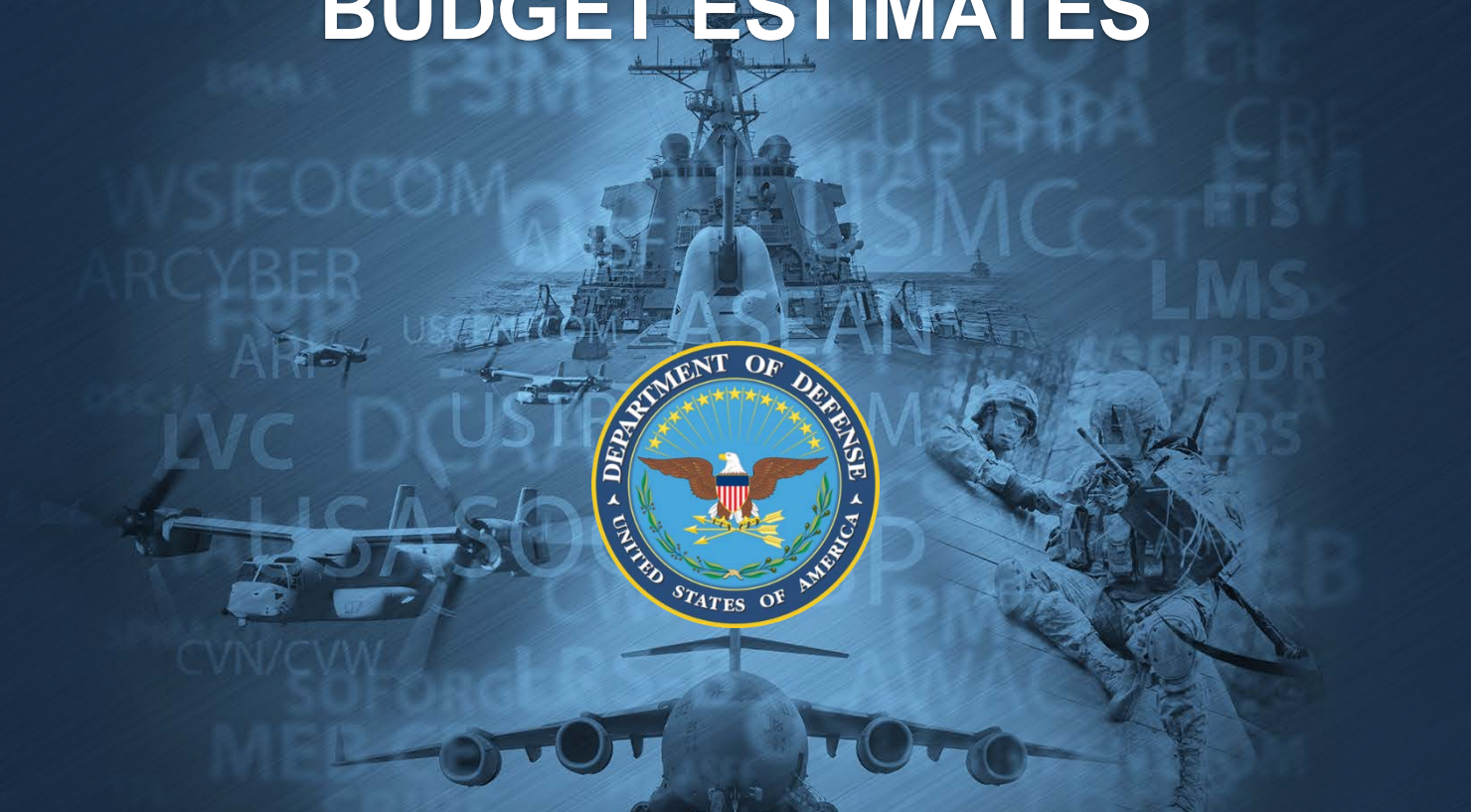


BUDGET ESTIMATES



The image is a blue-toned collage representing the U.S. Department of Defense. In the center is the official seal of the Department of Defense, United States of America, featuring an eagle with wings spread. Surrounding the seal are various military assets: a large Navy ship (likely a Zumwalt-class destroyer) at the top, a fighter jet (F-35) on the left, a bomber (B-2) at the bottom, and two soldiers in combat gear on the right. The background is filled with numerous military acronyms and codes, including USIA, FSM, USFSPA, CRE, WSCOCOM, USIP, SMCCST, ETSVI, ARCYBER, USIA/COM, ASEAN, LMS, AR, OSCA, LVC, DCA, M, USA, SO, CVN/CVW, SOFOR, MED, and others. The overall theme is military readiness and defense capabilities.

**OFFICE OF THE UNDER SECRETARY OF DEFENSE
(COMPTROLLER) / CHIEF FINANCIAL OFFICER**

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Preparation of this report/study cost the Department of Defense a total of approximately \$48,500 for the 2016 Fiscal Year.

OPERATION AND MAINTENANCE TITLE SUMMARY

O&M TOA BY SERVICE BY APPROPRIATION

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016^{2/3}</u> <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017⁴</u> <u>Estimate</u>
Army	<u>65,936.6</u>	<u>1,211.0</u>	<u>-26,281.7</u>	<u>40,865.9</u>	<u>365.4</u>	<u>2,115.4</u>	<u>43,346.7</u>
Active	51,195.7	963.3	-20,477.9	31,681.1	286.1	1,841.8	33,809.0
Reserve	2,676.1	41.7	-88.9	2,628.9	36.8	46.6	2,712.3
National Guard	6,337.5	102.9	115.5	6,555.9	42.5	227.0	6,825.4
Afghanistan Security Forces Fund ⁵	4,109.3	74.0	-4,183.3	-	-	-	-
Iraq Train and Equip Fund ⁵	1,618.0	29.1	-1,647.1	-	-	-	-
Navy	<u>54,171.9</u>	<u>695.0</u>	<u>-9,012.9</u>	<u>45,854.0</u>	<u>448.7</u>	<u>333.5</u>	<u>46,636.2</u>
Navy Active	45,068.2	567.6	-6,689.5	38,946.3	371.0	166.3	39,483.6
Marine Corps Active	7,467.4	118.7	-1,908.7	5,677.4	66.7	210.2	5,954.3
Navy Reserve	1,057.6	-1.2	-99.6	956.8	6.8	-35.9	927.7
Marine Corps Reserve	284.3	4.6	-15.4	273.5	4.2	-7.1	270.6
Ship Modernization, Operations, and Sustainment Fund	294.4	5.3	-299.7	-	-	-	-
Air Force	<u>55,351.5</u>	<u>-88.9</u>	<u>-11,088.0</u>	<u>44,174.6</u>	<u>155.7</u>	<u>2,959.3</u>	<u>47,289.6</u>
Active	45,806.2	-47.6	-11,108.8	34,649.8	153.5	2,714.8	37,518.1
Reserve	3,098.8	-21.9	-202.1	2,874.8	-20.2	213.3	3,067.9
National Guard	6,446.5	-19.4	222.9	6,650.0	22.4	31.2	6,703.6
Defense-Wide and Other	<u>72,353.2</u>	<u>1,504.5</u>	<u>-6,222.0</u>	<u>67,635.7</u>	<u>1,453.1</u>	<u>-363.6</u>	<u>68,725.2</u>
Defense-Wide	38,108.5	552.6	-6,338.7	32,322.4	510.3	-261.1	32,571.6
Defense Health Program	32,606.8	924.5	-1,257.4	32,273.9	889.0	304.6	33,467.5

Numbers may not add due to rounding

¹ FY 2015 includes Overseas Contingency Operations (OCO) funding

² FY 2016 excludes \$46,472.6 million of OCO funding including \$7,020.0 million of base funds transferred to OCO

³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+893.5 million, to OCO, \$-893.5 million, to reflect congressional intent for proper execution

⁴ FY 2017 excludes \$45,034.1 million of OCO funding including \$3,555.5 million of Bipartisan Budget Act (BBA) of 2015 compliance

⁵ Afghanistan Security Forces Fund, Iraq Train and Equip Fund, and Counterterrorism Partnerships Fund are funded 100 percent in OCO

⁶ FY 2015 Environmental Restoration and Drug Interdiction/Counter-Drug Activities, Defense accounts were executed in FY 2015 Operation and Maintenance and other accounts.

OPERATION AND MAINTENANCE TITLE SUMMARY

O&M TOA BY SERVICE BY APPROPRIATION

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015^{/1} Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016^{/2} Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017^{/3} Estimate</u>
Cooperative Threat Reduction	365.1	6.2	-12.8	358.5	6.2	-39.1	325.6
Office of the Inspector General	308.6	3.8	0.2	312.6	4.5	4.9	322.0
Overseas Humanitarian, Disaster Assistance and Civic Aid	103.0	1.9	-1.6	103.3	3.5	-1.7	105.1
U.S. Court of Appeals for the Armed Forces	13.7	0.2	0.2	14.1	0.2	-0.1	14.2
DoD Acquisition Workforce Development Fund	79.2	1.5	-80.7	-	-	-	-
Environmental Restoration, Army ^{/6}	-	-	234.8	234.8	4.3	-68.9	170.2
Environmental Restoration, Navy ^{/6}	-	-	300.0	300.0	5.4	-23.6	281.8
Environmental Restoration, Air Force ^{/6}	-	-	368.1	368.1	6.6	-3.2	371.5
Environmental Restoration, Defense ^{/6}	-	-	8.2	8.2	0.2	0.6	9.0
Environmental Restoration, Formerly Used Defense Sites (FUDS) ^{/6}	-	-	231.2	231.2	4.2	-38.3	197.1
Drug Interdiction And Counter-Drug Activities, Defense ^{/6}	-	-	1,050.6	1,050.6	17.6	-223.4	844.8
Counterterrorism Partnerships Fund ^{/5}	713.1	12.8	-725.9	-	-	-	-
International Sporting Competitions	6.4	0.1	-6.5	-	-	-	-
Disposal of Real Property	8.9	0.2	8.9	18.0	0.4	-10.2	8.2
Lease of Real Property	39.3	0.7	-	40.0	0.7	-4.1	36.6
Miscellaneous Accounts	0.6	-	-0.6	-	-	-	-
Total Obligation Authority	247,813.2	3,321.6	-52,604.6	198,530.1	2,422.9	5,044.6	205,997.7
Numbers may not add due to rounding							

OPERATION AND MAINTENANCE TITLE SUMMARY

The Department of Defense's Operation and Maintenance (O&M) programs support the Department's strategic guidance, complies with the Bipartisan Budget Act (BBA) of 2015, sustains the alignment of program priorities and resources with the 2014 Quadrennial Defense Review (QDR), and supports military operations in Afghanistan and other areas of the world to counter threats from terrorists. The budget maintains a mission ready force, continues to focus on institutional improvements that control costs and support a highly trained workforce, and continues to take care of service members and their families.

The FY 2017 O&M programs reflect balanced approaches while preserving the force and capabilities that are required to meet the strategy. The budget decisions reflected in the subsequent exhibits in the O&M Overview Book funds a joint force with the capacity and capability to:

- Defend the homeland
- Deal with four potential "contingencies"
 - Russia
 - China
 - North Korea
 - Iran
- Conduct a sustained global campaign against violent extremism (enduring "condition")
- Respond to aggression from two different adversaries with overlapping timelines

The Department requires funding above the Budget Control Act (BCA) levels after FY 2017 to properly support this strategy. For the FY 2017 program, the Department took a long view and considered how the next 25 years will differ from the last. The major requirements for the Department over the next 25 years are:

- Must respond to the return of great power competition (resurgent Russia, rising China)
- Must deter a more dangerous North Korea with ability to attack CONUS
- Must counter Iran's malign influence in the Middle East
- Must fight a sustained global campaign against violent extremism with a near term emphasis on degrading and defeating ISIL

Given the current level of budget resources, the Department cannot reduce all risk; instead, the Department must:

- Prioritize convention deterrence against our most advanced adversaries

OPERATION AND MAINTENANCE TITLE SUMMARY

- Focus more on the shape of the force
 - Seek the best balance between force structure (size), modernization (capability) and readiness
 - Bias towards lethality and capability of the force rather than size
 - Bias toward posture rather than presence
- Emphasize innovation
 - Attracting, retaining, and managing talent (Force of the Future)
 - Update war plans and operational concepts
 - Pursue “offset” technologies

The FY 2017 O&M programs support the Service efforts to enhance readiness by focusing on recovering full spectrum readiness to meet current demands and to ensure our Joint Force is ready for future contingencies. While the FY 2017 O&M preserves Services' readiness recovery, the gains the Department has made are fragile and dependent on sustained, adequate and predictable resources. The FY 2017 O&M programs for Army support high-end collective training exercises and home station training, resulting in 19 combat training center rotations in 2017. This training plan allows Army to ramp to full-spectrum training proficiency and leader development by 2021. The FY 2017 O&M programs for Navy allow for level-loaded ship maintenance requirements to ensure consistent and sustainable maritime presence and supports deployed readiness while investing in aircraft maintenance to bridge the gap between legacy and next-generation platforms. The FY 2017 O&M program sustains Marine Corps crisis response operational concept and capabilities, and supports readiness and maintenance issues of non-deployed forces. The FY 2017 O&M supports the Air Force balance between flying hours and weapon system sustainment to continue full-spectrum readiness gains, but relief from high operational tempo and time is needed to regain combat readiness. Additionally, the Air Force increases training exercises and range training to achieve readiness goals. The FY 2017 O&M program for SOCOM maintains funding for deployments and has sufficient surge capacity to support Operational Plans and contingencies allowing SOCOM to achieve full spectrum readiness in 2020.

The FY 2017 O&M continues to support broad institutional reform in the following areas:

- Reducing management headquarters staffs and overhead;
 - Continuing Acquisition Reform;
 - Reviewing contracts to ensure requirements still valid;
 - Seeking Base Realignment and Closure (BRAC) authority to reduce excess base infrastructure;
 - Sustaining financial auditability improvements;
-
- Sustaining sexual assault prevention and response programs;

OPERATION AND MAINTENANCE TITLE SUMMARY

- Reviewing Goldwater-Nichols legislation and DoD organization; and,
- Increasing security of personal information used in security investigations

The funding amounts reflected in this Overview are expressed in Total Obligational Authority (TOA) terms. The term “TOA” includes Budget Authority and financing adjustments (e.g., transfers from unobligated balances), which comprise the total funding available for obligation in the appropriations included in the O&M Title. The summary table at the beginning of this chapter identifies the TOA for the appropriations included in the O&M Title.

For FY 2017, the Department is requesting O&M base TOA totaling \$206.0 billion, which is \$7.5 billion or about 3.6 percent more than the base enacted level of \$198.5 billion. The increase consists of \$2.4 billion in price change and \$5.0 billion in program increases. The majority of the program increases represents a restoral of \$7.0 billion of base to OCO realignment in FY 2016 offset by the FY 2017 \$3.6 billion BBA of 2015 compliance. The Exclusion of the FY 2016 base to OCO realignment and the FY 2017 BBA of 2015 compliance results in real growth of \$3.4 billion.

Major programmatic increases include: additional funding for Army care of supplies in storage and cyclic maintenance of 2 additional Combined Arms Battalions to the European Activity Set (EAS); increased training for Army National Guard; transferring the National Defense Sealift Fund (NDSF) to Operation and Maintenance, Navy in FY 2017; increased Marine Corps base operating support requirements; increasing Air Force weapons system sustainment; additional funding for Air Force exercise and range training; and additional funds for public and private healthcare services through the Defense Health Program. Subsequent exhibits in the O&M Overview Book will discuss programmatic changes.

The FY 2017 Overseas Contingency Operations (OCO) budget is \$45.0 billion, which reflects a decrease of \$1.5 billion or about 3.3 percent from the FY 2016 enacted level of \$46.5 billion. This request will enable the Department to continue the drawdown of U.S. forces in Afghanistan, to assist Iraq and other partners to combat terrorist groups such as the Islamic State of Iraq and the Levant (ISIL), and to support European allies in their efforts to counter Russia’s aggressive acts.

FUEL

Section 8128 of the FY 2016 Consolidated Appropriations Act reduced amounts appropriated in Title II, O&M, by \$2.6 billion to reflect savings due to lower than budgeted fuel costs. Since the Components purchase fuel using both base and OCO funds; this reduction has been allocated proportionally to base and OCO O&M appropriations. General Provision 8128 funds have been realigned for fuel savings from base, \$+0.9 billion, to OCO, \$-0.9 billion, to reflect congressional intent for proper execution. This realignment affects O&M accounts for the following: Army, Navy, Marine Corps, Air Force, Army Reserve, Navy Reserve, and SOCOM under Defense-Wide.

OPERATION AND MAINTENANCE TITLE SUMMARY

FOREIGN CURRENCY

In previous years, the methodology used to forecast foreign currency exchange rates for the President's Budget used 5-year historic exchange rate data. This method of forecasting works only if the U. S. dollar's strength remains constant. Over the last year, the strength of the U.S. dollar has increased substantially as compared to 5-year historic rates. As a result, the methodology for establishing foreign currency rates for DoD has been updated to the average weekly rates over a 6-month period. The updated methodology is more accurate and will meet the intent of the Congress. The rates are provided in the Foreign Currency Rates chapter within the O&M Overview Book.

PRICE CHANGES

Price change reflects the additional cost of executing the previous year's program at the next year's prices. In general, price change amounts are estimated by applying price change rates to amounts budgeted for various commodity groups (i.e., civilian pay, Working Capital Fund purchases, medical supply purchases, general non-personnel purchases, etc.). The FY 2017 price change is \$2.4 billion.

For FY 2017, the budgeted pay raise is 1.6 percent for General Schedule and wage board employees and is projected to be effective January 1, 2017. The OMB-authorized general non-personnel purchase inflation rate is 1.8 percent for FY 2017.

Working Capital Fund rates change by business activity group and vary from year to year. The following list of FY 2017 rate changes are composite rates that will vary based on the specific purchase categories. This list represents those business areas that account for the vast majority of orders from O&M customers. The FY 2017 budget submission assumes a refined petroleum product cost of \$105.00 per 42 gallon barrel.

<u>Defense Working Capital Funds</u>	Rate Change (%)
Army Managed Supplies, Materials, and Equipment	-4.63
Navy Managed Supplies, Materials, and Equipment	4.94
Air Force Managed Supplies, Materials, and Equipment	3.61
Marine Corps Managed Supplies, Materials, and Equipment	-3.68
Defense Logistics Agency (DLA) Managed Supplies, Materials, and Equipment	-6.00
Army Industrial Operations	-0.11
Navy Fleet Readiness Centers (Aviation)	26.35
Marine Corps Depot Maintenance	4.04
Air Force Consolidated Sustainment Activity Group (Maintenance)	-1.11
Air Force Consolidated Sustainment Activity Group (Supply)	0.96

OPERATION AND MAINTENANCE TITLE SUMMARY

Navy Military Sealift Command (Navy Fleet Auxiliary Force)	-3.50
Navy Military Sealift Command (Special Mission Ships)	-4.90
USTRANSCOM Channel Cargo	1.80
USTRANSCOM Channel Passenger	1.80
USTRANSCOM Flying Training (C-5 and C-17)	-9.40
DLA Distribution	15.16
DLA Document Services	1.47
Defense Finance and Accounting Service (DFAS) – Army	-0.42
Defense Finance and Accounting Service (DFAS) – Navy	-6.11
Defense Finance and Accounting Service (DFAS) – Air Force	3.04
Defense Finance and Accounting Service (DFAS) – Marine Corps	-5.22
Defense Finance and Accounting Service (DFAS) – Defense Logistics Agency	-4.89
Defense Finance and Accounting Service (DFAS) – Other Defense Agencies	-4.03
Defense Information Systems Agency (DISA) – Computing Centers	-10.00
DISA Defense Telecommunication Services – DISN	-7.00
DISA Defense Telecommunication Services – Reimbursable	1.90

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\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
51,195.7	963.3	-20,477.9	31.681.1	286.1	1,841.8	33,809.0
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 enacted excludes \$14,723.5 million of OCO funding including \$2,200.0 million of base funds transferred to OCO						
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+271.3 million, to OCO, \$-271.3 million, to reflect congressional intent for proper execution						
⁴ FY 2017 excludes \$15,310.6 million of OCO funding including \$1,575.3 million of Bipartisan Budget Act (BBA) of 2015 compliance						

The Operation and Maintenance, Army (OMA) appropriation funds the recruiting, organizing, sustaining, equipping, and training of the Army's All- Volunteer Force for the conduct of prompt and sustained land combat operations in support of Geographic Combatant Commands (GCCs). Additionally, OMA resources vital programs supporting Soldiers, their Families and Army civilians in the day-to-day operation of 74 installations worldwide.

More specifically, the appropriation funds the Army's ground and air operating tempo (OPTEMPO), flying hours, fuel, supplies, and the maintenance of weapons systems and aircraft. It funds quality of life activities, specialized services for Soldiers, civilians, and their Families. It also funds educational and career development programs for Soldiers and civilians. OMA resources the Army's management structure; logistics; command, control, and communication programs; the Department of Defense's contribution to the North Atlantic Treaty Organization (NATO); and Army support responsibilities for U.S. Africa Command (AFRICOM), U.S. European Command (EUCOM), U.S. Southern Command (SOUTHCOM), and U.S. Forces Korea (USFK).

OMA supports 460,000 Soldiers, which the Army has begun to organize into fewer, more capable Brigade Combat Teams (BCTs), meeting operational demands of the GCCs. Additionally, it employs 97,316 full-time civilian employees.

The OMA budget increased by \$2,128 million; \$286 million resulting from pricing adjustments (e.g. inflation, fuel, foreign currency adjustments) and \$1,842 million supporting programmatic increase. A portion of the program increase is due to the restoral of \$2,200 million of funds transferred from Title II to Title IX in the Public Law 114-113, the Consolidated Appropriations Act of 2016.

The budget submission enables the Army to be adaptable and prepared for uncertainty in the future. It allows the Army to meet known strategic requirements that support a strategy of Prevent, Shape, and, (when called upon) Win!

ARMY

ARMY

Overall Assessment:

The FY 2017 OMA budget resources critical near-term readiness and activities required for the Army to prevent conflict, shape security environments, and win wars while operating as part of the joint and coalition teams. Through the U.S. Army Operating Concept, and in support of the Army Vision, this budget submission represents the Army's three priorities of readiness, the future Army, and taking care of its Soldiers, Families, and civilians. As the Army nears the end of its transition to a smaller, more lethal fighting force, it must maintain the ability to support joint force commanders' current demand while preparing forces for the challenges and complexity of the future. The Army is the only Service that can fully enforce the Nation's will and decisively defeat an enemy on land. It does so by dominating the human domain through its ability to consolidate strategic gains, to integrate operations, and to enable sustained operations. In order to retain this vital competitive advantage, resources must be available to support the efforts required of a force simultaneously in transition, in action, and in preparation. This budget submission provides necessary near-term readiness to support the defense strategy and allows Army to be rotationally focused and surge ready to contribute vital land forces trained in decisive action operations. The Army is focused on developing a leaner, smaller force that remains the most highly-trained and professional All-Volunteer land force in the world; one that is uniquely organized with the capability and capacity to provide expeditionary, decisive land power to the Joint Force, and is ready to perform the range of military operations in support of Combatant Commanders to defend the Nation and its interests at home and abroad, both today and against emerging threats.

The Army strategic objectives and areas that shaped this budget submission are:

- **Training the Force:**

- **Operational Training:** The training objective in FY 2017 is to continue to restore core capabilities and balance operational capability and flexibility across the Army to meet the National Military Strategy. The Army continues the transition from resourcing an Army Contingency Force and non-assigned ground units at tiered training readiness levels to resourcing all ground units to conduct Decisive Action training and achieve the highest training readiness levels attainable based on available resources in FY 2017. The FY 2017 budget request focuses resources to rebuild the Army's combined arms maneuver and wide area security capabilities validated through Combat Training Center (CTC) exercises, by shifting the focus of training from security assistance activities to rebuilding warfighting core competencies, with greater emphasis on the ability to rapidly deploy, fight, sustain, and win against complex state and non-state threats in austere environments. This budget sustains or improves readiness in critical enabling formations (fires, engineers, military police, signal, sustainment, etc.). Funds decisive action training at home station and the CTCs and training initiatives including the continued implementation of the Live, Virtual, and Constructive - Integrated Training Environment. The FY 2017 base budget funds 839 Operating Tempo Full Spectrum Training Miles and 9.5 flying hours per crew, per month.
- **Adaptive Army Leaders for a Complex World:** Today's uncertain world requires military and civilian leaders who can adapt their thinking to a myriad of complex situations as required. The FY 2017 budget request invests in leader development

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as a priority to ensure availability of leader capacity to meet these demands. FY 2017 also resources Army civilian leader development; focused on leader development, improvements to the Civilian Education System and continued maturity of the Senior Enterprise Talent Management Program; all designed to continue to develop and maintain a professional and competency-based civilian workforce.

- **Operating the Force:**

- **Primary Combat Formations:** The budget supports 9 Armored Brigade Combat Teams, 14 Infantry Brigade Combat Teams, 7 Stryker Brigade Combat Teams, and 11 Combat Aviation Brigades.
- **Regionally Aligned Forces (RAF):** The goal of RAF is to provide Combatant Commanders predictable, task-organized, and responsive capabilities to achieve Global Employment of the Force end states and meet other requirements across the full range of military operations, to include joint task force-capable headquarters, crisis or contingency response, operations support, theater security cooperation, and bilateral or multilateral military exercises. The FY 2017 request funds one Brigade Combat Team and one Multiple Launch Rocket System battalion rotation to the Republic of Korea, an exercise of the RAF concept.

