

REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers)

DoD Serial Number:

FY 99-010 PA

Implementation, September 21, 1999

Component Serial Number:

(Amounts in Thousands of Dollars)

LINE ITEM	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This reprogramming is submitted for prior approval as it:

- a. Affects congressional special interest items.
- b. Uses general transfer authority pursuant to section 8005 of PL 105-262, the DoD Appropriations Act, 1999; and section 1001 of P.L. 105-261, the Strom Thurmond National Defense Authorization Act for FY 1999; and
- c. Establishes new line items;

This reprogramming action is for higher priority items, based on unforeseen military requirements, than those for which the funds were originally appropriated, meets all administrative and legal requirements of the Congress, and has not been denied by Congress.

This action affects elements of Tactical Intelligence and Related Activities (TIARA); it does not affect the National Foreign Intelligence Program (NFIP) or the Joint Military Intelligence Program (JMIP).

Timely and favorable consideration of this reprogramming request will facilitate effective execution of Defense programs.

Approved (Signature and Date)

Signed by Mr. Mr. William J. Lynn, July 2, 1999.

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a		b	c	d	e	f	g	h	i

FY 1999 REPROGRAMMING INCREASES:						<u>+890,951 775,813</u>			
<u>Reserve Personnel, Army, FY 1999</u>						<u>+10,000</u>			
<u>Budget Activity 2: Other Training and Support</u>									
		1,107,815		1,115,349		+10,000		1,125,349	
<p><u>Administration and Support.</u> Congress appropriated \$15.0 million and authorized the Army Reserve an additional 1,000 Active Guard Reserve (AGR) personnel end strength from the September 30, 1998, level. Experience to date validates the estimated cost of the 1,000 soldiers (340 officers and 660 enlisted) at \$25.0 million for FY 1999; therefore, an additional \$10.0 million is required to pay for the ramp up of the AGR end strength to meet USAR full time support requirements.</p>									
<u>National Guard Personnel, Army, FY 1999</u>						<u>+19,801</u>			
<u>Budget Activity 2: Other Training and Support</u>									
		1,682,047		1,820,086		+19,801		1,839,887	
<p><u>Active Guard Reserve, Pay & Allowances - \$10.197 million.</u> Additional funds are needed for unanticipated full time support requirements, such as the Weapons of Mass Destruction requirement.</p>									
<p><u>Schools & Special Training - \$9.604 million.</u> Additional funds are needed because Army National Guard soldiers have been attending Military Occupational Specialty-producing schools and special training in lieu of annual training.</p>									
<u>Operation and Maintenance, Army, FY 1999</u>						<u>+181,128 172,378</u>			
<u>Budget Activity 1: Operating Forces</u>									
		8,398,990		9,749,713		+31,024		9,780,737	
						+37,024		9,786,737	
<p><u>Storm Damage - \$5.8 million.</u> Funds are needed to repair damage to installation buildings and infrastructure caused by a snowstorm at Fort Drum, New York and a tornado at Fort Campbell, Kentucky.</p>									
<p><u>Readiness - \$29.724 \$23.724 million.</u> Funds are needed to enhance critical Army unit readiness, training, and to protect several aspects of readiness such as: purchase chemical defense equipment for units; increase support for Reserve Component overseas deployment training; and operational communications services requirements.</p>									

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a		b	c	d	e	f	g	h	i

Force Protection - \$1.5 million. Funds are needed to correct physical security deficiencies in the Continental United States for the security of military personnel and their family members.

						+18,750	587,908
<u>Budget Activity 2: Mobilization</u>	569,158		569,158			+21,500	590,658

Army Prepositioned Stocks (APS). Funds are needed to maintain APS ready for deployment. Funds will be used to reduce maintenance backlog of APS, transload APS afloat onto replacement ships, and fund increased operational costs of new ships for APS afloat.

<u>Budget Activity 3: Training and Recruiting</u>	3,178,327		3,142,510			+40,450	3,182,960
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Readiness. The training base is essential to unit readiness by providing a steady stream of trained soldiers to Army units. Funds are necessary to maintain aviation training in modernized aircraft to preclude a shortfall of trained pilots (\$23.4 million), to refurbish World War II buildings for centralized training of Senior Reserve Officers' Training Corps cadets (\$15.0 million), and to expand Initial Entry Training (IET) by one week (\$2.0 million).

<u>Budget Activity 4: Administration and Servicewide Activities</u>	4,920,917		5,726,477			+82,154	5,808,631
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Storm Damage - \$8.2 million. Funds are needed to repair damage to installation buildings and infrastructure and to repair or replace damaged and lost equipment caused by a flood at Fort Sam Houston, Texas. Funds are also needed to repair damage to installation buildings and infrastructure caused by tornadoes at Pine Bluff Arsenal, Arkansas; Milan Ammunition Plant, Tennessee; and Corpus Christi Distribution Depot, Texas.

Drawdowns (Counternarcotics, Bosnia, and Jordan) - \$25.0 million. Funds are required for the cost of presidential-directed drawdowns approved in prior fiscal years under authority of section 506(a)(1) and section 552(c)(2) of the Foreign Assistance Act. Costs for counternarcotics include spare parts (\$8.2 million), field equipment (\$1.8 million), repair parts (\$2.2 million), and transportation (\$1.7 million). The Bosnia drawdown is for transportation and storage (\$.5 million). The Jordan drawdown includes refurbishment (\$7.0 million), packing/crating (\$2.0 million), and transportation (\$1.6 million).

Readiness-\$15.0 million. Funds are needed to redeploy an Air Defense Artillery Battalion from Germany to Fort Bliss, Texas. Funds are also required for transportation of division equipment for training center rotations and redistribution of prepositioned stocks and equipment.

