

OFFICE OF THE SECRETARY OF DEFENSE

FISCAL YEAR (FY) 2018 President's Budget



**May 2017
VOLUME 1
PART 2 of 2**

**Justification for FY 2018
U.S. Court of Appeals for the Armed Forces
Office of the Inspector General
Cooperative Threat Reduction
Overseas Humanitarian, Disaster and Civic Aid
Support for International Sporting Competitions
Defense Acquisition Workforce Development Fund**

**Overseas Contingency Operations (OCO)
Operation and Maintenance, Defense-Wide
Office of the Inspector General**

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**Office of the Under Secretary of Defense-Comptroller
 Operation and Maintenance, Defense-Wide
 Office of the Inspector General
 Fiscal Year (FY) 2018 President's Budget
 Overseas Contingency Operations (OCO) Request**

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United States Court of Appeals for the Armed Forces



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**United States Court for the Armed Forces
Operation and Maintenance, Defense-Wide
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**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)
U.S. Court of Appeals for the Armed Forces, Defense**

	FY 2016 <u>Actual</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2017 <u>Estimate</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2018 <u>Estimate</u>
CAAF	12,699	237	1,258	14,194	277	67	14,538

I. Description of Operations Financed: The United States Courts of Appeals for the Armed Forces (USCAAF) appropriation provides all customary expenses required to operate a government activity, such as salaries, benefits, travel expenses, rent, communications services, equipment purchases, contractual information technology support, security services, and the expense of printing opinions and decisions of the USCAAF. The appropriation supports five civilian judges and a staff of 54 other civilian positions. The USCAAF is an Article I Court established by the Uniform Code of Military Justice (UCMJ) (Title 10 USC 941). The Court exercises appellate jurisdiction over cases arising under the Uniform Code of Military Justice, on a broad range of legal issues. Decisions by the Court are subject to direct review by the Supreme Court of the United States.

II. Force Structure Summary:
N/A

United States Court for the Armed Forces
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III. Financial Summary (\$ in thousands)

	FY 2016 <u>Actual</u>	Budget <u>Request</u>	FY 2017			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Congressional Action</u>				
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. BA Subactivities							
U.S. Court of Appeals for the Armed Forces	12,699	14,194	0	0.0	0	14,194	14,538
Total	12,699	14,194	0	0.0	0	14,194	14,538

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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>
Baseline Funding	14,194	14,194
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	14,194	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal Baseline Funding	14,194	
Supplemental		
Reprogrammings		
Price Changes		277
Functional Transfers		
Program Changes		67
Current Estimate	14,194	14,538
Less: Wartime Supplemental		
Normalized Current Estimate	14,194	

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III. Financial Summary (\$ in thousands)

	<u>Amount</u>	<u>Totals</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 President's Budget Request (Amended, if applicable)		14,194
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2017 Appropriated Amount		14,194
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
FY 2017 Baseline Funding		14,194
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		14,194
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
FY 2017 Normalized Current Estimate		14,194
6. Price Change		277
7. Functional Transfers		
8. Program Increases		1,755
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Leased Costs/Rent	1,400	
The increase reflects rental payments previously made to GSA and now paid to the Building Maintenance Fund (BMF). Funding was realigned between op 32 line and 912 - Rental Payments to GSA (SLUC) to op 32 line 699 - Total DWCF purchases.		

(FY 2017 Baseline: \$0 thousand; +0 FTEs)

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
2) Facilities Maintenance The increase in facilities maintenance for the CAAF building in Washington, D.C. reflect the on-going scheduled historical preservation plan. (FY 2017 Baseline: \$500 thousand; +0 FTEs)	219	
3) Workforce Composition The increase reflects changes to workforce grade restructuring and composition for the Court of Appeals for the Armed Forces. (FY 2017 Baseline: \$8,054 thousand; +0 FTEs)	115	
4) FIAR-related Activities Costs related to the on-going Department-wide efforts related to Financial Improvement and Audit Readiness (FIAR) (FY 2017 Baseline: \$19 thousand; +0 FTEs)	21	
9. Program Decreases		-1,688
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Rental Payments to GSA The decrease reflects a reduction in rental payments that were previously paid directly to GSA and are now paid to the Building Maintenance Fund (BMF). This funding was realigned between op 32 line 912 - Rental Payments to GSA (SLUC) to op 32 line 699 - Total DWCF Purchases. (FY 2017 Baseline: \$1,400 thousand)	-1,428	
2) Reduction in Supplies, Materials and Other Costs As part of the on-going DoD reform agenda, the	-132	

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
reductions reflect cost-saving efforts in supplies, and IT-Tech support service contracting. (+3,100 FTEs)		
3) Service Requirements Review Board (SRRB) Decrease is to align with Service Requirements Review Board (SRRB) as part of the Department of Defense reform agenda. The incremental reduction accounts for a reduction in other services.	-128	
FY 2018 Budget Request		14,538

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IV. Performance Criteria and Evaluation Summary:

The Court reviews cases from all of the Armed Forces which, primarily come from the Uniformed Services Courts of Criminal Appeals. The Court addresses cases involving a broad range of legal issues, including constitutional law, criminal law, evidence, administrative law, and national security law. The Court continually meets its goal of deciding each case accepted by reviewing authorities, thereby serving its function as defined in the UCMJ (Title 10 USC 941).

United States Court for the Armed Forces
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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>57</u>	<u>59</u>	<u>59</u>	<u>2</u>	<u>0</u>
U.S. Direct Hire	57	59	59	2	0
Total Direct Hire	57	59	59	2	0
<u>Civilian FTEs (Total)</u>	<u>49</u>	<u>59</u>	<u>59</u>	<u>10</u>	<u>0</u>
U.S. Direct Hire	49	59	59	10	0
Total Direct Hire	49	59	59	10	0
Average Annual Civilian Salary (\$ in thousands)	154.9	136.5	141.1	-18.4	4.6

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

<u>OP 32 Line</u>	<u>FY 2016</u> <u>Actual</u>	<u>Change</u> <u>FY 2016/FY 2017</u>		<u>FY 2017</u> <u>Estimate</u>	<u>Change</u> <u>FY 2017/FY 2018</u>		<u>FY 2018</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	7,589	143	322	8,054	157	115	8,326
199 Total Civ Compensation	7,589	143	322	8,054	157	115	8,326
308 Travel of Persons	26	0	44	70	1	2	73
399 Total Travel	26	0	44	70	1	2	73
680 Building Maint Fund Purch	0	0	0	0	0	1,400	1,400
696 DFAS Financial Operation (Other Defense Agencies)	28	-1	-8	19	-1	21	39
699 Total DWCF Purchases	28	-1	-8	19	-1	1,421	1,439
912 Rental Payments to GSA (SLUC)	718	14	668	1,400	28	-1,428	0
913 Purchased Utilities (Non-Fund)	0	0	167	167	3	-1	169
914 Purchased Communications (Non-Fund)	47	1	12	60	1	19	80
917 Postal Services (U.S.P.S)	1	0	3	4	0	-2	2
920 Supplies & Materials (Non-Fund)	451	9	-60	400	8	-119	289
923 Facilities Sust, Rest, & Mod by Contract	523	10	-33	500	10	198	708
925 Equipment Purchases (Non-Fund)	18	0	52	70	1	-1	70
932 Mgt Prof Support Svcs	76	1	-77	0	0	0	0
960 Other Costs (Interest and Dividends)	5	0	-5	0	0	0	0
987 Other Intra-Govt Purch	13	0	-13	0	0	0	0
989 Other Services	2,495	47	158	2,700	54	-117	2,637
990 IT Contract Support Services	709	13	28	750	15	-20	745
999 Total Other Purchases	5,056	95	900	6,051	120	-1,471	4,700
Total	12,699	237	1,258	14,194	277	67	14,538

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**Fiscal Year (FY) 2018 President's Budget
Cooperative Threat Reduction Program**



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**Cooperative Threat Reduction Program
Operation and Maintenance, Defense-Wide
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Cooperative Threat Reduction: (\$ in Thousands):

	FY 2016	Price	Program	FY 2017	Price	Program	FY 2018
	<u>Actual</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>	<u>Change</u>	<u>Change</u>	<u>Estimate</u>
CTR	358,496	6,651	-39,543	325,604	6,128	-7,132	324,600

I. Description of Operations Financed: The Department of Defense (DoD) Cooperative Threat Reduction (CTR) Program is the Department's most comprehensive tool for preventing the proliferation of weapons of mass destruction (WMD) and eliminating nuclear, radiological, chemical, and biological threats. The CTR Program's mission is to partner with countries to reduce the threat from WMD and WMD-related technologies, facilities, and expertise. The Program focuses on eliminating, securing, and consolidating WMD and WMD-related materials at their source. It also focuses on preventing and detecting WMD materials in transit and mitigating the risk of outbreaks of diseases of security concern. The CTR Program's objectives are:

- o Dismantling and destroying stockpiles of nuclear, radiological, chemical, or biological weapons, equipment, or means of delivery that partner nations own, possess, or otherwise control.
- o Accounting for, securing, and safeguarding WMD and WMD-related items.
- o Preventing and detecting the acquisition, proliferation, and use of nuclear, chemical, or biological weapons, equipment, expertise, and means of delivery.

The CTR program is currently authorized to operate in the former Soviet Union (FSU), East and Southeast Asia (SEA), the Middle East, and North Africa. DoD has additional authorities to operate select CTR programs in sub-Saharan Africa and has global authority to facilitate the safe and secure transportation and storage of nuclear and high-threat radiological materials. The DoD CTR Program has seven lines of effort:

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I. Description of Operations Financed (cont.)

Strategic Offensive Arms Elimination, Chemical Weapons Destruction, Global Nuclear Security, the Cooperative Biological Engagement Program, the WMD Proliferation Prevention Program, the Threat Reduction Engagement Program (which is to be discontinued in FY 2018), and Other Assessments and Administrative Costs.

	<u>\$ in thousands</u>		
	FY 2016	FY 2017	FY 2018
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
A. Strategic Offensive Arms Elimination (SOAE)	1,289	11,791	12,188

The SOAE Program supports the destruction of strategic weapons delivery systems and associated infrastructure.

Ukrainian SS-24 Missile Disassembly, Storage, and Elimination

Facilitate the safe and secure disassembly, storage, and destruction of propellant from SS-24 intercontinental ballistic missile (ICBM) solid rocket motors (SRMs) in Eastern Ukraine.

Contingency Planning and Global Engagement

Remain postured to support the elimination of WMD delivery systems and related infrastructure in the event of a contingency requiring mobilization.

	<u>\$ in thousands</u>		
	FY 2016	FY 2017	FY 2018
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
B. Chemical Weapons Destruction (CWD)	5,001	2,942	5,000

CTR-16

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I. Description of Operations Financed (cont.)

The CWD Program facilitates the safe, secure, and environmentally sound destruction of chemical weapons. CWD accomplishes this through two core lines of effort: 1) improving the safety and security of facilities housing chemical weapons (CW) or toxic industrial chemicals and materials that are at risk of being used as CW, and 2) demolishing and demilitarizing former CW production facilities and destroying CW stockpiles in accordance with the 1993 Chemical Weapons Convention on the Prohibition of the Development, Production, Stockpiling, and Use of Chemical Weapons and on Their Destruction.

Global Cooperative Chemical Security Project

Mitigate the risk of adversaries developing and using improvised chemical weapons from toxic industrial chemicals (TICs) and toxic industrial materials (TIMs).

Global Chemical Weapons Destruction Contingency Capability

Plan and prepare for potential CW elimination efforts and sustain the program's CW elimination expertise, which is critical to the U.S. Government's ability to respond rapidly to emerging CW crises, as demonstrated by prior efforts in Libya and Syria.

	<u>\$ in thousands</u>		
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
C. Global Nuclear Security (GNS)	19,455	16,899	17,887

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I. Description of Operations Financed (cont.)

The GNS Program is designed to prevent the proliferation of nuclear weapons, weapons components, and weapons-related materials and expertise. It also facilitates the elimination of nuclear weapons and nuclear weapons components, and the safe and secure transportation and storage of nuclear weapons-usable and high-threat radiological materials.

Global Transportation Security and Disposition Project

Cooperate with U.S. and global partners to facilitate the safe and secure transport, storage, and disposition of nuclear weapons, nuclear weapons components, and nuclear weapons-usable materials, and the safe and secure transportation of high-threat radiological materials to prevent theft or proliferation.

International Atomic Energy Act (IAEA) Nuclear Security Training and Education Program

Assist partner nations in securing nuclear materials by promoting the transfer of nuclear-security best practices via the IAEA.

Jordan Nuclear and Radiological Security Support Project

Develop and maintain Jordan's nuclear security capabilities to secure interdicted nuclear and high-threat radiological materials and improve Jordan's capability to prevent the proliferation of nuclear weapons and weapons-related materials.

Kazakhstan Nuclear Security Center of Excellence (COE)

Increase physical security at sensitive nuclear sites, provide training to forces engaged in weapons useable nuclear material security, and enhance Kazakhstan's National Nuclear

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I. Description of Operations Financed (cont.)

Material Inventory Management System (NMIMS) to track weapons useable nuclear materials at various sites throughout the country.

Nuclear Security Enhancements, Training, and COE Support Project

Develop relationships and conduct initial engagements with countries possessing nuclear weapons, or countries that may interdict nuclear weapons-useable materials to establish the basis for cooperative activities to enhance security of nuclear weapons and weapons-useable nuclear material and related components, and to transport interdicted high-threat radiological materials safely and securely.

Ukraine Nuclear Security Readiness Project

Enhance Ukraine's capability to prevent and detect the accidental or intentional loss, theft, or diversion of nuclear and high-threat radiological materials by providing security and response training and equipment to the Ukrainian National Guard, enhancing Ukraine's ability to coordinate and respond to nuclear incidents, and working with U.S. interagency partners to assist with Ukraine's development of national-level nuclear incident response plans, as part of a Global Partnership deliverable.

China Nuclear Security COE Project

Reduce nuclear material threats by enhancing China's nuclear security culture in cooperation with the Department of Energy (DOE) at China's Nuclear Security COE.

Service Requirement Review Board (SRRB) Reduction - As part of the Department of Defense reform agenda, the program includes incremental reductions for consolidation and

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I. Description of Operations Financed (cont.)

reduction of service contracts. Reductions impact OP-32 line item 934 Engineering and Technical Services.

\$ in thousands

<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
222,049	213,984	172,753

**D. Cooperative Biological Engagement Program
(CBEP) :**

CBEP prevents the proliferation of biological weapons, biological weapon components, and biological weapons-related technologies and expertise. The CBEP also seeks to facilitate detection and reporting of highly pathogenic diseases of security concern, including zoonotic diseases, which could impact the Armed Forces of the United States or its allies and partners. To achieve its mission, CBEP activities include enhancement of partner country and region biosafety and biosecurity (BS&S) and biosurveillance capabilities.

It is increasingly difficult to prevent biological incidents and disrupt the development of biological weapons given the diffusion of biological expertise, the rapid pace of advancement in biotechnologies, and the ubiquity of naturally-occurring biological materials. As the 2014 Ebola Virus Disease (EVD) outbreak in West Africa demonstrated, disease outbreaks, whether originating from an intentional attack, an inadvertent release, or a natural occurrence, do not respect national boundaries. Deadly pathogens can spread rapidly in today's interconnected world. They can be transmitted easily between humans and animals, potentially resulting in high mortality rates, public panic, social and economic disruption, and costly response measures. Against this backdrop, the lack of technical

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I. Description of Operations Financed (cont.)

expertise to secure sensitive materials or to detect, diagnose, and report dangerous outbreaks quickly could have significant consequences.

Eastern Europe and Eurasia

Strengthen linkages and facilitate sharing of BS&S and biosurveillance best practices between CBEP partner nations in Eastern Europe and Eurasia; ensure tailored but consistent approaches to training, diagnostic processes, and reporting; and enhance the biological threat-reduction capabilities of relevant regional organizations.

Middle East and Southwest Asia

Strengthen linkages and facilitate the adoption of internationally recognized BS&S best practices among CBEP partner nations in the region, and sustainably enhance their biosurveillance and biological threat-reduction capabilities through engagement with relevant regional organizations.

Africa Regional Engagement

Build on BS&S and biosurveillance investments and provide tools and guidance for sustainment in sub-regions (i.e., East Africa, West Africa); strengthen linkages and facilitate the adoption of best practices related to BS&S and biosurveillance among CBEP partner nations on a regional and sub-regional basis; and enhance the biological threat reduction capabilities of partner nations through activities executed and sustained by relevant regional organizations.

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I. Description of Operations Financed (cont.)

East and Southeast Asia Regional Engagement

Enhance the region's capability to detect, diagnose, and report human and animal diseases of security concern, and enhance the region's BS&S capabilities to reduce the risk of accidental or intentional release of pathogens of security concern.

CBEP is currently partnering with the following 27 countries: Armenia, Azerbaijan, Georgia, Kazakhstan, Ukraine, Uzbekistan, Iraq, Jordan, Turkey, Gulf Cooperation Countries, Cameroon, Ethiopia, Guinea, Kenya, Liberia, Senegal, Sierra Leone, South Africa, Tanzania, Uganda, Cambodia, India, Laos, Malaysia, Philippines, Thailand, and Vietnam.

Service Requirement Review Board (SRRB) Reduction - As part of the Department of Defense reform agenda, the program includes incremental reductions for consolidation and reduction of service contracts. Reductions impact OP-32 line items 932 Management and Professional Support Services and 934 Engineering and Technical Services.

\$ in thousands

FY 2016	FY 2017	FY 2018
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>

E. Proliferation Prevention Program (PPP):

	82,654	50,709	89,792
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PPP addresses the trafficking of WMD and related components and helps partner nations prevent the proliferation of WMD materials, components, technology, and expertise across their borders. PPP executes projects incrementally and does not proceed until the previous stage is successfully implemented. PPP's approach provides flexibility and

**Cooperative Threat Reduction Program
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I. Description of Operations Financed (cont.)

management control while minimizing programmatic risk. Projects are also designed and executed with the long-term sustainment of U.S.-provided equipment in mind to ensure that each partner nation has the capability and resources to sustain the equipment and expertise provided upon project completion. Projects leverage other U.S. and international programs to avoid duplication of effort.

Increases in funding have allowed this program to increase from 8 to 12 current partnerships with the following countries: Armenia, Algeria, Morocco, Georgia, Moldova, Jordan, Kazakhstan, Lebanon, Tunisia, Cambodia, Philippines and Vietnam.

Armenia Land Border Proliferation Prevention Project

Improve Armenia's capability to deter, detect, and interdict attempts to traffic WMD and WMD-related materials across the border with Georgia by providing equipment and equipment-related training to the Armenian Border Guard (ABG) to enhance capabilities in communications, surveillance, WMD detection and identification, mobility, tactical infrastructure, and post and patrol operations, and to ensure that the ABG can sustain and build upon these capabilities over the long term.

Georgia Land Border Project

Provide comprehensive WMD detection and interdiction capabilities to the Georgia Border Police (GBP) to deter, detect, and interdict WMD and related materials along Georgia's land borders by installing border surveillance cameras and integrated communications systems, constructing or renovating existing border patrol headquarters, and providing training on tactics and procedures for green-border surveillance and interdiction operations.

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I. Description of Operations Financed (cont.)

Kazakhstan Fissile and Radioactive Material Proliferation Prevention Project

Prevent proliferation of nuclear and radiological materials by working collaboratively with the National Nuclear Center of Kazakhstan.

Moldova Land Border Proliferation Prevention Project

Provide comprehensive WMD detection and interdiction capabilities to the Moldovan Border Police (MBP), Moldovan Customs Service, Civil Protection and Emergency Situation Service (CPESS), and National Agency for the Regulation of Nuclear and Radiological Activities (NARNRA) by installing border surveillance cameras and integrated communications systems at key border locations, and providing equipment that enhances Moldova's ability to interdict and characterize WMD-related materials.

Jordan Land Border Proliferation Prevention Project

Improve Jordan's capability to deter, detect, and interdict attempts to traffic WMD and related materials across its borders with Syria and Iraq and maintain operational capability in the event of a WMD event. Supply training and equipment that improves core proliferation prevention capabilities of the Jordan Armed Forces (JAF), including provision of command and control, communications, surveillance, interdiction, and handheld equipment in order to facilitate the interdiction of WMD on Jordan's borders. Provide relevant military and civilian responders with equipment and training to detect, characterize, isolate, and secure WMD, as well as training to operate in, respond to, and mitigate the effects of WMD materials. Deliver train-the-trainer, preventive and corrective maintenance, and sustainment training to the JAF and civilian agencies in order to sustain and build upon these capabilities for the long term through future human capital development.

Lebanon Border Security Project

Improve the capabilities of the Lebanese Armed Forces (LAF) Land Border Regiments to deter, detect, and interdict WMD and WMD-related materials in transit across Lebanon's

**Cooperative Threat Reduction Program
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I. Description of Operations Financed (cont.)

375-kilometer border with Syria by providing surveillance equipment at border outposts, providing integrated United Kingdom-provided surveillance equipment, delivering border security and WMD detection training and equipment, and conducting Concept of Operations workshops.

Tunisia Border Security Project

Improve Tunisia's capability to deter, detect, and interdict attempts to traffic WMD and related materials across its border with Libya by working collaboratively with Tunisia's Army and National Guard to design, develop, produce, deploy, and sustain an integrated border surveillance system. Deliver training to develop sustainable human capital and equipment to detect, characterize, isolate, and secure WMD and WMD-related materials and to prevent their proliferation. Support CONOPs workshops for Tunisian border security agencies to develop and refine standard operating procedures that better utilize the border security system in a whole-of-government approach to combatting WMD-terrorism and proliferation.

North Africa New Projects

Address critical emerging WMD proliferation threats with cooperative North African partner governments.

Cambodia Maritime Proliferation Prevention Project

Increase Cambodia's capability to deter, detect, and interdict WMD and related materials transiting through maritime ports and national waters by enhancing radiological detection capabilities at the main river port, the Phnom Penh Autonomous Port New Container Terminal (PPAP-NCT), in partnership with DOE, the European Commission Joint Research Centre, the Secretariat National Counter-Terrorism Committee of Cambodia, and the General Department of Customs and Excise of Cambodia.

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I. Description of Operations Financed (cont.)

Philippines Maritime Proliferation Prevention Project

Improve the Philippine's capability to deter, detect, and interdict attempts to traffic WMD and related materials through or near its territorial waters by providing equipment and training to enhance the Philippine's maritime domain awareness.

Vietnam Maritime Proliferation Prevention

Improve Vietnam's capability to deter, detect, and interdict attempts to traffic WMD and related materials through Vietnamese national waters, including the territorial sea and Exclusive Economic Zone by providing patrol vessel-sustainment facilities and WMD-interdiction training.

Service Requirement Review Board (SRRB) Reduction - As part of the Department of Defense reform agenda, the program includes incremental reductions for consolidation and reduction of service contracts. Reductions impact OP-32 line item 932 Management and Professional Support Services.

**Cooperative Threat Reduction Program
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I. Description of Operations Financed (cont.)

	<u>\$ in thousands</u>		
	FY 2016	FY 2017	FY 2018
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
F. Threat Reduction Engagement Program (TREP)	1,225	2,000	0

TREP establishes partnerships with international military and defense authorities responsible for addressing WMD and related materials through strategic events designed to increase a country's willingness to partner with the United States to reduce WMD threats, prevent chemical, biological, radiological, and nuclear (CBRN) proliferation, and improve detection and reporting capabilities for diseases of security concern.

In FY 2018, this program will be discontinued. Other authorities in DTRA and the DoD can be used to provide this capability.

	<u>\$ in thousands</u>		
	FY 2016	FY 2017	FY 2018
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
G. Other Assessments / Administrative Costs	26,823	27,279	26,980

The Other Assessments / Administrative Costs Program provides general program administrative support and project development costs for the CTR Program.

Embassy Support

Supports DTRA regional offices and Defense Threat Reduction Offices (DTROs) at U.S. Embassies in partner nations to facilitate DoD CTR Program activities in those countries.

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I. Description of Operations Financed (cont.)

Audits and Examinations (A&Es)

Ensure that DoD CTR Program assistance is accounted for and used efficiently and effectively for its intended purpose. In accordance with umbrella agreements (UAs) and implementing agreements, the United States has the right to examine the use of any material, training, or other services provided under these agreements for a period of three years, or as specified for each agreement.

Program Management and Administration Support

Provide program management and administration for general activities that are not associated with the CTR Program. Such activities include initial development of project technical requirements before implementing agreements are signed, team travel support, program IT support, logistics support services, export compliance actions, program studies, translation and interpretation, and Advisory and Assistance Services (A&AS) support.

Service Requirement Review Board (SRRB) Reduction - As part of the Department of Defense reform agenda, the program includes incremental reductions for consolidation and reduction of service contracts. Reductions impact OP-32 line item 932 Management and Professional Support Services.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

	FY 2016 <u>Actual</u>	Budget <u>Request</u>	FY 2017 <u>Congressional Action</u>			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
1. Strategic Offensive Arms Elimination	1,289	11,791	0	0.0	0	11,791	12,188
2. Chemical Weapons Destruction	5,001	2,942	0	0.0	0	2,942	5,000
3. Global Nuclear Security	19,455	16,899	0	0.0	0	16,899	17,887
4. Cooperative Biological Engagement	222,049	213,984	0	0.0	0	213,984	172,753
5. Proliferation Prevention	82,654	50,709	0	0.0	0	50,709	89,792
6. Threat Reduction Engagement	1,225	2,000	0	0.0	0	2,000	0
7. Other Assessments/ Administrative Costs	26,823	27,279	0	0.0	0	27,279	26,980
Total	358,496	325,604	0	0.0	0	325,604	324,600

Total Service Requirements Review Board (SRRB) reduction of \$13,220 thousand is reflected by program in the OP-5 Part III. The reductions impact OP-32 line items 934 Engineering and Technical Services (-\$5,310) and 932 Management and Professional Support Services (-\$7,910).

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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>
Baseline Funding	325,604	325,604
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	325,604	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal Baseline Funding	325,604	
Supplemental		
Reprogrammings		
Price Changes		6,128
Functional Transfers		-2,128
Program Changes		-5,004
Current Estimate	325,604	324,600
Less: Wartime Supplemental		
Normalized Current Estimate	325,604	

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III. Financial Summary (\$ in thousands)

	<u>Amount</u>	<u>Totals</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 President's Budget Request (Amended, if applicable)		325,604
1. Congressional Adjustments		
a. Distributed Adjustments		
1) Program Decrease		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2017 Appropriated Amount		325,604
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
FY 2017 Baseline Funding		325,604
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		325,604
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
FY 2017 Normalized Current Estimate		325,604
6. Price Change		6,128
7. Functional Transfers		-2,128
a. Transfers In		
1) Enter Description		
b. Transfers Out		
1) Transfers funds from DTRA to OSD to finance A&AS contract support services for USD(AT&L) and USD(Policy) to properly align contract responsibilities.	-2,128	
8. Program Increases		47,584
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Proliferation Prevention	41,019	

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
The funding increase in FY 2018 expands capability of partner nations to prevent the proliferation of WMD and related materials by reducing trafficking by non-state networks in regions destabilized by Russian aggression; reducing the Islamic State in Iraq and Levant (ISIL) threat in the Middle East; reducing trafficking dual-use items in South East Asia; and securing radiological materials. Additional information can be provided under separate cover. (FY 2017 Baseline: \$50,709 thousand)		
2) Global Nuclear Security The funding increase in FY 2018 will fund expansion of nuclear threat activities in India, United Arab Emirates, and other emerging partner countries in the Middle East, North Africa, and Southeast Asia. (FY 2017 Baseline: \$16,899 thousand)	3,650	
3) Chemical Weapons Destruction The funding increase in FY 2018 is due to the expansion of the Cooperative Chemical Security program to assist Middle East/North Africa partner nations with training of chemical characterization, supply chain management, reporting, and ethics; provides for security enhancements of facilities housing toxic industrial chemicals and materials. (FY 2017 Baseline: \$2,942 thousand)	1,999	
4) Other Assessments Administrative Costs The funding increase in FY 2018 is due to initial stand up costs for new overseas offices. These new offices will support the CTR Program's geographic	755	

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
areas of emphasis. (FY 2017 Baseline: \$27,279 thousand)		
5) Strategic Offensive Arms Elimination	161	
The funding increase in FY 2018 will fund operation and maintenance of newly completed infrastructure for SS-24 solid rocket motor elimination. This represents a continuation of the previous line of effort to eliminate these motors, but at an increased pace. (FY 2017 Baseline: \$11,791 thousand)		
9. Program Decreases		-52,588
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Cooperative Biological Engagement	-43,498	
The funding decrease eliminates efforts in countries where access has been delayed, has not been initiated, or reflects transition and closeout in legacy countries. Current and new efforts will leverage partnerships with interagency organizations that allow for more efficient targeting of biosafety and biosecurity opportunities for facilities or efforts involving pathogens of security concern.		
*Service Requirements Review Board (SRRB) Reduction: (\$-6,170) to OP-32 line items 934 Engineering and Technical Services (\$-2,310) and 932 Management and Professional Support Services (\$-3,860). (FY 2017 Baseline: \$213,984 thousand)		
2) Global Nuclear Security	-3,000	
*Service Requirements Review Board (SRRB) Reduction:		

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
(\$-3,000) to OP-32 line item 934 Engineering and Technical Services. (FY 2017 Baseline: \$16,899 thousand)		
3) Proliferation Prevention *Service Requirements Review Board (SRRB) Reduction: (\$-2,450) to OP-32 line item 932 Management and Professional Support Services. (FY 2017 Baseline: \$50,709 thousand)	-2,450	
4) Threat Reduction Engagement In FY 2018, this program will be discontinued. The CTR program will partner with other DTRA, Department of Defense, and U.S. Interagency programs to continue to build relationships with partner nations prior to project initiation. (FY 2017 Baseline: \$2,000 thousand)	-2,040	
5) Other Assessments Administrative Costs *Service Requirements Review Board (SRRB) Reduction: (\$-1,600) to OP-32 line item 932 Management and Professional Support Services. (FY 2017 Baseline: \$27,279 thousand)	-1,600	
FY 2018 Budget Request		324,600

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IV. Performance Criteria and Evaluation Summary:

A. Strategic Offensive Arms Elimination (SOAE):

Ukrainian SS-24 Missile Disassembly, Storage, and Elimination/ Contingency Planning and Global Engagement

Eastern Europe and Eurasia

FY 2016 funds executed over three years will:

- Store Ukraine's remaining SRMs and continue maintenance and repair of SRM storage facilities;
- Eliminate 352 Metric Tons (MT) of propellant from 12 SRMs;
- Address WMD delivery system threats in other countries; and
- Provide logistical, administrative, and advisory support.

FY 2017 funds executed over three years will:

- Assist Ukraine by financing elimination of 1300 MT of SRM propellant and 22 SRM cases;
- Store Ukraine's remaining SRMs and continue maintenance and repair of SRM storage facilities;
- Address WMD delivery system threats in other countries; and
- Provide logistical, administrative, and advisory support.

FY 2018 funds executed over three years will:

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IV. Performance Criteria and Evaluation Summary:

- Assist Ukraine by financing elimination of the remaining SRM propellant and SRM cases in order to meet the December 31, 2018 completion date;
- Store Ukraine's remaining SRMs and continue maintenance and repair of SRM storage facilities;
- Address WMD delivery system threats in other countries; and
- Provide logistical, administrative, and advisory support.

B. Chemical Weapons Destruction (CWD):

Middle East North Africa (MENA) / Global planning

FY 2016 funds executed over three years will:

- Provide technical and procurement advice and assistance support for contingency planning to eliminate chemical weapons and to improve safety and security of chemical weapons until they can be safely eliminated;
- Identify potential activities to improve the security of toxic industrial chemicals (TIC) and toxic industrial materials (TIM) in high-risk environments within Iraq in coordination with the U.S. DOS Chemical Security Program; and
- Provide logistical, administrative, and advisory support.

FY 2017 funds executed over three years will:

- Plan chemical security enhancements to partner nation facilities in MENA including Iraq, Jordan, and Tunisia housing toxic industrial chemicals and materials;

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IV. Performance Criteria and Evaluation Summary:

- Provide training to partner nation personnel on effective chemical security;
- Provide technical advice and support for contingency planning to eliminate chemical weapons and to improve safety and security of chemical weapons until they can be safely eliminated; and
- Provide logistical, administrative, and advisory support.

FY 2018 funds executed over three years will:

- Initiate chemical security enhancements to partner nation facilities housing toxic industrial chemicals and materials with a focus on MENA including Iraq, Jordan, and Tunisia;
- Expand training to MENA partner nation personnel on effective chemical security, chemical characterization, supply chain management, reporting, and ethics;
- Provide training to partner nation personnel on effective chemical security;
- Provide technical advice and support for contingency planning to eliminate chemical weapons and to improve safety and security of chemical weapons until they can be safely eliminated; and
- Provide logistical, administrative, and advisory support.

C. Global Nuclear Security (GNS):

FY 2016 funds executed over three years will:

Middle East North Africa

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IV. Performance Criteria and Evaluation Summary:

- Provide training, tabletop exercises, and equipment to build Jordan's capabilities to secure nuclear material and ensure the security of interdicted nuclear and high-threat radiological material; and
- Support nuclear security workshops, training courses, exercises, and related activities in the United Arab Emirates, and other emerging countries.

Eastern Europe and Eurasia

- Continue support and expanding efforts for Nuclear Security Centers of Excellence in countries including Kazakhstan;
- Enhance nuclear security in Kazakhstan by improving physical security at nuclear sites, providing guard and response force equipment, building nuclear security capabilities through training, and beginning development of an enhanced inventory management system for nuclear materials; and
- Provide training, tabletop and field exercises, guard force equipment, and operations center renovations to enhance nuclear security in Ukraine.

Asia

- Continue support for Nuclear Security Centers of Excellence in Asia; and
- Support nuclear security workshops, training courses, exercises, and related activities in India and other emerging countries.

Global

- Support shipments of weapons-usable nuclear material to consolidate and facilitate the disposition of the nuclear material;

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IV. Performance Criteria and Evaluation Summary:

- Develop e-learning modules to expand the IAEA's nuclear security training capabilities; and
- Provide logistical, administrative, and advisory support.

FY 2017 funds executed over three years will:

Middle East North Africa

- Provide training, tabletop exercises, and equipment to build Jordan's capabilities to secure nuclear material and ensure the security of interdicted nuclear and high-threat radiological material; and
- Support nuclear security workshops, training courses, exercises, and related activities in the United Arab Emirates, and other emerging partner countries.

Eastern Europe and Eurasia

- Continue support for Nuclear Security Centers of Excellence in countries including Kazakhstan;
- Enhance nuclear security in Kazakhstan by improving physical security at nuclear sites, providing guard and response force equipment, building nuclear security capabilities through training and institutionalizing Kazakhstani training capacity, and implementing an enhanced inventory management system for nuclear materials; and
- Provide training, tabletop and field exercises, guard force equipment, and operations center renovations to enhance nuclear security in Ukraine.

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IV. Performance Criteria and Evaluation Summary:

Asia

- Continue support for Nuclear Security Centers of Excellence; and
- Support nuclear security workshops, training courses, exercises, and related activities in India and other emerging partner countries.

Sub-Saharan Africa

- Remain prepared to support, if requested, a DOE and Nuclear Regulatory Commission (NRC)-led interagency needs assessment for Republic of South Africa's Nuclear Regulator.

Global

- Continue support to the IAEA's nuclear security training efforts;
- Support shipments of weapons-usable nuclear material to consolidate and facilitate the disposition of the nuclear material;
- Ensure the capability to work with USG partners to securely transport weapons useable nuclear material and high-threat radiological material by participating in transportation exercises; and
- Provide logistical, administrative, and advisory support.

FY 2018 funds executed over three years will:

Middle East North Africa

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IV. Performance Criteria and Evaluation Summary:

- Conduct workshops and training events and begin transitioning to a train-the-trainer approach that will result in a Jordanian-led training process at the conclusion of GNS engagement to secure nuclear material and ensure the security of interdicted nuclear and high-threat radiological material in Jordan; and
- Support nuclear security workshops, training courses, exercises, and related activities in the United Arab Emirates, and other emerging partner countries in the Middle East and North Africa.

Eastern Europe and Eurasia

- Continue support for Nuclear Security Centers of Excellence in countries including Kazakhstan;
- Enhance nuclear security in Kazakhstan by improving physical security at nuclear sites, providing guard and response force equipment, building nuclear security capabilities through training, and beginning development of an enhanced inventory management system for nuclear materials; and
- Provide training, tabletop and field exercises, emergency response and sustainment/maintenance equipment, and training center equipment to enhance nuclear security in Ukraine.

Asia and Middle East North Africa

- Continue support for Nuclear Security Centers of Excellence in Asia; and

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IV. Performance Criteria and Evaluation Summary:

- Support nuclear security workshops, training courses, exercises, and related activities in India, the United Arab Emirates, and other emerging partner countries in the Middle East, North Africa, and Southeast Asia.

Sub-Saharan Africa

- Remain prepared to support, if requested, follow-on activities in Republic of South Africa if specific gaps are identified through the DOE/NRC needs assessment.

Global

- Support shipments of weapons-usable nuclear material to consolidate and facilitate the disposition of the nuclear material;
- Ensure the capability to work with USG partners to securely transport weapons useable nuclear material and high-threat radiological material by participating in transportation exercises; and
- Continue support to the IAEA's nuclear security training efforts and other international nuclear security exchanges; and
- Provide logistical, administrative, and advisory support.

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IV. Performance Criteria and Evaluation Summary:

D. Cooperative Biological Engagement:

FY 2016 funds executed over three years will:

Eastern Europe and Eurasia

- Complete human and veterinary Central Reference Laboratory (CRL) and regional laboratory construction, continue to transition sustainment in Armenia;
- Continue to fund oversight and BS&S systems and equipment installation for Government of Azerbaijan constructed CRL;
- Continue standup, operationalization, and sustainment transition of the Lugar Center in Tbilisi, Georgia under the agreed upon joint transition agreement terms;
- Complete Biosafety-Level (BSL) 3 facility validation and begin to transition sustainment for the CRL in Kazakhstan;
- Provide equipment and support to address African Swine Flu outbreak and assessed diagnostic and surveillance gaps and determined how to address them in Ukraine;
- Complete the human and animal health Regional Diagnostic Labs and Epidemiological Support Unit construction in Western Uzbekistan; and
- Continue to support existing Pathogen Asset Control System (PACS) engagements, Electronic Integrated Disease Surveillance System (EIDSS) implementation, BS&S Standard Operating Procedures (SOPs) development, training and research across the region.

Middle East Southwest Asia

- Continue to promote ethical research and encourage integration into the global

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IV. Performance Criteria and Evaluation Summary:

scientific community through the following activities in Iraq:

- i. Conduct a workshop that mentors leading biorisk management professionals through a risk assessment project and culminates in an abstract and poster presentation at an international conference;
 - ii. Support 11 fellows from multiple ministries to participate in a Bioscience Fellowship Program designed to promote BS&S procedures and increase technical capability;
 - iii. Support six officials from multiple ministries to participate in the Professional Network Building, Training, and Exposure Program that promotes ethical research and contact for Iraqi officials with members of the international scientific community; and
 - iv. Award 11 research grants to applicants from 5 ministries through the Iraq Biosciences Research Grant Competition.
- Provide reach-back support after completing and transitioning sustainment responsibility of equipment upgrades at the Central Public Health Laboratory in Kabul, Afghanistan, which serves as the central diagnostic and reference laboratory for human health and manages disease diagnoses, detection, and reporting nationwide as part of the Disease Early Warning System.
 - Support the World Organization for Animal Health-sponsored laboratory twinning project between Abruzzo and Molise Institute of Experimental Zoology in Italy and Pendik Veterinary Control and Research Institute in Turkey on Contagious Bovine Pleuropneumonia.
 - Convene the "Middle East and Central Asia Conference on Epigenetics and Genomics of Infectious Diseases" in Amman, Jordan. The conference provides a forum for scientists from the United States, the Middle East, and South Asia to share information about current research on genetics and epigenetics of

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IV. Performance Criteria and Evaluation Summary:

infectious diseases; identifies possible scientific partners; participates in training sessions on international collaboration, grant writing, and risk management; and identifies approaches for applying epigenetics and genetics to regional biosurveillance and characterization efforts.

