

FY 2002 Amended Budget Submission

Defense Security Cooperation Agency

(DSCA)



June 2001

DEFENSE SECURITY COOPERATION AGENCY
FY 2002 Amended Budget Submission
Operation and Maintenance, Defense-wide
Appropriation Highlights
(Dollars in Millions)

	<u>FY 2000</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2002</u> <u>Estimate</u>
<u>Appropriation Summary:</u>							
O&M, Defense-wide							
Budget Activity 4: Admin							
DSCA	62.555	1.022	-6.493	57.084	.990	7.137	65.211

Description of Operations Financed:

These funds will be used to finance DSCA Headquarters administrative support, Partnership for Peace, Canadian Environmental Cleanup, an International Programs Security Requirements Course.

Narrative Explanation of Changes:

The funding changes between FY 2001 and FY 2002 are for a Partnership for Peace and International Programs Security Requirements Course.

DEFENSE SECURITY COOPERATION AGENCY
 FY 2002 AMENDED BUDGET SUBMISSION
 OPERATION AND MAINTENANCE, DEFENSE-WIDE
 SUMMARY OF INCREASES AND DECREASES

<u>Appropriation: Operation and Maintenance, Defense-Wide</u>	(\$000)
1. FY 2001 President's Budget Request	67,598
2. Congressional Adjustments (Distributed)	-10,000
3. Congressional Adjustments (Undistributed)	-557
4. Congressional Earmarks	-129
5. FY 2001 Appropriation Enacted	56,912
6. Transfers In	172
7. Transfers Out	
8. Revised FY 2001 Estimate	57,084
9. Price Growth	990
10. Transfers In	
11. Transfers Out	
12. Program Increases	
a. Annualization of New FY 2001 Program	
b. One-Time FY 2002 Costs	
c. Program Growth in FY 2002	7,137
d. New FY 2002 Program	
13. Total Increases	7,137
14. Program Decreases:	
a. One-Time FY 2001 Costs	
b. Annualization of FY 2001 Program Decreases	
c. Program Decreases in FY 2001	
15. Total Decreases	
16. Revised FY 2002 President's Budget	65,211

**Defense Security Cooperation Agency
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Administration and Servicewide Activities**

I. Narrative Description:

The Defense Security Cooperation Agency (DSCA) provides program management and program implementation support to Humanitarian Assistance and Demining, the Warsaw Initiative/Partnership for Peace programs in accordance with DoD's policy to provide emergency and on-emergency humanitarian assistance; and directs, administers, and supervises the humanitarian demining program.

In 1996, the United States Government negotiated a settlement with the Government of Canada for reimbursement of costs for environmental cleanup at four United States military installations in Canada. The United States and Canadian Government developed this requirement through extensive negotiations resulting in a formal Exchange of Notes wherein it was agreed that the United States would pay a settlement of \$100 million. At the beginning of FY 1999, Canadian support of these environmental cleanup activities totaled \$37.638 million in current year dollars.

In Warsaw in July 1994, President Clinton announced a major foreign policy initiative, saying he would seek \$100 million in FY 1996 to "help America's new democratic partners work with the United States to advance the Partnership for Peace's goals." The effort became known as the Warsaw Initiative. Congress approved the funds, thereby establishing a single, comprehensive United States bilateral program to advance closer relations and interoperability between NATO and Partnership for Peace (PfP) countries. The State Department and the Department of Defense (DoD) cooperatively administer the program; State's portion is provided as Foreign Military Financing; the remainder administered by DoD.

Defense Security Cooperation Agency
Operation and Maintenance, Defense-Wide
FY 2002 Amended Budget Submission
Budget Activity #4: Administration and Servicewide Activities

II. Description of Operations Financed:

The FY 2002 funds in the amount of \$2.650 million will be used for expenses to operate a government activity such as salaries and benefits, travel, training, rental of office space, rental of equipment, communications, and cost of supplies and equipment. Funds in the amount of \$11.1 million will be used for the Canadian Environment Cleanup program, \$50.224 million for Warsaw Initiative/Partnership for Peace program and \$1.237 million for the International Programs Security Requirements Course.

