

**FAMILY HOUSING, DEFENSE-WIDE
FY 2008 BUDGET ESTIMATE**

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**FAMILY HOUSING, DEFENSE-WIDE
PROGRAM SUMMARY
FY 2008**

(Dollars in Thousands)

	<u>NSA</u>	<u>DIA</u>	<u>DLA</u>	<u>Total</u>
New Construction	-	-	-	-
Improvements	-	-	-	-
Planning and Design	-	-	-	-
Construction Subtotal	-	-	-	-
Operations	27	4,274	563	4,864
Utilities	7	-	445	452
Maintenance	70	-	266	336
Leasing	10,534	32,662	-	43,196
O&M Subtotal	10,638	36,936	1,274	48,848
Reimbursable Program	-	3,500	-	3,500
Total Program	10,638	40,436	1,274	52,348

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**APPROPRIATIONS LANGUAGE
FAMILY HOUSING, DEFENSE-WIDE
FY 2008**

FAMILY HOUSING OPERATION AND MAINTENANCE, DEFENSE-WIDE

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for operation and maintenance, leasing, and minor construction, as authorized by law, \$48,848,000.

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**FAMILY HOUSING OPERATION AND MAINTENANCE, DEFENSE-WIDE
FY 2008**

The FY 2008 Family Housing Operation and Maintenance, Defense-Wide request is \$5,652,000. The Operation and Maintenance includes maintenance and repair of government-owned housing units and associated real property; utility services; repair, replacement, transportation and handling of furniture and furnishings; refuse collection and disposal services; management services; and other miscellaneous support. Furnishings support for members of the Defense Attaché System are also included. The costs for leasing family housing units are separately addressed.

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**OPERATION AND MAINTENANCE SUMMARY
FAMILY HOUSING, DEFENSE-WIDE
(Excludes Leased Units and Costs)**

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>					
<u>Inventory Data</u>								
Units in Being Beginning of Year	201	204	204					
Units in Being End of Year	201	204	198					
Average Inventory for Year	201	204	198					
 Units Requiring O&M Funding								
a. Conterminous U.S.	201	201	195					
b. U.S. Overseas	3	3	3					
c. Foreign	-	-	-					
d. Worldwide	204	204	198					
	<u>FY 2006</u>		<u>FY 2007*</u>		<u>FY 2008</u>			
	Unit	Total	Unit	Total	Unit	Total		
	Cost**	Cost	Cost**	Cost	Cost**	Cost		
	(\$)	(\$000)	(\$)	(\$000)	(\$)	(\$000)		
<u>Funding Requirements</u>								
1. Operation								
a. Management	1,402	286	1,833	374	2,103	410		
b. Services	392	80	216	44	251	49		
c. Furnishings	11,358	2,317	21,049	4,294	22,590	4,405		
d. Miscellaneous	-	-	-	-	-	-		
Subtotal-Direct Obligations	13,152	2,683	23,098	4,712	24,944	4,864		
Anticipated Reimbursements	-	465	-	800	-	800		
2. Utilities Operations	1,961	890	1,990	406	2,318	452		
Anticipated Reimbursements	-	-	-	-	-	-		
3. Maintenance								
a. M&R Dwellings	3,333	680	1,343	274	1,723	336		
b. M&R Exterior Utilities	20	4	157	32	-	-		
c. M&R Other Real Property	-	-	-	-	-	-		
d. Alterations & Additions	5	1	-	-	-	-		
Subtotal-Direct Obligations	3,358	685	1,500	306	1,723	336		
Anticipated Reimbursements	-	-	-	-	-	-		
Total Direct Obligations	3,768		5,424		5,652			
Total Anticipated Reimbursements	465		800		800			

*This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$5,230,000.

**Based on number of units requiring O&M funding.

**NATIONAL SECURITY AGENCY
PROGRAM SUMMARY
FY 2008**

(Dollars in Thousands)

	<u>FY 2006</u>	<u>FY 2007*</u>	<u>FY 2008</u>
New Construction	-	-	-
Improvements	-	284	-
Planning and Design	-	-	-
Construction Subtotal	-	284	-
Utilities	11	7	7
Operations	33	26	27
Maintenance	298	70	70
Leasing	9,784	10,261	10,534
O&M Subtotal	10,126	10,364	10,638
Total Program	10,126	10,648	10,638

*This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$10,126,000.

