Fiscal Year (FY) 2005 Budget Estimates

Office of the Secretary of Defense (OSD)

February 2004

OSD

Office of the Secretary of Defense
Operation and Maintenance, Defense-Wide
Fiscal Year (FY) FY 2005 Budget Estimates
Budget Activity 4: Administration and Servicewide Activities

Appropriation Highlights

(Dollars in Millions)

Appropriation Summary	FY 2003 Estimate	Price Growth	Program Growth	FY 2004 Estimate	Price Growth	Program Growth	FY 2005 Estimate
Budget Activity 4	749.421	15.110	-34.736	729.795*	11.825	64.193	805.813
Total	749.421	15.110	-34.736	729.795*	11.825	64.193	805.813

* Excludes $57.902 million of Emergency Supplemental funding.

Description of Operations Financed

The Office of the Secretary of Defense (OSD) is the principal staff element of the Secretary of Defense for the exercise of policy development, planning, resource management, fiscal, and program evaluation responsibilities. These funds provide for OSD's personnel costs, official representation, travel, transportation, Intergovernmental Personnel Act costs, Reimbursable Detail costs, Contractor Support, Contracted Advisory and Assistance Services, and various other costs of doing business not provided by the Washington Headquarters Services (WHS).

Narrative Explanation of Changes

FY 2004 to FY 2005

The large program increase is due to many factors, the most important of which are two new programs: the Readiness and Environmental Protection Initiative (a long-term comprehensive strategy to help establish buffers or other compatible use areas

around military installations to either prevent inappropriate development around test and training ranges that might restrict their mission capabilities and/or preserve valuable

<u>Appropriation Highlights (Continued)</u>

habitat) ($20 million) and the Capital Security Cost Sharing program (Department of State is assigning embassy support costs on a fair share basis to the DoD) ($27.3 million). Another large factor is an increase to Business Systems Transformation Domains ($15.3 million), which is a transfer from the Business Management Modernization Program (BMMP) and formerly funded with Research, Development, Test and Evaluation.

<u>Major Issues</u>

The Office of the Secretary of Defense (OSD) remains focused on support of the War on Terrorism.

The Office of the Under Secretary of Defense (OUSD) Acquisition, Technology and Logistics (AT&L) is continuing to manage programs to implement Acquisition Reform.

The Department continues the development of a business-process based enterprise architecture (EA). The EA will enable the Department to produce accurate and reliable financial statements and to deliver timely and relevant information to decision makers. As a result, the Business Systems Transformation Domains program started up using year-end FY 2003 funds and will be at full funding in FY 2005.

Many policy issues are being explored. They include studies on China's military calculations, assessments, processes, and analytic methods, her capabilities, her military writings and doctrines; expanded studies of Eurasian areas and trends, especially increasing energy requirements; force posture implications and the feasibility and practicality of the rapid dominance approach.

In order to continue transforming the use the way the Department utilizes and supports its personnel, OSD requires contracted advisory and assistance services to develop and evaluate alternate military career lengths and career paths, including more integration between active and reserve careers. New compensation policies to support the

<u>Appropriation Highlights (Continued)</u>

<u>Major Issues (Continued</u>

transformed careers also need to be developed and evaluated. Further, OSD
must explore further policies to underpin employer and family support for a reserve
force that will need different skills and be used more intensively in the future
(e.g., homeland defense/first-responder responsibilities). Finally, quality of life
and family support policies require analytic efforts to ensure they are focused on
the most
cost-effective means of strengthening readiness and encouraging retention of military
personnel.

The Deputy Secretary of Defense directed the restructuring of Defense
intelligence and implemented changes within the Office of the Secretary of Defense.
The resources and manpower from the former ASD (Command, Control, Communications, and
Intelligence) organization were realigned to the USD (Intelligence), the ASD
(Networks and Information Integration), ASD (Homeland Defense), National Security
Agency, and the Air Force.

The Office of the Assistant Secretary of Defense for Networks and Information
Integration (NII) Chief Information Officer is providing guidance and oversight of
programs to support accelerating the transformation to a net-centric force to include
building the Global-Information-Grid (GIG) infrastructure to provide a robust
transport layer, securing the GIG from end-to-end, populating the GIG with high
quality business, warfighter and intelligence data, and exploiting the GIG through
the use of new joint and unified command and control capabilities.

Summary of Increases and Decreases

		BA 4
1. FY 2004 President's Budget		712,567
2. Congressional Adjustments (Distributed)		
a. Public Affairs	-10,000	
b. Information Suppport to SOLIC	-13,000	
c. Net Assessment	-5,000	
d. Office of Force Transformation	-1,200	
e. OSD Contract and Support	-10,000	
f. PA&E Long-Range Planning	-2,579	
g. Base Information System	-10,000	
h. C4I Program Growth	-30,000	
i. AT&L Program Growth	-30,000	
j. Middle East Regional Security Program	1,400	
k. Study Internet and Wireless Technology	1,000	
l. Arctic Military Environmental Coop Program	2,500	
m. Command Info. Superiority Architecture	1,000	
n. Export Control to Foreign Countries	1,400	
o. Young Patriots Program (National Flag Foundation)	1,000	
p. Asia Pacific Regional Initiative	14,000	
q. Employer Spt to Guard & Reserve ($2M to DHRA)	0	
r. Information Assurance Scholarship Program	2,100	
s. Dedicated Fiber Optic Network	1,500	
t. Beyond Goldwater-Nichols Study	1,000	
Total Congressional Adjustments (Distributed)		-84,879
3. Congressional Adjustments (Undistributed)		
a.	0	
Total Congressional Adjustments (Undistributed)		0
4. Congressional Adjustments (General Provisions)		
a. Section 8094 Prorate Professional Support Services	-3,520	
b. Section 8101 Cost Growth IT	-2,110	
c. Section 8126 Prorate Management Efficiencies	-3,000	
d. Section 8112 Grant to Ft Benning Infantry Museum	8,500	
e. Section 8112 Grant to University of South Florida	6,000	
f. Section 8112 Grant to American Red Cross	5,000	
g. Section 8112 Grant to National D-Day Museum	3,500	
h. Section 8112 Grant to Chicago Park District	3,000	
i. Section 8112 Grant to Intrepid Sea Air Land Museum	2,100	
j. Section 8112 Grant to Army Museum of the Southwest	2,000	
k. Section 8112 Grant to Tredegar National Civil War Center	1,500	
l. Section 8112 Grant to Philadelphia Korean War Memorial	1,000	
m. Section 8112 Grant to CSS Alabama Association	250	
Total Congressional Adjustments (General Provisions)		24,220

Summary of Increases and Decreases

5. Congressional Earmarks		
a. Section 8044 Indian Lands Environmental Impact	10,000	
b. Women in Military Service	500	
c. Country Study Series	2,500	
d. Black Americans in Defense of the Nation	250	
e. Prorate Section 8044 Indian Lands Environmental Impact	-407	
f. Absorb Women in Military Service	-500	
g. Absorb Country Study Series	-2,500	
h. Absorb Black Americans in Defense of the Nation	-250	
Total Congressional Earmarks		9,593
6. FY 2004 Appropriated Amount		661,501
7. Fact of Life Changes/Emergent Requirements		
a. USD (Intelligence) Standup	13,100	
b. ASD (Homeland Defense) Standup	6,400	
c. Financial Management and Auditability	6,147	
d. Defense Resource Management Study (DRMS)	4,000	
Total Fact of Life Changes		29,647
Baseline Funding		**691,148**
8. Emergency Supplemental		
a. Centrix (NII)	7,347	
b. GWOT	2,900	
c. Critical Infrastructure Protection (Homeland Defense)	14,500	
d. USD(Intelligence) Support to Info. Ops.	4,641	
e. USD(Intelligence) Technology Development	23,199	
f. USD(Intelligence) Intelligence Programs	5,315	
Total Emergency Supplemental		57,902
9. Functional Transfers-In		
a. Internet Protocol Version 6 Transition (to NII)	8,000	
b. Business Systems Transformation Domains from RDT&E	25,735	
Total Transfers-In		33,735
10. Functional Transfers-Out		
To Reflect Congressional Intent		
a. N/A	0	
Other Functional Transfers-Out		
a. OSD IT Support (to WHS)	-2,400	
b. DACOWITS Transfer (to DHRA)	-188	
Total Transfers-Out		-2,588
11. Program Increases		
a. Test Resource Management Center	7,500	
Total Program Increases		7,500

Summary of Increases and Decreases (Continued)

12. Current Estimate for FY 2004		787,697
Less Supplemental Appropriation		-57,902
13. Normalized Current Estimate for FY 2004		729,795
14. Price Changes		11,825
15. Functional Transfers-out		
a. Gulf War Illnesses to TRICARE	-9,896	
b. USD(I) Technology Development to USAF	-13,705	
Total Functional Transfers		-23,601
16. Program Increases		
a. Compensation and Benefits	1,199	
b. Travel of Persons	2,394	
c. Transportation of Things	6	
d. Official Representation	212	
e. IPA	984	
f. PCS	31	
g. Contracts and Other Support Services	13,836	
h. DCFO	126	
i. Financial Management Modernization Program/BMSI	710	
j. Net Assessment	5,484	
j. Force Transformation Office	1,197	
k. Training Transformation	8,875	
l. Business Systems Transformation Domains	15,231	
m. Capital Security Cost Sharing	27,317	
n. Long Range Planning	936	
o. NII Missiona & Analysis Fund	3,912	
p. ISIS	1,138	
q. CIO	3,444	
r. Info Assurance Scholarship Program/ISSP	2,432	
s. USD(I) Mission and Analysis	1,024	
t. USD(I) GWOT	19,976	
u. Counterintelligence and Security	3,000	
v. Legacy	2,513	
w. OSD Study Programs	3,481	
x. Defense Reform Project for Competition	697	
y. Acquisition Programs Support Systems	381	
z. Acquisition Workforce Demoonstration	612	
aa. Environmental Security Cooperation	669	
ab. Logistics System Modernization Support	4,916	
ac. Low Observable/CLO	68	
ad. Defense Procurement and Acquisition Policy	8,190	
ae. Transform Procurement Regulations	359	
af. E-Business COE	2,482	
ag. Mission Capabilities/Systems Engineering	1,557	

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Summary of Increases and Decreases (Continued)

16.   Program Increases (Continued)
      ah. BRAC Support   367
      ai. Base Information System   3,894
      aj. Readiness and Environmental Protection Initiative 20,000
      ak. Def Acq Mgt Info Retrieval System (DAIMRS)   387
      al. Test Resource Management Center   1,373
          Total Program Increases   165,410
17.   Program Decreases-One Time FY 2005 Costs
      a. Middle East Regional Security Program   -1,419
      b. Study Internet and Wireless Technology   -1,014
      c. Export Control to Foreign Countries   -1,419
      d. Young Patriots Program (Natl. Flag Foundation)   -1,014
      e. Asia Pacific Regional Initiative   -14,196
      f. Dedicated Fiber Optic Network   -1,521
      g. Goldwater-Nichols Study   -1,014
      h. Grant to Ft Benning Infantry Museum   -8,619
      i. Grant to U of South Florida   -6,084
      j. Grant to Chicago Park District   -3,042
      k. Grant to Army Museum of the Southwest   -2,028
      l. Grant to Tredegar National Civil War Center   -1,521
      m. Grant to Philadelphia Korean War Memorial   -1,014
      n. Grant to CSS Alabama Association   -253
      o. Grant to Intrepid Sea Air Space Museum   -2,129
      p. Grant to Red Cross   -5,070
      q. Grant to D Day Museum   -3,549
      r. Women in Military Service   -507
      s. Country Study Series   -2,535
      t. Black Americans in Defense   -253
          Total Program Decreases   -58,201
 18.   Program Decreases in FY 2005

      a. ROK Scholarship Program   -1
      b. CISA   -842
      c. NII GWOT   -4,450
      d. Counterintelligence and Security   -879
      e. Deskbook   -29
      f. Arctic Military Environmental COOP Program (AMEC) -2,054
      g. CFO Act Compliance   -29
      h. Native American Land Remediation   -10,039
      i. Readiness and Range Preservation Initiative   -1,092
          Total Program Decreases   -19,415
19.   Program Changes (Net)   87,794
20.   FY 2005 Budget Request   805,813

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OFFICE OF THE SECRETARY OF DEFENSE
Operation and Maintenance, Defense-Wide
FISCAL YEAR (FY) 2005 BUDGET ESTIMATES