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

A. <u>Subactivity Group</u>	<u>FY 2000</u> <u>Actuals</u>	<u>FY 2001</u>			<u>FY 2002</u> <u>Estimate</u>
		<u>Budget</u> <u>Request</u>	<u>Appropriation</u>	<u>Current</u> <u>Estimate</u>	
DSCA	62,555	67,598	-10,000	57,084	65,211

B. Reconciliation Summary:

	<u>Change</u> <u>FY 2001/FY 2001</u>	<u>Change</u> <u>FY 2001/FY 2002</u>
Baseline Funding	67,598	57,084
Congressional Adjustments (Distributed)	-10,000	
Congressional Adjustments (Undistributed)	-557	
Congressional Earmark	-129	
Appropriated Amount	54,912	
FY 2001 Rescission	-128	

Defense Security Cooperation Agency
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Transfer-In	300	
Price Change		990
Program Change		7,137
Current Estimate	57,084	65,211

C. Reconciliation of Increases and Decreases:

1. FY 2001 President's Budget Request		67,598
2. Congressional Adjustments (Distributed)	-10,000	
Total Congressional Adjustment (Distributed)		-10,000
3. Congressional Adjustments (Undistributed)		
Headquarters Management Personnel Reduction	-421	
Congressional Action	-136	
Total Congressional Adjustment (Undistributed)		-557
4. Congressional Earmarks:		
Congressional Earmarks	-129	
Total Congressional Earmarks		-129
5. FY 2001 Appropriated Amount		56,912
6. FY 2001 Recission	-125	
7. Functional Transfer-In	+297	

Defense Security Cooperation Agency
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FY 2002 Amended Budget Submission
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8. Revised FY 2001 Estimate		57,084
9. Price Growth		+990
10. Program Increases		
Increase for Partnership for Peace exercises and seminars.		+7,137
11. Program Decreases		
12. FY 2002 Budget Request		65,211

IV. Performance Criteria and Evaluation Summary:

The Defense Security Cooperation Agency (DSCA) provides program management and program implementation support for Humanitarian Assistance and Demining (HA/D) programs, the African Center for Strategic Studies (ACSS), Warsaw Initiative/Partnership for Peace (WI/PfP) program and the Canadian Environmental Cleanup program. In accordance with DoD's policy to provide emergency and non-emergency humanitarian assistance, and directs, administers and supervises the humanitarian demining program. Tangible performance criteria for the WI/PfP program include the number of PfP events supported, number of studies conducted, number of personnel involved, study recommendations acted upon by Partners, number of events hosted and others. Tangible performance criteria for the ACSS program include the number of seminars hosted in African countries.

<u>Personnel Summary:</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Change FY 2001/FY 2002</u>
<u>Civilian End Strength (Total)</u>				
U.S. Direct Hire	16	19	20	1
Foreign National Direct Hire	0	0	0	0

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Total Direct Hire	16	19	20	1
Foreign National Indirect Hire	0	0	0	0
 <u>Civilian FTEs (Total)</u>				
U.S. Direct Hire	16	19	20	1
Total Direct Hire	16	19	20	1

VI. OP 32 Line Items (Dollars in Thousands):

	<u>Change</u> <u>FY 2000 to FY 2001</u>			<u>Change</u> <u>FY 2001 to FY 2002</u>			<u>FY 2002</u> <u>Estimate</u>
	<u>FY 2000</u> <u>Actuals</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2001</u> <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	
Exec, Gen.							
Spec Schedules	1,293	42	228	1,563	47	75	1,685
Travel of Persons	1,159	19	0	1,178	20	0	1,198
SLUC (GSA Leases)	70	1	0	71	1	0	72
Purchased Utilities	33	1	0	34	1	6	41
Purchased							
Communications	54	1	0	55	1	0	56
Postal Services	1	0	0	1	0	0	1
Supplies & Materials	75	1	0	76	1	0	77
Printing & Reproduction	1	0	0	1	0	0	1
Equipment Maintenance	19	0	0	19	0	0	19
Facility Maintenance							
By Contract	3	0	0	3	0	0	3
Equipment (Non-Fund)	85	1	0	86	1	0	87
Contract & Professional							
Support Services	454	7	0	461	8	0	469
Studies, Analysis							
Evaluations	1,019	16	0	1,035	18	0	1,053