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Technology Support - \$14.4 million. Funds are needed to maintain readiness and improve our information technology capabilities and security. These funds will provide for modernized information technology systems to include secure messaging systems.

Security Investigations - \$19.554 million. The funds are required to finance the periodic reinvestigations (PRs) of Army personnel performed by the Defense Security Service. The funds will pay for part of the Army's 7,020 backlog of high priority PRs that must be conducted to ensure security requirements are maintained.

Operation and Maintenance, Army Reserve, FY 1999 **+4,589**

Budget Activity 4: Administration and Servicewide Activities

	142,819	144,179	<u>+4,589</u>	148,768
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Funds are required to fully support immediate recruiting requirements. Recruiter support funding ensures the availability of key recruiting programs, activities, and equipment needed to directly support the recruiting mission. Current funding for advertising programs is insufficient to reach prospects with enough recruiting messages throughout the year. Increased funding for these programs is needed to sustain marketing efforts.

Operation and Maintenance, Army National Guard, FY 1999 **+850 0**

Budget Activity 1: Operating Forces

	2,505,576	2,555,884	<u>+850</u>	<u>0</u> <u>2,556,734</u>
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The Army National Guard incurred extensive tornado damage to its Aviation Facility in Jackson, Tennessee, on January 17, 1999. Funding is required to repair two UH-1 helicopters that were partially damaged, purchase miscellaneous aircraft tools and equipment, repair the crash rescue building and electrical services, and fund increased labor costs and temporary lease expenses.

Operation and Maintenance, Navy, FY 1999 **+52,397 43,287**

Budget Activity 1: Operating Forces

	15,267,217	15,736,846	<u>+24,587</u> <u>+33,697</u>	<u>15,761,433</u> <u>15,770,543</u>
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Y2K Conversion. Funds were diverted from Maintenance of Real Property to accommodate expenses related to Y2K conversion. This includes, but is not limited to: systems remediation; testing including operational evaluation, end-to-end, integrated testing, facilities and infrastructure testing, testing of

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a		b	c	d	e	f	g	h	i

remediated systems, and developing test plans; developing and conducting contingency planning; and acceleration of systems fielding. Funds are required for Y2K compliance and testing efforts for the remainder of the fiscal year and to reimburse the maintenance of real property accounts.

Budget Activity 4: Administration and Servicewide Activities

3,676,874 4,093,294 **+18,700** 4,111,994

Y2K Conversion. Funds were diverted from readiness related programs to accommodate expenses related to Y2K conversion. This includes, but is not limited to: systems remediation; testing including operational evaluations, end-to-end, integrated testing, facilities and infrastructure testing, testing of remediated systems, and developing test plans; developing and conducting contingency planning; and acceleration of systems fielding. Funds are required for Y2K compliance and testing efforts for the remainder of the fiscal year, and to reimburse readiness related programs.

Operation and Maintenance, Marine Corps, FY 1999

+78,922 67,891

Budget Activity 1: Operating Forces

1,844,414 1,876,388 **+42,437** 1,918,825
~~1,844,414 1,876,388 +50,087 1,926,475~~

Y2K Conversion - \$13.439 million. Funds were diverted from the Maintenance of Real Property to ensure the Marine Corps Enterprise Network is able to continue effective operations in the new millennium. Funds are for systems remediation, end-to-end testing, replacement of personal computers that cannot be made Y2K compliant, and to reimburse the maintenance of real property accounts.

Installation Reform - \$6.3 million 0. Funding is required to fund Marine Corps endeavors in business process reengineering, activity based costing, and regionalization studies. These investments are required to improve efficiency and effectiveness in managing scarce resources and to achieve savings streams already reflected in the outyears of the future years defense program.

Maintenance of Real Property - \$28.998 million. Funding is required to finance the Marine Corps' highest priority unfinanced real property maintenance projects. This funding will, on a dollar for dollar basis, reduce the backlog of maintenance and repair.

Smart Work Initiatives - \$1.350 million 0. Funding is required to allow the Marine Corps to explore productivity enhancing and other investments designed to provide future monetary or labor savings and costs avoidances through efficiency improvements. The FY 1999 funding will allow the Marine Corps to test various initiatives and identify the most cost-effective investments. This will promote more effective funding allocations in future years, ensuring maximum return on investment.

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<u>Budget Activity 3: Training and Recruiting</u>									
		410,599		411,230		+18,300		429,530	

Voluntary Education - \$3.0 million. Funding is required to fully support the off duty education program through the end of the fiscal year. This program provides educational opportunities, which assist in recruitment and retention of high quality personnel. Additional funds are necessary to support demand for tuition assistance and avoid termination of the program prior to the end of the fiscal year, or scaling back of the program to reduce the level of benefits per participant. The \$3.0 million will fund approximately 12,000 enrollments at an average cost of \$250 per enrollment. The additional funding will allow the Voluntary Education program to fund tuition assistance to demand, preserving a valuable recruiting, retention, and quality of life program which positively affects moral and retention of Marines.

Recruiting - \$2.4 million. Funding is required for Marine Corps sponsorship of the Gravity Games. These games provide the Marine Corps an opportunity to expand its presence in extreme sports media properties. This type of venue has been highly successful in targeting young males who are qualified for military service. Additionally, through continued sponsorship of X-games on ESPN and the Gravity Games on NBC, the Marine Corps will have, for the first time, obtained ownership of a sport-marketing niche. The Marine Corps has made its recruiting mission for over 40 consecutive months. This additional funding is essential to continue to successfully meet recruiting goals in this most challenging recruiting environment.