**NATIONAL SECURITY AGENCY
OPERATION AND MAINTENANCE SUMMARY
(Excludes Leased Units and Costs)**

<u>Inventory Data</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
Units in Being Beginning of Year	3	3	3
Units in Being End of Year	3	3	3
Average Inventory for Year	3	3	3

Units Requiring O&M Funding			
a. Conterminous U.S.			
b. U.S. Overseas	3	3	3
c. Foreign			
d. Worldwide			

	<u>FY 2006</u>		<u>FY 2007*</u>		<u>FY 2008</u>	
	Unit Cost** (\$)	Total Cost (\$000)	Unit Cost** (\$)	Total Cost (\$000)	Unit Cost** (\$)	Total Cost (\$000)
<u>Funding Requirements</u>						
1. Operations						
a. Management	-	-	-	-	-	-
b. Services	-	-	-	-	-	-
c. Furnishings	11,000	33	8,667	26	9,000	27
d. Miscellaneous	-	-	-	-	-	-
Direct Obligations-Operations	11,000	33	8,667	26	9,000	27
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	11,000	33	2,333	26	9,000	27
2. Utilities						
Direct Obligations-Utilities	3,667	11	2,333	7	2,333	7
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	3,667	11	2,333	7	2,333	7
3. Maintenance						
a. M&R Dwellings	99,333	298	23,333	70	23,333	70
b. M&R Exterior Utilities	-	-	-	-	-	-
c. M&R Other Real Property	-	-	-	-	-	-
d. Alterations & Additions	-	-	-	-	-	-
Direct Obligations-Maintenance	99,333	298	23,333	70	23,333	70
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	99,333	298	23,333	70	23,333	70
Total Direct Obligations	114,000	342	34,333	103	34,667	104
Anticipated Reimbursements	-	-	-	-	-	-
Total Gross Obligations	114,000	342	34,333	103	34,667	104

*This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$100,000.

**Based on total number of government owned units.

**NATIONAL SECURITY AGENCY
OPERATION AND MAINTENANCE
Reconciliation of Increases and Decreases**

The Operation portion of the family housing program for NSA includes maintenance, repair and replacement of furnishings; utility services; refuse collection and disposal; and administrative support at the installation level. Leasing costs are covered separately.

The Maintenance portion includes maintenance and repair of buildings and associated utilities systems, and other incidental improvements, including minor alteration and addition.

Reconciliation of Increases and Decreases

Operation:

1.	FY 2007 President's Budget Request	26
2.	FY 2007 Appropriated Amount/Current Estimate	26
3.	Program Increase	1
4.	FY 2008 Budget Request	27

Utilities:

1.	FY 2007 President's Budget Request	7
2.	FY 2007 Appropriated Amount/Current Estimate	7
3.	FY 2008 Budget Request	7

Maintenance:

1.	FY 2007 President's Budget Request	70
2.	FY 2007 Appropriated Amount/Current Estimate	70
3.	FY 2008 Budget Request	70

**NATIONAL SECURITY AGENCY
OPERATION AND MAINTENANCE
Furnishings Summary
FY 2008**

(Dollars in Thousands)

	Furnishings less Household Equip					Household Equipment					Total Furnishings				
	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>
FY 2006															
CONUS															
US O/S	0	0	2	0	2	0	2	29	0	31	0	2	31	0	33
Foreign															
Public															
Private															
Total	0	0	2	0	2	0	2	29	0	31	0	2	31	0	33
FY 2007															
CONUS															
US O/S	0	0	2	0	2	0	2	22	0	24	0	2	24	0	26
Foreign															
Public															
Private															
Total	0	0	2	0	2	0	2	22	0	24	0	2	24	0	26
FY 2008															
CONUS															
US O/S	0	0	2	0	2	0	2	23	0	25	0	2	25	0	27
Foreign															
Public															
Private															
Total	0	0	2	0	2	0	2	23	0	25	0	2	25	0	27

**DEFENSE INTELLIGENCE AGENCY
PROGRAM SUMMARY**

FY 2008

(Dollars in Thousands)

	<u>FY 2006</u>	<u>FY 2007*</u>	<u>FY 2008</u>
New Construction	-	-	-
Improvements	-	-	-
Planning and Design	-	-	-
Construction Subtotal	-	-	-
Operations	2,264	4,182	4,274
Utilities	-	-	-
Maintenance	-	-	-
Leasing	31,238	32,821	32,662
O&M Subtotal	33,502	37,003	36,936
Reimbursable Program	965	800	800
Total Program	34,467	37,803	37,736