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Other Contracts	56,244	900	-6,721	50,423	857	7,056	58,336
Other Cost	2,045	33	0	2,078	35	0	2,113
Total	62,555	1,022	-6,493	57,084	990	7,137	65,211

**DEFENSE SECURITY COOPERATION AGENCY
 FY 2002 AMENDED BUDGET SUBMISSION
 OPERATION AND MAINTENANCE, DEFENSE-WIDE**

SUMMARY OF PRICE AND PROGRAM CHANGES

	<u>FY 2000 Program</u>	<u>Foreign Currency Rate Difference</u>	<u>Price Growth</u>		<u>Program Growth</u>	<u>FY 2001 Program</u>
			<u>Percent</u>	<u>Amount</u>		
Civilian Personnel Compensation						
101	Ex., Gen. & Special Schedules	1,293		42	228	1,563
107	Voluntary Separation Incentive Pay	0		0	0	0
199	Total Civ Personnel Comp	1,293		42	228	1,563
<u>TRAVEL</u>						
308	Travel of Persons	1,159	1.6	19	0	1,178
399	Total Travel	1,159	1.6	19	0	1,178
<u>OTHER PURCHASES</u>						
912	SLUC (GSA leases)	70	2.0	1	0	71
913	Purchased Utilities	33	1.6	1	0	34
914	Purchased Communications	54	1.6	1	0	55
917	Postal Services	1		0	0	1
920	Supplies & Materials	75	1.6	1	0	76
921	Printing & Reproduction	1	1.6	0	0	1
922	Equipment Maintenance by Contract	19	1.6	0	0	19
923	Facility Maintenance by Contract	3	1.6	0	0	3
925	Equipment Purchases (Non-Fund)	85	1.6	1	0	86
932	Contract & Professional Spt Svcs	454	1.6	7	0	460
933	Studies, Analysis, & Evaluations	1,019	1.6	16	0	1,034
989	Other Contracts	56,244	1.6	900	-6,721	50,423
998	Other Costs	2,045	1.6	33	0	2,078
999	Total Other Purchases	59,504		961	-6,721	54,343
9999	Total	62,555		1,022	-6,493	57,084

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SUMMARY OF PRICE AND PROGRAM CHANGES

	<u>FY 2001 Program</u>	<u>Foreign Currency Rate Difference</u>	<u>Price Growth</u>		<u>Program Growth</u>	<u>FY 2002 Program</u>
			<u>Percent</u>	<u>Amount</u>		
Civilian Personnel Compensation						
101	Ex., Gen. & Special Schedules	1,563		47	75	1,685
107	Voluntary Separation Incentive Pay	0		0	0	0
199	Total Civ Personnel Comp	1,563		47	75	1,685
<u>TRAVEL</u>						
308	Travel of Persons	1,178	1.7	20	0	1,198
399	Total Travel	1,178	1.5	20	0	1,198
<u>OTHER PURCHASES</u>						
912	SLUC (GSA leases)	71	1.7	1	0	72
913	Purchased Utilities	34	1.7	1	6	41
914	Purchased Communications	55	1.7	1	0	56
917	Postal Services	1		0	0	1
920	Supplies & Materials	76	1.7	1	0	77
921	Printing & Reproduction	1	1.7	0	0	1
922	Equipment Maintenance by Contract	19	1.7	0	0	19
923	Facility Maintenance by Contract	3	1.7	0	0	3
925	Equipment Purchases (Non-Fund)	86	1.7	1	0	87
932	Contract & Professional Spt Svcs	461	1.7	8	0	469
933	Studies, Analysis, & Evaluations	1,035	1.7	18	0	1,053
989	Other Contracts	50,423	1.7	857	7,056	58,336
998	Other Costs	2,078	1.7	35	0	2,113
999	Total Other Purchases	54,343		923	7,062	62,328
9999	Total	57,084		880	7,137	65,211