTERED CARGO	0	0	0.00%	0	17,212	17,212	0	-26.80%	-4,613	8,264	20,863
0709 MSC SURGE SEALIFT (REDUCED OPERATING STATUS)	1,605	0	21.87%	351	-1,956	0	0	0.00%	0	0	0
0717 SDDC GLOBAL POV	1,408	0	-16.05%	-226	2,186	3,368	0	2.11%	71	396	3,835
0718 SDDC LINER OCEAN TRANSPORTATION	863,432	0	-1.80%	-15,540	-822,808	25,084	0	-2.79%	-701	209,768	234,151
0719 SDDC CARGO OPERATION (PORT HANDLING)	529,566	0	0.80%	4,236	-417,002	116,800	0	1.30%	1,517	25,633	143,950
0722 MSC AFLOAT PREPOSITIONING ARMY	199,479	0	-14.50%	-28,924	-14,064	156,491	0	22.60%	35,367	0	191,858
0771 COMMERCIAL TRANSPORTATION	1,779,511	0	1.80%	32,030	-1,133,405	678,136	0	2.00%	13,563	289,110	980,809
0799 TOTAL TRANSPORTATION	4,159,387	0		-52,440	-3,059,987	1,046,960	0		46,115	527,404	1,620,479
<u>OTHER PURCHASES</u>											
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	423,568	2,136	1.25%	5,329	-73,566	357,467	-4,270	2.32%	8,209	66,605	428,011
0902 SEPARATION LIABILITY (FNIH)	4,891	34	0.95%	47	-1,494	3,478	58	2.52%	89	859	4,484
0912 RENTAL PAYMENTS TO GSA (SLUC)	71,207	0	1.80%	1,282	100,724	173,213	0	2.00%	3,463	-4,371	172,305
0913 PURCHASED UTILITIES (NON-FUND)	653,616	0	1.80%	11,763	213,357	878,736	0	2.00%	17,573	21,353	917,662
0914 PURCHASED COMMUNICATIONS (NON-FUND)	350,234	0	1.80%	6,306	-201,539	155,001	0	2.00%	3,101	100,535	258,637
0915 RENTS (NON-GSA)	376,159	0	1.80%	6,771	-52,004	330,926	0	2.00%	6,619	19,491	357,036
0917 POSTAL SERVICES (U.S.P.S)	18,039	0	1.79%	323	-7,206	11,156	0	1.99%	222	743	12,121
0920 SUPPLIES AND MATERIALS (NON-FUND)	794,074	0	1.80%	14,296	50,296	858,666	0	2.00%	17,172	48,000	923,838
0921 PRINTING AND REPRODUCTION	116,686	0	1.80%	2,101	162,428	281,215	0	2.00%	5,622	-16,628	270,209
0922 EQUIPMENT MAINTENANCE BY CONTRACT	4,011,898	0	1.80%	72,209	-1,597,131	2,486,976	0	2.00%	49,741	346,785	2,883,502
0923 OPERATION AND MAINTENANCE OF FACILITIES	4,801,260	0	1.80%	86,423	-1,381,165	3,506,518	0	2.00%	70,131	173,875	3,750,524
0924 PHARMACEUTICAL DRUGS	36,912	0	3.80%	1,403	-38,315	0	0	0.00%	0	52,682	52,682

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	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</u>
	<u>Program</u>	<u>Diff</u>	<u>Growth</u>	<u>Growth</u>	<u>Growth</u>	<u>Program*</u>	<u>Diff</u>	<u>Percent</u>	<u>Growth</u>	<u>Growth</u>	<u>Program</u>
0925 EQUIPMENT PURCHASES (NON-FUND)	519,198	0	1.80%	9,349	121,795	650,342	0	2.00%	13,008	55,183	718,533
0927 AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	87,078	0	1.80%	1,567	-87,790	855	0	1.99%	17	0	872
0928 SHIP MAINTENANCE BY CONTRACT	43,719	0	1.80%	787	-1,492	43,014	0	2.00%	860	37,010	80,884
0929 AIRCRAFT REWORKS BY CONTRACT	110,627	0	1.80%	1,991	-81,345	31,273	0	2.00%	625	693	32,591
0930 OTHER DEPOT MAINTENANCE (NON-FUND)	70,715	0	1.80%	1,274	-71,989	0	0	0.00%	0	7,740	7,740
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	2,780,836	0	1.80%	50,057	-2,219,003	611,890	0	2.00%	12,238	-7,641	616,487
0933 STUDIES, ANALYSIS, AND EVALUATIONS	599,751	0	1.80%	10,793	-573,507	37,037	0	2.00%	741	13,500	51,278
0934 ENGINEERING AND TECHNICAL SERVICES	550,926	0	1.80%	9,915	-475,284	85,557	0	2.00%	1,711	-3,348	83,920
0935 TRAINING AND LEADERSHIP DEVELOPMENT	428,052	0	0.00%	0	-428,052	0	0	0.00%	0	117,071	117,071
0936 TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	0.00%	0	314,274	314,274
0937 LOCALLY PURCHASED FUEL (NON-FUND)	108,387	0	-8.20%	-8,885	-73,716	25,786	0	-0.40%	-103	-219	25,464
0953 MILITARY - OTHER PERSONNEL BENEFITS	23	0	0.00%	0	-23	0	0	0.00%	0	0	0
0955 MEDICAL CARE	1,151	0	3.82%	44	-731	464	0	3.88%	18	2	484
0957 LAND AND STRUCTURES	741,762	0	1.80%	13,352	-427,118	327,996	0	2.00%	6,559	699,949	1,034,504
0959 INSURANCE CLAIMS AND INDEMNITIES	26,249	0	1.80%	472	-12,872	13,849	0	2.00%	277	7,107	21,233
0960 INTEREST AND DIVIDENDS	2,407	0	1.74%	42	-2,315	134	0	2.24%	3	0	137
0964 SUBSISTENCE AND SUPPORT OF PERSONS	146,865	0	1.80%	2,645	-71,169	78,341	0	2.00%	1,566	-1,959	77,948
0985 RESEARCH AND DEVELOPMENT CONTRACTS	8,934	0	0.00%	0	-5,714	3,220	0	0.00%	0	-549	2,671
0987 OTHER INTRA-GOVERNMENT PURCHASES	1,509,693	0	1.80%	27,175	1,069,388	2,606,256	0	2.00%	52,125	150,840	2,809,221
0988 GRANTS, SUBSIDIES AND CONTRIBUTIONS	326,367	0	1.80%	5,874	33,341	365,582	0	2.00%	7,312	-9,596	363,298
0989 OTHER SERVICES	3,603,421	0	1.80%	64,860	-2,150,221	1,518,060	0	2.00%	30,361	-233,163	1,315,258
0990 IT CONTRACT SUPPORT SERVICES	2,145,602	0	1.80%	38,619	-116,504	2,067,717	0	2.00%	41,357	71,722	2,180,796
0991 FOREIGN CURRENCY VARIANCE	-57,175	0	0.00%	0	57,175	0	0	0.00%	0	0	0
0993 OTHER SERVICES - SCHOLARSHIPS	257,936	0	1.80%	4,643	68,204	330,783	0	2.00%	6,616	13,479	350,878
0999 TOTAL OTHER PURCHASES	25,671,068	2,170		442,827	-8,274,557	17,841,508	-4,212		357,233	2,042,024	20,236,553
CR ADJUSTMENT	0	0		0	-2,458,959	-2,458,959	0		0	2,458,959	0

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	<u>Program</u>	<u>Diff</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	50,148,565	4,510		263,706	-17,185,767	33,231,014	-3,319	662,174	5,055,548	38,945,417

*A full-year appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-424). FY 2017 column includes amounts requested in the President's Budget and the Request for Additional Appropriations.

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(\$ in Thousands)

	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
FY 2017 President's Budget Request	21,246,324	734,578	4,807,461	8,901,610	35,689,973
1. Congressional Adjustments					
a) Distributed Adjustments	0	0	0	0	0
b) Undistributed Adjustments	0	0	0	0	0
c) Adjustments to Meet Congressional Intent	0	0	0	0	0
d) General Provisions	0	0	0	0	0
FY 2017 Estimated Amount	21,246,324	734,578	4,807,461	8,901,610	35,689,973
2. War-Related and Disaster Supplemental Appropriations					
a) Overseas Contingency Operations Supplemental Appropriation, 2017	0	0	0	0	0
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
b) Program Decreases	0	0	0	0	0
FY 2017 Estimated and Supplemental Funding	21,246,324	734,578	4,807,461	8,901,610	35,689,973

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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>
4. Anticipated Reprogramming (Requiring 1415 Actions)					
a) Increases	0	0	0	0	0
b) Decreases	0	0	0	0	0
Revised FY 2017 Estimate	21,246,324	734,578	4,807,461	8,901,610	35,689,973
5. Less: Emergency Supplemental Funding					
a) Less: War Related and Disaster Supplemental Appropriation					
b) Less: X-Year Carryover					
Normalized FY 2017 Current Estimate	21,246,324	734,578	4,807,461	8,901,610	35,689,973
(CR Adjustment)	0	0	0	0	-2,458,959
(FY 2017 CR)	21,246,324	734,578	4,807,461	8,901,610	33,231,014
6. Price Change	389,990	46,290	95,323	127,252	658,855
7. Transfers					
a) Transfers In					
(1) Administration (SAG: 431)	0	0	0	6,422	6,422
(2) Anti-Terrorism (SAG: 133)	563	0	0	0	563
(3) Army Civilian Personnel Operations (SAG: 133)	615	0	0	0	615
(4) Army Counterintelligence (SAG: 121)	103	0	0	0	103
(5) Army Installation Support (SAG: 133)	143	0	0	0	143
(6) Army Museums and Heritage Activities (SAG: 435)	0	0	0	480	480
(7) Army Security Programs (SAG: 121)	340	0	0	0	340
(8) Automation Support for Planning, Programming, Budgeting, and Execution Development System (SAG: 438)	0	0	0	1,018	1,018
(9) Combatant Command Realignment - U.S. Africa Command (AFRICOM) (SAG: 141)	228,852	0	0	0	228,852

Exhibit PB-31D

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(\$ in Thousands)

	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(10) Combatant Command Realignment - U.S. European Command (EUCOM) (SAG: 142)	133,149	0	0	0	133,149
(11) Combatant Command Realignment - U.S. Forces Korea (USFK) (SAG: 144)	49,216	0	0	0	49,216
(12) Combatant Command Realignment - U.S. Southern Command (SOUTHCOM) (SAG: 143)	190,819	0	0	0	190,819
(13) Community Services (SAG: 131)	92	0	0	0	92
(14) Counterintelligence Support - Intelligence Support to Operations (SAG: 411)	0	0	0	230	230
(15) Emergency Deployment Readiness Exercise (EDRE) (SAG: 113)	35,800	0	0	0	35,800
(16) End Item Procurement Operations (SAG: 422)	0	0	0	129	129
(17) Facilities Operations - Homeless Shelter (SAG: 131)	981	0	0	0	981
(18) Facilities Operations - Joint Base Lewis-McChord (SAG: 131)	3,368	0	0	0	3,368
(19) Field Operating Activities and Service Support Activities (SAG: 435)	0	0	0	1,449	1,449
(20) Global Network Operations Security Centers (SAG: 432)	0	0	0	184,627	184,627
(21) Joint/Defense Activities (SAG: 133)	2,442	0	0	0	2,442
(22) Light Utility Helicopter (LUH) Lakota Maintenance (SAG: 322)	0	0	99,967	0	99,967
(23) Logistics Operations (SAG: 131)	1,935	0	0	0	1,935
(24) Major Headquarters Activity (MHA) Compliance (SAG: 141)	440	0	0	0	440
(25) Miscellaneous Support of Other Nations (SAG: 442)	0	0	0	3,162	3,162
(26) Non-Divisional Modified Table of Organization and Equipment Units (SAG: 121)	521	0	0	0	521
(27) Operational Mission Services (SAG: 131)	107	0	0	0	107
(28) Other than Army - Base Operations (SAG: 114)	14,821	0	0	0	14,821
(29) Pentagon Reservation Facility (SAG: 437)	0	0	0	2,954	2,954
(30) Personnel Security Investigations (SAG: 435)	0	0	0	3,021	3,021
(31) Recruiting (SAG: 331)	0	0	24,081	0	24,081
(32) Terminal High Altitude Area Defense (THAAD) (SAG: 113)	19,282	0	0	0	19,282
(33) U.S. Military Academy (USMA) (SAG: 311)	0	0	3,928	0	3,928
(34) Wounded Warrior Program (SAG: 121)	152,612	0	0	0	152,612
Total Transfers In	836,201	0	127,976	203,492	1,167,669
b) Transfers Out					
(1) Administration (SAGs: 131, 432, 434, 435)	-5,347	0	0	-1,075	-6,422
(2) Anti-Terrorism (SAG: 131)	-563	0	0	0	-563
(3) Army Civilian Personnel Operations (SAG: 131)	-615	0	0	0	-615

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(4) Army Counterintelligence (SAG: 411)	0	0	0	-103	-103
(5) Army Installation Support (SAG: 131)	-143	0	0	0	-143
(6) Army Security Programs (SAG: 431)	0	0	0	-340	-340
(7) Automation Support for Planning, Programming, Budgeting, and Execution Development System (SAG: 435)	0	0	0	-1,018	-1,018
(8) Center for Army Analysis (CAA) (SAG: 431)	0	0	0	-1,449	-1,449
(9) Child Care Support - Washington Headquarters Services (SAG: 131)	-2,400	0	0	0	-2,400
(10) Combatant Command Realignment - U.S. Africa Command (AFRICOM) (SAGs: 134, 138)	-228,852	0	0	0	-228,852
(11) Combatant Command Realignment - U.S. European Command (EUCOM) (SAGs: 134, 138)	-133,149	0	0	0	-133,149
(12) Combatant Command Realignment - U.S. Forces Korea (USFK) (SAGs: 134, 138)	-49,217	0	0	0	-49,217
(13) Combatant Command Realignment - U.S. Southern Command (SOUTHCOM) (SAGs: 134, 138)	-190,819	0	0	0	-190,819
(14) Counterintelligence Support - Intelligence Support to Operations (SAG: 431)	0	0	0	-230	-230
(15) Emergency Deployment Readiness Exercise (EDRE) (SAGs: 121, 211)	-19,000	-16,800	0	0	-35,800
(16) End Item Procurement Operations (SAG: 131)	-129	0	0	0	-129
(17) Global Network Operations Security Centers (SAG: 121)	-184,627	0	0	0	-184,627
(18) Information Technology and Network Modernization (SAG: 432)	0	0	0	-155,728	-155,728
(19) Joint/Defense Activities (SAG: 131)	-2,442	0	0	0	-2,442
(20) Light Utility Helicopter (LUH) Lakota Maintenance (SAG: 116)	-99,976	0	0	0	-99,976
(21) Logistics Operations (SAGs: 432, 435)	0	0	0	-1,935	-1,935
(22) Major Headquarters Activity (MHA) Compliance (SAGs: 133, 423, 431)	-1,822	0	0	-1,822	-3,644
(23) Miscellaneous Support of Other Nations (SAG: 138)	-3,162	0	0	0	-3,162
(24) Non-Divisional Modified Table of Organization and Equipment Units (SAG: 131)	-521	0	0	0	-521
(25) Operational Mission Services (SAG: 121)	-107	0	0	0	-107
(26) Other than Army - Base Operations (SAG: 131)	-14,821	0	0	0	-14,821
(27) Pentagon Reservation Facility (SAGs: 131, 437)	-2,954	0	0	-14,982	-17,936
(28) Personnel Security Investigations (SAG: 133)	-3,021	0	0	0	-3,021
(29) Recruiting (SAG: 332)	0	0	-24,081	0	-24,081
(30) Sexual Harassment/Assault Response and Prevention (SHARP) Activities (SAG: 434)	0	0	0	-87	-87

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(31) Specialized Training for Water Purification and Petroleum Management (SAG: 113)	-2,526	0	0	0	-2,526
(32) Terminal High Altitude Area Defense (THAAD) (SAG: 114)	-19,282	0	0	0	-19,282
(33) U.S. Army Reserve Pay Team (SAG: 433)	0	0	0	-697	-697
(34) U.S. Army Test Ranges Base Information Management Operations (SAG: 131)	-11,152	0	0	0	-11,152
(35) U.S. Military Academy (USMA) (SAG: 131)	-3,928	0	0	0	-3,928
Total Transfers Out	-980,575	-16,800	-24,081	-179,466	-1,200,922

8. Program Increases

a) Annualization of New FY 2017 Program

0 0 0 0 0

b) One-Time FY 2018 Costs

0 0 0 0 0

c) Program Growth in FY 2018

(1) Acquisition Corps Education (SAG: 334)	0	0	1,277	0	1,277
(2) Administration (SAG: 431)	0	0	0	43,160	43,160
(3) Ammunition Management - Single Manager Conventional Ammunition (SMCA) (SAG: 424)	0	0	0	24,597	24,597
(4) Army Acquisition Executive Support (SAG: 435)	0	0	0	21,525	21,525
(5) Army Acquisition Support (SAG: 432)	0	0	0	3,255	3,255
(6) Army Continuing Education System (SAG: 333)	0	0	10,806	0	10,806
(7) Army Counterintelligence (SAG: 411)	0	0	0	51,817	51,817
(8) Army Financial Management Optimization (AFMO) (SAG: 438)	0	0	0	5,444	5,444
(9) Army Financial Operations and Systems (SAG: 438)	0	0	0	8,144	8,144
(10) Army Global Command and Control System (SAG: 122)	2,910	0	0	0	2,910
(11) Army Installation Support (SAG: 133)	6,801	0	0	0	6,801
(12) Army Major Headquarters Activity (MHA) Rebaseline (SAGs: 131, 431, 435)	9,987	0	0	33,821	43,808
(13) Army Management Headquarters Activities Information Management (SAG: 133)	9,949	0	0	0	9,949
(14) Army Management Headquarters Activity (MHA) Rebaseline - Headquarters Operations (SAG: 142)	4,712	0	0	0	4,712
(15) Army Prepositioned Stocks - 1 (CONUS) (SAG: 212)	0	23,642	0	0	23,642
(16) Army Prepositioned Stocks - 2 (Europe) (SAG: 212)	0	4,086	0	0	4,086
(17) Army Prepositioned Stocks - 4 (Northeast Asia) (SAG: 211)	0	1,689	0	0	1,689
(18) Army Prepositioned Stocks - 4 (Northeast Asia) (SAG: 212)	0	21,918	0	0	21,918

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(19) Army Prepositioned Stocks - 5 (Southwest Asia) (SAG: 211)	0	3,363	0	0	3,363
(20) Army Prepositioned Stocks - 5 (Southwest Asia) (SAG: 212)	0	6,575	0	0	6,575
(21) Army Service Component Command Tactical Units (SAG: 133)	15,845	0	0	0	15,845
(22) Army Training Center Operations (SAGs: 312, 313)	0	0	19,321	0	19,321
(23) Army Training Center Operations - U.S. Army Maneuver Center of Excellence (MCOE) (SAG: 321)	0	0	10,167	0	10,167
(24) Army Tuition Assistance (SAG: 333)	0	0	13,992	0	13,992
(25) Automation - Information Technology (IT) Systems (SAG: 434)	0	0	0	3,536	3,536
(26) Automation Support for Planning, Programming, Budgeting, and Execution Development System (SAG: 438)	0	0	0	4,795	4,795
(27) Bipartisan Budget Act of 2015 Compliance (SAGs: Multiple)	1,149,087	0	2,825	195,755	1,347,667
(28) Chemical Weapons Stockpile and Material Storage (SAG: 424)	0	0	0	3,971	3,971
(29) Civilian Average Annual Compensation (SAGs: Multiple)	5,628	108	4,092	13,923	23,751
(30) Civilian Manpower Management (SAG: 433)	0	0	0	8,189	8,189
(31) Civilian Training (SAG: 334)	0	0	12,974	0	12,974
(32) Combat Development Tests, Experimentation and Instrumentation (SAG: 122)	2,869	0	0	0	2,869
(33) Command/Garrison Support (SAG: 131)	75,356	0	0	0	75,356
(34) Commercial Satellite Air Time (SAG: 121)	33,400	0	0	0	33,400
(35) Commercial Satellite Communications (SAG: 432)	0	0	0	27,208	27,208
(36) Contractor Logistics Support - Fixed Wing Aircraft Maintenance (SAG: 116)	22,225	0	0	0	22,225
(37) Contractor Logistics Support and Other Weapon Support (SAG: 122)	4,419	0	0	0	4,419
(38) Conventional Ammunition Non-Single Manager Conventional Ammunition (SAG: 424)	0	0	0	9,211	9,211
(39) Cybersecurity Activities (SAG: 432)	0	0	0	8,302	8,302
(40) Cyberspace and Information Operations (SAG: 121)	8,833	0	0	0	8,833
(41) Defense Language Program (SAGs: 321, 324)	0	0	9,236	0	9,236
(42) Depot Maintenance - Combat Vehicles (SAG: 123)	49,155	0	0	0	49,155
(43) Depot Maintenance - General Purpose (SAG: 123)	56,793	0	0	0	56,793
(44) Depot Maintenance - Missiles (SAG: 123)	4,995	0	0	0	4,995
(45) Depot Maintenance - Post Production Software Support (SAG: 123)	9,143	0	0	0	9,143
(46) End Item Procurement Operations (SAG: 422)	0	0	0	7,206	7,206
(47) Energy (SAG: 131)	7,143	0	0	0	7,143

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(48) Enterprise Satellite Communications and Space-based Activities (SAG: 432)	0	0	0	12,735	12,735
(49) Enterprise Services (SAG: 432)	0	0	0	18,418	18,418
(50) Facility Reduction Program (SAG: 132)	49,291	0	0	0	49,291
(51) Field Operating Activities and Service Support Activities (SAG: 435)	0	0	0	16,245	16,245
(52) Flying Hour Program (SAG: 322)	0	0	53,170	0	53,170
(53) General Fund Enterprise Business System (GFEBS) (SAG: 438)	0	0	0	5,307	5,307
(54) Graduate Pilot Training (SAGs: 322, 324)	0	0	5,257	0	5,257
(55) Ground-Based Midcourse Defense (SAG: 121)	16,836	0	0	0	16,836
(56) Headquarters and Administrative Activities (SAG: 435)	0	0	0	10,884	10,884
(57) Headquarters Information Technology and Communications (SAG: 431)	0	0	0	3,183	3,183
(58) Headquarters Operations (SAG: 142)	6,261	0	0	0	6,261
(59) Home Station Training - Aerial Intelligence Surveillance Reconnaissance (SAG: 116)	20,000	0	0	0	20,000
(60) Home Station Training - Emergency Deployment Readiness Exercise (EDRE) (SAG: 113)	13,727	0	0	0	13,727
(61) Home Station Training - Engineer Battalion Movement to Korea (SAG: 113)	6,947	0	0	0	6,947
(62) Home Station Training - Gray Eagle Training Support (SAG: 116)	9,000	0	0	0	9,000
(63) Home Station Training - Multiple Launch Rocket System (MLRS) (SAG: 112)	10,496	0	0	0	10,496
(64) Home Station Training - North Atlantic Treaty Organization (NATO) Fires (SAG: 112)	12,000	0	0	0	12,000
(65) Home Station Training - Short Range Air Defense (SHORAD) (SAG: 113)	2,944	0	0	0	2,944
(66) Home Station Training - Terminal High Altitude Area Defense (THAAD) Battery in Guam (SAG: 113)	7,998	0	0	0	7,998
(67) Home Station Training - Training Readiness (SAGs: 112, 113, 116)	63,073	0	0	0	63,073
(68) Housing Services (SAG: 131)	2,744	0	0	0	2,744
(69) Industrial Preparedness Operations (SAG: 213)	0	389	0	0	389
(70) Information Services (SAG: 432)	0	0	0	12,001	12,001
(71) Information Technology and Network Modernization (SAG: 432)	0	0	0	14,626	14,626
(72) Information Technology Services Management (ITSM) (SAG: 324)	0	0	1,476	0	1,476
(73) Information Technology Services Management (SAGs: 131, 141)	50,092	0	0	0	50,092
(74) Intelligence Support to Operations (SAGs: 121, 411)	11,576	0	0	18,510	30,086
(75) Internal Auditing and Oversight Agencies (SAG: 435)	0	0	0	14,085	14,085

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(76) International Military Headquarters - North Atlantic Treaty Organization (NATO) (SAG: 441)	0	0	0	2,433	2,433
(77) International Support, Other (SAG: 121)	25,521	0	0	0	25,521
(78) Joint and Department of Defense Support (SAG: 435)	0	0	0	6,857	6,857
(79) Joint Defense Activities (SAGs: 142, 143, 144)	23,038	0	0	0	23,038
(80) Judge Advocate General Organizations and Claims (SAG: 436)	0	0	0	8,001	8,001
(81) Junior Reserve Officer Training Corps (JROTC) (SAG: 335)	0	0	1,866	0	1,866
(82) Logistics Automation Systems Sustainment (SAG: 432)	0	0	0	3,664	3,664
(83) Logistics Operations (SAG: 131)	32,362	0	0	0	32,362
(84) Logistics Sustainment Programs (SAG: 423)	0	0	0	8,288	8,288
(85) Long Haul Communications (SAG: 122)	16,609	0	0	0	16,609
(86) Medical Potency and Dated Supply Readiness (SAG: 211)	0	11,332	0	0	11,332
(87) Military Manpower Management (SAG: 433)	0	0	0	2,971	2,971
(88) Military Training Specific Allotment (SAG: 121)	2,959	0	0	0	2,959
(89) Miscellaneous Support of Other Nations (SAG: 442)	0	0	0	6,387	6,387
(90) Network Enterprise Technology (SAG: 121)	30,836	0	0	0	30,836
(91) Non-Department of Defense Support (SAG: 435)	0	0	0	1,170	1,170
(92) Operation Trans Sahara (SAG: 141)	7,997	0	0	0	7,997
(93) Operational Mission Services (SAG: 131)	8,963	0	0	0	8,963
(94) Organization Clothing and Individual Equipment (SAG: 121)	47,893	0	0	0	47,893
(95) Pentagon Reservation Facility (SAG: 437)	0	0	0	9,918	9,918
(96) Personnel and Pay Systems (SAG: 432)	0	0	0	30,580	30,580
(97) Professional Education (SAGs: 321, 323)	0	0	8,536	0	8,536
(98) Public Transportation Benefit Program (SAG: 435)	0	0	0	5,547	5,547
(99) Ready Resiliency Program (SAG: 121)	5,483	0	0	0	5,483
(100) Reception Stations (SAG: 312)	0	0	1,274	0	1,274
(101) Recruiting (SAG: 331)	0	0	19,854	0	19,854
(102) Recruiting and Retention Training Support (SAG: 324)	0	0	818	0	818
(103) Reimbursable to Direct Manpower Conversion (SAGs: Multiple)	39,230	0	0	15,878	55,108
(104) Restoration and Modernization - Ammunition Storage Facilities (SAG: 132)	25,000	0	0	0	25,000
(105) Restoration and Modernization - Energy and Utilities Program (SAG: 132)	56,098	0	0	0	56,098

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(106) Restoration and Modernization - Facilities Investment Strategy (SAG: 132)	487,263	0	0	0	487,263
(107) Restoration and Modernization - Military Ocean Terminal Concord (MOTCO) (SAG: 132)	28,231	0	0	0	28,231
(108) Restoration and Modernization - U.S. Army Cyber Center of Excellence (SAG: 132)	51,000	0	0	0	51,000
(109) Restoration and Modernization - U.S. Army Garrison (USAG) Baumholder (SAG: 132)	43,577	0	0	0	43,577
(110) Restoration and Modernization - West Point Cadet Barracks Upgrade Program (SAG: 132)	46,498	0	0	0	46,498
(111) Retrograde War Reserves Stockpile Allies - Korea (WRSA-K) (SAG: 421)	0	0	0	3,157	3,157
(112) Second Destination Transportation - Force Modernization/Recapitalization (SAG: 421)	0	0	0	23,472	23,472
(113) Second Destination Transportation - Material Movement and Redistribution (SAG: 421)	0	0	0	107,897	107,897
(114) Second Destination Transportation - War Reserves (Non-Ammunition) (SAG: 421)	0	0	0	4,941	4,941
(115) Security Programs (SAG: 431)	0	0	0	681	681
(116) Security Services (SAG: 131)	145,253	0	0	0	145,253
(117) Senior Reserve Officer Training Corps Program (SAG: 314)	0	0	466	0	466
(118) Senior Reserve Officer Training Corps Scholarships Program (SAG: 314)	0	0	17,490	0	17,490
(119) Soldier Modernization (SAG: 121)	20,771	0	0	0	20,771
(120) Specialized Information Technology Support (SAG: 432)	0	0	0	53,976	53,976
(121) Support from Non-DoD Agencies (SAG: 436)	0	0	0	2,503	2,503
(122) Sustainment - Real Property Maintenance (SAG: 132)	100,688	0	0	0	100,688
(123) Sustainment System Technical Support (SAG: 422)	0	0	0	24,853	24,853
(124) Training Aids, Devices, Simulators and Simulations Systems - Contractor Logistics Support (SAG: 121)	13,872	0	0	0	13,872
(125) Training Information Infrastructure (SAGs: 121, 324)	11,736	0	3,256	0	14,992
(126) Training Support Systems - Management (SAG: 121)	14,655	0	0	0	14,655
(127) Training Support Systems - Soldier Training Support Program (SAG: 121)	9,802	0	0	0	9,802
(128) Training Support Systems - Sustainable Range Program (SAG: 121)	22,920	0	0	0	22,920
(129) Training Support to Units (SAGs: 321, 324)	0	0	32,340	0	32,340
(130) U.S. Africa Command Major Headquarters Activity (MHA) Rebaseline - Direct Mission Support (SAG: 141)	5,738	0	0	0	5,738

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(131) U.S. Africa Command Management Headquarters Activity (MHA) Rebaseline - Headquarters Operations (SAG: 141)	5,560	0	0	0	5,560
(132) U.S. Army Corps of Engineers (USACE) Headquarters Activities (SAG: 437)	0	0	0	1,270	1,270
(133) U.S. Army War College (SAG: 323)	0	0	1,506	0	1,506
(134) U.S. Forces Korea Major Headquarters Activity (MHA) Rebaseline - Direct Mission Support (SAG: 144)	2,296	0	0	0	2,296
(135) U.S. Military Academy (SAG: 311)	0	0	3,962	0	3,962
(136) U.S. Military Academy Preparatory School (USMAPS) (SAG: 311)	0	0	936	0	936
(137) U.S. Military Entrance Processing Command (USMEPCOM) - Applicant Processing System (SAG: 332)	0	0	1,048	0	1,048
(138) U.S. Military Entrance Processing Command (USMEPCOM) - Operations (SAG: 332)	0	0	10,681	0	10,681
(139) U.S. Southern Command Major Headquarters Activity (MHA) Rebaseline - Headquarters Operations (SAG: 143)	2,096	0	0	0	2,096
(140) Undergraduate Flight Training (SAG: 322)	0	0	49,460	0	49,460
Total Program Growth in FY 2018	3,096,180	73,102	298,086	924,297	4,391,665
9. Program Decreases					
a) One-Time FY 2017 Costs					
(1) 15th Armored Brigade Combat (ABCT) (SAG: 111)	-65,630	0	0	0	-65,630
(2) 9th Stryker Brigade Combat Team (SBCT) (SAG: 111)	-43,940	0	0	0	-43,940
(3) Joint Defense Activities (SAG: 142)	-5,000	0	0	0	-5,000
(4) U.S. Army Museum System (SAG: 434)	0	0	0	-3,529	-3,529
Total One-Time FY 2017 Costs	-114,570	0	0	-3,529	-118,099
b) Annualization of FY 2017 Program Decreases					
	0	0	0	0	0
c) Program Decreases in FY 2018					
(1) Acquisition Support Systems (SAG: 423)	0	0	0	-6,935	-6,935
(2) Advertising (SAG: 331)	0	0	-39,291	0	-39,291
(3) Army Civilian Intern Program (SAG: 334)	0	0	-3,082	0	-3,082
(4) Army Cyber and Network Operations (SAG: 121)	-104,062	0	0	0	-104,062
(5) Army Enterprise Architecture (SAG: 432)	0	0	0	-14,475	-14,475
(6) Army Major Headquarters Activity (MHA) Rebaseline (SAGs: 121, 133, 432, 433)	-14,477	0	0	-12,680	-27,157

Exhibit PB-31D

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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>
(7) Army Management Headquarters Activity (MHA) Rebaseline - Direct Mission Support (SAG: 142)	-4,712	0	0	0	-4,712
(8) Army Museums and Heritage Activities (SAG: 435)	0	0	0	-6,083	-6,083
(9) Army Prepositioned Stocks - 2 (Europe) (SAG: 212)	0	-11,775	0	0	-11,775
(10) Army Prepositioned Stocks - 3 (Afloat) (SAG: 211)	0	-27,782	0	0	-27,782
(11) Army Training Center Operations (SAGs: 321, 324)	0	0	-61,280	0	-61,280
(12) Automation - Information Technology (IT) Systems (SAG: 434)	0	0	0	-13,575	-13,575
(13) Average Civilian Salary (SAG: 144)	-368	0	0	0	-368
(14) Biometrics (SAG: 432)	0	0	0	-1,617	-1,617
(15) Civilian Average Annual Compensation (SAGs: Multiple)	-73,308	-935	-27,143	-141,917	-243,303
(16) Civilian Injury and Illness Compensation (SAG: 436)	0	0	0	-3,792	-3,792
(17) Civilian Unemployment Compensation (SAG: 436)	0	0	0	-5,096	-5,096
(18) Civilian Workforce Reduction (SAGs: Multiple)	-69,930	-646	-33,564	-79,494	-183,634
(19) Classified Adjustment (SAGs: 411, 437)	0	0	0	-4,740	-4,740
(20) Combat Development Activities (SAG: 122)	-3,860	0	0	0	-3,860
(21) Community Services (SAG: 131)	-15,742	0	0	0	-15,742
(22) Confinement Facilities (SAG: 434)	0	0	0	-2,103	-2,103
(23) Cyberspace and Information Operations (SAG: 141)	-4,058	0	0	0	-4,058
(24) Cyberspace Operations (SAG: 133)	-14,897	0	0	0	-14,897
(25) Defense Finance and Accounting Services (DFAS) (SAG: 435)	0	0	0	-13,482	-13,482
(26) Defense Travel System (DTS) (SAG: 435)	0	0	0	-1,620	-1,620
(27) Depot Maintenance - Civilian Average Annual Compensation (SAG: 123)	-3,149	0	0	0	-3,149
(28) Depot Maintenance - Communication Electronics (SAG: 123)	-49,336	0	0	0	-49,336
(29) End Item Supply Depot Operations (SAG: 422)	0	0	0	-5,018	-5,018
(30) Enterprise License Agreements (SAG: 432)	0	0	0	-159,611	-159,611
(31) Environmental Programs (SAG: 131)	-33,231	0	0	0	-33,231
(32) Facilities Operations (SAG: 131)	-140,372	0	0	0	-140,372
(33) Flying Hour Program (SAG: 321)	0	0	-2,357	0	-2,357
(34) General Fund Enterprise Business System (GFEBS) (SAG: 438)	0	0	0	-5,444	-5,444
(35) Headquarters Reduction (SAGs: Multiple)	-22,278	0	0	-1,178	-23,456
(36) Inauguration and Army Outreach Programs (SAG: 435)	0	0	0	-8,939	-8,939

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	<u>BA01</u>	<u>BA02</u>	<u>BA03</u>	<u>BA04</u>	<u>TOTAL</u>
(37) Information Management (SAG: 423)	0	0	0	-20,028	-20,028
(38) Intelligence Readiness (SAG: 121)	-5,172	0	0	0	-5,172
(39) International Military Headquarters - Kosovo Force (SAG: 441)	0	0	0	-2,193	-2,193
(40) International Military Headquarters - North Atlantic Treaty Organization (NATO) (SAG: 441)	0	0	0	-7,481	-7,481
(41) Joint Defense Activities (SAG: 141)	-4,222	0	0	0	-4,222
(42) Judge Advocate General (JAG) Training Support (SAG: 321)	0	0	-1,479	0	-1,479
(43) Leader Development (SAG: 324)	0	0	-1,006	0	-1,006
(44) Logistics Operations (SAG: 423)	0	0	0	-17,815	-17,815
(45) Long Haul Communications (SAG: 432)	0	0	0	-59,140	-59,140
(46) Military Construction and Restoration and Modernization Tails (SAG: 131)	-10,026	0	0	0	-10,026
(47) Military Funeral Honors (SAG: 434)	0	0	0	-616	-616
(48) Military Training Specific Allotment (MTSA) (SAG: 324)	0	0	-9,446	0	-9,446
(49) Non-Divisional Modified Table of Organization and Equipment Units (SAG: 324)	0	0	-1,858	0	-1,858
(50) Noncommissioned Officer (NCO) Professional Development (SAGs: 321, 323)	0	0	-5,128	0	-5,128
(51) Personnel Security Investigations (SAG: 411)	0	0	0	-5,537	-5,537
(52) Restoration and Modernization - European Infrastructure Consolidation (SAG: 132)	-3,970	0	0	0	-3,970
(53) Retrograde War Reserves Stocks for Allies - Korea (SAG: 212)	0	-5,925	0	0	-5,925
(54) Second Destination Transportation - Subsistence (SAG: 421)	0	0	0	-2,900	-2,900
(55) Second Destination Transportation - War Reserves (Ammunition) (SAG: 421)	0	0	0	-4,879	-4,879
(56) Second Destination Transportation Army Post Office Mail (SAG: 421)	0	0	0	-2,163	-2,163
(57) Sexual Harassment/Assault Response and Prevention (SHARP) Activities (SAG: 434)	0	0	0	-17,564	-17,564
(58) Soldier for Life - Transition Assistance Program (SAG: 434)	0	0	0	-7,672	-7,672
(59) Special Skills Training (SAG: 324)	0	0	-4,522	0	-4,522
(60) Tactical Network Communications (SAG: 432)	0	0	0	-13,190	-13,190
(61) Technology Export Control (SAG: 442)	0	0	0	-216	-216
(62) Training Development Support (SAG: 324)	0	0	-3,082	0	-3,082
(63) U.S. Africa Command Management Headquarters Activity (MHA) Rebaseline - Direct Mission Support (SAG: 141)	-5,560	0	0	0	-5,560
(64) U.S. Africa Command Management Headquarters Activity (MHA) Rebaseline - Headquarters Operations (SAG: 141)	-5,738	0	0	0	-5,738

Exhibit PB-31D

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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>
(65) U.S. Army Corps of Engineers (USACE) Support - Real Estate Management (SAG: 437)	0	0	0	-10,391	-10,391
(66) U.S. Army Museum System (SAG: 434)	0	0	0	-6,392	-6,392
(67) U.S. Army Sergeant Major Academy (SAG: 323)	0	0	-2,705	0	-2,705
(68) U.S. Forces Korea Major Headquarters Activity (MHA) Rebaseline - Headquarters Operations (SAG: 144)	-2,296	0	0	0	-2,296
(69) U.S. Southern Command Major Headquarters Activity (MHA) Rebaseline - Direct Mission Support (SAG: 143)	-2,096	0	0	0	-2,096
(70) Unmanned Aerial System (UAS) Gray Eagle (SAG: 114)	-128,300	0	0	0	-128,300
(71) War Reserve Secondary Items (SAG: 212)	0	-13,582	0	0	-13,582
Total Program Decreases in FY 2018	-721,160	-60,645	-195,943	-665,976	-1,643,724
FY 2018 Budget Request	23,752,390	776,525	5,108,822	9,307,680	38,945,417

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
PB-31R Personnel Summary

O&M, Summary	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)*</u>	419,289	425,667	425,909	242
Officer	78,594	77,254	77,193	-61
Enlisted	340,695	348,413	348,716	303
<u>Civilian End Strength (Total)</u>	98,003	98,958	98,184	-774
U.S. Direct Hire	83,802	85,600	84,496	-1,104
Foreign National Direct Hire	5,887	5,492	5,552	60
Total Direct Hire	89,689	91,092	90,048	-1,044
Foreign National Indirect Hire	8,314	7,866	8,136	270
<i>(Reimbursable Civilians (Memo))**</i>	16,908	18,343	16,914	-1,429
<u>Active Military Average Strength (A/S) (Total)*</u>	427,998	422,497	425,809	3,312
Officer	79,611	77,932	77,234	-698
Enlisted	348,387	344,565	348,575	4,010
<u>Civilian FTEs (Total)</u>	99,047	97,398	97,191	-207
U.S. Direct Hire	84,871	84,282	83,747	-535
Foreign National Direct Hire	5,949	5,399	5,461	62
Total Direct Hire	90,820	89,681	89,208	-473
Foreign National Indirect Hire	8,227	7,717	7,983	266
<i>(Reimbursable Civilians (Memo))**</i>	16,100	18,045	16,704	-1,341
<u>Contractor FTEs (Total)</u>	83,171	55,928	60,893	4,965

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 2016 Actuals				FY 2017 Budgeted				FY 2018 Budgeted			
			Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total
BASE	AC	Active Component	93,282	382,281	4,346	479,909	90,181	374,817	4,386	469,384	90,771	376,500	4,395	471,665
	RC	Mobilization	539	1,289	-	1,828	454	1,121	-	1,575	555	1,445	-	2,000
		ADOS	460	778	-	1,238	373	611	-	985	83	217	-	300
		RC Total	999	2,067	-	3,066	827	1,732	-	2,559	638	1,662	-	2,300
	Base Total		94,281	384,348	4,346	482,974	91,008	376,549	4,386	471,943	91,409	378,162	4,395	473,965
			FY 2016 Actuals				FY 2017 Budgeted				FY 2018 Budgeted			
			Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total
OCO	AC	Active Component	-	-	-	-	-	-	-	-	-	-	-	-
	RC	RC on Active Duty	4,087	13,294	-	17,381	-	-	-	-	-	-	-	-
	OCO Total		4,087	13,294	-	17,381	-	-	-	-	-	-	-	-
BASE and OCO	AC Total		93,282	382,281	4,346	479,909	90,181	374,817	4,386	469,384	90,771	376,500	4,395	471,665
	RC Total		5,086	15,361	-	20,447	827	1,732	-	2,559	638	1,662	-	2,300
	Total		98,368	397,642	4,346	500,356	91,008	376,549	4,386	471,943	91,409	378,162	4,395	473,965
End Strength														
			FY 2016 Actuals				FY 2017 Budgeted				FY 2018 Budgeted			
			Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total	Officer	Enlisted	Cadets	Total
Total Base	AC	Base	92,129	378,778	4,493	475,400	90,909	380,577	4,514	476,000	90,375	381,113	4,512	476,000

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
PB-58 Combatant Command Direct Funding

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

Category/CCMD Detail	FY 2016	FY 2017	FY 2018
Total Cost	554,243	548,057	557,545
Total Headquarters Operations	136,828	129,564	132,822
Total Mission Programs Support	417,415	418,493	424,723
U.S. Africa Command (USAFRICOM)			
Headquarters Operations	61,796	60,655	57,778
Mission Support	183,027	165,050	167,604
Total U.S Africa Command	244,823	225,705	225,382
U.S. European Command (USEUCOM)			
Headquarters Operations	30,513	27,478	32,460
Mission Support	95,445	106,823	108,892
Total U.S. European Command	125,958	134,301	141,352
U.S. Southern Command (USSOUTHCOM)			
Headquarters Operations	44,519	41,431	42,584
Mission Support	138,943	146,620	148,227
Total U.S. Southern Command	183,462	188,051	190,811

Description:

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

COMBATANT COMMAND MISSION SUPPORT - Supports CCMD 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 CCMD's 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 CCMD Financial/Program Data (\$ in Thousands)

CCMD: U.S Africa Command (USAFRICOM)

Budget Activity

01: Operating Forces

U.S. Africa Command

	FY 2016	FY 2017	FY 2018
Total Cost U.S Africa Command	244,823	225,705	225,382
Total Headquarters Operations	61,796	60,655	57,778
Total Mission Support	183,027	165,050	167,604
U.S. Africa Command Mission One	45,873	41,326	41,337
U.S. Africa Command Mission Two	63,283	52,732	53,060
U.S. Africa Command Mission Three	73,871	73,211	71,277

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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CCMD: U.S. European Command (USEUCOM)

Budget Activity

01: Operating Forces

U.S. European Command

	FY 2016	FY 2017	FY 2018
Total Cost U.S. European Command	125,958	134,301	141,352
Total Headquarters Operations	30,513	27,478	32,460
Total Mission Support	95,445	106,823	108,892
U.S. European Command Mission One	29,781	31,162	31,611
U.S. European Command Mission Two	5,129	10,309	5,801
U.S. European Command Mission Three	33,696	33,931	34,597
U.S. European Command Mission Four	4,820	5,054	4,870
U.S. European Command Mission Five	0	5,059	7,783

Description:

U.S. European Command Mission One: Traditional Combatant Command Activities (TCA) - supports regional security engagement and promotes 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: Ballistic Missile Defense - organizes, plans, coordinates and conducts Theater Integrated Air and Missile operations with allies, partner nations, North Atlantic Treaty Organization (NATO) components and other U.S. Government agencies

U.S. European Command Mission Three: Command and Control (C2) - supports the development and execution of operations in support of U.S. interests and regional alliances; ensures joint and combined war fighting capability through operational directives, plans, orders, joint training and exercises. C2 is the principle conduit of operations information and requirements between National Command Authorities, Joint Staff, NATO, USEUCOM and subordinate commands.

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U.S. European Command Mission Four: Joint Cyber Center (JCC) - coordinates, integrates and synchronizes cyberspace operations for the Geographic Combatant Commander. The JCC enables fusion of intelligence, operational planning and coordination of Department of Defense Information Networks Operations, and offensive and defensive cyberspace operations. The JCC also aligns a Computer Network Defense/Service Provider to all networks.

U.S. European Command Mission Five: Russian Strategic Initiative - provides the DoD strategic framework for understanding the Russian threat through the lens of Russia's interests and a forum to develop an integrated deterrence effort.

DEPARTMENT OF THE ARMY
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CCMD: U.S Southern Command (USSOUTHCOM)

Budget Activity

01: Operating Forces

U.S. Southern Command

	FY 2016	FY 2017	FY 2018
Total Cost U.S. Southern Command	183,462	188,051	190,811
Total Headquarters Operations	44,519	41,431	42,584
Total Mission Support	138,943	146,620	148,227
U.S. Southern Command Mission	47,912	47,446	47,501
U.S. Southern Command Mission Two	5,570	5,162	4,880
U.S. Southern Command Mission Three	63,614	50,584	52,093

Description:

U.S. Southern Command Mission One: Partner Nation Engagement - conducted 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: Information Operations - provides Military Information Support Operations, Electronic Warfare, Operations Security, Military Deception, Department of Defense Rewards, Space Operations, Offensive Cyberspace Operations, and Special Information Operations.

U.S. Southern Command Mission Three: Command, Control, Communications and Computer Systems (C4S) - provides secure and non-secure voice, and data and video capabilities to headquarters, various joint task forces, and all security cooperation offices within the area of responsibility. C4S ensures network reliability, resiliency and security and provides maintenance and lifecycle replacement of all associated communications equipment. C4S also facilitates the sharing of releasable classified and unclassified information to the Command's interagency and mission partners and provides help desk support to all end users.

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PB-58 Combatant Command Direct Funding

III. Reconciliation of Increases and Decreases

	<u>(\$ in Thousands)</u>		
	SAG 134	SAG 138	Totals
FY 2016 President's Budget Request	164,743	448,633	613,376
Congressional Adjustment	-1,518	-22,022	-23,540
Distributed Adjustments	0	-20,000	-20,000
Undistributed Adjustments	-896	0	-896
Adjustments to Meet Congressional Intent	136	695	831
General Provisions	-758	-2,717	-3,475
Appropriated Amount	163,225	426,611	589,836
Price Change	2,468	7,133	9,601
Program Increases and Decreases	-10,035	7,399	-2,636
Transfers	0	-1,019	-1,019
Transfers In	0	0	0
Transfers Out	0	-1,019	-1,019
Program Increases	3,077	30,429	33,506
One-Time Costs	0	0	0
Program Growth	3,077	30,429	33,506
Program Decreases	-13,112	-22,011	-35,123
One-Time Costs	0	0	0
Program Reductions	-13,112	-22,011	-35,123
	0	0	0
Baseline Funding	155,658	441,143	596,801
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	0	0	0

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Revised FY 2017 Estimate	155,658	441,143	596,801
Price Change	349	8,049	8,271
Transfers	-156,007	-449,192	-605,199
Transfers In	0	0	0
Transfers Out	-156,007	-449,192	-605,199
Program Increases	0	0	0
Annualization of New FY 2016 Program	0	0	0
One-Time FY 2017 Costs	0	0	0
Program Growth in FY 2017	0	0	0
Program Decreases	0	0	0
One-Time FY 2016 Costs	0	0	0
Annualization of FY 2016 Program Decreases	0	0	0
Program Decreases in FY 2017	0	0	0
FY 2018 Budget Request	0	0	0

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

IV. Personnel Summary

	FY 2016	FY 2017	FY 2018	Change FY2017/FY2018
CCMD				
<u>Active Military End Strength (E/S) (Total)</u>	1,654	1,607	1,607	0
Officer	1,260	1,233	1233	0
Enlisted	394	374	374	0
<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>	1,180	1,168	1,163	-5
U.S. Direct Hire	1,038	1,026	1021	-5
Foreign National Direct Hire	131	131	131	0
Total Direct Hire	1,169	1,157	1,152	-5
Foreign National indirect Hire	11	11	11	0
<u>Contractor Strength</u>	1,182	1,071	1071	0

Contract Full Time Equivalents 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
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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	Actual Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Actual Comp	Comp & Benefits	% BC Variables	% BC Benefits
Direct Funded Personnel (includes OC 13)	99,063	98,003	99,047	7,115,173	155,342	12,699	160,631	328,672	7,443,845	2,550,660	9,994,505	71,836	75,155	100,907	4.6%	35.8%
D1. US Direct Hire (USDH)	84,909	83,802	84,871	6,626,448	144,898	11,426	155,514	311,838	6,938,286	2,468,446	9,406,732	78,077	81,751	110,836	4.7%	37.3%
D1a. Senior Executive Schedule	197	198	187	31,411	0	0	2,238	2,238	33,649	8,962	42,611	167,973	179,941	227,866	7.1%	28.5%
D1b. General Schedule	78,693	78,020	78,986	6,292,825	126,542	10,721	147,018	284,281	6,577,106	2,351,690	8,928,796	79,670	83,269	113,043	4.5%	37.4%
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	5,584	5,698	302,212	18,356	705	6,258	25,319	327,531	107,794	435,325	53,038	57,482	76,400	8.4%	35.7%
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	5,887	5,949	69,095	6,506	1,273	5,117	12,896	81,991	38,133	120,124	11,615	13,782	20,192	18.7%	55.2%
D3. Total Direct Hire	90,800	89,689	90,820	6,695,543	151,404	12,699	160,631	324,734	7,020,277	2,506,579	9,526,856	73,723	77,299	104,898	4.9%	37.4%
D4. Indirect Hire Foreign Nationals (IHFN)	8,263	8,314	8,227	419,630	3,938	0	0	3,938	423,568	4,891	428,459	51,006	51,485	52,080	.9%	1.2%
Subtotal – Direct Funded (excludes OC 13)	99,063	98,003	99,047	7,115,173	155,342	12,699	160,631	328,672	7,443,845	2,511,470	9,955,315	71,836	75,155	100,511	4.6%	35.3%
D5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	39,190	39,190	0	0	0	0.0%	0.0%
D5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	38,418	38,418	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	772	772	0	0	0	0.0%	0.0%
Reimbursable Funded Personnel (includes OC 13)	16,050	16,908	16,100	1,281,265	29,790	1,338	36,632	67,760	1,349,025	400,524	1,749,549	79,582	83,790	108,668	5.3%	31.3%
R1. US Direct Hire	12,916	13,948	13,096	1,280,020	29,772	1,334	36,602	67,708	1,347,728	399,065	1,746,793	97,741	102,911	133,384	5.3%	31.2%
R1a. Senior Executive Schedule	12	9	10	1,575	0	0	68	68	1,643	446	2,089	157,500	164,300	208,900	4.3%	28.3%
R1b. General Schedule	12,673	13,767	12,863	1,267,022	28,780	1,319	36,258	66,357	1,333,379	394,387	1,727,766	98,501	103,660	134,321	5.2%	31.1%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

	FY 2016											Rates				
	(\$ in Thousands)															
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Actual Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Actual Comp	Comp & Benefits	% BC Variables	% BC Benefits
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	172	223	11,423	992	15	276	1,283	12,706	4,232	16,938	51,224	56,978	75,955	11.2%	37.0%
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	11	11	864	18	4	30	52	916	158	1,074	78,545	83,273	97,636	6.0%	18.3%
R3. Total Direct Hire	12,983	13,959	13,107	1,280,884	29,790	1,338	36,632	67,760	1,348,644	399,223	1,747,867	97,725	102,895	133,354	5.3%	31.2%
R4. Indirect Hire Foreign Nationals	3,067	2,949	2,993	381	0	0	0	0	381	0	381	127	127	127	0.0%	0.0%
Subtotal – Reimbursable Funded (excludes OC 13)	<u>16,050</u>	<u>16,908</u>	<u>16,100</u>	<u>1,281,265</u>	<u>29,790</u>	<u>1,338</u>	<u>36,632</u>	<u>67,760</u>	<u>1,349,025</u>	<u>399,223</u>	<u>1,748,248</u>	<u>79,582</u>	<u>83,790</u>	<u>108,587</u>	<u>5.3%</u>	<u>31.2%</u>
R5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	1,301	1,301	0	0	0	0.0%	0.0%
R5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	1,268	1,268	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	33	33	0	0	0	0.0%	0.0%
Total Personnel (includes OC 13)	115,113	114,911	115,147	8,396,438	185,132	14,037	197,263	396,432	8,792,870	2,951,184	11,744,054	72,919	76,362	101,992	4.7%	35.1%
T1. US Direct Hire	97,825	97,750	97,967	7,906,468	174,670	12,760	192,116	379,546	8,286,014	2,867,511	11,153,525	80,705	84,580	113,850	4.8%	36.3%
T1a. Senior Executive Schedule	209	207	197	32,986	0	0	2,306	2,306	35,292	9,408	44,700	167,442	179,147	226,904	7.0%	28.5%
T1b. General Schedule	91,366	91,787	91,849	7,559,847	155,322	12,040	183,276	350,638	7,910,485	2,746,077	10,656,562	82,307	86,125	116,023	4.6%	36.3%
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	5,756	5,921	313,635	19,348	720	6,534	26,602	340,237	112,026	452,263	52,970	57,463	76,383	8.5%	35.7%
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%

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

	FY 2016											Rates				
	(\$ in Thousands)															
	Begin Strength	End Strength	FTEs	Basic Comp	Overtime Pay	Holiday Pay	Other OC 11	Actual Variables	Comp OC 11	Benefits OC 12/13	Comp & Benefits	Basic Comp	Actual Comp	Comp & Benefits	% BC Variables	% BC Benefits
T2. Direct Hire Foreign Nationals	5,958	5,898	5,960	69,959	6,524	1,277	5,147	12,948	82,907	38,291	121,198	11,738	13,911	20,335	18.5%	54.7%
T3. Total Direct Hire	103,783	103,648	103,927	7,976,427	181,194	14,037	197,263	392,494	8,368,921	2,905,802	11,274,723	76,750	80,527	108,487	4.9%	36.4%
T4. Indirect Hire Foreign Nationals	11,330	11,263	11,220	420,011	3,938	0	0	3,938	423,949	4,891	428,840	37,434	37,785	38,221	.9%	1.2%
Subtotal – Total Funded (excludes OC 13)	<u>115,113</u>	<u>114,911</u>	<u>115,147</u>	<u>8,396,438</u>	<u>185,132</u>	<u>14,037</u>	<u>197,263</u>	<u>396,432</u>	<u>8,792,870</u>	<u>2,910,693</u>	<u>11,703,563</u>	<u>72,919</u>	<u>76,362</u>	<u>101,640</u>	<u>4.7%</u>	<u>34.7%</u>
T5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	40,491	40,491	0	0	0	0.0%	0.0%
T5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	39,686	39,686	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	805	805	0	0	0	0.0%	0.0%

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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)	98,003	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)	83,802	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	198	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	78,020	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	5,584	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)	5,887	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	89,689	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)	8,314	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)	98,003	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)	16,908	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	13,948	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%
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%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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
R1b. General Schedule	13,767	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	172	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	11	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	13,959	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	2,949	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)	16,908	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)	114,911	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	97,750	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	207	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	91,787	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	5,756	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%
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) 2018 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
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	5,898	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	103,648	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	11,263	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>114,911</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) 2018 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2018

				(\$ 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)	98,958	98,184	97,191	7,414,552	0	13,502	124,700	138,202	7,552,754	2,675,701	10,228,455	76,288	77,710	105,241	1.9%	36.1%
D1. US Direct Hire (USDH)	85,600	84,496	83,747	6,909,335	0	12,195	121,330	133,525	7,042,860	2,609,611	9,652,471	82,502	84,097	115,258	1.9%	37.8%
D1a. Senior Executive Schedule	286	250	250	43,489	0	0	2,074	2,074	45,563	12,251	57,814	173,956	182,252	231,256	4.8%	28.2%
D1b. General Schedule	79,629	78,910	78,273	6,579,395	0	11,592	114,549	126,141	6,705,536	2,494,723	9,200,259	84,057	85,669	117,541	1.9%	37.9%
D1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
D1d. Wage System	5,685	5,336	5,224	286,451	0	603	4,707	5,310	291,761	102,637	394,398	54,834	55,850	75,497	1.9%	35.8%
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)	5,492	5,552	5,461	77,206	0	1,307	3,370	4,677	81,883	38,209	120,092	14,138	14,994	21,991	6.1%	49.5%
D3. Total Direct Hire	91,092	90,048	89,208	6,986,541	0	13,502	124,700	138,202	7,124,743	2,647,820	9,772,563	78,317	79,867	109,548	2.0%	37.9%
D4. Indirect Hire Foreign Nationals (IHFN)	7,866	8,136	7,983	428,011	0	0	0	0	428,011	4,484	432,495	53,615	53,615	54,177	0.0%	1.0%
Subtotal – Direct Funded (excludes OC 13)	98,958	98,184	97,191	7,414,552	0	13,502	124,700	138,202	7,552,754	2,652,304	10,205,058	76,288	77,710	105,000	1.9%	35.8%
D5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	23,397	23,397	0	0	0	0.0%	0.0%
D5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	23,397	23,397	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)	18,343	16,914	16,704	1,288,086	0	887	23,636	24,523	1,312,609	401,987	1,714,596	77,112	78,581	102,646	1.9%	31.2%
R1. US Direct Hire	14,331	13,244	13,101	1,255,546	0	833	23,074	23,907	1,279,453	398,200	1,677,653	95,836	97,661	128,055	1.9%	31.7%
R1a. Senior Executive Schedule	9	7	7	1,218	0	0	57	57	1,275	343	1,618	174,000	182,143	231,143	4.7%	28.2%

Exhibit OP-8 Part 1

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2018

				(\$ 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	13,699	12,829	12,693	1,231,741	0	785	22,579	23,364	1,255,105	389,681	1,644,786	97,041	98,882	129,582	1.9%	31.6%
R1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.0%	0.0%
R1d. Wage System	623	408	401	22,587	0	48	438	486	23,073	8,176	31,249	56,327	57,539	77,928	2.2%	36.2%
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	372	294	292	11,936	0	54	562	616	12,552	3,698	16,250	40,877	42,986	55,651	5.2%	31.0%
R3. Total Direct Hire	14,703	13,538	13,393	1,267,482	0	887	23,636	24,523	1,292,005	401,898	1,693,903	94,638	96,469	126,477	1.9%	31.7%
R4. Indirect Hire Foreign Nationals	3,640	3,376	3,311	20,604	0	0	0	0	20,604	89	20,693	6,223	6,223	6,250	0.0%	.4%
Subtotal – Reimbursable Funded (excludes OC 13)	18,343	16,914	16,704	1,288,086	0	887	23,636	24,523	1,312,609	401,987	1,714,596	77,112	78,581	102,646	1.9%	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)	117,301	115,098	113,895	8,702,638	0	14,389	148,336	162,725	8,865,363	3,077,688	11,943,051	76,409	77,838	104,860	1.9%	35.4%
T1. US Direct Hire	99,931	97,740	96,848	8,164,881	0	13,028	144,404	157,432	8,322,313	3,007,811	11,330,124	84,306	85,932	116,989	1.9%	36.8%
T1a. Senior Executive Schedule	295	257	257	44,707	0	0	2,131	2,131	46,838	12,594	59,432	173,957	182,249	231,253	4.8%	28.2%
T1b. General Schedule	93,328	91,739	90,966	7,811,136	0	12,377	137,128	149,505	7,960,641	2,884,404	10,845,045	85,869	87,512	119,221	1.9%	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	6,308	5,744	5,625	309,038	0	651	5,145	5,796	314,834	110,813	425,647	54,940	55,970	75,671	1.9%	35.9%
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) 2018 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 1 Civilian Personnel Costs

FY 2018

				(\$ 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	5,864	5,846	5,753	89,142	0	1,361	3,932	5,293	94,435	41,907	136,342	15,495	16,415	23,699	5.9%	47.0%
T3. Total Direct Hire	105,795	103,586	102,601	8,254,023	0	14,389	148,336	162,725	8,416,748	3,049,718	11,466,466	80,448	82,034	111,758	2.0%	36.9%
T4. Indirect Hire Foreign Nationals	11,506	11,512	11,294	448,615	0	0	0	0	448,615	4,573	453,188	39,722	39,722	40,126	0.0%	1.0%
Subtotal – Total Funded (excludes OC 13)	<u>117,301</u>	<u>115,098</u>	<u>113,895</u>	<u>8,702,638</u>	<u>0</u>	<u>14,389</u>	<u>148,336</u>	<u>162,725</u>	<u>8,865,363</u>	<u>3,054,291</u>	<u>11,919,654</u>	<u>76,409</u>	<u>77,838</u>	<u>104,655</u>	<u>1.9%</u>	<u>35.1%</u>
T5. Other Object Class 13 Benefits	0	0	0	0	0	0	0	0	0	23,397	23,397	0	0	0	0.0%	0.0%
T5a. USDH – Benefits of Former Employees	0	0	0	0	0	0	0	0	0	23,397	23,397	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) 2018 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

FY 2016

A. SUMMARY OF CIVILIAN PAY:

1. Total Civilian Pay:	11,744,054
2. Reimbursable Civilian Pay	1,749,549

B. REIMBURSABLE CIVILIAN PAY DISTRIBUTION BY SOURCE:

4. Intra Service:	1,749,549
Reimbursable Total	1,749,549

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

FY 2017

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:	149,772
4. Intra Service:	1,036,724
Aircraft Procurement	149,036
Army Family Housing, Operations	16,839
Ammunition Procurement	41,533
Army Working Capital Fund	135,590
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:	308,117
Chemical Biological Defense Program	4,277
Domestic Preparedness	74,356
Chemical Demilitarization	75,476
Defense Advanced Research Project Agency	750
Defense Commissary Agency	1,566
Defense Health Program Appropriation	1,647
Defense Health Program	55,121
Defense Health Program Research Test	88
Defense Human Resource Agency	393
Defense Intelligence Agency	390
Defense Information Systems Agency	6,653
Defense Logistics Agency	5,572
Defense Security Cooperation Agency	13,622

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 OP-8 Part 2 Reimbursable Civilian Personnel Costs

Defense Threat Reduction Agency	611
Homeowners Assistance Program	585
Immediate Office of Secretary of Defense	5,881
Missile Defense Agency	279
U.S. Navy	13,834
Special Operations Forces	10,312
U.S. Air Force	12,824
U.S. Marine Corps	14,846
Washington Headquarters Services	9,034
6. Other	395,364
Civil Works Program	3,470
Defense Environmental Restoration Agency	102,846
Department of Homeland Security	772
Department of Justice	982
Department of State	2,030
Department of Veterans Affairs	288
Forestry and Agriculture Act	3,974
Foreign Military Sales - Admin	130,603
Foreign Military Sales - Case	104,715
National Aeronautics and Space Administration	220
North Atlantic Treaty Organization	6,107
Other Governmental Agencies	3,438
Other Non-governmental Agencies	4,051
Project Funded – External Customers	21,158
Residential Communities Initiative	5,223
West Point Cadet Fund	5,487

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
OP-8 Part 2 Reimbursable Civilian Personnel Costs

FY 2018

A. SUMMARY OF CIVILIAN PAY:

1. Total Civilian Pay:	11,938,202
2. Reimbursable Civilian Pay	1,714,596

B. REIMBURSABLE CIVILIAN PAY DISTRIBUTION BY

SOURCE: **59,724**

3. Intra Account:	
4. Intra Service:	846,431
Aircraft Procurement	134,122
Army Family Housing, Operations	17,090
Ammunition Procurement	34,409
Army Working Capital Fund	108,200
Missiles Procurement	51,541
Operation and Maintenance, Army Reserve	266
Operation and Maintenance, Army National Guard	5,093
Other Procurement, Army	331,147
Project Funded – Internal Army Customers	1,254
Research, Development, Test and Evaluation	66,633
Science, Technology, Research, and Labs	11,373
Weapons and Tracked Combat Vehicles	85,303
5. Inter Service:	282,181
Chemical Biological Defense Program	17,627
Domestic Preparedness	77,196
Chemical Demilitarization	51,467
Defense Advanced Research Project Agency	101
Defense Commissary Agency	1,531
Defense Health Program Appropriation	1,507
Defense Health Program	51,671
Defense Health Program Research Test	175
Defense Human Resource Agency	378
Defense Intelligence Agency	89
Defense Information Systems Agency	8,923
Defense Logistics Agency	5,288

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 OP-8 Part 2 Reimbursable Civilian Personnel Costs

Defense Security Cooperation Agency	12,532
Defense Threat Reduction Agency	604
Immediate Office of Secretary of Defense	5,421
Missile Defense Agency	264
U.S. Navy	8,969
Special Operations Forces	10,254
U.S. Air Force	10,349
U.S. Marine Corps	10,220
Washington Headquarters Services	7,615
6. Other	526,260
U.S. Army Corps of Engineers	142,305
Civil Works Program	3,249
Defense Environmental Restoration Agency	81,395
Department of Homeland Security	739
Department of Justice	487
Department of State	2,053
Department of Veterans Affairs	288
Forestry and Agriculture Act	4,393
Foreign Military Sales - Admin	139,905
Foreign Military Sales - Case	112,885
National Aeronautics and Space Administration	195
North Atlantic Treaty Organization	5,751
Other Governmental Agencies	10,517
Other Non-governmental Agencies	5,026
Project Funded – External Customers	6,207
Residential Communities Initiative	5,742
West Point Cadet Fund	5,123

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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 2018. 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 2018 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), Stryker BCTs, and Security Force Assistance Brigades. 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
U.S. Army Special Operations Command
U.S. Army Europe
U.S. Army Pacific

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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 2017					Normalized	FY 2018
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>Estimate</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
MANEUVER UNITS	\$1,701,632	\$1,320,147	\$0	0.00%	\$1,320,147	\$1,320,147	\$1,455,366	
SUBACTIVITY GROUP TOTAL	\$1,701,632	\$1,320,147	\$0	0.00%	\$1,320,147	\$1,320,147	\$1,455,366	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$1,320,147	\$1,320,147				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			1,320,147					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			1,320,147					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					25,946			
Functional Transfers					0			
Program Changes					109,273			
NORMALIZED CURRENT ESTIMATE			\$1,320,147		\$1,455,366			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
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 Detail by Subactivity Group 111: Maneuver Units

C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 1,320,147
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 1,320,147
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 1,320,147
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 1,320,147

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 11: Land Forces
 Detail by Subactivity Group 111: Maneuver Units

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 1,320,147
6. Price Change	\$ 25,946
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 218,843
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 218,843

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
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 Detail by Subactivity Group 111: Maneuver Units

1) Bipartisan Budget Act of 2015 Compliance\$ 218,843
 Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The increase funds Home Station Training. (Baseline: \$0)

9. Program Decreases.....\$ -109,570

a) One-Time FY 2017 Costs\$ -109,570

1) 15th Armored Brigade Combat (ABCT)\$ -65,630
 Decrease is due to a one-time purchase of maintenance for M1 Abrams, M2 Bradley, M109 Paladin and other vehicles to field the 15th ABCT in FY 2018. The Army updated and brought to required maintenance standards equipment transferred from a National Guard ABCT to a Regular Army ABCT. (Baseline: \$65,630)

2) 9th Stryker Brigade Combat Team (SBCT)\$ -43,940
 Decrease is due to a one-time purchase of maintenance for Stryker vehicles to field the 9th SBCT in FY 2017. The Army updated and brought to required maintenance standards equipment transferred from a Regular Army SBCT to a National Guard SBCT. (Baseline: \$43,940)

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ 0

FY 2018 Budget Request.....\$ 1,455,366

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
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Detail by Subactivity Group 111: Maneuver Units

IV. Performance Criteria and Evaluation Summary:

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Combat Vehicles				
Abrams Tank System	M1	813	813	900
Bradley Fighting Vehicle System	M2	1,064	1,157	1,282
Cavalry Fighting Vehicle System	M3	141	0	0
Stryker Infantry Combat Vehicle	ICV	2,611	2,360	2,403
Total for Combat Vehicles		4,629	4,330	4,585
Combat Support Pacing Item				
105MM Towed Howitzer	105(T)	168	186	174
155MM Self-Propelled (SP) Howitzer	M109A6	162	162	180
155MM Towed Howitzer	155(T)	234	222	216
Heavy Assault Bridge	AVLB (M60)	21	17	21
	Wolverine	16	20	20
Bradley Fire Support Team Vehicle	BFSTV	135	117	130
Armored Recovery Vehicle	M88	341	332	367
Armored Personnel Carrier	M113A3	589	523	583
Armored Combat Earthmover	M9	24	24	26
Total for Combat Support Pacing Item		1,690	1,603	1,717
Brigade Combat Teams				
Armored Brigade Combat Team (ABCT)		9	9	10
Infantry Brigade Combat Team (IBCT)		13	15	14
Stryker Brigade Combat Team (SBCT)		8	7	7
Total for Brigade Combat Teams		30	31	31

NOTE: Request for Additional Appropriations increases IBCTs by one.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 11: Land Forces
Detail by Subactivity Group 111: Maneuver Units

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Security Force Assistance Brigades	0	0	2
Special Operations Forces (SOF) Elements			
Civil Affairs Brigade	0	1	1
Military Information Support Group	0	2	2
Ranger Regiment	0	1	1
Special Forces Group	0	5	5
Special Operations Aviation Regiment	0	1	1
Sustainment Brigade (SOF)	0	1	1
Total for SOF Elements	0	11	11
Ground OPTEMPO Measures (Maneuver Units)			
Ground OPTEMPO (\$000)	1,701,632	1,320,147	1,455,366
Full Spectrum Training Miles (FSTMs) Budgeted ^{1,2}	625	1,102	1,188
FSTMs Executed	889	0	0
Tank Miles Budgeted	356	586	661
Tank Miles Executed	519		
Unit Proficiency Level Goal ³	BCT	BCT	BCT
Unit Proficiency Level Budgeted	Company (-)	Battalion(+)	BCT(-)
Percent of Training Readiness Goal Funded	43%	81%	93%

NOTES:

1. FSTMs are calculated based on the Brigade Combat Team (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.
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 1,274 FSTMs, 1,102 miles funded in the Base budget and 172 miles funded in the OCO budget; funded at 94% of training readiness goal. Unit proficiency funded at BCT (-).

