

DEPARTMENT OF THE ARMY

Fiscal Year (FY) 2018 **Budget Amendment**



NOVEMBER 2017

Volume III

Operation and Maintenance, Army

OVERSEAS CONTINGENCY OPERATIONS (OCO) REQUEST

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DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimate Submission
Operation and Maintenance
Overseas Contingency Operations
O-1 Exhibit

I. Description of Operations Financed:

Overview:

The Department of the Army's Fiscal Year 2018 Overseas Contingency Operations, Operation and Maintenance, Army (OMA) initial request was **\$16,126,403**. This Amendment increases the President's Budget submission by **\$872,491** resulting in a new OMA total of **\$16,998,894**. The increase of \$872,491 supports the President's guidance to increase Operation Freedom Sentinel Uplift by 3,513 troops in Afghanistan during the Calendar Year 2017. The amended increase affects sub-activity groups 135, 411, and 421.

Operation FREEDOM'S SENTINEL (+\$871,966): Operation FREEDOM'S SENTINEL is the transition from combat operations to a train, advise, and assist mission as Operation ENDURING FREEDOM'S combat mission ended on December 31, 2014. The United States will pursue two missions with the support of the Afghan government and the Afghan people: (1) The United States will work with our allies and partners as part of the North Atlantic Treaty Organization's Resolute Support Mission to continue training, advising, and assisting Afghan security forces. (2) The United States will continue our counterterrorism mission against the remnants of Al-Qaeda to ensure that Afghanistan is never again used to stage attacks against our homeland. Operating tempo of United States forces supporting Operation FREEDOM'S SENTINEL will continue to decrease as the Afghan National Army assumes the entire security role. The Afghanistan drawdown will also generate expanded theater-wide logistical operations due to the retrograde and reset of equipment. Retrograde is the return of equipment to facilities for reset and to support future force structure and operations. Once the equipment returns to the United States, the Army Reset program restores it to a desired level of combat capability commensurate with a unit's future mission. A fully funded Army Reset program is critical to ensuring that equipment worn and damaged from over a decade of fighting in harsh environments is recovered and restored for future Army contingency operations. Overseas Contingency Operation funding will be needed for three years after the last piece of equipment returns. Additionally, Operation FREEDOM'S SENTINEL actions include critical theater-wide support operations in Kuwait, Qatar, Bahrain and the United Arab Emirates plus, stability and support operations in the United States Africa Command area of responsibility for Horn of Africa operations and operations for Joint Task Force Guantanamo. The Army is also providing theater-wide stability and security within the United States Central Command area of operation. These forces support regional partners with operational missions, bilateral, multilateral military exercises and theater security cooperation activities in the United States Central Command area of responsibility.

Operation INHERENT RESOLVE (+\$525): The President authorized the United States Armed Forces to conduct military operations to support Iraqi forces in their ongoing campaign against the terrorist group Islamic State of Iraq and the Levant. United States Central Command is working with partner nations to conduct targeted airstrikes in Iraq and Syria as part of the comprehensive strategy to degrade and destroy the Islamic State of Iraq and the Levant. These efforts are focused on limiting the terrorist group's ability to lead, control, project power, and conduct operations. These actions are in the national security and foreign policy interests of the United States and are being undertaken in coordination with the Government of Iraq

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III. O-1 Line Item Summary:

Budget Activity Activity Group/Sub Activity Group	FY 2018 Request	FY18 Amendment	FY 2018 Revised Estimate
<u>Land Forces</u>	<u>3,177,340</u>	<u>0</u>	<u>3,177,340</u>
SAG 111 - Maneuver Units	828,225		828,225
SAG 113 - Echelons Above Brigade	25,474		25,474
SAG 114 - Theater Level Assets	1,778,644		1,778,644
SAG 115 - Land Forces Operations Support	260,575		260,575
SAG 116 - Aviation Assets	284,422		284,422
<u>Land Forces Readiness</u>	<u>3,391,004</u>	<u>0</u>	<u>3,391,004</u>
SAG 121 - Force Readiness Operations Support	2,784,525		2,784,525
SAG 122 - Land Forces Systems Readiness	502,330		502,330
SAG 123 - Land Forces Depot Maintenance	104,149		104,149
<u>Land Forces Readiness Support</u>	<u>7,133,553</u>	<u>836,790</u>	<u>7,970,343</u>
SAG 131 - Base Operations Support	80,249		80,249
SAG 132 - Sustainment, Restoration and Modernization	32,000		32,000
SAG 135 - Additional Activities	6,151,378	836,790	6,988,168
SAG 136 - Commander's Emergency Response Program	5,000		5,000
SAG 137 - Reset	864,926		864,926
<u>Combatant Command Support</u>	<u>230,817</u>	<u>0</u>	<u>230,817</u>
SAG 141 - U.S. Africa Command	186,567		186,567
SAG 142 - U.S. European Command	44,250		44,250
Total, BA 01: Operating Forces	13,932,714	836,790	14,769,504
<u>Strategic Mobilization and War Reserves</u>	<u>56,500</u>	<u>0</u>	<u>56,500</u>
SAG 212 - Army Prepositioned Stocks	56,500		56,500
Total, BA 02: Mobilization	56,500	0	56,500
<u>Security Programs</u>	<u>1,082,015</u>	<u>1,375</u>	<u>1,083,390</u>

Exhibit O-1 (Summary of Operations)

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SAG 411 - Security Programs	1,082,015	1,375	1,083,390
<u>Logistics Operations</u>	<u>782,803</u>	<u>34,326</u>	<u>817,129</u>
SAG 421 - Servicewide Transportation	755,029	34,326	789,355
SAG 422 - Central Supply Activities	16,567		16,567
SAG 423 - Logistic Support Activities	6,000		6,000
SAG 424 - Ammunition Management	5,207		5,207
<u>Servicewide Support</u>	<u>272,371</u>	<u>0</u>	<u>272,371</u>
SAG 434 - Other Personnel Support	107,091		107,091
SAG 437 - Other Construction Support and Real Estate Management	165,280		165,280
Total, BA 04: Administration and Servicewide Activities	2,137,189	35,701	2,172,890
Total Operation and Maintenance, ARMY	16,126,403	872,491	16,998,894

<u>Summary by Operation</u>	<u>FY 2018 Request</u>	<u>FY 2018 Amendment</u>	<u>FY 2018 Revised Estimate</u>
Operation FREEDOM'S SENTINEL	\$12,403,757	\$871,966	\$13,275,723
Operation INHERENT RESOLVE	\$2,294,706	\$ 525	\$2,295,231
European Reassurance Initiative	\$1,424,940	\$ 0	\$1,427,940
Operation Totals	\$16,126,403	\$872,491	\$16,998,894

Exhibit O-1 (Summary of Operations)

DEPARTMENT OF THE ARMY
Fiscal Year (FY) 2018 Budget Estimate Submission
Operation and Maintenance, Army - Overseas Contingency Operations
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 - Funds day-to-day operations in theater ranging from train advise and assist missions, security forces training missions, enhanced training team operations, communications infrastructure, base support operations (dining facilities, laundry, security and housing), ground Operating Tempo, flying hours, unexploded ordnance removal, Defense Contract Management Agency support, supplies, and equipment maintenance and repair and transportation. Additionally includes the costs to prepare, deploy, sustain, redeploy, and reconstitute the forces participating in these operations and Department of the Army civilian personnel hired, and deployed, under provisions of the Civilian Expeditionary Workforce program. This Subactivity Group also funds mandatory treaty obligations within the International Security Assistance Force for the North Atlantic Treaty Organization Common Budget. Supports the European Reassurance Initiative, Operation FREEDOM'S SENTINEL, and Operation INHERENT RESOLVE.