MANPOWER CHANGES IN FULL-TIME EQUIVALENT
FY 2003 through FY 2005

	US Direct Hire	Total
1. FY 2003 FTEs	1,393	1,393
Underexecution of Core Operational Programs corrected	26	26
Staffing for Business Transformation Domains added	49	49
Staffing for Test Resource Management Center added	21	21
2. FY 2004 FTEs	1,489	1,489
More staffing for Test Resource Management Center added	5	5
Functional Transfers		
The Executive Support Center (to WHS)	-2	-2
The Office of the Special Assistant for Gulf War Illnesses		
(to Defense Health Program)	-4	-4
3. FY 2005 FTEs	1,488	1,488

OFFICE OF THE SECRETARY OF DEFENSE
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FISCAL YEAR (FY) 2005 BUDGET ESTIMATES

MANPOWER CHANGES IN FULL-TIME EQUIVALENT
FY 2003 through FY 2005

	US Direct Hire	Total
5. SUMMARY		
FY 2003		
O&M Total	1,393	1,393
Direct Funded	1,393	1,393
Reimbursable Funded	0	0
FY 2004		
O&M Total	1,489	1,489
Direct Funded	1,489	1,489
Reimbursable Funded	0	0
FY 2005		
O&M Total	1,488	1,488
Direct Funded	1,488	1,488
Reimbursable Funded	0	0

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Office of the Secretary of Defense
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PERSONNEL SUMMARY

	FY 2003	FY 2004	FY 2005	Change FY 2004/ FY 2005
<u>Active Military End Strength (Total)</u>				
Officer	396	403	409	6
Enlisted	78	77	77	0
<u>Civilian End Strength (Total)</u>				
US Direct Hire	1,393	1,489	1,488	-1
<u>Active Military Average Strength (A/S) (Total)</u>				
Officer	396	403	409	6
Enlisted	78	77	77	0
<u>Civilian FTEs (Total)</u>				
US Direct Hire	1,393	1,489	1,488	-1

Office of the Secretary of Defense
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PERSONNEL SUMMARY

	FY 2006	FY 2007	FY 2008	FY 2009
Active Military End Strength (Total)				
Officer	408	406	406	406
Enlisted	77	78	78	78
Civilian End Strength (Total)				
US Direct Hire	1,488	1,488	1,488	1,488
Active Military Average Strength (A/S) (Total)				
Officer	408	408	408	408
Enlisted	77	77	77	77
Civilian FTEs (Total)				
US Direct Hire	1,488	1,488	1,488	1,488

Office of the Secretary of Defense
Operation and Maintenance, Defense-Wide
Fiscal Year 2005 Budget Estimates
Summary of Price and Program Changes
FY 2004
(Dollars in Thousands)

	FY 2003 Actual	Foreign Currency Rate Dif	Price Growth Percent	Price Growth Amount	Program Growth	FY 2004 Program
Civilian Personnel Compensation						
101 EX.,Gen. & Special Schedules	185,091	.04148		7,678	10,787	203,556
103 Wage Board	436			18	0	454
107 VSIP	2,617			109	-2,726	0
111 Disability Compensation	583			24	-24	583
199 Total Civ Personnel Comp	188,727			7,828	8,038	204,593
Travel						
308 Travel of Persons	14,035		1.3	182	485	14,702
399 Total Travel	14,035			182	485	14,702
Transportation						
771 Commercial Transportation	70		1.3	0	45	115
799 Total Transportation	70			0	45	115
Other Purchases						
922 Equipment Maintenance by Contract	908		1.3	11	0	919
925 Equipment Purchases	184		1.3	2	0	186
931 Contract Consultants	602		1.3	7	0	609
932 Mgmt & Prof Support Svcs	54,535		1.3	708	0	55,243
933 Studies, Analysis & Evaluation	389,079		1.3	5,058	-43,304	350,833
934 Engineering and Technical Services	39,662		1.3	515	0	40,177
987 Other Intra-Governmental Purchases	12,140		1.3	157	0	12,297
988 Grants	31,250		1.3	406	0	31,656
989 Other Contracts	446		1.3	5	0	451
998 Other Costs	17,783		1.3	231	0	18,014
999 Total Other Purchases	546,589			7,100	(43,304)	510,385
9999 Total	749,421			15,110	-34,736	729,795

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Office of the Secretary of Defense
Operation and Maintenance, Defense-Wide
Fiscal Year 2005 Budget Estimates
Summary of Price and Program Changes
FY 2005
(Dollars in Thousands)

DIRECT	FY 2004 Estimate	Foreign Currency Rate Dif	Price Growth Percent	Price Growth Amount	Program Growth	FY 2005 Program
Civilian Personnel Compensation						
101 EX.,Gen. & Special Schedules	203,556		.02207	4,492	1,211	209,259
103 Wage Board	454			10	1	465
107 VSIP	0			0	0	0
111 Disability Compensation	583			13	-13	583
199 Total Civ Personnel Comp	204,593			4,515	1,199	210,307
Travel						
308 Travel of Persons	14,702		1.4	205	2,379	17,286
399 Total Travel	14,702			205	2,379	17,286
Transportation						
771 Commercial Transportation	115		1.4	1	6	122
799 Total Transportation	115			1	6	122
Other Purchases						
922 Equipment Maintenance by Contract	919		1.4	12	0	931
925 Equipment Purchases	186		1.4	2	0	188
931 Contract Consultants	609		1.4	8	0	617
932 Mgmt & Prof Support Svcs	55,243		1.4	773	0	56,016
933 Studies, Analysis & Evaluation	350,833		1.4	4,874	92,708	448,415
934 Engineering and Technical Services	40,177		1.4	562	0	40,739
987 Other Intra-Governmental Purchases	12,297		1.4	172	0	12,469
988 Grants	31,656		1.4	443	-32,099	0
989 Other Contracts	451		1.4	6	0	457
998 Other Costs	18,014		1.4	252	0	18,266
999 Total Other Purchases	510,385			7,104	60,609	578,098
9999 Total	729,795			11,825	64,193	805,813

I. <u>Description of Operations Financed</u>:

<u>Mission and Functions</u>

The National Security Act of 1947 unified the United States Armed Forces under a single Secretary of Defense with cabinet rank. The President exercises his authority as Commander-in-Chief through the Secretary of Defense, who is responsible for setting policy and directing defense programs and planning within the Department of Defense. The Office of the Secretary of Defense (OSD) is a significant component of the Department of Defense and is the principal staff element of the Secretary of Defense for the exercise of policy development, planning, resource management, fiscal, and program evaluation responsibilities. The Deputy Secretary of Defense is delegated full power and authority to act for the Secretary of Defense.

OSD contains the immediate offices of the Secretary and Deputy Secretary of Defense; the Under Secretaries of Defense for Acquisition, Technology, and Logistics; Policy; Intelligence; Personnel and Readiness; Comptroller/Chief Financial Officer; the General Counsel; Assistant Secretaries of Defense (ASD) for Network and Information Integration (NII); Legislative Affairs; Public Affairs; Assistants to the Secretary of Defense for Intelligence Oversight; and the Directors of Operational Test and Evaluation and of Administration and Management; and such other staff offices as the Secretary establishes to assist in carrying out his duties and responsibilities.

Acquisition, Technology and Logistics (AT&L)

The Under Secretary of Defense for Acquisition, Technology and Logistics, chairs the Defense Acquisition Board and is responsible for acquisition decisions relating to the major weapon systems defense acquisition programs. His office provides oversight and policy relating to all aspects of defense acquisition and support to include the Department's technology base. Programs funded in this account provide direction to the world-wide Defense Acquisition Corps and have a direct and profound effect on the defense of this nation.

I. <u>Description of Operations Financed</u>: (Continued)

Policy (P)

Policy oversees matters relating to international security policy and political-military affairs. Functional areas are: NATO, foreign military sales, arms limitation agreements, international trade and technology, peacekeeping, partnerships, regional security affairs, special operations and low-intensity conflicts, integration of plans and policies with overall national security objectives, drug control policy requirements, priorities, systems, resources, and programs, and issuance of policy guidance affecting departmental programs.

The Secretary of Defense established the Assistant Secretary of Defense (Homeland Defense) within the Department of Defense in the aftermath of September 11, 2001. The Secretary of Defense consolidated the Department's civil support, incident management and other homeland defense activities under one Principal, to include oversight responsibility for the new U.S. Northern Command (NORTHCOM). OASD(HD) is the central point of contact between DoD, Department of Homeland Security, and other Federal Departments and Agencies.

The Space Policy function is now under the OUSD (Policy). The Critical Infrastructure Protection Program (CIP) was also moved to the OUSD (Policy), under the purview of the Assistant Secretary of Defense (Homeland Defense).

Intelligence (I)

The Office of the Under Secretary of Defense for Intelligence (USD(I)) was established on May 8, 2003 to provide oversight and policy guidance for all intelligence, counterintelligence and security, and other intelligence-related activities and functions. In this role, the USD(I) will advise the Secretary of Defense, the Secretaries of the Military Departments, the Chairman of the Joint Chiefs of Staff and the Combatant Commanders on the performance of national and defense intelligence

capabilities to include the manning and structure of the intelligence organizations with DoD.

I. Description of Operations Financed: (Continued)

Personnel and Readiness (P&R)

P&R oversees policy matters relating to readiness; personnel policies, programs and systems; equal opportunity; health policies, programs and activities; Reserve Component programs; family policy; dependent's education; personnel support programs; and mobilization planning and requirements.

Comptroller/Chief Financial Officer

Comptroller is the staff element that oversees and sets policy for budget and fiscal matters including financial management, accounting policy and systems, budget formulation and execution, contract audit administration and organization. The office is responsible for the analysis of force planning and programming as a part of the process upon which force structure, system acquisition, and other resource allocation actions are based.

General Counsel

The Chief Counsel and legal staff for the Secretary of Defense.

Networks and Information Integration (NII)

The ASD (NII)/DoD CIO is the principal staff assistant and advisor to the Secretary of Defense and the Deputy Secretary of Defense on networks and network-centric policy; enterprise-wide integration of all information and related activities as well as information services across the Department; management of information resources (IRM) including information technology (IT), information systems and their architectures, personnel and funds; information interoperability; electronic business/ commerce; DoD-wide command and control (C2) as well as communications (C3), including wireless matters,

frequency-spectrum management, and National Security Systems (NSS); sensitive-information integration; information assurance (IA); and, positioning, navigation, and timing (PNT) policy, including

I. Description of Operations Financed: (Continued)

airspace and military-air-traffic control activities. The ASD(NII)/DoD CIO provide leadership, management, policy and governance to the development, deployment, support and integration of DoD-wide information infrastructure and supporting networks and C2 and communication capabilities in support of the Defense Mission.

Legislative Affairs (LA)

The Assistant Secretary of Defense (LA) is the primary advisor to the Secretary of Defense and the Department on all legislative matters.

Public Affairs (PA)

The Assistant Secretary of Defense (Public Affairs) is the principal staff advisor and assistant to the Secretary of Defense and Deputy Secretary of Defense for public information, internal information, community relations, information training, and audiovisual matters.

Intelligence Oversight (IO)

The Assistant to the Secretary of Defense (IO) is responsible to the Secretary of Defense for the independent oversight of all intelligence, counterintelligence, and intelligence-related activities in the Department of Defense.

Operational Test and Evaluation (OT&E)

OT&E oversees operational test and evaluation, in a field environment, of equipment in transition from development to production.

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Budget Activity 4: Administration and Servicewide Activities

I. Description of Operations Financed: (Continued)

   Director, Administration Management (DA&M)

    Under the direction of the Deputy Secretary of Defense, the Director of Administration and Management (DA&M) is the principal staff assistant and advisor to the Secretary and Deputy Secretary of Defense on DoD-wide organizational and administrative management matters.

Budget Subactivity Explanations   **Dollars in Thousands**

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
Core Operating Program	207,526	225,318	234,928

    This program funds the operations of the Office of the Secretary of Defense (OSD). These costs are comprised of the following: 1)personnel compensation and benefits costs include salaries, overtime, allowances, and related expenses including contributions to insurance and retirement programs, consultants and special schedule personnel; 2) mission related travel costs include transportation tickets, per diem allowances and actual costs for essential travel by OSD staff, including overseas travel; 3) transportation of things including costs for freight and storage when moving the household goods of OSD staff; 4) Official Representation Funds (ORF), which are an Emergency and Extraordinary Expense (E&EE) authority, provides funding for extending official courtesies to guests of the OSD; 5) Intergovernmental Personnel Act (IPA) and reimbursable civilian details allow OSD to obtain scarce and critical expertise from outside the government in industry and academia and other federal government agencies; and 6) permanent change of station (PCS) covers the cost of moving personnel upon hiring, transfer, or separation, when not budgeted elsewhere.