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Fiscal Year (FY) 2018 Budget Estimates
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Detail by Subactivity Group 111: Maneuver Units

V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	142,815	142,647	143,324	677
Officer	17,048	13,979	14,147	168
Enlisted	125,767	128,668	129,177	509
<u>Active Military Average Strength (A/S) (Total)</u>	147,008	142,732	142,986	254
Officer	17,297	15,514	14,063	-1,451
Enlisted	129,711	127,218	128,923	1,705
<u>Civilian FTEs (Total)</u>	84	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	84	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	46	0	0	0
<u>Contractor FTEs (Total)</u>	654	372	195	-177

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	53	0	0.00%	0	-53	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	53	0		0	-53	0	0		0	0	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	99,419	0	1.80%	1,790	-41,524	59,685	0	2.00%	1,194	-4,005	56,874
0399	TOTAL TRAVEL	99,419	0		1,790	-41,524	59,685	0		1,194	-4,005	56,874
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	58,475	0	-8.20%	-4,796	-8,165	45,514	0	-0.40%	-182	11,491	56,823
0402	SERVICE FUND FUEL	1,644	0	-8.20%	-135	2,271	3,780	0	-0.40%	-15	540	4,305
0411	ARMY SUPPLY	948,555	0	-4.63%	-43,918	-211,531	693,106	0	2.84%	19,684	92,219	805,009
0412	NAVY MANAGED SUPPLIES AND MATERIALS	247	0	4.94%	12	-18	241	0	0.80%	2	90	333
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	242	0	0.96%	2	242	486	0	-8.32%	-40	182	628
0416	GSA MANAGED SUPPLIES AND MATERIALS	11,265	0	1.80%	202	3,243	14,710	0	2.00%	294	2,226	17,230
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	2,532	0	1.80%	46	2,947	5,525	0	2.00%	110	874	6,509
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	2,997	0	1.40%	42	1,016	4,055	0	0.13%	5	-738	3,322
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	2,898	0	-0.40%	-12	13,602	16,488	0	-0.01%	-2	-10,985	5,501
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	90,740	0	-6.00%	-5,444	84,594	169,890	0	-0.59%	-1,002	10,165	179,053
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,119,595	0		-54,001	-111,799	953,795	0		18,854	106,064	1,078,713
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	56,721	0	-0.26%	-147	-20,979	35,595	0	2.84%	1,011	16,190	52,796
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	5,208	0	-0.10%	-5	7,573	12,776	0	-1.77%	-226	-873	11,677
0507	GSA MANAGED EQUIPMENT	3,007	0	1.80%	54	4,009	7,070	0	2.00%	141	35	7,246
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	64,936	0		-98	-9,397	55,441	0		926	15,352	71,719
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	1,412	0	-0.11%	-1	-1,411	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 111

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>			
0603	DLA DISTRIBUTION	1	0	15.16%	0	-1	0	0	0.00%	0	0	0
0610	NAVAL AIR WARFARE CENTER	18	0	3.20%	1	-19	0	0	0.00%	0	0	0
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	2,853	0	-7.00%	-199	-2,654	0	0	0.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	4,284	0		-199	-4,085	0	0		0	0	0
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	2,137	0	-9.00%	-192	5,432	7,377	0	1.30%	96	-7,344	129
0718	SDDC LINER OCEAN TRANSPORTATION	12,842	0	-1.80%	-231	-12,611	0	0	0.00%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	3,372	0	0.80%	27	-3,399	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	193,137	0	1.80%	3,477	-130,543	66,071	0	2.00%	1,321	58,178	125,570
0799	TOTAL TRANSPORTATION	211,488	0		3,081	-141,121	73,448	0		1,417	50,834	125,699
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	3,837	0	0.00%	0	-3,837	0	0	0.00%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	1,901	0	1.80%	34	-924	1,011	0	2.00%	20	-312	719
0914	PURCHASED COMMUNICATIONS (NON-FUND)	4,190	0	1.80%	76	-4,091	175	0	2.00%	3	-74	104
0915	RENTS (NON-GSA)	2,896	0	1.80%	52	-2,948	0	0	0.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	32	0	1.80%	0	-3	29	0	2.00%	1	-9	21
0920	SUPPLIES AND MATERIALS (NON-FUND)	40,643	0	1.80%	731	29,212	70,586	0	2.00%	1,412	-17,911	54,087
0921	PRINTING AND REPRODUCTION	1,836	0	1.80%	33	-1,716	153	0	2.00%	3	-51	105
0922	EQUIPMENT MAINTENANCE BY CONTRACT	26,336	0	1.80%	474	17,353	44,163	0	2.00%	883	-27,451	17,595
0923	OPERATION AND MAINTENANCE OF FACILITIES	22,409	0	1.80%	403	-21,892	920	0	2.00%	18	-220	718
0924	PHARMACEUTICAL DRUGS	1,936	0	3.80%	74	-2,010	0	0	3.90%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	11,581	0	1.80%	209	7,354	19,144	0	2.00%	383	-2,575	16,952
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	35	0	1.80%	1	-36	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	10,547	0	1.80%	189	-10,736	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	796	0	1.80%	14	-810	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	2,164	0	1.80%	39	-2,203	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	5,140	0	0.00%	0	-5,140	0	0	2.00%	0	0	0
0955	MEDICAL CARE	1,129	0	3.80%	43	-1,172	0	0	0.00%	0	0	0
0957	LAND AND STRUCTURES	8,882	0	1.80%	160	-9,042	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 111

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	<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>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 2018</u> <u>Program</u>	
0959	INSURANCE CLAIMS AND INDEMNITIES	18	0	1.80%	0	-18	0	0	0.00%	0	0	0
0960	INTEREST AND DIVIDENDS	18	0	1.80%	0	-18	0	0	0.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	6,133	0	1.80%	110	-6,243	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	5,568	0	1.80%	100	12,335	18,003	0	2.00%	360	-4,578	13,785
0989	OTHER SERVICES	34,507	0	1.80%	621	-29,531	5,597	0	2.00%	112	-1,716	3,993
0990	IT CONTRACT SUPPORT SERVICES	9,323	0	1.80%	168	8,506	17,997	0	2.00%	360	-4,075	14,282
0999	TOTAL OTHER PURCHASES	201,857	0		3,531	-27,610	177,778	0		3,555	-58,972	122,361
9999	GRAND TOTAL	1,701,632	0		-45,896	-335,589	1,320,147	0		25,946	109,273	1,455,366

DEPARTMENT OF THE ARMY
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Detail by Subactivity Group 112: Modular Support Brigades

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 2018 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 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
MODULAR SUPPORT BRIGADES	\$64,849	\$69,849	\$0	0.00%	\$69,849	\$69,849	\$105,147	
SUBACTIVITY GROUP TOTAL	\$64,849	\$69,849	\$0	0.00%	\$69,849	\$69,849	\$105,147	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$69,849		\$69,849			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			69,849					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			69,849					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					1,181			
Functional Transfers					0			
Program Changes					34,117			
NORMALIZED CURRENT ESTIMATE			\$69,849		\$105,147			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 69,849
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 69,849
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 69,849
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 69,849

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 69,849
6. Price Change	\$ 1,181
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 34,117
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 34,117

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- 1) Bipartisan Budget Act of 2015 Compliance \$ 7,269
 Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The increase funds Home Station Training. (Baseline: \$0)

- 2) Home Station Training - Multiple Launch Rocket System (MLRS) \$ 10,496
 Funds additional MLRS Battalions and a Fires Brigade Headquarters to increase lethality of current formations. Funds repair parts, fuel, supplies, and other home station training support costs commensurate with MLRS unit missions. (Baseline: \$69,849)

- 3) Home Station Training - North Atlantic Treaty Organization (NATO) Fires \$ 12,000
 Funds exercises to develop NATO operational fires network to include interoperable fires command and control, targeting integration, and interoperable firing platforms and munitions. (Baseline: \$69,849)

- 4) Home Station Training - Training Readiness \$ 4,352
 Funds 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 Multifunctional Support Brigades operations and maintenance costs for repair parts, fuel, supplies, and other home station training support costs commensurate with increased training. (Baseline: \$69,849)

9. Program Decreases \$ 0

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ 0

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FY 2018 Budget Request.....\$ 105,147

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IV. Performance Criteria and Evaluation Summary:

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Combat Support Pacing Item				
Multiple Launch Rocket System	MLRS	80	96	144
High Mobility Artillery Rocket System	HIMARS	32	80	80
Armored Recovery Vehicle	M88	15	18	27
Total for Combat Support Pacing Item		127	194	251
Multifunctional Support Brigades				
Expeditionary Military Intelligence Brigade		3	3	3
Fires Brigade		4	4	5
Sustainment Brigade		11	11	11
Total for Multifunctional Support Brigades		18	18	19
Ground OPTEMPO Measures (Modular Support Brigades)				
Ground OPTEMPO (\$000)		64,849	69,849	105,147
Unit Proficiency Level Goal		Brigade	Brigade	Brigade
Unit Proficiency Level Budgeted		Company (-)	Battalion	Brigade (-)
Percent of Training Readiness Goal Funded		43%	71%	93%

NOTE: 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.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	13,382	13,207	13,947	740
Officer	2,350	2,144	2,267	123
Enlisted	11,032	11,063	11,680	617
<u>Active Military Average Strength (A/S) (Total)</u>	13,169	13,295	13,578	283
Officer	2,340	2,247	2,206	-41
Enlisted	10,829	11,048	11,372	324
<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>	4	7	11	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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		<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	7,278	0	1.80%	131	-3,180	4,229	0	2.00%	85	1,147	5,461
0399	TOTAL TRAVEL	7,278	0		131	-3,180	4,229	0		85	1,147	5,461
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	2,963	0	-8.20%	-243	1,452	4,172	0	-0.40%	-17	2,515	6,670
0402	SERVICE FUND FUEL	269	0	-8.20%	-22	96	343	0	-0.40%	-1	114	456
0411	ARMY SUPPLY	25,412	0	-4.63%	-1,177	6,437	30,672	0	2.84%	871	16,198	47,741
0412	NAVY MANAGED SUPPLIES AND MATERIALS	10	0	4.94%	0	2	12	0	0.80%	0	11	23
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	33	0	0.96%	0	-3	30	0	-8.32%	-2	31	59
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,077	0	1.80%	19	9	1,105	0	2.00%	22	374	1,501
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	443	0	1.80%	8	21	472	0	2.00%	9	182	663
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	186	0	1.40%	3	63	252	0	0.13%	0	138	390
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	367	0	-0.40%	-1	85	451	0	-0.01%	0	231	682
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	12,681	0	-6.00%	-761	799	12,719	0	-0.59%	-75	6,925	19,569
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	43,441	0		-2,174	8,961	50,228	0		807	26,719	77,754
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	1,927	0	-0.26%	-5	111	2,033	0	2.84%	58	750	2,841
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	816	0	-0.10%	-1	146	961	0	-1.77%	-17	314	1,258
0507	GSA MANAGED EQUIPMENT	492	0	1.80%	9	78	579	0	2.00%	12	164	755
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	3,235	0		3	335	3,573	0		53	1,228	4,854
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	6,706	0	1.80%	121	-2,607	4,220	0	2.00%	84	3,444	7,748
0799	TOTAL TRANSPORTATION	6,706	0		121	-2,607	4,220	0		84	3,444	7,748
<u>OTHER PURCHASES</u>												
0920	SUPPLIES AND MATERIALS (NON-FUND)	2,988	0	1.80%	54	644	3,686	0	2.00%	74	550	4,310

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Detail by Subactivity Group 112: Modular Support Brigades

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0924	PHARMACEUTICAL DRUGS	136	0	3.80%	5	-141	0	0	3.90%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	50	0	1.80%	1	1,504	1,555	0	2.00%	31	177	1,763
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	67	0	1.80%	1	-68	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	42	0	1.80%	1	-43	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	383	0	0.00%	0	-383	0	0	2.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	13	0	1.80%	0	875	888	0	2.00%	18	224	1,130
0989	OTHER SERVICES	250	0	1.80%	4	17	271	0	2.00%	5	109	385
0990	IT CONTRACT SUPPORT SERVICES	260	0	1.80%	5	934	1,199	0	2.00%	24	519	1,742
0999	TOTAL OTHER PURCHASES	4,189	0		71	3,339	7,599	0		152	1,579	9,330
9999	GRAND TOTAL	64,849	0		-1,848	6,848	69,849	0		1,181	34,117	105,147

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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: Phased Array Tracking Radar to Intercept on Target Air 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 2018 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 Materiel 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 Command/Army Strategic Command

Direct Reporting Unit:

U.S. Army Military District of Washington
U.S. Army Corps of Engineers
U.S. Army Acquisition Support Center

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

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
ECHELONS ABOVE BRIGADE	\$481,901	\$442,935	\$0	0.00%	\$442,935	\$442,935	\$604,117	
SUBACTIVITY GROUP TOTAL	\$481,901	\$442,935	\$0	0.00%	\$442,935	\$442,935	\$604,117	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$442,935	\$442,935				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			442,935					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			442,935					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					7,016			
Functional Transfers					52,556			
Program Changes					101,610			
NORMALIZED CURRENT ESTIMATE			\$442,935		\$604,117			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 442,935
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 442,935
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 442,935
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 442,935

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 442,935
6. Price Change.....	\$ 7,016
7. Transfers.....	\$ 52,556
a) Transfers In.....	\$ 55,082
1) Emergency Deployment Readiness Exercise (EDRE).....	\$ 35,800
Transfers funding for the following SAGs: SAG 121, Force Readiness Operations Support (-\$19,000) and SAG 211, Strategic Mobility (-\$16,800) to SAG 113, Echelons Above Brigade (\$35,800) to align EDRE resources under the appropriate Subactivity Group. (Baseline: \$0)	
2) Terminal High Altitude Area Defense (THAAD).....	\$ 19,282
Transfers funding from SAG 114, Theater Level Assets to SAG 113, Echelons Above Brigade to realign THAAD resources into the appropriate Subactivity Group. (Baseline: \$0)	
b) Transfers Out.....	\$ -2,526
1) Specialized Training for Water Purification and Petroleum Management.....	\$ -2,526
Transfers funding for Operation and Maintenance, Army SAG 113 to Operation and Maintenance, Army Reserve SAG 113 as the U.S. Army Reserve is the Executive Agent for water purification and	

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petroleum management. Resources provide for training on specialized petroleum pipeline operations and operating salt-water purification training sites in an effort to mitigate critical shortages of military specialists for these low density specialties. (Baseline: \$3,491)

8. Program Increases	\$ 101,610
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 101,610
1) Bipartisan Budget Act of 2015 Compliance	\$ 42,761
Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding to the Base Budget that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The increase funds Home Station Training. (Baseline: \$0)	
2) Home Station Training - Emergency Deployment Readiness Exercise (EDRE).....	\$ 13,727
Increases funding for EDRE program to train units to deploy on short notice. Funds transportation costs for increased number and size of EDREs. (Baseline: \$414,148)	
3) Home Station Training - Engineer Battalion Movement to Korea.....	\$ 6,947
Funds new Engineer Battalion in the Republic of Korea. Battalion includes Engineer Battalion Headquarters, Bridge Company, Mobility Augmentation Company, Route Clearance Company, and Forward Support Company. Battalion will be forward stationed in Korea to support the current defense strategy and Army's alliance with Republic of Korea. Funds repair parts, fuel, supplies, and other home station training support costs commensurate with Engineer unit missions (Baseline: \$414,148)	

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4) Home Station Training - Short Range Air Defense (SHORAD)..... \$ 2,944
 Funds increase of one SHORAD battalion. Army is adding one more battalion to increase protection capability of current formations. Funds repair parts, fuel, supplies, and other home station training support costs commensurate with SHORAD unit missions. (Baseline: \$414,148)

5) Home Station Training - Terminal High Altitude Area Defense (THAAD) Battery in Guam \$ 7,998
 Funds improvements for Guam battery communications equipment and forward operating base infrastructure. Updated communication equipment will improve unit's ability to communicate with local security force and a higher headquarters in Hawaii. Upgrades will also increase security and safety for THAAD unit and associated security force Soldiers. (Baseline: \$414,148)

6) Home Station Training - Training Readiness \$ 27,233
 Funds 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: \$414,148)

9. Program Decreases.....\$ 0

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ 0

FY 2018 Budget Request..... \$ 604,117

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IV. Performance Criteria and Evaluation Summary:

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Combat Vehicles				
Abrams Tank System	M1	0	0	0
Stryker Infantry Combat Vehicle	ICV	67	48	48
Total for Combat Vehicles		67	48	48
Combat Support Pacing Item				
Multiple Launch Rocket System	MLRS	16	0	0
High Mobility Artillery Rocket	HIMARS	48	0	0
Track Armored Recovery Vehicle	M88	17	14	16
Short Range Air Defense Weapon System	Avenger	48	48	84
Armored Personnel Carrier	M113A3	182	182	198
Heavy Assault Bridge / Armored Vehicle Launch Bridge (AVLB)	AVLB (M60)	12	12	18
	Wolverine	6	6	6
Armored Combat Earthmover	M9	12	12	16
Patriot Launcher	Patriot	288	288	288
Unmanned Aircraft System	Raven	2,175	2,175	2,175
Total for Combat Support Pacing Item		2,804	2,737	2,801

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	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Multifunctional Support Brigades			
Expeditionary Transportation Brigade	1	1	1
Total for Multifunctional Support Brigades	1	1	1
Functional Support Brigades	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Air Defense Brigade	4	4	4
Chemical, Biological, Radiological and 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	0
Total for Functional Support Brigades	26	26	25
Special Operations Forces (SOF) Elements			
Civil Affairs Brigade	1	0	0
Military Information Support Group	2	0	0
Ranger Regiment	1	0	0
Special Forces Group	5	0	0
Special Operations Aviation Regiment	1	0	0
Sustainment Brigade (SOF)	1	0	0
Total for SOF Elements	11	0	0

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Commands/Centers	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Air Missile Defense Command	1	1	1
Chemical, Biological, Radiological, Nuclear and Explosives Command	1	1	1
Sustainment Command	3	3	3
Total for Commands/Centers	5	5	5
Ground OPTEMPO Measures (Echelons above Brigade)			
Ground OPTEMPO (\$000)	481,901	442,935	604,117
Unit Proficiency Level Goal	Brigade	Brigade	Brigade
Unit Proficiency Level Budgeted	Company (-)	Battalion	Brigade (-)
Percent of Training Readiness Goal Funded	43%	71%	93%

NOTE: 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.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	75,960	75,794	75,355	-439
Officer	8,880	8,553	8,324	-229
Enlisted	67,080	67,241	67,031	-210
<u>Active Military Average Strength (A/S) (Total)</u>	78,341	75,878	75,575	-303
Officer	9,198	8,717	8,439	-278
Enlisted	69,143	67,161	67,136	-25
<u>Civilian FTEs (Total)</u>	3	0	0	0
U.S. Direct Hire	3	0	0	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	3	0	0	0
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 6	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	149	0	0	0
<u>Contractor FTEs (Total)</u>	642	390	403	13

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	448	0	0.00%	0	-448	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	448	0		0	-448	0	0		0	0	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	35,893	0	1.80%	646	-10,990	25,549	0	2.00%	511	615	26,675
0399	TOTAL TRAVEL	35,893	0		646	-10,990	25,549	0		511	615	26,675
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	11,310	0	-8.20%	-927	23,788	34,171	0	-0.40%	-137	13,514	47,548
0402	SERVICE FUND FUEL	26	0	-8.20%	-2	2,838	2,862	0	-0.40%	-11	1,134	3,985
0411	ARMY SUPPLY	132,150	0	-4.63%	-6,119	-7,223	118,808	0	2.84%	3,374	42,980	165,162
0412	NAVY MANAGED SUPPLIES AND MATERIALS	69	0	4.94%	3	-17	55	0	0.80%	0	34	89
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	162	0	0.96%	2	-38	126	0	-8.32%	-10	103	219
0416	GSA MANAGED SUPPLIES AND MATERIALS	6,865	0	1.80%	124	-750	6,239	0	2.00%	125	1,462	7,826
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	2,857	0	1.80%	51	-270	2,638	0	2.00%	53	515	3,206
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	1,152	0	1.40%	16	-119	1,049	0	0.13%	1	313	1,363
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	2,369	0	-0.40%	-9	-159	2,201	0	-0.01%	0	1,363	3,564
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	71,005	0	-6.00%	-4,260	84	66,829	0	-0.59%	-394	12,229	78,664
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	227,965	0		-11,121	18,134	234,978	0		3,001	73,647	311,626
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	24,012	0	-0.26%	-62	-9,756	14,194	0	2.84%	403	1,592	16,189
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	7,135	0	-0.10%	-7	-347	6,781	0	-1.77%	-120	613	7,274
0507	GSA MANAGED EQUIPMENT	3,071	0	1.80%	55	-321	2,805	0	2.00%	56	382	3,243
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	34,218	0		-14	-10,424	23,780	0		339	2,587	26,706
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	1,583	0	-9.00%	-142	-278	1,163	0	1.30%	15	-1,162	16

Exhibit OP-5, Subactivity Group 113

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Detail by Subactivity Group 113: Echelons Above Brigade

		<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>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 2018</u> <u>Program</u>
0771	COMMERCIAL TRANSPORTATION	9,185	0	1.80%	165	913	10,263	0	2.00%	205	68,592	79,060
0799	TOTAL TRANSPORTATION	10,768	0		23	635	11,426	0		220	67,430	79,076
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	637	0	1.80%	11	-648	0	0	2.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	746	0	1.80%	13	-632	127	0	2.00%	3	1,579	1,709
0920	SUPPLIES AND MATERIALS (NON-FUND)	41,153	0	1.80%	741	-549	41,345	0	2.00%	827	5,107	47,279
0921	PRINTING AND REPRODUCTION	2,276	0	1.80%	41	-2,288	29	0	2.00%	1	0	30
0922	EQUIPMENT MAINTENANCE BY CONTRACT	77,353	0	1.80%	1,392	-22,199	56,546	0	2.00%	1,131	-8,455	49,222
0923	OPERATION AND MAINTENANCE OF FACILITIES	7,306	0	1.80%	131	-6,880	557	0	2.00%	11	3,033	3,601
0924	PHARMACEUTICAL DRUGS	690	0	3.80%	26	-716	0	0	3.90%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	2,501	0	1.80%	45	8,837	11,383	0	2.00%	228	-42	11,569
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	7,164	0	1.80%	129	-7,293	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	86	0	1.80%	2	-88	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	622	0	1.80%	11	-633	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	2,918	0	0.00%	0	-2,918	0	0	2.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	8,076	0	1.80%	145	13,874	22,095	0	2.00%	442	839	23,376
0989	OTHER SERVICES	13,597	0	1.80%	245	-5,970	7,872	0	2.00%	157	1,689	9,718
0990	IT CONTRACT SUPPORT SERVICES	7,484	0	1.80%	135	-371	7,248	0	2.00%	145	6,137	13,530
0999	TOTAL OTHER PURCHASES	172,609	0		3,067	-28,474	147,202	0		2,945	9,887	160,034
9999	GRAND TOTAL	481,901	0		-7,399	-31,567	442,935	0		7,016	154,166	604,117

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Detail by Subactivity Group 114: Theater Level Assets

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 2018 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 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 Space and Missile Defense Command/ Army Forces Strategic Command
U.S. Army Pacific

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Activity Group 11: Land Forces
Detail by Subactivity Group 114: Theater Level Assets

U.S. Army Cyber Command

Direct Reporting Units:

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

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
THEATER LEVEL ASSETS	\$2,057,264	\$912,855	\$0	0.00%	\$912,855	\$912,855	\$793,217	
SUBACTIVITY GROUP TOTAL	\$2,057,264	\$912,855	\$0	0.00%	\$912,855	\$912,855	\$793,217	
			<u>Change</u>		<u>Change</u>			
			<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$912,855		\$912,855			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			912,855					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			912,855					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					17,633			
Functional Transfers					-4,461			
Program Changes					-132,810			
NORMALIZED CURRENT ESTIMATE			\$912,855		\$793,217			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 912,855
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 912,855
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 912,855
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 912,855

DEPARTMENT OF THE ARMY
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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 912,855
6. Price Change.....	\$ 17,633
7. Transfers.....	\$ -4,461
a) Transfers In.....	\$ 14,821
1) Other than Army - Base Operations.....	\$ 14,821
Transfers funding from SAG 131, Base Operations Support to SAG 114, Theater Level Assets to realign base operations funding for Army units on other than Army installations to the appropriate Subactivity Group. (Baseline: \$0)	
b) Transfers Out.....	\$ -19,282
1) Terminal High Altitude Area Defense (THAAD).....	\$ -19,282
Transfers funding from SAG 114, Theater Level Assets to SAG 113, Echelons Above Brigade to realign THAAD resources into the appropriate Subactivity Group. (Baseline: \$19,282)	
8. Program Increases.....	\$ 0

DEPARTMENT OF THE ARMY
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a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 0
9. Program Decreases.....	\$ -132,810
a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -132,810
1) Civilian Average Annual Compensation.....	\$ -217
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$66,857)</p>	
2) Headquarters Reduction	\$ -4,293
<p>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: \$66,857; -28 FTE)</p>	

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3) Unmanned Aerial System (UAS) Gray Eagle\$ -128,300
Decreases funding for the sustainment costs for four deployed UAS Gray Eagle units conducting split based operations. Costs include the maintenance and logistical support required at multiple locations. (Baseline: \$310,145)

FY 2018 Budget Request.....\$ 793,217

DEPARTMENT OF THE ARMY
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IV. Performance Criteria and Evaluation Summary:

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Combat Vehicles				
Stryker Infantry Combat Vehicle	ICV	18	18	18
Total for Combat Vehicles		18	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	8	9	9
	Gray Eagle ²	2	2	2
	Shadow	104	104	104
Total for Combat Support Pacing Item		210	211	211
Functional Support Brigades				
Air Defense Brigade		1	1	1
Army Field Support Brigade		7	7	7
Medical Brigade		1	1	1
Military Intelligence Brigade		7	7	7
Signal Brigade		7	7	7
Total for Functional Support Brigades		23	23	23

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	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Theater Commands/Centers			
Air Missile Defense Command	2	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	1
Sustainment Command	4	4	4
Total for Theater Commands/Centers	16	16	15
Ground OPTEMPO Measures (Theater Level Assets)			
Ground OPTEMPO (\$000)	2,057,264	912,855	793,217
Unit Proficiency Level Goal ³	Brigade	Brigade	Brigade
Unit Proficiency Level Budgeted	Company (-)	Battalion	Brigade (-)
Percent of Training Readiness Goal Funded	43%	71%	93%

NOTES:

1. Nine Gray Eagle aircraft per system.
2. 12 Gray Eagle aircraft per system.
3. Unit proficiency is achieved by units executing funded miles and training events. The training readiness goal functional brigades is to achieve brigade level unit proficiency.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	23,730	23,227	23,357	130
Officer	4,532	4,520	4,557	37
Enlisted	19,198	18,707	18,800	93
<u>Active Military Average Strength (A/S) (Total)</u>	23,784	23,479	23,293	-186
Officer	4,527	4,526	4,539	13
Enlisted	19,257	18,953	18,754	-199
<u>Civilian FTEs (Total)</u>	457	444	416	-28
U.S. Direct Hire	457	407	379	-28
Foreign National Direct Hire	0	37	37	0
Total Direct Hire	457	444	416	-28
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 14	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	159	151	153	2
<u>Contractor FTEs (Total)</u>	5,911	2,479	1,849	-630

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:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	70,708	0	1.41%	995	-5,410	66,293	0	1.80%	1,194	-4,810	62,677
0103	WAGE BOARD	1,791	0	0.00%	0	-1,791	0	0	0.00%	0	0	0
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	5	140.00%	7	552	564	12	2.95%	17	300	893
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	72,499	5		1,002	-6,649	66,857	12		1,211	-4,510	63,570
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	64,105	0	1.80%	1,153	-15,221	50,037	0	2.00%	1,001	479	51,517
0399	TOTAL TRAVEL	64,105	0		1,153	-15,221	50,037	0		1,001	479	51,517
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	5,598	0	-8.20%	-459	4,734	9,873	0	-0.40%	-39	-2,507	7,327
0402	SERVICE FUND FUEL	1	0	-8.20%	0	335	336	0	-0.40%	-1	-242	93
0411	ARMY SUPPLY	138,962	0	-4.63%	-6,434	-46,855	85,673	0	2.84%	2,433	-5,792	82,314
0412	NAVY MANAGED SUPPLIES AND MATERIALS	20	0	4.94%	1	-8	13	0	0.80%	0	25	38
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	45	0	0.96%	0	-14	31	0	-8.32%	-3	45	73
0416	GSA MANAGED SUPPLIES AND MATERIALS	15,232	0	1.80%	274	-12,590	2,916	0	2.00%	58	37	3,011
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	1,784	0	1.80%	32	438	2,254	0	2.00%	45	-319	1,980
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	8,828	0	1.40%	124	-167	8,785	0	0.13%	11	145	8,941
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	774	0	-0.40%	-3	5	776	0	-0.01%	0	137	913
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	1	0	-0.70%	0	-1	0	0	0.00%	0	0	0
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	28,362	0	-6.00%	-1,702	-2,734	23,926	0	-0.59%	-141	-1,615	22,170
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	199,607	0		-8,167	-56,857	134,583	0		2,363	-10,086	126,860
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	229,020	0	-0.26%	-596	-215,407	13,017	0	2.84%	370	142	13,529
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	4,220	0	-0.10%	-4	750	4,966	0	-1.77%	-88	204	5,082
0507	GSA MANAGED EQUIPMENT	1,458	0	1.80%	26	249	1,733	0	2.00%	35	58	1,826
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	234,698	0		-574	-214,408	19,716	0		317	404	20,437

Exhibit OP-5, Subactivity Group 114

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	209	0	-0.11%	0	-209	0	0.00%	0	0	0	
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	183	0	-7.00%	-13	-170	0	0.00%	0	0	0	
0699	TOTAL INDUSTRIAL FUND PURCHASES	392	0		-13	-379	0		0	0	0	
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	2,001	0	-9.00%	-180	-1,672	149	1.30%	2	53	204	
0718	SDDC LINER OCEAN TRANSPORTATION	71,932	0	-1.80%	-1,295	-70,637	0	0.00%	0	0	0	
0719	SDDC CARGO OPERATION (PORT HANDLING)	16,573	0	0.80%	133	-16,706	0	0.00%	0	0	0	
0771	COMMERCIAL TRANSPORTATION	23,664	0	1.80%	426	-13,207	10,883	2.00%	218	-3,321	7,780	
0799	TOTAL TRANSPORTATION	114,170	0		-916	-102,222	11,032		220	-3,268	7,984	
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	422	0	1.80%	8	-430	0	0.00%	0	0	0	
0913	PURCHASED UTILITIES (NON-FUND)	660	0	1.80%	12	-672	0	2.00%	0	94	94	
0914	PURCHASED COMMUNICATIONS (NON-FUND)	17,970	0	1.80%	323	-1,876	16,417	2.00%	328	11	16,756	
0915	RENTS (NON-GSA)	351	0	1.80%	6	-357	0	2.00%	0	82	82	
0917	POSTAL SERVICES (U.S.P.S)	110	0	1.80%	2	81	193	2.00%	4	36	233	
0920	SUPPLIES AND MATERIALS (NON-FUND)	248,271	0	1.80%	4,468	-129,171	123,568	2.00%	2,471	-1,802	124,237	
0921	PRINTING AND REPRODUCTION	274	0	1.80%	5	-108	171	2.00%	3	2	176	
0922	EQUIPMENT MAINTENANCE BY CONTRACT	623,669	0	1.80%	11,226	-272,942	361,953	2.00%	7,239	-126,631	242,561	
0923	OPERATION AND MAINTENANCE OF FACILITIES	47,377	0	1.80%	852	-12,787	35,442	2.00%	709	7,014	43,165	
0924	PHARMACEUTICAL DRUGS	728	0	3.80%	28	-756	0	3.90%	0	0	0	
0925	EQUIPMENT PURCHASES (NON-FUND)	11,245	0	1.80%	203	-1,173	10,275	2.00%	205	50	10,530	
0928	SHIP MAINTENANCE BY CONTRACT	8	0	1.80%	0	-8	0	0.00%	0	0	0	
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	138,078	0	1.80%	2,486	-140,564	0	2.00%	0	0	0	
0933	STUDIES, ANALYSIS, AND EVALUATIONS	37,318	0	1.80%	671	-37,989	0	2.00%	0	0	0	
0934	ENGINEERING AND TECHNICAL SERVICES	40,441	0	1.80%	727	-41,168	0	2.00%	0	0	0	
0935	TRAINING AND LEADERSHIP DEVELOPMENT	5,852	0	0.00%	0	-5,852	0	2.00%	0	0	0	
0937	LOCALLY PURCHASED FUEL (NON-FUND)	7,027	0	-8.20%	-576	-2,194	4,257	-0.40%	-17	159	4,399	

Exhibit OP-5, Subactivity Group 114

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	<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>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 2018</u> <u>Program</u>	
0957	LAND AND STRUCTURES	262	0	1.80%	5	-267	0	0	0.00%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	52	0	1.80%	1	-53	0	0	0.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	108	0	0.00%	0	-108	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	13,754	0	1.80%	248	2,907	16,909	0	2.00%	338	307	17,554
0989	OTHER SERVICES	119,773	0	1.80%	2,156	-100,594	21,335	0	2.00%	427	41	21,803
0990	IT CONTRACT SUPPORT SERVICES	58,043	0	1.80%	1,045	-18,978	40,110	0	2.00%	802	347	41,259
0999	TOTAL OTHER PURCHASES	1,371,793	0		23,896	-765,059	630,630	0		12,509	-120,290	522,849
9999	GRAND TOTAL	2,057,264	5		16,381	-1,160,795	912,855	12		17,621	-137,271	793,217

DEPARTMENT OF THE ARMY
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Detail by Subactivity Group 115: Land Forces Operations Support

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 Operating Tempo 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 2018 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):

A. <u>Program Elements</u>	<u>FY 2016 Actual</u>	<u>Budget Request</u>	<u>FY 2017</u>			<u>Normalized Current Estimate</u>	<u>FY 2018 Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
LAND FORCES OPERATIONS SUPPORT	\$1,378,061	\$934,127	\$0	0.00%	\$934,127	\$934,127	\$1,169,478
SUBACTIVITY GROUP TOTAL	\$1,378,061	\$934,127	\$0	0.00%	\$934,127	\$934,127	\$1,169,478
			<u>Change FY 2017/FY 2017</u>	<u>Change FY 2017/FY 2018</u>			
BASELINE FUNDING			\$934,127		\$934,127		
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL ESTIMATED AMOUNT			934,127				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2017 to 2017 Only)			0				
SUBTOTAL BASELINE FUNDING			934,127				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					17,825		
Functional Transfers					0		
Program Changes					217,526		
NORMALIZED CURRENT ESTIMATE			\$934,127		\$1,169,478		

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 934,127
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 934,127
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 934,127
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 934,127

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 934,127
6. Price Change	\$ 17,825
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 218,638
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 218,638

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1) Bipartisan Budget Act of 2015 Compliance \$ 214,752
 Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The increase funds Combat Training Centers, Mission Combat Training Program Operations, and Contract Logistics Support. (Baseline: \$0)

2) Reimbursable to Direct Manpower Conversion \$ 3,886
 In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$142,736; 51 FTE)

9. Program Decreases \$ -1,112

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ -1,112

1) Civilian Average Annual Compensation \$ -1,112
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$142,736)

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FY 2018 Budget Request.....\$ 1,169,478

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IV. Performance Criteria and Evaluation Summary:

<u>COMPO</u>	<u>CTC Location</u>	<u>CTC Rotations</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Active	JMRC, Germany	Capacity	1	1	1
Active	JRTC, Ft. Polk, Louisiana	Capacity	8	8	7
Active	NTC, Ft. Irwin, California	Capacity	8	9	7
Active	MCTP, Ft. Leavenworth, Kansas	Capacity	44	44	44
Guard	JRTC, Ft. Polk, Louisiana	Capacity	1	1	2
Guard	NTC, Ft. Irwin, California	Capacity	1	1	2
Guard	MCTP, Ft. Leavenworth, Kansas	Capacity	20	20	20
Reserve	MCTP, Ft. Leavenworth, Kansas	Capacity	9	9	9
			<u>FY 2016¹</u>	<u>FY 2017²</u>	<u>FY 2018³</u>
Active	JMRC, Germany	Funded	1	1	1
Active	JRTC, Ft. Polk, Louisiana	Funded	8	8	7
Active	NTC, Ft. Irwin, California	Funded	8	8	7
All Compo	MCTP, Ft. Leavenworth, Kansas	Funded	65	65	65
Guard	JRTC, Ft. Polk, Louisiana	Funded	1	1	2
Guard	NTC, Ft. Irwin, California	Funded	1	1	2

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.
- 3** FY 2018: All 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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	2,610	2,731	2,732	1
Officer	1,112	1,236	1,237	1
Enlisted	1,498	1,495	1,495	0
<u>Active Military Average Strength (A/S) (Total)</u>	2,645	2,671	2,732	61
Officer	1,125	1,174	1,237	63
Enlisted	1,520	1,497	1,495	-2
<u>Civilian FTEs (Total)</u>	1,998	1,907	1,958	51
U.S. Direct Hire	1,039	1,052	1,091	39
Foreign National Direct Hire	449	460	433	-27
Total Direct Hire	1,488	1,512	1,524	12
Foreign National Indirect Hire	510	395	434	39
 <i>(Reimbursable Civilians (Memo))</i>	 38	 147	 39	 -108
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	75	75	76	1
<u>Contractor FTEs (Total)</u>	3,627	1,620	2,155	535

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:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	92,949	0	1.60%	1,484	5,498	99,931	0	1.89%	1,885	-2,195	99,621
0103	WAGE BOARD	19,408	0	1.17%	227	-3,563	16,072	0	2.05%	330	609	17,011
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	5,762	54	1.67%	97	1,243	7,156	55	1.16%	84	-2,959	4,336
0106	BENEFITS TO FORMER EMPLOYEES	42	0	0.00%	0	-42	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	118,161	54		1,808	3,136	123,159	55		2,299	-4,545	120,968
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	70,129	0	1.80%	1,262	-41,703	29,688	0	2.00%	594	596	30,878
0399	TOTAL TRAVEL	70,129	0		1,262	-41,703	29,688	0		594	596	30,878
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	11,600	0	-8.20%	-951	-5,970	4,679	0	-0.40%	-19	2,657	7,317
0402	SERVICE FUND FUEL	0	0	-8.20%	0	42	42	0	-0.40%	0	0	42
0411	ARMY SUPPLY	92,916	0	-4.63%	-4,301	-25,150	63,465	0	2.84%	1,802	8,173	73,440
0412	NAVY MANAGED SUPPLIES AND MATERIALS	44	0	4.94%	2	-46	0	0	0.00%	0	0	0
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	6	0	0.96%	0	7	13	0	-8.32%	-1	2	14
0416	GSA MANAGED SUPPLIES AND MATERIALS	2,855	0	1.80%	51	-82	2,824	0	2.00%	56	1,431	4,311
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	180	0	1.80%	3	275	458	0	2.00%	9	21	488
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	331	0	1.40%	5	889	1,225	0	0.13%	2	275	1,502
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	423	0	-0.40%	-1	571	993	0	-0.01%	0	330	1,323
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	16,637	0	-6.00%	-998	20,753	36,392	0	-0.59%	-215	5,654	41,831
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	124,992	0		-6,190	-8,711	110,091	0		1,634	18,543	130,268
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	27,910	1,589	-0.26%	-76	-27,396	2,027	0	2.84%	58	150	2,235
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	72	0	-0.10%	0	21	93	0	-1.77%	-2	7	98
0507	GSA MANAGED EQUIPMENT	11,509	0	1.80%	208	-9,464	2,253	0	2.00%	45	1,165	3,463
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	39,491	1,589		132	-36,839	4,373	0		101	1,322	5,796

Exhibit OP-5, Subactivity Group 115

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	7,476	0	-0.11%	-8	-7,468	0	0	0.00%	0	0	0
0603	DLA DISTRIBUTION	28	0	15.16%	4	-32	0	0	0.00%	0	0	0
0610	NAVAL AIR WARFARE CENTER	844	0	3.20%	27	-871	0	0	0.00%	0	0	0
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	642	0	-7.00%	-45	-597	0	0	0.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	8,990	0		-22	-8,968	0	0		0	0	0
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	1,388	0	-9.00%	-125	-1,263	0	0	0.00%	0	0	0
0718	SDDC LINER OCEAN TRANSPORTATION	25,501	0	-1.80%	-459	-25,042	0	0	0.00%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	10,478	0	0.80%	83	-10,561	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	225,695	0	1.80%	4,062	51,398	281,155	0	2.00%	5,623	93,011	379,789
0799	TOTAL TRANSPORTATION	263,062	0		3,561	14,532	281,155	0		5,623	93,011	379,789
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	30,973	112	0.95%	295	-11,803	19,577	-323	2.71%	521	7,319	27,094
0912	RENTAL PAYMENTS TO GSA (SLUC)	2,477	0	1.80%	45	-2,017	505	0	2.00%	10	308	823
0913	PURCHASED UTILITIES (NON-FUND)	453	0	1.80%	8	-236	225	0	2.00%	4	894	1,123
0914	PURCHASED COMMUNICATIONS (NON-FUND)	6,255	0	1.80%	112	-5,485	882	0	2.00%	18	2,793	3,693
0915	RENTS (NON-GSA)	5,454	0	1.80%	98	-2,224	3,328	0	2.00%	67	2,817	6,212
0917	POSTAL SERVICES (U.S.P.S)	5	0	1.80%	0	3	8	0	2.00%	0	0	8
0920	SUPPLIES AND MATERIALS (NON-FUND)	21,804	0	1.80%	393	24,514	46,711	0	2.00%	934	-7,611	40,034
0921	PRINTING AND REPRODUCTION	473	0	1.80%	8	-9	472	0	2.00%	9	0	481
0922	EQUIPMENT MAINTENANCE BY CONTRACT	353,609	0	1.80%	6,364	-225,458	134,515	0	2.00%	2,690	53,326	190,531
0923	OPERATION AND MAINTENANCE OF FACILITIES	34,898	0	1.80%	628	-18,301	17,225	0	2.00%	344	15,887	33,456
0925	EQUIPMENT PURCHASES (NON-FUND)	4,855	0	1.80%	88	-4,716	227	0	2.00%	5	37	269
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	346	0	1.80%	7	-353	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	29,954	0	1.80%	539	-30,493	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	3,876	0	1.80%	69	-3,945	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	16,279	0	1.80%	294	-16,573	0	0	2.00%	0	0	0

Exhibit OP-5, Subactivity Group 115

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0935	TRAINING AND LEADERSHIP DEVELOPMENT	4,284	0	0.00%	0	-4,284	0	0	2.00%	0	0	0
0957	LAND AND STRUCTURES	10,574	0	1.80%	190	-10,764	0	0	0.00%	0	0	0
0960	INTEREST AND DIVIDENDS	278	0	1.80%	5	-283	0	0	0.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	2,747	0	1.80%	50	-2,797	0	0	0.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	150	0	0.00%	0	-150	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	12,654	0	1.80%	227	1,572	14,453	0	2.00%	289	911	15,653
0989	OTHER SERVICES	139,932	0	1.80%	2,519	-33,849	108,602	0	2.00%	2,172	11,661	122,435
0990	IT CONTRACT SUPPORT SERVICES	70,906	0	1.80%	1,276	-33,251	38,931	0	2.00%	779	20,257	59,967
0999	TOTAL OTHER PURCHASES	753,236	112		13,215	-380,902	385,661	-323		7,842	108,599	501,779
9999	GRAND TOTAL	1,378,061	1,755		13,766	-459,455	934,127	-268		18,093	217,526	1,169,478

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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 2018 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. Army Military District Washington
U.S. Army Intelligence and Security Command
U.S. Army Acquisition Support Center

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	FY 2018
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>Estimate</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
AVIATION ASSETS	\$1,439,923	\$1,378,597	\$0	0.00%	\$1,378,597	\$1,378,597	\$1,496,503	
SUBACTIVITY GROUP TOTAL	\$1,439,923	\$1,378,597	\$0	0.00%	\$1,378,597	\$1,378,597	\$1,496,503	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$1,378,597	\$1,378,597				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			1,378,597					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			1,378,597					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					27,213			
Functional Transfers					-99,976			
Program Changes					190,669			
NORMALIZED CURRENT ESTIMATE			\$1,378,597		\$1,496,503			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 1,378,597
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 1,378,597
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 1,378,597
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 1,378,597

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 1,378,597
6. Price Change	\$ 27,213
7. Transfers.....	\$ -99,976
a) Transfers In	\$ 0
b) Transfers Out	\$ -99,976
1) Light Utility Helicopter (LUH) Lakota Maintenance	\$ -99,976
Transfers maintenance funding for LUH used in the Army's flight training school from SAG 116, Aviation Assets to SAG 322, Flight Training to synchronize all flight school funding in the same Subactivity Group. (Baseline: \$99,976)	
8. Program Increases	\$ 190,928
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

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c) Program Growth in FY 2018	\$ 190,928
1) Bipartisan Budget Act of 2015 Compliance	\$ 108,215
Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding to the Base Budget that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The increase funds Home Station Training. (Baseline: \$0)	
2) Contractor Logistics Support - Fixed Wing Aircraft Maintenance	\$ 22,225
Funds the increase in maintenance required to support increased training by Intelligence Surveillance and Reconnaissance units. (Baseline: \$214,021)	
3) Home Station Training - Aerial Intelligence Surveillance Reconnaissance	\$ 20,000
Funds combat air patrols using RC12 and MC12 in support of Global Force Management Allocation Plan deployments not associated with Overseas Contingency Operations. Funding pays for aircraft hangar leases, Soldier support costs, and added maintenance costs due to increased use. (Baseline: \$937,273)	
4) Home Station Training - Gray Eagle Training Support	\$ 9,000
Increase funding to support newly identified mission requirements from U.S. Southern Command, U.S. North Command, and U.S. Africa Command for the Gray Eagle Unmanned Aircraft System. Funding is for repair parts and personnel training. (Baseline: \$937,273)	
5) Home Station Training - Training Readiness	\$ 31,488
Increases funding Combat Aviation Brigades (CAB) ground and air home station training. Funds CAB operation and maintenance costs for repair parts, fuel, supplies, and other home station training support costs commensurate with increased training for the CABs. (Baseline: \$937,273)	
9. Program Decreases	\$ -259

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a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -259

1) Civilian Average Annual Compensation..... \$ -259

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$2,784)

FY 2018 Budget Request..... \$ 1,496,503

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 Detail by Subactivity Group 116: Aviation Assets

IV. Performance Criteria and Evaluation Summary:

		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Aircraft				
Kiowa	OH-58C	20	20	20
Kiowa Warrior	OH-58D	60	30	0
Chinook	CH-47F	144	144	144
Longbow Apache	AH-64D	384	360	288
	AH-64E	96	144	240
Blackhawk	UH-60A	82	82	42
	UH-60L	230	185	195
	UH-60M	278	308	323
	HH-60M	90	105	120
Lakota	UH-72A	347	402	419
Aerial Reconnaissance Low	EO-5	8	8	8
Airplane (Fixed Wing)	C-12	103	115	116
Jet Airplane (Fixed Wing)	C-20	1	1	0
	C-26	11	11	11
	C-37	3	3	3
	UC-35	26	26	26
Quick Look (Fixed Wing)	RC-12	44	19	19
	MC-12	20	24	24
Total for Aircraft		1,947	1,987	1,998
Multifunctional Support Brigades				
Combat Aviation Brigade		11	11	11
Total for Multifunctional Support Brigades		11	11	11
		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Ground OPTEMPO Measures (Aviation Assets)				

Exhibit OP-5, Subactivity Group 116

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Ground OPTEMPO (\$000)	579,388	570,543	622,131
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Air OPTEMPO Measures (Aviation Assets)

	<u>FY 2016</u>	<u>FY 2017¹</u>	<u>FY 2018</u>
Flying Hour (\$000)	844,300	808,054	874,372
Flying Hours Budgeted (000)	282	269	292
Total Hours flown (000)	220	N/A	N/A
Percent of Hours flown	78%	N/A	N/A
Hours per Crew per Month Budgeted	11.5	9.7	10.6
Hours per Crew per Month Executed	10.0	N/A	N/A

Fixed Wing Aircraft Contractor Logistics Support Contracted Operational Readiness Rates:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
C-12	80%	80%	80%
C-20	90%	90%	N/A
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 10.8 Hours per Crew per Month (H/C/M), 9.7 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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	32,829	31,945	32,281	336
Officer	5,833	5,639	5,656	17
Enlisted	26,996	26,306	26,625	319
<u>Active Military Average Strength (A/S) (Total)</u>	33,698	32,387	32,114	-273
Officer	5,976	5,736	5,648	-88
Enlisted	27,722	26,651	26,466	-185
<u>Civilian FTEs (Total)</u>	40	18	18	0
U.S. Direct Hire	14	18	18	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	14	18	18	0
Foreign National Indirect Hire	26	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	49	155	143	-12
<u>Contractor FTEs (Total)</u>	2,458	2,434	2,311	-123

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	1,885	0	2.12%	40	859	2,784	0	1.72%	48	-259	2,573
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	1,885	0		40	859	2,784	0		48	-259	2,573
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	11,305	0	1.80%	204	323	11,832	0	2.00%	237	-771	11,298
0399	TOTAL TRAVEL	11,305	0		204	323	11,832	0		237	-771	11,298
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	90,054	0	-8.20%	-7,384	6,417	89,087	0	-0.40%	-356	9,586	98,317
0402	SERVICE FUND FUEL	0	0	-8.20%	0	7,622	7,622	0	-0.40%	-30	1,157	8,749
0411	ARMY SUPPLY	703,231	0	-4.63%	-32,559	-28,788	641,884	0	2.84%	18,229	87,980	748,093
0412	NAVY MANAGED SUPPLIES AND MATERIALS	244	0	4.94%	12	-27	229	0	0.80%	2	48	279
0414	AIR FORCE CONSOLIDATED SUSTAINMENT AG (SUPPLY)	468	0	0.96%	4	-17	455	0	-8.32%	-38	126	543
0416	GSA MANAGED SUPPLIES AND MATERIALS	9,994	0	1.80%	180	-500	9,674	0	2.00%	193	1,604	11,471
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	3,476	0	1.80%	63	-181	3,358	0	2.00%	67	543	3,968
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	489	0	1.40%	7	99	595	0	0.13%	1	128	724
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	985	0	-0.40%	-4	78	1,059	0	-0.01%	0	507	1,566
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	121,061	0	-6.00%	-7,264	3,301	117,098	0	-0.59%	-691	6,988	123,395
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	930,002	0		-46,945	-11,996	871,061	0		17,377	108,667	997,105
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	4,583	0	-0.26%	-11	-1,113	3,459	0	2.84%	98	873	4,430
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	2,124	0	-0.10%	-2	-35	2,087	0	-1.77%	-37	585	2,635
0507	GSA MANAGED EQUIPMENT	1,292	0	1.80%	23	-72	1,243	0	2.00%	25	334	1,602
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	7,999	0		10	-1,220	6,789	0		86	1,792	8,667
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	0	0	-9.00%	0	758	758	0	1.30%	10	-768	0

Exhibit OP-5, Subactivity Group 116

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	12,187	0	1.80%	219	-7,494	4,912	0	2.00%	98	965	5,975
0799	TOTAL TRANSPORTATION	12,187	0		219	-6,736	5,670	0		108	197	5,975
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	58	0	0.00%	0	-58	0	0	0.00%	0	0	0
0912	RENTAL PAYMENTS TO GSA (SLUC)	290	0	1.80%	5	-34	261	0	2.00%	5	-64	202
0914	PURCHASED COMMUNICATIONS (NON-FUND)	3	0	1.80%	0	-3	0	0	0.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	13,109	0	1.80%	236	562	13,907	0	2.00%	278	3,109	17,294
0922	EQUIPMENT MAINTENANCE BY CONTRACT	433,990	0	1.80%	7,812	5,512	447,314	0	2.00%	8,946	-23,760	432,500
0923	OPERATION AND MAINTENANCE OF FACILITIES	313	0	1.80%	6	-319	0	0	0.00%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	3,357	0	1.80%	60	89	3,506	0	2.00%	70	38	3,614
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	884	0	1.80%	16	-900	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	19	0	1.80%	0	-19	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	4,534	0	1.80%	82	-4,616	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	1,944	0	0.00%	0	-1,944	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	12,933	0	-8.20%	-1,060	-1,423	10,450	0	-0.40%	-42	1,081	11,489
0987	OTHER INTRA-GOVERNMENT PURCHASES	1,704	0	1.80%	31	-48	1,687	0	2.00%	34	254	1,975
0989	OTHER SERVICES	323	0	1.80%	6	35	364	0	2.00%	7	167	538
0990	IT CONTRACT SUPPORT SERVICES	3,084	0	1.80%	56	-168	2,972	0	2.00%	59	242	3,273
0999	TOTAL OTHER PURCHASES	476,545	0		7,250	-3,334	480,461	0		9,357	-18,933	470,885
9999	GRAND TOTAL	1,439,923	0		-39,222	-22,104	1,378,597	0		27,213	90,693	1,496,503

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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.

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.

Resources the Army's Wounded Warrior Program to provide assistance and advocacy for severely wounded, ill, and injured service members, veterans, and their families. These programs assist service members and their families as they return to duty or transition to civilian life.

II. Force Structure Summary:

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

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
U.S. Army Europe
U.S. Army Space and Missile Defense Command/Army Forces Strategic Command
U.S. Army Pacific
U.S. Army Cyber Command

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

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III. Financial Summary (\$ in Thousands):

A. <u>Program Elements</u>	<u>FY 2016</u> <u>Actual</u>	<u>Budget</u> <u>Request</u>	<u>FY 2017</u>			<u>Normalized</u> <u>Current</u> <u>Estimate</u>	<u>FY 2018</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
FORCE READINESS OPERATIONS SUPPORT	\$4,968,989	\$3,267,343	\$0	0.00%	\$3,267,343	\$3,267,343	\$3,675,901
SUBACTIVITY GROUP TOTAL	\$4,968,989	\$3,267,343	\$0	0.00%	\$3,267,343	\$3,267,343	\$3,675,901
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>			
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$3,267,343	\$3,267,343			
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL ESTIMATED AMOUNT			3,267,343				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2017 to 2017 Only)			0				
SUBTOTAL BASELINE FUNDING			3,267,343				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					61,251		
Functional Transfers					-50,158		
Program Changes					397,465		
NORMALIZED CURRENT ESTIMATE			\$3,267,343		\$3,675,901		

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 3,267,343
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 3,267,343
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 3,267,343
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 3,267,343

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 3,267,343
6. Price Change.....	\$ 61,251
7. Transfers.....	\$ -50,158
a) Transfers In.....	\$ 153,576
1) Army Counterintelligence.....	\$ 103
Transfers funding and 1 FTE from SAG 411, Security Programs to SAG 121, Force Readiness Operations Support to align intelligence operations support resources under the correct Subactivity Group. (Baseline: \$0; 1 FTE)	
2) Army Security Programs.....	\$ 340
Transfers funding and 2 FTEs from SAG 431, Administration to SAG 121, Force Readiness Operations Support to reflect the transfer of two Special Security Officers from Headquarters, Department of the Army to the U.S. Army Network Enterprise Technology Command. (Baseline: \$29,771; 2 FTE)	
3) Non-Divisional Modified Table of Organization and Equipment Units.....	\$ 521
Transfers funding and 11 FTEs from SAG 131, Base Operations Support to SAG 121, Force Operations Readiness Support to reflect the transfer of warehousing missions at Germany-based Logistics Readiness Centers to the mission-performing activity. (Baseline: \$330,940; 11 FTE)	

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4) Wounded Warrior Program \$ 152,612
 Transfers funding and 833 FTEs from the Defense Health Program to Operation and Maintenance, Army, SAG 121, Force Readiness Operations Support to realign responsibility and oversight of the Army Warrior Transition Commands to Department of the Army. (Baseline: \$0; 833 FTE)

b) Transfers Out \$ -203,734

1) Emergency Deployment Readiness Exercise (EDRE) \$ -19,000
 Transfers funding for the following SAGs: SAG 121, Force Readiness Operations Support (-\$19,000) and SAG 211, Strategic Mobility (-\$16,800) to SAG 113, Echelons Above Brigade (\$35,800) to align EDRE resources under the appropriate Subactivity Group. (Baseline: \$19,000)

2) Global Network Operations Security Centers \$ -184,627
 Transfers funding and 224 FTEs from SAG 121, Land Forces Readiness to SAG 432, Servicewide Communications to properly realign the Regional Cyber Centers under the Cybersecurity Activities Capability Portfolio, to the proper Subactivity Group. (Baseline: \$321,735; -224 FTE)

3) Operational Mission Services \$ -107
 Transfers funding and 8 Korean National FTEs from SAG 121, Force Readiness Operations Support to SAG 131, Base Operations Support to reflect the transfer of the Airfield/Heliport Traffic Services and Control mission from U.S. Army Pacific to the U.S. Army Installation Management Command. (Baseline: \$107; -8 FTE)

8. Program Increases \$ 553,209

a) Annualization of New FY 2017 Program \$ 0

b) One-Time FY 2018 Costs \$ 0

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c) Program Growth in FY 2018\$ 553,209

1) Bipartisan Budget Act of 2015 Compliance\$ 253,533

Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The increase funds the following programs: Training Aids, Devices, Simulators and Simulations Systems - Contractor Logistics Support (\$234 million), Training Support Services (\$9 million), and Military Training Specific Allotment (\$7 million). (Baseline: \$0)

2) Commercial Satellite Air Time.....\$ 33,400

Funds the establishment of data transport for the Processing, Exploitation, and Dissemination through Commercial Satellite Airtime to support Army and Joint operations. (Baseline: \$3,060)

3) Cyberspace and Information Operations\$ 8,833

Increases funding and 34 FTEs for the newly established Joint Force Headquarters Forward. Increase also funds the procurement of mobile electronic devices to support unit level individual and collective training. (Baseline: \$195,798; 34 FTE)

4) Ground-Based Midcourse Defense.....\$ 16,836

Funds contract support for the equipment maintenance of radars and power generators at the U.S. Army Space and Missile Defense Command. (Baseline: \$123,987)

5) Intelligence Support to Operations.....\$ 11,576

Funds the Processing, Exploitation and Dissemination capabilities and the execution of the related functions to convert and refine collected data into usable information and distributes the information for further analysis. Increase in funding also supports information technology requirements for Sensitive Compartmented Information Facilities. (Baseline: \$100,356)

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<p>6) International Support, Other.....</p> <p>Increases funding for the strategic lift and operational support for bilateral exercises. (Baseline: \$33,916)</p>	<p>\$ 25,521</p>
<p>7) Military Training Specific Allotment.....</p> <p>Funds travel and per diem expenses for an additional 5,246 Army active component Soldiers' to attend Professional Military Education, Reclassification, and Functional and Pre-Command Courses. (Baseline: \$39,777)</p>	<p>\$ 2,959</p>
<p>8) Network Enterprise Technology.....</p> <p>Funds hardware and software maintenance and the life cycle replacement of computers, generators, and uninterruptible power supply devices used in the operation and defense of the Information Technology enterprise network. (Baseline: \$235,332)</p>	<p>\$ 30,836</p>
<p>9) Organization Clothing and Individual Equipment.....</p> <p>Funds the sustainment of specialized equipment and clothing, such as Army Combat Helmets, Body Armor, and Environmental Protection Clothing, Ballistic Eyewear and Flame Resistant Uniforms for aviators. (Baseline: \$93,425)</p>	<p>\$ 47,893</p>
<p>10) Ready Resiliency Program</p> <p>Funds the implementation of the Performance Triad initiative, a comprehensive platform that utilizes decision support tools and training teams to improve readiness and increase resilience through public health initiatives and leadership engagement. (Baseline: \$21,824)</p>	<p>\$ 5,483</p>
<p>11) Reimbursable to Direct Manpower Conversion</p> <p>In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$1,281,962; 273 FTE)</p>	<p>\$ 22,583</p>

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- 12) Soldier Modernization \$ 20,771
 Funds the procurement of warfighter equipment items and clothing to support additional Soldiers.
 (Baseline: \$93,330)
- 13) Training Aids, Devices, Simulators and Simulations Systems - Contractor Logistics Support \$ 13,872
 Funds additional fielding and sustainment of AH-64E Longbow Apache Crew Trainers as part of the Aviation Restructure Initiative, 3 additional devices and 11 additional systems for the sustainment of the UH-60M Blackhawk Transportable Operations Simulator, and the sustainment of 99 Universal Mission Simulators to provide training for the operation of the Shadow and Gray Eagle Unmanned Aerial Vehicle systems. (Baseline: \$116,394)
- 14) Training Information Infrastructure..... \$ 11,736
 Funds the sustainment of enterprise services in support of the Distributed Learning System, to include administrative supplies and equipment, maintenance renewals, and Cybersecurity compliance requirements. (Baseline: \$54,319)
- 15) Training Support Systems - Management \$ 14,655
 Funds support increased exercise frequency at multiple locations U.S. Army Pacific's area of responsibility to support a permanent theater exportable training capability. (Baseline: \$57,683)
- 16) Training Support Systems - Soldier Training Support Program \$ 9,802
 Increases funding for additional flight simulator instructors at 12 Army aviation training locations, fabrication of training devices, and contract support for 3 training locations. Funding also supports two minor construction projects. (Baseline: \$60,510)
- 17) Training Support Systems - Sustainable Range Program \$ 22,920
 Funds the rebuild of combined arms maneuver capability to preserve Brigade Combat Team readiness and wide area security competency in support of Unified Land Operations. Funding supports an estimated eight percent increase in range usage which will increase operations expenses, consumable supplies on ranges, local range operations, maintenance contracts, operational unexploded ordinance clearances, and personnel training and travel. Also funds recovered training lands used to conduct an

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estimated five percent increase in company and battalion level collective training. (Baseline: \$256,298)

9. Program Decreases.....	\$ -155,744
a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -155,744
1) Army Cyber and Network Operations	\$ -104,062
<p>Reduces funding for contract requirements (manpower and hardware/software) for the Army's regional cyber centers, end point security capabilities, and global network security operations. (Baseline: \$321,735)</p>	
2) Army Major Headquarters Activity (MHA) Rebaseline.....	\$ -5,380
<p>Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$1,281,962; -41 FTE)</p>	
3) Civilian Average Annual Compensation.....	\$ -11,063
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$1,281,962)</p>	

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4) Civilian Workforce Reduction.....\$ -30,067
Reduces 307 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: \$3,086,443; -307 FTE)

5) Intelligence Readiness.....\$ -5,172
Reduces funding for contract services that provide training development, certifications, and mobile training teams for the Army's Foundry Intelligence Training Program. (Baseline: \$19,162)

FY 2018 Budget Request.....\$ 3,675,901

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Criminal Investigation Division Activities			
Number of Investigative Actions ¹	20,000	20,000	20,000
Number of Cases per 1,000 Soldiers ¹	5.4	5.3	6.0
Percent of Cases Over 120 Days Old ¹	47%	47%	46%
Number of Name Checks Prepared	560,000	560,000	560,000
Number of Defense Forensic Science Center Exhibits Processed	69,750	71,000	72,000
Army Cyber and Network Operations			
Regional Hub Nodes	5	5	5
Regional Cyber Centers	6	6	0
Army Cyberspace and Integration Center	1	1	1
Cyber Protection Teams	20	20	20
Missile and Radar Defense			
Number of Forward Deployed Radar	5	5	5
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>Training Support Systems</u>			
Sustainable Range Program			
Number of Ranges ²	3,779	3,792	3,878
Number of Range Complexes ³	94	94	94
Number of Acres (millions)	10	10	10
Number of Range Maintenance Projects	920	858	774
Soldier Training Support Program			

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Number of Training Support Centers	56	56	56
Mission Training Complexes (MTC)			
Number of MTCs	35	35	35

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. 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.

3. 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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	8,220	8,542	8,989	447
Officer	2,856	2,926	3,126	200
Enlisted	5,364	5,616	5,863	247
<u>Active Military Average Strength (A/S) (Total)</u>	8,301	8,381	8,766	385
Officer	2,809	2,891	3,026	135
Enlisted	5,492	5,490	5,740	250
<u>Civilian FTEs (Total)</u>	14,281	14,704	15,278	574
U.S. Direct Hire	9,123	9,634	10,041	407
Foreign National Direct Hire	1,431	1,412	1,427	15
Total Direct Hire	10,554	11,046	11,468	422
Foreign National Indirect Hire	3,727	3,658	3,810	152
 <i>(Reimbursable Civilians (Memo))</i>	 2,772	 3,054	 2,831	 -223
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	84	87	88	1
<u>Contractor FTEs (Total)</u>	11,498	5,753	6,872	1,119

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	986,875	0	1.61%	15,891	61,322	1,064,088	0	1.95%	20,798	8,820	1,093,706
0103	WAGE BOARD	51,671	0	1.67%	863	8,549	61,083	0	1.92%	1,175	-1,828	60,430
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	23,537	191	1.64%	388	4,796	28,912	409	2.62%	769	9,282	39,372
0105	SEPARATION LIABILITY (FNDH)	55	0	0.00%	0	-55	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	1,396	0	0.00%	0	-1,396	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	1,063,534	191		17,142	73,216	1,154,083	409		22,742	16,274	1,193,508
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	274,158	0	1.80%	4,934	-171,559	107,533	0	2.00%	2,151	10,926	120,610
0399	TOTAL TRAVEL	274,158	0		4,934	-171,559	107,533	0		2,151	10,926	120,610
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	7,121	0	-8.20%	-584	12,773	19,310	0	-0.40%	-77	0	19,233
0411	ARMY SUPPLY	577,697	0	-4.63%	-26,748	-489,205	61,744	0	2.84%	1,754	165	63,663
0412	NAVY MANAGED SUPPLIES AND MATERIALS	2,333	0	4.94%	115	-2,448	0	0	0.00%	0	0	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	29,126	0	1.80%	525	-24,209	5,442	0	2.00%	109	0	5,551
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	0	0	1.40%	0	83,158	83,158	0	0.13%	108	0	83,266
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	164	0	-0.40%	0	2,969	3,133	0	-0.01%	0	0	3,133
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	69	0	-0.70%	0	6,058	6,127	0	-1.76%	-108	0	6,019
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	463	0	-6.00%	-28	39,344	39,779	0	-0.59%	-235	0	39,544
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	616,973	0		-26,720	-371,560	218,693	0		1,551	165	220,409
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	65,672	0	-0.26%	-170	-65,502	0	0	0.00%	0	0	0
0507	GSA MANAGED EQUIPMENT	74,059	0	1.80%	1,333	-63,218	12,174	0	2.00%	243	0	12,417
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	139,731	0		1,163	-128,720	12,174	0		243	0	12,417
<u>OTHER FUND PURCHASES</u>												

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0601 ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	6,462	0	-0.11%	-7	-6,455	0	0	0.00%	0	0	0
0603 DLA DISTRIBUTION	3,870	0	15.16%	587	-4,457	0	0	0.00%	0	0	0
0633 DLA DOCUMENT SERVICES	1,145	0	1.47%	17	-449	713	0	-1.30%	-9	0	704
0647 DISA ENTERPRISE COMPUTING CENTERS	0	0	-10.00%	0	15,180	15,180	0	0.00%	0	0	15,180
0671 DISA DISN SUBSCRIPTION SERVICES (DSS)	729	0	-7.00%	-50	-679	0	0	0.00%	0	0	0
0679 COST REIMBURSABLE PURCHASES	10,939	0	1.90%	208	-10,574	573	0	1.90%	11	0	584
0697 REFUNDS	243	0	0.00%	0	-243	0	0	0.00%	0	0	0
0699 TOTAL INDUSTRIAL FUND PURCHASES	23,388	0		755	-7,677	16,466	0		2	0	16,468
<u>TRANSPORTATION</u>											
0703 JCS EXERCISES	75,696	0	-9.00%	-6,813	-68,883	0	0	0.00%	0	0	0
0718 SDDC LINER OCEAN TRANSPORTATION	115,471	0	-1.80%	-2,079	-106,243	7,149	0	-2.80%	-200	0	6,949
0719 SDDC CARGO OPERATION (PORT HANDLING)	93,736	0	0.80%	749	-94,082	403	0	1.30%	5	0	408
0771 COMMERCIAL TRANSPORTATION	133,533	0	1.80%	2,402	-102,608	33,327	0	2.00%	667	8,259	42,253
0799 TOTAL TRANSPORTATION	418,436	0		-5,741	-371,816	40,879	0		472	8,259	49,610
<u>OTHER PURCHASES</u>											
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	137,077	851	1.32%	1,823	-15,350	124,401	-1,100	2.33%	2,876	22,932	149,109
0902 SEPARATION LIABILITY (FNIH)	4,345	34	1.07%	47	-948	3,478	58	2.52%	89	859	4,484
0912 RENTAL PAYMENTS TO GSA (SLUC)	238	0	1.80%	4	-242	0	0	2.00%	0	0	0
0913 PURCHASED UTILITIES (NON-FUND)	3,885	0	1.80%	71	2,868	6,824	0	2.00%	136	0	6,960
0914 PURCHASED COMMUNICATIONS (NON-FUND)	12,609	0	1.80%	226	-3,277	9,558	0	2.00%	191	33,400	43,149
0915 RENTS (NON-GSA)	6,432	0	1.80%	116	-6,323	225	0	2.00%	4	0	229
0917 POSTAL SERVICES (U.S.P.S)	254	0	1.80%	5	-259	0	0	2.00%	0	0	0
0920 SUPPLIES AND MATERIALS (NON-FUND)	41,977	0	1.80%	755	100,748	143,480	0	2.00%	2,870	16,347	162,697
0921 PRINTING AND REPRODUCTION	3,296	0	1.80%	59	-2,029	1,326	0	2.00%	27	0	1,353
0922 EQUIPMENT MAINTENANCE BY CONTRACT	419,149	0	1.80%	7,544	-286,055	140,638	0	2.00%	2,813	299,077	442,528
0923 OPERATION AND MAINTENANCE OF FACILITIES	191,263	0	1.80%	3,443	-20,154	174,552	0	2.00%	3,491	36,792	214,835
0925 EQUIPMENT PURCHASES (NON-FUND)	30,479	0	1.80%	549	124,135	155,163	0	2.00%	3,103	23,871	182,137
0930 OTHER DEPOT MAINTENANCE (NON-FUND)	220	0	1.80%	4	-224	0	0	0.00%	0	0	0
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	506,570	0	1.80%	9,118	-399,812	115,876	0	2.00%	2,318	-2,318	115,876

Exhibit OP-5, Subactivity Group 121

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0933	STUDIES, ANALYSIS, AND EVALUATIONS	53,858	0	1.80%	970	-50,045	4,783	0	2.00%	96	-10	4,869
0934	ENGINEERING AND TECHNICAL SERVICES	126,585	0	1.80%	2,279	-81,021	47,843	0	2.00%	957	-96	48,704
0935	TRAINING AND LEADERSHIP DEVELOPMENT	27,771	0	0.00%	0	-27,771	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	35,282	0	-8.20%	-2,893	-30,922	1,467	0	-0.40%	-6	0	1,461
0957	LAND AND STRUCTURES	37,403	0	1.80%	673	-38,076	0	0	2.00%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	9	0	1.80%	0	-9	0	0	0.00%	0	0	0
0960	INTEREST AND DIVIDENDS	15	0	1.80%	0	-15	0	0	0.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	1,667	0	1.80%	30	-1,697	0	0	0.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	50	0	0.00%	0	-50	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	36,709	0	1.80%	661	170,586	207,956	0	2.00%	4,159	0	212,115
0989	OTHER SERVICES	494,757	0	1.80%	8,906	-361,700	141,963	0	2.00%	2,839	12,159	156,961
0990	IT CONTRACT SUPPORT SERVICES	260,869	0	1.80%	4,696	172,417	437,982	0	2.00%	8,760	-131,330	315,412
0999	TOTAL OTHER PURCHASES	2,432,769	885		39,086	-755,225	1,717,515	-1,042		34,723	311,683	2,062,879
9999	GRAND TOTAL	4,968,989	1,076		30,619	-1,733,341	3,267,343	-633		61,884	347,307	3,675,901

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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. Enables the Army to meet 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 analysis 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 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 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

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Direct Reporting Units:

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

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
LAND FORCES SYSTEMS READINESS	\$608,526	\$439,488	\$0	0.00%	\$439,488	\$439,488	\$466,720	
SUBACTIVITY GROUP TOTAL	\$608,526	\$439,488	\$0	0.00%	\$439,488	\$439,488	\$466,720	
			<u>Change</u>		<u>Change</u>			
			<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$439,488		\$439,488			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			439,488					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			439,488					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					7,382			
Functional Transfers					0			
Program Changes					19,850			
NORMALIZED CURRENT ESTIMATE			\$439,488		\$466,720			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 439,488
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 439,488
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 439,488
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 439,488

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 439,488
6. Price Change	\$ 7,382
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 27,431
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 27,431

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1) Army Global Command and Control System \$ 2,910
 Increases funding for the lifecycle replacement of the command center's strategic communications equipment. (Baseline: \$31,242)

2) Combat Development Tests, Experimentation and Instrumentation \$ 2,869
 Reflects a realignment of funding from Combat Development Activities to Combat Development Tests, Experimentation and Instrumentation to accelerate the development of Early Synthetic Prototyping. (Baseline: \$35,489)

3) Contractor Logistics Support and Other Weapon Support \$ 4,419
 Increases funding for U.S. Army Medical Command's Medical Support Program. Funding will fill equipment shortages or upgrade outdated equipment in approximately 42 additional Medical Materiel Sets (MMS) throughout the Army. MMS 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. (Baseline: \$58,825)

4) Long Haul Communications \$ 16,609
 Increases funding for commercial satellite connectivity to support the Army's strategy for airborne intelligence, surveillance, and reconnaissance capabilities. Also increases funding for host Nation agreement costs for wideband satellite communication networks and connectivity for Asset Tracking and Radio Frequency Identification. (Baseline: \$41,823)

5) Reimbursable to Direct Manpower Conversion \$ 624
 In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$181,705; 5 FTE)

9. Program Decreases \$ -7,581

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a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -7,581
1) Civilian Average Annual Compensation.....	\$ -3,721
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$181,705)</p>	
2) Combat Development Activities	\$ -3,860
<p>Reduces funding for general operational costs and contract support. Also reflects a realignment of funding from Combat Development Activities to Combat Development Tests, Experimentation and Instrumentation to accelerate the development of Early Synthetic Prototyping. (Baseline: \$272,109)</p>	
FY 2018 Budget Request.....	\$ 466,720

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Models and Simulation Projects	2	2	2
Joint Capabilities Integration Documents	693	722	2288
Network Integration Evaluations	2	1	1
Network Integration Evaluation combined with Army Warfighting Assessment	0	1	1
Accelerated Capabilities Development	20	6	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	172
Commercial Satellite Airtime			
Warfighter Information Network-Tactical Training – Number of Missions Supported	1,757	1,296	1,937

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.