Africa

- Provide 84 pallets of personal protective equipment (PPE) to the Ministry of Livestock, Fisheries, and Animal Industries to alleviate a PPE shortage hampering the safe collection of Avian Influenza samples from the field during a recent outbreak of highly pathogenic avian influenza (H5N1);
- Facilitate the development of BS&S regulations for Ethiopia in support of the establishment of their Select Agent Program, which will provide the framework for monitoring, securing, and tracking select agents and the facilities and personnel that work with them;
- Continue to deploy laboratory diagnosticians to the Ratoma Ebola Diagnostic Center to test blood and body swab samples for Ebola Virus Disease (EVD); and
- Continue to conduct laboratory EVD diagnostics, in collaboration with U.S. Army Medical Research Institute for Infectious Diseases and the U.S. National Institutes of Health at the National Reference Laboratory, hosted at the Liberia Institute for Biomedical Research, to mitigate threat posed by potential resurgence of EVD cases. Operate and maintain a central CBEP-deployed container laboratory on the Lakka Central Public Health Reference Laboratory campus. Deploy a laboratory coordinator to liaise between the CBEP and Sierra Leone and international stakeholders, report test results to appropriate entities, and observe the laboratory's compliance with BS&S requirements.

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IV. Performance Criteria and Evaluation Summary:

East and Southeast Asia and India

- Continue to support training and mentoring programs in Cambodia designed to increase diagnostic microbiology and Laboratory Quality Management System capability at 12 national and provincial laboratories, delivered by the International Technology and Education Center for Health;
- Implement the "Biological Resiliency Evaluation Workshop" in Malaysia to highlight paths between One Health, civil protection, and law enforcement authorities for better interoperability across relevant national and local government ministries and organizations for the purpose of enhancing overall national-level preparedness for biological threats and incidents;
- Continue to provide technical consultation in Vietnam on the development of detailed construction design documents for the National Center for Veterinary Diagnostics and the National Hospital for Tropical Diseases to optimize BS&S capability in the construction of new laboratory facilities; and
- Support establishment of the first melioidosis Research Coordinated Network, which brings together researchers and funding programs to enhance awareness of the prevalence in Southeast Asia and facilitate linkages for research that will improve melioidosis surveillance and reporting mechanisms regionally.

FY 2017 funds executed over three years will:

Eastern Europe and Eurasia

- Continue upgrades to diagnostic laboratories in Ukraine;
- Assist with completion and commissioning of Government of Azerbaijan funded CRL

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IV. Performance Criteria and Evaluation Summary:

and complete a Full Operating Capability demonstration;

- In Armenia, Azerbaijan, Georgia, Kazakhstan, Ukraine, and Uzbekistan continue:
 - the transition of U.S. sustainment support of laboratories to partner governments;
 - existing PACS engagements and EIDSS implementation, training, and upgrades;
 - human and veterinary sector training in epidemiology, laboratory management, biological Risk Management, and differential diagnosis;
 - the development and implementation of BS&S SOPs;
 - research activities; and
- Develop and implement sustainable approaches to epidemiology training, specifically through distance learning, in Armenia, Azerbaijan, Georgia, and Ukraine.

Middle East Southwest Asia

- Complete the operations commissioning and validation of the CRL in Almaty to ensure compliance with international BS&S standards and begin facility laboratory operation;
- Convene Turkish human and animal health stakeholders in a scenario-based, One Health workshop to identify requirements for establishing a multi-sectoral biosurveillance system capable of detecting, diagnosing, and reporting zoonotic pathogens of security concern; and
- Continue collaborative research projects with Aga Khan University and the University of Karachi in Pakistan, to enhance understanding of occurrence, distribution, and biological characterization of pathogens of security concern.

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IV. Performance Criteria and Evaluation Summary:

Africa

- Design, construct, and commission a Health Emergency Operations Center (EOC) to improve Cameroon's capability to detect, diagnose, and report pathogens of security concern;
- Support international efforts to restore and augment Guinea's capability to survey for, detect, identify, and report biological events of international security concern through expanded training initiatives, Standard Operating Procedure development, and regional conference sponsorship;
- Support international efforts to restore and augment Liberia's capability to survey for, detect, identify, and report biological events of security concern safely, rapidly, and accurately in a sustainable manner and in accordance with WHO International Health Regulations (2005), the World Organization for Animal Health, and Global Health Security Agenda plans;
- Contribute to international efforts to restore and augment Sierra Leone's capability to detect, identify, and report biological events of international security concern safely, rapidly, and accurately in a sustainable manner;
- Construct, equip, and commission the biosurveillance component of a Health EOC that will improve Senegal's ability to detect, surveil, and report diseases of security concern; and
- Complete BS&S upgrades at the National Animal Disease Diagnostics and Epidemiology Centre, the National Livestock Research Resources Institute, Uganda Virus Research Institute (UVRI)-Entebbe, and the Mbale District Veterinary Laboratory, and initiate construction of the new UVRI Plague Station facility in Arua to provide Uganda with the capacities to prevent accidental infection of laboratory workers, potential theft, or acquisition of pathogens of security

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IV. Performance Criteria and Evaluation Summary:

concern.

East and Southeast Asia and India

- Build BS&S and sample transport capacities in Cambodia, and assist the Ministry of Health with drafting and implementing national regulations on sample collection and packaging and transport of clinical samples for disease diagnosis in alignment with international guidelines to enhance the safety and security throughout the sample transport process;
- Continue to engage with and train the Lao Military Medical Department on vector-borne disease surveillance to strengthen military-sector detection of and response to disease outbreaks caused by pathogens of security concern and integrate military and civilian health data;
- Convene a training workshop for Malaysian officials from the public, animal health, and law enforcement sectors focused on investigating and responding to a biological incident from a joint law enforcement and epidemiological perspective; and
- Initiate renovation and equipment upgrades at three Regional Animal Disease Diagnostic Laboratories (RADDLs) in the Philippines to enhance disease diagnostic and communication and reporting capabilities, thus reducing the overall burden on the national diagnostic apparatus. Support facility consolidation efforts by initiating construction of a new BSL-2 RADDL on the Department of Agriculture Regional Field Unit campus.

FY 2018 funds executed over three years will:

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IV. Performance Criteria and Evaluation Summary:

- Fund BS&S enhancements as detailed below:

Eastern Europe and Eurasia

- Support integration of diagnostic laboratory capabilities to perform biosurveillance in the region;
- Continue EIDSS implementation, training, and upgrades and support to existing PACS engagements with partner countries;
- Conduct Threat Agent Detection and Reporting table top exercises in Uzbekistan to enhance disease surveillance capabilities and initiate a field-study to better understand the presence of especially dangerous pathogens in the soil of the area surrounding the Aral Sea and Vozrozhdeniya Island;
- Develop and implement sustainable approaches to tailored training, specifically through distance learning, in Armenia, Azerbaijan, Georgia, and Ukraine; and
- Continue research activities and the development and implementation of BS&S SOPs in Armenia, Azerbaijan, Georgia, Kazakhstan, and Ukraine.

Middle East Southwest Asia

- Support country-wide implementation of electronic disease reporting systems, including in Kurdistan, Iraq to improve the timeliness and accuracy of the detection and reporting of potential outbreaks of pathogens of security concern;
- Transition responsibility for the Biorisk Management training series to Jordan by end of FY 2018; and
- Identify where the program can help build capability to mitigate biological threats leveraging Gulf State's investments compared to other DoD CTR Program partners.

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IV. Performance Criteria and Evaluation Summary:

Africa

- Complete BS&S renovation upgrades at the Kenya Medical Research Institute in Kenya to ensure the facility complies with international standards;
- Continue construction activities for the National Reference Laboratory and begin construction of Bong Country Regional Laboratory in Liberia to ensure diagnostic capabilities for disease of security concern are available to prevent future outbreaks;
- Assist Tanzania in drafting a national pathogens of security concern list and coordinate the development and implementation of a consolidation plan; and
- Complete construction of the UVRI Plague Station in Uganda to provide enhanced diagnostics and surveillance capabilities to detect, diagnose, and report on outbreaks caused by pathogens of security concern safely, securely, and in a timely manner.

South-East Asia

- Complete construction of the new BSL-2 Regional Animal Disease Diagnostic Laboratories in the Philippines at the Department of Agriculture's Regional Field Unit campus;
- Provide laboratory equipment and upgrades to the Foot-and-Mouth Disease (FMD) laboratory to bolster its ability to diagnose, study, and contain FMD throughout the region; and
- Conduct series of workshops with Vietnam government stakeholders to draft a National Pathogens of security concern list and assist with the creation of an

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IV. Performance Criteria and Evaluation Summary:

oversight body for controlling these pathogens.

E. Proliferation Prevention:

FY 2016 funds executed over three years will:

- Support WMD Proliferation Prevention projects and activities in regions and countries in accordance with authorities and determinations; and
- Provide logistical, administrative, and advisory support.

Eastern Europe and Eurasia

- Continue Moldovan Border Guard command and control, communications, surveillance, and WMD detection and interdiction capabilities.

Middle East, North Africa, and Southwest Asia

- Continue engagement in the Hashemite Kingdom Of Jordan (HKOJ) along the Syrian and Iraqi borders and in Tunisia along the Libyan green borders to enhance WMD detection and interdiction capabilities in order to prevent the illicit flow of WMD and related components and in Jordan to ensure resilience in the event of a WMD incident; and
- Provide equipment and training to those agencies in Lebanon responsible for preventing the illicit flow and use of WMD.

East and Southeast Asia and India

- In the Philippines, continue to increase WMD and maritime security communications, surveillance, detection and interdiction capabilities, and

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IV. Performance Criteria and Evaluation Summary:

sustainment through the implementation of the National Coast Watch System (NCWS);

- In the Philippines support development of a concept of operations to aid in command and control and interagency coordination; and
- Continue engagement with Vietnam to enhance the maritime security and law enforcement equipment with training and infrastructure support capabilities.

FY 2017 funds executed over three years will:

- Support WMD Proliferation Prevention projects and activities in regions and countries in accordance with authorities and determinations; and
- Provide logistical, administrative, and advisory support.

Eastern Europe and Eurasia

- Continue to develop modest but longer-term WMD threat reduction activities with CTR partners sharing borders with Russia;
- Complete improvements to Armenia and Moldovan Border Guard command and control, communications, surveillance, and WMD detection and interdiction capabilities;
- Continue efforts in Georgia to improve detection, surveillance, and interdiction capabilities along its green borders with Armenia and Turkey; and
- Prevent proliferation of nuclear and radiological materials by working collaboratively with the National Nuclear Center of Kazakhstan.

Middle East, North Africa and Southeast Asia

- Continue engagement in the HKOJ along the Syrian and Iraqi borders, focusing on

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IV. Performance Criteria and Evaluation Summary:

capabilities in order to prevent the illicit flow of WMD and related components and to ensure resilience in the event of a WMD incident;

- Provide equipment and training to those agencies in Lebanon responsible for preventing the illicit flow and use of WMD; and
- Enhance WMD detection and interdiction capabilities in Tunisia along the Libya green border.

Southeast Asia

- In the Philippines, sustain existing efforts and complete planned improvements of the NCWS. The NCWS will increase WMD and maritime security command, control, communications, surveillance, detection, and interdiction capabilities;
- In the Philippines support development of a concept of operations to better facilitate interagency coordination in the maritime domain;
- Complete improvements in Vietnam to enhance the maritime security and law enforcement equipment and infrastructure support capabilities; and
- Continue engagements in other littoral Southeast Asia countries to enhance national maritime security and WMD detection capabilities as well as bolster regional proliferation prevention awareness and capabilities.

FY 2018 funds executed over three years will:

- Support WMD Proliferation Prevention projects and activities in regions and countries in accordance with authorities and determinations; and
- Provide logistical, administrative, and advisory support.

**Cooperative Threat Reduction Program
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IV. Performance Criteria and Evaluation Summary:

East Europe and Eurasia

- Continue modest but longer-term WMD threat reduction activities with CTR partners sharing borders with Russia;
- Provide sustainment transition to Armenia for provided WMD proliferation prevention capacity and continue Moldovan Border Guard command and control, communications, surveillance, and WMD detection and interdiction capabilities;
- Continue efforts in Georgia to improve detection, surveillance, and interdiction capabilities along its green borders with Armenia and Turkey; and
- Prevent proliferation of nuclear and radiological materials by working collaboratively with the National Nuclear Center of Kazakhstan.

Middle East, North Africa, and Southwest Asia

- Continue engagement in the HKOJ along the Syrian and Iraqi borders, focusing on capabilities to prevent the illicit flow of WMD and related components and to ensure resilience in the event of a WMD incident;
- Provide equipment and training to those agencies in Lebanon responsible for preventing the illicit flow and use of WMD; and
- Enhance WMD detection and interdiction capabilities in Tunisia along the Libya green border.

Southeast Asia

- In the Philippines, sustain existing efforts and complete planned improvements of the NCWS that will increase WMD and maritime security command, control, communications, surveillance, detection, and interdiction capabilities;

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IV. Performance Criteria and Evaluation Summary:

- In the Philippines, support development of a concept of operations to better facilitate interagency coordination in the maritime domain;
- Complete improvements in Vietnam to enhance the maritime security and law enforcement equipment and infrastructure support capabilities; and
- Continue engagements in other littoral Southeast Asia countries to enhance national maritime security and WMD detection capabilities and bolster regional proliferation prevention awareness and capabilities.

F. Threat Reduction Engagement:

- FY 2016 through FY 2017 funds will allow the program to continue to invite representatives from CTR countries to specific events to facilitate regional cooperation. Funds will also allow the opportunity to conduct events to assess WMD proliferation and threat reduction gaps in new geographic areas, in cooperation and coordination with cognizant Unified Combatant Commands to strategically advance CTR Program goals, pending a determination by the Secretary of Defense, with concurrence by the Secretary of State to do so.
- In FY 2018, this program will be discontinued. CTR will partner with other DTRA, Department of Defense, and U.S. Interagency programs to continue to build relationships with partner nations prior to project initiation.

G. Other Assessments/Administrative Costs:

- FY 2016 through FY 2018 funds support advisory and assistance services to all CTR programs, U.S. Embassy support, and operating costs for the overseas Defense Threat Reduction Offices and Regional Cooperative Engagement Offices.

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IV. Performance Criteria and Evaluation Summary:

This plan also funds administrative and contracted support services to the CTR program, program management for worldwide CTR contract logistics support, approximately 6-10 Audits and Examinations per year, and travel by DTRA and stakeholder personnel not in support of a single CTR program.

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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>Contractor FTEs (Total)</u>	<u>455</u>	<u>554</u>	<u>567</u>	<u>99</u>	<u>13</u>

Changes in Program Growth/Reduction: CTR had a \$6.5 million increase to contract services from FY 2017 current year estimate to FY 2018 budget request.

DTRA programs, Proliferation Prevention Program (PPP), remain responsive to new requests as appropriate to expand the capability of partner nations to prevent proliferation of WMD materials, related components, and technologies across their borders. This reduces the trafficking by non-state networks in regions that are destabilized. This should reduce the Islamic State of Iraq and the Levant (ISIL) threat in the Middle East, and reduce trafficking of dual-use items in Southeast Asia.

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

<u>OP 32 Line</u>	<u>FY 2016</u> <u>Actual</u>	<u>Change</u> <u>FY 2016/FY 2017</u>		<u>FY 2017</u> <u>Estimate</u>	<u>Change</u> <u>FY 2017/FY 2018</u>		<u>FY 2018</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
308 Travel of Persons	3,797	72	2,859	6,728	135	-756	6,107
399 Total Travel	3,797	72	2,859	6,728	135	-756	6,107
914 Purchased Communications (Non-Fund)	0	0	1,805	1,805	36	859	2,700
920 Supplies & Materials (Non-Fund)	14,867	282	-15,149	0	0	2,102	2,102
923 Facilities Sust, Rest, & Mod by Contract	8,247	157	-8,404	0	0	0	0
925 Equipment Purchases (Non-Fund)	6,765	129	-4,442	2,452	49	-2,001	500
932 Mgt Prof Support Svcs	22,072	419	16,114	38,605	772	-9,017	30,360
933 Studies, Analysis & Eval	1,557	30	-1,587	0	0	0	0
934 Engineering & Tech Svcs	145,715	2,769	-54,092	94,392	1,888	-13,847	82,433
957 Other Costs (Land and Structures)	34,539	656	-35,195	0	0	5,803	5,803
985 Research & Development, Contracts	8,531	0	10,686	19,217	0	-2,717	16,500
987 Other Intra-Govt Purch	73,294	1,393	-4,314	70,373	1,407	-20,137	51,643
988 Grants	11,767	224	-3,912	8,079	162	2,322	10,563
989 Other Services	9,717	185	65,057	74,959	1,499	34,131	110,589
990 IT Contract Support Services	17,628	335	-8,969	8,994	180	-3,874	5,300
999 Total Other Purchases	354,699	6,579	-42,402	318,876	5,993	-6,376	318,493
Total	358,496	6,651	-39,543	325,604	6,128	-7,132	324,600

Total Service Requirements Review Board (SRRB) reduction of (\$-13,220) thousand is reflected by program in the OP-5 Part III. The reductions impact OP-32 line items 934 Engineering and Technical Services (\$-5,310) and 932 Management and Professional Support Services (\$-7,910).

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Department of Defense Acquisition Workforce Development Fund (DAWDF)



May 2017

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**Department of Defense Acquisition Workforce Development Fund
Operation and Maintenance, Defense-Wide
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**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)
Budget Activity 1: Acquisition Workforce Development Fund**

	FY 2016 <u>Actual</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2017 <u>Estimate</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2018 <u>Estimate</u>
DAWDF	446,839	8,152	16,565	471,556	9,355	19,089	500,000

*FY 2016 actual obligations and FY 2017/2018 planned obligations represent obligations from all available funding resources during the respective fiscal year.

*10 U.S.C. 1705 para.3 D (6) **Duration of availability.**— Amounts credited to the Fund in accordance with subsection (d) (2), transferred to the Fund pursuant to subsection (d) (3), appropriated to the Fund, or deposited to the Fund shall remain available for obligation in the fiscal year for which credited, transferred, appropriated, or deposited and the two succeeding fiscal years.

I. Description of Operations Financed:

Description of Operations Financed (\$000's)	FY2016 Actuals	FY2017 Estimate	FY2018 Estimate
Appropriated or Requested	\$ -	\$ -	\$ -
Remittance Amount	\$ 12,019	\$ -	\$ -
FY16 Transfer Amount	\$ 400,000	\$ 100,000	\$ -
FY17 Transfer Amount	\$ -	\$ 500,000	\$ -
FY17 Request for Additional Appropriations	\$ -	\$ 199,000	\$ -
FY18 Transfer Amount	\$ -	\$ -	\$ 500,000
TOTAL Credited to Account¹	\$ 412,019	\$ 799,000	\$ 500,000
Carried forward for Prior Year	\$ 875,293	\$ 835,003	\$ 462,447 ⁴
FY17 NDAA Sec 1005 Transfer ²	\$ -	\$ (475,000)	\$ -
FY17 NDAA Sec 864 Transfer ³	\$ -	\$ (225,000)	\$ -
TOTAL Obligation Authority	\$ 1,287,312	\$ 934,003	\$ 962,447
Obligations	\$ 446,839	\$ 471,556	\$ 500,000

**Department of Defense Acquisition Workforce Development Fund
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I. Description of Operations Financed (cont.)

- 1. Equals the sum of amounts: (1) appropriated in the respective FY, (2) the amount of remittance required to be credited to the account for the respective FY, and (3) transfers of unobligated balances to the account.**
- 2. The FY17 NDAA section 1005 requires a capital transfer of \$457M to Treasury during FY17**
- 3. The FY17 NDAA section 864 requires a transfer of \$225M to the Rapid Prototyping Fund from FY17 transferred funds**
- 4. This carried forward for prior year figure doesn't incorporate adjustments to the program as a result of Section 8087 of Public Law 115-31, Consolidated Appropriations Act, 2017. The estimated impact of the adjustments is that no funding will be carried forward into FY 2018.**

The FY 2018 obligation plan request of \$500 million for the Defense Acquisition Workforce Development Fund (DAWDF) (the Fund) supports the 10 U.S.C. 1705 statutory purpose and strategic objectives for the defense acquisition workforce (AWF). The statutory purpose of the Fund is to ensure the Department of Defense acquisition workforce has the capacity, in both personnel and skills, needed to properly perform its mission, provide appropriate oversight of contractor performance, and ensure the Department receives the best value for the expenditure of public resources. The strategic goals of the Defense Acquisition Strategic Workforce Plan include making DoD an employer of choice, shaping the workforce to achieve current and future requirements, and improving the quality and professionalism of the workforce. This workforce will provide support to the new Administration objective to rebuild the military. Funded initiatives are categorized as recruiting and hiring, training and development, and retention and recognition. The DAWDF is key to enabling the acquisition workforce capacity and capability needed to rebuild and equip the military and to achieve greater efficiency and productivity in Defense spending.

The obligation plan request of \$500M includes \$0 in FY 2018 appropriated funding. DoD plans to fund the FY 2018 program by transfer from unobligated balances as authorized by 10 U.S.C. 1705(d)(3). The law requires \$500 million in credits to the fund each fiscal year. The credits can be a combination of appropriated DAWDF funding, component

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I. Description of Operations Financed (cont.)

remittances, and/or transfers. Starting in FY 2015, and continuing in FY 2016 and FY 2017, DoD has used the transfer process to resource the DAWDF with unobligated balances authorized for transfer by the FY 2014, FY2015 and FY 2016 fiscal year Appropriation Acts.

**Department of Defense Acquisition Workforce Development Fund
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I. Description of Operations Financed (cont.)

RECRUITING AND HIRING
(\$ in Millions)

FY 2016	FY 2017	FY 2018
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
\$178.3	\$173.96	\$184.4

Recruiting and Hiring: The obligation plan supports the strategic goals of the Defense Acquisition Strategic Workforce Plan which includes shaping the workforce to achieve current and future requirements. The DAWDF-funded hiring provides components a workforce tool for shaping the workforce through limited intern, entry, journeymen and expert hires. Maintaining sufficient early and mid-career groups better positions DoD for succession readiness to backfill the very experienced civilian senior-career acquisition workforce members when they retire. The limited hiring, along with recruiting- and retention-type incentives, also enables components to mitigate critical gap challenges through access to expertise for critical program and knowledge transfer needs.

DAWDF Funded Hires (FTEs)	FY18 Estimate
Audit	186
Cost Estimating	40
Financial Management	144
Contracting	866

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I. Description of Operations Financed (cont.)

Engineering	643
Facilities Engineering	23
IT Management	55
Life Cycle Logistics	243
Production, Quality & Manufacturing	115
Program Management	90
Test & Evaluation	34
Total	2,438

TRAINING AND DEVELOPMENT

(\$ in Millions)

FY 2016	FY 2017	FY 2018
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
\$213.7	\$257.9	\$273.4

Training and Development: The obligation plan supports the statutory intent of DAWDF and strategic goals of the FY 2016 - FY 2021 Defense Acquisition Strategic Workforce Plan which include shaping the workforce to achieve current and future requirements and improving the quality and professionalism of the workforce. DAWDF is used by the Defense Acquisition University and Components to meet 10 U.S.C. Chapter 87 qualification, position and career path requirements, and to enhance the capability and success of the acquisition workforce and others who significantly contribute to acquisition results.

**Department of Defense Acquisition Workforce Development Fund
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I. Description of Operations Financed (cont.)

DoD will use DAWDF to demonstrate a strong commitment to the newly hired early career workforce and mid-career workforce. In addition to training to meet certification requirements, other technical, leadership, targeted workshops, and currency training is critical during the career lifecycle to improving acquisition productivity and outcomes. Central to the successful training, education, certification and currency of the acquisition workforce is the Defense Acquisition University (DAU). DAWDF funding has and will continue to be used by DAU to serve the entire acquisition workforce through developing new and updated courses, providing funds for students to travel to class, and creating training in new areas such as the acquisition of services, the requirements process, cybersecurity, information technology, small business, as well as special contract administration courses for the Defense Contract Management Agency workforce. DAWDF made it possible for DAU to increase its graduates from online and resident courses by 4.1 percent in FY 2016, ultimately graduating a total of 189,396 students. Completion of continuous learning modules, most of which were developed with DAWDF funds, was up by 8.6 percent (730,688 completions) from the previous fiscal year. These activities helped grow DAWIA certification rates from 86 percent in FY 2008 to 97 percent in FY 2016. Online courses, which represent over 75 percent of total DAU graduates, are developed with DAWDF funds, and decrease student travel costs and time. In addition, DoD will continue to use the DAWDF to support improved training and joint exercises to improve readiness for improved expeditionary contracting and Operational Contractor Support.

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Operation and Maintenance, Defense-Wide
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I. Description of Operations Financed (cont.)

RECOGNITION and RETENTION

(\$ in Millions)

FY 2016	FY 2017	FY 2018
<u>Actuals</u>	<u>Estimate</u>	<u>Estimate</u>
\$52.3	\$39.8	\$42.2

Recognition and Retention: The obligation authority requested supports the strategic goals of the Defense Acquisition Strategic Workforce Plan which includes improving the quality and professionalism of the workforce and making DoD an employer of choice. Historically, an average of 8 percent of the DAWDF has been used for recognition and retention. In FY 2018, the DAWDF will be used for recognizing workforce excellence in acquisition management and also for recruiting and retention-type incentives, such as Student Loan Repayments. To mitigate the extensive loss of experienced senior career members, DoD must retain its recently hired and certified early and mid-career future workforce.

II. Force Structure Summary:

Not applicable.

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III. Financial Summary (\$ in thousands)

	FY 2017							
	FY 2016	Budget	Congressional Action			Current	FY 2018	
			<u>Actual</u>	<u>Request</u>	<u>Amount</u>			<u>Percent</u>
A. BA Subactivities								
1. Recruiting and Hiring	180,869	173,885	0	0.0	0	173,885	184,374	
Recruiting and Hiring	180,869	173,885	0	0.0	0	173,885	184,374	
2. Training and Development	213,711	257,888	0	0.0	0	257,888	273,443	
Training and Development	213,711	257,888	0	0.0	0	257,888	273,443	
3. Retention and Recognition	52,259	39,783	0	0.0	0	39,783	42,183	
Retention and Recognition	52,259	39,783	0	0.0	0	39,783	42,183	
Total	446,839	471,556	0	0.0	0	471,556	500,000	

Note 1. This documentation describes program growth from \$471.6 million in FY 2017 to \$500 million in FY 2018. Final Congressional actions for FY 2017 could result in different program estimates for FY 2017.

Department of Defense Acquisition Workforce Development Fund
 Operation and Maintenance, Defense-Wide
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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>
Baseline Funding	471,556	471,556
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	471,556	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal Baseline Funding	471,556	
Supplemental		
Reprogrammings		
Price Changes		9,355
Functional Transfers		
Program Changes		19,089
Current Estimate	471,556	500,000
Less: Wartime Supplemental		
Normalized Current Estimate	471,556	

Department of Defense Acquisition Workforce Development Fund
 Operation and Maintenance, Defense-Wide
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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2017 President's Budget Request (Amended, if applicable)		471,556
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2017 Appropriated Amount		471,556
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
a. Functional Transfers		
1) Transfers In		
a) Remittance Amount		
b. Technical Adjustments		
1) Increases		
a) Enter Description		
c. Emergent Requirements		
1) Program Increases		
2) Program Reductions		
a) One-Time Costs		
b) Program Decreases		
i) Decreased programmatic requirements		
FY 2017 Baseline Funding		471,556
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		471,556
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
FY 2017 Normalized Current Estimate		471,556
6. Price Change		9,355
7. Functional Transfers		

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
8. Program Increases		66,364
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Exec, Gen'l & Spec Scheds:	61,364	
Increases 406 FTEs over FY 2017 to support human capital/workforce shaping and risk mitigation, and increases funding for recruitment and retention incentives. Also, reflects restructure of costs due to prior object class code misalignments. (FY 2017 Baseline: \$162,717 thousand; +406 FTEs)		
2) Studies, Analysis & Eval:	5,000	
Funds studies pertaining to Defense Acquisition Workforce as provided by Section 863 of the FY 2017 NDAA. (FY 2017 Baseline: \$0 thousand)		
9. Program Decreases		-47,275
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Non-Labor (except Travel):	-47,270	
Reflects restructure of costs due to correcting prior object class code misalignments. (FY 2017 Baseline: \$116,723 thousand)		
2) Commercial Transportation:	-5	
Reflects management efficiencies (FY 2017 Baseline: \$1,008 thousand)		
FY 2018 Budget Request		500,000

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IV. Performance Criteria and Evaluation Summary:

The DAWDF purpose is to ensure the DoD acquisition workforce (AWF) has the capacity, in both personnel and skills, needed to (1) properly perform its mission; (2) provide appropriate oversight of contractor performance; and (3) ensure that the Department receives the best value for the expenditure of public resources. DoD's strategic goals of the Defense Acquisition Strategic Workforce Plan include making DoD an employer of choice, shaping the workforce to achieve current and future requirements, and improving the quality and professionalism of the workforce. Aligned with statutory intent and enterprise and component strategic needs, DAWDF-funded initiatives support workforce recruiting and hiring, shaping, training, development, qualifications, currency, recruitment, retention, recognition and professionalization.

Hiring. In FY 2018 Components will use the DAWDF to sustain workforce levels and maintain the workforce needed. Hiring will be used to address attrition concerns on an as-needed basis and to mitigate the impact of retirements of experienced personnel.

Training and Development. DoD will fund student travel reflecting full-capacity certification training seats at DAU. This funding also supports Component technical and leadership training to prepare the workforce to be contributing acquisition workforce professionals.

Retention and Recognition. DoD will use Student Loan Repayment, tuition assistance, recognition, recruiting, and retention incentives to support strategic human capital quality, professionalism and shaping objectives.

Department of Defense Acquisition Workforce Development Fund
 Operation and Maintenance, Defense-Wide
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IV. Performance Criteria and Evaluation Summary:

DAWDF	FY16 Actuals	FY17 Plan	FY17 Estimate	FY18 Plan
Hiring	1,022	1,353	489	1,049
Training				
DAU certification seats	33,435	94,000	65,800	96,000
Advance Education classes	6,501	6,720	4,704	5,712
Leadership training seats	5,104	7,200	5,040	6,120
Incentives				
Student Loan Repayment	981	600	420	510
Recognition awards	34	480	336	408
Recruiting incentives	573	154	108	131
Retention incentives	62	240	168	204

Department of Defense Acquisition Workforce Development Fund
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V. <u>Personnel Summary</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	Change FY 2016/ <u>FY 2017</u>	Change FY 2017/ <u>FY 2018</u>
<u>Civilian End Strength (Total)</u>	<u>2,680</u>	<u>2,313</u>	<u>2,563</u>	<u>-367</u>	<u>250</u>
U.S. Direct Hire	2,680	2,313	2,563	-367	250
Total Direct Hire	2,680	2,313	2,563	-367	250
<u>Civilian FTEs (Total)</u>	<u>1,220</u>	<u>2,032</u>	<u>2,438</u>	<u>812</u>	<u>406</u>
U.S. Direct Hire	1,220	2,032	2,438	812	406
Total Direct Hire	1,220	2,032	2,438	812	406
Average Annual Civilian Salary (\$ in thousands)	76.9	80.1	93.2	3.2	13.1

Note: In FY 2016 Navy reclassified 637 DAWDF FTEs as Navy reimbursable FTEs. To prevent redundant reporting the DAWDF reporting was revised to 1,220 U.S. Direct Hire FTEs.

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

<u>OP 32 Line</u>	<u>FY 2016</u>	<u>Change</u>		<u>FY 2017</u>	<u>Change</u>		<u>FY 2018</u>
		<u>FY 2016/FY 2017</u>			<u>FY 2017/FY 2018</u>		
	<u>Actual</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
101 Exec, Gen'l & Spec Scheds	93,857	1,769	67,091	162,717	3,179	61,364	227,260
199 Total Civ Compensation	93,857	1,769	67,091	162,717	3,179	61,364	227,260
308 Travel of Persons	54,322	1,032	-354	55,000	1,100	0	56,100
399 Total Travel	54,322	1,032	-354	55,000	1,100	0	56,100
633 DLA Document Services	0	0	21	21	0	0	21
671 DISA DISN Subscription Services (DSS)	3,611	-253	-3,358	0	0	0	0
699 Total DWCF Purchases	3,611	-253	-3,337	21	0	0	21
771 Commercial Transport	1,917	36	-945	1,008	20	-5	1,023
799 Total Transportation	1,917	36	-945	1,008	20	-5	1,023
912 Rental Payments to GSA (SLUC)	3,650	69	-1,713	2,006	40	0	2,046
914 Purchased Communications (Non-Fund)	0	0	4,976	4,976	100	0	5,076
915 Rents (Non-GSA)	392	7	1	400	8	0	408
920 Supplies & Materials (Non-Fund)	4,828	92	1,080	6,000	120	0	6,120
921 Printing & Reproduction	662	13	25	700	14	0	714
922 Equipment Maintenance By Contract	12,927	246	-2,173	11,000	220	0	11,220
923 Facilities Sust, Rest, & Mod by Contract	646	12	-8	650	13	0	663
925 Equipment Purchases (Non-Fund)	9,722	185	-2,054	7,853	157	0	8,010
932 Mgt Prof Support Svcs	51,165	972	-2,252	49,885	998	0	50,883
933 Studies, Analysis & Eval	0	0	0	0	0	5,000	5,000
955 Other Costs (Medical Care)	1	0	-1	0	0	0	0
957 Other Costs (Land and Structures)	3,305	63	-868	2,500	50	0	2,550
985 Research & Development, Contracts	92	0	-92	0	0	0	0
987 Other Intra-Govt Purch	151,222	2,873	-37,372	116,723	2,334	-47,270	71,787
989 Other Services	54,520	1,036	-5,439	50,117	1,002	0	51,119
999 Total Other Purchases	293,132	5,568	-45,890	252,810	5,056	-42,270	215,596

Department of Defense Acquisition Workforce Development Fund
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2017 President's Budget

<u>OP 32 Line</u>	FY 2016	Change		FY 2017	Change		FY 2018	
	<u>Actual</u>	<u>FY 2016/FY 2017</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>FY 2017/FY 2018</u>	<u>Price</u>	<u>Program</u>
Total	446,839	8,152	16,565	471,556	9,355	19,089	500,000	

**Fiscal Year 2018 President's Budget
Defense Security Cooperation Agency (DSCA)**



Overseas Humanitarian, Disaster, and Civic Aid

May 2017

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DEFENSE SECURITY COOPERATION AGENCY
Overseas Humanitarian, Disaster, and Civic Aid
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 Budget Estimates

Operation and Maintenance, Defense-Wide Summary (\$ in thousands)

	FY 2016 <u>Actual</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2017 <u>Estimate</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2018 <u>Estimate</u>
OHDACA	107,503	2,042	-4,420	105,125	2,056	-2,281	104,900

I. Description of Operations Financed: The Overseas Humanitarian, Disaster, and Civic Aid (OHDACA) appropriation supports the Secretary of Defense (SECDEF) and the Combatant Commanders' (CCDRs) security cooperation strategies to build indigenous capabilities and cooperative relationships with allies, friends, civil society, and potential partners. The OHDACA funds low cost, non-obtrusive and highly effective activities that help partners help themselves, improves access to areas not otherwise available to U.S. Forces, and builds collaborative relationships with partner nation's civil society. The FY 2016 actual column includes obligations for Iraq and Syria Internally Displaced Persons (IDPs).

Humanitarian Assistance (HA) Program: Established in 1986, the HA program is designed to assure friendly nations and allies of our support and provides basic humanitarian aid and services to populations in need. The Department and Combatant Commands (CCMDs) seek to help avert political and humanitarian crises, promote democratic development and regional stability, and enable countries to begin to recover from conflicts.

The HA Program accomplish these objectives through (1) donation of excess non-lethal DoD property; (2) provision of on-the-ground activities carried out by U.S. military personnel aimed at assuring friendly nations of our support through U.S. military presence in countries; and (3) enabling the CCDRs to assist countries by improving

DEFENSE SECURITY COOPERATION AGENCY
Overseas Humanitarian, Disaster, and Civic Aid
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I. Description of Operations Financed (cont.)

their natural and man-made disasters and crises response capacity, and training in disaster planning and preparedness. This minimizes the potential for crises to develop or expand, thereby promoting regional stability and reducing a requirement for large-scale deployment of U.S. military forces at a later date. Such activities include assessment of needs, education support, health-related projects, disaster preparedness and basic infrastructure support.

In non-crisis peacetime settings, as a Military-Civilian security cooperation engagement tool, the DoD HA programs support the CCDRs by providing access for the U.S. military in selected countries to promote stability, interoperability, coalition-building, and to mitigate violent extremism.

Funding also resources storage, refurbishment and restoration, inspection, packaging and intermediary warehouse storage pending delivery, and transportation of non-lethal excess defense property in support of U.S. national security and foreign policy objectives.

Humanitarian Mine Action (HMA) Program: The HMA program supports DoD's security cooperation strategy. The HMA Program is a train-the-trainer program executed by the CCDRs. The program provides significant training and readiness-enhancing benefits to U.S. Forces and aids in the development of leadership and organizational skills for host country personnel to sustain their mine action programs after U.S. military trainers have redeployed. The program trains local demining cadres to identify suspected contaminated areas, conduct surveys and assessments, destroy landmines and Explosive Remnants of War (ERW), and return those cleared areas to productive use. It also provides supplies, services, and equipment, to a limited degree, to host country mine

DEFENSE SECURITY COOPERATION AGENCY
Overseas Humanitarian, Disaster, and Civic Aid
Operation and Maintenance, Defense-Wide
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I. Description of Operations Financed (cont.)

action centers to help clear contaminated areas impeding the repatriation of IDPs and/or refugees and obstructing the means to lead productive lives.

The HMA program provides access to geographical areas otherwise not readily available to U.S. forces and contributes to unit and individual readiness by providing unique in-country training opportunities that cannot be duplicated in the U.S. The U.S. military and civilian personnel do NOT enter active minefields or remove emplaced landmines. Our military forces hone critical wartime, civil-military, language, cultural, and foreign internal defense skills. Additionally, DoD health services professionals may be included in training missions, which increase their knowledge and ability to deal with blast/trauma wounds, while providing advice and assistance to partner nations on immediate and short-term victim assistance issues.

The Humanitarian Demining Training Center (HDTC) at Fort Lee, Virginia, is the DoD military center of excellence for the training of deploying U.S. personnel for mine action missions. The HDTC incorporates new demining technologies and techniques in training plans and provides current data on country specific ERW (including UXO, mines, booby traps, and small arms ammunition) in support of training. The HDTC is responsible for expanding current training in mine risk education to include training of personnel from other USG agencies, NGOs, and international organizations and developing linkages to those agencies and academic institutions.

Travel and transportation requirements for deploying forces are a major expense of the program. Deployments primarily consist of highly skilled civil affairs personnel, medical, engineer, explosive ordnance disposal (EOD), and other general purpose forces

DEFENSE SECURITY COOPERATION AGENCY
Overseas Humanitarian, Disaster, and Civic Aid
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I. Description of Operations Financed (cont.)

to help partner nations establish mine action programs and to train and advise local cadre in managing their sustainment operations.

Foreign Disaster Relief:

In times of natural and man-made disasters, such as Hurricane Matthew in Haiti (2016), the U.S. military has, and will continue to be called upon to provide aid and assistance because of our unique assets and capabilities. The OHDACA funding allows the CCDRs to provide immediate life-saving assistance and disaster relief to countries in their region.

Emergency response encompasses transportation, logistical support, provisions of Humanitarian Daily Rations (HDRs) to maintain the health of moderately malnourished recipients until conventional relief programs or resumption of targeted feeding, search and rescue, medical evacuation, and assistance to IDPs and refugees, in the form of both supplies and services.

