

**Defense Contract Management Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed: The Defense Contract Management Agency (DCMA) FY 2018 OCO budget request reflects the continued presence of DCMA civilians in the U.S. Central Command (CENTCOM) area of responsibility. As a Combat Support Agency Force Provider and in compliance with DoD Directive 3000.06, Combat Support Agencies, the FY 2018 budget request fully funds the projected deployments.

The Department of Defense (DoD) will maintain a considerable military, civilian and contracted workforce in Theater to support the deployed workforce. DCMA deploys civilians in response to Requests for Forces (RFF) and Request for Support (RFS) from the Joint Staff, the Civilian Expeditionary Workforce program, and the Services via the Global Force Management (GFM) process. The demand for force provider support increased in FY 2016 and is expected to continue in FY 2017. In order to meet the increased demand, DCMA executed direct funding and reimbursable agreements with our customers to fully cover deployment requirements. In FY 2017, the DCMA will continue receiving reimbursements from the Department of Army (Army Contracting Command, Army Sustainment Command, and Army Corps of Engineers), Defense Security Cooperation Agency for Ministry of Defense Advisor positions, and US Forces Afghanistan Command to cover the costs of the deployments that exceed the FY 2017 budget request. DCMA does not plan to execute reimbursable agreements in FY 2018.

The DCMA anticipates increasing deployed civilians from 54 in FY 2016 to 91 in FY 2018, based on deployment requirements projected in support of Operation Inherent Resolve (OIR) and Operation Freedom Sentinel (OFS). Deployments in support of OIR began in 4th quarter FY 2016; the FY 2018 budget request is the first opportunity to include this separate requirement. Support to OFS will also continue in FY 2018.

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I. Description of Operations Financed (cont.)

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

	FY 2016	Budget	FY 2017			Current	FY 2018			
			Actual	Request	Congressional Action			Estimate	Estimate	
					Amount					Percent
A. BA Subactivities										
OFS	8,445	13,564	0	0.0	0	13,564	16,302			
1.0 Personnel	8,300	12,790	0	0.0	0	12,790	15,541			
2.0 Personnel Support	137	756	0	0.0	0	756	752			
3.0 Operating Support	8	18	0	0.0	0	18	9			
OIR	0	0	0	0.0	0	0	5,015			
1.0 Personnel	0	0	0	0.0	0	0	4,782			
2.0 Personnel Support	0	0	0	0.0	0	0	232			
3.0 Operating Support	0	0	0	0.0	0	0	1			
Total	8,445	13,564	0	0.0	0	13,564	21,317			

	FY 2016	FY 2017	FY 2018
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
<u>Summary by Operation</u>			
Operation FREEDOM'S SENTINEL (OFS)	\$8,445	\$13,564	\$16,302
Operation INHERENT RESOLVE (OIR)	\$0	\$0	\$5,015
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$8,445	\$13,564	\$21,317

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III. Financial Summary (\$ in thousands)

B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>
OCO Funding	13,564	13,564
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	13,564	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	13,564	
Baseline Appropriation		
Reprogrammings		
Price Changes		265
Functional Transfers		
Program Changes		7,488
Current Estimate	13,564	21,317
Less: Baseline Appropriation		
Normalized Current Estimate	13,564	

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III. Financial Summary (\$ in thousands)

	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 President's Budget Request (Amended, if applicable)		13,564
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		13,564
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		13,564
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		13,564
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		13,564
6. Price Change		265
7. Functional Transfers		
8. Program Increases		7,516
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) OIR Personnel Increase	4,782	
Personnel costs for OCONUS contingency operations include civilian base pay, overtime and premium pay (Sunday, hazardous duty, and night and post differential). Calculated use of overtime allows the downrange commanders to maximize productive hours and minimize the number of deployed civilians, optimizing efficiencies for the required contract oversight.		

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III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases

Amount

Total

The DCMA supported requests for forces under the OFS umbrella and did not provide deployees for OIR requirements. Deployments in support of OIR began in 4th quarter FY 2016; the FY 2018 budget request is the first opportunity to include this separate requirement. The FY 2018 personnel costs support 20 full time equivalents deployed civilians. (FY 2017 Baseline: \$0 thousand; +20 FTEs)

2) OFS Personnel Increase

2,501

Personnel costs for OCONUS contingency operations include civilian base pay, overtime and premium pay (Sunday, hazardous duty, night differential and post differential). Calculated use of overtime allows the downrange commanders to maximize productive hours and minimize the number of deployed civilians, optimizing efficiencies for the required contract oversight.