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. The FY 2018 increase is due to the expanded mission requirements for cyber and electronic warfare within the cyber center of excellence.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,162	1,257	1,374	117
Officer	883	963	968	5
Enlisted	279	294	406	112
<u>Active Military Average Strength (A/S) (Total)</u>	1,168	1,210	1,316	106
Officer	882	923	966	43
Enlisted	286	287	350	63
<u>Civilian FTEs (Total)</u>	1,462	1,483	1,488	5
U.S. Direct Hire	1,271	1,309	1,302	-7
Foreign National Direct Hire	14	2	14	12
Total Direct Hire	1,285	1,311	1,316	5
Foreign National Indirect Hire	177	172	172	0
<i>(Reimbursable Civilians (Memo))</i>	203	438	376	-62
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	117	123	122	-1
<u>Contractor FTEs (Total)</u>	1,584	938	933	-5

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	160,788	0	1.62%	2,608	10,788	174,184	0	1.88%	3,275	-5,517	171,942
0103	WAGE BOARD	102	0	0.00%	0	-102	0	0	0.00%	0	0	0
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	536	0	0.00%	0	-505	31	4	17.14%	6	296	337
0106	BENEFITS TO FORMER EMPLOYEES	163	0	0.00%	0	-163	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	161,589	0		2,608	10,018	174,215	4		3,281	-5,221	172,279
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	13,289	0	1.80%	240	-7,483	6,046	0	2.00%	121	0	6,167
0399	TOTAL TRAVEL	13,289	0		240	-7,483	6,046	0		121	0	6,167
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	30	0	-8.20%	-2	248	276	0	-0.40%	-1	-13	262
0411	ARMY SUPPLY	18,682	0	-4.63%	-865	-14,085	3,732	0	2.84%	106	0	3,838
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,882	0	1.80%	34	-1,883	33	0	2.00%	1	0	34
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	11	0	-0.40%	0	12,099	12,110	0	-0.01%	-1	0	12,109
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	20,605	0		-833	-3,621	16,151	0		105	-13	16,243
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	37,508	0	-0.26%	-97	-35,991	1,420	0	2.84%	40	0	1,460
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	239	0	-0.10%	0	4,536	4,775	0	-1.77%	-85	0	4,690
0507	GSA MANAGED EQUIPMENT	758	0	1.80%	14	3,240	4,012	0	2.00%	80	0	4,092
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	38,505	0		-83	-28,215	10,207	0		35	0	10,242
<u>OTHER FUND PURCHASES</u>												
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	3,064	0	-7.00%	-215	-2,849	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	3,064	0		-215	-2,849	0	0		0	0	0
<u>TRANSPORTATION</u>												

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0718	SDDC LINER OCEAN TRANSPORTATION	41,258	0	-1.80%	-743	-25,330	15,185	0	-2.80%	-425	0	14,760
0719	SDDC CARGO OPERATION (PORT HANDLING)	18,384	0	0.80%	147	-17,691	840	0	1.30%	11	0	851
0771	COMMERCIAL TRANSPORTATION	286	0	1.80%	5	167	458	0	2.00%	9	0	467
0799	TOTAL TRANSPORTATION	59,928	0		-591	-42,854	16,483	0		-405	0	16,078
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	9,712	48	1.16%	113	-2,383	7,490	-123	2.52%	186	2,124	9,677
0912	RENTAL PAYMENTS TO GSA (SLUC)	1	0	1.80%	0	494	495	0	2.00%	10	0	505
0913	PURCHASED UTILITIES (NON-FUND)	144	0	1.80%	3	-147	0	0	0.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	4,366	0	1.80%	79	2,803	7,248	0	2.00%	145	16,609	24,002
0915	RENTS (NON-GSA)	1,067	0	1.80%	19	-960	126	0	2.00%	3	0	129
0917	POSTAL SERVICES (U.S.P.S)	2	0	1.80%	0	30	32	0	2.00%	1	0	33
0920	SUPPLIES AND MATERIALS (NON-FUND)	3,934	0	1.80%	71	46	4,051	0	2.00%	81	0	4,132
0921	PRINTING AND REPRODUCTION	175	0	1.80%	3	13	191	0	2.00%	4	0	195
0922	EQUIPMENT MAINTENANCE BY CONTRACT	127,046	0	1.80%	2,287	-97,084	32,249	0	2.00%	645	0	32,894
0923	OPERATION AND MAINTENANCE OF FACILITIES	923	0	1.80%	17	2,555	3,495	0	2.00%	70	0	3,565
0925	EQUIPMENT PURCHASES (NON-FUND)	4,143	0	1.80%	75	19,036	23,254	0	2.00%	465	7,329	31,048
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	64,138	0	1.80%	1,154	-7,170	58,122	0	2.00%	1,162	-3,219	56,065
0933	STUDIES, ANALYSIS, AND EVALUATIONS	25,929	0	1.80%	466	-8,728	17,667	0	2.00%	353	2,869	20,889
0934	ENGINEERING AND TECHNICAL SERVICES	11,908	0	1.80%	214	-10,047	2,075	0	2.00%	41	-4	2,112
0935	TRAINING AND LEADERSHIP DEVELOPMENT	725	0	0.00%	0	-725	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	12	0	-8.20%	-1	-11	0	0	-0.40%	0	0	0
0957	LAND AND STRUCTURES	79	0	1.80%	1	-80	0	0	2.00%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	6	0	1.80%	0	-6	0	0	2.00%	0	0	0
0960	INTEREST AND DIVIDENDS	16	0	1.80%	0	-16	0	0	2.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	4	0	1.80%	0	-4	0	0	2.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	841	0	1.80%	15	-856	0	0	2.00%	0	0	0
0989	OTHER SERVICES	23,645	0	1.80%	426	-24,071	0	0	2.00%	0	0	0
0990	IT CONTRACT SUPPORT SERVICES	32,730	0	1.80%	588	26,573	59,891	0	2.00%	1,198	-624	60,465
0999	TOTAL OTHER PURCHASES	311,546	48		5,530	-100,738	216,386	-123		4,364	25,084	245,711

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	<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>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 2018</u> <u>Program</u>
9999 GRAND TOTAL	608,526	48		6,656	-175,742	439,488	-119		7,501	19,850	466,720

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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). 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.

AVIATION – provides overhaul, repair, rebuild, and depot level field teams for aviation platforms, aircraft survivability equipment, and aviation secondary items. These platforms provide air superiority, ground force security, and aerial escort capability. Examples include UH-60 Blackhawk, AH-64 Apache, and Aviation ground support equipment.

MISSILES – provides overhaul, repair, rebuild, and depot level field teams for air defense platforms, rocket systems, and missiles. These platforms provide protection for ground forces and critical assets from tactical ballistic and cruise missiles through long and short range missile defense, precision fires, and integrated airspace management. Examples include Avenger, Stinger missile, Air Defense and Airspace Management equipment, and the Phased Array Tracking Radar to Intercept Target.

COMBAT VEHICLES - provides overhaul, repair, rebuild, and depot level field teams for maneuver vehicles on the battlefield. These platforms provide mobility, lethality, and attack capability. (Examples include M1 Abrams Tank, M2 Bradley Infantry Fighting Vehicle, and Paladin)

GENERAL PURPOSE - provides overhaul, repair, rebuild, and depot level field teams for individual and crew served weapons, calibration equipment, soldier support equipment, and watercraft. These platforms enable the operation of soldier level support systems such as weapons, mortars, and CBRN equipment, troop movement across land or water, and regulation of test equipment. Examples include Land Craft Mechanized-8, M2 Machine Gun, M249 Crew Served Weapon, and Gas Masks.

TACTICAL VEHICLES – provides overhaul, repair, rebuild and depot level field teams for wheeled vehicles that support all Army formations. These systems include Medium Tactical Vehicles, High Mobility Multipurpose Wheeled Vehicle, and Heavy Expanded Mobility Tactical Truck families of vehicles, material handling equipment, and various trailers provide mobility and critical support to every type of Army unit.

POST PRODUCTION SOFTWARE SUPPORT – provides the critical operations and infrastructure for a net centric fight force to include certification and accreditation of software, the purchase of software licenses, adjusting to Department of Defense Cyber security standards, field software engineers, and software code anomaly adjustments. This support facilitates secret and top secret networks, and maintains interoperability amongst all Army command and control systems.

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II. Force Structure Summary:

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

Headquarters, Department of the 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 2017					Normalized	FY 2018
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>Estimate</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
LAND FORCES DEPOT MAINTENANCE	\$1,093,798	\$1,063,452	\$0	0.00%	\$1,063,452	\$1,063,452	\$1,443,516	
SUBACTIVITY GROUP TOTAL	\$1,093,798	\$1,063,452	\$0	0.00%	\$1,063,452	\$1,063,452	\$1,443,516	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$1,063,452	\$1,063,452				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			1,063,452					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			1,063,452					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					6,904			
Functional Transfers					0			
Program Changes					373,160			
NORMALIZED CURRENT ESTIMATE			\$1,063,452		\$1,443,516			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 1,063,452
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 1,063,452
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 1,063,452
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 1,063,452

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 1,063,452
6. Price Change	\$ 6,904
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 425,645
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 425,645

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- 1) Bipartisan Budget Act of 2015 Compliance \$ 303,714
 Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The \$303.7 million was restored to the following commodities: Missiles (\$53.7 million), Post Production Software Support (\$214.4 million), General Purpose (\$31.8 million), and Aviation (\$3.7 million). (Baseline: \$0)

- 2) Depot Maintenance - Combat Vehicles \$ 49,155
 Increases funding for 107 overhauls on Opposing Forces Surrogate Vehicles, Personnel Command Post, Assault Breacher Vehicles and depot teams for Combat Evaluation and Armored Vehicle-Launched Bridge flying squad to restore readiness and improve the value of training at the Combat Training Centers. (Baseline: \$195,573)

- 3) Depot Maintenance - General Purpose \$ 56,793
 Increases funding to support 5370 overhauls of Watercraft; Small Arms; Material Handling Equipment; Nuclear Biological and Chemical Equipment and Test, Measurement, and Diagnostic Equipment repairs. (Baseline: \$61,241)

- 4) Depot Maintenance - Missiles \$ 4,995
 Increases funding for four Phased Array Tracking Radar Intercept of Target Battery Command Post recapitalizations which provide the protection of ground forces and critical assets at all echelons from advanced cruise missiles and tactical ballistic missiles. (Baseline: \$145,794)

- 5) Depot Maintenance - Post Production Software Support \$ 9,143
 Increases funding and 71 FTEs to support embedded software support systems for the sustainment of Army's Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance platforms. (Baseline: \$275,562; 71 FTE)

- 6) Reimbursable to Direct Manpower Conversion \$ 1,845
 In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for

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FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$66,268; 15 FTE)

9. Program Decreases.....	\$ -52,485
a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -52,485
1) Depot Maintenance - Civilian Average Annual Compensation	\$ -3,149
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$66,268)</p>	
2) Depot Maintenance - Communication Electronics.....	\$ -49,336
<p>Reduces funding for 157 overhauls, 311 repair and returns in Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance end items. (Utility Power Plant, Satellite Communications, Line Radio Terminals, Key generators and Secure Telephones, Encrypted Communication Systems). (Baseline: \$76,947)</p>	
FY 2018 Budget Request.....	\$ 1,443,516

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IV. Performance Criteria and Evaluation Summary:

	Budget ¹		FY 2016				Budget ²		FY 2017				FY 2018	
	Quantity	Cost	Estimated Inductions		Completions		Quantity	Cost	Estimated Inductions		Carry-in Quantity	Budget		
			Quantity	Cost	PY	CY			Quantity	Cost		Quantity	Cost	
Aircraft	254	226.6	194	228.0	NA	NA	1,383	308.3	1,383	308.3	NA	1,599	313.7	
Memo	43	259.9	25	213.3	44	2	40	258.9	40	258.9	23	36	273.7	
Combat Vehicles	263	29.2	263	29.9	NA	NA	203	195.6	203	195.6	NA	310	245.7	
Memo	263	28.2	210	28.2	93	195	105	117.0	105	117.0	15	180	146.5	
Commo	18,167	75.0	16,385	73.7	NA	NA	1,537	76.9	1,537	76.9	NA	4,678	28.0	
Memo	19	3.3	18	1.7	9	18	0	0.0	0	0.0	0	0	0.0	
Missiles	220	110.0	178	108.4	NA	NA	165	145.8	165	145.8	NA	228	205.3	
Memo	158	69.6	134	69.6	69	78	65	105.4	65	105.4	56	79	112.4	
Other	7,975	75.4	7,957	64.1	NA	NA	661	61.2	661	61.2	NA	11,049	150.7	
Memo	7,955	7.3	7,948	7.3	2,869	7,948	13	3.9	12	3.9	0	64	75.2	
Software	NA	77.6	NA	89.7	NA	NA	NA	275.6	NA	275.6	NA	NA	500.0	
TOTAL	NA	593.8	NA	593.8	NA	NA	3,950	1,063.4	3,950	1,063.4	NA	17,864	1,443.5	

Data sources used for the analysis were the following: Army Workload Performance System (AWPS), 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), Stryker, Abrams, Bradley, Heavy Equipment Recovery Combat Utility Lift and Evacuation System (M88), Field Artillery Ammunition Supply Vehicle, M9 Armored Combat Earthmover, Paladin, Firefinder, Phased Array Tracking Radar to Intercept on Target, Standard Integrated Command Post System, High Capacity Line of Sight Radio Terminal (TRC-190), Electronic Shop Vans, watercraft, smalls arms, Test, Measurement, and Diagnostic Equipment and software.

¹FY 2016 Actuals - Reflects a \$500 million transfer to Title IX – Overseas Contingency Operations (OCO)

²FY 2017 Base Budget Request - Reflects a \$350 million transfer to Title IX OCO in compliance with the Bipartisan Budget Act of 2015.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	2	2	2	0
Officer	2	2	2	0
Enlisted	0	0	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	2	2	2	0
Officer	2	2	2	0
Enlisted	0	0	0	0
<u>Civilian FTEs (Total)</u>	864	530	616	86
U.S. Direct Hire	848	518	603	85
Foreign National Direct Hire	16	12	13	1
Total Direct Hire	864	530	616	86
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 286	 410	 360	 -50
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	117	125	123	-2
<u>Contractor FTEs (Total)</u>	2,513	1,259	3,227	1,968

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	80,375	0	1.05%	846	-24,812	56,409	0	2.23%	1,257	8,326	65,992
0103	WAGE BOARD	20,293	0	0.68%	139	-10,672	9,760	0	1.90%	185	-515	9,430
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	220	1	0.45%	1	-123	99	2	1.98%	2	28	131
0106	BENEFITS TO FORMER EMPLOYEES	175	0	0.00%	0	-175	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	101,063	1		986	-35,782	66,268	2		1,444	7,839	75,553
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	5,139	0	1.80%	92	-3,544	1,687	0	2.00%	34	0	1,721
0399	TOTAL TRAVEL	5,139	0		92	-3,544	1,687	0		34	0	1,721
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	5	0	-8.20%	0	14	19	0	-0.40%	0	0	19
0411	ARMY SUPPLY	39,133	0	-4.63%	-1,811	-36,531	791	0	2.84%	22	0	813
0412	NAVY MANAGED SUPPLIES AND MATERIALS	2	0	4.94%	0	-2	0	0	0.00%	0	0	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	32	0	1.80%	1	151	184	0	2.00%	4	0	188
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	1,295	0	-6.00%	-78	0	1,217	0	-0.59%	-7	0	1,210
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	40,467	0		-1,888	-36,368	2,211	0		19	0	2,230
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	7,127	0	-0.26%	-19	-7,047	61	0	2.84%	2	0	63
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	2,460	0	-0.10%	-2	-2,414	44	0	-1.77%	-1	0	43
0507	GSA MANAGED EQUIPMENT	503	0	1.80%	9	-98	414	0	2.00%	8	0	422
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	10,090	0		-12	-9,559	519	0		9	0	528
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	457,811	0	-0.11%	-503	265,657	722,965	0	0.00%	0	-6,172	716,793
0603	DLA DISTRIBUTION	82	0	15.16%	12	-94	0	0	0.00%	0	0	0
0610	NAVAL AIR WARFARE CENTER	220	0	3.20%	7	-227	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 123

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	537	0	-7.00%	-37	-500	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	458,650	0		-521	264,836	722,965	0	0	-6,172	716,793
<u>TRANSPORTATION</u>											
0718	SDDC LINER OCEAN TRANSPORTATION	10,931	0	-1.80%	-197	-10,734	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	282	0	1.80%	5	-85	202	2.00%	4	0	206
0799	TOTAL TRANSPORTATION	11,213	0		-192	-10,819	202	0	4	0	206
<u>OTHER PURCHASES</u>											
0912	RENTAL PAYMENTS TO GSA (SLUC)	311	0	1.80%	6	-274	43	2.00%	1	0	44
0913	PURCHASED UTILITIES (NON-FUND)	52	0	1.80%	1	154	207	2.00%	4	0	211
0914	PURCHASED COMMUNICATIONS (NON-FUND)	921	0	1.80%	17	-611	327	2.00%	7	0	334
0915	RENTS (NON-GSA)	6	0	1.80%	0	0	6	2.00%	0	0	6
0917	POSTAL SERVICES (U.S.P.S)	132	0	1.80%	2	-113	21	2.00%	0	0	21
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,279	0	1.80%	23	-688	614	2.00%	12	0	626
0921	PRINTING AND REPRODUCTION	290	0	1.80%	6	-198	98	2.00%	2	0	100
0922	EQUIPMENT MAINTENANCE BY CONTRACT	189,029	0	1.80%	3,403	-87,250	105,182	2.00%	2,104	90,431	197,717
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,761	0	1.80%	32	6,617	8,410	2.00%	168	0	8,578
0925	EQUIPMENT PURCHASES (NON-FUND)	5,127	0	1.80%	93	1,525	6,745	2.00%	135	0	6,880
0928	SHIP MAINTENANCE BY CONTRACT	43,339	0	1.80%	780	-1,308	42,811	2.00%	856	37,010	80,677
0929	AIRCRAFT REWORKS BY CONTRACT	0	0	1.80%	0	31,260	31,260	2.00%	625	693	32,578
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	16,843	0	1.80%	303	-17,146	0	2.00%	0	7,740	7,740
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	14,314	0	1.80%	258	-14,572	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	2,967	0	1.80%	54	-3,021	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	28,041	0	1.80%	504	-28,545	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	1,409	0	0.00%	0	-1,409	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	5	0	-8.20%	0	5	10	-0.40%	0	0	10
0985	RESEARCH AND DEVELOPMENT CONTRACTS	71	0	0.00%	0	-71	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	3,874	0	1.80%	70	24,539	28,483	2.00%	570	0	29,053
0989	OTHER SERVICES	107,769	0	1.80%	1,940	-101,018	8,691	2.00%	174	21,191	30,056
0990	IT CONTRACT SUPPORT SERVICES	49,636	0	1.80%	893	-13,837	36,692	2.00%	734	214,428	251,854

Exhibit OP-5, Subactivity Group 123

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		<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>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 2018</u> <u>Program</u>
0999	TOTAL OTHER PURCHASES	467,176	0		8,385	-205,961	269,600	0		5,392	371,493	646,485
9999	GRAND TOTAL	1,093,798	1		6,850	-37,197	1,063,452	2		6,902	373,160	1,443,516

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Detail by Subactivity Group 131: Base Operations Support

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.

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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 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.

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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 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.

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 Forces Strategic Command
U.S. Army Pacific
U.S. Army Cyber Command

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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
U.S. Army Installation Management Command
U.S. Army Criminal Investigation Command
U.S. Army Human Resources Command

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
BASE OPERATIONS SUPPORT	\$7,582,606	\$7,890,043	\$0	0.00%	\$7,890,043	\$7,890,043	\$8,080,357	
SUBACTIVITY GROUP TOTAL	\$7,582,606	\$7,890,043	\$0	0.00%	\$7,890,043	\$7,890,043	\$8,080,357	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$7,890,043	\$7,890,043				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			7,890,043					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			7,890,043					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					152,285			
Functional Transfers					-38,532			
Program Changes					76,561			
NORMALIZED CURRENT ESTIMATE			\$7,890,043		\$8,080,357			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 7,890,043
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 7,890,043
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 7,890,043
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 7,890,043

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 7,890,043
6. Price Change.....	\$ 152,285
7. Transfers.....	\$ -38,532
a) Transfers In.....	\$ 6,483
1) Community Services	\$ 92
Transfers funding and 1 FTE from Operation and Maintenance, Army Reserve to SAG 131, Base Operations Support to properly align Army Community Services funding at Fort Dix, New Jersey under the correct appropriation. (Baseline: \$1,009,989; 1 FTE)	
2) Facilities Operations - Homeless Shelter.....	\$ 981
Transfers funding from Operation and Maintenance, Army Reserve to Operation and Maintenance, Army, SAG 131, Base Operations Support to reflect the transfer of responsibility for the Homeless Shelter program from the U.S. Army Reserve to the U.S. Army Corps of Engineers. (Baseline: \$3,061,467)	
3) Facilities Operations - Joint Base Lewis-McChord	\$ 3,368
Transfers funding from Operation and Maintenance, Air Force to Operation and Maintenance, Army, SAG 131, Base Operations Support to reflect the transfer of funding and 31 FTEs for fire and emergency services at Joint Base Lewis-McChord. This transfer provides resources to the Army to	

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provide the appropriate level of installation services as the Supporting Component. (Baseline: \$3,061,467; 31 FTE)

4) Logistics Operations..... \$ 1,935
 Transfers funding and 14 FTEs from the following SAGs: SAG 432, Servicewide Communications (\$-234; -2 FTEs) and SAG 435, Other Service Support (\$-1,701; -12 FTEs) to SAG 131, Base Operations Support (\$1,935; 14 FTEs) to consolidate funding for property requisitioning, warehouse, storage, retrograde and disposal, and property book functions by Logistics Services Washington under the appropriate Subactivity Group. (Baseline: \$221,263; 14 FTE)

5) Operational Mission Services \$ 107
 Transfers funding and 8 Korean National FTEs from SAG 121, Force Readiness Operations Support to SAG 131, Base Operations Support to reflect the transfer of the Airfield/Heliport Traffic Services and Control missions from U.S. Army Pacific to the U.S. Army Installation Management Command. (Baseline: \$58,879; 8 FTE)

b) Transfers Out \$ -45,015

1) Administration \$ -5,347
 Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-5,347; -32 FTEs); SAG 432, Servicewide Communication (\$-501; -3 FTEs); SAG 434, Other Personnel Support (\$-167; -1 FTE); and SAG 435, Other Service Support (\$-407; -4 FTEs) to SAG 431, Administration (\$6,422; 40 FTEs) for consolidation of Office of the Provost Marshal General resources into the appropriate Subactivity Group. (Baseline: \$5,347; -32 FTE)

2) Anti-Terrorism \$ -563
 Transfers funding from SAG 131, Base Operations Support to SAG 133, Management and Operational Headquarters in support of the Army's efforts to identify and consolidate U.S. Army Cyber Command funding in the appropriate Subactivity Groups. (Baseline: \$59,786)

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<p>3) Army Civilian Personnel Operations</p> <p>Transfers funding from SAG 131, Base Operations Support to SAG 133, Management and Operational Headquarters to consolidate funding for career management support positions under the appropriate Subactivity Group. (Baseline: \$615)</p>	<p>\$ -615</p>
<p>4) Army Installation Support</p> <p>Transfers funding and 1 FTE from SAG 131, Base Operations Support to SAG 133, Management and Operational Headquarters to reflect the consolidation of religious support operations from the U.S. Army Installation Management Command's (IMCOM) Europe Region under the IMCOM Headquarters staff. (Baseline: \$143; -1 FTE)</p>	<p>\$ -143</p>
<p>5) Child Care Support - Washington Headquarters Services</p> <p>Transfers funding from Operation and Maintenance, Army, SAG 131, Base Operations Support to Washington Headquarters Services (WHS) to support the establishment of alternative child care options for civilian employees of WHS and the Office of the Secretary of Defense. (Baseline: \$2,400)</p>	<p>\$ -2,400</p>
<p>6) End Item Procurement Operations</p> <p>Transfers funding and 1 FTE from SAG 131, Base Operations Support to SAG 422, Central Supply Activities to consolidate U.S. Army Material Command contracting support activities into the appropriate Subactivity Group. (Baseline: \$129; -1 FTE)</p>	<p>\$ -129</p>
<p>7) Joint/Defense Activities</p> <p>Transfers funding and 11 FTEs from SAG 131, Base Operations Support to SAG 133, Management and Operational Headquarters to reflect the consolidation of Military District Washington Headquarters information technology funding under the appropriate Subactivity Group. (Baseline: \$2,442; -11 FTE)</p>	<p>\$ -2,442</p>

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8) Non-Divisional Modified Table of Organization and Equipment Units \$ -521
 Transfers funding and 11 FTEs from SAG 131, Base Operations Support to SAG 121, Force Operations Readiness Support to reflect the transfer of warehousing missions at Germany-based Logistics Readiness Centers to the mission-performing activity. (Baseline: \$521; -11 FTE)

9) Other than Army - Base Operations \$ -14,821
 Transfers funding from SAG 131, Base Operations Support to SAG 114, Theater Level Assets to realign base operations funding for Army units on other than Army installations to the appropriate Subactivity Group. (Baseline: \$14,821)

10) Pentagon Reservation Facility \$ -2,954
 Transfers funding from SAG 131, Base Operations Support to SAG 437, Other Construction Support and Real Estate Management to realign funding for utilities cost associated with recurring 24/7 heating, ventilation, and air conditioning to the appropriate Subactivity Group. (Baseline: \$2,954)

11) U.S. Army Test Ranges Base Information Management Operations \$ -11,152
 Transfers funding and 68 FTEs from OMA SAG 131, Base Operations Support to Research, Development, Testing, and Evaluation, Army to consolidate information technology functions at White Sands Missile Range and Yuma Proving Ground test ranges under the proper appropriation. (Baseline: \$11,152; -68 FTE)

12) U.S. Military Academy (USMA) \$ -3,928
 Transfers funding and 35 FTEs from SAG 131, Base Operations Support to SAG 311, Officer Acquisition to realign Security and Visual Information resources to USMA from the U.S. Army Installation Management Command. (Baseline: \$3,928; -35 FTE)

8. Program Increases \$ 341,064

a) Annualization of New FY 2017 Program \$ 0

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b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 341,064
1) Army Major Headquarters Activity (MHA) Rebaseline.....	\$ 9,987
Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$2,881,802; 70 FTE)	
2) Command/Garrison Support	\$ 75,356
Increases funding to begin reversing the erosion of garrison support programs. In particular, funding supports increased mobilization/demobilization activities, financial management activities, military personnel support, safety, and contracting and procurement activities. Garrison support functions enhance the capability of the installation, as a power projection platform, to support the Army's mission requirements. (Baseline: \$723,079)	
3) Energy.....	\$ 7,143
Increases funding for the Energy Program Strategic Initiatives, which will increase the Army's ability to assess the cost-effectiveness of energy saving efforts, and to coordinate for private partnerships for on-site renewable energy generation projects for improved security and resiliency of energy resources to support installation mission requirements. (Baseline: \$20,384)	
4) Housing Services	\$ 2,744
Increases funding in support of increased lease costs at U.S. Army Garrison Miami and in the Republic of Korea due to delayed construction. (Baseline: \$88,600)	
5) Information Technology Services Management	\$ 49,600
Increases funding to support baseline communications systems and systems support for installation level and remote location telephone, radio, data infrastructure, circuits, servers, teleconferencing, and printing; automation and network support services; Cybersecurity; and user hardware and software	

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support. Also Increases funding for visual information services to support additional multimedia, broadcast, presentation, and visual information and equipment support services across the Army. (Baseline: \$609,606)

6) Logistics Operations..... \$ 32,362

Increases funding in support of increased installation transportation operations, transportation modernization efforts, and increased activity related to mobilization and demobilization. In addition, funding provides for additional leases for life, health, and safety vehicles as well as Army food program equipment purchases and maintenance support to further the maturation of future Army dining options, including kiosks and food trucks. (Baseline: \$987,232)

7) Operational Mission Services \$ 8,963

Increases funding and 5 FTEs for additional airfield operational hours and more realistic training scenarios to improve aircrew and airframe flight safety. In addition, funding supports increased capabilities at locations with increasing mission demand. (Baseline: \$90,242; 5 FTE)

8) Reimbursable to Direct Manpower Conversion \$ 9,656

In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$2,881,802; 111 FTE)

9) Security Services \$ 145,253

Increases funding and 30 FTEs for installation security measures and antiterrorism assessments as the threat to Army facilities and activities is driving a need to assess the security posture at Army leased and standalone facilities in particular. In addition, funding supports the Army's Insider Threat program, Line of Effort Four: Secure Installations. The Army will enhance efforts in vetting and screening of personnel entering Army installations. (Baseline: \$834,415; 30 FTE)

9. Program Decreases..... \$ -264,503

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a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -264,503
1) Civilian Average Annual Compensation.....	\$ -35,254
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$2,881,802)</p>	
2) Civilian Workforce Reduction.....	\$ -29,878
<p>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: \$2,881,802; -323 FTE)</p>	
3) Community Services	\$ -15,742
<p>Decreases funding for Child, Youth and School Services to reflect a reduction in the number of spaces for child development centers, off-post child care, school age care, and youth services spaces. In addition, reduces funding for fitness memberships for geographically dispersed Soldiers due to force structure changes. (Baseline: \$1,009,899)</p>	
4) Environmental Programs	\$ -33,231
<p>Decreases funding and 51 FTEs due to a revision of planning assumptions and estimates. This reduces cost estimates for conservation requirements for Threatened and Endangered Species Management, Encroachment Partnerships, and Historic and Cultural Resources Management. Also,</p>	

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reduces compliance cost estimates for Air Quality, Storm Water, and Wastewater Management.
 (Baseline: \$398,047; -51 FTE)

5) Facilities Operations..... \$ -140,372

Reduces funding for facilities operations services as the Army continues its effort to identify efficiencies in services delivery and undertake ongoing reviews of baseline service standards. In addition, reduced funding reflects the termination of the lease for the Hoffman Tower II in the National Capital Region. (Baseline: \$3,061,467; -141 FTE)

6) Military Construction and Restoration and Modernization Tails \$ -10,026

Decreases funding for furnishings, fixtures, and equipment commensurate with changes within the Military Construction, Army appropriation. FY 2018 tails are developed based on funded FY 2017 Military Construction projects. Revised amounts support the outfitting of 15 Military Construction projects. (Baseline: \$67,071)

FY 2018 Budget Request..... \$ 8,080,357

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Command and Staff (\$000)	629,622	571,600	637,636
(Military ES)	901	866	874
(Civilian FTE)	5,444	5,017	4,890
Number of Installations, Total	74	74	74
(CONUS)	47	47	47
(Overseas)	27	27	27
Population Served, Total ¹	1,936,005	1,909,430	1,913,354
(Military) ²	1,278,818	1,275,421	1,280,065
(Civilian) ³	659,187	634,009	633,289
Operations (\$000)	1,386,298	1,562,397	1,641,317
(Military ES)	775	785	799
(Civilian FTE)	8,755	8,396	8,218
Engineering Services (\$000)	3,684,347	3,659,908	3,683,459
(Military ES)	19	18	52
(Civilian FTE)	10,062	9,385	9,206
No. of Unaccompanied Personnel Housing (UPH) Officer Quarters ⁴	6,566	6,566	6,566
No. of UPH Enlisted Quarters ⁴	182,648	183,948	183,948
No. Training Barracks spaces ⁴	171,063	171,450	172,668
Payment to GSA (\$000)	63,183	171,347	169,891
Standard Level User Charges (\$000)	63,183	171,347	169,891

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GSA Leased Space (000 square feet)	3,799	3,503	3,473
Non-GSA lease Payment (\$000)	245,879	253,797	265,703
Non-GSA Leased Space (000 square feet)	8,105	10,869	11,086
Utilities:			
Electricity (megawatt hours)	9,317,856	9,038,320	8,767,170
Heating (million British Thermal Units)	33,328,204	32,328,358	31,358,507
Water, Plants, Systems (000 gallons per day)	79,410	75,439	73,865
Sewage & Waste Systems (000 gallons per day)	78,699	74,764	73,203
Air Conditioning & Refrigeration (tons)	177,533	168,656	165,136
Logistics Services (\$000)	950,538	991,032	1,022,064
(Military ES)	24	26	26
(Civilian FTE)	4,864	4,484	4,547
Number of Motor Vehicles			
Owned ⁵	10,050	10,025	10,200
Leased ⁵	50,950	49,950	52,564
Human Resources Management (\$000) ⁶	125,735	129,398	146,049
Personnel Support			
(Military ES)	6	6	6
(Civilian FTE)	1,345	1,317	1,298
Morale, Welfare and Recreation (\$000)	142,596	224,197	223,469
(Military ES)	0	0	0
(Civilian FTE)	399	373	374
Family Programs (\$000) ⁷	663,470	751,511	726,363
Number of Child Development Centers ⁸	288	288	288

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Number of Family Child Care homes	263	300	300
Total Military Child Population (0-12 years)	364,008	340,694	336,739
Total Required Child Care Spaces	82,424	77,395	76,602
Total Spaces	65,939	61,913	61,282
Percent Spaces in Relation to Required Spaces	80%	80%	80%
Number of Youth Facilities	97	97	97
Total Military Youth Population (Grades 1-12)	263,860	248,234	245,406
Total Required Youth Program Spaces	135,931	127,470	125,090
Total Spaces	46,918	43,937	42,945
Percent Spaces in Relation to Required Spaces	35%	35%	35%
Family Services (continued)			
(Military ES)	13	18	18
(Civilian FTE)	2,400	2,367	2,371
<i>Military</i>	<i>1,738</i>	<i>1,719</i>	<i>1,775</i>
<i>Civilian</i>	<i>33,269</i>	<i>31,339</i>	<i>30,904</i>
Funding	7,582,606	7,890,043	8,080,357

1. Population Served: Updated population served data from the Army Stationing and Installations Plans (ASIP), dated July 31, 2016. FY 2016 and FY 2017 data is updated data per the July 31, 2016 ASIP.
2. Military population includes all military (active and full-time guard and reserve) including students, trainees, and transients assigned to Army installations.
3. Civilian population includes all civilians (appropriated and non-appropriated funded), including contractors, students, trainees and transients assigned to Army locations. Additionally, the civilian population does not include Army Family members.
4. The numbers provided are for the number of government-owned, permanently constructed bedrooms. The FY 2016 and FY 2017 Unaccompanied Permanent Housing and Training Barracks data have been updated to reflect the ongoing effort to achieve audit readiness goals via a 100% validation inventory.

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5. The increase of the Army non-tactical vehicle fleet is due to the implementation of the Vehicle Allocation Methodology/Vehicle Utilization Review Board, in which leased vehicles previously sourced by units are centralized under the garrison command for more efficient administration, tracking, and accountability.
6. The "Human Resources Management" category was labeled as "Community Services" in previous submissions.
7. Family Programs includes Army Community Services, Child, Youth and School Services, Alcohol/Substance Abuse Programs and Suicide Prevention and Comprehensive Soldier Fitness.
8. 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 in addition to the replacement of failing buildings. Remaining construction program facilities are projected to come online in FY 2017. Opportunities for reduction of excess capacity will be based on continued analysis of child care demand and troop strength changes.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	2,297	1,719	1,775	56
Officer	670	528	534	6
Enlisted	1,627	1,191	1,241	50
<u>Active Military Average Strength (A/S) (Total)</u>	2,234	2,008	1,747	-261
Officer	630	599	531	-68
Enlisted	1,604	1,409	1,216	-193
<u>Civilian FTEs (Total)</u>	33,055	31,339	30,935	-404
U.S. Direct Hire	27,541	26,307	25,666	-641
Foreign National Direct Hire	2,677	2,332	2,384	52
Total Direct Hire	30,218	28,639	28,050	-589
Foreign National Indirect Hire	2,837	2,700	2,885	185
 <i>(Reimbursable Civilians (Memo))</i>	 323	 1,078	 990	 -88
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	86	92	93	1
<u>Contractor FTEs (Total)</u>	11,356	10,980	11,194	214

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 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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	2,431,906	0	1.55%	37,657	45,074	2,514,637	0	1.90%	47,714	-58,796	2,503,555
0103	WAGE BOARD	155,321	0	1.29%	2,003	-15,809	141,515	0	1.59%	2,257	-27,389	116,383
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	52,605	383	1.68%	891	12,822	66,701	289	1.31%	876	-20,583	47,283
0105	SEPARATION LIABILITY (FNDH)	717	0	0.00%	0	-717	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	7,334	0	0.00%	0	-7,334	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	2,647,883	383		40,551	34,036	2,722,853	289		50,847	-106,768	2,667,221
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	161,310	0	1.80%	2,904	-27,351	136,863	0	2.00%	2,737	1,267	140,867
0399	TOTAL TRAVEL	161,310	0		2,904	-27,351	136,863	0		2,737	1,267	140,867
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	2,567	0	-8.20%	-211	33,685	36,041	0	-0.40%	-144	-5,925	29,972
0402	SERVICE FUND FUEL	9,657	0	-8.20%	-792	-8,854	11	0	-0.40%	0	-1	10
0411	ARMY SUPPLY	49,303	0	-4.63%	-2,283	98,537	145,557	0	2.84%	4,134	5,314	155,005
0416	GSA MANAGED SUPPLIES AND MATERIALS	5,102	0	1.80%	92	-436	4,758	0	2.00%	95	764	5,617
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	37	0	-0.70%	0	325	362	0	-1.76%	-6	0	356
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	320	0	-6.00%	-19	1,270	1,571	0	-0.59%	-9	0	1,562
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	66,986	0		-3,213	124,527	188,300	0		4,070	152	192,522
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	1,245	0	-0.26%	-3	-1,242	0	0	0.00%	0	0	0
0507	GSA MANAGED EQUIPMENT	77,964	0	1.80%	1,403	46,597	125,964	0	2.00%	2,519	8,910	137,393
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	79,209	0		1,400	45,355	125,964	0		2,519	8,910	137,393
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	5,182	0	-0.11%	-6	1,997	7,173	0	0.00%	0	809	7,982
0611	NAVAL SURFACE WARFARE CENTER	9,341	0	3.22%	301	-2,242	7,400	0	1.43%	106	0	7,506

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	31,607	0	-7.00%	-2,213	-29,192	202	0	1.90%	4	0	206
0675	DLA DISPOSITION SERVICES	637	0	0.00%	0	0	637	0	0.00%	0	0	637
0679	COST REIMBURSABLE PURCHASES	9,217	0	1.90%	175	-8,506	886	0	1.90%	17	793	1,696
0699	TOTAL INDUSTRIAL FUND PURCHASES	55,984	0		-1,743	-37,943	16,298	0		127	1,602	18,027
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	8	0	-16.10%	-1	767	774	0	2.10%	16	0	790
0718	SDDC LINER OCEAN TRANSPORTATION	1,056	0	-1.80%	-19	-494	543	0	-2.80%	-15	0	528
0719	SDDC CARGO OPERATION (PORT HANDLING)	57,065	0	0.80%	456	16,571	74,092	0	1.30%	963	-1,964	73,091
0771	COMMERCIAL TRANSPORTATION	7,610	0	1.80%	137	24,951	32,698	0	2.00%	654	-1,200	32,152
0799	TOTAL TRANSPORTATION	65,739	0		573	41,795	108,107	0		1,618	-3,164	106,561
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	183,337	859	1.30%	2,390	-27,637	158,949	-2,188	2.38%	3,727	33,685	194,173
0902	SEPARATION LIABILITY (FNIH)	467	0	0.00%	0	-467	0	0	0.00%	0	0	0
0912	RENTAL PAYMENTS TO GSA (SLUC)	63,183	0	1.80%	1,137	107,027	171,347	0	2.00%	3,427	-4,883	169,891
0913	PURCHASED UTILITIES (NON-FUND)	598,686	0	1.80%	10,776	251,841	861,303	0	2.00%	17,226	9,250	887,779
0914	PURCHASED COMMUNICATIONS (NON-FUND)	168,986	0	1.80%	3,042	-152,754	19,274	0	2.00%	385	4,798	24,457
0915	RENTS (NON-GSA)	245,879	0	1.80%	4,426	3,492	253,797	0	2.00%	5,076	6,830	265,703
0917	POSTAL SERVICES (U.S.P.S)	1,966	0	1.80%	35	274	2,275	0	2.00%	45	8	2,328
0920	SUPPLIES AND MATERIALS (NON-FUND)	100,528	0	1.80%	1,809	-5,612	96,725	0	2.00%	1,934	11,129	109,788
0921	PRINTING AND REPRODUCTION	5,163	0	1.80%	93	2,942	8,198	0	2.00%	164	1,623	9,985
0922	EQUIPMENT MAINTENANCE BY CONTRACT	196,114	0	1.80%	3,530	34,668	234,312	0	2.00%	4,686	8,695	247,693
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,005,755	0	1.80%	18,104	417,573	1,441,432	0	2.00%	28,829	10,006	1,480,267
0925	EQUIPMENT PURCHASES (NON-FUND)	22,726	0	1.80%	409	17,083	40,218	0	2.00%	804	1,436	42,458
0928	SHIP MAINTENANCE BY CONTRACT	114	0	1.80%	2	87	203	0	2.00%	4	0	207
0929	AIRCRAFT REWORKS BY CONTRACT	457	0	1.80%	8	-452	13	0	2.00%	0	0	13
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	153,948	0	1.80%	2,771	-151,234	5,485	0	2.00%	110	0	5,595
0933	STUDIES, ANALYSIS, AND EVALUATIONS	35,161	0	1.80%	633	-35,794	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	35,994	0	1.80%	648	-36,308	334	0	2.00%	7	0	341
0935	TRAINING AND LEADERSHIP DEVELOPMENT	11,333	0	0.00%	0	-11,333	0	0	2.00%	0	0	0

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Detail by Subactivity Group 131: Base Operations Support

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0937	LOCALLY PURCHASED FUEL (NON-FUND)	45,779	0	-8.20%	-3,754	-38,402	3,623	0	-0.40%	-14	-1,735	1,874
0955	MEDICAL CARE	15	0	3.80%	1	448	464	0	3.90%	18	0	482
0957	LAND AND STRUCTURES	206,016	0	1.80%	3,708	-29,904	179,820	0	2.00%	3,596	-26,154	157,262
0959	INSURANCE CLAIMS AND INDEMNITIES	4,407	0	1.80%	79	-4,286	200	0	2.00%	4	0	204
0960	INTEREST AND DIVIDENDS	256	0	1.80%	5	-127	134	0	2.00%	3	0	137
0964	SUBSISTENCE AND SUPPORT OF PERSONS	56,884	0	1.80%	1,024	2,182	60,090	0	2.00%	1,202	1,603	62,895
0985	RESEARCH AND DEVELOPMENT CONTRACTS	331	0	0.00%	0	1,521	1,852	0	0.00%	0	0	1,852
0987	OTHER INTRA-GOVERNMENT PURCHASES	801,129	0	1.80%	14,420	-46,448	769,101	0	2.00%	15,382	61,499	845,982
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	277	0	1.80%	5	0	282	0	2.00%	6	0	288
0989	OTHER SERVICES	482,482	0	1.80%	8,684	-365,473	125,693	0	2.00%	2,514	-3,212	124,995
0990	IT CONTRACT SUPPORT SERVICES	78,122	0	1.80%	1,407	77,005	156,534	0	2.00%	3,131	21,452	181,117
0999	TOTAL OTHER PURCHASES	4,505,495	859		75,392	9,912	4,591,658	-2,188		92,266	136,030	4,817,766
9999	GRAND TOTAL	7,582,606	1,242		115,864	190,331	7,890,043	-1,899		154,184	38,029	8,080,357

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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

Army Service Component Commands:

U.S. Army Europe

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Direct Reporting Units:

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

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
SUSTAINMENT, RESTORATION AND MODERNIZATION	\$2,762,524	\$2,465,882	\$0	0.00%	\$2,465,882	\$2,465,882	\$3,401,155	
SUBACTIVITY GROUP TOTAL	\$2,762,524	\$2,465,882	\$0	0.00%	\$2,465,882	\$2,465,882	\$3,401,155	
B. <u>Reconciliation Summary</u>			Change		Change			
			FY 2017/FY 2017		FY 2017/FY 2018			
BASELINE FUNDING			\$2,465,882		\$2,465,882			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			2,465,882					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			2,465,882					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					48,855			
Functional Transfers					0			
Program Changes					886,418			
NORMALIZED CURRENT ESTIMATE			\$2,465,882		\$3,401,155			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 2,465,882
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 2,465,882
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 2,465,882
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 2,465,882

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 2,465,882
6. Price Change	\$ 48,855
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 893,910
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 893,910

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- 1) Civilian Average Annual Compensation..... \$ 5,628
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$161,383)

- 2) Facility Reduction Program..... \$ 49,291
 Increases funding in support of the Army's efforts to initiate the demolition process of 17 chemical and biological research structures at Aberdeen Proving Ground, Maryland. Requested funding supports the first year of the effort. The Army will continue to adjust funding on an annual basis in accordance with the demolition timeline. (Baseline: \$33,699)

- 3) Reimbursable to Direct Manpower Conversion \$ 636
 In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$161,383; 8 FTE)

- 4) Restoration and Modernization - Ammunition Storage Facilities..... \$ 25,000
 Increases funding to support the modernization and improvement of the Army's munitions industrial base infrastructure. (Baseline: \$0)

- 5) Restoration and Modernization - Energy and Utilities Program..... \$ 56,098
 Funds the upgrade of Army facilities to improve energy efficiency and reduce utilities costs, preserve water, develop on-site renewable energy generation to reduce consumption and cost of purchased energy, and improve reliability and efficiency of Army-owned installation utilities distribution systems and central plants as well as to meet Department of Defense facility energy reductions. (Baseline: \$75,170)

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- 6) Restoration and Modernization - Facilities Investment Strategy \$ 487,263
 Increases funding to reduce risk in the Army's facility investment strategy. In particular, the Army will increase efforts to revitalize and restore training barracks, vehicle maintenance facilities, and other Army critical restoration and modernization requirements. (Baseline: \$357,525)
- 7) Restoration and Modernization - Military Ocean Terminal Concord (MOTCO) \$ 28,231
 Increases funding in support of projects at MOTCO, California in order to restore deteriorated and failing infrastructure and facilities. Improved facility quality increases MOTCO's effectiveness as a power projection platform, improving the Army's posture in the Pacific. (Baseline: \$0)
- 8) Restoration and Modernization - U.S. Army Cyber Center of Excellence \$ 51,000
 Resources the renovation of three classroom facilities at Fort Gordon, Georgia in support of improving the Army's Cyber Centers' of Excellence infrastructure. This effort supports and enables the Army's continued consolidation of Cyberspace capabilities on Fort Gordon. The Army will continue to adjust funding on an annual basis in accordance with the renovation timeline. (Baseline: \$0)
- 9) Restoration and Modernization - U.S. Army Garrison (USAG) Baumholder \$ 43,577
 Funds the restoration and modernization of facilities at USAG Baumholder, Germany to permit unit moves from USAG Stuttgart, Germany. This effort will allow the Army to alleviate overcrowding at USAG Stuttgart. (Baseline: \$0)
- 10) Restoration and Modernization - West Point Cadet Barracks Upgrade Program \$ 46,498
 Increases funding for the Cadet Barracks Upgrade Program in the sixth 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 on an annual basis in accordance with the barracks renovation timeline. (Baseline: \$50,700)
- 11) Sustainment - Real Property Maintenance \$ 100,688
 Increases funding for facilities sustainment from 67 percent in FY 2017 to 76 percent in FY 2018 of the Department of Defense Facilities Sustainment Model requirement. Funding provides an increased

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ability to perform routine repairs and maintenance to deteriorating infrastructure. (Baseline: \$1,980,171)

9. Program Decreases.....	\$ -7,492
a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -7,492
1) Civilian Workforce Reduction.....	\$ -3,522
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: \$161,383; -54 FTE)	
2) Restoration and Modernization - European Infrastructure Consolidation.....	\$ -3,970
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: \$11,420)	
FY 2018 Budget Request.....	\$ 3,401,155

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IV. Performance Criteria and Evaluation Summary:

	FY 2016	FY 2017	FY 2018
Total (\$000)	2,762,524	2,465,882	3,401,155
A. Facilities Sustainment	1,802,720	1,980,171	2,122,855
B. Facilities Restoration and Modernization	956,559	452,012	1,194,644
C. Facility Reduction Program	3,245	33,699	83,656
Buildings (Square Feet in Thousands)	432,640	446,619	444,160
Pavements (Square Yards in Thousands)	267,033	269,790	215,059
Land (Acreage)	12,482,669	12,481,669	11,182,103
Other Facilities (Square Feet in Thousands)	26,727	26,500	27,302
Railroad Track (Linear Feet in Thousands)	3,923	3,731	3,131

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</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>	2,878	2,621	2,575	-46
U.S. Direct Hire	1,573	1,518	1,588	70
Foreign National Direct Hire	705	602	582	-20
Total Direct Hire	2,278	2,120	2,170	50
Foreign National Indirect Hire	600	501	405	-96
 <i>(Reimbursable Civilians (Memo))</i>	 89	 206	 198	 -8
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	65	62	65	3
<u>Contractor FTEs (Total)</u>	11,365	9,385	9,888	503

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	40,284	0	1.32%	533	-5,198	35,619	0	1.70%	607	-4,362	31,864
0103	WAGE BOARD	99,814	0	1.29%	1,284	-11,143	89,955	0	2.22%	1,997	9,987	101,939
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	11,028	77	1.13%	126	-1,813	9,418	76	1.79%	170	-922	8,742
0106	BENEFITS TO FORMER EMPLOYEES	158	0	0.00%	0	-158	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	151,284	77		1,943	-18,312	134,992	76		2,774	4,703	142,545
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	6,300	0	1.80%	113	82	6,495	0	2.00%	130	666	7,291
0399	TOTAL TRAVEL	6,300	0		113	82	6,495	0		130	666	7,291
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	161	0	-8.20%	-13	82	230	0	-0.40%	-1	126	355
0411	ARMY SUPPLY	29,354	0	-4.63%	-1,359	-23,989	4,006	0	2.84%	114	177	4,297
0416	GSA MANAGED SUPPLIES AND MATERIALS	5,701	0	1.80%	103	12,932	18,736	0	2.00%	375	1,511	20,622
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	35,216	0		-1,269	-10,975	22,972	0		488	1,814	25,274
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	9,755	0	1.80%	176	-6,702	3,229	0	2.00%	65	0	3,294
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	9,755	0		176	-6,702	3,229	0		65	0	3,294
<u>OTHER FUND PURCHASES</u>												
0675	DLA DISPOSITION SERVICES	13,462	0	0.00%	0	0	13,462	0	0.00%	0	0	13,462
0679	COST REIMBURSABLE PURCHASES	1,006	0	1.90%	19	26,124	27,149	0	1.90%	516	0	27,665
0699	TOTAL INDUSTRIAL FUND PURCHASES	14,468	0		19	26,124	40,611	0		516	0	41,127
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	260,499	0	-1.80%	-4,689	-255,810	0	0	-2.80%	0	0	0
0771	COMMERCIAL TRANSPORTATION	5	0	1.80%	0	62	67	0	2.00%	1	0	68

Exhibit OP-5, Subactivity Group 132

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0799 TOTAL TRANSPORTATION	260,504	0		-4,689	-255,748	67	0		1	0	68
<u>OTHER PURCHASES</u>											
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	35,244	150	1.12%	397	-9,400	26,391	-284	1.80%	471	-1,961	24,617
0913 PURCHASED UTILITIES (NON-FUND)	7,851	0	1.80%	141	-7,056	936	0	2.00%	19	0	955
0914 PURCHASED COMMUNICATIONS (NON-FUND)	115	0	1.80%	2	662	779	0	2.00%	16	0	795
0915 RENTS (NON-GSA)	133	0	1.80%	2	144	279	0	2.00%	6	0	285
0920 SUPPLIES AND MATERIALS (NON-FUND)	62,516	0	1.80%	1,125	-1,105	62,536	0	2.00%	1,251	4,183	67,970
0922 EQUIPMENT MAINTENANCE BY CONTRACT	2,902	0	1.80%	52	378	3,332	0	2.00%	67	0	3,399
0923 OPERATION AND MAINTENANCE OF FACILITIES	1,806,294	0	1.80%	32,513	-178,302	1,660,505	0	2.00%	33,210	93,573	1,787,288
0925 EQUIPMENT PURCHASES (NON-FUND)	37	0	1.80%	1	-2	36	0	2.00%	1	0	37
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	6,299	0	1.80%	113	-6,412	0	0	2.00%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	949	0	1.80%	17	-966	0	0	2.00%	0	0	0
0935 TRAINING AND LEADERSHIP DEVELOPMENT	93	0	0.00%	0	-93	0	0	2.00%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	141	0	-8.20%	-12	127	256	0	-0.40%	-1	100	355
0957 LAND AND STRUCTURES	117,507	0	1.80%	2,115	-1,703	117,919	0	2.00%	2,358	738,579	858,856
0987 OTHER INTRA-GOVERNMENT PURCHASES	3,055	0	1.80%	55	307,922	311,032	0	2.00%	6,221	43,443	360,696
0989 OTHER SERVICES	241,861	0	1.80%	4,353	-172,821	73,393	0	2.00%	1,468	1,318	76,179
0990 IT CONTRACT SUPPORT SERVICES	0	0	1.80%	0	122	122	0	2.00%	2	0	124
0999 TOTAL OTHER PURCHASES	2,284,997	150		40,874	-68,505	2,257,516	-284		45,089	879,235	3,181,556
9999 GRAND TOTAL	2,762,524	227		37,167	-334,036	2,465,882	-208		49,063	886,418	3,401,155

DEPARTMENT OF THE ARMY
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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

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

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
MANAGEMENT AND OPERATIONAL HEADQUARTERS	\$416,406	\$464,805	\$0	0.00%	\$464,805	\$464,805	\$443,790	
SUBACTIVITY GROUP TOTAL	\$416,406	\$464,805	\$0	0.00%	\$464,805	\$464,805	\$443,790	
		<u>Change</u>	<u>Change</u>					
		<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>					
BASELINE FUNDING			\$464,805			\$464,805		
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			464,805					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			464,805					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change						8,101		
Functional Transfers						-1,080		
Program Changes						-28,036		
NORMALIZED CURRENT ESTIMATE			\$464,805			\$443,790		

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 464,805
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 464,805
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 464,805
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 464,805

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 464,805
6. Price Change.....	\$ 8,101
7. Transfers.....	\$ -1,080
a) Transfers In.....	\$ 3,763
1) Anti-Terrorism	\$ 563
Transfers funding from SAG 131, Base Operations Support to SAG 133, Management and Operational Headquarters in support of the Army's efforts to identify and consolidate U.S. Army Cyber Command funding in the appropriate Subactivity Groups. (Baseline: \$210; 0 FTE)	
2) Army Civilian Personnel Operations	\$ 615
Transfers funding from SAG 131, Base Operations Support to SAG 133, Management and Operational Headquarters to consolidate funding for career management support positions under the appropriate Subactivity Group. (Baseline: \$857)	
3) Army Installation Support.....	\$ 143
Transfers funding and 1 FTE from SAG 131, Base Operations Support to SAG 133, Management and Operational Headquarters to reflect the consolidation of religious support operations from the U.S.	

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Army Installation Management Command's (IMCOM) Europe Region under the IMCOM Headquarters staff. (Baseline: \$81,211; 1 FTE)

4) Joint/Defense Activities \$ 2,442
 Transfers funding and 11 FTEs from SAG 131, Base Operations Support to SAG 133, Management and Operational Headquarters to reflect the consolidation of Military District Washington Headquarters information technology funding under the appropriate Subactivity Group. (Baseline: \$0; 11 FTE)

b) Transfers Out \$ -4,843

1) Major Headquarters Activity (MHA) Compliance \$ -1,822
 Transfers funding to realign support to the MHA of each component in accordance with definitions and guidelines developed by the Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$398,639)

2) Personnel Security Investigations \$ -3,021
 Transfers funding and 21 FTEs from SAG 133, Management and Operational Headquarters to SAG 435, Other Service Support to align child care background check funding under the appropriate Subactivity Group. (Baseline: \$3,021; -21 FTE)

8. Program Increases \$ 32,595

a) Annualization of New FY 2017 Program \$ 0

b) One-Time FY 2018 Costs \$ 0

c) Program Growth in FY 2018 \$ 32,595

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1) Army Installation Support.....\$ 6,801
 Increases funding for hosting and sustainment costs for critical base operations and environmental information technology systems and databases. (Baseline: \$81,211)

2) Army Management Headquarters Activities Information Management\$ 9,949
 Increases funding in support of necessary lifecycle replacements of increasingly aging and failing information technology systems and equipment. Funding provides for the replacement of obsolete hardware or software solutions. (Baseline: \$24,656)

3) Army Service Component Command Tactical Units.....\$ 15,845
 Increases funding in support of increased activity and mission support requirements at Army Service Component Commands responsible for the European, Pacific, and Africa regions. Activity is being driven by increased threats and U.S. military activity in their areas of operation. (Baseline: \$173,060)

9. Program Decreases.....\$ -60,631

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -60,631

1) Army Major Headquarters Activity (MHA) Rebaseline.....\$ -9,097
 Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$398,639; -62 FTE)

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<p>2) Civilian Average Annual Compensation.....</p> <p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$398,639)</p>	<p>\$ -14,569</p>
<p>3) Civilian Workforce Reduction.....</p> <p>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: \$398,639; -38 FTE)</p>	<p>\$ -6,463</p>
<p>4) Cyberspace Operations</p> <p>Decreases funding and 12 FTEs for Cyberspace-related activities, including travel and contract support, based on refined estimates of requirements and services. (Baseline: \$34,399; -12 FTE)</p>	<p>\$ -14,897</p>
<p>5) Headquarters Reduction</p> <p>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: \$173,060; -107 FTE)</p>	<p>\$ -15,605</p>
<p>FY 2018 Budget Request.....</p>	<p>\$ 443,790</p>

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IV. Performance Criteria and Evaluation Summary:

	FY 2016		FY 2017		FY 2018	
	<u>BASELINE</u>	<u>FTE</u>	<u>BASELINE</u>	<u>FTE</u>	<u>BASELINE</u>	<u>FTE</u>
Army Commands						
U.S. Army Forces Command	79,606	524	80,411	548	85,403	560
U.S. Army Training and Doctrine Command	370	2	303	3	312	3
U.S. Army Materiel Command	230	0	252	2	0	0
Army Service Component Commands						
U.S. Army Central	11,311	49	11,511	59	11,907	57
U.S. Army Africa	39,149	204	38,724	221	38,856	207
U.S. Army North	22,870	172	21,277	152	20,987	136
U.S. Army Special Operations Command	0	0	12,771	1	90	1
U.S. Army South	36,100	224	28,234	227	27,487	205
U.S. Army Europe	59,793	428	60,510	388	54,307	311
	FY 2016		FY 2017		FY 2018	

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	<u>BASELINE</u>	<u>FTE</u>	<u>BASELINE</u>	<u>FTE</u>	<u>BASELINE</u>	<u>FTE</u>
U.S. Army Space and Missile Defense	13,620	80	12,184	77	12,198	70
U.S. Army Pacific	46,144	309	34,418	186	37,520	197
U.S. Army Cyber Command	14,165	95	22,572	86	21,106	74
Direct Reporting Units						
U.S. Army Test and Evaluation Command	0	0	88	1	129	1
U.S. Army Military District of Washington	14,273	92	15,820	97	17,998	108
U.S. Army Medical Command	0	0	945	9	1575	14
U.S. Army Installation Management Command	68,380	500	114,208	648	103,069	538
U.S. Army Criminal Investigation Command	10,395	65	10,577	63	10,846	58
Total	416,406	2,744	464,805	2,768	443,790	2,540

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	3,065	2,205	2,122	-83
Officer	1,783	1,454	1,396	-58
Enlisted	1,282	751	726	-25
<u>Active Military Average Strength (A/S) (Total)</u>	3,375	2,636	2,164	-472
Officer	1,949	1,619	1,425	-194
Enlisted	1,426	1,017	739	-278
<u>Civilian FTEs (Total)</u>	2,744	2,768	2,540	-228
U.S. Direct Hire	2,661	2,729	2,515	-214
Foreign National Direct Hire	46	1	1	0
Total Direct Hire	2,707	2,730	2,516	-214
Foreign National Indirect Hire	37	38	24	-14
 <i>(Reimbursable Civilians (Memo))</i>	 4	 0	 0	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	134	144	141	-3
<u>Contractor FTEs (Total)</u>	121	110	115	5

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 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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	362,998	0	1.63%	5,920	26,754	395,672	0	1.71%	6,753	-47,444	354,981
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	962	0	0.10%	1	-902	61	0	1.64%	1	-5	57
0106	BENEFITS TO FORMER EMPLOYEES	910	0	0.00%	0	-910	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	364,870	0		5,921	24,942	395,733	0		6,754	-47,449	355,038
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	11,561	0	1.80%	208	-5,698	6,071	0	2.00%	121	-96	6,096
0399	TOTAL TRAVEL	11,561	0		208	-5,698	6,071	0		121	-96	6,096
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	560	0	-4.63%	-26	274	808	0	2.84%	23	1,610	2,441
0416	GSA MANAGED SUPPLIES AND MATERIALS	9	0	1.80%	0	187	196	0	2.00%	4	0	200
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	569	0		-26	461	1,004	0		27	1,610	2,641
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	902	0	1.80%	16	1,004	1,922	0	2.00%	38	375	2,335
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	902	0		16	1,004	1,922	0		38	375	2,335
<u>OTHER FUND PURCHASES</u>												
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	301	0	-7.00%	-21	-280	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	301	0		-21	-280	0	0		0	0	0
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	1,674	0	-1.80%	-30	-1,644	0	0	-2.80%	0	0	0
0771	COMMERCIAL TRANSPORTATION	2,640	0	1.80%	48	-1,506	1,182	0	2.00%	24	0	1,206
0799	TOTAL TRANSPORTATION	4,314	0		18	-3,150	1,182	0		24	0	1,206
<u>OTHER PURCHASES</u>												

Exhibit OP-5, Subactivity Group 133

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	3,664	18	1.20%	44	-820	2,906	-30	1.60%	46	-514	2,408
0914 PURCHASED COMMUNICATIONS (NON-FUND)	2,069	0	1.80%	37	-780	1,326	0	2.00%	27	425	1,778
0915 RENTS (NON-GSA)	32	0	1.80%	1	248	281	0	2.00%	6	0	287
0917 POSTAL SERVICES (U.S.P.S)	149	0	1.80%	3	-145	7	0	2.00%	0	0	7
0920 SUPPLIES AND MATERIALS (NON-FUND)	3,211	0	1.80%	58	700	3,969	0	2.00%	79	2,059	6,107
0921 PRINTING AND REPRODUCTION	89	0	1.80%	2	-23	68	0	2.00%	1	-25	44
0922 EQUIPMENT MAINTENANCE BY CONTRACT	354	0	1.80%	6	-248	112	0	2.00%	2	57	171
0923 OPERATION AND MAINTENANCE OF FACILITIES	1,080	0	1.80%	19	2,827	3,926	0	2.00%	79	0	4,005
0925 EQUIPMENT PURCHASES (NON-FUND)	2,326	0	1.80%	42	-184	2,184	0	2.00%	44	2,717	4,945
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	3,510	0	1.80%	63	-3,573	0	0	2.00%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	347	0	1.80%	6	-353	0	0	2.00%	0	0	0
0934 ENGINEERING AND TECHNICAL SERVICES	859	0	1.80%	15	-874	0	0	2.00%	0	0	0
0935 TRAINING AND LEADERSHIP DEVELOPMENT	487	0	0.00%	0	-487	0	0	2.00%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	2	0	-8.20%	0	0	2	0	-0.40%	0	0	2
0955 MEDICAL CARE	3	0	3.80%	0	-3	0	0	3.90%	0	0	0
0957 LAND AND STRUCTURES	364	0	1.80%	7	15	386	0	2.00%	8	0	394
0959 INSURANCE CLAIMS AND INDEMNITIES	8	0	1.80%	0	-8	0	0	2.00%	0	0	0
0960 INTEREST AND DIVIDENDS	24	0	1.80%	0	-24	0	0	2.00%	0	0	0
0964 SUBSISTENCE AND SUPPORT OF PERSONS	165	0	1.80%	3	-168	0	0	2.00%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	225	0	1.80%	4	27,151	27,380	0	2.00%	548	10,896	38,824
0989 OTHER SERVICES	1,577	0	1.80%	28	2,851	4,456	0	2.00%	89	171	4,716
0990 IT CONTRACT SUPPORT SERVICES	13,344	0	1.80%	240	-1,694	11,890	0	2.00%	238	658	12,786
0999 TOTAL OTHER PURCHASES	33,889	18		578	24,408	58,893	-30		1,167	16,444	76,474
9999 GRAND TOTAL	416,406	18		6,694	41,687	464,805	-30		8,131	-29,116	443,790

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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 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
COMBATANT COMMANDS CORE OPERATIONS	\$163,193	\$155,658	\$0	0.00%	\$155,658	\$155,658	\$0	
SUBACTIVITY GROUP TOTAL	\$163,193	\$155,658	\$0	0.00%	\$155,658	\$155,658	\$0	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
B. <u>Reconciliation Summary</u>								
BASELINE FUNDING			\$155,658	\$155,658				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			155,658					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			155,658					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change				349				
Functional Transfers				-156,007				
Program Changes				0				
NORMALIZED CURRENT ESTIMATE			\$155,658		\$0			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 155,658
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 155,658
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 155,658
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 155,658

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 155,658
6. Price Change	\$ 349
7. Transfers.....	\$ -156,007
a) Transfers In	\$ 0
b) Transfers Out	\$ -156,007
1) Combatant Command Realignment - U.S. Africa Command (AFRICOM)	\$ -60,791
Transfers funding and 435 FTEs for the following SAGs: SAG 134, Combatant Command Core Operations (-\$60,787; -382 FTEs) and SAG 138, Direct Mission Support (-\$168,008; -53 FTEs) to SAG 141, AFRICOM (\$228,542; 435 FTEs) to consolidate AFRICOM resources into one Subactivity Group. (Baseline: \$60,787; -382 FTE)	
2) Combatant Command Realignment - U.S. European Command (EUCOM)	\$ -27,539
Transfers funding and 333 FTEs for the following SAGs: SAG 134, Combatant Command Core Operations (-\$27,538, -175 FTEs) and SAG 138, Direct Mission Support (-\$105,532, -158 FTEs) to SAG 142, EUCOM (\$136,275, 333 FTEs) to consolidate EUCOM resources into one Subactivity Group. (Baseline: \$27,538; -175 FTE)	

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3) Combatant Command Realignment - U.S. Forces Korea (USFK) \$ -26,153
 Transfers funding and 113 FTEs for the following SAGs: SAG 134 Combatant Command Core
 Operations (-\$26,150, -113 FTEs) and SAG 138 Direct Mission Support (-\$23,056) to SAG 144 USFK
 (\$49,206, -113 FTEs) to consolidate USFK resources into one Subactivity group. (Baseline: \$26,150; -
 113 FTE)

4) Combatant Command Realignment - U.S. Southern Command (SOUTHCOM) \$ -41,524
 Transfers funding and 287 FTEs for the following SAGs: SAG 134, Combatant Command Core
 Operations (-\$41,521, -211 FTEs) and SAG 138, Direct Mission Support (-\$149,248, - 76 FTEs) to
 SAG 143 SOUTHCOM (\$190,769, 287 FTEs) to consolidate SOUTHCOM resources into one
 Subactivity Group. (Baseline: \$41,521; -211 FTE)

8. Program Increases \$ 0

a) Annualization of New FY 2017 Program..... \$ 0

b) One-Time FY 2018 Costs \$ 0

c) Program Growth in FY 2018 \$ 0

9. Program Decreases..... \$ 0

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ 0

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FY 2018 Budget Request.....\$ 0

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IV. Performance Criteria and Evaluation Summary:

CCMD Direct Funding

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

	FY 2016		FY 2017		FY 2018	
	Baseline	FTE	Baseline	FTE	Baseline	FTE
Category/COCOM Detail						
Total HQ Support	163,225	914	155,658	881	0	0
USAFRICOM						
HQ Support	61,796	398	60,655	382	0	0
USEUCOM						
HQ Support	30,513	183	27,478	175	0	0
USSOUTHCOM						
HQ Support	44,519	219	41,431	211	0	0
USFK						
HQ Support	26,397	114	26,094	113	0	0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 13: Land Forces Readiness Support
 Detail by Subactivity Group 134: Combatant Commands Core Operations

V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,102	1,053	0	-1,053
Officer	815	822	0	-822
Enlisted	287	231	0	-231
<u>Active Military Average Strength (A/S) (Total)</u>	1,111	1,078	527	-551
Officer	824	819	411	-408
Enlisted	287	259	116	-143
<u>Civilian FTEs (Total)</u>	866	881	0	-881
U.S. Direct Hire	845	856	0	-856
Foreign National Direct Hire	14	14	0	-14
Total Direct Hire	859	870	0	-870
Foreign National Indirect Hire	7	11	0	-11
 <i>(Reimbursable Civilians (Memo))</i>	 7	 29	 0	 -29
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	144	156	0	-156
<u>Contractor FTEs (Total)</u>	127	42	0	-42

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 134: Combatant Commands Core Operations

VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	122,965	0	1.66%	2,047	11,596	136,608	0	0.00%	0	-136,608	0
0103	WAGE BOARD	445	0	0.00%	0	-445	0	0	0.00%	0	0	0
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	252	2	0.79%	2	12	268	0	0.00%	0	-268	0
0106	BENEFITS TO FORMER EMPLOYEES	175	0	0.00%	0	-175	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	123,837	2		2,049	10,988	136,876	0		0	-136,876	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	7,494	0	1.80%	135	-4,281	3,348	0	2.00%	67	-3,415	0
0399	TOTAL TRAVEL	7,494	0		135	-4,281	3,348	0		67	-3,415	0
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	0	0	-8.20%	0	167	167	0	-0.40%	-1	-166	0
0411	ARMY SUPPLY	277	0	-4.63%	-13	-148	116	0	2.84%	3	-119	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	5	0	1.80%	0	-5	0	0	2.00%	0	0	0
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	15	0	-6.00%	-1	-14	0	0	-0.59%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	297	0		-14	0	283	0		2	-285	0
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	251	0	-0.26%	-1	-250	0	0	2.84%	0	0	0
0507	GSA MANAGED EQUIPMENT	23	0	1.80%	0	286	309	0	2.00%	6	-315	0
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	274	0		-1	36	309	0		6	-315	0
<u>OTHER FUND PURCHASES</u>												
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	235	0	-7.00%	-16	-219	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	235	0		-16	-219	0	0		0	0	0
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	0	0	-16.10%	0	6	6	0	2.10%	0	-6	0

Exhibit OP-5, Subactivity Group 134

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Detail by Subactivity Group 134: Combatant Commands Core Operations

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0719	SDDC CARGO OPERATION (PORT HANDLING)	2,836	0	0.80%	23	-2,764	95	0	1.30%	1	-96	0
0771	COMMERCIAL TRANSPORTATION	29	0	1.80%	1	113	143	0	2.00%	3	-146	0
0799	TOTAL TRANSPORTATION	2,865	0		24	-2,645	244	0		4	-248	0
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	663	4	1.35%	9	-86	590	0	0.00%	0	-590	0
0913	PURCHASED UTILITIES (NON-FUND)	48	0	1.80%	1	-49	0	0	2.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	699	0	1.80%	13	-712	0	0	2.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	3	0	1.80%	0	-3	0	0	2.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	2,701	0	1.80%	49	-268	2,482	0	2.00%	50	-2,532	0
0921	PRINTING AND REPRODUCTION	76	0	1.80%	1	-23	54	0	2.00%	1	-55	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	70	0	1.80%	1	-49	22	0	2.00%	0	-22	0
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,830	0	1.80%	33	-847	1,016	0	2.00%	20	-1,036	0
0925	EQUIPMENT PURCHASES (NON-FUND)	528	0	1.80%	9	-522	15	0	2.00%	0	-15	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	6,341	0	1.80%	114	-5,762	693	0	2.00%	14	-707	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	1,473	0	1.80%	27	-1,500	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	647	0	1.80%	12	-659	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	322	0	0.00%	0	-322	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	36	0	-8.20%	-3	-1	32	0	-0.40%	0	-32	0
0957	LAND AND STRUCTURES	449	0	1.80%	8	2,040	2,497	0	2.00%	50	-2,547	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	4,827	0	1.80%	87	-4,914	0	0	2.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	0	0	0.00%	0	475	475	0	0.00%	0	-475	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	35	0	1.80%	1	696	732	0	2.00%	15	-747	0
0989	OTHER SERVICES	4,056	0	1.80%	73	-1,619	2,510	0	2.00%	50	-2,560	0
0990	IT CONTRACT SUPPORT SERVICES	3,387	0	1.80%	61	32	3,480	0	2.00%	70	-3,550	0
0999	TOTAL OTHER PURCHASES	28,191	4		496	-14,093	14,598	0		270	-14,868	0
9999	GRAND TOTAL	163,193	6		2,673	-10,214	155,658	0		349	-156,007	0

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 13: Land Forces Readiness Support
Detail by Subactivity Group 135: Additional Activities

I. Description of Operations Financed:

ADDITIONAL ACTIVITIES - Only Overseas Contingency Operations funding is executed in this Subactivity Group.