II. Force Structure Summary:

N/A

DEFENSE SECURITY COOPERATION AGENCY
 Overseas Humanitarian, Disaster, and Civic Aid
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2018 Budget Estimates

III. Financial Summary (\$ in thousands)

	FY 2017							
	FY 2016	Budget	Congressional Action			Current	FY 2018	
			<u>Actual</u>	<u>Request</u>	<u>Amount</u>			<u>Percent</u>
A. BA Subactivities								
1. Operational Forces	107,503	105,125	0	0.0	0	105,125	104,900	
Foreign Disaster Relief	1,229	22,211	0	0.0	0	22,211	20,125	
Humanitarian Assistance	98,013	72,914	0	0.0	0	72,914	72,512	
Humanitarian Mine Action Program	8,261	10,000	0	0.0	0	10,000	12,263	
Total	107,503	105,125	0	0.0	0	105,125	104,900	

DEFENSE SECURITY COOPERATION AGENCY
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 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2018 Budget Estimates

III. Financial Summary (\$ in thousands)

B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>
Baseline Funding	105,125	105,125
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	105,125	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal Baseline Funding	105,125	
Supplemental		
Reprogrammings		
Price Changes		2,056
Functional Transfers		
Program Changes		-2,281
Current Estimate	105,125	104,900
Less: Wartime Supplemental		
Normalized Current Estimate	105,125	

DEFENSE SECURITY COOPERATION AGENCY
Overseas Humanitarian, Disaster, and Civic Aid
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 Budget Estimates

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2017 President's Budget Request (Amended, if applicable)		105,125
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2017 Appropriated Amount		105,125
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
FY 2017 Baseline Funding		105,125
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		105,125
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
FY 2017 Normalized Current Estimate		105,125
6. Price Change		2,056
7. Functional Transfers		
8. Program Increases		2,063
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Humanitarian Mine Action Program	2,063	
Funding increase supports planned training and Stockpile Management demining activities. (FY 2017 Baseline: \$10,000 thousand)		
9. Program Decreases		-4,344
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		

DEFENSE SECURITY COOPERATION AGENCY
Overseas Humanitarian, Disaster, and Civic Aid
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Fiscal Year (FY) 2018 Budget Estimates

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
1) Foreign Disaster Relief Funding decreased due to foreign disaster relief support reduction. Additional and immediate requirements emerge during the execution year. (FY 2017 Baseline: \$22,211 thousand)	-2,530	
2) Humanitarian Assistance Funding reduced due as a result of contract consolidation efforts. Humanitarian Assistance program management consolidated warehouse space and staff in an effort to reduce contractor service support. (FY 2017 Baseline: \$72,914 thousand)	-1,412	
3) Service Requirements Review Board (SRRB) Reduction Funding reduced as a result of contract consolidation efforts. Humanitarian Assistance program management consolidated warehouse space and staff in an effort to reduce contractor service support. (FY 2017 Baseline: \$72,914 thousand)	-402	
FY 2018 Budget Request		104,900

DEFENSE SECURITY COOPERATION AGENCY
Overseas Humanitarian, Disaster, and Civic Aid
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IV. Performance Criteria and Evaluation Summary:

Humanitarian projects and support of foreign disaster relief and emergency crises, additional and immediate requirements emerge during the execution year. Accordingly, performance criteria are difficult to summarize. Useful measures are the amount of actual obligations reported, planned obligations, and the number of projects and training missions planned and identified in the descriptions of the operations financed for each sub-activity.

The HMA training missions projected by Combatant Commands for various partner nations are identified below.

Combatant Commands	Commands Nations
USAFRICOM	Angola, Burundi, Chad, Kenya, Mozambique, Sudan, Tanzania
USCENTCOM	Kyrgyzstan, Lebanon, Pakistan
USEUCOM	Armenia, Azerbaijan, Bulgaria, Croatia, Estonia, Georgia
USPACOM	Cambodia, Thailand, Mongolia
USSOUTHCOM	Colombia, Ecuador, Peru

DEFENSE SECURITY COOPERATION AGENCY
 Overseas Humanitarian, Disaster, and Civic Aid
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<u>V. 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>Contractor FTEs (Total)</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>0</u>	<u>0</u>

No changes from FY2017 to FY2018.

DEFENSE SECURITY COOPERATION AGENCY
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VI. OP 32 Line Items as Applicable (Dollars in thousands):

<u>OP 32 Line</u>	<u>FY 2016</u>	<u>Change</u>		<u>FY 2017</u>	<u>Change</u>		<u>FY 2018</u>
		<u>FY 2016/FY 2017</u>			<u>FY 2017/FY 2018</u>		
	<u>Actual</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
308 Travel of Persons	1,807	34	1,293	3,134	63	-1,434	1,763
399 Total Travel	1,807	34	1,293	3,134	63	-1,434	1,763
705 AMC Channel Cargo	0	0	5,223	5,223	104	-5,327	0
719 SDDC Cargo Ops-Port hndlg	0	0	6,089	6,089	79	-6,168	0
771 Commercial Transport	2,846	54	-2,735	165	3	2,608	2,776
799 Total Transportation	2,846	54	8,577	11,477	186	-8,887	2,776
914 Purchased Communications (Non-Fund)	779	15	-749	45	1	713	759
920 Supplies & Materials (Non-Fund)	5,648	107	-301	5,454	109	-54	5,509
925 Equipment Purchases (Non-Fund)	1,698	32	-1,224	506	10	1,140	1,656
932 Mgt Prof Support Svcs	298	6	-187	117	2	171	290
957 Other Costs (Land and Structures)	27,780	528	17,858	46,166	923	-19,949	27,140
987 Other Intra-Govt Purch	56,308	1,070	-34,306	23,072	461	31,389	54,922
989 Other Services	10,339	196	4,522	15,057	301	-5,273	10,085
991 Foreign Currency Variance	0	0	97	97	0	-97	0
999 Total Other Purchases	102,850	1,954	-14,290	90,514	1,807	8,040	100,361
Total	107,503	2,042	-4,420	105,125	2,056	-2,281	104,900

*The FY 2017 to FY 2018 change column includes a \$402,000 reduction in Line 989, other service contracts as a result of the Service Requirements Review Board (SRRB) reduction.

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**Fiscal Year 2018 President's Budget
Office of Inspector General (OIG)**



May 2017

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**Office of Inspector General
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget**

**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)
Budget Activity (BA) 01: Office of Inspector General (OIG)**

	FY 2016 <u>Actual</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2017 <u>Estimate</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2018 <u>Estimate</u>
OIG	320,475	6,012	-4,452	322,035	6,280	8,572	336,887

* The FY 2016 Actual column includes \$10,262.0 thousand of FY 2016 Overseas Contingency Operations (OCO) Appropriations Funding (PL 114-113).

* The FY 2017 Estimate column excludes \$22,062.0 thousand of FY 2017 OCO Appropriations Funding.

* The FY 2018 Estimate column excludes \$24,157.0 thousand of FY 2018 OCO Appropriations funding.

I. Description of Operations Financed: The Department of Defense (DoD) Inspector General (IG) is the principal adviser to the Secretary of Defense (SecDef) for matters relating to the prevention and detection of fraud, waste, and abuse in DoD programs and operations. The DoD Office of Inspector General (OIG) audits, investigates, inspects, and evaluates the programs and operations of the DoD and, as a result, recommends policies and process improvements that promote economy, efficiency, and effectiveness in DoD programs and operations. The DoD OIG carries out its duties, mission, and responsibilities through the activities of eight Components: Audit, Defense Criminal Investigative Service, Administrative Investigations, Policy and Oversight, Intelligence and Special Program Assessments, Special Plans and Operations, Office of General Counsel, Oversight and Review Division, and Mission Support Team. Specifically:

1) Audit: Conducts independent, relevant, and timely audits that promote economy, efficiency, and effectiveness with sound actionable recommendations that, when effectively implemented, improve the Department's programs, operations, and stewardship of its resources.

2) Defense Criminal Investigative Service: Conducts criminal investigations of matters related to DoD programs and operations, focusing on procurement fraud and public

**Office of Inspector General
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget**

I. Description of Operations Financed (cont.)

corruption, product substitution, health care fraud, illegal technology transfer, and cybercrimes and computer intrusions.

- 3) Administrative Investigations (AI): Investigates allegations of misconduct by senior DoD officials and allegations of whistleblower reprisal and restriction from communication with an IG or Member of Congress. AI also provides a confidential DoD Hotline for reporting fraud, waste, and abuse, and for detecting and preventing threats and danger to the public health and safety of DoD. The director of the DoD Hotline is also the DoD Whistleblower Protection Ombudsman.
- 4) Special Plans and Operations: Conducts evaluations that address priority national security objectives and congressionally mandated projects in order to enable timely decision making by DoD and congressional leaders.
- 5) Policy and Oversight: Provides oversight and policy for DoD audit and investigative activities, conducts engineering assessments of DoD programs, provides technical advice and support to DoD OIG projects, and operates the DoD OIG subpoena and contractor disclosure programs.
- 6) Intelligence and Special Program Assessments: Provides oversight across the full spectrum of programs, policies, procedures, and functions of the intelligence and counterintelligence enterprises, special access programs, the nuclear enterprise, and related security issues within DoD.
- 7) Office of General Counsel: Provides legal advice and counsel on all matters relating to the missions, functions, responsibilities, and duties of the DoD OIG.

**Office of Inspector General
Operation and Maintenance, Defense-Wide
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I. Description of Operations Financed (cont.)

- 8) Oversight and Review Division: Conducts special reviews and investigations of sensitive issues identified by the IG and requested by the Secretary of Defense, Deputy Secretary of Defense, or Congress.

- 9) Mission Support: Provides mission essential services to the operational components, both at the DoD OIG headquarters and at field offices located throughout the world.

The aggregate FY 2018 budget request for the operations of the DoD OIG is \$344.2 million: \$334.1 million Operation and Maintenance, \$2.8 million RDT&E, and \$7.3 million Reimbursable Authority. The portion of Operation and Maintenance funding needed for DoD OIG training is \$3.4 million, and the amount needed to support the Council of Inspectors General on Integrity and Efficiency (CIGIE) is \$0.9 million.

Audit:

Audit conducts independent audits of all facets of DoD operations, focused particularly on areas identified in statutory requirements, the DoD Management Challenges, congressional and DoD Management interest areas, and various DoD strategy documents. Audit also conducts oversight that benefits DoD by addressing critical life and safety issues; improving operations and financial accountability; strengthening internal controls; identifying fraud, waste, and abuse; ensuring compliance with statutes and regulations; improving national security; and identifying potential savings. Audit determines project topics by law, requests from the SecDef and other DoD leaders; Defense Hotline allegations; congressional requests; and risk analyses of DoD programs. Audit topics encompass contract management, including contract pricing of spare parts, services

DoD OIG OP-5 Exhibit

**Office of Inspector General
Operation and Maintenance, Defense-Wide
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I. Description of Operations Financed (cont.)

contracts, improper payments, and contractor overhead costs; major and non-major weapons and information technology systems acquisitions; financial management and audit readiness; business systems modernization; cyber operations; health care; and joint warfighting and readiness. Audit is comprised of four directorates:

- The Acquisition and Sustainment Management (ASM) Directorate performs audits of weapons systems and information technology acquisitions, spare parts procurement and pricing, and management of Government-owned inventory. ASM audits determine best value, fair and reasonable cost, and the adequacy of program planning and execution. Their audits also determine if program management's determination of program costs, scheduling, and performance during the acquisition planning process is valid for major and non-major weapons and information technology systems.
- The Contract Management and Payment (CMP) Directorate performs audits of contract awards and administration; energy contracts; fair and reasonable pricing; Government purchase and travel cards; improper payments; transportation, contract, and health care payments; Overseas Contingency Operations (OCOs); and construction and sustainment.
- The Financial Management and Reporting (FMR) Directorate performs audits of finance and accounting systems, and of DoD functions and activities established to carry out DoD's fiscal responsibilities. FMR audits also focus on DoD audit readiness efforts and DoD financial statements.
- The Readiness and Cyber Operations (RCO) Directorate performs audits of cyber operations, joint operations, force management, and readiness. RCO audits identify

**Office of Inspector General
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget**

I. Description of Operations Financed (cont.)

deficiencies that span all combatant commands to ensure that the warfighter is equipped and trained for the mission.

Defense Criminal Investigative Service (DCIS):

The Office of the Deputy Inspector General for Investigations is also known as the Defense Criminal Investigative Service (DCIS). DCIS focuses on fraud investigations, including health care, procurement, defective pricing, and substituted and counterfeit products; investigations of public corruption, including bribery, kickbacks, and theft; technology protection investigations, including illegal transfer, theft, or diversion of DoD technologies and U.S. Munitions List items to forbidden nations and persons; and cybercrime investigations.

Procurement fraud investigations comprise a major portion of DCIS's case inventory. Procurement fraud includes cost or labor mischarging, defective pricing, price fixing, bid rigging, and defective and counterfeit parts. Fraud poses a serious threat to DoD's ability to achieve its operational objectives, and it can negatively impact program implementation. DCIS places the highest priority on investigations impacting safety and operational readiness to protect the welfare of warfighters.

Public official corruption poses a fundamental threat to U.S. national security and undermines the public's trust in the Government. DCIS uses undercover operations, court-authorized electronic surveillance and forensic audit techniques to investigate those whose actions undermine the integrity of the DoD acquisition system.

**Office of Inspector General
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Fiscal Year (FY) 2018 President's Budget**

I. Description of Operations Financed (cont.)

DCIS conducts investigations of counterfeit, defective or substandard products, and substituted products that do not conform with contract specifications. Nonconforming products disrupt readiness, waste resources, and threaten military and end-user safety. Defective products can negatively impact critical processes and capabilities. DCIS works with Federal law enforcement partners, supply centers, and the defense industrial base to ensure that DoD contractors provide contractually agreed-upon components. DCIS actively participates in the Defense Supply Center-Columbus Counterfeit Material/Unauthorized Products Substitution Team and partners at the national level with the Intellectual Property Rights Coordination Center, to prevent the proliferation of counterfeit parts.

DCIS investigates allegations of theft and illegal export or diversion of strategic technologies and U.S. Munitions List items to banned nations, criminal enterprises, and terrorist organizations. These investigations include the illegal transfer or theft of sensitive defense technologies and weapon systems.

DCIS coordinates with the U.S. Immigration and Customs Enforcement's Homeland Security Investigations, Department of Commerce's Office of Export Enforcement and the Federal Bureau of Investigation to stem the illegal diversion of DoD technologies and weapon systems through criminal investigations and awareness training, which includes briefings to encourage DoD and contractor employees to report crimes. DCIS' criminal investigative effort includes undercover operations that target theft of critical technology; unlawful access to sensitive computer networks; and the substitution of counterfeit, substandard, or defective material. Undercover operations have proven to be effective, and directly support protecting DoD's technological edge and the Global Information Grid.

**Office of Inspector General
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I. Description of Operations Financed (cont.)

DCIS's investigations in health care have increased, and health care fraud is a significant investigative priority, particularly as it relates to military families. Investigations scrutinize corruption and kickback schemes involving health care providers, overcharging, marketing drugs for uses not approved by the Federal Drug Administration, and approving unauthorized individuals to receive TRICARE benefits. DCIS proactively targets health care fraud through coordination with other Federal agencies and participation in Federal and state task forces.

Administrative Investigations (AI):

Administrative Investigations performs oversight reviews of investigations conducted by the Military Services, Combatant Commands, and Defense Agency Inspectors General of allegations of senior official misconduct, whistleblower reprisal, and restriction of military members from contacting an Inspector General or Member of Congress.

Three directorates comprise AI: Whistleblower Reprisal Investigations (WRI), Investigations of Senior Officials (ISO), and the DoD Hotline.

WRI is responsible for the DoD Whistleblower Protection Program, which encourages personnel to report fraud, waste, and abuse to appropriate authorities. The DoD Whistleblower Protection Program provides methods to address complaints of reprisal and recommends remedies for whistleblowers who encounter reprisal, consistent with applicable laws, regulations, and policies. WRI conducts and provides oversight of investigations of allegations of whistleblower reprisal that involve military members, DoD contractor

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I. Description of Operations Financed (cont.)

employees, non-appropriated fund employees, Intelligence Community personnel, and civilian employees.

ISO investigates allegations of misconduct against general and flag officers, members of the Senior Executive Service, and Presidential Appointees. Additionally, ISO conducts over 12,000 security background checks annually on senior DoD officials whose career actions are pending nomination by the President, and confirmation by the Senate.

The DoD Hotline provides a confidential, reliable means to report violations of law, rule, or regulation; fraud, waste, and abuse; mismanagement; trafficking in persons, and serious security incidents that involve the DoD. The detection and prevention of threats and dangers to the health and safety of DoD personnel and the United States are also an essential element of the DoD Hotline mission.

Special Plans and Operations (SPO):

Special Plans and Operations conducts assessments supporting national security objectives and in response to congressional requirements, including projects assessing operations in Southwest Asia (SWA), global security issues, and medical and health care challenges. For example, SPO assesses DoD's efforts to support counterterrorism and stability operations by foreign national security forces under programs such as Section 1206 and 2282 of recent NDAA's. In addition, SPO has conducted assessments of the Wounded Warrior Transition Program, the DoD Federal Voting Assistance Program, the DoD Prisoner of War/Missing in Action Accounting Community, Rights of Conscience Protections for Armed Forces Services Members and Their Chaplains, and the Armed Forces Retirement Home.

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I. Description of Operations Financed (cont.)

Policy and Oversight (P&O):

Policy and Oversight provides policy, guidance, and oversight for the audit and criminal investigative functions within the DoD. P&O also provides analysis and comments on all proposed draft DoD policy issuances, conducts technical assessments of DoD programs, and provides engineering support for other DoD OIG audits and assessments. P&O is comprised of three directorates:

- The Audit Policy and Oversight Directorate (APO) provides audit policy direction, guidance, and oversight for Audit, the Military Departments' audit organizations, the Defense Contract Audit Agency (DCAA), other Defense audit organizations, and for public accounting firms auditing DoD activities under the Single Audit Act. APO also conducts and oversees peer reviews of 21 DoD audit organizations. In addition, APO develops policy, evaluates program performance, and monitors actions taken by all DoD Components in response to DCAA audits. Recently, APO assumed responsibility for DoD-wide policy on performing inspections and evaluations (I&E). APO provides guidance for the I&E functions performed by 17 Defense agencies, the joint and combatant commands, and the Military Departments.

- The Investigative Policy and Oversight Directorate (IPO) evaluates the performance of and develops policy for the DoD criminal investigative and law enforcement community that consists of 63,000 law enforcement and security personnel and special agents. IPO also manages the DoD Subpoena and Contractor Disclosure programs. The Contractor Disclosure program requires DoD contractors to notify the DoD OIG when a Federal criminal law is violated or a violation of the False Claims Act occurs, including the reporting of electronic counterfeit parts. IPO evaluates sexual assault and other violent crime investigations, which includes reviewing related

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I. Description of Operations Financed (cont.)

criminal investigative policies and related programs, and determining compliance with Federal law and investigative standards for the DoD and Military Services.

- The Technical Assessment Directorate (TAD) conducts independent technical engineering assessments to improve Defense system acquisitions, operations, and sustainment by proactively addressing issues of concern to Congress, DoD, and the public. Additionally, TAD provides a variety of engineering support functions for the DoD OIG's other components and other organizations in DoD as needed.

Intelligence and Special Program Assessments (ISPA):

Intelligence and Special Program Assessments conducts evaluations, inspections and assessments, including monitoring and reviewing various programs, policies, procedures, and functions of the DoD Intelligence, Counterintelligence, Security, Nuclear Enterprise, and Special Access Programs. ISPA reviews and evaluates topics determined by law, requests from the SecDef and other DoD leadership, DoD Hotline allegations, congressional requests, and ISPA's risk analysis. The Deputy Inspector General for ISPA chairs the Defense Intelligence and Special Programs Oversight Committee (DISPOC), which promotes and improves information sharing among DoD Auditors and Inspectors General. The DISPOC facilitates effective coordination and cooperation to minimize duplication.

The Office of General Counsel (OGC):

The Office of General Counsel (OGC) provides independent, objective and comprehensive advice and legal counsel to the DoD OIG on all matters related to the agency mission. The scope of advice and legal opinions from the OGC includes criminal and administrative investigations, procurement and fiscal law, personnel and equal employment advice and DoD OIG OP-5 Exhibit

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I. Description of Operations Financed (cont.)

agency representation, ethics, international law and contingency operations, whistleblower protections, and intelligence matters. The OGC serves as the Designated Agency Ethics Official for the OIG and oversees the OIG Ethics Program. The OGC also has responsibility for the Freedom of Information Act, Privacy, and Civil Liberties Office.

Oversight and Review Division (ORD):

The Oversight and Review Division will blend the skills of attorneys, auditors, evaluators, administrative investigators, and paralegals to conduct special reviews and investigations of sensitive issues identified by the OIG and requested by the Secretary of Defense, Deputy Secretary of Defense, or Congress. The OIG regularly receives complex requests that involve legal, conduct, and program deficiencies that are not efficiently addressed within the current OIG structure. Establishment of this division would enable the OIG leadership to assign a dedicated team with clearly defined standards that is accustomed to working together to address a variety of issues rather than pulling staff from across the OIG to form ad hoc teams. This will fill a gap that currently exists within the OIG for a quick reaction division that is dedicated to working high priority, sensitive matters. This division will make us more responsive to the Department and the Congress on the most complex and high-visibility issues. This model has been used successfully by the Department of Justice Office of the Inspector General and the Special Inspector General for Afghanistan Reconstruction to provide timely review of complex issues.

Mission Support:

Mission Support provides mission essential services to the OIG operational Components, both at the DoD OIG headquarters and at 59 field offices located throughout the world.
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I. Description of Operations Financed (cont.)

These support services include financial management, human capital management, security program management, logistics management, information services, strategic planning, equal employment opportunity programs, legislative affairs and communications, and quality assurance and standards oversight.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

	FY 2017							FY 2018 Estimate
	FY 2016 Actual	Budget Request	Congressional Action			Current Estimate		
			Amount	Percent	Appropriated			
A. BA Subactivities								
1. Audit	74,243	78,442	0	0.0	0	78,442	92,477	
2. Defense Criminal Investigative Service/ Investigations	80,440	85,864	0	0.0	0	85,864	85,384	
3. Administrative Investigations	17,864	22,117	0	0.0	0	22,117	23,893	
4. Policy and Oversight	18,052	18,883	0	0.0	0	18,883	19,558	
5. Intelligence and Special Program Assessments	7,691	8,647	0	0.0	0	8,647	8,939	
6. Special Plans and Operations	7,604	8,442	0	0.0	0	8,442	8,502	
7. Oversight and Review Division	0	0	0	0.0	0	0	3,336	
8. Mission Support	104,319	99,640	0	0.0	0	99,640	94,798	
9. Overseas Contingency Operations	10,262	0	0	0.0	0	0	0	
Total	320,475	322,035	0	0.0	0	322,035	336,887	

* The FY 2016 Actual column includes \$10,262.0 thousand of FY 2016 Overseas Contingency Operations (OCO) Appropriations Funding (PL 114-113).

* The FY 2017 Estimate column excludes \$22,062.0 thousand of FY 2017 OCO Appropriations Funding.

* The FY 2018 Estimate column excludes \$24,157.0 thousand of FY 2018 OCO Appropriations funding.

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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>
Baseline Funding	322,035	322,035
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount	322,035	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal Baseline Funding	322,035	
Supplemental	22,062	
Reprogrammings		
Price Changes		6,280
Functional Transfers		-5,269
Program Changes		13,841
Current Estimate	344,097	336,887
Less: Wartime Supplemental	-22,062	
Normalized Current Estimate	322,035	

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2017 President's Budget Request (Amended, if applicable)		322,035
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2017 Appropriated Amount		322,035
2. War-Related and Disaster Supplemental Appropriations		22,062
a. OCO Supplemental Funding		
1) FY 2017 Supplemental Budget Request	22,062	
3. Fact-of-Life Changes		
FY 2017 Baseline Funding		344,097
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		344,097
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		-22,062
FY 2017 Normalized Current Estimate		322,035
6. Price Change		6,280
7. Functional Transfers		-5,269
a. Transfers In		
b. Transfers Out		
1) O&M: Joint Services Provider	-4,108	
Transfers funding for IT, rent, and internet connection costs for DoD networks to DISA. Funds were previously transferred to WHS during year of execution.		
(FY 2017 Baseline: \$21,622 thousand; +0 FTEs)		
2) O&M: GAO Audit Liaison and Report	-1,151	
Transfers 8 FTEs for GAO audit liaison and report		

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
follow-up functions to Washington Headquarters Services to properly align functional responsibility. (FY 2017 Baseline: \$241,830 thousand; -8 FTEs)		
3) O&M: OPM USAJobs Services	-10	
Funds transferred to WHS for the agency's portion of the USAJobs service costs. Funds were previously transferred to WHS during year of execution.		
(FY 2017 Baseline: \$185 thousand; +0 FTEs)		
8. Program Increases		23,264
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) O&M: Civilian Personnel changes:	16,770	
A) Increased Civilian Pay and benefits for an additional 45 FTEs to support enhanced oversight capabilities (+\$7,076, +45 FTEs)		
B) Higher costs for average FTE salaries due to previous under-estimation of average annual salary rates (+\$7,917, 0 FTE)		
C) FY 2018 impacts from the FY 2017 pay raise increase (+\$1,704, 0 FTE)		
D) Increase in disability compensation (+\$73, 0 FTE)		
(FY 2017 Baseline: \$244,280 thousand; +45 FTEs)		
2) O&M: Other Services	5,000	
Provides funding for public accounting firm support that the IG will require to render audit opinion for DoD-Wide Consolidated Audit		

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C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
(FY 2017 Baseline: \$0 thousand; +0 FTEs)		
3) RDT&E: Case Reporting and Information Management System (CRIMS) RDT&E funding is required to support the CRIMS v2 acquisition of commercial off the shelf products and the associated testing, design, and development to modify the COTS solutions (FY 2017 Baseline: \$250 thousand; +0 FTEs)	1,279	
4) O&M: Management Professional Support Services Increased support services for training (+\$215, 0 FTE) (FY 2017 Baseline: \$6,199 thousand; +0 FTEs)	215	
9. Program Decreases		-9,423
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) RDT&E: Defense Case Activity Tracking System-Enterprise (DCATSe) RDT&E: Reduced Engineering & Tech Services as the development phase is nearing completion(DCATSe) (FY 2017 Baseline: \$4,318 thousand; +0 FTEs)	-3,047	
2) O&M: MHA Reductions	-2,392	
A) Reduction of 7 FTEs (-\$1,246, -7 FTEs)		
B) SRRB reduction (-\$1,141, 0 FTE)		
C) Circuit Optimization (-\$5, 0 FTE)		
(FY 2017 Baseline: \$258,463 thousand; -7 FTEs)		
3) O&M: Reduce other Intra-Govt Purchases Efficiencies for Other Intra-Govt purchases (FY 2017	-1,288	

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
Baseline: \$8,877 thousand; +0 FTEs)		
4) O&M: IT Contract Support Services Efficiencies realized for other IT Support (FY 2017 Baseline: \$16,633 thousand; +0 FTEs)	-1,161	
5) O&M: Engineering & Tech Services and other Services Efficiencies realized in engineering and tech services (FY 2017 Baseline: \$5,005 thousand; +0 FTEs)	-847	
6) O&M: Efficiencies in Support Costs Efficiencies realized in support costs (FY 2017 Baseline: \$18,096 thousand; +0 FTEs)	-417	
7) O&M: PCS Reduced costs due to fewer anticipated PCS moves (FY 2017 Baseline: \$1,194 thousand; +0 FTEs)	-263	
8) O&M: Foreign National Indirect Hire Reduced due to prior-year over-estimation (FY 2017 Baseline: \$119 thousand; +0 FTEs)	-8	
FY 2018 Budget Request		336,887

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Audit:

Audit conducts oversight to assess risks and weaknesses in the DoD, identify potential cost savings, and recommend actions to develop or strengthen management practices and internal controls. Audit measures its performance by ensuring compliance with professional standards and projects are relevant and performed in a timely manner. In FY 2016, the Office of Inspector General, U.S. Postal Service, completed an external peer review of the system of quality control for Audit and concluded that its quality control standards provide the DoD OIG with reasonable assurance of performing and reporting in conformity with applicable professional standards, in all material respects. In FY 2016, Audit issued 102 reports identifying \$1.09 billion in funds that could be put to better use and \$1.84 billion in questioned costs. Additionally, these reports addressed non-financial benefits with critical areas such as quality assurance and testing of the equipment and parts; financial reporting and audit readiness; identifying protections needed against cyber threats; monitoring the redistribution and accountability of assets returned from the field; determining improvements needed in contingency contracting to reduce the potential for fraud, waste, and abuse; and addressing force readiness issues. For the 102 reports issued, the average days from project announcement to final report issuance was 316 days, a slight increase (9%) over the FY 2015 average of 289 days.

In FY 2016, the **Acquisition and Sustainment Management Directorate (ASM)** identified inefficiencies in managing weapon and information system acquisitions; determining fair and reasonable prices for spare parts; and managing and using excess Government-owned inventory. Oversight in these areas provided \$2.6 billion in savings and funds put to

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IV. Performance Criteria and Evaluation Summary:

better use. For example, ASM identified that the Air Force awarded a service contract for sole-source engine sustainment without obtaining sufficient data and spent \$1.57 billion on aircraft engine parts without knowing whether it paid fair reasonable prices.

ASM identified that the DoD needed to improve its management of cost, schedule, and performance for major and non-major acquisition programs. For example, in an audit of the XM-25 weapon system, ASM identified that the Army could have managed the program more effectively. Specifically, because of weapon malfunctions and a lack of testing, the Army delayed the initial production and removed procurement money from the program budget, extending milestones. In addition, ASM reviewed a new electronic health care system to support the DoD. While the program had approved requirements and a documented strategy, the execution schedule was not realistic, and the program was at risk of not meeting the initial operational capability.

ASM further determined that, with increased program costs and schedule delays, the inefficient management of acquisition programs resulted in the purchase of equipment that did not meet performance requirements and posed life and safety risks. The Army initiated system fixes to address seven of nine performance deficiencies and updated test plans to evaluate vehicle performance before full-rate production. However, during vehicle production the Army continued to address deficiencies related in the rate-of-fire requirement and the automatic fire extinguisher system and, therefore, risked deploying vehicles that did not meet performance requirements and could endanger crews.

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IV. Performance Criteria and Evaluation Summary:

Audit work in the area of spare parts and inventory identified inadequate processes for determining fair and reasonable prices and ineffective management of spare-part inventories. In an audit of Army spare-part purchases, ASM found that officials did not effectively manage the spare-part inventory for the Gray Eagle unmanned aircraft system. Specifically, officials did not report spare parts, on the annual Army financial statements; the inventory of spare parts contained excess and obsolete parts; and officials did not use inventory from the Defense Logistics Agency (DLA) before procuring spare parts from contractors.

The audits also emphasized ongoing problems related to the quality of spare parts issued through the supply chain, the process for reporting product deficiencies, and the process to obtain restitution for unacceptable parts. For example, ASM determined that DLA Aviation did not pursue and obtain appropriate restitution for a projected 269 stock numbers for which contractors supplied defective parts. DLA Aviation lacked controls and oversight to ensure that its logistics operations and acquisition personnel coordinated and pursued restitution from responsible contractors; identified and removed defective parts from DoD inventory; returned defective parts to the responsible contractors for replacement; and tracked the status of parts returned for replacement. ASM projected that DLA Aviation did not recover at least \$12.3 million in restitution. In addition, defective parts were left unaccounted for in the DoD supply system, which negatively impacts warfighter readiness and safety.

In FY 2017, ASM will continue to perform audits to improve how the DoD buys weapons and information technology systems and purchases and manages spare parts and inventory. ASM

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will remain focused on acquisition areas, such as determining requirements to include procurement quantities, program cost and schedule, and test planning and performance. ASM will engage in efforts to identify fair and reasonable prices for spare parts and reduce the amount of excess on-hand inventories. In addition, ASM will perform audits to assess the security of DoD supply chains and the effectiveness of purchase processes and civilian pay budget processes.

In FY 2018, ASM plans to continue its weapons and information technology acquisition work and ensure the effective use and accountability of Government-owned inventory. ASM will remain focused to address concerns regarding spare-part pricing; management and use of performance-based logistics contracts; and the efficient and effective management of the DoD supply chain.

In FY 2016, the **Contract Management and Payment Directorate (CMP)** identified significant problems in the oversight of Government travel charge cards, improper payments, and the establishment of effective internal controls. For example, CMP identified that DoD management did not take appropriate action, when notified by the DoD OIG, in a previous audit, that cardholders had potentially misused their travel card for personal use at casinos and adult entertainment establishments. DoD management and Defense Travel Management Office officials did not emphasize proper use of the travel card for the 30 non-statistically selected cardholders, and DoD policy did not sufficiently specify what actions DoD officials should take when misuse was identified. As a result, the travel card program remained vulnerable to continued misuse.

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IV. Performance Criteria and Evaluation Summary:

In another audit, CMP identified that the DoD met five of the six requirements of the Improper Payments Elimination and Recovery Act of 2010; however, the improper payment estimates were not reliable because the DoD could not ensure that all required payments were reviewed. CMP determined that the DoD did not meet the reduction target for the DoD Travel Pay program for the fourth consecutive year due to administrative errors, traveler input errors, and inadequate reviews by approving officials.

CMP determined in another audit that 40 of the 47 compound drug claims reviewed, which had non-covered ingredients, were incorrectly paid, even after new controls for screening compound ingredients were implemented by Defense Health Agency personnel. The incorrect payments occurred because personnel from the DoD pharmacy benefit manager did not follow their standard operating procedures, and their claims adjustment system authorized payment for inappropriate claims. As a result, the Defense Health Agency, through the pharmacy benefit manager, made at least \$99,468 in potential improper payments for 40 of the 47 reviewed compound drug claims, valued at \$146,061, with excluded ingredients.

In another audit, CMP determined that the Combined Security Transition Command-Afghanistan and the Afghanistan Ministry of Interior (MoI) oversight of the MoI fuel contracts was not effective as officials did not coordinate their efforts or provide fuel consumption data consistently to the Afghanistan National Police. This occurred because roles and responsibilities for contract oversight were not well defined, the fuel reporting requirements outlined in the commitment letter were not enforced, and the MoI was not held accountable when it did not institute controls over the contract management process. As a result of the lack of contract oversight and insufficient reporting data,

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IV. Performance Criteria and Evaluation Summary:

the Combined Security Transition Command-Afghanistan did not have reasonable assurance that the fuel ordered and delivered to the Afghanistan National Police supported its actual requirements and was used for its intended purpose.

For FY 2017, CMP will continue to focus on audits of contract award and administration of service contracts, Berry Amendment and Buy American purchases, energy contracts and facilities construction, and real property maintenance. Additionally, audits are planned on DoD payments, including contract payments; improper payments; the Government Travel and Purchase Card Programs; OCO; and military health care for active duty, reserve, and retired personnel and their families.

For FY 2018, CMP will focus on contract award and administration, facilities construction, and real property maintenance. Additionally, CMP plans to audit DoD payments, including energy contracts; improper payments; the Government Purchase Card Program; and military health care for active duty, reserve, and retired personnel and their families.

In FY 2016, **Financial Management and Reporting Directorate (FMR)** focused its audit work on DoD's material weaknesses for financial management as the DoD prepares for auditability in FY 2018. FMR conducted audits on the DoD plan to achieve audit readiness of all DoD financial statements by the end of FY 2017. Specifically, FMR issued findings and recommendations on the Army's inability to adequately support trillions of dollars in journal voucher adjustments on its FY 2015 financial statements and that it materially misstated its inventory by millions of dollars. FMR also issued findings and

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recommendations to the DoD on a series of audits of DoD suspense accounts. The suspense account audits highlighted that the DoD did not have sufficient controls to accurately record suspense account balances on its financial statements. In addition, some suspense accounts were not used for their intended purpose and transactions were not always resolved in a timely manner.

FMR examined the Service inventories, general equipment, and real property and determined that valuing, accounting for and locating DoD assets continues to be a significant challenge for DoD as it prepares its Balance Sheets for audit. FMR also began a review of the processes, systems, and controls that the DoD has implemented, or plans to implement, to report financial and payment data in accordance with Public Law 113-101, Digital Accountability and Transparency Act of 2014. The review was in response to a congressional request for assessing the DoD plans to comply with the Act.

FMR transmitted disclaimers of opinion on the FY 2015 Schedules of Budgetary Activity for the Army, Navy, and Air Force and provided oversight of the FY 2016 Schedules that continue to identify many areas of improvement for the DoD. FMR also issued disclaimers of opinion on the DoD agency-wide and Special Purpose FY 2015 financial statements and six of the DoD Components' statements supporting the agency-wide statements. FMR transmitted the unmodified opinion from the independent public accounting firm on the financial statements of the Army Corps of Engineers, the Military Retirement Fund, TRICARE Management Activity's Contract Resource Management, and a qualified opinion on the DoD Medicare Eligible Retiree Health Care Fund.

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In FY 2017, FMR will continue to conduct oversight of the DoD Schedules of Budgetary Activity and other financial statements determined to be ready for audit. In addition, FMR will provide oversight of the full financial statement audits of the Marine Corps, the Defense Information Systems Agency, and the DLA. FMR will also focus on audits of financial systems, internal controls, compliance, and other financial areas, to assist the DoD in improving its overall financial management operations and, as a result, prepare auditable financial statements. As the Office of the Secretary of Defense (OSD) and Service Components identify segments of financial statements that are ready for review, FMR will announce audits or attestation engagements, as appropriate.

□

In FY 2018, FMR will expand its focus to the full financial statement audits planned for DoD that will include the Other Defense Organization's consolidated audit. FMR will provide the contract oversight of the independent public accounting firms conducting the full financial statement audits of the Army, Navy, Air Force, and Marine Corps, as well as the Defense Information Systems Agency and DLA. FMR plans to perform the DoD Agency Wide consolidated audit, because several public accounting firms have provided consulting services to the Department over the past several years and, as a result, are not independent. In addition, FMR will provide contract oversight of the firms performing audits of the U.S. Special Operations Command, the U.S. Transportation Command, and the Defense Health Program. FMR will continue to work with the DoD Components to identify deficiencies and recommend corrective actions so that the DoD can develop sustainable and repeatable processes to give decision makers and stakeholders the confidence that DoD financial information is reliable.

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IV. Performance Criteria and Evaluation Summary:

In FY 2016, **Readiness and Cyber Operations Directorate (RCO)** focused on cyber security and operations, global logistics, military construction, workplace violence, and individual and unit readiness and training. For example, RCO identified consistent and systemic weaknesses that affected the security of the classified Secret Internet Protocol Router Network. RCO recommended specific physical security improvements and other cybersecurity-related actions to limit access points, account for all circuits, and manage general and privileged account access. In another audit, RCO concluded that the Services were independently developing cyber platforms and capabilities that could result in redundant capabilities which do not align with the mission needs of the Cyber Mission Force. RCO recommended that DoD develop a unified strategic plan to address capability development to meet Service-specific and joint-mission requirements.

Other audit reports identified that Army and Marine Corps units in Korea did not have sufficient, properly maintained chemical-biological personal protective equipment and that units were not on conducting training under appropriate threat conditions. In response to the report recommendations, Eighth Army and Marine Forces Korea began implementing corrective actions to integrate collective chemical-biological training into exercises, resolve chemical-biological-related deficiencies identified in command inspections, conducting annual inspections of collective chemical-biological training, and developing a verification process to ensure collective chemical-biological training is conducted by forces assigned to Marine Forces Korea.

In FY 2017, RCO will focus on projects in high-risk readiness areas, including personnel readiness reporting and aviation unit readiness; training; equipment accountability;

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foreign military sales; the rebalance of forces to Asia-Pacific; cyber security; and cyber operations. The projects include military readiness reporting, munitions storage, antiterrorism programs, U.S. Special Operations Command equipment, use of European Reassurance Initiative funds, and cyber security controls of Army electronic health records and the Navy afloat network infrastructure.

In FY 2018, RCO will continue to focus on cybersecurity and cyber operations, to include maintaining a skilled cyber workforce, developing and using cyber capabilities, integrating cyberspace operations into command plans, and emerging technology within the cyber domain that is critical to DoD operations. RCO will also continue its focus on military readiness as the DoD continues to support operations around the world.

Defense Criminal Investigative Service (DCIS)/Investigations:

Investigations, referred to as DCIS, uses several methods to evaluate performance. DCIS established a performance metric that 90 percent of investigations must be within its priority areas of fraud, public corruption, technology protection, health care, and cybercrimes. DCIS also monitors arrests, indictments and criminal charges, convictions, fines, recoveries, restitution, suspensions and debarments, to ensure consistency in effort and historical output and the effective use of its investigative resources.

In FY 2016, DCIS investigations resulted in investigative receivables and recoveries of \$1.049 billion for the U.S. Government (which includes recovered Government property,

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civil judgments and settlements, criminal fines, penalties, and restitution ordered and administrative recoveries); 151 arrests, 246 criminal charges, 177 criminal convictions; and contributed to 136 suspensions and 148 contractor debarments. In FY 2016, major DCIS investigations were as follows: Novartis Pharmaceuticals Corporation (\$220.5 million Government recovery), Millennium Laboratories, Inc. (\$183.4 million Government recovery), Actavis, PLC (\$89.2 million government recovery), Accenture Federal Services, LLC (\$55.4 million Government recovery), and Genentech, Inc. (\$52.0 million Government recovery).