- **Sustaining the Force:** The Army's sustainment readiness plan focuses on adequately preserving rapid response capabilities supported by depot maintenance, technical support, strategic mobility, deployment readiness, and core logistics functions. These focus areas provide high quality sustainment support to a wide range of equipment and related programs.

- **Army Preposition Stocks (APS):** This submission supports the Army's comprehensive restructuring of the worldwide equipment set footprint, in FY 2017 focusing on the expanding the European Activity Set to a full Armored Brigade Combat Team.

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- **Installation/ Enterprise Support:**

- **Installations and Environment:** The Army's FY 2017 strategy for base operating services prioritizes funding for Life, Health and Safety programs and services ensuring Soldiers are trained and equipped to meet the demands of our nation. Additionally, it increases funding for installation security. The budget funds facility sustainment at 67 percent of the Department of Defense Facility Sustainment Model and continues to support critical multi-year initiatives such as the European Infrastructure Consolidation and the West Point Cadet Barracks Upgrade Program. The Army based its strategy for achieving long-term sustainability and resource security goals on Net Zero. Net Zero also supports compliance with a variety of Federal mandates and statutes such as those contained in Executive Order 13514, the Energy Policy Act of 2005, and the Energy Independence and Security Act of 2007. Net Zero allows the Army to continue climate change adaptation and mitigation efforts and develop a strategy for all Army installations.
- **Soldier and Family Programs:** The Army remains committed to Soldier quality of life programs to include: Morale, Welfare and Recreation and child care. The Army remains focused on improving access and predictability of services in programs that reinforce holistic fitness, mitigate stress, and build resilience. These prevention-focused initiatives include the Sexual Harassment Response and Prevention Program, Comprehensive Soldier and Family Fitness, Army Substance Abuse Program, Suicide Prevention, and Soldier and Family Assistance Centers. Finally, this request provides funding for transition programs to ensure that the Army postures Soldiers for successful transition to Civilian life as they separate from the Army.
- **Man the Army and enhance the All-Volunteer Force:** The Army strives to retain the capabilities of a combat seasoned force and maintain the trust of soldiers and families while responsibly reducing numbers to achieve a smaller, balanced force. The Army continues to attract high quality Soldiers and civilians from diverse backgrounds. The FY 2017 enlisted recruiting mission is 60,700 Soldiers.

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Budget Activity 1: Operating Forces

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
34,233.9	614.1	-16,672.3	18,175.7	168.7	1,478.3	19,822.6

Numbers may not add due to rounding

¹ FY 2015 includes Overseas Contingency Operations (OCO) funding

² FY 2016 enacted excludes \$12,500.4 million of OCO funding including \$2,200 million of base funds transferred to OCO

³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+271.3 million, to OCO, \$-271.3 million, to reflect congressional intent for proper execution

⁴ FY 2017 excludes \$13,083.0 million of OCO funding including \$1,359.0 million of BBA of 2015 compliance

The Operating Forces budget activity provides funding for day-to-day operations of the ground and air units, installations, and Soldiers required for the training and readiness of our combat elements. This budget activity consists of three groups: Land Forces, Land Forces Readiness, and Land Forces Readiness Support.

Land Forces provides for the resourcing of the ground and air operating tempo (OPTEMPO) training for all Brigade Combat Teams (BCTs), modular support brigades, echelons above brigade, theater level assets, land forces operations support, aviation assets and special operations forces. The Land Forces Readiness activity supports training centers, training areas, ranges and operations, battle simulation centers, and active component support to the reserve components; as well as Combat Development Testing and Force Structure Development; and the depot level maintenance for hardware, software, and equipment associated with Army weapons systems. Land Forces Readiness Support provides for the Active Army's Installation services worldwide, ensuring an environment in which Soldiers, civilians and Families can thrive, and provides a structure that supports an expeditionary Army with information and community services, municipal services, logistics, and security; maintains and sustains the Army's facilities, restores facilities to industry standards; and modernizes facilities to meet the full range of tasks necessary to provide relevant and ready land power for this Nation; finances the day-to-day operation of Army Management Headquarters Activities as well as the three assigned Geographic Combatant Commands' core and direct missions.

After accounting for pricing of \$168.7 million, there was an overall increase to programs of \$1,478.3 million. Of this amount, \$2,200 million reflects the restoral of funds transferred from base to OCO in P.L. 114-113.

The Army continues to resource force structure consistent with from the FY 2016 President's Budget. In FY 2017, the Army supports the posture of land forces in the Asia-Pacific region by leveraging training opportunities and exercises with allies in this region to

ARMY

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promote and strengthen partnerships. Forward stationed forces in the Republic of Korea will remain ready, as will those dedicated to Global Response Force requirements.

The Army continues the Combined Arms Training Strategy to support Decisive Action training, while leveraging live, virtual, and constructive capabilities in support of Unified Land Operations. The FY 2017 budget request focuses resources to rebuild the Army's combined arms maneuver and wide area security capabilities validated through Combat Training Center (CTC) exercises, by shifting the focus of training from security assistance to rebuilding warfighting core competencies, with greater emphasis on the ability to rapidly deploy, fight, sustain, and win against complex state and non-state threats in austere environments. The budget provides resources to fully integrate Special Operations Forces into all CTC rotations. The budget provides resources to train and sustain the active component combat forces at readiness levels consistent with mission requirements and supports the active component ground and air OPTEMPO metrics, encompassing actual miles driven for home station training and CTC rotations, virtual miles driven by using simulators such as the Close Combat Tactical Trainer and the Unit Conduct of Fire Trainer, and flight hour per crew per month.

Land Forces Readiness supports essential training and readiness support for the Land Forces with increased training support, use and sustainment of training areas, training range operations and maintenance, battle simulations use, and depot maintenance operations. The Land Forces Readiness Support reflects the increased use of installation facilities, increased utilities, and increased maintenance and services due to the increased time at home-station precipitated by the decrease requirements to support ongoing operations. Land Forces Depot Maintenance supports the Army's Modernization and Equipping Strategies by sustaining the availability and reliability of fielded systems.

ARMY

Budget Activity 2: Mobilization

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017³ <u>Estimate</u>
599.3	20.3	25.2	644.7	-19.8	109.6	734.6
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 enacted excludes \$40.0 million of OCO funding						
³ FY 2017 excludes \$350.2 million of OCO funding						

The mobilization budget activity provides an immediate capability to deploy forces. It consists of three groups: Strategic Mobility, Army Prepositioned Stocks (APS), and Industrial Preparedness. It funds the assembling and preparing of troops and supplies for war deployment. This includes the Army's forward presence efforts, material amassed in peacetime to meet an increase of military requirements at the outbreak of war, and an analysis of the industrial base toward migrating shortfalls in industrial capacity. After accounting for a pricing decrease of \$20 million, there was a \$110 million increase in programs.

The highlights in this budget activity include the increase in maintenance for Army Prepositioned Stocks (APS)-5 (Europe) to expand the European Activity Set to a full Armored Brigade Combat Team through the addition of two Combined Arms Battalion sets. The budget also provides for replacement of shelf life items associated with War Reserve Secondary Items needed for the first 30 days of a contingency operation. Increases are partially offset by a decrease to APS-3 (Afloat) due to the reduction of 1 Roll-on/Roll-off ship and the associated care of supplies in storage.

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Budget Activity 3: Training and Recruiting

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017³ <u>Estimate</u>
4,448.4	67.6	33.3	4,549.3	48.9	39.1	4,637.4
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 enacted does not include any OCO funding						
³ FY 2017 excludes \$16.3 million of BBA of 2015 compliance						

The Training and Recruiting budget activity provides funds for assessing and training Soldiers and civilians required to man the Army. This budget activity consists of three groups: Accession Training; Basic Skill and Advanced Training; and Recruiting, Other Training and Education. Accession Training transforms civilian volunteers from private citizens into trained enlisted Soldiers and Officers to meet force structure requirements. Basic Skill and Advanced Training produces technically competent Soldiers. Recruiting, Other Training and Education ensures the Army's able to recruit quality Soldiers and provide continuing education for Soldiers and Army civilians.

Overall, after accounting for pricing of \$49 million, there was an increase to programs of \$39 million. The programs contributing to the growth are Army Recruiting and Advertising, the civilian intern program, operations at Army Training Centers, training support to units, and undergraduate flight training, which is increasing training seats by 86 in support of the transition to the UH-72 Lakota helicopter. This budget funds Recruit Training and Initial Entry Training for both officer and enlisted Soldiers. It funds Army programs that continue to recruit and train the force - both active and reserve component - to enhance the Army's Land Force capability. The FY 2017 budget reflects decreases in tuition assistance enrollments, efficiencies in flying hours for pilot training, and a reduction in special skill training seats.

The Army continues to attract and retain high quality Soldiers and civilians from diverse backgrounds; the expanding of the civilian intern program is a critical investment for the quality of workforce necessary to excel in a complex environment. The FY 2017 Active Army enlisted recruiting mission is 60,700 Soldiers. The institutional training base directly supports the Army's readiness by graduating technically competent and trained Soldiers. It develops military and civilian leaders that can handle the challenges of a joint, interagency, intergovernmental, and multinational environment.

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Budget Activity 4: Administration and Servicewide Activities

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017³ <u>Estimate</u>
11,914.1	261.3	-3,864.0	8,311.4	88.3	214.7	8,614.5
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$2,183.0 million of OCO funding						
³ FY 2017 excludes \$1,861.1 million of OCO funding including \$200.0 million of BBA of 2015 compliance						

The Administration and Servicewide Activities funds the administration, logistics, communications, and other servicewide support functions required to support Army forces worldwide. This budget activity consists of four groups: Security Programs, Logistics Operations, Servicewide Support and Support of Other Nations.

Overall, after accounting for pricing of \$88 million, there was a program increase of \$215 million. The most significant cause of growth is the Enterprise Services program, which reflects an increase for the Army's share of Defense Information Systems Agency (DISA) bill and for the implementation of Unified Capabilities (UC) as required by DoD policy. UC enables the integration of voice, video, and/or data services delivered across secure network infrastructure. The submission includes increased funding for ammunition receipt, storage, and issue due to higher demand such as the expanded European Equipment Set and for the Army's share of the Defense Finance and Accounting Service bill.

There are reductions in Civilian Full Time Equivalents (FTEs) and related costs, contract support, and a strategic efficiency reduction in management headquarters funding and staffing to support a smaller military force.

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\$in Millions

FY 2015¹ Actual	Price Growth	Program Growth	FY 2016^{2/3} Enacted	Price Growth	Program Growth	FY 2017⁴ Estimate
45,068.2	471.4	-6,593.3	38,946.3	421.0	116.3	39,483.6
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$7,005.4 million of OCO funding including \$2,200.0 million of base funds transferred to OCO						
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+164.2 million, to OCO, \$-164.2 million, to reflect congressional intent for proper execution						
⁴ FY 2017 excludes \$6,827.4 million of OCO funding including \$1,481.5 million of Bipartisan Budget Act (BBA) of 2015 compliance						

The Operation and Maintenance, Navy (O&M,N) appropriation finances the day-to-day costs of operating naval forces, including fuel, supplies, and maintenance of ships, Navy and Marine Corps aircraft, related weapon systems, and the support establishment ashore. The primary focus of the Department's FY 2017 budget is to continue to ensure the readiness of deployed forces.

OVERALL ASSESSMENT:

The Operation and Maintenance, Navy (O&M,N) appropriation finances the day-to-day costs of operating naval forces, including fuel, supplies, and maintenance of ships, Navy and Marine Corps aircraft, related weapon systems, and the support establishment ashore. The primary focus of the Department's FY 2017 budget is to continue to ensure the readiness of deployed forces.

The FY 2017 estimate of \$39,483.6 million includes a price increase of \$421.0 million. This price change primarily results from increases in general inflation changes (\$273.7 million), civilian pay (\$130.6 million), transportation (\$4 million), Working Capital Fund (WCF) rate costs (\$207.5 million), and fuel costs (\$-173.9 million).

This budget reflects a baseline increase of program of \$116.3 million, comprised of functional transfer increases of \$524.6 million and program reductions of \$408.3 million. This budget submission is part of a holistic President's Budget that complies with the Bipartisan Budget Act of 2015. Due to the timing of the Bipartisan Budget Agreement, the Department applied reductions to a broad swath of programs in FY 2017. The practical implications of these reductions remain under review at the time of the budget submission. As such, these reductions are presented as one-time decreases and their justification materials lack the qualitative and quantitative descriptions and impacts normally contained in our increase / decrease statements.

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Enabling Legislation: The FY 2017 budget estimate requests four key enabling legislative initiatives.

- **Carrier Air Wings:** This enabling legislation allows for the reduction of the 10th Carrier Air Wing (CVW), and the supporting command staff and infrastructure. Eliminating the 10th CVW generates \$0.9B in savings across the Future Years Defense Plan (FYDP) and allows for aircraft to be reassigned, bolstering aircraft availability in the remaining squadrons and training elements. A nine CVW forces better aligns with existing and planned aircraft carrier force structure.
- **Cruiser (CG) Phased Modernization Plan:** The PB 2017 Cruiser Modernization Plan proposes to induct all 11 CGs into phased modernization by the end of FY 2017. This plan is the most cost effective means within the current FYDP to ensure long-term capability and capacity for purpose-built Air Defense Commander (ADC) platforms. The Department has committed resources to ensure the return of these CG's to the fleet to meet future ADC requirements. This plan enables \$3B in cost avoidance across the FYDP and reduces pressure on the shipbuilding accounts during the peak years of the Ohio Replacement Program. The legislation submitted with the FY 2017 President's Budget clarifies the authorities for funds appropriated in FY 2014 and FY 2015 for the Ship Modernization, Operations, and Sustainment Fund and modifies the legislative provisions of the "2-4-6" modernization plan.
- **National Defense Sealift Fund (NDSF):** This budget proposes the elimination of the NDSF. Based on previous Defense Appropriation language, in prior budget submits the Department moved shipbuilding construction funding from NDSF to the Shipbuilding Construction Navy account. The Department seeks to streamline its appropriation budget structure by transferring the remaining sealift requirements to Research and Development and Operation and Maintenance accounts. This streamlined structure increases our audit readiness by reducing the number of accounts maintained, reducing reimbursable work flow, and by more strictly limiting the period of availability of appropriated funds. The legislative proposal reflects the budget restructure and concerns previously addressed by congressional oversight committees with regard to "Buy America" provisions. This restructure has been coordinated with the U.S. Transportation Command and Maritime Administration.
- **Fleet Command Relationships:** The FY 2017 budget purposely omits a legislative provision that restricts the modification of command and control relationships to give Fleet Forces Command operational and administrative control of United States Navy forces assigned to the Pacific fleet. While the Department has no intention of modifying these relationships, the Chief of Naval Operations has directed that the Navy "examine the organization of United States Fleet Forces Command, Commander Pacific Fleet and their subordinate commands to better support clearly defining operational and warfighting demands and then to generate ready forces to meet those demands." To achieve a robust and comprehensive review, it is imperative that this examination be unfettered by this recurring General Provision.

NAVY

The Department remains committed to ensuring today's force is ready for its assigned missions, and recognizes that maintaining ships and aircraft to their expected service lives is an essential contributor to fleet capacity. To that end, the FY 2017 budget continues to address several key issues, among them: legacy F/A-18 Out-of-Reporting (OOR) aircraft and aircraft depot throughput capacity; expanding that initiative to a broader range of aircraft types, mostly notably to address the low availability of United States Marine Corps Ready Basic Aircraft; and increasing manning, oversight and contract support to fully fund ship depot maintenance in support of Optimized Fleet Response Plan schedules.

In FY 2015, then Secretary of Defense Hagel implemented a DoD-wide reduction to headquarters activities. This 20 percent reduction was to be implemented incrementally over five years. For this budget, an additional five percent has been added, bringing the total reduction to 25 percent by FY 2020. The Department is balancing a reduction to civilian personnel, headquarters contractor support, and the realignment of military billets to achieve this goal.

This submission reflects the Department's continued efforts to support vital programs aimed at the safety, health, and well-being of our Sailors, Navy Civilians and families, for instance our Gold Star Program will continue to provide support to surviving families of Sailors who passed while on Active Duty. This submission includes reforming Sailor's Learning Continuum through the Sailor 2025 Program. Sailor 2025 will provide fully integrated and transparent data and analytics, increased career choice and flexibility, expanded family support, and tailored learning.

Included in this appropriation are costs for bio-fuel, which may be supplemented with Department of Agriculture Commodity Credit Corporation funds for costs above market price for petroleum based fuel, in support of a sustainable commercial bio-fuels industry.

NAVY

Budget Activity 1: Operating Forces

\$in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
37,318.2	354.1	-6,305.7	31,366.6	27.1	-220.2	31,173.5
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$6,772.2 million of OCO funding including \$2,200.0 million of base transferred to OCO						
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+164.2 million, to OCO, \$-164.2 million, to reflect congressional intent for proper execution						
⁴ FY 2017 excludes \$6,420.8 million of OCO funding including \$1,452.3 million of BBA of 2015 compliance						

The Operating Forces budget activity funds the Navy's air operations, ship operations, combat operations/support, and weapons support programs. Included in this budget activity are the costs associated with operating Navy shore bases to support these missions. Also included are the funds required to maintain combat ready forces necessary to respond to national objectives in joint, naval and combined operations. It supports the forward presence and crisis response capabilities of the National Military Strategy.

The FY 2017 budget estimate of \$31,174 million includes a price increase of \$46 million and program decreases totaling \$220 million.

NAVY

Major program changes include:

Air Operations: In FY 2017, readiness levels of deployed Navy and Marine units will be at or above T-2.0; however it will be at the expense of non-deployed units. Post deployment sustainment readiness will be funded at maintenance phase levels. This is due primarily to the effects of F/A-18 A-D Legacy Hornet Out-of-Reporting (OOR) caused by aviation depot throughput challenges and the Ready Basic Aircraft gap caused by flight line maintenance and material support issues. The intent of FY 2017 funding is to ensure appropriate pre-deployment/deployment readiness levels while recovering from the above issues by realigning flying hour funding into engineering and program-related logistics, increasing engineering support to aviation depots and flight line assessments of aircraft to speed the repair process. The FY 2017 budget funds Aviation Depot Maintenance inductions to an executable level given the current level of work in process and optimizes the number of CVWs from ten to nine, in support Optimized Fleet Response Plan goals.

Flying Hour Program

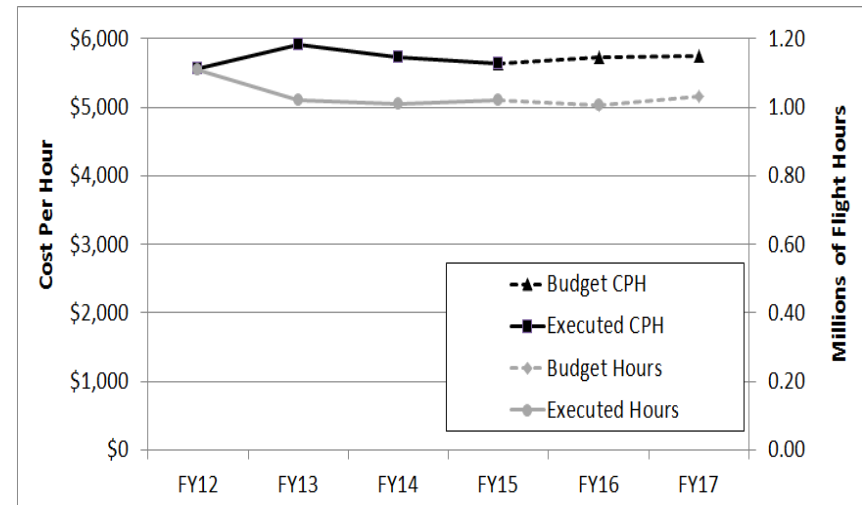


Chart 1

F/A-18 A-D Out of Reporting Recovery Plan

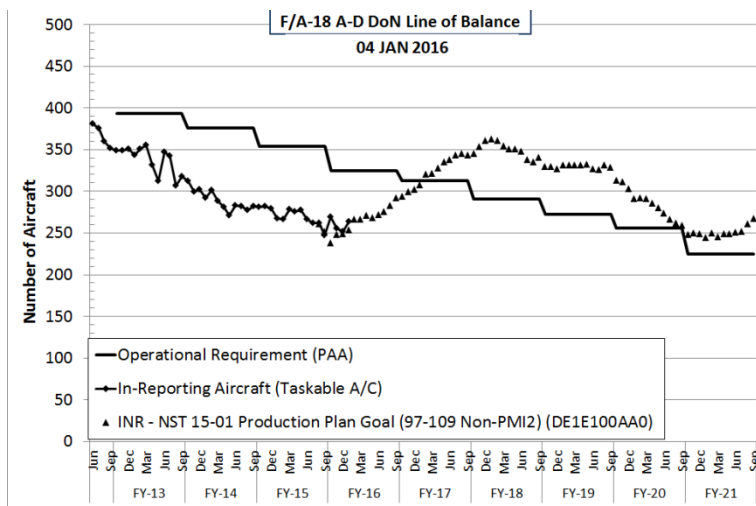


Chart 2

Executed flying hours remained relatively flat in FY 2015 compared to FY13 and FY14 due to the recovery effort from the F/A-18 A-D Legacy OOR and flight line maintenance issues for other aircraft. As this effort continues in FY16 and FY17, execution of flying hours will improve. The executed and budgeted costs per hour (CPHs) fluctuate year by year due to the unique maintenance cost associated with each Type Model Series (TMS). Historical executed CPHs have been consistent with the budgeted CPHs.

For greater visibility, the Performance Criteria and Evaluation Summary have been modified, including prior year data. Details are explained in Part I of the Exhibit OP-5, 1A1A.

NAVY

Air Depot Maintenance: Naval Aviation is increasing personnel at the depots to meet demand, empowering faster engineering disposition, creating standard kits to address extended life repairs, and enhancing corrosion control efforts. Depot production of legacy Hornets improved in FY 2015 and is projected to be back to full capacity during FY 2017, which will begin to close the difference between available F/A-18 A-D aircraft and operational requirement as we continue to require this aircraft to fill our squadrons well beyond design life. *Chart 2*

Naval Shipyard Civilian Personnel Budget

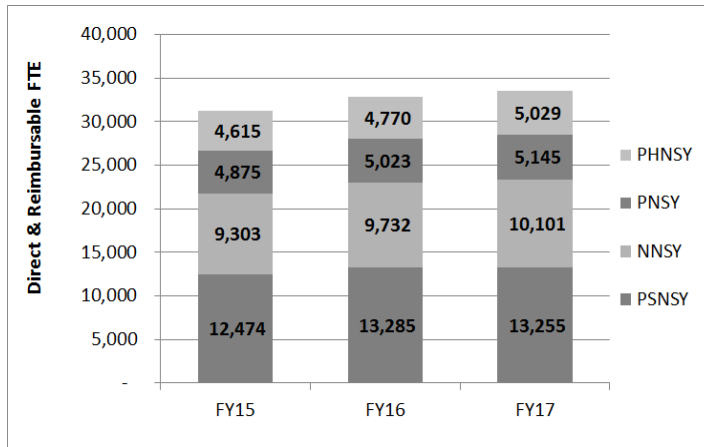


Chart 3

Ship Depot Maintenance: In addition to continued support for the organic shipyard maintenance capabilities of the four major naval shipyards, the FY 2017 budget invests in private contract maintenance to help relieve pressure on the public shipyards and provide additional workload to the private sector industrial base while also increasing oversight in the private shipyards. These efforts prevent more expensive future deferment of current work to improve capacity and support OFRP implementation. As shown in Chart 3, shipyard civilian personnel reach 33,500 FTE in FY 2017 to reduce ship maintenance backlog that has accumulated from over a decade of increased OPTEMPO. We are also adding personnel to SRF Yokosuka to meet the demand of homeporting two additional ships. Chart 4 displays the projected private shipyard projected workload.

Ship Operations: Ship Operations have decreased in FY 2017 due to Ticonderoga-Class Cruiser and Dock Landing Ships that will undergo modernization. Additionally, there's a decrease for OPTAR, administrative and training costs, projected force protection equipment, port services, and consumable supplies and repair parts for organizational maintenance as required in the Optimized Fleet Response Plan. There is a program growth due to the FY 2016 congressional realignment from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016, for Mission and other Ship Operations.