Maintenance of Real Property – \$12.9 million. Funding is required to finance the Marine Corps’ highest priority unfinanced real property maintenance projects. This funding will, on a dollar for dollar basis, reduce the backlog of maintenance and repair.

<u>Budget Activity 4: Administration and Servicewide Activities</u>						7,154		278,136	
		270,962		270,982		+10,535		281,517	

Manpower and Reserve Affairs Relocation Support Costs - \$1.614 million. Funding is required to fund the additive support costs associated with the relocation of the Manpower and Reserve Affairs Department from the Navy Annex in Arlington, Virginia, to a separate building at the Marine Corps Combat Development Center in Quantico, Virginia. These costs include utilities, janitorial services, maintenance, etc., for maintaining and supporting the new facility.

Centralized Support - ~~\$6.281~~ \$2.900 million. Funding is required to support centrally managed programs in direct support of operating forces. These programs include Transportation of Things for administrative movement of supplies and materials; the Marine Corps Community Services programs which support Marines and their families; the Marine Corps Continuous Process Improvement Program which finances reviews and reengineering of processes and functions to streamline and improve business processes; and

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a		b	c	d	e	f	g	h	i

the Marine Corps Band, the Marine Corps Museum, and other community support programs that help preserve Marine Corps heritage.

Maintenance of Real Property – \$2.640 million. Funding is required to finance the Marine Corps’ highest priority unfinanced real property maintenance projects. This funding will, on a dollar for dollar basis, reduce the backlog of maintenance and repair.

<u>Operation and Maintenance, Marine Corps Reserve, FY 1999</u>						+7,581	7,181		
							7,181		81,822
<u>Budget Activity 1: Operating Forces</u>	74,260			74,641		+7,581			82,222

Operating Forces Support – \$2.5 million. Funding is required to finance increased maintenance costs for heavy and medium mechanized vehicles (Light Assault Vehicles, Tanks, and Assault Amphibian Vehicles). Costs have increased above inflation in recent years due to increased daily maintenance and increased usage of depot level reparable associated with the aging of this equipment.

Individual Combat Equipment – \$1.781 million. Funding is required to accelerate the purchase of individual items that provide Marines in the field with the clothing and equipment they need to survive and sustain themselves during combat operations. Included in this request are body armor vests, modular sleeping bags, vehicle hoods and liners, and bivouac covers.

Base Operations – \$1.5 million. Funding is required to fully fund day-to-day operations at reserve sites. Support for the majority of the 192 sites is provided through interservice support agreements with the Marine Corps as a tenant activity. With recent closures of other service host activities and restructuring of other services reserve units, the Marine Corps is not able to partner as much with other services to reduce costs. This amount reflects the increased costs to the Marine Corps for the same level of services as in past years.

Maintenance of Real Property – \$1.4 million. Funding is required to finance renovation of hangars, barracks and other support infrastructure at Edwards Air Force Base (AFB), California, associated with the relocation of two helicopter squadrons from Marine Corps Air Stations in El Toro, California, and Tustin, California, to Edwards AFB during FY 1999.

Smart Work Initiatives – \$4 million 0. Funding is required to allow the investment in solar energizers to maintain battery charge levels and an enhanced power source for the Single Channel Ground and Airborne Radio System (SINCGARS). These investments will reduce future O&M costs.

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a		b	c	d	e	f	g	h	i

Operation and Maintenance, Air Force, FY 1999 **+119,443 86,563**

Budget Activity 1: Operating Forces
9,776,607 10,494,439 **+26,624** 10,521,063

Depot Maintenance Surcharges. An FY 1999 surcharge on customer orders is required to recover FY 1998 operating losses in Air Force depot maintenance activities and to maintain planned workload inductions during FY 1999. Customer workload may not be accepted by a depot for induction without providing the depot with a funded order to pay for the work to be accomplished. Less than planned depot maintenance workload will defer repair of the customer’s mission critical assets that were scheduled for induction and will drive additional operating losses to the performing depot.

Budget Activity 2: Mobilization 2,792,530 3,194,964 ~~+26,000~~ ~~3,220,964~~
+10,039 3,205,003

Depot Maintenance Surcharges. An FY 1999 surcharge on customer orders is required to recover FY 1998 operating losses in Air Force depot maintenance activities and to maintain planned workload inductions during FY 1999. Customer workload may not be accepted by a depot for induction without providing the depot with a funded order to pay for the work to be accomplished. Less than planned depot maintenance workload will defer repair of the customer’s mission critical assets that were scheduled for induction and will drive additional operating losses to the performing depot.

Budget Activity 3: Training and Recruiting
1,745,623 1,748,073 ~~+40,500~~ ~~1,788,573~~
+38,300 1,786,373

Depot Maintenance Surcharges ~~-\$+24.9 million~~ **+\$+22.7 million**. An FY 1999 surcharge on customer orders is required to recover FY 1998 operating losses in Air Force depot maintenance activities and to maintain planned workload inductions during FY 1999. Customer workload may not be accepted by a depot for induction without providing the depot with a funded order to pay for the work to be accomplished. Less than planned depot maintenance workload will defer repair of the customer’s mission critical assets that were scheduled for induction and will drive additional operating losses to the performing depot.

Recruiting and Advertising - **+\$13.4 million**. Funding is required for recruiting and advertising to address declining readiness indicators. In accordance with an FY 1999 Air Force initiative, paid television funding is required to increase Air Force visibility to our nation’s youth to reverse the declining propensity to enlist and to support a consistent recruiting presence in the marketplace.

