

Subject: Defense Working Capital Fund Transfer		DoD Serial Number: FY 05-43 PA
Appropriation Title: Operation and Maintenance, Army, 05/05, and Defense Working Capital Fund, Defense, X		Includes Transfer? Yes

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	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
Line Item								
a	b	c	d	e	f	g	h	i

This reprogramming action is submitted for prior approval because it uses special transfer authority pursuant to section 1001 of Public Law 109-13, Emergency Supplemental Appropriations Act for Defense, the Global War on Terror and Tsunami Relief, 2005. This action transfers \$150.0 million from the Defense Working Capital Fund, Defense, appropriation to the Operation and Maintenance, Army, 05/05, appropriation for critical operational requirements prior to the enactment of Public Law 109-13. This action reprograms funding in support of higher priority items, based on unforeseen military requirements, than those for which originally appropriated; and is determined to be necessary in the national interest. It meets all administrative and legal requirements and none of the items have previously been denied by the Congress.

<u>FY 2005 REPROGRAMMING INCREASE:</u>	<u>+150,000</u>
<u>Operation and Maintenance, Army, 05/05</u>	<u>+150,000</u>
<u>Budget Activity 1: Operating Forces</u>	
16,561,581	17,709,602
	+150,000
	17,859,602

Explanation: Funds are required to reimburse the Army for contractual service costs relating to fuel distribution in Iraq.

<u>FY 2005 REPROGRAMMING DECREASE:</u>	<u>-150,000</u>
<u>Defense Working Capital Fund, Defense, X</u>	<u>-150,000</u>
Defense Logistics Agency	-150,000

Explanation: The Army was programmed to transfer the fuel distribution mission in Iraq to the Defense Logistics Agency (DLA) at the end of fiscal year (FY) 2004. From October, 2004, through January, 2005, the Army, using private contractual services, continued to perform the fuel distribution mission in Iraq. The Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and the Tsunami Relief, 2005, Public Law 109-13, provided \$402.0 million for the DLA to perform the fuel distribution mission in Iraq. This transfer reimburses the Army for its portion of the costs in performing the fuel distribution mission before the mission was taken over by the DLA.

Approved (Signature and Date)  SEP 8 2005