Projected Workload for Public Shipyards

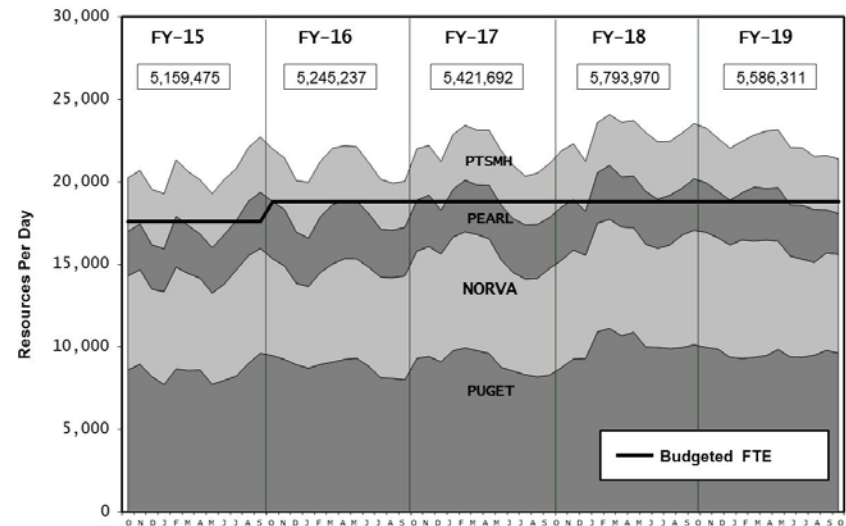


Chart 4

NAVY

Facilities Sustainment Restoration and Modernization: The budget submission increases risk to shore facilities. Facility sustainment is reduced by \$279M from 85% of the OSD Facility Sustainment Model (FSM) in FY 2016 to 70% in FY 2017. Restoration and modernization is reduced by \$303M, preserving investment in shipyards, strategic weapons facilities, strategic laydown requirements, energy and unaccompanied berthing (barracks). Demolition is reduced by \$47M to preserve other facility investments. Overall, FSRM is reduced from FY 2016 to FY 2017 resulting in aggravated risk of accelerated shore infrastructure degradation. Navy prioritizes recapitalization of critical components of facilities with high operational mission dependency and investments to safeguard life, health and safety. This budget removes FSRM for Camp Lemonnier, Djibouti from the baseline budget request. Finally, the Department complies with the minimum 6% investment in maintenance depots by investing over 7% across the DON, including shipyards, fleet readiness centers, and USMC Depots. *Chart 5*

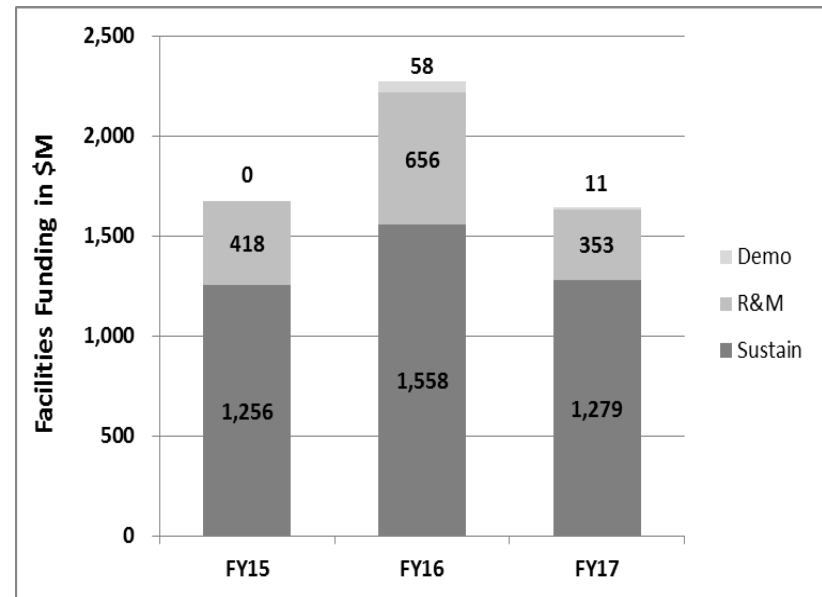


Chart 5

Combat Communications: Combat Communications includes an increase for network equipment maintenance at Naval Computer and Telecommunications Area Master Stations (NCTAMS)/Naval Computer and Telecommunications Stations (NCTS), maintenance of Fixed Submarine Broadcast System shore infrastructure, Surveillance Towed Array Sensor System (SURTASS) capabilities in the Atlantic, increase to update Logistics, Acquisition, Training, Operational Alteration documentation and Systems Engineering for the Littoral Battlespace Sensing, Autonomous Undersea Vehicle Submarine Variant (LBS-AUV(S)) and a decrease for the Airborne Mine Countermeasures (AMCM) Program.

Fleet Ballistic Missile: The Fleet Ballistic Missile program continues initiatives derived from the Nuclear Enterprise Review (NER). This is accomplished by investing in our sailors and civilians through Nuclear Weapons Surety training and additional Strategic Weapons System (SWS) training with the increase to two missile tube trainers. In addition, Electronic Security System (ESS) investments will provide our strategic weapons facilities with increased physical security capabilities.

Weapons Maintenance: With the approval of a twenty year Phalanx Reliability, Maintainability and Availability (RM&A) roadmap, the Navy is increasing Close-In Weapons System (CIWS) sustainment by four additional CIWS overhauls over the FY 2016 President's Budget request. This brings the annual overhaul total to twenty systems, and aligns the Navy with congressional intent.

NAVY

Enterprise Information Technology: Enterprise Information Technology includes additional savings from Next Generation Enterprise Network for fixed network costs as the Department continues to seek efficiencies in the IT arena.

Cyber: The Navy continues funding of cyberspace capabilities, including training and equipping cyber mission forces and activities to strengthen our ability to defend the network through information assurance activities. The Navy also increased funding to improve cyber resiliency on many of our platforms, such as establishing control points in network architecture. In 2015, based on recommendations from Task Force Cyber Awakening, the Navy stood up its enduring Cyber Security Organization, which demonstrates our continued commitment to prioritizing cyber investments.

Budget Activity 2: Mobilization

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017³ <u>Estimate</u>
713.0	1.0	198.5	912.6	301.1	368.1	1,581.9
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$5.3 million of OCO funding						
³ FY 2017 excludes \$173.1 million of OCO funding including \$3.6 million of BBA of 2015 compliance						

The Mobilization budget activity maintains assets that will support forces that rapidly respond to contingencies throughout the world. Also funded are the maintenance, overhaul, and calibration requirements of Navy-Type Navy-owned (NTNO) equipment installed on Coast Guard ships and aircraft. Additionally, this program funds the inactivation of ships, submarines, and aircraft and includes the maintenance of selected inactive ships and aircraft as well as material disposal costs.

The FY 2017 budget estimate of \$1,582 million includes a price increase of \$301 million and program increases totaling \$368 million.

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Major program changes include:

Budget Activity 02, Mobilization, contains transfers from National Defense Sealift Fund (NDSF) to Operation and Maintenance, Navy: Ship Prepositioning and Surge (2A1F) \$181M; Ready Reserve Force (2A2F) \$275M; and Fleet Hospital Program (2C1H) \$55M due to the requested elimination of the NDSF. Due to the requested elimination of the NDSF, the Mobilization budget activity reflects an increase of \$511 million to support the transfer of funding. Commencing in FY 2017, the Department projects \$275 million should transfer to the Department of Transportation -Maritime Administrations (MARAD) National Defense Reserve Fleet account for the Ready Reserve Force (2A2F). This will allow MARAD to utilize resources of DoD and MARAD to purchase vessels for the National Defense Reserve Fleet.

Ship Prepositioning and Surge contains an increase for Full Operating Status (FOS) operational costs for the Mobile Landing Platform, Ship Activation/Inactivations, and a decrease for nuclear submarine inactivations and inactivation efforts of Ex-USS ENTERPRISE (CVN 65) for nuclear barge disposal, towing preparations, equipment and material, as well as funding for ship disposal and recycling planning efforts. Expeditionary Health Services Systems includes a decrease of 150 Full Operating Status (FOS) per diem days for ship operating costs associated with the biannual Humanitarian Assistance/Disaster Relief mission efforts for USNS MERCY (T-AH 19). Ship inactivations in FY16 and FY17 are detailed in *Chart 6*.

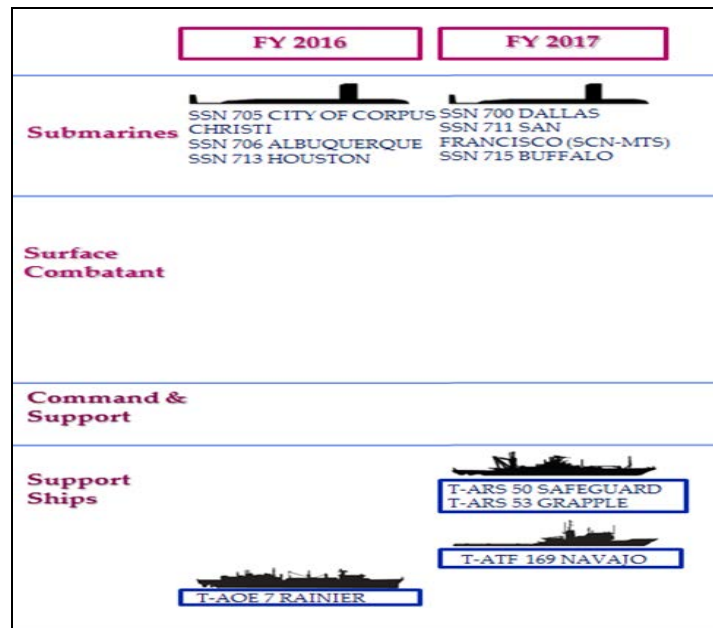


Chart 6

NAVY

NAVY

Budget Activity 3: Training and Recruiting

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017³ <u>Estimate</u>
1,779.3	25.8	14.1	1,819.2	31.1	26.0	1,876.2
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$44.8 million of OCO funding						
³ FY 2017 excludes \$43.4 million of OCO funding						

The Training and Recruiting budget activity funds all centrally managed or directed individual training required to meet Navy training standards. This includes flight training, accession training, basic skills training, and professional military education provided at the Naval War College, and the Naval Postgraduate School. It also includes Navy recruiting and advertising, centralized civilian training programs, and the Junior Navy Reserve Officer Training Corps.

The FY 2017 budget estimate of \$1,876 million includes a price increase of \$31 million and program increases totaling \$26 million.

Major program changes include:

Specialized Skill Training includes an increase for Sailor 2025 initiative that is designed to provide trained Sailors to the Fleet earlier through immersive and interactive learning capabilities. **Training Support** contains an increase to fully fund Information Technology infrastructure required for Sailor 2025 initiatives. Additionally, **Junior Reserve Officer Training Corps (JROTC)** includes an increase for instructor salary costs associated with additional units.

Specialized Skill Training includes an increase for Sailor 2025 initiative designed to provide trained Sailors to the Fleet earlier through immersive and interactive learning capabilities. As new platforms and systems are developed as part of the Navy Learning Enterprise, Sailor 2025 will ensure the training for the new equipment is ready to be delivered for Ready, Relevant Learning. As a result, military manning and other manpower requirements are reduced at special skill training schools. Sailor 2025 and Ready, Relevant Learning is dependent on Information Technology infrastructure modernization and integration of data and management required for Sailor 2025 initiatives. Training Support provides these upgrades to provide a suite of tools to manage career and assignments for today's Sailors. RRL is a Learning Continuum that will train Sailors more efficiently. The initial training Sailors receive will enable them to perform their duties for the first 18-24 months. Sailors will later receive additional relevant training for the job they will be performing.

NAVY

Budget Activity 4: Administrative and Servicewide Support

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017³ <u>Estimate</u>
5,257.7	90.4	-500.2	4,847.9	61.7	-57.6	4,852.0
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$183.1 million of OCO funding						
³ FY 2017 excludes \$190.1 million of OCO funding including \$25.6 million of BBA of 2015 compliance						

The Administration and Servicewide Support budget activity funds shore based activities required for the effective operation of the Department of the Navy. The general services provided include administration and personnel support costs, engineering and acquisition support, security and investigative support, humanitarian and civic support, management of space and electronic warfare systems programs, and centralized transportation and communications costs.

The FY 2017 budget estimate of \$4,852 million includes a price increase of \$63 million and program decreases totaling \$57 million.

Major program changes include:

Servicewide Support: Administration contains an increase to support the Department of Navy (DoN) full auditability efforts by 2017. During FY 2015, DoN met its initial Congressional mandate by undergoing audit of its Schedule of Budgetary Activity (SBA), concurrent with the Financial Auditability plan. In FY 2018 DoN is on track to undergo audit on all statements also required by Congress. The Civilian Manpower and Personnel Management line includes an increase for Civilian Personnel for the Enhanced Human Resources Intern Program to support the Civilian Human Resources and Operation Centers in an effort to continue to hire our exceptional civilian workforce. Military Manpower and Personnel Management increase in funding for Sailor 2025 Initiatives to support new performance evaluation system, Career Management System (CMS) Interactive Detailing (ID) Billet Based Distribution (BBD) system, and learning continuum for career continuum training. Other Personnel Support includes increase in funding for the Naval Historical and Heritage Command Headquarters (NHHC) advanced planning for the Historic Ship NAUTILUS Dry Docking, historic artifact collection preservation, and implementation of Department of Navy Heritage Asset Management System (DONHAMS).

There is also a decrease in Acquisition and Program Management which reflects reductions to DoN Headquarter Staffs to accomplish an overall 20% reduction by Fiscal Year 2019.

MARINE CORPS

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
7,467.4	122.4	-1,912.6	5,677.4	67.6	209.3	5,954.3
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$1,361.1 million OCO funding including \$420.0 million of base funds transferred to OCO						
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+11.5 million, to OCO, \$-11.5 million, to reflect congressional intent for proper execution						
⁴ FY 2017 excludes \$1,244.4 million of OCO funding including \$300.0 million of Bipartisan Budget Act (BBA) of 2015 compliance						

The Operation and Maintenance, Marine Corps (O&M, MC) appropriation provides the resources for active Marine Corps Forces' missions, functions, activities and facilities. This appropriation also finances the Operating Forces sustainment requirements, depot maintenance, base operating support costs, training and education requirements, headquarters administration and service-wide support requirements.

This appropriation supports Marine Corps operations at all Marine Corps Bases (MCB), Marine Corps Air Stations (MCAS), Marine Corps Logistics Bases (MCLB), Marine Corps Recruit Depots (MCRD), the Marine Air Ground Task Force Training Center, and the Marine Corps Mountain Warfare Training Center. The principal objective of the supply system is to provide Marine activities/units with the proper material and equipment in the quantity, condition, time, and place required to ensure mission accomplishment.

The Operating Forces consist of three Marine Expeditionary Forces (MEF), each of which consists of a Marine Division (MarDiv), Marine Air Wing (MAW), Marine Logistics Group (MLG), and a MEF Headquarters Group. The MEF can be fully deployed in support of a major regional contingency or it can be task-organized to form a Marine Air Ground Task Force (MAGTF) such as a Marine Expeditionary Unit.

Requirements are driven by the Marine Corps commitment to provide the best trained and equipped troops to current operations while posturing to meet the future global security environment. The Marine Corps' FY 2017 budget reflects the Marine Corps' priorities to remain the nation's forward postured force; to conduct crisis response, theater security cooperation, humanitarian assistance and peace making/keeping activities, to protect near term readiness; to ensure quality service level and individual home station training in support of a 182 thousand force; to complete the expansion of the Marine Corps Embassy Security Group and Special Purpose MAGTFs; to minimize risk to infrastructure and equipment; and to keep faith with Marines and their families.

MARINE CORPS

MARINE CORPS

OVERALL ASSESSMENT:

The FY 2017 OMMC budget request of \$5,954.3 million reflects an increase of \$276.9 million normalized from the FY 2016 funding level. The Marine Corps' priorities are to remain the nation's forward postured force, to conduct crisis response, theater security cooperation, humanitarian assistance and peace making/keeping activities, to protect near term readiness, to support service level and home station training for a 182K force, to establish steady state operations for the Marine Corps Embassy Security Group, and to minimize risk to infrastructure and equipment by focusing on life, health, and safety requirements.

This budget reflects program increases of \$209.3 million focused on preserving operational readiness while modernizing training ranges and equipment, and maintaining existing programs, equipment, and infrastructure. Major programmatic changes include restoring \$412.6 million transferred to Title IX in the FY 2016 Consolidated Appropriations Act; reducing facility sustainment to 70% of the OSD model; and supporting Depot Maintenance operations to 69% of the annual baseline requirement. Additionally, this budget modernizes and recapitalizes professional development and specialized skills training to enhance training readiness for individuals and units. Lastly, this budget completes the final phase of the Marine Corps Embassy Security Group expansion establishing steady state operations.

Budget Activity 1: Operating Forces

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
6,120.8	103.6	-1,795.5	4,428.9	52.2	202.3	4,683.4
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$1,277.4 million OCO funding including \$420.0 million of base funds transferred to OCO						
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+11.5 million, to OCO, \$-11.5 million, to reflect congressional intent for proper execution						
⁴ FY 2017 excludes \$1,135.2 million of OCO funding including \$300.0 million of BBA of 2015 compliance						

The Operating Forces budget finances active Marine operating forces organizational operations and maintenance requirements. This budget activity is categorized into two sub-activity groups: Expeditionary Forces and Base Operations Support. The Expeditionary Force activity finances the operating forces sustainment training and daily operations of the MAGTF, ashore and afloat.

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MARINE CORPS

The Expeditionary Force activity also finances the Marine Corps' depot maintenance, field logistics, and Maritime Prepositioning Force (MPF) Programs. The Base Operation Support sub-activity finances Marine Corps' bases, stations, and installations daily operations, which include facility sustainment, restoration and modernization, civilian labor, contracting support, garrison transportation, utilities, other critical infrastructure, land management, and local security requirements. Other major programs financed within the Base Operation Support sub-activity include child care, youth development, family service care centers, injury compensation, and installation collateral equipment.

The FY 2017 budget request of \$4,683.4 million for the operating forces reflects a net increase of \$254.5 million from the Enacted FY 2016 funding level. The changes include \$52.2 million in price growth; \$202.3 million in program increases concentrated in restoring \$420.0M million transferred to Title IX in the FY 2016 Consolidated Appropriations Act. The FY 2017 budget also includes a decrease of \$300M to comply with the Bipartisan Budget Act of 2015. This funding is requested in the Department's FY 2017 Overseas Contingency Operations Budget request.

Budget Activity 3: Training and Recruiting

\$ in Millions

FY 2015¹	Price	Program	FY 2016²	Price	Program	FY 2017³
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Enacted</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
751.5	12.9	-35.7	728.7	10.6	16.7	756.0
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$37.9 million OCO funding						
³ FY 2017 excludes \$31.8 million of OCO funding						

The Training and Recruiting budget finances recruiting, advertising, basic, advanced, and specialized training, training range management, and professional and off-duty education of Marines. The Marine Corps recruits and trains approximately 37,000 enlisted recruits and 1,600 officer candidates per year. This budget supports activities for six recruiting districts and initial training for new Marines, officer and enlisted, from basic training to military occupational specialty and other advanced training. Enlisted Marines begin their training accession at one of two Marine Corps Recruit Depots, where they transition from private citizens into Marines. Training includes indoctrination into Marine Corps ethos, physical, leadership, and basic military skills training designed to prepare new enlisted Marines for assignment to Operating Forces units, both afloat and ashore. Officer candidates begin their basic training at the Officer Candidate School (OCS) located at Quantico, Virginia. Officer acquisition includes training candidates for appointment as commissioned officers in the Marine Corps and Marine Corps Reserve. Officer candidates undergo detailed instruction in leadership, physical conditioning, and basic military skills prior to receiving their commission.

MARINE CORPS

MARINE CORPS

The FY 2017 budget request of \$756.0 million for Training and Recruiting reflects an increase of \$27.3 million from Enacted FY 2016 funding level. Changes include \$10.6 million increase in price growth and; \$16.7 million in net program increases associated with professional development, specialized skills training, recruiting, and other training initiatives.

Budget Activity 4: Administration and Servicewide Support

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017³ <u>Estimate</u>
595.1	6.6	-109.1	492.6	4.8	17.5	514.9
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$45.8 million OCO funding						
³ FY 2017 excludes \$77.5 million OCO funding						

The Administration and Servicewide Support budget finances activities that facilitate Headquarters Marine Corps staff management operations, service-wide transportation, Marine Corps Embassy Security Group, acquisition program management, and other special support. Headquarters Marine Corps staff management costs include civilian personnel salaries and administrative support for the development of plans, policies, programs, and requirements related to Marine Corps matters. Marine Security Guard operating costs include operational and administrative support for detachments located within US embassies and consulates. Service Wide Transportation (SWT) finances Second Destination Transportation shipments for regular and emergency readiness material. Acquisition program management provides funding for salaries and administrative expenses for personnel involved in acquisition, program management, and logistics support associated with Marine Corps weapons, supply, and Information Technology systems. Special support costs include Defense Finance and Accounting Service (DFAS), Headquarters Marine Corps personnel travel expenses, civilian training, equipment purchases and maintenance, communications, the Marine Corps Embassy Security Group, and Pentagon rent.

The FY 2017 budget request of \$514.9 million for Administration and Servicewide Activities reflects a net increase of \$22.3 million from the Enacted FY 2016 funding level. Change includes \$4.8 million in price growth and \$17.5 million in net program increases administrative support, audit readiness, acquisition and management support, DFAS services, and community outreach programs.

AIR FORCE

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
45,806.2	-47.6	-11,108.8	34,649.8	153.5	2,714.8	37,518.1
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$10,697.6 million of OCO funding including \$2,200.0 million of base funds transferred to OCO						
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+431.2 million, to OCO, \$-431.2 million, to reflect congressional intent for proper execution						
⁴ FY 2017 excludes \$9,498.8 million of OCO funding including \$124.0 million of Bipartisan Budget Act (BBA) of 2015 compliance						

The mission of the United States Air Force is to fly, fight, and win in air, space, and cyberspace. The Operation and Maintenance (O&M) appropriation finances the capabilities to provide global vigilance, global reach, and global power to ensure that the joint force prevails in today's fight, delivering unmatched combat capability while sustaining new or expanding capabilities and force structure to meet future evolving challenges. O&M funds are used to operate, sustain, and maintain aircraft, space and related weapons systems; train and develop Airmen; operate advanced communications, command and control systems; purchase critical supplies, equipment and fuel; and operate both stateside and overseas installations. O&M resources directly support essential combat enablers such as: intelligence, weather, air traffic control, search and rescue, reconstitution, airfield, runway and base facility maintenance, and improvements to the working and living conditions for Air Force personnel. The FY 2017 budget continues to be strategy based and fiscally informed. The budget represents efforts to build and maintain an Air Force ready for the full range of operations that is capable of executing its core missions against future high-end threats. The FY 2017 budget is informed by current geopolitical conditions with some capacity restoral, sustained readiness gains, and additional investments in nuclear, space, cyber, Intelligence, Surveillance, and Reconnaissance (ISR), and command and control capabilities. This approach seeks to balance today's readiness with tomorrow's readiness and modernization while investing in the Nation's strategic deterrence and the capabilities required by Combatant Commanders. The balanced approach across twelve Air Force core functions supports the joint/coalition team in today's fight, shapes the Air Force of the future and aligns with the four Department of Defense principles: maintain the most dominant military in the world, ensure forces are ready, eliminate waste and inefficiency, and do not break faith with men and women in uniform. Air Force core functions include: nuclear deterrence operations, air superiority, space superiority, cyberspace superiority, global precision attack, rapid global mobility, special operations, global integrated ISR, command and control, personnel recovery, building partnerships, and agile combat support.

AIR FORCE

AIR FORCE

OVERALL ASSESSMENT:

The Air Force's FY 2017 budget submission maintains the course started in 2015 and continued in 2016 towards full-spectrum readiness, and aligns resources in order to build the most capable, affordable force against a high-end threat. The Air Force FY 2017 budget development was informed by three guiding principles: 1) remain ready for the full-spectrum of military operations; 2) maximize the contribution of the total force; and 3) focus on the unique capabilities the Air Force provides the joint force. The Air Force continues its commitment to reshaping, sizing, and modernizing its force structure to ensure it remains capable, effective, and ready in the future. In FY 2017, the Air Force continues to fund the Flying Hour Program to maximum executable levels. Weapon System Sustainment (WSS) is funded to 75 percent of the requirement in the baseline (88 percent with OCO) and Facility Sustainment is funded to 78 percent of the requirement. This includes the sustainment for the A-10 and EC-130 to meet the shortage in Air Force fighter capacity until replacements are operational. The FY 2017 budget also supports 60 Remotely Piloted Aircraft (RPA) Combat lines, funds cyber operations at 77 percent, and trains 39 cyber teams. The Air Force continues its efforts to further the skills and leadership of its NDO-Airmen at all levels and to further institutionalize improvements and capitalize on gains made since the Air Force began reinvigorating the nuclear enterprise in 2008.

Within that strategic context, the rebalance to the Asia-Pacific and continued presence in the Middle East indicate the demand for Air Force capabilities will remain constant, or perhaps even rise over the next decade. The pillars of this effort include a consistent, equitable, and attainable flying hour program, prioritized full-spectrum training venues, focused weapon system sustainment, sustained Air Force installations, and continued care for Airmen and their families. The Air Force's flying hour program maintains a consistent and attainable level of readiness. As the Air Force recovers full-spectrum readiness, adding resources for more flying hours to support training must be matched with maintenance to ensure aircraft availability. In terms of average aircraft age, Air Force "iron" is older than it's ever been; WSS enables weapon system availability and flying hours, making it a key contributor to readiness. Foundational to full-spectrum readiness, the Air Force continues to support its Airmen and their families by funding core "services" programs such as dining facilities, fitness centers, libraries, recreational facilities, child and youth centers, and Airman and family readiness centers. The Air Force remains committed to core Airmen programs, specifically tuition assistance, Sexual Assault Prevention and Response (SAPR), and facility sustainment, restoration, and modernization. The FY 2017 budget allows the Air Force to maintain the flight path started in FY 2015 to building the most capable and affordable Air Force on the path to readiness recovery and to ensure the Air Force will succeed in today's fight and against future enemies.