In FY 2017 and FY 2018, DCIS will: (1) maintain its focus on significant procurement and acquisition fraud investigations with emphasis on defective, substituted, and counterfeit products that impact the safety and mission-readiness of our warfighters; (2) continue uncovering and combating corruption involving DoD procurement fraud, which includes bribery, corruption, kickbacks, conflicts of interest, and major thefts; (3) sharpen concentration on investigations and awareness on illegal transfer of technology, systems, and equipment critical to DoD and if possessed by restricted nations; (4) continue focus on health care investigations and fraud schemes involving potential harm to military families; and (5) bolster defense against cyber-crimes and computer intrusions.

Administrative Investigations (AI):

AI uses various performance measures to focus on the timeliness of investigations and DoD Hotline referrals. The goal is to close ISO investigations within 210 days; WRI investigations within 180 days for military and contractor cases and 240 days for

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civilian and NAFI employees; make priority 1 Hotline referrals in 1 business day; and review DoD Hotline completion reports in 45 business days.

In FY 2016, AI-ISO closed three investigations, of which one (33%) was closed in 210 days or less after receipt of case; WRI closed 20 military and contractor reprisal investigations of which one (5%) was closed in 180 days or less; and closed 23 civilian and NAFI investigations of which four (17%) were closed in 240 days or less after receipt of case; Hotline made 332 Priority 1 referrals related to life, death, safety concerns, 248 (75%) in one business day or less - a 31% increase in Priority 1 referrals for FY 2016; Hotline reviewed 596 Hotline Completion Reports, of which 524 (88%) were reviewed in 45 business days or less.

In FY 2016, AI developed and provided training to DoD OIG, Military Service IG, and Federal IG investigators; participated extensively in DoD and Federal IG working groups to identify and standardize best practices in investigative processes; implemented Government Accountability Office (GAO) and DoD Timeliness Task Force recommendations; and planned for the deployment of the Defense-Case Activity Tracking System Enterprise (D-CATSe) across the DoD.

During FY 2016, AI training and outreach initiatives included a semiannual training symposium, two DoD OIG Basic Whistleblower Reprisal Investigations Courses, and the DoD Hotline Worldwide Outreach and Observance of National Whistleblower Appreciation Day. AI also conducted Mobile Training Team courses at Fort Bragg, North Carolina; Fort Eustis, Virginia; Ramstein Air Force Base, Germany; and Schofield Barracks, Hawaii. Hundreds of DoD OIG OP-5 Exhibit

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personnel from the DoD and Federal IG Community attended these training events. In addition, at the request of the U.S. Office of Special Counsel, AI provided interview training to 42 OSC attorneys and investigators.

In response to recommendations by the Judicial Proceedings Panel's "Report on Retaliation Related to Sexual Assault Offenses," AI is now handling all DoD reprisal cases resulting from reporting sexual assaults. WRI has established a dedicated investigative team for this purpose, and the team has been trained in sexual assault trauma by a Teaching Associate in Psychology, Harvard Medical School.

In addition to the programmatic initiatives accomplished in FY 2016, the DoD OIG invested significant resources to investigate allegations relating to intelligence reporting at the U.S. Central Command. A team of 30 personnel from AI, ISPA, DCIS, and Audit collected 15.35 terabytes of information and 17,164,386 million documents (2 million e-mails), and interviewed 150 personnel.

In FY 2017, AI will begin efforts to develop and deploy the Defense Case Activity Tracking System throughout the Department. Deployment of D-CATSe will: (1) improve the efficiency and timeliness of the transmittal of investigative documents to offices located at posts, camps, and stations around the world; (2) standardize business and investigative processes, resulting in improved efficiencies and timeliness; (3) standardize data, resulting in enhanced data integrity and facilitating reporting in semiannual reports to the Congress; (4) provide a common operational picture of the DoD-wide universe of complains and investigations, resulting in enhanced oversight and

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communications; and (5) create a paperless environment for the entire IG community in the DoD. It will also achieve savings by avoiding the unnecessary and duplicate investments by the Military Services and Defense agencies in information technology modernization of the legacy systems.

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In FY 2018, AI intends to dedicate additional resources to the DoD OIG Whistleblower Protection Program by allocating an additional 25 full-time equivalents (FTEs) to the program. These resources will be used to:

- establish an alternative dispute resolution program to resolve reprisal complaints in an expeditious manner without opening an investigation;
- add a team to perform oversight of investigations conducted by the Military Services and Defense agencies;
- add two more teams to perform reprisal complaint intakes and investigations; and
- add an Investigative Support Specialist to provide administrative support to the new teams.

Special Plans and Operations (SPO):

SPO performance measures focus primarily on the timeliness of final reports. The goal is to publish Tier 1 final reports in 290 calendar days. The majority of SPO reports are in the Tier 1 Category. The goal for Tier 2 final reports is 360 calendar days. In FY 2016, SPO published 5 reports. Three of the 5 reports met their respective timeliness goals.

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Southwest Asia: In FY 2016 SPO continued its series of assessments that focus on the training and equipping of the Afghan National Defense Security Forces by issuing a classified report on "U.S. and Coalition Efforts to Train, Advise, Assist, and Equip Iraqi Sunni Popular Mobilization Forces." SPO also published the classified report "Assessment of U.S./Coalition Efforts to Train, Advise, Assist, and Equip the Afghan National Army Special Operations Forces (ANASOF)."

SPO is currently working on three Southwest Asia reports that will carry over into FY 2017: "Assessment of U.S. and Coalition Plans and Efforts to Train, Advise, Assist, and Equip the Kurdish Security Forces," "Assessment of U.S. and Coalition Plans/Efforts to Train, Advise, Assist, and Equip Iraqi Counterterrorism Service and the Iraqi Special Operations Forces," and "Assessment of U.S./Coalition Efforts to Enable the Afghan Ministry of Defense to Develop its Oversight and Internal Control Capability."

As part of its FY 2017 Oversight Plan, SPO will begin performing the following series of command-requested assessments that focus on the train and equip mission in Southwest Asia:

- "Assessment of U.S. and Coalition Efforts to Train, Advise, and Assist the Afghan Ministry of Interior to Develop its Oversight and Internal Control Capability."
- "Assessment of U.S. and Coalition Efforts to Train, Advise, Assist, and Equip the Afghan Air Force (AAF)."

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- "Assessment of U.S. and Coalition Train, Advise, Assist, and Equip Support to the Iraq Federal Police."

Global Security Concerns: In April 2016, SPO announced the "Assessment of the European Reassurance Initiative (ERI)" to determine, among other things, the extent to which the European Reassurance Initiative focused on the six Operation Atlantic Resolve countries (Poland, Bulgaria, Romania, Lithuania, Estonia, and Latvia) has increased responsiveness, interoperability, and sustainability through capacity building and increased U.S. military exercises and training activities. SPO plans to publish this report in the second quarter of FY 2017. SPO is also continuing its "Assessment of Department of Defense Efforts to Build Counterterrorism and Stability Operations Capacity of Foreign Military Forces with "Section 1206" Funding."

In FY 2017, SPO will conduct an "Assessment of Operations and Management of DoD Aspects of the Security Cooperation Program in the Philippines" to determine whether the DoD provision of military equipment and training supports the objectives in the Enhanced Defense Cooperation Agreement and whether DoD and Office of Security Cooperation oversight complies with all end-use monitoring requirements for security assistance to the Philippines' Armed Forces.

Medical: During FY 2016, SPO published a report on the "Evaluation of DoD Biological Safety and Security Implementation" and determined that DoD did not maintain biosafety and biosecurity program management, oversight, and inspections of its BSAT laboratories according to applicable Federal regulations; did not inspect BSAT laboratories in
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Military Services that operated according to different guidance, standards, and procedures, risking dangerous lapses in biosafety practices; and did not require that deficiencies identified by inspections were tracked and remained corrected after they were initially closed. SPO plans to publish two other reports in the medical area in FY 2017: "Assessment of Wounded Warrior Transition Program Oversight" and "Assessment of DoD's Response to the August 2014 Final Report to the Secretary of Defense, Military Health System Review, Quality of Care."

In FY 2017, SPO will initiate the "Assessment of DoD's Response to the August 2014 Final Report to the Secretary of Defense, Military Health System Review, Patient Safety." This assessment will be the second in a series of projects on DoD's Response to the August 2014 Final Report to the SecDef, MHS Review. The objective is to determine whether (1) DoD actions addressed patient safety findings in the August 2014 MHS Review Final Report to the SecDef against measurable goals; (2) DoD improved Patient Safety Indicator scores at military treatment facilities ; and (3) DoD's improved seven areas of the Hospital Survey on Patient Safety Culture.

Congressional/Other: As required by Congress, SPO published a report in March 2016 on "Section 847 Requirements for Senior Defense Officials Seeking Employment with Defense Contractors." SPO determined that not all DoD organizations and subordinate organizations and their agency ethics officials complied with the Deputy Secretary of Defense memorandum of September 19, 2011, and Army Office of General Council (OGC) guidance on issuing opinion letters and processing the necessary documents in the After Government Employment Advice Repository system. SPO also completed the assessment of the DoD OIG OP-5 Exhibit

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Federal Voting Assistance Program for calendar year 2015, which found that the Service IGs lacked a standardized definition for voting assistance program compliance with Federal statutes and DoD policy, which made it difficult for stakeholders to verify or to assess compliance across the Services.

SPO is continuing its work on two other Congressional reports that were initiated in 2016: "Allegations of Child Sexual Abuse by Members of the Afghan National Defense and Security Forces" and "Assessment of the Tactical Explosive Detection Dog Program Adoption Process."

In FY 2017, SPO will continue its statutory requirement and conduct an "Assessment of DoD Voting Assistance Programs for Calendar Year 2016" and the "Inspection of the Armed Forces Retirement Home." SPO is also initiating the "Assessment of Operations and Management of Arlington National Cemetery and Other Selected U.S. Military Cemeteries" to assess the operations and management of Arlington National Cemetery and other U.S. military cemeteries.

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In FY 2018, SPO will continue its oversight scope to include a variety of non-Southwest Asia topics in FY 2017. Areas of interest include, but are not limited to:

- readiness of U.S. forces in Africa, the Pacific, and the Middle East;
- training and equipping foreign military forces;
- security cooperation and assistance programs worldwide;

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- counter-terrorism operations; and
- emerging security threats

In FY 2018, SPO will also continue to assess critical health care topics, such as the transition of wounded service members to the Department of Veterans Affairs, military mental health programs, and medical research activities. SPO will also continue the mandated annual report of "The Federal Voting Assistance Program."

Policy and Oversight (P&O):

P&O measures its performance through the outcome of evaluating significant DoD programs and operations, number of subpoenas and contractor disclosures processed, timeliness and quality of oversight/support provided, and timeliness of draft DoD policy coordination's and currency of DoD audit/investigative policies issued. In FY 2016, P&O issued a total of 20 final oversight reports covering significant DoD programs and operations containing 81 recommendations; issued two Notices of Concern that required immediate corrective actions; issued 27 draft reports with a 93% on-time issuance rate; processed 862 subpoenas within the required timeframe; processed 245 contractor disclosures with \$17.2 million in potentially recoverable funds; provided technical support to nine DoD OIG audit or investigative projects; and managed the DoD OIG coordination process for 339 draft DoD policy issuances with 99 percent processed within the requested timeframe. P&O also updated and published seven DoD Issuances addressing audit or investigative policy.

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Audit Policy and Oversight: In FY 2016, APO issued 10 oversight reports; seven external quality control reviews of Defense organizations' audit operations; and three single audit quality control reviews. These reports contained 60 recommendations. APO performed 186 desk reviews of single audit reports covering \$7.6 billion in DoD funds and issued 111 memorandums that identified 232 findings and \$35.4 million in questioned costs. APO also administered peer reviews of four DoD audit organizations and provided oversight on contracting officers' actions related to 2,187 open and closed contract audit reports with more than \$13 billion in potential savings. Contracting officers disallowed \$469 million (22 percent) in response to \$2,140.2 million questioned costs from 458 significant DCAA post-award contract audit reports during the period.

In FY 2017, APO will focus on completing the Defense Contract Management Agency Peer review and continue monitoring DCAA, including contracting officers' use of DCAA audit reports. APO will also focus on policy and oversight of DoD audit organizations' efforts to identify and detect fraud, waste, and abuse, including support to the Contractor Disclosure Program, and internal control and fraud assessments, guidance, and training.

In FY 2017, APO will continue updating its DoD OIG fraud website, including adding more contract audit and other fraud scenarios, monitoring DCAA fraud referrals and efforts on contractor disclosures, and providing input to DCAA revisions to its fraud-related audit guidance. APO is also performing or overseeing the performance of peer reviews by DCAA, the Army Internal Review Office, DLA, Defense Finance and Accounting Service, Defense Information Systems Agency, Naval Exchange Command, Army and Air Force Exchange Service,

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National Reconnaissance Office, Defense Intelligence Agency, and the Military Department Audit Agencies Round Robin peer reviews.

During FY 2017, APO is performing three single audit quality-control reviews and continues to review all single audit reports for audit findings that require follow-up actions from grant and contracting officers. APO will continue to review contracting officers' actions on DCAA contract audit reports by evaluating contracting officer actions on DCAA audits of incurred costs, Cost Accounting Standards, and forward pricing. For the contract audit monitoring area, APO will monitor the quality of contract audits within DoD and perform the Quality Control Review of DCAA. Additionally, APO will continue to refine the DoD-wide policy for performing I&Es through the Defense Council on Integrity and Efficiency and working with other IG components to increase coordination of I&Es, including increasing awareness of and best practices for I&Es.

In FY 2018, APO will continue its focus on oversight of DCAA; DoD Components' contracting officers' actions on DCAA audit report recommendations; peer reviews of DoD audit organizations; fraud related training, guidance, scenarios, and other tools to update APO's fraud website; liaison on the Contractor Disclosure Program, including related policy and oversight of DCAA; and quality control reviews on three or four single audit cognizant and oversight organizations. For I&E policy, APO will continue efforts to increase the quality of DoD I&Es; coordinate of I&E activities among IG organizations in the DoD; and increase training opportunities specific to I&Es and external review processes for I&E activities.

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Investigative Policy and Oversight Directorate: In FY 2016, IPO completed six reports evaluating an Army adult sexual assault investigation; compliance with the Military Criminal Investigative Organizations' (MCIOs) violent crime investigative compliance oversight management and inspection programs; compliance with the Lautenberg Amendment by law enforcement divisions in DoD; Air Force Office of Special Investigations roles and responsibilities for internet-based operations; separation of service members who made a report of sexual assault; and a complaint regarding the handling of sexual assault and drug investigations at the Air Force Academy.

During FY 2016, IPO also collaborated with the MCIOs to address National Defense Authorization Act requirements for evidence retention on sexual assault investigations and the development of special victim capability units. In addition, IPO participated with various DoD and other Government agencies, such as the Defense Enterprise-wide Working Group and the DoD Sexual Assault Prevention and Response Office, to develop criminal investigative policy.

During FY 2016, The Contractor Disclosure Program (CDP) office evaluated 245 disclosures with \$17.2 million in potentially recoverable funds submitted by Defense contractors and subcontractors, concerning violations of law and suspected counterfeit or non-conforming parts discovered during contractor self-policing activities. The CDP office oversaw and coordinated administrative, civil, and criminal actions for the disclosures with the DoJ Commercial Litigation Branch (Fraud Section), Defense Criminal Investigative Organizations (DCIOs), Defense and Service audit agencies, and the Services' Offices of Procurement Fraud Remedies and Acquisition Integrity. In addition, the CDP office

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evaluated 51 fraud referrals and consulted with the DoJ Commercial Litigation Branch (Fraud Section) and DCAA auditors to refer potential fraud cases to the DCIOs for criminal investigation determinations.

During FY 2016, IPO issued 865 subpoenas through the DoD OIG Subpoena Program. IPO also provided subpoena processing training to 661 DoD criminal investigators and attorneys through 21 classes. The IPO training was integrated into DoD and military service basic and advanced criminal investigative training courses, which instructs students on how to effectively use the subpoena as an investigative tool. IPO also hosted the Federal Law Enforcement Training Center's Continuing Legal Education Training Program Course for DoD and other Federal agency investigators and attorneys.

In FY 2017, IPO will complete an investigation regarding assertions made by former United Launch Alliance executive; an investigation into the accuracy of information DoD provided to Congress pertaining to Royal Air Force Station Croughton, United Kingdom, selection site for the Joint Intelligence Analyses Complex; and an evaluation of MCIO death investigations that concluded suicide as the manner of death. New IPO work will involve evaluations of criminal investigations conducted by the Pentagon Force Protection Agency; fingerprint collection requirements for Army law enforcement investigations; DNA collection requirements for criminal investigations; DoD and Military Services' response to active shooter incidents and workplace violence; compliance with the Prison Rape Elimination Act; implementation of policies and investigations of domestic violence; adjudication of child pornography investigations; and sexual assault investigations at service academies. IPO will continue to expedite subpoena processing time, and the CDP is

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working within the investigative constituent community to improve and manage the process of DCAA fraud referrals.

In FY 2018, IPO expects continued congressional interest concerning complaints about thoroughness of death investigations and oversight of sex crime investigations. IPO will continue oversight of MCIO criminal investigative programs and operations in both the general investigative and violent crime areas. Additionally, IPO will continue to provide oversight of the DoD law enforcement community's programs and operations. It is likely that IPO will evaluate aspects of closed adult or child sexual assault investigations due to continued DoD senior leadership and Congressional interest concerning sexual assault investigative quality.

Technical Assessment Directorate: In FY 2016, TAD issued three oversight reports addressing Military Housing Inspections at King Abdullah II Special Operations Training Center, Jordan, and Camp Buehring, Kuwait, and an evaluation of the reliability of DoD ammunition data cards. In addition, TAD published a DoD Hotline completion report that addressed a complaint concerning the safety of the F/A-18 E/F Engine Fuel Pump. TAD also issued two Notices of Concern that addressed immediate safety and environmental issues for military housing at the King Abdullah II Special Operations Training Center and Camp Lemonnier, Djibouti. The Notices of Concern required immediate attention by the Services responsible for environmental, safety, and occupational health of housing used by military personnel. In addition, TAD provided engineering support to nine DoD OIG projects.

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In FY 2017, TAD will perform technical assessments to address issues of concern to Congress, DoD, and the public and will give priority to concerns that affect life, health, and safety. The assessments will include a summary report on previously performed DoD housing projects; military housing inspections at Camp Lemonnier; an evaluation of recovered chemical warfare material; a quality management system inspection of the Evolved Expendable Launch Vehicle Program; and follow-up inspections of military housing in Korea and Japan. In support of the Lead IG for Overseas Contingency Operations, TAD will conduct two more facility inspections in Iraq and the United Arab Emirates. TAD is also supporting other DoD OIG audits and evaluations and analyzing several ACAT I programs for other potential FY 2017 projects.

In FY 2018, TAD will perform technical assessments that address issues of concern to Congress, DoD, and the public, and give priority to those that affect life, health, and safety. In addition, TAD will perform military housing inspections in the United States and overseas as new or follow-on inspections of previously conducted projects. TAD will also support DoD OIG components on their audit and evaluations and continue to provide engineering support to the Lead IG for Overseas Contingency Operations.

Intelligence and Special Program Assessments (ISPA):

The FY 2016 ISPA Annual Plan included ongoing projects and addressed emerging concerns from the SecDef, IG management, and Congress and emphasized projects supporting the SecDef's Management Challenges. In FY 2016 ISPA completed 11 reports. These reports covered intelligence, counterintelligence, security, nuclear enterprise, and sensitive DoD OIG OP-5 Exhibit

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activities related issues, programs, policies and procedures across the Department of Defense. Additionally, ISPA currently has 14 ongoing projects that will be completed during FY 2017.

In FY 2017, ISPA will continue to conduct oversight of Defense Intelligence priorities including projects that support the Lead IG for Overseas Contingency Operations. ISPA will focus on cybersecurity, acquisitions, and contracting within the DoD Intelligence community, and intelligence and counterintelligence programs, systems, training, analysis and funding. FY 2017 reporting will also include updates to strategic DoD guidance and legislative requirements; updates in technology; changes in funding strategy; adaptations in acquisitions and programs; updates to intelligence law and DoD worldwide engagement and collaboration among different DoD agencies, commands, and coalition partners.

Intelligence: In FY 2016, ISPA continued to evaluate the effectiveness of current DoD policies, governance, procedures, and guidelines for sharing classified military information with coalition partners in support of Operation Inherent Resolve. As a result of heightened congressional interest, ISPA evaluated the management and oversight for operations supported by section 1208 of the National Defense Authorization Act. ISPA also evaluated the effectiveness of DoD's programmatic intelligence support to policy, planning, and implementation of countering weapons of mass destruction. ISPA reviewed the policies for pre-publication review of DoD classified or sensitive information to ensure that no DoD sensitive or classified information was released to the media.

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In FY 2017, ISPA will focus on Office of the Under Secretary of Defense (Intelligence) programs that the intelligence agencies have responsibility to implement, as well as programmatic updates on their progress in implementing various initiatives. FY 2017 focus areas will include evaluations of the effectiveness of warfighter support to cover activities and the Combatant Command Joint Targeting Toolbox program.

In FY 2018, ISPA will continue to look at issues throughout the intelligence enterprise, including increased awareness and use of the Intelligence Community Whistleblower Protection Act.

Counterintelligence: In FY 2016, ISPA conducted a review of US Army counter-intelligence investigations and evidence handling procedures.

In FY 2017, ISPA will complete an evaluation of the Military Services' compliance with counterintelligence screening requirements, as well as an evaluation of oversight of privileged users within the Military Service's intelligence community. ISPA is also prepared to evaluate counterintelligence support to the DoD Munitions Support Squadrons in Europe.

In FY 2018, ISPA will continue its oversight efforts related to changes in critical counterintelligence technologies used to deter foreign intelligence adversaries. Key issues include counterintelligence support to cyberspace and forensics, changes in

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counterintelligence funding and technical surveillance countermeasures, and supporting counterterrorism efforts related to Lead IG intelligence oversight requirements.

Security Enterprise: In FY 2016, ISPA conducted an evaluation of the effectiveness of the DoD Militarily Critical Technologies Program in accordance with applicable DoD policy.

For FY 2017, ISPA plans to conduct an evaluation of the intelligence support to foreign military sales determinations and an evaluation of the Combatant Command Insider Threat Programs' compliance with various DoD directives. ISPA will complete an ongoing follow-up evaluation of over-classification of national security information and an assessment of the effectiveness of the Defense Critical Infrastructure Program.

In FY 2018, ISPA will continue to look at critical issues throughout the security enterprise including implementation efforts from the Defense Security Enterprise related to insider threat initiatives including continuous monitoring, continuous evaluation, and information sharing.

Nuclear Enterprise: The Nuclear Enterprise continues to be one of DoD's management challenges. In FY 2016, ISPA issued reports on evaluations of the Integrated Tactical Warning and Attack Assessment Ground-Based Radar and DoD Nuclear Enterprise Governance. ISPA also issued a comprehensive oversight summary report of the DoD OIG work within the nuclear enterprise. In FY 2016, ISPA worked on evaluations of the National Airborne

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Operations Center and Explosive Ordnance Disposal Support to the DoD Nuclear Weapons Mission.

In FY 2017, ISPA will continue to assess issues throughout the nuclear enterprise based on inputs from OSD leadership, U.S. Strategic Command, and the Joint Staff. Other oversight efforts will include a continued review of the National Airborne Operations Center mission sustainment and explosive ordnance support to the DoD nuclear mission.

In FY 2017 and FY 2018, ISPA will continue to assess strategies and programs related to nuclear surety, command and control, system sustainment, and nuclear operational readiness. Anticipated projects include evaluations of the Nuclear Detonation Detection System reliability, Ballistic Missile Submarine sustainment and U.S. Strategic Command's E-6B Airborne Command Post availability and reliability.

Special Access Programs: In FY 2016, ISPA performed evaluations that were either self-initiated or requested by the Director, DoD Special Access Programs Central Office. These evaluations provided oversight of major acquisition programs, information technology systems, intelligence, security, systemic issues, and organizational reviews to ensure compliance with DoD directives, policies, and guidance. In FY 2017 and FY 2018, ISPA plans to continue evaluating Special Access Programs.

Oversight and Review Division: The ORD is a new capability. The OIG intends to staff the ORD in FY18, blending the skills of attorneys, auditors, evaluators, administrative

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investigators, and paralegals to conduct special reviews and investigations of sensitive issues identified by the OIG and requested by the Secretary of Defense, Deputy Secretary of Defense, or Congress. Performance criteria and evaluation will be case specific, determined by the requirements of each case; the principal goals are in-depth review and timely response to the Secretary of Defense, Deputy Secretary of Defense, or Congress.

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
<u>AUDIT</u>			
Reports issued			
Potential monetary benefits (in billions)			
Achieved monetary benefits (in billions)			
 <u>DEFENSE CRIMINAL INVESTIGATIONS SERVICE</u>			
Indictments and Charges	246	279	288
Convictions	177	262	276
Fines, penalties, and restitutions (in millions)	\$1,049	\$1,593	\$1,673
 <u>ADMINISTRATIVE INVESTIGATIONS</u>			
INVESTIGATIONS OF SENIOR OFFICIALS	11	12	13
Complaints Received	788	870	870
Complaints Closed	768	750	750
WHISTLEBLOWER REPRISAL INVESTIGATIONS	5	8	8
Complaints Received	1,594	1,950	1,950
Complaints Closed	1,492	1,820	1,820
DOD HOTLINE	8	9	9

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Contacts Received	13,576	15,612	17,954
Cases Referred	6,346	7,298	8,393
 <u>SPEICAL PLANS AND OPERATIONS</u>			
SPO Reports	5	14	11
 <u>POLICY AND OVERSIGHT</u>			
Audit Policy and oversight reports	11	12	12
Hotline completion reports	1	1	1
Notices of concern	2	4	4
Investigative policy and oversight reports	6	8	8
Contractor disclosures submitted	245	245	245
Subpoenas issues	865	870	875
Technical assessment reports	3	4	4
Engineering support to other component projects	9	9	9
 <u>INTELLIGENCE AND SPECIAL PROGRAM ASSESSMENTS</u>			
ISPA Reports	11	14	
 <u>OVERSIGHT AND REVIEW DIVISION</u>			
	N/A	N/A	N/A

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<u>V. 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>Active Military End Strength (E/S) (Total)</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>0</u>	<u>0</u>
Officer	20	20	20	0	0
Enlisted	1	1	1	0	0
<u>Civilian End Strength (Total)</u>	<u>1,537</u>	<u>1,681</u>	<u>1,719</u>	<u>144</u>	<u>38</u>
U.S. Direct Hire	1,536	1,680	1,718	144	38
Total Direct Hire	1,536	1,680	1,718	144	38
Foreign National Indirect Hire	1	1	1	0	0
<u>Active Military Average Strength (A/S) (Total)</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>0</u>	<u>0</u>
Officer	20	20	20	0	0
Enlisted	1	1	1	0	0
<u>Civilian FTEs (Total)</u>	<u>1,496</u>	<u>1,587</u>	<u>1,617</u>	<u>91</u>	<u>30</u>
U.S. Direct Hire	1,495	1,586	1,616	91	30
Total Direct Hire	1,495	1,586	1,616	91	30
Foreign National Indirect Hire	1	1	1	0	0
Average Annual Civilian Salary (\$ in thousands)	160.3	154.0	163.0	-6.3	9.0
<u>Contractor FTEs (Total)</u>	<u>117</u>	<u>102</u>	<u>102</u>	<u>-15</u>	<u>0</u>

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

<u>OP 32 Line</u>	<u>FY 2016</u>	<u>Change</u>		<u>FY 2017</u>	<u>Change</u>		<u>FY 2018</u>
		<u>FY 2016/FY 2017</u>			<u>FY 2017/FY 2018</u>		
	<u>Actual</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
101 Exec, Gen'l & Spec Scheds	237,576	4,478	-224	241,830	4,725	14,716	261,271
111 Disability Compensation	1,175	0	81	1,256	0	73	1,329
121 PCS Benefits	950	0	244	1,194	0	-263	931
199 Total Civ Compensation	239,701	4,478	101	244,280	4,725	14,526	263,531
308 Travel of Persons	6,065	115	-137	6,043	121	-404	5,760
399 Total Travel	6,065	115	-137	6,043	121	-404	5,760
677 DISA Telecomm Svcs - Reimbursable	1,439	27	-255	1,211	24	-91	1,144
699 Total DWCF Purchases	1,439	27	-255	1,211	24	-91	1,144
771 Commercial Transport	389	7	-287	109	2	-8	103
799 Total Transportation	389	7	-287	109	2	-8	103
901 Foreign National Indirect Hire (FNIH)	104	2	13	119	2	-8	113
912 Rental Payments to GSA (SLUC)	21,479	408	-265	21,622	432	-5,164	16,890
913 Purchased Utilities (Non-Fund)	72	1	3	76	2	-6	72
914 Purchased Communications (Non-Fund)	1,937	37	164	2,138	43	-160	2,021
917 Postal Services (U.S.P.S)	19	0	1	20	0	-1	19
920 Supplies & Materials (Non-Fund)	2,080	39	-165	1,954	39	-141	1,852
921 Printing & Reproduction	137	3	-10	130	3	-10	123
922 Equipment Maintenance By Contract	1,769	34	-44	1,759	35	-132	1,662
923 Facilities Sust, Rest, & Mod by Contract	4	0	-1	3	0	0	3
925 Equipment Purchases (Non-Fund)	3,336	63	-458	2,941	59	-264	2,736
932 Mgt Prof Support Svcs	7,578	144	-1,523	6,199	124	215	6,538
933 Studies, Analysis & Eval	343	7	-193	157	3	-12	148
934 Engineering & Tech Svcs	4,245	81	679	5,005	100	-2,724	2,381
957 Other Costs (Land and Structures)	1,561	30	-182	1,409	28	-452	985
960 Other Costs (Interest and DoD OIG OP-5 Exhibit	5	0	-5	0	0	0	0

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<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>	
Dividends)							
985 Research & Development, Contracts	0	0	0	0	0	2,169	2,169
987 Other Intra-Govt Purch	9,059	172	-354	8,877	178	-1,298	7,757
989 Other Services	19,153	364	-18,167	1,350	27	4,839	6,216
990 IT Contract Support Services	0	0	16,633	16,633	333	-2,302	14,664
999 Total Other Purchases	72,881	1,385	-3,874	70,392	1,408	-5,451	66,349
Total	320,475	6,012	-4,452	322,035	6,280	8,572	336,887

* The FY 2016 Actual column includes \$10,262.0 thousand of FY 2016 Overseas Contingency Operations (OCO) Appropriations Funding (PL 114-113).

* The FY 2017 Estimate column excludes \$22,062.0 thousand of FY 2017 OCO Appropriations Funding.

* The FY 2018 Estimate column excludes \$24,157.0 thousand of FY 2018 OCO Appropriations funding.

**Fiscal Year (FY) 2018 President's Budget
Support for International Sporting Competitions
(SISC)**



May 2017

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**Support for International Sporting Competitions
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget**

**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)
Budget Activity (BA) 4: Administration and Service Wide Activities**

	FY 2016 <u>Actual</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2017 <u>Estimate</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2018 <u>Estimate</u>
SISC	5,454	104	-5,558	0	0	0	0

I. Description of Operations Financed:

The Support for International Sporting Competitions (SISC), Defense appropriation is a no-year appropriation that provides for continuing Department of Defense (DoD) support to national and international sporting events that are either certified by the Attorney General or support specific organizations such as the Special Olympics, Paralympics, and the United States Olympic Committee's (USOC's) Paralympic Military Program. Funds are still available from the FY 2003 and FY 2015 DoD Appropriations Acts. The Department is not requesting additional appropriated funds for FY 2018. In FY 2016, the Department provided support to the U.S. Paralympic Team's participation in the 2016 Paralympic Games, the Invictus Games, the U.S. Olympic Track and field Trials, two Special Olympic sporting events, and 17 events sanctioned by the USOC's Paralympic Military Program. In 2017, the Department will likely support the Special Olympics World Winter Games and up to 22 U.S. Paralympic Military Program events and spend about \$1.2 million for these events. The current unallocated balance in the SISC account is approximately \$5.6 million, which is available until expended. These funds are available to fund safety, security and logistical requirements for certain sporting competitions. Under the authority of 10 U.S.C., section 2564, the Department has the authority to assist Federal, State or local agencies in support of civilian sporting events, if the Attorney General certifies that such assistance is necessary to meet essential security and safety needs.

Support for International Sporting Competitions
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget

II. Force Structure Summary:

N/A

Support for International Sporting Competitions
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2018 President's Budget

III. Financial Summary (\$ in thousands)

	FY 2016 <u>Actual</u>	Budget <u>Request</u>	FY 2017			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Congressional Action</u>				
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. <u>BA Subactivities</u>							
Support for International Sporting Competitions	5,454	0	0	0.0	0	0	
Total	5,454	0	0	0.0	0	0	

Support for International Sporting Competitions
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2018 President's Budget

III. Financial Summary (\$ in thousands)

B. <u>Reconciliation Summary</u>	Change	Change
	<u>FY 2017/FY 2017</u>	<u>FY 2017/FY 2018</u>
Baseline Funding		
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Subtotal Appropriated Amount		
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal Baseline Funding		
Supplemental		
Reprogrammings		
Price Changes		
Functional Transfers		
Program Changes		
Current Estimate		
Less: Wartime Supplemental		
Normalized Current Estimate		

**Support for International Sporting Competitions
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget**

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2017 President's Budget Request (Amended, if applicable)		
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
FY 2017 Appropriated Amount		
2. War-Related and Disaster Supplemental Appropriations		
3. Fact-of-Life Changes		
FY 2017 Baseline Funding		
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations and Item 4, Reprogrammings		
FY 2017 Normalized Current Estimate		
6. Price Change		
7. Functional Transfers		
8. Program Increases		
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
9. Program Decreases		
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
FY 2018 Budget Request		

Support for International Sporting Competitions
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget

IV. Performance Criteria and Evaluation Summary:

N/A

Support for International Sporting Competitions
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) 2018 President's Budget

V. Personnel Summary

N/A

Support for International Sporting Competitions
 Operation and Maintenance, Defense-Wide
 Fiscal Year (FY) 2018 President's Budget

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

<u>OP 32 Line</u>	FY 2016	Change		FY 2017	Change		FY 2018		
	<u>Actual</u>	<u>FY 2016/FY 2017</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>FY 2017/FY 2018</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
987 Other Intra-Govt Purch	5,454	104	-5,558	0	0	0	0	0	0
999 Total Other Purchases	5,454	104	-5,558	0	0	0	0	0	0
Total	5,454	104	-5,558	0	0	0	0	0	0

**Office of the Undersecretary of Defense-Comptroller
FY 2018 Overseas Contingency Operations Request
O-1 Line Summary**

**O-1 Line Item Summary
(Dollars in Thousands)**

COMPONENT	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimate
OPERATION AND MAINTENANCE, DEFENSE-WIDE			
The Joint Staff (TJS)	7,451	0	4,841
US Special Operations Command (SOCOM)	2,955,470	3,294,896	3,305,234
BUDGET ACTIVITY 1 TOTAL	2,962,921	3,294,896	3,310,075
Defense Contract Audit Agency (DCAA)	14,076	13,436	9,853
Defense Contract Management Agency (DCMA)	8,445	13,564	21,317
Defense Information Systems Agency (DISA)	44,433	48,999	64,137
Defense Legal Services Agency (DLSA)	106,057	111,986	115,000
Defense Media Activity (DMA)	5,960	13,317	13,255
Defense Security Cooperation Agency (DSCA)	1,483,059	1,412,000	2,312,000
DoD Education Activity (DoDEA)	73,000	67,000	31,000
Office of the Secretary of Defense (OSD)	86,365	31,106	34,715
Washington Headquarters Services (WHS)	1,980	3,137	3,179
Other Programs	1,461,955	2,005,164	1,797,549
BUDGET ACTIVITY 4 TOTAL	3,285,330	3,719,709	4,402,005
APPROPRIATION TOTAL (0100D)	6,248,251	7,014,605	7,712,080
OFFICE OF INSPECTOR GENERAL (0107D)	10,262	22,062	24,157

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**Defense Contract Audit 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 Audit Agency (DCAA) is responsible for providing audit services and financial advice to all Department of Defense (DoD) acquisition officials involved in Operation FREEDOM'S SENTINEL (OFS)/Operation INHERENT RESOLVE (OIR) military operations and reconstruction in Iraq and Afghanistan. DCAA assists these officials in achieving fair and reasonable contract prices and assuring compliance with contractual terms and conditions by 1) responding to requests from acquisition officials for specific services across the entire spectrum of contract financial and business matters, and 2) fulfilling the recurring audit work required to monitor cost performance and approve contract payments. DCAA's workload originates primarily from the effort required to audit and monitor DoD and civilian agency (USAID and State Department) acquisitions of equipment, materials, and/or services. Congressional interest in the costs charged to Iraq and Afghanistan-related contracts, and requests for contract audit support from the Defense Procurement Fraud Unit and U.S. attorneys during the conduct of investigations and prosecution of perpetrators of contract fraud also impact DCAA's workload.

There are few audit matters within DCAA more sensitive and significant than the support provided to the OFS/OIR-related contracts. The Agency has established priorities to ensure audit support in Iraq, Kuwait, Afghanistan, and Qatar and related field offices is timely, comprehensively accomplished and promptly reported to its customers. The DCAA audits of cost-reimbursable contracts represent a continuous effort from evaluation of proposed prices to final closeout and payment. DCAA performs initial audits of contractor business system internal controls and testing of contract costs to provide a basis for provisional approval of contractor interim payments and early detection of deficiencies. DCAA also performs comprehensive contract cost audits throughout the life of the contract; and the contracting activity uses the audits to adjust provisionally approved interim payments and ultimately to negotiate final payment to the contractor. The audit and financial advisory services provided in support of OFS/OIR military

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

I. Description of Operations Financed (cont.)

operations and reconstruction in Iraq and Afghanistan will be subject to the same performance measurement as other DCAA audit activities.

