

Subject: February 2007 Prior Approval Appropriation Title: Various Appropriations	DoD Serial Number: FY 07-16 PA
	Includes Transfer? Yes

Component Serial Number:	(Amounts in Thousands of Dollars)							
	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

This prior approval reprogramming action is submitted for prior approval because these actions use general transfer authority or exceed thresholds.

**Part I** of this reprogramming action realigns \$52.152 million within the Procurement of Ammunition, Army, 07/09, appropriation in order to partially fund a contractor’s close-out liabilities with FY 2007 assets.

**Part II** of this reprogramming action transfers \$49.828 million among various Defense appropriations. This reprogramming action uses \$1.980 million of general transfer authority pursuant to section 8005 of Public Law 109-148, the Department of Defense (DoD) Appropriations Act, 2006; and section 1001 of Public Law 109-163, the National Defense Authorization Act for Fiscal Year 2006.

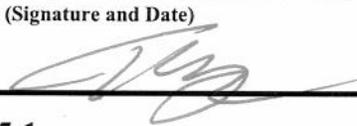
These actions reprogram funding in support of higher priority items, based on unforeseen military requirements, than those for which originally appropriated; and are determined to be necessary in the national interest. They meet all administrative and legal requirements and none of the items has been previously denied by the Congress.

**PART I**

<b><u>FY 2007 REPROGRAMMING INCREASE:</u></b>	<b><u>+52,152</u></b>
<b><u>Procurement of Ammunition, Army, 07/09</u></b>	<b><u>+52,152</u></b>
<u>Budget Activity 1: Ammunition</u>	
Closeout Liabilities	52,253

Explanation: Fully compensates the Holston Defense Corporation for post-retirement benefits in accordance with the Army Contract Adjustment Board decision on Case No. 1250 dated September 28, 2006.

Approved (Signature and Date)



APR 24 2007

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<b><u>FY 2007 REPROGRAMMING DECREASE:</u></b>					<b><u>-52,152</u></b>			
<b><u>Procurement of Ammunition, Army, 07/09</u></b>					<b><u>-52,152</u></b>			
<u>Budget Activity 1: Ammunition</u>								
Ctg, 5.56mm, All Types	214,555		214,555		-1,000			213,555
Ctg, 25mm, All Types	32,089		32,089		-4,000			28,089
60mm Mortar, All Types	13,046		13,046		-2,753			10,293
120mm Mortar, All Types	66,506		66,506		-8,381			58,125
120mm Tank Training, All Types	142,933		142,933		-5,000			137,933
Ctg, Artillery, 105mm, All Types	45,585		45,585		-4,591			40,994
Ctg, Artillery, 155mm, All Types	124,099		124,099		-13,227			110,872
Modular Artillery Charge System, All Types		73,885		73,885		-5,700		68,185
Demolition Munitions; All Types	36,146		36,146		-4,250			31,896
Signals, All Types	26,384		26,384		-3,250			23,134

Explanation: Contract award originally planned for late in the fiscal year may be deferred with minimal impact. These funds are made available to support a near-term higher priority requirement than that for which the funds were originally appropriated.

**PART II**

<b><u>FY 2006 REPROGRAMMING INCREASES:</u></b>					<b><u>+49,828</u></b>			
<b><u>Defense Health Program, 06/07</u></b>					<b><u>+1,980</u></b>			
<u>Budget Activity 2: Research, Development, Test and Evaluation</u>								
		536,883		566,286		+1,980		568,266

Explanation: Transfers funding for the Discovery and Development of Drugs for Prevention and Treatment of Malaria and Leishmaniasis in the United States Military Personnel program from the Defense Health Program (DHP), Procurement, 06/08, appropriation. These funds are made available to support a higher priority requirement to develop prophylactic drug candidates for direct benefit to United States military personnel.

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<b><u>Procurement of Ammunition, Army, 06/08</u></b>					<b><u>+47,848</u></b>			
<u>Budget Activity 1: Ammunition</u>								
Closeout Liabilities		99		99		+47,848		47,947

Explanation: Funds are required to compensate fully Holston Defense Corporation for post retirement benefits in accordance with the Army Contract Adjustment Board decision on Case No. 1250, September 28, 2006.

**FY 2006 REPROGRAMMING DECREASES:** **-49,828**

<b><u>Defense Health Program, 06/08</u></b>					<b><u>-1,980</u></b>			
<u>Budget Activity 3: Procurement</u>								
Hyperbaric Oxygenation Chamber		375,328		378,344		-1,980		376,364

Explanation: In FY 2006, the Congress provided an additional \$1.980 million for the purchase of the Hyperbaric Oxygenation Chambers at Walter Reed Army Medical Center and the National Naval Medical Center. However, the overall project was too costly; therefore, the congressional sponsor requested these funds be redirected to the DHP, Research, Development, Test and Evaluation for Discovery and Development of Drugs for Prevention and Treatment of Malaria and Leishmaniasis in U.S. Military Personnel program. This is a congressional special interest item.

<b><u>Procurement of Ammunition, Army, 06/08</u></b>					<b><u>-47,848</u></b>			
<u>Budget Activity 1: Ammunition</u>								
120mm Mortar, All Types		200,641		200,015		-12,200		187,815

Explanation: Contract award originally planned for late in the fiscal year may be deferred with minimal impact. These funds are made available to support a near-term higher priority requirement than that for which the funds were originally appropriated.

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Budget Activity 1: Ammunition

Rocket, Hydra 70, All Types	164,775	161,517	<b>-9,000</b>	152,517
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Explanation: This represents funding for the Rocket, Hydra 70, Multipurpose Submunition (MPSM) Practice M267 training rocket. The M267 is the training rocket for the M261 MPSM High Explosive Rocket which has an unacceptable dud rate (6 percent) and is no longer being procured. With no requirement for the M261 rocket, there is no need for the M267 training rocket.

Signals, All Types	328,501	328,225	<b>-26,648</b>	301,577
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Explanation: Current funding is in excess of what is needed to meet training and operations requirements.