AIR FORCE

Budget Activity 1: Operating Forces

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
26,495.1	62.2	-5,677.2	20,880.1	61.7	1,818.4	22,760.2
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$5,710.1 million of OCO funding including \$1,000.0 million of base funds transferred to OCO						
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+212.1 million, to OCO, \$-212.1 million, to reflect congressional intent for proper execution						
⁴ FY 2017 excludes \$5,195.4 million of OCO funding including \$124.0 million of Bipartisan Budget Act (BBA) of 2015 compliance						

Operating Forces includes functions such as: Primary Combat Forces, the Air Force's front-line fighters, bombers, strike, and ISR assets (A-10, B-1, B-2, B-52, F-15, F-16, F-22, F-35, MQ-1, and MQ-9 aircraft), representing the "tip of the global power projection spear". Primary Combat Weapons include resources supporting the Air Force's two legs of America's nuclear triad: Intercontinental Ballistic Missiles (ICBMs) and the bomber force. Additional capabilities include electronic warfare and manned destructive suppression assets to enhance the effectiveness of other operational weapons systems. Global command, control, communication, intelligence (C3I) and early warning include resources that provide strategic offensive C3I, strategic defensive C3I and Air Force-wide communications. Air Force-Wide communications programs support development of a survivable communications capability for worldwide command and control (C2) communications during pre-attack, trans-attack and post-attack periods. The Air Force weather program supports combat and specialized operations, management, readiness and sustainment of Air Force weather and space environmental capabilities and systems.

Budget Activity 01: Operating Forces - Major Program Changes:

The FY 2017 Operating Forces budget request of \$22,760.2 million represents program growth of \$1,818.4 million and \$61.7 million for pricing changes. The majority of the program increases represents a restoral of \$1,000.0 million of base to OCO realignment in FY 2016 offset by the FY 2017 \$124.0 million BBA of 2015 compliance. Programmatically, the Air Force committed to improving readiness of the combat air forces by increasing weapon system sustainment by \$625.0 million for manned and unmanned reconnaissance aircraft, cyberspace, nuclear deterrence, and F-22 aircraft maintenance. Additional funding totaling \$141.2 million will enable Air Force to provide increased exercise and range training along with the associated flying hours to ensure Air Force can meet its readiness goals.

AIR FORCE

AIR FORCE

Budget Activity 2: Mobilization

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
8,210.3	-150.0	-4,421.4	3,638.9	-2.9	740.5	4,376.5
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$4,400.5 million of OCO funding including \$1,000.0 million of base funds transferred to OCO						
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+219.1 million, to OCO, \$-219.1 million, to reflect congressional intent for proper execution						
⁴ FY 2017 excludes \$3,777.7 million of OCO funding						

Mobilization includes airlift operations, mobilization preparedness, and related base operating support and facilities sustainment. Global mobility is achieved through strategic and theater airlift in support of peacetime, contingency, and wartime operations in pursuit of national objectives. Rapid movement, establishment, and sustainment of combat forces anywhere in the world to deter and defeat aggression or to provide humanitarian/peacekeeping assistance are a major instrument of US national security policy. The President, the Secretary of Defense, the Joint Chiefs of Staff, the military Services and DoD agencies depend heavily on Air Force mobility operations for essential cargo and troop movement in support of missions worldwide.

Budget Activity 02: Mobilization - Major Program Changes:

The FY 2017 Mobilization budget request of \$4,376.5 million represents program growth of \$740.5 million and negative pricing changes of \$2.9 million. The majority of the program increases represents a restoral of \$1,000.0 million of base to OCO realignment in FY 2016. The Air Force air mobility requirements for flying hours and weapons system maintenance decrease in FY 2017 as well as the requirements for the Transportation Working Capital Fund (TWCF) cost to operate Airlift Systems. The Air Force realigned the Mobilization budget savings to other Budget Activities to provide additional funding for increased requirements.

AIR FORCE

Budget Activity 3: Training and Recruiting

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017² <u>Estimate</u>
3,384.8	27.6	-14.9	3,397.5	40.9	134.6	3,573.0
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$2.3 million of OCO funding						
³ FY 2017 excludes \$57.2 million of OCO funding						

Training and Recruiting supports three broad mission areas: accession training; basic skills and advanced training; recruiting and other training and education. Accession training produces the enlisted and officer personnel needed to meet total force requirements. Officer accessions receive formal introductory officer training through the United States Air Force Academy, Air Force Reserve Officer Training Corps, Officer Training School, and the Airmen Education and Commissioning Program. Basic skills and advanced training includes specialized skill training, flight training, professional development education and training support. Specialized skill training provides training and education essential to operate, maintain, and manage complex Air Force weapon systems and the associated support structure. Flight training programs include flight screening, undergraduate pilot training, specialized undergraduate pilot training, specialized undergraduate and advanced navigator training, and pilot instructor training. Professional development education includes professional military education programs to enhance and develop critical leadership skills of commissioned officers, civilians, and noncommissioned officers. Other training covers civilian education and training, tuition assistance for active duty personnel, and the Junior Reserve Officer Training Corps.

Budget Activity 03: Training and Recruiting - Major Program Changes:

The FY 2017 Training and Recruiting budget request of \$3,573.0 million represents program growth of \$134.6 million and \$40.9 million for pricing changes. The Air Force increased flight training and associated training flying hours due to an increase in their military end-strength for FY 2017. Additionally, the Air Force increased their operating and base support for the U.S. Air Force Academy in FY 2017.

AIR FORCE

Budget Activity 4: Administration and Servicewide Activities

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017² <u>Estimate</u>
7,716.1	12.4	-995.2	6,733.3	53.8	21.3	6,808.4
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$584.7 million in OCO funding including \$200.0 million of base funds transferred to OCO						
³ FY 2017 excludes \$468.5 million of OCO funding						

Administration and Servicewide Activities funds four broad mission areas, all integral to Air Force readiness: logistics operations, servicewide support, security programs, and support to other nations. Logistics operations includes cradle-to-grave acquisition and logistics support, including readiness spares kits and pipeline supply requirements. It also includes inter- and intra-theater transport and handling of equipment and munitions. Servicewide activities cut across the entire Air Force to ensure combat capabilities through communications, personnel and policy direction, and the Civil Air Patrol. Security programs include the Air Force Office of Special Investigations and a range of classified activities. Finally, support to other nations includes Air Force participation in the North Atlantic Treaty Organization, Supreme Headquarters Allied Powers Europe, and the US Central Command's role in the cooperative defense initiatives.

Budget Activity 04: Administration and Servicewide Activities - Major Program Changes:

The FY 2017 Administration and Servicewide Activities budget request of \$6,808.4 million represents program growth of \$21.3 million and \$53.8 million for pricing changes. The majority of the program increases represents a restoral of \$200.0 million of base to OCO realignment in FY 2016. Long haul communications decreased by \$199.4 million due to the new Defense Information Systems Network (DISN) rate structure based on actual consumption. The Defense Accounting and Finance Service (DFAS) requirements and Air Force Energy Assurance increased for FY 2017.

DEFENSE-WIDE

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2016^{2/3/4} <u>Enacted</u>	<u>Price³ Growth</u>	<u>Program Growth</u>	FY 2017⁵ <u>Estimate</u>
38,108.5	552.6	-6,338.7	32,022.4	408.4	140.7	32,571.6
Numbers may not add due to rounding						
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 excludes \$6,400.6 million of OCO funding, of which \$500.0 million represents Intelligence, Surveillance, and Reconnaissance transfers						
³ FY 2016 excludes \$300.0 million of Military Personnel transfer funding for the Military Services						
⁴ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+15.1 million, to OCO, \$-15.1 million, to reflect congressional intent for proper execution						
⁵ FY 2017 excludes \$5,982.2 million OCO funding						

The Operation and Maintenance, Defense-Wide funding request supports critical Department-wide functions and transformational efforts for the Secretary, Military Departments, and warfighters. The funding pays for common information services and system sustainment, contract administration and audits, family support programs, and administrative functions for the Military Departments. This funding supports the activities of the United States Special Operations Command (USSOCOM), numerous Combat Support Agencies, policy and oversight Agencies, and three Intelligence Agencies.

Defense Agency Programs FY 2017 Highlights:

Highlights of Defense Agency FY 2017 funding include program changes of:

- \$+115.6 million - USSOCOM: The FY 2017 USSOCOM budget request focuses on maintaining operational readiness to enhance Special Operations Forces (SOF) support to the Geographic Combatant Commanders, perform SOF core activities, advance comparative advantages, and provide the nation with a highly capable, resilient force to meet GCC requirements and National strategic objectives. The FY 2017 submission directly supports the Defense Strategic Guidance and focuses on readiness and the continued recapitalization of SOF. To support these efforts, resources were realigned to improve the command's ability to provide a ready, synchronized and agile force possessing multi-lateral capabilities that can identify, disrupt and defeat a wide spectrum of threats. In addition, this submission reflects continued efforts to improve the structure, review, and oversight of USSOCOM's budget submission documents.

DEFENSE-WIDE

- \$+138.3 million – Defense Information Systems Agency (DISA): The FY 2017 budget request includes several transfers from the DISA Defense Working Capital that will achieve greater efficiencies. The request also supports achieving full operational capability of the Joint Force Headquarters DoD Information Network in FY 2017, the transfer of responsibility of a new Background Investigation Information Technology Systems from the Office of Personnel Management to the DoD, planned integrated cybersecurity enhancements, and an increase to the White House Communications Agency for network infrastructure support for the continuity of the Presidency and senior staff's ability to maintain communications under all contingencies.
- \$+120.1 million – The Joint Staff (TJS): The FY 2017 budget request includes significant growth due to the NDU transferring into TJS. Another significant increase is caused by another transfer to compensate TJS for a revised billing structure for the Defense Information Systems Network Cost Recovery Model.
- \$-117.361 million Department of Defense Education Agency (DODEA): The FY 2017 DODEA budget request identifies savings as a result of DODEA's continuous effort to implement efficiencies that still ensure the DODEA can continue to provide a superior educational program to students in military communities around the world.

RESERVE FORCES

Reserve Forces Operation & Maintenance Appropriations

\$ in Millions

	FY 2015¹ <u>Actual</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
Army Reserve	2,676.1	41.7	-88.9	2,628.9	36.9	46.6	2,712.3
Navy Reserve	1,057.6	-1.3	-99.6	956.7	6.8	-35.9	927.7
Marine Corps Reserve	284.3	4.6	-15.4	273.5	4.2	-7.1	270.6
Air Force Reserve	3,098.8	-21.9	-202.1	2,874.8	-20.1	213.3	3,067.9
Army National Guard	6,337.5	103.0	115.5	6,555.9	42.4	227.0	6,825.4
Air National Guard	<u>6,446.5</u>	<u>-19.4</u>	<u>222.9</u>	<u>6,650.0</u>	<u>22.4</u>	<u>31.2</u>	<u>6,703.6</u>
Total	19,900.7	106.7	-67.5	19,939.9	92.7	475.0	20,507.5
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$348.3 million in OCO funding							
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+0.2 million, to OCO, \$-0.2 million, to reflect congressional intent for proper execution							
⁴ FY 2017 excludes \$272.9 million in OCO funding including \$74.7 million of Bipartisan Budget Act (BBA) of 2015 compliance							

The Reserve Components (RC) of the Army, Navy, Marine Corps, and Air Force provide trained, ready and cost effective forces that can be employed on a regular operational basis, while ensuring depth for large scale contingencies or other unanticipated national crises, both at home and overseas. The FY 2017 budget focuses on restoring the total force readiness levels, while supporting the transition to a smaller military that is more agile and technologically superior. The Department continues to rely upon the Guard and Reserve as a vital part of the operational force and therefore a strong and properly resourced RC is essential to the DoD mission. The RC adds significant cost effective value to the all-volunteer force and must continue to serve in an operational capacity – available, trained and equipped for predictable routine deployments as well as in a strategic capacity. The FY 2017 budget supports preparation of both units and individuals to participate in missions across the full spectrum of military operation, in a cyclic or periodic manner that provides predictability for the Combatant Commands, the Services, Service Members, their Families, and civilian employers; while increasing DOD’s capacity and ability to expand and contract forces. The FY 2017 Reserve Forces budget request of \$20,507.5 million includes a price growth of \$92.7 million and a \$475.0 million increase for program.

RESERVE FORCES

Reserve Forces Program Data

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Selected Reserve End Strength (in thousands)	819,062	-8,062	811,000	-9,800	801,200
Civilian Personnel (FTEs)	75,647	351	75,998	-24	75,974
Technicians (MEMO – Included in FTEs)	66,879	-184	66,695	-90	66,605
Ship Inventory (End FY)	7	-7	0	0	0
Total Aircraft Inventory (TAI)	3,373	-33	3,340	9	3,349
Primary Aircraft Authorized (PAA)	3,227	-26	3,201	9	3,201
Flying Hours (in thousands)	568	104	672	19	691

RESERVE FORCES

Army Reserve

The Army Reserve's FY 2017 budget of \$2,712.3 million reflects a net increase of \$83.5 million (\$36.9 million in price growth, \$46.6 million of program increases).

Program increases include funding for ground operating tempo (\$33.2 million), Reserve schools (\$14.7 million), and facility operations (\$14.3 million).

Program decreases include funding for facilities maintenance (\$-48.0 million) and tuition assistance (\$-13.9 million).

Army Reserve Program Data

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Selected Reserve End Strength	198,552	-552	198,000	-3,000	195,000
Civilian Personnel (FTEs)	10,460	-39	10,421	39	10,460
Technicians (MEMO--Included in FTEs)	7,494	-143	7,351	82	7,433
Total Aircraft Inventory (TAI)	201	0	201	20	221
Primary Aircraft Authorized (PAA)	201	0	201	20	221
Flying Hours (in thousands)	58	5	63	7	70
Major Installations	3	0	3	0	3
Reserve Centers	848	-5	843	-3	840

RESERVE FORCES

Navy Reserve

The Navy Reserve's FY 2017 budget of \$927.7 million reflects a net decrease of \$29 million (\$6.8 million in price increases and \$35.9 million of program decrease).

Program increases include the restoral of 2 Special Operations Support Helicopter Squadrons and associated flying hours (\$24.7 million).

Program decreases include reductions to the flying hour program for KC-130 series aircraft, F/A-18 series aircraft, MH-53 series aircraft, and MV-22B aircraft; reductions in aviation logistics for MV-22B Power By the Hour contracts; reductions in Navy Expeditionary Combat Command; and reductions in facilities maintenance, restoration and modernization (\$-60.6 million).

Navy Reserve Program Data

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Total Selected Reserve End Strength	57,359	41	57,400	600	58,000
Civilian Personnel (FTEs)	782	30	812	23	835
Total Aircraft Inventory (TAI)*	259	-8	251	25	275
Primary Aircraft Authorized (PAA)*	259	-9	250	25	275
Flying Hours (in thousands)*	79	10	89	-2	87
Ship Inventory	7	-7	0	0	0
Reserve Centers	132	0	132	0	132
Major Installations	3	0	3	0	3

* Includes TAI/PAA and flying hours flown by the Marine Corps Reserve

RESERVE FORCES

Marine Corps Reserve

The Marine Corps Reserve's FY 2017 budget of \$270.6 million reflects a net decrease of \$2.9 million (\$4.2 million in price growth and \$7.1 million of program decrease).

The program increase is due to fuel and equipment costs associated with mission support via the Marine Reserves Forces program (\$1.1 million).

The program decrease is due to reduced Marine Forces Reserve travel, transportation, and contracts and reductions in facilities maintenance, restoration, and modernization (\$-8.1 million).

Marine Corps Reserve Program Data

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Total Selected Reserve End Strength	38,906	-6	38,900	-400	38,500
Civilian Personnel (FTEs)	259	-6	253	-3	250
Divisions	1	-	1	-	1
Training Centers	189	-	189	-	189

RESERVE FORCES

Air Force Reserve

The Air Force Reserve's FY 2017 budget of \$3,067.9 million reflects a net increase of \$193.1 million (\$20.1 million of price decrease, \$213.3 million of program increase).

Program increases include aircraft and engine maintenance and repair on C-5, B-52, and A-10 aircraft (\$89.8 million); continuation of the initiative to meet end strength goals (\$24.9 million); and civilian manpower and flying hours for new missions, including the KC-46, B-1, and F-35 (\$58.6 million).

Program decreases are a result of rebalancing the flying hour program (\$-57.2 million); reductions in scheduled aircraft and engine repairs (\$-37.8 million); and decreases in facilities maintenance, restoration, and modernization (\$-12.9 million).

Air Force Reserve Program Data

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Total Selected Reserve End Strength	68,494	706	69,200	-200	69,000
Civilian Personnel (FTEs)	12,257	459	12,716	604	13,320
Technicians (MEMO--Included in FTEs)	8,501	1,403	9,904	247	10,151
Total Aircraft Inventory (TAI)	342	-10	332	-6	326
Primary Aircraft Authorized (PAA)	312	-3	309	-4	305
Flying Hours (in thousands)	78	25	104	-5	99
Major Installations	9	0	9	0	9
Numbers may not add due to rounding					

RESERVE FORCES

Army National Guard

The Army National Guard's FY 2017 budget of \$6,825.4 million reflects a net increase of \$269.4 million (\$42.4 million of price growth, \$227.0 million in program growth).

Program increases include funding for ground forces readiness training (\$79.4 million); facilities restoration and modernization (\$44.5 million); long haul communications (\$13.1 million); and depot maintenance (\$59.7 million).

Program decreases include funding for civilian personnel reductions (\$-70.7 million); facilities sustainment (\$-66.5 million); air readiness training (\$-52.9 million); and the Army marketing program (\$-19.0 million).

Army National Guard Program Data

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Total Selected Reserve End Strength	350,023	-8,023	342,000	-7,000	335,000
Civilian Personnel (FTEs)	28,388	-189	28,199	-681	27,518
Technicians (MEMO – Included in FTEs)	27,436	-286	27,150	-582	26,568
Total Aircraft Inventory (TAI)	1,492	0	1,492	-48	1,444
Primary Aircraft Authorized (PAA)	1,492	0	1,492	-54	1,438
Flying Hours (in thousands)	172	31	203	29	232
Total Installations	3,049	0	3,049	0	3,049
Brigade Combat Teams	28	-1	27	-1	26
Brigades	116	0	116	0	116
Numbers may not add due to rounding					

RESERVE FORCES

Air National Guard

The Air National Guard (ANG) FY 2017 budget of \$6,703.6 million reflects a net program increase of \$53.6 million (\$22.4 million of price growth, and \$31.2 million in program increase).

Program increases include additional requirements for the flying hour program (\$48.0 million) and depot maintenance weapon system sustainment (\$49.4 million).

Program decreases include information technology programs (\$-24.8 million); civilian pay (\$-4.6 million); and facilities maintenance, restoration, and modernization (\$-39.0 million).

Air National Guard Program Data

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Total Selected Reserve End Strength	105,725	-228	105,500	200	105,700
Civilian Personnel (FTEs)	23,501	96	23,597	-6	23,591
Technicians (MEMO – Included in FTEs)	23,448	-1,158	22,290	163	22,453
Total Aircraft Inventory (TAI)	1,079	-15	1,064	19	1,083
Primary Aircraft Authorized (PAA)	963	-14	949	22	971
Flying Hours (in thousands)	181	32	213	-10	203
Major Bases	2	0	2	0	2
Number of Installations	286	0	286	0	286
Numbers may not add due to rounding					

COOPERATIVE THREAT REDUCTION PROGRAM

Appropriation Summary

\$ in Millions

	<u>FY 2015 Actual</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2016 Enacted</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>
Cooperative Threat Reduction	365.1	5.8	-12.4	358.5	6.1	-39.0	325.6

The Cooperative Threat Reduction (CTR) Program's FY 2017 budget request contains \$325.6 million to facilitate the detection, safe and secure transportation, storage, and elimination of weapons of mass destruction (WMD), related materials, delivery systems and infrastructure; and to build partner capacity to prevent the proliferation of WMD materials across borders or in transit across international borders.

The FY 2017 budget request reflects a decrease of \$-32.9 million from the FY 2016 funding level. This includes \$6.1 million for price growth and a net program decrease of \$-39.0 million. The net program decrease of \$-39.0 million includes \$23.5 million of program increases and \$-62.5 million of program decreases. Programs with increased funding include Proliferation Prevention (\$11.0 million), Strategic Offensive Arms Elimination (\$10.5 million), and Chemical Weapons Destruction (\$+2.0 million). Programs with decreased funding include Cooperative Biological Engagement (\$-55.1 million), Other Assessments/Administrative Support (\$-2.5 million), Threat Reduction Engagement (\$-0.9 million), and Global Nuclear Security (\$-4.0 million).

COOPERATIVE THREAT REDUCTION PROGRAM

The following table reflects the program structure and price and program changes from FY 2015 to FY 2017 for the CTR programs:

\$ in Millions

Program	<u>FY 2015 Actuals</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2016 Estimate</u>	<u>Price Change</u>	<u>Program Change</u>	<u>FY 2017 Estimate</u>
Strategic Offensive Arms Elimination	6.7	0.1	-5.5	1.3	0.0	10.5	11.8
Chemical Weapons Destruction	1.0	0.0	0.0	0.9	0.0	2.0	2.9
Global Nuclear Security	20.7	0.4	-0.5	20.6	0.4	-4.0	16.9
Cooperative Biological Engagement	256.8	4.0	3.9	264.6	4.5	-55.1	214.0
Proliferation Prevention	49.8	0.8	-11.7	38.9	0.7	11.1	50.7
Threat Reduction Engagement	2.4	0.0	0.4	2.8	0.1	-0.9	2.0
Other Assessments							
Administrative Costs	27.8	0.5	1.0	29.3	0.5	-2.6	27.3
Total	365.1	5.8	-12.5	358.5	6.1	-39.0	325.6

Numbers may not add due to rounding

Activities for the Cooperative Threat Reduction Program for FY 2017 are as follows:

Strategic Offensive Arms Elimination:

- Continue elimination and program activities in Ukraine;
- Enable preparation to address WMD delivery system threats in other countries; and,
- Provide logistical, administrative, and advisory support

Chemical Weapons Destruction:

- Provide chemical security enhancements to partner nation facilities housing toxic industrial chemical and materials;
- Provide technical and contracted advice and support in other regions to eliminate chemical weapons, and to improve safety and security of chemical weapons until they can be safely eliminated; and,
- Provide logistical, administrative, and advisory support

COOPERATIVE THREAT REDUCTION PROGRAM

Global Nuclear Security:

- Continue support for Nuclear Security Centers of Excellence;
- Provide equipment and training for partner countries to secure vulnerable nuclear material;
- Provide equipment and training to enhance nuclear security capabilities of partner countries to perform key security functions such as secure transportation, inventory management, and emergency response;
- Support shipments of nuclear material that meets the International Atomic Energy Agency's criteria as "weapons-usable" to consolidate and facilitate the disposition of the nuclear material;
- Securely transport nuclear material and high-threat radiological material;
- Provide logistical, administrative, and advisory support; and,
- Facilitate and conduct exchanges to improve nuclear security practices globally

Cooperative Biological Engagement:

1) Biological Safety and Security (BS&S) enhancements as detailed below:

Former Soviet Union (FSU)

- Complete BS&S upgraded and construction on human and veterinary Central Reference Lab (CRL) and regional laboratories in Armenia;
- Continue BS&S upgrades to veterinary laboratories in Ukraine;
- Complete construction oversight of the Government of Azerbaijan funded CRL and installation of BS&S systems and equipment in Azerbaijan;
- Continue standup, operationalization, and sustainment of the Lugar Center in Tbilisi, Georgia under the agreed upon terms of the Joint Transition Agreement;
- Continue the development and implementation of BS&S Standard Operating Procedures across the region; and,
- Continue the provision of biorisk management training in Armenia, Azerbaijan, Kazakhstan, Uzbekistan, and Ukraine

Africa

- Complete BS&S upgrades to human and veterinary laboratories in Kenya, Uganda, and Tanzania;
- Initiate BS&S upgrades to human and veterinary laboratories in Ethiopia, Cameroon, Senegal, Gabon, Sierra Leone, and Liberia; and,

COOPERATIVE THREAT REDUCTION PROGRAM

- Conduct BS&S training in Kenya, Tanzania, Uganda, Cameroon, Cote d'Ivoire, Ethiopia, Gabon, Liberia, Nigeria, Sierra Leone, and Senegal

Middle East/South Asia (MESA)

- Complete BS&S upgrades to select facilities in Iraq and Afghanistan;
- Continue biorisk management training in Iraq, Afghanistan, and Jordan;
- Initiate biorisk management training in Turkey;
- Continue multi-sectoral workshops and Tabletop Exercise in Turkey; and,
- Continue the development and implementation of BS&S Standard Operating Procedures in Iraq, Afghanistan, and Jordan

Southeast Asia (SEA)

- Conduct biorisk management workshops in the Philippines, Malaysia, and Indonesia and fill identified gaps;
- Continue biorisk management workshops in Lao People's Democratic Republic, Cambodia, and Vietnam; and,
- Initiate the development and implementation of BS&S Standard Operating Procedures in Lao People's Democratic Republic, Cambodia, and Vietnam

2) Disease detection, diagnosis, and reporting enhancements as detailed below:

FSU

- Continue human and veterinary sector training in epidemiology, laboratory management, and differential diagnosis in Armenia, Azerbaijan, Kazakhstan, Uzbekistan, and Ukraine;
- Continue research activities in Armenia, Azerbaijan, Georgia, Kazakhstan, Uzbekistan, and Ukraine;
- Continue the transition of U.S. sustainment support of laboratories in Azerbaijan, Georgia, Kazakhstan, Uzbekistan, and Ukraine to the partner governments; and,
- Complete Electronic Integrated Disease Surveillance System (EIDSS) implementation, training, and upgrades in Armenia, Azerbaijan, Georgia, and Kazakhstan