II. Force Structure Summary:

N/A

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

III. Financial Summary (\$ in thousands)

	FY 2017							
	FY 2016	Budget	Congressional Action			Current	FY 2018	
			<u>Actual</u>	<u>Request</u>	<u>Amount</u>			<u>Percent</u>
A. BA Subactivities								
OFS	9,729	5,643	0	0.0	0	5,643	6,799	
1.0 - Personnel Compensation	9,589	5,509	0	0.0	0	5,509	6,660	
2.0 - Personnel Support	140	100	0	0.0	0	100	97	
3.0 - Operating Support	0	34	0	0.0	0	34	42	
OIR	4,347	7,793	0	0.0	0	7,793	3,054	
1.0 - Personnel Compensation	4,219	7,607	0	0.0	0	7,607	2,992	
2.0 - Personnel Support	65	137	0	0.0	0	137	44	
3.0 - Operating Support	63	49	0	0.0	0	49	18	
Total	14,076	13,436	0	0.0	0	13,436	9,853	

	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)	\$9,729	\$5,643	\$6,799
Operation INHERENT RESOLVE (OIR)	\$0	\$7,793	\$3,054
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$4,347	\$0	\$0
Operation Totals	\$14,076	\$13,436	\$9,853

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

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	13,436	13,436
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	13,436	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	13,436	
Baseline Appropriation	13,436	
Reprogrammings		
Price Changes		263
Functional Transfers		
Program Changes		-3,846
Current Estimate	26,872	9,853
Less: Baseline Appropriation	-13,436	
Normalized Current Estimate	13,436	

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

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		13,436
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		13,436
2. Baseline Appropriation		13,436
a. Baseline Appropriation		
1) FY 2017 Defense-Wide Overseas Contingency Operations	13,436	
3. Fact-of-Life Changes		
FY 2017 OCO Funding		26,872
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		26,872
5. Less: Baseline Appropriation		-13,436
FY 2017 Normalized Current Estimate		13,436
6. Price Change		263
7. Functional Transfers		
8. Program Increases		1,050
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) 1.0 - Personnel Compensation OFS	1,043	
Funds are required for personnel performing contract audit work in Afghanistan, Kuwait, Qatar, and in CONUS. Audits occur at many stages of the contracting process, beginning with evaluation of proposed prices and ending with final closeout and payment. Work will		

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

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
<p>continue in CONUS after completion of audit performance until the contracts are closed. The funding is needed to perform these important audits in a timely manner.</p> <p>Changes between years FY 2017 and FY 2018 are predominately the result of an increase in expeditionary workyears and to ensure audit support to OFS related contracts. (FY 2017 Baseline: \$5,509 thousand; +10 FTEs)</p>		
<p>2) 3.0 - Operating Support OFS</p> <p>The DCAA has an agreement with the Department of State for support services that include security, health services, general supplies and telephone. In addition, DCAA maintains leased vehicles. These services are crucial to the successful completion of audits in an unstable environment in Afghanistan and to the general well-being of the personnel assigned there.</p> <p>Changes between years FY 2017 and FY 2018 are the result of increased Department of State support service agreement estimates for Afghanistan. (FY 2017 Baseline: \$34 thousand; +0 FTEs)</p>	7	
<p>9. Program Decreases</p> <p>a. Annualization of FY 2017 Program Decreases</p> <p>b. One-Time FY 2017 Increases</p> <p>c. Program Decreases in FY 2018</p>		-4,896
<p>1) 1.0 - Personnel Compensation OIR</p> <p>Funds are required for personnel performing Iraq/Kuwait contract audit work in CONUS. Audit work</p>	-4,763	

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

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
will continue in CONUS focusing on incurred cost audits and contract close-out. The funding is needed to perform these important audits in a timely manner. Changes between years FY 2017 and FY 2018 are predominately the result of decreased workyears required needed to ensure audit support of contracts. Audit effort has shifted focus to auditing costs incurred by contractors during contract performance and completing the audits required to close contracts. (FY 2017 Baseline: \$7,607 thousand; -45 FTEs)		
2) 2.0 - Personnel Support OIR Personnel are assigned on a temporary duty basis to locations within Kuwait. Funds are required for travel to be responsive to customer's needs and to accomplish the mission. Changes between years FY 2017 and FY 2018 are the result of decreased travel requirements based on reduced estimated staffing levels for Iraq/Kuwait. (FY 2017 Baseline: \$137 thousand; +0 FTEs)	-96	
3) 3.0 - Operating Support OIR The DCAA has an agreement with the Department of State for support services that include security, health services, general supplies and telephone. In addition, DCAA maintains leased vehicles. These services are crucial to the successful completion of audits in an unstable environment in Iraq and Kuwait and to the general well-being of the personnel assigned there.	-32	

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

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
<p>Changes between years FY 2017 and FY 2018 are the result of reduced support service agreement estimates for Iraq/Kuwait. (FY 2017 Baseline: \$49 thousand; +0 FTEs)</p> <p>4) 2.0 - Personnel Support OFS Personnel are assigned on a temporary duty basis to locations within Afghanistan, Kuwait and Qatar. Funds are required for travel to be responsive to customer's needs and to accomplish the mission. Changes between years FY 2017 and FY 2018 are the result of OFS staffing levels remaining constant for Afghanistan. (FY 2017 Baseline: \$100 thousand; +0 FTEs)</p>	-5	
FY 2018 Budget Request		9,853

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

IV. Performance Criteria:

N/A

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

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>103</u>	<u>103</u>	<u>68</u>	<u>0</u>	<u>-35</u>
U.S. Direct Hire	103	103	68	0	-35
Total Direct Hire	103	103	68	0	-35
<u>Civilian FTEs (Total)</u>	<u>103</u>	<u>103</u>	<u>68</u>	<u>0</u>	<u>-35</u>
U.S. Direct Hire	103	103	68	0	-35
Total Direct Hire	103	103	68	0	-35
Average Annual Civilian Salary (\$ in thousands)	134.0	127.3	141.9	-6.7	14.6

Personnel Summary Explanations:

Significant change between FY 2017 and FY 2018 is attributed to reduce staffing in Southwest Asia, along with a reduced need for audit effort in CONUS. DCAA performs audits throughout the life of the contract. The work that will be accomplished includes direct cost testing, and accounting and billing system oversight at high risk OCO contractors with on-going contracts. In addition, DCAA is performing termination audits and incurred cost audits, primarily in CONUS, to allow contracting officers to close completed contracts.

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

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	13,806	260	-950	13,116	256	-3,720	9,652
199 Total Civ Compensation	13,806	260	-950	13,116	256	-3,720	9,652
308 Travel of Persons	205	4	28	237	5	-101	141
399 Total Travel	205	4	28	237	5	-101	141
914 Purchased Communications (Non-Fund)	1	0	0	1	0	0	1
920 Supplies & Materials (Non-Fund)	1	0	4	5	0	0	5
987 Other Intra-Govt Purch	63	1	13	77	2	-25	54
999 Total Other Purchases	65	1	17	83	2	-25	60
Total	14,076	265	-905	13,436	263	-3,846	9,853

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**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.

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 (cont.)

II. Force Structure Summary:

N/A

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

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>Summary by Operation</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</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

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

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	

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

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</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.		

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

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

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

III. Financial Summary (\$ in thousands)

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

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

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		

Defense Contract Management Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
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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

Defense Contract Management Agency
Overseas Contingency Operations
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IV. Performance Criteria:

N/A

Defense Contract Management Agency
Overseas Contingency Operations
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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

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

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

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

I. Description of Operations Financed: The Defense Information Systems Agency (DISA) is the combat support agency that provides, operates, and assures command and control, information sharing capabilities, and a globally accessible enterprise information infrastructure in direct support to joint warfighters, national level leaders, and other mission and coalition partners across the full spectrum of operations.

The DISA's responsibilities include:

(1) Providing effective enterprise services to support contingency and wartime planning with the Joint Staff and the Unified Combatant Commands (UCCs),

(2) Maintaining effective communications for deployed elements in support of Overseas Contingency Operations (OCO) and,

(3) Providing, operating, assuring, and sustaining the enterprise infrastructure and information sharing services, including telecommunications, information systems, and information technology that process unclassified, sensitive and classified data.

Digital Video Broadcast - Return Channel Satellite (DVB-RCS) System: Sustains the DVB-RCS which distributes Unmanned Aerial Vehicle (UAV) imagery to all required operational sites/users.

Standardized Tactical Entry Point (STEP) Program: Sustains the STEP capabilities connecting theater operating locations to the Defense Information Systems Network (DISN).

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

I. Description of Operations Financed (cont.)

Airborne Intelligence, Surveillance & Reconnaissance (AISR) Transport: Improves AISR data transport for operational and tactical users by providing in-theater connectivity to the Department of Defense Information Network (DoDIN).

Field Command/Theater Network Center (TNC) Support: Sustains Network Operations (NetOps) support to United States Central Command (USCENTCOM) by the DISA Central Field Command Theater Network Operations Centers (TNC) to provide situational awareness (SA) required by Component leadership.

Information Assurance: Provides Information Assurance (IA) support to the USCENTCOM forces within the theater of operations.

Combined Enterprise Regional Information Exchange System - Southwest Asia (CENTRIXS-SWA): Supports the CENTRIXS-SWA node connecting non-Southwest Asia (SWA) Area of Responsibility (AOR) users to the CENTRIXS-SWA network allowing information sharing using enterprise services and facilitating collaboration among a large number of U.S., coalition, interagency and international organizations supporting Operation Freedom's Sentinel (OFS) Operation Inherent Resolve (OIR)

II. Force Structure Summary:

N/A

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

III. Financial Summary (\$ in thousands)

	<u>FY 2017</u>							
	<u>FY 2016</u>	<u>Budget</u>	<u>Congressional Action</u>			<u>Current</u>	<u>FY 2018</u>	
			<u>Request</u>	<u>Amount</u>	<u>Percent</u>			<u>Appropriated</u>
A. <u>BA Subactivities</u>	<u>Actual</u>							
OFS	24,532	0	0	0.0	0	25,414	35,116	
DISA Support to USCENTCOM AOR (7 Missions/Systems) Field Office/TNC Support - Personnel	24,272	0	0	0.0	0	25,203	34,766	
Field Office/TNC Support - Personnel	50	0	0	0.0	0	0	0	
Field Office/TNC Support - Personnel Support	210	0	0	0.0	0	211	350	
OIR	19,901	0	0	0.0	0	23,585	29,021	
DISA Support to USCENTCOM AOR (6 Missions/Systems) Field Office/TNC Support - Personnel	19,361	0	0	0.0	0	23,095	28,671	
Field Office/TNC Support - Personnel	50	0	0	0.0	0	0	0	
Field Office/TNC Support - Personnel Support	490	0	0	0.0	0	490	350	
Total	44,433	0	0	0.0	0	48,999	64,137	

<u>Summary by Operation</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Operation FREEDOM'S SENTINEL (OFS)	\$24,532	\$25,414	\$35,116
Operation INHERENT RESOLVE (OIR)	\$19,901	\$23,585	\$29,021
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0

Defense Information Systems Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>Summary by Operation</u>	FY 2016 <u>Actual</u>	FY 2017 <u>Estimate</u>	FY 2018 <u>Estimate</u>	
Operation Totals	\$44,433	\$48,999		\$64,137

Defense Information Systems Agency
Overseas Contingency Operations
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Budget Activity 04: Administrative and Service-Wide Activities

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		48,999
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount		
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding		
Baseline Appropriation		
Reprogrammings		
Price Changes		980
Functional Transfers		
Program Changes		15,138
Current Estimate		16,118
Less: Baseline Appropriation		
Normalized Current Estimate		

Defense Information Systems Agency
Overseas Contingency Operations
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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		48,999
6. Price Change		980
7. Functional Transfers		
8. Program Increases		15,278
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) OFS DISA Support to USCENTCOM AOR (7 Missions/Systems)	9,563	
DISA's support to the USCENTCOM theater of operations sustains the DVB-RCS system disseminating tactical UAV imagery to command centers and deployed warfighters, sustains the STEP sites connecting tactical deployed users to the DISN, and enhances AISR data transport services by establishing and		

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

III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases

Amount

Total

sustaining in-theater capability to connect to the DoDIN at two distinct and lasting sites. Additionally, DISA supports enterprise information sharing capabilities with U.S. coalition partners through CENTRIXS-SWA and Cross Domain Enterprise, which are critical components of USCENTCOM'S ability to communicate with its mission partners. Furthermore, DISA provides Information Assurance and Field Command TNC contractor support. Lastly, DISA's support sustains the Theater Enterprise Computing Center (TECC) - Central Region in Bahrain.

An increase of \$9,563 thousand is attributed to the following:

1) DISN EA (Equipment Maintenance by Contract) (\$+7,601 thousand):

- Increase provides additional contractor support to enhance AISR data transport service capability and to maintain and install downrange systems. Additionally, contractor support will enhance the NETOPS capability by providing visibility, tracking and control of AISR transport supporting the full-scope of CENTCOM AISR missions. Increase funding also establishes a Partner-Foreign Disclosure Office (FDO) Portal capability for classified Full Motion Video (FMV), which will enable

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

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
rapid release of selected AISR FMV feeds to USCENTCOM-designated coalition Partners.		
2) <u>Field Commands (\$+1,146 thousand):</u>		
• Equipment Maintenance by Contract (\$+1,356 thousand): Increase provides technical contractor support to the DISN Video Services (DVS) and assistance in joint planning/execution in support of USSOCOM OFS operations. Increase also provides the sustainment of TECC-CR in Bahrain.		
• Other Services (\$-210 thousand): The reduction reflects reduced DECC hosting fees		
3) <u>ISSP/PKI/IA (\$+55 thousand):</u>		
• Equipment Maintenance (\$+1,355 thousand): The increase is due to inflation cost built into the contract providing information assurance.		
• Other Intra-Government Purchases (\$-1,300 thousand): The reduction is due to a decrease in the Cross Domain Enterprise Solution hosting fees.		
4) <u>MNIS (Equipment Maintenance by Contract) (\$-48 thousand):</u>		
• The reduction reflects reduced DECC hosting fees for the MNIS CENTRIXS SWA program.		
5) <u>DSO (Equipment Maintenance by Contract) (\$+50 thousand):</u>		

Defense Information Systems Agency
Overseas Contingency Operations
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Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases

Amount

Total

- The increase provides additional spectrum management services and training support to US and Coalition forces, to include spectrum XXI server capabilities.

6) NetOps (Equipment Maintenance by Contract) (\$+49 thousand):

- The overall contract cost increased by +\$18 thousand in increased travel costs and in the anticipated change in SATCOM analysis from the OIR to OFS missions.

7) STEP (Equipment Maintenance by Contract) (\$+710 thousand):

- Requirements to provide extended coverage for previously fielded IP equipment (modems and routers) coming off of warranty cause this increase.

2) OIR DISA Support to USCENTCOM AOR (6 Missions/Systems)

5,576

DISA's support to the USCENTCOM theater of operations sustains the DVB-RCS system disseminating tactical UAV imagery to command centers and deployed warfighters, sustains the STEP sites connecting tactical deployed users to the DISN, and enhances AISR data transport services by establishing and sustaining in-theater capability to connect to the DoDIN at two distinct and lasting sites. DISA

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

III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases

Amount

Total

provides Information Assurance and Field Command TNC contractors supporting USCENTCOM theater of operations. Lastly, DISA's support sustains the Theater Enterprise Computing Center- Regional Center in Bahrain.

An increase of \$5,576 thousand in requirements is attributed to the following:

1) DISN EA (Equipment Maintenance by Contract)
(\$+4,353 thousand):

- Increase provides additional contractor support to enhance AISR data transport service capability and to maintain and install downrange systems. Additionally, contractor support will enhance the NETOPS capability by providing visibility, tracking and control of AISR transport supporting the full-scope of CENTCOM AISR missions. Increase funding also establishes a Partner-Foreign Disclosure Office (FDO) Portal capability for classified Full Motion Video (FMV), which will enable rapid release of selected AISR FMV feeds to USCENTCOM-designated coalition Partners.

2) Field Commands (\$+500 thousand):

- Equipment Maintenance by Contract (\$+990 thousand)
Increase provides technical contract support to provide

**Defense Information Systems Agency
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Budget Activity 04: Administrative and Service-Wide Activities**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
DISN Video Services (DVS) and assistance in joint planning/execution in support of USSOCOM OFS operations. Increase also provides the sustainment the TECC-CR in Bahrain.		
• Other Services (\$-490 thousand): The reduction reflects reduced DECC hosting fees		
3) <u>DSO (Equipment Maintenance by Contract) (\$+50 thousand):</u>		
• The increase of \$50 thousand provides additional spectrum management services and training support to US and Coalition forces, to include spectrum XXI server capabilities.		
4) <u>ISSP/PKI/IA (Other Intra-Governmental Purchases) (\$-6 thousand):</u>		
• Reduced Cross Domain Enterprise Solution hosting fees resulted in this decrease.		
5) <u>NetOps (Equipment Maintenance by Contract) (\$-31 thousand):</u>		
• Decrease due to the projected workload reduction in SATCOM analysis contractor support from OIR to OFS missions.		
6) <u>STEP (Equipment Maintenance by Contract) (\$+710 thousand):</u>		

Defense Information Systems Agency
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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
<ul style="list-style-type: none"> • Increase due to requirements to provide extended coverage for previously fielded IP equipment (modems and routers) coming off of warranty. 		
3) OFS Field Office/TNC Support - Personnel Support Funds critical temporary duty (TDY) for DISA personnel providing direct support to USCENTCOM's OFS missions. These personnel perform in-theater operational and technical tasks that provide combat support to current operations.	139	
<u>Fields Commands (Travel) (\$+139 thousand):</u> DISA has realigned \$140 thousand from OIR to OFS for FY18 travel requirements due to a projected increase in Civilian Expeditionary Workforce (CEW) personnel deployments to Afghanistan in FY18.		
9. Program Decreases		-140
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) OIR Field Office/TNC Support - Personnel Support Funds critical temporary duty (TDY) for DISA personnel providing direct support to USCENTCOM's OIR missions. These personnel perform in-theater operational and technical tasks that provide combat support to current operations.	-140	
<u>Fields Commands (Travel) (\$-140 thousand):</u> DISA has		

Defense Information Systems Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
realigned \$140 thousand from OIR to OFS for FY18 travel requirements due to a projected increase in Civilian Expeditionary Workforce (CEW) personnel deployments to Afghanistan in FY18.		
FY 2018 Budget Request		65,117

Defense Information Systems Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
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IV. Performance Criteria:

N/A

Defense Information Systems Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
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V. Personnel Summary

Defense Information Systems Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
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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	58	1	-59	0	0	0	0
121 PCS Benefits	4	0	-4	0	0	0	0
199 Total Civ Compensation	62	1	-63	0	0	0	0
308 Travel of Persons	375	7	319	701	14	-15	700
399 Total Travel	375	7	319	701	14	-15	700
771 Commercial Transport	56	1	-57	0	0	0	0
799 Total Transportation	56	1	-57	0	0	0	0
912 Rental Payments to GSA (SLUC)	22	0	-22	0	0	0	0
920 Supplies & Materials (Non-Fund)	1,667	32	-1,699	0	0	0	0
922 Equipment Maintenance By Contract	40,450	769	3,518	44,737	895	16,250	61,882
925 Equipment Purchases (Non-Fund)	476	9	-485	0	0	0	0
987 Other Intra-Govt Purch	1,325	25	1,511	2,861	57	-1,363	1,555
993 Other Services - Scholarships	0	0	700	700	14	-714	0
999 Total Other Purchases	43,940	835	3,523	48,298	966	14,173	63,437
Total	44,433	844	3,722	48,999	980	14,158	64,137

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

I. Description of Operations Financed:

The Defense Legal Service Agency (DLSA) maintains two separate efforts involving detainees at Guantanamo Bay, Cuba (GTMO): The Office of Military Commissions (OMC) to handle the trials of enemy combatants, and Habeas Corpus (HC) to handle detainee challenges to lawfulness of detention.

The Office of Military Commissions (OMC) was established by the Secretary of Defense on March 21, 2002, under the Defense Legal Service Agency (DLSA) to handle the trials of enemy combatants who violate the laws of war. The commission is comprised of both military and civilian personnel, who work in four sections: 1) the appointing authority which is similar to a convening authority, that includes the Office of the Legal Advisor; 2) the prosecution office; 3) the defense office; and 4) the Review Panel that includes judges who consider appeals. The Military Commissions Act (MCA) was enacted in response to the Supreme Court requirement for legislation to continue the OMC process. Several major terrorists have been transferred to GTMO whose trials began under the MCA statutory framework in FY 2009. Tribunals are progressing, including the USS Cole bombing case and the 9/11 cases. Funding requirements are expected to continue unabated. The OMC incurs normal government activity operating expenses, including salaries and benefits, travel, rental of office space and equipment, communications, and the cost of supplies and equipment. Continued supplemental funding is essential for OMC to accomplish its mission.

The Habeas Corpus Group (HC) is separate and distinct from the tribunal process. In this process, DoD is engaged in Federal litigation regarding detainee challenges to the

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

I. Description of Operations Financed (cont.)

lawfulness of detention (Habeas Corpus cases) in the Federal District Courts in Washington, DC. Even with recent releases, 61 detainees have unfettered access to the court and more than a majority with pending litigation. This litigation resulted from the Boumediene Supreme Court decision, which affirmed the rights of the detainees to have these cases heard. The District Courts have established a rigorous trial schedule which requires two types of funding. First, the litigation effort requires maintaining a staff of attorneys, paralegals, and administrative/support personnel. These personnel operate in rental space in the National Capital Region (NCR) which has stringent security requirements. Ancillary requirements for these DLSA temporary employees include information technology (IT) support; courier, security and translation services; office equipment, and rental expenses. Second, the Federal District Court ordered that habeas petitioners counsel have space and facilities set aside for their use which includes 24/7 security guards, equipment, IT support, rental expenses, and translation services. Given that most of the information involved in these cases is classified, additional funding is needed for contracts, rental expenses, translation expenses, and security expenses as well as temporary duty travel expenses to allow the Intelligence Community to fulfill requirements to declassify vast volumes of documents and information so that it can be presented in court settings.

Operating support funding for OMC & HC includes supplies, rent, furniture, design and construction cost, training, contract support, reimbursement to the U.S. Marshals Service, Information Technology (IT) support, telecommunications, and security. In addition funding also provides support for an interpretation and translation contract and provides for translation and declassification of documents relating to habeas cases.

Civilian Pay and Allowance funding is used to support 205 military personnel and 130

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

I. Description of Operations Financed (cont.)

temporary full-time civilians of the Office of Military Commissions (OMC). The majority of personnel work in four sections: (1) the appointing authority, which includes the Office of the Legal Advisor, (2) the prosecution office, (3) the defense office, and (4) the Review Panel. Additionally, funding supports the Habeas Corpus effort that includes 79 temporary full time civilians. Funding also supports OMC operations at GTMO operations. These funds cover temporary duty (TDY) costs for the OMC personnel to meet with their detainee clients, to participate in commission hearings and the travel between GTMO and a satellite office. In addition, funding supports HC personnel TDY costs that travel to the same location as OMC personnel.

II. Force Structure Summary:

N/A

Defense Legal Services Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

	FY 2017							FY 2018 <u>Estimate</u>
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>		
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>			
A. <u>BA Subactivities</u>								
DLSA	106,057	111,986	0	0.0	0	111,986	115,000	
Total	106,057	111,986	0	0.0	0	111,986	115,000	
		FY 2016		FY 2017		FY 2018		
<u>Summary by Operation</u>		<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		
Operation FREEDOM'S SENTINEL (OFS)		\$106,057		\$111,986		\$115,000		
Operation INHERENT RESOLVE (OIR)		\$0		\$0		\$0		
European Reassurance Initiative (ERI)		\$0		\$0		\$0		
Post-Operation New Dawn (P-OND)		\$0		\$0		\$0		
Operation Totals		\$106,057		\$111,986		\$115,000		

Defense Legal Services Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

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	111,986	111,986
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	111,986	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	111,986	
Baseline Appropriation		
Reprogrammings		
Price Changes		1,531
Functional Transfers		
Program Changes		1,483
Current Estimate	111,986	115,000
Less: Baseline Appropriation		
Normalized Current Estimate	111,986	

Defense Legal Services Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		111,986
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		111,986
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		111,986
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		111,986
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		111,986
6. Price Change		1,531
7. Functional Transfers		
8. Program Increases		3,974
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Operating Support	2,670	
As Military Commission trials progress, the amount of evidence introduced by the prosecution and defense teams have increased and thus resources necessary for each side to adequately operate is increasing. The Military Commissions made organizational changes to increase efficiency and capabilities while reducing contract support, that resulted in an increased need		

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

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
for civilian pay. In addition, as the trials, held at Joint Task Force-Guantanamo Bay, progress, travel frequency and duration is anticipated to increase. (FY 2017 Baseline: \$90,361 thousand; +0 FTEs)		
2) Civilian Pay and Allowances The Military Commissions Convening Authority approved a request from the Chief, Military Commissions Defense, to increase attorney, paralegal, investigator, and administrator support due to workload increases related to progression in the trial process. A portion of the increase will be offset by savings from contracts that will not be renewed. (FY 2017 Baseline: \$17,931 thousand; +0 FTEs)	1,304	
9. Program Decreases		-2,491
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Personnel Support The decrease is attributable to reductions in contract support requirements. Savings were realigned to civilian compensation and benefits to support the approved request from the Military Commissions for more attorneys, paralegals, investigators, and administrators. (FY 2017 Baseline: \$3,694 thousand; +0 FTEs)	-2,491	
FY 2018 Budget Request		115,000

Defense Legal Services Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

IV. Performance Criteria:

N/A

Defense Legal Services Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

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>	149	149	149	0	0
U.S. Direct Hire	149	149	149	0	0
Total Direct Hire	149	149	149	0	0
<u>Civilian FTEs (Total)</u>	149	149	149	0	0
U.S. Direct Hire	149	149	149	0	0
Total Direct Hire	149	149	149	0	0
Average Annual Civilian Salary (\$ in thousands)	106.7	120.3	129.1	13.6	8.8

Personnel Summary Explanations:

The FY 2018 Civilian End Strength and Civilian FTEs reflect OCO requirements for the Management & Professional Support Services.

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

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

<u>OP 32 Line</u>	<u>FY 2016</u> <u>Actual</u>	<u>Change</u> <u>FY 2016/FY 2017</u>		<u>FY 2017</u> <u>Estimate</u>	<u>Change</u> <u>FY 2017/FY 2018</u>		<u>FY 2018</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	15,895	300	1,736	17,931	350	954	19,235
199 Total Civ Compensation	15,895	300	1,736	17,931	350	954	19,235
308 Travel of Persons	2,060	39	1,595	3,694	74	-1,034	2,734
399 Total Travel	2,060	39	1,595	3,694	74	-1,034	2,734
680 Building Maint Fund Purch	0	0	8,356	8,356	-345	-8,011	0
699 Total DWCF Purchases	0	0	8,356	8,356	-345	-8,011	0
771 Commercial Transport	0	0	1	1	0	-1	0
799 Total Transportation	0	0	1	1	0	-1	0
912 Rental Payments to GSA (SLUC)	132	3	-135	0	0	143	143
913 Purchased Utilities (Non-Fund)	104	2	210	316	6	-209	113
914 Purchased Communications (Non-Fund)	648	12	614	1,274	25	-596	703
915 Rents (Non-GSA)	10,131	192	-9,559	764	15	10,206	10,985
917 Postal Services (U.S.P.S)	0	0	60	60	1	-61	0
920 Supplies & Materials (Non-Fund)	743	14	362	1,119	22	-335	806
921 Printing & Reproduction	0	0	2	2	0	-2	0
922 Equipment Maintenance By Contract	4,103	78	23,638	27,819	556	-23,926	4,449
923 Facilities Sust, Rest, & Mod by Contract	2,452	47	10,151	12,650	253	-10,245	2,658
925 Equipment Purchases (Non-Fund)	0	0	31	31	1	-32	0
932 Mgt Prof Support Svcs	44,780	851	-36,939	8,692	174	37,190	46,056
933 Studies, Analysis & Eval	0	0	2,574	2,574	51	-2,625	0
934 Engineering & Tech Svcs	6,579	125	-6,475	229	5	6,899	7,133
951 Other Costs (Special Personal Svc Pay)	9,555	0	-282	9,273	0	1,088	10,361
957 Other Costs (Land and Structures)	0	0	2,272	2,272	45	-2,317	0
959 Other Costs (Insurance Claims/Indmnties)	20	0	642	662	13	-653	22
987 Other Intra-Govt Purch	1,672	32	-1,194	510	10	1,293	1,813

Defense Legal Services Agency
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

	FY 2016	Change		FY 2017	Change		FY 2018
		<u>FY 2016/FY 2017</u>			<u>FY 2017/FY 2018</u>		
<u>OP 32 Line</u>	<u>Actual</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
989 Other Services	5,930	113	7,714	13,757	275	-7,602	6,430
990 IT Contract Support Services	1,253	24	-1,277	0	0	1,359	1,359
999 Total Other Purchases	88,102	1,493	-7,591	82,004	1,452	9,575	93,031
Total	106,057	1,832	4,097	111,986	1,531	1,483	115,000

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Defense Media Activity
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

I. Description of Operations Financed: Funding will provide commanders and troops with the tools to improve their situational awareness and enhance force protection initiatives. In addition, it will increase internal/command information distribution, as well as support the "touch of home" news, sports and entertainment efforts that will help boost morale and enhance the quality of life for all personnel deployed.

II. Force Structure Summary:

N/A

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

III. Financial Summary (\$ in thousands)

	<u>FY 2017</u>						
	<u>FY 2016</u>	<u>Budget</u>	<u>Congressional Action</u>			<u>Current</u>	<u>FY 2018</u>
			<u>Request</u>	<u>Amount</u>	<u>Percent</u>		
A. BA Subactivities							
ERI	0	0	0	0.0	0	0	369
AMERICAN FORCES RADIO & TELEVISION SERVICE (AFRTS)	0	0	0	0.0	0	0	15
STARS AND STRIPES PRODUCTS	0	0	0	0.0	0	0	354
OFS	5,960	0	0	0.0	0	13,317	9,257
A. AMERICAN FORCES RADIO & TELEVISION SERVICE (AFRTS)	110	0	0	0.0	0	4,235	5,090
B. STARS AND STRIPES PRODUCTS	5,750	0	0	0.0	0	8,000	4,017
DMA Support Services	100	0	0	0.0	0	150	150
MEDIA AND VISUAL INFORMATION	0	0	0	0.0	0	932	0
OIR	0	0	0	0.0	0	0	3,629
STARS AND STRIPES PRODUCTS	0	0	0	0.0	0	0	3,629
Total	5,960	0	0	0.0	0	13,317	13,255

<u>Summary by Operation</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Operation FREEDOM'S SENTINEL (OFS)	\$5,960	\$13,317	\$9,257
Operation INHERENT RESOLVE (OIR)	\$0	\$0	\$3,629
European Reassurance Initiative (ERI)	\$0	\$0	\$369
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0

Defense Media Activity
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>Summary by Operation</u>	FY 2016 <u>Actual</u>	FY 2017 <u>Estimate</u>	FY 2018 <u>Estimate</u>
Operation Totals	\$5,960	\$13,317	\$13,255

Defense Media Activity
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

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		13,317
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount		
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding		
Baseline Appropriation		
Reprogrammings		
Price Changes		267
Functional Transfers		
Program Changes		-62
Current Estimate		205
Less: Baseline Appropriation		
Normalized Current Estimate		

Defense Media Activity
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		13,317
6. Price Change		267
7. Functional Transfers		
8. Program Increases		4,853
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) OIR - STARS AND STRIPES PRODUCTS	3,629	
Stars and Stripes produce and distribute daily the Stars and Stripes newspapers and perform news gathering in support of Operation Inherent Resolve.		
2) A. AMERICAN FORCES RADIO & TELEVISION SERVICE (AFRTS)	855	
Supports replacement of equipment that is worn or damaged from use, electrical surges and outages from the harsh operating environments when compared to		

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

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
traditional, environmentally controlled installations and TDY for technical assistance visits. Satellite services are required to deliver signals to several locations that are not equipped with terrestrial transoceanic fiber optics.		
3) ERI - STARS AND STRIPES PRODUCTS Stars and Stripes produce and distribute daily the Stars and Stripes newspapers and perform news gathering in support of anticipated growth of forces supporting the European Reassurance Initiative.	354	
4) AMERICAN FORCES RADIO & TELEVISION SERVICE (AFRTS) Satellite Receive Systems	15	
9. Program Decreases		-4,915
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) B. STARS AND STRIPES PRODUCTS Stars and Stripes produce and distribute daily the Stars and Stripes newspapers and perform news gathering in support of Operation Freedom's Sentinel and other contingency operations. These activities take place in locations such as Kuwait, Afghanistan, Qatar, Djibouti, GITMO, United Arab Emirates and Saudi Arabia.	-3,983	
2) MEDIA AND VISUAL INFORMATION Defense Video and Imagery Distribution system (DVIDS), a program that supports the Army and nation through public affairs will transfer from Army to DMA. Supports full time satellite capacity that	-932	

Defense Media Activity
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
allows the Military services to upload feeds that are regularly utilized by the media.		
FY 2018 Budget Request		13,522

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

IV. Performance Criteria:

N/A

Defense Media Activity
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

V. Personnel Summary

Defense Media Activity
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

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

<u>OP 32 Line</u>	FY 2016	Change		FY 2017	Change		FY 2018
	<u>Actual</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>	<u>Price</u>	<u>Program</u>	<u>Estimate</u>
771 Commercial Transport	100	2	48	150	3	-3	150
799 Total Transportation	100	2	48	150	3	-3	150
914 Purchased Communications (Non-Fund)	0	0	0	0	0	4,515	4,515
920 Supplies & Materials (Non-Fund)	0	0	0	0	0	80	80
922 Equipment Maintenance By Contract	0	0	0	0	0	110	110
925 Equipment Purchases (Non-Fund)	110	2	123	235	5	160	400
987 Other Intra-Govt Purch	0	0	8,000	8,000	160	-160	8,000
989 Other Services	5,750	109	-927	4,932	99	-5,031	0
999 Total Other Purchases	5,860	111	7,196	13,167	264	-326	13,105
Total	5,960	113	7,244	13,317	267	-329	13,255

**DoD Dependents Education
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed: Funds Quality of Life (QOL) issues supporting the Overseas Contingency Operations: OPERATION FREEDOM'S SENTINEL (OFS)

Guard, Reserve and Active Duty Service Members and Family Support: This request provides funding to the Guard and Reserve, to include support of Yellow Ribbon events, to help service and family members meet the demands of the military lifestyle throughout the entire deployment cycle. Many families will be transitioning out of the military and continuing to work on reintegration which will increase the demand for non-medical and financial counseling and other military member and family support programs.

Emergency Child Care Support: This request will continue emergency and respite child care services for Service members (Active, Guard and Reserve) to enable families to manage lengthy separations and, in some cases, extensions to deployments.

Morale, Welfare and Recreation (MWR): This requirement helps to increase morale of Service members in Theater by providing invaluable resources to deployed units. MWR reset in-Theater includes fitness equipment, recreation and fitness kits, portable suspension trainers, aerobic and strength training fitness equipment, as well as funding for critically needed improvements to our fitness center infrastructure. Funding supports operation and bandwidth for Internet Cafes, as well as mobile internet technology (internet-in-a-box), computers/computer stations, and portable Morale Satellite Units. Additionally, recreational needs for deployed troops will be provided, such as entertainment, theaters-in-a-box, library kits, up-to-date books and magazines, online library products and the monthly distribution of library products to deployed units and remote sites.

II. Force Structure Summary:

DoD Dependents Education
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

II. Force Structure Summary (cont.)

N/A

DoD Dependents Education
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

A. BA Subactivities	FY 2016 <u>Actual</u>	Budget <u>Request</u>	FY 2017			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Congressional Action</u>				
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
OFS	73,000	0	0	0.0	0	67,000	31,000
A. National Guard, Reserve, and Service Member and Family Support	25,000	0	0	0.0	0	22,000	0
B. Emergency Child Care Support	20,000	0	0	0.0	0	17,000	17,000
C. Morale, Welfare and Recreation	28,000	0	0	0.0	0	28,000	14,000
Total	73,000	0	0	0.0	0	67,000	31,000

<u>Summary by Operation</u>	<u>FY 2016 Actual</u>	<u>FY 2017 Estimate</u>	<u>FY 2018 Estimate</u>
Operation FREEDOM'S SENTINEL (OFS)	\$73,000	\$67,000	\$31,000
Operation INHERENT RESOLVE (OIR)	\$0	\$0	\$0
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$73,000	\$67,000	\$31,000

DoD Dependents Education
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

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		67,000
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount		
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding		
Baseline Appropriation		
Reprogrammings		
Price Changes		1,340
Functional Transfers		
Program Changes		-37,340
Current Estimate		31,000
Less: Baseline Appropriation		
Normalized Current Estimate		

DoD Dependents Education
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		
2. Baseline Appropriation		
a. Baseline Appropriation		
1) Emergency Child Care Support		
2) Morale, Welfare and Recreation (MWR)		
3) National Guard, Reserve, and Service Member Family Support		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		67,000
6. Price Change		1,340
7. Functional Transfers		
8. Program Increases		
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
9. Program Decreases		-37,340
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		

DoD Dependents Education
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
c. Program Decreases in FY 2018		
1) A. National Guard, Reserve, and Service Member and Family Support	-23,340	
No funding is requested or required for FY18 (FY 2017 Baseline: \$22,000 thousand)		
2) C. Morale, Welfare and Recreation (MWR)	-14,000	
The decrease of \$14.0 million is attributable to revised requirements estimates and contract cost reductions.		
(FY 2017 Baseline: \$28,000 thousand)		
FY 2018 Budget Request		31,000

DoD Dependents Education
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

IV. Performance Criteria:

N/A

DoD Dependents Education
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

V. Personnel Summary

DoD Dependents Education
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

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>	
987 Other Intra-Govt Purch	73,000	1,387	-7,387	67,000	1,340	-37,340	31,000
999 Total Other Purchases	73,000	1,387	-7,387	67,000	1,340	-37,340	31,000
Total	73,000	1,387	-7,387	67,000	1,340	-37,340	31,000

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

I. Description of Operations Financed:

Coalition Support Funds (CSF): CSF reimburses key cooperating nations for support to U.S. military operations and procurement and provision of specialized training, supplies, and specialized equipment for loan to coalition forces supporting Operation FREEDOM'S SENTINEL (OFS).

CSF will finance specialized training, supplies, and equipment for coalition and friendly foreign forces willing to join the missions in Iraq and Afghanistan, thus producing a safer, more effective force. A subset of the CSF authority, the Coalition Readiness Support Program (CRSP), enables the Department to achieve cost savings and ensure protection of both U.S. and foreign forces by having a store of equipment, such as radios, counter-Improvised Explosive Devices (IEDs) equipment, and night vision devices, which can be rotated to friendly foreign forces. U.S. Forces-Afghanistan (USFOR-A), using Title 10 authority, manages the storage and handling of CRSP equipment.

The Department's request of \$1.0 billion will enable partner nations to deploy forces in support of U.S. military operations. The deployed forces serve as force multipliers and reduce requirements for U.S. Armed Forces.

The Department intends to continue to reimburse the Government of Pakistan in FY 2018 for military operations it undertakes on its border with Afghanistan, which supports U.S. operations. Pakistan has served as a key ally in Operation ENDURING FREEDOM (OEF) since 2001 and will continue to play a key role in maintaining stability in the region, enabling the success of Operation FREEDOM'S SENTINEL (OFS). Pakistan's security forces regularly engage enemy forces, arrest and kill Taliban and al-Qaeda forces, and provide significant support to U.S. forces operating in Afghanistan. Pakistan continues to meet the enemy insurgency and has made enormous sacrifices in support of these operations.

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

I. Description of Operations Financed (cont.)

The expenses Pakistan incurs to conduct operations against al-Qaeda and Taliban forces include providing logistical support for its forces, manning observation posts along the Afghanistan border, and conducting maritime interdiction operations and combat air patrols.

The Department also anticipates continued reimbursements to other key coalition partners such as Croatia, Georgia, Hungary, Jordan, Poland, and Romania for their participation in OFS and in Operation INHERENT RESOLVE (OIR).

Lift and Sustain: The Department requests \$300 million for FY 2018 Lift and Sustain. The Department's request will provide funds to transport eligible foreign forces from approximately 25 countries supporting OFS and OIR and provide sustainment and subsistence while they serve with U.S. Forces in those operations. Without these funds, coalition and friendly foreign countries that lack the financial means to transport their forces to and from the theaters of operation or to sustain their forces for extended deployments would not be able to participate; thus, requiring an increase in U.S. Forces. U.S. support enables these forces to remain in theater to contribute to contingency operations.

Ministry of Defense Advisors (MoDA) Program: The MoDA Program deploys senior DoD civilian experts to Afghanistan as advisors with foreign counterparts to build defense institutions and enhance ministerial capabilities in key areas such as personnel and readiness, acquisition and logistics, strategy and policy, and financial management. As DoD security cooperation efforts help develop Afghan personnel and units, the institutions required to manage and support them must be developed as well. MoDA is designed to forge long-term relationships that strengthen the Afghan defense ministry,

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I. Description of Operations Financed (cont.)

while also strengthening the DoD civilian workforce.

The MoDA Program has successfully recruited, trained, and deployed civilian advisors in support of ISAF Headquarters, which absorbed the ministerial development mission from NATO Training Mission - Afghanistan (NTM-A) and Combined Security Transition Command - Afghanistan (CSTC-A). This request includes \$12 million for these efforts in FY 2018.

Key indicators of achievement include: increased Afghan ministerial capacity to direct and manage defense resources professionally, effectively and efficiently without external support; and advisor effectiveness in improving ministerial capacity to enhance U.S. national security.

Security Cooperation: The FY 2018 Overseas Contingency Operations (OCO) request includes \$850 million for security cooperation to build on existing tools and authorities to enhance the United States' ability to support partner nations in counterterrorism (CT), crisis response and other transnational threats, as well as operations that support U.S. interests.

