

MARINE CORPS

(\$ in Millions)									
FY 2002*	Price	Program	FY 2003	Price	Program	FY 2004	Price	Program	FY 2005
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
2,964.6	+59.6	+497.2	3,521.4	+49.0	-163.7	3,406.7	+66.3	+196.9	3,669.9

* Includes funds from transfer accounts (e.g., Overseas Contingency Operations Transfer Fund, Drug Interdiction and Counterdrug Activities, Defense, and Environmental Restoration, Navy)

The Operation and Maintenance, Marine Corps appropriation provides the funding for Marine Corps missions, functions, activities, and facilities except for those requirements related to: procurement of major items of equipment and ammunition, military personnel, military family housing, operation and maintenance of the Marine Corps Reserve, and those functions supported by Navy-sponsored appropriations.

The funds contained in this appropriation are intended primarily for the support of the total active Marine Corps Forces. The primary Marine Corps objective is to train and maintain the Fleet Marine Forces at a high level of combat readiness for service with the fleet, ashore, or for such other duties as the President may direct.

The Fleet Marine Forces supported by this appropriation are composed of Marine Expeditionary Forces (Division/Wing/Service Support Group Task Organizations), including a combination of combat and combat service support organizations and a variety of supporting units. Funds are also provided to support two landing force training commands, Marine detachments afloat, the security forces assigned to Naval and other government activities ashore, maritime prepositioning ships, and Norway prepositioning.

Shore facilities receiving funding support from this appropriation are: three major bases; two recruit depots; eleven air installations; one Marine Corps Combat Development Command; one Marine Corps Systems Command; one Marine Corps Air-Ground Combat Center; and two Expeditionary Warfare Training Groups. These facilities are being maintained at standards that will permit effective utilization, avoid major replacement costs, and allow operation and maintenance on an economical and effective basis.

The individual training of enlisted and officer personnel from basic training to the highest Marine Corps technical training and the advanced training at schools of the other Services and at civilian institutions are funded in this appropriation. Such schooling is designed to produce highly trained and disciplined enlisted and officer personnel for duty with the Fleet Marine Force, capable of leadership growth as well as effective performance.

MARINE CORPS

This appropriation also supports the Marine Corps supply system. The principal objective of the supply system is to provide Marine activities/units with the proper material and equipment in the quantity, condition, time, and place required. Further, it supports other miscellaneous activities such as special training, second destination transportation of things, recruiting, equipment overhaul and repair, and miscellaneous expenses.

The FY 2004 O&M budget request of \$3,406.7 million reflects a net decrease of \$114.7 million from the FY 2003 funding level. The change includes \$49.0 million in price growth and a \$163.7 million net decrease in functional transfers and program changes. The detailed explanations of the transfers and program changes are explained below:

Budget Activity 1: Operating Forces

(\$ in Millions)									
FY 2002	Price	Program	FY 2003	Price	Program	FY 2004	Price	Program	FY 2005
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
2,198.2	+52.4	+455.3	2,705.9	+31.0	-234.7	2,502.2	+49.7	+69.8	2,621.7

The Operating Forces budget activity is comprised of two activity groups, Expeditionary Forces and USMC Prepositioning.

The Expeditionary Forces activity group provides funding for the operating forces that constitute the Marine Corps Air-Ground Team and Marine security forces at naval installations and aboard Naval vessels. The field logistics and depot maintenance programs in support of the operating forces are also funded in this activity group. In addition, base support functions for Marine Corps bases, camps, air stations, and logistics bases supporting the Fleet Marine Forces; Quality-of-Life (QOL) programs such as Childcare, Youth Development and Family Service Centers; injury compensation payments; and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases are financed in this activity group.

The USMC Prepositioning activity group finances the Maritime Prepositioning Forces (MPF) program, the Norway Air Landed Marine Expeditionary Brigade (NALMEB) program and the Aviation Logistics Support Ships (TAVB) program.