COOPERATIVE THREAT REDUCTION PROGRAM

Africa

- Conduct training in epidemiology, laboratory management, and disease diagnostics in Kenya, Tanzania, Uganda, Cameroon, Cote d'Ivoire, Ethiopia, Gabon, Liberia, Nigeria, Sierra Leone, and Senegal;
- Commission Health Emergency Operations Centers in Cameroon and Senegal; and,
- Continue research activities in Kenya, Tanzania, South Africa, Uganda, Ethiopia, and West Africa

MESA

- Complete installation of laboratory equipment to select facilities in Iraq and Afghanistan;
- Support diagnostics and reporting capability development in Jordan;
- Continue epidemiology training in Iraq, Afghanistan, Jordan, and Turkey;
- Continue collaborative research activities in Iraq, Pakistan, Jordan, and Turkey; and,
- Continue diagnostic training in Iraq, Afghanistan, Jordan, and Turkey

SEA

- Continue installation of laboratory equipment in Lao People's Democratic Republic, Cambodia, and Vietnam;
- Install laboratory equipment in the Philippines and Indonesia;
- Initiate lab management training in the Philippines and Indonesia;
- Introduce Electronic Integrated Disease Surveillance System and introduce Pathogen Asset Control System to human and veterinary ministries in the Philippines;
- Continue laboratory management training in Cambodia and Vietnam;
- Complete laboratory diagnostic training/capacity building activity in Cambodia;
- Continue partnership with the Centers for Disease Control and Prevention to enhance diagnostic capacity of Global Disease Detection element in India; and,
- Continue research activities in Cambodia, Thailand, and Vietnam

Proliferation Prevention:

- Ukraine: Continue to build upon previous efforts to improve the ability of the Government of Ukraine to deter, detect, and interdict illicit trafficking of WMD and related materials along Ukraine's borders, particularly focusing on threats originating from Russia;

COOPERATIVE THREAT REDUCTION PROGRAM

- Philippines: Sustain existing efforts and complete planned improvements of the National Coast Watch System (NCWS) (NCWS will increase WMD and maritime security communications, surveillance, detection and interdiction capabilities); support development of a concept of operations to better facilitate interagency coordination in the maritime domain;
- Vietnam: Complete improvements to enhance the maritime security and law enforcement equipment and infrastructure support capabilities;
- Southeast Asia Region: Continue engagements in other littoral Southeast Asia countries to enhance national maritime security and WMD detection capabilities as well as bolster regional Proliferation Prevention awareness and capabilities;
- Middle East: Complete detection and interdiction upgrades in order to prevent the illicit flow of WMD and related components with the Hashemite Kingdom of Jordan along the Syrian and Iraqi green borders;
- Support WMD Proliferation Prevention projects and activities in regions and countries in accordance with authorities and determinations; and,
- Provide logistical, administrative, and advisory support

Threat Reduction Engagement:

- Funds will continue to support specific relationship-building opportunities with CTR Countries; and,
- Funds will also allow the opportunity to conduct events to assess WMD proliferation and threat reduction gaps in new geographic areas, in cooperation and coordination with cognizant Unified Combatant Commands to strategically advance CTR Programs goals, pending a determination by the Secretary of Defense, with concurrence by the Secretary of State to do so

Other Assessments/Administrative Costs:

- Funds support advisory and assistance services to all CTR programs, U.S. Embassy support, and operating costs for the overseas Defense Threat Reduction Offices and Regional Cooperative Engagement Offices. This program also funds administrative and contracted advisory support to the CTR program, program management for worldwide CTR contract logistics support, approximately 6-10 Audits and Examinations per year, and travel by DTRA and stakeholder personnel not in support of a single CTR program; and,
- Funds support CTR's program expansion efforts into new countries with new emerging regional CTR offices at embassies worldwide

DEFENSE ACQUISITION WORKFORCE DEVELOPMENT FUND

\$ in Millions

	<u>FY 2015 Actual</u>	<u>FY 2016 Enacted</u>	<u>FY 2017 Estimate</u>
Appropriated or Requested	83,034	0.0	0.0
Remittance amount	0.0	0.0	0.0
Transfer amount	477	400.0	400.0
Total Credited to Account ^{1,2}	560.0	400.0	400.0
Prior Year Carry Forward	677.0	875.3	784.0
Total Obligation Authority	1,237.0	1,275.3	1,184.0
Actual or Planned Obligation	380.7	491.3	471.6
Amount Transferred to Other Accounts for obligation	3.8	0.0	0.0
¹ Meets the 80 percent minimum baseline required by United State Code title 10 section 1705.			
² Equals the sum of: (1) all budget authority granted (or requested) from the Congress in a given year, (2) amounts authorized to be credited to a specific fund, (3) budget authority transferred from another appropriation, and (4) unobligated balances of budget authority from previous years which remain available for obligation.			

The FY 2017 obligation plan of \$471.6 million for the Defense Acquisition Workforce Development Fund (DAWDF) supports the strategic objectives and continuous improvement of the defense acquisition workforce. The DAWDF will fund targeted hiring for mission critical needs, acquisition workforce professionalization, training, development, qualifications, and currency. Funded initiatives support the intent of the Defense Acquisition Workforce Improvement Act (DAWIA), the purpose of the 10 U.S.C. 1705 DAWDF, fulfilling strategic workforce planning requirements of 10 U.S.C. 115b, qualification and career path requirements of 10 U.S.C. 1723, and the Better Buying Power (BBP) objectives to strengthen organic workforce technical capability, increase professionalism, and achieve greater efficiency and productivity in Defense spending. Continuous development of the acquisition workforce throughout the career life cycle is critical to achieving increased buying power while modernizing and resetting our military force, improving acquisition outcomes, and for ensuring technological superiority for the future.

DEFENSE HEALTH PROGRAM

Appropriation Summary

(\$ in Millions)

	FY 2015¹ <u>Actuals</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016² <u>Estimate</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017³ <u>Estimate</u>
Operation & Maintenance ⁴	30,669.5	900.4	-1,782.9	29,787.0	870.8	1,573.6	32,231.4
RDT&E	1,698.6	27.2	395.7	2,121.5	38.2	-1,336.8	822.9
Procurement	<u>238.6</u>	<u>5.0</u>	<u>121.8</u>	<u>365.4</u>	<u>10.5</u>	<u>37.3</u>	<u>413.2</u>
Total, DHP	32,606.7	932.6	-1,265.4	32,273.9	919.5	274.1	33,467.5
MERHCF Receipts ⁵	<u>9,466.1</u>			<u>9,310.7</u>			<u>9,797.1</u>
Total Health Care Costs	42,072.8			41,584.6			43,264.6
Numbers may not add due to rounding							
^{1/} FY 2015 actuals includes \$344.645 million for OCO							
^{2/} FY 2016 estimate excludes \$272.704 million for OCO							
^{3/} FY 2017 request excludes \$298.190 million for OCO							
^{4/} The Department of Defense transferred O&M funding of \$117.1 million in FY 2015 and will transfer \$120.4 million in FY 2016 and up to \$137.4 million in FY 2017 to the Joint Department of Defense – Department of Veterans Affairs Medical Facility Demonstration Fund established by section 1704 of Public Law 111-84 (National Defense Authorization Act for FY 2010). Additionally, the Department transferred \$15 million of O&M funding in FY 2015 and will transfer the same amount in FY 2016 to the DoD-VA Health Care Joint Incentive Fund (JIF) as required by Section 8111 of Title 38 of the United States Code (USC) and Section 721 of Public Law 107-314 (National Defense Authorization Act for 2003). For FY 2017 \$15 million will be transferred to JIF.							
^{5/} Reflects DoD Medicare-Eligible Retiree Health Care Fund (MERHCF) O&M Receipts for FY 2015, FY 2016, and FY 2017							

DEFENSE HEALTH PROGRAM

Description of Operations Financed:

The medical mission of the Department of Defense (DoD) is to enhance DoD and our Nation's security by providing health support for the full range of military operations and sustaining the health of all those entrusted to our care. The Defense Health Program (DHP) Operation and Maintenance (O&M) appropriation funding provides for worldwide medical and dental services to active forces and other eligible beneficiaries, veterinary services, occupational and industrial health care, specialized services for the training of medical personnel, and medical command headquarters. Included are costs associated with the delivery of the TRICARE benefit which provides for the health care of eligible active duty family members, retired members and their family members, and the eligible surviving family members of deceased active duty and retired members. The FY 2017 budget request of \$32,231.4 million includes realistic cost growth for health care services either provided in the Military Treatment Facilities (MTFs) or purchased from the private sector through the managed care support contracts, and for pharmaceuticals. This budget includes funding for continued support of Traumatic Brain Injury and Psychological Health (TBI/PH) and Wounded, Ill and Injured (WII) requirements. It complies with the Congressional mandate related to support of Centers of Excellence (COE) and Department of Defense's initiative for operations efficiencies, including assumed savings for proposed military healthcare reform initiatives. Operation and Maintenance (O&M) funding is divided into seven major areas: In-House Care, Private Sector Care, Information Management, Education and Training, Management Activities, Consolidated Health Support, and Base Operations. The DoD Medicare Eligible Retiree Health Care Fund (MERHCF) is an accrual fund to pay for DoD's share of applicable Direct Care and Private Sector Care operation and maintenance health care costs for Medicare-eligible retirees, retiree family members and survivors.

The DHP appropriation also funds the Research, Development, Test and Evaluation (RDT&E) program for medical Information Management/Information Technology (IM/IT), research to reduce medical capability gaps, and support to both Continental United States and (CONUS) and Outside the Continental United States (OCONUS) medical laboratory facilities.

The DHP appropriation Procurement program funds acquisition of capital equipment in MTFs and other selected health care activities which include equipment for initial outfitting of newly constructed, expanded, or modernized health care facilities; equipment for modernization and replacement of uneconomically repairable items; equipment supporting programs such as pollution control, clinical investigation, and occupational/environmental health; and Military Health System (MHS) information technology (IT) requirements.

DEFENSE HEALTH PROGRAM

Narrative Explanation of FY 2016 and FY 2017 Operation and Maintenance (O&M) Changes:

The DHP O&M funding reflects an overall increase of \$2,444.4 million between FY 2016 and FY 2017, consisting of \$870.8 million in price growth and a net program increase of \$1,573.6 million.

Program increases include:

- \$1,041.3 million for support of direct and private sector healthcare services
- \$262.8 million for facility restoration and modernization projects at Military Treatment Facilities (MTF)
- \$225.9 million for FY 2016 National Defense Authorization Act (NDAA) and the Department of Defense Health Benefit Proposals
- \$106.8 million for replacement of medical equipment that will meet their life cycle expectancy for utilization
- \$43.6 million for Department of Defense Healthcare Management System Modernization (DHMSM)
- \$41.7 million to transform the Military Health System to a High Reliability Organization which will promote identifying problems and high-risk situations before they lead to an adverse event
- \$30.1 million for Defense Information Systems Network (DISN) Cost Recovery Model Consumption Adjustment
- \$25.5 million for Secretary of Defense Performance measures and monitoring compliance
- \$15.5 million for mission and student travel
- \$9.2 million for Defense Information Systems Agency (DISA) circuit, Defense Enterprise Email (DEE) transition and website consolidation
- \$7.5 million for net functional transfers for Armed Forces DNA Identification Laboratory (AFDIL), service treatment records and other activities
- \$5.5 million for Health Artifact and Image Management Solution (HAIMS)
- \$5.3 million for targeted medical education and training
- \$5.0 million for Defense Health Headquarters (DHHQ) telephone and video teleconferencing
- \$4.4 million for MHS facilities sustainment
- \$4.3 million for Military Health Information Technology (HIT) Optimization
- \$4.1 million for readiness pre- and post-deployment training and support
- \$4.0 million for occupational and environmental health readiness, safety and compliance
- \$3.8 million for Office of the Electronic Health Record Transition Management (OETM)
- \$3.7 million for facilities support to the Medical Services, NCR and Defense Health Agency (DHA)
- \$3.2 million for Armed Forces Billing and Collection Utilization Solution (ABACUS) transition to cloud-based platform and sustainment

DEFENSE HEALTH PROGRAM

- \$3.1 million for sustaining contract support services for the DHA
- \$3.0 million for DHHQ rents for co-locating shared services staff
- \$1.0 million for Joint Knowledge Online (JKO) Training System for consolidating on-line training systems
- \$0.5 million for Tricare Prime Clinic (TPC) utilities and maintenance services

Program decreases include:

- \$105.8 million for Civilian Pay Reductions due to hiring lag during the past two FYs
- \$51.6 million for reduced Initial Outfitting and Transition (IO&T) requirements to support of MILCON and Restoration and Modernization of facilities
- \$40.5 million for HIT Infrastructure, network operations, and support
- \$19.8 million to comply with the Secretary of Defense efficiency to reduce Management Headquarters
- \$13.4 million for Health Professions Scholarship Program (HPSP)/Health Professions Loan Repayment Program (HPLRP) based upon decreasing tuition costs and lower student levels
- \$9.6 million for reduced Defense Health Medical Systems (DHMS) modernization estimates
- \$8.6 million to comply with other Secretary of Defense Directed Efficiencies
- \$8.0 million for audit and program integrity programs
- \$7.2 million for contract services review initiative for base operations activities
- \$6.0 million for consolidation of shared health facilities services
- \$5.9 million for supplies inventory consolidation initiative
- \$5.2 million for Wounded Ill and Injured and Traumatic Brain Injury (WII/TBI) Programs
- \$3.8 million for lower training demand for Extension of Community Health Outcomes (ECHO)
- \$1.3 million for improved building security operational practices
- \$0.5 million for initial outfitting and transition portfolio realigned to Procurement and Research, Development, Testing and Evaluation (RDT&E)

Continuing in FY 2017, the Department projects that up to \$137.4 million should transfer to the Joint Department of Defense (DoD) - Department of Veterans Affairs (VA) Medical Facility Demonstration Fund established by section 1704 of Public Law 111-84, (National Defense Authorization Act for FY 2010). This fund combines the resources of DoD and VA to operate the first totally integrated Federal Health Care Facility in the country by the total integration of the North Chicago VA Medical Center and the Navy Health Clinic Great Lakes.

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Continuing in FY 2017, the Department will transfer \$15 million to the DoD-VA Health Care Joint Incentive Fund (JIF). Authority for the JIF is established by Section 8111, Title 38, of the United States Code (USC) and Section 721 of Public Law 107-314 (National Defense Authorization Act for 2003). This fund combines the resources of the DoD and VA to implement, fund, and evaluate creative coordination and sharing initiatives at the facility, intraregional, and nationwide levels.

President's Management Plan – Performance Metrics Requirements:

The Military Health System (MHS) continues to refine existing performance measures and develop specific criterion to determine and measure outputs/outcomes as compared with initial goals. Over the past year the MHS continues the transition to the Quadruple Aim that is focused on a balanced approach to overall performance to include not only production but outcome measures related to medical readiness, a healthy population, positive patient experiences and responsible management of health care costs.

- **Individual Medical Readiness** – This measure provides operational commanders, Military Department leaders and primary care managers the ability to monitor the medical readiness status of their personnel, ensuring a healthy and fit fighting force medically ready to deploy. This represents the best-available indicator of the medical readiness of the Total Force, Active Components and Reserve Components prior to deployment.
- **Beneficiary Satisfaction with Health Plan** – An increase in the satisfaction with the Health Plan indicates that actions being taken are improving the overall functioning of the plan from the beneficiary perspective. Improvements represent positive patient experiences with the health care benefit and services they receive through the system. The goal is to improve overall satisfaction level to that of civilian plans using a standard survey instrument.
- **Medical Cost Per Member Per Year** – Annual Cost Growth – The medical cost per member per year looks at the overall cost of the Prime enrollees for the MHS. This tracks all costs related to care delivered to enrollees. The objective is to keep the rate of cost growth for the treatment of TRICARE enrollees to a level at or below the Civilian health care plans rate increases at the national level. Currently the measure provides insight to issues regarding unit cost, utilization management, and Purchased care management. The metric has been enhanced to properly account for differences in population demographics and health care requirements of the enrolled population. Since enrollment demographics can vary significantly by Service, and across time, it is important to adjust the measure. For example, as increasing numbers of older individuals enroll, the overall average medical expense per enrollee would likely increase. Conversely, as younger, healthy active duty enroll, the overall average would likely decrease. Through the use of adjustment factors, a comparison across Services and across time is made more meaningful.

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Output related measures that influence Medical Cost Per Member Per Year:

- **Inpatient Production Target** (Medicare Severity Adjusted Relative Weighted Products, referred to as MS-RWPs) – Achieving the production targets ensures that the initial plan for allocation of personnel and resources are used appropriately in the production of inpatient workload.
- **Outpatient Production Target** (Relative Value Units, referred to as RVUs) – Achieving the production targets ensures that the initial plans for allocation of personnel and resources are used appropriately in the production of outpatient workload.

Below is reporting for FY 2015 related to the prior performance measure goals. The next reporting period will focus on the measures related to the Quadruple Aim, and two output measures related to production plan targets. The overall success of each area measured is discussed below along with information related to continuation of reporting in future documents:

- **Individual Medical Readiness** – The Military Health System achieved the goal for the Total Force Medical Readiness for FY 2015 with a score of 86% compared to the goal of 85%. The MHS has managed to sustain this level of performance since last year, and will have to take significant steps to ensure that performance can be sustained over the long term. This measure will continue to be reported in support of the Quadruple Aim.
- **Beneficiary Satisfaction with Health Plan** – Satisfaction with Health Care Plan performance for FY 2015 exceeded the goal of 57 percent for the fiscal year. Continuous increases in percentage of eligible beneficiary enrolling in TRICARE Prime demonstrate progress for the program with respect to satisfying our beneficiaries. While achieving the goal for the year, there was a slight decrease in overall satisfaction for the year, and changes to the enrollment locations over the next couple of years may result in a further decrease over the next couple of years. This measure will continue to be reported in support of the Quadruple Aim.
- **Inpatient Production Target** (MS-RWPs) – Based on the most recently completed data for FY 2015, the MHS failed to achieve the performance target. Instead of increasing as expected during the last budget update, production actually decreased slightly. A significant reason for the decrease was related to the downsizing of the Active Component which occurred faster than estimated. This decrease in population resulted in a decrease in the number of inpatient stays related to Pregnancy and Newborns. Overall this is the number one product line for the Military Health System, and resulted in 10% decrease for this product line. While there were some improvement in Musculoskeletal, it was not sufficient to offset the other decreases

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regarding inpatient care. These numbers are based on the records reported to date, and will increase slightly as all records are completed. This measure will continue to be reported as an output measure for the DHP.

- **Outpatient Production Target (RVUs)** – The Active Component downsizing also impacted the production of outpatient care, where the MHS fell short of obtaining its goal for FY 2015. Production levels actually remained steady with FY 2013, and fell short of the goal by approximately 6 percent. The MHS used statutory authority to migrate enrollees from purchased care back to the MTFs in a number of markets, but could not offset the decrease in Active Duty and Family members in the short run who decreased by almost 7 percent in MTF markets. Additionally, the MHS may be experiencing some of the declined utilization from the implementation of Patient Centered Medical Homes earlier than expected, with Primary Care workload declining by almost 11% percent as more care was shifted to virtual visits as opposed to face-to-face visits. Through the improved use of Secure Messaging and Nurse Advice Lines, the MHS is reducing utilization while still focusing on the entire patient instead of just throughput related to Primary Care. In general these virtual visits should result in more timely care and better patient satisfaction in the long run. This measure will continue to be reported as an output measure for the DHP.
- **Medical Cost Per Member Per Year – Annual Cost Growth** – The MHS is now experiencing a slightly higher cost growth than in the past couple of years. The largest growth factor involves Pharmacy compounded products. To contain the growth in this area, the MHS worked directly with MTF providers to ensure they understood the cost impact of these types of prescriptions, to reduce the number to appropriate levels. Additionally, the MHS started an electronically screening process in May 2015 to ensure all ingredients are covered under the TRICARE pharmacy benefit and ensure the cost does not exceed the established pricing standard. This screening process is consistent with the pharmacy industry, and these efforts resulted in a decrease from a monthly high of \$350M to \$6M average per month for the last months of the year, but overall performance will exceed the yearly goal. The Year to Date performance estimate for FY 2015 is 7.3% vs goal of 2.0% (which is extremely low compared with normal health care cost growth). While final claims data are still lagging, the system will not be able to achieve the goal during the fiscal year and appears to be at an inflection point where both costs and utilization are growing at levels closer to traditional medical growth rates.

DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES, DEFENSE

\$ in Millions

Activity	<u>FY 2015 Actual</u>¹	<u>FY 2016 Enacted</u>²	<u>FY 2017 Estimate</u>³
International Support	915.5	578.9	521.6
Intelligence, Technology, and Other	135.8	130.0	114.4
Domestic Support	186.1	220.1	94.0
Drug Demand Reduction	105.6	121.6	114.7
Available Balance		N/A	N/A
Total	1,343.0	1,050.6	844.8
¹ FY 2015 includes \$376.3 million of FY 2014/2015 OCO (P.L. 113-76) that was available for obligation in FY 2015; includes \$16.0 million of FY 2015 OCO (P.L. 113-235). \$189.0 million of FY 2015 OCO was reprogrammed to non-drug-related accounts during the year of execution.			
² FY 2016 excludes \$186.0 million of OCO funding			
³ FY 2017 excludes \$215.3 million of OCO funding			

Description of Operations Financed:

The Drug Interdiction and Counterdrug Activities authorities and resources provide useful and flexible ways to achieve national security goals, while maintaining a drug-free military and civilian workplace. The threat to United States national security posed by illicit drugs extends beyond traditional challenges to public health and safety. The drug trade is a powerful corrosive that weakens the rule of law in affected countries, preventing governments from effectively reducing or containing other transnational hazards, such as terrorism, insurgency, organized crime, weapons trafficking, money laundering, human trafficking, and piracy.

For the Department of Defense (DoD), the connections between international narcotics trafficking and international terrorism constitute a threat to the national security interests of the United States. The global and regional terrorists who threaten United States interests finance their activities with the proceeds from narcotics trafficking. Programs funded by the DoD Drug Interdiction and Counterdrug Activities resources detect, monitor and support the interdiction, disruption or curtailment of emerging narcotics-related threats to our national security.

In accordance with its statutory authorities, the DoD uses its Drug Interdiction and Counterdrug Activities resources and authorities as effectively and efficiently as possible to achieve national and Departmental counternarcotics priorities by addressing two activities known as Counternarcotics (CN) and Drug Demand Reduction (DDR):

DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES, DEFENSE

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- CN focuses on helping local, state, federal and foreign agencies address the threats posed by illicit drug trafficking and narcoterrorism, by:
 - Detecting and monitoring drug trafficking;
 - Intelligence analysis and information sharing; and
 - Helping countries build their capacity to control ungoverned spaces, where trafficking activities flourish.
- DDR focuses on maintaining DoD readiness by:
 - Urinalysis drug testing of service members, DoD civilian personnel in testing designated positions, and applicants for military service and DoD civilian pre-employment testing; and
 - Prevention, education, and outreach programs to military and civilian communities to raise awareness of the adverse consequences of illicit drug use on one's performance, safety, health, family stability, fiscal security, and employment opportunities.

The DoD provides, through Combatant Commands, the Military Departments, and the Defense Agencies, unique military personnel, systems, and capabilities that support domestic law enforcement agencies and foreign security forces involved in counternarcotics activities, including efforts to counter activities that aid, benefit from, or are related to narcotics trafficking. This broad-scope support is provided primarily under the authorities contained in 10 U.S. Code § 124, 371-374, 379-381, 2576, 2576a, Title 32 U.S. Code, § 112, Section 1004, National Defense Authorization Act for 1991, as amended; Section 1033 of the National Defense Authorization Act for 1998, as amended, and Section 1022 for the National Defense Authorization Act for 2004, as amended.

The Office of Deputy Assistant Secretary of Defense, Counternarcotics and Global Threats, by direction of the Under Secretary of Defense for Policy, is the focal point for most of DoD's counternarcotics activities, ensuring that the DoD develops and implements a focused counternarcotics program with clear priorities and measured results. The Office of the Under Secretary of Defense, Personnel and Readiness, manages the Drug Demand Reduction Program, ensuring that the dangers of drug misuse in the DoD are understood, and that the misuse of narcotics within the Department is prevented, identified, and treated, in order to keep the fighting force at the highest possible levels of readiness. Consistent with applicable laws, authorities, regulations, and resources, the DoD will ensure that sufficient forces and resources are allocated to the counternarcotics mission to achieve high-impact results.

The DoD continues to invest in Defense capabilities which provide the highest impact on the drug threat, while at the same time contributing to the overseas contingency operations and enhancing national security. The DoD efforts and priorities are evaluated continually, based upon the changing drug threat and participating nations' needs. The FY 2017 request represents a decrease of

DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES, DEFENSE

\$205.8 million from the FY 2016 enacted levels. The decrease is primarily attributable to one-time congressional increases in FY 2016, and compliance with the funding caps established by the Bipartisan Budget Act of 2015.

INTERNATIONAL SUPPORT:

Financial, organizational, political, and operational linkages exist among narcotics trafficking, smuggling, insurgency, and terrorism. While the primary motivation of narcotraffickers remains greed and the accumulation of wealth, there is also a growing use of narcotics trafficking in support of terrorism and insurgent operations.