Air Force Civilian Pay Rates - **+\$2.2 million**. Funds are required to fully fund the 3.6 percent pay raise. The FY 1999 President’s budget included a 3.1 percent pay raise for civilians. Subsequent FY 1999

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congressional actions resulted in a 3.6 percent pay raise, but no funds were appropriated for this higher pay raise.

<u>Budget Activity 4: Administration and Servicewide Activities</u>						+11,600	4,922,844
	4,418,978		4,911,244			+26,319	4,937,563

Utilities Privatization - \$+14.719 million 0. Funding is required to support the Secretary of Defense's initiative to privatize utility systems. Funding provides for feasibility analyses associated with 204 systems selected as candidates for privatization. Each utility system requires a feasibility assessment, a comprehensive analysis, and an environmental assessment.

Air Force Civilian Pay Rates - \$+11.6 million. Funds are required to fully fund the 3.6 percent pay raise. The FY 1999 President's budget included a 3.1 percent pay raise for civilians. Subsequent FY 1999 congressional actions resulted in a 3.6 percent pay raise, but no funds were appropriated for this higher pay raise.

<u>Operation and Maintenance, Air National Guard, FY 1999</u>						+12,500	
<u>Budget Activity 1: Operating Forces</u>							
	3,088,723		3,117,622			+12,500	3,130,122

Foreign Military Sales (FMS) - \$+9.5 million. Funds are required to provide sufficient training to maintain the proficiency of U.S. pilots performing FMS F-16 training. Flying hours consumed during training missions are reimbursed through FMS; however, initial and continuation training is required for U.S. pilots to stay combat ready, and this is funded by the Air National Guard.

Depot Purchased Equipment Maintenance (DPEM) Quarterly Surcharge - \$3.0 million. An FY 1999 surcharge on customer orders is required to recover FY 1998 depot maintenance operating losses. Workforce downsizing has resulted in productivity losses, while material consumption has increased due to unplanned engine and airframe repairs. Failure to provide funds to finance the operating losses will result in lower than planned workload inductions during FY 1999. Less than planned depot maintenance workload will defer repair of mission critical assets that were scheduled for induction and drive additional operating losses to the performing depot.

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Operation and Maintenance, Defense-Wide, FY 1999						+8,000	0	
<u>Defense Human Resources Activity (DHRA)</u>							0	
	229,763			229,763		+8,000	237,763	
<p><u>Defense Enrollment Eligibility Reporting System (DEERS)</u>. Funding is required to sustain the operation of DEERS through the end of the fiscal year. DEERS contains a database of over 18 million personnel records. It has been undergoing a comprehensive system redesign that incorporates Y2K-compliant Oracle software, less expensive government-owned Unix hardware, and adds a number of health and personnel programs mandated by the Congress. This effort and increased use of the system for benefit eligibility checks have combined to increase the DEERS monthly operating cost beyond that which is budgeted. These funds are essential to avoid disrupting such key programs as the Immunization Tracking System, the Real-Time Automated Personnel Identification System, the TRICARE Prime Remote and Senior Prime programs, the Organ Donor program, and the Smart Card and Public Key Infrastructure programs.</p>								
<u>Procurement of Ammunition, Army, 99/01</u>						+125,200		
<u>Budget Activity 1: Ammunition</u>								
CAWCF Closeout Liabilities		0		0		+125,200		125,200
<p>This is a new budget line item to fund the first increment of contract termination costs and operational losses to ensure the solvency of the Conventional Ammunition Working Capital Fund (CAWCF) as the fund closes out. FY 1999 costs are occurring because the operating contractor at Holston Army Ammunition Plant has submitted a claim for pension fund settlements, severance pay, vacation pay, and inventory. Additionally, negotiations with the operating contractor at Lone Star Army Ammunition Plant will begin in the near-term to settle a pension closeout liability in this fiscal year.</p>								
<u>Other Procurement, Army, 99/01</u>						+15,000		
<u>Budget Activity 3: Other Support Equipment</u>								
Temporary Barracks		0		0		+15,000		15,000
<p>Eight company sets of temporary barracks are required to house incoming trainees as a result of an increase in accessions, increase in Basic Combat Training duration from eight to nine weeks and a decrease in One Station Unit Training demand. The temporary barracks will be fully equipped, pre-engineered buildings (PEBs) erected on the appropriate foundations (probably concrete slab on grade). These PEBs can be erected relatively quickly, and disassembled and relocated as needed. A trainee barracks modernization program is being initiated which will replace existing, deteriorated barracks to meet an estimated 21 company</p>								

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Research, Development, Test, and Evaluation, Army, 99/00						+10,000			
<u>Budget Activity 6: RDT&E Management Support</u>						<u>+10,000</u>			
PE 0605878A Maintenance and Repair (RPM) – RDT&E									
		86,419		76,707		+10,000		86,707	
Provides funding for real property maintenance support for the Test and Evaluation Command, Army Research Laboratory, Armament Research, Development & Engineering Center, and Soldier & Biological Chemical Command. The funding will cover critical and necessary infrastructure repairs such as roads and sewer systems, and other health and safety items for RDT&E funded installations. It will also impede the migration of mission resources to cover repair and maintenance shortfalls.									
Research, Development, Test and Evaluation, Air Force, 99/00						+31,185 9,500			
<u>Budget Activity 5: Engineering and Manufacturing Development</u>						<u>+1,200 0</u>			
PE 0604600F Munitions Dispenser Development						0			
		7,559		7,559		+1,200		8,759	
Funds are required to provide for pin puller redesign and test activities. Redesign is necessary due to technology problems and schedule delays. The additional funding allows successful completion of Wind Corrected Munitions Dispenser development on schedule.									
<u>Budget Activity 7: Operational System Development</u>						<u>+29,985 9,500</u>			
PE 0305182F Eastern Space Launch Fac (Space)						0			
		24,578		24,578		+14,100		38,678	
Funds are required for termination liability funding on the Range Standardization and Automation Phase IIA contract and complies with House Appropriations Committee direction. The Committee approved the use of a Special Termination Cost Clause only as an interim measure to make funding available to avoid contract termination or slowdown.									
PE 0401115F C-130S Airlift Squadrons						0			
		0		0		+2,385		2,385	
Funds will be used for development of C-130 Avionics Modernization Program (AMP) Request for Proposal, Test and Evaluation Master Plan, and other acquisition products.									