I. <u>**Description of Operations Financed**</u>: **(Continued)**

	Dollars in Thousands		
	FY 2003	**FY 2004**	**FY 2005**
Other DoD Programs and Initiatives	<u>**Actual**</u>	<u>**Estimate**</u>	<u>**Estimate**</u>
	117,429	184,012	249,462

Contracts and Other Support Services (COSS)

The Contracts and Other Support Services (COSS) program provides for contracts, consulting services, and other support requirements of various OSD components (costs are <u>not</u> included in separately described programs (as identified in succeeding paragraphs)). Various support requirements of the following offices and activities are funded from this program: Under Secretary of Defense(Policy) (USD(P)), (including Assistant Secretary of Defense(Homeland Defense) (ASD(HD)), and Critical Infrastructure Protection (CIP); Legislative Affairs; ASD(Networks and Information Integration); USD(Intelligence); Public Affairs; Transformation Office; Intelligence Oversight; Comptroller/Chief Financial Officer (FYDP Improvement) (Comptroller/Program Analysis and Evaluation (DPA&E)); Director, Administration & Management (OSD); Historian; General Counsel; Organization and Management Planning; USD(Personnel and Readiness) (P&R); Lost Work Days System (P&R); Secretary's Analytic Agenda (PA&E); Defense Resource Management Study (PA&E); PA&E (administration); Health Affairs; Reserve Affairs; and Small Rewards Program (Special Operations and Low Intensity Conflict (SO/LIC))/Policy).

The $13.8 million growth in the COSS budget line funds: 1) Public Affairs Transformation ($11.5 million); 2) Secretary's Analytic Agenda ($7.0 million); Information support for Special Operations and Low Intensity Conflict (SO/LIC) ($-9.8 million) (one time cost in FY 2004); Critical Infrastructure Protection ($1.1 million); Defense Readiness Reporting System ($1.4 million); Studies for USD(Policy) ($.5 million); Rewards program ($.5 million) (SO/LIC); Future Year Defense Program improvements ($.3 million); Lost Work Days System ($.3 million); P&R increased administration costs ($.3 million); P&R Studies ($.3 million); Reserve Affairs ($.2 million); Defense Reform ($.1 million); and Quality

I. Description of Operations Financed: (Continued)

Management Office ($.1 million). These requirements fund contract assessments, analyses and evaluations, contract engineering and technical services, support agreements with other government agencies, and reimbursements for support activities performed by other DoD agencies.

Comptroller Initiatives

These Deputy Chief Financial Officer requires funds for performance of tasks to support the Administration's goal of obtaining a clean audit opinion on the government-wide consolidated financial statements and the Department's goal of achieving a clean opinion on the financial statements for the Department of Defense and the Defense reporting activities. Funds also support the annual update of the Financial Management Improvement Plan, update and maintenance of the Department of Defense Financial Management Regulation and other financial management initiatives intended to improve the Department's financial management and related operations. The small growth between FY 2004 and FY 2005 is mainly attributable to cost adjustments.

Net Assessment (NA)

The Net Assessment support program is managed by the Advisor for Net Assessment and pays for assessments and projects initiated by the Secretary of Defense, for selected projects of broad importance proposed to the Advisor for Net Assessment and for research in support of Net Assessment work. These projects explore near- and long-term problems and opportunities for U.S. military forces and policy especially the Revolution in Military Affairs, wargaming, and simulation. The program is expected to grow as senior leadership requires more information about the Middle- and Far-East countries and various war scenarios ($5.5 million).

I. <u>Description of Operations Financed</u>: (Continued)

Business Management Modernization Program (BMMP)

The Business Management Modernization Program (BMMP) program is developing the business-process based enterprise architecture to allow the DoD to produce accurate and reliable financial statements and to deliver timely and relevant information to decision makers. Undistributed reductions to the prior year program were not extended to the budget year. This information, coupled with pricing changes, explains the small growth between FY 2004 and FY 2005.

Business Systems Transformation Domains

The Business Systems Transformation Domains supports four business and one technical domains who are delegated implementation authority, responsibility and accountability for several business areas. They are: Installation and Environment (I&E, AT&L), Acquisition (AQ, AT&L), Accounting and Finance (A&F, OUSD(C)), Strategic Planning and Budgeting (SPB, OUSD(C)), and Technical Infrastructure (TI, ASD(NII)). The FY 2004 funding for the domains comes from the Business Management Modernization Program (BMMP) (originally funded as Research, Development, Technology and Evaluation). The domains are the program management function of the BMMP. The costs are included in the Operation and Maintenance appropriation through the budget and future years. The BMMP program is reduced in all years to finance the domains requirements ($15.2 million). Personnel costs associated with the domains are programmed in the core operating program discussed earlier in this document.

Gulf War Illnesses

This program transfers to the Defense Health Program/TRICARE in FY 2005. ($-9.9 million)

I. <u>Description of Operations Financed</u>: (Continued)

Training Transformation (T2)

   The Department's second priority after pursuing the global war on terrorism is to strengthen joint warfighting capabilities. T2 is the enabler of force transformation to strengthen these capabilities. The Department initiated T2 as the foundation for the Department's broader Force Transformation efforts to meet the needs of the regional combatant commander. The T2 program has a phased approach for systematically expanding joint warfighter capabilities in support of national security requirements across the full spectrum of joint, interagency, intergovernmental, and multinational operations.

   Departmental efforts supported with these funds include the Joint National Training Center's (JNTC) efforts towards an initial operating capability of October 2004, followed by full operating capability by October 2009; the Joint Knowledge Development and Distribution Capability (JKDDC) courseware development based on Combatant Commander(s) requirements (over 20 courses developed in 2004); and the Joint Assessment and Enabling Capability (JAEC) which provides the process to measure the degree to which training improves joint force readiness.   In addition, these funds support T2 policy development and implementation and the development of recommendations on how to facilitate a joint interoperability training capability, supported by a mix of simulated and live exercises. ($8.9 million)

Office of Force Transformation

   The Office of Force Transformation's objective is to facilitate the Department's transformation of the force. These activities will include training, travel, contract support, information technology, research, experimentation and exercise assessment, prototyping, publications, multi-media and transportation. ($1.2 million)

I. <u>Description of Operations Financed</u>: (Continued)

Capital Security Cost Sharing Program

The Capital Security Cost Sharing Program finances the Department's share of the cost to build new embassies under the Department of State Capital Security Cost Sharing (CSCS) program. The Department's fair share of cost for receiving embassy support is $27.3 million.

Republic of Korea (ROK) Scholarship Program

The Republic of Korea Scholarship program provides for scholarships as a memorial to Korean nationals who lost their lives at Nogun-Ri during the Korean Conflict.

	<u>Dollars in Thousands</u>		
	FY 2003	FY 2004	FY 2005
Director, Program Analysis and Evaluation (PA&E):	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
	21,422	20,675	21,900

Long Range Planning

The Long Range Planning and Analytical Support Program provides critical analyses of DoD programs and independent advice to the Secretary of Defense in support of transformation. More specifically, it develops and analyzes program alternatives, ensures that the Future Year Defense Program is holistically managed, and confirms that programs are properly priced and financed. There is small growth between FY 2004 and FY 2005 and is attributable to pricing changes and costs for computer operations ($.9 million). The program includes:

Warfighting Analysis: Provides analyses of joint operations to support major defense reviews and develops new analytic capabilities of joint operations. Assessments are focused on transformation initiatives, weapons systems requirements studies, and analysis of alternatives to support major acquisition decisions.

I. <u>**Description of Operations Financed**</u>: (Continued)

   Director, Program Analysis and Evaluation (PA&E): (Continued)

Mobility Analysis: Evaluations of mobility requirements and modernization decisions for airlift aircraft, sealift vessels, and tankers in support of the new defense strategy. These
assessments guide force structure and investment decisions in areas such as pre-positioning ashore and afloat, and the impact of alternative forward presence postures.
Scenario Analysis: Develops a sound analytical basis for medium- and long-term planning scenarios. Evaluates threat databases and forecasts economic, demographic, and technological trends and developments. Includes updated concepts of operations and "road to war" scripts and excursions on possible realignments in blue and red alliance relationships. Evaluates the impact of these scenarios on U.S. force requirements.
Defense Program Projection (DPP): Leadership tool designed to provide insight into the long-term consequences of current decisions, to include the overall health of the force, emerging fiscal trends, and potential issues requiring near-term action.
Air Warfare Technical Analysis: Capability analyses of fighter/bomber/munition force structure alternatives by modeling lethality, survivability, and affordability factors. Conducts sensitivity analyses of component contributions (to include ISR support) and supports evaluations of tactical air force structure and deployment alternatives, individual acquisition programs, and future capabilities (UCAVs).
Strategic and Space Program Analysis: Includes analyses of ballistic missile defense; strategic and theater nuclear forces; command, control and communications; information technology; chemical and biological weapons; and Intelligence Surveillance and Reconnaissance (ISR) programs to support future force structure decisions.
Weapon System Costing Methods: Costing models used to prepare Cost Analysis Improvement Group (CAIG) independent cost estimates required by Title 10, CFR, Section 2434.
Defense Cost and Resource Center (DCARC): Collects actual costs of weapon systems from contractors and government to support preparation of cost estimates for milestone reviews of major defense acquisition programs. Used by CAIG and military departments.

Economic Analysis and Infrastructure Costs: Provides forecasts of the economic impact of defense spending by state and industry. Estimates costs of forces and installations.

I. <u>Description of Operations Financed</u>: (Continued)

Director, Program Analysis and Evaluation (PA&E): (Continued)

Information Management and Analysis Group: Implements and maintains software applications supporting DoD analysis and business processes. Examples include a system to collect programming data from the services, a system to manage the coordination process for program issues, and an automated system to assist in the management of internal PA&E resources.
Director, Program Analysis and Evaluation (PA&E): (Continued)

Computer Systems & Services: Provides core computing infrastructure support to PA&E. The O&M funds go towards software licenses, hardware maintenance, computer system life-cycle management, system engineering and administration.

Assistant Secretary of Defense (**Command, Control, Communications and Intelligence) (C3I)**

The ASD (C3I) was disestablished and the resources realigned to the new Assistant Secretary of Defense (Networks and Information Integration) and Under Secretary of Defense (Intelligence) during FY 2003.

Assistant Secretary of Defense (Networks and Information Integration) (ASD(NII))

	<u>Dollars in Thousands</u>	
FY 2003	**FY 2004**	**FY 2005**
<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
–	81,072	87,838

NII Mission and Analysis Fund

The NII Mission and Analysis Fund provides resources to perform studies, end to end

engineering reviews, and technical risk reduction analyses of ongoing and emerging requirements in the Department's command, control, communications, computers, and space programs. In addition, these funds are used to oversee and provide guidance on information

I. <u>**Description of Operations Financed**</u>: (Continued)

NII Mission and Analysis Fund (Continued)

technology investments, requirements, priorities, and information management. These analyses support the formulation, coordination, management and oversight of DoD policies, guidance, and resource management plans for C4 and information programs. Funding will help DoD develop information policies capable of adapting to a rapidly changing operational environment;
focused on the networked, shared-risk environment; designed to enhance security, situational awareness and response options with regard to evolving threats and vulnerabilities, foster
systems integration and interoperability and the application of transformational technologies, and provide for necessary policy and programmatic oversight. Funding will support continued development of wireless communications capabilities, spectrum management policies, strategic guidance, and associated technical analysis and capabilities to support domestic and international initiatives, to include the World Radio Conference and host-nation coordination and agreements. Funding also provides presidential, national and strategic planning, and integration and architecture development for net-centric command and control (C2). One of the major C2 initiatives, the Unified Command Structure (UCS), includes developing policy to guide investment and planning to produce transformation global C2 capability for the President, Secretary of Defense, and other senior leaders while accommodating selected business enterprise capabilities. ($3.9 million)

Chief Information Officer (CIO)

The DoD CIO program supports specific goals to transform the DoD from a platform-centric information technology environment to one that is network-centric. These goals and the strategies for achieving them are consistent with key elements of the Administration's IT and E-Government agenda – information sharing and knowledge flow;

access to high quality information and services; enterprise-wide licenses for software;
enterprise architectures;
improving skills and competencies of the IT workforce. Funding will be used to continue
support for a net-centric warfare and business environment – relying to the maximum
extent possible on existing initiatives; define and refine the DoD-wide data management
strategy; evolve the Global Information Grid (GIG) architecture and compliance with it;
evolve a common