The FY 2004 budget request of \$ 2,502.2 million for Operating Forces reflects a net decrease of \$203.7 million from the FY 2003 funding level. The increase includes \$31.0 million in price growth and a \$234.7 million (-8.7 percent) net decrease from functional transfers and program changes. Major program changes in FY 2004 include an increase of \$109 million for Navy Marine Corps

MARINE CORPS

Intranet Costs (NMCI); an increase of \$75.6 million for Restoration and Modernization projects; an increase of \$22.9 million for Ordnance and End Item maintenance; an increase of \$6.6 million for Joint Concept Development and Experiments (JCDE), Joint Command, and Control Integration and Interoperability (JC212); an increase of \$7.3 million to support Operation and Maintenance of Newly Fielded Equipment (OMNE); an increase of \$7.9 million for Global Combat Support Systems- Marine Corps Portfolio (GCSS); an increase of \$5.4 million for Manpower Automated Information Systems; an increase of \$4.3 million for the Short Range Assault Weapon (Predator); an increase of \$4.9 million for the Intelligence Analysis System Module Kits; and an increase of \$3.4 million for the Multiple Integrated Laser Engagement System (MILES). These increases are offset by a decrease of \$261.1 million for the removal of DERF one time costs in FY 2003; a decrease of \$75.4 million for Combat Vehicle maintenance; a decrease of \$117.1 million for discontinued NMCI service costs; a decrease of \$5.2 million for Corrosion Control program; a decrease of \$6.3 million for Marine Corps exercises and Marine Corps participation in Joint Chiefs of Staff (JCS) and Commander-in-Chief (CINC)-sponsored exercises; a decrease of \$3.3 million for Asset Tracking Logistics and Supply System Process Improvement Program (ATLASS PIP); a decrease of \$3.3 million for Missile Maintenance based on the funded mix of equipment; a decrease of \$2.9 million for Maritime Prepositioning Force Program; a decrease of \$2 million for the elimination of duplicative information systems; and a decrease of \$3.7 million for Personnel Support Equipment program.

Budget Activity 3: Training and Recruiting

(\$ in Millions)									
FY 2002	Price	Program	FY 2003	Price	Program	FY 2004	Price	Program	FY 2005
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
484.1	+6.3	+34.5	524.9	+7.1	+45.3	577.3	+11.0	+11.7	600.0

The resources in this budget activity support recruiting and advertising, training and education of Marines as well as Quality-of-Life (QOL) programs such as Childcare, Youth Development, and Family Service Centers. Recruit training encompasses the transition from civilian life to duties as a Marine and includes an intense period of training designed to prepare the new Marine for assignment to units of the Fleet Marine Force, major posts and stations, and duty at sea aboard vessels of the U.S. Navy. Officer Acquisition encompasses training candidates for appointment as commissioned officers prior to actual commissioning in the Marine Corps and Marine Corps Reserve. Nominees undergo intense courses of instruction prior to actual commissioning.

Upon completion of Officer Acquisition Training or Recruit Training, the Marine is assigned to courses of instruction to acquire the requisite skills necessary to meet the minimum requirements of a Military Occupational Specialty (MOS). For officers, this course

MARINE CORPS

involves completion of The Basic School at the Marine Corps Combat Development Command (MCCDC), Quantico, Virginia, and the assignment to a MOS qualifying course such as the Infantry Officer Course or the Communication Officers School. The enlisted Marine undergoes Specialized Skill Training at Marine Corps installations or at schools run by the other Services, depending on his/her designated MOS.

This budget activity also funds training support for costs associated with travel and per diem for those Marines attending Service and civilian schools away from their permanent duty stations; expenses incurred in developing a proficient recruiting force; costs for advertising media and market analysis; costs for training support equipment, audio-visual aid, computer-assisted training programs, and direct administrative support to the training management functions and the Marine Corps Institute; injury compensation payments; and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases. In addition, this activity provides base support and Facilities Sustainment, Restoration, and Modernization (FSRM) support to Marine Corps Recruit Depots; Marine Barracks, 8th and I Streets, Washington, DC; and the Marine Corps Recruiting Command.