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							+9,500	9,500
PE 0401219F KC-10							+13,500	13,500

Funds are required for development efforts – software, flight test, and integration – of the Global Air Traffic Management (GATM) modification for the KC-10 aircraft.

<u>Research, Development, Test, and Evaluation, Defense-Wide, 99/00</u>							+8,000	6,568
<u>Budget Activity 7: Operational Systems Development</u>							+8,000	6,568
PE 0303140G Information Systems Security Program							+6,568	245,649
		251,081		239,081		+8,000	247,081	

Secure Wireless Communications. The global digital cellular and Personal Communications Systems market is currently dominated by three standards – Code Division Multiple Access, Time Division Multiple Access and Global System Mobile, a standard developed in Europe for mobile communications systems. Because the global wireless industry is currently developing a set of next-generation standards to allow common technology availability globally, funding is needed to ensure that there is a secure capability for all these technologies.

<u>Defense Health Program</u>							+136,961	129,961
<u>Budget Activity 1: Operation and Maintenance, FY 1999</u>							+129,961	10,067,390
		9,895,601		9,937,429		+136,961	10,074,390	

Funds are needed for critical health care delivery requirements in the direct care system as identified in the FY 2000 President’s budget. These include direct patient care increases in FY 1999 for new technologies, therapies, pharmaceuticals, and expanded benefits. These increased requirements cannot be adequately financed within currently approved appropriations. These funds are required to continue to provide delivery of adequate health care at Air Force medical treatment facilities and to complete minor construction projects needed to maintain accreditation with the Joint Commission for Accreditation of Healthcare Organization (JCAHO) at Army medical treatment facilities.

REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999						DoD Serial Number: FY 99-010 PA			
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a		b	c	d	e	f	g	h	i

<u>Defense Working Capital Fund</u>							+3,350		
<u>Commissary Operations Business Area</u>									
		63,700		1,045,771			+3,350		1,049,121

These funds provide support to retain the commissaries in Orlando, Florida; Santa Ana, California; and Aurora, Colorado; and to maintain minimum required levels of service.

REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999						DoD Serial Number: FY 99-010 PA			
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a		b	c	d	e	f	g	h	i

FY 1999 REPROGRAMMING DECREASES: **-890,951 775,813**

Military Personnel, Army, FY 1999: **-345,100**

Budget Activity 1: Pay & Allowances of Officers
5,908,249 6,020,172 **-129,395** 5,890,777

Funds are available due to net cost savings accrued as a result of discontinuing Voluntary Separation Pays (\$-37.3 million) and strength/execution/fact-of-life changes occurring during the year (\$-47.3 million). In addition, actual Reserve Component participation in Bosnia is lower than planned, thereby reducing contingency manyear costs. (\$-44.8 million).

Budget Activity 2: Pay & Allowances of Enlisted Personnel
12,507,576 12,612,354 **-189,415** 12,422,939

Funds are available due to net cost savings accrued as a result of discontinuing Voluntary Separation Pays (\$-84.3 million) and strength/execution/fact-of-life changes that have occurred during the year (\$-147.5 million), which have been offset by increased funding (\$+101.4 million) for recruiting and retention programs such as enlistment bonuses and reenlistment bonuses. In addition, actual Reserve Component participation in Bosnia is lower than planned, thereby reducing contingency manyear costs (\$-59.0 million).

Budget Activity 4: Subsistence of Enlisted Personnel
1,101,532 1,209,082 **-18,248** 1,190,834

Funds are available due to execution and fact-of-life changes occurring during the year (\$-3.1 million). In addition, contingency operations costs are projected to be lower than anticipated (\$-15.1 million).

Budget Activity 5: Permanent Change of Station Travel
1,090,547 1,090,947 **-8,042** 1,082,905

Funds are available due to execution and fact-of-life changes.

REPROGRAMMING ACTION – PRIOR APPROVAL										
Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999						DoD Serial Number: FY 99-010 PA				
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>								
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program		
LINE ITEM		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	
a		b	c	d	e	f	g	h	i	
<u>Reserve Personnel, Army, FY 1999</u>						<u>-10,000</u>				
<u>Budget Activity 1: Unit & Individual Training</u>		1,044,603		1,043,080		-10,000		1,033,080		
<p><u>Initial Active Duty for Training (IADT)</u>. The United States Army Reserve (USAR) is currently experiencing an inability to meet recruiting accession missions. The USAR average strength of IADT soldiers for FY 1999 was projected at 6,569. At this time, it is estimated that the actual average strength will be approximately 5,800 (a projected 11.7 percent shortfall). As a result, the USAR is underexecuting in Pay Group F (Initial Active Duty for Training).</p>										
<u>National Guard Personnel, Army FY 1999</u>						<u>-19,801</u>				
<u>Budget Activity 1: Unit & Individual Training</u>		1,807,940		1,807,940		-19,801		1,788,139		
<p>Funds budgeted for annual training in this budget activity are no longer required because Army National Guard soldiers have been attending Military Occupational Specialty-producing schools and special training in lieu of annual training. This, combined with a reprioritization of requirements, makes \$19.801 million available.</p>										
<u>Military Personnel, Navy, FY 1999</u>						<u>-22,000</u>				
<u>Budget Activity 1: Pay and Allowances of Officers</u>		4,347,460		4,368,262		-8,000		4,360,262		
<p>Funds are available due to a decrease of 829 workyears attributed to higher than anticipated resignations.</p>										
<u>Budget Activity 2: Pay and Allowances of Enlisted</u>		10,731,252		10,731,832		-10,500		10,721,332		
<p>Funds are available based on approximately 1,500 fewer than anticipated separation payments. The increased retention is attributed to higher incentive pays and bonuses, as well as policy initiatives to fill billets.</p>										
<u>Budget Activity 6: Other Military Personnel Costs</u>		103,194		103,194		-3,500		99,694		

REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999	DoD Serial Number: FY 99-010 PA
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Component Serial Number:	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

Funds are available based on revised estimates provided by the Department of Labor for the Unemployment Compensation program.

Military Personnel, Marine Corps, FY 1999 **-78,119**

Budget Activity 1: Pay and Allowances of Officers

	1,315,270	1,319,288	-11,030	1,308,258
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Funds are available due to a reduced officer grade structure resulting from slower than anticipated promotions during the early part of the fiscal year (\$-7.528 million) and a decrease in involuntary separations and disability separations due to an increase in the number of voluntary separations and a decline in the number of service-related injuries (\$-3.502 million).

Budget Activity 2: Pay and Allowances of Enlisted Personnel

	4,327,720	4,331,921	-58,792	4,273,129
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Funds are available due to a reduced average strength resulting from a rephasing of enlisted accessions from the first to the third quarter of the fiscal year (\$-12.910 million); changes in longevity based on FY 1998/1999 execution experience (\$-13.653 million); a 1.97 percent decrease in overall enlisted dependency rates (\$-16.282 million); a reduction in the costs of the initial seabag issue and maintenance allowance rates (\$-6.192 million); and a decrease in lump sum leave payments, involuntary separations, and disability separations due to an increase in the number of voluntary separations and a decline in the number of service-related injuries (\$-9.755 million).

Budget Activity 4: Subsistence of Enlisted Personnel

	348,835	348,835	-2,723	346,112
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Funds are available due to a reduction in the Basic Daily Food Allowance and Meals Ready to Eat rates.

Budget Activity 6: Other Military Personnel Costs

	46,379	46,379	-5,574	40,805
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Funds are available based on revised estimates provided by the Department of Labor for the Unemployment Compensation program.

Reserve Personnel, Marine Corps, FY 1999 **-7,581**

Budget Activity 1: Unit and Individual Training

	214,951	215,558	-1,416	214,142
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REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999						DoD Serial Number: FY 99-010 PA		
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>						
LINE ITEM	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

Funds are available due to reduced Pay Group F average strength resulting from a rephasing and a reduction in accessions. The reduction in the accession requirement is attributed to higher retention of Selected Marine Corps Reservists. The rephasing was based upon changes in the availability of primary military occupational specialty school seats.

Budget Activity 2: Other Training and Support

190,562	193,224	-6,165	187,059
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Funds are available due to a reduced average strength (140 enlisted) for the Active Reserves (ARs). Due to the underexecution of the AR end strength in FY 1998, the planned Quadrennial Defense Review reduction was achieved earlier than planned.

Military Personnel, Air Force, FY 1999

-236,500

Budget Activity 1: Pay and Allowances of Officers

5,874,946	5,878,046	-138,500	5,739,546
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Because FY 1999 retention rates have been lower than anticipated, the Air Force projects an FY 1999 officer end strength of approximately 2,300 personnel below authorized levels, saving \$138.5 million in payroll costs.

Budget Activity 2: Pay and Allowances of Enlisted Personnel

9,633,293	9,638,293	-58,500	9,579,793
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Because FY 1999 recruiting and retention rates have been lower than anticipated, the Air Force projects an FY 1999 enlisted end strength of approximately 7,300 personnel below authorized levels, saving \$162.5 million in payroll costs. To curb the recruiting and retention problems, the Air Force has redirected \$104 million of the savings to increase enlistment and reenlistment bonuses.

Budget Activity 4: Subsistence of Enlisted Personnel

769,012	769,012	-9,500	759,512
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Because FY 1999 recruiting and retention rates have been lower than anticipated, the Air Force projects an FY 1999 enlisted end strength of approximately 7,300 personnel below authorized levels, reducing the number of members paid Basic Allowance for Subsistence or Subsistence-In-Kind.

Budget Activity 5: Permanent Change of Station Travel

890,658	890,658	-30,000	860,658
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REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999						DoD Serial Number: FY 99-010 PA			
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a		b	c	d	e	f	g	h	i

The Air Force's FY 1999 recruiting and retention rates have been lower than anticipated. While the retention challenges drive an increase in Separation Moves, the understrength also causes a decrease in the more expensive Accession, Training, Operational and Rotational Moves.

Other Procurement, Army, 99/01 **-9,600** **0**

Budget Activity 2: Communications and Electronics Equipment

							<u>0</u>		
Combat Survivor Evader Locator		13,712		13,712		-9,600		4,112	

The Combat Survivor Evader Locator communication system will work with existing search and rescue systems for downed aircraft personnel. The Air Force is the executive agent for this program. Due to failures in testing, the program was restructured to permit further development of the radio. Therefore, these procurement funds are not needed in FY 1999.