The DoD has expanded its CN mission to include targeting those terrorists organizations worldwide that use the proceeds of narcotics trafficking to support terrorist activities. In order to support the overseas contingency operations, DoD will direct its resources to regions where terrorists benefit from illicit drug revenue or use drug smuggling systems. DoD CN efforts enable the United States to:

- Defend the homeland in depth: *CN efforts provide detection, monitoring and interdiction of threats moving toward Continual United States*
- Defeat terrorist networks: *CN efforts deny terrorists a key source of financing*
- Shape the choices of countries at the strategic crossroads: *CN efforts strengthen alliances with partner nations by reducing transnational hazards including terrorism and crime*
- Conduct irregular warfare and stabilization, security, transition and reconstruction operations: *CN efforts place US forces in partner nations, providing training, equipment and infrastructure required to build their capacity*
- Conduct strategic engagement: *CN efforts provide mil-to-mil and mil-to-civ engagement opportunities*
- Enable host countries to provide good governance: *CN efforts allow partner nations to gain control of their borders and ungoverned spaces*
- Enable the success of integrated foreign assistance: *CN efforts are a vital part of the security assistance offered to partner nations*

Overall, the Department's CN efforts contribute to homeland defense, foster cooperation with U.S. agencies and strengthen alliances with partner nations, and form relationships with new international partners otherwise reluctant to cooperate with DoD in counter-terrorism and other military activity. Continuing CN efforts are critical to meeting the Department's responsibilities in the National Drug Control Strategy.

DRUG INTERDICTION AND COUNTERDRUG ACTIVITIES, DEFENSE

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INTELLIGENCE AND TECHNOLOGY SUPPORT:

The very nature of smuggling requires the Department of Defense to collect intelligence from all sources in order to detect and monitor illicit drug trafficking, and to provide that information to the appropriate interdiction forces. Accordingly, the Department notified Congress, pursuant to 50 U.S.C. § 414 (a)(3)(C), that the Department of Defense intends to make funds appropriated for Drug Interdiction and Counterdrug Activities of the Department of Defense available for the all-source collection of counternarcotics intelligence.

The use of new technology continues to be instrumental in combating narcoterrorist activities. DoD will continue to test, evaluate, develop and deploy technologies that are used to collect and survey suspect narcoterrorist smuggling operations in the air, land, or sea. DoD actively pursues the merging of disparate data and sensor feeds into a common operating picture, to provide worldwide counternarcotics elements with counter-narcoterrorism intelligence and operational awareness.

DOMESTIC SUPPORT:

Since 1989, the DoD has provided military support to domestic law enforcement agencies at the State, local and Federal levels, providing the requested operational, training and intelligence support.

The DoD limits its domestic contributions to the counternarcotics efforts to those functions that are militarily unique and benefit the Department's primary missions. Primary responsibility for military support to domestic law enforcement resides with the National Guard, thus freeing active duty and Reserve units for operations in support of the overseas contingency operations. Domestic support includes translation, intelligence, communications, aerial and ground reconnaissance, transportation, and training.

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DEMAND REDUCTION:

Illegal drugs are readily available to the DoD service and civilian members; the use is incompatible with their military mission and responsibilities in security sensitive positions.

The Department's approach emphasizes prevention of drug use through pre-accession and random drug testing, anti-drug education and outreach programs. Emphasis is placed on deterring drug use, to include the misuse of prescription medications, through cost effective drug testing with appropriate consequences for members who are identified as drug users. The Department randomly tests all military members at a minimum rate of one test per year per member and civilian employees in testing designated positions once every two years.

SUMMARY OF FY 2017 FUNDING REQUEST:

International Support (\$521.6 million): The FY 2017 request includes a decrease of \$57.2 million for International Support from FY 2016 (\$23.8 million was transferred to the Overseas Contingency Operation request to comply with the funding caps established by the Bipartisan Budget Act of 2015). Counter-narcoterrorism programs support efforts in the U.S. Central Command, U.S. Southern Command, U.S. Pacific Command, U.S. Northern Command (Mexico), U.S. Africa Command and U.S. European Command Areas of Responsibilities (AORs) to detect, interdict, disrupt or curtail activities related to substances, material, weapons or resources used to finance, support, secure, cultivate, process or transport illegal drugs. CN funds will support operations in these AORs, including Section 1033 support; detection and monitoring platforms and assets; and AOR Command and Control support, including operations of Joint-Interagency Task Forces West and South.

Intelligence and Technology Support (\$114.4 million): The FY 2017 request includes a decrease of \$15.6 million for Intelligence and Technology Support from FY 2016. Intelligence programs collect, process, analyze, and disseminate information required for counter-narcoterrorism operations. CN funds will provide counter-narcoterrorism intelligence support and analysis; signals intelligence (SIGINT) collection and processing; and Military Service and Special Operations command and control programs.

Domestic Support (\$94.0 million): The FY 2017 request includes a decrease of \$126.1 million for Domestic Support from FY 2016. This funding will continue to support federal, state and local drug law enforcement agencies (DLEAs) requests for domestic operational and logistical support, and will assist the DLEAs in their efforts to reduce drug-related crime. Specifically, funds will provide militarily-unique support to domestic law enforcement by the National Guard. Funds will also provide Domestic Operational

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Support, such as U.S. Northern Command (NORTHCOM) counter-narcoterrorism support to DLEAs and Title 10 National Guard translation efforts.

Drug Demand Reduction (\$114.7 million): The FY 2017 request includes a decrease of \$6.9 million for Demand Reduction from FY 2016. This funding will support efforts to detect and deter the misuse of illicit and prescription drugs among military personnel, to include drug test collections and drug testing laboratories and associated costs; provide for Military Services, National Guard, and DoD Agencies outreach, prevention, and education programs. These funds support a minimum of 100 percent random drug testing for active duty military, National Guard and Reserve personnel; drug testing for all DoD civilian employee applicants and civilians in testing designated positions once every two years; drug abuse prevention/education activities for military and civilian personnel and their dependents.

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\$ in Millions

	<u>FY 2015 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
Environmental Restoration	1,221.0	14.7	-93.4	1,142.4¹	20.6	-133.4	1,029.5¹
Environmental Compliance	1,306.0	15.8	52.1	1,373.9	24.7	94.5	1,493.1
Environmental Conservation	377.2	4.5	18.0	399.7	7.2	13.3	420.2
Pollution Prevention	94.3	1.0	-5.8	89.5	1.5	-6.9	84.1
Environmental Technology	184.5	2.2	2.9	189.6	3.4	-1.7	191.3
Base Realignment & Closure (BRAC)	609.6	7.3	-387.4	229.6²	4.6	-53.1	181.1²
Total Environmental Program³	3,792.6	45.5	-413.6	3,424.6	62.0	-87.2	3,399.4
Numbers may not add due to rounding							
¹ Represents enacted/requested funding only. Excludes budget authority carried forward into FY 2016 for the Environmental Restoration (ER) Formerly Used Defense Site (FUDS) (\$40.0 million) and ER, Defense-Wide (DW) (\$0.2 million) accounts, and into FY 2017 for the ER, DW (\$0.6 million) account.							
² Represents enacted/requested funding only. Doesn't include \$252 million in FY 2016 and \$107.9 million in FY 2017 planned obligations from prior year funds and land sale revenues.							
³ Includes environmental funding for all DoD appropriations/funds, not only those funded in the Operation and Maintenance (O&M) accounts.							

The Department of Defense (DoD) Environmental Programs address five overriding and interconnected goals: (1) to support the readiness of U. S. Forces by ensuring access to air, land, and water for training and operations; (2) to improve the quality of life by protecting military personnel and families from environmental, safety, and health hazards; (3) to ensure that weapons systems, logistics, installations, et. al., have better performance, lower total ownership costs, and permissible health and environmental effects; (4) to serve customers, clients, and stakeholders through public participation and advocacy; and (5) to enhance international security through military-to-military cooperation. To help achieve these goals, the Department established its environmental program around five pillars -- cleanup, compliance, conservation, pollution prevention, and environmental technology. The FY 2017 budget request of \$3,399.4 million decreases by \$25.2 million, which includes price growth of \$62.0 million and a net program decrease of \$87.2 million (-2.5 percent). The decrease reflects reductions in every program except Environmental Compliance and Environmental Conservation.

Environmental Restoration (ER)

The Department's Environmental Restoration (ER) program (DERP) focuses on reducing the risks to human health and the environment at active installations and Formerly Used Defense Sites (FUDS), while ensuring that DoD environmental cleanup

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policy conforms to existing laws and regulations. The DoD ER appropriations provide for: the identification, investigation, and cleanup of contamination from hazardous substances and wastes, and contamination from unexploded ordnance (UXO), discarded military munitions, and munitions constituents at other than operational ranges; correction of other environmental damage; and the demolition and removal of unsafe buildings, structures, and debris. In FY 1996, the DoD began a relative risk approach to environmental cleanup. This process enables the Department to prioritize cleanup activities at sites that pose the greatest danger to the health and safety of the environment and public. The relative risk process is the key tool used by the Department in the planning, programming, and budgeting of the cleanup program as well as its execution.

In FY 2013, the DoD performed a thorough review and analysis of the existing DERP goals, and in March 2013, established updated and consolidated DERP goals. The updated goals reflect the maturation of the DERP, further enabling the DoD Components to advance sites through the final phases of cleanup to site closeout. These goals allow for increased flexibility to apply resources where most needed, and in the most cost-effective manner. They also enable the Department to demonstrate overall program progress in a more streamlined, transparent fashion. In February 2014, the DoD established a new goal for munitions response site (MRSs) at FUDS. This goal requires the DoD to take significant, well planned-out and coordinated actions to reduce the risk to human health and the environment potentially posed by FUDS MRSs. The Department funds its ER program to ensure the Military Departments and Defense Agencies meet all legal agreements and ensure compliance with DoD cleanup goals. The budget also clearly identifies funding requirements for response actions to address UXO, discarded military munitions, and munitions constituents at other than operational ranges. Overall, the Department continues to make progress in moving its restoration sites through the cleanup process, and is on schedule to meet its goal of completing the vast majority of its cleanup by 2021.

Between FY 2016 and FY 2017, the Department's Defense ER Program reflects a net decrease of \$112.9 million; reflecting price growth of \$20.6 million and a programmatic decrease of \$133.4 million (-11.7 percent). The FY 2017 program decrease of \$133.3 million primarily reflects decreases in the FUDS (-\$38.3 million) program, compared to its FY 2016 position which incorporated a congressional add of \$27.5 M; the Army (-\$68.9 million) due to adjusted execution targets; and the Navy (-\$23.7 million) due to completion of investigation phases. There are also small increases in the Air Force (\$3.2 million) reflecting increased remedial action requirements, and Defense-Wide (\$0.7 million). These number do not include budget authority carried forward into FY 2016 for the ER FUDS (\$40.0M) and ER, DW (\$0.2M) accounts, and into FY 2017 for the ER,DW (\$0.6M) account, planned to be obligated during those years respectively.

The following table displays the ER Transfer appropriations.

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Environmental Restoration Transfer Appropriations *\$ in Millions*

	<u>FY 2015 Actual</u>^{/1}	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>^{/2}	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
ER, Army	270.0	3.2	-38.4	234.8	4.2	-68.9	170.2
ER, Navy	286.3	3.4	10.3	300.0	5.4	-23.7	281.8
ER, Air Force	428.9	5.2	-66.0	368.1	6.6	-3.2	371.5
ER, Formerly Used Def. Sites	227.9	2.8	40.5	231.2	4.2	-38.3	197.1
ER, Defense-Wide	7.9	0.1	0.2	8.2	0.1	0.6	9.0
Total	1,221.0	14.7	-53.2	1,142.4	20.6	-133.4	1,029.5
Numbers may not add due to rounding							

¹ Includes the total amounts reprogrammed to the ER Transfer account for various ER activities.

² Excludes budget authority carried forward into FY 2016 for the ER FUDS (\$40.0M) and ER, DW (\$0.2M) accounts, and into FY 2017 for the ER, DW (\$0.6M) account.

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Environmental Compliance

The FY 2017 compliance program includes sufficient resources to enable the Department's day-to-day operations to comply with federal, state and local government enforcement of current environmental laws and regulations. Environmental Compliance projects include projects to comply with the Clean Air Act, storm water management under the Clean Water Act, hazardous waste management, testing and remediation of underground storage tanks, and monitoring waste water treatment systems. In FY 2017, the environmental compliance program reflects a net increase of \$119.2 million. This increase reflects a price growth of \$24.7 million and a program increase of \$94.5 million (6.9 percent). The program increase of \$94.5 million consists of the following: increases in Army costs (\$6.0 million) related to compliance related cleanup, Marine Corps costs (\$15.5 million) caused by increases in Air and Storm Water programs; Air Force (\$9.9 million) caused by the increases in storage and disposal efforts; and Defense-wide (\$82.5 million) caused by a Military Construction project for Petroleum, Oil, and Lubricants storage, slightly offset by a decrease in the Navy (-\$19.4 million) caused by the completion of a one-time project to address a land fill closure.

Environmental Conservation

The DoD is the steward of about 25 million acres of public lands. The DoD has a responsibility to protect, maintain, and enhance the natural and cultural resources found on these lands. Through the conservation program, biological and cultural resources are managed to help support the military mission. Additionally, conservation activities are required by law (e.g., Endangered Species Act, Sikes Act, and National Historic Preservation Act) and must be funded. In FY 2017 the Environmental Conservation funding reflects a net increase of \$20.5 million, due to price growth of \$7.2 million and a program increase of \$13.3 million (3.3 percent). The program increase of \$13.3 million consists of increases in the Army (\$24.9 million), Marine Corps (\$8.4 million), and Air Force (\$0.1 million), due to increased costs associated with listed species, offset by decreases in Navy (\$3.4 million) and Defense-wide (\$16.7 million), caused primarily by a reduction in the Readiness and Environmental Protection program attributable to a one-time congressional increase of \$15 million in FY 2016.

Pollution Prevention

The Pollution Prevention (P2) program targets the reduction of hazardous material, solid waste, toxic releases, air emissions, and water pollution at the source. The funding requested for FY 2017 will support these efforts, as well as implementation of Executive Order 13514, "Federal Leadership in Environmental, Energy, and Economic Performance" and Executive Order 13423, "Strengthening Federal Environmental, Energy, and Transportation Management". In FY 2017, the Pollution Prevention program reflects a net decrease of -\$5.4 million. This reflects a price increase of \$1.5 million and a program decrease of \$6.9 million (-7.7 percent). The program decrease results from decreases in the Army's program (-\$1.7 million), Navy (-\$4.6 million) caused by completion of an Air Pollution Prevention project, Air Force (-\$1.3 million), and Defense-wide (-\$0.2 million); offset by an increase in Marine Corps (\$0.9 million).

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Environmental Technology

Technology development is important to meet DoD-unique environmental needs with programs that yield quick results and have high payoffs, including accelerating the development and deployment of technologies that address issues such as shipboard discharges, noise and air emissions, exposure to toxic chemicals, and remediation of soil, surface, and ground water contamination from explosives. The FY 2017 request allows DoD to continue environmental research, development, test, demonstration, and validation activities to provide technologies that result in direct operational savings, mitigate future liabilities, and permit the Department to meet both its mission and environmental obligations more cost-effectively. In FY 2017, the Environmental Technology program reflects a net decrease of \$3.3 million. This reflects a price increase of \$3.4 million and a program decrease of -\$1.7 million (-0.9 percent). The program decrease of \$1.7 million reflects increases in the Defense-Wide Program (\$10.7 million) and Navy (\$0.7 million), offset by reductions in the Army (-\$4.7 million) and Air Force Programs (-\$8.4 million). Additionally, environmental technology requirements are increasingly captured in other funding lines such as material substitution, production processes, operations & maintenance, and weapon system acquisition program elements.

Base Realignment and Closure (BRAC)

The DoD is striving to complete scheduled base closures as rapidly as possible to realize potential savings to the government and to make property available to local communities for redevelopment. In FY 2015, Congress combined the Prior Round BRAC and BRAC 2005 accounts, which allowed the Department to allocate the unobligated balances to requirements on the prior round sites, reducing the need to request funding for those sites. In FY 2017, the BRAC environmental program reflects a net decrease of \$48.5 million. This reflects a price increase of \$4.6 million and a program decrease of \$53.1 million (-23.1 percent). The program decrease primarily reflects a reduced need for requested funds, as the consolidation of the BRAC accounts provided increased flexibility in the use of unobligated prior year balances and land sale revenue across the BRAC cleanup inventory. FY 2015 included the obligation of \$345.2 million of prior year unobligated funds and land sale revenue. In FY 2016 \$252.0 million of prior year funds and land sale revenue are available to supplement the appropriation request, and in FY 2017 \$107.9 of prior year funds and land sale revenue are available to supplement the appropriation request. There is also a reduction in requirements as cleanups are completed.

ENVIRONMENTAL PROGRAMS

ENVIRONMENTAL RESTORATION¹

\$ in Millions

<u>Cleanup</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016² Enacted</u>	<u>Change</u>	<u>FY 2017² Estimate</u>
Army	142.7	-2.8	139.9	-18.9	121.0
Navy	185.2	-15.4	169.8	25.2	195.0
Air Force	290.1	-25.3	264.8	22.5	287.3
Formerly Used Defense Sites	99.7	32.3	132.0	-18.0	114.0
Defense-Wide	4.8	-2.1	2.7	3.8	6.5
Subtotal	722.5	-13.3	709.2	14.6	723.8
<u>Investigations and Analysis</u>					
Army	83.8	-21.4	62.4	-45.5	16.9
Navy	55.9	15.3	71.2	-36.6	34.6
Air Force	113.1	-38.5	74.6	-15.5	59.1
Formerly Used Defense Sites	98.2	-36.1	62.1	-7.9	54.2
Defense-Wide	0.3	2.4	2.7	-2.6	0.1
Subtotal	351.3	-58.3	273.0	-108.1	164.9
<u>Program Oversight</u>					
Army	43.5	-11.1	32.4	-0.2	32.2
Navy	45.2	13.8	59.0	-6.9	52.1
Air Force	25.7	3.0	28.7	-3.6	25.1
Formerly Used Defense Sites	30.0	7.1	37.1	-8.2	28.9
Defense-Wide	2.8	0.0	2.8	-0.4	2.4
Subtotal	147.2	13.1	160.1	-19.4	140.7
Total					
Army	270.0	-35.3	234.7	-64.6	170.2
Navy	286.3	13.7	300.0	-18.2	281.8
Air Force	428.9	-60.8	368.1	3.4	371.5
Formerly Used Defense Sites	227.9	43.3	231.2	-34.1	197.1
Defense-Wide	7.9	0.6	8.2	.08	9.0
Total Environmental Restoration	1,221.0	-38.5	1,142.4	-112.9	1,029.5

¹ This display shows the amounts budgeted by functional area for each of the five Environmental Restoration transfer appropriations – one for each Department, one for Formerly Used Defense Sites, and one for Defense-wide. Numbers may not add due to rounding.

² Excludes budget authority carried forward into FY 2016 for the ER FUDS (\$40.0M) and ER, DW (\$0.2M) accounts, and FY 2017 for the ER, DW (\$0.6M) account.

ENVIRONMENTAL PROGRAMS

\$ in Millions

ENVIRONMENTAL COMPLIANCE	FY 2015 <u>Actual</u>	<u>Change</u>	FY 2016 <u>Enacted</u>	<u>Change</u>	FY 2017 <u>Estimate</u>
Army	347.6	23.2	370.8	12.7	383.5
Navy	354.9	24.8	379.7	-12.6	367.1
Marine Corps	148.1	-44.9	103.2	17.4	120.6
Air Force	283.5	51.6	335.1	15.9	351.0
Defense-Wide	171.9	13.2	185.1	85.8	270.9
Total Environmental Compliance	1,306.0	67.9	1,373.9	119.2	1,493.1

ENVIRONMENTAL CONSERVATION	FY 2015 <u>Actual</u>	<u>Change</u>	FY 2016 <u>Enacted</u>	<u>Change</u>	FY 2017 <u>Estimate</u>
Army	182.2	-2.0	180.2	28.1	208.3
Navy	57.2	2.7	59.9	-2.3	57.6
Marine Corps	27.3	-0.7	26.6	8.9	35.5
Air Force	53.4	-1.0	52.4	1.0	53.4
Defense-Wide	57.1	23.5	80.6	-15.2	65.4
Total Environmental Conservation	377.2	22.5	399.7	20.5	420.2

POLLUTION PREVENTION	FY 2015 <u>Actual</u>	<u>Change</u>	FY 2016 <u>Enacted</u>	<u>Change</u>	FY 2017 <u>Estimate</u>
Army	36.2	-1.0	35.2	-1.1	34.1
Navy	4.1	4.3	8.4	-4.4	4.0
Marine Corps	20.7	-6.9	13.8	1.1	14.9
Air Force	21.0	-1.8	19.2	-1.0	18.2
Defense-Wide	12.3	0.6	12.9	0.0	12.9
Total Pollution Prevention	94.3	-4.8	89.5	-5.4	84.1

Numbers may not add due to rounding

ENVIRONMENTAL PROGRAMS

ENVIRONMENTAL TECHNOLOGY	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
<u>Army</u>					
RDT&E, Army	44.9	10.1	55.0	-3.8	51.2
<u>Navy</u>					
RDT&E, Navy	28.8	6.9	35.7	1.4	37.1
<u>Air Force</u>					
RDT&E, Air Force	1.0	-1.0	0.0	0.0	0.0
Aircraft Procurement, Air Force	0.0	0.0	0.0	0.0	0.0
Operation and Maintenance, Air Force	8.3	0.0	8.3	-8.3	0.0
Total Air Force	9.3	-1.0	8.3	-8.3	0.0
<u>Defense-Wide</u>					
Strategic Environmental R&D Program (SERDP)	56.4	-2.2	54.2	10.9	65.1
Env Security Technology Certification Program	39.4	-8.3	31.1	1.4	32.5
Defense Warfighter Protection	5.7	-0.4	5.3	0.1	5.4
Total Defense-Wide	101.5	-10.9	90.6	12.4	103.0
<u>Summary Total</u>					
Army	44.9	10.1	55.0	-3.8	51.2
Navy	28.8	6.9	35.7	1.4	37.1
Air Force	9.3	-1.0	8.3	-8.3	0.0
Defense-Wide	101.5	-10.9	90.6	12.4	103.0
Total Environmental Technology	184.5	5.1	189.6	1.7	191.3
Numbers may not add due to rounding					

ENVIRONMENTAL PROGRAMS

<u>BASE REALIGNMENT&CLOSURE (BRAC) REQUEST</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Army	68.7	-53.6	15.1	-8.6	6.5
Navy	130.1	27.5	157.6	-30.5	127.1
Air Force	65.6	-8.7	56.9	-9.4	47.5
Defense-Wide	0.0	0.0	0.0	0.0	0.0
Total BRAC	264.4	-34.8	229.6	-48.5	181.1
Numbers may not add due to rounding					

<u>ADDITIONAL USE/PLANNED USE OF PRIOR YEAR FUNDS/LAND SALE REVENUE</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Army	237.8	-2.5	235.3	-163.2	72.1
Navy	73.5	-69.3	4.2	10.0	14.2
Air Force	31.3	-20.9	10.4	8.8	19.2
Defense-Wide	2.6	-0.5	2.1	0.3	2.4
Total BRAC	345.2	-93.2	252.0	-144.1	107.9
Numbers may not add due to rounding					

<u>TOTAL PLANNED BRAC OBLIGATIONS</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Army	306.5	-56.1	250.4	-171.8	78.6
Navy	203.6	-41.8	161.8	-20.5	141.3
Air Force	96.9	-29.6	67.3	-0.6	66.7
Defense-Wide	2.6	-0.5	2.1	0.3	2.4
Total BRAC	609.6	-128.0	481.6	-192.7	288.9
Numbers may not add due to rounding					

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2016 <u>Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2017 <u>Estimate</u>
562.4	21.3	-480.4	103.3	1.8	0.0	105.1
¹ FY 2015 includes funds reprogrammed and obligated for Ebola Response activities, Nepal Earthquake, Rohingya/Bangladeshi Migrants at Sea, and Iraq Internally Displaced People.						

The Overseas Humanitarian, Disaster, and Civic Aid (OHDACA) program includes the following:

- Humanitarian Assistance Program;
- Humanitarian Mine Action Program; and the
- Foreign Disaster Relief Program.

The OHDACA programs support U.S. military forces in meeting two key requirements. The first is to maintain a robust overseas presence aimed at shaping the international security environment in a manner that deters would-be aggressors, strengthens friends and allies, and promotes peace and stability in unstable regions. The second requirement is for U.S. forces to respond effectively when called upon to assist the victims of storms, earthquakes, and other natural or manmade disasters outside the U.S. and Territories.

The OHDACA programs meet these needs by providing the regional Combatant Commanders (COCOM) with an unobtrusive, low-cost, but highly effective vehicle to carry out their peacetime engagement missions, while providing a valuable training benefit for U.S. troops. Furthermore, OHDACA augments the COCOM capabilities to respond rapidly and effectively to humanitarian crises. In providing relief to areas of need, the U.S. military gains substantial training benefits and obtains access to regions important to U.S. interests. The OHDACA programs enhance readiness across a number of operational areas including: command, control, communication and intelligence (C3I); civil affairs; and logistical support.

The programs conducted under OHDACA are coordinated with the Department of State and approved by the Office of the Secretary of Defense to ensure U.S. Government (USG) unity of effort and compliance with national security and foreign policy interests. In the process of carrying out these activities, a small amount of funding efficiently fosters multiple USG goals.