One of the missions of the Defense Intelligence Agency (DIA), in its role as single manager for the Department of Defense (DOD) Human Intelligence discipline, is the direction, operations, and support (including housing support) for the Defense HUMINT Service. Included in the Defense HUMINT service is the Defense Attaché System. The mission of the Defense Attaché System is a critical component of Human Intelligence collection capabilities within DOD and is the only component wholly controlled by the DIA. The missions of the Defense Attaché System are to: (1) observe and report military and politico-military information; (2) represent the DOD and the military services; (3) administer military assistance programs and foreign military sales as directed; and (4) advise the U.S. Ambassador on military and politico-military matters. These missions are accomplished through the Defense Attaché Offices, which are organic elements of the U.S. Diplomatic Missions.

Human Intelligence collection by source elicitation and cultivation is conducted in the representational areas of the Defense Attaché family housing. In this setting, the attaché team (husband and wife) can foster relationships, which can and do produce valuable intelligence information for reporting. Housing of the attaches and their support staff is controlled by the U.S. Embassy housing board at a level of expense and square footage that is equivalent to their Department of State counterparts.

The DIA's Budget Submission for the FY 2008 Family Housing Program funds 500 government leases (of which 147 are high cost leases) at Defense Attaché Offices (DAO) worldwide. These funds provide for all lease costs which include utilities, residential protection services, custodial and fire protection services, furnishings and appliances, maintenance and repair of furnishings and appliances, and administrative services performed by the Department of State under the International Cooperative Administrative Support Services (ICASS) and Memoranda of Understanding.

*This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$34,662,000.

DEFENSE INTELLIGENCE AGENCY

OPERATION AND MAINTENANCE SUMMARY
(Excludes Leased Units and Costs)
FY 2008

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
<u>Inventory Data</u>			
Units in Being Beginning of Year	-	-	-
Units in Being End of Year	-	-	-
Average Inventory for Year	-	-	-
Units Requiring O&M Funding			
a. Conterminous U.S.	-	-	-
b. U.S. Overseas	-	-	-
c. Foreign	-	-	-
d. Worldwide	-	-	-

Note: All DIA family housing units are leased.

	<u>FY 2006</u>		<u>FY 2007*</u>		<u>FY 2008</u>	
	Unit Cost** (\$)	Total Cost (\$000)	Unit Cost** (\$)	Total Cost (\$000)	Unit Cost** (\$)	Total Cost (\$000)
<u>Funding Requirements</u>						
1. Operations						
a. Management	-	-	-	-	-	-
b. Services	-	-	-	-	-	-
c. Furnishings	42	2,264	42	4,182	42	4,274
d. Miscellaneous	-	-	-	-	-	-
Direct Obligations-Operations	42	2,264	42	4,182	42	4,274
Anticipated Reimbursements	-	465	-	800	-	800
Subtotal-Gross Obligations	42	2,729	42	4,982	42	5,074
2. Utilities						
Direct Obligations-Utilities	-	-	-	-	-	-
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	-	-	-	-	-	-
3. Maintenance						
a. M&R Dwellings	-	-	-	-	-	-
b. M&R Exterior Utilities	-	-	-	-	-	-
c. M&R Other Real Property	-	-	-	-	-	-
d. Alterations & Additions	-	-	-	-	-	-
Direct Obligations-Maintenance	-	-	-	-	-	-
Anticipated Reimbursements	-	-	-	-	-	-
Subtotal-Gross Obligations	-	-	-	-	-	-
Total Direct Obligations	42	2,264	42	4,182	42	4,274
Anticipated Reimbursements	-	465	-	800	-	800
Total Gross Obligations	42	2,729	42	4,982	42	5,074

**This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$3,991,000.

*Based on total number of units requiring Operations funding.

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE
Reconciliation of Increases and Decreases
Operations**

The FY 2008 Family Housing Operations expenses for DIA include the purchase, transportation, maintenance, and repair of furniture and appliances for members of the Defense Attaché System.