II. Force Structure Summary:
Headquarters, Department of the Army

Combatant Commands:

U.S. European Command
U.S. Southern Command

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 Special Operations Command
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 Acquisition Support Center
U.S. Army Military District Washington
U.S. Army Installation Management Command

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 Operation and Maintenance, Army - Overseas Contingency Operations
 Budget Activity 01: Operating Forces
 Activity Group 13: Land Forces Readiness Support
 Detail by Subactivity Group 135: Additional Activities

III. Financial Summary (\$ in Thousands):

		<u>FY 2018 Amendment</u>	
A. <u>Program Elements</u>	<u>FY 2018 Request</u>	<u>Amendment</u>	<u>FY 2018 Revised Estimate</u>
ADDITIONAL ACTIVITIES	\$6,151,378	\$836,790	\$6,988,168
SUBACTIVITY GROUP TOTAL	\$6,151,378	\$836,790	\$6,988,168
<u>Summary by Operation</u>	<u>FY 2018 Request</u>	<u>FY 2018 Amendment</u>	<u>FY 2018 Revised Estimate</u>
Operation FREEDOM'S SENTINEL	\$4,787,586	\$836,790	\$5,624,376
Operation INHERENT RESOLVE	\$1,237,542		\$1,237,542
European Reassurance Initiative	\$126,250		\$126,250
Operation Totals	\$6,151,378	\$836,790	\$6,988,168

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 Operation and Maintenance, Army - Overseas Contingency Operations
 Budget Activity 01: Operating Forces
 Activity Group 13: Land Forces Readiness Support
 Detail by Subactivity Group 135: Additional Activities

C. Reconciliation of Increases and Decreases:

FY 2018 President's OCO Budget Request.....	\$ 6,151,378
1. Price Change.....	\$ 0
2. Transfers.....	\$ 0
3. Program Increases	\$ 836,790
a) Program Growth in FY 2018	\$ 836,790
1) Operation FREEDOM'S SENTINEL: Logistics Civil Augmentation Program (LOGCAP).....	\$ 130,000
Funding increase for LOGCAP due to Force Management Level (FML) increase in support of Afghanistan strategy. (Baseline: \$803,633)	
2) Operation FREEDOM'S SENTINEL: Facility and Base Support	\$700,663
Funding increase for facility and base support requirements due to increased FML. (Baseline: \$86,641)	
3) Operation FREEDOM'S SENTINEL: Other Personnel Support	\$ 6,127
Funding increase for Clothing and Other Personnel Equipment, Training, Supplies, and Equipment due to increased FML. (Baseline: \$564,226)	
FY 2018 OCO Budget Request.....	\$ 6,988,168

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Operation and Maintenance, Army - Overseas Contingency Operations
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 - supports intelligence support to Operation FREEDOM'S SENTINEL, Operation INHERENT RESOLVE, and the European Reassurance Initiative by providing sustainment and operation of Intelligence, Surveillance, and Reconnaissance capabilities already operating in theater, such as Tactical Unmanned Aerial Systems, Constant Hawk Full Motion Video platforms, Distributed Common Ground System - Army, Persistent Surveillance Systems, and Measurement and Signature Intelligence Ground sensors. This effort also provides unique capabilities needed to find, fix, finish, exploit, analyze, and disseminate critical information pertaining to targets of interest. Unique capabilities provided in this category include sustainment associated with critical Intelligence initiatives coordinated closely with The Office of the Secretary of Defense Military Intelligence Programs and the Under Secretary of Defense for Intelligence Operations Directorate. Other key activities include continued support to the Human Terrain System teams currently in theater and Continental United States based reach-back intelligence capabilities in support of Operation FREEDOM'S SENTINEL, Operation INHERENT RESOLVE, and the European Reassurance Initiative. These resources are used also to selectively augment the Army intelligence workforce using government civilian or contracted personnel, as appropriate, to meet the vastly increased demand for actionable intelligence in theater. Analysts working within existing Department of Defense and Intelligence Community organizations provide real-time or near real-time analytic products in direct support of commanders engaged in the execution of their missions. This is accomplished through the collection, analysis, and fusion of multiple sources of information, including Human, Signals, Measurement and Signature, and Imagery Intelligence; and Counterintelligence. Note: Classified details of the Fiscal Year 2018 Overseas Contingency Operations request in support of the Army Military Intelligence Programs are contained in Volume 1A of the Department of Defense Military Intelligence Program Congressional Justification Book.