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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Detail by Subactivity Group 135: Additional Activities

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
ADDITIONAL ACTIVITIES	\$8,128,008	\$0	\$0	0.00		\$0	\$0	
SUBACTIVITY GROUP TOTAL	\$8,128,008	\$0	\$0	0.00		\$0	\$0	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</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 ESTIMATED AMOUNT			0					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			0					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
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 2017 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 2017 Estimated Amount	\$ 0
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 0
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 0

DEPARTMENT OF THE ARMY
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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 0
6. Price Change	\$ 0
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 0
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 0
9. Program Decreases.....	\$ 0

DEPARTMENT OF THE ARMY
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Detail by Subactivity Group 135: Additional Activities

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ 0

FY 2018 Budget Request..... \$ 0

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
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Detail by Subactivity Group 135: Additional Activities

IV. Performance Criteria and Evaluation Summary:

There is no Performance Criteria for this Subactivity Group.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
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Activity Group 13: Land Forces Readiness Support
Detail by Subactivity Group 135: Additional Activities

V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change</u> <u>FY 2017/2018</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>	216	0	0	0
U.S. Direct Hire	216	0	0	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	216	0	0	0
Foreign National Indirect Hire	0	0	0	0
<i>(Reimbursable Civilians (Memo))</i>	29	0	0	0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	169	0	0	0
<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.

DEPARTMENT OF THE ARMY
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Activity Group 13: Land Forces Readiness Support
Detail by Subactivity Group 135: Additional Activities

VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	31,743	0	0.00%	0	-31,743	0	0	0.00%	0	0	0
0103	WAGE BOARD	4,644	0	0.00%	0	-4,644	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	41	0	0.00%	0	-41	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	36,428	0		0	-36,428	0	0		0	0	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	132,097	0	1.80%	2,377	-134,474	0	0	0.00%	0	0	0
0399	TOTAL TRAVEL	132,097	0		2,377	-134,474	0	0		0	0	0
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	347,437	0	-8.20%	-28,490	-318,947	0	0	0.00%	0	0	0
0411	ARMY SUPPLY	970,791	0	-4.63%	-44,948	-925,843	0	0	0.00%	0	0	0
0412	NAVY MANAGED SUPPLIES AND MATERIALS	1,066	0	4.94%	53	-1,119	0	0	0.00%	0	0	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	18,189	0	1.80%	327	-18,516	0	0	0.00%	0	0	0
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	405	0	-0.40%	-1	-404	0	0	0.00%	0	0	0
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	96	0	-6.00%	-6	-90	0	0	0.00%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,337,984	0		-73,065	-1,264,919	0	0		0	0	0
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	420,477	0	-0.26%	-1,093	-419,384	0	0	0.00%	0	0	0
0507	GSA MANAGED EQUIPMENT	4,252	0	1.80%	77	-4,329	0	0	0.00%	0	0	0
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	424,729	0		-1,016	-423,713	0	0		0	0	0
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	840,045	0	-0.11%	-924	-839,121	0	0	0.00%	0	0	0
0603	DLA DISTRIBUTION	17,128	0	15.16%	2,597	-19,725	0	0	0.00%	0	0	0
0610	NAVAL AIR WARFARE CENTER	855	0	3.20%	27	-882	0	0	0.00%	0	0	0
0647	DISA ENTERPRISE COMPUTING CENTERS	82,251	0	-10.00%	-8,225	-74,026	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 135

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	178,709	0	-7.00%	-12,509	-166,200	0	0	0.00%	0	0	0
0679	COST REIMBURSABLE PURCHASES	9,333	0	1.90%	177	-9,510	0	0	0.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	1,128,321	0		-18,857	-1,109,464	0	0		0	0	0
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	447,666	0	-9.00%	-40,290	-407,376	0	0	0.00%	0	0	0
0717	SDDC GLOBAL POV	1	0	-16.10%	0	-1	0	0	0.00%	0	0	0
0718	SDDC LINER OCEAN TRANSPORTATION	164,076	0	-1.80%	-2,953	-161,123	0	0	0.00%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	116,981	0	0.80%	936	-117,917	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	167,262	0	1.80%	3,011	-170,273	0	0	0.00%	0	0	0
0799	TOTAL TRANSPORTATION	895,986	0		-39,296	-856,690	0	0		0	0	0
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	3	0	0.00%	0	-3	0	0	0.00%	0	0	0
0912	RENTAL PAYMENTS TO GSA (SLUC)	477	0	1.80%	9	-486	0	0	0.00%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	8,045	0	1.80%	145	-8,190	0	0	0.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	87,426	0	1.80%	1,574	-89,000	0	0	0.00%	0	0	0
0915	RENTS (NON-GSA)	4,372	0	1.80%	79	-4,451	0	0	0.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	8,877	0	1.80%	160	-9,037	0	0	0.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	6,010	0	1.80%	108	-6,118	0	0	0.00%	0	0	0
0921	PRINTING AND REPRODUCTION	1,445	0	1.80%	26	-1,471	0	0	0.00%	0	0	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	469,255	0	1.80%	8,446	-477,701	0	0	0.00%	0	0	0
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,463,061	0	1.80%	26,335	-1,489,396	0	0	0.00%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	38,525	0	1.80%	694	-39,219	0	0	0.00%	0	0	0
0927	AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	87,078	0	1.80%	1,567	-88,645	0	0	0.00%	0	0	0
0928	SHIP MAINTENANCE BY CONTRACT	195	0	1.80%	4	-199	0	0	0.00%	0	0	0
0929	AIRCRAFT REWORKS BY CONTRACT	110,170	0	1.80%	1,983	-112,153	0	0	0.00%	0	0	0
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	51,138	0	1.80%	920	-52,058	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	209,068	0	1.80%	3,764	-212,832	0	0	0.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	55,335	0	1.80%	995	-56,330	0	0	0.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	77,413	0	1.80%	1,393	-78,806	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 135

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Detail by Subactivity Group 135: Additional Activities

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0935 TRAINING AND LEADERSHIP DEVELOPMENT	7,861	0	0.00%	0	-7,861	0	0	0.00%	0	0	0
0955 MEDICAL CARE	1	0	3.80%	0	-1	0	0	0.00%	0	0	0
0957 LAND AND STRUCTURES	53,168	0	1.80%	957	-54,125	0	0	0.00%	0	0	0
0959 INSURANCE CLAIMS AND INDEMNITIES	322	0	1.80%	6	-328	0	0	0.00%	0	0	0
0960 INTEREST AND DIVIDENDS	34	0	1.80%	1	-35	0	0	0.00%	0	0	0
0964 SUBSISTENCE AND SUPPORT OF PERSONS	43,906	0	1.80%	790	-44,696	0	0	0.00%	0	0	0
0985 RESEARCH AND DEVELOPMENT CONTRACTS	2,565	0	0.00%	0	-2,565	0	0	0.00%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	4,272	0	1.80%	77	-4,349	0	0	0.00%	0	0	0
0989 OTHER SERVICES	1,080,741	0	1.80%	19,454	-1,100,195	0	0	0.00%	0	0	0
0990 IT CONTRACT SUPPORT SERVICES	301,700	0	1.80%	5,430	-307,130	0	0	0.00%	0	0	0
0999 TOTAL OTHER PURCHASES	4,172,463	0		74,917	-4,247,380	0	0		0	0	0
9999 GRAND TOTAL	8,128,008	0		-54,940	-8,073,068	0	0		0	0	0

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 13: Land Forces Readiness Support
Detail by Subactivity Group 138: Combatant Commands Direct Mission Support

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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Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
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Activity Group 13: Land Forces Readiness Support
Detail by Subactivity Group 138: Combatant Commands Direct Mission Support

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
COMBATANT COMMANDS DIRECT MISSION SUPPORT	\$438,178	\$441,143	\$0	0.00%	\$441,143	\$441,143	\$0	
SUBACTIVITY GROUP TOTAL	\$438,178	\$441,143	\$0	0.00%	\$441,143	\$441,143	\$0	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>				
B. <u>Reconciliation Summary</u>			\$441,143		\$441,143			
BASELINE FUNDING			0					
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			441,143					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			441,143					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					8,049			
Functional Transfers					-449,192			
Program Changes					0			
NORMALIZED CURRENT ESTIMATE			\$441,143		\$0			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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 Detail by Subactivity Group 138: Combatant Commands Direct Mission Support

C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 441,143
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 441,143
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 441,143
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 441,143

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 441,143
6. Price Change.....	\$ 8,049
7. Transfers.....	\$ -449,192
a) Transfers In.....	\$ 0
b) Transfers Out.....	\$ -449,192
1) Combatant Command Realignment - U.S. Africa Command (AFRICOM)	\$ -168,061
Transfers funding and 435 FTEs for the following SAGs: SAG 134, Combatant Command Core Operations (-\$60,787; -382 FTEs) and SAG 138, Direct Mission Support (-\$168,061; -53 FTEs) to SAG 141, AFRICOM (\$228,795; 435 FTEs) to consolidate AFRICOM resources into one Subactivity Group. (Baseline: \$168,061; -53 FTE)	
2) Combatant Command Realignment - U.S. European Command (EUCOM)	\$ -105,610
Transfers funding and 333 FTEs for the following SAGs: SAG 134, Combatant Command Core Operations (-\$27,538, -175 FTEs) and SAG 138, Direct Mission Support (-\$105,610, -158 FTEs) to SAG 142, EUCOM (\$133,070, 333 FTEs) to consolidate EUCOM resources into one Subactivity Group. (Baseline: \$105,610; -158 FTE)	

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3) Combatant Command Realignment - U.S. Forces Korea (USFK)\$ -23,064
 Transfers funding and 113 FTEs for the following SAGs: SAG 134 Combatant Command Core
 Operations (-\$26,150, -113 FTEs) and SAG 138 Direct Mission Support (-\$23,064) to SAG 144 USFK
 (\$49,206, -113 FTEs) to consolidate USFK resources into one Subactivity group. (Baseline: \$23,064)

4) Combatant Command Realignment - U.S. Southern Command (SOUTHCOM)\$ -149,295
 Transfers funding and 287 FTEs for the following SAGs: SAG 134, Combatant Command Core
 Operations (-\$41,521, -211 FTEs) and SAG 138, Direct Mission Support (-\$149,295, - 76 FTEs) to
 SAG 143 SOUTHCOM (\$190,769, 287 FTEs) to consolidate SOUTHCOM resources into one
 Subactivity Group. (Baseline: \$149,295; -76 FTE)

5) Miscellaneous Support of Other Nations\$ -3,162
 Transfers funding from SAG 138, Combatant Command Direct Mission Support to SAG 442,
 Miscellaneous Support of Other Nations to properly realign Exercise Allied Spirit and the associated
 funding into the appropriate Subactivity Group. (Baseline: \$3,162)

8. Program Increases\$ 0

a) Annualization of New FY 2017 Program.....\$ 0

b) One-Time FY 2018 Costs\$ 0

c) Program Growth in FY 2018\$ 0

9. Program Decreases.....\$ 0

a) One-Time FY 2017 Costs\$ 0

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b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ 0
FY 2018 Budget Request.....	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
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IV. Performance Criteria and Evaluation Summary:

CCMD Direct Funding

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

	FY 2016		FY 2017		FY 2018	
	Baseline	FTE	Baseline	FTE	Baseline	FTE
Category/COCOM Detail						
Total HQ Support	163,225	914	155,658	881	0	0
USAFRICOM						
HQ Support	61,796	398	60,655	382	0	0
USEUCOM						
HQ Support	30,513	183	27,478	175	0	0
USSOUTHCOM						
HQ Support	44,519	219	41,431	211	0	0
USFK						
HQ Support	26,397	114	26,094	113	0	0

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Operation and Maintenance, Army
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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	658	667	0	-667
Officer	479	451	0	-451
Enlisted	179	216	0	-216
<u>Active Military Average Strength (A/S) (Total)</u>	736	663	334	-329
Officer	496	465	226	-239
Enlisted	240	198	108	-90
<u>Civilian FTEs (Total)</u>	124	287	0	-287
U.S. Direct Hire	124	170	0	-170
Foreign National Direct Hire	0	117	0	-117
Total Direct Hire	124	287	0	-287
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 110	 444	 0	 -444
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	144	122	0	-122
<u>Contractor FTEs (Total)</u>	1,241	1,082	0	-1,082

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	17,908	0	2.34%	419	9,828	28,155	0	0.00%	0	-28,155	0
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	103	6,816	6,919	0	0.00%	0	-6,919	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	17,908	0		522	16,644	35,074	0		0	-35,074	0
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	52,709	0	1.80%	949	6,324	59,982	0	2.00%	1,200	-61,182	0
0399	TOTAL TRAVEL	52,709	0		949	6,324	59,982	0		1,200	-61,182	0
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	216	0	-8.20%	-18	-169	29	0	-0.40%	0	-29	0
0402	SERVICE FUND FUEL	1,029	0	-8.20%	-84	-728	217	0	-0.40%	-1	-216	0
0411	ARMY SUPPLY	10,834	0	-4.63%	-502	-8,282	2,050	0	2.84%	58	-2,108	0
0412	NAVY MANAGED SUPPLIES AND MATERIALS	1,726	0	4.94%	85	-1,804	7	0	0.80%	0	-7	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	141	0	1.80%	3	-134	10	0	2.00%	0	-10	0
0418	AIR FORCE RETAIL SUPPLY (GENERAL SUPPORT DIVISION)	75	0	3.61%	3	2,427	2,505	0	5.98%	150	-2,655	0
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	3	0	-0.40%	0	353	356	0	-0.01%	0	-356	0
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	0	0	-0.70%	0	863	863	0	-1.76%	-15	-848	0
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	124	0	-6.00%	-7	208	325	0	-0.59%	-2	-323	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	14,148	0		-520	-7,266	6,362	0		190	-6,552	0
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	5,269	0	-0.26%	-14	-3,794	1,461	0	2.84%	41	-1,502	0
0503	NAVY FUND EQUIPMENT	34	0	3.86%	1	2,020	2,055	0	3.86%	79	-2,134	0
0505	AIR FORCE FUND EQUIPMENT	0	0	0.00%	0	1,451	1,451	0	0.00%	0	-1,451	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	1,344	0	-0.10%	-1	-1,343	0	0	-1.77%	0	0	0
0507	GSA MANAGED EQUIPMENT	1,034	0	1.80%	19	-1,003	50	0	2.00%	1	-51	0
0508	DLA MATERIEL SUPPLY CHAIN (INDUSTRIAL HARDWARE)	0	0	-6.00%	0	20	20	0	3.35%	1	-21	0
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	7,681	0		5	-2,649	5,037	0		122	-5,159	0

Exhibit OP-5, Subactivity Group 138

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 13: Land Forces Readiness Support
Detail by Subactivity Group 138: Combatant Commands Direct Mission Support

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
<u>OTHER FUND PURCHASES</u>											
0610	NAVAL AIR WARFARE CENTER	475	0	3.20%	15	-490	0	2.66%	0	0	0
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	1,896	0	-7.00%	-133	-1,763	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	2,371	0		-118	-2,253	0		0	0	0
<u>TRANSPORTATION</u>											
0702	AMC SAAM (FUND)	0	0	0.00%	0	353	353	0.00%	0	-353	0
0703	JCS EXERCISES	290	0	-9.00%	-26	-264	0	1.30%	0	0	0
0705	AMC CHANNEL CARGO	0	0	1.80%	0	219	219	2.00%	4	-223	0
0718	SDDC LINER OCEAN TRANSPORTATION	5,850	0	-1.80%	-105	-5,745	0	-2.80%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	38,561	0	0.80%	309	-21,254	17,616	1.30%	229	-17,845	0
0771	COMMERCIAL TRANSPORTATION	17,881	0	1.80%	322	-455	17,748	2.00%	355	-18,103	0
0799	TOTAL TRANSPORTATION	62,582	0		500	-27,146	35,936		588	-36,524	0
<u>OTHER PURCHASES</u>											
0912	RENTAL PAYMENTS TO GSA (SLUC)	1	0	1.80%	0	14	15	2.00%	0	-15	0
0913	PURCHASED UTILITIES (NON-FUND)	608	0	1.80%	11	-507	112	2.00%	2	-114	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	5,964	0	1.80%	107	-1,232	4,839	2.00%	97	-4,936	0
0915	RENTS (NON-GSA)	7,785	0	1.80%	140	541	8,466	2.00%	169	-8,635	0
0917	POSTAL SERVICES (U.S.P.S)	255	0	1.80%	5	-260	0	2.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	5,983	0	1.80%	108	3,486	9,577	2.00%	192	-9,769	0
0921	PRINTING AND REPRODUCTION	697	0	1.80%	13	-642	68	2.00%	1	-69	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	2,464	0	1.80%	44	-2,321	187	2.00%	4	-191	0
0923	OPERATION AND MAINTENANCE OF FACILITIES	8,225	0	1.80%	148	-6,614	1,759	2.00%	35	-1,794	0
0924	PHARMACEUTICAL DRUGS	1,420	0	3.80%	54	-1,474	0	3.90%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	7,757	0	1.80%	140	-7,867	30	2.00%	1	-31	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	51,979	0	1.80%	936	-48,945	3,970	2.00%	79	-4,049	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	10,189	0	1.80%	183	-4,972	5,400	2.00%	108	-5,508	0
0934	ENGINEERING AND TECHNICAL SERVICES	5,637	0	1.80%	101	-738	5,000	2.00%	100	-5,100	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	271	0	0.00%	0	-271	0	2.00%	0	0	0

Exhibit OP-5, Subactivity Group 138

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 Detail by Subactivity Group 138: Combatant Commands Direct Mission Support

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0937	LOCALLY PURCHASED FUEL (NON-FUND)	2,914	0	-8.20%	-239	-1,656	1,019	0	-0.40%	-4	-1,015	0
0955	MEDICAL CARE	2	0	3.80%	0	-2	0	0	3.90%	0	0	0
0957	LAND AND STRUCTURES	6,429	0	1.80%	116	11,773	18,318	0	2.00%	366	-18,684	0
0959	INSURANCE CLAIMS AND INDEMNITIES	59	0	1.80%	1	-60	0	0	2.00%	0	0	0
0960	INTEREST AND DIVIDENDS	17	0	1.80%	0	-17	0	0	2.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	2,438	0	1.80%	44	1,343	3,825	0	2.00%	76	-3,901	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	16,071	0	1.80%	289	39,799	56,159	0	2.00%	1,123	-57,282	0
0989	OTHER SERVICES	26,721	0	1.80%	481	-759	26,443	0	2.00%	529	-26,972	0
0990	IT CONTRACT SUPPORT SERVICES	116,893	0	1.80%	2,104	34,568	153,565	0	2.00%	3,071	-156,636	0
0999	TOTAL OTHER PURCHASES	280,779	0		4,786	13,187	298,752	0		5,949	-304,701	0
9999	GRAND TOTAL	438,178	0		6,124	-3,159	441,143	0		8,049	-449,192	0

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 141: U.S. Africa Command

I. Description of Operations Financed:

Funds the headquarters day-to-day operations and mission activities for the U.S. Africa Command (USAFRICOM). USAFRICOM, along 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. Its area of responsibility covers all of Africa, except Egypt (U.S. Central Command).

II. Force Structure Summary:

Combatant Commands:

U.S. Africa Command

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Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 141: U.S. Africa Command

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
U.S. AFRICA COMMAND	\$0	\$0	\$0	0.00	\$0	\$0	\$225,382	
SUBACTIVITY GROUP TOTAL	\$0	\$0	\$0	0.00	\$0	\$0	\$225,382	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</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 ESTIMATED AMOUNT			0					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			0					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					0			
Functional Transfers					229,292			
Program Changes					-3,910			
NORMALIZED CURRENT ESTIMATE			\$0			\$225,382		

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C. Reconciliation of Increases and Decreases:

FY 2017 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 2017 Estimated Amount	\$ 0
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 0
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 0

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 0
6. Price Change.....	\$ 0
7. Transfers.....	\$ 229,292
a) Transfers In.....	\$ 229,292
1) Combatant Command Realignment - U.S. Africa Command (AFRICOM)	\$ 228,852
Transfers funding and 435 FTEs for the following SAGs: SAG 134, Combatant Command Core Operations (-\$60,787; -382 FTEs) and SAG 138, Direct Mission Support (-\$168,061; -53 FTEs) to SAG 141, AFRICOM (\$228,795; 435 FTEs) to consolidate AFRICOM resources into one Subactivity Group. (Baseline: \$0; 435 FTE)	
2) Major Headquarters Activity (MHA) Compliance	\$ 440
Transfers funding to realign support to the MHA of each component in accordance with definitions and guidelines developed by the Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (0 FTE)	
b) Transfers Out.....	\$ 0

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8. Program Increases	\$ 19,787
a) Annualization of New FY 2017 Program	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 19,787
1) Information Technology Services Management	\$ 492
Increases funding for contract technical support services and travel costs associated with information assurance training. (Baseline: \$77)	
2) Operation Trans Sahara	\$ 7,997
Increases funding to support an increased scope of requirements for Exercise Flintlock, an annual regional exercise among African, allied, and U.S. counterterrorism forces. Increased funding also supports general operational requirements across the area of responsibility. (Baseline: \$35,230)	
3) U.S. Africa Command Major Headquarters Activity (MHA) Rebaseline - Direct Mission Support	\$ 5,738
Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$165,050; 38 FTE)	
4) U.S. Africa Command Management Headquarters Activity (MHA) Rebaseline - Headquarters Operations	\$ 5,560
Realigns funding for interagency reimbursable personnel to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$60,655)	

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9. Program Decreases.....	\$ -23,697
a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -23,697
1) Civilian Average Annual Compensation.....	\$ -2,001
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$65,593)</p>	
2) Cyberspace and Information Operations	\$ -4,058
<p>Reduces funding for costs associated with a social media based information support operations pilot program in coordination with the Department of State, other U.S. Government Agencies, and Partner Nations. (Baseline: \$7,340)</p>	
3) Headquarters Reduction	\$ -2,118
<p>Reduces 14 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: \$60,655; -14 FTE)</p>	
4) Joint Defense Activities	\$ -4,222
<p>Reduces funding for general operation costs for mission activities, such as contract support, travel, and transportation. (Baseline: \$111,141)</p>	

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5) U.S. Africa Command Management Headquarters Activity (MHA) Rebaseline - Direct Mission Support\$ -5,560
Realigns funding for interagency reimbursable personnel to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$165,050)

6) U.S. Africa Command Management Headquarters Activity (MHA) Rebaseline - Headquarters Operations\$ -5,738
Realigns funding and 38 FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$60,655; -38 FTE)

FY 2018 Budget Request.....\$ 225,382

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IV. Performance Criteria and Evaluation Summary:

U.S. Africa Command headquarters operations and direct mission support Financial Summary (\$ in Thousands)

	<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>	
	Baseline	FTE	Baseline	FTE	Baseline	FTE
Headquarters Operations	67,072	398	60,655	382	57,778	330
Direct Mission Support	177,182	49	165,050	53	167,604	91
Total	244,254	447	225,705	435	225,382	421

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	0	0	154	154
Officer	0	0	113	113
Enlisted	0	0	41	41
<u>Active Military Average Strength (A/S) (Total)</u>	0	0	78	78
Officer	0	0	57	57
Enlisted	0	0	21	21
<u>Civilian FTEs (Total)</u>	0	0	421	421
U.S. Direct Hire	0	0	379	379
Foreign National Direct Hire	0	0	42	42
Total Direct Hire	0	0	421	421
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 50	 50
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	0	0	146	146
<u>Contractor FTEs (Total)</u>	0	0	317	317

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VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	0	0	0.00%	0	0	0	0	0.00%	0	59,203	59,203
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	0	0	0	0	0.00%	0	2,275	2,275
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	0	0		0	0	0	0		0	61,478	61,478
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	0	0	1.80%	0	0	0	0	2.00%	0	22,474	22,474
0399	TOTAL TRAVEL	0	0		0	0	0	0		0	22,474	22,474
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0416	GSA MANAGED SUPPLIES AND MATERIALS	0	0	1.80%	0	0	0	0	2.00%	0	2,296	2,296
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	0	0		0	0	0	0		0	2,296	2,296
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	0	0	1.80%	0	0	0	0	2.00%	0	418	418
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	0	0		0	0	0	0		0	418	418
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	0	0	1.80%	0	0	0	0	2.00%	0	18,331	18,331
0799	TOTAL TRANSPORTATION	0	0		0	0	0	0		0	18,331	18,331
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	0	0	1.80%	0	0	0	0	2.00%	0	6,294	6,294
0915	RENTS (NON-GSA)	0	0	1.80%	0	0	0	0	2.00%	0	4,815	4,815
0920	SUPPLIES AND MATERIALS (NON-FUND)	0	0	1.80%	0	0	0	0	2.00%	0	8,331	8,331
0921	PRINTING AND REPRODUCTION	0	0	1.80%	0	0	0	0	2.00%	0	8	8
0922	EQUIPMENT MAINTENANCE BY CONTRACT	0	0	1.80%	0	0	0	0	2.00%	0	143	143
0923	OPERATION AND MAINTENANCE OF FACILITIES	0	0	1.80%	0	0	0	0	2.00%	0	180	180
0925	EQUIPMENT PURCHASES (NON-FUND)	0	0	1.80%	0	0	0	0	2.00%	0	5,540	5,540

Exhibit OP-5, Subactivity Group 141

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0937	LOCALLY PURCHASED FUEL (NON-FUND)	0	0	-8.20%	0	0	0	-0.40%	0	1,103	1,103
0987	OTHER INTRA-GOVERNMENT PURCHASES	0	0	1.80%	0	0	0	2.00%	0	34,604	34,604
0989	OTHER SERVICES	0	0	1.80%	0	0	0	2.00%	0	23,909	23,909
0990	IT CONTRACT SUPPORT SERVICES	0	0	1.80%	0	0	0	2.00%	0	35,458	35,458
0999	TOTAL OTHER PURCHASES	0	0		0	0	0		0	120,385	120,385
9999	GRAND TOTAL	0	0		0	0	0		0	225,382	225,382

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Detail by Subactivity Group 142: U.S. European Command

I. Description of Operations Financed:

Funds the headquarters day-to-day operations and mission activities for the U.S. European Command (USEUCOM). 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 North Atlantic Treaty Organization alliance, its allies, and partner nations 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.

II. Force Structure Summary:

Combatant Commands:

U.S. European Command

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
U.S. EUROPEAN COMMAND	\$0	\$0	\$0	0.00	\$0	\$0	\$141,352	
SUBACTIVITY GROUP TOTAL	\$0	\$0	\$0	0.00	\$0	\$0	\$141,352	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>				
B. <u>Reconciliation Summary</u>			\$0			\$0		
BASELINE FUNDING			0					
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			0					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			0					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change						0		
Functional Transfers						133,149		
Program Changes						8,203		
NORMALIZED CURRENT ESTIMATE			\$0			\$141,352		

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Detail by Subactivity Group 142: U.S. European Command

C. Reconciliation of Increases and Decreases:

FY 2017 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 2017 Estimated Amount	\$ 0
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 0
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 0

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 0
6. Price Change.....	\$ 0
7. Transfers.....	\$ 133,149
a) Transfers In.....	\$ 133,149
1) Combatant Command Realignment - U.S. European Command (EUCOM)	\$ 133,149
Transfers funding and 333 FTEs for the following SAGs: SAG 134, Combatant Command Core Operations (-\$27,539, -175 FTEs) and SAG 138, Direct Mission Support (-\$105,610, -158 FTEs) to SAG 142, EUCOM (\$133,149, 333 FTEs) to consolidate EUCOM resources into one subactivity Group. (Baseline: \$0; 333 FTE)	
b) Transfers Out.....	\$ 0
8. Program Increases.....	\$ 22,483
a) Annualization of New FY 2017 Program.....	\$ 0

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b) One-Time FY 2018 Costs\$ 0

c) Program Growth in FY 2018\$ 22,483

1) Army Management Headquarters Activity (MHA) Rebaseline - Headquarters Operations.....\$ 4,712
 Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$27,478; 31 FTE)

2) Headquarters Operations.....\$ 6,261
 Increases funding and 6 FTEs to support the Russia Strategic Initiative, a study program used to evaluate the emerging Russian threat (\$912). Increase also funds equipment modernization and contract support for the Joint Operational Center (\$5,437). (Baseline: \$27,478; 6 FTE)

3) Joint Defense Activities.....\$ 11,510
 Increases funding and 5 FTEs to support the Russia Strategic Initiative (\$2,600), a study program used to evaluate the emerging Russian threat. Increased funding also supports the Mission Command and Headquarters Communications Continuity study (\$9,024). (Baseline: \$63,138; 5 FTE)

9. Program Decreases.....\$ -14,280

a) One-Time FY 2017 Costs\$ -5,000

1) Joint Defense Activities.....\$ -5,000
 Reduces funding for an Integrated Air and Missile Defense systems engineering study. (Baseline: \$63,138)

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b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -9,280
1) Army Management Headquarters Activity (MHA) Rebaseline - Direct Mission Support.....	\$ -4,712
Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$103,618; -31 FTE)	
2) Civilian Average Annual Compensation.....	\$ -4,568
Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$50,758)	
FY 2018 Budget Request.....	\$ 141,352

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IV. Performance Criteria and Evaluation Summary:

U.S. European Command Headquarters Operations and Direct Mission Support Financial Summary (\$ in Thousands)

	FY 2016		FY 2017		FY 2018	
	Baseline	FTE	Baseline	FTE	Baseline	FTE
Headquarters Operations	30,513	183	27,478	175	32,460	212
Direct Mission Support	95,445	143	106,823	158	108,892	132
Total	125,958	326	134,301	333	141,352	344

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	0	0	196	196
Officer	0	0	159	159
Enlisted	0	0	37	37
<u>Active Military Average Strength (A/S) (Total)</u>	0	0	99	99
Officer	0	0	80	80
Enlisted	0	0	19	19
<u>Civilian FTEs (Total)</u>	0	0	344	344
U.S. Direct Hire	0	0	300	300
Foreign National Direct Hire	0	0	33	33
Total Direct Hire	0	0	333	333
Foreign National Indirect Hire	0	0	11	11
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 90	 90
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	0	0	140	140
<u>Contractor FTEs (Total)</u>	0	0	319	319

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VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	0	0	0.00%	0	0	0	0	0.00%	0	45,313	45,313
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	0	0	0	0	0.00%	0	1,789	1,789
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	0	0		0	0	0	0		0	47,102	47,102
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	0	0	1.80%	0	0	0	0	2.00%	0	16,449	16,449
0399	TOTAL TRAVEL	0	0		0	0	0	0		0	16,449	16,449
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	0	0	-4.63%	0	0	0	0	2.84%	0	140	140
0412	NAVY MANAGED SUPPLIES AND MATERIALS	0	0	4.94%	0	0	0	0	0.80%	0	637	637
0416	GSA MANAGED SUPPLIES AND MATERIALS	0	0	1.80%	0	0	0	0	2.00%	0	1,041	1,041
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	0	0		0	0	0	0		0	1,818	1,818
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	0	0	0.80%	0	0	0	0	1.30%	0	6	6
0771	COMMERCIAL TRANSPORTATION	0	0	1.80%	0	0	0	0	2.00%	0	3,274	3,274
0799	TOTAL TRANSPORTATION	0	0		0	0	0	0		0	3,280	3,280
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	0	0	0.00%	0	0	0	0	0.00%	0	1,011	1,011
0913	PURCHASED UTILITIES (NON-FUND)	0	0	1.80%	0	0	0	0	2.00%	0	99	99
0914	PURCHASED COMMUNICATIONS (NON-FUND)	0	0	1.80%	0	0	0	0	2.00%	0	392	392
0915	RENTS (NON-GSA)	0	0	1.80%	0	0	0	0	2.00%	0	193	193
0917	POSTAL SERVICES (U.S.P.S)	0	0	1.80%	0	0	0	0	2.00%	0	1	1
0920	SUPPLIES AND MATERIALS (NON-FUND)	0	0	1.80%	0	0	0	0	2.00%	0	1,826	1,826
0921	PRINTING AND REPRODUCTION	0	0	1.80%	0	0	0	0	2.00%	0	171	171
0922	EQUIPMENT MAINTENANCE BY CONTRACT	0	0	1.80%	0	0	0	0	2.00%	0	556	556

Exhibit OP-5, Subactivity Group 142

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Activity Group 14: Combatant Command Support
Detail by Subactivity Group 142: U.S. European Command

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0923	OPERATION AND MAINTENANCE OF FACILITIES	0	0	1.80%	0	0	0	2.00%	0	3,126	3,126
0925	EQUIPMENT PURCHASES (NON-FUND)	0	0	1.80%	0	0	0	2.00%	0	209	209
0933	STUDIES, ANALYSIS, AND EVALUATIONS	0	0	1.80%	0	0	0	2.00%	0	15,122	15,122
0934	ENGINEERING AND TECHNICAL SERVICES	0	0	1.80%	0	0	0	2.00%	0	95	95
0937	LOCALLY PURCHASED FUEL (NON-FUND)	0	0	-8.20%	0	0	0	-0.40%	0	47	47
0955	MEDICAL CARE	0	0	3.80%	0	0	0	3.90%	0	2	2
0957	LAND AND STRUCTURES	0	0	1.80%	0	0	0	2.00%	0	85	85
0959	INSURANCE CLAIMS AND INDEMNITIES	0	0	1.80%	0	0	0	2.00%	0	57	57
0964	SUBSISTENCE AND SUPPORT OF PERSONS	0	0	1.80%	0	0	0	2.00%	0	321	321
0987	OTHER INTRA-GOVERNMENT PURCHASES	0	0	1.80%	0	0	0	2.00%	0	8,875	8,875
0989	OTHER SERVICES	0	0	1.80%	0	0	0	2.00%	0	12,824	12,824
0990	IT CONTRACT SUPPORT SERVICES	0	0	1.80%	0	0	0	2.00%	0	27,691	27,691
0999	TOTAL OTHER PURCHASES	0	0		0	0	0		0	72,703	72,703
9999	GRAND TOTAL	0	0		0	0	0		0	141,352	141,352

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 143: U.S. Southern Command

I. Description of Operations Financed:

Funds the headquarters day-to-day operations and mission activities for the U.S. Southern Command (USSOUTHCOM). USSOUTHCOM is responsible for providing contingency planning, operations, and security cooperation for Central America, South America, the Panama Canal, 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.

II. Force Structure Summary:

Combatant Commands:

U.S. Southern Command

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 143: U.S. Southern Command

III. Financial Summary (\$ in Thousands):

	FY 2017					Normalized	FY 2018
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>Estimate</u>
	<u>Actual</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Estimate</u>	<u>Estimate</u>
U.S. SOUTHERN COMMAND	\$0	\$0	\$0	0.00	\$0	\$0	\$190,811
SUBACTIVITY GROUP TOTAL	\$0	\$0	\$0	0.00	\$0	\$0	\$190,811
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>			
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</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 ESTIMATED AMOUNT			0				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2017 to 2017 Only)			0				
SUBTOTAL BASELINE FUNDING			0				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					0		
Functional Transfers					190,819		
Program Changes					-8		
NORMALIZED CURRENT ESTIMATE			\$0		\$190,811		

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 143: U.S. Southern Command

C. Reconciliation of Increases and Decreases:

FY 2017 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 2017 Estimated Amount	\$ 0
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 0
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 14: Combatant Command Support
 Detail by Subactivity Group 143: U.S. Southern Command

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 0
6. Price Change.....	\$ 0
7. Transfers.....	\$ 190,819
a) Transfers In.....	\$ 190,819
1) Combatant Command Realignment - U.S. Southern Command (SOUTHCOM)	\$ 190,819
Transfers funding and 287 FTEs for the following SAGs: SAG 134, Combatant Command Core Operations (-\$41,524, -211 FTEs) and SAG 138, Direct Mission Support (-\$149,295, - 76 FTEs) to SAG 143 SOUTHCOM (\$190,819, 287 FTEs) to consolidate SOUTHCOM resources into one subactivity Group. (Baseline: \$0; 287 FTE)	
b) Transfers Out.....	\$ 0
8. Program Increases.....	\$ 2,894
a) Annualization of New FY 2017 Program.....	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 14: Combatant Command Support
 Detail by Subactivity Group 143: U.S. Southern Command

b) One-Time FY 2018 Costs \$ 0

c) Program Growth in FY 2018 \$ 2,894

1) Joint Defense Activities \$ 798

Funds the travel and per diem costs in support of the deployment of personnel to operate the deployable forensics exploitation and analysis center. (Baseline: \$94,704)

2) U.S. Southern Command Major Headquarters Activity (MHA) Rebaseline - Headquarters Operations \$ 2,096

Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$41,431; 16 FTE)

9. Program Decreases \$ -2,902

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ -2,902

1) Civilian Average Annual Compensation \$ -544

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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 Detail by Subactivity Group 143: U.S. Southern Command

Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$37,668)

2) Headquarters Reduction \$ -262

Reduces 2 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: \$41,431; -2 FTE)

3) U.S. Southern Command Major Headquarters Activity (MHA) Rebaseline - Direct Mission Support \$ -2,096

Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$146,620; -16 FTE)

FY 2018 Budget Request.....\$ 190,811

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 14: Combatant Command Support
 Detail by Subactivity Group 143: U.S. Southern Command

IV. Performance Criteria and Evaluation Summary:

U.S.Southern Command Headquarters Operations and Direct Mission Support Financial Summary (\$ in Thousands)

	FY 2016		FY 2017		FY 2018	
	Baseline	FTE	Baseline	FTE	Baseline	FTE
Headquarters Operations	44,519	219	41,431	211	42,584	225
Direct Mission Support	138,943	74	146,620	76	148,227	60
Total	183,462	293	188,051	287	190,811	285

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 143: U.S. Southern Command

V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	0	0	138	138
Officer	0	0	92	92
Enlisted	0	0	46	46
<u>Active Military Average Strength (A/S) (Total)</u>	0	0	69	69
Officer	0	0	46	46
Enlisted	0	0	23	23
<u>Civilian FTEs (Total)</u>	0	0	285	285
U.S. Direct Hire	0	0	242	242
Foreign National Direct Hire	0	0	43	43
Total Direct Hire	0	0	285	285
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 0	 333	 333
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	0	0	129	129
<u>Contractor FTEs (Total)</u>	0	0	431	431

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 143: U.S. Southern Command

VI. OP-32A Line Items:

	<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	0	0	0.00%	0	0	0	0.00%	0	34,531	34,531
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	0	0	0	0.00%	0	2,331	2,331
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	0	0		0	0	0		0	36,862	36,862
<u>TRAVEL</u>											
0308	TRAVEL OF PERSONS	0	0	1.80%	0	0	0	2.00%	0	22,432	22,432
0399	TOTAL TRAVEL	0	0		0	0	0		0	22,432	22,432
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>											
0401	DLA ENERGY (FUEL PRODUCTS)	0	0	-8.20%	0	0	0	-0.40%	0	16	16
0411	ARMY SUPPLY	0	0	-4.63%	0	0	0	2.84%	0	26	26
0417	LOCAL PURCHASE MANAGED SUPPLIES AND MATERIALS	0	0	1.80%	0	0	0	2.00%	0	130	130
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	0	0		0	0	0		0	172	172
<u>TRANSPORTATION</u>											
0702	AMC SAAM (FUND)	0	0	0.00%	0	0	0	0.00%	0	849	849
0705	AMC CHANNEL CARGO	0	0	1.80%	0	0	0	2.00%	0	145	145
0717	SDDC GLOBAL POV	0	0	-16.10%	0	0	0	2.10%	0	3	3
0771	COMMERCIAL TRANSPORTATION	0	0	1.80%	0	0	0	2.00%	0	334	334
0799	TOTAL TRANSPORTATION	0	0		0	0	0		0	1,331	1,331
<u>OTHER PURCHASES</u>											
0912	RENTAL PAYMENTS TO GSA (SLUC)	0	0	1.80%	0	0	0	2.00%	0	6	6
0913	PURCHASED UTILITIES (NON-FUND)	0	0	1.80%	0	0	0	2.00%	0	10,723	10,723
0914	PURCHASED COMMUNICATIONS (NON-FUND)	0	0	1.80%	0	0	0	2.00%	0	4,625	4,625
0915	RENTS (NON-GSA)	0	0	1.80%	0	0	0	2.00%	0	5,592	5,592
0917	POSTAL SERVICES (U.S.P.S)	0	0	1.80%	0	0	0	2.00%	0	22	22
0920	SUPPLIES AND MATERIALS (NON-FUND)	0	0	1.80%	0	0	0	2.00%	0	8,880	8,880

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 143: U.S. Southern Command

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0921	PRINTING AND REPRODUCTION	0	0	1.80%	0	0	0	0	2.00%	0	118	118
0922	EQUIPMENT MAINTENANCE BY CONTRACT	0	0	1.80%	0	0	0	0	2.00%	0	1,402	1,402
0923	OPERATION AND MAINTENANCE OF FACILITIES	0	0	1.80%	0	0	0	0	2.00%	0	298	298
0925	EQUIPMENT PURCHASES (NON-FUND)	0	0	1.80%	0	0	0	0	2.00%	0	7,279	7,279
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	0	0	1.80%	0	0	0	0	2.00%	0	1,701	1,701
0934	ENGINEERING AND TECHNICAL SERVICES	0	0	1.80%	0	0	0	0	2.00%	0	1,836	1,836
0937	LOCALLY PURCHASED FUEL (NON-FUND)	0	0	-8.20%	0	0	0	0	-0.40%	0	396	396
0957	LAND AND STRUCTURES	0	0	1.80%	0	0	0	0	2.00%	0	8,461	8,461
0987	OTHER INTRA-GOVERNMENT PURCHASES	0	0	1.80%	0	0	0	0	2.00%	0	2,782	2,782
0989	OTHER SERVICES	0	0	1.80%	0	0	0	0	2.00%	0	52,664	52,664
0990	IT CONTRACT SUPPORT SERVICES	0	0	1.80%	0	0	0	0	2.00%	0	23,229	23,229
0999	TOTAL OTHER PURCHASES	0	0		0	0	0	0		0	130,014	130,014
9999	GRAND TOTAL	0	0		0	0	0	0		0	190,811	190,811

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 144: U.S. Forces Korea

I. Description of Operations Financed:

Funds the U.S. Forces Korea (USFK) headquarters day-to-day operations and mission activities. USFK supports the Republic of Korea against external aggression and maintains peace and stability in East Asia. Although a subordinate unified command of U.S. Pacific Command, Army provides manpower and funding to USFK in this subactivity group.

II. Force Structure Summary:

Combatant Commands:

U.S. Forces Korea

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 144: U.S. Forces Korea

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
U.S. FORCES KOREA	\$0	\$0	\$0	0.00	\$0	\$0	\$59,578	
SUBACTIVITY GROUP TOTAL	\$0	\$0	\$0	0.00	\$0	\$0	\$59,578	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</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 ESTIMATED AMOUNT			0					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			0					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					0			
Functional Transfers					49,216			
Program Changes					10,362			
NORMALIZED CURRENT ESTIMATE			\$0			\$59,578		

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 14: Combatant Command Support
 Detail by Subactivity Group 144: U.S. Forces Korea

C. Reconciliation of Increases and Decreases:

FY 2017 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 2017 Estimated Amount	\$ 0
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 0
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 0

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 144: U.S. Forces Korea

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 0
6. Price Change.....	\$ 0
7. Transfers.....	\$ 49,216
a) Transfers In.....	\$ 49,216
1) Combatant Command Realignment - U.S. Forces Korea (USFK)	\$ 49,216
Transfers funding and 113 FTEs; SAG 134 Combatant Command Core Operations (-\$26,153, -113 FTEs); SAG 138 Direct Mission Support (-\$23,064) to SAG 144 USFK (\$49,217, -113 FTEs) to consolidate USFK resources into one subactivity group. (Baseline: \$0; 113 FTE)	
b) Transfers Out.....	\$ 0
8. Program Increases.....	\$ 13,026
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs.....	\$ 0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
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 Detail by Subactivity Group 144: U.S. Forces Korea

c) Program Growth in FY 2018\$ 13,026

1) Joint Defense Activities\$ 10,730

Increases funding for Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance contracts and the life cycle replacement of user equipment in support of the Commander's warfighting capabilities. (Baseline: \$16,352)

2) U.S. Forces Korea Major Headquarters Activity (MHA) Rebaseline - Direct Mission Support.....\$ 2,296

Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$22,650; 14 FTE)

9. Program Decreases.....\$ -2,664

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -2,664

1) Average Civilian Salary\$ -368

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. In FY 2018 the costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in 2018, the Army is predicting a stabilization from the workforce trends of the last several years, which is resulting in lower average salaries for most Subactivity Groups. (Baseline: \$18,521)

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 144: U.S. Forces Korea

2) U.S. Forces Korea Major Headquarters Activity (MHA) Rebaseline - Headquarters Operations\$ -2,296
Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$26,094; -14 FTE)

FY 2018 Budget Request.....\$ 59,578

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 01: Operating Forces
 Activity Group 14: Combatant Command Support
 Detail by Subactivity Group 144: U.S. Forces Korea

IV. Performance Criteria and Evaluation Summary:

U.S. Forces Korea Headquarters Operations and Direct Mission Support Financial Summary (\$ in Thousands)

	<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>	
	Baseline	FTE	Baseline	FTE	Baseline	FTE
Headquarters Operations	26,397	114	26,094	113	23,207	99
Direct Mission Support	19,791	0	22,650	0	36,371	14
Total	46,188	114	48,744	113	59,578	113

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 144: U.S. Forces Korea

V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	0	0	327	327
Officer	0	0	248	248
Enlisted	0	0	79	79
<u>Active Military Average Strength (A/S) (Total)</u>	0	0	164	164
Officer	0	0	124	124
Enlisted	0	0	40	40
<u>Civilian FTEs (Total)</u>	0	0	113	113
U.S. Direct Hire	0	0	100	100
Foreign National Direct Hire	0	0	13	13
Total Direct Hire	0	0	113	113
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	161	161
<u>Contractor FTEs (Total)</u>	0	0	178	178

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 01: Operating Forces
Activity Group 14: Combatant Command Support
Detail by Subactivity Group 144: U.S. Forces Korea

VI. OP-32A Line Items:

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	0	0	0.00%	0	0	0	0.00%	0	18,033	18,033	
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	0	0	0	0.00%	0	120	120	
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	0	0		0	0	0		0	18,153	18,153	
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	0	0	1.80%	0	0	0	2.00%	0	2,917	2,917	
0399	TOTAL TRAVEL	0	0		0	0	0		0	2,917	2,917	
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	0	0	-4.63%	0	0	0	2.84%	0	490	490	
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	0	0		0	0	0		0	490	490	
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	0	0	1.80%	0	0	0	2.00%	0	277	277	
0914	PURCHASED COMMUNICATIONS (NON-FUND)	0	0	1.80%	0	0	0	2.00%	0	958	958	
0920	SUPPLIES AND MATERIALS (NON-FUND)	0	0	1.80%	0	0	0	2.00%	0	1,577	1,577	
0921	PRINTING AND REPRODUCTION	0	0	1.80%	0	0	0	2.00%	0	167	167	
0923	OPERATION AND MAINTENANCE OF FACILITIES	0	0	1.80%	0	0	0	2.00%	0	10	10	
0925	EQUIPMENT PURCHASES (NON-FUND)	0	0	1.80%	0	0	0	2.00%	0	1,529	1,529	
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	0	0	1.80%	0	0	0	2.00%	0	6,312	6,312	
0937	LOCALLY PURCHASED FUEL (NON-FUND)	0	0	-8.20%	0	0	0	-0.40%	0	34	34	
0989	OTHER SERVICES	0	0	1.80%	0	0	0	2.00%	0	12,061	12,061	
0990	IT CONTRACT SUPPORT SERVICES	0	0	1.80%	0	0	0	2.00%	0	15,093	15,093	
0999	TOTAL OTHER PURCHASES	0	0		0	0	0		0	38,018	38,018	
9999	GRAND TOTAL	0	0		0	0	0		0	59,578	59,578	

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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. 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.

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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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):

A. <u>Program Elements</u>	<u>FY 2016</u> <u>Actual</u>	<u>Budget</u> <u>Request</u>	<u>FY 2017</u>				<u>Normalized</u> <u>Current</u> <u>Estimate</u>	<u>FY 2018</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>			
STRATEGIC MOBILITY	\$382,090	\$336,329	\$0	0.00%	\$336,329	\$336,329	\$346,667	
SUBACTIVITY GROUP TOTAL	\$382,090	\$336,329	\$0	0.00%	\$336,329	\$336,329	\$346,667	
B. <u>Reconciliation Summary</u>			<u>Change</u> <u>FY 2017/FY 2017</u>		<u>Change</u> <u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$336,329		\$336,329			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			336,329					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			336,329					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					38,777			
Functional Transfers					-16,800			
Program Changes					-11,639			
NORMALIZED CURRENT ESTIMATE			\$336,329		\$346,667			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 336,329
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 336,329
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 336,329
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 336,329

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 336,329
6. Price Change	\$ 38,777
7. Transfers.....	\$ -16,800
a) Transfers In	\$ 0
b) Transfers Out	\$ -16,800
1) Emergency Deployment Readiness Exercise (EDRE)	\$ -16,800
Transfers funding for the following SAGs: SAG 121, Force Readiness Operations Support (-\$19,000) and SAG 211, Strategic Mobility (-\$16,800) to SAG 113, Echelons Above Brigade (\$35,800) to align EDRE resources under the appropriate Subactivity Group. (Baseline: \$16,800)	
8. Program Increases	\$ 16,384
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

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c) Program Growth in FY 2018\$ 16,384

1) Army Prepositioned Stocks - 4 (Northeast Asia)\$ 1,689
 Increases funding for Care of Supplies in Storage of watercraft in the Northeast Asia Area of
 Responsibility. (Baseline: \$14,020)

2) Army Prepositioned Stocks - 5 (Southwest Asia)\$ 3,363
 Increases funding for Care of Supplies in Storage of watercraft in the Southwest Asia Area of
 Responsibility. (Baseline: \$27,772)

3) Medical Potency and Dated Supply Readiness\$ 11,332
 Increases funding to support the redesign and conversion a 248-bed Corps Combat Support Hospital
 and a 32-bed Field Hospital Force Design Update configuration. Funds supplies, surgical and
 laboratory equipment. (Baseline: \$12,313)

9. Program Decreases\$ -28,023

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases\$ 0

c) Program Decreases in FY 2018\$ -28,023

1) Army Prepositioned Stocks - 3 (Afloat)\$ -27,782
 Decreases funding for one Care of Supplies in Storage maintenance cycle for equipment stored on
 board the Large Medium Speed Roll-On Roll-Off ships. (Baseline: \$239,145)

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2) Civilian Average Annual Compensation.....\$ -115

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$5,487)

3) Civilian Workforce Reduction.....\$ -126

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: \$5,487; -1 FTE)

FY 2018 Budget Request.....\$ 346,667

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IV. Performance Criteria and Evaluation Summary:

<u>Programs (\$ in Thousands)</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	382,090	336,329	346,667
Medical NBC Defense	34,428	27,562	25,876
Medical Potency and Dated Supply Readiness	8,471	12,313	22,038
Force Projection Outload	15,041	15,517	601
Army Prepositioned Stocks - 3 (Afloat)	273,420	239,145	253,887
Army Prepositioned Stocks - 4 (Northeast Asia)	25,412	14,020	14,764
Army Prepositioned Stocks - 5 (Southwest Asia)	25,318	27,772	29,501

<u>Strategic Mobilization</u>	<u>Measure</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Total Number/Type of Prepositioned ships in Army Power Projection Program	Quantity	8	7	7
Army Prepositioned Stocks - 3 (Afloat)				
Large Medium Speed Roll-On/Roll-Off	Quantity	6	5	5
New Build)				
Full Operating Status	Quantity	6	5	5
Reduced Operating Status	Quantity	0	0	0
Container	Quantity	2	2	2
Storage Capacity	Square Feet in Millions	1.5	1.3	1.3
Emergency Deployment Readiness Exercise	Quantity	4	4	0

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		<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Total Prepositioned Watercraft Units Sets in Army				
Power Projection Program	Equipment Sets	8	8	8
Army Prepositioned Stocks - 4 (Northeast Asia)	Equipment Sets	4	4	4
Army Prepositioned Stocks - 5 (Southwest Asia)	Equipment Sets	4	4	4
Brigade Inspection Readiness Exercise Program	Quantity	1	1	1

Note: Emergency Deployment Readiness Exercise funding transferred to Subactivity Group 113 in FY 2018.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	13	11	11	0
Officer	7	6	6	0
Enlisted	6	5	5	0
<u>Active Military Average Strength (A/S) (Total)</u>	14	13	11	-2
Officer	8	7	6	-1
Enlisted	6	6	5	-1
<u>Civilian FTEs (Total)</u>	47	44	43	-1
U.S. Direct Hire	44	44	43	-1
Foreign National Direct Hire	3	0	0	0
Total Direct Hire	47	44	43	-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>	123	125	124	-1
<u>Contractor FTEs (Total)</u>	437	486	344	-142

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	5,612	0	1.41%	79	-204	5,487	0	1.71%	94	-241	5,340
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	151	0	0.00%	0	-151	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	5,763	0		79	-355	5,487	0		94	-241	5,340
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,833	0	1.80%	33	-559	1,307	0	2.00%	26	-26	1,307
0399	TOTAL TRAVEL	1,833	0		33	-559	1,307	0		26	-26	1,307
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	449	0	-8.20%	-37	-408	4	0	-0.40%	0	0	4
0411	ARMY SUPPLY	6,634	0	-4.63%	-307	-3,723	2,604	0	2.84%	74	-74	2,604
0416	GSA MANAGED SUPPLIES AND MATERIALS	11,334	0	1.80%	204	-7,993	3,545	0	2.00%	71	-71	3,545
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	1	0	-0.40%	0	9,130	9,131	0	-0.01%	-1	1	9,131
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	18,418	0		-140	-2,994	15,284	0		144	-144	15,284
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	2,951	0	-0.26%	-8	-2,489	454	0	2.84%	13	-13	454
0505	AIR FORCE FUND EQUIPMENT	10,170	0	0.00%	0	-10,170	0	0	0.00%	0	0	0
0507	GSA MANAGED EQUIPMENT	0	0	1.80%	0	256	256	0	2.00%	5	-5	256
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	13,121	0		-8	-12,403	710	0		18	-18	710
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	1,621	0	-0.11%	-2	-1,570	49	0	0.00%	0	0	49
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	37	0	-7.00%	-3	-34	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	1,658	0		-5	-1,604	49	0		0	0	49
<u>TRANSPORTATION</u>												
0709	MSC SURGE SEALIFT (REDUCED OPERATING STATUS)	1,605	0	21.90%	351	-1,956	0	0	-31.90%	0	0	0

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0718	SDDC LINER OCEAN TRANSPORTATION	16,853	0	-1.80%	-303	-16,550	0	0	-2.80%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	7,768	0	0.80%	62	-6,801	1,029	0	1.30%	13	-13	1,029
0722	MSC AFLOAT PREPOSITIONING ARMY	199,479	0	-14.50%	-28,924	-14,064	156,491	0	22.60%	35,367	0	191,858
0771	COMMERCIAL TRANSPORTATION	17,664	0	1.80%	318	-17,942	40	0	2.00%	1	-1	40
0799	TOTAL TRANSPORTATION	243,369	0		-28,496	-57,313	157,560	0		35,381	-14	192,927
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	277	0	1.80%	5	-282	0	0	2.00%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	27	0	1.80%	0	253	280	0	2.00%	6	-6	280
0914	PURCHASED COMMUNICATIONS (NON-FUND)	6	0	1.80%	0	-6	0	0	2.00%	0	0	0
0915	RENTS (NON-GSA)	63	0	1.80%	1	-64	0	0	2.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	1	0	1.80%	0	-1	0	0	2.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	407	0	1.80%	7	130	544	0	2.00%	11	-11	544
0921	PRINTING AND REPRODUCTION	4	0	1.80%	0	-4	0	0	2.00%	0	0	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	66,086	0	1.80%	1,190	-3,654	63,622	0	2.00%	1,272	-26,154	38,740
0923	OPERATION AND MAINTENANCE OF FACILITIES	7,469	0	1.80%	134	-1,168	6,435	0	2.00%	129	-129	6,435
0924	PHARMACEUTICAL DRUGS	17,705	0	3.80%	673	-18,378	0	0	3.90%	0	37,892	37,892
0925	EQUIPMENT PURCHASES (NON-FUND)	0	0	1.80%	0	1,781	1,781	0	2.00%	36	-36	1,781
0928	SHIP MAINTENANCE BY CONTRACT	58	0	1.80%	1	-59	0	0	2.00%	0	0	0
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	1	0	1.80%	0	-1	0	0	2.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	689	0	1.80%	12	-701	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	149	0	1.80%	3	-152	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	3	0	0.00%	0	-3	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	302	0	-8.20%	-25	-44	233	0	-0.40%	-1	1	233
0957	LAND AND STRUCTURES	45	0	1.80%	1	-46	0	0	2.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	178	0	1.80%	3	-181	0	0	2.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	96	0	0.00%	0	-96	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	0	0	1.80%	0	63,159	63,159	0	2.00%	1,263	-39,155	25,267
0989	OTHER SERVICES	4,183	0	1.80%	75	15,620	19,878	0	2.00%	398	-398	19,878
0990	IT CONTRACT SUPPORT SERVICES	179	0	1.80%	3	-182	0	0	2.00%	0	0	0
0999	TOTAL OTHER PURCHASES	97,928	0		2,083	55,921	155,932	0		3,114	-27,996	131,050

Exhibit OP-5, Subactivity Group 211

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		<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>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 2018</u> <u>Program</u>
9999	GRAND TOTAL	382,090	0		-26,454	-19,307	336,329	0		38,777	-28,439	346,667

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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.

War Reserve Secondary Items - Operation and support costs for 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.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 02: Mobilization
Activity Group 21: Strategic Mobilization and War Reserves
Detail by Subactivity Group 212: Army Prepositioned Stocks

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 Pacific

Direct Reporting Units:

U.S. Army Medical Command

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Operation and Maintenance, Army
Budget Activity 02: Mobilization
Activity Group 21: Strategic Mobilization and War Reserves
Detail by Subactivity Group 212: Army Prepositioned Stocks

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
ARMY PREPOSITIONED STOCKS	\$329,231	\$390,848	\$0	0.00%	\$390,848	\$390,848	\$422,108	
SUBACTIVITY GROUP TOTAL	\$329,231	\$390,848	\$0	0.00%	\$390,848	\$390,848	\$422,108	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$390,848	\$390,848				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			390,848					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			390,848					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					7,401			
Functional Transfers					0			
Program Changes					23,859			
NORMALIZED CURRENT ESTIMATE			\$390,848		\$422,108			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 02: Mobilization
 Activity Group 21: Strategic Mobilization and War Reserves
 Detail by Subactivity Group 212: Army Prepositioned Stocks

C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 390,848
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 390,848
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 390,848
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 390,848

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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 Detail by Subactivity Group 212: Army Prepositioned Stocks

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 390,848
6. Price Change	\$ 7,401
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 56,221
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 56,221

DEPARTMENT OF THE ARMY
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 Detail by Subactivity Group 212: Army Prepositioned Stocks

- 1) Army Prepositioned Stocks - 1 (CONUS) \$ 23,642
 Increases funding for the five-year cyclic replacement of 150 Inland Petroleum Distribution System bags and pumps. (Baseline: \$37,728)

- 2) Army Prepositioned Stocks - 2 (Europe)..... \$ 4,086
 Increases funding and 48 FTEs to support the addition of one Armored Brigade Combat Team equipment set at multiple locations in Europe. Supports the management and oversight of the additional equipment. (Baseline: \$115,327; 48 FTE)

- 3) Army Prepositioned Stocks - 4 (Northeast Asia) \$ 21,918
 Increases funding for the addition of four activity sets within the U.S. Army Pacific area of responsibility. (Baseline: \$59,583)

- 4) Army Prepositioned Stocks - 5 (Southwest Asia) \$ 6,575
 Increases funding for the repair parts and Care of Supply in Storage to support the reconstituted Armored Brigade Combat Team in Kuwait returning to the inventory after supporting military exercises. (Baseline: \$113,369)

- 9. Program Decreases..... \$ -32,362

- a) One-Time FY 2017 Costs \$ 0

- b) Annualization of FY 2017 Program Decreases..... \$ 0

- c) Program Decreases in FY 2018..... \$ -32,362

DEPARTMENT OF THE ARMY
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 Detail by Subactivity Group 212: Army Prepositioned Stocks

1) Army Prepositioned Stocks - 2 (Europe).....	\$ -11,775
Decreases funding based on revised strategy decisions reducing fully distributed sites for the Armored Brigade Combat Team in Europe. (Baseline: \$115,327)	
2) Civilian Average Annual Compensation.....	\$ -820
Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$26,145)	
3) Civilian Workforce Reduction.....	\$ -260
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: \$26,145; -3 FTE)	
4) Retrograde War Reserves Stocks for Allies - Korea.....	\$ -5,925
Reduces funding for reimbursable civilian pay to support the conversion of reimbursable to direct manpower. Reimbursable manpower previously funded in this Subactivity Group (SAG) is converting to direct-funded manpower in other SAGs. (Baseline: \$10,132)	
5) War Reserve Secondary Items.....	\$ -13,582
Decrease due to revised fielding plan for medical sets and supplies supporting Army Prepositioned Stocks - 2 (Europe) requirements. (Baseline: \$54,709)	

FY 2018 Budget Request.....\$ 422,108

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
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 Detail by Subactivity Group 212: Army Prepositioned Stocks

IV. Performance Criteria and Evaluation Summary:

Programs (\$ in Thousands)	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Retrograde War Reserve Stockpile - Korea	9,513	10,132	4,396
Army Prepositioned Stocks - 1 (CONUS)	28,677	37,728	61,802
Army Prepositioned Stocks - 2 (Europe)	19,395	115,327	110,118
Army Prepositioned Stocks - 4 (Northeast Asia)	45,969	59,583	81,442
Army Prepositioned Stocks - 5 Southwest Asia)	118,063	113,369	122,161
War Reserve Secondary Items	29,466	54,709	42,149
Total	251,083	390,848	422,108

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

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	62	64	64	0
Officer	21	21	21	0
Enlisted	41	43	43	0
<u>Active Military Average Strength (A/S) (Total)</u>	66	63	64	1
Officer	24	21	21	0
Enlisted	42	42	43	1
<u>Civilian FTEs (Total)</u>	542	308	353	45
U.S. Direct Hire	144	133	178	45
Foreign National Direct Hire	375	175	175	0
Total Direct Hire	519	308	353	45
Foreign National Indirect Hire	23	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 361	 176	 176	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	70	85	84	-1
<u>Contractor FTEs (Total)</u>	897	620	708	88

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	18,804	0	1.47%	277	-386	18,695	0	2.27%	425	3,391	22,511
0103	WAGE BOARD	258	0	0.00%	0	-258	0	0	0.00%	6	259	265
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	17,951	4	0.62%	111	-10,616	7,450	10	1.84%	137	-566	7,031
0106	BENEFITS TO FORMER EMPLOYEES	7	0	0.00%	0	-7	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	37,020	4		388	-11,267	26,145	10		568	3,084	29,807
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	4,304	0	1.80%	77	-3,547	834	0	2.00%	17	-17	834
0399	TOTAL TRAVEL	4,304	0		77	-3,547	834	0		17	-17	834
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	793	0	-8.20%	-65	-485	243	0	-0.40%	-1	1	243
0411	ARMY SUPPLY	46,073	0	-4.63%	-2,133	-22,270	21,670	0	2.84%	615	-615	21,670
0416	GSA MANAGED SUPPLIES AND MATERIALS	14,164	0	1.80%	255	29,776	44,195	0	2.00%	884	-884	44,195
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	0	0	-0.40%	0	26,677	26,677	0	-0.01%	-3	3	26,677
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	61,030	0		-1,943	33,698	92,785	0		1,495	-1,495	92,785
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	9,212	0	-0.26%	-24	-9,183	5	0	2.84%	0	0	5
0505	AIR FORCE FUND EQUIPMENT	178	0	0.00%	0	-178	0	0	0.00%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	218	0	-0.10%	0	-218	0	0	-1.77%	0	0	0
0507	GSA MANAGED EQUIPMENT	0	0	1.80%	0	206	206	0	2.00%	4	-4	206
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	9,608	0		-24	-9,373	211	0		4	-4	211
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	4,934	0	-0.11%	-5	-2,154	2,775	0	0.00%	0	0	2,775
0679	COST REIMBURSABLE PURCHASES	0	0	1.90%	0	56,076	56,076	0	1.90%	1,065	-1,065	56,076
0699	TOTAL INDUSTRIAL FUND PURCHASES	4,934	0		-5	53,922	58,851	0		1,065	-1,065	58,851

Exhibit OP-5, Subactivity Group 212

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
Budget Activity 02: Mobilization
Activity Group 21: Strategic Mobilization and War Reserves
Detail by Subactivity Group 212: Army Prepositioned Stocks

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	5	0	-16.10%	-1	-4	0	2.10%	0	0	0	
0718	SDDC LINER OCEAN TRANSPORTATION	603	0	-1.80%	-11	-592	0	-2.80%	0	0	0	
0719	SDDC CARGO OPERATION (PORT HANDLING)	3,212	0	0.80%	26	-3,238	0	1.30%	0	0	0	
0771	COMMERCIAL TRANSPORTATION	803	0	1.80%	15	-711	107	2.00%	2	-2	107	
0799	TOTAL TRANSPORTATION	4,623	0		29	-4,545	107		2	-2	107	
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	1,068	0	0.00%	0	-1,068	0	0.00%	0	0	0	
0912	RENTAL PAYMENTS TO GSA (SLUC)	245	0	1.80%	4	-249	0	2.00%	0	0	0	
0913	PURCHASED UTILITIES (NON-FUND)	562	0	1.80%	10	-572	0	2.00%	0	0	0	
0914	PURCHASED COMMUNICATIONS (NON-FUND)	95	0	1.80%	2	1,030	1,127	2.00%	23	-23	1,127	
0915	RENTS (NON-GSA)	16,322	0	1.80%	294	-16,616	0	2.00%	0	0	0	
0917	POSTAL SERVICES (U.S.P.S)	35	0	1.80%	1	318	354	2.00%	7	-7	354	
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,342	0	1.80%	24	3,040	4,406	2.00%	88	4,724	9,218	
0921	PRINTING AND REPRODUCTION	47	0	1.80%	1	-48	0	2.00%	0	0	0	
0922	EQUIPMENT MAINTENANCE BY CONTRACT	136,290	0	1.80%	2,453	-74,153	64,590	2.00%	1,292	17,554	83,436	
0923	OPERATION AND MAINTENANCE OF FACILITIES	6,042	0	1.80%	109	-6,151	0	2.00%	0	0	0	
0924	PHARMACEUTICAL DRUGS	14,235	0	3.80%	541	-14,776	0	3.90%	0	14,790	14,790	
0925	EQUIPMENT PURCHASES (NON-FUND)	42	0	1.80%	1	11,547	11,590	2.00%	232	-232	11,590	
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	16,689	0	1.80%	300	-16,989	0	2.00%	0	0	0	
0933	STUDIES, ANALYSIS, AND EVALUATIONS	824	0	1.80%	15	-839	0	2.00%	0	0	0	
0935	TRAINING AND LEADERSHIP DEVELOPMENT	51	0	0.00%	0	-51	0	2.00%	0	0	0	
0957	LAND AND STRUCTURES	1,869	0	1.80%	34	-1,903	0	2.00%	0	0	0	
0987	OTHER INTRA-GOVERNMENT PURCHASES	9,725	0	1.80%	175	69,829	79,729	2.00%	1,595	-12,445	68,879	
0989	OTHER SERVICES	1,905	0	1.80%	34	46,943	48,882	2.00%	978	-978	48,882	
0990	IT CONTRACT SUPPORT SERVICES	324	0	1.80%	6	907	1,237	2.00%	25	-25	1,237	
0999	TOTAL OTHER PURCHASES	207,712	0		4,004	199	211,915		4,240	23,358	239,513	
9999	GRAND TOTAL	329,231	4		2,526	59,087	390,848	10		7,391	23,859	422,108

Exhibit OP-5, Subactivity Group 212

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
Budget Activity 02: Mobilization
Activity Group 21: Strategic Mobilization and War Reserves
Detail by Subactivity Group 213: Industrial Preparedness

I. Description of Operations Financed:

INDUSTRIAL PREPAREDNESS - The Army utilizes various industrial analytical tools to obtain end-item and repair parts support (excluding ammunition). Additionally, the analytical tools provide insight and oversight with private industrial and government owned industrial plants to influence 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 Materiel Command

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Detail by Subactivity Group 213: Industrial Preparedness

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
INDUSTRIAL PREPAREDNESS	\$6,517	\$7,401	\$0	0.00%	\$7,401	\$7,401	\$7,750	
SUBACTIVITY GROUP TOTAL	\$6,517	\$7,401	\$0	0.00%	\$7,401	\$7,401	\$7,750	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$7,401			\$7,401		
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			7,401					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			7,401					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					112			
Functional Transfers					0			
Program Changes					237			
NORMALIZED CURRENT ESTIMATE			\$7,401		\$7,750			

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 Detail by Subactivity Group 213: Industrial Preparedness

C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 7,401
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 7,401
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 7,401
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 7,401

DEPARTMENT OF THE ARMY
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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 7,401
6. Price Change	\$ 112
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 497
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 497

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 Detail by Subactivity Group 213: Industrial Preparedness

1) Civilian Average Annual Compensation..... \$ 108

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$5,863)

2) Industrial Preparedness Operations \$ 389

Increases funding for 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: \$7,401)

9. Program Decreases..... \$ -260

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ -260

1) Civilian Workforce Reduction..... \$ -260

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: \$5,863; -2 FTE)

FY 2018 Budget Request..... \$ 7,750

DEPARTMENT OF THE ARMY
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Detail by Subactivity Group 213: Industrial Preparedness

IV. Performance Criteria and Evaluation Summary:

Critical task metrics are used to evaluate output goals and measures as follows:

(# of Critical Tasks)

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Conduct Industrial Based Capability Assessments, Single Point of Failure analysis and Supplier Health Assessments	5	17	17
Support the Sector Assessments, Fragility and Criticality, IB Baseline Assessments	19	17	17
Support the Defense Production Act Committee (DPAC)	1	1	1
Defense Production Act Title I Compliance (Cases)	12	12	12
Defense Production Act Title III (DPA Title III) Compliance (Cases) (Only one case became a Title III Project)	7	7	7
Annual Industrial Capabilities Report to Congress	1	1	1
Critical Infrastructure Risk Management Program CIRM Inspection TDYs and Report Generation / Follow-Up Actions / Visits	12	12	12
Diminishing Manufacturing Sources Material Shortages (DMSMS)			
a. DMSMS Cases / Alerts Managed	5815	6565	6865
b. DMSMS Training Sessions	11	15	18
c. Army Working Capital Fund Obsolescence Projects Reviewed	67	70	75
d. DMSMS Summits Conducted	2	2	2
Counterfeit Electronic Parts Prevention			
a. Suspected Counterfeit Parts Cases / Alerts and Product Quality Deficiency Reports Managed (all)	515	625	825
b. Counterfeit Parts Prevention Training / Integrated Process Team Sessions	44	80	50
c. Counterfeit Parts Workshops Conducted (all Groups)	4	4	4

Exhibit OP-5, Subactivity Group 213

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Critical task metrics are used to evaluate output goals and measures as follows:

(# of Critical Tasks)

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
d. Counterfeit Parts Summit	2	2	2
Army Supply Risk Tracker (ASRT)	8300	8300	8300
Defense Production Act Title VII Compliance (Committee on Foreign Investments in the United States Cases)	176	176	180
Critical Energetic materials and Rare Earth Elements Initiatives	2	2	2

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 Fragility and Criticality Assessments of the Industrial Base

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.