The FY 2018 personnel costs support 71 deployed civilians (65 full time equivalents) in support of global and CENTCOM contingency operations and are based on projected RFF/RFS requirements.

(FY 2017 Baseline: \$12,790 thousand; +11 FTEs)

3) OIR Personnel Support Increase

232

Personnel support includes travel costs for both in Theater travel and pre-deployment training. The DCMA, in coordination with the Services, has developed new

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C. Reconciliation of Increases and Decreases

Amount

Total

expeditionary contracting pre-deployment training to provide a hands-on, scenario based opportunity for deployees to develop skills. Post-training, the deploying personnel are more adaptable and prepared for expeditionary contracting duties. Additionally, the new requirements dictate specialize residential training courses.

The DCMA supported requests for forces under the OFS umbrella and did not provide deployees for OIR requirements. Deployments in support of OIR began in 4th quarter FY 2016; the FY 2018 budget request is the first opportunity to include this separate requirement. Travel costs will support the 20 deployed personnel. (FY 2017 Baseline: \$0 thousand)

4) OIR Operating Support Increase

1

Operating support costs in FY 2018 primarily cover the cost of supplies, reimbursement for passport and required medical/dental expenses not covered by insurance.

The DCMA supported requests for forces under the OFS umbrella and did not provide deployees for OIR requirements. Deployments in support of OIR began in 4th quarter FY 2016; the FY 2018 budget request is the first opportunity to include this separate requirement. Funding will cover costs of passports and required medical/dental expenses not covered by insurance for the personnel supporting OIR. (FY 2017

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
Baseline: \$0 thousand)		
9. Program Decreases		-28
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) OFS Personnel Support Decrease	-19	
Personnel support includes travel costs for both in Theater travel and pre-deployment training. The DCMA, in coordination with the Services, has developed new expeditionary contracting pre-deployment training to provide a hands-on, scenario based opportunity for deployees to develop skills. Post-training, the deploying personnel are more adaptable and prepared for expeditionary contracting duties. Additionally, the new requirements dictate specialize residential training courses.		
As the Force Provider requirements changed, travel and pre-deployment training costs reflected a slight decrease. (FY 2017 Baseline: \$756 thousand)		
2) OFS Operating Support Decrease	-9	
Operating support costs in FY 2018 primarily cover the cost of supplies, reimbursement for passport and required medical/dental expenses not covered by insurance.		
FY 2017 request included costs to cover the storage of uniforms. Commercial storage is no longer required, therefore the elimination of rental		

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
services is reflected in the funding reduction.		
(FY 2017 Baseline: \$18 thousand)		
FY 2018 Budget Request		21,317

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IV. Performance Criteria:

N/A

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V. <u>Personnel Summary</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>Civilian End Strength (Total)</u>	<u>54</u>	<u>65</u>	<u>91</u>	<u>11</u>	<u>26</u>
U.S. Direct Hire	45	65	91	20	26
Total Direct Hire	45	65	91	20	26
Reimbursable Civilians	9	0	0	-9	0
<u>Civilian FTEs (Total)</u>	<u>43</u>	<u>54</u>	<u>85</u>	<u>11</u>	<u>31</u>
U.S. Direct Hire	34	54	85	20	31
Total Direct Hire	34	54	85	20	31
Reimbursable Civilians	9	0	0	-9	0
Average Annual Civilian Salary (\$ in thousands)	244.1	236.9	239.1	-7.2	2.2

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VI. OP 32 Line Items as Applicable (Dollars in thousands):

<u>OP 32 Line</u>	FY 2016 <u>Actual</u>	Change <u>FY 2016/FY 2017</u>		FY 2017 <u>Estimate</u>	Change <u>FY 2017/FY 2018</u>		FY 2018 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	8,300	156	4,334	12,790	250	7,283	20,323
199 Total Civ Compensation	8,300	156	4,334	12,790	250	7,283	20,323
308 Travel of Persons	137	3	616	756	15	213	984
399 Total Travel	137	3	616	756	15	213	984
915 Rents (Non-GSA)	1	0	7	8	0	-8	0
917 Postal Services (U.S.P.S)	0	0	1	1	0	-1	0
920 Supplies & Materials (Non-Fund)	7	0	0	7	0	1	8
989 Other Services	0	0	2	2	0	0	2
999 Total Other Purchases	8	0	10	18	0	-8	10
Total	8,445	159	4,960	13,564	265	7,488	21,317