I. <u>**Description of Operations Financed**</u>: (Continued)

Chief Information Officer (CIO) (Continued)

set of capabilities that enables users to rapidly and precisely discover information, efficiently task information providers, post information holdings, and dynamically form collaborative groups for decision-making; pursue DoD enterprise software licensing opportunities; develop strategies to foster greater use of commercial-off-the-shelf technologies; provide the foundation to introduce the next generation network layer protocol of the Internet as well as the GIG; develop policies, procedures and governance structures for managing IT investments as portfolios; and initiatives to educate and train IT personnel. This program will implement key aspects of the data management strategy; expand the Enterprise Software Initiative Program to optimize benefits already achieved; implement an expansion of the GIG architecture to include the business component; and "pilot"
net-centricity tools and techniques. ($3.4 million)

Command Information Superiority Architecture   (CISA)

    The CISA program provides the Unified Commands with a structured planning process based on Information Technology (IT) best business practices to define current and objective Command capabilities to provide IT support to assigned missions. The CISA process is leading the reengineering and transformation that provides trans-Area of Responsibility (AOR) network centric operations required to meet Joint Vision (JV) 2020 goals implemented via the Global Information Grid (GIG). Support for the development of the GIG architecture (the Department's IT architecture required by the Clinger-Cohen Act of 1996) by the DoD CIO is also a key facet of the CISA program that supports both the Unified Commands and the Principal Support Activities (PSAs). CISA implements the CIO and NII goal of establishing a network centric IT infrastructure, as well as the goals for a collaborative knowledge based information sharing environment, and best business practices that allow a trained workforce to effectively link net-centricity strategy to

requirements generation, PPBS and acquisition processes. The CISA program is leading to common, coherent "Go To War" capabilities and

I. <u>**Description of Operations Financed**</u>: (Continued)

Command Information Superiority Architecture (CISA) (Continued)

identifying best business practices that identify differences in capabilities and interoperability issues between Unified Commands, and their multi-national partners. Specific new CISA initiatives will integrate net-centricity concept, achieve horizontal fusion of missions and business processes across the Unified Commands, their components, and multi-national partners, who will establish trans-AOR network centric operations. CISA will also perform cross-Unified Command analysis of capabilities to impact IT investment strategies to improve transition plans for the Unified Commands to reach objective architectures according to the goals of JV 2020. ($-.8 million)

Information Superiority Integration Support (ISIS)

The ISIS program provides resources for program oversight and integration of, and related planning for the implementation of joint and combined end-to-end integration of command and control (C2), communications, space systems and IT programs. Program oversight
and integration are critical enabling functions required to ensure the achievement of the Department's goals of information superiority, and the improvement of network centric operations. ISIS resource initiatives include improved program oversight and Department guidance for acquisition system programs to better exploit advanced technologies, reduce acquisition cycle time and cost, enhance system interoperability and advance the Department's strategic, tactical, and telecommunications transformational goals. Program oversight analyses and management ensure integration of the Department's related disciplines including strategic vision, policy, standards, and necessary interoperability for C2 and communications into programs. The ISIS program also provides resources for the acquisition process oversight, direction, and technical analysis to ensure Services' and Defense Agencies' acquisition and special interest programs, information technology programs, transformation initiatives, and war efforts' advocacy are addressing

acquisition milestone decisions and related programmatic requirements. Integration
efforts also enable the Department to develop, implement, and support key programs, and
recommend policies for improvements in

I. <u>**Description of Operations Financed**</u>: (Continued)

Information Superiority Integration Support (ISIS) (Continued)

command and control, communications, space control, satellite operations, satellite launch, environmental sensing and position, navigation and timing. Integration support will oversee the migration from stove-piped systems to the transformational end-to-end integrated, interoperable, secure systems that comprise the Global Information Grid (GIG). The GIG, in turn, is the foundation necessary to support net-centric operations and to achieve information superiority. ($1.1 million)

Information Systems Security Program (ISSP)

The ISSP provides resources to support policy development, program oversight and integration for all DoD Information Assurance (IA) efforts, including all efforts that protect and defend information systems by ensuring their availability, integrity, authentication, confidentiality, and non-repudiation. These efforts include providing for Computer Network Defense (CND) and the restoration of information systems by incorporating protection, detection, analysis and reaction and response capabilities. Provides for rationalization and integration of the overall DoD ISSP and other IA related programs in accordance with the DoD IA Strategic Plan and Defense Planning Guidance and integrates IA program spending with DoD
enterprise requirements. Focuses on technical policy development; technology program analysis and integration; IA and CND architecture development and oversight; IA and CND operations process integration, impact assessment and mitigation planning; oversight and development of IA human resource education, training and awareness; and IA program development, integration and oversight (including detailed analysis and oversight of DoD Components IA program and budget). It provides for IA support to major automated information systems programs, major defense acquisition programs, risk management activities, pilot programs and demonstrations, multi-national initiatives, and short-term studies and research of critical DoD interest. Funding supports implementation of the

statutorily mandated Defense-wide Information Assurance Program (10 USC 2224), the
Information Assurance Scholarship Program (10 USC 2220) and the Federal Information
Security Management Act of 2002 (44 USC 3544/3545) – replacing Government

I. Description of Operations Financed: (Continued)

Information Systems Security Program (ISSP) (Continued)

Information Security Reform (44 USC 3534/3535) – which requires annual IA evaluations of DoD information systems and reports on those systems. ($2.4 million)

Global War on Terrorism (GWOT)

The GWOT funding will support the Horizontal Fusion program to expand the ability to automate data pull and fusion across geographically dispersed, multiple Intelligence databases in order to track and target fleeting targets. This effort has direct applicability to the current military operations ongoing and contemplated in the Central Command Area of Responsibility. ($-4.4 million)

Under Secretary of Defense (Intelligence)	**Dollars in Thousands**		
	FY 2003	**FY 2004**	**FY 2005**
	Actual	**Estimate**	**Estimate**
	–	45,606	55,658

USD (I) Mission and Analysis Fund

The Mission and Analysis Fund provides resources to perform studies and technical analyses of ongoing and emerging requirements in the intelligence, reconnaissance and surveillance (ISR) activities with particular emphasis on the Global War on Terrorism (GWOT). These analyses support the formulation, coordination, management and oversight of DoD policies, guidance and plans for ISR programs. Funding will enable the DoD to develop ISR, security, information operations and counterintelligence policies capable of adapting to a rapidly changing operational environment; focused on a shared-risk environment; designed to enhance situational awareness and response options with regard to evolving threats and vulnerabilities, foster systems integration and interoperability and the application of transformational technologies, and provide for necessary policy

and programmatic oversight. Funding will support the assessment of intelligence support for the GWOT. Other analyses

I. Description of Operations Financed: (Continued)

USD (I) Mission and Analysis Fund (Continued)

include the development of policy and guidance for operational planning, employment of intelligence, surveillance and reconnaissance capabilities, and policy support for the GWOT; development of strategies and implementation plans for enhancing security, survivability and
operational continuity of essential ISR systems employed for national decision making and military operations; formulation and oversight of U. S. Government National Security Policy Directives on remote sensing and other national security space activities. In addition
funding supports coordination with the intelligence community on remote sensing issues; military intelligence needs; intelligence requirements, analysis and priorities; resource planning and programming; exploitation management; intelligence data dissemination and sharing through the use of metadata tagging technologies. Also within Mission and Analysis, Information Superiority Integration Support (ISIS) provides resources for program oversight and integration of, and related planning for the implementation of joint and combined end-to-end integration of ISR systems. Program oversight and integration are critical enabling functions required to ensure the achievement of the Department's goals of information superiority. ISIS resource initiatives include improved program oversight and Department guidance for acquisition system programs to better exploit advanced technologies, reduce acquisition cycle time and cost, enhance system interoperability and advance the Department's strategic, tactical and transformational goals. Program oversight analyses and management
ensure integration of the Department's related disciplines including strategic vision, policy, standards and necessary interoperability into ISR programs. The ISIS program also provides resources for the acquisition process oversight, direction, and technical analysis to ensure Services' and Defense Agencies' acquisition and special interest programs, transformation initiatives, and war efforts; advocacy are addressing acquisition milestone decisions and related programmatic requirements. Integration

efforts also enable the Department to develop, implement, and support key programs, and recommend policies for improvements in overall Network Centric Intelligence capabilities. Integration Support will oversee the migration from stovepipe ISR systems to the transformational end-to-end integrate, interoperable, secure systems that will populate the Global Information Grid (GIG). ($1.0 million)

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I. <u>**Description of Operations Financed**</u>: (Continued)

Global War on Terror (GWOT)

The USD(I) Global War on Terrorism (GWOT) program will focus on continuous assessment and analysis of DoD's asymmetrical technological superiority against terrorist assets and activities world wide. Particular emphasis will be in assuring the Combatant Commanders' capability to execute the force projection mission with the best possible all source intelligence information and equipment for the operational forces to maximize success of
operations. These transformational capabilities are critical to homeland defense and essential in defending against terrorist threats world wide by providing the support necessary to conduct preemptive offensive operations. Our assessments must come up with new ways to counteract the threat with our technological advantages. The DoD must be an overwhelming offensive capability with a commensurate defensive capability. Funding will sustain a mechanism that supports the rapid exchange of intelligence information between the Theater Combatant Commanders, the components, Allied/Coalition partners, and US Embassies. These efforts have direct applicability to the current military operations ongoing in the Central Command Area of Responsibility. An increase of $20.0 million is attributable to a special access program and the classified budget will contain the justification.

Technology Development

This function transfers to the Air Force in FY 2005. ($-13.7 million)

Counterintelligence and Security

Counterintelligence and security policy and program oversight responsibilities include: personnel, administrative costs, supplies, weapons, information, physical structures, and the Defense industrial base. Technical disciplines involve the thorough

understanding and potential applicability to DoD of research and development in areas
like investigative tools, surveillance

I. Description of Operations Financed: (Continued)

Counterintelligence and Security (Continued)

countermeasures, biometrics, information technology, behavioral science advances, etc. Non-technical disciplines involve the implementation of risk management principles and the integration of all DoD antiterrorism, force protection, readiness, critical infrastructure protection, counterintelligence, and security programs. Security Training and Awareness supports the Joint Security Training Consortium, a jointly funded DoD initiative to standardize training, strengthen functional skills, and enhance career development opportunities for the security workforce. Efforts include development and management of job and professional certification programs; selected training and professional development products to meet community operational needs; DoD security awareness initiatives,
programs and product development including major security awareness campaigns for the DoD workforce. ($2.1 million)

Acquisition, Technology and Logistics Programs (AT&L)	Dollars in Thousands		
	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate
	109,926	115,712	156,027

The FY 2005 budget request for all appropriations for the AT&L is about $156 million. The AT&L, in response to the Secretary's call to transform the Department to a more efficient organization, made significant changes in the collective resource posture in the FY 2004 budget request. The transformed programs continue in FY 2005. In order to accomplish the mission as effectively as in the past, the programs requested in Operations and Maintenance accounts are more critical than ever. This budget request includes programs that have been increased in scope ($32 million), new programs ($20 million), programs that have been reduced

in scope (-$12 million), and programs that were terminated (-$1 million). The O&M budget request reflects not only the nature of the work performed by the organization but also the

I. <u>Description of Operations Financed</u>: (Continued)

Acquisition, Technology and Logistics Programs (AT&L) (Continued)

refocused mission support requirements. Programs funded in this account support 5 primary acquisition missions:

<u>Congressional Mandate:</u> Programs in this category respond directly to specific Congressional Direction and comprise 22% of the AT&L budget request ($33.7 million).