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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.

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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</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>	41	46	44	-2
U.S. Direct Hire	41	46	44	-2
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	41	46	44	-2
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>	142	127	132	5
<u>Contractor FTEs (Total)</u>	1	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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	5,818	0	1.51%	88	-43	5,863	0	1.88%	110	-152	5,821
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	5,818	0		88	-43	5,863	0		110	-152	5,821
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	111	0	1.80%	2	-113	0	0	2.00%	0	190	190
0399	TOTAL TRAVEL	111	0		2	-113	0	0		0	190	190
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	57	0	-4.63%	-3	-54	0	0	2.84%	0	0	0
0421	DLA MATERIEL SUPPLY CHAIN (CLOTHING AND TEXTILES)	118	0	1.40%	2	1,418	1,538	0	0.13%	2	0	1,540
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	175	0		-1	1,364	1,538	0		2	0	1,540
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	87	0	-0.26%	0	-87	0	0	2.84%	0	0	0
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	87	0		0	-87	0	0		0	0	0
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	170	0	-1.80%	-3	-167	0	0	-2.80%	0	0	0
0799	TOTAL TRANSPORTATION	170	0		-3	-167	0	0		0	0	0
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	1	0	1.80%	0	-1	0	0	2.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	6	0	1.80%	0	-6	0	0	2.00%	0	0	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	130	0	1.80%	2	-132	0	0	2.00%	0	199	199
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	10	0	1.80%	0	-10	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	6	0	0.00%	0	-6	0	0	2.00%	0	0	0
0989	OTHER SERVICES	3	0	1.80%	0	-3	0	0	2.00%	0	0	0
0999	TOTAL OTHER PURCHASES	156	0		2	-158	0	0		0	199	199

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		<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>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 2018</u> <u>Program</u>
9999	GRAND TOTAL	6,517	0		88	796	7,401	0		112	237	7,750

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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.

MILITARY ACADEMY PREPARATORY SCHOOL (USMAPS) - Funds USMAPS, an academic institution that annually accepts 245 students and Soldiers 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.

Headquarters, Department of the Army

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):

A. <u>Program Elements</u>	<u>FY 2016</u> <u>Actual</u>	<u>Budget</u> <u>Request</u>	<u>FY 2017</u>			<u>Normalized</u> <u>Current</u> <u>Estimate</u>	<u>FY 2018</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
OFFICER ACQUISITION	\$149,120	\$131,942	\$0	0.00%	\$131,942	\$131,942	\$137,556
SUBACTIVITY GROUP TOTAL	\$149,120	\$131,942	\$0	0.00%	\$131,942	\$131,942	\$137,556
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>			
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$131,942	\$131,942			
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL ESTIMATED AMOUNT			131,942				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2017 to 2017 Only)			0				
SUBTOTAL BASELINE FUNDING			131,942				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change				2,569			
Functional Transfers				3,928			
Program Changes				-883			
NORMALIZED CURRENT ESTIMATE			\$131,942	\$137,556			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 131,942
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 131,942
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 131,942
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 131,942

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 131,942
6. Price Change.....	\$ 2,569
7. Transfers.....	\$ 3,928
a) Transfers In.....	\$ 3,928
1) U.S. Military Academy (USMA).....	\$ 3,928
Transfers funding and 35 FTEs from SAG 131, Base Operations Support to SAG 311, Officer Acquisition to realign Security and Visual Information resources to USMA from the U.S. Army Installation Management Command. (Baseline: \$125,970; 35 FTE)	
b) Transfers Out.....	\$ 0
8. Program Increases.....	\$ 4,898
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs.....	\$ 0

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c) Program Growth in FY 2018\$ 4,898

1) U.S. Military Academy.....\$ 3,962

Increases funding to upgrade network wiring in eight academic buildings categorized as academic data centers to meet bandwidth requirements. Funds life cycle renewal of specialized academic software licenses for 13 departments and laboratories. Additionally, this increase supports reconfiguration of six classrooms from modular to open floor plans to facilitate new curriculum and instruction - a mission unique requirement to sustain academic standards. Also funds contract and training support services. (Baseline: \$125,970)

2) U.S. Military Academy Preparatory School (USMAPS).....\$ 936

Increases funding and 4 FTEs for applied science instructors in support of the USMAPS science program. Science is added as a core program to provide cadet candidates a foundation in Science, Technology, Engineering, and Mathematics Education. (Baseline: \$4,560; 4 FTE)

9. Program Decreases.....\$ -5,781

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -5,781

1) Civilian Average Annual Compensation.....\$ -3,225

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the

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Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$76,407)

2) Civilian Workforce Reduction \$ -2,556
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: \$76,407; -21 FTE)

FY 2018 Budget Request.....\$ 137,556

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IV. Performance Criteria and Evaluation Summary:

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Officer Candidate School	1,427	1,307	328	1,028	942	236
USMA Preparatory School	230	200	177	245	208	189
Total Direct	1,657	1,507	505	1,273	1,150	425

	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Officer Candidate School	998	914	229
USMA Preparatory School	245	208	189
Total Direct	1,243	1,122	418

	Change FY 2016/2017			Change FY 2017/2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Officer Candidate School	-399	-365	-92	-30	-28	-7
USMA Preparatory School	0	8	12	0	0	0
Total Direct	-384	-357	-80	-30	-28	-7

	FY 2016	FY 2017	FY 2018
U.S. Military Academy			
Beginning Strength (1 October)	4,489	4,550	4,590
Attrition	235	193	203
Graduates	1,006	1,002	1,006
Entries	1302	1235	1,235
End Strength (30 September)	4,550	4,590	4,616
Average Onboard	4,381	4,368	4,191

Input is the number of new students entering during a given fiscal year.

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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 2016, input is the incoming Class of 2017 while output is the graduating Class of 2016).

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). 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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	811	764	764	0
Officer	667	630	631	1
Enlisted	144	134	133	-1
<u>Active Military Average Strength (A/S) (Total)</u>	843	788	765	-23
Officer	693	649	631	-18
Enlisted	150	139	134	-5
<u>Civilian FTEs (Total)</u>	648	654	672	18
U.S. Direct Hire	648	654	672	18
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	648	654	672	18
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 38	 28	 28	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	111	117	114	-3
<u>Contractor FTEs (Total)</u>	150	79	97	18

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	70,936	0	1.59%	1,127	3,236	75,299	0	1.91%	1,441	-955	75,785
0103	WAGE BOARD	949	0	1.58%	15	144	1,108	0	1.71%	19	-127	1,000
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	71,885	0		1,142	3,380	76,407	0		1,460	-1,082	76,785
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	9,846	0	1.80%	177	-1,029	8,994	0	2.00%	180	0	9,174
0399	TOTAL TRAVEL	9,846	0		177	-1,029	8,994	0		180	0	9,174
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	200	0	-8.20%	-16	-159	25	0	-0.40%	0	-3	22
0411	ARMY SUPPLY	0	0	-4.63%	0	644	644	0	2.84%	18	33	695
0416	GSA MANAGED SUPPLIES AND MATERIALS	4,761	0	1.80%	86	-2,096	2,751	0	2.00%	55	0	2,806
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	4,961	0		70	-1,611	3,420	0		73	30	3,523
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	5,671	0	1.80%	102	-182	5,591	0	2.00%	112	119	5,822
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	5,671	0		102	-182	5,591	0		112	119	5,822
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	158	0	1.80%	3	244	405	0	2.00%	8	0	413
0799	TOTAL TRANSPORTATION	158	0		3	244	405	0		8	0	413
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	426	0	1.80%	8	79	513	0	2.00%	10	0	523
0915	RENTS (NON-GSA)	64	0	1.80%	1	-3	62	0	2.00%	1	0	63
0920	SUPPLIES AND MATERIALS (NON-FUND)	3,825	0	1.80%	69	1,241	5,135	0	2.00%	103	232	5,470
0921	PRINTING AND REPRODUCTION	254	0	1.80%	5	279	538	0	2.00%	11	0	549

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	278	0	1.80%	5	446	729	0	2.00%	15	0	744
0923	OPERATION AND MAINTENANCE OF FACILITIES	8,912	0	1.80%	160	-7,378	1,694	0	2.00%	34	0	1,728
0925	EQUIPMENT PURCHASES (NON-FUND)	1,749	0	1.80%	31	558	2,338	0	2.00%	47	366	2,751
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	3,151	0	1.80%	57	-3,208	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	339	0	1.80%	6	164	509	0	2.00%	10	143	662
0934	ENGINEERING AND TECHNICAL SERVICES	122	0	1.80%	2	-124	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	1,243	0	0.00%	0	-1,243	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	165	165
0937	LOCALLY PURCHASED FUEL (NON-FUND)	30	0	-8.20%	-2	244	272	0	-0.40%	-1	-63	208
0957	LAND AND STRUCTURES	8,987	0	1.80%	162	-9,149	0	0	2.00%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	0	0	1.80%	0	10	10	0	2.00%	0	0	10
0964	SUBSISTENCE AND SUPPORT OF PERSONS	37	0	1.80%	1	17	55	0	2.00%	1	0	56
0987	OTHER INTRA-GOVERNMENT PURCHASES	14,271	0	1.80%	257	-259	14,269	0	2.00%	285	0	14,554
0989	OTHER SERVICES	11,708	0	1.80%	211	-2,894	9,025	0	2.00%	180	2,784	11,989
0990	IT CONTRACT SUPPORT SERVICES	1,203	0	1.80%	22	751	1,976	0	2.00%	40	351	2,367
0999	TOTAL OTHER PURCHASES	56,599	0		995	-20,469	37,125	0		736	3,978	41,839
9999	GRAND TOTAL	149,120	0		2,489	-19,667	131,942	0		2,569	3,045	137,556

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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

Headquarters, Department of the Army

Army Command:

U.S. Army Training and Doctrine Command

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
RECRUIT TRAINING	\$47,409	\$47,846	\$0	0.00%	\$47,846	\$47,846	\$58,872	
SUBACTIVITY GROUP TOTAL	\$47,409	\$47,846	\$0	0.00%	\$47,846	\$47,846	\$58,872	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$47,846	\$47,846				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			47,846					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			47,846					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					1,021			
Functional Transfers					0			
Program Changes					10,005			
NORMALIZED CURRENT ESTIMATE			\$47,846		\$58,872			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 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 2017 President's Budget Request	\$ 47,846
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 47,846
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 47,846
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 47,846

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 31: Accession Training
 Detail by Subactivity Group 312: Recruit Training

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 47,846
6. Price Change	\$ 1,021
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 10,005
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 10,005

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
 Activity Group 31: Accession Training
 Detail by Subactivity Group 312: Recruit Training

1) Army Training Center Operations \$ 7,654
 Increases funding for Initial Entry Training to support the Army's FY 2018 accession mission. This will result in an increase of training support to include: supplies and materials, organizational clothing and individual equipment, maintenance support, and equipment purchases. (Baseline: \$38,490)

2) Civilian Average Annual Compensation..... \$ 1,077
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$12,697)

3) Reception Stations \$ 1,274
 Increases funding at the Reception Stations as a result of increased workload. Increases supplies and materials, communication, maintenance, transportation, equipment purchases, and other intra-government purchases. (Baseline: \$9,356)

9. Program Decreases.....\$ 0

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ 0

FY 2018 Budget Request..... \$ 58,872

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 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

	FY2016			FY2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	41,713	38,717	8,043	39,233	36,439	7,568
Army Reserve	9,750	9,036	1,879	13,982	13,010	2,699
Army National Guard	20,990	19,468	4,046	23,952	22,213	4,616
Total Direct	72,453	67,221	13,967	77,167	71,662	14,883

	FY2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	47,342	43,892	9,123
Army Reserve	14,795	13,726	2,852
Army National Guard	30,263	28,104	5,837
Total Direct	92,400	85,722	17,812

	Change FY2016/FY2017			Change FY2017/FY2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-2,480	-2,278	-475	8,109	7,453	1,555
Army Reserve	4,232	3,974	820	813	716	153
Army National Guard	2,962	2,745	570	6,311	5,891	1,221
Total Direct	4,714	4,441	916	15,233	14,060	2,929

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) 2018 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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	3,533	3,531	3,637	106
Officer	369	343	350	7
Enlisted	3,164	3,188	3,287	99
<u>Active Military Average Strength (A/S) (Total)</u>	3,541	3,532	3,585	53
Officer	375	356	347	-9
Enlisted	3,166	3,176	3,238	62
<u>Civilian FTEs (Total)</u>	206	200	200	0
U.S. Direct Hire	206	200	200	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	206	200	200	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>	70	63	70	7
<u>Contractor FTEs (Total)</u>	32	18	23	5

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) 2018 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:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	14,178	0	1.34%	190	-1,671	12,697	0	2.11%	268	1,077	14,042
0103	WAGE BOARD	53	0	0.00%	0	-53	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	236	0	0.00%	0	-236	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	14,467	0		190	-1,960	12,697	0		268	1,077	14,042
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,384	0	1.80%	25	425	1,834	0	2.00%	37	3	1,874
0399	TOTAL TRAVEL	1,384	0		25	425	1,834	0		37	3	1,874
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	107	0	-8.20%	-9	109	207	0	-0.40%	-1	13	219
0411	ARMY SUPPLY	10,690	0	-4.63%	-495	-2,813	7,382	0	2.84%	210	1,610	9,202
0416	GSA MANAGED SUPPLIES AND MATERIALS	656	0	1.80%	12	5,605	6,273	0	2.00%	125	1,556	7,954
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	11,453	0		-492	2,901	13,862	0		334	3,179	17,375
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	607	0	-0.10%	-1	-502	104	0	-1.77%	-2	85	187
0507	GSA MANAGED EQUIPMENT	2,562	0	1.80%	46	-1,772	836	0	2.00%	17	303	1,156
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	3,169	0		45	-2,274	940	0		15	388	1,343
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	41	0	1.80%	1	215	257	0	2.00%	5	58	320
0799	TOTAL TRANSPORTATION	41	0		1	215	257	0		5	58	320
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	288	0	1.80%	5	54	347	0	2.00%	7	69	423
0915	RENTS (NON-GSA)	243	0	1.80%	4	333	580	0	2.00%	12	115	707
0917	POSTAL SERVICES (U.S.P.S)	1	0	1.80%	0	11	12	0	2.00%	0	7	19

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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)	6,930	0	1.80%	125	891	7,946	0	2.00%	159	2,647	10,752
0921	PRINTING AND REPRODUCTION	305	0	1.80%	5	152	462	0	2.00%	9	0	471
0922	EQUIPMENT MAINTENANCE BY CONTRACT	116	0	1.80%	2	-92	26	0	2.00%	1	10	37
0923	OPERATION AND MAINTENANCE OF FACILITIES	611	0	1.80%	11	356	978	0	2.00%	20	265	1,263
0925	EQUIPMENT PURCHASES (NON-FUND)	490	0	1.80%	9	1,377	1,876	0	2.00%	38	1,277	3,191
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	703	0	1.80%	13	-716	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	940	0	0.00%	0	-940	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	1,207	1,207
0937	LOCALLY PURCHASED FUEL (NON-FUND)	63	0	-8.20%	-5	122	180	0	-0.40%	-1	-17	162
0987	OTHER INTRA-GOVERNMENT PURCHASES	2,745	0	1.80%	49	995	3,789	0	2.00%	76	279	4,144
0989	OTHER SERVICES	2,972	0	1.80%	53	-1,563	1,462	0	2.00%	29	-700	791
0990	IT CONTRACT SUPPORT SERVICES	488	0	1.80%	9	101	598	0	2.00%	12	141	751
0999	TOTAL OTHER PURCHASES	16,895	0		280	1,081	18,256	0		362	5,300	23,918
9999	GRAND TOTAL	47,409	0		49	388	47,846	0		1,021	10,005	58,872

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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.

Headquarters, Department of the Army

Army Command:

U.S. Army Training and Doctrine Command

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
ONE STATION UNIT TRAINING	\$41,716	\$45,419	\$0	0.00%	\$45,419	\$45,419	\$58,035	
SUBACTIVITY GROUP TOTAL	\$41,716	\$45,419	\$0	0.00%	\$45,419	\$45,419	\$58,035	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$45,419	\$45,419				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			45,419					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			45,419					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					1,029			
Functional Transfers					0			
Program Changes					11,587			
NORMALIZED CURRENT ESTIMATE			\$45,419		\$58,035			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 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 2017 President's Budget Request	\$ 45,419
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 45,419
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 45,419
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 45,419

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 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

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 45,419
6. Price Change	\$ 1,029
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 12,859
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 12,859

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 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

1) Army Training Center Operations \$ 11,667
 Funding supports increased One Station Unit Training demands. Funds training support costs that include consumables for the Stryker Infantry Carrier Vehicles, supplies and materials, equipment purchases, travel, maintenance support, and transportation. Supports a change in student training mix resulting from the conversion of one Active Army Infantry Brigade Combat Team to an Armored Brigade Combat Team. (Baseline: \$45,419)

2) Civilian Average Annual Compensation..... \$ 1,192
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$9,224)

9. Program Decreases..... \$ -1,272

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ -1,272

1) Civilian Workforce Reduction..... \$ -1,272
 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: \$9,224; -18 FTE)

FY 2018 Budget Request..... \$ 58,035

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 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

	FY2016			FY2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	19,044	17,128	4,782	22,621	20,396	5,645
Army Reserve	1,346	1,127	413	1,419	1,190	434
Army National Guard	10,571	9,489	2,605	12,175	11,057	2,892
Total	30,961	27,744	7,799	36,215	32,643	8,972

	FY2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	24,921	22,625	6,122
Army Reserve	1,504	1,261	463
Army National Guard	10,815	9,727	2,667
Total	37,240	33,613	9,251

	Change FY2016/FY2017			Change FY2017/FY2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	3,577	3,268	863	2,300	2,229	477
Army Reserve	73	63	21	85	71	29
Army National Guard	1,604	1,568	287	-1,360	-1,330	-225
Total	5,254	4,899	1,173	1,025	970	279

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) 2018 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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	2,077	2,249	2,184	-65
Officer	207	186	178	-8
Enlisted	1,870	2,063	2,006	-57
<u>Active Military Average Strength (A/S) (Total)</u>	2,108	2,164	2,217	53
Officer	213	197	182	-15
Enlisted	1,895	1,967	2,035	68
<u>Civilian FTEs (Total)</u>	162	133	115	-18
U.S. Direct Hire	162	133	115	-18
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	162	133	115	-18
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>	77	69	81	12
<u>Contractor FTEs (Total)</u>	19	20	27	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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Activity Group 31: Accession Training
Detail by Subactivity Group 313: One Station Unit Training

VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	12,123	0	1.12%	136	-3,096	9,163	0	1.92%	176	-82	9,257
0103	WAGE BOARD	262	0	0.00%	0	-201	61	0	0.00%	0	2	63
0106	BENEFITS TO FORMER EMPLOYEES	143	0	0.00%	0	-143	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	12,528	0		136	-3,440	9,224	0		176	-80	9,320
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,511	0	1.80%	27	643	2,181	0	2.00%	44	317	2,542
0399	TOTAL TRAVEL	1,511	0		27	643	2,181	0		44	317	2,542
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	388	0	-8.20%	-32	663	1,019	0	-0.40%	-4	80	1,095
0411	ARMY SUPPLY	14,993	0	-4.63%	-694	2,503	16,802	0	2.84%	477	3,102	20,381
0416	GSA MANAGED SUPPLIES AND MATERIALS	494	0	1.80%	9	1,448	1,951	0	2.00%	39	555	2,545
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	15,875	0		-717	4,614	19,772	0		512	3,737	24,021
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	715	0	-0.26%	-2	687	1,400	0	2.84%	40	516	1,956
0507	GSA MANAGED EQUIPMENT	80	0	1.80%	1	1,286	1,367	0	2.00%	27	485	1,879
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	795	0		-1	1,973	2,767	0		67	1,001	3,835
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	52	0	1.80%	1	995	1,048	0	2.00%	21	243	1,312
0799	TOTAL TRANSPORTATION	52	0		1	995	1,048	0		21	243	1,312
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	141	0	1.80%	3	-19	125	0	2.00%	2	43	170
0920	SUPPLIES AND MATERIALS (NON-FUND)	2,649	0	1.80%	48	1,035	3,732	0	2.00%	75	2,366	6,173
0921	PRINTING AND REPRODUCTION	246	0	1.80%	4	379	629	0	2.00%	13	0	642

Exhibit OP-5, Subactivity Group 313

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0922	EQUIPMENT MAINTENANCE BY CONTRACT	407	0	1.80%	7	0	414	0	2.00%	8	106	528
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,065	0	1.80%	19	316	1,400	0	2.00%	28	315	1,743
0925	EQUIPMENT PURCHASES (NON-FUND)	3,119	0	1.80%	56	-1,049	2,126	0	2.00%	43	1,492	3,661
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	996	0	1.80%	18	-1,014	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	29	0	0.00%	0	-29	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	36	36
0937	LOCALLY PURCHASED FUEL (NON-FUND)	141	0	-8.20%	-12	-129	0	0	-0.40%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	1,025	0	1.80%	18	-285	758	0	2.00%	15	1,024	1,797
0989	OTHER SERVICES	1,082	0	1.80%	19	-39	1,062	0	2.00%	21	654	1,737
0990	IT CONTRACT SUPPORT SERVICES	55	0	1.80%	1	125	181	0	2.00%	4	333	518
0999	TOTAL OTHER PURCHASES	10,955	0		181	-709	10,427	0		209	6,369	17,005
9999	GRAND TOTAL	41,716	0		-373	4,076	45,419	0		1,029	11,587	58,035

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Detail by Subactivity Group 314: Senior Reserve Officer Training Corps

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.

Headquarters, Department of the Army

Army Command

U.S. Army Training and Doctrine Command

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
SENIOR RESERVE OFFICER TRAINING CORPS	\$468,494	\$482,747	\$0	0.00%	\$482,747	\$482,747	\$505,089	
SUBACTIVITY GROUP TOTAL	\$468,494	\$482,747	\$0	0.00%	\$482,747	\$482,747	\$505,089	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$482,747	\$482,747				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			482,747					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			482,747					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					9,501			
Functional Transfers					0			
Program Changes					12,841			
NORMALIZED CURRENT ESTIMATE			\$482,747		\$505,089			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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 Detail by Subactivity Group 314: Senior Reserve Officer Training Corps

C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 482,747
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 482,747
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 482,747
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 482,747

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 482,747
6. Price Change	\$ 9,501
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 18,364
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 18,364

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1) Civilian Average Annual Compensation..... \$ 408
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$96,511)

2) Senior Reserve Officer Training Corps Program \$ 466
 Increase in funding to support Cadet Summer Camp training and travel. (Baseline: \$150,003)

3) Senior Reserve Officer Training Corps Scholarships Program \$ 17,490
 Increase in funding for Cadet scholarships and travel based on refined mission requirements. (Baseline: \$332,744)

9. Program Decreases.....\$ -5,523

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ -5,523

1) Civilian Workforce Reduction..... \$ -5,523
 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: \$96,511; -68 FTE)

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FY 2018 Budget Request.....\$ 505,089

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IV. Performance Criteria and Evaluation Summary:

	FY 2016			FY 2017			FY 2018		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Total Enrollment	30,611	34,193	37,774	33,137	34,418	35,699	33,275	34,561	35,846
MS I	9,366	11,035	12,704	10,616	11,026	11,436	10,617	11,027	11,437
MS II	8,112	9,186	10,259	9,296	9,656	10,015	9,262	9,620	9,978
Basic Course	17,478	20,221	22,963	19,912	20,682	21,451	19,879	20,647	21,415
MS III	5,995	6,464	6,932	6,813	7,076	7,339	6,839	7,103	7,367
MS IV	7,138	7,509	7,879	6,412	6,661	6,909	6,557	6,811	7,064
Adv Course	13,133	13,972	14,811	13,225	13,737	14,248	13,396	13,914	14,431
	Change FY 2016/FY 2017			Change FY 2017/FY 2018					
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END			
Total Enrollment	2,526	226	-2,075	138	143	147			
MS I	1,250	-9	-1,268	1	1	1			
MS II	1,184	470	-244	-34	-36	-37			
Basic Course	2,434	461	-1,512	-33	-35	-36			
MS III	818	613	407	26	27	28			
MS IV	-726	-848	-970	145	150	155			
Adv Course	92	-236	-563	171	177	183			

MS I-IV represents academic year 1-4.

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Detail by Subactivity Group 314: Senior Reserve Officer Training Corps

	FY 2016			FY 2017			FY 2018		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Non-Scholarship Students	17,177	20,147	23,116	20,952	21,762	22,572	21,277	22,099	22,921
MS I	8,043	9,680	11,316	9,351	9,713	10,074	9,352	9,714	10,075
MS II	4,378	5,273	6,168	6,307	6,551	6,795	6,278	6,521	6,763
Basic Course	12,421	14,953	17,484	15,658	16,264	16,869	15,630	16,234	16,838
MS III	2,012	2,255	2,497	3,106	3,226	3,346	3,229	3,354	3,478
MS IV	2,744	2,940	3,135	2,188	2,273	2,357	2,418	2,512	2,605
Adv Course	4,756	5,194	5,632	5,294	5,499	5,703	5,647	5,865	6,083
	Change FY 2016/FY 2017			Change FY 2017/FY 2018					
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END			
Non-Scholarship Students	3,775	1,616	-544	325	337	349			
MS I	1,308	33	-1,242	1	1	1			
MS II	1,929	1,278	627	-29	-31	-32			
Basic Course	3,237	1,311	-615	-28	-30	-31			
MS III	1,094	972	849	123	128	132			
MS IV	-556	-667	-778	230	239	248			
Adv Course	538	305	71	353	367	380			

MS I-IV represents academic year 1-4.

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	FY 2016			FY 2017			FY 2018		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Scholarship Students	13,434	14,046	14,658	12,185	12,656	13,127	11,998	12,462	12,925
MS I	1,323	1,356	1,388	1,265	1,314	1,362	1,265	1,314	1,362
MS II	3,734	3,913	4,091	2,989	3,105	3,220	2,984	3,100	3,215
Basic Course	5,057	5,268	5,479	4,254	4,418	4,582	4,249	4,413	4,577
MS III	3,983	4,209	4,435	3,707	3,850	3,993	3,610	3,750	3,889
MS IV	4,394	4,569	4,744	4,224	4,388	4,552	4,139	4,299	4,459
Adv Course	8,377	8,778	9,179	7,931	8,238	8,545	7,749	8,049	8,348

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	BEGIN	AVERAGE	END	BEGIN	AVERAGE	END
Scholarship Students	-1,249	-1,390	-1,531	-187	-195	-202
MS I	-58	-42	-26	0	0	0
MS II	-745	-808	-871	-5	-5	-5
Basic Course	-803	-850	-897	-5	-5	-5
MS III	-276	-359	-442	-97	-101	-104
MS IV	-170	-181	-192	-85	-89	-93
Adv Course	-446	-540	-634	-182	-190	-197

MS I-IV represents academic year 1-4.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,853	2,029	2,019	-10
Officer	975	1,161	1,149	-12
Enlisted	878	868	870	2
<u>Active Military Average Strength (A/S) (Total)</u>	1,829	1,941	2,024	83
Officer	976	1,068	1,155	87
Enlisted	853	873	869	-4
<u>Civilian FTEs (Total)</u>	1,154	1,210	1,142	-68
U.S. Direct Hire	1,154	1,210	1,142	-68
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,154	1,210	1,142	-68
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>	80	80	82	2
<u>Contractor FTEs (Total)</u>	200	108	103	-5

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VI. OP-32A Line Items:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	91,439	0	1.58%	1,446	3,626	96,511	0	1.84%	1,774	-5,115	93,170
0103	WAGE BOARD	52	0	0.00%	0	-52	0	0	0.00%	0	0	0
0106	BENEFITS TO FORMER EMPLOYEES	1,129	0	0.00%	0	-1,129	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	92,620	0		1,446	2,445	96,511	0		1,774	-5,115	93,170
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	50,126	0	1.80%	902	-22,297	28,731	0	2.00%	575	5,369	34,675
0399	TOTAL TRAVEL	50,126	0		902	-22,297	28,731	0		575	5,369	34,675
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	4	0	-8.20%	0	0	4	0	-0.40%	0	0	4
0411	ARMY SUPPLY	10,176	0	-4.63%	-471	-9,471	234	0	2.84%	7	0	241
0416	GSA MANAGED SUPPLIES AND MATERIALS	196	0	1.80%	4	137	337	0	2.00%	7	0	344
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	39	0	-0.40%	0	-38	1	0	-0.01%	0	0	1
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	10,415	0		-467	-9,372	576	0		14	0	590
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	1,662	0	1.80%	30	-548	1,144	0	2.00%	23	0	1,167
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,662	0		30	-548	1,144	0		23	0	1,167
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	1,007	0	1.80%	18	-597	428	0	2.00%	9	0	437
0799	TOTAL TRANSPORTATION	1,007	0		18	-597	428	0		9	0	437
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	1,160	0	1.80%	21	3	1,184	0	2.00%	24	0	1,208
0915	RENTS (NON-GSA)	228	0	1.80%	4	-228	4	0	2.00%	0	0	4
0917	POSTAL SERVICES (U.S.P.S)	50	0	1.80%	1	-26	25	0	2.00%	0	0	25

Exhibit OP-5, Subactivity Group 314

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Operation and Maintenance, Army
Budget Activity 03: Training and Recruiting
Activity Group 31: Accession Training
Detail by Subactivity Group 314: Senior Reserve Officer Training Corps

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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)	16,064	0	1.80%	289	-13,129	3,224	0	2.00%	64	0	3,288
0921	PRINTING AND REPRODUCTION	138	0	1.80%	2	-26	114	0	2.00%	2	0	116
0922	EQUIPMENT MAINTENANCE BY CONTRACT	44	0	1.80%	1	-36	9	0	2.00%	0	0	9
0923	OPERATION AND MAINTENANCE OF FACILITIES	8,432	0	1.80%	152	4,005	12,589	0	2.00%	252	0	12,841
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	10,713	0	1.80%	193	-10,906	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	2,745	0	1.80%	49	-2,794	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	118	0	1.80%	2	-120	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	51	0	-8.20%	-4	-47	0	0	-0.40%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	1,509	0	1.80%	27	-915	621	0	2.00%	12	0	633
0987	OTHER INTRA-GOVERNMENT PURCHASES	761	0	1.80%	14	-519	256	0	2.00%	5	0	261
0989	OTHER SERVICES	3,169	0	1.80%	57	-1,047	2,179	0	2.00%	44	0	2,223
0990	IT CONTRACT SUPPORT SERVICES	9,546	0	1.80%	172	-5,349	4,369	0	2.00%	87	-892	3,564
0993	OTHER SERVICES - SCHOLARSHIPS	257,936	0	1.80%	4,643	68,204	330,783	0	2.00%	6,616	13,479	350,878
0999	TOTAL OTHER PURCHASES	312,664	0		5,623	37,070	355,357	0		7,106	12,587	375,050
9999	GRAND TOTAL	468,494	0		7,552	6,701	482,747	0		9,501	12,841	505,089

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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 Materiel 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):

A. <u>Program Elements</u>	<u>FY 2016</u> <u>Actual</u>	<u>Budget</u> <u>Request</u>	<u>FY 2017</u>				<u>Normalized</u> <u>Current</u> <u>Estimate</u>	<u>FY 2018</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>			
SPECIALIZED SKILL TRAINING	\$1,045,805	\$1,036,194	\$0	0.00%	\$1,036,194	\$1,036,194	\$1,015,541	
SUBACTIVITY GROUP TOTAL	\$1,045,805	\$1,036,194	\$0	0.00%	\$1,036,194	\$1,036,194	\$1,015,541	
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$1,036,194	\$1,036,194				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			1,036,194					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			1,036,194					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change				20,866				
Functional Transfers				0				
Program Changes				-41,519				
NORMALIZED CURRENT ESTIMATE			\$1,036,194	\$1,015,541				

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 1,036,194
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 1,036,194
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 1,036,194
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 1,036,194

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 1,036,194
6. Price Change	\$ 20,866
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 20,690
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 20,690

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- 1) Army Training Center Operations - U.S. Army Maneuver Center of Excellence (MCOE)..... \$ 10,167
 Increase funding and FTEs for the U.S. Army Tank-Automotive and Armaments Command Fleet Management Expansion program to perform all field level maintenance support on ground and aviation equipment assigned to the MCOE and other U.S. Training and Doctrine Command units. Increase also supports institutional training of Soldiers and leaders to develop doctrine and leverage emerging technology to meet the Army's requirement across a wide range of military operations. (Baseline: \$52,418; 111 FTE)
- 2) Bipartisan Budget Act of 2015 Compliance \$ 2,825
 Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The increase funds Specialized Skills Training. (Baseline: \$0)
- 3) Civilian Average Annual Compensation..... \$ 1,387
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$444,290)
- 4) Defense Language Program..... \$ 4,281
 Increases funds for staff support, supplies, language laboratory upgrades and training materials required to train an additional 1,985 students at the Defense Foreign Language Institute Center. (Baseline: \$231,133)
- 5) Professional Education \$ 1,132
 Increase funding for additional Professional Military Education seats for Military Intelligence Officers and Warrants Officers training. In addition, the increase provides tuition and travel funding for students in the Army Civil Schooling Program. (Baseline: \$41,387)

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6) Training Support to Units \$ 898
 Increases funding to support student load at the U.S. Army Training and Doctrine Command. Funds the purchase of supplies and materials, equipment, equipment maintenance, and staff support. (Baseline: \$4,782)

9. Program Decreases \$ -62,209

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ -62,209

1) Army Training Center Operations \$ -48,046
 Decreases funding to the Advanced Initial Training Program for maintenance support, contractor support, equipment purchase, supplies, materials, and transportation. (Baseline: \$557,253)

2) Civilian Workforce Reduction \$ -6,503
 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: \$444,290; -71 FTE)

3) Flying Hour Program \$ -2,357
 Decrease funding costs associated with the flying hour programs for Rotary and Fixed Wing aircrafts. Decrease supports a reduction in Petroleum, Oils, Lubricants and repair parts for aircraft without contractor logistics support. (Baseline: \$10,892)

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4) Judge Advocate General (JAG) Training Support \$ -1,479
Reduces funding to support strategic efficiencies at the Army JAG School. (Baseline: \$13,359)

5) Noncommissioned Officer (NCO) Professional Development \$ -3,824
Decreases funding commensurate with reduction in the number of training seats for the NCO
Professional Development program. (Baseline: \$25,514)

FY 2018 Budget Request.....\$ 1,015,541

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IV. Performance Criteria and Evaluation Summary:

SPECIALIZED SKILL TRAINING

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	148,885	143,649	18,253	130,749	126,136	19,482
Army Reserve	27,670	27,185	2,651	31,989	31,356	3,778
Army National Guard	48,364	47,355	5,729	47,168	46,053	6,554
Other	37,036	36,308	4,596	39,503	38,710	5,564
Total Direct	261,955	254,497	31,228	249,409	242,255	35,378
Other (Non-U.S.)	1,726	1,678	486	2,163	2,116	625
Total	263,681	256,175	31,714	251,572	244,371	36,003
Warrant Officer Candidate School	3,365	3,365	209	3,455	3,455	222
	FY 2018					
	INPUT	OUTPUT	WORKLOAD			
Active Army	138,461	133,674	20,439			
Army Reserve	30,483	29,905	3,553			
Army National Guard	50,659	49,480	6,797			
Other	39,171	38,433	5,793			
Total Direct	258,774	251,492	36,581			
Other (Non-U.S.)	1,639	1,607	494			
Total	260,413	253,099	37,074			
Warrant Officer Candidate School	3,302	3,302	209			

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	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-18,136	-17,513	1,229	7,712	7,538	957
Army Reserve	4,319	4,171	1,127	-1,506	-1,451	-225
Army National Guard	-1,196	-1,302	825	3,491	3,427	58
Other	2,467	2,402	968	-332	-277	-257
Total Direct	-12,546	-12,242	4,150	9,365	9,237	533
Other (Non-U.S.)	437	438	139	-524	-509	-66
Total	-12,109	-11,804	4,289	8,841	8,728	467
Warrant Officer Candidate School	90	90	13	-153	-153	-13

Initial Skill (Officer)

	FY2016			FY2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	6,725	6,721	1,894	8,427	8,421	2,067
Army Reserve	1,874	1,867	392	4,258	4,246	819
Army National Guard	3,720	3,717	921	4,866	4,860	1,139
Other	232	232	74	380	380	99
Total Direct	12,551	12,537	3,281	17,931	17,907	4,124
Other (Non-U.S.)	424	424	143	445	445	151
Total	12,975	12,961	3,424	18,376	18,352	4,275

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	FY2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	8,279	8,273	2,141
Army Reserve	4,193	4,183	829
Army National Guard	4,895	4,891	1,172
Other	794	794	124
Total Direct	18,161	18,141	4,266
Other (Non-U.S.)	406	406	141
Total	18,567	18,547	4,406

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	1,702	1,700	173	-148	-148	74
Army Reserve	2,384	2,379	427	-65	-63	10
Army National Guard	1,146	1,143	218	29	31	33
Other	148	148	25	414	414	25
Total Direct	5,380	5,370	843	230	234	142
Other (Non-U.S.)	21	21	8	-39	-39	-10
Total	5,401	5,391	851	191	195	131

Initial Skill (Enlisted)

	FY2016			FY2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	40,940	39,680	7,315	48,260	46,556	8,993
Army Reserve	11,772	11,463	1,582	16,415	15,940	2,328
Army National Guard	25,175	24,460	3,777	29,754	28,841	4,537
Other	11,611	11,328	1,123	11,802	11,532	1,134
Total Direct	89,498	86,931	13,798	106,231	102,869	16,992
Other (Non-U.S.)	243	237	75	611	600	188
Total	89,741	87,168	13,872	106,842	103,469	17,180

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	FY2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	51,940	50,121	9,664
Army Reserve	15,594	15,171	2,101
Army National Guard	31,293	30,331	4,634
Other	12,126	11,837	1,194
Total Direct	110,953	107,460	17,593
Other (Non-U.S.)	318	317	98
Total	111,271	107,777	17,691

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	7,320	6,876	1,678	3,680	3,565	671
Army Reserve	4,643	4,477	746	-821	-769	-227
Army National Guard	4,579	4,381	760	1,539	1,490	97
Other	191	204	11	324	305	60
Total Direct	16,733	15,938	3,194	4,722	4,591	601
Other (Non-U.S.)	368	363	113	-293	-283	-90
Total	17,101	16,301	3,308	4,429	4,308	511

Defense Language Institute (DLI)

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	2,109	2,106	793	1,455	1,452	1,251
Army Reserve	205	205	35	157	157	105
Army National Guard	607	607	185	424	424	293
Other	5,928	5,921	2,265	8,862	8,827	3,239
Total Direct	8,849	8,839	3,279	10,898	10,860	4,888
Other (Non-U.S.)	43	43	13	0	0	0
Total	8,892	8,882	3,292	10,898	10,860	4,888

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	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	1,427	1,423	1,236
Army Reserve	149	148	84
Army National Guard	747	747	328
Other	10,560	10,527	3,391
Total Direct	12,883	12,845	5,040
Other (Non-U.S.)	0	0	0
Total	12,883	12,845	5,040

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-654	-654	458	-28	-29	-15
Army Reserve	-48	-48	70	-8	-9	-21
Army National Guard	-183	-183	108	323	323	35
Other	2,934	2,906	974	1,698	1,700	152
Total Direct	2,049	2,021	1,609	1,985	1,985	152
Other (Non-U.S.)	-43	-43	-13	0	0	0
Total	2,006	1,978	1,596	1,985	1,985	152

Additional Skill Identifier/Special Qualification Identifier

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	55,526	52,064	3,495	37,014	34,641	2,451
Army Reserve	6,437	6,337	267	5,516	5,438	197
Army National Guard	6,301	6,089	324	4,909	4,764	232
Other	13,886	13,493	737	12,879	12,437	632
Total Direct	82,150	77,983	4,824	60,318	57,280	3,512
Other (Non-U.S.)	386	347	29	324	294	31
Total	82,536	78,330	4,853	60,642	57,574	3,543

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	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	37,790	35,387	2,481
Army Reserve	4,852	4,780	173
Army National Guard	4,683	4,535	218
Other	11,177	10,806	595
Total Direct	58,502	55,508	3,467
Other (Non-U.S.)	288	261	28
Total	58,790	55,769	3,496

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-18,512	-17,423	-1,044	776	746	30
Army Reserve	-921	-899	-70	-664	-658	-24
Army National Guard	-1,392	-1,325	-92	-226	-229	-14
Other	-1,007	-1,056	-105	-1,702	-1,631	-37
Total Direct	-21,832	-20,703	-1,312	-1,816	-1,772	-45
Other (Non-U.S.)	-62	-53	2	-36	-33	-3
Total	-21,894	-20,756	-1,310	-1,852	-1,805	-47

Skill Progression (Officer)

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	13,037	12,996	1,799	7,147	7,110	1,947
Army Reserve	4,918	4,899	200	3,930	3,917	213
Army National Guard	9,055	9,025	336	5,763	5,739	281
Other	857	856	60	529	528	64
Total Direct	27,867	27,776	2,395	17,369	17,294	2,505
Other (Non-U.S.)	507	505	212	554	550	231
Total	28,374	28,281	2,607	17,923	17,844	2,736

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	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	7,094	7,056	1,920
Army Reserve	3,798	3,780	223
Army National Guard	6,184	6,155	307
Other	431	430	70
Total Direct	17,507	17,421	2,520
Other (Non-U.S.)	503	499	212
Total	18,010	17,920	2,732

	Change FY 2016/FY 2017		
	INPUT	OUTPUT	WORKLOAD
Active Army	-5,890	-5,886	148
Army Reserve	-988	-982	13
Army National Guard	-3,292	-3,286	-55
Other	-328	-328	4
Total Direct	-10,498	-10,482	110
Other (Non-U.S.)	47	45	19
Total	-10,451	-10,437	129

	Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	-53	-54	-27
Army Reserve	-132	-137	10
Army National Guard	421	416	26
Other	-98	-98	6
Total Direct	138	127	15
Other (Non-U.S.)	-51	-51	-19
Total	87	76	-4

Skill Progression (Enlisted)

	FY 2016		
	INPUT	OUTPUT	WORKLOAD
Active Army	30,548	30,082	2,956
Army Reserve	2,464	2,414	173
Army National Guard	3,506	3,457	187
Other	4,522	4,478	336
Total Direct	41,040	40,431	3,652
Other (Non-U.S.)	123	122	13
Total	41,163	40,553	3,665

	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

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	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	31,931	31,414	2,997
Army Reserve	1,897	1,842	141
Army National Guard	2,857	2,822	137
Other	4,083	4,039	419
Total Direct	40,768	40,117	3,695
Other (Non-U.S.)	124	124	15
Total	40,892	40,241	3,710

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-2,102	-2,126	-183	3,485	3,458	224
Army Reserve	-751	-756	-57	184	184	25
Army National Guard	-2,054	-2,032	-115	1,405	1,397	65
Other	529	528	60	-968	-967	23
Total Direct	-4,378	-4,386	-295	4,106	4,072	338
Other (Non-U.S.)	106	105	11	-105	-103	-9
Total	-4,272	-4,281	-284	4,001	3,969	329

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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	11,254	11,755	12,704	949
Officer	2,054	1,790	2,000	210
Enlisted	9,200	9,965	10,704	739
<u>Active Military Average Strength (A/S) (Total)</u>	11,612	11,505	12,230	725
Officer	2,091	1,922	1,895	-27
Enlisted	9,521	9,583	10,335	752
<u>Civilian FTEs (Total)</u>	5,046	4,946	4,986	40
U.S. Direct Hire	5,046	4,946	4,986	40
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	5,046	4,946	4,986	40
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 19	 112	 38	 -74
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	89	90	92	2
<u>Contractor FTEs (Total)</u>	2,048	1,923	1,764	-159

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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Activity Group 32: Basic Skill and Advanced Training
Detail by Subactivity Group 321: Specialized Skill Training

VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	394,558	0	1.48%	5,827	-10,999	389,386	0	1.95%	7,585	678	397,649
0103	WAGE BOARD	54,056	0	1.44%	777	71	54,904	0	2.14%	1,177	4,373	60,454
0106	BENEFITS TO FORMER EMPLOYEES	956	0	0.00%	0	-956	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	449,570	0		6,604	-11,884	444,290	0		8,762	5,051	458,103
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	31,257	0	1.80%	562	3,593	35,412	0	2.00%	708	-2,146	33,974
0399	TOTAL TRAVEL	31,257	0		562	3,593	35,412	0		708	-2,146	33,974
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	2,575	0	-8.20%	-211	4,152	6,516	0	-0.40%	-26	-882	5,608
0411	ARMY SUPPLY	49,077	0	-4.63%	-2,272	7,147	53,952	0	2.84%	1,532	-3,411	52,073
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,001	0	1.80%	18	1,112	2,131	0	2.00%	43	-170	2,004
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	52,653	0		-2,465	12,411	62,599	0		1,549	-4,463	59,685
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	12,667	0	-0.26%	-33	-1,237	11,397	0	2.84%	324	-815	10,906
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	933	0	-0.10%	-1	314	1,246	0	-1.77%	-22	-69	1,155
0507	GSA MANAGED EQUIPMENT	16,293	0	1.80%	293	-9,547	7,039	0	2.00%	141	-439	6,741
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	29,893	0		259	-10,470	19,682	0		443	-1,323	18,802
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	1,086	0	-0.11%	-1	-248	837	0	0.00%	0	-55	782
0679	COST REIMBURSABLE PURCHASES	862	0	1.90%	16	-543	335	0	1.90%	6	-25	316
0699	TOTAL INDUSTRIAL FUND PURCHASES	1,948	0		15	-791	1,172	0		6	-80	1,098
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	1,865	0	0.80%	15	-1,880	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 321

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	1,477	0	1.80%	27	869	2,373	0	2.00%	47	-194	2,226
0799	TOTAL TRANSPORTATION	3,342	0		42	-1,011	2,373	0		47	-194	2,226
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	2,434	0	1.80%	44	-251	2,227	0	2.00%	45	-143	2,129
0915	RENTS (NON-GSA)	5,392	0	1.80%	97	-689	4,800	0	2.00%	96	-299	4,597
0917	POSTAL SERVICES (U.S.P.S)	148	0	1.80%	3	348	499	0	2.00%	10	-34	475
0920	SUPPLIES AND MATERIALS (NON-FUND)	33,110	0	1.80%	596	3,276	36,982	0	2.00%	740	-2,662	35,060
0921	PRINTING AND REPRODUCTION	4,158	0	1.80%	75	2,054	6,287	0	2.00%	126	-433	5,980
0922	EQUIPMENT MAINTENANCE BY CONTRACT	22,687	0	1.80%	408	-2,851	20,244	0	2.00%	405	-1,272	19,377
0923	OPERATION AND MAINTENANCE OF FACILITIES	16,712	0	1.80%	301	6,729	23,742	0	2.00%	475	-1,437	22,780
0925	EQUIPMENT PURCHASES (NON-FUND)	26,935	0	1.80%	485	348	27,768	0	2.00%	555	-1,791	26,532
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	55,033	0	1.80%	991	32,546	88,570	0	2.00%	1,771	-17,754	72,587
0933	STUDIES, ANALYSIS, AND EVALUATIONS	7,539	0	1.80%	136	-7,675	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	2,122	0	1.80%	38	-2,160	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	88,614	0	0.00%	0	-88,614	0	0	2.00%	0	70,000	70,000
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	75,500	75,500
0937	LOCALLY PURCHASED FUEL (NON-FUND)	1,844	0	-8.20%	-151	812	2,505	0	-0.40%	-10	-341	2,154
0957	LAND AND STRUCTURES	927	0	1.80%	17	584	1,528	0	2.00%	31	-98	1,461
0985	RESEARCH AND DEVELOPMENT CONTRACTS	163	0	0.00%	0	-24	139	0	0.00%	0	-74	65
0987	OTHER INTRA-GOVERNMENT PURCHASES	31,298	0	1.80%	563	6,161	38,022	0	2.00%	760	-2,465	36,317
0989	OTHER SERVICES	124,138	0	1.80%	2,234	29,178	155,550	0	2.00%	3,111	-151,265	7,396
0990	IT CONTRACT SUPPORT SERVICES	53,888	0	1.80%	970	6,945	61,803	0	2.00%	1,236	-3,796	59,243
0999	TOTAL OTHER PURCHASES	477,142	0		6,807	-13,283	470,666	0		9,351	-38,364	441,653
9999	GRAND TOTAL	1,045,805	0		11,824	-21,435	1,036,194	0		20,866	-41,519	1,015,541

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Activity Group 32: Basic Skill and Advanced Training
Detail by Subactivity Group 322: Flight Training

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.

Headquarters, Department of the Army

Army Commands:

U.S. Army Training and Doctrine Command

U.S. Army Materiel Command

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
FLIGHT TRAINING	\$919,236	\$902,845	\$0	0.00%	\$902,845	\$902,845	\$1,124,115	
SUBACTIVITY GROUP TOTAL	\$919,236	\$902,845	\$0	0.00%	\$902,845	\$902,845	\$1,124,115	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$902,845	\$902,845				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			902,845					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			902,845					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					18,047			
Functional Transfers					99,967			
Program Changes					103,256			
NORMALIZED CURRENT ESTIMATE			\$902,845		\$1,124,115			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 902,845
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 902,845
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 902,845
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 902,845

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 902,845
6. Price Change.....	\$ 18,047
7. Transfers.....	\$ 99,967
a) Transfers In.....	\$ 99,967
1) Light Utility Helicopter (LUH) Lakota Maintenance	\$ 99,967
Transfers maintenance funding for LUH used in the Army's flight training school from SAG 116: Aviation Assets to SAG 322: Flight Training to synchronize all flight school dollars in the same Subactivity Group. (Baseline: \$0)	
b) Transfers Out.....	\$ 0
8. Program Increases	\$ 106,762
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

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c) Program Growth in FY 2018\$ 106,762

1) Flying Hour Program\$ 53,170

Increases funding for the flying hour program to support increased pilot training and associated workload to staff the high demand and low density units at the U.S. Army Aviation Center of Excellence. The increase also results from additional training seats for Soldiers to attend the Initial Entry Rotary Wing and Advanced Qualification courses. (Baseline: \$245,379)

2) Graduate Pilot Training\$ 4,132

Increases funding for additional graduate rotary wing flight training seats to reduce the shortfall in maintenance test pilots, instructor pilots, and certifications in advanced aircraft types that support the Combat Aviation Brigade force structure. (Baseline: \$154,502)

3) Undergraduate Flight Training\$ 49,460

Increases funding to support additional undergraduate flight training seats and the corresponding flying hours for pilot certification. Funds fuel, parts, and sustainment costs for students and cadre. (Baseline: \$502,964)

9. Program Decreases.....\$ -3,506

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -3,506

1) Civilian Average Annual Compensation.....\$ -1,271

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting

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cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$74,611)

2) Civilian Workforce Reduction\$ -2,235
 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: \$74,611; -20 FTE)

FY 2018 Budget Request.....\$ 1,124,115

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IV. Performance Criteria and Evaluation Summary:

FLIGHT TRAINING

Undergraduate Pilot Flight Training

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	2,908	2,908	502	3,118	3,094	604
Army Reserve	180	180	34	208	205	37
Army National Guard	1,147	1,147	200	1,408	1,408	268
Other	39	39	0	3	3	0
Total Direct	4,274	4,274	736	4,737	4,710	909
Other (Non-US)	152	152	60	120	117	47
Undergraduate Pilot Total	4,426	4,426	795	4,857	4,857	956
	FY 2018					
	INPUT	OUTPUT	WORKLOAD			
Active Army	3,456	3,445	726			
Army Reserve	212	209	45			
Army National Guard	1,360	1,360	254			
Other	15	15	0			
Total Direct	5,043	5,029	1,025			
Other (Non-US)	107	104	45			
Undergraduate Pilot Total	5,150	5,133	1,070			

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 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	210	186	102	338	351	122
Army Reserve	28	25	3	4	4	8
Army National Guard	261	261	68	-48	-48	-14
Other	-36	-36	0	12	12	0
Total Direct	463	436	173	306	319	116
Other (Non-US)	-32	-35	-13	-13	-13	-2
Undergraduate Pilot Total	431	431	161	293	276	114

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

Advance Flight Training-Fixed Wing

(Graduate Training)

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	140	140	23	94	94	12
Army Reserve	108	108	9	126	126	10
Army National Guard	168	168	13	182	182	13
Other	131	131	4	134	134	4
Total Direct	547	547	49	536	536	39
Other (Non-US)	0	0	0	0	0	0
Advance Flight Training-FW Total	547	547	49	536	536	39

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	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	99	99	12
Army Reserve	147	147	12
Army National Guard	166	166	8
Other	136	136	4
Total Direct	548	548	36
Other (Non-US)	0	0	0
Advance Flight Training-FW Total	548	548	36

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-46	-46	-11	5	5	0
Army Reserve	18	18	1	21	21	2
Army National Guard	14	14	0	-16	-16	-5
Other	3	3	0	2	2	0
Total Direct	-11	-11	-10	12	12	-3
Other (Non-US)	0	0	0	0	0	0
Advance Flight Training-FW Total	-11	-11	-10	12	12	-3

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 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	825	821	144	792	789	139
Army Reserve	35	35	5	90	90	13
Army National Guard	309	306	45	312	311	44
Other	161	161	22	143	143	21
Total Direct	1,330	1,323	216	1,337	1,333	217
Other (Non-US)	180	180	36	186	186	29
Advance Flight Training-RW Total	1,510	1,503	253	1,523	1,519	246

	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	974	971	161
Army Reserve	86	86	12
Army National Guard	199	198	28
Other	170	170	26
Total Direct	1,429	1,425	228
Other (Non-US)	100	100	20
Advance Flight Training-RW Total	1,529	1,525	247

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-33	-32	-5	182	182	22
Army Reserve	55	55	8	-4	-4	-1
Army National Guard	3	5	-1	-113	-113	-16
Other	-18	-18	-1	27	27	5
Total Direct	7	10	1	92	92	11
Other (Non-US)	6	6	-7	-86	-86	-9
Advance Flight Training-RW Total	13	16	-7	6	6	1

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 Detail by Subactivity Group 322: Flight Training

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

Advanced Flight Training (Other)

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	965	961	167	886	883	151
Army Reserve	143	143	15	216	216	23
Army National Guard	477	474	58	494	493	57
Other	292	292	26	277	277	25
Total Direct	1,877	1,870	266	1,873	1,869	256
Other (Non-US)	180	180	36	186	186	29
Advanced Flight Training (Other) Pilot Total	2,057	2,050	302	2,059	2,055	285
	FY 2018					
	INPUT	OUTPUT	WORKLOAD			
Active Army	1,073	1,070	173			
Army Reserve	233	233	24			
Army National Guard	365	364	36			
Other	306	306	30			
Total Direct	1,977	1,973	264			
Other (Non-US)	100	100	20			
Advanced Flight Training (Other) Pilot Total	2,077	2,073	283			

DEPARTMENT OF THE ARMY
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	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-79	-78	-16	187	187	22
Army Reserve	73	73	8	17	17	1
Army National Guard	17	19	-1	-129	-129	-21
Other	-15	-15	-1	29	29	5
Total Direct	-4	-1	-10	104	104	8
Other (Non-US)	6	6	-7	-86	-86	-9
Advanced Flight Training (Other) Pilot Total	2	5	-17	18	18	-2

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 2016	FY 2017	FY 2018	Change FY 2016/ FY 2017	Change FY 2017/ FY 2018
Flying Hours (Hours in 000s)	180	220	227	40	7
Undergraduate Pilot Training	126	169	173	43	4
Other Flying Hours (Graduate Training)	54	51	51	-3	0

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
 Operation and Maintenance, Army
 Budget Activity 03: Training and Recruiting
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 Detail by Subactivity Group 322: Flight Training

V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	874	865	942	77
Officer	478	470	557	87
Enlisted	396	395	385	-10
<u>Active Military Average Strength (A/S) (Total)</u>	911	870	904	34
Officer	505	474	514	40
Enlisted	406	396	390	-6
<u>Civilian FTEs (Total)</u>	695	680	660	-20
U.S. Direct Hire	695	680	660	-20
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	695	680	660	-20
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>	98	110	110	0
<u>Contractor FTEs (Total)</u>	3,346	2,599	3,311	712

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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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

VI. OP-32A Line Items:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	66,986	0	1.65%	1,102	5,410	73,498	0	1.85%	1,360	-3,512	71,346
0103	WAGE BOARD	806	0	1.86%	15	292	1,113	0	1.98%	22	6	1,141
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	67,792	0		1,117	5,702	74,611	0		1,382	-3,506	72,487
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	2,204	0	1.80%	40	71	2,315	0	2.00%	46	770	3,131
0399	TOTAL TRAVEL	2,204	0		40	71	2,315	0		46	770	3,131
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	33,900	0	-8.20%	-2,780	33,420	64,540	0	-0.40%	-258	3,748	68,030
0411	ARMY SUPPLY	154,493	0	-4.63%	-7,153	51,341	198,681	0	2.84%	5,643	34,659	238,983
0416	GSA MANAGED SUPPLIES AND MATERIALS	852	0	1.80%	15	-287	580	0	2.00%	12	622	1,214
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	0	0	-6.00%	0	12	12	0	-0.59%	0	501	513
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	189,245	0		-9,918	84,486	263,813	0		5,397	39,530	308,740
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	222	0	-0.26%	-1	153	374	0	2.84%	11	1,059	1,444
0507	GSA MANAGED EQUIPMENT	1,760	0	1.80%	32	-942	850	0	2.00%	17	1,634	2,501
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,982	0		31	-789	1,224	0		28	2,693	3,945
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	1,368	0	0.80%	11	1,926	3,305	0	1.30%	43	1,117	4,465
0771	COMMERCIAL TRANSPORTATION	19	0	1.80%	0	191	210	0	2.00%	4	433	647
0799	TOTAL TRANSPORTATION	1,387	0		11	2,117	3,515	0		47	1,550	5,112
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	320	0	1.80%	6	-282	44	0	2.00%	1	507	552
0917	POSTAL SERVICES (U.S.P.S)	9	0	1.80%	0	-9	0	0	2.00%	0	500	500

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Detail by Subactivity Group 322: Flight Training

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0920	SUPPLIES AND MATERIALS (NON-FUND)	29,016	0	1.80%	522	9,514	39,052	0	2.00%	781	12,890	52,723
0921	PRINTING AND REPRODUCTION	373	0	1.80%	7	120	500	0	2.00%	10	0	510
0922	EQUIPMENT MAINTENANCE BY CONTRACT	469,456	0	1.80%	8,450	-7,290	470,616	0	2.00%	9,412	82,881	562,909
0925	EQUIPMENT PURCHASES (NON-FUND)	1,462	0	1.80%	26	8,011	9,499	0	2.00%	190	4,700	14,389
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	124,569	0	1.80%	2,242	-126,811	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	695	0	1.80%	13	-708	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	0	0	0.00%	0	0	0	0	2.00%	0	47,071	47,071
0937	LOCALLY PURCHASED FUEL (NON-FUND)	496	0	-8.20%	-41	-455	0	0	-0.40%	0	0	0
0957	LAND AND STRUCTURES	386	0	1.80%	7	727	1,120	0	2.00%	22	427	1,569
0987	OTHER INTRA-GOVERNMENT PURCHASES	18,585	0	1.80%	335	7,587	26,507	0	2.00%	530	8,798	35,835
0989	OTHER SERVICES	11,018	0	1.80%	198	-3,782	7,434	0	2.00%	149	3,485	11,068
0990	IT CONTRACT SUPPORT SERVICES	241	0	1.80%	4	2,350	2,595	0	2.00%	52	927	3,574
0999	TOTAL OTHER PURCHASES	656,626	0		11,769	-111,028	557,367	0		11,147	162,186	730,700
9999	GRAND TOTAL	919,236	0		3,050	-19,441	902,845	0		18,047	203,223	1,124,115

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Fiscal Year (FY) 2018 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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III. Financial Summary (\$ in Thousands):

	FY 2017						Normalized Current Estimate	FY 2018 Estimate
	FY 2016 Actual	Budget Request	Amount	Percent	Appn	Estimate		
A. Program Elements								
PROFESSIONAL DEVELOPMENT EDUCATION	\$203,364	\$216,583	\$0	0.00%	\$216,583	\$216,583	\$220,688	\$220,688
SUBACTIVITY GROUP TOTAL	\$203,364	\$216,583	\$0	0.00%	\$216,583	\$216,583	\$220,688	\$220,688
B. Reconciliation Summary			Change FY 2017/FY 2017		Change FY 2017/FY 2018			
BASELINE FUNDING			\$216,583		\$216,583			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			216,583					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			216,583					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					4,261			
Functional Transfers					0			
Program Changes					-156			
NORMALIZED CURRENT ESTIMATE			\$216,583		\$220,688			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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 Detail by Subactivity Group 323: Professional Development Education

C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 216,583
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 216,583
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 216,583
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 216,583

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 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

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 216,583
6. Price Change	\$ 4,261
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 8,910
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 8,910

DEPARTMENT OF THE ARMY
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 Detail by Subactivity Group 323: Professional Development Education

1) Professional Education \$ 7,404
 Increases funding and FTEs for Army University. Funds improvement in the Army's educational programs through broader accreditation to grow professional Soldiers and civilians by increasing academic rigor, and creating greater opportunities for accreditation to enhance the quality of the force. (Baseline: \$107,749; 27 FTE)

2) U.S. Army War College \$ 1,506
 Increases funding and FTEs to support additional training seats for the Command Sergeant Major/Sergeant Major Executive Leadership Course at the U.S. Army War College. (Baseline: \$44,892; 10 FTE; 1 MIL)

9. Program Decreases \$ -9,066

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ -9,066

1) Civilian Average Annual Compensation \$ -5,057
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$93,597)

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Operation and Maintenance, Army
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2) Noncommissioned Officer (NCO) Professional Development \$ -1,304
Decrease funding for the NCO Professional Development program due to a reduction of training seats
in FY 2018. (Baseline: \$10,303)

3) U.S. Army Sergeant Major Academy \$ -2,705
Decreases funding for the U.S. Army Sergeant Major Academy. Reduces equipment purchases,
maintenance costs, contractual services, and travel. (Baseline: \$11,570)

FY 2018 Budget Request..... \$ 220,688

DEPARTMENT OF THE ARMY
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 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

IV. Performance Criteria and Evaluation Summary:

ARMY WAR COLLEGE

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	980	978	236	979	977	273
Army Reserve	738	738	68	782	782	74
Army National Guard	701	701	68	756	756	71
Other	428	428	88	410	410	82
Total Direct	2,847	2,845	459	2,927	2,925	500
Other (Non-U.S.)	99	98	63	140	139	71
Total	2,946	2,943	522	3,067	3,064	571
	FY 2018					
	INPUT	OUTPUT	WORKLOAD			
Active Army	1,181	1,179	287			
Army Reserve	782	782	73			
Army National Guard	754	754	72			
Other	401	401	85			
Total Direct	3,118	3,116	517			
Other (Non-U.S.)	115	114	68			
Total	3,233	3,230	585			

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Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
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Activity Group 32: Basic Skill and Advanced Training
Detail by Subactivity Group 323: Professional Development Education

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-1	-1	37	202	202	14
Army Reserve	44	44	6	0	0	-1
Army National Guard	55	55	3	-2	-2	1
Other	-18	-18	-6	-9	-9	3
Total Direct	80	80	41	191	191	17
Other (Non-U.S.)	41	41	8	-25	-25	-3
Total	121	121	49	166	166	14

Command and General Staff

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	2,259	2,259	275	4,155	4,155	1,037
Army Reserve	1,352	1,352	91	2,272	2,272	160
Army National Guard	1,443	1,443	92	2,264	2,264	152
Other	70	70	5	210	210	164
Total Direct	5,124	5,124	463	8,901	8,901	1,513
Other (Non-U.S.)	7	7	0	122	122	99
Total	5,131	5,131	464	9,023	9,023	1,612

	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	3,457	3,457	1,004
Army Reserve	2,069	2,069	129
Army National Guard	2,221	2,221	147
Other	213	213	164
Total Direct	7,960	7,960	1,445
Other (Non-U.S.)	120	120	99
Total	8,080	8,080	1,544

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
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Detail by Subactivity Group 323: Professional Development Education

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	1,896	1,896	762	-698	-698	-33
Army Reserve	920	920	69	-203	-203	-31
Army National Guard	821	821	60	-43	-43	-5
Other	140	140	159	3	3	0
Total Direct	3,777	3,777	1,050	-941	-941	-68
Other (Non-U.S.)	115	115	99	-2	-2	0
Total	3,892	3,892	1,148	-943	-943	-68

Sergeants Major Academy

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	629	610	397	825	809	391
Army Reserve	322	317	64	603	601	98
Army National Guard	671	664	84	1,215	1,214	127
Other	35	35	10	20	20	9
Total Direct	1,657	1,626	555	2,663	2,644	625
Other (Non-U.S.)	50	48	40	40	38	32
Total	1,707	1,674	596	2,703	2,682	657

	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	835	816	373
Army Reserve	736	731	103
Army National Guard	1,215	1,214	127
Other	22	22	10
Total Direct	2,808	2,783	614
Other (Non-U.S.)	40	38	32
Total	2,848	2,821	646

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Operation and Maintenance, Army
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Detail by Subactivity Group 323: Professional Development Education

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	196	199	-6	10	7	-18
Army Reserve	281	284	34	133	130	5
Army National Guard	544	550	43	0	0	0
Other	-15	-15	-1	2	2	1
Total Direct	1,006	1,018	70	145	139	-11
Other (Non-U.S.)	-10	-10	-8	0	0	0
Total	996	1,008	61	145	139	-11

Advanced Professional Education - Enlisted

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	1,582	1,582	136	1,345	1,345	115
Army Reserve	67	67	6	150	150	13
Army National Guard	27	27	2	40	40	3
Other	1	1	0	0	0	0
Total Direct	1,677	1,677	144	1,535	1,535	131
Other (Non-U.S.)	9	9	1	4	4	0
Total	1,686	1,686	145	1,539	1,539	131

	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	1,370	1,370	117
Army Reserve	73	73	6
Army National Guard	30	30	3
Other	0	0	0
Total Direct	1,473	1,473	126
Other (Non-U.S.)	2	2	0
Total	1,475	1,475	126

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Detail by Subactivity Group 323: Professional Development Education

	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-237	-237	-21	25	25	2
Army Reserve	83	83	7	-77	-77	-7
Army National Guard	13	13	1	-10	-10	0
Other	-1	-1	0	0	0	0
Total Direct	-142	-142	-13	-62	-62	-5
Other (Non-U.S.)	-5	-5	-1	-2	-2	0
Total	-147	-147	-14	-64	-64	-5

Advanced Professional Education - Officer

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	1,175	1,173	131	1,161	1,159	160
Army Reserve	197	197	14	161	161	9
Army National Guard	318	318	26	344	344	21
Other	193	193	25	237	237	27
Total Direct	1,883	1,881	196	1,903	1,901	217
Other (Non-U.S.)	133	133	21	132	132	12
Total	2,016	2,014	217	2,035	2,033	229

	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	1,387	1,385	159
Army Reserve	167	167	10
Army National Guard	308	308	21
Other	246	246	29
Total Direct	2,108	2,106	218
Other (Non-U.S.)	7	7	6
Total	2,115	2,113	224

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	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-14	-14	29	226	226	-1
Army Reserve	-36	-36	-5	6	6	1
Army National Guard	26	26	-5	-36	-36	0
Other	44	44	2	9	9	2
Total Direct	20	20	21	205	205	1
Other (Non-U.S.)	-1	-1	-9	-125	-125	-6
Total	19	19	12	80	80	-5

Advanced Professional Education - Other (Functional Training)

	FY 2016			FY 2017		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	2,721	2,720	101	2,105	2,104	88
Army Reserve	550	550	20	506	506	19
Army National Guard	149	149	7	171	171	9
Other	656	656	15	805	804	21
Total Direct	4,076	4,075	143	3,587	3,585	137
Other (Non-U.S.)	9	9	0	0	0	0
Total	4,085	4,084	143	3,587	3,585	137

	FY 2018		
	INPUT	OUTPUT	WORKLOAD
Active Army	2,162	2,161	81
Army Reserve	520	520	19
Army National Guard	158	158	7
Other	704	704	18
Total Direct	3,544	3,543	125
Other (Non-U.S.)	0	0	0
Total	3,544	3,543	125

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	Change FY 2016/FY 2017			Change FY 2017/FY 2018		
	INPUT	OUTPUT	WORKLOAD	INPUT	OUTPUT	WORKLOAD
Active Army	-616	-616	-13	57	57	-7
Army Reserve	-44	-44	-1	14	14	0
Army National Guard	22	22	2	-13	-13	-2
Other	149	148	6	-101	-100	-3
Total Direct	-489	-490	-6	-43	-42	-12
Other (Non-U.S.)	-9	-9	0	0	0	0
Total	-498	-499	-6	-43	-42	-12

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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Detail by Subactivity Group 323: Professional Development Education

V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	755	638	636	-2
Officer	540	452	442	-10
Enlisted	215	186	194	8
<u>Active Military Average Strength (A/S) (Total)</u>	737	697	637	-60
Officer	503	496	447	-49
Enlisted	234	201	190	-11
<u>Civilian FTEs (Total)</u>	814	814	851	37
U.S. Direct Hire	814	814	851	37
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	814	814	851	37
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>	107	115	111	-4
<u>Contractor FTEs (Total)</u>	499	352	437	85