The FY 2017 OHDACA budget request is \$105.1 million. The details, by major category, are described below:

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

Humanitarian Assistance Program and Funding

\$ in Millions

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Total Program	80.1	70.3	72.9

The **Humanitarian Assistance (HA) Program** supports three objectives. These objectives are designed to (1) help avert political and humanitarian crises, (2) promote democratic development and regional stability, and (3) enable countries to recover from conflicts. These funds provide for HA projects for all COCOM's. The HA projects and activities accomplish the three objectives by: donating and transporting excess non-lethal DoD property, supporting improved military presence in friendly nations, providing positive civilian/military interaction through addressing basic needs of local nationals, and by enabling the COCOM to assist countries by improving local crises response capacity to emergencies in their region. Funds would be spent on: transportation; provision of excess property; and other targeted assistance for disaster preparedness and mitigation. The funding also provides for acquisition, provision, and distribution of relief supplies; acquisition and shipment of transportation assets to assist in distribution; refurbishment and restoration of excess Defense equipment; and inspection, packaging and intermediary warehouse storage until excess items can be delivered. Current plans call for the COCOM to conduct HA activities as part of their regional security cooperation strategy. HA projects also include those that assist Non-Government Organizations (NGO) and recipient countries in building indigenous capabilities to respond to emergencies. Building this capability reduces the potential need for United States military involvement in future crisis response.

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

Humanitarian Mine Action Program and Funding

\$ in Millions

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Total Program	9.2	13.0	10.0

The **Humanitarian Mine Action Program** supports the geographical COCOM planned humanitarian demining training and education activities. The COCOM plans include: assessments of newly designated countries; ongoing worldwide training operations; incremental funding of high-priority, emerging operations; and evaluations of current programs to determine if projected “end states” have been met.

Foreign Disaster Relief

\$ in Millions

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Total Program	473.1	20.0	22.2

The **Foreign Disaster Relief** funding is requested specifically for disasters and maintains the standard two-year appropriation life-cycle as the rest of the OHDACA appropriation. However, should a large scale disaster occur during this period, it is likely that additional funding could be required. This funding supports the capacity of the Department, through the COCOM, to respond to natural and man-made disasters and to the humanitarian aspects of security crises. The emergency response program includes logistical support, search and rescue, medical evacuation, and refugee assistance, in the form of both supplies and services.

OFFICE OF INSPECTOR GENERAL

DEFENSE - WIDE

\$ in Millions

FY 2015¹ <u>Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2016² <u>Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2017³ <u>Estimate</u>
308.6	3.7	0.2	312.6	4.6	4.9	322.0
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding						
² FY 2016 enacted excludes \$10.3 million of OCO funding						
³ FY 2017 excludes \$22.1 million of OCO funding						

Description of Operations Financed:

The Office of Inspector General (OIG) audits, investigates, inspects, and evaluates the programs and operations of the Department of Defense (DoD) and, as a result, recommends policies and process improvements that promote economy, efficiency, and effectiveness in DoD programs and operations. The Inspector General is the only DoD official authorized to issue opinions on the financial statements of the DoD.

Overall Assessment:

The FY 2017 budget request of \$322.0 million reflects a programmatic increase of \$4.9 million. This increase is primarily attributed to the OIG support to financial improvement and audit readiness efforts across the DoD and for the Enterprise Defense Case Activity Tracking System (D-CATSe).

SUPPORT FOR INTERNATIONAL SPORTING COMPETITIONS

\$ in Millions

<u>FY 2015 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
6.4	-0.5	-5.9	0.0	0.0	0.0	0.0

The Support for International Sporting Competitions (SISC), Defense appropriation is a no-year appropriation that provides for continuing Department of Defense (DoD) support to national and international sporting events that are either certified by the Attorney General or support specific organizations such as the Special Olympics, Paralympics, and the United States Olympic Committee's (USOC) Paralympic Military Program. Funds are still available from the FY 2003 and FY 2015 DoD Appropriations Acts.

The Department is not requesting additional appropriated funds for FY 2017. A total of \$6,366 thousand was obligated in FY 2015. In FY 2015, the Department provided support to the Special Olympics World Summer Games, the World Police and Fire Games and 22 events sanctioned by the USOC's Paralympic Military Program. In 2016, the Department will likely support the U.S. participation in the Paralympic Games, the U.S. participation in the Special Olympic Winter Games test event, the U.S. Olympic Track and Field trials and up to 24 U.S. Paralympic Military Program events and spend about \$4.5 million for these events. The current unallocated balance in the SISC account is approximately \$5.6 million, which is available until expended.

These funds are available to fund safety, security and logistical requirements for certain sporting competitions. Under the authority of 10 U.S.C., section 2564, the Department has the authority to assist Federal, State or local agencies in support of civilian sporting events, if the Attorney General certifies that such assistance is necessary to meet essential security and safety needs.

SUPPORT FOR INTERNATIONAL SPORTING COMPETITIONS

LAND FORCES

\$ in Millions

	FY 2015¹ Actual	Price Growth	Program Growth	FY 2016² Enacted	Price Growth	Program Growth	FY 2017³ Estimate
Army Active	5,309.8	89.8	-3,320.4	2,079.2	-10.4	754.0	2,822.8
Army Reserve	1,192.3	14.6	-97.1	1,109.8	12.6	60.4	1,182.9
Army National Guard	1,693.7	19.8	-12.1	1,701.4	2.2	111.7	1,815.3
Marine Corps Active	1,450.6	17.9	-786.3	682.3	-0.7	-7.0	674.6
Marine Corps Reserve	102.3	1.4	-7.0	96.7	0.4	-2.9	94.2
Total	9,748.7	143.5	-4,222.8	5,669.4	4.3	916.1	6,589.7

¹ FY 2015 includes Overseas Contingency Operations (OCO) funding

² FY 2016 excludes \$3,601.0 million of OCO funding including \$1,410.0 million of base funds transferred to OCO

³ FY 2017 excludes \$4,041.5 million of requested OCO funding including \$1,003.5 million of Bipartisan Budget Act (BBA) of 2015 compliance

The Land Forces program describes resources committed to the training and sustainment of the Department's land forces. Land Forces funding resides within the Land Forces activity group for the Army's Active, Reserve, and National Guard Components; and the Operational Forces subactivity group for both the Marine Corps' Active and Reserve Components. The FY 2017 President's Budget request reflects a net program increase of \$916.1 million from FY 2016 enacted levels. Of the program growth, \$1,410 million is attributed to the restoral of base to OCO transfers in the FY 2016 enacted appropriation, however, there is no material change to overall funding for Land Forces.

ARMY

The Army's Land Forces program provides Ground Operating Tempo (OPTEMPO) resources to train and sustain the active component combat forces readiness levels consistent with mission requirements. The budget supports the Active Component ground OPTEMPO training strategy, encompassing actual miles driven for home station training (HST) and Combat Training Center (CTC) rotations as well as virtual miles associated with using simulators, such as the Close Combat Tactical Trainer (CCTT) and the Unit Conduct of Fire Trainer (UCOFT). The resourced training miles in each FY reflect all units across the force in a phased, expeditionary cycle at various Army Force Generation (ARFORGEN) readiness levels. Expenses include fuel, supplies, repair parts, travel, and transportation associated with day-to-day unit training operations and special training activities. The FY 2017 request reflects a program increase of \$754 million.

LAND FORCES

LAND FORCES

The Army OPTEMPO ground metric, the Full Spectrum Training Mile (FSTM), is based on a composite average of key units and vehicles that conduct unit-level tactical training. The vehicles which comprise the FSTM metric include the M1 Tank, M2 Infantry Fighting Vehicle, M3 Cavalry Fighting Vehicle in Armored Brigade Combat Teams (ABCT); Stryker Vehicles in Stryker Brigade Combat Teams (SBCT); and the Up Armored HMMWV in Infantry Brigade Combat Teams (IBCT). The calculation of the metric includes three key inputs: training strategies, force structure and deployment offsets for ABCTs, IBCTs and SBCTs. Army uses the FSTM to quantify the level of resourcing required for training and provides a more comprehensive measurement of the key units and equipment that conduct unit-level tactical training and consume OPTEMPO resources.

The Army's goal is to fund 1,330 FSTM to execute the Combined Arms Training Strategy (CATS) and prepare Army forces to conduct regular and irregular warfare against both conventional and hybrid threats. The FY 2017 President's Budget increases the base funded Ground OPTEMPO for non-deployed units from 625 FSTM in FY 2016 to 839 FSTM in FY 2017. The increase is driven by the restoral of \$1.2 billion to Title II from Title IX in the Consolidated Appropriations Act of 2016, P.L. 114-113.

ARMY RESERVE

The FY 2017 request reflects a program increase of \$60.4 million. The Army Reserve's goal is to fund 1,589 FSTM. The request increases the Ground OPTEMPO for non-deployed units from 1178 FSTM in FY 2016 to 1,278 FSTM in FY 2017. The increase in OPTEMPO supports the additional supplies and equipment required to conduct addition training events.

ARMY NATIONAL GUARD

The FY 2017 request reflects a program increase of \$111.7 million. The Army National Guard's goal is to fund 1,237 FSTM. The request increases the Ground OPTEMPO for non-deployed units from 615 FSTM in FY 2015 to 629 FSTM in FY 2016. The increase supports funding 75 percent of the ground OPTEMPO requirement in FY 2017, an increase from 72 percent in FY 2016.

LAND FORCES

MARINE CORPS

The Operating Forces are considered the core element of the Marine Corps. About 63 percent of all active duty Marines are assigned to the Operating Forces. They provide the forward presence, crisis response and fighting power available to the Combatant Commanders. The Land Forces program supports the forces that constitute the Marine Air-Ground Team and Marine Security Forces at naval installations and aboard naval vessels. It provides for their training and routine operations, maintenance and repair of organic ground equipment, routine supplies, travel, per diem and emergency leave, information technology and internet support, and replenishment and replacement of both unit and individual equipment; as well as the movement of troops to participate in exercises directed by higher authority or the Commandant of the Marine Corps.

Program funding decreases by \$7 million from FY 2016 to FY 2017. The increase is primarily driven by the realignment of \$210 million from base to OCO in the Consolidated Appropriations Act of 2016 and increased unit training for Theater Security Cooperation. This is offset by a reduction of \$300 million for expeditionary readiness, which is funded in the FY 2017 Overseas Contingency Operations budget request.

The FY 2017 request funds Marine Corps deployable days to the target level of 88 percent.

MARINE CORPS RESERVE

The FY 2017 President's Budget reflects a net decrease of \$2.9 million from FY 2016 funding levels. There are increases for the fuel and equipment costs offset by decreases in travel, transportation, and contracts.

The FY 2017 request funds Marine Corps Reserve deployable days to the target level of 88 percent.

LAND FORCES

ARMY ACTIVE GROUND OPTEMPO

	<u>FY 2015</u>	<u>FY 2016</u> ^{/1}	<u>FY 2017</u> ^{/2}
<u>Full Spectrum Training Miles (FSTM)</u>			
FSTM Required (Live Training)	1,439	1,388	1,294
FSTM Required (Virtual Training)	<u>33</u>	<u>35</u>	<u>36</u>
Total FSTM Required (Live + Virtual)	1,472	1,423	1,330
FSTM Executed/Budgeted (Live Training)	968	590	803
FSTM Executed/Budgeted (Virtual Training)	<u>33</u>	<u>35</u>	<u>36</u>
Total FSTM Budgeted (Live + Virtual)	1,001	625	839
Percentage of Total Requirement that is Executed/Budgeted	68%	43%	63%
1/ The combined FY 2016 base and OCO funded FSTM metric is 1,022, or 72 percent of the requirement.			
2/ The combined FY 2017 base and OCO funded FSTM metric is 1,051, or 79 percent of the requirement.			

ARMY RESERVE GROUND OPTEMPO

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Full Spectrum Training Miles (FSTM)</u>			
FSTM Required (Live Training)	1,589	1,589	1,526
FSTM Executed/Budgeted (Live Training)	1,053	1,178	1,270
Percentage of Total Requirement that is Executed/Budgeted	66%	74%	83%

LAND FORCES

ARMY NATIONAL GUARD GROUND OPTEMPO

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
<u>Full Spectrum Training Miles (FSTM)</u>			
FSTM Required (Live Training)	989	854	882
FSTM Required (Virtual Training)	<u>11</u>	<u>11</u>	<u>11</u>
Total FSTM Required (Live + Virtual)	1,000	865	893
FSTM Budgeted (Live Training)	524	613	654
FSTM Budgeted (Virtual Training)	<u>11</u>	<u>11</u>	<u>11</u>
Total FSTM Budgeted (Live + Virtual)	535	624	665
Percentage of Total FSTM Requirement that is Budgeted	54%	72%	75%

LAND FORCES

MARINE CORPS ACTIVE DEPLOYABLE DAYS

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Total Possible Deployable Days	97,090	96,725	98,195
Reported Deployable Days	85,439	85,118	86,412
Percentage Achieved/Budgeted	88%	88%	88%
Performance Goal	88%	88%	88%
Equipment Maintenance & Training Funding (\$ in Millions)	511.7	491.3	473.2
Cost Per Deployable Day (\$ in Thousands)	8.48	8.02	7.81

MARINE CORPS RESERVE DEPLOYABLE DAYS

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Total Possible Deployable Days	22,265	21,170	21,535
Reported Deployable Days	19,593	18,630	18,951
Percentage Achieved/Budgeted	88%	88%	88%
Performance Goal	88%	88%	88%
Equipment Maintenance & Training Funding (\$ in Millions)	76.8	89.0	86.2
Cost Per Deployable Day (\$ in Thousands)	4.72	5.19	4.97

SHIP OPERATIONS

\$ in Millions

	FY 2015¹ Actual	Price Growth	Program Growth	FY 2016^{2/3} Enacted	Price Growth	Program Growth	FY 2017⁴ Estimate
Active Forces	14,920.7	194.7	-4,012.4	11,103.1	-167.4	65.0	11,000.8
Mission and Other Ship Operations	4,985.2	37.5	-1,195.8	3,826.9	-267.7	-46.1	3,513.1
Ship Operational Support and Training	749.1	10.6	27.6	787.3	15.7	-59.3	743.8
Ship Maintenance	7,810.1	124.8	-3,000.9	4,934.1	55.4	178.8	5,168.3
Ship Depot Operations Support	1,376.3	21.8	156.7	1,554.8	29.2	-8.4	1,575.6
Reserve Forces	41.4	-1.2	-39.6	0.6	-	-	0.6
Mission and Other Ship Operations	34.7	-1.3	-33.4	-	-	-	-
Ship Operational Support and Training	0.6	-	-	0.6	-	-	0.6
Ship Maintenance	6.1	0.1	-6.2	-	-	-	-
GRAND TOTAL	14,962.1	193.5	-4,052.0	11,103.7	-167.4	65.0	11,001.4
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$4,257.7 million of OCO funding including \$1,200.0 million of base funds transferred to OCO							
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+66.6 million, to OCO, \$-66.6 million, to reflect congressional intent for proper execution							
⁴ FY 2017 excludes \$3,993.8 of OCO funding including \$775.0 million of Bipartisan Budget Act (BBA) of 2015 compliance							

DESCRIPTION OF OPERATIONS FINANCED

The sub-activity groups within the ship operations activity group fund the active and reserve operating tempo (OPTEMPO), engineering and logistical support, maintenance, planning, and technical support to maintain and deploy combat ready ships. From these activities, the Navy purchases ship fuel, repair parts, utilities, consumable supplies, and maintenance from fleet intermediate maintenance facilities and public and private shipyards. Funding to charter logistics support and other ships from the Military Sealift Command (MSC), payments to the Department of Energy (DOE) for consumed nuclear fuel as well as storage and processing of expended nuclear cores are also financed within these sub-activity groups.

The FY 2017 active and reserve ship operations and maintenance budget decreased by \$102.3 million from the FY 2016 level. The increase from FY 2016 to FY 2017 is comprised of a price decrease of \$-167.4 million and a program increase of \$65.0 million. Program growth is affected by the FY 2016 base to OCO transfer of \$1,200 million from the FY 2016 Consolidated Appropriation Act.

SHIP OPERATIONS

SHIP OPERATIONS

PROGRAM DATA

The FY 2017 Operation and Maintenance, Navy ship operations and maintenance request provides \$11,001 million, which includes price decrease of \$-167 million and a net program increase of \$65 million above the FY 2016 level that is comprised of the following key components within separate sub-activity groups.

- The Mission and Other Ship Operations (1B1B) program has a price decrease of \$-268 million and program decrease of \$-46 million from FY 2016 to FY 2017. The program decrease is primarily due Operation and Sustainment funding for Ticonderoga-Class Cruiser and Dock Landing Ships that will undergo the Phased Modernization Plan and the FY 2016 Congressional realignment from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016. There is also a decrease associated with consumable supplies, repair parts supporting organizational maintenance, projected force protection equipment and port service requirements for non-Navy and foreign port visits.
- The Ship Operational Support and Training (1B2B) program has a price increase of \$16 million and program decrease of \$-59 million from FY 2016 to FY 2017. The program decrease is primarily due to CVN 78 Ford Class Training and Sustainment, Naval tactical Command Support System (NTCSS), and reductions as required for the Department of the Navy to comply with the Bipartisan Budget Act of 2015.
- The Ship Maintenance (1B4B) program has a price increase of \$55 million and a program increase of \$179 million from FY 2016 to FY 2017. Program growth is largely the result of the FY 2016 Congressional realignment from Title II to Title IX in P.L. 114-113, Consolidated Appropriations Act, 2016, for Ship Depot Maintenance. There is also an increase due to a shift from public to private sector for Undersea Warfare Enterprise (USE) availabilities, scheduled non-depot workload to support intermediate level work packages and reimbursable overhead at mission funded shipyards due to an increase in scheduled reimbursable work, and changes in scope, complexity, and advance planning in Miscellaneous Restricted Availabilities/Technical Availabilities (ORATA). Other contributing factors include an execution of 70% of man-days carried into FY 2017 on USS HARRY S TRUMAN (CVN 75) Planned Incremental Availability (PIA) and a planned 60,000 man-day Pierside Extended Maintenance Availability (PEMA) for MTS DANIEL WEBSTER (MTS 626).
- The Ship Depot Operations Support (1B5B) program has a price increase of \$29 million and net program decrease of \$-8 million from FY 2016 to FY 2017. The program decrease is due to changes in BLUE RIDGE Amphibious Command Ship maintenance availability scheduling, reduction in alteration and modification requirements for SAN ANTONIO Class Amphibious Transport Dock ships, and decreased barge operations costs related to a reduction of ship depot availabilities being supported.

The FY 2017 Operation and Maintenance, Navy Reserve ship operations and maintenance request provides \$0.6 million, which is no change from the FY 2015 level. Mission and Other Ship Operations (1B1B) and Ship Maintenance (1B4B) receive no funding since all of the Reserve Frigates are now decommissioned.

SHIP OPERATIONS

SHIP OPERATIONS

<u>Ship Inventory (End of Fiscal Year)</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Battle Force Ships (Active, MSC, R. Battle Force)	271	9	280	7	287
Navy Active	213	8	221	8	229
MSC Charter/Support	58	1	59	-1	58
Navy Reserve	0	0	0	0	0

<u>Battle Force Ships Inventory Adjustments by Category</u>	<u>FY 2016¹ Enacted</u>	<u>Gains</u>	<u>Losses</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Aircraft Carriers (CVNs)	11	0	0	0	11
Fleet Ballistic Missile Subs (SSBNs)	14	0	0	0	14
Guided Missile Subs (SSGNs)	4	0	0	0	4
Nuclear Attack Subs (SSNs)	53	2	-3	-1	52
Large Surface Combatants (CG/DDG)	86	4	0	4	90
Small Surface Combatants (LCS/MCM)	21	4	0	4	25
Amphibious Warfare Ships	31	1	0	1	32
Combat Logistics Ships	29	0	0	0	29
Support Ships	31	2	-3	-1	30
Total	280	13	-6	7	287

¹ FY 2016 starting inventory of 271 ships + 14 activations - 3 (inactivations) = 287 ships in FY 2017

SHIP OPERATIONS

	<u>FY 2015 Actuals</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
<u>Operating Tempo (Underway Days per Quarter)^{/1}</u>					
ACTIVE					
Deployed	64	-19	45	0	45
Non-Deployed	25	-5	20	0	20
RESERVE					
Deployed	80	-80	0	0	0
Non-Deployed	14	-14	0	0	0
<u>Ship Years (Less Ship Charter)</u>					
Conventional, O&M,N	148.0	4.0	152.0	4.5	156.5
Nuclear, O&M,N	81.5	1.5	83	-1.5	81.5
Conventional, O&M,NR	3.5	-3.5	0	0	0
<u>Ship Maintenance^{/2}</u>					
ACTIVE					
Overhauls (Ship & Service Craft)	2	1	3	1	4
Selected Restricted Availabilities	40	-34	6	1	7
Planned Maintenance Availabilities	9	-8	1	0	1
Planned Incremental Availabilities	4	-1	3	-2	1
Carrier Incremental Availabilities	3	-3	0	2	2
RESERVE					
Selected Restricted Availabilities	0	0	0	0	0
^{/1} FY 2015 includes Overseas Contingency Operations (OCO) funding					
^{/2} FY 2016 and FY 2017 excludes OCO funded underway days and maintenance					

SHIP OPERATIONS

SHIP OPERATIONS:

Ship year data provides a more accurate indicator of the overall force level for that year. A ship year measures that portion of a fiscal year that a ship serves in the fleet. For example, a ship decommissioning on June 30th would have 0.75 ship years for that fiscal year (October through June) – whereas the end of year ship inventory would be zero.

Operating TEMPO, or OPTEMPO, are the days during which the ship is underway on its own power for three or more hours. If a ship is pier-side or at anchor, it is not considered an OPTEMPO day.

SHIP MAINTENANCE:

Ship depot level maintenance requires skills or facilities beyond the capacity or capability of organizational or intermediate level activities, public and private shipyards, naval ship repair facilities, and equipment depot maintenance facilities perform ship depot maintenance.

Ships are assigned maintenance availabilities in accordance with the class maintenance plan established for the ship class. Class maintenance plans vary but always include both shorter non-docking availabilities and longer docking availabilities. The primary categories of availabilities follow:

- Overhauls are docking availabilities, normally exceeding six months in duration to restore the ship, including all operating systems that affect safety or combat capability, to established performance standards.
- Planned Maintenance Availabilities (PMA) and Selected Restricted Availabilities (SRA) are relatively short and highly intensive availabilities averaging two to three months in duration during which both alterations and repairs are typically performed. They may be docking or non-docking.
- Planned Incremental Availabilities (PIA) / Carrier Incremental Availabilities (CIA) are availabilities specific to USS NIMITZ class Aircraft Carriers during which both alterations and repairs are typically performed. They may be docking or non-docking.

Three categories of depot level maintenance are performed outside of scheduled availabilities:

- Emergent Restricted Technical Availabilities (RA/TA) are used to repair unplanned discrepancies that must be corrected prior to the next scheduled availability.
- Other RA/TA is maintenance executed between scheduled availabilities meant to maintain ships systems fully operational.
- Continuous Maintenance allows flexible execution of required Surface Ship depot level work during in port periods.

SHIP OPERATIONS

AIR OPERATIONS

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016^{2/3}</u> <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017⁴</u> <u>Estimate</u>
Army	1,355.4	15.9	63.5	1,434.8	-39.8	-34.4	1,360.6
Army Reserve	67.7	-0.1	11.8	79.4	0.7	11.1	91.2
Army National Guard	904.1	7.2	12.6	923.9	-11.5	-24.8	887.6
Navy	8,971.4	-43.7	-1,786.7	7,141.0	132.5	751.4	8,024.9
Navy Reserve	666.0	-5.5	-37.8	622.7	1.4	5.6	629.7
Air Force	16,090.7	-85.6	-4,145.4	11,859.7	58.8	1,831.4	13,749.9
Air Force Reserve	2,361.2	-32.8	-23.7	2,304.7	-29.4	204.3	2,479.6
Air National Guard	5,283.9	-37.2	480.8	5,727.5	6.3	95.8	5,829.6
TOTAL	35,700.4	-181.7	-5,424.9	30,093.8	119.0	2,840.3	33,053.1
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$6,077.3 million of OCO funding including \$2,000.0 million of base funds transferred to OCO							
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+305.2 million, to OCO, \$-305.2 million, to reflect congressional intent for proper execution							
⁴ FY 2017 excludes \$5,220.9 million of OCO funding including \$736.7 million of Bipartisan Budget Act (BBA) of 2015 compliance							

Air operations include all programs to operate, maintain, and deploy aviation forces that support the national military strategy. Air Operations funding supports the following activities: (1) day-to-day operational activities or air operations, (2) organizational and intermediate and depot level maintenance, and (3) engineering and technical support.

The FY 2017 budget request of \$33,053.1 million reflects an increase of \$2,959.3 million above the FY 2016 enacted baseline amount. This includes a price increase of \$232.2 million and a program increase of \$2,726.8 million. A portion of this increase represents a restoral of \$2,000.0 million of base to OCO realignment in FY 2016 offset by the FY 2017 \$736.7 million BBA of 2015 compliance.