<u>Reconciliation of Increases and Decreases</u>	
	<u>(\$000)</u>
1. FY 2007 President's Budget Request	4,182
2. FY 2007 Appropriated Amount/Current Estimate	4,182
3. Price Growth (Inflation)	92
4. FY 2008 Budget Request	4,274

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE
Furnishings Summary
FY 2008**

(Dollars in Thousands)

	Furnishings less Hsldhold Equip					Household Equipment					Total Furnishings				
	<u>Mvg/ Hdlg</u>	<u>Maint /Repr</u>	<u>Repl ment</u>	<u>Init Issue</u>	<u>Total</u>	<u>Mvg/ Hdlg</u>	<u>Maint /Repr</u>	<u>Repl ment</u>	<u>Init Issue</u>	<u>Total</u>	<u>Mvg/ Hdlg</u>	<u>Maint /Repr</u>	<u>Repl ment</u>	<u>Init Issue</u>	<u>Total</u>
FY 2006															
CONUS															
US O/S															
Foreign	247	185	469	417	1,318	178	77	369	322	946	425	262	838	739	2,264
Public															
Private															
Total	247	185	469	417	1,318	178	77	369	322	946	425	262	838	739	2,264
FY 2007															
CONUS															
US O/S															
Foreign	393	219	1,227	610	2,449	352	142	637	602	1,733	745	361	1,864	1,212	4,182
Public															
Private															
Total	393	219	1,227	610	2,449	352	142	637	602	1,733	745	361	1,864	1,212	4,182
FY 2008															
CONUS															
US O/S															
Foreign	404	227	1,261	630	2,522	351	140	648	613	1,752	755	367	1,909	1,243	4,274
Public															
Private															
Total	404	227	1,261	630	2,522	351	140	648	613	1,752	755	367	1,909	1,243	4,274

**DEFENSE LOGISTICS AGENCY
PROGRAM SUMMARY
FY 2008**

	<u>FY 2006</u>	<u>FY 2007*</u>	<u>FY 2008</u>
New Construction	-	7,840	-
Improvements	-	484	-
Planning and Design	-	200	-
Subtotal Construction	-	8,524	-
Operation	386	504	563
Utilities	389	399	445
Maintenance	387	236	266
Leasing	-	-	-
Subtotal O&M	1,162	1,139	1,274
Reimbursable Program	-	-	-
Total Program	1,162	9,663	1,274

The Defense Logistics Agency (DLA) has a family housing inventory of two hundred and one (201) units. There are 170 units at the Defense Distribution Center (140 at the Susquehanna, Pennsylvania depot and 30 at San Joaquin, California depot) and 31 units located at Defense Supply Center, Richmond, Virginia.

The FY 2008 operation and maintenance budget request supports routine operation requirements that include management costs, utility costs, and replacement of household appliances/furniture. This request also supports cyclical maintenance requirements that include painting and window and carpet replacement at the San Joaquin units. Additionally, a housing follow-on economic analysis will be conducted at the Defense Supply Center Columbus, Ohio to determine the cost effective means of meeting the housing requirement at that location, if the 2007 housing market analysis reflects a need. The FY 2008 request also includes a requirement for new appliances for the new Richmond units which will come back into the inventory in FY 2008 following renovation.

*This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$1,139,000.

**DEFENSE LOGISTICS AGENCY
OPERATION AND MAINTENANCE SUMMARY
(Excludes Leased Units and Costs)**

<u>Inventory Data</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>				
Units in Being Beginning of Year	201	201	201				
Units in Being End of Year	201	201	195				
Average Inventory for Year	201	201	195				
Units Requiring O&M Funding							
a. Conterminous U.S.	201	201	195				
b. U.S. Overseas	-	-	-				
c. Foreign	-	-	-				
d. Worldwide	-	-	-				
	<u>FY 2006</u>		<u>FY 2007*</u>		<u>FY 2008</u>		
	Unit Cost** (\$)	Total Cost (\$000)	Unit Cost** (\$)	Total Cost (\$000)	Unit Cost** (\$)	Total Cost (\$000)	
Funding Requirements							
1. Operation							
a. Management	1,418	285	1,861	374	2,103	410	
b. Services	353	71	219	44	251	49	
c. Furnishings	149	30	428	86	533	104	
d. Miscellaneous	-	-	-	-	-	-	
Subtotal-Gross Obligations	1,920	386	2,507	504	2,887	563	
Anticipated Reimbursements	-	-	-	-	-	-	
Direct Obligations-Operations	1,920	386	2,507	504	2,887	563	
2. Utilities Operations	1,935	389	1,985	399	2,282	445	
Anticipated Reimbursements	-	-	-	-	-	-	
Direct Obligations-Utilities	1,935	389	1,985	399	2,282	445	
3. Maintenance							
a. M&R Dwellings	1,900	382	1,015	204	1,364	266	
b. M&R Exterior Utilities	20	4	159	32	-	-	
c. M&R Other Real Property	-	-	-	-	-	-	
d. Alterations & Additions	5	1	-	-	-	-	
Subtotal-Gross Obligations	1,925	387	1,174	236	1,364	266	
Anticipated Reimbursements	-	-	-	-	-	-	
Direct Obligations-Maintenance	1,925	387	1,174	236	1,364	266	
Grand Total O&M	5,781	1,162	5,666	1,139	6,533	1,274	

*This column reflects the FY 2007 President's Budget request and it is also the FY 2007 annualized Continuing Resolution level.