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	86,487	0	1.60%	1,386	4,650	92,523	0	1.93%	1,785	-604	93,704
0103	WAGE BOARD	891	0	1.68%	15	168	1,074	0	1.68%	18	-117	975
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	87,378	0		1,401	4,818	93,597	0		1,803	-721	94,679
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	11,222	0	1.80%	202	4,099	15,523	0	2.00%	310	212	16,045
0399	TOTAL TRAVEL	11,222	0		202	4,099	15,523	0		310	212	16,045
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	584	0	-4.63%	-27	-298	259	0	2.84%	7	29	295
0416	GSA MANAGED SUPPLIES AND MATERIALS	60	0	1.80%	1	2,009	2,070	0	2.00%	41	3	2,114
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	644	0		-26	1,711	2,329	0		48	32	2,409
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	2,264	0	1.80%	41	265	2,570	0	2.00%	51	26	2,647
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	2,264	0		41	265	2,570	0		51	26	2,647
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	0	0	0.80%	0	12	12	0	1.30%	0	-2	10
0771	COMMERCIAL TRANSPORTATION	462	0	1.80%	8	-453	17	0	2.00%	0	-7	10
0799	TOTAL TRANSPORTATION	462	0		8	-441	29	0		0	-9	20
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	319	0	1.80%	6	-265	60	0	2.00%	1	-2	59
0915	RENTS (NON-GSA)	0	0	1.80%	0	166	166	0	2.00%	3	-4	165
0917	POSTAL SERVICES (U.S.P.S)	103	0	1.80%	2	95	200	0	2.00%	4	2	206
0920	SUPPLIES AND MATERIALS (NON-FUND)	5,392	0	1.80%	97	6,177	11,666	0	2.00%	233	647	12,546
0921	PRINTING AND REPRODUCTION	1,035	0	1.80%	19	2,704	3,758	0	2.00%	75	0	3,833

Exhibit OP-5, Subactivity Group 323

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Activity Group 32: Basic Skill and Advanced Training
Detail by Subactivity Group 323: Professional Development Education

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0922	EQUIPMENT MAINTENANCE BY CONTRACT	303	0	1.80%	5	569	877	0	2.00%	18	2	897
0923	OPERATION AND MAINTENANCE OF FACILITIES	9,773	0	1.80%	176	-7,115	2,834	0	2.00%	57	514	3,405
0925	EQUIPMENT PURCHASES (NON-FUND)	2,308	0	1.80%	42	4,330	6,680	0	2.00%	134	-81	6,733
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	13,660	0	1.80%	246	-8,082	5,824	0	2.00%	116	880	6,820
0933	STUDIES, ANALYSIS, AND EVALUATIONS	3,560	0	1.80%	64	2,232	5,856	0	2.00%	117	884	6,857
0934	ENGINEERING AND TECHNICAL SERVICES	2,386	0	1.80%	43	-515	1,914	0	2.00%	38	199	2,151
0935	TRAINING AND LEADERSHIP DEVELOPMENT	49,034	0	0.00%	0	-49,034	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	43,088	43,088
0937	LOCALLY PURCHASED FUEL (NON-FUND)	15	0	-8.20%	-1	-6	8	0	-0.40%	0	-5	3
0987	OTHER INTRA-GOVERNMENT PURCHASES	1,978	0	1.80%	36	16,359	18,373	0	2.00%	367	-16,216	2,524
0989	OTHER SERVICES	1,374	0	1.80%	25	30,511	31,910	0	2.00%	638	-29,586	2,962
0990	IT CONTRACT SUPPORT SERVICES	10,154	0	1.80%	183	2,072	12,409	0	2.00%	248	-18	12,639
0999	TOTAL OTHER PURCHASES	101,394	0		943	198	102,535	0		2,049	304	104,888
9999	GRAND TOTAL	203,364	0		2,569	10,650	216,583	0		4,261	-156	220,688

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Activity Group 32: Basic Skill and Advanced Training
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 Materiel Command

Army Service Component Commands:

U.S. Army Special Operations Command
U.S. Army Pacific

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Direct Reporting Units:

U.S. Army War College
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 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
TRAINING SUPPORT	\$569,594	\$612,465	\$0	0.00%	\$612,465	\$612,465	\$618,164	
SUBACTIVITY GROUP TOTAL	\$569,594	\$612,465	\$0	0.00%	\$612,465	\$612,465	\$618,164	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$612,465	\$612,465				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			612,465					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			612,465					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					12,069			
Functional Transfers					0			
Program Changes					-6,370			
NORMALIZED CURRENT ESTIMATE			\$612,465		\$618,164			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 612,465
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 612,465
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 612,465
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 612,465

DEPARTMENT OF THE ARMY
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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 612,465
6. Price Change	\$ 12,069
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 43,072
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 43,072

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<p>1) Defense Language Program.....</p> <p>Increases funding for training development at the Defense Language Institute Foreign Language Center necessary to continue expansion, development, and validation of the Defense Language Proficiency Test 5 in critical and enduring languages, curriculum, and faculty development. (Baseline: \$51,292)</p>	<p>\$ 4,955</p>
<p>2) Graduate Pilot Training</p> <p>Funds an increase for supplies and maintenance to support 129 additional training seats in Initial Entry Rotary Wing flight training and Advanced Rotary Wing aircraft Qualification training. This training is critical to the operational force because it is intended for senior Warrants Officer who provide much of the institutional knowledge within the aviation units. (Baseline: \$18,391)</p>	<p>\$ 1,125</p>
<p>3) Information Technology Services Management (ITSM)</p> <p>Increases funding for life-cycle replacement of communications and other information technology equipment. ITSM provides information technology transport services for long haul communication, installation infrastructure, and satellite air time. (Baseline: \$3,773)</p>	<p>\$ 1,476</p>
<p>4) Recruiting and Retention Training Support.....</p> <p>Increases funding due to costs associated with the Recruiter and Retention School for the Army's Accessions Mission in the Army Recruiting program. Resources support headquarters operations, travel, supplies, and General Services Administration leased vehicles. (Baseline: \$3,840)</p>	<p>\$ 818</p>
<p>5) Training Information Infrastructure.....</p> <p>Funding increase sustains 489 Level II classrooms for day-to-day operations which includes dedicated system administrators, training technology replacement parts and supplies, and system/electrical engineers to support the configuration and trouble-shooting of operational issues. Level II Classrooms provides the capability to conduct digital warrior training, integrated training, multi-functional training, tactical operations center training, and game-based technology training. (Baseline: \$5,007)</p>	<p>\$ 3,256</p>
<p>6) Training Support to Units</p> <p>Funding increase supports additional technical support contract personnel (administrators and programmers) required to maintain training support systems. Resources telecommunication contracts</p>	<p>\$ 31,442</p>

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to provide system/site integration, site surveys, equipment maintenance, and reliable communication services for the Army's Distributed Learning System to ensure that current, relevant training and professional military education meets the Soldiers, leaders and unit competency needs throughout the Army. (Baseline: \$130,144)

9. Program Decreases.....	\$ -49,442
a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -49,442
1) Army Training Center Operations	\$ -13,234
Decreases funding for Initial Military Training due to a decrease in Armor, Infantry, and Explosive Ordnance Disposal training seats. (Baseline: \$61,810)	
2) Civilian Average Annual Compensation.....	\$ -7,701
Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$323,780)	
3) Civilian Workforce Reduction.....	\$ -8,593
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: \$323,780; -72 FTE)	

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4) Leader Development.....	\$ -1,006
Decreases funding for training and doctrine development operational support requirements. Reduces funding for supplies and materials, equipment, contract support, and associated training products. (Baseline: \$15,503)	
5) Military Training Specific Allotment (MTSA)	\$ -9,446
Reduces funding for the MTSA program due to a decrease in the number of Active Component Soldiers attending institutional training and leadership courses. (Baseline: \$138,537)	
6) Non-Divisional Modified Table of Organization and Equipment Units	\$ -1,858
Decreases funding for operational support requirements at Headquarters, U.S. Army Training and Doctrine Command. Also reduces repair parts due to increased usage of simulators for training. (Baseline: \$42,789)	
7) Special Skills Training.....	\$ -4,522
Decreases funding for Special Skills Training programs due to a reduced requirement. Reduces funding for Class III (petroleum, oils, and lubricants), Class IX (repair parts and expendable items), and maintenance support. (Baseline: \$11,136)	
8) Training Development Support	\$ -3,082
Decreases funding for contract manpower related to the development of training doctrine and associated training products and materials. (Baseline: \$130,340)	

FY 2018 Budget Request.....\$ 618,164

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IV. Performance Criteria and Evaluation Summary:

Number of Personnel to perform functions in Program and Services:

	<u>FY 2016 Actual</u>	<u>FY 2017</u>	<u>FY 2018</u>
	2,965	2,747	2,691
Programs and Services:			
	<u>FY 2016 Actual</u>	<u>FY 2017</u>	<u>FY 2018</u>
Distributed Learning (DL) Course Completed ¹	6,894,616	9,196,532	6,894,616
Deployable Digital Training Campus/Hours Used ⁴	60/7,444	0	0
Facilities in support of DL Activities	584	584	601
Students trained in Inspector General School	558	608	601
Foreign Language Tests Developed	9	19	9
Foreign Language Training Products	509	510	747
Reserve Component Training Institutions Accredited ²	178	440	174
Foreign Students Support (WHINSEC) ³	1,570	1,400	1,984
Maintenance Miles Supported in TRADOC Schools	9,180,382	9,221,540	8,005,685
Cyber Training and Doctrine Development Products ⁵	340	1,038	600

Notes:

1. The Army's DL 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 Environmental Protective Agency requirements, required annual training courses and other functional and developmental courses.
2. The Army Training Institutes conducts external evaluations for the Reserve Component of the Total Army School System Institutions consisting of 760 RC related courses at 199 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 Information Technology Contracts Support Services (\$27.5 million) were transferred to Subactivity Group 121 in FY 2017.
5. Cyber Training and Doctrine Product requirements to support the Army's training and operational units.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	2,891	3,005	2,988	-17
Officer	963	983	976	-7
Enlisted	1,928	2,022	2,012	-10
<u>Active Military Average Strength (A/S) (Total)</u>	2,970	2,948	2,997	49
Officer	977	973	980	7
Enlisted	1,993	1,975	2,017	42
<u>Civilian FTEs (Total)</u>	2,603	2,763	2,691	-72
U.S. Direct Hire	2,602	2,762	2,690	-72
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	2,602	2,762	2,690	-72
Foreign National Indirect Hire	1	1	1	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 14	 1	 -13
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	112	117	116	-1
<u>Contractor FTEs (Total)</u>	526	549	573	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:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	290,441	0	1.67%	4,848	28,252	323,541	0	1.84%	5,969	-16,376	313,134
0103	WAGE BOARD	231	0	0.87%	2	-48	185	0	2.16%	4	65	254
0106	BENEFITS TO FORMER EMPLOYEES	910	0	0.00%	0	-910	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	291,582	0		4,850	27,294	323,726	0		5,973	-16,311	313,388
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	42,903	0	1.80%	772	15,769	59,444	0	2.00%	1,189	-5,964	54,669
0399	TOTAL TRAVEL	42,903	0		772	15,769	59,444	0		1,189	-5,964	54,669
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	403	0	-8.20%	-33	323	693	0	-0.40%	-3	-23	667
0411	ARMY SUPPLY	29,251	0	-4.63%	-1,354	8,760	36,657	0	2.84%	1,041	2,661	40,359
0416	GSA MANAGED SUPPLIES AND MATERIALS	38	0	1.80%	1	32	71	0	2.00%	1	-17	55
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	29,692	0		-1,386	9,115	37,421	0		1,039	2,621	41,081
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	8,148	0	-0.26%	-21	-3,126	5,001	0	2.84%	142	358	5,501
0503	NAVY FUND EQUIPMENT	659	0	3.86%	25	-345	339	0	3.86%	13	15	367
0507	GSA MANAGED EQUIPMENT	2,733	0	1.80%	49	-2,353	429	0	2.00%	9	15	453
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	11,540	0		53	-5,824	5,769	0		164	388	6,321
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	694	0	-1.80%	-12	-667	15	0	-2.80%	0	-5	10
0719	SDDC CARGO OPERATION (PORT HANDLING)	2,915	0	0.80%	23	-794	2,144	0	1.30%	28	128	2,300
0771	COMMERCIAL TRANSPORTATION	907	0	1.80%	16	236	1,159	0	2.00%	23	62	1,244
0799	TOTAL TRANSPORTATION	4,516	0		27	-1,225	3,318	0		51	185	3,554
<u>OTHER PURCHASES</u>												

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	69	0	1.45%	1	-16	54	-1	1.89%	1	17	71
0914 PURCHASED COMMUNICATIONS (NON-FUND)	868	0	1.80%	16	-473	411	0	2.00%	8	25	444
0915 RENTS (NON-GSA)	74,568	0	1.80%	1,342	-18,947	56,963	0	2.00%	1,139	7,985	66,087
0917 POSTAL SERVICES (U.S.P.S)	134	0	1.80%	2	-84	52	0	2.00%	1	-1	52
0920 SUPPLIES AND MATERIALS (NON-FUND)	7,509	0	1.80%	135	949	8,593	0	2.00%	172	48	8,813
0921 PRINTING AND REPRODUCTION	1,418	0	1.80%	26	-533	911	0	2.00%	18	-16	913
0922 EQUIPMENT MAINTENANCE BY CONTRACT	624	0	1.80%	11	5,985	6,620	0	2.00%	132	241	6,993
0923 OPERATION AND MAINTENANCE OF FACILITIES	3,667	0	1.80%	66	2,204	5,937	0	2.00%	119	284	6,340
0925 EQUIPMENT PURCHASES (NON-FUND)	5,908	0	1.80%	106	-2,351	3,663	0	2.00%	73	-21	3,715
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	34,968	0	1.80%	629	-16,864	18,733	0	2.00%	375	-693	18,415
0933 STUDIES, ANALYSIS, AND EVALUATIONS	5,810	0	1.80%	105	-5,915	0	0	2.00%	0	0	0
0934 ENGINEERING AND TECHNICAL SERVICES	1,094	0	1.80%	20	-1,114	0	0	2.00%	0	0	0
0935 TRAINING AND LEADERSHIP DEVELOPMENT	6,696	0	0.00%	0	-6,696	0	0	2.00%	0	0	0
0936 TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	5,994	5,994
0937 LOCALLY PURCHASED FUEL (NON-FUND)	3	0	-8.20%	0	26	29	0	-0.40%	0	-1	28
0987 OTHER INTRA-GOVERNMENT PURCHASES	3,520	0	1.80%	63	7,780	11,363	0	2.00%	227	316	11,906
0989 OTHER SERVICES	16,267	0	1.80%	293	14,235	30,795	0	2.00%	616	-4,024	27,387
0990 IT CONTRACT SUPPORT SERVICES	26,238	0	1.80%	472	11,953	38,663	0	2.00%	773	2,557	41,993
0999 TOTAL OTHER PURCHASES	189,361	0		3,287	-9,861	182,787	-1		3,654	12,711	199,151
9999 GRAND TOTAL	569,594	0		7,603	35,268	612,465	-1		12,070	-6,370	618,164

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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. Marketing targets civilian, enlisted and officer recruiting missions. Funds accessions automation and communication requirements, which support the civilian, enlisted and officer missions of the Active and Reserve Components. Also funds 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 Army's Accession enterprise.

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):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
RECRUITING AND ADVERTISING	\$506,924	\$600,599	\$0	0.00%	\$600,599	\$600,599	\$613,586	
SUBACTIVITY GROUP TOTAL	\$506,924	\$600,599	\$0	0.00%	\$600,599	\$600,599	\$613,586	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$600,599		\$600,599			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			600,599					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			600,599					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					12,057			
Functional Transfers					24,081			
Program Changes					-23,151			
NORMALIZED CURRENT ESTIMATE			\$600,599		\$613,586			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 600,599
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 600,599
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 600,599
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 600,599

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 600,599
6. Price Change	\$ 12,057
7. Transfers.....	\$ 24,081
a) Transfers In	\$ 24,081
1) Recruiting	\$ 24,081
Transfers funding and FTEs from SAG 332, Examining to SAG 331, Recruiting and Advertising to properly align Army recruiting resources to the appropriate Subactivity Group. (Baseline: \$308,177; 124 FTE)	
b) Transfers Out	\$ 0
8. Program Increases	\$ 19,882
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

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c) Program Growth in FY 2018\$ 19,882

1) Civilian Average Annual Compensation.....\$ 28

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$130,045)

2) Recruiting\$ 19,854

Increase in funding is a result of an increase in accessions as the Army is shifting away from downsizing the force. Higher accessions require added resources to facilitate meals, lodging, and travel. The average trips a recruit makes to the Military Entrance Processing Station has increased in recent years for medical and administrative updates costing more per Soldier (Baseline: \$308,177)

9. Program Decreases.....\$ -43,033

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -43,033

1) Advertising\$ -39,291

Decrease in funding in media efforts and marketing events from FY 2017 to FY 2018 due to the FY 2017 surge to meet the end strength increase. The FY 2018 funding levels reflect the minimum of resources to sustain the 476,000 active component in a low unemployment rate environment (unemployment under six percent). (Baseline: \$292,422)

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2) Civilian Workforce Reduction.....\$ -3,742
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:
\$130,045; -60 FTE)

FY 2018 Budget Request.....\$ 613,586

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IV. Performance Criteria and Evaluation Summary:

	FY 2016			FY 2017			FY 2018		
	Total	I-III A	HSDG	Total	I-III A	HSDG	Total	I-III A	HSDG
Non-Prior Services Males	50.3	31.3	48.1	50.1	31.2	47.9	52.9	32.9	50.6
Non-Prior Services Females	10.6	5.4	10.3	10.6	5.4	10.3	11.2	5.7	10.8
Total Non-Prior Service	60.9	36.7	58.4	60.7	36.6	58.2	64.1	38.6	61.5
Prior Service	1.8	1.3	1.7	1.8	1.3	1.7	1.9	1.4	1.8
Total	62.7	38.0	60.1	62.5	37.9	59.9	66.0	40.0	63.3

	Change FY 2016/FY2017			Change FY 2017/FY2018		
	Total	I-III A	HSDG	Total	I-III A	HSDG
Non-Prior Services Males	-0.2	-0.1	-0.2	2.8	1.7	2.7
Non-Prior Services Females	0.0	0.0	0.0	0.6	0.3	0.5
Total Non-Prior Service	-0.2	-0.1	-0.2	3.4	2.0	3.3
Prior Service	0.0	0.0	0.0	0.1	0.1	0.1
Total	-0.2	-0.1	-0.2	3.5	2.1	3.4

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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**Recruiting and Advertising
 Funding Profile**

	FY 2016	FY2017	FY2018
Advertising	202,300	292,422	258,986
Recruiting	304,624	308,177	354,600
Total	506,924	600,599	613,586

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	9,508	8,369	8,833	464
Officer	627	603	617	14
Enlisted	8,881	7,766	8,216	450
<u>Active Military Average Strength (A/S) (Total)</u>	9,334	8,939	8,601	-338
Officer	632	615	610	-5
Enlisted	8,702	8,324	7,991	-333
<u>Civilian FTEs (Total)</u>	1,384	1,499	1,563	64
U.S. Direct Hire	1,384	1,499	1,563	64
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,384	1,499	1,563	64
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>	83	87	89	2
<u>Contractor FTEs (Total)</u>	530	1,462	1,358	-104

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	114,956	0	1.69%	1,940	12,710	129,606	0	2.03%	2,631	5,772	138,009
0103	WAGE BOARD	74	0	8.11%	6	359	439	0	0.91%	4	-79	364
0106	BENEFITS TO FORMER EMPLOYEES	495	0	0.00%	0	-495	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	115,525	0		1,946	12,574	130,045	0		2,635	5,693	138,373
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	56,160	0	1.80%	1,011	-1,801	55,370	0	2.00%	1,107	5,061	61,538
0399	TOTAL TRAVEL	56,160	0		1,011	-1,801	55,370	0		1,107	5,061	61,538
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	3,796	0	-4.63%	-176	-2,032	1,588	0	2.84%	45	0	1,633
0416	GSA MANAGED SUPPLIES AND MATERIALS	290	0	1.80%	5	2,956	3,251	0	2.00%	65	482	3,798
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	4,086	0		-171	924	4,839	0		110	482	5,431
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	7,485	0	1.80%	135	10,363	17,983	0	2.00%	360	406	18,749
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	7,485	0		135	10,363	17,983	0		360	406	18,749
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	1,548	0	1.80%	28	200	1,776	0	2.00%	36	20	1,832
0799	TOTAL TRANSPORTATION	1,548	0		28	200	1,776	0		36	20	1,832
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	261	0	1.80%	5	209	475	0	2.00%	9	0	484
0915	RENTS (NON-GSA)	453	0	1.80%	8	-454	7	0	2.00%	0	0	7
0917	POSTAL SERVICES (U.S.P.S)	349	0	1.80%	6	-197	158	0	2.00%	3	0	161
0920	SUPPLIES AND MATERIALS (NON-FUND)	11,009	0	1.80%	198	-2,435	8,772	0	2.00%	175	3,176	12,123
0921	PRINTING AND REPRODUCTION	82,575	0	1.80%	1,486	128,284	212,345	0	2.00%	4,247	-17,068	199,524

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0922	EQUIPMENT MAINTENANCE BY CONTRACT	286	0	1.80%	5	7	298	0	2.00%	6	0	304
0923	OPERATION AND MAINTENANCE OF FACILITIES	1,492	0	1.80%	27	4,441	5,960	0	2.00%	119	0	6,079
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	20,618	0	1.80%	371	-20,989	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	54	0	1.80%	1	1,839	1,894	0	2.00%	38	0	1,932
0934	ENGINEERING AND TECHNICAL SERVICES	8,666	0	1.80%	156	-8,822	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	119	0	0.00%	0	-119	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	241	0	-8.20%	-20	-184	37	0	-0.40%	0	95	132
0964	SUBSISTENCE AND SUPPORT OF PERSONS	14,943	0	1.80%	269	-1,850	13,362	0	2.00%	267	0	13,629
0989	OTHER SERVICES	131,468	0	1.80%	2,366	-23,461	110,373	0	2.00%	2,207	5,731	118,311
0990	IT CONTRACT SUPPORT SERVICES	49,586	0	1.80%	893	-13,574	36,905	0	2.00%	738	-2,666	34,977
0999	TOTAL OTHER PURCHASES	322,120	0		5,771	62,695	390,586	0		7,809	-10,732	387,663
9999	GRAND TOTAL	506,924	0		8,720	84,955	600,599	0		12,057	930	613,586

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Detail by Subactivity Group 332: Examining

I. Description of Operations Financed:

EXAMINING - Funds the U.S. Military Entrance Processing Command (USMEPCOM), which 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 Military Entrance Test (MET) sites throughout the 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

Direct Reporting Units:

U.S. Military Entrance Processing Command

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
EXAMINING	<u>Actual</u>	<u>Request</u>	<u> </u>	<u> </u>	<u> </u>	<u>Estimate</u>	<u>Estimate</u>	
	\$166,698	\$187,263	\$0	0.00%	\$187,263	\$187,263	\$171,223	
SUBACTIVITY GROUP TOTAL	\$166,698	\$187,263	\$0	0.00%	\$187,263	\$187,263	\$171,223	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$187,263	\$187,263				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			187,263					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			187,263					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change				3,233				
Functional Transfers				-24,081				
Program Changes				4,808				
NORMALIZED CURRENT ESTIMATE			\$187,263		\$171,223			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 187,263
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 187,263
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 187,263
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 187,263

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 187,263
6. Price Change	\$ 3,233
7. Transfers.....	\$ -24,081
a) Transfers In	\$ 0
b) Transfers Out	\$ -24,081
1) Recruiting	\$ -24,081
Transfers funding and FTEs from SAG 332, Examining to SAG 331, Recruiting and Advertising to properly align Army recruiting resources to the appropriate Subactivity Group. (Baseline: \$24,081; -124 FTE)	
8. Program Increases	\$ 11,729
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

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c) Program Growth in FY 2018\$ 11,729

1) U.S. Military Entrance Processing Command (USMEPCOM) - Applicant Processing System.....\$ 1,048
 Increases funding for system upgrades to the USMEPCOM applicant processing system automation infrastructure and communications capability in accordance with the Department of Defense Force of the Future Military Reform initiative. (Baseline: \$50,593)

2) U.S. Military Entrance Processing Command (USMEPCOM) - Operations\$ 10,681
 Increases funds for tester travel requirements to administer the Armed Services Vocational Aptitude Battery enlistment test. Also funds life cycle replacement of equipment for 65 geographically dispersed Military Entrance Processing Stations. (Baseline: \$112,704)

9. Program Decreases.....\$ -6,921

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -6,921

1) Civilian Average Annual Compensation.....\$ -5,090
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$139,178)

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2) Civilian Workforce Reduction.....\$ -1,831
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:
\$139,178; -23 FTE)

FY 2018 Budget Request.....\$ 171,223

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Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 332: Examining

IV. Performance Criteria and Evaluation Summary:

<u>Examining (Number in Thousands)</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2016/FY 2017</u>	<u>Change FY 2017/FY 2018</u>
<u>Military Entrance Processing Station Accession Workload</u>					
Army (Active and Reserve Component)	111.9	117.5	139.0	5.6	21.5
Navy	34.5	39.2	39.9	4.7	0.7
Air Forces	32.9	28.0	44.2	-4.9	16.2
Marines	38.3	36.4	36.5	-1.9	0.1
Coast Guard	3.5	3.0	3.0	-0.5	0.0
Total	221.1	224.1	262.6	3.0	38.5
<u>Production Testing</u>					
Army (Active and Reserve Component)	197.1	216.9	256.6	19.8	39.7
Navy	67.5	76.8	78.2	9.3	1.4
Air Forces	60.9	63.3	89.0	2.4	25.7
Marines	57.5	60.9	61.5	3.4	0.6
Coast Guard	8.1	7.0	7.0	-1.1	0.0
Total	391.1	424.9	492.3	33.8	67.4
<u>Medical Testing</u>					
Army (Active and Reserve Component)	132.8	139.0	141.3	6.2	2.3
Navy	52.1	58.0	59.0	5.9	1.0
Air Forces	48.2	50.2	50.5	2.0	0.3
Marines	49.9	50.6	50.6	0.7	0.0
Coast Guard	6.0	5.0	5.0	-1.0	0.0
Total	289.0	302.8	306.4	13.8	3.6

FY 2016 - 2018 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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	442	401	228	-173
Officer	157	145	130	-15
Enlisted	285	256	98	-158
<u>Active Military Average Strength (A/S) (Total)</u>	443	422	315	-107
Officer	157	151	138	-13
Enlisted	286	271	177	-94
<u>Civilian FTEs (Total)</u>	1,604	1,793	1,646	-147
U.S. Direct Hire	1,604	1,793	1,646	-147
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,604	1,793	1,646	-147
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>	74	78	73	-5
<u>Contractor FTEs (Total)</u>	135	179	207	28

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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Activity Group 33: Recruiting and Other Training and Education
Detail by Subactivity Group 332: Examining

VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	118,025	0	1.76%	2,080	18,779	138,884	0	1.65%	2,290	-21,091	120,083
0103	WAGE BOARD	174	0	1.15%	2	118	294	0	0.00%	0	-237	57
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	118,199	0		2,082	18,897	139,178	0		2,290	-21,328	120,140
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	7,454	0	1.80%	134	-2,084	5,504	0	2.00%	110	-2,777	2,837
0399	TOTAL TRAVEL	7,454	0		134	-2,084	5,504	0		110	-2,777	2,837
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	346	0	-4.63%	-16	-325	5	0	2.84%	0	0	5
0416	GSA MANAGED SUPPLIES AND MATERIALS	606	0	1.80%	11	292	909	0	2.00%	18	-482	445
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	952	0		-5	-33	914	0		18	-482	450
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	7,443	0	1.80%	134	-5,227	2,350	0	2.00%	47	2,516	4,913
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	7,443	0		134	-5,227	2,350	0		47	2,516	4,913
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	28	0	1.80%	0	30	58	0	2.00%	1	-20	39
0799	TOTAL TRANSPORTATION	28	0		0	30	58	0		1	-20	39
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	189	0	1.80%	3	21	213	0	2.00%	4	0	217
0915	RENTS (NON-GSA)	58	0	1.80%	1	22	81	0	2.00%	2	0	83
0917	POSTAL SERVICES (U.S.P.S)	82	0	1.80%	1	17	100	0	2.00%	2	0	102
0920	SUPPLIES AND MATERIALS (NON-FUND)	5,590	0	1.80%	101	-868	4,823	0	2.00%	96	-2,240	2,679
0921	PRINTING AND REPRODUCTION	1,966	0	1.80%	35	71	2,072	0	2.00%	41	-239	1,874
0922	EQUIPMENT MAINTENANCE BY CONTRACT	2,267	0	1.80%	41	-445	1,863	0	2.00%	37	0	1,900

Exhibit OP-5, Subactivity Group 332

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Detail by Subactivity Group 332: Examining

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0923	OPERATION AND MAINTENANCE OF FACILITIES	472	0	1.80%	8	-48	432	0	2.00%	9	0	441
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	3,112	0	1.80%	56	-3,168	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	151	0	0.00%	0	-151	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	1,057	1,057
0937	LOCALLY PURCHASED FUEL (NON-FUND)	12	0	-8.20%	-1	729	740	0	-0.40%	-3	-132	605
0957	LAND AND STRUCTURES	0	0	1.80%	0	2	2	0	2.00%	0	0	2
0987	OTHER INTRA-GOVERNMENT PURCHASES	341	0	1.80%	6	-251	96	0	2.00%	2	0	98
0989	OTHER SERVICES	3,525	0	1.80%	63	1,156	4,744	0	2.00%	95	-2,698	2,141
0990	IT CONTRACT SUPPORT SERVICES	14,857	0	1.80%	267	8,969	24,093	0	2.00%	482	7,070	31,645
0999	TOTAL OTHER PURCHASES	32,622	0		581	6,056	39,259	0		767	2,818	42,844
9999	GRAND TOTAL	166,698	0		2,926	17,639	187,263	0		3,233	-19,273	171,223

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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 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) 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 Soldiers' 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 the Army

Direct Reporting Unit:

U.S. Army Installation Management Command

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
OFF-DUTY AND VOLUNTARY EDUCATION	\$202,882	\$189,556	\$0	0.00%	\$189,556	\$189,556	\$214,738	
SUBACTIVITY GROUP TOTAL	\$202,882	\$189,556	\$0	0.00%	\$189,556	\$189,556	\$214,738	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$189,556	\$189,556				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			189,556					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			189,556					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					3,709			
Functional Transfers					0			
Program Changes					21,473			
NORMALIZED CURRENT ESTIMATE			\$189,556		\$214,738			

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 Detail by Subactivity Group 333: Off-Duty and Voluntary Education

C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 189,556
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 189,556
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 189,556
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 189,556

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 Detail by Subactivity Group 333: Off-Duty and Voluntary Education

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 189,556
6. Price Change	\$ 3,709
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 24,798
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 24,798

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Detail by Subactivity Group 333: Off-Duty and Voluntary Education

1) Army Continuing Education System \$ 10,806
Increases funding for contract support associated with operation and maintenance of the legacy and new GoArmyEd education portals. Both portals will be operating simultaneously as the Army implements the new GoArmyEd education portal in FY 2018. (Baseline: \$55,945)

2) Army Tuition Assistance \$ 13,992
Funds increase in tuition rates and course enrollments for vocational/technical and postsecondary programs. (Baseline: \$133,138)

9. Program Decreases \$ -3,325

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ -3,325

1) Civilian Average Annual Compensation \$ -2,589
Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$28,016)

2) Civilian Workforce Reduction \$ -736
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: \$28,016; -7 FTE)

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FY 2018 Budget Request.....\$ 214,738

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 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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2016/FY 2017</u>	<u>Change FY 2017/FY 2018</u>
Tuition Assistance (Enrollments)	260,779	229,295	241,603	-31,484	12,308
Tuition Assistance (Semester Hours)	788,406	692,457	729,641	-95,949	37,184
Tuition Assistance Funding (\$000)	149,324	144,135	147,135	-5,189	3,000
Tests Administered (Tests)	102,506	102,506	102,506	0	0
Functional Academic Skills Training (Enrollments)	12,446	12,446	12,446	0	0
American/Army Registry Transcript System Manuscripts	451,365	450,754	450,000	-611	-754

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</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>	260	271	264	-7
U.S. Direct Hire	255	266	258	-8
Foreign National Direct Hire	4	3	4	1
Total Direct Hire	259	269	262	-7
Foreign National Indirect Hire	1	2	2	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 8	 8	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	92	103	95	-8
<u>Contractor FTEs (Total)</u>	941	114	963	849

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 333: Off-Duty and Voluntary Education

VI. OP-32A Line Items:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	23,769	0	1.76%	418	3,670	27,857	0	1.71%	475	-3,389	24,943
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	102	0	0.00%	0	-52	50	0	2.00%	1	44	95
0106	BENEFITS TO FORMER EMPLOYEES	39	0	0.00%	0	-39	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	23,910	0		418	3,579	27,907	0		476	-3,345	25,038
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	235	0	1.80%	4	-95	144	0	2.00%	3	0	147
0399	TOTAL TRAVEL	235	0		4	-95	144	0		3	0	147
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0416	GSA MANAGED SUPPLIES AND MATERIALS	42	0	1.80%	1	18	61	0	2.00%	1	0	62
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	42	0		1	18	61	0		1	0	62
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	349	0	1.80%	6	453	808	0	2.00%	16	0	824
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	349	0		6	453	808	0		16	0	824
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	2,616	0	1.80%	47	1,263	3,926	0	2.00%	79	-1,072	2,933
0799	TOTAL TRANSPORTATION	2,616	0		47	1,263	3,926	0		79	-1,072	2,933
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	64	1	1.54%	1	43	109	-2	2.80%	3	20	130
0913	PURCHASED UTILITIES (NON-FUND)	16	0	1.80%	0	0	16	0	2.00%	0	0	16
0915	RENTS (NON-GSA)	6	0	1.80%	0	-2	4	0	2.00%	0	0	4
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,101	0	1.80%	20	131	1,252	0	2.00%	25	-3	1,274
0921	PRINTING AND REPRODUCTION	38	0	1.80%	1	-11	28	0	2.00%	1	0	29
0922	EQUIPMENT MAINTENANCE BY CONTRACT	1	0	1.80%	0	1	2	0	2.00%	0	0	2

Exhibit OP-5, Subactivity Group 333

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0923	OPERATION AND MAINTENANCE OF FACILITIES	29	0	1.80%	1	13	43	0	2.00%	1	0	44
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	3,325	0	1.80%	60	-2,696	689	0	2.00%	14	0	703
0934	ENGINEERING AND TECHNICAL SERVICES	67	0	1.80%	1	-68	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	149,312	0	0.00%	0	-149,312	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	150,502	150,502
0957	LAND AND STRUCTURES	0	0	1.80%	0	1	1	0	2.00%	0	0	1
0987	OTHER INTRA-GOVERNMENT PURCHASES	0	0	1.80%	0	2,303	2,303	0	2.00%	46	0	2,349
0989	OTHER SERVICES	3,859	0	1.80%	69	128,048	131,976	0	2.00%	2,640	-134,616	0
0990	IT CONTRACT SUPPORT SERVICES	17,912	0	1.80%	322	2,053	20,287	0	2.00%	406	9,987	30,680
0999	TOTAL OTHER PURCHASES	175,730	1		475	-19,496	156,710	-2		3,136	25,890	185,734
9999	GRAND TOTAL	202,882	1		951	-14,278	189,556	-2		3,711	21,473	214,738

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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 leader development courses, the Senior Enterprise Talent Management and the Enterprise Talent Management Programs, which include Senior Service Schools, Intermediate Level Education 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

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Detail by Subactivity Group 334: Civilian Education and Training

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
CIVILIAN EDUCATION AND TRAINING	\$155,410	\$182,835	\$0	0.00%	\$182,835	\$182,835	\$195,099	
SUBACTIVITY GROUP TOTAL	\$155,410	\$182,835	\$0	0.00%	\$182,835	\$182,835	\$195,099	
			<u>Change</u>					
			<u>FY 2017/FY 2017</u>	<u>Change</u>				
				<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$182,835			\$182,835		
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			182,835					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			182,835					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change						3,549		
Functional Transfers						0		
Program Changes						8,715		
NORMALIZED CURRENT ESTIMATE			\$182,835			\$195,099		

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 182,835
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 182,835
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 182,835
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 182,835

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 182,835
6. Price Change	\$ 3,549
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 14,251
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 14,251

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1) Acquisition Corps Education \$ 1,277
 Increases funds for tuition and books, training and developmental assignments, and executive level education requirements for advanced degrees for the acquisition workforce in accordance with the Defense Acquisition Workforce Improvement Act. (Baseline: \$5,579)

2) Civilian Training..... \$ 12,974
 Funds the participation of Army civilians in the Defense Senior Leader Development Program. Salary, travel and Permanent Change of Station costs of Army civilians were previously funded by the Department of Defense, now a Department of the Army responsibility (\$10 million). Funds critical training for required certifications in the Cyber/Information Technology, Financial Management, Human Resource Management, Medical, and Safety career Programs (\$1.5 million). Also funds travel and operating costs of Army civilians attending the Command and General Staff College (\$1.5 million). This critical training is necessary to improve the capabilities of Army civilians to lead change in times of uncertainty. (Baseline: \$56,671)

9. Program Decreases..... \$ -5,536

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ -5,536

1) Army Civilian Intern Program \$ -3,082
 Reduces funding for travel, training, and Permanent Change of Station costs. (Baseline: \$120,338)

2) Civilian Average Annual Compensation..... \$ -2,156
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail,

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which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$116,441)

3) Civilian Workforce Reduction.....\$ -298
 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: \$116,441; -4 FTE)

FY 2018 Budget Request.....\$ 195,099

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2016/2017</u>	<u>Change FY 2017/2018</u>
Career Program Interns (Funded Work Years)	1,103	1,500	1,500	397	0
Leader Development for Senior Executive Service	199	119	124	-80	5
Career Program Functional Training	10,751	6,821	6,821	-3,930	0
Civilian Education System (CES) Leader Development Training	58,562	42,517	44,190	-16,045	1,673
CES Resident-Inputs	4,026	3,864	4,437	-162	573
CES Distributed Learning-Inputs	54,536	38,653	39,753	-15,883	1,100
Senior Service College-Civilian-Inputs	20	35	39	15	4
Command and General Staff Officer Course Intermediate Level Education-Civilian-Inputs	0	15	15	15	0

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	14	16	22	6
Officer	14	16	22	6
Enlisted	0	0	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	14	15	19	4
Officer	14	15	19	4
Enlisted	0	0	0	0
<u>Civilian FTEs (Total)</u>	1,303	1,594	1,590	-4
U.S. Direct Hire	1,303	1,594	1,590	-4
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,303	1,594	1,590	-4
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	73	73	0
<u>Contractor FTEs (Total)</u>	149	161	184	23

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	93,372	0	1.87%	1,749	21,320	116,441	0	1.91%	2,220	-2,454	116,207
0103	WAGE BOARD	77	0	0.00%	0	-77	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	93,449	0		1,749	21,243	116,441	0		2,220	-2,454	116,207
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	31,065	0	1.80%	559	-927	30,697	0	2.00%	614	3,683	34,994
0399	TOTAL TRAVEL	31,065	0		559	-927	30,697	0		614	3,683	34,994
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	0	0	1.80%	0	451	451	0	2.00%	9	0	460
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	0	0		0	451	451	0		9	0	460
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	1,555	0	1.80%	28	1,552	3,135	0	2.00%	63	1,876	5,074
0799	TOTAL TRANSPORTATION	1,555	0		28	1,552	3,135	0		63	1,876	5,074
<u>OTHER PURCHASES</u>												
0920	SUPPLIES AND MATERIALS (NON-FUND)	2,168	0	1.80%	39	48	2,255	0	2.00%	45	1,181	3,481
0921	PRINTING AND REPRODUCTION	145	0	1.80%	3	-90	58	0	2.00%	1	0	59
0922	EQUIPMENT MAINTENANCE BY CONTRACT	506	0	1.80%	9	163	678	0	2.00%	14	0	692
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,328	0	1.80%	24	-1,352	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	245	0	1.80%	4	-249	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	20,572	0	0.00%	0	-20,572	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	28,929	28,929
0989	OTHER SERVICES	2,166	0	1.80%	39	24,086	26,291	0	2.00%	526	-24,500	2,317
0990	IT CONTRACT SUPPORT SERVICES	2,211	0	1.80%	40	578	2,829	0	2.00%	57	0	2,886
0999	TOTAL OTHER PURCHASES	29,341	0		158	2,612	32,111	0		643	5,610	38,364

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>Percent</u>					<u>Percent</u>			
9999	GRAND TOTAL	155,410	0		2,494	24,931	182,835	0		3,549	8,715	195,099

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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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Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
JUNIOR RESERVE OFFICER TRAINING CORPS	\$175,015	\$171,167	\$0	0.00%	\$171,167	\$171,167	\$176,116	
SUBACTIVITY GROUP TOTAL	\$175,015	\$171,167	\$0	0.00%	\$171,167	\$171,167	\$176,116	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$171,167	\$171,167				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			171,167					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			171,167					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					3,412			
Functional Transfers					0			
Program Changes					1,537			
NORMALIZED CURRENT ESTIMATE			\$171,167		\$176,116			

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 Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 171,167
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 171,167
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 171,167
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 171,167

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 171,167
6. Price Change	\$ 3,412
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 1,866
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 1,866

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 Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

1) Junior Reserve Officer Training Corps (JROTC) \$ 1,866
 Funds increase the number of JROTC schools from 1704 to 1709. Funding supports instructors, travel, training, supplies, and equipment. (Baseline: \$171,167)

9. Program Decreases \$ -329

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ -329

1) Civilian Average Annual Compensation \$ -54
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$6,841)

2) Civilian Workforce Reduction \$ -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: \$6,841; -3 FTE)

FY 2018 Budget Request \$ 176,116

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 Detail by Subactivity Group 335: Junior Reserve Officer Training Corps

IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	Change <u>FY 2016 / FY 2017</u>	Change <u>FY 2017 / FY 2018</u>
Number of Junior ROTC Units Projected	1,695	1,704	1,709	9	5
Continental United States (Cadet Command)	1,636	1,645	1,651	9	6
Outside the Continental United States	59	59	58	0	-1
Number of JROTC Units Funded	1,701	1,704	1,709	3	5
Average Number of Enrollments	308,000	309,600	310,000	1,600	400

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	1	7	4	-3
Officer	1	1	1	0
Enlisted	0	6	3	-3
<u>Active Military Average Strength (A/S) (Total)</u>	2	4	6	2
Officer	2	1	1	0
Enlisted	0	3	5	2
<u>Civilian FTEs (Total)</u>	74	76	73	-3
U.S. Direct Hire	74	76	73	-3
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	74	76	73	-3
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>	87	90	91	1
<u>Contractor FTEs (Total)</u>	26	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.

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VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	6,447	0	1.60%	103	291	6,841	0	1.86%	127	-329	6,639
0106	BENEFITS TO FORMER EMPLOYEES	25	0	0.00%	0	-25	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	6,472	0		103	266	6,841	0		127	-329	6,639
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	4,504	0	1.80%	81	-1,628	2,957	0	2.00%	59	29	3,045
0399	TOTAL TRAVEL	4,504	0		81	-1,628	2,957	0		59	29	3,045
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	0	0	-4.63%	0	46	46	0	2.84%	1	0	47
0416	GSA MANAGED SUPPLIES AND MATERIALS	5,107	0	1.80%	92	-3,479	1,720	0	2.00%	34	52	1,806
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	5,107	0		92	-3,433	1,766	0		35	52	1,853
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	62	0	1.80%	1	18	81	0	2.00%	2	0	83
0799	TOTAL TRANSPORTATION	62	0		1	18	81	0		2	0	83
<u>OTHER PURCHASES</u>												
0920	SUPPLIES AND MATERIALS (NON-FUND)	6,029	0	1.80%	109	-217	5,921	0	2.00%	118	62	6,101
0921	PRINTING AND REPRODUCTION	928	0	1.80%	17	-820	125	0	2.00%	2	0	127
0923	OPERATION AND MAINTENANCE OF FACILITIES	48	0	1.80%	1	-27	22	0	2.00%	0	0	22
0933	STUDIES, ANALYSIS, AND EVALUATIONS	156	0	1.80%	3	-159	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	3,195	0	1.80%	58	-3,253	0	0	2.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	0	0	1.80%	0	8	8	0	2.00%	0	0	8
0989	OTHER SERVICES	147,169	0	1.80%	2,649	2,252	152,070	0	2.00%	3,041	1,723	156,834
0990	IT CONTRACT SUPPORT SERVICES	1,345	0	1.80%	24	7	1,376	0	2.00%	28	0	1,404
0999	TOTAL OTHER PURCHASES	158,870	0		2,861	-2,209	159,522	0		3,189	1,785	164,496

Exhibit OP-5, Subactivity Group 335

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 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

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>Percent</u>					<u>Percent</u>			
9999	GRAND TOTAL	175,015	0		3,138	-6,986	171,167	0		3,412	1,537	176,116

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Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
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

U.S. Army Forces Strategic Command

U.S. Army Pacific U.S. Army Cyber Command

Direct Reporting Units:

U.S. Army Intelligence and Security Command

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	FY 2018
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>Estimate</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
SECURITY PROGRAMS	\$2,387,691	\$1,186,369	\$0	0.00%	\$1,186,369	\$1,186,369	\$1,242,222	
SUBACTIVITY GROUP TOTAL	\$2,387,691	\$1,186,369	\$0	0.00%	\$1,186,369	\$1,186,369	\$1,242,222	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$1,186,369	\$1,186,369				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			1,186,369					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			1,186,369					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					22,982			
Functional Transfers					127			
Program Changes					32,744			
NORMALIZED CURRENT ESTIMATE			\$1,186,369		\$1,242,222			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 1,186,369
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 1,186,369
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 1,186,369
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 1,186,369

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 Detail by Subactivity Group 411: Security Programs

5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 1,186,369
6. Price Change.....	\$ 22,982
7. Transfers.....	\$ 127
a) Transfers In.....	\$ 230
1) Counterintelligence Support - Intelligence Support to Operations.....	\$ 230
Transfers funding and 1 FTE from SAG 431, Administration to SAG 411, Security Programs to properly align one FTE under the correct Subactivity Group. (1 FTE)	
b) Transfers Out.....	\$ -103
1) Army Counterintelligence.....	\$ -103
Transfers funding and 1 FTE from SAG 411, Security Programs to SAG 121, Force Readiness Operations Support to align intelligence operations support resources under the correct Subactivity Group. (-1 FTE)	
8. Program Increases.....	\$ 70,327

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a) Annualization of New FY 2017 Program.....\$ 0

b) One-Time FY 2018 Costs\$ 0

c) Program Growth in FY 2018\$ 70,327

1) Army Counterintelligence.....\$ 51,817
 Increases funding and 23 FTEs in support of expanded capabilities in Identity Intelligence, Human Intelligence, and associated Intelligence Staff support. In addition, funding provides for government owned, contractor operated aircraft to provide long-range, wide-area, near real-time detection capabilities in the U.S. Southern Command area of responsibility. Additional program growth is attributable to adjustments to classified programs. (23 FTE)

2) Intelligence Support to Operations.....\$ 18,510
 Increases funding and 17 FTEs for Army Processing, Exploitation, and Dissemination readiness capabilities. Resources mission specific data costs, specialized training, mission-unique facilities, and equipping costs. (17 FTE)

9. Program Decreases.....\$ -37,583

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -37,583

1) Civilian Average Annual Compensation.....\$ -28,058
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting

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cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$565,800)

2) Classified Adjustment\$ -3,988
 Adjustments to classified programs. Details will be provided under separate cover to properly cleared individuals on a need to know basis.

3) Personnel Security Investigations\$ -5,537
 Reduces funding for Personal Security Investigations in a reflection of the continuing downward trend in positions requiring security clearances, particularly those at the Top Secret level.

FY 2018 Budget Request.....\$ 1,242,222

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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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	954	1,089	1,082	-7
Officer	402	380	375	-5
Enlisted	552	709	707	-2
<u>Active Military Average Strength (A/S) (Total)</u>	984	1,022	1,086	64
Officer	407	391	378	-13
Enlisted	577	631	708	77
<u>Civilian FTEs (Total)</u>	3,081	3,604	3,644	40
U.S. Direct Hire	3,081	3,505	3,545	40
Foreign National Direct Hire	0	87	87	0
Total Direct Hire	3,081	3,592	3,632	40
Foreign National Indirect Hire	0	12	12	0
 <i>(Reimbursable Civilians (Memo))</i>	 144	 22	 17	 -5
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	154	157	152	-5
<u>Contractor FTEs (Total)</u>	7,569	1,201	1,241	40

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:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	470,797	0	1.79%	8,440	84,149	563,386	0	1.87%	10,539	-21,069	552,856
0103	WAGE BOARD	335	0	1.79%	6	29	370	0	2.16%	8	29	407
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	1,682	13	1.06%	18	-312	1,401	10	0.99%	14	-668	757
0106	BENEFITS TO FORMER EMPLOYEES	493	0	0.00%	0	-493	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	473,307	13		8,464	83,373	565,157	10		10,561	-21,708	554,020
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	38,219	0	1.80%	689	-15,571	23,337	0	2.00%	467	917	24,721
0399	TOTAL TRAVEL	38,219	0		689	-15,571	23,337	0		467	917	24,721
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	1,173	0	-8.20%	-96	-1,077	0	0	0.00%	0	0	0
0411	ARMY SUPPLY	1,816	0	-4.63%	-84	-1,106	626	0	2.84%	18	279	923
0416	GSA MANAGED SUPPLIES AND MATERIALS	190	0	1.80%	3	382	575	0	2.00%	11	0	586
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	1	0	-0.70%	0	162	163	0	-1.76%	-3	0	160
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	0	0	-6.00%	0	177	177	0	-0.59%	-1	0	176
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	3,180	0		-177	-1,462	1,541	0		25	279	1,845
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	4,147	0	-0.26%	-11	-4,136	0	0	0.00%	0	0	0
0507	GSA MANAGED EQUIPMENT	729	0	1.80%	13	280	1,022	0	2.00%	20	0	1,042
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	4,876	0		2	-3,856	1,022	0		20	0	1,042
<u>OTHER FUND PURCHASES</u>												
0610	NAVAL AIR WARFARE CENTER	635	0	3.20%	20	-655	0	0	0.00%	0	0	0
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	7,423	0	-7.00%	-519	-6,904	0	0	1.90%	0	0	0
0679	COST REIMBURSABLE PURCHASES	27,175	0	1.90%	516	-27,691	0	0	1.90%	0	0	0
0680	PURCHASES FROM BUILDING MAINTENANCE FUND	1	0	-4.13%	0	-1	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 411

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		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0697	REFUNDS	7	0	0.00%	0	-7	0	0	0.00%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	35,241	0		17	-35,258	0	0		0	0	0
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	36	0	-1.80%	-1	-35	0	0	0.00%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	2	0	0.80%	0	-2	0	0	0.00%	0	0	0
0771	COMMERCIAL TRANSPORTATION	1,424	0	1.80%	26	-1,450	0	0	2.00%	0	0	0
0799	TOTAL TRANSPORTATION	1,462	0		25	-1,487	0	0		0	0	0
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	1,259	4	0.79%	10	-630	643	-9	2.21%	14	47	695
0913	PURCHASED UTILITIES (NON-FUND)	272	0	1.80%	5	1,097	1,374	0	2.00%	27	750	2,151
0914	PURCHASED COMMUNICATIONS (NON-FUND)	4,254	0	1.80%	76	4,716	9,046	0	2.00%	181	5,408	14,635
0915	RENTS (NON-GSA)	750	0	1.80%	13	-763	0	0	0.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	64	0	1.80%	1	32	97	0	2.00%	2	0	99
0920	SUPPLIES AND MATERIALS (NON-FUND)	6,442	0	1.80%	117	7,436	13,995	0	2.00%	280	4,510	18,785
0921	PRINTING AND REPRODUCTION	180	0	1.80%	3	57	240	0	2.00%	5	22	267
0922	EQUIPMENT MAINTENANCE BY CONTRACT	311,483	0	1.80%	5,607	-284,152	32,938	0	2.00%	659	3,928	37,525
0923	OPERATION AND MAINTENANCE OF FACILITIES	7,925	0	1.80%	143	7,395	15,463	0	2.00%	309	0	15,772
0925	EQUIPMENT PURCHASES (NON-FUND)	267,581	0	1.80%	4,816	-251,843	20,554	0	2.00%	411	8,044	29,009
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	2,085	0	1.80%	38	-2,123	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	648,743	0	1.80%	11,678	-567,466	92,955	0	2.00%	1,859	0	94,814
0933	STUDIES, ANALYSIS, AND EVALUATIONS	214,683	0	1.80%	3,864	-218,547	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	14,640	0	1.80%	263	-12,703	2,200	0	2.00%	44	0	2,244
0935	TRAINING AND LEADERSHIP DEVELOPMENT	22,905	0	0.00%	0	-22,905	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	205	0	-8.20%	-17	-188	0	0	-0.40%	0	0	0
0957	LAND AND STRUCTURES	605	0	1.80%	11	-616	0	0	2.00%	0	0	0
0960	INTEREST AND DIVIDENDS	7	0	1.80%	0	-7	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	178,934	0	1.80%	3,222	145,277	327,433	0	2.00%	6,549	26,987	360,969
0989	OTHER SERVICES	106,317	0	1.80%	1,914	-74,386	33,845	0	2.00%	677	889	35,411
0990	IT CONTRACT SUPPORT SERVICES	42,072	0	1.80%	757	1,700	44,529	0	2.00%	891	2,798	48,218

Exhibit OP-5, Subactivity Group 411

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		<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>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 2018</u> <u>Program</u>
0999	TOTAL OTHER PURCHASES	1,831,406	4		32,521	-1,268,619	595,312	-9		11,908	53,383	660,594
9999	GRAND TOTAL	2,387,691	17		41,541	-1,242,880	1,186,369	1		22,981	32,871	1,242,222

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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

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
SERVICEWIDE TRANSPORTATION	\$1,314,852	\$230,739	\$0	0.00%	\$230,739	\$230,739	\$555,502	
SUBACTIVITY GROUP TOTAL	\$1,314,852	\$230,739	\$0	0.00%	\$230,739	\$230,739	\$555,502	
			<u>Change</u>		<u>Change</u>			
			<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$230,739		\$230,739			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			230,739					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			230,739					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					-517			
Functional Transfers					0			
Program Changes					325,280			
NORMALIZED CURRENT ESTIMATE			\$230,739		\$555,502			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 230,739
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 230,739
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 230,739
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 230,739

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 230,739
6. Price Change	\$ -517
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 335,222
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 335,222

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- 1) Bipartisan Budget Act of 2015 Compliance \$ 195,755
Funds reflect program growth as a result of the Department's FY 2017 compliance with the Bipartisan Budget Act of 2015. Restores funding that was requested in the Department's FY 2017 Overseas Contingency Operations Budget request. The restoral funds the following programs: Redistribution Second Destination Transportation (SDT) - Material Movement and Redistribution (\$50,000), SDT - Army and Air Forces Exchange Services (\$73,769) and SDT - Operations (\$71,986). (Baseline: \$0)

- 2) Retrograde War Reserves Stockpile Allies - Korea (WRSA-K) \$ 3,157
Increases funding for contract labor rate adjustments and leasing of containers to support the WRSA-K retrograde program. (Baseline: \$4,310)

- 3) Second Destination Transportation - Force Modernization/Recapitalization \$ 23,472
Increases funding due to fielding requirements for the Joint Light Tactical Vehicle and Mine Resistant Ambush Protected Vehicles, and due to Over Ocean Transportation by air for Phased Array Tracking Radar to Intercept of Target (PATRIOT) recapitalization. (Baseline: \$48,337)

- 4) Second Destination Transportation - Material Movement and Redistribution \$ 107,897
Increases funding for equipment redistribution in support of force structure decisions, such as the Aviation Restructure Initiative, All Army Excess Program, Over-Ocean Civilian Permanent Change of Station moves and Army Equipment Redistribution and Divestiture efforts. (Baseline: \$35,647)

- 5) Second Destination Transportation - War Reserves (Non-Ammunition) \$ 4,941
Increases funding to support equipment redistribution to the Army Prepositioned Stock sites due to force structure changes and equipment modernization. (Baseline: \$12,818)

9. Program Decreases \$ -9,942

a) One-Time FY 2017 Costs \$ 0

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b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -9,942
1) Second Destination Transportation - Subsistence.....	\$ -2,900
Decrease in subsistence requirements. (Baseline: \$24,649)	
2) Second Destination Transportation - War Reserves (Ammunition).....	\$ -4,879
Decrease is due to reduction in redistribution of ammunition within Army Prepositioned Stock sites. (Baseline: \$10,706)	
3) Second Destination Transportation Army Post Office Mail.....	\$ -2,163
Decreases funding to reflect reduced mail requirements. (Baseline: \$24,354)	
FY 2018 Budget Request.....	\$ 555,502

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</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	19,795	\$124,311	9,402	\$59,046	22,998	\$144,431
Sea						
Short Tons	914,754	\$237,836	434,498	\$112,970	1,046,903	\$272,196
Other Transportation						
Short Tons	N/A	\$123,631	N/A	\$58,723	N/A	\$138,876
Second Destination Transportation (SDT) Totals		\$485,778		\$230,739		\$555,502
SDT by Selected Quality-of-Life Commodities (units are supportable troop strength):						
Subsistence	83,175	\$9,514	215,491	\$24,649	193,661	\$22,152
Army Post Office Mail	52,496	\$25,370	50,394	\$23,354	46,708	\$22,573
Army and Air Force Exchange Service	74,365	\$101,295	80,756	\$35,000	79,346	\$108,080
Transportation Operations	N/A	\$98,055	N/A	\$34,918	N/A	\$106,375

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	104	102	102	0
Officer	42	44	44	0
Enlisted	62	58	58	0
<u>Active Military Average Strength (A/S) (Total)</u>	102	103	102	-1
Officer	40	43	44	1
Enlisted	62	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>	126	7	43	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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VI. OP-32A Line Items:

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	5,424	0	1.80%	97	-4,627	894	0	2.00%	18	608	1,520
0399	TOTAL TRAVEL	5,424	0		97	-4,627	894	0		18	608	1,520
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	465	0	-8.20%	-38	-427	0	0	-0.40%	0	0	0
0411	ARMY SUPPLY	3,821	0	-4.63%	-177	-3,644	0	0	0.00%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	4,286	0		-215	-4,071	0	0		0	0	0
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	9	0	-0.26%	0	-9	0	0	0.00%	0	0	0
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	9	0		0	-9	0	0		0	0	0
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	5,331	0	-0.11%	-6	-5,325	0	0	0.00%	0	0	0
0679	COST REIMBURSABLE PURCHASES	6,118	0	1.90%	116	-6,234	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	11,449	0		110	-11,559	0	0		0	0	0
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	0	0	-9.00%	0	1,788	1,788	0	1.30%	23	-152	1,659
0705	AMC CHANNEL CARGO	242,846	0	1.80%	4,371	-209,282	37,935	0	2.00%	759	3,188	41,882
0708	MSC CHARTERED CARGO	0	0	5.40%	0	17,212	17,212	0	-26.80%	-4,613	8,264	20,863
0717	SDDC GLOBAL POV	0	0	-16.10%	0	601	601	0	2.10%	13	287	901
0718	SDDC LINER OCEAN TRANSPORTATION	636	0	-1.80%	-11	1,268	1,893	0	-2.80%	-53	209,698	211,538
0719	SDDC CARGO OPERATION (PORT HANDLING)	128,968	0	0.80%	1,032	-119,683	10,317	0	1.30%	134	49,998	60,449
0771	COMMERCIAL TRANSPORTATION	897,735	0	1.80%	16,159	-755,162	158,732	0	2.00%	3,175	46,508	208,415
0799	TOTAL TRANSPORTATION	1,270,185	0		21,551	-1,063,258	228,478	0		-562	317,791	545,707
<u>OTHER PURCHASES</u>												

Exhibit OP-5, Subactivity Group 421

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
0920	SUPPLIES AND MATERIALS (NON-FUND)	165	0	1.80%	3	-168	0	0.00%	0	0	0	
0922	EQUIPMENT MAINTENANCE BY CONTRACT	12,479	0	1.80%	225	-11,495	1,209	0	2.00%	24	-1,233	0
0923	OPERATION AND MAINTENANCE OF FACILITIES	690	0	1.80%	12	-702	0	0	0.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	299	0	1.80%	5	-304	0	0	0.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	0	0	-8.20%	0	11	11	0	-0.40%	0	14	25
0964	SUBSISTENCE AND SUPPORT OF PERSONS	446	0	1.80%	8	-454	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	509	0	1.80%	9	-371	147	0	2.00%	3	0	150
0989	OTHER SERVICES	5,810	0	1.80%	105	-5,915	0	0	2.00%	0	3,850	3,850
0990	IT CONTRACT SUPPORT SERVICES	3,101	0	1.80%	55	-3,156	0	0	2.00%	0	4,250	4,250
0999	TOTAL OTHER PURCHASES	23,499	0		422	-22,554	1,367	0		27	6,881	8,275
9999	GRAND TOTAL	1,314,852	0		21,965	-1,106,078	230,739	0		-517	325,280	555,502

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
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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:

U.S. Army Acquisition Support Center

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
CENTRAL SUPPLY ACTIVITIES	\$792,136	\$851,830	\$0	0.00%	\$851,830	\$851,830	\$894,208	
SUBACTIVITY GROUP TOTAL	\$792,136	\$851,830	\$0	0.00%	\$851,830	\$851,830	\$894,208	
			<u>Change</u>		<u>Change</u>			
			<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$851,830		\$851,830			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			851,830					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			851,830					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					17,252			
Functional Transfers					129			
Program Changes					24,997			
NORMALIZED CURRENT ESTIMATE			\$851,830		\$894,208			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 851,830
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 851,830
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 851,830
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 851,830

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 851,830
6. Price Change.....	\$ 17,252
7. Transfers.....	\$ 129
a) Transfers In.....	\$ 129
1) End Item Procurement Operations	\$ 129
Transfers funding and 1 FTE from SAG 131, Base Operations Support to SAG 422, Central Supply Activities to consolidate U.S. Army Material Command contracting support activities into the appropriate sub activity group. (Baseline: \$293,509; 1 FTE)	
b) Transfers Out.....	\$ 0
8. Program Increases	\$ 39,841
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

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c) Program Growth in FY 2018\$ 39,841

1) End Item Procurement Operations\$ 7,206

Increases funding and 27 FTEs to support the acquisition workforce transformation and standardization of contracting and contract administration business practices. Enables greater emphasis on stewardship of contract administration for high technology systems with increased complexity and oversight needs. Also supports increased requirements due to emphasis on divestiture of legacy systems with modernized replacements in order to fill capability gaps. (Baseline: \$293,509; 27 FTE)

2) Reimbursable to Direct Manpower Conversion\$ 7,782

In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$552,102; 52 FTE)

3) Sustainment System Technical Support.....\$ 24,853

Increases funding and 76 FTEs for Logistics Assistance Representatives, Logistics Support Teams, technical and secure communications upgrades for Tactical Ground Station Joint Surveillance and Target Attack Radar systems. Additional funding supports Preventive Maintenance Monthly Magazine publications, engineering change proposals, and Performance Based Logistics contracts for Army Artillery. Provides data management and technology improvements associated with Condition Based Maintenance Plus. (Baseline: \$462,407; 76 FTE)

9. Program Decreases.....\$ -14,844

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

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c) Program Decreases in FY 2018.....\$ -14,844

1) Civilian Average Annual Compensation.....\$ -8,988

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$552,102)

2) Civilian Workforce Reduction.....\$ -838

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: \$552,102; -11 FTE)

3) End Item Supply Depot Operations\$ -5,018

Reduces funding for the storage of OH-58 aircraft and Phased Array Tracking Radar Intercept of Target (PATRIOT) missile system. (Baseline: \$77,041)

FY 2018 Budget Request.....\$ 894,208

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IV. Performance Criteria and Evaluation Summary:

	(\$ in Millions)		
	<u>FY 2016</u>	<u>FY2017</u>	<u>FY2018</u>
Sustainment System Technical Support (SSTS)			
SSTS Budget Funded Levels	438	459	492
SSTS Measured Areas			
Airworthiness Reporting (AWR) Worked	4,672	5,133	6,202
Safety Messages	225	395	469
Investigation (# of investigations)	33	51	58
Aircraft Configuration Management Worked (# Engineer Calls and orders)	3,766	4,140	5,006
AWR /Quality Deficiency Reports (Category I Only) ¹	689	752	896
Total Airworthiness Reporting Actions	9,385	10,471	12,631
Logistics Assistance Representation (# of transactions perform)	2,213,741	2,282,412	2,346,717
Missiles Stockpile Reliability Program Test (Test performed)	259	382	462
Engineering Actions Worked	63,958	67,746	68,876
Engineering Change Packages Prepared	1,760	1,868	1,917
Technical Data Package Updates	8,238	9,783	10,017
Data Management			
Drawings and Technical Data Updates	48,276	49,388	49,281
Condition Based Maintenance Data Warehouse Storage Capacity (Terabytes)	743	715	744
Logistics Engineering Software Users	11,242	12,144	12,245
Electronic Technical Manuals Updated	12,966	12,944	14,468
Technical Manuals - Pages updated	110,034	119,183	125,579
Technical Manuals Printed	494	482	577
*PS Magazine Field Maintenance Articles Published ²	597	756	768
PS Magazine Direct Answers to Soldier Queries	1,642	1,969	2,375

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PS Magazine BLOG Readers (Based on monthly average)	44,742	44,000	44,000
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	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
PS Magazine Mobile Device Application APP visits since start-up (February 2016)	2,713	5,000	10,000
Engineering Data Management and Product Data Management	5,623	5,785	5.602

Other

Customer Inquiries (Manhours)	193,602	308,809	339,353
Provisional Parts List	5,876	6,085	6,669
All Other Quality Deficiency Reports	921	947	946
Resolving Tech Issues (Manhours)	443,556	568,269	607,395
Stockpile Reliability Tests	1,457	1,479	1,505

Notes:

1. Category I - Accidents which result in the loss of life, limb or major end-item equipment.
2. PS – Preventative Maintenance Monthly Magazine

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	144	139	137	-2
Officer	90	96	96	0
Enlisted	54	43	41	-2
<u>Active Military Average Strength (A/S) (Total)</u>	142	142	138	-4
Officer	90	93	96	3
Enlisted	52	49	42	-7
<u>Civilian FTEs (Total)</u>	4,170	4,293	4,438	145
U.S. Direct Hire	4,014	4,158	4,303	145
Foreign National Direct Hire	95	61	61	0
Total Direct Hire	4,109	4,219	4,364	145
Foreign National Indirect Hire	61	74	74	0
 <i>(Reimbursable Civilians (Memo))</i>	 1,287	 921	 834	 -87
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	130	129	129	0
<u>Contractor FTEs (Total)</u>	763	619	625	6

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	533,298	0	1.53%	8,175	3,838	545,311	0	1.97%	10,764	8,819	564,894
0103	WAGE BOARD	250	0	0.80%	2	-46	206	0	1.46%	3	7	216
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	2,488	3	0.64%	16	-1,327	1,180	11	2.52%	30	381	1,602
0106	BENEFITS TO FORMER EMPLOYEES	187	0	0.00%	0	-187	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	536,223	3		8,193	2,278	546,697	11		10,797	9,207	566,712
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	10,728	0	1.80%	193	1,683	12,604	0	2.00%	252	0	12,856
0399	TOTAL TRAVEL	10,728	0		193	1,683	12,604	0		252	0	12,856
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	0	0	-8.20%	0	30	30	0	-0.40%	0	-4	26
0411	ARMY SUPPLY	23,516	0	-4.63%	-1,089	-18,796	3,631	0	2.84%	103	1,500	5,234
0416	GSA MANAGED SUPPLIES AND MATERIALS	20	0	1.80%	0	313	333	0	2.00%	7	0	340
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	13	0	-6.00%	-1	-12	0	0	-0.59%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	23,549	0		-1,090	-18,465	3,994	0		110	1,496	5,600
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	4,537	0	-0.26%	-12	-4,524	1	0	2.84%	0	0	1
0503	NAVY FUND EQUIPMENT	8	0	3.86%	0	-8	0	0	3.86%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	690	0	-0.10%	-1	-689	0	0	-1.77%	0	0	0
0507	GSA MANAGED EQUIPMENT	10	0	1.80%	0	2,080	2,090	0	2.00%	42	0	2,132
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	5,245	0		-13	-3,141	2,091	0		42	0	2,133
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	34,353	0	-0.11%	-38	-29,830	4,485	0	0.00%	0	0	4,485
0603	DLA DISTRIBUTION	0	0	15.16%	0	24,772	24,772	0	4.15%	1,028	7,152	32,952
0633	DLA DOCUMENT SERVICES	0	0	1.47%	0	1,533	1,533	0	-1.30%	-20	43	1,556

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	<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>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 2018</u> <u>Program</u>	
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	423	0	-7.00%	-30	-393	0	1.90%	0	0	0	
0679	COST REIMBURSABLE PURCHASES	2	0	1.90%	0	22,889	22,891	0	1.90%	435	-7,539	15,787
0699	TOTAL INDUSTRIAL FUND PURCHASES	34,778	0		-68	18,971	53,681	0		1,443	-344	54,780
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	62	0	-16.10%	-10	150	202	0	2.10%	4	-37	169
0718	SDDC LINER OCEAN TRANSPORTATION	27,546	0	-1.80%	-496	-27,050	0	0	-2.80%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	3,461	0	0.80%	28	-3,489	0	0	1.30%	0	0	0
0771	COMMERCIAL TRANSPORTATION	1,935	0	1.80%	35	5,135	7,105	0	2.00%	142	552	7,799
0799	TOTAL TRANSPORTATION	33,004	0		-443	-25,254	7,307	0		146	515	7,968
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	5,189	29	1.55%	81	106	5,405	-69	2.25%	120	820	6,276
0902	SEPARATION LIABILITY (FNIH)	18	0	0.00%	0	-18	0	0	0.00%	0	0	0
0912	RENTAL PAYMENTS TO GSA (SLUC)	24	0	1.80%	0	-24	0	0	2.00%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	26	0	1.80%	0	-26	0	0	2.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	941	0	1.80%	17	-15	943	0	2.00%	19	0	962
0915	RENTS (NON-GSA)	1,195	0	1.80%	22	-1,217	0	0	2.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	25	0	1.80%	0	18	43	0	2.00%	1	0	44
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,475	0	1.80%	27	1,712	3,214	0	2.00%	64	0	3,278
0921	PRINTING AND REPRODUCTION	256	0	1.80%	5	836	1,097	0	2.00%	22	-904	215
0922	EQUIPMENT MAINTENANCE BY CONTRACT	22,389	0	1.80%	403	29,702	52,494	0	2.00%	1,050	6,431	59,975
0923	OPERATION AND MAINTENANCE OF FACILITIES	3,120	0	1.80%	56	-1,429	1,747	0	2.00%	35	0	1,782
0925	EQUIPMENT PURCHASES (NON-FUND)	350	0	1.80%	6	8,760	9,116	0	2.00%	182	0	9,298
0930	OTHER DEPOT MAINTENANCE (NON-FUND)	5	0	1.80%	0	-5	0	0	2.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	22,164	0	1.80%	399	2,736	25,299	0	2.00%	506	-3,243	22,562
0933	STUDIES, ANALYSIS, AND EVALUATIONS	4,829	0	1.80%	87	-4,916	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	45,796	0	1.80%	824	-41,817	4,803	0	2.00%	96	2,944	7,843
0935	TRAINING AND LEADERSHIP DEVELOPMENT	1,771	0	0.00%	0	-1,771	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	17	0	-8.20%	-1	6	22	0	-0.40%	0	-4	18
0957	LAND AND STRUCTURES	30	0	1.80%	1	-31	0	0	2.00%	0	0	0