Security Cooperation (SC) funds provide the ability to enable partner nations to deter and defeat existing and evolving terrorist and other transnational threats. In previous years, this funding was requested as the Counterterrorism Partnership Fund (CTPF). In accordance with changes in the FY 2017 National Defense Authorization Act, the Department has renamed this request, extended its geographic reach, and expanded its mission set. Previously, this funding was limited to the U.S. Central Command (USCENTCOM), the U.S. Africa Command (USAFRICOM) areas of responsibility, and other areas as determined by the Secretary of Defense consistent with statute. In anticipation of foreign fighters

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I. Description of Operations Financed (cont.)

returning to other regions, the Department has expanded the scope to include the U.S. European Command (USEUCOM) and the U.S. Pacific Command (USPACOM) areas of responsibility. This funding will be available to the Department, as planned by the Geographic Combatant Commands (GCC), for security cooperation activities that provide support and assistance for foreign security forces to build capacity for missions beyond conducting, supporting or facilitating counterterrorism and crisis response activities, to include counter-terrorism; counter-weapons of mass destruction; counter-illicit drug trafficking; counter-transnational organized crime; maritime and border security; military intelligence; and other coalition operations in the national interest of the United States. The Department remains committed to the counterterrorism and crisis response security cooperation missions, and intends to remain largely focused on these missions and the core USCENTCOM and USAFRICOM regions, as reflected in the summary table and narratives below.

FOCUS AREAS

The preliminary allocation of funds is outlined below by region. The mix of initiatives and amounts may change as adversaries act and the Department prioritizes initiatives that best enhance partner nations' capabilities to respond.

U.S. AFRICA COMMAND

The DoD proposes allocating SC funds in the USAFRICOM region to counter regionally-based terrorist groups and to promote stability in the region. Funds will be used to assist countries in: (1) U.S.-partner interoperability and collaboration; (2) securing their respective borders; (3) denying access to Violent Extremist Organizations (VEOs); (4) conducting effective counter-incursion operations to disrupt VEOs; and (5) enabling

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I. Description of Operations Financed (cont.)

African partners to interdict illicit trafficking in arms, drugs, money, weapons of mass destruction (WMDs), natural resources, and people that enable VEOs to grow and threaten U.S. and partner nations' interests.

In addition to providing partners with operational training, equipment, and services, funds will support the development of partners' institutional capacity to absorb and apply new capabilities in their security forces. The funded activities will also support partners' institutional capacity to sustain critical capabilities.

U.S. CENTRAL COMMAND

The DoD proposes allocating SC funds throughout the USCENTCOM area of responsibility (AOR) to defeat ISIS, al-Qaeda, the Taliban, and other regionally-based terrorist groups. Funding will support CT partners in a region where civil war in Syria, ISIS' control of territory in Syria and Iraq, and other regional pressures challenge the security interests of the U.S., its allies, and partners. Funds will also build the capacity of partners in the USCENTCOM AOR to combat VEOs. The governments of Afghanistan and Iraq, the Syrian Arab Coalition, and the vetted Syrian opposition are key partners in achieving this objective, but efforts to build their capacity are planned and funded through the Afghan Security Forces Fund and the Counter-ISIS Train and Equip Fund, and associated authorities. Funds will also build the capacity of partners to prevent and disrupt development, proliferation, and use of WMD.

In addition to providing operational training and equipment, the SC will support development of partners' institutional capacity to absorb and apply new capabilities into security forces. The SC-funded activities will also support partner nations' institutional capacity to sustain critical capabilities. In many cases, the SC will fund

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I. Description of Operations Financed (cont.)

U.S. engagements with partners to enhance U.S. understanding of partner capability gaps and increase interoperability and collaboration.

U.S. EUROPEAN COMMAND

The DoD proposes allocating SC funds throughout the USEUCOM AOR to defeat ISIS, AQ and affiliates and foreign terrorist fighter flow threats in order to secure NATO's southern flank. It will also fund the capacity building of partners to counter emerging security challenges, WMD proliferation, transnational organized crime, and the potential threat stemming from VEO migration across the Mediterranean Sea.

In addition to providing operational training and equipment, the SC will support development of partners' institutional capacity to absorb and apply new capabilities. The SC-funded activities will also support partners' institutional capacity to sustain critical capabilities. The SC will fund U.S. engagements with partners to enhance U.S. understanding of partners' capability gaps and to increase interoperability and collaboration.

U.S. PACIFIC COMMAND

The DoD proposes allocating SC funds in the USPACOM AOR to counter regional violent extremist organizations, ISIS and AQ-aligned threat groups, and other transnational threats, as well as other threats to U.S. interests. Activities will help disrupt the spread of terrorism and foreign fighter flows, preclude the use of the region as a safe haven and support node for illicit activities.

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I. Description of Operations Financed (cont.)

SC funds will assist countries in denying access to VEOs and conducting effective CT operations to disrupt terrorist activity. Partner nations are serving as deterrents against the expansion of illicit activity across USPACOM in both the land-based and maritime domains. Activities will include operational training and equipment, the development of partners' institutional and operational capacities, and will foster joint and combined collaboration and operational capacity.

In addition to providing operational training and equipment, the SC will support development of partners' institutional and operational capacities to apply new capabilities across their joint forces and foster collaboration both internally and regionally.

European Reassurance Initiative - Ukraine Security Assistance Initiative: The Department requests \$150 million to support Building Partnership Capacity (BPC) activities in the Ukraine to address readiness and other military support initiatives. This funding provides assistance and support to the military and national security forces of Ukraine, and for replacement of any weapons or defensive articles provided to the Government of Ukraine from the inventory of the United States.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

	FY 2017						
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>	FY 2018 <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
A. BA Subactivities							
Counterterrorism (CT)	0	0	0	0.0	0	0	850,000
Security Cooperation	0	0	0	0.0	0	0	850,000
ERI	226,530	0	0	0.0	0	0	150,000
Ukraine Security Assistance Initiative	226,530	0	0	0.0	0	0	150,000
OFS	1,256,529	0	0	0.0	0	1,412,000	1,312,000
Coalition Support	1,112,687	0	0	0.0	0	1,100,000	1,000,000
Lift and Sustain	131,484	0	0	0.0	0	300,000	300,000
MoDA Program	12,358	0	0	0.0	0	12,000	12,000
Total	1,483,059	0	0	0.0	0	1,412,000	2,312,000

	FY 2016 <u>Actual</u>	FY 2017 <u>Estimate</u>	FY 2018 <u>Estimate</u>
<u>Summary by Operation</u>			
Operation FREEDOM'S SENTINEL (OFS)	\$1,256,529	\$1,412,000	\$2,162,000
Operation INHERENT RESOLVE (OIR)	\$0	\$0	\$0
European Reassurance Initiative (ERI)	\$226,530	\$0	\$150,000
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$1,483,059	\$1,412,000	\$2,312,000

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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		1,412,000
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount		
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding		
Baseline Appropriation		
Reprogrammings		
Price Changes		28,240
Functional Transfers		
Program Changes		871,760
Current Estimate		2,312,000
Less: Baseline Appropriation		
Normalized Current Estimate		

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		1,412,000
6. Price Change		28,240
7. Functional Transfers		
8. Program Increases		1,000,000
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Security Cooperation	850,000	
Provides support to partner nations for capacity- building, including with training and equipment as well as institution-building and other means. Funding will enhance the U.S. ability to support partner nations in counterterrorism (CT) and crisis response operations and other key defense objectives.		

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III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
2) Ukraine Security Assistance Initiative Funding provides assistance, including training; equipment; lethal weapons of a defensive nature; logistics support, supplies and services; sustainment; and intelligence support to the military and national security forces of Ukraine.	150,000	
9. Program Decreases		-128,240
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Coalition Support Reduces funding to coincide with the decrease in participation and operations tempo of key coalition forces and specialized training and equipment requirements.	-128,240	
(FY 2017 Baseline: \$1,100,000 thousand)		
FY 2018 Budget Request		2,312,000

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IV. Performance Criteria:

Summary Table - Security Cooperation (Dollars in Millions)

By Category	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Security Cooperation (formerly CTPF) ¹	1,100.0	1,000.0	850.0
Syria Train and Equip ^{2,3}	-	-	-
Total	1,100.0	1,000.0	850.0
By Region			
U.S. Africa Command	375.0	450.0	300.0
U.S. Central Command	375.0	550.0	400.0
Syria Train and Equip	350.0		
U.S. European Command ⁴	-	-	75.0
U.S. Pacific Command	-	-	75.0
Total	1,100.0	1,000.0	850.0

Notes:

1/ CTPF funds are appropriated for two years. FY 2016 CTPF funds remain available through FY 2017.

2/ In FY 2016, Congress did not specify the amount of funding for Syria Train & Equip activities. The conference report to the Consolidated Appropriations Act allowed the Secretary of Defense to use CTPF funds to assist the vetted Syrian opposition forces.

3/ For FY 2017 and FY 2018, Syria Train & Equip funding was requested as a standalone item.

4/ No funding was planned for EUCOM in FY 2016 or FY 2017. The EUCOM Combatant Commander requested funds for a CT requirement in support of Turkey. This requirement was notified in June 2016. Subsequently, the Secretary of Defense notified to Congress his determination of Turkey's eligibility for CTPF and waiver of geographic restrictions, and the funding for Turkey was reprogrammed and implemented.

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V. Personnel Summary

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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>	
989 Other Services	1,483,059	28,178	-99,237	1,412,000	28,240	871,760	2,312,000
999 Total Other Purchases	1,483,059	28,178	-99,237	1,412,000	28,240	871,760	2,312,000
Total	1,483,059	28,178	-99,237	1,412,000	28,240	871,760	2,312,000

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I. Description of Operations Financed: In accordance with Section 8L of the Inspector General Act of 1978, as amended, when an overseas contingency operation (OCO) exceeds 60 days, the Council of Inspectors General on Integrity and Efficiency (CIGIE) shall designate from among the Inspectors General of the Department of Defense (DoD), the Department of State (DoS), and the United States Agency for International Development (USAID), a Lead Inspector General (Lead IG). The DoD IG currently serves as the Lead IG for two OCOs: Operation Inherent Resolve (OIR) and Operation Freedom's Sentinel (OFS). DoD IG served as the Lead IG for a third OCO, Operation United Assistance (OUA/Ebola), which terminated on June 30, 2015. Reporting on OUA was completed in Fiscal Year (FY) 2016. The IGs of DoS and USAID are also responsible for staffing and supporting the Lead IG in the discharge of his responsibilities. The combined efforts of these agencies provide a whole of government approach to providing oversight of contingency operations.

The Lead IG is responsible for:

- 1) Ensuring individual or joint audits, inspections, and investigations, provide independent and effective oversight of all programs and operations of the Federal Government supporting the contingency operation;
- 2) Developing and carrying out, in coordination with the offices of Inspectors General of DoS and USAID, a joint strategic plan to conduct comprehensive oversight over all aspects of the OCO;
- 3) Reviewing and ascertaining the accuracy of information provided by Federal agencies relating to the obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major contracts, grants, and agreements in support of the contingency operation;
- 4) Submitting to Congress on a bi-annual basis, and making available to the public, a report on the activities of the Lead Inspector General and the Inspectors General of DoS and USAID a report on the status and results of investigations, inspections, and

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I. Description of Operations Financed (cont.)

audits and of referrals to the Department of Justice; and overall plans for the review of the contingency operations by Inspectors General, including plans for investigations, inspections, and audits;

- 5) Submitting to Congress on a quarterly basis, and making available to the public, a report on the contingency operation; and
- 6) Employing, or authorizing the employment by the other Inspectors General of DoS and USAID, on a temporary basis using the authorities in section 3161 of title 5, United States Code (USC) and section 9902(g) of title 5, USC auditors, investigators, and other personnel as the Lead IG considers appropriate on matters related to the contingency operation.

In related work, Section 842 of FY 2008 National Defense Authorization Act (NDAA) directs the DoD IG to publish a comprehensive oversight plan, in coordination with all other Federal oversight agencies, engaged in wartime contracts and contracting processes in Iraq and Afghanistan.

The DoD IG performs oversight of contingency operations primarily through the DoD Office of Inspector General's (OIG) Office of Overseas Contingency Operations. This office develops and directs the strategic and operational plans related to the execution of the Lead IG mission; produces the joint strategic oversight plans in conjunction with the comprehensive oversight plan; produces the quarterly and bi-annual reports to Congress that are made available to the public; coordinates among mission partners in support of ensuring , independent and effective oversight of all programs and operations of the Federal Government; and serves as the primary representative for the purpose of communicating, integrating and synchronizing all Lead IG activities among Federal agency

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I. Description of Operations Financed (cont.)

mission partners. In addition, the other DoD OIG components also perform audits, investigations, evaluations and inspections that provide oversight of contingency operations.

The DoS Inspector General serves as the Associate Lead IG for OIR and OFS. In addition, the DoD OIG continues to work with the office of the Special Inspector General for Afghanistan Reconstruction (SIGAR) on matters related to the oversight of the reconstruction and other U.S. missions in Afghanistan. These organizations consider many factors when developing strategic oversight objectives, including Coalition objectives; congressional appropriations that support military, diplomatic, and humanitarian activities; major departmental management challenges; and departmental and congressional-directed oversight. This comprehensive approach increases the effectiveness of oversight capabilities across agency jurisdictional lines and assists Congress and agency leadership in making informed program, policy, and funding decisions.

The DoD OIG considers the practical challenges of conducting oversight of OCO locations to ensure the timing of fieldwork and the size of the oversight teams do not unnecessarily burden military commands. The security situation, size of the U.S. footprint, dynamic operational environment, and availability of transportation may restrict the ability of oversight teams to conduct oversight of certain U.S.-funded activities.

The DoD OIG personnel support the Lead IG mission working from DoD OIG headquarters in Alexandria, Virginia and at other permanent sites located within the United States. In addition, OIG personnel are deployed to temporary field offices located at Camp Arifjan,

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I. Description of Operations Financed (cont.)

Kuwait; Al Udeid Air Base, Qatar; and Bagram Air Field, and Resolute Support Headquarters in Kabul, Afghanistan. DoD OIG staff continue to perform short-term travel to Iraq, Turkey, and Jordan.

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

	FY 2017							FY 2018 <u>Estimate</u>
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>		
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>			
A. BA Subactivities								
Operation Freedom's Sentinel (OFS)	4,105	8,825	0	0.0	0	8,825	11,131	
Operation Inherent Resolve (OIR)	6,157	13,237	0	0.0	0	13,237	13,026	
Total	10,262	22,062	0	0.0	0	22,062	24,157	

	FY 2016 <u>Actual</u>	FY 2017 <u>Estimate</u>	FY 2018 <u>Estimate</u>
<u>Summary by Operation</u>			
Operation FREEDOM'S SENTINEL (OFS)	\$4,105	\$8,825	\$11,131
Operation INHERENT RESOLVE (OIR)	\$6,157	\$13,237	\$13,026
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$10,262	\$22,062	\$24,157

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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	22,062	22,062
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	22,062	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	22,062	
Baseline Appropriation		
Reprogrammings		
Price Changes		432
Functional Transfers		
Program Changes		1,663
Current Estimate	22,062	24,157
Less: Baseline Appropriation		
Normalized Current Estimate	22,062	

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		22,062
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		22,062
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		22,062
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		22,062
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		22,062
6. Price Change		432
7. Functional Transfers		
8. Program Increases		2,724
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) O&M: Civilian Pay and Benefits	2,533	
A) Increase additional 12 FTEs: to support in-sourcing report writing (4 FTE); increase in evaluations and inspections as requested by Congress (4 FTEs); to review the accuracy of information provided by Federal agencies in support of each contingency operation (3 FTEs); and add a DCIS agent to Kuwait to meet increased caseload and Hotline		

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
activities (1 FTE) (+\$1,848, +12 FTEs)		
B) Increase in Civilian Pay associated with relocation incentives (+685, 0 FTEs)		
(FY 2017 Baseline: \$18,019 thousand; +12 FTEs)		
2) O&M: Other Intra-Government Purchases	100	
Increase in support costs related to additional FTEs (FY 2017 Baseline: \$888 thousand; +0 FTEs)		
3) O&M: Travel	91	
Increase to reflect increase in FTEs and the frequency of travel in support of the oversight missions. (FY 2017 Baseline: \$837 thousand; +0 FTEs)		
9. Program Decreases		-1,061
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) O&M: Contract Support	-1,061	
Decrease support for Lead IG report writing/design services, which will be in-sourced. (FY 2017 Baseline: \$1,325 thousand; +0 FTEs)		
FY 2018 Budget Request		24,157

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IV. Performance Criteria:

OIR:

The oversight goal is to examine, at the strategic level, the economy, efficiency, or effectiveness of the programs and operations of Federal agencies working in, or supporting activities in Iraq and Syria. FY 2017 and planned FY 2018 oversight includes projects related to the accuracy of OIR financial information; U.S. and Coalition efforts to build partner capacity within the Iraq Security Forces; U.S. intelligence gathering, analysis, and sharing; preparations to stabilize Iraqi and Syrian population centers liberated from Islamic State of Iraq and the Levant (ISIL); the safety and health condition of temporary facilities occupied by U.S. Forces; and support to governance and humanitarian relief efforts. OIR Strategic Oversight includes the following six objectives:

- 1) Inform Congress and the public about the ongoing contingency operation, the challenges facing the U.S. and its partners, and the evolving changes to OCO policy and strategy;
- 2) Provide a whole-of-government oversight approach that coordinates the efforts of the Lead IG and other U.S. Government oversight agencies;
- 3) Advise the DoD on the effectiveness of its national security mission, and the DoS and the USAID on the effectiveness of their diplomatic, development, and humanitarian assistance missions;
- 4) Promote integrity, efficiency, and accountability of Federal operations supporting OIR by deterring fraud, waste, and abuse relating to OIR; and identifying resources that can be put to better use and cost savings or recoveries that can be achieved;
- 5) Assess the impact of U.S. programs in order to improve the balancing of security goals with humanitarian and development goals, including the consideration of host-country capacity to support and sustain the programs; and

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IV. Performance Criteria:

- 6) Evaluate the safety and security conditions of temporary facilities occupied by U.S. military and civilian personnel to mitigate environmental and force protection risks.

DoD OIG has completed the following OIR projects in FY 2017:

- Assessment of U.S. and Coalition Efforts to Train, Advise, Assist, and Equip the Kurdish Security Forces in Iraq, DODIG-2017-033
- The Army Did Not Have Assurance That Heavy Lift Contractors in Kuwait Complied with Contract Requirements, DODIG-2017-035
- The Army Did Not Effectively Monitor Contractor Performance of the Kuwait Base Operations and Security Support Contract, DODIG-2017-062
- Iraq Train and Equip Fund Weapons Not Properly Inventoried and Secured in Kuwait and Iraq DODIG,-2017-058
- Unclassified Report of Investigation Relating to USCENTCOM (OIR) Intelligence Products, DODIG-2017-049
- Army Contract Command-Redstone and Space and Missile Defense Command Need to Improve Contract Oversight for the Web-Based Military Information Support Operations Contract DODIG-2017-042

The following OIR projects are ongoing:

- Evaluation of Intelligence, Surveillance, and Reconnaissance (ISR) Capability Allocation Process for OIR
- Evaluation of Airborne ISR Processing, Exploitation, and Dissemination for OIR

DoD OIG OCO OP-5 Exhibit

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IV. Performance Criteria:

- Assessment of U.S. and Coalition Plans/Efforts to Train, Advise, Assist, and Equip Iraqi counterterrorism Service and the Iraqi Special Operations Forces
- Assessment of U.S. and Coalition Train, Advise, Assist and Equip Support to other Iraqi Federal Police
- Evaluation of the Syria Train and Equip Program (Phase II)
- Evaluation of Social Media Exploitation for OIR
- Audit of Army's Management of the Heavy Lift VII Contracts
- Military Facilities Inspection - Al Udeid Air Base, Qatar
- Audit of the DoD Acquisition Cross Servicing Agreements
- Audit of the Army's Emergency Management Program in Kuwait
- Audit of Combatant Command Oversight of Counternarcotics Activities

The following is the current list of planned OIR projects to be initiated in FY 2017:

- Audit of Controls Over the Disposition of Equipment at the Defense Logistics Agency Disposition Services in Kuwait
- Summary Report of Recommendations from OCO Intel Evaluations
- Evaluation of DoD Biometric Enabled Intel Operations for OIR
- Military Facilities Inspector, Iraq
- Audit of the DoD Plan for Reconstruction and Stabilization in Iraq
- Evaluation of Compartmented Geospatial Intelligence Collection of OIR Intelligence Requirements
- Audit of DoD Components' Integration of Operational Contracting Support

DoD OIG OCO OP-5 Exhibit

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IV. Performance Criteria:

- Audit of Defense Information Technology Contracting Organization Contract Awards

The Defense Criminal Investigative Service (DCIS) conducts criminal investigations of matters related to DoD programs and operations. There are 53 open investigations involving OIR, Iraq, and other OCO related programs and operations are ongoing. The investigations involved allegations of procurement, grant and other program fraud; corruption involving U.S. government officials; theft and diversion of government funds or equipment, and other offenses, including trafficking in persons.

The DoD OIG has a Lead IG Hotline investigator to coordinate contacts received through the hotline among the Lead IG agencies and others, as appropriate. The Lead IG Hotline investigator received and coordinated 311 contacts related to OIR and opened 263 cases that were referred to the DoD OIG and other Lead IG agencies. The majority of the complaints received related to misconduct and other personnel matters, criminal allegations, and procurement or contract administration irregularities.

In compliance with statutory reporting requirements, the Lead IG issued the following quarterly/biannual reports:

- Period Ending September 30, 2015 Quarterly/Biannual Report published November 25, 2015
- Period Ending December 31, 2015 Quarterly Report published on February 16, 2016
- Period Ending March 31, 2016 Quarterly Report published May 6, 2016*
- Period Ending June 30, 2016 OIR Quarterly Report published August 5, 2016
- Period Ending September 30, 2016 Quarterly Report published November 4, 2016

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IV. Performance Criteria:

- Period Ending December 31, 2016 Quarterly Report published February 2, 2017

*Effective May 2016, the Lead IG reports provide oversight information every quarter instead of on a biannual basis.

The average time for report completion is 38 days from the end of the quarter. The quarterly report for period ending March 31, 2017 is in production. During FY 2017, DoD OIG has shortened report production time and implemented a more effective data call process, and plans to produce a classified OIR annex starting in FY 2018.

The Lead IG is required to review and ascertain the accuracy of information provided by Federal agencies relating to obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major contracts, grants, and agreements in support of the contingency operation. To fulfill this requirement, during FY 2016 the Lead IG published "Additional Controls Needed to Issue Reliable DoD Cost of War Reports That Accurately Reflect the Status of Air Force Operation Inherent Resolve Funds."

In FY 2018, the DoD OIG will continue to work with Congressional Oversight Committees, Lead IG partners, the Joint Staff, Combatant Commands, and other oversight and law enforcement organizations to produce plans and reports that are responsive to oversight areas such as funding, services, programs, mission essential functions, lines of effort, and other strategic oversight areas as well as lessons learned from Operation Iraqi Freedom and Operation Enduring Freedom. Evaluations will continue to focus on oversight of intelligence issues such as enhancing intelligence-collection on ISIL, cyber

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IV. Performance Criteria:

operations, and human intelligence collection efforts. Since enhanced intelligence collection contributes to other OIR strategic lines of effort, we will also look at how the intelligence community reaches out across the U.S. Government and the Coalition to support their intelligence requirements.

OFS:

FY 2017 and 2018 oversight goals are to strategically focus on capacity building efforts supporting the security and sustainability of Afghanistan and specifically, in the following areas:

- 1) Building the capacity and capabilities of the Afghan National Defense and Security Forces (ANDSF) and administering and maintaining accountability of the Afghanistan Security Forces Fund;
- 2) Building Afghan governance capacity and sustaining U.S. investment in Afghan institutions and infrastructure;
- 3) Implementing and executing anti-corruption and counter-narcotics programs;
- 4) Awarding and administering reconstruction contracts;
- 5) Providing adequate property management;
- 6) Conducting appropriate contract management and oversight; and
- 7) Transitioning from the Resolute Support Mission to peacetime military engagement including a U.S. - Afghanistan Security Cooperation Relationship.

DoD OIG completed the following OFS projects in FY 2017:

DoD OIG OCO OP-5 Exhibit

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IV. Performance Criteria:

- Navy Inaccurately Reported Costs for Operation Freedom's Sentinel in the Cost of War Reports (DODIG-2017-067)
- Combined Security Transition Command-Afghanistan Improved Controls Over U.S.-Funded Ministry of Defense Fuel Contracts, but Further Improvements are Needed (DODIG-2017-041)
- Combined Security Transition Command-Afghanistan Needs to Strengthen the Controls Over U.S. Direct Assistance Funding (DODIG-2017-027)
- Evaluation of USFOR-A Intelligence Training for Afghan Ministry of Defense (DODIG-2017-025)

The following OFS projects are ongoing:

- DoD Support for Counternarcotic Requirements
- Evaluation of Airborne Intelligence, Surveillance, and Reconnaissance Allocation Process Supporting Counterterrorism Operations in Afghanistan
- Allegations of Child Sexual Abuse by Members of the Afghan National Defense and Security Forces
- Assessment of U.S. and Coalition Efforts to Train, Advise, and Assist the Afghan Air Force
- Assessment of U.S. and Coalition Efforts to Enable the Afghan Ministry of Defense to Develop its Oversight and Internal Control Capability

The following is the current list of planned OFS projects to be initiated in FY 2017:

DoD OIG OCO OP-5 Exhibit

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IV. Performance Criteria:

- Evaluation of DoD Biometric Enabled Intelligence Operations
- Assessment of U.S. and Coalition efforts to enable the Afghan National Defense and Security Forces' national Maintenance Strategy
- Life/Safety inspections of U.S. military facilities located at Kandahar Air Base, Afghanistan

DCIS conducts criminal investigations of matters related to DoD programs and operations. There are 68 open investigations involving OFS and Afghanistan-related programs and operations. These investigations involve allegations of procurement, grant, and other program fraud; corruption involving U.S. government officials; theft and diversion of government funds or equipment; and other offenses, including trafficking in persons. These open investigations do not include "legacy cases" that DCIS and DoS OIG special agents are continuing to pursue related to actions committed during OEF, the combat mission in Afghanistan that concluded in December 2014.

DoD OIG has a Lead IG Hotline investigator to coordinate the contacts received through the hotline among the Lead IG agencies and others, as appropriate. During FY 2016, the Lead IG Hotline investigator received and coordinated 276 contacts related to OFS and opened 176 cases, which were referred to the DoD OIG, other Lead IG agencies, or to other investigative organizations. The majority of the complaints received during this quarter related to personal misconduct and other personal matters, and procurement or contract administration irregularities.

In compliance with statutory reporting requirements, the Lead IG issued the following quarterly/biannual reports:

DoD OIG OCO OP-5 Exhibit

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IV. Performance Criteria:

- Period Ending September 30, 2015 Quarterly/Biannual Report published December 3, 2015
- Period Ending December 31, 2015 Quarterly Report published on February 25, 2016
- Period Ending March 31, 2016 Quarterly Report published May 20, 2016*
- Period Ending June 30, 2016 OIR Quarterly Report published August 18, 2016
- Period Ending September 30, 2016 Quarterly Report published November 17, 2016
- Period Ending December 31, 2016 Quarterly Report published February 2, 2017

*Effective May 2016, the Lead IG reports provide oversight information every quarter instead of on a biannual basis.

The average length for report completion is 50 days from end of the quarter. The OFS quarterly report for period ending March 31, 2017 is in production. DoD OIG has shortened report production time and implemented a more effective data call process, and plans to produce a classified OFS annex in concert with the reporting of the fourth quarter of FY 2017.

The Lead IG is required to review and ascertain the accuracy of information provided by Federal agencies relating to the obligations and expenditures, costs of programs and projects, accountability of funds, and the award and execution of major contracts, grants, and agreements in support of the contingency operation. The DoD OIG staff meet regularly with the Auditors General of Army, Air Force, and the Navy to coordinate, de-conflict, and maximize efficiencies among the oversight agencies. The "Audit of Reliability of Navy Financial Data Reported for OFS" was completed. In January 2017, the

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IV. Performance Criteria:

Naval Audit Service announced an audit of the Marine Corps Financial Data Reported for OFS.

In FY 2018, the oversight focus will continue to be on activities such as contracts, logistics, funds management, contract fraud accountability, theft, corruption, security, trafficking in persons; assessments will continue to focus on building and sustaining capacity; evaluations will continue to focus on oversight of intelligence issues related to the NATO-Led Resolute Support mission.

FY 2017 and 2018 Comprehensive Oversight Plans for Overseas Contingency Operations (COP-OCO)

The COP-OCO combines the OCO oversight plans from DoD, DoS, and USAID. Additional contributors include SIGAR, the U.S. Army Audit Agency, the Naval Audit Service, the U.S. Air Force Audit Agency and the U.S. Government Accountability Office. The Lead IG published the FY 2017 COP-OCO on November 4, 2016. It includes the Joint Strategic Oversight Plan (JSOP) for OIR and the Joint Strategic Oversight Plan for OFS, as well as the reconstruction and humanitarian assistance programs and activities that are separate from OFS. The COP-OCO satisfies the Lead IG requirement to publish a JSOP for OIR and OFS. It also satisfies the Section 842 requirement of the FY 2008 NDAA to publish a comprehensive oversight plan, in coordination with all other Federal oversight agencies engaged in wartime contracts and contracting processes in Iraq and Afghanistan.

In support of the development of the FY 2018 COP-OCO, DoD OIG recently achieved consensus from the OIGs of Department of State, USAID, and the Special Inspector General for Afghanistan Reconstruction to focus on five strategic oversight areas: Security, Governance and Civil Society, Humanitarian Assistance, Stabilization/Infrastructure, and DoD OIG OCO OP-5 Exhibit

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IV. Performance Criteria:

Support to Mission. DoD OIG will continue its coordination with Federal oversight agencies to finalize the FY 2018 COP-OCO which will reflect the coordinated plans of Federal agencies engaged in oversight of OIR, OFS and Afghanistan. The FY 2018 COP-OCO is scheduled to be published by September 30, 2017.

Other Reporting Requirements:

Section 1217 of the National Defense Authorization Act:

On February 21, 2017, DoD IG, as the Lead IG for OFS, presented a report to the United States Congress on Inspector General oversight activities in Afghanistan fulfilling the requirement established by the National Defense Authorization Act for FY 2017. The report included the following elements: a description of the requirements, responsibilities and focus areas of each IG of the U.S. planning to conduct oversight activities in Afghanistan in FY 2017; a comprehensive list of the funding to be used for the oversight activities; a list of the oversight activities and products anticipated to be produced by each IG in connection with oversight activities in Afghanistan; an identification of any anticipated overlap among the planned oversight activities; a description of the processes by which the IGs coordinate and reduce redundancies; and on any other matters the Lead IG for Operation Freedom's Sentinel considers appropriate. No official comment from Congress has been received in response to the report.

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IV. Performance Criteria:

This work is in addition to the Lead IG's response to the ongoing General Accountability Office evaluation of Afghanistan oversight.

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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>85</u>	<u>95</u>	<u>107</u>	<u>10</u>	<u>12</u>
U.S. Direct Hire	85	95	107	10	12
Total Direct Hire	85	95	107	10	12
<u>Civilian FTEs (Total)</u>	<u>54</u>	<u>83</u>	<u>95</u>	<u>29</u>	<u>12</u>
U.S. Direct Hire	54	83	95	29	12
Total Direct Hire	54	83	95	29	12
Average Annual Civilian Salary (\$ in thousands)	168.8	217.1	220.0	48.3	2.9

Office of Inspector General
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

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	9,116	172	8,603	17,891	350	1,848	20,089
121 PCS Benefits	0	0	128	128	0	685	813
199 Total Civ Compensation	9,116	172	8,731	18,019	350	2,533	20,902
308 Travel of Persons	624	12	201	837	17	91	945
399 Total Travel	624	12	201	837	17	91	945
771 Commercial Transport	13	0	28	41	1	0	42
799 Total Transportation	13	0	28	41	1	0	42
914 Purchased Communications (Non-Fund)	61	1	-2	60	1	0	61
915 Rents (Non-GSA)	0	0	800	800	16	0	816
920 Supplies & Materials (Non-Fund)	20	0	41	61	1	0	62
925 Equipment Purchases (Non-Fund)	0	0	31	31	1	0	32
932 Mgt Prof Support Svcs	6	0	1,319	1,325	27	-1,061	291
987 Other Intra-Govt Purch	422	8	458	888	18	100	1,006
999 Total Other Purchases	509	9	2,647	3,165	64	-961	2,268
Total	10,262	193	11,607	22,062	432	1,663	24,157

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

I. Description of Operations Financed: The Department of Defense (DoD) provides funding for individuals with the expertise, knowledge, and experience in understanding the cultural differences, geography, economics, and demography of Afghanistan, and other areas where terrorism is spreading. This education and the support of knowledgeable people provides a strategic capability to counter terrorism, conduct counterinsurgency operations, prevent the spread of counter cultures and plan for further contingency operations in the Middle East and Africa. Each effort links to the broader goal of defeating terrorism by capturing different aspects and applying them to military operations that minimize the impact of insurgency actions. In total, this request captures different aspects of terrorist activity and applies these aspects to military operations in support of Operation Freedom's Sentinel (OFS) and Operation Inherent Resolve (OIR):

A. Acquisition, Technology, and Logistics Program Activities include: Contingency Acquisition Support Model (CASM).

B. Personnel and Readiness Program Activities include: Civilian Expeditionary Workforce (CEW) and Mission Rehearsal Exercises (MRX).

C. Policy Program Activities include: Personnel funding for Temporary Billets supporting operations in the Middle East Asia, Detainee Affairs, and DoD Rewards Program.

D. Military Intelligence Program Activities include: Intelligence, Surveillance, and Reconnaissance (ISR) operations in Operation Inherent Resolve (OIR).

II. Force Structure Summary:

N/A

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III. Financial Summary (\$ in thousands)

	FY 2017							FY 2018 <u>Estimate</u>
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>		
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>			
A. BA Subactivities								
OFS	7,224	0	0	0.0	0	19,106	10,715	
A.1 Acquisition, Technology and Logistics - Contingency Acquisition Support Model (cASM)	0	0	0	0.0	0	5,000	0	
B.1 Personnel and Readiness - Civilian Expeditionary Workforce (CEW)	864	0	0	0.0	0	6,565	6,565	
B.2 Personnel and Readiness - Mission Rehearsal Exercise (MRX)	4,566	0	0	0.0	0	4,841	0	
C.1 Policy - Temporary Billets (Detainee Affairs)	625	0	0	0.0	0	200	1,650	
C.4 Policy - DoD Rewards Program	1,169	0	0	0.0	0	2,500	2,500	
OIR	79,141	0	0	0.0	0	12,000	24,000	
D.1 Military Intelligence Program - Intelligence Mission	79,141	0	0	0.0	0	12,000	24,000	
Total	86,365	0	0	0.0	0	31,106	34,715	

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

III. Financial Summary (\$ in thousands)

<u>Summary by Operation</u>	FY 2016 <u>Actual</u>	FY 2017 <u>Estimate</u>	FY 2018 <u>Estimate</u>
Operation FREEDOM'S SENTINEL (OFS)	\$7,224	\$19,106	\$10,715
Operation INHERENT RESOLVE (OIR)	\$79,141	\$12,000	\$24,000
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$86,365	\$31,106	\$34,715

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 Overseas Contingency Operations
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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		31,106
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount		
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding		
Baseline Appropriation		
Reprogrammings		
Price Changes		621
Functional Transfers		-10,037
Program Changes		13,025
Current Estimate		34,715
Less: Baseline Appropriation		
Normalized Current Estimate		

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		31,106
6. Price Change		621
7. Functional Transfers		-10,037
a. Transfers In		
b. Transfers Out		
1) OUSD(AT&L) - Contingency Acquisition Support Model (cASM)	-5,100	
This transfers the Contingency Acquisition Support Model (cASM) from USD(AT&L) to the Defense Logistics Agency (DLA) for better program management and execution. The cASM effort strengthens the overseas business environment by providing financial support systems and experts in theater. (FY 2017 Baseline: \$5,000 thousand; +0 FTEs)		
2) OUSD(P&R) - Mission Rehearsal Exercise (MRX)	-4,937	

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Budget Activity 04: Administrative and Service-Wide Activities**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
This transfers the Mission Rehearsal Exercise (MRX) program that is associated with the Combatant Commanders Exercise Engagement and Training Transformation (CE2T2) program from USD(P&R) to The Joint Staff in accordance with the CE2T2 program transfer in FY 2018. (FY 2017 Baseline: \$4,841 thousand; +0 FTEs)		13,206
8. Program Increases		13,206
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) OUSD(I) - Military Intelligence Program - Intelligence Mission	11,760	
The funding increase supports contract Intelligence Surveillance and Reconnaissance (ISR) for the Long Endurance Aerial Platform (LEAP). Funds provide an operational Government Owned Contractor Operated deployment, consisting of LEAP aircraft, a ground station, support equipment, and operations and maintenance for 24 hours, 7 days a week coverage. Funding provides ISR support through low platform cost and reduced manning requirements to fill ISR coverage gaps. The increase continues support of LEAP for a full year of operational costs, and includes the costs to transition to a new service provider. (FY 2017 Baseline: \$12,000 thousand; +0 FTEs)		
2) OUSD(P) - Temporary Billets	1,446	
The increase in funding will provide needed temporary personnel for policy workforce actions in support of		

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
named operations in the Middle East, Asia, Afghanistan and Guantanamo Bay, Cuba. Personnel will include twelve Boren Fellows, two Intergovernmental Personnel Act (IPA) personnel, and one Civil Affairs Officer on the Syria Interagency team representing OUSD(P) that will support ongoing initiatives within OUSD(P) and provide culturally relevant expertise to country teams and the interagency. (FY 2017 Baseline: \$200 thousand; +12 FTEs)		
9. Program Decreases		-181
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) OUSD(P&R) - Civilian Expeditionary Workforce (CEW) The decrease reflects the anticipated personnel support requirements for the Civilian Expeditionary Workforce (CEW) program in FY 2018. (FY 2017 Baseline: \$6,565 thousand; +0 FTEs)	-131	
2) OUSD(P) - DoD Rewards Program The decrease is reflective of the current and projected trend towards lower program payouts. The DoD Rewards Program enables the offer and payment of rewards to foreign citizens who provide information or nonlethal assistance that is beneficial to the force protection of U.S. and allied forces or to operations against international terrorism. This program represents a small footprint and relatively low risk approach to achieving national security objectives and is consistently heralded by Geographic	-50	

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III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
Combatant Commanders as a critical tool in protecting their forces and combating international terrorism. (FY 2017 Baseline: \$2,500 thousand; +0 FTEs)		
FY 2018 Budget Request		34,715

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IV. Performance Criteria:

N/A

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V. Personnel Summary

Office of the Secretary of Defense
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

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	990	19	241	1,250	24	-24	1,250
199 Total Civ Compensation	990	19	241	1,250	24	-24	1,250
308 Travel of Persons	436	8	-279	165	3	97	265
399 Total Travel	436	8	-279	165	3	97	265
703 JCS Exercises	28	-3	-25	0	0	0	0
799 Total Transportation	28	-3	-25	0	0	0	0
920 Supplies & Materials (Non-Fund)	2,700	51	-2,751	0	0	0	0
923 Facilities Sust, Rest, & Mod by Contract	0	0	2,095	2,095	42	-42	2,095
925 Equipment Purchases (Non-Fund)	5,650	107	-5,757	0	0	0	0
932 Mgt Prof Support Svcs	0	0	176	176	4	0	180
934 Engineering & Tech Svcs	64,087	1,218	-48,481	16,824	336	7,156	24,316
951 Other Costs (Special Personal Svc Pay)	0	0	0	0	0	1,400	1,400
987 Other Intra-Govt Purch	7,908	150	-8,008	50	1	-51	0
989 Other Services	4,566	87	5,893	10,546	211	-5,548	5,209
999 Total Other Purchases	84,911	1,613	-56,833	29,691	594	2,915	33,200
Total	86,365	1,637	-56,896	31,106	621	2,988	34,715

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**United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

I. Description of Operations Financed:

The United States Special Operations Command (USSOCOM) is a Unified Combatant Command with Title 10 responsibilities to organize, train and equip special operations forces (SOF). USSOCOM's mission is to provide fully capable and enabled Special Operations Forces to defend the Nation's interests in an environment characterized by irregular warfare. USSOCOM is the executive agent that synchronizes all DoD planning for global operations against terrorist networks.

USSOCOM's FY 2018 Overseas Contingency Operations (OCO) request captures the incremental Major Force Program - 11 (MFP-11) requirements directly associated with deploying SOF to Afghanistan and other locations to support the Geographic Combatant Commanders (GCC). The identified requirement as outlined in the submission supports the deployment of SOF to Operation Freedom's Sentinel (OFS), Operation Inherent Resolve (OIR), and other OCO named countries to deter, disrupt and defeat terrorist networks. USSOCOM requirements to support U.S. European Command (USEUCOM) European Reassurance Initiative (ERI) efforts are also included in this submission.