Legacy Resource Management

Legacy projects support both statutory and mission-related environmental conservation requirements that support DoD training and testing. Projects funded are selected on the basis of the most positive effects on military readiness, increased conservation efficiencies, and the need to meet congressional intent. ($2.5 million)

CFO Act Compliance

Achieving compliance with the CFO Act (CFOA) and the Federal Financial Management Improvement Act (FFMIA) is mandated by the Congress and is one of the Secretary's top priorities. The DoD owns more than 80 percent of the government's property, plant and equipment (PP&E), operating materials and supplies (OM&S), and inventory items, which are valued at well over $1 trillion and which fall under the purview of the OUSD(AT&L). This program is a coordinated approach, using subject matter experts and Public Accounting Firms, to develop and implement new policies, processes and procedures that are critical to the success and compliance with public law. Outcomes from this Program include more reliable management information and improvements to the management of the Department's funds and assets, as well as more accurate information reported to the Congress. ($0 growth)

I. <u>**Description of Operations Financed**</u>: (Continued)

Arctic Military Environmental Cooperation (AMEC)

AMEC conducts a limited number of technology demonstrations in support of Norway, a key NATO ally, to address Russian radiological and non-radiological waste pollution of prime fishing grounds. Projects are also designed to enhance the security of stored radioactive material. This program has a proven track record and is a cost effective means of constructive involvement with the military forces of Norway and Russia. ($-2.1 million)

Native American Land Remediation

Congress appropriated $10 million above the DoD request in FY 2004 for the Native American Lands Environmental Mitigation Program. The program funds efforts to document information on DOD environmental impacts to Indian Lands, environmental mitigation projects on Indian Lands, training and technical assistance to the tribes, and implementation of a DOD Policy for Working with American Indians and Alaska Natives. ($-10.0 million)

Electronic Business Center of Excellence (E-Business COE)

The E-Business COE is responsible for implementing DoD's Business Enterprise Architecture (BEA) mandated by Public Law 107-314, National Defense Authorization Act for Fiscal Year 2003, and implementing the E-Government part of the President's Management Agenda, mandated by Public Law 107-347, The E-Government Act of 2002, as they relate to DoD procurement. The domain leads the transformation of the acquisition/procurement business environment for AT&L enterprise and external partners through electronic business governance, the application of technology, and the alignment of DoD's business modernization programs with CIO initiatives and other Federal Agencies. Fund provided will assist the office to: (1) Provide guidelines and standards to create accessible,

efficient, effective, seamless and collaborative acquisition processes; (2) Govern
programs across the DoD acquisition community to support the integrated acquisition end
state and the forthcoming Federal Management Enterprise Architecture. Review, approve and
enforce standards, constraints, guidelines,

I. <u>**Description of Operations Financed**</u>: (Continued)

Electronic Business Center of Excellence (E-Business COE) (Continued)

processes, and products for use within the acquisition community; (3) Support an Integrated Digital Environment that will link industry, program offices and oversight offices in a way that all share the same, validated data; (4) Create a structure for knowledge management and change management to implement EB DoD-wide; (5) Conduct portfolio management of all acquisition/procurement information systems; (6) Ensure integration with Federal E-Government architectures and transition DoD systems to government-wide use; (7) Align business processes and data strategies with Net-Centric goals of the Networks Infrastructure and Integration community; and (8) Complete the Standard Procurement System Analysis-of-Alternatives. ($2.5 million)

Test Resource Management Center

     The Bob Stump National Defense Authorization Act (NDAA) for FY 2003 directed the Secretary to establish a Department of Defense Test Resource Management Center (TRMC) as a DoD field activity under the authority, direction, and control of the Under Secretary of Defense for Acquisition, Technology and Logistics. Since that legislation was passed, OUSD(AT&L) developed implementation plans in FY 2003 and FY 2004 to begin in FY 2005. Funds are included in this request to fulfill Congressional intent by assessing the adequacy of Major Range and Test Facility Base to support the development, acquisition, fielding, and sustainment of defense systems. Program funds activities to fulfill Title 10 responsibilities of the Director, TRMC to include: 1) Not less often than once every two fiscal years, complete a strategic plan reflecting the needs of the Department with respect to T&E facilities and report to the Secretary and to Congress; 2) Review and provide oversight and certification of adequacy to the Secretary of Service and Defense Agency T&E budgets and expenditures. ($1.4 million)

I. <u>Description of Operations Financed</u>: (Continued)

<u>Improve Acquisition & Logistics Processes</u>: Programs in this category will improve DoD acquisition procedures and will have a direct and significant benefit to the worldwide acquisition corps and contribute to readiness of our troops and the defense of this nation. Programs constitute 43% of the total AT&L budget request. ($66.6 million)

Consolidated Acquisition Reporting System (CARS)

Provides funds to redesign and modernize the CARS suite of software that has been used for over 13 years to collect major defense acquisition program information to satisfy DoD oversight and management needs to include Congressionally mandated reporting requirements. ($0 million growth)

Defense Reform Project for Competition/Defense Management Initiative

The Defense Management Initiative (formerly titled the Defense Reform Project for Competition) improves the management of the services and facilities (including housing) on defense installations and to ensure effective implementation of selected defense reform initiatives for competition and eliminating unneeded infrastructure. The project evaluates concepts, approaches, policies and systems for studying selected Departmental functions for competitive sourcing; and produces analytical products and tools needed to improve management of installations and facilities including housing. ($.7 million)

Acquisition Programs Support Systems

This program provides contract resource management analysis, IT services and products, and administrative support to improve the flow of mission essential information and expedite acquisition decision making within OUSD(AT&L) and other elements of the world-wide acquisition community. Funding in this program augments funding for IT applications provided from organizational support funds. Funding is essential because of

the critical nature and unique attributes of the acquisition process, and the demands for timely and accurate

I. <u>**Description of Operations Financed**</u>: (Continued)

Acquisition Programs Support Systems (Continued)

decision support systems at the corporate headquarters level. Also provides additional funding to assure continuity of leadership operations since September 11, 2001. ($.4 million)

Logistics System Modernization Support

Advanced Information Technology capability has created unique opportunities to dramatically improve logistics support to the warfighter. Funds in this program will provide for: 1) issuance of publications and directives to the Services toward enterprise integration and modernization of Logistics systems; 2) assure synchronization of Logistics systems among Services and Agencies; 3) provide functional representation toward integration of Logistics
systems within Department wide Enterprise Resource Planning (ERP) systems; 4) coordinate the functional and information technology requirements of the DUSD(LM&R electronic commerce activities; and 5) support development of Logistics enterprise metrics to support management and assure good Logistics business practices. ($4.9 million)

Defense Procurement & Acquisition Policy

The Defense Procurement and Acquisition Policy (DPAP) implements changes throughout the DoD acquisition, technology and logistics community in the areas of acquisition excellence and streamlining the acquisition workforce and processes. Specifically funds will support workforce management issues - workforce identification, counting and reporting on the workforce, reviewing all Defense Acquisition Workforce Improvement Act (DAWIA) policies to include implementation of FY 2004 legislative changes and communication and outreach efforts concerning DAWIA policies and changing processes in acquisition. Communication and outreach efforts include developing several web-based

continuous learning modules and guidebooks. Module development and execution are designed to form the basis of understanding commercial business practices and how they differ from traditional government approaches. ($8.2 million)

I. **Description of Operations Financed**: (Continued)

Mission Capabilities/Systems Engineering

     This program will foster a system-of-system acquisition process. In the area of
Mission Capabilities, this program, working with the Joint Staff, Services, Combatant
Commands, Defense agencies, and other OSD offices, will represent the development
community to help define joint integrated architectures for warfighting capability areas,
and then lead the development of the systems views of the architectures, defining what
systems to bring together in a system-of-systems approach to meet those needs. Key to the
success of this
effort is the application of a modular open systems approach at the system-of systems
level to ensure modular designs, identification of key interfaces, and implementation of
open interface standards where appropriate. ($1.6 million)

Base Information System (BIS)

     The Base Information System (BIS) will provide DoD with a set of defense
installation spatial data obtained from commercial satellite imaging systems and built on
standard graphical overlays to enhance the DoD decision maker's insight into the physical
characteristics of installations for numerous activities, such as determining
restrictions resulting from existing environmental or encroachment conditions. The BIS
Installation Visualization Tool program will develop overlays regarding installation
boundaries, range boundaries, noise zones and contours, accident potential zones, 100-
year floodplains, and wetlands. Using over 900 satellite images that will be used as
common installation pictures to incorporate these overlays, the Department will create a
more comprehensive, enduring DoD installation and environment capability known as the
Defense Installation Spatial Data Infrastructure (DISDI). ($3.9 million)

     Regulatory Requirement: Programs in this category are responsive to various national

and Departmental reporting requirements. Funds will respond to those requirements and/or improve procedures by which the Department assures compliance. Programs constitute 17% of the FY 2005 AT&L request. ($27.3 million)

I. <u>Description of Operations Financed</u>: (Continued)

Acquisition Workforce Demonstration

   AT&L implemented the Acq Demo in February 1999 to enhance the quality, professionalism, and management of the AT&L workforce and chartered the Acq Demo Project Office to manage the effort. AT&L oversight of the Acq Demo programs ensures program visibility across the DoD-wide AT&L workforce, facilitates Senior Executive Committee direction to AT&L to recruit/develop/retain talented people, enables AT&L to leverage the Acq Demo in pursuing other AT&L initiatives, and provides a team experienced in the design, development and training of a results/outcome based personnel system. In FY 2005, Acq Demo will begin transitioning support from the Acq Demo project to the National Security Personnel System. ($.6 million)

Environmental Security Cooperation

   The Defense Environmental International Cooperation program funds bilateral and multilateral initiatives with foreign defense departments and militaries in support of the Secretary's Security Cooperation Guidance goals. DoD's environmentally-based security cooperation activities complement its overall efforts in the global war on terrorism by facilitating access; enhancing interoperability; building competent coalition partners; developing and fostering regional capabilities/cooperation; and promoting U.S. values by reinforcing efforts by militaries in newly democratic societies to adjust to concepts such as civilian oversight, public accountability, openness, and cooperation with civilian agencies. ($.7 million)

Readiness and Environmental Protection Initiative (REPI)

   The REPI program was initiated by the current administration as reflected in the President's Readiness and Range Preservation Initiative (RRPI) presented to Congress in April 2003. The REPI is a new start for FY 2005 that will help establish buffers or

other compatible use areas around military installations to either prevent inappropriate

I. <u>**Description of Operations Financed**</u>: (Continued)

Readiness and Environmental Protection Initiative (REPI) (Continued)

development that might restrict DoD mission capabilities or preserve valuable habitat. The FY 2003 and FY 2004 National Defense Authorization Acts (NDAA) provided DoD with the authority to assist with funding and to partner with environmental conservation groups and state and local governments to better manage compatible land uses around military installations (NDAA03; Sec 2811), and clarify DoD responsibilities associated with the management and protection of endangered species (NDAA 04; Sec 318), migratory birds (NDAA 03; Sec 315), and marine mammals (NDAA 04; Sec 319) on ranges and operating areas used for military readiness activities. ($20.0 million)

Base Realignment and Closure (BRAC) Support

   BRAC support funding is required to support BRAC 2005 planning/preparation activities necessary to meet the statutory requirements set forth in BRAC legislation and ensure a comprehensive analysis is conducted. ($.4 million)

Low Observable/Counter Low Observable Export Control (LO/CLO)

     Funds support reviewing all aspects of the arms export control and licensing process to include the review and approval of those technologies associated with low observables (LO) and counter-low observables (CLO). ($.1 million)

   <u>**Promulgate Policy**</u>: Programs in this category support improvements in timeliness and quality of policy, procedures, and guidance to the worldwide acquisition corps. In a rapidly evolving environment, these programs are critical in shaping business practices and reaping benefits. Programs constitute 6% of the AT&L budget request ($9.5 million).

I. Description of Operations Financed: (Continued)

Deskbook

   The legacy Deskbook system was replaced and shutdown on 12 Dec, 2003 with the implementation of version 2.2 of Acquisition, Technology and Logistics (AT&L) Knowledge Sharing System (AKSS). The AKSS and Acquisition Community Connection (ACC) are the primary sources of up-to-date material on AT&L mandatory policies and discretionary practices, providing the DAWIA workforce of 150,000 military and civilian DoD employees and over a million industry partners with instant access to DoD experts and to on-line collaborative knowledge communities. ($0 million growth)

Transform Procurement Regulations

   This is a continuing initiative to increase the efficiency and improve the quality and effectiveness of the DoD's procurement regulatory process and rulemaking capability. The work of the DAR Council touches all contract awards, transactions and the administration of DoD contracts valued in excess of $150 Billion per year issued from locations around the world. The Defense Federal Acquisition Regulation Supplement to the Federal Acquisition Regulation and the processes to generate and maintain these regulations have far reaching implications for industry, small businesses, Congress and all members of the Acquisition workforce. This initiative provides the tools to move the development, implementation, publication and communication of hundreds of policies, laws and needed changes in the Federal Acquisition Regulation (FAR) and DoD FAR Supplement (DFARS) from a bureaucratic, lengthy and paper-based process to an electronic, web-based, far-reaching capability. ($.4 million)

Defense Acquisition Management Information Retrieval (DAMIR)

   DAMIRS will streamline acquisition management reporting by creating a net-centric environment where data will be made available as quickly as possible to those who need

it. DAMIR will provide a shared solution for end users enabling them to collaborate on
enterprise program management. Through its tool(s), DAMIR will allow users to drill down
to relevant

I. <u>**Description of Operations Financed**</u>: (Continued)

Defense Acquisition Management Information Retrieval (DAMIR) (Continued)

data, organize data collection, and facilitate managers' proactive ability owing to timeliness and depth of data analysis. DAMIR will leverage existing Service systems and technology to exploit volumes of data and evolve as the enterprise meets new business challenges. The system will enable users to customize the way they search, view information in real-time, and display previously unavailable combinations of information. ($.4 million)

   <u>**OSD Decision Support**</u>: Provides the Secretary and the entire OSD staff and Joint Chiefs of Staff a source of funds to explore management and programmatic options before committing to a course of action. These funds provide assurance that future budget requests contain programs and policies that have been explored in some depth and represent an optimum solution to a particular problem. Program constitutes 12% of the AT&L budget request ($19.0 million) although it supports the whole OSD staff.