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0959 INSURANCE CLAIMS AND INDEMNITIES	3	0	1.80%	0	-3	0	0	2.00%	0	0	0
0960 INTEREST AND DIVIDENDS	2	0	1.80%	0	-2	0	0	2.00%	0	0	0
0964 SUBSISTENCE AND SUPPORT OF PERSONS	261	0	1.80%	5	-266	0	0	2.00%	0	0	0
0985 RESEARCH AND DEVELOPMENT CONTRACTS	28	0	0.00%	0	-28	0	0	0.00%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	873	0	1.80%	16	91,324	92,213	0	2.00%	1,844	12,050	106,107
0989 OTHER SERVICES	23,871	0	1.80%	430	1,018	25,319	0	2.00%	506	-3,842	21,983
0990 IT CONTRACT SUPPORT SERVICES	13,951	0	1.80%	251	-10,461	3,741	0	2.00%	75	0	3,816
0999 TOTAL OTHER PURCHASES	148,609	29		2,629	74,189	225,456	-69		4,520	14,252	244,159
9999 GRAND TOTAL	792,136	32		9,401	50,261	851,830	-58		17,310	25,126	894,208

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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. 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. 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 and reimburses 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 near-term readiness, repair in

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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 provide 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):

A. <u>Program Elements</u>	<u>FY 2016 Actual</u>	<u>Budget Request</u>	<u>FY 2017</u>			<u>Normalized Current Estimate</u>	<u>FY 2018 Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
LOGISTIC SUPPORT ACTIVITIES	\$654,484	\$778,757	\$0	0.00%	\$778,757	\$778,757	\$715,462
SUBACTIVITY GROUP TOTAL	\$654,484	\$778,757	\$0	0.00%	\$778,757	\$778,757	\$715,462
B. <u>Reconciliation Summary</u>			<u>Change FY 2017/FY 2017</u>	<u>Change FY 2017/FY 2018</u>			
BASELINE FUNDING			\$778,757		\$778,757		
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL ESTIMATED AMOUNT			778,757				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2017 to 2017 Only)			0				
SUBTOTAL BASELINE FUNDING			778,757				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					13,494		
Functional Transfers					-182		
Program Changes					-76,607		
NORMALIZED CURRENT ESTIMATE			\$778,757		\$715,462		

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 778,757
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 778,757
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 778,757
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 778,757

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 778,757
6. Price Change	\$ 13,494
7. Transfers.....	\$ -182
a) Transfers In	\$ 0
b) Transfers Out	\$ -182
1) Major Headquarters Activity (MHA) Compliance	\$ -182
Transfers funding to realign support to the MHA of each component in accordance with definitions and guidelines developed by the Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$394,303)	
8. Program Increases	\$ 8,288
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

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c) Program Growth in FY 2018\$ 8,288

1) Logistics Sustainment Programs\$ 8,288

Increases funding for high priority requirements within the Logistics Sustainment Programs portfolio. Included in this increase are Radioactive Waste Disposal, Subsistence Support, Logistics Management Support, and Supply Support programs. (Baseline: \$256,745)

9. Program Decreases.....\$ -84,895

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -84,895

1) Acquisition Support Systems\$ -6,935

Decreases funding for Army Acquisition Executive Support, Avionics, and operation and maintenance of the M777A2 Howitzer. Also decreases funding for Utility Fixed Wing Aircraft due to application of standard labor rates. (Baseline: \$23,372)

2) Civilian Average Annual Compensation.....\$ -8,371

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$394,303)

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3) Civilian Workforce Reduction.....	\$ -31,746
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: \$394,303; -225 FTE)	
4) Information Management.....	\$ -20,028
Decreases funding for Army Logistics Innovation, Logistics Management Support. Reduces analytic services related to logistic issues and utilization of information technology to realign funding to other higher priority programs. (Baseline: \$193,798)	
5) Logistics Operations.....	\$ -17,815
Reduces funding for the Missiles and Space Program Executive Office due to decrease in requirements. Also decreases funding for the Commander's Logistics Review Program due to policy changes. (Baseline: \$304,942)	

FY 2018 Budget Request.....\$ 715,462

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IV. Performance Criteria and Evaluation Summary:

Army Oil Analysis Program (AOAP)	(# of Samples Conducted)		
	FY 2016	FY2017	FY2018
Samples conducted Outside of the Continental United States (OCONUS)			
Camp Arifjan, Kuwait	9,420	13,000	13,000
Camp Humphreys, Korea	11,350	11,990	11,990
Kaiserslautern Army Depot, Germany	6,989	9,747	19,445
Samples conducted within the Continental United States (OCONUS)			
Fort Campbell, Kentucky	38,043	9,714	10,977
Fort Carson, Colorado	31,694	15,162	16,679
Fort Bragg, North Carolina	27,764	11,029	12,131
Fort Hood, Texas	26,621	18,332	20,165
Joint Base Lewis-McChord, Washington	24,076	5,265	8,015
Redstone Arsenal, Alabama	13,510	8,265	9,091
Fort Bliss, Texas	28,797	26,002	28,602
Fort Rucker, Alabama	14,226	14,324	15,757
Total Samples Conducted	232,490	142,830	165,852

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 2016	FY2017	FY2018
IM Measured Areas			
Sustainment of software for logistics business systems for Army Enterprise Service Integration Program	100,000	160,000	154,000
Sustainment of software for logistics business systems for Army Legacy Sustainment	68,000	68,000	60,000

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,002	1,021	994	-27
Officer	739	802	774	-28
Enlisted	263	219	220	1
<u>Active Military Average Strength (A/S) (Total)</u>	970	1,012	1,008	-4
Officer	718	771	788	17
Enlisted	252	241	220	-21
<u>Civilian FTEs (Total)</u>	3,096	2,883	2,658	-225
U.S. Direct Hire	3,074	2,861	2,633	-228
Foreign National Direct Hire	18	10	13	3
Total Direct Hire	3,092	2,871	2,646	-225
Foreign National Indirect Hire	4	12	12	0
 <i>(Reimbursable Civilians (Memo))</i>	 5,508	 4,949	 4,615	 -334
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	136	137	136	-1
<u>Contractor FTEs (Total)</u>	751	751	653	-98

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:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	419,240	0	1.40%	5,874	-31,887	393,227	0	1.74%	6,847	-40,017	360,057
0103	WAGE BOARD	740	0	0.27%	2	-400	342	0	1.75%	6	84	432
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	214	0	0.00%	0	-85	129	0	3.10%	4	162	295
0106	BENEFITS TO FORMER EMPLOYEES	984	0	0.00%	0	-984	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	421,178	0		5,876	-33,356	393,698	0		6,857	-39,771	360,784
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	13,173	0	1.80%	237	-7,691	5,719	0	2.00%	114	-114	5,719
0399	TOTAL TRAVEL	13,173	0		237	-7,691	5,719	0		114	-114	5,719
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	2	0	-8.20%	0	292	294	0	-0.40%	-1	-14	279
0411	ARMY SUPPLY	21,099	0	-4.63%	-977	-16,827	3,295	0	2.84%	94	-94	3,295
0416	GSA MANAGED SUPPLIES AND MATERIALS	54	0	1.80%	1	95	150	0	2.00%	3	-3	150
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	0	0	-0.70%	0	573	573	0	-1.76%	-10	10	573
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	20	0	-6.00%	-1	-19	0	0	-0.59%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	21,175	0		-977	-15,886	4,312	0		86	-101	4,297
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	3,482	0	-0.26%	-9	-3,341	132	0	2.84%	4	-4	132
0503	NAVY FUND EQUIPMENT	567	0	3.86%	22	-589	0	0	3.86%	0	0	0
0505	AIR FORCE FUND EQUIPMENT	2	0	0.00%	0	-2	0	0	0.00%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	3,535	0	-0.10%	-4	-3,531	0	0	-1.77%	0	0	0
0507	GSA MANAGED EQUIPMENT	209	0	1.80%	4	6,872	7,085	0	2.00%	142	-142	7,085
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	7,795	0		13	-591	7,217	0		146	-146	7,217
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	14,581	0	-0.11%	-16	-4,288	10,277	0	0.00%	0	0	10,277

Exhibit OP-5, Subactivity Group 423

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	<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>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 2018</u> <u>Program</u>
0647	DISA ENTERPRISE COMPUTING CENTERS	0	-10.00%	0	29,364	29,364	0	0.00%	0	-11,971	17,393
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	380	-7.00%	-27	-353	0	0	1.90%	0	0	0
0675	DLA DISPOSITION SERVICES	0	0.00%	0	11,337	11,337	0	0.00%	0	0	11,337
0679	COST REIMBURSABLE PURCHASES	14	1.90%	0	-14	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	14,975	0	-43	36,046	50,978	0	0	0	-11,971	39,007
<u>TRANSPORTATION</u>											
0717	SDDC GLOBAL POV	0	-16.10%	0	33	33	0	2.10%	1	-1	33
0718	SDDC LINER OCEAN TRANSPORTATION	24,037	-1.80%	-433	-23,604	0	0	-2.80%	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	6,028	0.80%	48	-453	5,623	0	1.30%	73	-5,696	0
0771	COMMERCIAL TRANSPORTATION	274	1.80%	5	452	731	0	2.00%	15	-15	731
0799	TOTAL TRANSPORTATION	30,339	0	-380	-23,572	6,387	0	0	89	-5,712	764
<u>OTHER PURCHASES</u>											
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	152	5.77%	9	440	605	-9	2.35%	14	92	702
0912	RENTAL PAYMENTS TO GSA (SLUC)	422	1.80%	8	-430	0	0	2.00%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	82	1.80%	1	208	291	0	2.00%	6	-6	291
0914	PURCHASED COMMUNICATIONS (NON-FUND)	1,601	1.80%	29	734	2,364	0	2.00%	47	-47	2,364
0917	POSTAL SERVICES (U.S.P.S)	326	1.80%	6	105	437	0	2.00%	9	-9	437
0920	SUPPLIES AND MATERIALS (NON-FUND)	3,810	1.80%	69	5,611	9,490	0	2.00%	190	-190	9,490
0921	PRINTING AND REPRODUCTION	895	1.80%	16	907	1,818	0	2.00%	36	-36	1,818
0922	EQUIPMENT MAINTENANCE BY CONTRACT	4,361	1.80%	78	22,143	26,582	0	2.00%	532	-3,461	23,653
0923	OPERATION AND MAINTENANCE OF FACILITIES	6,879	1.80%	124	14,371	21,374	0	2.00%	427	-1,355	20,446
0925	EQUIPMENT PURCHASES (NON-FUND)	1,816	1.80%	33	6,559	8,408	0	2.00%	168	-168	8,408
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	32,647	1.80%	588	-19,696	13,539	0	2.00%	271	-27	13,783
0933	STUDIES, ANALYSIS, AND EVALUATIONS	13,268	1.80%	239	-13,507	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	4,881	1.80%	88	3,222	8,191	0	2.00%	164	-3,386	4,969
0935	TRAINING AND LEADERSHIP DEVELOPMENT	884	0.00%	0	-884	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	89	-8.20%	-7	-82	0	0	-0.40%	0	0	0
0955	MEDICAL CARE	1	3.80%	0	-1	0	0	3.90%	0	0	0
0957	LAND AND STRUCTURES	347	1.80%	6	5,635	5,988	0	2.00%	120	-120	5,988

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0959 INSURANCE CLAIMS AND INDEMNITIES	75	0	1.80%	1	-76	0	0	2.00%	0	0	0
0960 INTEREST AND DIVIDENDS	3	0	1.80%	0	-3	0	0	2.00%	0	0	0
0985 RESEARCH AND DEVELOPMENT CONTRACTS	1,200	0	0.00%	0	-1,200	0	0	0.00%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	218	0	1.80%	4	143,703	143,925	0	2.00%	2,878	-78	146,725
0989 OTHER SERVICES	38,987	0	1.80%	702	-6,638	33,051	0	2.00%	661	-12,782	20,930
0990 IT CONTRACT SUPPORT SERVICES	32,905	0	1.80%	592	886	34,383	0	2.00%	688	2,599	37,670
0999 TOTAL OTHER PURCHASES	145,849	4		2,586	162,007	310,446	-9		6,211	-18,974	297,674
9999 GRAND TOTAL	654,484	4		7,312	116,957	778,757	-9		13,503	-76,789	715,462

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Detail by Subactivity Group 424: Ammunition Management

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 2016 estimate, Pueblo is scheduled to begin plant operations in mid-late FY 2017 with projected completion in mid FY 2020. Blue Grass is scheduled to begin main plant operations in late FY 2019 with expected completion in early FY 2020. 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
U.S. Army Acquisition Support Center

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
AMMUNITION MANAGEMENT	\$323,062	\$409,010	\$0	0.00%	\$409,010	\$409,010	\$446,931	
SUBACTIVITY GROUP TOTAL	\$323,062	\$409,010	\$0	0.00%	\$409,010	\$409,010	\$446,931	
			<u>Change</u>		<u>Change</u>			
			<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$409,010		\$409,010			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			409,010					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			409,010					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					4,179			
Functional Transfers					0			
Program Changes					33,742			
NORMALIZED CURRENT ESTIMATE			\$409,010		\$446,931			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 409,010
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 409,010
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 409,010
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 409,010

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 409,010
6. Price Change	\$ 4,179
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 37,779
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 37,779

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1) Ammunition Management - Single Manager Conventional Ammunition (SMCA) \$ 24,597
 Increases funding for SMCA to support the Army training strategy shift to Decisive Action training and increase Operational Tempo. Mitigates under-funding of the program in previous FYs due to underestimating ammunition requirements. Additional cost drivers include growth in cost per ton to store and move and an increase in ammunition surveillance costs. (Baseline: \$307,394)

2) Chemical Weapons Stockpile and Material Storage..... \$ 3,971
 Increases funding and 4 FTEs to support closure of the Chemical Materials Activity sites in Blue Grass, Kentucky and Pueblo, Colorado. (Baseline: \$66,733; 4 FTE)

3) Conventional Ammunition Non-Single Manager Conventional Ammunition \$ 9,211
 Increases funding to mitigate risk in the Ammunition Readiness Program by restoring the program baseline requisite level. (Baseline: \$29,962)

9. Program Decreases.....\$ -4,037

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

c) Program Decreases in FY 2018..... \$ -4,037

1) Civilian Average Annual Compensation..... \$ -4,037
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$120,861)

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FY 2018 Budget Request.....\$ 446,931

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IV. Performance Criteria and Evaluation Summary:

Ammunition Management	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
Number of Short Tons Shipped			
Issues (Short Tons)	137,975	141,682	156,079
Receipts	112,047	101,747	98,124
Receipts (Retrograde War Reserves Stockpile Allies - Korea)	16,528	15,227	20,000
Ammunition Second destination Transportation	77,214	83,156	85,694
 Number of short Tons			
Maintenance Tons Operation and Maintenance, Army	2,570	3,598	3,304
Maintenance Tons Procurement, Army	5,009	7,878	5,474
 Support Activities			
Field Service Short Tons in Storage	1,811,193	1,799,173	1,732,117
 Number of Lots Inspected			
Periodic inspections	10,515	10,893	10,294
Safety in Storage Inspections	19,371	16,094	17,956
Safety Inspections	15,300	12,774	12,774

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	18	15	14	-1
Officer	15	13	12	-1
Enlisted	3	2	2	0
<u>Active Military Average Strength (A/S) (Total)</u>	19	17	15	-2
Officer	15	14	13	-1
Enlisted	4	3	2	-1
<u>Civilian FTEs (Total)</u>	1,037	1,056	1,060	4
U.S. Direct Hire	1,037	1,054	1,058	4
Foreign National Direct Hire	0	2	2	0
Total Direct Hire	1,037	1,056	1,060	4
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 458	 674	 420	 -254
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	113	114	113	-1
<u>Contractor FTEs (Total)</u>	236	215	212	-3

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	109,974	0	1.53%	1,687	1,046	112,707	0	1.89%	2,126	-3,031	111,802
0103	WAGE BOARD	6,753	0	1.70%	115	1,168	8,036	0	1.87%	150	-531	7,655
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	0	0	0.00%	1	117	118	0	0.85%	1	-10	109
0106	BENEFITS TO FORMER EMPLOYEES	68	0	0.00%	0	-68	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	116,795	0		1,803	2,263	120,861	0		2,277	-3,572	119,566
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	3,722	0	1.80%	67	-3,564	225	0	2.00%	4	7	236
0399	TOTAL TRAVEL	3,722	0		67	-3,564	225	0		4	7	236
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	0	0	-8.20%	0	194	194	0	-0.40%	-1	5	198
0411	ARMY SUPPLY	797	0	-4.63%	-37	-652	108	0	2.84%	3	-3	108
0416	GSA MANAGED SUPPLIES AND MATERIALS	85	0	1.80%	2	734	821	0	2.00%	16	-16	821
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	882	0		-35	276	1,123	0		18	-14	1,127
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	547	0	-0.26%	-1	-525	21	0	2.84%	1	0	22
0503	NAVY FUND EQUIPMENT	2	0	3.86%	0	-2	0	0	3.86%	0	0	0
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	381	0	-0.10%	0	-381	0	0	-1.77%	0	0	0
0507	GSA MANAGED EQUIPMENT	278	0	1.80%	5	2,183	2,466	0	2.00%	49	1,597	4,112
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,208	0		4	1,275	2,487	0		50	1,597	4,134
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	94,325	0	-0.11%	-104	94,658	188,879	0	0.00%	0	5,183	194,062
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	157	0	-7.00%	-11	-146	0	0	1.90%	0	0	0
0675	DLA DISPOSITION SERVICES	0	0	0.00%	0	3,663	3,663	0	0.00%	0	0	3,663
0679	COST REIMBURSABLE PURCHASES	3	0	1.90%	0	840	843	0	1.90%	16	815	1,674

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0699 TOTAL INDUSTRIAL FUND PURCHASES	94,485	0		-115	99,015	193,385	0		16	5,998	199,399
<u>TRANSPORTATION</u>											
0717 SDDC GLOBAL POV	27	0	-16.10%	-4	-23	0	0	2.10%	0	0	0
0718 SDDC LINER OCEAN TRANSPORTATION	18,113	0	-1.80%	-326	-17,787	0	0	-2.80%	0	0	0
0719 SDDC CARGO OPERATION (PORT HANDLING)	390	0	0.80%	3	-393	0	0	1.30%	0	0	0
0771 COMMERCIAL TRANSPORTATION	37,288	0	1.80%	671	-9,941	28,018	0	2.00%	560	9,013	37,591
0799 TOTAL TRANSPORTATION	55,818	0		344	-28,144	28,018	0		560	9,013	37,591
<u>OTHER PURCHASES</u>											
0912 RENTAL PAYMENTS TO GSA (SLUC)	896	0	1.80%	16	-912	0	0	2.00%	0	0	0
0913 PURCHASED UTILITIES (NON-FUND)	564	0	1.80%	10	366	940	0	2.00%	19	-19	940
0914 PURCHASED COMMUNICATIONS (NON-FUND)	379	0	1.80%	7	269	655	0	2.00%	13	-13	655
0917 POSTAL SERVICES (U.S.P.S)	6	0	1.80%	0	11	17	0	2.00%	0	0	17
0920 SUPPLIES AND MATERIALS (NON-FUND)	2,074	0	1.80%	37	-411	1,700	0	2.00%	34	2	1,736
0921 PRINTING AND REPRODUCTION	317	0	1.80%	6	-293	30	0	2.00%	1	0	31
0922 EQUIPMENT MAINTENANCE BY CONTRACT	246	0	1.80%	4	-36	214	0	2.00%	4	-132	86
0923 OPERATION AND MAINTENANCE OF FACILITIES	29,201	0	1.80%	526	-9,374	20,353	0	2.00%	407	11,066	31,826
0924 PHARMACEUTICAL DRUGS	62	0	3.80%	2	-64	0	0	3.90%	0	0	0
0925 EQUIPMENT PURCHASES (NON-FUND)	520	0	1.80%	9	1,805	2,334	0	2.00%	47	3	2,384
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	10,512	0	1.80%	189	-3,501	7,200	0	2.00%	144	-2,873	4,471
0933 STUDIES, ANALYSIS, AND EVALUATIONS	68	0	1.80%	1	-69	0	0	2.00%	0	0	0
0934 ENGINEERING AND TECHNICAL SERVICES	126	0	1.80%	2	-128	0	0	2.00%	0	0	0
0935 TRAINING AND LEADERSHIP DEVELOPMENT	135	0	0.00%	0	-135	0	0	2.00%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	501	0	-8.20%	-41	-331	129	0	-0.40%	-1	-6	122
0957 LAND AND STRUCTURES	1,000	0	1.80%	18	-601	417	0	2.00%	8	0	425
0959 INSURANCE CLAIMS AND INDEMNITIES	36	0	1.80%	1	-37	0	0	2.00%	0	0	0
0964 SUBSISTENCE AND SUPPORT OF PERSONS	29	0	1.80%	1	-30	0	0	2.00%	0	0	0
0985 RESEARCH AND DEVELOPMENT CONTRACTS	5	0	0.00%	0	-5	0	0	0.00%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	922	0	1.80%	17	15,784	16,723	0	2.00%	334	12,685	29,742
0989 OTHER SERVICES	448	0	1.80%	8	5,357	5,813	0	2.00%	116	0	5,929

Exhibit OP-5, Subactivity Group 424

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 Budget Activity 04: Administration and Servicewide Activities
 Activity Group 42: Logistics Operations
 Detail by Subactivity Group 424: Ammunition Management

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>			
0990	IT CONTRACT SUPPORT SERVICES	2,105	0	1.80%	38	4,243	6,386	0	2.00%	128	0	6,514
0999	TOTAL OTHER PURCHASES	50,152	0		851	11,908	62,911	0		1,254	20,713	84,878
9999	GRAND TOTAL	323,062	0		2,919	83,029	409,010	0		4,179	33,742	446,931

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 43: Servicewide Support
Detail by Subactivity Group 431: Administration

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.

HEADQUARTERS INFORMATION TECHNOLOGY AND COMMUNICATIONS - Finances Information Management support to Army Management Headquarters Activities (AMHA) and their direct support organizations performing AMHA functions. Activities develop policy and guidance, perform long-range planning, programming and budgeting, management and distribution of resources, and conduct program performance review and evaluation.

SECURITY PROGRAMS - Resources the staffing, processing, and acquisition of systems required for the processing of fingerprints to support personnel security / suitability / Common Access Card credentialing background investigations.

II. Force Structure Summary:

Headquarters, Department of the Army

Direct Reporting Units:

U.S. Army Medical Command

U.S. Army Intelligence and Security Command

DEPARTMENT OF THE ARMY
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Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 43: Servicewide Support
Detail by Subactivity Group 431: Administration

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
ADMINISTRATION	\$428,377	\$451,556	\$0	0.00%	\$451,556	\$451,556	\$493,616	
SUBACTIVITY GROUP TOTAL	\$428,377	\$451,556	\$0	0.00%	\$451,556	\$451,556	\$493,616	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$451,556	\$451,556				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			451,556					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			451,556					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					8,574			
Functional Transfers					2,763			
Program Changes					30,723			
NORMALIZED CURRENT ESTIMATE			\$451,556		\$493,616			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 451,556
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 451,556
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 451,556
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 451,556

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 451,556
6. Price Change.....	\$ 8,574
7. Transfers.....	\$ 2,763
a) Transfers In.....	\$ 6,422
1) Administration	\$ 6,422
Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-5,347; -32 FTEs); SAG 432, Servicewide Communication (\$-501; -3 FTEs); SAG 434, Other Personnel Support (\$-167; -1 FTE); and SAG 435, Other Service Support (\$-407; -4 FTEs) to SAG 431, Administration (\$6,422; 40 FTEs) for consolidation of Office of the Provost Marshal General resources into the appropriate Subactivity Group. (Baseline: \$0; 40 FTE)	
b) Transfers Out.....	\$ -3,659
1) Army Security Programs	\$ -340
Transfers funding and 2 FTEs from SAG 431, Administration to SAG 121, Force Readiness Operations Support to reflect the transfer of two Special Security Officers from Headquarters, Department of the Army to the U.S. Army Network Enterprise Technology Command. (Baseline: \$340; -2 FTE)	

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2) Center for Army Analysis (CAA) \$ -1,449
 Transfers funding from SAG 431, Administration to SAG 435, Other Service Support to consolidate
 CAA's operational information technology support into the correct Subactivity Group. (Baseline: \$1,449)

3) Counterintelligence Support - Intelligence Support to Operations..... \$ -230
 Transfers funding and 1 FTE from SAG 431, Administration to SAG 411, Security Programs to properly
 align one FTE under the correct Subactivity Group. (Baseline: \$230; -1 FTE)

4) Major Headquarters Activity (MHA) Compliance \$ -1,640
 Transfers funding to realign support to the MHA of each component in accordance with definitions and
 guidelines developed by the Deputy Chief Management Office. The Department of Defense directed
 changes in structure and management to all MHA throughout the department. (Baseline: \$386,252)

8. Program Increases \$ 72,765

a) Annualization of New FY 2017 Program..... \$ 0

b) One-Time FY 2018 Costs \$ 0

c) Program Growth in FY 2018 \$ 72,765

1) Administration \$ 43,160
 Increases funding in support of critical information technology systems, strategic leader development
 training, and mission essential travel requirements of the Office of the Chief of Staff of the Army.
 Supported efforts include the Senior Leader Development Management System, the Army Senior
 Leader Development Program, and the General Officer and Sergeant Major Transition Courses. These
 courses provide Soldiers and Army civilians with continuous leadership education, training, and
 individualized professional development opportunities as well as training, assistance, and counseling
 services for Soldiers preparing to transition out of military service. In addition, funding provides for

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sustainment of the Personnel Enterprise Decision Support Systems effort, including the Army Mobilization Manpower system and the Personnel Authorizations Module. (Baseline: \$387,082)

2) Army Major Headquarters Activity (MHA) Rebaseline..... \$ 23,531

Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$386,252; 155 FTE)

3) Headquarters Information Technology and Communications \$ 3,183

Increases funding in support of necessary lifecycle replacements of increasingly aging and failing information technology systems and equipment. Funding provides for the replacement of obsolete hardware or software solutions. (Baseline: \$64,138)

4) Reimbursable to Direct Manpower Conversion \$ 2,210

In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$386,252; 14 FTE)

5) Security Programs..... \$ 681

Increases funding in support of administering the Army's Insider Threat program. (Baseline: \$336)

9. Program Decreases..... \$ -42,042

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases..... \$ 0

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c) Program Decreases in FY 2018.....\$ -42,042

1) Civilian Average Annual Compensation.....\$ -13,218

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$386,252)

2) Civilian Workforce Reduction.....\$ -28,824

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: \$386,252; -202 FTE)

FY 2018 Budget Request.....\$ 493,616

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Number of Actions in Support of Headquarters Department of Army			
Legislative Liaison Office, Congressional Inquiries	228,254	226,795	226,795
Army Publications Revised, Created, or Rescinded	145	150	150
Army Appropriations	28	28	28
Headquarters Department of Army Technology Capabilities			
Communications/Computing Infrastructure	4	3	4
Functional Area Applications	12	27	25
Related Technical Activities	1	1	2

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,130	987	988	1
Officer	1,024	885	883	-2
Enlisted	106	102	105	3
<u>Active Military Average Strength (A/S) (Total)</u>	1,172	1,059	988	-71
Officer	1,055	955	884	-71
Enlisted	117	104	104	0
<u>Civilian FTEs (Total)</u>	1,942	2,257	2,261	4
U.S. Direct Hire	1,942	2,257	2,261	4
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	1,942	2,257	2,261	4
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 47	 21	 33	 12
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	163	171	169	-2
<u>Contractor FTEs (Total)</u>	472	337	546	209

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	315,453	0	1.83%	5,787	64,854	386,094	0	1.88%	7,267	-12,529	380,832
0103	WAGE BOARD	47	0	4.26%	2	109	158	0	1.27%	2	8	168
0106	BENEFITS TO FORMER EMPLOYEES	910	0	0.00%	0	-910	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	316,410	0		5,789	64,053	386,252	0		7,269	-12,521	381,000
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	8,372	0	1.80%	151	-7,389	1,134	0	2.00%	23	1,746	2,903
0399	TOTAL TRAVEL	8,372	0		151	-7,389	1,134	0		23	1,746	2,903
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	1,133	0	-4.63%	-52	-1,081	0	0	2.84%	0	0	0
0416	GSA MANAGED SUPPLIES AND MATERIALS	0	0	1.80%	0	255	255	0	2.00%	5	0	260
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,133	0		-52	-826	255	0		5	0	260
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	3,457	0	1.80%	62	-3,266	253	0	2.00%	5	0	258
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	3,457	0		62	-3,266	253	0		5	0	258
<u>OTHER FUND PURCHASES</u>												
0633	DLA DOCUMENT SERVICES	0	0	1.47%	0	71	71	0	-1.30%	-1	0	70
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	573	0	-7.00%	-40	-533	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	573	0		-40	-462	71	0		-1	0	70
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	5,415	0	-1.80%	-97	-5,318	0	0	-2.80%	0	0	0
0771	COMMERCIAL TRANSPORTATION	136	0	1.80%	2	-99	39	0	2.00%	1	0	40
0799	TOTAL TRANSPORTATION	5,551	0		-95	-5,417	39	0		1	0	40

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	1,096	0	1.80%	20	-1,026	90	0	2.00%	2	0	92
0914	PURCHASED COMMUNICATIONS (NON-FUND)	306	0	1.80%	5	-149	162	0	2.00%	3	160	325
0917	POSTAL SERVICES (U.S.P.S)	6	0	1.80%	0	32	38	0	2.00%	1	25	64
0920	SUPPLIES AND MATERIALS (NON-FUND)	3,718	0	1.80%	67	-3,245	540	0	2.00%	11	2,113	2,664
0921	PRINTING AND REPRODUCTION	806	0	1.80%	14	-820	0	0	2.00%	0	0	0
0923	OPERATION AND MAINTENANCE OF FACILITIES	708	0	1.80%	13	-721	0	0	2.00%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	983	0	1.80%	18	-885	116	0	2.00%	2	275	393
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	33,396	0	1.80%	601	-23,843	10,154	0	2.00%	203	10,205	20,562
0933	STUDIES, ANALYSIS, AND EVALUATIONS	11,724	0	1.80%	211	-11,144	791	0	2.00%	16	0	807
0934	ENGINEERING AND TECHNICAL SERVICES	1,552	0	1.80%	28	348	1,928	0	2.00%	39	0	1,967
0935	TRAINING AND LEADERSHIP DEVELOPMENT	7,060	0	0.00%	0	-7,060	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	6,872	6,872
0957	LAND AND STRUCTURES	42	0	1.80%	1	-43	0	0	2.00%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	9	0	1.80%	0	-9	0	0	2.00%	0	0	0
0960	INTEREST AND DIVIDENDS	130	0	1.80%	2	-132	0	0	2.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	3	0	1.80%	0	-3	0	0	2.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	150	0	0.00%	0	-150	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	473	0	1.80%	9	-433	49	0	2.00%	1	2,216	2,266
0989	OTHER SERVICES	12,109	0	1.80%	218	-10,397	1,930	0	2.00%	39	1,660	3,629
0990	IT CONTRACT SUPPORT SERVICES	18,610	0	1.80%	335	28,809	47,754	0	2.00%	955	20,735	69,444
0999	TOTAL OTHER PURCHASES	92,881	0		1,542	-30,871	63,552	0		1,272	44,261	109,085
9999	GRAND TOTAL	428,377	0		7,357	15,822	451,556	0		8,574	33,486	493,616

Exhibit OP-5, Subactivity Group 431

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 43: Servicewide Support
Detail by Subactivity Group 432: Servicewide Communications

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, Commercial Satellite Communications, Cybersecurity Activities, Enterprise Satellite Communications and Space-based Activities, Enterprise License Agreements, Enterprise Services, Information Services, Information Technology and Network Modernization, Logistics Automation Systems Sustainment, Long Haul Communications, Personnel and Pay Systems, Specialized Information Technology Support, and Tactical Network Communications.

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. Funds contractor logistics support and combat development activities not weapon-system specific, and selected acquisition activities of information systems and for automation support. Provides automation support for acquisition activities.

BIOMETRICS - Supports the Department of Defense Automated Biometrics Information System (ABIS) and the Defense Forensics and Biometrics Agency 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.

COMMERCIAL SATELLITE COMMUNICATIONS - Supports a centralized program for the management of commercial satellite airtime across the Army. Provides for Host Nation Agreements to use commercial satellite airtime within the boundaries of other sovereign nations. Funds a global, commercial satellite-based network capability to support the operating forces' automation systems. This system uses Commercial-Off-The-Shelf satellite terminals to compliment the Combat Service Support Automated Information Systems and connect key logistics nodes including warehouses, hospitals, ammunition supply points, and major supply chain distribution nodes.

CYBERSECURITY ACTIVITIES - Funds activities for the prevention of damage to, protection of, and restoration of computers, electronic communications systems, electronic communications services, wire communication, and electronic communication, including information contained therein, to ensure its availability, integrity, authentication, confidentiality, and nonrepudiation.

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 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.

ENTERPRISE SATELLITE COMMUNICATIONS AND SPACE-BASED ACTIVITIES - Resources the Defense Satellite Communications (SATCOM) Systems and the Wideband Global SATCOM System, space-based defense operations, and space-enabled situational awareness capabilities. Supports Department of Defense military

Exhibit OP-5, Subactivity Group 432

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Detail by Subactivity Group 432: Servicewide Communications

communications satellites that provide high data rate communications for military forces, diplomatic corps, and the White House. 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 SERVICES - Funds enterprise information technology services delivered centrally at Army and DoD levels to provide enterprise service support, portal access, email, voice, video and collaboration services. Also funds enterprise architecture development enabling interoperability and secure information sharing, to position the Army for success in a cloud-based global environment. Provides resources for management of enterprise-wide data center and application consolidation. Also provides the infrastructure for cloud-based collaboration, development, evaluation, publishing, and access for Army software solutions.

INFORMATION SERVICES - Resources Army-wide publishing, organizational messaging services, records management and declassification activities, and mailrooms, to include the operation and maintenance of the Pentagon Audio-Visual Information Center that provides joint visual information services. Funds the technical support of information systems engineering missions and the Environmental Information Technology Management program.

INFORMATION TECHNOLOGY (IT) AND NETWORK MODERNIZATION - Supports communications and common IT requirements continuity of operations for all DoD users in the event the Pentagon reservation is not accessible. Resources infrastructure, server and data storage operations. Provides continuity of operations of mission unique IT systems. Resources operation and maintenance, technical upgrade, lifecycle refresh, engineering, integration, architecture and the infrastructure needed to provide these IT services.

LOGISTICS AUTOMATION SYSTEMS SUSTAINMENT - Funds automation of supply, ammunition, ground and aviation maintenance, property accountability, transportation, distribution, finance, and resource management. Funds the Single Army Logistics Enterprise as the enabling technology for integrating the supply chain. Supports force health protection programs and subsistence support programs.

LONG HAUL COMMUNICATIONS - Resources long haul communications for Army installations to interconnect through the DoD Information Network for common user telecommunications services (voice, data, video, messaging, etc.). Funds long lines, leased communications facilities, engineering, and physical installation. Resources support communications provided through the Defense Information Systems Network.

PERSONNEL AND PAY SYSTEMS - Provides Army personnel and pay support to Soldiers and civilians for 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.

SPECIALIZED INFORMATION TECHNOLOGY (IT) SUPPORT - Provides communications and IT services to special purpose networks and programs. Supports National Leadership Command and Control communications, Special Access Program Portal, and Army Contracting. Supports the Army Spectrum Management Office activities.

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TACTICAL NETWORK COMMUNICATIONS - Funds Department of Defense Joint Tactical Network communications in support of the Joint Enterprise Network Manager (JENM). The JENM is the enterprise solution for planning, initializing and managing radios operating the Mobile User Objective System Waveform, Wideband Networking Waveform and the Soldier Radio Waveform.

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
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
U.S. Pacific Command
U.S. Army Cyber 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
U.S. Army Installation Management Command
U.S. Human Resources Command
U.S. Army Civilian Human Resource Agency

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III. Financial Summary (\$ in Thousands):

A. <u>Program Elements</u>	<u>FY 2016 Actual</u>	<u>Budget Request</u>	<u>FY 2017</u>			<u>Normalized Current Estimate</u>	<u>FY 2018 Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
SERVICEWIDE COMMUNICATIONS	\$1,903,907	\$2,089,123	\$0	0.00%	\$2,089,123	\$2,089,123	\$2,084,922
SUBACTIVITY GROUP TOTAL	\$1,903,907	\$2,089,123	\$0	0.00%	\$2,089,123	\$2,089,123	\$2,084,922
			<u>Change FY 2017/FY 2017</u>	<u>Change FY 2017/FY 2018</u>			
BASELINE FUNDING			\$2,089,123		\$2,089,123		
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL ESTIMATED AMOUNT			2,089,123				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2017 to 2017 Only)			0				
SUBTOTAL BASELINE FUNDING			2,089,123				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					39,013		
Functional Transfers					28,164		
Program Changes					-71,378		
NORMALIZED CURRENT ESTIMATE			\$2,089,123		\$2,084,922		

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 2,089,123
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 2,089,123
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 2,089,123
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 2,089,123

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 2,089,123
6. Price Change.....	\$ 39,013
7. Transfers.....	\$ 28,164
a) Transfers In.....	\$ 184,627
1) Global Network Operations Security Centers.....	\$ 184,627
Transfers funding and 224 FTEs from SAG 121, Land Forces Readiness to SAG 432, Servicewide Communications to properly realign the Regional Cyber Centers under the Cybersecurity Activities Capability Portfolio, to the proper Subactivity Group. (Baseline: \$0; 224 FTE)	
b) Transfers Out.....	\$ -156,463
1) Administration.....	\$ -501
Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-5,347; -32 FTEs); SAG 432, Servicewide Communication (\$-501; -3 FTEs); SAG 434, Other Personnel Support (\$-167; -1 FTE); and SAG 435, Other Service Support (\$-407; -4 FTEs) to SAG 431, Administration (\$6,422; 40 FTEs) for consolidation of Office of the Provost Marshal General resources into the appropriate Subactivity Group. (Baseline: \$501; -3 FTE)	

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2) Information Technology and Network Modernization \$ -155,728
 Transfers funding and 211 FTEs from Operation and Maintenance, Army SAG 432, Servicewide Communications to Operation and Maintenance, Defense-Wide in support of the Defense Information Systems Agency Joint Service Provider. (Baseline: \$183,041; -211 FTE)

3) Logistics Operations..... \$ -234
 Transfers funding and 14 FTEs from the following SAGs: SAG 432, Servicewide Communications (\$-234; -2 FTEs) and SAG 435, Other Service Support (\$-1,701; -12 FTEs) to SAG 131, Base Operations Support (\$1,935; 14 FTEs) to consolidate funding for property requisitioning, warehouse, storage, retrograde and disposal, and property book functions by Logistics Services Washington under the appropriate Subactivity Group. (Baseline: \$234; -2 FTE)

8. Program Increases \$ 190,651

a) Annualization of New FY 2017 Program..... \$ 0

b) One-Time FY 2018 Costs \$ 0

c) Program Growth in FY 2018 \$ 190,651

1) Army Acquisition Support..... \$ 3,255
 Increased funding for contract support to analyze and plan for the synchronized migration of software and systems into a Common Operating Environment, in preparation for fielding beginning in FY 2019. Efforts include developing the integration and migration plans for transitioning or retiring existing software used in the current computing environments to the common environment and optimizing the ability to assess applications prior to fielding using a virtual test environment, which will leverage and connect multiple laboratories to replicate computing environments without having to assemble the physical hardware in one location. (Baseline: \$39,736)

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<p>2) Commercial Satellite Communications</p> <p>Funds the Army's share of the Iridium Enhanced Mobile Satellite Service managed by the Defense Information Systems Agency. (Baseline: \$62,426)</p>	<p>\$ 27,208</p>
<p>3) Cybersecurity Activities</p> <p>Funding increases Cybersecurity mirror training sites in Europe from five to six as part of the Army Centralized Cybersecurity Training Program. Funds expanded testing of Non-classified and Secret Internet Protocol Router Public Key Encryption capabilities on tactical networks, and Public Key Infrastructure (PKI) Lab and Defense Enrollment Eligibility Reporting System / Real Time Automated Personnel Identification System workstations to support hardware and software lifecycle refresh requirements and increase the storage and computing capacity for the Army's PKI Lab. Funding also provides contract support for Communications Security audits. (Baseline: \$131,231)</p>	<p>\$ 8,302</p>
<p>4) Enterprise Satellite Communications and Space-based Activities</p> <p>Provides funding and 12 FTEs to resource the increased requirements for the Department of Defense (DoD) Wideband Global Satellite (WGS) Satellite Communications (SATCOM) payload control. Funding also resources WGS ground terminals to process the associated increase in SATCOM capacity. Funding also reduces backlog of maintenance, repair, and lifecycle replacement for satellite antenna corrosion control, generator and uninterruptable power supply, radome, and High-Altitude Electromagnetic Pulse (HEMP) shielding to reduce vulnerability of Defense Satellite Communications System and HEMP facilities. Funding increase results from the additional DoD WGS satellites now on orbit. (Baseline: \$177,790; 12 FTE)</p>	<p>\$ 12,735</p>
<p>5) Enterprise Services</p> <p>Increases funding and 18 FTEs to support the program management and oversight requirements of the Army's Enterprise Services solution. Continues the implementation of Unified Capabilities to reduce the Army's reliance on expensive legacy switching network services. Funding also supports services for increased application migration from Army data centers to cloud hosting environment to comply with the Office of Management and Budget data center closure directive. Also includes the realignment of the Army Architecture Integration Center from the Army Enterprise Architecture program. (Baseline: \$191,351; 18 FTE)</p>	<p>\$ 18,418</p>

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6) Information Services \$ 12,001

Funds operational costs for the Computer Hardware Enterprise Software and Solutions (CHESS) Program Office, which are no longer reimbursable from CHESS customers. Resources transition to the next generation of Uniformed Services Identification (USID) Card in an effort to provide greater security measures of personally identifiable information. The next generation USID will replace the current USID Card of Retirees, Reserve and National Guard members, 100 percent Disabled Veterans, Medal of Honor Recipients, and all eligible dependent family members. Additionally, funds increased National Archives and Records Administration reimbursable cost for storage and servicing of Army Active Component and U.S. Army Reserve personnel records. (Baseline: \$109,016)

7) Information Technology and Network Modernization \$ 14,626

Funding provides critical command and control maintenance for the Pentagon Information Technology network to sustain connectivity from the Department of Defense Headquarters to the Unified Combatant Commanders. Funding supports increased requirement to provide Cybersecurity around the clock automated intrusion detection monitoring and response, including wireless intrusion detection, as well as essential maintenance on new end point monitoring and security tools. Funds support to network modernization and architecture efforts, which include planning, coordination, analysis and implementation of Joint Regional Security Stacks, Windows 10 infrastructure, and other Joint Information Environment initiatives. Funding also supports the National Communications Command System maintenance and life-cycle replacement of Jam Resistant Satellite Communications, transport systems, networks, and infrastructure. (Baseline: \$183,041)

8) Logistics Automation Systems Sustainment \$ 3,664

Increase supports sustainment cost for the Unmanned Aircraft Systems-Initiative. Additionally, due to continuation of Global Combat Support System-Army (GCSS-Army) Increment I fielding into FY 2018, the increase supports continued enablement of legacy support systems until GCSS-Army Increment I is complete. (Baseline: \$165,196)

9) Personnel and Pay Systems \$ 30,580

Increases funding for the first Integrated Personnel and Pay System - Army Increment II release in addition to Increment I sustainment support. Funding supports post-deployment sustainment activities for the Defense Information Systems Agency Defense Enterprise Computing Center hosting, Help Desk, software maintenance, and overhead costs. Funding also supports Army Civilian Personnel

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Systems Application hosting costs increase due to mandated data center migration. (Baseline: \$62,859)

10) Reimbursable to Direct Manpower Conversion \$ 5,886

In order to improve compliance with the Data Accountability and Transparency Act and the Financial Improvement and Audit Readiness, the Army has begun the process of reviewing all internal reimbursable manpower and eliminating or converting to direct where appropriate. The transactions for FY 2018 are the first of a multi-year effort and reflect increases to direct manpower as a result of this conversion. (Baseline: \$222,979; 43 FTE)

11) Specialized Information Technology Support \$ 53,976

Increases funding and 9 FTEs to support additional customers requiring Army Special Access Program Enterprise Portal services. Network Facility Support Infrastructure across the Army is aging and incapable of supporting network expansion and modernization efforts. Funding provides resources for Network Facility Support Infrastructure including back-up power, heating, ventilation and air conditioning equipment, and electronic and power distribution systems that support the Army's worldwide communications network. Funding also supports maintenance, repair and lifecycle replacement for Information Technology communications and facility support systems to enhance reliability and reduce vulnerabilities to the enterprise. Also includes the realignment of the Spectrum Management Office from the Army Enterprise Architecture program. (Baseline: \$15,289; 9 FTE)

9. Program Decreases \$ -262,029

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ -262,029

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- 1) Army Enterprise Architecture \$ -14,475
 Realigns funds within this Subactivity Group to better align the missions of the Army Architecture Integration Center and Spectrum Management Office. Resources were realigned from Army Enterprise Architecture to Enterprises Services (\$6,811) and Specialized Information Technology Support (\$7,664), respectively. (Baseline: \$14,475)
- 2) Army Major Headquarters Activity (MHA) Rebaseline \$ -1,846
 Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$222,979; -12 FTE)
- 3) Biometrics \$ -1,617
 Decreases funding for Biometrics in accordance with Army's readiness priorities. (Baseline: \$35,039)
- 4) Civilian Average Annual Compensation \$ -11,063
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$222,979)
- 5) Civilian Workforce Reduction \$ -1,087
 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: \$222,979; -7 FTE)

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6) Enterprise License Agreements.....	\$ -159,611
Reduction represents a return to normal baseline after an FY 2017 cost increase resulting from change in the Microsoft product licensing contract and Windows 10 upgrade. (Baseline: \$488,705)	
7) Long Haul Communications.....	\$ -59,140
Reduces funding due to efficiencies gained for circuit optimization, where the Army is divesting of smaller, expensive circuits while maximizing the use of lower cost, large capacity circuits. (Baseline: \$393,505)	
8) Tactical Network Communications.....	\$ -13,190
Decreases funds for maintenance support costs of Software Defined Waveform Communication Architecture for Tactical Radio Systems. (Baseline: \$19,464)	

FY 2018 Budget Request.....\$ 2,084,922

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
BIOMETRICS			
Average system availability	98.20%	97.50%	96.50%
Average throughput of daily transactions ¹	4,759	5,250	4,759
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
CYBERSECURITY ACTIVITES			
Account audits/inspections	235	235	235
Facility audits	205	180	180
Incident cases ²	2,150	2,500	2,500
Number of students taught at specialized information systems security classes/modules ³	855	914	1,002
ENTERPRISE SATELLITE COMMUNICATIONS AND SPACED-BASED ACTIVITES			
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
Number of satellites on orbit	7	8	9
LOGISTICS AUTOMATION SYSTEMS SUPPORT			
Number of supported logistics business systems ⁴	14	14	13
Number of supported logistics automation users (per year)	154,000	154,000	154,000
LONG HAUL COMMUNICATION			
Number of service types provided to Army Commands	28	28	28

Notes:

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1. System requirement is 30,000. The FY17 President's Budget erroneously reflected the average throughput of daily transactions.
2. Incidents were increased following FY 2015 to reflect the increased number of administrative discrepancies being reported through the Communications Security Incident Monitoring and Management System.
3. The numbers also reflect the Command Communications Security Inspectors Certification Course students as well as the Key Management Infrastructure training at both East (Fort Gordon, Georgia) and West (Fort Huachuca, Arizona) training sites, as well as field site training on Controlled Cryptographic Items and Communications Security equipment.
4. The Standard Army Maintenance System will retire in FY 2018.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	248	218	197	-21
Officer	112	96	93	-3
Enlisted	136	122	104	-18
<u>Active Military Average Strength (A/S) (Total)</u>	247	233	208	-25
Officer	112	104	95	-9
Enlisted	135	129	113	-16
<u>Civilian FTEs (Total)</u>	1,809	1,616	1,687	71
U.S. Direct Hire	1,789	1,616	1,662	46
Foreign National Direct Hire	11	0	25	25
Total Direct Hire	1,800	1,616	1,687	71
Foreign National Indirect Hire	9	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 748	 830	 666	 -164
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	133	138	132	-6
<u>Contractor FTEs (Total)</u>	6,168	4,579	4,411	-168

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:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	232,072	0	1.40%	3,248	-18,091	217,229	0	1.90%	4,132	-4,521	216,840
0103	WAGE BOARD	5,630	0	1.47%	83	37	5,750	0	1.79%	103	-510	5,343
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	196	0	0.00%	0	-196	0	3	500.00%	15	824	842
0106	BENEFITS TO FORMER EMPLOYEES	749	0	0.00%	0	-749	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	238,647	0		3,331	-18,999	222,979	3		4,250	-4,207	223,025
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	7,996	0	1.80%	144	1,339	9,479	0	2.00%	190	419	10,088
0399	TOTAL TRAVEL	7,996	0		144	1,339	9,479	0		190	419	10,088
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0411	ARMY SUPPLY	2,019	0	-4.63%	-93	-636	1,290	0	2.84%	37	0	1,327
0412	NAVY MANAGED SUPPLIES AND MATERIALS	0	0	4.94%	0	18	18	0	0.80%	0	0	18
0416	GSA MANAGED SUPPLIES AND MATERIALS	1,248	0	1.80%	22	11,522	12,792	0	2.00%	256	0	13,048
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	3,267	0		-71	10,904	14,100	0		293	0	14,393
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	5,651	0	-0.26%	-15	-5,084	552	0	2.84%	16	304	872
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	0	0	-0.10%	0	21	21	0	-1.77%	0	0	21
0507	GSA MANAGED EQUIPMENT	172	0	1.80%	3	557	732	0	2.00%	15	0	747
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	5,823	0		-12	-4,506	1,305	0		31	304	1,640
<u>OTHER FUND PURCHASES</u>												
0633	DLA DOCUMENT SERVICES	0	0	1.47%	0	14,180	14,180	0	-1.30%	-184	0	13,996
0647	DISA ENTERPRISE COMPUTING CENTERS	0	0	-10.00%	0	86,312	86,312	0	0.00%	0	13,000	99,312
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	328,040	0	-7.00%	-22,963	62,376	367,453	0	1.90%	6,982	-59,140	315,295
0679	COST REIMBURSABLE PURCHASES	3,161	0	1.90%	60	-1,938	1,283	0	1.90%	24	0	1,307
0699	TOTAL INDUSTRIAL FUND PURCHASES	331,201	0		-22,903	160,930	469,228	0		6,822	-46,140	429,910

Exhibit OP-5, Subactivity Group 432

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>TRANSPORTATION</u>												
0703	JCS EXERCISES	0	0	-9.00%	0	127	127	0	1.30%	2	0	129
0771	COMMERCIAL TRANSPORTATION	213	0	1.80%	4	978	1,195	0	2.00%	24	0	1,219
0799	TOTAL TRANSPORTATION	213	0		4	1,105	1,322	0		26	0	1,348
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	1,037	0	0.00%	0	-1,037	0	0	0.00%	0	0	0
0913	PURCHASED UTILITIES (NON-FUND)	3,457	0	1.80%	62	-1,011	2,508	0	2.00%	50	0	2,558
0914	PURCHASED COMMUNICATIONS (NON-FUND)	16,765	0	1.80%	302	53,028	70,095	0	2.00%	1,402	27,208	98,705
0917	POSTAL SERVICES (U.S.P.S)	3,638	0	1.80%	65	1,518	5,221	0	2.00%	104	0	5,325
0920	SUPPLIES AND MATERIALS (NON-FUND)	19,619	0	1.80%	353	-1,125	18,847	0	2.00%	377	646	19,870
0921	PRINTING AND REPRODUCTION	0	0	1.80%	0	34,853	34,853	0	2.00%	697	0	35,550
0922	EQUIPMENT MAINTENANCE BY CONTRACT	24,939	0	1.80%	449	103,666	129,054	0	2.00%	2,581	-702	130,933
0923	OPERATION AND MAINTENANCE OF FACILITIES	11,631	0	1.80%	209	18,091	29,931	0	2.00%	599	391	30,921
0925	EQUIPMENT PURCHASES (NON-FUND)	51,430	0	1.80%	926	181,006	233,362	0	2.00%	4,667	704	238,733
0927	AIR DEFENSE CONTRACTS AND SPACE SUPPORT (AF)	0	0	1.80%	0	855	855	0	2.00%	17	0	872
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	236,427	0	1.80%	4,256	-236,743	3,940	0	2.00%	79	0	4,019
0933	STUDIES, ANALYSIS, AND EVALUATIONS	41,982	0	1.80%	756	-42,738	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	97,345	0	1.80%	1,752	-87,828	11,269	0	2.00%	225	164	11,658
0935	TRAINING AND LEADERSHIP DEVELOPMENT	1,588	0	0.00%	0	-1,588	0	0	2.00%	0	0	0
0936	TRAINING AND LEADERSHIP DEVELOPMENT (OTHER CONTR)	0	0	0.00%	0	0	0	0	2.00%	0	924	924
0985	RESEARCH AND DEVELOPMENT CONTRACTS	2,647	0	0.00%	0	-1,893	754	0	0.00%	0	0	754
0987	OTHER INTRA-GOVERNMENT PURCHASES	103,707	0	1.80%	1,867	86,618	192,192	0	2.00%	3,844	9,736	205,772
0989	OTHER SERVICES	43,925	0	1.80%	791	2,347	47,063	0	2.00%	941	33,400	81,404
0990	IT CONTRACT SUPPORT SERVICES	656,623	0	1.80%	11,819	-77,676	590,766	0	2.00%	11,815	-66,061	536,520
0999	TOTAL OTHER PURCHASES	1,316,760	0		23,607	30,343	1,370,710	0		27,398	6,410	1,404,518
9999	GRAND TOTAL	1,903,907	0		4,100	181,116	2,089,123	3		39,010	-43,214	2,084,922

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 43: Servicewide Support
Detail by Subactivity Group 433: Manpower Management

I. Description of Operations Financed:

MANPOWER MANAGEMENT - Finances human resources and personnel management functions for Soldiers and the Army's civilian workforce.

MILITARY 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.

CIVILIAN MANPOWER MANAGEMENT - Funds operations at the Civilian Human Resources Agency, which recruits, accesses, and retains the Army's civilian personnel through continued modernization, restructure of programs, and streamlining processes and procedures.

II. Force Structure Summary:

Direct Reporting Units:

U.S. Army Human Resources Command

U.S. Army Civilian Human Resource Agency

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Operation and Maintenance, Army
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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
MANPOWER MANAGEMENT	\$282,117	\$276,403	\$0	0.00%	\$276,403	\$276,403	\$259,588	
SUBACTIVITY GROUP TOTAL	\$282,117	\$276,403	\$0	0.00%	\$276,403	\$276,403	\$259,588	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$276,403	\$276,403				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			276,403					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			276,403					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					4,619			
Functional Transfers					-697			
Program Changes					-20,737			
NORMALIZED CURRENT ESTIMATE			\$276,403		\$259,588			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 276,403
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 276,403
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 276,403
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 276,403

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 276,403
6. Price Change	\$ 4,619
7. Transfers.....	\$ -697
a) Transfers In	\$ 0
b) Transfers Out	\$ -697
1) U.S. Army Reserve Pay Team	\$ -697
Transfers funding and FTEs from Operation and Maintenance, Army, SAG 433, Manpower Management to Operation and Maintenance, Army Reserve, SAG 131, Base Operations Support to realign the Human Resources Command Reserve Pay Team to the U.S. Army Reserve Command. (Baseline: \$697; -7 FTE)	
8. Program Increases	\$ 11,160
a) Annualization of New FY 2017 Program.....	\$ 0

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b) One-Time FY 2018 Costs\$ 0

c) Program Growth in FY 2018\$ 11,160

1) Civilian Manpower Management.....\$ 8,189

Increases funding for deployment and training costs associated with the New Beginnings labor-management effort. New Beginnings includes improvements to Department of Defense Human Resources practices and policies, specifically the implementation of a new Defense-wide Performance Management and Appraisal Program. In addition, funding supports automation requirements for the Civilian Human Resources Agency to improve its ability to provide human resources to the Army civilian workforce through automated solutions such as USA Hire and enhanced capabilities to assess security and suitability requirements. Automation support includes migration of the Army Civilian Human Resources System to the Department of Defense Enterprise System. (Baseline: \$152,197)

2) Military Manpower Management.....\$ 2,971

Increases funding in support of growing annual requirements for the U.S. Army Physical Disability Agency (PDA). PDA provides a full and fair hearing to determine a Soldier's physical fitness for continued military service. Funding also supports the Army's initiative to maintain a ready and resilient force by increasing face-to-face communications by U.S. Army Human Resources Command personnel with Soldiers in the field. (Baseline: \$124,206)

9. Program Decreases.....\$ -31,897

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -31,897

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- | | |
|---|------------|
| <p>1) Army Major Headquarters Activity (MHA) Rebaseline.....</p> <p>Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$266,250; -114 FTE)</p> | \$ -10,834 |
| <p>2) Civilian Average Annual Compensation.....</p> <p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$266,250)</p> | \$ -13,430 |
| <p>3) Civilian Workforce Reduction.....</p> <p>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: \$266,250; -73 FTE)</p> | \$ -7,633 |

FY 2018 Budget Request.....\$ 259,588

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IV. Performance Criteria and Evaluation Summary:

Personnel Actions processed by Human Resources Command:

Manpower:	FY 2016	FY 2017	FY 2018
Officer (Army)	92,129	90,909	90,375
Enlisted (Army)	378,778	380,577	381,113
Officer (Army Reserve)	37,347	38,420	38,603
Enlisted (Army Reserve)	161,048	160,580	160,397
Cadets	4,493	4,514	4,512
Total	673,795	675,000	675,000
Military Personnel Actions:	16,361,815	15,262,368	15,087,333

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 2016	FY 2017	FY 2018
Manpower:			
Army Civilians	240,830	241,689	245,633
Human Resource Training Courses	937	668	725
Suspected Fraud Tracking for Unemployment and Injury Compensation Cases	1000	750	750
Civilian Personnel Actions:	3,634,240	3,566,750	3,558,650

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 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	385	306	294	-12
Officer	241	200	192	-8
Enlisted	144	106	102	-4
<u>Active Military Average Strength (A/S) (Total)</u>	389	346	300	-46
Officer	243	221	196	-25
Enlisted	146	125	104	-21
<u>Civilian FTEs (Total)</u>	2,822	2,740	2,546	-194
U.S. Direct Hire	2,628	2,550	2,356	-194
Foreign National Direct Hire	75	55	55	0
Total Direct Hire	2,703	2,605	2,411	-194
Foreign National Indirect Hire	119	135	135	0
 <i>(Reimbursable Civilians (Memo))</i>	 1,328	 1,090	 1,027	 -63
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	92	97	94	-3
<u>Contractor FTEs (Total)</u>	55	38	76	38

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	247,976	0	1.53%	3,805	2,026	253,807	0	1.69%	4,285	-33,327	224,765
0103	WAGE BOARD	86	0	2.33%	2	182	270	0	1.85%	5	44	319
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	1,929	15	1.54%	30	315	2,289	10	1.22%	28	-908	1,419
0106	BENEFITS TO FORMER EMPLOYEES	54	0	0.00%	0	-54	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	250,045	15		3,837	2,469	256,366	10		4,318	-34,191	226,503
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	5,571	0	1.80%	100	-5,276	395	0	2.00%	8	764	1,167
0399	TOTAL TRAVEL	5,571	0		100	-5,276	395	0		8	764	1,167
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0402	SERVICE FUND FUEL	0	0	-8.20%	0	7	7	0	-0.40%	0	-1	6
0411	ARMY SUPPLY	46	0	-4.63%	-2	73	117	0	2.84%	3	-4	116
0416	GSA MANAGED SUPPLIES AND MATERIALS	1	0	1.80%	0	154	155	0	2.00%	3	0	158
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	47	0		-2	234	279	0		6	-5	280
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	1,167	0	1.80%	21	-930	258	0	2.00%	5	0	263
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,167	0		21	-930	258	0		5	0	263
<u>TRANSPORTATION</u>												
0719	SDDC CARGO OPERATION (PORT HANDLING)	1,100	0	0.80%	9	-239	870	0	1.30%	11	0	881
0771	COMMERCIAL TRANSPORTATION	542	0	1.80%	10	-268	284	0	2.00%	6	-1	289
0799	TOTAL TRANSPORTATION	1,642	0		19	-507	1,154	0		17	-1	1,170
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	9,865	55	1.50%	149	-185	9,884	-128	2.27%	221	1,597	11,574
0902	SEPARATION LIABILITY (FNIH)	61	0	0.00%	0	-61	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 433

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Detail by Subactivity Group 433: Manpower Management

	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0912 RENTAL PAYMENTS TO GSA (SLUC)	0	0	1.80%	0	72	72	0	2.00%	1	0	73
0913 PURCHASED UTILITIES (NON-FUND)	7	0	1.80%	0	143	150	0	2.00%	3	0	153
0914 PURCHASED COMMUNICATIONS (NON-FUND)	144	0	1.80%	3	-87	60	0	2.00%	1	100	161
0915 RENTS (NON-GSA)	3	0	1.80%	0	56	59	0	2.00%	1	0	60
0917 POSTAL SERVICES (U.S.P.S)	92	0	1.80%	2	149	243	0	2.00%	5	65	313
0920 SUPPLIES AND MATERIALS (NON-FUND)	3,422	0	1.80%	62	-3,448	36	0	2.00%	1	75	112
0921 PRINTING AND REPRODUCTION	105	0	1.80%	2	-104	3	0	2.00%	0	0	3
0922 EQUIPMENT MAINTENANCE BY CONTRACT	161	0	1.80%	3	-115	49	0	2.00%	1	0	50
0923 OPERATION AND MAINTENANCE OF FACILITIES	721	0	1.80%	13	-392	342	0	2.00%	7	0	349
0925 EQUIPMENT PURCHASES (NON-FUND)	2	0	1.80%	0	174	176	0	2.00%	4	0	180
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,047	0	1.80%	19	-1,066	0	0	2.00%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	0	0	1.80%	0	137	137	0	2.00%	3	0	140
0935 TRAINING AND LEADERSHIP DEVELOPMENT	103	0	0.00%	0	-103	0	0	2.00%	0	0	0
0957 LAND AND STRUCTURES	125	0	1.80%	2	-127	0	0	2.00%	0	0	0
0959 INSURANCE CLAIMS AND INDEMNITIES	30	0	1.80%	1	-31	0	0	2.00%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	18	0	1.80%	0	211	229	0	2.00%	5	2,985	3,219
0989 OTHER SERVICES	3,821	0	1.80%	69	-303	3,587	0	2.00%	72	3,396	7,055
0990 IT CONTRACT SUPPORT SERVICES	3,918	0	1.80%	71	-1,065	2,924	0	2.00%	58	3,781	6,763
0999 TOTAL OTHER PURCHASES	23,645	55		396	-6,145	17,951	-128		383	11,999	30,205
9999 GRAND TOTAL	282,117	70		4,371	-10,155	276,403	-118		4,737	-21,434	259,588

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Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 43: Servicewide Support
Detail by Subactivity Group 434: Other Personnel Support

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.

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.

CHIEF OF 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.

CONFINEMENT FACILITIES - Finances administration and operation of five Army correctional facilities (including the U.S. Disciplinary Barracks, Fort 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 FUNERAL HONORS - Provides Military Funeral 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. Resources casualty notification and casualty assistance for deceased Soldier and Veteran families. Resources the Joint Personnel Effects Depot and Army overseas mortuaries in Germany and Korea. Provides augmentation to the Defense POW/MIA Accounting Agency to conduct global search, recovery, and laboratory operations to identify unaccounted-for Americans from past conflicts in order to support the Department of Defense's personnel accounting efforts.

SEXUAL HARASSMENT/ASSAULT RESPONSE AND PREVENTION (SHARP) ACTIVITIES - Supports the 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. SHARP Activities include the SHARP Academy, Special Victim Prosecutors, Special Victim Counsel, Special Victim Witness Liaisons, Sexual Assault Lab Examiners, Program Managers, Brigade Sexual Assault Response Coordinators, Victim Advocates, and Trainers.

Exhibit OP-5, Subactivity Group 434

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SOLDIER FOR LIFE - TRANSITION ASSISTANCE PROGRAM (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 Army 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.

OTHER - Funds the U.S. Army Field Bands, U.S. Army Museum System, Boy and Girls 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 Central
U.S. Army North
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 Military District of Washington
U.S. Military Academy
U.S. Intelligence and Security Command
U.S. Army Medical Command
U.S. Army Installation Management Command
U.S. Army Human Resources Command

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III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
OTHER PERSONNEL SUPPORT	\$445,960	\$369,443	\$0	0.00%	\$369,443	\$369,443	\$326,387	
SUBACTIVITY GROUP TOTAL	\$445,960	\$369,443	\$0	0.00%	\$369,443	\$369,443	\$326,387	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$369,443		\$369,443			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			369,443					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			369,443					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					7,309			
Functional Transfers					-254			
Program Changes					-50,111			
NORMALIZED CURRENT ESTIMATE			\$369,443		\$326,387			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 369,443
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 369,443
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 369,443
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 369,443

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 369,443
6. Price Change.....	\$ 7,309
7. Transfers.....	\$ -254
a) Transfers In.....	\$ 0
b) Transfers Out.....	\$ -254
1) Administration	\$ -167
Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-5,347; -32 FTEs); SAG 432, Servicewide Communication (\$-501; -3 FTEs); SAG 434, Other Personnel Support (\$-167; -1 FTE); and SAG 435, Other Service Support (\$-407; -4 FTEs) to SAG 431, Administration (\$6,422; 40 FTEs) for consolidation of Office of the Provost Marshal General resources into the appropriate Subactivity Group. (Baseline: \$167; -1 FTE)	
2) Sexual Harassment/Assault Response and Prevention (SHARP) Activities	\$ -87
Transfers funding and 1 FTE from Operation and Maintenance, Army SAG 434, Other Personnel Support to Operation and Maintenance, Army Reserve SAG 434, Other Personnel Support to realign a	

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SHARP U.S. Army Reserve Program Manager to the proper appropriation. (Baseline: \$92,505; -1 FTE)

8. Program Increases	\$ 3,536
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 3,536
1) Automation - Information Technology (IT) Systems	\$ 3,536
Increases funding and 33 FTEs for the U.S. Army Human Resources Command Data Center Migration and Army Accessioning and Human Resource missions. Funds training to sustain a skilled civilian workforce that provides IT services and capabilities to acquire, compensate, deploy, develop, distribute, sustain, and transition Soldiers. (Baseline: \$112,044; 33 FTE)	
9. Program Decreases.....	\$ -53,647
a) One-Time FY 2017 Costs	\$ -3,529
1) U.S. Army Museum System.....	\$ -3,529
Reduces funding for movement of artifacts, contract exhibit design, material fabrication and installation in support of the U.S. Army Museum System. (Baseline: \$17,329)	
b) Annualization of FY 2017 Program Decreases.....	\$ 0

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c) Program Decreases in FY 2018.....	\$ -50,118
1) Automation - Information Technology (IT) Systems	\$ -13,575
Decreases funding for Army Human Resources IT contract support due to the U.S. Army Human Resources Command Army Data Center Migration efficiencies. (Baseline: \$112,044)	
2) Civilian Average Annual Compensation.....	\$ -1,125
Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$132,761)	
3) Civilian Workforce Reduction.....	\$ -1,071
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: \$132,761; -10 FTE)	
4) Confinement Facilities.....	\$ -2,103
Decreases funding for general operations of confinement facilities. (Baseline: \$20,090)	
5) Military Funeral Honors.....	\$ -616
Reduced funding for travel and other support cost based on decreasing Veteran population from World War II, The Korean War, and The Vietnam War. The Department of Veteran Affairs Data and Statistics projects decreasing Veteran deaths resulting in less military funerals. (Baseline: \$1,940)	
6) Sexual Harassment/Assault Response and Prevention (SHARP) Activities	\$ -17,564
Reduced funding for SHARP command operations, strategic communication and outreach contracts. This decrease represents adjustments made based on efficiencies and more precisely defined requirements. The Army continues to aggressively address sexual assault by providing	

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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, Army civilians, Family members, and the Nation. (Baseline: \$92,505)

7) Soldier for Life - Transition Assistance Program\$ -7,672
 Reduces funding for travel and contract support. The Army remains in compliance with the Veterans Opportunity to Work to Hire Heroes Act of 2011. (Baseline: \$73,038)

8) U.S. Army Museum System\$ -6,392
 Reduces funding for the Army Museum Information System due to the Army leveraging current and emerging technologies to improve organic capabilities and capacity to catalog historical artifacts and collections. (Baseline: \$17,329)

FY 2018 Budget Request.....\$ 326,387

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IV. Performance Criteria and Evaluation Summary:

Soldier for Life - Transition Assistance Program

	FY 2016	FY 2017	FY 2018
Active Component Soldiers ¹	89,994	87,637	72,723
Reserve Component Soldiers ²	20,421	17,591	23,100
Total Transitioning Soldiers ³	110,415	105,228	95,823

SOLDIER FOR LIFE - TRANSITION ASSISTANCE PROGRAM (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 Army 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. Active Component Soldiers projected separations from Title 10 active duty tour.
2. Reserve Component Soldiers (Army National Guard, U.S. Army Reserve) to be mobilized for greater than 180 days.
3. Describes the number of Soldiers who received SFL-TAP services during the fiscal year.