Currently, USSOCOM provides 9,230 fully trained and equipped SOF for deployments to support global SOF missions of which 50% are in the U.S. Central Command (USCENTCOM) area of responsibility (AOR). The overall OCO request contains an increase of \$10.3 million dollars from the FY 2017 request. This increase is driven by expansion of missions in support of OIR and maintaining force levels for sustained operations in support of OFS to include the Military Intelligence Program (MIP), Combat Development Activities, and maintenance requirements. There is also greater demand for SOF engagements with Allies and partners in the USEUCOM AOR that is increasing ERI requirements.

II. Force Structure Summary:

**United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

II. Force Structure Summary (cont.)

For FY 2018, SOF planned operational deployments include 9,230 operators in Afghanistan and other locations supporting global missions in response to GCC requirements. These deployments support the need to remain engaged in Phase 0 (shape the environment) and Phase 1 (deter the enemy) foundational activities while also providing additional ready forces for immediate crisis response and emerging conflicts as supported in the current National Defense Strategy. Presidential Force Management Level (FML) decisions in support of accelerated Counter-Islamic State of Iraq and the Levant (C-ISIL) operations and maintaining SOF FML levels in Afghanistan have driven an increase in SOF deployments across the world. Additionally, USSOCOM is experiencing higher demand for SOF personnel and units within and across other GCCs in full support of national strategic objectives and strategy. Currently, deployed SOF includes two Special Operations Joint Task Forces (SOJTF), two Combined Joint Special Operations Task Forces (CJSOTF), eight Special Operations Task Forces (SOTF), and other classified units.

The FY2018 total personnel requirements are current mission estimates:

FORCES	FY2016 Actuals	FY2017 Request	FY2018 Request
Ships (Watercraft MkVs/HSAC)	6	6	10
Aircraft	83	65	80
Special Operation Force, Army	3,912	5,805	6,184
Special Operation Force, Navy	1,273	1,568	1,754
Special Operation Force, Marines	308	477	369
Special Operations Force, Air Force	1,657	1,810	923

United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

II. Force Structure Summary (cont.)

PERSONNEL	FY2016 Actuals	FY2017 Request	FY2018 Request
Active	6,492	8,873	8,420
Reserve	410	490	125
Guard	248	297	685
Total	7,150	9,660	9,230

United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

	FY 2017							
	FY 2016	Budget	Congressional Action			Current	FY 2018	
			<u>Actual</u>	<u>Request</u>	<u>Amount</u>			<u>Percent</u>
A. BA Subactivities								
ERI	18,089	44,600	0	0.0	0	44,600	95,970	
Other Operations	18,089	44,600	0	0.0	0	44,600	95,970	
OFS	2,256,652	2,767,536	0	0.0	0	2,767,536	2,625,915	
Classified	699,054	1,091,301	0	0.0	0	1,091,301	1,015,986	
Communications	101,819	39,378	0	0.0	0	39,378	46,487	
Flight Operations	133,334	155,502	0	0.0	0	155,502	119,502	
Intelligence	612,270	790,972	0	0.0	0	790,972	907,986	
Maintenance	365,454	418,440	0	0.0	0	418,440	321,554	
Other Operations	344,721	271,943	0	0.0	0	271,943	214,400	
OIR	680,729	482,760	0	0.0	0	482,760	583,349	
Classified	148,865	194,075	0	0.0	0	194,075	136,263	
Communications	146	0	0	0.0	0	0	40,353	
Flight Operations	59,308	27,253	0	0.0	0	27,253	62,209	
Intelligence	164,586	181,380	0	0.0	0	181,380	245,089	
Maintenance	37,852	33,903	0	0.0	0	33,903	53,692	
Other Operations	269,972	46,149	0	0.0	0	46,149	45,743	
Total	2,955,470	3,294,896	0	0.0	0	3,294,896	3,305,234	

	FY 2016	FY 2017	FY 2018
<u>Summary by Operation</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Operation FREEDOM'S SENTINEL (OFS)	\$2,256,652	\$2,767,536	\$2,625,915
Operation INHERENT RESOLVE (OIR)	\$680,729	\$482,760	\$583,349
European Reassurance Initiative (ERI)	\$18,089	\$44,600	\$95,970
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$2,955,470	\$3,294,896	\$3,305,234

United States Special Operations Command
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 01: Operating Forces

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	3,294,896	3,294,896
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	3,294,896	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	3,294,896	
Baseline Appropriation	4,402,428	
Reprogrammings		
Price Changes		39,819
Functional Transfers		
Program Changes		-29,481
Current Estimate	7,697,324	3,305,234
Less: Baseline Appropriation	-4,402,428	
Normalized Current Estimate	3,294,896	

United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

IV. Performance Criteria:

United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

V. Personnel Summary

United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

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	10,848	204	14,718	25,770	504	-11,064	15,210
199 Total Civ Compensation	10,848	204	14,718	25,770	504	-11,064	15,210
308 Travel of Persons	167,658	3,186	-74,385	96,459	1,929	24,100	122,488
399 Total Travel	167,658	3,186	-74,385	96,459	1,929	24,100	122,488
401 DLA Energy (Fuel Products)	11,617	697	56,232	68,546	-274	-49,808	18,464
411 Army Supply	2,622	-121	-267	2,234	63	565	2,862
412 Navy Managed Supply, Matl	6,583	325	-2,583	4,325	-50	1,622	5,897
413 Marine Corps Supply	163	-6	-50	107	-2	41	146
414 Air Force Consol Sust AG (Supply)	132,722	1,274	-29,167	104,829	-8,722	36,385	132,492
416 GSA Supplies & Materials	4,412	84	732	5,228	105	910	6,243
417 Local Purch Supplies & Mat	53,393	1,014	27,355	81,762	1,635	-5,449	77,948
421 DLA Mat Supply Chain (Cloth & Textiles)	525	7	-187	345	5	120	470
422 DLA Mat Supply Chain (Medical)	20	0	-7	13	0	5	18
424 DLA Mat Supply Chain (Weapon Sys)	166	-10	-47	109	-7	47	149
499 Total Supplies & Materials	212,223	3,264	52,011	267,498	-7,247	-15,562	244,689
502 Army Fund Equipment	5,126	-13	-454	4,659	132	1,072	5,863
503 Navy Fund Equipment	1,750	68	-668	1,150	1	417	1,568
506 DLA Mat Supply Chain (Const & Equip)	1,145	-1	-363	781	-1	268	1,048
507 GSA Managed Equipment	1,370	26	175	1,571	31	298	1,900
599 Total Equipment Purchases	9,391	80	-1,310	8,161	163	2,055	10,379
601 Army Industrial Operations	6,201	-7	578	6,772	0	-1,022	5,750
603 DLA Distribution	131	20	-44	107	16	11	134
610 Navy Air Warfare Center	1,236	40	573	1,849	49	-241	1,657
611 Navy Surface Warfare Ctr	3,146	101	-581	2,666	38	130	2,834

**United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

<u>OP 32 Line</u>	FY 2016 <u>Actual</u>	Change FY 2016/FY 2017		FY 2017 <u>Estimate</u>	Change FY 2017/FY 2018		FY 2018 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
614 Space & Naval Warfare Center	434	5	-154	285	11	93	389
623 Navy Transportation (Special Mission Ships)	17,900	-877	-10,023	7,000	-315	-2,109	4,576
640 Marine Corps Depot Maint	190	8	-73	125	-1	46	170
647 DISA Enterprise Computing Centers	1,250	-125	530	1,655	31	-50	1,636
661 Air Force Consolidated Sust AG (Maint)	2,790	-31	756	3,515	92	578	4,185
671 DISA DISN Subscription Services (DSS)	33,852	-2,370	-18,243	13,239	252	15,490	28,981
677 DISA Telecomm Svcs - Reimbursable	6,963	132	-4,393	2,702	54	3,186	5,942
699 Total DWCF Purchases	74,093	-3,104	-31,074	39,915	227	16,112	56,254
702 AMC SAAM (fund)	304,708	0	-102,058	202,650	0	-116,889	85,761
705 AMC Channel Cargo	10,681	203	-10,686	198	4	8	210
708 MSC Chartered Cargo	28,224	1,524	-14	29,734	-7,969	24,741	46,506
717 SDDC Global POV	0	0	1,650	1,650	35	-1,070	615
771 Commercial Transport	26,862	510	19,418	46,790	936	-40,710	7,016
799 Total Transportation	370,475	2,237	-91,690	281,022	-6,994	-133,920	140,108
913 Purchased Utilities (Non-Fund)	210	4	139	353	7	-39	321
914 Purchased Communications (Non-Fund)	103,193	1,961	53,269	158,423	3,168	-10,292	151,299
915 Rents (Non-GSA)	2,272	43	175	2,490	50	173	2,713
917 Postal Services (U.S.P.S)	655	12	377	1,044	21	-67	998
920 Supplies & Materials (Non-Fund)	59,117	1,123	9,236	69,476	1,390	2,754	73,620
921 Printing & Reproduction	2	0	-1	1	0	1	2
922 Equipment Maintenance By Contract	144,221	2,740	77,489	224,450	4,489	-12,787	216,152

**United States Special Operations Command
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

<u>OP 32 Line</u>	<u>FY 2016</u> <u>Actual</u>	<u>Change</u> <u>FY 2016/FY 2017</u>		<u>FY 2017</u> <u>Estimate</u>	<u>Change</u> <u>FY 2017/FY 2018</u>		<u>FY 2018</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
923 Facilities Sust, Rest, & Mod by Contract	1,858	35	114	2,007	40	207	2,254
924 Pharmaceutical Drugs	554	22	-131	445	17	97	559
925 Equipment Purchases (Non-Fund)	413,067	7,848	7,727	428,642	8,573	50,789	488,004
926 Other Overseas Purchases	211	4	-76	139	3	47	189
929 Aircraft Reworks by Contract	526,110	9,996	99,744	635,850	12,717	42,304	690,871
930 Other Depot Maintenance (Non-Fund)	164,297	3,122	12,489	179,908	3,598	-20,971	162,535
932 Mgt Prof Support SVCS	24,391	463	6,784	31,638	633	1,808	34,079
933 Studies, Analysis & Eval	765	15	-250	530	11	166	707
934 Engineering & Tech SVCS	682	13	-406	289	6	291	586
935 Training and Leadership Development	6,523	124	-1,576	5,071	101	1,158	6,330
937 Locally Purchased Fuel (Non-Fund)	18,837	1,130	-6,681	13,286	-53	15,374	28,607
955 Other Costs (Medical Care)	2,106	84	-799	1,391	54	449	1,894
957 Other Costs (Land and Structures)	4,263	81	-160	4,184	84	528	4,796
964 Other Costs (Subsistence and Support of Persons)	70	1	17	88	2	15	105
984 Equipment Contracts	3,310	63	-1,361	2,012	40	887	2,939
987 Other Intra-Govt Purch	97,907	1,860	22,501	122,268	2,445	3,691	128,404
989 Other Services	519,437	9,869	153,658	682,964	13,659	5,891	702,514
990 IT Contract Support Services	16,724	318	-7,920	9,122	182	6,324	15,628
999 Total Other Purchases	2,110,782	40,931	424,358	2,576,071	51,237	88,798	2,716,106
Total	2,955,470	46,798	292,628	3,294,896	39,819	-29,481	3,305,234

The FY 2016 column includes \$216.3 million executed for Syria Train and Equip OCO funding (PL 113-235).

**Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

I. Description of Operations Financed: Includes Joint and Component manpower authorizations, SOF-peculiar equipment, necessary facilities and the associated costs specifically identified and measurable to the development of combat doctrine, organizational concepts, material requirements and other developmental activities related to SOF. Also includes activities to support experimentation, tests, project evaluations necessary to develop and/or validate new doctrine and organizations for special operations.

II. Force Structure Summary:

N/A

Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

	FY 2017						
	FY 2016	Budget	Congressional Action			Current	FY 2018
			<u>Actual</u>	<u>Request</u>	<u>Amount</u>		
A. <u>BA Subactivities</u>							
Combat Development Activities (CDA)	847,919	1,285,376	0	0.0	0	1,285,376	1,152,249
Total	847,919	1,285,376	0	0.0	0	1,285,376	1,152,249

	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)	\$699,054	\$1,091,301	\$1,015,986
Operation INHERENT RESOLVE (OIR)	\$148,865	\$194,075	\$136,263
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$847,919	\$1,285,376	\$1,152,249

Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

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	1,285,376	1,285,376
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	1,285,376	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	1,285,376	
Baseline Appropriation	1,057,297	
Reprogrammings		
Price Changes		15,076
Functional Transfers		
Program Changes		-148,203
Current Estimate	2,342,673	1,152,249
Less: Baseline Appropriation	-1,057,297	
Normalized Current Estimate	1,285,376	

Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		1,285,376
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		1,285,376
2. Baseline Appropriation		1,057,297
a. Baseline Appropriation		
1) CDA	1,057,297	
3. Fact-of-Life Changes		
FY 2017 OCO Funding		2,342,673
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		2,342,673
5. Less: Baseline Appropriation		-1,057,297
FY 2017 Normalized Current Estimate		1,285,376
6. Price Change		15,076
7. Functional Transfers		
8. Program Increases		95,836
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Classified	95,836	
See Classified Submission. (FY 2017 Baseline: \$1,285,376 thousand)		
9. Program Decreases		-244,039
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		

Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
c. Program Decreases in FY 2018		
1) Civilian Pay	-521	
The decrease reflects the reduced requirement for civilian overtime and premium pay due to decreased anticipated overtime and no longer needing several temporary hires supporting deployed operations. (FY 2017 Baseline: \$14,870 thousand)		
2) Classified	-243,518	
See Classified Submission. (FY 2017 Baseline: \$1,265,506 thousand)		
FY 2018 Budget Request		1,152,249

Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

IV. Performance Criteria:

N/A

Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

V. Personnel Summary

**Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

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

<u>OP 32 Line</u>	<u>FY 2016</u> <u>Actual</u>	<u>Change</u> <u>FY 2016/FY 2017</u>		<u>FY 2017</u> <u>Estimate</u>	<u>Change</u> <u>FY 2017/FY 2018</u>		<u>FY 2018</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	8,503	160	6,207	14,870	291	-521	14,640
199 Total Civ Compensation	8,503	160	6,207	14,870	291	-521	14,640
308 Travel of Persons	62,478	1,187	-382	63,283	1,266	11,235	75,784
399 Total Travel	62,478	1,187	-382	63,283	1,266	11,235	75,784
401 DLA Energy (Fuel Products)	1,978	119	9,478	11,575	-46	-9,652	1,877
414 Air Force Consol Sust AG (Supply)	3	0	2	5	0	0	5
416 GSA Supplies & Materials	113	2	75	190	4	-21	173
417 Local Purch Supplies & Mat	42,481	807	28,101	71,389	1,428	-7,853	64,964
499 Total Supplies & Materials	44,575	928	37,656	83,159	1,386	-17,526	67,019
502 Army Fund Equipment	33	0	22	55	2	-7	50
599 Total Equipment Purchases	33	0	22	55	2	-7	50
610 Navy Air Warfare Center	848	27	550	1,425	38	-166	1,297
623 Navy Transportation (Special Mission Ships)	17,900	-877	-10,023	7,000	-315	-4,609	2,076
647 DISA Enterprise Computing Centers	815	-82	637	1,370	26	-150	1,246
699 Total DWCF Purchases	19,563	-932	-8,836	9,795	-251	-4,925	4,619
702 AMC SAAM (fund)	114,457	0	7,760	122,217	0	-37,388	84,829
708 MSC Chartered Cargo	27,024	1,459	-3,249	25,234	-6,763	26,965	45,436
771 Commercial Transport	13,096	249	7,947	21,292	426	-15,002	6,716
799 Total Transportation	154,577	1,708	12,458	168,743	-6,337	-25,425	136,981
913 Purchased Utilities (Non-Fund)	210	4	139	353	7	-39	321
914 Purchased Communications (Non- Fund)	83,000	1,577	54,904	139,481	2,790	-15,344	126,927
915 Rents (Non-GSA)	856	16	566	1,438	29	-158	1,309
917 Postal Services (U.S.P.S)	520	10	344	874	17	-96	795
920 Supplies & Materials (Non- Fund)	23,879	454	15,795	40,128	803	-4,414	36,517
922 Equipment Maintenance By Contract	115,745	2,199	76,564	194,508	3,890	-21,395	177,003

**Combat Development Activities
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

<u>OP 32 Line</u>	FY 2016 <u>Actual</u>	Change FY 2016/FY 2017		FY 2017 <u>Estimate</u>	Change FY 2017/FY 2018		FY 2018 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
923 Facilities Sust, Rest, & Mod by Contract	506	10	334	850	17	-93	774
925 Equipment Purchases (Non-Fund)	101,411	1,927	67,082	170,420	3,408	-18,746	155,082
932 Mgt Prof Support Svcs	8,714	166	5,764	14,644	293	-1,611	13,326
935 Training and Leadership Development	768	15	508	1,291	26	-143	1,174
937 Locally Purchased Fuel (Non- Fund)	297	18	7,623	7,938	-32	-7,906	0
957 Other Costs (Land and Structures)	1,418	27	938	2,383	48	-263	2,168
987 Other Intra-Govt Purch	43,668	830	28,886	73,384	1,468	-8,073	66,779
989 Other Services	175,198	3,329	115,891	294,418	5,888	-32,385	267,921
990 IT Contract Support Services	2,000	38	1,323	3,361	67	-368	3,060
999 Total Other Purchases	558,190	10,620	376,661	945,471	18,719	-111,034	853,156
Total	847,919	13,671	423,786	1,285,376	15,076	-148,203	1,152,249

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Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

I. Description of Operations Financed: Includes operational sustainment of SOF-peculiar communication equipment and systems supporting SOF deployments associated with overseas contingency operations. This includes Command Center operations; deployable command, control and communications assets; tactical unit communication equipment; combat identification; and commercially leased and government provided long-haul and wideband communication circuits (terrestrial and satellite) to support SOF worldwide, both in garrison and on deployment.

II. Force Structure Summary:

N/A

Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

	FY 2017							
	FY 2016	Budget	Congressional Action			Current	FY 2018	
			<u>Request</u>	<u>Amount</u>	<u>Percent</u>			
A. <u>BA Subactivities</u>	<u>Actual</u>							
Communication	101,965	39,378	0	0.0	0	39,378	86,840	
Total	101,965	39,378	0	0.0	0	39,378	86,840	
		<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>		
<u>Summary by Operation</u>		<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		
Operation FREEDOM'S SENTINEL (OFS)		\$101,819		\$39,378			\$46,487	
Operation INHERENT RESOLVE (OIR)		\$146		\$0			\$40,353	
European Reassurance Initiative (ERI)		\$0		\$0			\$0	
Post-Operation New Dawn (P-OND)		\$0		\$0			\$0	
Operation Totals		\$101,965		\$39,378			\$86,840	

Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

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	39,378	39,378
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	39,378	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	39,378	
Baseline Appropriation	445,570	
Reprogrammings		
Price Changes		773
Functional Transfers		
Program Changes		46,689
Current Estimate	484,948	86,840
Less: Baseline Appropriation	-445,570	
Normalized Current Estimate	39,378	

Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		39,378
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		39,378
2. Baseline Appropriation		445,570
a. Baseline Appropriation		
1) Communications	445,570	
3. Fact-of-Life Changes		
FY 2017 OCO Funding		484,948
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		484,948
5. Less: Baseline Appropriation		-445,570
FY 2017 Normalized Current Estimate		39,378
6. Price Change		773
7. Functional Transfers		
8. Program Increases		54,055
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Communication Bandwidth	43,814	
The increase reflects higher bandwidth demand and requirements to support new requirements for Remotely Piloted Aircraft (RPA) Ops (\$5,000 thousand), as well as a increase ISR platforms and associated orbits utilizing this bandwidth in-theater (\$38,814		

**Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
thousand), to better handle the increase in SOF OPTEMPO. (FY 2017 Baseline: \$29,000 thousand)		
2) Cyber Defense Monitoring, Analytics and Response Contract support to provide critical expertise to monitor, analyze and respond to network anomalies by deployed forces. Will enable SOCOM's Communications Directorate (J6) to fully support cyber network defense to deployed operations. Specifically, contractors will be able to maintain, administer, and operate Computer Network Defense sensors and tools, detect network intrusions and cyber incidents. (FY 2017 Baseline: \$0 thousand)	2,382	
3) Cyber Protection Team Contractors will provide the Communications and IT support for a subset of a Cyber Protection Team (CPT). USSOCOM currently has two CPTs, but requires a third to support the associated workload. This funding provides SOCOM with contract augmentation until the U.S. Cyber Command (USCYBERCOM) sources the third CPT. (FY 2017 Baseline: \$0 thousand)	3,432	
4) Incident/Problem Identification, Analysis and Resolution Contract support will provide the critical expertise to monitor, analyze, respond, and resolve data, voice, and video incidents in real-time for deployed SOF in support of OIR and OFS. Will provide critical technical and trend analysis to create resolutions for ongoing issues and track and identify incident	1,015	

**Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
trends. (FY 2017 Baseline: \$0 thousand)		
5) Inside Infrastructure and Response Team Contract support will provide the Communications and IT expertise to rapidly enable a USSOCOM network team to design, engineer, and install critical Wide Area Network (WAN) and Local Area Network (LAN) infrastructure at new and existing locations in the AOR. Team will install, configure, test and fully commission network infrastructure equipment and software that enables SOF war fighting headquarters full connectivity and usage of all enterprise network enclaves. This requirement provides in-theater support. (FY 2017 Baseline: \$0 thousand)	1,686	
6) Radio Integration System (RIS) Funding requested is to provide RIS Life Cycle Sustainment and Modernization (LCSM) activities to include cyber-security, spares, technical support, repair, sustainment, training and accountability of the system for deployed and deploying forces. The RIS program is specific communication equipment needed for SOF radio integration in order to perform combat operations. (FY 2017 Baseline: \$0 thousand)	1,726	
9. Program Decreases		-7,366
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) SOF Deployable Node Sustainment Major retrograde tasks were concluded in FY 2017 for	-7,366	

**Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
SOF deployed communications support, leading to the decrease in this requirement. Remaining funds will provide forward deployed technical support (manpower and equipment) supporting Special Operations Forces Liaison Element (SOFLE) and Afloat Forward Staging Base (AFSB) operations. This C4I kit allows the SOFLE to conduct tasks of keeping the Marine Expeditionary Unit (MEU)/Amphibious Ready Group (ARG) tied into SOF operations as well as Theater Special Operations Commands (TSOC) into MEU/ARG operations. (FY 2017 Baseline: \$10,378 thousand)		
FY 2018 Budget Request		86,840

Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

IV. Performance Criteria:

N/A

Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

V. Personnel Summary

**Communications
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

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

<u>OP 32 Line</u>	<u>FY 2016 Actual</u>	<u>Change FY 2016/FY 2017</u>		<u>FY 2017 Estimate</u>	<u>Change FY 2017/FY 2018</u>		<u>FY 2018 Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
308 Travel of Persons	146	3	-149	0	0	0	0
399 Total Travel	146	3	-149	0	0	0	0
611 Navy Surface Warfare Ctr	1,172	38	-757	453	6	541	1,000
671 DISA DISN Subscription Services (DSS)	33,684	-2,358	-18,299	13,027	248	15,454	28,729
677 DISA Telecomm Svcs - Reimbursable	6,943	132	-4,390	2,685	54	3,183	5,922
699 Total DWCF Purchases	41,799	-2,188	-23,446	16,165	308	19,178	35,651
914 Purchased Communications (Non- Fund)	5,864	111	-3,707	2,268	45	2,688	5,001
915 Rents (Non-GSA)	60	1	-38	23	0	28	51
920 Supplies & Materials (Non- Fund)	217	4	-137	84	2	99	185
922 Equipment Maintenance By Contract	7,270	138	-4,596	2,812	56	3,332	6,200
925 Equipment Purchases (Non-Fund)	16,636	316	-10,518	6,434	129	7,626	14,189
930 Other Depot Maintenance (Non- Fund)	2,701	51	-1,707	1,045	21	1,238	2,304
934 Engineering & Tech Svcs	589	11	-372	228	5	269	502
957 Other Costs (Land and Structures)	645	12	-408	249	5	296	550
984 Equipment Contracts	600	11	-379	232	5	275	512
987 Other Intra-Govt Purch	9,933	189	-6,280	3,842	77	4,553	8,472
989 Other Services	1,023	19	-646	396	8	469	873
990 IT Contract Support Services	14,482	275	-9,157	5,600	112	6,638	12,350
999 Total Other Purchases	60,020	1,138	-37,945	23,213	465	27,511	51,189
Total	101,965	-1,047	-61,540	39,378	773	46,689	86,840

Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

I. Description of Operations Financed: OCO support aligned to this Budget Sub-Activity encompasses unit level deployment and pre-deployment training, travel of persons, transportation of equipment, supplies and personal gear, maintenance and contract logistics support, and flying hours associated with SOF aviation missions. OCO funding provides for the continued deployment of SOF aviation platforms and SOF Active Duty, Air National Guard, and Air Force Reserve units to the AOR. Units supported in this request include the 160th US Army Special Operations Aviation Regiment (160th SOAR); four active duty Air Force Special Operations Command Wings (1st SOW; 27th SOW; 352nd SOW, and the 58th SOW), one Special Operations Groups (SOG - 353 SOG, Kadena AB, Japan); and the 919th Special Operations Reserve Wing (Duke Field, FL) and the 193rd Special Operations Air National Guard Wing (Harrisburg, PA). These units and their air assets provide a wide range of fixed and rotary wing capabilities for SOF missions that include: insertion and extraction of SOF; specialized mobility; precision strike and fire support; aerial refueling; combat search and rescue, and combat aviation advisors for foreign internal defense.

II. Force Structure Summary:

N/A

Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

	FY 2017							
	FY 2016	Budget	Congressional Action			Current	FY 2018	
			<u>Actual</u>	<u>Request</u>	<u>Amount</u>			<u>Percent</u>
A. BA Subactivities								
Flight Operations	192,642	182,755	0	0.0	0	182,755	181,711	
Total	192,642	182,755	0	0.0	0	182,755	181,711	
		FY 2016		FY 2017		FY 2018		
<u>Summary by Operation</u>		<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		
Operation FREEDOM'S SENTINEL (OFS)		\$133,334		\$155,502		\$119,502		
Operation INHERENT RESOLVE (OIR)		\$59,308		\$27,253		\$62,209		
European Reassurance Initiative (ERI)		\$0		\$0		\$0		
Post-Operation New Dawn (P-OND)		\$0		\$0		\$0		
Operation Totals		\$192,642		\$182,755		\$181,711		

Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

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	182,755	182,755
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	182,755	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	182,755	
Baseline Appropriation	979,729	
Reprogrammings		
Price Changes		-6,437
Functional Transfers		
Program Changes		5,393
Current Estimate	1,162,484	181,711
Less: Baseline Appropriation	-979,729	
Normalized Current Estimate	182,755	

Flight Operations
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		182,755
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		182,755
2. Baseline Appropriation		979,729
a. Baseline Appropriation		
1) Flight Ops	979,729	
3. Fact-of-Life Changes		
FY 2017 OCO Funding		1,162,484
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		1,162,484
5. Less: Baseline Appropriation		-979,729
FY 2017 Normalized Current Estimate		182,755
6. Price Change		-6,437
7. Functional Transfers		
8. Program Increases		52,479
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Contract Services	23,579	
Funding supports SOF Full Motion Video (FMV) Processing, Exploitation and Dissemination (PED) to AFSOC. The additional funds provide reachback capability to grow PED capacity in support of multiple AORs and GCCs. (FY 2017 Baseline: \$16,000		

**Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
thousand)		
2) Contractor Logistics Support (CLS) Provides funding for Precision Strike Package (PSP) and Joint Threat Warning System (JTSW) contracts. These contracts provide for contractor/CLS support in deployed locations. (\$8,500 thousand)	12,300	
Funds CV-22 and MC-130J power by the hour for the deployed aircraft. (\$3,800 thousand) (FY 2017 Baseline: \$0 thousand)		
3) Non-Standard Aviation (NSAV) Support Provides Operation Tempo (OPTEMPO) support for deployed C-146 and U-28 NSAV units flying in support of OFS and OIR. (FY 2017 Baseline: \$73,479 thousand)	16,600	
9. Program Decreases		-47,086
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Airlift Airlift support requirements are no longer needed for FY 2018 due to decreased intra-theater movement. (FY 2017 Baseline: \$2,275 thousand)	-2,277	
2) Civilian Pay Requirement is reduced due to no longer needing civilian premium pay/overtime as there will be fewer temporary hires and less overtime accrued. (FY 2017 Baseline: \$4,500 thousand)	-4,588	
3) Equipment & Supplies Reflects a lower programmatic need for equipment and	-21,518	

Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
supplies based on anticipated usage and stocks on-hand. (FY 2017 Baseline: \$34,000 thousand)		
4) Flying Hour Program (FHP) This decrease aligns funding with how SOCOM executes base and OCO flying hours. (FY 2017 Baseline: \$113,830 thousand)	-9,559	
5) Travel Reduction is a result of less anticipated travel and reduced requirements for travel in conjunction with training due to steady-state operations (post-surge) for C-ISIL and OFS. (FY 2017 Baseline: \$10,100 thousand)	-9,144	
FY 2018 Budget Request		181,711

**Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

IV. Performance Criteria:

Overseas Contingency Operations Performance Evaluation											
		Base					OCO				Total Force Costs (000,000)
Budget Activity	Platform	# of Flying Hours	Flying Hour Program (000,000)	Inventory	DPEM, CLS, SE & TO (000,000)	Total Base Costs (000,000)	# of Flying Hours	Flying Hour Costs (000,000)	Reconstitution (DPEMs, CLS) (000,000)	Total OCO Costs (000,000)	
BA1											
	A/MH-6M	9,957	26,385	51		26,385					26,385
	AC-130J	2,672	9,638	13		9,638					9,638
	AC-130U	2,789	32,029	10		32,029	2,739	31,455		31,455	63,484
	AC-130W	2,815	18,860	9		18,860	1,487	9,963		9,963	28,823
	CV-22B	10,950	152,073	50		152,073	945	13,124		13,124	165,197
	EC/C-130J	2,335	7,934	7		7,934	556	1,895		1,895	9,829
	MC-130H	6,526	84,518	16		84,518	1,161	15,036		15,036	99,554
	MC-130J	13,853	47,418	37		47,418	846	2,896		2,896	50,314
	MH-47G	12,329	93,922	68		93,922	2,031	15,472		15,472	109,394
	MH-60L	375	1,405	2		1,405					1,405
	MH-60M	15,958	91,375	73		91,375	1,713	9,809		9,809	101,184

Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

IV. Performance Criteria:

	UH-60L	540	1,174	2		1,174					1,174
BA2											
TOTALS		81,099	566,731	338		566,731	11,478	99,650		99,650	666,381

Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

V. Personnel Summary

**Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

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

<u>OP 32 Line</u>	<u>FY 2016 Actual</u>	<u>Change FY 2016/FY 2017</u>		<u>FY 2017 Estimate</u>	<u>Change FY 2017/FY 2018</u>		<u>FY 2018 Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
101 Exec, Gen'l & Spec Scheds	0	0	4,500	4,500	88	-4,588	0
199 Total Civ Compensation	0	0	4,500	4,500	88	-4,588	0
308 Travel of Persons	20,990	399	-11,289	10,100	202	-9,144	1,158
399 Total Travel	20,990	399	-11,289	10,100	202	-9,144	1,158
401 DLA Energy (Fuel Products)	9,116	547	20,874	30,537	-122	-14,326	16,089
414 Air Force Consol Sust AG (Supply)	109,601	1,052	-21,017	89,636	-7,458	29,600	111,778
417 Local Purch Supplies & Mat	71	1	-14	58	1	13	72
499 Total Supplies & Materials	118,788	1,600	-157	120,231	-7,579	15,287	127,939
502 Army Fund Equipment	288	-1	-51	236	7	51	294
506 DLA Mat Supply Chain (Const & Equip)	181	0	-33	148	0	37	185
599 Total Equipment Purchases	469	-1	-84	384	7	88	479
603 DLA Distribution	131	20	-44	107	16	11	134
677 DISA Telecomm Svcs - Reimbursable	20	0	-4	16	0	4	20
699 Total DWCF Purchases	151	20	-48	123	16	15	154
702 AMC SAAM (fund)	0	0	2,177	2,177	0	-2,177	0
705 AMC Channel Cargo	84	2	-86	0	0	0	0
771 Commercial Transport	1,191	23	-1,116	98	2	-100	0
799 Total Transportation	1,275	25	975	2,275	2	-2,277	0
914 Purchased Communications (Non- Fund)	34	1	-7	28	1	6	35
920 Supplies & Materials (Non- Fund)	18,780	357	-3,778	15,359	307	3,487	19,153
922 Equipment Maintenance By Contract	2,078	39	-418	1,699	34	386	2,119
924 Pharmaceutical Drugs	504	20	-112	412	16	86	514
925 Equipment Purchases (Non-Fund)	1,794	34	-361	1,467	29	334	1,830
930 Other Depot Maintenance (Non- Fund)	7,475	142	-1,504	6,113	122	1,388	7,623
933 Studies, Analysis & Eval	173	3	-35	141	3	32	176

**Flight Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

<u>OP 32 Line</u>	FY 2016 <u>Actual</u>	Change FY 2016/FY 2017		FY 2017 <u>Estimate</u>	Change FY 2017/FY 2018		FY 2018 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
937 Locally Purchased Fuel (Non-Fund)	0	0	3,458	3,458	-14	-3,444	0
987 Other Intra-Govt Purch	6	0	-1	5	0	1	6
989 Other Services	20,125	382	-4,047	16,460	329	3,736	20,525
999 Total Other Purchases	50,969	978	-6,805	45,142	827	6,012	51,981
Total	192,642	3,021	-12,908	182,755	-6,437	5,393	181,711

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Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces

I. Description of Operations Financed: USSOCOM's OCO Military Intelligence Program (MIP) submission reflects USSOCOM's commitment to intelligence modernization and sustainment to support SOF operators. The FY 2018 request includes funding that supports key elements required for special operations success in the fight against terrorism. These elements include a robust intelligence structure-one that takes advantage of today's rapidly changing technologies and provides accurate intelligence information, where and when it is needed for SOF operators conducting special operations.

II. Force Structure Summary:

N/A

Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

	FY 2017						
	FY 2016	Budget	Congressional Action			Current	FY 2018
			<u>Request</u>	<u>Amount</u>	<u>Percent</u>		
A. <u>BA Subactivities</u>	<u>Actual</u>						
Intelligence	776,856	972,352	0	0.0	0	972,352	1,153,075
Total	776,856	972,352	0	0.0	0	972,352	1,153,075

	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)	\$612,270	\$790,972	\$907,986
Operation INHERENT RESOLVE (OIR)	\$164,586	\$181,380	\$245,089
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$776,856	\$972,352	\$1,153,075

Intelligence
 Overseas Contingency Operations
 Operation and Maintenance - Defense-Wide
 Budget Activity 01: Operating Forces

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	972,352	972,352
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	972,352	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	972,352	
Baseline Appropriation	424,981	
Reprogrammings		
Price Changes		18,822
Functional Transfers		
Program Changes		161,901
Current Estimate	1,397,333	1,153,075
Less: Baseline Appropriation	-424,981	
Normalized Current Estimate	972,352	

Intelligence
 Overseas Contingency Operations
 Operation and Maintenance - Defense-Wide
 Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		972,352
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		972,352
2. Baseline Appropriation		424,981
a. Baseline Appropriation		
1) Intelligence	424,981	
3. Fact-of-Life Changes		
FY 2017 OCO Funding		1,397,333
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		1,397,333
5. Less: Baseline Appropriation		-424,981
FY 2017 Normalized Current Estimate		972,352
6. Price Change		18,822
7. Functional Transfers		
8. Program Increases		212,982
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Classified Operations	31,671	
Details are available in the 2018 Special Access Program (SAP) Annual Report. (FY 2017 Baseline: \$64,900 thousand)		
2) Distributed Common Ground/Surface Systems (DCGS)	10,460	
Increase provides sustainment of infrastructure and		

**Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
processing capability as well as equipment needed to access national security systems while in deployed locations. (FY 2017 Baseline: \$0 thousand)		
3) Identity Intelligence (i2) Increase supports PED analysts, mobile application development, and database development services for i2 missions. (FY 2017 Baseline: \$5,257 thousand)	1,579	
4) Medium Altitude Reconnaissance System (MARSS) Increase provides sustainment of government-owned, contractor-operated (GOCO) aircraft in support of global operations. (FY 2017 Baseline: \$107,595 thousand)	1,145	
5) Mid-Endurance Unmanned Aerial System (MEUAS) Supports the sustainment of multiple detachments of contractor-owned, contractor-operated (COCO) UAS throughout the USSOCOM AORs. This program was also realigned from the Maintenance BSA to reflect a more accurate representation of cost/program execution (\$130,056 thousand). (FY 2017 Baseline: \$0 thousand)	130,056	
6) MQ-1C Mods/Payloads Increase funds the acquisition of SOF unique mission kits, payloads of MQ-1 UAS aircraft and ground systems. (FY 2017 Baseline: \$0 thousand)	1,078	
7) Sensitive Site Exploitation (SSE) Increase provides biometric kit equipment replacement program for component SSE Operator Advanced kits. (FY 2017 Baseline: \$2,750 thousand)	220	
8) Signals Intelligence (SIGINT) Processing,	493	

**Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
Exploitation and Dissemination (PED) Supports minor increase in support and equipment costs for PED analysts and purchases a dedicated PED processing kit/equipment. (FY 2017 Baseline: \$8,746 thousand)		
9) Small Tactical Unmanned Aerial Systems (STUAS) Operations Increase supports SOF peculiar modifications/payloads for Naval Special Warfare Command (NSWC) tactical ISR assets deployed to theater, which is a new requirement for FY 2018. (FY 2017 Baseline: \$0 thousand)	4,000	
10) Small Unmanned Aerial System (SUAS) Increase supports the requirement to provide support for NSWC SUAS assets deployed to OCO theaters. (FY 2017 Baseline: \$800 thousand)	1,790	
11) SOCOM Support and Technical Enhancements Increase supports the annual software maintenance, Special Operations Forces Support Activity (SOFSA) sustainment management support for infrastructure and systems, and IT System Administrator support for Geospatial Intelligence (GEOINT) Full Motion Video Processing, Exploitation, and Disseminations (FMV PED) infrastructure. (FY 2017 Baseline: \$800 thousand)	4,595	
12) SOF Intelligence Support (SOFIS) Provides contract services support for Publically Available Information (PAI) managed attribution. (FY 2017 Baseline: \$0 thousand)	6,083	

**Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
13) Travel Increase supports additional travel requirement for USSOCOM's Intelligence Directorate (J2). Provides for travel into theater of operations. (FY 2017 Baseline: \$0 thousand)	350	
14) U-28 Increased funding required to support contractor provided heavy maintenance on eight (8) aircraft scheduled in FY 2018. (FY 2017 Baseline: \$107,438 thousand)	19,462	
9. Program Decreases		-51,081
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) JAVAMAN Decrease to reflect more accurate execution costs. Funding provides fuel and contracted logistics support (CLS) for 22 aircraft supporting SOF within the USCENTCOM Area of operations (AOR). (FY 2017 Baseline: \$412,656 thousand)	-231	
2) Mid-Endurance Unmanned Aerial System (MEUAS) This requirement has a lower request for FY 2018 due to initial stand up costs of an operating site relocation, establishing additional spoke locations, shipping equipment, supplies and material, in support of ongoing ISR operations. (FY 2017 Baseline: \$0 thousand)	-42,382	
3) Multi Mission Tactical Unmanned Aerial System (MTUAS) Reduction in Scan Eagle sustainment costs at forward	-2,923	

Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
deployed locations. This is due to the standup and initial build out costs of 2 additional deployed sites in FY 2017. (FY 2017 Baseline: \$16,700 thousand)		
4) Palantir Decrease better reflects actual program requirement and provides for contracted support. (FY 2017 Baseline: \$64,327 thousand)	-5,545	
FY 2018 Budget Request		1,153,075

Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces

IV. Performance Criteria:

N/A

Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces

V. Personnel Summary

**Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces**

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

<u>OP 32 Line</u>	<u>FY 2016</u> <u>Actual</u>	<u>Change</u> <u>FY 2016/FY 2017</u>		<u>FY 2017</u> <u>Estimate</u>	<u>Change</u> <u>FY 2017/FY 2018</u>		<u>FY 2018</u> <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
308 Travel of Persons	7,903	150	-8,053	0	0	350	350
399 Total Travel	7,903	150	-8,053	0	0	350	350
401 DLA Energy (Fuel Products)	0	0	26,352	26,352	-105	-26,247	0
411 Army Supply	849	-39	259	1,069	30	174	1,273
416 GSA Supplies & Materials	3,673	70	884	4,627	93	789	5,509
417 Local Purch Supplies & Mat	5,295	101	1,278	6,674	133	1,139	7,946
499 Total Supplies & Materials	9,817	132	28,773	38,722	151	-24,145	14,728
502 Army Fund Equipment	2,010	-5	527	2,532	72	411	3,015
507 GSA Managed Equipment	1,114	21	268	1,403	28	240	1,671
599 Total Equipment Purchases	3,124	16	795	3,935	100	651	4,686
661 Air Force Consolidated Sust AG (Maint)	2,790	-31	756	3,515	92	578	4,185
671 DISA DISN Subscription Services (DSS)	168	-12	56	212	4	36	252
699 Total DWCF Purchases	2,958	-43	812	3,727	96	614	4,437
702 AMC SAAM (fund)	489	0	-489	0	0	0	0
771 Commercial Transport	436	8	-444	0	0	0	0
799 Total Transportation	925	8	-933	0	0	0	0
914 Purchased Communications (Non- Fund)	10,715	204	2,579	13,498	270	2,303	16,071
915 Rents (Non-GSA)	228	4	55	287	6	49	342
917 Postal Services (U.S.P.S)	135	3	32	170	3	29	202
920 Supplies & Materials (Non- Fund)	5,322	101	1,281	6,704	134	1,144	7,982
922 Equipment Maintenance By Contract	17,661	336	4,250	22,247	445	3,797	26,489
923 Facilities Sust, Rest, & Mod by Contract	445	8	108	561	11	95	667
925 Equipment Purchases (Non-Fund)	89,316	1,697	21,498	112,511	2,250	19,199	133,960
929 Aircraft Reworks by Contract	359,444	6,829	86,516	452,789	9,056	77,267	539,112
930 Other Depot Maintenance (Non- Fund)	16,719	318	4,024	21,061	421	3,594	25,076

**Intelligence
Overseas Contingency Operations
Operation and Maintenance - Defense-Wide
Budget Activity 01: Operating Forces**

<u>OP 32 Line</u>	FY 2016 <u>Actual</u>	Change FY 2016/FY 2017		FY 2017 <u>Estimate</u>	Change FY 2017/FY 2018		FY 2018 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
932 Mgt Prof Support Svcs	11,107	211	2,673	13,991	280	2,388	16,659
937 Locally Purchased Fuel (Non-Fund)	18,540	1,112	-17,778	1,874	-7	26,740	28,607
955 Other Costs (Medical Care)	12	0	3	15	1	2	18
957 Other Costs (Land and Structures)	177	3	43	223	4	38	265
960 Other Costs (Interest and Dividends)	3	0	-3	0	0	0	0
964 Other Costs (Subsistence and Support of Persons)	70	1	17	88	2	15	105
987 Other Intra-Govt Purch	21,965	417	5,287	27,669	553	4,722	32,944
989 Other Services	200,268	3,805	48,204	252,277	5,046	43,049	300,372
990 IT Contract Support Services	2	0	1	3	0	0	3
999 Total Other Purchases	752,129	15,049	158,790	925,968	18,475	184,431	1,128,874
Total	776,856	15,312	180,184	972,352	18,822	161,901	1,153,075

Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

I. Description of Operations Financed: Provides maintenance, repair, replacement, and contract logistics support of SOF peculiar equipment to include: tactical ground mobility vehicles; Non-Standard Aviation (NSAV) platforms; Mine Resistant Ambush Protected (MRAP) vehicles; unmanned aerial systems; body armor and personnel protective clothing/gear; Tactical Combat Casualty Care (TCCC) equipment; and weapon accessories. Other funded activities include retrograde of equipment, forward deployed mobile technology and repair capabilities; and forward deployed logistics and supply services.