**Based on number of units requiring O&M funding.

DEFENSE LOGISTICS AGENCY
Operation and Maintenance Summary
Reconciliation of Increases and Decreases
Fiscal Year 2008

Operation - Includes refuse collection and disposal, snow removal, entomological services, custodial services, street cleaning, moving and handling of government-owned furnishings, and maintenance, repair, and replacement of household equipment. The Operation category also includes management costs associated with the administration of the family housing program, and the supplies and equipment required to support the management personnel and operate the housing office.

The increase in the FY 2008 request over the FY 2007 budget is primarily attributable to a housing market analysis at Defense Supply Center Columbus, Ohio which will determine the most cost effective means of meeting the housing needs at that location, if the 2007 housing market analysis reflects a need. In addition, new appliances will be purchased for the Richmond units.

Utilities – Included in this category of costs are electricity, gas, fuel oil, water and sewage requirements. Utilities costs will increase in FY 2008 as the majority of units will be back in service after the Richmond replacement project.

Additionally, DLA has other ongoing efforts that will ensure compliance with the energy efficiency goals outlined in Executive Order 12759. In addition to the measures incorporated into the whole-house renovation project at Susquehanna, the San Joaquin units are being updated to bring them into compliance. Energy-efficient water heaters have been installed, kitchen appliances are being replaced with new energy-efficient models, and walls and ceilings are being insulated to meet current energy standards. Also, all tenants are issued energy-saving guidelines as an energy-awareness tool.

Maintenance – In addition to routine maintenance, this category of costs also supports cyclical maintenance requirements such as floor refinishing and interior and exterior painting.

The primary contributor to the maintenance increase in FY 2008 is due to the utility metering project for the Susquehanna units. Also contributing to the FY 2008 increase is the costs for an ongoing phased carpet and window replacement project for the San Joaquin units.

**Family Housing, Defense-Wide
FY 2008**

Reconciliation of Increases and Decreases

Operation

	<u>(\$000)</u>
1. FY 2007 President's Budget Request	504
2. FY 2007 Appropriated Amount/Current Estimate	504
3. Price Growth	7
4. Program Increases	
a. Furnishings/equipment costs for new Richmond units	16
b. Housing economic analysis at DSC Columbus	36
6. FY 2008 Budget Request	563

Utilities

	<u>(\$000)</u>
1. FY 2007 President's Budget Request	399
2. FY 2006 Appropriated Amount/Current Estimate	399
3. Price Growth	7
4. Program Increases	
a. Richmond units back in service	39
5. FY 2008 Budget Request	445

Maintenance

	<u>(\$000)</u>
1. FY 2007 President's Budget Request	236
2. FY 2007 Appropriated Amount/Current Estimate	236
3. Price Growth	7
4. Program Increases	
a. Metering project at Susquehanna	23
6. FY 2008 Budget Request	266

**DEFENSE LOGISTICS AGENCY
OPERATION AND MAINTENANCE
Furnishings Summary
FY 2008**

(Dollars in Thousands)

	Furnishings less Household Equip					Household Equipment					Total Furnishings				
	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>	<u>Movg/ Hdling</u>	<u>Maint/ Repair</u>	<u>Replace ment</u>	<u>Initial Issue</u>	<u>Total</u>
FY 2006															
CONUS						6	9	14	1	30	6	9	14	1	30
US O/S															
Foreign															
Public															
Private															
Total	0	0	0	0	0	6	9	14	1	30	6	9	14	1	30
FY 2007															
CONUS						31	5	50	-	86	31	5	50	-	86
US O/S															
Foreign															
Public															
Private															
Total	0	0	0	0	0	31	5	50	-	86	31	5	50	-	86
FY 2008															
CONUS						1	20	8	75	104	1	20	8	75	104
US O/S															
Foreign															
Public															
Private															
Total	0	0	0	0	0	1	20	8	75	104	1	20	8	75	104