OSD Study Program
The OSD Studies and Analysis Program supports requirements for analyses and contractor assistance within OSD and the Joint Staff, especially on programs/issues that have no separately justified program funding, and in circumstances where the OSD principal has no other possible operations funding to accomplish management research. The program is designed to improve the ability of OSD and Joint Staff components to execute their missions. The focus of many research projects and policy analysis is intermediate to long-range in nature.
However, much of this program also responds to Congressional direction and other requirements to produce results within a short term horizon. ($3.5 million)

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II. Financial Summary (O&M: $ in Thousands):

	FY 2003 Actuals	FY 2004 Budget Request	FY 2004 Current Approp	FY 2004 Estimate	FY 2005 Estimate
A. Activity Group:					
1. Core Operating Program					
a. Compensation and Benefits	188,727	196,872	204,593	204,593	210,307
b. DIA Comp & Benes	694	-	-	-	-
c. Travel of Persons	14,035	14,781	14,702	14,702	17,286
d. Transportation	70	115	115	115	122
e. Official Representation Funds	1,474	2,842	2,842	2,842	3,091
f. IPA/Reimb. Details	2,468	2,968	2,968	2,968	3,992
g. PCS	58	98	98	98	130
Subtotal	207,526	217,676	225,318	225,318	234,928
2. Other DoD Programs and Initiatives					
a. OSD COSS	43,351	99,352	76,995	76,995	91,908
b. Compt Initiatives	3,109	6,864	12,793	12,793	13,098
c. Net Assessment	11,228	21,085	15,569	15,569	21,270
d. Business Management Modernization (BMMP)	24,914	27,000	26,141	26,141	27,216
e. BMMP Domains	-	-	20,803	20,803	36,325
f. Counternarcotics	892	-	-	-	-
g. Gulf War Illnesses	18,570	10,080	9,760	9,760	-
h. Train Transformation	4,420	2,780	9,838	9,838	18,850
i. Force Transformation	10,134	13,176	11,592	11,592	12,951
j. AF Exchange Consol.	811	-	-	-	-
k. Cap Security Cost Share	-	-	-	-	27,317
l. ROK Scholarship Fund	-	538	521	521	527

Subtotal	117,429	180,875	184,012	184,012	249,462

II. Financial Summary (O&M: $ in Thousands): (Continued)

	FY 2003 Actuals	Budget Request	FY 2004 Current Approp	FY 2004 Estimate	FY 2005 Estimate
3. Program Analysis and Evaluation Program					
a. Long-Range Planning	21,422	23,933	20,675	20,675	21,900
4. Command, Control, Communications and Intelligence Programs					
a. C3I Mission & Analysis Fund	31,187	37,379	-	-	-
b. CISA	7,342	5,045	-	-	-
c. ISIS	10,196	12,689	-	-	-
d. Chief Info. Officer	11,912	13,604	-	-	-
e. Gulf States Initiative (GSI)	1,076	1,171	-	-	-
f. Study on Intel Capabilities & Data	4,245	-	-	-	-
g. Tech Security CM	1,629	2,636	-	-	-
h. Technology Dev.	10,278	38,556	-	-	-
i. Information Systems Sys Sec Program	13,800	15,173	-	-	-
j. Supplemental	6,097	-	-	-	-
k. CIP	8,000	11,188	-	-	-
l. 02/03 GWOT	69,760	-	-	-	-
m. 03 GWOT/DERF Tail	91,130	10,900	-	-	-
Subtotal	266,652	148,341	-	-	-

II. Financial Summary (O&M: $ in Thousands): (Continued)

	FY 2003 Actuals	Budget Request	FY 2004 Current Approp	FY 2004 Estimate	FY 2005 Estimate
5. ASD(NII)					
a. Mission & Analysis Fund (NII)	–	–	18,366	18,366	22,535
b. CIO	–	–	20,089	20,089	23,814
c. CISA	–	–	5,853	5,853	5,092
d. ISIS	–	–	9,277	9,277	10,544
e. ISSP	–	–	16,934	16,934	19,603
f. GWOT/DERF Tail	–	–	10,553	10,553	6,250
Subtotal	–	–	81,072	81,072	87,838
6. USD (Intelligence)					
a. Mission & Analysis Fund (I)	–	–	15,326	15,326	16,564
b. GWOT	–	–	1,200	1,200	21,192
c. Technology Development	–	–	13,516	13,516	–
d. Counterintelligence & Security	–	–	15,564	15,564	17,902
e. Intelligence Programs	–	–	–	–	–
Subtotal	–	–	45,606	45,606	55,658
7. Acquisition and Technology Programs					
a. Legacy	9,000	9,988	7,437	7,437	10,054
b. CFO Act Compliance	1,340	3,879	2,026	2,026	2,025
c. AMEC	1,705	1,368	3,517	3,517	1,512
d. NALEMP	9,862	286	10,177	10,177	282
e. E Business COE	–	12,005	11,069	11,069	13,705
f. Test Res Mgt Ctr	–	–	4,711	4,711	6,149
g. CARS	901	3,924	918	918	930

II. Financial Summary (O&M: $ in Thousands): (Continued)

	FY 2003 Actuals	FY 2004 Budget Request	FY 2004 Current Approp	FY 2004 Estimate	FY 2005 Estimate

7. Acquisition and Technology Programs (Continued)

	FY 2003 Actuals	Budget Request	Current Approp	FY 2004 Estimate	FY 2005 Estimate
h. Defense Reform Proj. for Competition	1,882	2,578	2,030	2,030	2,755
i. Acquisition Programs Support Systems	2,419	11,888	8,935	8,935	9,441
j. Logistics Systems Modernization Spt	8,384	15,782	11,042	11,042	16,112
k. Def Proc & Acq Policy	–	15,365	6,892	6,892	15,178
l. Mission Capabilities/ Systems Engineering	–	6,724	5,014	5,014	6,641
m. Base Info. System	10,736	21,471	11,469	11,469	15,523
n. Acquisition Workforce Demonstration	3,393	3,876	2,204	2,204	2,846
o. Environmental Security Cooperation	1,238	1,879	1,146	1,146	1,831
p. Readiness & Environ Protection Initiative	–	–	–	–	20,000
q. BRAC Support	2,300	2,593	1,930	1,930	2,324
r. L0/CLO Export Process	555	259	196	196	266
s. Deskbook	1,672	3,306	3,304	3,304	3,321
t. Transform Procurement Regulations	–	3,841	3,388	3,388	3,794
u. Def Acq Mgt Info Retrieval Sys	–	–	1,951	1,951	2,365

v. OSD Study Program   16,309   19,230   15,279   15,279   18,973

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II. Financial Summary (O&M: $ in Thousands): (Continued)

	FY 2003 Actuals	Budget Request	FY 2004 Current Approp	FY 2004 Estimate	FY 2005 Estimate
7. Acquisition and Technology Programs (Continued)					
w. Commercial Practices Initiative	8,363	-	-	-	-
x. Acquisition Reform Support & Improvement	4,990	-	-	-	-
y. Open Systems Arch.	1,072	-	-	-	-
z. Systems Engineering	2,270	-	-	-	-
aa. Sustainable Range Init	200	-	-	-	-
ab. CTMA	5,750	-	-	-	-
ac. Past Performance	549	-	-	-	-
ad. Material Readiness	715	-	-	-	-
ae. I&E BMMP Domain	2,000	-	-	-	-
af. Readiness & Range Preservation Init.	1,032	-	807	807	-
ag. DAR Automation	363	-	-	-	-
ah. Wearable Computers	3,400	-	-	-	-
ai. SADBU Support	97	-	-	-	-
aj. AT&L Admin Spt	1,147	-	-	-	-
ak. Joint Logistics	3,599	-	-	-	-
al. Environmental Restor.	2,683	-	-	-	-
Subtotal	109,926	141,742	115,712	115,712	156,027

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II. Financial Summary (O&M: $ in Thousands): (Continued)

	FY 2003 Actuals	Budget Request	FY 2004 Current Approp	FY 2004 Estimate	FY 2005 Estimate
6. Programs Added by Congress (Not Otherwise Listed):					
a. Clara Barton Center	3,000	–	–	–	–
b. Pacific Command Regional Initiative	5,116	–	14,000	14,000	–
c. Intrepid Sea-Air-Space	2,500	–	2,100	2,100	–
d. Grant to Red Cross	2,800	–	5,000	5,000	–
e. Grant to USO	2,800	–	–	–	–
f. Grant to D-Day Museum	3,000	–	3,500	3,500	–
g. Feasibility Study Natl. Fiber Optic Network	1,250	–	–	–	–
h. SOLIC PSYOPS	6,000	–	–	–	–
i. Middle East Regional Study	–	–	1,400	1,400	–
j. Study on Internet and Wireless Tech.	–	–	1,000	1,000	–
k. Export Control	–	–	1,400	1,400	–
l. Dedicated Fiber Optic Network	–	–	1,500	1,500	–
m. Beyond Goldwater-Nichols	–	–	1,000	1,000	–
n. S. 8112 Grant to Ft. Benning Infantry Mus.	–	–	8,500	8,500	–
o. S. 8112 Grant to S. Florida University	–	–	6,000	6,000	–

II. Financial Summary (O&M: $ in Thousands): (Continued)

	FY 2003 Actuals	Budget Request	FY 2004 Current Approp	FY 2004 Estimate	FY 2005 Estimate
6. <u>Programs Added by Congress (Not Otherwise Listed)</u>: (Continued)					
p. S. 8112 Grant to Chicago Park District	-	-	3,000	3,000	-
q. S. 8112 Grant to Army Museum of the Southwest	-	-	2,000	2,000	-
r. S. 8112 Grant to Tredegar National Civil War Center	-	-	1,500	1,500	-
s. S. 8112 Grant to Philadelphia Korean War Memorial	-	-	1,000	1,000	-
t. Young Patriots Program	-	-	1,000	1,000	-
u. Grant CSS Alabama Assoc	-	-	250	250	-
v. Women in the Military Service earmark	-	-	500	500	-
w. Country Study Series earmark	-	-	2,500	2,500	-
x. Black Americans in Defense earmark	-	-	250	250	-
y. Middle East Regional Security Program	-	-	1,400	1,400	-
Subtotal	26,466	-	57,400	57,400	-
Total	749,421	712,567	729,795	729,795	805,813

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II. **Financial Summary (O&M: $ in Thousands): (Continued)**

   B. Reconciliation Summary:

	Change FY 2004/FY 2004	Change FY 2004/FY 2005
1. Baseline Funding	712,567	729,795
2. Congressional Adjustments		
a. Distributed	-84,879	-
b. Undistributed	-	-
c. Gen. Provisions	24,220	-
d. Earmarks	9,593	-
3. Appropriated Amount (Subtotal)	661,501	-
4. Fact of Life Changes	29,647	-
5. Functional Transfers-In	33,735	-
6. Functional Transfers-Out	-2,588	-23,601
7. PY Balance Brought Forward	-	-
8. Price Increases	-	11,825
9. Program Increases	7,500	165,410
10. Plus: Emergency Supplemental	57,902	-
11. One-Time Program Decreases	-	-58,201
12. Program Decreases	-	-19,415
13. Less: Emergency Supplemental	-57,902	-
14. Current Estimate	729,795	805,813