II. Force Structure Summary:

N/A

**Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

	<u>FY 2017</u>							
	<u>FY 2016</u>	<u>Budget</u>	<u>Congressional Action</u>			<u>Current</u>	<u>FY 2018</u>	
			<u>Request</u>	<u>Amount</u>	<u>Percent</u>			
A. <u>BA Subactivities</u>								
Maintenance	403,306	452,343	0	0.0	0	452,343	375,246	
Total	403,306	452,343	0	0.0	0	452,343	375,246	
		<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>		
<u>Summary by Operation</u>		<u>Actual</u>		<u>Estimate</u>		<u>Estimate</u>		
Operation FREEDOM'S SENTINEL (OFS)		\$365,454		\$418,440		\$321,554		
Operation INHERENT RESOLVE (OIR)		\$37,852		\$33,903		\$53,692		
European Reassurance Initiative (ERI)		\$0		\$0		\$0		
Post-Operation New Dawn (P-OND)		\$0		\$0		\$0		
Operation Totals		\$403,306		\$452,343		\$375,246		

Maintenance
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 01: Operating Forces

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	452,343	452,343
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	452,343	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	452,343	
Baseline Appropriation	507,045	
Reprogrammings		
Price Changes		8,907
Functional Transfers		
Program Changes		-86,004
Current Estimate	959,388	375,246
Less: Baseline Appropriation	-507,045	
Normalized Current Estimate	452,343	

**Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		452,343
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		452,343
2. Baseline Appropriation		507,045
a. Baseline Appropriation		
1) Maintenance	507,045	
3. Fact-of-Life Changes		
FY 2017 OCO Funding		959,388
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		959,388
5. Less: Baseline Appropriation		-507,045
FY 2017 Normalized Current Estimate		452,343
6. Price Change		8,907
7. Functional Transfers		
8. Program Increases		81,342
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) Family of Special Operations Vehicles (FSOV)	7,648	
Funds support of the FSOV fleet of vehicles and the mechanics to support organic maintenance capabilities.		
Program increase due to fielding the new Ground Mobility Vehicle (GMV) 1.1. The growth will support		

**Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
104 new systems within the current fielding program. Eventually the GMV 1.1 will replace the GMV 1.0 as the SOCOM approved solution. (FY 2017 Baseline: \$17,600 thousand)		
2) Logistics Directorate (J4) Deployment Cell Support Funding increase supports SOCOM's J4 deployment cell. The FY 2018 request reflects sustainment and replacement of a deployable 1500-man camp with associated equipment (tents, kitchen, showers, laundry, etc.) for SOF personnel to deploy at a moments notice. (FY 2017 Baseline: \$2,100 thousand)	1,283	
3) MC-12 Support Funding provides for flight operations and contracted logistics support (CLS) of MC-12 aircraft. Increased funding requirement needed to support deployment of additional MC-12 aircraft to theater and provides for increased maintenance due to increased number of orbits supporting the GCCs. (FY 2017 Baseline: \$17,100 thousand)	14,958	
4) MP5 System Sustainment Increased funding needed to support the sustainment of 350 MP5 weapons, which is a new requirement for Fiscal Year 2018. (FY 2017 Baseline: \$0 thousand)	800	
5) MQ-9 Funding for MQ-9 program supports on-site CLS, launch and recovery element support (LRE), tactical situation license (TACSIT) for software updates, C4I contractors, maintenance and operational orbits. The	47,540	

**Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
major cost driver increase is due to establishing a new operating site in the AOR. These are Government owned-contractor operated (GOCO) aircraft. (FY 2017 Baseline: \$28,000 thousand)		
6) Non-Standard Aviation (NSAV) Support The increase provides additional CLS for NSAV aircraft. (FY 2017 Baseline: \$73,479 thousand)	3,071	
7) SOF Weapons Maintenance Support (SOFSA) Provides specialized logistic services for SOF OCONUS sites and activities in the CENTCOM AOR. Provides skilled supply and property accountability experts to ensure asset visibility and retro-grade availability. Also provides weapon system training, sustainment level maintenance and direct exchange capability for SOF-peculiar weapons. This increase is due to the increased workload due to the stand up of the Joint SOF Support Detachment-Kuwait (JSSD-K) as the new SOF logistics/maintenance hub in the CENTCOM AOR. (FY 2017 Baseline: \$4,331 thousand)	5,164	
8) Tactical Combat Casualty Care (TCCC) Increased funds are used to sustain and replace TCCC casualty evacuation (CASEVAC) sets and medic kits. These kits provide necessary advanced materiel capability required to rescue, recover, sustain and transport for all trauma casualties from point of wounding through CASEVAC to entrance to definitive care facility. (FY 2017 Baseline: \$2,471 thousand)	717	
9) Travel	161	

**Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
<p>The increase is attributed to higher requirements for maintenance personnel, technicians, mechanics, and individuals involved in forward logistical support who are required to travel in order to maintain a steady OPTEMPO in theater. (FY 2017 Baseline: \$460 thousand)</p>		
9. Program Decreases		-167,346
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Electronic Countermeasures (RCIED)	-4,888	
<p>This program is required to maintain system currency against emerging threats and continues maintenance and sustainment of critical C-IED capability. The lower funding request is due to one-time costs associated in the previous FY. The requirement will provide steady-state sustainment efforts to maintain life-saving force protection equipment, provide equipment training, supply required spares and update electronic countermeasure (ECM) load sets against new and emerging threats and provide full-time sustainment/installation teams within the theater. (FY 2017 Baseline: \$19,100 thousand)</p>		
2) Ground Mobility Vehicles (GMV)	-6,528	
<p>The GMV request reflects a decrease in reset requirements of this program due to reduced retrograde actions for GMV in FY 2018. The program resets the fleet back to original condition, plus additional lightweight components, and upgrades or</p>		

**Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
modifies the vehicles to SOF peculiar requirements. (FY 2017 Baseline: \$35,539 thousand)		
3) Mid Endurance Unmanned Aerial System (MEUAS) The MEUAS program is a program that was incorrectly captured in the Maintenance BSA in FY 2017. This properly realigns MEUAS to the Intelligence BSA. (FY 2017 Baseline: \$127,506 thousand)	-130,056	
4) Mine Resistant Ambush Protected (MRAP) Vehicles This requirement provides sustainment support for the MRAP fleet of vehicles and systems currently deployed supporting combat operations. Vehicle maintenance support is provided by CLS and is in direct support of theater specific operations. In addition to SOF-peculiar repair parts, functions that are not vehicle specific (i.e., program management, configuration management, engineering support, supply support, transportation, warehousing, maintenance, training, spares, fabrication, etc.) are required to be funded to support SOF forces. This funding reduction still allows for the remaining vehicle reset as vehicles begin to redeploy from theater. (FY 2017 Baseline: \$82,818 thousand)	-15,936	
5) Mobile Technology & Repair Complex (MTRC) The MTRC requirement provides for reimbursable US Government Civil Engineers and contracted technicians to provide maintenance, technical solutions, repairs, limited modification/fabrication, and operations support for 12 MTRC sites supporting SOF operators in austere locations. These sites provide critical	-903	

**Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
demand for SOF-peculiar, foreign equipment, vehicles and facilities for SOF commanders' urgent requirement for forward deployed maintenance activity with rapid repair turn times. This decrease aligns the requirement with execution rates. (FY 2017 Baseline: \$27,258 thousand)		
6) SOF Personal Equipment Advanced Requirements (SPEAR) In FY 2017, SOCOM began a full scale life cycle replacement of all SPEAR that completes in FY 2018.	-9,035	
Remaining funds for this program will sustain the ongoing effort to increase testing and serialization of SPEAR body armor plates allowing full configuration of body armor for SOF operators and to procure replacement items as required. (FY 2017 Baseline: \$14,181 thousand)		
FY 2018 Budget Request		375,246

Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

IV. Performance Criteria:

N/A

Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

V. Personnel Summary

**Maintenance
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

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>	
308 Travel of Persons	234	4	222	460	9	161	630
399 Total Travel	234	4	222	460	9	161	630
601 Army Industrial Operations	5,814	-6	710	6,518	0	-1,114	5,404
610 Navy Air Warfare Center	364	12	32	408	11	-81	338
611 Navy Surface Warfare Ctr	1,974	64	175	2,213	32	-410	1,835
699 Total DWCF Purchases	8,152	70	917	9,139	43	-1,605	7,577
914 Purchased Communications (Non-Fund)	1,718	33	175	1,926	39	-368	1,597
920 Supplies & Materials (Non-Fund)	58	1	6	65	1	-12	54
925 Equipment Purchases (Non-Fund)	8,287	157	847	9,291	186	-1,775	7,702
929 Aircraft Reworks by Contract	163,287	3,102	16,672	183,061	3,661	-34,963	151,759
930 Other Depot Maintenance (Non-Fund)	132,334	2,514	13,511	148,359	2,967	-28,334	122,992
987 Other Intra-Govt Purch	5,808	110	593	6,511	130	-1,243	5,398
989 Other Services	83,428	1,585	8,518	93,531	1,871	-17,865	77,537
999 Total Other Purchases	394,920	7,502	40,322	442,744	8,855	-84,560	367,039
Total	403,306	7,576	41,461	452,343	8,907	-86,004	375,246

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

I. Description of Operations Financed: OCO funding in the Other Operations Budget Sub-Activity provides unit level deployment; pre-deployment focused training; travel of persons; transportation of equipment; weapons and vehicle sustainment; combat support; supplies and personal gear; operational command and control; Theater Special Operations Command (TSOC) support; 10 U.S. Code section 127e authority (formerly 1208 authority); and maintenance, repair, and contract logistics support for SOF missions and equipment.

Units supported in this request include: Active and National Guard Army Special Forces; SOF Active Army Ranger Regiments; Army Civil Affairs Units; Naval Special Warfare groups, units, teams, and detachments; Marine Corps Forces Special Operations units and teams; 24th Air Force Special Operations Wing that includes Special Tactics Groups and Squadrons, SOF Para Rescue Forces, and Combat Control Squadrons. Also included in this Sub-Activity is support for the TSOCs, HQ USSOCOM operational command and control activities, and 10 U.S. Code section 127e authority for support of Special Operations in combatting terrorism.

These units and their assets provide a wide range of SOF capabilities that include: direct action; special reconnaissance; hostage rescue and recovery; SOF combat support; security force assistance; air, land, and maritime insertion and extraction; tactical vehicle operations; language and cultural expertise; civil affairs; combat weather observation; combat medical aid; and forward air and fire control.

II. Force Structure Summary:

N/A

Other Operations
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

A. <u>BA Subactivities</u>	FY 2017							FY 2018 <u>Estimate</u>
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>		
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>			
Other Operations	632,782	362,692	0	0.0	0	362,692	356,113	
Total	632,782	362,692	0	0.0	0	362,692	356,113	

<u>Summary by Operation</u>	FY 2016	FY 2017	FY 2018
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Operation FREEDOM'S SENTINEL (OFS)	\$344,721	\$271,943	\$214,400
Operation INHERENT RESOLVE (OIR)	\$269,972	\$46,149	\$45,743
European Reassurance Initiative (ERI)	\$18,089	\$44,600	\$95,970
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$632,782	\$362,692	\$356,113

Other Operations
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 01: Operating Forces

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	362,692	362,692
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	362,692	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	362,692	
Baseline Appropriation	987,806	
Reprogrammings		
Price Changes		2,683
Functional Transfers		
Program Changes		-9,262
Current Estimate	1,350,498	356,113
Less: Baseline Appropriation	-987,806	
Normalized Current Estimate	362,692	

Other Operations
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		362,692
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		362,692
2. Baseline Appropriation		987,806
a. Baseline Appropriation		
1) Other Operations	987,806	
3. Fact-of-Life Changes		
FY 2017 OCO Funding		1,350,498
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		1,350,498
5. Less: Baseline Appropriation		-987,806
FY 2017 Normalized Current Estimate		362,692
6. Price Change		2,683
7. Functional Transfers		
8. Program Increases		199,190
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
1) C4I	13,546	
\$12,451 thousand - Funding provides airtime for USASOC INMARSAT and IRIDIUM charges and sustains forward deployed tactical communication ancillary equipment.		

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
\$1,095 thousand - Supports funding for airtime charges for MARSOC. (FY 2017 Baseline: \$0 thousand)		
2) Confidential Military Purpose (CMP) Funds This provides increased funding for CMP requirements. (FY 2017 Baseline: \$14,500 thousand)	1,547	
3) Contract Services \$45,830 thousand - These are new requirements to provide for various contracted support for USASOC, MARSOC, HQ SOCOM, and NSWC. Provides contracted senior/expert Intel analysts and communications technicians to primarily support the increased operations in the USAFRICOM AOR; operations support analysts to develop CONOPs, fund requirements/coordinate resourcing; and logistics support officers to provide support to in garrison forces.	73,106	
 \$1,876 thousand - Provides for leased vehicles in deployed locations to support SOF operations for USASOC, MARSOC and NSWC.		
 \$25,400 thousand - Funds a new requirement for Identity Management contract that enables forces to plan and prepare a defensive posture by reducing the operational risk in providing due diligence assessments, mitigation, monitoring and cyber de-confliction. (FY 2017 Baseline: \$0 thousand)		
4) European Reassurance Initiative (ERI)	64,255	

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases

Amount

Total

The FY 2018 request continues ERI activities underway and reflects increased demand for SOF resulting from new requirements for the evolving security environment in the USEUCOM AOR. The FY 2018 request supports increased SOF presence, providing USEUCOM operational flexibility and posturing a force against Global Employment of the Force (GEF) priority campaign and contingency objectives. This request includes funding for:

\$3,000 thousand - SOCEUR Site Assessment and Improvement. This provides funding for SOF location assessments, program and design (P&D), and purchase of equipment and minor construction and renovations. This supports the requested SOCOM OCO MILCON ERI project.

\$18,500 thousand - SOF pre-positioned equipment. This provides funding to support the SOF commodity requirements of rotational forces (Regionally Aligned Force (RAF) and the NATO Response Force (NRF)) in designated nations. Provides for storage sites, and preposition of SOF war reserves and operational stocks in the Baltic countries.

\$17,200 thousand - ISR/PED support. This provides funding for ISR and PED requirements for forward locations to directly support deployed U.S. and coalition forces and provides a conduit to broader

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases

Amount

Total

U.S. and allied reach back assistance.

\$6,000 thousand - SOCEUR staging capabilities. This provides funding for SOCEUR to establish Joint Reception, Staging, Onward movement and Integration (JRSO&I) facilities in SOCEUR designated Host Nation locations or leverage existing JRSO&I nodes within the EUCOM AOR.

\$1,050 thousand - CI/Debriefing support. Provides funding for counter-intelligence operations and support for SOCEUR.

\$2,600 thousand - SOCEUR Intelligence and operations. Provides funding for counter-intelligence operations and support for SOCEUR.

\$320 thousand - SOF exercise support. Provides exercise funding for SOG/conventional force (CF) interoperability with Eastern European nations.

\$1,500 thousand - SOCEUR Native Prospector. SOCEUR Components rely on Native Prospector information and assessments to plan and conduct future operations, measure trends, and determine focus areas for intelligence analysis.

\$14,085 thousand - SOCEUR Counter Aggression. This will set detrence conditions in theater in order to

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
provide posture measures for a quick joint response in the wake of threats made by aggressive actors in the region (SOF train, advise and assist engagements with Allies, defense planning, Military Information Support Operations (MISO)).		
Airlift requirements for ERI are captured in the transportation section. (FY 2017 Baseline: \$31,600 thousand)		
5) Organizational Clothing/Medical Support \$2,033 thousand - Provides for medical support/health services requirements for fielded SOF.	4,129	
\$2,096 thousand - supports increased requirements for necessary SOF-peculiar organizational clothing. (FY 2017 Baseline: \$433 thousand)		
6) Supplies and Equipment Provides funding for supplies and equipment in support of pre-deployment and deployment requirements for CT operations. Supports USASOC, MARSOC, NSWC and TSOC operational units, locally and contract procured supplies and equipment, small weapons maintenance supplies and necessary pre-deployment, deployment and re-deployment supply stocks. (FY 2017 Baseline: \$0 thousand)	21,714	
7) Travel The increase to travel corresponds to the transition to a higher OPTEMPO to support sustained operations in theater. Supports deployment levels and mission	20,893	

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
sets in support of SOF Service component pre-deployment training and TDYs. (FY 2017 Baseline: \$22,616 thousand)		
9. Program Decreases		-208,452
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
1) Critical Mission Needs Statement (CMNS) These requirements are one one-time urgent need in the FY 2017 RAA (Request for Additional Appropriations) and are no longer required in FY 2018. At this time there are no known or anticipated FY 2018 requirements. The FY 2017 resources funded validated requirements which SOCOM had opportunity to address as part of the FY 2017 RAA. (FY 2017 Baseline: \$46,000 thousand)	-46,167	
2) NSW Maritime Ops Mission Reset This requirement was a one-time equipment reset request for the FY 2017 RAA (Request for Additional Appropriations) submission and is no longer required for FY 2018. The equipment reset needed was due damaged SOF maritime craft. (FY 2017 Baseline: \$12,000 thousand)	-12,044	
3) SOJTF-OIR Support This requirement was a request in FY 2017 that presented a validated requirement which SOCOM had opportunity to address as part of the FY 2017 RAA (Request for Additional Appropriations). This were one-time stand up requirements for new 75th Ranger Regiment (75 RGR) missions, and stand up costs for	-35,116	

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
<p>Naval Special Warfare Command (NSWC) to provide rotational augmentation to MARSOC in support of SOJTF-OIR. (FY 2017 Baseline: \$34,989 thousand)</p> <p>c. Program Decreases in FY 2018</p> <p>1) Civilian Pay</p> <p style="padding-left: 20px;">This requirement decreased due to no longer needing additional civilian term hires and lower overtime requirements due to steady state OPTEMPO. (FY 2017 Baseline: \$6,400 thousand)</p> <p>2) Training</p> <p style="padding-left: 20px;">Reduced requirement due to less formal/specialized training opportunities needed for pre-deployment taskings. (FY 2017 Baseline: \$3,000 thousand)</p> <p>3) Transportation</p> <p style="padding-left: 20px;">The transportation requirement significantly decreased due to the reduced airlift requirements (personnel and cargo) for theater operations. These operations surged to ramp up in FY 2017 and are now anticipated to be in a lowered steady-state operations rate (\$93,218 thousand).</p> <p style="padding-left: 20px;">ERI transportation requirements are captured in this program and account for a reduction of \$13,000 thousand. (FY 2017 Baseline: \$110,004 thousand)</p>	<p>-5,955</p> <p>-2,952</p> <p>-106,218</p>	<p>356,113</p>
FY 2018 Budget Request		

Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

IV. Performance Criteria:

N/A

Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces

V. Personnel Summary

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

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	2,345	44	4,011	6,400	125	-5,955	570
199 Total Civ Compensation	2,345	44	4,011	6,400	125	-5,955	570
308 Travel of Persons	75,907	1,442	-54,733	22,616	452	21,498	44,566
399 Total Travel	75,907	1,442	-54,733	22,616	452	21,498	44,566
401 DLA Energy (Fuel Products)	523	31	-472	82	0	416	498
411 Army Supply	1,773	-82	-526	1,165	33	390	1,588
412 Navy Managed Supply, Matl	6,583	325	-2,583	4,325	-50	1,622	5,897
413 Marine Corps Supply	163	-6	-50	107	-2	41	146
414 Air Force Consol Sust AG (Supply)	23,118	222	-8,152	15,188	-1,264	6,785	20,709
416 GSA Supplies & Materials	626	12	-227	411	8	142	561
417 Local Purch Supplies & Mat	5,543	105	-2,006	3,642	73	1,250	4,965
421 DLA Mat Supply Chain (Cloth & Textiles)	525	7	-187	345	5	120	470
422 DLA Mat Supply Chain (Medical)	20	0	-7	13	0	5	18
424 DLA Mat Supply Chain (Weapon Sys)	166	-10	-47	109	-7	47	149
499 Total Supplies & Materials	39,040	604	-14,257	25,387	-1,204	10,818	35,001
502 Army Fund Equipment	2,795	-7	-952	1,836	52	616	2,504
503 Navy Fund Equipment	1,750	68	-668	1,150	1	417	1,568
506 DLA Mat Supply Chain (Const & Equip)	964	-1	-330	633	-1	232	864
507 GSA Managed Equipment	256	5	-93	168	3	58	229
599 Total Equipment Purchases	5,765	65	-2,043	3,787	55	1,323	5,165
601 Army Industrial Operations	387	0	-133	254	0	93	347
610 Navy Air Warfare Center	24	1	-9	16	0	5	21
614 Space & Naval Warfare Center	434	5	-154	285	11	93	389
623 Navy Transportation (Special Mission Ships)	0	0	0	0	0	2,500	2,500
640 Marine Corps Depot Maint	190	8	-73	125	-1	46	170
647 DISA Enterprise Computing	435	-44	-105	286	5	99	390

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

<u>OP 32 Line</u>	FY 2016 <u>Actual</u>	Change FY 2016/FY 2017		FY 2017 <u>Estimate</u>	Change FY 2017/FY 2018		FY 2018 <u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
Centers							
699 Total DWCF Purchases	1,470	-30	-474	966	15	2,836	3,817
702 AMC SAAM (fund)	189,762	0	-111,506	78,256	0	-77,324	932
705 AMC Channel Cargo	10,597	201	-10,600	198	4	8	210
708 MSC Chartered Cargo	1,200	65	3,235	4,500	-1,206	-2,224	1,070
717 SDDC Global POV	0	0	1,650	1,650	35	-1,070	615
771 Commercial Transport	12,139	231	13,030	25,400	508	-25,608	300
799 Total Transportation	213,698	497	-104,191	110,004	-659	-106,218	3,127
914 Purchased Communications (Non-Fund)	1,862	35	-674	1,223	24	421	1,668
915 Rents (Non-GSA)	1,128	21	-408	741	15	254	1,010
920 Supplies & Materials (Non-Fund)	10,861	206	-3,932	7,135	143	2,451	9,729
921 Printing & Reproduction	2	0	-1	1	0	1	2
922 Equipment Maintenance By Contract	4,846	92	-1,754	3,184	64	1,093	4,341
923 Facilities Sust, Rest, & Mod by Contract	907	17	-328	596	12	204	812
924 Pharmaceutical Drugs	50	2	-19	33	1	11	45
925 Equipment Purchases (Non-Fund)	195,623	3,717	-70,821	128,519	2,570	44,154	175,243
926 Other Overseas Purchases	211	4	-76	139	3	47	189
930 Other Depot Maintenance (Non-Fund)	5,068	96	-1,834	3,330	67	1,143	4,540
932 Mgt Prof Support Svcs	4,570	87	-1,655	3,002	60	1,032	4,094
933 Studies, Analysis & Eval	592	11	-214	389	8	133	530
934 Engineering & Tech Svcs	93	2	-34	61	1	21	83
935 Training and Leadership Development	5,755	109	-2,083	3,781	76	1,298	5,155
937 Locally Purchased Fuel (Non-Fund)	0	0	16	16	0	-16	0
955 Other Costs (Medical Care)	2,094	84	-802	1,376	54	446	1,876
957 Other Costs (Land and Structures)	2,023	38	-732	1,329	27	456	1,812
984 Equipment Contracts	2,710	51	-981	1,780	36	612	2,428

**Other Operations
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 01: Operating Forces**

<u>OP 32 Line</u>	FY 2016	Change		FY 2017	Change		FY 2018
	<u>Actual</u>	<u>FY 2016/FY 2017</u>		<u>Estimate</u>	<u>FY 2017/FY 2018</u>		<u>Estimate</u>
		<u>Price</u>	<u>Program</u>		<u>Price</u>	<u>Program</u>	
987 Other Intra-Govt Purch	16,527	314	-5,983	10,858	217	3,730	14,805
989 Other Services	39,395	749	-14,263	25,881	518	8,891	35,290
990 IT Contract Support Services	240	5	-87	158	3	54	215
999 Total Other Purchases	294,557	5,640	-106,665	193,532	3,899	66,436	263,867
Total	632,782	8,262	-278,352	362,692	2,683	-9,262	356,113

The FY 2016 column includes \$198.5 million of the FY 2015 Syria Train and Equip OCO funding (PL 113-235).
The FY 2017 column excludes any FY 2017 OCO Syria Train and Equip OCO funding request.
The FY 2018 column excludes any FY 2018 OCO Syria Train and Equip OCO funding request.

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The Joint Staff
Overseas Contingency Operations
Overseas Contingency Operations (OCO), Defense-Wide
Budget Activity 01: Operating Forces

I. Description of Operations Financed: The Chairman of the Joint Chiefs of Staff (CJCS) is the principal military adviser to the President, National Security Council, and Secretary of Defense. The Chairman presides over and serves as a member of the Joint Chiefs of Staff. CJCS relies upon the Joint Staff (TJS) to craft and distribute guidance for combatant forces' unified strategic direction, operations under unified command, and integration into effective combat forces. On behalf of the Chairman, TJS provides Combatant Commands (CCMDs), the Services, and U.S. war fighters with joint policy, strategy, and doctrine necessary to employ effective joint combat forces in contingencies worldwide.

Goldwater-Nichols legislation (P.L. 99-433) strengthened joint military participation in the management of DOD resources by providing the CJCS, CCMDs, and the Joint Staff a greater voice in the planning, programming, budgeting, and execution process. While resource management is an internal matter of each Military Department by statute, the Chairman retains responsibility to review major personnel, materiel, and logistics requirements of the Armed Services in relation to strategic and operational plans. Ultimately, the CJCS is the one person tasked with providing the President and Secretary of Defense strategic planning, direction, and advice on requirements, programs, and budget priorities identified by the National Security Council, CCMDs, and Services.

II. Force Structure Summary:

N/A

The Joint Staff
 Overseas Contingency Operations
 Overseas Contingency Operations (OCO), Defense-Wide
 Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

	FY 2017							FY 2018 Estimate
	FY 2016 Actual	Budget Request	Congressional Action			Current Estimate		
			Amount	Percent	Appropriated			
A. BA Subactivities								
ERI	7,451	0	0	0.0	0	0	0	
European Reassurance Initiative (ERI)	7,451	0	0	0.0	0	0	0	
OIR	0	0	0	0.0	0	0	4,841	
CE2T2 - Mission Rehearsal Exercise (MRX)	0	0	0	0.0	0	0	4,841	
Total	7,451	0	0	0.0	0	0	4,841	

	FY 2016 <u>Actual</u>	FY 2017 <u>Estimate</u>	FY 2018 <u>Estimate</u>
<u>Summary by Operation</u>			
Operation FREEDOM'S SENTINEL (OFS)	\$0	\$0	\$0
Operation INHERENT RESOLVE (OIR)	\$0	\$0	\$4,841
European Reassurance Initiative (ERI)	\$7,451	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$7,451	\$0	\$4,841

The Joint Staff
 Overseas Contingency Operations
 Overseas Contingency Operations (OCO), Defense-Wide
 Budget Activity 01: Operating Forces

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		
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount		
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding		
Baseline Appropriation		
Reprogrammings		
Price Changes		
Functional Transfers		4,841
Program Changes		
Current Estimate		4,841
Less: Baseline Appropriation		
Normalized Current Estimate		

The Joint Staff
 Overseas Contingency Operations
 Overseas Contingency Operations (OCO), Defense-Wide
 Budget Activity 01: Operating Forces

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		
6. Price Change		
7. Functional Transfers		4,841
a. Transfers In		
1) CE2T2 - Mission Rehearsal Exercise (MRX)	4,841	

Funding will allow the Joint Staff to train a 3-Star Service Headquarters (HQ) to serve as a Combined Joint Task Force (CJTF) in accordance with the direction provided within the Guidance for the Development of the Force (GDF) and Chairman, Joint Chiefs of Staff (CJCS) which directs joint collective and individual training for U.S. forces deploying to undertake OCO. This contingency training is needed

**The Joint Staff
Overseas Contingency Operations
Overseas Contingency Operations (OCO), Defense-Wide
Budget Activity 01: Operating Forces**

III. Financial Summary (\$ in thousands)

C. Reconciliation of Increases and Decreases

Amount

Total

for the 3-Star Service headquarters leading coalition actions against the Islamic State of Iraq and the Levant (ISIL) terrorist organization, other associated regional terrorist threats that are conducting crimes against humanity, and other terrorist activities. This funding allows deploying personnel to rapidly assume their joint duties and avoid mistakes that could endanger the lives of the Joint/Coalition military forces and local civilians. Funding will result in the designated Joint Task Force (JTF) HQs deploying into Theater to form Joint and Coalition Teams ready to successfully execute the mission. Further this funding supports the Joint Staff's support to the Army's preparation of the Army personnel assigned to CJTF OPERATION INHERENT RESOLVE (OIR). The Office of the Undersecretary for Personnel and Readiness received OCO funding for CE2T2 in prior years before transferring to the Joint Staff.

- 8. Program Increases
 - a. Annualization of New FY 2017 Program
 - b. One-Time FY 2018 Increases
 - c. Program Growth in FY 2018
- 9. Program Decreases
 - a. Annualization of FY 2017 Program Decreases
 - b. One-Time FY 2017 Increases
 - c. Program Decreases in FY 2018

FY 2018 Budget Request

4,841

The Joint Staff
Overseas Contingency Operations
Overseas Contingency Operations (OCO), Defense-Wide
Budget Activity 01: Operating Forces

IV. Performance Criteria:

N/A

The Joint Staff
Overseas Contingency Operations
Overseas Contingency Operations (OCO), Defense-Wide
Budget Activity 01: Operating Forces

<u>V. 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>Contractor FTEs (Total)</u>	<u>32</u>	<u>0</u>	<u>17</u>	<u>-32</u>	<u>17</u>

Personnel Summary Explanations:

FY 2018

Note: A DepSecDef-directed functional transfer in FY 2018 realigned the entire Combatant Commanders Exercise Engagement and Training Transformation

(CE2T2) program from the Office of the Undersecretary for Personnel and Readiness to the Joint Staff in an effort to address improvements in a program that covers all three of the Chairman of the Joint Chiefs of Staff focus areas. These focus areas include: 1) Restoring joint readiness; 2) Improving our joint warfighting capability; and 3) Developing leaders for Joint Forces Next. Due to their Operational and Training nature, this program has historically executed in a Non-Management Headquarters Program Element and remains differentiated from the other CE2T2 programs executed by the Joint Staff. Joint Staff program growth seen because of this functional transfer is offset by corresponding OSD program decreases, specifically within the Office of the Undersecretary for Personnel and Readiness.

The Joint Staff
Overseas Contingency Operations
Overseas Contingency Operations (OCO), Defense-Wide
Budget Activity 01: Operating Forces

The Joint Staff
Overseas Contingency Operations
Overseas Contingency Operations (OCO), Defense-Wide
Budget Activity 01: Operating Forces

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>	
308 Travel of Persons	0	0	0	0	0	841	841
399 Total Travel	0	0	0	0	0	841	841
923 Facilities Sust, Rest, & Mod by Contract	7,451	142	-7,593	0	0	0	0
989 Other Services	0	0	0	0	0	4,000	4,000
999 Total Other Purchases	7,451	142	-7,593	0	0	4,000	4,000
Total	7,451	142	-7,593	0	0	4,841	4,841

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**Washington Headquarters Services
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities**

I. Description of Operations Financed: The Washington Headquarters Services (WHS) Overseas Contingency Operations (OCO) Budget commenced in FY 2014 and was comprised of two components: The Department of Defense Consolidated Adjudications Facility (DoD CAF) and the WHS Office of Special Security (OSS) that provides dedicated security program support to the Office of Military Commissions (OMC).

(OCO) Compensation and Benefits: WHS centrally manages the OCO civilian compensation and benefits program which resources 23 direct civilian full-time equivalents (FTE).

The DoD CAF: The Deputy Secretary of Defense (DSD) directed the consolidation of the Department's clearance adjudications facilities, resources, and assets into a single DoD organization at Fort Meade under the authority and direction of the Director, Administration for WHS and OSD. The purpose of the consolidation was to promote and enhance greater consistency, standardization, and efficiency throughout the adjudicative process. Beginning in FY 2017, the DoD CAF no longer had an OCO requirement.

The WHS OSS: On December 7, 2012, the DSD approved the realignment of the OMC security program and associated manpower to WHS. The realignment ensures that security inquiries and actions on OMC organizations are done independently to safeguard the legal processes and ethical obligations that protect client rights. OMC currently conducts the trials of enemy combatants held at the U.S. Naval Station Guantanamo Bay, Cuba. This budget reflects the funding required for 23 OCO funded FTEs who provide direct security program support to that effort.

II. Force Structure Summary:

N/A

Washington Headquarters Services
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

	FY 2017							FY 2018 <u>Estimate</u>
	FY 2016 <u>Actual</u>	Budget <u>Request</u>	<u>Congressional Action</u>			Current <u>Estimate</u>		
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>			
A. <u>BA Subactivities</u>								
DoD Consolidated	306	0	0	0.0	0	0		0
Adjudications Facilities								
Office of Military	1,674	3,137	0	0.0	0	3,137		3,179
Commissions Security								
Program								
Total	1,980	3,137	0	0.0	0	3,137		3,179

	FY 2016 <u>Actual</u>	FY 2017 <u>Estimate</u>	FY 2018 <u>Estimate</u>
<u>Summary by Operation</u>			
Operation FREEDOM'S SENTINEL (OFS)	\$1,980	\$3,137	\$3,179
Operation INHERENT RESOLVE (OIR)	\$0	\$0	\$0
European Reassurance Initiative (ERI)	\$0	\$0	\$0
Post-Operation New Dawn (P-OND)	\$0	\$0	\$0
Operation Totals	\$1,980	\$3,137	\$3,179

Washington Headquarters Services
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

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	3,137	3,137
Congressional Adjustments (Distributed)		
Congressional Adjustments (Undistributed)		
Adjustments to Meet Congressional Intent		
Congressional Adjustments (General Provisions)		
Carryover		
Subtotal Appropriated Amount	3,137	
Fact-of-Life Changes (2017 to 2017 Only)		
Subtotal OCO Funding	3,137	
Baseline Appropriation		
Reprogrammings		
Price Changes		61
Functional Transfers		
Program Changes		-19
Current Estimate	3,137	42
Less: Baseline Appropriation		
Normalized Current Estimate	3,137	

Washington Headquarters Services
 Overseas Contingency Operations
 Operation and Maintenance, Defense-Wide
 Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2017 President's Budget Request (Amended, if applicable)		3,137
1. Congressional Adjustments		
a. Distributed Adjustments		
b. Undistributed Adjustments		
c. Adjustments to Meet Congressional Intent		
d. General Provisions		
e. Carryover		
FY 2017 Appropriated Amount		3,137
2. Baseline Appropriation		
3. Fact-of-Life Changes		
FY 2017 OCO Funding		3,137
4. Reprogrammings (Requiring 1415 Actions)		
Revised FY 2017 Estimate		3,137
5. Less: Baseline Appropriation		
FY 2017 Normalized Current Estimate		3,137
6. Price Change		61
7. Functional Transfers		
8. Program Increases		
a. Annualization of New FY 2017 Program		
b. One-Time FY 2018 Increases		
c. Program Growth in FY 2018		
9. Program Decreases		-19
a. Annualization of FY 2017 Program Decreases		
b. One-Time FY 2017 Increases		
c. Program Decreases in FY 2018		
1) Reduction to Comp-Bene (OCO)	-19	
The decrease in funding is a result of repricing of the WHS Office of Special Security manpower requirement.		

Washington Headquarters Services
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

III. Financial Summary (\$ in thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2018 Budget Request		3,179

Washington Headquarters Services
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

IV. Performance Criteria:

N/A

Washington Headquarters Services
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

V. <u>Personnel Summary</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change</u> FY 2016/ FY 2017	<u>Change</u> FY 2017/ FY 2018
<u>Civilian FTEs (Total)</u>	<u>17</u>	<u>23</u>	<u>23</u>	<u>6</u>	<u>0</u>
U.S. Direct Hire	17	23	23	6	0
Total Direct Hire	17	23	23	6	0
Average Annual Civilian Salary (\$ in thousands)	116.5	136.4	138.2	19.9	1.8

Washington Headquarters Services
Overseas Contingency Operations
Operation and Maintenance, Defense-Wide
Budget Activity 04: Administrative and Service-Wide Activities

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	1,980	37	1,120	3,137	61	-19	3,179
199 Total Civ Compensation	1,980	37	1,120	3,137	61	-19	3,179
Total	1,980	37	1,120	3,137	61	-19	3,179