**LEASING SUMMARY
FAMILY HOUSING, DEFENSE-WIDE
FY 2008**

The FY 2008 leasing request by agency is as follows:

	FY 2006 <u>Actual</u>		FY 2007* <u>Estimate</u>		FY 2008 <u>Request</u>	
	Total Cost (\$000)	No Units	Total Cost (\$000)	No. Units	Total Cost (\$000)	No. Units
<u>National Security Agency</u>						
Direct Obligations	9,784	395	10,261	400	10,534	399
Reimbursements	-	-	-	-	-	-
Gross Obligations	9,784	395	10,261	400	10,534	399
<u>Defense Intelligence Agency</u>						
Direct Obligations	31,238	500	32,821	500	32,662	500
Reimbursements	500		2,700		2,700	
Gross Obligations	31,738	500	35,521	500	35,362	500
Total Appropriation	41,022	895	43,082	900	43,196	899

The Defense Agency leases are located exclusively overseas, in many cases at remote locations where housing comparable to western standards is scarce or nonexistent. Leasing in areas where suitable housing is in short supply is very expensive which accounts for the fact that the bulk of the high cost leases are concentrated in the Defense Agencies. These lease units support both activities in classified locations and the Defense Attaché System. Host government restrictions, security requirements, and safety and health improvements add additional costs to these leases in many locations. Detailed justification by agency is provided on the following pages.

*This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$40,697,000.

**NATIONAL SECURITY AGENCY
OPERATION AND MAINTENANCE
Analysis of Leased Units
FY 2008**

<u>Location</u>	FY 2006			FY 2007*			FY 2008		
	<u>Units Auth.</u>	<u>Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>Lease Months</u>	<u>Cost (\$000)</u>
Domestic Leases									
None									
Foreign Leases									
Standard	155	1,860	3,605	158	1,896	3,792	157	1,884	3,856
Special Crypto Activities	240	2,880	6,179	242	2,904	6,469	242	2,904	6,678
Total Foreign Leases	395	4,740	9,784	400	4,800	10,261	399	4,788	10,534
Grand Total	395	4,740	9,784	400	4,800	10,261	399	4,788	10,534

FY2006 and FY2007 reflect the transfer of funds for Menwith Hill Station to the Air Force.

* This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$10,026,000.

EXHIBIT FH-4

**NATIONAL SECURITY AGENCY
OPERATION AND MAINTENANCE
Leasing**

Reconciliation of Increases and Decreases

	<u>(\$000)</u>
Leasing:	
1. FY 2007 President's Budget Request	10,261
2. FY 2007 Appropriated Amount/Current Estimate	10,261
3. Program Increase	273
4. FY 2008 Budget Request	10,534

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE
Analysis of Leased Units
FY 2008**

<u>Location</u>	<u>Units Auth.</u>	<u>FY 2006 Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>FY 2007* Lease Months</u>	<u>Cost (\$000)</u>	<u>Units Auth.</u>	<u>FY 2008 Lease Months</u>	<u>Cost (\$000)</u>
Domestic Leases									
None									
Foreign Leases									
Classified Locations**	500	4,891	31,238	500	4,891	32,821	500	4,891	32,662
Reimbursable			500			2,700			2,700
Total Foreign Leases	500	4,891	31,738	500	4,891	35,521	500	4,891	35,362
Grand Total	500	4,891	31,738	500	4,891	35,521	500	4,891	35,362

* This column reflects the FY 2007 President's Budget request. The FY 2007 annualized Continuing Resolution level is \$30,671,000.

**Due to the sensitive nature of this information, country detail, to include lease months, can be provided to the committee through channels.

**DEFENSE INTELLIGENCE AGENCY
OPERATION AND MAINTENANCE
Leasing**

An important element of DIA's mission is the operation and management of the Defense Attaché System (DAS) for the Defense Attaché Offices (DAOs) located at U.S. embassies in capital cities around the world. The FY 2008 budget request for DIA includes funding associated with ICASS and lease costs for the DAS, many of which are in high cost areas of the world.

<u>Reconciliation of Increases and Decreases</u>		<u>(\$000)</u>
1. FY 2007 President's Budget Request		32,821
2. FY 2007 Appropriated Amount/Current Estimate		32,821
3. Price Growth (Inflation)		722
4. Program Decrease		(881)
5. FY 2008 Budget Request		32,662