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 Africa
U.S. Army Europe

Direct Reporting Units:

U.S. Army Acquisition Support Center
U.S. Army Intelligence and Security Command

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 Operation and Maintenance, Army - Overseas Contingency Operations
 Budget Activity 04: Administration and Servicewide Activities
 Activity Group 41: Security Programs
 Detail by Subactivity Group 411: Security Programs

III. Financial Summary (\$ in Thousands):

		<u>FY 2018 Amendment</u>	
A. <u>Program Elements</u>	<u>FY 2018 Request</u>	<u>Amendment</u>	<u>FY 2018 Revised Estimate</u>
SECURITY PROGRAMS	\$1,082,015	\$1,375	\$1,083,390
SUBACTIVITY GROUP TOTAL	\$1,082,015	\$1,375	\$1,083,390
<u>Summary by Operation</u>	<u>FY 2016 Actual</u>	<u>FY 2017 Amendment</u>	<u>FY 2018 Estimate</u>
Operation FREEDOM'S SENTINEL	\$726,452	\$850	\$727,302
Operation INHERENT RESOLVE	\$289,738	\$525	\$290,263
European Reassurance Initiative	\$65,825	\$0	\$65,825
Bipartisan Budget Act of 2015	\$0	\$0	\$0
Operation Totals	\$1,082,015	\$1,375	\$1,083,390

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 Budget Activity 04: Administration and Servicewide Activities
 Activity Group 41: Security Programs
 Detail by Subactivity Group 411: Security Programs

C. Reconciliation of Increases and Decreases:

FY 2017 President`s OCO Budget Request.....	\$ 1,082,015
1. Price Change	\$ 0
2. Transfers.....	\$ 0
3. Program Increases	\$ 1,375
a) Program Growth in FY 2018	\$ 1,375
1) Operation FREEDOM'S SENTINEL: Security Programs.....	\$ 850
Classified increase.	
2) Operation INHERENT RESOLVE: Security Programs.....	\$ 525
Classified increase.	
FY 2018 OCO Budget Request.....	\$ 1,083,390

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Operation and Maintenance, Army - Overseas Contingency Operations
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.

This request reflects the incremental costs associated with Servicewide Transportation requirements for European Reassurance Initiative, Operations FREEDOM'S SENTINEL, and Operation INHERENT RESOLVE.

II. Force Structure Summary:
Headquarters, Department of the Army

Army Commands:
U.S. Army Materiel Command

Army Service Component Commands:
U.S. Army Europe

Direct Reporting Units:
U.S. Army Acquisition Support Center

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 Budget Activity 04: Administration and Servicewide Activities
 Activity Group 42: Logistics Operations
 Detail by Subactivity Group 421: Servicewide Transportation

III. Financial Summary (\$ in Thousands):

		<u>FY 2018 Amendment</u>	
A. <u>Program Elements</u>	<u>FY 2018 Request</u>	<u>Amendment</u>	<u>FY 2018 Revised Estimate</u>
SERVICEWIDE TRANSPORTATION	\$755,029	\$34,326	\$789,355
SUBACTIVITY GROUP TOTAL	\$755,029	\$34,326	\$789,355
<u>Summary by Operation</u>	<u>FY 2018 Request</u>	<u>FY 2018 Amendment</u>	<u>FY 2018 Revised Estimate</u>
Operation FREEDOM'S SENTINEL	\$536,249	\$34,326	\$570,575
Operation INHERENT RESOLVE	\$122,630	\$0	\$122,630
European Reassurance Initiative	\$96,150	\$0	\$96,150
Bipartisan Budget Act of 2015	\$0	\$0	\$0
Operation Totals	\$755,029	\$34,326	\$789,355

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 Budget Activity 04: Administration and Servicewide Activities
 Activity Group 42: Logistics Operations
 Detail by Subactivity Group 421: Servicewide Transportation

C. Reconciliation of Increases and Decreases:

FY 2017 President`s OCO Budget Request.....	\$ 755,029
1. Price Change	\$ 0
2. Transfers.....	\$ 0
3. Program Increases	\$ 34,326
a) Program Growth in FY 2018	\$ 34,326
1) Operation FREEDOM'S SENTINEL: Second Destination Transportation.....	\$ 34,326
Funding increase for second destination transportation in support of the increased FML level in Afghanistan. (Baseline: \$517,841)	
FY 2018 OCO Budget Request	\$ 789,355