OSD

II. **Financial Summary (O&M: $ in Thousands): (Continued)**

    C. Reconciliation of Increases & Decreases:
       FY 2004 President's Budget Request   712,567
       1. Congressional Adjustments
          a. Distributed Adjustments
            1) Public Affairs (Under COSS)   -10,000
            2) Information Support to SOLIC   -13,000
            3) Net Assessment   -5,000
            4) Office of Force Transformation   -1,200
            5) OSD Contracts and Other Support   -10,000
            6) PA&E Long-Range Planning   -2,579
            7) Base Information System (AT&L)   -10,000
            8) C4I Program Growth (C3I)   -30,000
            9) AT&L Program Growth   -30,000
            10) Middle East Regional Security Program   1,400
            11) Study Internet and Wireless Technology   1,000
            l2) Arctic Military Environmental Coop Program   2,500
            13) Command Info. Superiority Architecture   1,000
            14) Export Control to Foreign Countries   1,400
            15) Young Patriots Program (National Flag
                Foundation)   1,000
            16) Asia Pacific Regional Initiative   14,000
            17) Information Assurance Scholarship Program   2,100
            18) Dedicated Fiber Optic Network   1,500
            19) Beyond Goldwater-Nichols Study   1,000
                Total Distributed Congressional Adjustments   -84,879

II. **Financial Summary (O&M $ in Thousands)**: (Continued)

   C. Reconciliation of Increases & Decreases: (Continued)
      1. Congressional Adjustments (Continued)
         b. General Provisions
           1) Section 8094 Prorate Professional Support Services -3,520
           2) Section 8101 Cost Growth IT Reduction   -2,110
           3) Section 8126 Prorate Management Efficiencies   -3,000
           4) Section 8112 Grant to Ft Benning Infantry Museum   8,500
           5) Section 8112 Grant to U. of South Florida   6,000
           6) Section 8112 Grant to American Red Cross   5,000
           7) Section 8112 Grant to National D-Day Museum   3,500
           8) Section 8112 Grant to Chicago Park District   3,000
           9) Section 8112 Grant to Intrepid Sea Air-Land-Museum   2,100
           10) Section 8112 Grant to Army Museum of the SW   2,000
           11) Section 8112 Grant to Tredegar National Civil
               War Museum   1,500
           12) Section 8112 Grant to Philadelphia Korean War
               Museum   1,000
           13) Section 8112 Grant to CSS Alabama Association   250
                      Total General Provisional Adjustments   24,220
         c. Congressional Earmarks Adjustments
           1) Section 8044 Indian Lands Environmental Impact   10,000
           2) Women in Military Service   500
           3) Country Study Series   2,500
           4) Black Americans in Defense of the Nation   250
           5) Prorate Section 8044 Indian Lands Env. Impact   -407
           6) Absorb Women in Military Service   -500
           7) Absorb Country Study Series   -2,500
           8) Absorb Black Americans in Defense of the Nation   -250
                      Total Congressional Earmarks Adjustments   9,593

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II. Financial Summary (O&M $ in Thousands): (Continued)

C. Reconciliation of Increases & Decreases: (Continued)

```
FY 2004 Appropriated Amount                                      661,501
    2.  Fact of Life Changes, Emergent Requirements
        a. Fact of Life Increases Emergent Requirements
           1) USD(I) (Intelligence) Standup            13,100
           2) ASD (Homeland Defense, under OUSD(Policy))  6,400
           3) Financial Statements and Auditability (OUSD(C))  6,147
           4) Defense Resource Management Study (DRMS)   4,000
        Total Emergent, Fact of Life Changes                     29,647
```
Baseline Funding   **691,148**
```
    3.  Emergency Supplemental Appropriations Act (P.L. 108-106)
        a. FY 2004 Emergency Supplemental Appropriations Act (P.L. 108-106)
           1) Centrix (NII)                             7,347
           2) GWOT                                      2,900
           3) Critical Infrastructure Protection (HD)  14,500
           4) USD(I) Support to Information Operations   4,641
           5) USD(I) Technology Development             23,199
           6) USD(I) Intelligence Programs               5,315
                Total Congressional Earmarks Adjustments         57,902
    4.  Transfers
        a. Functional Transfers In
           1) Internet Protocol Version 6 Transition (NII)   8,000
           2) Business Systems Transformation (Domains – BMMP)  25,735
              Total Transfers In                               33,735
        b. Functional Transfers Out
           1) OSD IT Support (to WHS)                  -2,400
           2) Women in the Armed Services (DACOWITS – to DHRA)   -188
              Total Transfers Out                              -2,588
    5. Program Changes
        a.  Program Increase
```

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1) Test Resource Management Center   <u>7,500</u>
        Total Program Changes   7,500

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. Reconciliation of Increases & Decreases: (Continued)

Current Estimate for FY 2004	**787,697**
Less Emergency Supplemental	-57,902
Normalized Current Estimate for FY 2004	**729,795**
6. Price Growth	11,825

      7. Functional Transfers

a. Gulf War Illnesses (to DHP/Tricare)	-9,896	
b. Technology Development (to USAF)	-13,705	
Total Functional Transfers		-23,601

      8. Program Increases

        a. Program Growth in FY 2005

1) Compensation and Benefits – Increased to pay for In-grade increases.	1,199
2) Travel of Persons - Increased for Return to a normal level of operations.	2,394
3) Transportation of Things – A small increase for the cost of transporting personal property for new hires.	6
4) Official Representation – Increased for fact-of-life requirements in OSD.	212
5) IPA – Increase for fact of life need for outside-DoD expertise.	984
6) PCS – Small increase for new hires.	31

7) Contracts and Other Support Services (COSS) – The increase is due to congressional reductions taken on program increases for FY 2004, which are not extended to FY 2005 ($11.5 million for Public Affairs and $1.4 million for the Defense Readiness Reporting System). Additionally, a program increase of $1.1 million

is needed for the Critical Infrastructure Protection program
operating under the Office of Homeland Defense.   13,836

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. Reconciliation of Increases & Decreases: (Continued)

        8. Program Increases (Continued)
           a. Program Growth in FY 2005 (Continued)
             8) Comptroller Initiatives – Financial statements and
             audits.   126
             9) Business Management Modernization Program –
             (BMMP), formerly FMMP, is increased due to
             reductions taken in prior years.   710
             10) Net Assessment – Necessary studies and war
             games need to be funded. Congressional reductions
             were applied in FY 2004 and not extended to FY 2005.   5,484
             11) Force Transformation Office – This increase
             supports the need for an increasing number of studies
             in support of the Department's transformation goals.   1,197
             12) Training Transformation – The Department recognizes the
             need to transform and strengthen joint warfighting capabilities
             via a transformation of training (enable of joint warfighting
             capabilities. The increase is for contract support.
                                     8,875
             13) Business Systems Transformation Domains (BMMP) –
             Funding is required by the domain program managers for paying
             O&M support costs for the BMMP effort (formerly RDT&E funded). 15,231
             14) Capital Security Cost Sharing – Estimated DoD share of the
             estimated support costs of U.S. Embassies, payable to the
             Department of State.   27,317
             15) Long-Range Planning – The increase supports the
             analysis requirements of the Planning, Programming and
             Budgeting System and Program Objective Memorandum process.   936

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. Reconciliation of Increases & Decreases: (Continued)

        8. Program Increases (Continued)
          a. Program Growth in FY 2005 (Continued)
            16) Mission and Analysis Fund (NII) – The program
            increase will fund efforts to improve the coordination
            of Sensitive Information Integration to support DoD
            compartmented activities; continue to oversee and
            examine development of DoD high-speed, high bandwidth
            communications capabilities for support of network
            centric operations; and establish implementation
            guidelines for the wireless domain of the Global
            Information Grid. The additional funding will also
            support efforts to work with USD(I) to ensure
            intelligence system and architectures for collection,
            analysis, dissemination and data management of
            military information are consistent and interoperable
            with DoD C3 and information-enterprise systems. A
            portion of the program growth is attributable to
            reductions in the FY 2004 budget.   3,912
            17) ISIS - The program increase will continue support
            needed to accomplish the network centric objectives
            of getting data to the user in a timely and
            protected manner; and greater oversight of major
            space acquisition programs, special interest
            programs, IT Acquisition Rapid Improvement Team
            (RIT) pilot programs, and transformation initiatives.
            A portion of the program growth is attributable to
            reductions in the FY 2004 budget.   1,138

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. Reconciliation of Increases & Decreases: (Continued)

        8. Program Increases (Continued)
           a. Program Growth in FY 2005 (Continued)
             18) CIO – The program increase will support
             the Department's transition of all DoD networks
             to the next generation of the Internet Protocol,
             Internet Protocol version 6 (IPv6) by FY 2008.
             This transition is essential to interconnect
             the growing, increasingly mobile, set of
             IP-enabled sensors, platforms, facilities,
             people and devices on an end-to-end secure
             basis. The DoD IPv6 Transition Office has
             been established to provide the technical
             integration, governance, and common engineering
             solutions needed to ensure this transition
             occurs in an interoperable and secure mannner
             across all DoD Components and in all domains.
             Funding will be used to provide internal and
             external in-depth transition planning and
             harmonization; establish necessary network
             services infrastructure across DoD; enabling
             of knowledge sharing and training on IPv6
             implementation; development of common
             technical/engineering solutions to support
             the use of enhanced IPv6 features such as
             Quality of Service (QoS), mobility, and
             security; technical assistance and expertise
             to support early (FY 05-07) DoD IPv6 pilot

implementations (including networks and
applications); and integrated IPv6 testbed and

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. Reconciliation of Increases & Decreases: (Continued)

        8. Program Increases (Continued)
          a. Program Growth in FY 2005 (Continued)
            demonstration support focused on critical technical
            issues (such as use of transition mechanisms;
            performance) and identifying and "working"
            (through active participation and outreach) of DoD
            "needs" in emerging IPv6 products and standards.
            The program increase is required to fund requirements
            that were deferred from FY 2004.   3,444
            19) Information Assurance Scholarship Program ISSP –
            The program increase will be used to adequately fund
            the Information Assurance Scholarship Program. Four
            million dollars was realigned from RDT&E beginning
            in FY 2005 to increase funding for the scholarship
            program.   2,432
            20) USD(Intelligence) Mission & Analysis Fund –
            The program increase will support requirements
            deferred due to reductions taken when under the C3I.   1,024
            21) USD(Intelligence) Global War on Terror –
            Justification provided in classified budget
            Materials.   19,976
            22) USD(Intelligence) Counter Intelligence and Security –
            Additional funds are required for administrative support for
            the newly formed USD(Intelligence) office.   3,000
            23) Legacy – increased due to deferred programs from
            previous years (based on Congressional inquiries).   2,513
            24) OSD Study Program – Increase is required to conduct

additional efforts in support of the upcoming Quadrennial
Defense Review.   3,481

II. <u>Financial Summary (O&M $ in Thousands)</u>: (Continued)

    C. <u>Reconciliation of Increases & Decreases</u>: (Continued)

       8. Program Increases (Continued)
         a. Program Growth in FY 2005 (Continued)
           25) Defense Reform Project for Competition
           (Defense Management Initiative) – Increased due to deferred
           programs in FY 2004.   697
           26) Acquisition Program Support Systems - Increase
           provides for requirements analysis support leading to
           consolidation and modernization of acquisition program
           applications with eBusiness technologies.   381
           27) Acquisition Workforce Demonstration - The program
           increase reflects the support required to integrate
           lessons learned from the Acquisition Demonstration
           Project (Acq Demo) into the National Security
           Personnel System (NSPS), to close-out the Acq Demo
           project, and to transition Acq Demo participants
           into NSPS.   612
           28) Environmental Security Cooperation- Slightly
           increased to allow accomplishment of deferred efforts.
                                      669
           29) Logistics Systems Modernization Support – The
           program increase reflects the need to fund requirements
           that were deferred from FY 2003 and FY 2004. The funding
           increase from FY 2004 to FY 2005 will allow completion of
           Enterprise Integration Initiatives, Logistics Portfolio
           Management and other sustainment studies
           originally planned for FY 2004 but which have been
           deferred to FY 2005.   4,916

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. Reconciliation of Increases & Decreases: (Continued)

        8. Program Increases (Continued)
          a. Program Growth in FY 2005 (Continued)

            30) Low Observable, CLO – This small increase is due to reductions to the current fiscal year in legislation which resulted in deferral of requirements.   68

            31) Defense Procurement and Acquisition Policy – The increase reflects changes in the distance learning initiatives, acquisition workforce data and DoD "brand" marketing changes. The development of several on-line courses for the acquisition workforce were delayed from FY 2004 to FY 2005 from developing guidebooks into on-line continuous learning courses for Joint Capability Integrated Development (JCID), Evolutionary Acquisition and Intellectual Property. Workforce data maintenance efforts were realigned to FY 2005. DoD "branding" marketing development efforts were realigned from FY 2004 to FY 2005.   8,190

            32) Transform Procurement Regulations – The increase reflects increased program value that will be used to implement the new Program, Guidance and Instructions (PGI) document and to add interfaces with the federal e-Rulemaking Docket Management System.   359

