

Subject: Explosively Formed Penetrator (EFP) Total Defeat Capability Appropriation Title: Other Procurement Army, 07/09, Military Personnel, Army, 07/07, Reserve Personnel Army, 07/07	DoD Serial Number: FY 07-42 PA
	Includes Transfer? Yes

Component Serial Number: Line Item a	(Amounts in Thousands of Dollars)							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	b	c	d	e	f	g	h	i

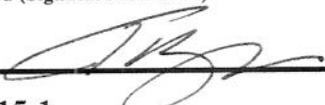
This reprogramming action is submitted for prior approval because it uses special transfer authority pursuant to section 1302 of Public Law 110-28, the U.S. Troop Readiness, Veterans, Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007 and initiates a **new start**. This reprogramming action transfers \$611.0 million from the Military Personnel, Army, 07/07, appropriation and \$25.0 million from the Reserve Personnel, Army, 07/07, appropriations to the Other Procurement, Army, 07/09, appropriation to support an urgent Joint Operational Needs Statement for Explosively Formed Penetrator (EFP) total defeat capability and additional CREW jammers. This action reprograms funding in support of higher priority items, based on unforeseen military requirements, than those for which originally appropriated; and is determined to be necessary in the national interest. It meets all administrative and legal requirements and none of the items have previously been denied by the Congress.

<u>FY 2007 REPROGRAMMING INCREASE:</u>			<u>+636,000</u>	<u>+476,000</u>
<u>Other Procurement, Army, 07/09</u>			<u>+636,000</u>	<u>+476,000</u>
<u>Budget Activity 1: Tactical and Support Vehicles</u>				
<u>Modification of In-Service Equipment</u>				
	1,383,841		1,383,841	
			+600,000	1,983,841
			+440,000	1,823,841

Explanation: In August 2007, a requirement from theater identified the need for Explosively Formed Projectile (EFP) Defeat kits (Frag Kit VI or FK6) for the Uparmored HMMWV (UAH). Under any scenario, UAHs will be in theater during 2008 and 2009 and will require FK6. This reprogramming will nearly complete procurement and fielding of FK6 against a requirement of approximately 8,000. This procurement should not interfere with the Mine Resistant Ambush Protected (MRAP) vehicle procurement, because there is enough material to manufacture current and projected MRAP quantities even with the additional requirement for FK6. Estimated capacity is to build approximately 4,500 kits by June 2008 and 1,000/month thereafter.

OUSD(C) Adj

Approved (Signature and Date)



SEP 13 2007

Subject: Explosively Formed Penetrator (EFP) Total Defeat Capability Appropriation Title: Other Procurement Army, 07/09, Military Personnel, Army, 07/07, Reserve Personnel Army, 07/07	DoD Serial Number: FY 07-42 PA
	Includes Transfer? Yes

Component Serial Number: Line Item	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

Budget Activity 2: Communications and Electronics Equipment Warlock (CREW) (VA8000)								
			-	-		+36,000		36,000

Explanation: In August 2007, another requirement from theater identified the need for additional CREW Jammer/IED defeat mechanisms for tactical vehicles because of CREW’s success in defeating IEDs and reducing casualties. CREW is currently in production and is a fielded and proven system for IED defeat. Under any scenario, each tactical vehicle in theater during 2008 and 2009 will require CREW. The unit price of a CREW is approximately \$40,000, and this reprogramming will nearly buy out the immediate requirement of 913. There are no production constraints. CREW has a 4 month production lead time. CREWs procured under this reprogramming will be fielded in January. This is a **new start**.

<u>FY 2007 REPROGRAMMING DECREASES:</u>						<u>-636,000</u>		<u>-476,000</u>
<u>Military Personnel, Army, 07/07</u>						<u>-611,000</u>		<u>-451,000</u>
<u>Budget Activity 1: Pay and Allowance of Officers</u>								
	10,564,789		10,597,485			<u>-322,000</u>		10,275,485
						<u>-162,000</u>		10,435,485

Explanation: The active duty military personnel appropriations fund the pay and allowances for mobilized Reserve Component (RC) soldiers. The Army's GWOT and supplemental budget requests planned for pay and allowances to support 86,700 man-years of RC soldiers. The latest estimate is that an average of 70,300 RC soldiers will be mobilized during the fiscal year. This underexecution is due primarily to fewer RC personnel mobilized in support of the surge than projected, mobilization of other Service personnel in lieu of Army, delayed mobilizations due to the Secretary of Defense policy on Utilization of the Total Force and a more precise estimate of officer pay using year-to-date actual costs. Thus, funds are available to finance emergent requirements of the Department. In addition to mobilized strength, the Army expects to under execute officer overstrength/stop loss man-year estimates.

OUSD(C) Adj

Subject: Explosively Formed Penetrator (EFP) Total Defeat Capability Appropriation Title: Other Procurement Army, 07/09, Military Personnel, Army, 07/07, Reserve Personnel Army, 07/07	DoD Serial Number: FY 07-42 PA
	Includes Transfer? Yes

Component Serial Number: Line Item	(Amounts in Thousands of Dollars)							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

Budget Activity 2: Pay and Allowance of Enlisted Personnel								
		25,779,347		25,059,377		-49,900		25,009,477

Explanation: The active duty military personnel appropriations fund the pay and allowances for mobilized Reserve Component (RC) soldiers. The Army's GWOT and supplemental budget requests planned for pay and allowances to support 86,700 thousand man-years of RC soldiers. The latest estimate is that an average of 70,300 RC soldiers will be mobilized during the fiscal year. This underexecution is due primarily to fewer RC personnel mobilized in support of the surge than projected, mobilization of other Service personnel in lieu of Army, and delayed mobilizations due to the Secretary of Defense policy on Utilization of the Total Force. Thus, funds are available to finance emergent requirements of the Department.

Budget Activity 4: Subsistence of Enlisted Personnel								
		3,789,318		3,733,872		-239,100		3,494,772

Explanation: Charges from the Defense Logistics Agency (DLA) for in theater subsistence bills include transportation. More detailed billing records from DLA allowed the Army to separate the transportation charges from the charges for subsistence. Transportation is more properly a cost of the Operation and Maintenance, Army appropriation so these costs were redirected to the Operation and Maintenance, Army appropriation. This action generated an asset in the Military Personnel, Army appropriation by shifting cost to the Operation and Maintenance, Army appropriation, which had sufficient funds available to cover the transportation costs.

Reserve Personnel, Army, 07/07								
						-25,000		
Budget Activity 1: Reserve Component Training and Support								
		3,599,812		3,539,466		-25,000		3,514,466

Explanation: Funds are available due to delays in implementing revisions to the Army Reserve Critical Skills Retention Bonus (CSRB) program. Based on later than planned implementation, the Army Reserve has reduced its estimated CSRB cost from \$33.6 million to \$8.6 million, resulting in an asset in the Army Reserve incentives program of \$25.0 million.