The FY 2004 budget request of \$577.3 million for Training and Recruiting reflects a net increase of \$52.4 million from the FY 2003 funding level. The increase includes \$7.1 million in price growth and a \$45.3 million (8.6 percent) net increase from functional transfers and program changes. Major program changes in FY 2004 include an increase of \$19.8 million for the transition to and fielding of the Navy Marine Corps Intranet (NMCI); an increase of \$3.6 million for replacement of 782 gear and supplies & materials; an increase of \$5.2 million for Tuition Assistance; an increase of \$9.5 million for newly fielded equipment such as the Multiple Integrated Laser Engagement System, Underwater Egress Capability System, and Combined Arms C2 Trainer Upgrade System; an increase of \$4.7 million to the Joint National Training Capability (JNTC); and an increase of \$17.4 million in Sustainment, Restoration and Modernization projects at Marine Corps bases worldwide. These increases are partially offset by a decrease of \$2.3 million in collateral equipment associated with Military Construction, Facility Sustainment, Restoration, and Modernization (FRSM), and the Japanese Facility Improvement Program (JFIP) projects; and a decrease of \$4.4 million for environmental projects related to compliance, conservation and pollution prevention.

MARINE CORPS

Budget Activity 4: Administration and Servicewide Support

(\$ in Millions)

FY 2002	Price	Program	FY 2003	Price	Program	FY 2004	Price	Program	FY 2005
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
282.3	+0.9	+7.4	290.6	+10.9	+25.7	327.2	+5.6	+115.4	448.2

The Marine Corps-wide efforts of special support, transportation, personnel management, and headquarters base support are financed in this activity group. In addition, civilian personnel salaries and the department and staff management of Headquarters, U.S. Marine Corps are funded within this activity group.

Special Support provides funding for the support of Marine Corps prisoners confined at the Army Disciplinary Command, Fort Leavenworth, Kansas; the Marine Band located at the Marine Barracks, 8th and I Streets, Washington, DC; and Quality-of-Life (QOL) programs such as Childcare, Youth Development, and Family Service Centers. Special Support also finances the administration of missions, functions and worldwide operations of the Marine Corps and Marine Security Guards. Cost of operations includes civilian personnel salaries, Defense Finance and Accounting Service (DFAS) reimbursements, automated data processing, printing and reproduction, civilian and military travel, and personnel services on a Marine Corps-wide basis.

All costs related to Second Destination Transportation of cargo to the operating forces are also funded in this activity group. Categories of transportation are: (a) Military Sealift Command for ocean cargo; (b) Inland Transportation by commercial carriers for movement between CONUS installations and ports; (c) Military Airlift Command for movement of priority cargo in support of Fleet Marine Force units; and (d) Military Traffic Management Command and commercial sources for port handling of ocean cargo.

Base operations support for Headquarters Battalion, Headquarters, U.S. Marine Corps and military personnel assigned to Headquarters, U.S. Marine Corps is funded within this activity group. Also included in this activity group are injury compensation payments and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases.

The FY 2004 budget request of \$327.2 million for Administration and Servicewide Activities reflects a net increase of \$36.6 million from the FY 2003 funding level. This increase includes \$10.9 million in price growth and a \$25.7 million (8.8 percent) net increase from functional transfers and program changes. Major changes in FY 2004 include an increase of \$14.5 million for the Pentagon Reservation Maintenance Fund (PRMF); an increase of \$2.7 million for the Heritage Center Museum Exhibit Fabrication; an increase of \$1.6 million for Second Destination Transportation; an increase of \$2.9 million for the transfer of military billets to civilian billets;

MARINE CORPS

an increase of \$3.8 million in the fielding of the Navy Marine Corps Intranet (NMCI); an increase of \$2.1 million for Defense Security Service; and an increase of \$1.5 million for the Marines Security Guard. These increases are offset by a decrease of \$2.5 million for Defense Finance and Accounting Services (DFAS) based on DFAS bill estimates.