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. Reconciliation of Increases & Decreases: (Continued)

       8. Program Increases (Continued)
        a. Program Growth in FY 2005 (Continued)
          33) E-Business COE – The increase will be used to
          facilitate the Analysis of Alternatives for the
          Acquisition Domain. These funds will be used to
          assess the marketplace and technology available
          to determine the future system solution for the
          entire enterprise. This includes determining
          whether expanding existing systems or developing
          new ones is the best solution for the future of
          acquisition.   2,482
          34) Mission Capabilities/Systems Engineering –
          program growth is required to accomplish the
          full range of systems views of operational
          architectures due to the complexity of the
          operational architectures and functions required
          to adequately describe and assess the joint
          warfighting environment. Also, the increase is
          required in order to further strengthen the role
          of systems engineering across the Department.
          The initial work to assess acquisition programs
          for effectiveness of their systems engineering
          programs has revealed the need to increase the
          breadth of assessments as well as to feed the
          results into the area of enterprise development
          to institutionalize the needed enhancements in
          the Department's systems engineering program.   1,557

35) BRAC Support - The increase funds the
initiation of efforts to ensure a timely and
comprehensive BRAC 2005 analysis.   367

II.   Financial Summary (O&M $ in Thousands): (Continued)

   C.   Reconciliation of Increases & Decreases: (Continued)

      8. Program Increases (Continued)
        a. Program Growth in FY 2005 (Continued)
        36) Base Information System – The increase will
        provide real time access to DoD real property
        inventory records and support the projected
        base closure process.   3,894
        37) Readiness and Environmental Protection
        Initiative – this is a new start for FY 2005
        that will help establish buffers or other
        compatible use areas around military
        installations to either prevent inappropriate
        development around test and training ranges
        that might restrict their mission capabilities
        or preserve valuable habitat. Responds to
        authority in the National Defense Authorization
        Acts for FY 2003 and FY 2004.   20,000
        38) Defense Acquisition Management Information
        Retrieval System (DAIMRS) –
        This relatively small increase is due to a
        change in the estimated costs in the second
        year of the program.   387

II. **Financial Summary (O&M $ in Thousands): (Continued)**

    C. Reconciliation of Increases & Decreases: (Continued)

       8. Program Increases (Continued)
         a. Program Reduction in FY 2005 (Continued)
           39) Test Resource Management Center – TRMC is
           an FY 2004 new start that was funded as a
           result of congressional direction. The FY 2004
           funding level is based on actual program
           execution not beginning until mid-second
           quarter. The increased funding in FY 2005
           reflects a full 12 months of operation. This
           is the non-personnel portion of a program added
           during FY 2004.   1,373
               Total Program Increases   165,410
       9. Program Decreases, One Time Costs
         a. One-Time Program Reduction in FY 2005
           1) Middle East Regional Security Program –
           The program decrease is the result of a
           Congressional Add for 1.4 million dollars provided
           in FY 2004 and not carried forward.   -1,419
           2) Study on Internet and Wireless Technology –
           The program decrease is the result of a
           Congressional Add for one million dollars provided
           in FY 2004 and not carried forward.   -1,014
           (3) Export Control to Foreign Countries - –
           The program decrease is the result of a
           Congressional Add for 1.4 million dollars provided
           in FY 2004 and not carried forward.   -1,419

II. **Financial Summary (O&M $ in Thousands): (Continued)**

    C. <u>Reconciliation of Increases & Decreases</u>: (Continued)

        9. Program Decreases, One Time Costs (Continued)
          a. One-Time Program Reduction in FY 2005 (Continued)

4) Young Patriots Program (Natl. Flag Foun.) - The program decrease is the result of a Congressional Add for one million dollars provided in FY 2004 and not carried forward.	-1,014
5) Asia Pacific Regional Initiative - The program decrease is the result of a Congressional Add for 14 million dollars provided in FY 2004 and not carried forward.	-14,196
6) Dedicated Fiber Optic Network - The program decrease is the result of a Congressional Add for 1.5 million dollars provided in FY 2004 and not carried forward.	-1,521
7) Beyond Goldwater-Nichols Study - The program decrease is the result of a Congressional Add for one million dollars provided in FY 2004 and not carried forward.	-1,014
8) Grant to Fort Benning Infantry Museum - The program decrease is the result of a Congressional Add for 8.5 million dollars provided in FY 2004 and not carried forward.	-8,619
9) Grant to the University of South Florida - The program decrease is the result of a Congressional Add for six million dollars provided in FY 2004 and not carried forward.	-6,084

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. <u>Reconciliation of Increases & Decreases</u>: (Continued)

       9. Program Decreases, One Time Costs (Continued)
         a. One-Time Program Reduction in FY 2005 (Continued)

           10) Grant to the Chicago Park District –
           The program decrease is the result of a
           Congressional Add for three million dollars provided
           in FY 2004 and not carried forward.   -3,042

           11) Grant to the Army Museum of the Southwest –
           The program decrease is the result of a
           Congressional Add for two million dollars provided
           in FY 2004 and not carried forward.   -2,028

           12) Grant to the Tredegar National Civil War
           Center – The program decrease is the result of a
           Congressional Add for 1.5 million dollars provided
           in FY 2004 and not carried forward.   -1,521

           13) Grant to the Philadelphia Korean War Memorial –
           The program decrease is the result of a
           Congressional Add for one million dollars provided
           in FY 2004 and not carried forward.   -1,014

           14) Grant to the CSS Alabama Association - The
           program decrease is the result of a Congressional
           Add for one quarter of a million dollars provided in
           FY 2004 and not carried forward.   -253

           15) Grant to the Intrepid Sea-Air-Space Museum – The
           program decrease is the result of a Congressional
           Add for 2.1 million dollars provided in FY 2004 and
           not carried forward.   -2,129

II. Financial Summary (O&M $ in Thousands): (Continued)

   C. <u>Reconciliation of Increases & Decreases</u>: (Continued)

      9. Program Decreases, One Time Costs (Continued)
        a. One-Time Program Reduction in FY 2005 (Continued)
          16) Grant to the Red Cross – The program decrease is
          the result of a Congressional Add for five million
          dollars provided in FY 2004 and not carried forward.   -5,070
          17) Grant to the D Day Museum – The program decrease
          is the result of a Congressional Add for 3.5 million
          dollars provided in FY 2004 and not carried forward.   -3,549
          18) Women in the Military Service – The program
          decrease is the result of a Congressional Add for
          one half million dollars provided in FY 2004 and not
          carried forward.   -507
          19) Country Study Series - The program decrease is
          the result of a Congressional Add for 2.5 million
          dollars provided in FY 2004 and not carried forward.

                                                                         -2,535

          20) Black Americans in Defense of the Nation - The
          program decrease is the result of a Congressional
          Add for one quarter million dollars provided in FY
          2004 and not carried forward.   -253
              Total One-Time Program Decreases   -58,201

II. Financial Summary (O&M $ in Thousands): (Continued)

    C. <u>Reconciliation of Increases & Decreases</u>: (Continued)

      10. Program Decreases
        a. Program Reduction in FY 2005 (Continued)
          1) ROK Scholarship Program – The very small program
          decrease is due to changing cost assumptions.   -1
          2) CISA (NII) – Reduced due to a Congressional
          add in FY 2004 ($1 million) not carried forward.   -842
          3) FY 2003 GWOT/DERF Tail (NII) – This is the result
          of efforts completed in FY 2004.   -4,450
          4) USD(I) Counterintelligence and Security –
          Decreased due to an cost adjustment in
          the baseline program.   -879
          5) Deskbook – This decrease of reflects capping
          the cost of the program from the historical Deskbook cost,
          to show that DAU can reduce the budget request over time as
          it transitions the old Deskbook to the new AT&L Knowledge
          Sharing System (AKSS); and at the same time build online
          knowledge communities to cover all aspects of acquisition,
          technology and logistics. We can eventually do this by
          utilizing the time and expertise of DAU's faculty along
          with some core contractor support, to manage the
          development and sustainment of the online knowledge
          communities; and starting in FY05 providing public access
          to the content of DAU courses. This DAU content will be a
          significant part of the community's body of knowledge.

II. Financial Summary (O&M $ in Thousands): (Continued)

   C. Reconciliation of Increases & Decreases: (Continued)

     10. Program Decreases (Continued)
      a. Program Reduction in FY 2005 (Continued)
        5) Deskbook – (Continued)
        Utilizing DAU course content which is constantly kept
        up to date to ensure quality for our DAWIA certification
        courses, negates the need for AKSS funding to develop
        separate knowledge content for the "discretionary"
        knowledge base that compliments the "mandatory"
        policy/processes in AKSS.   -29
        6) Arctic Military Environmental Cooperation –
        The decrease is due to a congressional add in FY 2004
        that is not continued into FY 2005.   -2,054
        7) CFO Act Compliance – This small decrease reflects
        a slight decrease in contractual support.   -29
        8) Native American Land Remediation –
        This is a perennial congressional increase not
        carried forward.   -10,039
        9) Readiness and Range Preservation Initiative –
        This program is terminated in OSD.   -1,092
          Total Program Decreases   -19,415
FY 2005 Budget Request   **805,813**

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III. Performance Criteria and Evaluation Summary:

The Office of the Secretary of Defense (OSD) budget activity primarily funds the operational expenses, (travel, personnel, and contracts) of the civilian management headquarters' staff offices.

Other programs under the staff offices' purview, are assigned to OSD for execution as are congressional increases where appropriate. The performance of these is normally evaluated using accounting records. Obligations are expected to closely approach 100%.

Department of Defense (DoD) goals are set at the Departmental level. Each year the Secretary of Defense submits an unclassified Annual Report to the President and Congress containing the DoD goals. These reports are available on the Internet at http://www.defenselink.mil/execsec. (It is the Government Performance and Results Act Appendix.)

The Planning, Programming and Budgeting System (PPBS) allocates resources to meet the Department's goals. One of the OSD offices, the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)), is responsible for the PPBS. Equivalent staff offices are responsible for the proper execution of programs Department-wide. Quantifiable performance criteria and evaluation criteria are not applied to the OSD policy oversight function.

An OSD/Management Headquarters staff reduction goal was established under the Defense Reform Initiative and apportioned among the OSD components by the OSD Office of Management and Planning.

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IV. <u>Personnel Summary</u>:

	FY 2003	FY 2004	FY 2005	FY 2004/ FY 2005
<u>Active Military</u> <u>End Strength (E/S) (Total)</u>				
Officer	396	403	409	+6
Enlisted	78	77	77	0
<u>Civilian End Strength (Total)</u>				
US Direct Hire	1,393	1,489	1,488	-1
<u>Active Average</u> <u>Strength (A/S) (Total)</u>				
Officer	396	403	406	+3
Enlisted	78	77	77	0
<u>Civilian FTEs (Total)</u>				
US Direct Hire	1,393	1,489	1,488	-1

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V. <u>OP 32 Line Items as Applicable</u>: (Dollars in Thousands)

	FY 2003 Actuals	Change from FY2003 to FY2004 Price Growth	Change from FY2003 to FY2004 Program Growth	FY 2004 Estimate	Change from FY2004 to FY2005 Price Growth	Change from FY2004 to FY2005 Program Growth	FY 2005 Estimate
EX. Gen. & Spec. Schedules	155,078	6,433	10,982	172,493	3,807	809	177,109
Wage Board	436	18	–	454	10	1	465
Benes. to Former Pers.	2,617	109	-2,726	–	–	–	–
Benefits	30,013	1,245	-195	31,063	686	401	32,150
Disability Comp.	583	24	-24	583	13	-13	583
Travel of Persons	14,035	182	485	14,702	205	2,379	17,286
Transportation	70	0	45	115	1	6	122
Equip. Maintenance	908	11	–	919	12	–	931
Equipment Purchases	184	2	–	186	2	–	188
Contract Consultants	602	7	–	609	8	–	617
Mgmt/Prof Support Svcs	54,535	708	–	55,243	773	–	56,016
Studies, Anal. & Eval.	389,079	5,058	-43,304	350,833	4,874	92,708	448,415
Eng. & Tech. Svcs.	39,662	515	–	40,177	562	–	40,739
Other Intra-gov't Pur	12,140	157	–	12,297	172	–	12,469
Grants	31,250	406	–	31,656	443	-32,099	–
Other Contracts	446	5	–	451	6	–	457
Other Costs	17,783	231	–	18,014	252	–	18,266
Total	749,421	15,110	-34,736	729,795	11,825	64,193	805,813