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	FY 2016	FY 2017	FY2018
Special Victims Counsel Program:			
Counsel Trained	244	353	360
Clients Represented	2,324	2,205	2,320
Interviews/Legal Counseling Provided	13,064	13,264	13,464
Courts-Martial Attended	180	458	470
Special Victims Prosecution Program:			
Courts-Martial Assistance	682	570	660
Counsel Trained	1,091	1,209	1,281
Sexual Harassment and Sexual Assault Prevention:			
80-Hour Certification Training	3,646	4,600	4,600
24-Hour Recertification	1,545	2,480	3,480
D-SAACP ¹ National Certification (New)	2,356	2,220	2,400
D-SAACP ¹ National Certification (Renewal)	1,575	2,480	1,700
Total Number of Individuals Trained and Certified:	9,122	11,780	12,180

¹Department of Defense-Sexual Assault Advocate Certification Program

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	1,781	1,738	1,736	-2
Officer	95	126	94	-32
Enlisted	1,686	1,612	1,642	30
<u>Active Military Average Strength (A/S) (Total)</u>	1,836	1,760	1,737	-23
Officer	112	111	110	-1
Enlisted	1,724	1,649	1,627	-22
<u>Civilian FTEs (Total)</u>	1,417	1,263	1,284	21
U.S. Direct Hire	1,415	1,260	1,281	21
Foreign National Direct Hire	1	1	1	0
Total Direct Hire	1,416	1,261	1,282	21
Foreign National Indirect Hire	1	2	2	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 357	 357	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	96	105	106	1
<u>Contractor FTEs (Total)</u>	958	658	507	-151

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:

		FY 2016	FC Rate	Price	Price	Program	FY 2017	FC Rate	Price	Price	Program	FY 2018
		Program	Diff	Growth	Growth	Growth	Program	Diff	Growth	Growth	Growth	Program
				Percent					Percent			
<u>CIVILIAN PERSONNEL COMPENSATION</u>												
0101	EXECUTIVE, GENERAL AND SPECIAL SCHEDULES	131,965	0	1.46%	1,923	-5,264	128,624	0	1.96%	2,521	1,762	132,907
0103	WAGE BOARD	3,374	0	1.66%	56	571	4,001	0	1.62%	65	-697	3,369
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	21	0	0.00%	0	-6	15	0	0.00%	0	9	24
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	135,360	0		1,979	-4,699	132,640	0		2,586	1,074	136,300
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	19,980	0	1.80%	359	4,471	24,810	0	2.00%	496	-4,912	20,394
0399	TOTAL TRAVEL	19,980	0		359	4,471	24,810	0		496	-4,912	20,394
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	908	0	-8.20%	-74	-774	60	0	-0.40%	0	-5	55
0402	SERVICE FUND FUEL	0	0	-8.20%	0	8	8	0	-0.40%	0	-1	7
0411	ARMY SUPPLY	9,450	0	-4.63%	-437	-8,711	302	0	2.84%	9	0	311
0416	GSA MANAGED SUPPLIES AND MATERIALS	425	0	1.80%	8	112	545	0	2.00%	11	0	556
0422	DLA MATERIEL SUPPLY CHAIN (MEDICAL)	4	0	-0.40%	0	-4	0	0	0.00%	0	0	0
0424	DLA MATERIEL SUPPLY CHAIN (WEAPON SYSTEMS)	2	0	-6.00%	0	-2	0	0	0.00%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	10,789	0		-503	-9,371	915	0		20	-6	929
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	7,043	0	-0.26%	-18	-6,905	120	0	2.84%	3	0	123
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	676	0	-0.10%	-1	-433	242	0	-1.77%	-4	0	238
0507	GSA MANAGED EQUIPMENT	4,428	0	1.80%	80	-1,976	2,532	0	2.00%	51	0	2,583
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	12,147	0		61	-9,314	2,894	0		50	0	2,944
<u>OTHER FUND PURCHASES</u>												
0601	ARMY INDUSTRIAL OPERATIONS (ARMAMENT)	0	0	-0.11%	0	65	65	0	0.00%	0	0	65
0610	NAVAL AIR WARFARE CENTER	328	0	3.20%	10	-338	0	0	0.00%	0	0	0
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	77	0	-7.00%	-5	-72	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 434

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
0699 TOTAL INDUSTRIAL FUND PURCHASES	405	0		5	-345	65	0		0	0	65
<u>TRANSPORTATION</u>											
0703 JCS EXERCISES	10,779	0	-9.00%	-970	-9,809	0	0	0.00%	0	0	0
0718 SDDC LINER OCEAN TRANSPORTATION	683	0	-1.80%	-12	-671	0	0	0.00%	0	0	0
0719 SDDC CARGO OPERATION (PORT HANDLING)	0	0	0.80%	0	454	454	0	1.30%	6	0	460
0771 COMMERCIAL TRANSPORTATION	7,023	0	1.80%	126	-4,632	2,517	0	2.00%	50	-643	1,924
0799 TOTAL TRANSPORTATION	18,485	0		-856	-14,658	2,971	0		56	-643	2,384
<u>OTHER PURCHASES</u>											
0901 FOREIGN NATIONAL INDIRECT HIRE (FNIH)	74	0	2.70%	2	45	121	-2	1.68%	2	12	133
0913 PURCHASED UTILITIES (NON-FUND)	21,308	0	1.80%	383	-21,605	86	0	2.00%	2	0	88
0914 PURCHASED COMMUNICATIONS (NON-FUND)	584	0	1.80%	11	287	882	0	2.00%	18	0	900
0915 RENTS (NON-GSA)	588	0	1.80%	11	-159	440	0	2.00%	9	0	449
0917 POSTAL SERVICES (U.S.P.S)	808	0	1.80%	15	-731	92	0	2.00%	2	0	94
0920 SUPPLIES AND MATERIALS (NON-FUND)	16,299	0	1.80%	294	11,571	28,164	0	2.00%	563	-4,280	24,447
0921 PRINTING AND REPRODUCTION	2,784	0	1.80%	50	-213	2,621	0	2.00%	52	0	2,673
0922 EQUIPMENT MAINTENANCE BY CONTRACT	3,546	0	1.80%	64	22,622	26,232	0	2.00%	525	0	26,757
0923 OPERATION AND MAINTENANCE OF FACILITIES	8,499	0	1.80%	153	-7,214	1,438	0	2.00%	29	-901	566
0925 EQUIPMENT PURCHASES (NON-FUND)	2,766	0	1.80%	50	24,049	26,865	0	2.00%	537	-6,245	21,157
0932 MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	6,669	0	1.80%	120	-6,789	0	0	2.00%	0	0	0
0933 STUDIES, ANALYSIS, AND EVALUATIONS	7,485	0	1.80%	134	-7,619	0	0	2.00%	0	0	0
0934 ENGINEERING AND TECHNICAL SERVICES	609	0	1.80%	11	-620	0	0	2.00%	0	0	0
0935 TRAINING AND LEADERSHIP DEVELOPMENT	2,289	0	0.00%	0	-2,289	0	0	2.00%	0	0	0
0937 LOCALLY PURCHASED FUEL (NON-FUND)	9	0	-8.20%	-1	5	13	0	-0.40%	0	-1	12
0957 LAND AND STRUCTURES	17,175	0	1.80%	309	-17,484	0	0	0.00%	0	0	0
0964 SUBSISTENCE AND SUPPORT OF PERSONS	8,424	0	1.80%	152	-8,576	0	0	0.00%	0	0	0
0987 OTHER INTRA-GOVERNMENT PURCHASES	13,070	0	1.80%	235	13,360	26,665	0	2.00%	533	-6,712	20,486
0989 OTHER SERVICES	56,828	0	1.80%	1,023	-13,617	44,234	0	2.00%	885	-20,420	24,699
0990 IT CONTRACT SUPPORT SERVICES	78,980	0	1.80%	1,422	-33,107	47,295	0	2.00%	946	-7,331	40,910
0999 TOTAL OTHER PURCHASES	248,794	0		4,438	-48,084	205,148	-2		4,103	-45,878	163,371

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		<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
9999	GRAND TOTAL	445,960	0		5,483	-82,000	369,443	-2		7,311	-50,365	326,387

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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.

FIELD OPERATING ACTIVITIES AND SERVICE SUPPORT AGENCIES - Funds a diverse array of worldwide support functions that are vital to overall Army readiness and which enable the Army to comply with public laws and DoD directives. Supported functions include several of the Army's Field Operating Agencies, including the Army Combat Readiness Center, the U.S. Army War College, the Army Review Boards Agency, the U.S. Army Medical Materiel Agency, the U.S. Army Information Technology Agency, Judge Advocate Generals organizations, and the Army Force Management Support Agency. In addition, funding provides for administration of the Army's Records Management, Nuclear, Chemical, and Weapons of Mass Destruction programs and Army Modeling and Simulation Programs.

DEFENSE FINANCE AND ACCOUNTING 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.

INTERNAL AUDITING AND OVERSIGHT SERVICES - The Army Audit Agency and the Office of the Inspector General provide objective and independent oversight, investigative, and auditing services. These services help the Army make informed decisions, resolve issues, use resources effectively, and satisfy statutory and fiduciary responsibilities.

ARMY ACQUISITION EXECUTIVE SUPPORT - Funds day-to-day operation of the Acquisition Support Center (ASC) and associated Program Executive Offices (PEO) for Army acquisition programs. Supported functions include civilian pay and other support costs (e.g. travel, contracts, supplies, and services) for civilian and military personnel. Funds support the Army's acquisition mission through superior personnel development systems and management support capabilities, enabling the most effective and efficient equipping of the Nation's forces while maintaining an internal culture of constant organizational improvement. Core functions and competencies include providing institutional management of the Army Acquisition Corps and the Army Acquisition Workforce, including career management and workforce development; customer service and support to the PEOs in the areas of human resources, resource management (manpower and budget), program structure, and acquisition information management; subject matter expertise and analytical support regarding acquisition issues and initiatives to the Assistant Secretary of the Army (Acquisition, Logistics and Technology) and various DoD elements; and communication of the ASC's vision and mission within the acquisition community and the U.S. Army.

ARMY MUSEUMS AND HERITAGE ACTIVITIES - 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.

INAUGURATION AND ARMY OUTREACH PROGRAMS - Resources DoD participation in the management, coordination, and execution of Army Engagement Programs which connect Americans to their Army. Resources annual Army engagement events such as Spirit of America, Twilight Tattoo, Salute From the Chief, Army Birthday (multiple locations/cities) and other events within and outside of the National Capital Region. Funds costs associated to DoD's Joint Force Headquarters-National Capital Region/U.S. Army Military District of Washington participation in the Presidential Inauguration.

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JOINT AND DEPARTMENT OF DEFENSE 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 TRANSIT BENEFIT PROGRAM - Funds the administration and management of the Mass Transit Benefit Program (MTBP), as directed by Executive Order 13150. The MTBP is intended to subsidize qualified public transit costs incurred by Soldiers and Army civilians for daily commutes from their residence to their permanent duty station workplace.

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.

HEADQUARTERS AND ADMINISTRATIVE ACTIVITIES - Funds centralized Service functions in support of 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. In addition, funding provides for the Army's Paperless Contracting program as well as selected personnel functions, including management and oversight of the Sexual Harassment/Assault Response and Prevention and Army Substance Abuse Programs.

NON-DEPARTMENT OF DEFENSE SUPPORT- Provides resources for EagleCash, a cash management tool designed to support U.S. military personnel deployed in combat zones and on peace-keeping missions. The program was developed and is managed jointly by the U.S. Army, U.S. Department of the Treasury and the Federal Reserve Bank of Boston (FRBB) acting as the program Fiscal Agent. It utilizes a Stored Value Card (SVC) "smart card" that contains a microprocessor computer chip which both stores electronic currency and processes financial transactions. EagleCash is used to reduce the amount of U.S. currency in circulation overseas and to take workload out of the base Finance Office, thus freeing up military personnel for other essential duties.

DEFENSE TRAVEL SYSTEM - Funds the Army's share of Defense Travel System support costs, including DFAS post payment audits, operational costs to contractor, and the DFAS Lead Defense Travel Administration support.

II. Force Structure Summary:

Headquarters, Department of the Army

Army Commands:

U.S. Army Forces Command

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

Army Service Component Commands:

U.S. Army Central
U.S. Army North
U.S. Army South
U.S. Army Europe
U.S. Army Pacific
U.S. Army Cyber Command

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
U.S. Army Installation Management Command
U.S. Army Criminal Investigation Command
U.S. Army Financial Management Command
U.S. Army Civilian Human Resources Agency
U.S. Army Human Resources Command
U.S. Army Intelligence and Security Command

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III. Financial Summary (\$ in Thousands):

A. <u>Program Elements</u>	<u>FY 2016</u> <u>Actual</u>	<u>Budget</u> <u>Request</u>	<u>FY 2017</u>			<u>Normalized</u> <u>Current</u> <u>Estimate</u>	<u>FY 2018</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appn</u>		
OTHER SERVICE SUPPORT	\$1,116,935	\$1,096,074	\$0	0.00%	\$1,096,074	\$1,096,074	\$1,087,602
SUBACTIVITY GROUP TOTAL	\$1,116,935	\$1,096,074	\$0	0.00%	\$1,096,074	\$1,096,074	\$1,087,602
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>			
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$1,096,074	\$1,096,074			
Congressional Adjustments (Distributed)			0				
Congressional Adjustments (Undistributed)			0				
Adjustments to Meet Congressional Intent			0				
Congressional Adjustments (General Provisions)			0				
SUBTOTAL ESTIMATED AMOUNT			1,096,074				
War Related and Disaster Supplemental Appropriation			0				
X-Year Carryover			0				
Fact-of-Life Changes (2017 to 2017 Only)			0				
SUBTOTAL BASELINE FUNDING			1,096,074				
Anticipated Reprogramming (Requiring 1415 Actions)			0				
Less: War Related and Disaster Supplemental Appropriation			0				
Less: X-Year Carryover			0				
Price Change					-7,548		
Functional Transfers					1,824		
Program Changes					-2,748		
NORMALIZED CURRENT ESTIMATE			\$1,096,074		\$1,087,602		

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 1,096,074
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 1,096,074
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 1,096,074
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 1,096,074

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 1,096,074
6. Price Change.....	\$ -7,548
7. Transfers.....	\$ 1,824
a) Transfers In.....	\$ 4,950
1) Army Museums and Heritage Activities	\$ 480
Transfers funding from Operation and Maintenance, Army Reserve, SAG 121, Forces Readiness Operations Support to Operation and Maintenance, Army, SAG 435, Other Service Support to align resources for Army Museum programs under the correct appropriation and Subactivity Group. (Baseline: \$56,793)	
2) Field Operating Activities and Service Support Activities	\$ 1,449
Transfers funding from SAG 431, Administration to SAG 435, Other Service Support to consolidate Center for Army Analysis operational information technology support into the correct Subactivity Group. (Baseline: \$0)	

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3) Personnel Security Investigations \$ 3,021
 Transfers funding and 21 FTEs from SAG 133, Management and Operational Headquarters to SAG 435, Other Service Support to align child care background check funding under the appropriate Subactivity Group. (Baseline: \$0; 21 FTE)

b) Transfers Out \$ -3,126

1) Administration \$ -407
 Transfers funding and FTEs from the following SAGs: SAG 131, Base Operations Support (\$-5,347; -32 FTEs); SAG 432, Servicewide Communication (\$-501; -3 FTEs); SAG 434, Other Personnel Support (\$-167; -1 FTE); and SAG 435, Other Service Support (\$-407; -4 FTEs) to SAG 431, Administration (\$6,422; 40 FTEs) for consolidation of Office of the Provost Marshal General resources into the appropriate Subactivity Group. (Baseline: \$407; -4 FTE)

2) Automation Support for Planning, Programming, Budgeting, and Execution Development System \$ -1,018
 Transfers funding from SAG 435, Other Service Support to SAG 438, Financial Improvement and Audit Readiness to realign hosting services of the Structure and Manpower Allocation System into the appropriate Subactivity Group. (Baseline: \$1,018)

3) Logistics Operations..... \$ -1,701
 Transfers funding and 14 FTEs from the following SAGs: SAG 432, Servicewide Communications (\$-234; -2 FTEs) and SAG 435, Other Service Support (\$-1,701; -12 FTEs) to SAG 131, Base Operations Support (\$1,935; 14 FTEs) to consolidate funding for property requisitioning, warehouse, storage, retrograde and disposal, and property book functions by Logistics Services Washington under the appropriate Subactivity Group. (Baseline: \$1,701; -12 FTE)

8. Program Increases \$ 86,603

a) Annualization of New FY 2017 Program..... \$ 0

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b) One-Time FY 2018 Costs \$ 0

c) Program Growth in FY 2018 \$ 86,603

1) Army Acquisition Executive Support \$ 21,525

Increases funding in support of additional mission requirements at the Army Acquisition Support Center. Supported initiatives include the establishment of the Cyber Focal office under the System of Systems Engineering and Integration Directorate, support to the Common Operating Environment, and increased assessment capabilities for the Army's Network Integration Evaluators. (Baseline: \$89,732)

2) Army Major Headquarters Activity (MHA) Rebaseline..... \$ 10,290

Adjusts funding and FTEs to establish the MHA baseline for each component in accordance with definitions and guidelines developed by Deputy Chief Management Office. The Department of Defense directed changes in structure and management to all MHA throughout the department. (Baseline: \$411,403; 124 FTE)

3) Field Operating Activities and Service Support Activities \$ 16,245

Increases funding in support of enhanced oversight and direction for Army Review Boards Agency's review boards and review case applications submitted through the Army Discharge Review Board. Funding supports the Judge Advocate General Corps enterprise application portfolio as well as local Information Management Officer support for the Office of The Judge Advocate General, the U.S. Army Legal Services Agency, and the U.S. Army Claims Service. In addition, funding provides for enhanced Center for Army Analysis Wargaming Capabilities, including theater operational wargaming, strategic modeling, and global conflict analysis. Funding also provides for two simultaneous wargames and up to six annual Defense Planning Scenarios or Operation Plan development and analyses. (Baseline: \$146,268; 0 FTE)

4) Headquarters and Administrative Activities \$ 10,884

Increases funding in support of budget operations (execution and analysis) and human resources services (planning and analysis) within the Office of the Administrative Assistant to the Secretary of the Army. Funding provides for financial management and human resource support for a broad spectrum

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of activities across the Army Headquarters. In addition, increases funding in support of sustainment costs for Army Force Management Systems. (Baseline: \$47,556)

5) Internal Auditing and Oversight Agencies \$ 14,085

Increases funding and 31 FTEs in support of additional training opportunities for Army Auditors to pursue continuing professional education credits as required by Generally Accepted Government Auditing standards. Compliance with professional education standards is essential to ensure continued viability of the Army's internal audit authority. In addition, funding also provides for technical support and collaborative services and connectivity for the Army Audit Agency operations center and 20 field offices worldwide. (Baseline: \$79,285; 31 FTE)

6) Joint and Department of Defense Support \$ 6,857

Increased funding supports the Army's cost share for the replacement and sustainment of the Armed Services Board of Contract Appeals (ASBCA) Case Management System, which tracks ASBCA's docket of over 1,100 annual appeals. In addition, funding provides for increased travel, transportation, and force protection equipment costs for the U.S. Military Observers Group - Washington for military personnel assigned to support United Nations (UN) Peacekeeping missions worldwide. Funding supports increasing the number U.S. DoD personnel deployments as individual augmentees assigned to the UN from 46 to 94. (Baseline: \$85,935)

7) Non-Department of Defense Support \$ 1,170

Increased funding provides for the Army's implementation of the Fiscal Service One-Card Solution, a Department of Treasury mandate to consolidate and modernize three separate armed forces Stored Value Card services. Provides for the replacement and retrofit of hardware and software that will interface with the new One-Card technology. (Baseline: \$2,922)

8) Public Transportation Benefit Program \$ 5,547

Increases funding for the Mass Transit Benefit Program as a result of an analysis of actual program usage in FY 2016 as well as a planned one percent growth in population served. (Baseline: \$33,982)

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9. Program Decreases.....	\$ -89,351
a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -89,351
1) Army Museums and Heritage Activities	\$ -6,083
<p>Reduces funding to synchronize resources and activities to enable the timely opening of the National Museum of the U.S. Army in FY 2019. In FY 2018, the Army has funded the following critical projects to facilitate achievement of milestones in accordance with the approved completion schedule: Main Exhibit Hall, Museum Theater, Experiential Learning Center, and support contracts to assure the museum's official opening. (Baseline: \$32,956)</p>	
2) Civilian Average Annual Compensation.....	\$ -51,368
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$411,403)</p>	
3) Civilian Workforce Reduction.....	\$ -7,859
<p>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: \$411,403; -111 FTE)</p>	

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4) Defense Finance and Accounting Services (DFAS)	\$ -13,482
Decreases funding dedicated to 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: \$505,902)	
5) Defense Travel System (DTS)	\$ -1,620
Reduces funding for the Army's shared-cost contribution to the DTS operation and maintenance. Reduction is based on a Department of Defense future cost estimate of the Army's share of DTS maintenance. (Baseline: \$10,729)	
6) Inauguration and Army Outreach Programs	\$ -8,939
Decreases funding for Army outreach programs and in reflection of the cessation of the Department of Defense's ceremonial support for the 58th Presidential Inauguration, as provided by the Military District of Washington, Joint Task Force - National Capital Region. Inaugural support activities recommence in FY 2020. (Baseline: \$9,907)	

FY 2018 Budget Request.....\$ 1,087,602

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Army Audit Agency Cases	170	166	174
Army Combat Readiness/Safety Center Number of Inspections	34	35	35
Army Inspector General Cases	115	121	121
Army Review Board Agency Cases	20,815	20,815	20,815
Defense Finance Accounting Services Work Counts	48,163,003	48,743,670	48,581,096
Mass Transit Benefit Participants	23,861	24,100	24,341
Visitors to U.S. Army Museums	2,278,306	2,445,480	2,700,000

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	722	687	705	18
Officer	525	511	525	14
Enlisted	197	176	180	4
<u>Active Military Average Strength (A/S) (Total)</u>	736	705	696	-9
Officer	533	518	518	0
Enlisted	203	187	178	-9
<u>Civilian FTEs (Total)</u>	2,614	2,595	2,644	49
U.S. Direct Hire	2,608	2,588	2,637	49
Foreign National Direct Hire	6	7	7	0
Total Direct Hire	2,614	2,595	2,644	49
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 301	 148	 270	 122
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	144	159	143	-16
<u>Contractor FTEs (Total)</u>	872	443	578	135

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	370,345	0	1.50%	5,552	29,258	405,155	0	1.56%	6,311	-38,874	372,592
0103	WAGE BOARD	5,907	0	1.46%	86	148	6,141	0	2.00%	123	244	6,508
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	159	1	0.63%	1	-54	107	1	3.70%	4	57	169
0106	BENEFITS TO FORMER EMPLOYEES	1,293	0	0.00%	0	-1,293	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	377,704	1		5,639	28,059	411,403	1		6,438	-38,573	379,269
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	22,716	0	1.80%	409	-10,984	12,141	0	2.00%	243	-486	11,898
0399	TOTAL TRAVEL	22,716	0		409	-10,984	12,141	0		243	-486	11,898
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	4	0	-8.20%	0	131	135	0	-0.40%	-1	0	134
0411	ARMY SUPPLY	872	0	-4.63%	-40	-796	36	0	2.84%	1	258	295
0416	GSA MANAGED SUPPLIES AND MATERIALS	163	0	1.80%	3	44	210	0	2.00%	4	75	289
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	1,039	0		-37	-621	381	0		4	333	718
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	1,314	0	-0.26%	-3	-1,303	8	0	2.84%	0	189	197
0507	GSA MANAGED EQUIPMENT	3,381	0	1.80%	61	-1,848	1,594	0	2.00%	32	0	1,626
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	4,695	0		58	-3,151	1,602	0		32	189	1,823
<u>OTHER FUND PURCHASES</u>												
0633	DLA DOCUMENT SERVICES	7,297	0	1.47%	107	0	7,404	0	-1.30%	-96	-222	7,086
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	882	0	-7.00%	-62	-820	0	0	1.90%	0	0	0
0679	COST REIMBURSABLE PURCHASES	16,958	0	1.90%	322	-4,153	13,127	0	1.90%	249	1,079	14,455
0691	DFAS FINANCIAL OPERATIONS (ARMY)	492,562	0	-0.42%	-2,069	15,409	505,902	0	-3.42%	-17,302	-13,482	475,118
0699	TOTAL INDUSTRIAL FUND PURCHASES	517,699	0		-1,702	10,436	526,433	0		-17,149	-12,625	496,659

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	1,303	0	-16.10%	-210	0	1,093	0	2.10%	23	0	1,116
0718	SDDC LINER OCEAN TRANSPORTATION	3,339	0	-1.80%	-60	-3,279	0	-2.80%	0	0	0	0
0719	SDDC CARGO OPERATION (PORT HANDLING)	13,424	0	0.80%	107	-13,531	0	1.30%	0	0	0	0
0771	COMMERCIAL TRANSPORTATION	363	0	1.80%	7	664	1,034	0	2.00%	21	0	1,055
0799	TOTAL TRANSPORTATION	18,429	0		-156	-16,146	2,127	0		44	0	2,171
<u>OTHER PURCHASES</u>												
0913	PURCHASED UTILITIES (NON-FUND)	703	0	1.80%	13	-565	151	0	2.00%	3	0	154
0914	PURCHASED COMMUNICATIONS (NON-FUND)	2,068	0	1.80%	37	-1,957	148	0	2.00%	3	183	334
0915	RENTS (NON-GSA)	975	0	1.80%	18	-993	0	0	2.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	137	0	1.80%	2	722	861	0	2.00%	17	137	1,015
0920	SUPPLIES AND MATERIALS (NON-FUND)	5,922	0	1.80%	107	1,899	7,928	0	2.00%	159	-2,158	5,929
0921	PRINTING AND REPRODUCTION	1,264	0	1.80%	23	-186	1,101	0	2.00%	22	144	1,267
0922	EQUIPMENT MAINTENANCE BY CONTRACT	810	0	1.80%	15	3,004	3,829	0	2.00%	77	538	4,444
0923	OPERATION AND MAINTENANCE OF FACILITIES	5,592	0	1.80%	101	-2,278	3,415	0	2.00%	68	-2,007	1,476
0925	EQUIPMENT PURCHASES (NON-FUND)	2,851	0	1.80%	51	583	3,485	0	2.00%	70	-679	2,876
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	47,649	0	1.80%	858	-42,368	6,139	0	2.00%	123	0	6,262
0933	STUDIES, ANALYSIS, AND EVALUATIONS	1,762	0	1.80%	32	-1,794	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	2,925	0	1.80%	53	-2,978	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	2,067	0	0.00%	0	-2,067	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	128	0	-8.20%	-10	-79	39	0	-0.40%	0	0	39
0960	INTEREST AND DIVIDENDS	1,604	0	1.80%	29	-1,633	0	0	2.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	522	0	1.80%	9	46,580	47,111	0	2.00%	942	27,236	75,289
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	337	0	1.80%	6	0	343	0	2.00%	7	0	350
0989	OTHER SERVICES	39,874	0	1.80%	718	-29,374	11,218	0	2.00%	224	-300	11,142
0990	IT CONTRACT SUPPORT SERVICES	57,463	0	1.80%	1,034	-2,278	56,219	0	2.00%	1,124	27,144	84,487
0999	TOTAL OTHER PURCHASES	174,653	0		3,096	-35,762	141,987	0		2,839	50,238	195,064
9999	GRAND TOTAL	1,116,935	1		7,307	-28,169	1,096,074	1		-7,549	-924	1,087,602

Exhibit OP-5, Subactivity Group 435

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I. Description of Operations Financed:

Funds various programs that manage and facilitate the payment of myriad Army personnel and legal claims. This includes Army reimbursements for civilian compensation claims submitted to the Department of Labor, such as payment of medical costs for employee work injuries or work related illnesses, and payment of unemployment benefits for eligible former Army civilian employees (5 U.S. Code § 8509). Payments made for claims under German Statutory Accident Insurance are also covered under this subactivity group.

The Army Claims Program comprises 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. The Army Claims Program funds foreign claims for loss, injury, or death caused by U.S. Army personnel and Status of Forces Agreement claims pursuant to international agreements. The Program also funds the personnel and operations of the U.S. Army Claims Service and the U.S. Army Legal Services Agency. These agencies process, investigate, adjudicate, and negotiate settlements of non-contractual claims worldwide on behalf of, and against the Department of Defense (DoD) and the Department of the Army civilians and other personnel.

Other support provided by this subactivity group include: the payment of fees for International Cooperation Administration Support Services provided by the Department of State for Army personnel located overseas; the Army's cost-share of the DoD Overseas Military Banking Program; the establishment, management, and operation Financial Institutions on Army installations; and affirmative claims made on behalf of the United States.

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

Direct Reporting Units:

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

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Detail by Subactivity Group 436: Army Claims

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
ARMY CLAIMS	\$185,161	\$207,800	\$0	0.00%	\$207,800	\$207,800	\$210,514	
SUBACTIVITY GROUP TOTAL	\$185,161	\$207,800	\$0	0.00%	\$207,800	\$207,800	\$210,514	
B. <u>Reconciliation Summary</u>			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$207,800	\$207,800				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			207,800					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			207,800					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					1,351			
Functional Transfers					0			
Program Changes					1,363			
NORMALIZED CURRENT ESTIMATE			\$207,800		\$210,514			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 207,800
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 207,800
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 207,800
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 207,800

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 207,800
6. Price Change	\$ 1,351
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 10,504
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 10,504

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1) Judge Advocate General Organizations and Claims \$ 8,001
 Increases funding and 7 FTEs for estimated 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 damages caused by Army operations or personnel. Funding increase also provides for the minimum additional civilian manpower required for the Army Legal Services Agency to execute its full spectrum of mission requirements to represent the Army in civil matters before courts, manage the Army Trial Judiciary, operate the Army Court of Criminal Appeals, and provide subject matter expertise in contract, fiscal, environmental, regulatory, and intellectual property law. (Baseline: \$34,216; 7 FTE)

2) Support from Non-DoD Agencies \$ 2,503
 Increase supports reimbursement to the U.S. Department of State (DOS) to expand and establish additional Offices of Security Cooperation in the continent of Africa. Increase also supports change in the DOS International Cooperative Administrative Support Services billing rates. Billing rate changes result from switching from partial personnel support to full time personnel support and mandatory requirement for all military personnel living in embassies to be part of the Furniture and Appliance Pool. (Baseline: \$30,042)

9. Program Decreases \$ -9,141

a) One-Time FY 2017 Costs \$ 0

b) Annualization of FY 2017 Program Decreases \$ 0

c) Program Decreases in FY 2018 \$ -9,141

1) Civilian Average Annual Compensation \$ -253
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the

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Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$13,986)

2) Civilian Injury and Illness Compensation \$ -3,792
 Decreases funding for civilian injury and illness compensation due to projected decrease in medical cases and associated cost. (Baseline: \$112,067)

3) Civilian Unemployment Compensation \$ -5,096
 Decreases funding for annual reimbursement to the Department of Labor due to historic and projected decline in the number of unemployment claims by former Department of Army civilian employees. (Baseline: \$28,493)

FY 2018 Budget Request.....\$ 210,514

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IV. Performance Criteria and Evaluation Summary:

CLAIMS CASELOAD	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>UNITED STATES ARMY LEGAL SERVICES AGENCY</u>			
Litigation Division Civil Litigation	799	995	912
Contract and Fiscal Law Division			
Armed Services Board of Contract Appeals	219	225	237
Government Accountability Office Protests	227	250	236
Court of Federal Claims Protests	15	22	32
Procurement Fraud cases	902	680	945
Legal Opinions/Reviews Performed	861	745	790
Environmental Law Division			
Environmental Civil Litigation against Army	91	95	85
Affirmative Civil Litigation on behalf of Army	11	18	18
Legal Opinions/Reviews Performed	553	560	550
Regulatory Law and Intellectual Property Division			
Rate hearings/proceedings	65	63	68
Civil Litigation	21	28	28
Legal Opinions/Reviews Performed	1,152	1,160	1,160
Trial Judiciary General and Special Courts-Martial	643	1,650	1,975
Trial Defense			
Preferred General and Special Courts-Martial	4,898	4,368	4,620
Summary Courts-Martial Consultations	591	1,092	1,040
Article 15 Actions	24,782	42,594	46,288
Other Board and Consultation Actions	64,645	63,358	69,300

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CLAIMS CASELOAD (cont.)	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>ARMY CLAIMS SERVICE</u>			
Personnel Claims and Recovery Division			
Personnel Claims World-wide	3,521	3,800	3,675
Torts Division			
Total Number of Assigned Claims	3,341	3,500	3,675
Affirmative Claims	17,500	17,500	18,379
Civilian Illness and Injury Compensation¹			
Number of Claims	9,470	8,516	7,550
Average Cost Per Claim ² (\$)	10,634	12,000	12,762

Notes:

1. Excludes German Nationals, U.S. Army Corps of Engineers, and Army Materiel Command (Army Working Capital Fund)
2. Cost per claim varies by type of claim.

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	235	246	226	-20
Officer	198	213	196	-17
Enlisted	37	33	30	-3
<u>Active Military Average Strength (A/S) (Total)</u>	234	241	237	-4
Officer	195	206	205	-1
Enlisted	39	35	32	-3
<u>Civilian FTEs (Total)</u>	136	105	112	7
U.S. Direct Hire	136	105	112	7
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	136	105	112	7
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>	125	133	134	1
<u>Contractor FTEs (Total)</u>	12	112	19	-93

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	16,888	0	1.24%	210	-3,112	13,986	0	2.04%	286	698	14,970
0103	WAGE BOARD	57	0	0.00%	0	-57	0	0	0.00%	0	0	0
0110	UNEMPLOYMENT COMPENSATION	19,271	0	0.00%	0	9,222	28,493	0	0.00%	0	-5,096	23,397
0111	DISABILITY COMPENSATION	83,369	0	0.00%	0	28,698	112,067	0	0.00%	0	-3,792	108,275
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	119,585	0		210	34,751	154,546	0		286	-8,190	146,642
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	5,447	0	1.80%	98	-1,180	4,365	0	2.00%	87	0	4,452
0399	TOTAL TRAVEL	5,447	0		98	-1,180	4,365	0		87	0	4,452
<u>OTHER FUND PURCHASES</u>												
0679	COST REIMBURSABLE PURCHASES	2,916	0	1.90%	55	-2,699	272	0	1.90%	5	0	277
0699	TOTAL INDUSTRIAL FUND PURCHASES	2,916	0		55	-2,699	272	0		5	0	277
<u>OTHER PURCHASES</u>												
0920	SUPPLIES AND MATERIALS (NON-FUND)	348	0	1.80%	6	1,106	1,460	0	2.00%	29	0	1,489
0922	EQUIPMENT MAINTENANCE BY CONTRACT	0	0	1.80%	0	185	185	0	2.00%	4	0	189
0933	STUDIES, ANALYSIS, AND EVALUATIONS	137	0	1.80%	2	-139	0	0	2.00%	0	0	0
0959	INSURANCE CLAIMS AND INDEMNITIES	21,105	0	1.80%	380	-7,846	13,639	0	2.00%	273	7,050	20,962
0987	OTHER INTRA-GOVERNMENT PURCHASES	33,659	0	1.80%	606	-21,573	12,692	0	2.00%	254	20,182	33,128
0989	OTHER SERVICES	1,184	0	1.80%	21	16,982	18,187	0	2.00%	364	-17,679	872
0990	IT CONTRACT SUPPORT SERVICES	780	0	1.80%	14	1,660	2,454	0	2.00%	49	0	2,503
0999	TOTAL OTHER PURCHASES	57,213	0		1,029	-9,625	48,617	0		973	9,553	59,143
9999	GRAND TOTAL	185,161	0		1,392	21,247	207,800	0		1,351	1,363	210,514

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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>	FY 2017						Normalized Current Estimate	FY 2018 Estimate
	<u>FY 2016 Actual</u>	<u>Budget Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>			
OTHER CONSTRUCTION SUPPORT AND REAL ESTATE MANAGEMENT	<u>\$523,275</u>	<u>\$240,641</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$240,641</u>	<u>\$240,641</u>	<u>\$243,584</u>	
SUBACTIVITY GROUP TOTAL	<u>\$523,275</u>	<u>\$240,641</u>	<u>\$0</u>	<u>0.00%</u>	<u>\$240,641</u>	<u>\$240,641</u>	<u>\$243,584</u>	
B. <u>Reconciliation Summary</u>			<u>Change FY 2017/FY 2017</u>		<u>Change FY 2017/FY 2018</u>			
BASELINE FUNDING			\$240,641		\$240,641			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			<u>0</u>					
SUBTOTAL ESTIMATED AMOUNT			240,641					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			<u>0</u>					
SUBTOTAL BASELINE FUNDING			240,641					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					2,321			
Functional Transfers					-12,028			
Program Changes					<u>12,650</u>			
NORMALIZED CURRENT ESTIMATE			\$240,641		\$243,584			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 240,641
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 240,641
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 240,641
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 240,641

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 240,641
6. Price Change.....	\$ 2,321
7. Transfers.....	\$ -12,028
a) Transfers In.....	\$ 2,954
1) Pentagon Reservation Facility	\$ 2,954
Transfers funding from SAG 131, Base Operations Support to SAG 437, Other Construction Support and Real Estate Management to realign funding for utilities cost associated with recurring 24/7 heating, ventilation, and air conditioning to the appropriate Subactivity Group. (Baseline: \$106,366)	
b) Transfers Out.....	\$ -14,982
1) Pentagon Reservation Facility	\$ -14,982
Transfers funding from Operation and Maintenance, Army SAG 437, Other Construction Support and Real Estate Management and square footage from the Department of the Army's portion of the Pentagon Maintenance Revolving Fund to the Operation and Maintenance, Defense-Wide in support of Defense Information Systems Agency for resourcing the Joint Service Provider. (Baseline: \$106,366)	

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8. Program Increases	\$ 24,971
a) Annualization of New FY 2017 Program	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 24,971
1) Civilian Average Annual Compensation.....	\$ 13,783
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$100,334)</p>	
2) Pentagon Reservation Facility	\$ 9,918
<p>Increases funding for the Army's portion of the Pentagon Reservation Maintenance Revolving Fund due to rent increases for additional Pentagon square footage related to the Pentagon Motor Pool and other Washington Headquarters Services joint use space adjustments. (Baseline: \$106,366)</p>	
3) U.S. Army Corps of Engineers (USACE) Headquarters Activities.....	\$ 1,270
<p>Increases funding for USACE contract support for portfolio management and architecture support. Contracts support collaboration with Information Technology (IT) systems in development of architecture models and documentation for the IT portfolio investment review process. Also provides funding for investment review boards and analytical support to the USACE Chief Information Officer. (Baseline: \$5,142)</p>	
9. Program Decreases.....	\$ -12,321

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a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -12,321
1) Classified Adjustment	\$ -752
Decreases funding for adjustments to classified programs. Details will be provided under separate cover to properly cleared individuals on a need-to-know basis.	
2) Headquarters Reduction	\$ -1,178
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: \$100,334; -7 FTE)	
3) U.S. Army Corps of Engineers (USACE) Support - Real Estate Management	\$ -10,391
Decreases funding for operational management requirements at the USACE regional headquarters. (Baseline: \$91,845)	

FY 2018 Budget Request.....\$ 243,584

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IV. Performance Criteria and Evaluation Summary:

A. FIELD FORCE ENGINEERING (FFE) SUPPORT TO COMBATANT COMMANDERS:

OBJECTIVE – Provide Combatant Commanders full spectrum engineering and contingency support.

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 2018 – To provide two weeks per year of direct support to five Combatant Command aligned brigades for the U.S. Northern Command, U.S. Pacific Command, U.S. Southern Command, U.S. Central Command, and U.S. European Command.

	FY 2016	FY 2017	FY 2018
% 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 2018 PERFORMANCE GOAL – Reduce project cost growth below 4% and beneficial occupancy time growth below 8%.

	FY 2016	FY 2017	FY 2018
MILCON MANAGEMENT	100%	100%	100%

C. PENTAGON RENT AND RENOVATION:

	FY 2016	FY 2017	FY 2018
Non General Services Administration Leased Payment for space (\$000)	110,175	106,366	103,714
Leased Space (000 sq. ft.)	957,110	957,110	902,952

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	10	9	8	-1
Officer	8	7	6	-1
Enlisted	2	2	2	0
<u>Active Military Average Strength (A/S) (Total)</u>	11	10	9	-1
Officer	8	8	7	-1
Enlisted	3	2	2	0
<u>Civilian FTEs (Total)</u>	576	609	602	-7
U.S. Direct Hire	576	609	602	-7
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	576	609	602	-7
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 202	 239	 214	 -25
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	203	165	191	26
<u>Contractor FTEs (Total)</u>	694	76	34	-42

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	116,899	0	1.28%	1,497	-18,283	100,113	0	2.18%	2,186	12,689	114,988
0103	WAGE BOARD	205	0	0.98%	2	14	221	0	0.90%	2	-84	139
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	11	0	0.00%	0	-11	0	0	0.00%	0	0	0
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	117,115	0		1,499	-18,280	100,334	0		2,188	12,605	115,127
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	5,669	0	1.80%	102	-2,488	3,283	0	2.00%	66	0	3,349
0399	TOTAL TRAVEL	5,669	0		102	-2,488	3,283	0		66	0	3,349
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0416	GSA MANAGED SUPPLIES AND MATERIALS	498	0	1.80%	9	-1	506	0	2.00%	10	0	516
0423	DLA MATERIEL SUPPLY CHAIN (SUBSISTENCE)	72	0	-0.70%	0	-72	0	0	-1.76%	0	0	0
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	570	0		9	-73	506	0		10	0	516
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	116	0	-0.26%	0	-116	0	0	0.00%	0	0	0
0507	GSA MANAGED EQUIPMENT	2,563	0	1.80%	46	-1,463	1,146	0	2.00%	23	0	1,169
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	2,679	0		46	-1,579	1,146	0		23	0	1,169
<u>OTHER FUND PURCHASES</u>												
0647	DISA ENTERPRISE COMPUTING CENTERS	283	0	-10.00%	-28	-255	0	0	0.00%	0	0	0
0672	PRMRF PURCHASES	110,175	0	2.93%	3,228	-7,037	106,366	0	-0.51%	-542	-2,110	103,714
0679	COST REIMBURSABLE PURCHASES	6,883	0	1.90%	132	-3,122	3,893	0	1.90%	74	0	3,967
0691	DFAS FINANCIAL OPERATIONS (ARMY)	56	0	-0.42%	0	-56	0	0	-3.42%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	117,397	0		3,332	-10,470	110,259	0		-468	-2,110	107,681
<u>TRANSPORTATION</u>												
0718	SDDC LINER OCEAN TRANSPORTATION	5	0	-1.80%	0	-5	0	0	0.00%	0	0	0

Exhibit OP-5, Subactivity Group 437

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Activity Group 43: Servicewide Support
Detail by Subactivity Group 437: Other Construction Support and Real Estate Management

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	841	0	1.80%	15	-856	0	0	2.00%	0	0	0
0799	TOTAL TRANSPORTATION	846	0		15	-861	0	0		0	0	0
<u>OTHER PURCHASES</u>												
0912	RENTAL PAYMENTS TO GSA (SLUC)	384	0	1.80%	7	-391	0	0	2.00%	0	0	0
0914	PURCHASED COMMUNICATIONS (NON-FUND)	484	0	1.80%	9	-493	0	0	2.00%	0	0	0
0915	RENTS (NON-GSA)	506	0	1.80%	10	-516	0	0	2.00%	0	0	0
0917	POSTAL SERVICES (U.S.P.S)	24	0	1.80%	0	-24	0	0	0.00%	0	0	0
0920	SUPPLIES AND MATERIALS (NON-FUND)	92	0	1.80%	2	670	764	0	2.00%	15	-312	467
0921	PRINTING AND REPRODUCTION	2	0	1.80%	0	-2	0	0	2.00%	0	0	0
0922	EQUIPMENT MAINTENANCE BY CONTRACT	6,054	0	1.80%	109	-6,015	148	0	2.00%	3	0	151
0923	OPERATION AND MAINTENANCE OF FACILITIES	12,169	0	1.80%	219	-12,388	0	0	2.00%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	1,691	0	1.80%	30	187	1,908	0	2.00%	38	0	1,946
0928	SHIP MAINTENANCE BY CONTRACT	5	0	1.80%	0	-5	0	0	2.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	98,094	0	1.80%	1,766	-99,860	0	0	2.00%	0	0	0
0933	STUDIES, ANALYSIS, AND EVALUATIONS	714	0	1.80%	13	-727	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	89	0	0.00%	0	-89	0	0	2.00%	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	0	1.80%	0	-1	0	0	2.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	507	0	1.80%	9	-516	0	0	0.00%	0	0	0
0985	RESEARCH AND DEVELOPMENT CONTRACTS	462	0	0.00%	0	-462	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	150,217	0	1.80%	2,704	-144,526	8,395	0	2.00%	168	-1,560	7,003
0989	OTHER SERVICES	2,752	0	1.80%	49	11,097	13,898	0	2.00%	278	-8,001	6,175
0990	IT CONTRACT SUPPORT SERVICES	4,729	0	1.80%	85	-4,814	0	0	2.00%	0	0	0
0999	TOTAL OTHER PURCHASES	278,999	0		5,012	-258,898	25,113	0		502	-9,873	15,742
9999	GRAND TOTAL	523,275	0		10,015	-292,649	240,641	0		2,321	622	243,584

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 43: Servicewide Support
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.

AUTOMATION SUPPORT FOR 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.

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

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Direct Reporting Units:

U.S. Army Acquisition Support Center
U.S. Army Medical Command
U.S. Installation Management Command
U.S. Army Financial Management Command

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Activity Group 43: Servicewide Support
Detail by Subactivity Group 438: Financial Improvement and Audit Readiness (FIAR)

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
FINANCIAL IMPROVEMENT AND AUDIT READINESS (FIAR)	\$250,960	\$260,612	\$0	0.00%	\$260,612	\$260,612	\$284,592	
SUBACTIVITY GROUP TOTAL	\$250,960	\$260,612	\$0	0.00%	\$260,612	\$260,612	\$284,592	
B. <u>Reconciliation Summary</u>			<u>Change</u>		<u>Change</u>			
			<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>			
BASELINE FUNDING			\$260,612		\$260,612			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			260,612					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			260,612					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					5,187			
Functional Transfers					1,018			
Program Changes					17,775			
NORMALIZED CURRENT ESTIMATE			\$260,612		\$284,592			

DEPARTMENT OF THE ARMY
 Fiscal Year (FY) 2018 Budget Estimates
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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 260,612
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 260,612
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 260,612
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 260,612

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 260,612
6. Price Change.....	\$ 5,187
7. Transfers.....	\$ 1,018
a) Transfers In.....	\$ 1,018
1) Automation Support for Planning, Programming, Budgeting, and Execution Development System	\$ 1,018
Transfers funding from SAG 435, Other Service Support to SAG 438, Financial Improvement and Audit Readiness to realign hosting services of the Structure and Manpower Allocation System into the appropriate Subactivity Group. (Baseline: \$29,668)	
b) Transfers Out.....	\$ 0
8. Program Increases	\$ 23,690
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

DEPARTMENT OF THE ARMY
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c) Program Growth in FY 2018\$ 23,690

1) Army Financial Management Optimization (AFMO)\$ 5,444

Increases funding for AFMO to provide functional systems support and user support for the Army's financial management domain Enterprise Resource Planning systems, which includes General Fund Enterprise Business System (GFEBS) Tier I and II Helpdesk support. This increase is resourced through a funding realignment from the GFEBS program to better align the missions. (Baseline: \$37,216)

2) Army Financial Operations and Systems.....\$ 8,144

Funds mandatory auditing and monitoring requirements to comply with new Statement on Standards for Attestation Engagements and material weakness identification to complete universe of transactions that reconcile to accounting and feeder systems. Also funds increased contract cost for General Funds Audit Readiness. (Baseline: \$102,099)

3) Automation Support for Planning, Programming, Budgeting, and Execution Development System\$ 4,795

Increases funding for data center migration acceleration of the Army Planning, Programming, Budgeting Business Operating System (PPB BOS) from the Pentagon data center to a commercial host cloud service environment. Funding supports acceleration of a complete Risk Management Framework accreditation process to reach Initial Operating Capability. Funding also supports Army PPB BOS new interface transformation to support next generation development of the Department of Defense Planning, Programming, and Budgeting System. (Baseline: \$29,668)

4) General Fund Enterprise Business System (GFEBS)\$ 5,307

Funding supports the preparation phase for the transition of the GFEBS Data Center from Army Data Centers located in Radford, Virginia and Huntsville, Alabama to the Defense Information Systems Agency Defense Enterprise Computing Center in Ogden, Utah. (Baseline: \$91,629)

9. Program Decreases.....\$ -5,915

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a) One-Time FY 2017 Costs	\$ 0
b) Annualization of FY 2017 Program Decreases.....	\$ 0
c) Program Decreases in FY 2018.....	\$ -5,915
1) Civilian Average Annual Compensation.....	\$ -335
<p>Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$23,574)</p>	
2) Civilian Workforce Reduction.....	\$ -136
<p>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: \$23,574; -1 FTE)</p>	
3) General Fund Enterprise Business System (GFEBS).....	\$ -5,444
<p>Reduces GFEBS funding for the realignment of funding to the Army Financial Management Optimization effort. (Baseline: \$91,629)</p>	
FY 2018 Budget Request.....	\$ 284,592

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IV. Performance Criteria and Evaluation Summary:

Audit Readiness Status Goal Report

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Fund Balance with Treasury	<input type="checkbox"/>	<input type="checkbox"/>	
Real Property Examination / Corrective Actions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Operational Materials and Supplies Examination / Corrective Actions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Existence, Completeness, and Valuation of Army Assets/ Corrective Actions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Schedule of Budgetary Activity Audit	<input type="checkbox"/>	<input type="checkbox"/>	
Statement of Budgetary Resources Audit		<input type="checkbox"/>	
Full Financial Statement Assertion		<input type="checkbox"/>	
Full Army Financial Statement Audit			<input type="checkbox"/>
Corrective Action Plans from Audit Findings ¹	300	250	400
Audit Sample Requests ²	22,822	30,000	50,000

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- Notes:1. Number of corrective actions of auditor findings identified from review of Army Financial Statements.
2. Number of auditor data requests used to validate business process outputs.

The Department of the Army is committed to achieving audit readiness of the Army's full Financial Statements for both the Army General Fund and Army Working Capital Fund by September 30, 2017 as directed by the FY 2010 National Defense Authorization Act. The Army continues to make significant progress towards its deadline by conducting audits and examinations, and implementing corrective actions to resolve auditor-identified deficiencies by improving Army business processes.

DEPARTMENT OF THE ARMY
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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	1	21	20	-1
Officer	1	8	8	0
Enlisted	0	13	12	-1
<u>Active Military Average Strength (A/S) (Total)</u>	1	12	21	9
Officer	1	5	8	3
Enlisted	0	7	13	6
<u>Civilian FTEs (Total)</u>	74	176	175	-1
U.S. Direct Hire	74	176	175	-1
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	74	176	175	-1
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 2	 0	 -2
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	133	134	135	1
<u>Contractor FTEs (Total)</u>	1,299	1,208	1,283	75

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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Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
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Detail by Subactivity Group 438: Financial Improvement and Audit Readiness (FIAR)

VI. OP-32A Line Items:

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	9,873	0	3.53%	349	13,352	23,574	0	1.89%	446	-471	23,549
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	9,873	0		349	13,352	23,574	0		446	-471	23,549
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	1,377	0	1.80%	25	451	1,853	0	2.00%	37	0	1,890
0399	TOTAL TRAVEL	1,377	0		25	451	1,853	0		37	0	1,890
<u>OTHER FUND PURCHASES</u>												
0647	DISA ENTERPRISE COMPUTING CENTERS	0	0	-10.00%	0	0	0	0	0.00%	0	5,307	5,307
0699	TOTAL INDUSTRIAL FUND PURCHASES	0	0		0	0	0	0		0	5,307	5,307
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	2,811	0	1.80%	51	316	3,178	0	2.00%	64	0	3,242
0915	RENTS (NON-GSA)	0	0	1.80%	0	713	713	0	2.00%	14	0	727
0917	POSTAL SERVICES (U.S.P.S)	0	0	1.80%	0	127	127	0	2.00%	3	0	130
0920	SUPPLIES AND MATERIALS (NON-FUND)	448	0	1.80%	8	3,060	3,516	0	2.00%	70	0	3,586
0921	PRINTING AND REPRODUCTION	10	0	1.80%	0	10	20	0	2.00%	0	0	20
0922	EQUIPMENT MAINTENANCE BY CONTRACT	0	0	1.80%	0	16,691	16,691	0	2.00%	334	0	17,025
0923	OPERATION AND MAINTENANCE OF FACILITIES	0	0	1.80%	0	102	102	0	2.00%	2	0	104
0925	EQUIPMENT PURCHASES (NON-FUND)	482	0	1.80%	9	1,521	2,012	0	2.00%	40	0	2,052
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	139,232	0	1.80%	2,506	7,169	148,907	0	2.00%	2,978	8,144	160,029
0933	STUDIES, ANALYSIS, AND EVALUATIONS	34,550	0	1.80%	622	-35,172	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	13,082	0	1.80%	235	-13,317	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	1,521	0	0.00%	0	-1,521	0	0	2.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	756	0	1.80%	14	1,164	1,934	0	2.00%	39	0	1,973
0989	OTHER SERVICES	24,589	0	1.80%	443	-13,833	11,199	0	2.00%	224	5,444	16,867
0990	IT CONTRACT SUPPORT SERVICES	22,229	0	1.80%	400	24,157	46,786	0	2.00%	936	369	48,091
0999	TOTAL OTHER PURCHASES	239,710	0		4,288	-8,813	235,185	0		4,704	13,957	253,846

Exhibit OP-5, Subactivity Group 438

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 Detail by Subactivity Group 438: Financial Improvement and Audit Readiness (FIAR)

		<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>
9999	GRAND TOTAL	250,960	0		4,662	4,990	260,612	0		5,187	18,793	284,592

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 44: Support of Other Nations
Detail by Subactivity Group 441: International Military Headquarters

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.

NORTH ATLANTIC TREATY ORGANIZATION (NATO):

- 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.

INTERNATIONAL MILITARY HEADQUARTERS, KOSOVO FORCE (KFOR) - Provides resources that directly support the Dayton Peace Accords and EUCOM Commanders' missions in the Balkans. Directly supports International Treaties, Department of State Missions, and National Polices. Program captures incremental cost of operations in Bosnia and Kosovo (Operation Joint Guardian). Supports training man-days for U.S. support to NATO HQs Sarajevo (Bosnia) and KFOR rotations.

INTERNATIONAL MILITARY HEADQUARTERS, OTHER - Includes other U.S. contributions to NATO agencies, multinational headquarters, and support to U.S. elements assigned to various NATO International Military Headquarters 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. Includes miscellaneous activities related to International Military Headquarters support, including commercial satellite air time and travel and per diem expenses of active component Soldiers supporting NATO and Republic of Korea / U.S. Combined Forces Command headquarters activities.

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.

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 44: Support of Other Nations
Detail by Subactivity Group 441: International Military Headquarters

II. Force Structure Summary:

Funds U.S. commitments to the following international military activities:

Headquarters, Department of the Army

Combatant Command:

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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Activity Group 44: Support of Other Nations
Detail by Subactivity Group 441: International Military Headquarters

III. Financial Summary (\$ in Thousands):

		FY 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
INTERNATIONAL MILITARY HEADQUARTERS	\$375,741	\$416,587	\$0	0.00%	\$416,587	\$416,587	\$415,694	
SUBACTIVITY GROUP TOTAL	\$375,741	\$416,587	\$0	0.00%	\$416,587	\$416,587	\$415,694	
			<u>Change</u>	<u>Change</u>				
			<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>				
BASELINE FUNDING			\$416,587	\$416,587				
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			416,587					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			416,587					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					8,319			
Functional Transfers					0			
Program Changes					-9,212			
NORMALIZED CURRENT ESTIMATE			\$416,587		\$415,694			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 416,587
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 416,587
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 416,587
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 416,587

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 416,587
6. Price Change	\$ 8,319
7. Transfers.....	\$ 0
a) Transfers In	\$ 0
b) Transfers Out	\$ 0
8. Program Increases	\$ 2,433
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0
c) Program Growth in FY 2018	\$ 2,433

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1) International Military Headquarters - North Atlantic Treaty Organization (NATO).....\$ 2,433
 Increases funding and 15 FTEs in support of increased Army contribution to the NATO Special
 Operations Headquarters. (Baseline: \$393,471; 15 FTE)

9. Program Decreases.....\$ -11,645

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -11,645

1) Civilian Average Annual Compensation.....\$ -1,671
 Each year Army uses detailed execution and cost factor analysis to develop civilian compensation
 rates. These rates are created and implemented with the paramount purpose of accurately forecasting
 cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail,
 which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the
 Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from
 previous trends. (Baseline: \$22,040)

2) Civilian Workforce Reduction.....\$ -300
 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:
 \$22,040; -2 FTE)

3) International Military Headquarters - Kosovo Force\$ -2,193
 Decreases funding for Kosovo related activities as a result of refined requirements for international
 military headquarters programs. (Baseline: \$12,679)

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4) International Military Headquarters - North Atlantic Treaty Organization (NATO).....\$ -7,481
Reduces funding for the NATO military and international headquarters budgets as a result of refined requirements for international military headquarters programs. The U.S. share of NATO's call for funds remains fully funded. (Baseline: \$393,471)

FY 2018 Budget Request.....\$ 415,694

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IV. Performance Criteria and Evaluation Summary:

NORTH ATLANTIC TREATY ORGANIZATION (NATO) AND OTHER INTERNATIONAL MILITARY HEADQUARTERS
 (\$ in Thousands)

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Balkans Crisis Response Operation Contributions	6,954	12,679	10,739
Combined Forces Command	6,451	6,469	7,088
NATO Administrative Agent (Direct Support)	9,719	9,746	12,070
NATO Airborne Early Warning Combat System	163,985	164,449	170,698
NATO International Military Headquarters	137,704	172,149	156,426
NATO Multinational Contribution/Support to Other/Unit Support	20,886	20,965	23,727
NATO Special Operations Headquarters Framework Costs	30,042	30,130	34,946
Total	375,741	416,587	415,694

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	990	1,004	1,021	17
Officer	360	395	404	9
Enlisted	630	609	617	8
<u>Active Military Average Strength (A/S) (Total)</u>	1,001	998	1,013	15
Officer	364	378	400	22
Enlisted	637	620	613	-7
<u>Civilian FTEs (Total)</u>	172	149	162	13
U.S. Direct Hire	160	136	149	13
Foreign National Direct Hire	9	9	9	0
Total Direct Hire	169	145	158	13
Foreign National Indirect Hire	3	4	4	0
 <i>(Reimbursable Civilians (Memo))</i>	 0	 42	 42	 0
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	138	148	141	-7
<u>Contractor FTEs (Total)</u>	101	103	103	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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	23,173	0	1.37%	317	-2,010	21,480	0	1.98%	425	358	22,263
0103	WAGE BOARD	104	0	0.00%	0	-31	73	0	1.37%	1	2	76
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	318	2	0.63%	2	-177	145	1	0.68%	1	-64	83
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	23,595	2		319	-2,218	21,698	1		427	296	22,422
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	7,565	0	1.80%	136	-2,743	4,958	0	2.00%	99	50	5,107
0399	TOTAL TRAVEL	7,565	0		136	-2,743	4,958	0		99	50	5,107
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	0	0	-8.20%	0	50	50	0	-0.40%	0	0	50
0411	ARMY SUPPLY	564	0	-4.63%	-26	-367	171	0	2.84%	5	0	176
0416	GSA MANAGED SUPPLIES AND MATERIALS	23	0	1.80%	0	92	115	0	2.00%	2	0	117
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	587	0		-26	-225	336	0		7	0	343
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0502	ARMY FUND EQUIPMENT	1,372	0	-0.26%	-4	-1,352	16	0	2.84%	0	0	16
0506	DLA MATERIEL SUPPLY CHAIN (CONSTRUCTION AND EQUIP)	57	0	-0.10%	0	-9	48	0	-1.77%	-1	0	47
0507	GSA MANAGED EQUIPMENT	0	0	1.80%	0	52	52	0	2.00%	1	0	53
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	1,429	0		-4	-1,309	116	0		0	0	116
<u>OTHER FUND PURCHASES</u>												
0671	DISA DISN SUBSCRIPTION SERVICES (DSS)	141	0	-7.00%	-10	-131	0	0	1.90%	0	0	0
0699	TOTAL INDUSTRIAL FUND PURCHASES	141	0		-10	-131	0	0		0	0	0
<u>TRANSPORTATION</u>												
0771	COMMERCIAL TRANSPORTATION	78	0	1.80%	1	-4	75	0	2.00%	1	0	76
0799	TOTAL TRANSPORTATION	78	0		1	-4	75	0		1	0	76

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	<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>FC Rate Diff</u>	<u>Price Growth Percent</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2018 Program</u>	
<u>OTHER PURCHASES</u>												
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	223	1	2.23%	5	113	342	-2	2.06%	7	-6	341
0913	PURCHASED UTILITIES (NON-FUND)	297	0	1.80%	5	20	322	0	2.00%	6	0	328
0914	PURCHASED COMMUNICATIONS (NON-FUND)	2,758	0	1.80%	50	-691	2,117	0	2.00%	42	3	2,162
0917	POSTAL SERVICES (U.S.P.S)	216	0	1.80%	4	-205	15	0	2.00%	0	0	15
0920	SUPPLIES AND MATERIALS (NON-FUND)	1,098	0	1.80%	20	-249	869	0	2.00%	17	12	898
0921	PRINTING AND REPRODUCTION	108	0	1.80%	2	-41	69	0	2.00%	1	0	70
0922	EQUIPMENT MAINTENANCE BY CONTRACT	58	0	1.80%	1	377	436	0	2.00%	9	0	445
0923	OPERATION AND MAINTENANCE OF FACILITIES	103	0	1.80%	2	943	1,048	0	2.00%	21	0	1,069
0925	EQUIPMENT PURCHASES (NON-FUND)	933	0	1.80%	17	0	950	0	2.00%	19	26	995
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	3,308	0	1.80%	60	2,295	5,663	0	2.00%	113	0	5,776
0933	STUDIES, ANALYSIS, AND EVALUATIONS	932	0	1.80%	17	-949	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	25	0	0.00%	0	-25	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	42	0	-8.20%	-3	-7	32	0	-0.40%	0	0	32
0957	LAND AND STRUCTURES	1,625	0	1.80%	29	-1,654	0	0	2.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	5	0	1.80%	0	-5	0	0	2.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	7,294	0	1.80%	131	-6,723	702	0	2.00%	14	-7	709
0988	GRANTS, SUBSIDIES AND CONTRIBUTIONS	309,283	0	1.80%	5,567	50,107	364,957	0	2.00%	7,299	-9,596	362,660
0989	OTHER SERVICES	1,320	0	1.80%	24	5,103	6,447	0	2.00%	129	5	6,581
0990	IT CONTRACT SUPPORT SERVICES	12,718	0	1.80%	229	-7,512	5,435	0	2.00%	109	5	5,549
0999	TOTAL OTHER PURCHASES	342,346	1		6,160	40,897	389,404	-2		7,786	-9,558	387,630
9999	GRAND TOTAL	375,741	3		6,576	34,267	416,587	-1		8,320	-9,212	415,694

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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.
- 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.

TECHNOLOGY EXPORT CONTROL - Funds Army manpower and associated costs to execute DoD and Army-directed missions supporting: export control of Army managed items and technologies; assessment of foreign technologies; Army participation in DoD-sponsored air and trade shows; recovery of USG investment in Army developed items; and support to special litigation regarding Foreign Military Sales.

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.

II. Force Structure Summary:

Miscellaneous Support of Other Nations provides funding for the following organizations:

Headquarters, Department of the Army

Exhibit OP-5, Subactivity Group 442

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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 2017					Normalized	
A. <u>Program Elements</u>	<u>FY 2016</u>	<u>Budget</u>	<u>Amount</u>	<u>Percent</u>	<u>Appn</u>	<u>Current</u>	<u>FY 2018</u>	
	<u>Actual</u>	<u>Request</u>				<u>Estimate</u>	<u>Estimate</u>	
MISCELLANEOUS SUPPORT OF OTHER NATIONS	\$35,314	\$36,666	\$0	0.00%	\$36,666	\$36,666	\$46,856	
SUBACTIVITY GROUP TOTAL	\$35,314	\$36,666	\$0	0.00%	\$36,666	\$36,666	\$46,856	
		<u>Change</u>		<u>Change</u>				
		<u>FY 2017/FY 2017</u>		<u>FY 2017/FY 2018</u>				
B. <u>Reconciliation Summary</u>								
BASELINE FUNDING			\$36,666		\$36,666			
Congressional Adjustments (Distributed)			0					
Congressional Adjustments (Undistributed)			0					
Adjustments to Meet Congressional Intent			0					
Congressional Adjustments (General Provisions)			0					
SUBTOTAL ESTIMATED AMOUNT			36,666					
War Related and Disaster Supplemental Appropriation			0					
X-Year Carryover			0					
Fact-of-Life Changes (2017 to 2017 Only)			0					
SUBTOTAL BASELINE FUNDING			36,666					
Anticipated Reprogramming (Requiring 1415 Actions)			0					
Less: War Related and Disaster Supplemental Appropriation			0					
Less: X-Year Carryover			0					
Price Change					717			
Functional Transfers					3,162			
Program Changes					6,311			
NORMALIZED CURRENT ESTIMATE			\$36,666		\$46,856			

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C. Reconciliation of Increases and Decreases:

FY 2017 President's Budget Request	\$ 36,666
1. Congressional Adjustments	\$ 0
a) Distributed Adjustments	\$ 0
b) Undistributed Adjustments	\$ 0
c) Adjustments to Meet Congressional Intent	\$ 0
d) General Provisions	\$ 0
FY 2017 Estimated Amount	\$ 36,666
2. War-Related and Disaster Supplemental Appropriations	\$ 0
3. Fact-of-Life Changes	\$ 0
FY 2017 Estimated and Supplemental Funding	\$ 36,666
4. Anticipated Reprogramming (Requiring 1415 Actions)	\$ 0
Revised FY 2017 Estimate	\$ 36,666

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5. Less: Emergency Supplemental Funding.....	\$ 0
a) Less: War Related and Disaster Supplemental Appropriation.....	\$ 0
b) Less: X-Year Carryover.....	\$ 0
Normalized FY 2017 Current Estimate.....	\$ 36,666
6. Price Change.....	\$ 717
7. Transfers.....	\$ 3,162
a) Transfers In.....	\$ 3,162
1) Miscellaneous Support of Other Nations	\$ 3,162
Transfers funding from SAG 138, Combatant Command Direct Mission Support to SAG 442, Miscellaneous Support of Other Nations to properly realign Exercise Allied Spirit and the associated funding into the appropriate Subactivity Group. (Baseline: \$17,959)	
b) Transfers Out.....	\$ 0
8. Program Increases	\$ 6,527
a) Annualization of New FY 2017 Program.....	\$ 0
b) One-Time FY 2018 Costs	\$ 0

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c) Program Growth in FY 2018\$ 6,527

1) Civilian Average Annual Compensation.....\$ 140

Each year Army uses detailed execution and cost factor analysis to develop civilian compensation rates. These rates are created and implemented with the paramount purpose of accurately forecasting cost estimates for the civilian workforce. The FY 2018 costs were calculated at program level of detail, which provides increased accuracy from previous years. Additionally in FY 2018, the majority of the Subactivity Groups have a lower average salary as manpower reduces, realigns, and stabilizes from previous trends. (Baseline: \$4,744)

2) Miscellaneous Support of Other Nations\$ 6,387

Increases funding in support of increased Army participation in North Atlantic Treaty Organization activities, engagements for the Army's Regionally Aligned Forces in the U.S. Southern Command area of responsibility, and for maintenance and sustainment of two additional Cooperative Security Locations. In addition, funding provides for program and curriculum development for the Inter-American Defense College to maintain the program's ability to provide a nationally accredited master's degree program. (Baseline: \$17,959)

9. Program Decreases.....\$ -216

a) One-Time FY 2017 Costs\$ 0

b) Annualization of FY 2017 Program Decreases.....\$ 0

c) Program Decreases in FY 2018.....\$ -216

1) Technology Export Control\$ -216

Reduces funding and one FTE in the Technology Export Control program. (Baseline: \$2,966; -1 FTE)

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FY 2018 Budget Request..... **\$ 46,856**

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
International Test Operations Procedures	150	150	150
Number of Foreign Military Students in Pilot Training	112	104	104
Western Hemisphere Institute for Security Cooperation's Military Review Magazine (Spanish and Portuguese Editions)	16	20	20
Number of Officers in Anti-terrorism Training in the United Nations Observers Group Prior to their United Nation Mission assignment	48	48	48
Number of Engineers and Scientists in the Exchange Program	16	20	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	20	20	20
Army Civic Action Team (13 members) to the Republic of Palau	1	1	1
Allied Spirit Multinational Exercise	3	3	3
Strategic Senior Leader Engagements	85	85	85
Regional Army Land Forces Symposiums	6	6	6
Partner Army Military-to-Military Events	275	275	275

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V. Personnel Summary

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/2018</u>
<u>Active Military End Strength (E/S) (Total)</u>	672	818	814	-4
Officer	310	364	373	9
Enlisted	362	454	441	-13
<u>Active Military Average Strength (A/S) (Total)</u>	678	745	817	72
Officer	321	337	369	32
Enlisted	357	408	448	40
<u>Civilian FTEs (Total)</u>	43	39	38	-1
U.S. Direct Hire	43	39	38	-1
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	43	39	38	-1
Foreign National Indirect Hire	0	0	0	0
 <i>(Reimbursable Civilians (Memo))</i>	 1,672	 1,902	 1,973	 71
<u>Average Annual Civilian Salary Cost (\$ in Thousands)</u>	128	122	128	6
<u>Contractor FTEs (Total)</u>	58	52	57	5

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 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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	5,484	0	1.22%	67	-807	4,744	0	1.94%	92	16	4,852
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	5,484	0		67	-807	4,744	0		92	16	4,852
<u>TRAVEL</u>												
0308	TRAVEL OF PERSONS	8,827	0	1.80%	159	7,148	16,134	0	2.00%	323	1,772	18,229
0399	TOTAL TRAVEL	8,827	0		159	7,148	16,134	0		323	1,772	18,229
<u>DEFENSE WORKING CAPITAL FUND SUPPLIES AND MATERIALS</u>												
0401	DLA ENERGY (FUEL PRODUCTS)	950	0	-8.20%	-78	-867	5	0	-0.40%	0	20	25
0402	SERVICE FUND FUEL	0	0	-8.20%	0	5	5	0	-0.40%	0	17	22
0411	ARMY SUPPLY	2,199	0	-4.63%	-102	-919	1,178	0	2.84%	33	1,399	2,610
0499	TOTAL SUPPLIES AND MATERIALS PURCHASES	3,149	0		-180	-1,781	1,188	0		33	1,436	2,657
<u>DEFENSE WORKING CAPITAL FUND EQUIPMENT PURCHASES</u>												
0507	GSA MANAGED EQUIPMENT	184	0	1.80%	3	-147	40	0	2.00%	1	75	116
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	184	0		3	-147	40	0		1	75	116
<u>TRANSPORTATION</u>												
0717	SDDC GLOBAL POV	2	0	-16.10%	0	657	659	0	2.10%	14	150	823
0718	SDDC LINER OCEAN TRANSPORTATION	348	0	-1.80%	-6	-43	299	0	-2.80%	-8	75	366
0719	SDDC CARGO OPERATION (PORT HANDLING)	868	0	0.80%	7	-875	0	0	1.30%	0	0	0
0771	COMMERCIAL TRANSPORTATION	3,040	0	1.80%	55	-3,038	57	0	2.00%	1	682	740
0799	TOTAL TRANSPORTATION	4,258	0		56	-3,299	1,015	0		7	907	1,929
<u>OTHER PURCHASES</u>												
0914	PURCHASED COMMUNICATIONS (NON-FUND)	45	0	1.80%	1	12	58	0	2.00%	1	183	242
0915	RENTS (NON-GSA)	188	0	1.80%	3	348	539	0	2.00%	11	0	550
0920	SUPPLIES AND MATERIALS (NON-FUND)	602	0	1.80%	11	-10	603	0	2.00%	12	1,052	1,667

Exhibit OP-5, Subactivity Group 442

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimates
Operation and Maintenance, Army
Budget Activity 04: Administration and Servicewide Activities
Activity Group 44: Support of Other Nations
Detail by Subactivity Group 442: Miscellaneous Support of Other Nations

		<u>FY 2016</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017</u>	<u>FC Rate</u>	<u>Price</u>	<u>Price</u>	<u>Program</u>	<u>FY 2018</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>
0921	PRINTING AND REPRODUCTION	239	0	1.80%	4	465	708	0	2.00%	14	13	735
0922	EQUIPMENT MAINTENANCE BY CONTRACT	4,100	0	1.80%	74	1,628	5,802	0	2.00%	116	672	6,590
0923	OPERATION AND MAINTENANCE OF FACILITIES	435	0	1.80%	8	-443	0	0	2.00%	0	0	0
0925	EQUIPMENT PURCHASES (NON-FUND)	210	0	1.80%	4	-214	0	0	2.00%	0	0	0
0932	MANAGEMENT AND PROFESSIONAL SUPPORT SERVICES	1,373	0	1.80%	25	-1,266	132	0	2.00%	3	0	135
0933	STUDIES, ANALYSIS, AND EVALUATIONS	285	0	1.80%	5	-290	0	0	2.00%	0	0	0
0934	ENGINEERING AND TECHNICAL SERVICES	337	0	1.80%	6	-343	0	0	2.00%	0	0	0
0935	TRAINING AND LEADERSHIP DEVELOPMENT	15	0	0.00%	0	-15	0	0	2.00%	0	0	0
0937	LOCALLY PURCHASED FUEL (NON-FUND)	67	0	-8.20%	-5	358	420	0	-0.40%	-2	103	521
0960	INTEREST AND DIVIDENDS	3	0	1.80%	0	-3	0	0	2.00%	0	0	0
0964	SUBSISTENCE AND SUPPORT OF PERSONS	1,752	0	1.80%	32	-1,396	388	0	2.00%	8	18	414
0985	RESEARCH AND DEVELOPMENT CONTRACTS	908	0	0.00%	0	-908	0	0	0.00%	0	0	0
0987	OTHER INTRA-GOVERNMENT PURCHASES	1,660	0	1.80%	30	646	2,336	0	2.00%	47	2,957	5,340
0989	OTHER SERVICES	1,177	0	1.80%	21	250	1,448	0	2.00%	29	101	1,578
0990	IT CONTRACT SUPPORT SERVICES	16	0	1.80%	0	1,095	1,111	0	2.00%	22	168	1,301
0999	TOTAL OTHER PURCHASES	13,412	0		219	-86	13,545	0		261	5,267	19,073
9999	GRAND TOTAL	35,314	0		324	1,028	36,666	0		717	9,473	46,856