Weapons Procurement, Navy, 99/01 **-9,900** **0**

Budget Activity 2: Other Missiles

							<u>0</u>		
Aerial Targets		72,774		71,682		-9,900		61,782	

Funds are available due to a contract award slippage in the procurement of MA-31 aerial targets.

Procurement of Ammunition, Navy and Marine Corps, 99/01 **-13,000**

Budget Activity 1: Navy Ammunition

Extended Range Guided Munitions		27,452		27,452		-13,000		14,452	
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Funds are available due to program delays resulting from the relocation of Raytheon Systems Corporation from Lewisville, Texas, to Tucson, Arizona, and technical challenges associated with development of the Extended Range Guided Munitions round. Therefore, these procurement funds are not needed in FY 1999.

Other Procurement, Navy, 99/01 **-5,550** **0**

Budget Activity 2: Communications and Electronics Equipment

							<u>0</u>		
Radar Support		34,260		34,260		-5,550		28,710	

REPROGRAMMING ACTION – PRIOR APPROVAL								
Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999						DoD Serial Number: FY 99-010 PA		
Component Serial Number:	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i
<p>The Congress added \$11.0 million to procure a 3D air search radar for the Fast Frigates (FFGs) assigned to the Western Hemisphere Group. This plan would have established a unique baseline configuration with no existing logistics support. A revised plan provides this effort in one set of equipment upgrades for one FFG class ship for further evaluation and results in a cost reduction of \$5.550 million. This is a congressional special interest item.</p>								
<u>Aircraft Procurement, Air Force, 99/01</u>						<u>-15,885 -13,500</u>		
<u>Budget Activity 5: Modification of In-Service Aircraft</u>								
KC-10A (ATCA)		54,610		54,610		-13,500		41,110
Funds are available due to restructure of KC-10 Global Air Traffic Management (GATM) program. Partial restoration of funds is planned.								
C-130		122,692		122,692		<u>-2,385</u>		<u>120,307</u>
Funds are available for realignment from the Avionics Modernization Program (AMP) to RDT&E for development efforts associated with the same program.								
<u>Missile Procurement, Air Force, 99/01</u>						<u>-66,180 0</u>		
<u>Budget Activity 5: Other Support</u>								
Special Update Programs		151,299		151,299		<u>-66,180</u>		<u>85,119</u>
Funds are available from a classified program.								
<u>Procurement, Defense-Wide, 99/01</u>						<u>-4,890</u>		
<u>Major Equipment, OSD/WHIS</u>								
Major Equipment, OSD		120,245		129,745		<u>-800</u>		128,945
Based on a mid-year review of program execution and because funds have not obligated as planned, these funds have been identified as excess to current requirements and will not need to be restored. The reduction will not be taken from congressional special interest projects: Mentor Protégé Program, High Performance Computing Hardware, and Indian Financing Act.								
<u>Major Equipment, DISA</u>						<u>-3,572</u>		

REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers)						DoD Serial Number:			
Implementation, September 21, 1999						FY 99-010 PA			
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i	
Information Systems Security			18,364		18,364		-1,190		17,174
Items less than \$2 Million			14,383		14,383		-2,382		12,001
<p>Based on a mid-year review of program execution and because funds have not obligated as planned, these funds have been identified as excess to current requirements and will not need to be restored.</p>									
<u>Major Equipment, DLA</u>							-518		
Defense Support Activities			68,682		68,682		-518		68,164
<p>Based on a mid-year review of program execution and because funds have not obligated as planned, these funds have been identified as excess to current requirements and will not need to be restored. The reduction will not be taken from congressional special interest projects: Automated Document Conversion System and Military Personnel Information System.</p>									
Defense Health Program							<u>-15,000 0</u>		
<u>Budget Activity 2: Procurement, 99/01</u>									
			400,960		402,960		-15,000 0		387,960
<p>Funds are available from DHP Procurement Information Technology to fund critical health care delivery requirements in DHP Operation and Maintenance direct patient care as identified in the FY 2000 President's budget. This action defers \$15.0 million of FY 1999 Information Technology requirements such as partial deployment of Computerized Patient Records and Government Computerized Patient Records, partial deployment of Defense Medical Human Resources System, and partial deployment of Ambulatory Visit Grouping. The deferrals result in stretching the time to implement some DHP programs beyond FY 2001.</p>									
<u>Research, Development, Test, and Evaluation, Navy, 99/00</u>							<u>-5,091 0</u>		
<u>Budget Activity 7: Operational Systems Development</u>							<u>-5,091 0</u>		
PE 0702207N Depot Maintenance			69,967		69,967		-5,091		64,876
<p>Funds are available because the AV-8B Aircraft Life Extension Program (ALEP) was canceled.</p>									
<u>Research, Development, Test, and Evaluation, Air Force, 99/00</u>							-14,486		
<u>Budget Activity 7: Operational System Development</u>							-14,486		

REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers)						DoD Serial Number:			
Implementation, September 21, 1999						FY 99-010 PA			
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i	
PE 0207133F F-16 Squadrons		140,076		140,076		-14,486		125,590	
<p>Because the F-16C/D aircraft that will be purchased in FY 2000 will have Suppression of Enemy Air Defense (SEAD) capability that is essential in today’s tactical battle environment, funds are no longer required to define a service life extension and capability enhancement package for Air National Guard F-16A/B aircraft. This is a congressional special interest item.</p>									
<u>Research, Development, Test, and Evaluation, Defense-Wide, 99/00</u>						<u>-12,268 -10,836</u>			
<u>Budget Activity 2: Applied Research</u>						<u>-1,497 -972</u>			
PE 0602383E Biological Warfare Defense						0			
		82,000		82,000		-175		81,825	
<p>Funds are available because the program has not obligated funding as planned. The reduction of funding will not result in a change in program scope. The reduction will not be taken from the Biological Warfare Multimedia Demonstration congressional special interest project.</p>									
						0			
PE 0602702E Tactical Technology		175,395		175,395		-350		175,045	
<p>Funds are available because the program has not obligated funding as planned. The reduction of funding will not result in a change in program scope. The reduction will not be taken from congressional special interest projects: Center for Excellence for Research in Ocean Sciences and Simulation-based Design.</p>									
PE 0602712E Materials and Electronics Technology						-972		274,039	
		277,908		275,011					
<p>Funds are available because the program has not obligated funding as planned. The reduction of funding will not result in a change in program scope. The reduction will not be taken from congressional special interest projects: Multitechnology Integration in Mixed Mode Electronics; 3-D Multi-Chip Module Electronics; Seamless High Off-Chip Connectivity; Cyogenic/superconducting Electronics; MEMS Deep Silicon Etching Process Technology; Nanophase Magnetic Particle; Polymer Materials Processing; Laser Diode Array Alignment; and Strategic Material Manufacturing.</p>									
<u>Budget Activity 3: Advanced Technology Development</u>						<u>-6,932</u>			
PE 0603739E Advanced Electronics Technologies						-1,424		263,213	
		264,637		264,637					

REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999						DoD Serial Number: FY 99-010 PA			
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a		b	c	d	e	f	g	h	i

							<u>0</u>		
PE 0603736D CALS Initiative		7,863		7,863		-907		6,956	

Funds are available because the program has not obligated funding as planned. The reduction of funding will not result in a change in program scope. The reduction will not be taken from congressional special interest projects: Integrated Data Environment Continuous and Life Cycle Support and Paperless Contracting.

PE 0605798S Defense Technology Analysis		8,010		8,010		-322		7,688	
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Funds are available because the program has not obligated funding as planned. The reduction of funding will not result in a change in program scope. The reduction will not be taken from the Commodity Management System Consolidation congressional special interest project.

Budget Activity 7: Operational System Development **-2,158**

PE 0208052J Joint Analytical Model Improvement Program		1,847		1,847		-1,000		847	
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Funds are available because these requirements have been satisfied with other available funding. The reduction of funding will not result in a change in program scope.

PE 1160405BB, Special Operations Intelligence Systems Development		8,805		8,805		-1,158		7,647	
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The Congress added \$5.0 million in FY 1999 for the Special Operations Intelligence Vehicle (SOF IV) program. There are sufficient funds to successfully complete testing and evaluation of the evolutionary acquisition phase Block 2 and 3 SOF IV RDT&E effort, leaving \$1.158 million of excess funds. This is a congressional special interest item.

REPROGRAMMING ACTION – PRIOR APPROVAL

Appropriation Account Title: FY 1999 Omnibus (Includes Transfers) Implementation, September 21, 1999						DoD Serial Number: FY 99-010 PA			
Component Serial Number:		<i>(Amounts in Thousands of Dollars)</i>							
		Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
LINE ITEM		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a		b	c	d	e	f	g	h	i

FY 1998 REPROGRAMMING INCREASES:

<u>Other Procurement, Navy, 98/00</u>						<u>+4,310</u>	<u>0</u>		
<u>Budget Activity 6: Supply Support Equipment</u>						<u>+1,100</u>	<u>0</u>		
Other Supply Support Equipment	0			0		<u>+1,100</u>	<u>0</u>	<u>1,100</u>	

Funding is required to procure equipment for the Transportation Coordinator’s Automated Information Management System (TC-AIMS). Without this funding, the Naval Supply Systems Command will not be able to support Joint Vision 2010 Asset Visibility initiatives and will not be interoperable with other Services. All Services are implementing Electronic Data Interchange practices with regard to transportation documentation and bill payment procedures. TC-AIMS is an approved joint program that is scheduled for software deployment in October 1999 and November 1999. Due to the lead-time to procure the equipment and train the users, procurement is needed in the fourth quarter FY 1999.

<u>Budget Activity 7: Personnel and Command Support Equipment</u>						<u>+3,210</u>	<u>0</u>		
Judgement Fund Reimbursement	0			0		<u>+3,210</u>	<u>3,210</u>		

Funding is required to reimburse the Judgement Fund. In May 1998, the Financial Management Service, Department of the Treasury, made payment under the provisions of the Contract Disputes Act to Craft Machine Works, Inc. The Navy is responsible for reimbursing the Department of Treasury.

FY 1998 REPROGRAMMING DECREASE:						<u>-4,310</u>			
<u>Other Procurement, Navy, 98/00</u>						<u>-4,310</u>	<u>0</u>		
<u>Budget Activity 1: Ships Support Equipment</u>							<u>0</u>		<u>4,310</u>
Landing Craft Air Cushion	0			4,310		<u>-4,310</u>			<u>0</u>

This funding was intended to buy one Command, Control Communications, Computers, and Navigation suite for backfit onto an existing Landing Craft Air Cushion (LCAC) as part of a service life extension program (SLEP) Phase I conversion. The production contract cannot be awarded until the contractor (Textron Marine & Land Services Systems, New Orleans, LA) demonstrates an Engineering Development Model system on LCAC 91. Recent contract negotiations set April 2000 as the earliest possible contract award for production. The LCAC Phase I SLEP effort is funded in FY 1999 and out; therefore, the FY 1998 OPN funds are not required.