AIR OPERATIONS

ACTIVE ARMY

The Army's Flying Hour Program (FHP) resources live aviation training for individual crewmembers and units according to approved aviation training strategies, providing individual and collective proficiency in support of ongoing combat and non-combat air operations. The aviation training strategies reflect a phased, expeditionary cycle for all units at various Army Force Generation (ARFORGEN) readiness levels to include a 6-month reset period. The Combined Arms Training Strategy (CATS) and Aircrew Training Manual for each type of aircraft establish specific flying hour requirements. The FHP also provides resources to train, sustain, and support non-OPTEMPO aviation unit execution of approved missions, including all institutional flight training administered by the U.S. Army Training and Doctrine Command (TRADOC) at the U.S. Army Aviation Center of Excellence. Approved programs of instruction and specified student loads determine TRADOC's flying hour requirements. FHP funds fuel, consumable repair parts, and depot level repair parts for the Army's rotary wing aircraft with the exception of the UH-72A. FHP only resources fuel for the Army's fixed wing and UH-72A fleets.

The Land Forces Air Operations includes flying hours for the following programs:

- Drug Interdiction and Counter-Drug activities,
- Combat Aviation Training Brigade at Fort Hood (the Army's collective trainer for the AH-64D Apache Longbow program),
- Combat Training Center support (National Training Center, Joint Readiness Training Center, and the Joint Maneuver Readiness in Germany), the Military District of Washington, and several other smaller units.

The Land Forces Air Operations program also funds flying hours for fixed wing aircraft in military intelligence aviation units, aviation support of the Reserve Officers Training Corps (ROTC) program, Multinational Force and Observers Operations, Sinai U.S. Army Central (ARCENT), 3 Air Ambulance Detachments in U.S. Army Forces Command, 1 Air Ambulance Detachment in U.S. Army South (ARSOUTH) and an Aviation Detachment in Japan supporting U.S. Army Pacific (USARPAC).

AIR OPERATIONS

AIR OPERATIONS

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹ Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016² Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017³ Estimate</u>
Army Aviation Assets	1,355.4	15.9	63.5	1,434.8	-39.8	-34.4	1,360.6
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$43.2 million OCO funding							
³ FY 2017 excludes \$165.0 million of OCO funding including \$106.4 million of BBA of 2015 compliance							

<u>Program Data</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017¹ Estimate</u>
Primary Authorized Aircraft	2,289	-157	2,132	39	2,171
Flying Hours (000)	407.6	+74.0	481.6	-17.9	463.7
Percent Executed	88%				
OPTEMPO (Hrs/Crew/Month)	10.7		11.5		9.5
¹ FY 2017 Flying Hours total 487.4 thousand and OPTEMPO totals 10.6 when including the BBA of 2015 compliance					

The FY 2017 budget request reflects a decrease of \$74.2 million from FY 2016. This decrease includes a price decrease of \$39.8 million and a program decrease of \$34.4 million. The decrease is primarily due to the FY 2017 BBA of 2015 compliance totaling \$106.4 million. The FY 2017 budget request along with the FY 2017 BBA of 2015 compliance will allow the Army to field a trained and combat ready force capable of executing all assigned missions across the entire spectrum of conflict.

ARMY RESERVE

The Army Reserve's Training Operations funds aviation training and operational requirements. The program includes fuel, consumable repair parts, and depot level repair parts to maintain the fleet. The program supports both unit training and operations. The Army Reserve's fixed wing and rotary wing units support the requirements of the warfighting Combatant Commanders. The Reserve fixed wing aircraft are an integral part of the military operational mission support airlift system.

AIR OPERATIONS

AIR OPERATIONS

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹ Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016² Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017³ Estimate</u>
Reserve Aviation Assets	67.7	-0.1	11.8	79.4	0.7	11.1	91.2
Numbers may not add due to rounding							
¹ FY 2015 did not execute Overseas Contingency Operations (OCO) funding							
² FY 2016 did not request OCO							
³ FY 2017 excludes \$0.6 million of OCO funding including \$0.6 million of BBA of 2015 compliance							

<u>Program Data</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Primary Authorized Aircraft	201	-	201	18	219
Flying Hours (000)	28.0	15.0	43.0	3.0	46.0
OPTEMPO (Hrs/Crew/Month)	6.0	1.0	7.0	-	7.0

The FY 2017 budget request reflects an increase of \$11.8 million. This includes a price increase of \$0.7 million and a program increase of \$11.1 million. The FY 2017 program increase provides additional flying hours, fuel, and repair parts for airframes as the Army Reserve retrain Apache aircraft pilots to fly Blackhawk aircraft.

ARMY NATIONAL GUARD

The Army National Guard Flying Hour Program provides training for fixed and rotary wing air crew members, aviation units, and supported combined arms teams to achieve and sustain designated combat readiness. Resources support the utilization, maintenance, and overhaul of aviation assets and related support equipment to sustain unit capabilities. These funds are required to maintain and train units for immediate mobilization and to provide administrative support.

AIR OPERATIONS

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹ Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016² Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017³ Estimate</u>
Aviation Assets	904.1	7.2	12.6	923.9	-11.5	-24.8	887.6
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$16.0 million OCO funding							
³ FY 2017 excludes \$32.8 million of OCO funding including \$5.6 million of BBA of 2015 compliance							

<u>Program Data</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Primary Authorized Aircraft	1,516	2	1,518	-74	1,444
Flying Hours (000)	199.0	49.0	248.0	-37.0	211.0
OPTEMPO (Hrs/Crew/Month)	105.0	11.0	116.0	-21.0	95.0

The FY 2017 budget request reflects a decrease of \$36.3 million. This includes a price decrease of \$11.5 million and a program decrease of \$24.8 million. The FY 2017 program decrease is due to a reduction in maintenance and operation support requirements for Kiowa Warrior and Longbow Apache aircraft.

ACTIVE NAVY

The Navy's Air Operations program funds the active Navy and Marine Corps flying hour operating tempo, intermediate, organizational and depot level maintenance, fleet training, engineering support, and logistical support to operate, maintain, and deploy aviation forces in support of the National Military Strategy. Navy Air Operations is subdivided into the following categories.

AIR OPERATIONS

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹ Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016^{2/3} Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017⁴ Estimate</u>
Mission/Flight Operations	5,175.1	-4.6	-1,619.7	3,550.8	26.9	517.1	4,094.8
Fleet Air Training	1,687.8	-7.4	-28.3	1,652.1	5.7	64.7	1,722.5
Aviation Technical Data & Engineering Services	35.9	0.4	0.9	37.2	0.6	14.9	52.7
Air Operations & Safety Support	95.8	1.4	6.3	103.5	2.8	-8.7	97.6
Air Systems Support	449.0	-1.0	-96.2	351.8	32.3	62.6	446.7
Aircraft Depot Maintenance	1,053.2	-39.3	-105.3	908.6	50.6	48.5	1,007.7
Aircraft Depot Operations Support	40.2	-	-7.2	33.0	1.7	3.5	38.2
Aviation Logistics	434.4	6.9	62.8	504.1	11.9	48.7	564.7
TOTAL	8,971.4	-43.7	-1,786.7	7,141.0	132.5	751.4	8,024.9
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$1,509.5 million OCO funding including \$1,000.0 million of base funds transferred to OCO							
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+92.8 million, to OCO, \$-92.8 million, to reflect congressional intent for proper execution							
⁴ FY 2017 excludes \$1,175.6 million of OCO funding including \$500.0 million of BBA of 2015 compliance							

<u>Program Data</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Primary Authorized Aircraft	2,752	326	3,078	18	3,096
Total Aircraft Inventory	3,445	214	3,659	23	3,682
Total Flying Hours (000)	944.3	-19.5	924.8	22.1	946.8
Tactical Fighter Wings	10	-	10	-1	9
Average Crew Ratio	1.54	-	1.54	-	1.54
Hours Per Crew Per Month	18.0	-0.2	17.8	0.5	18.3

The FY 2017 budget request reflects an increase of \$883.9 million. This includes a price increase of \$246.1 million and a program increase of \$637.8 million. A portion of the programmatic increase is attributed to the congressional transfer \$1,000.0 million of base funding to OCO in FY 2016.

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Mission and Other Flight Operations: FY 2017 budget request reflects a program increase of \$544.0 million. This includes a price increase of \$26.9 million and program increase of \$517.1 million. The increase is primarily attributed to base funds being transferred to OCO in FY 2016 offset by the \$500.0 million of BBA of 2015 compliance in FY 2017. Other programmatic adjustments include 13,304 additional flying hours in FY 2017.

Fleet Air Training: FY 2017 budget request reflects an increase of \$70.4 million. This includes a price increase of \$5.7 million and a program increase of \$64.7 million. The increase is primarily due to updated cost projections for Navy and Marine Corps aircraft and an additional 8,778 flying hours.

Aviation Technical Data and Engineering Services: FY 2017 budget request reflects an increase of \$15.5 million. This includes a price increase of \$0.6 million and program increase of \$14.9 million. The increase is primarily due to Contractor Engineering Technical Services for Material Readiness Teams to restore flight line corrosion prevention and treatment capabilities.

Air Operations and Safety Support: FY 2017 budget request reflects a net decrease of \$5.9 million. This includes a price increase of \$2.8 million and program decrease of \$8.7 million. The program decrease reflects reduced requirements for the Electromagnetic Launch System/Advanced Arresting Gear Fleet Support Team onboard the USS GERALD R. FORD.

Air Systems Support: FY 2017 budget request represents an increase of \$94.9 million. This includes a price increase of \$32.3 million along with a program increase of \$62.6 million. The program increases are for Program Related Logistics to improve Out of Reporting and Ready Basic Aircraft readiness for the F/A-18, AV-8B, H-1, V-22, and H-53E aircraft.

Aircraft Depot Maintenance: FY 2017 budget request reflects an increase of \$99.1 million. This includes a price increase of \$50.6 million and a program increase of \$48.5 million. The program increase is primarily a result of a difference in workload and unit cost mix for Phase Depot Maintenance/Planned Maintenance Interval events and High Flight Hour maintenance events for F/A-18 aircraft.

Air Depot Operations Support: FY 2017 budget reflects an increase of \$5.2 million. This includes a price increase of \$1.7 million along with a program increase of \$3.5 million. Programmatic increases are attributed mainly to aircraft operations support services associated with Preservation, Customer Fleet Support, and Ferry Flights at the Naval Aviation Depots.

Aviation Logistics: FY 2017 budget reflects an increase of \$60.6 million. This includes a price increase of \$11.9 million along with a program increase of \$48.7 million. Programmatic increases are attributed mainly to additional Engine Performance Based Logistics support, Integrated Logistics Support, and Sustaining Engineering for the F-35 program.

NAVY RESERVE

The Air Operations activity group provides funding for all aspects of Navy and Marine Corps Reserve Component air operations from flying hours to specialized training, maintenance and associated support. Programs supporting Reserve Component Air Operations

AIR OPERATIONS

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include: flying hours (fuel, consumables, depot-level repairables and contract maintenance); range operations; squadron and wing travel; specialized skill training and associated administrative support; intermediate and depot level maintenance; and operational support such as command and control.

\$ in Millions

<u>Funding Summary</u>	FY 2015¹ <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	FY 2017⁴ <u>Estimate</u>
Mission/Flight Operations	551.9	-4.8	-27.1	520.0	-5.3	11.5	526.2
Intermediate Maintenance	5.7	0.1	0.4	6.2	0.1	0.4	6.7
Aircraft Depot Maintenance	97.1	-0.9	-13.5	82.7	6.2	-2.7	86.2
Aircraft Depot Operations Support	0.4	-0.1	<-0.1	0.3	-0.1	<-0.1	0.4
Aviation Logistics	10.9	0.1	2.4	13.4	0.3	-3.5	10.2
TOTAL	666.0	-5.5	-37.8	622.7	1.4	5.6	629.7
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$24.2 million OCO funding							
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+0.2 million, to OCO, \$-0.2 million, to reflect congressional intent for proper execution							
⁴ FY 2017 excludes \$19.0 million of OCO							

<u>Program Data</u>	FY 2015 <u>Actual</u>	<u>Change</u>	FY 2016 <u>Enacted</u>	<u>Change</u>	FY 2017 <u>Estimate</u>
Primary Authorized Aircraft	259	-9	250	25	275
Total Aircraft Inventory	259	-8	251	24	275
Total Flying Hours (000)	78.9	10.6	89.5	-2.4	87.1
Tactical Support Wings	1	-	1	-	1
Hours Per Crew Per Month	10.4	1.7	12.1	0.6	12.7

The FY 2017 estimate reflects an increase of \$7.0 million. This includes a pricing increase of \$1.4 million and a programmatic increase of \$5.6 million. The program increase reflects the restoration of 2 HH-60H Special Operations Forces Support Squadrons and the stand-up of a new Marine Helicopter squadron at Camp Pendleton, California.

AIR OPERATIONS

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ACTIVE AIR FORCE

The Air Force Air Operations funding provides the resources that support the Air Force combat forces. These activities provide for the operational flying requirements of bomber, fighter, mobility, and training forces stationed in the United States as well as overseas. Also included are resources supporting: land based intercontinental ballistic missiles; air launched strategic and tactical missiles; electronic warfare and defense suppression missions; combat command, control, and communications; combat aircrew training; and associated combat related base support.

Financing provides for the operating tempo, organizational and depot level maintenance, training, engineering support, logistical support, and base support to operate, maintain, and deploy aviation forces in support of the national military strategy. The FY 2017 budget request reflects an increase of \$1,890.2 million from the FY 2016 funding level. This includes a price increase of \$58.8 million and program increase totaling \$1,831.4 million.

The Air Operations activity is subdivided into the following categories:

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹</u>	<u>Price</u>	<u>Program</u>	<u>FY 2016^{2/3}</u>	<u>Price</u>	<u>Program</u>	<u>FY 2017⁴</u>
	<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Enacted</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
Primary Combat Forces	4,710.2	-136.2	-2,471.0	2,103.0	-6.8	1,197.9	3,294.1
Combat Enhancement Forces	2,931.9	0.9	-1,147.3	1,785.5	-19.0	-84.5	1,682.0
Air Operations Training	1,192.5	-8.7	463.7	1,647.5	-2.9	86.2	1,730.8
Depot Maintenance	7,256.0	58.6	-990.8	6,323.8	87.4	631.8	7,043.0
TOTAL	16,090.7	-85.6	-4,145.4	11,859.7	58.8	1,831.4	13,749.9

Numbers may not add due to rounding

¹ FY 2015 includes Overseas Contingency Operations (OCO) funding

² FY 2016 excludes \$4,433.3 million of OCO funding including \$1,000.0 million of base funds transferred to OCO

³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+212.1 million, to OCO, \$-212.1 million, to reflect congressional intent for proper execution

⁴ FY 2017 excludes \$3,773.3 million of OCO funding including \$124.0 million of BBA of 2015 compliance

AIR OPERATIONS

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<u>Program Data</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Primary Aircraft Inventory					
Bombers	112	-	112	-	112
Fighters	1,048	11	1,059	15	1,074
Training	978	2	980	-	980
Airlift	207	1	208	-2	206
Tanker	192	11	203	8	211
Other	492	44	536	2	538
TOTAL	3,029	69	3,098	23	3,121

Total Aircraft Inventory					
Bombers	135	1	136	-	136
Fighters	1,205	33	1,238	18	1,256
Training	1,208	1	1,209	-1	1,208
Airlift	223	7	230	-5	225
Tanker	213	11	224	8	232
Other	518	45	563	8	571
TOTAL	3,502	98	3,600	28	3,628

Flying Hours (000)	1,186.4	71.4	1,257.8	-2.7	1,255.1
ICBM Inventory – Minuteman II	450	-	450	-	450
Crew Ratios (Average)					
Bombers	1.29	-	1.29	-	1.29
Fighters	1.29	-	1.29	-	1.29
OPTEMPO (Hrs/Crew/Month)					
Bombers	12.1	0.9	13.0	3.3	16.3
Fighters	13.2	-0.3	12.9	1.2	14.1

AIR OPERATIONS

AIR OPERATIONS

Primary Combat Forces: FY 2017 budget request reflects a net increase of \$1,191.1 million. The FY 2017 budget request includes a price decrease of \$6.8 million and a program increase of \$1,197.9 million. The program increase is primarily attributed the restoral of \$1,000.0 million of base to OCO realignment in FY 2016. Additional program growth is due to increased requirements for fixed wing programs, flying hours, and nuclear deterrence.

Combat Enhancement Forces: FY 2017 budget request reflects a decrease of \$103.5 million. The FY 2017 budget request includes a price decrease of \$19.0 million and a program decrease of \$84.5 million. The program change is primarily driven by the transfer of cyberspace operations support funding to the Other Combat Operations Support Programs line item within Air Force O&M.

Air Operations Training: FY 2017 budget request reflects a net increase of \$83.3 million. The FY 2017 budget request includes a price decrease of \$2.9 million and a program increase of \$86.2 million. The program change is primarily driven by increased exercise and range training along with the associated flying hours to ensure Air Force can meet its readiness goals.

Depot Maintenance: FY 2017 budget request reflects an increase of \$719.2 million. The FY 2017 budget request includes a price increase of \$87.4 million and a program increase of \$631.8 million. The program change is attributed to increased weapons system sustainment for manned and unmanned reconnaissance aircraft, cyberspace, nuclear deterrence, and F-22 aircraft maintenance.

AIR FORCE RESERVE

The Air Force Reserve Air Operations budget provides the resources to maintain and train units for immediate mobilization and to provide administrative support for the Air Reserve Personnel Center. Activities supported include aircraft depot level operations, base and aircraft maintenance, medical treatment, civilian pay, travel/transportation, and maintenance of other equipment.

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹ Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016² Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017³ Estimate</u>
Primary Combat Forces	1,661.3	-27.4	-27.9	1,606.0	-31.8	133.7	1,707.9
Mission Support Operations	205.6	2.7	3.4	211.7	3.3	15.0	230.0
Depot Maintenance	494.3	-8.1	0.8	487.0	-0.8	55.5	541.7
TOTAL	2,361.2	-32.8	-23.7	2,304.7	-29.4	204.3	2,479.6
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$51.1 million of OCO funding							
³ FY 2017 excludes \$51.1 million of OCO funding							

AIR OPERATIONS

AIR OPERATIONS

<u>Program Data</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Primary Aircraft Authorized (PAA)					
Bombers	-	-	-	-	-
Fighters	72	-	72	-	72
Training	40	-	40	-	40
Airlift	101	-4	97	-8	89
Tanker	68	-	68	4	72
Other	32	-	32	-	32
TOTAL	313	-4	309	-4	305

Total Aircraft Inventory (TAI)					
Bombers	-	-	-	-	-
Fighters	87	-7	80	-	80
Training	46	-	46	-	46
Airlift	106	-6	100	-8	92
Tanker	70	-	70	2	72
Other	33	3	36	-	36
TOTAL	342	-10	332	-6	326

Flying Hours (000)	78.0	25.5	103.5	-4.7	98.8
Crew Ratio (Average per Aircraft)					
Fighters	1.25	-	1.25	-	1.25
OPTEMPO (Hrs/Crew/Month)					
Fighters	12.6	3.2	15.8	1.9	17.7

Primary Combat Forces (Air Operations): The FY 2017 budget request reflects a net increase of \$101.9 million. This includes a price decrease of \$31.8 million and a program increase of \$133.7 million. The program increase is primarily attributed to the increases in civilian pay and the Training, Test, and Ferry (TTF) program.

AIR OPERATIONS

Mission Support Operations: The FY 2017 budget request reflects an increase of \$18.3 million. This includes a price increase of \$3.3 million and a program increase of \$15.0 million. The program increase is primarily driven by increases in civilian pay and supplies and equipment required for Info Operations and Network Operations squadrons.

Depot Maintenance: The FY 2017 budget request reflects and net increase of \$54.7 million. This includes a price decrease of \$0.8 million and a program increase of \$55.5 million. The program increase is primarily due to increased scheduled depot maintenance for C-5s, A-10s, and B-52s in FY 2017.

AIR NATIONAL GUARD

The Air National Guard Air (ANG) Operations program provides for the flying and maintenance of ANG mission related aircraft. These funds also provide for the facilities, equipment, and manpower required to train, equip, and support the ANG force structure at a combat readiness level that enables the ANG to immediately assimilate into the active Air Force and to be capable of conducting independent operations in accordance with unit wartime taskings.

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015¹ Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016² Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017³ Estimate</u>
Aircraft Operations	2,710.1	-38.4	572.5	3,244.2	-10.7	48.7	3,282.2
Mission Support Operations	865.7	10.5	-161.6	714.6	11.0	-2.5	723.1
Depot Maintenance	1,708.1	-9.4	69.9	1,768.6	6.2	49.6	1,824.4
TOTAL	5,283.9	-37.2	480.8	5,727.5	6.3	95.8	5,829.6
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$0.1 million of OCO funding							
³ FY 2017 excludes \$3.4 million of OCO funding							

AIR OPERATIONS

<u>Program Data</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Primary Authorized Aircraft					
Fighters	392	-23	369	18	387
Training	113	4	117	5	122
Airlift	180	-	180	-2	178
Tanker	166	-	166	-	166
Other	133	5	138	1	139
TOTAL	984	-14	970	22	992

<u>Program Data</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Total Aircraft Inventory (TAI)					
Fighters	470	-30	440	17	457
Training	136	5	141	5	146
Airlift	182	4	186	-2	184
Tanker	172	-	172	-1	171
Other	140	6	146	-	146
TOTAL	1,100	-15	1,085	19	1,104

Flying Hours (000)	181.4	31.3	212.7	-9.6	203.1
Crew Ratio (Average per Aircraft)					
Fighters	7.5	-	7.5	-	7.5
OPTEMPO (Hrs/Crew/Month)					
Fighters	37.2	11.5	48.7	5.2	53.9

AIR OPERATIONS

AIR OPERATIONS

Primary Combat Forces Aircraft Operations: Aircraft Operations reflects a net increase of \$38.0 million and includes a price decrease of \$10.7 million and program increases of \$48.7 million. The program increase is primarily driven by additional flying hours for the A-10 aircraft and civilian pay requirements.

Mission Support Operations: The FY 2017 budget reflects a net increase of \$8.5 million. This includes price increases of \$11.0 million and program decreases of \$2.5 million. The major drivers of the program decreases include one-time FY 2016 costs for cyber units and training.

Depot Maintenance: The FY 2017 budget reflects an increase of \$55.8 million, this includes price increases of \$6.2 million and program increases of \$49.6 million. The program increase is primarily driven by increased weapons system sustainment for F-22, E-8, C-130, and KC-135 aircraft.

UNITED STATES SPECIAL OPERATIONS COMMAND (USSOCOM)

\$ in Millions

	FY 2015¹ <u>Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2016^{2/3} <u>Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2017⁴ <u>Estimate</u>
O&M, Defense-Wide	7,847.2	82.3	-2,760.0	5,169.4	67.9	115.6	5,352.9
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 baseline excludes \$2,390.8 million of OCO funding							
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+15.1 million, to OCO, \$-15.1 million, to reflect congressional intent for proper execution							
⁴ FY 2017 excludes \$2,650.7 million of OCO funding							

Description of Operations Financed:

The United States Special Operations Command's (USSOCOM) mission is to provide fully capable Special Operations Forces (SOF) to defend the United States and its interests, and to plan and synchronize operations against terrorist networks. To achieve this mission, SOF commanders and staff must plan and lead a full range of lethal and non-lethal special operations missions in complex and ambiguous environments. Likewise, SOF personnel serve as key members of Joint, Interagency, and International teams and must be prepared to apply all assigned authorities and employ all available elements of power to accomplish assigned missions. In this capacity, SOF personnel must maintain the highest degree of professionalism, cultural awareness, responsiveness and initiative.

The FY 2017 request directly supports the guidance set forth in the Defense Strategic Guidance and focuses on readiness and maintaining the current level of Special Operations Forces (SOF) capabilities. To support these efforts, resources were applied to ensure the command's ability to efficiently provide a ready, synchronized and agile force possessing multilateral capabilities that can identify, disrupt, and defeat a wide spectrum of threats.

The USSOCOM continues to globally distribute SOF based on Geographic Combatant Command (GCC) demands in order to address new and/or existing threats and build tailored capabilities appropriate for counter terrorism and irregular warfare in order to better meet the needs of those regional military commanders. In addition, USSOCOM will also continue to focus more closely on trans-regional problem sets, ensuring that personnel are true experts in the terrain, languages, and cultures in their respective areas of responsibility.

UNITED STATES SPECIAL OPERATIONS COMMAND (USSOCOM)

UNITED STATES SPECIAL OPERATIONS COMMAND (USSOCOM)

The FY 2017 Operation and Maintenance (O&M) budget request allows USSOCOM to accomplish its assigned roles and missions; however USSOCOM remains dependent upon OCO funding to bridge readiness gaps, and to address unmet GCC demand for deployed SOF outside of named operations. In addition to OCO funding, USSOCOM relies heavily on the Services for logistics, installation services, combat service support in forward deployed locations, and institutional training and education.

Overall Assessment:

The USSOCOM baseline O&M funding increases by \$183.5 million in FY 2017; of which, \$67.9 million is price growth and \$115.6 million is program growth. This program growth includes increases for civilian pay, U-28 manned intelligence, surveillance and reconnaissance contract logistics support, communications support, joint combined exchange training, and Multi-Mission Tactical Unmanned Aircraft System. As the Nation's military focus transitions from Operation ENDURING FREEDOM to Operation INHERENT RESOLVE and other emerging networked threats around the world, this budget request provides enhancements to maintain operational unit readiness for direct action and other capabilities such as SOF non-lethal skills necessary for operations in the human domain. USSOCOM retains the capability to build partner nation capacity in an effort to combat the persistent threat of terrorism as called for in the 2015 National Security Strategy.

The FY 2017 O&M request also reflects continued efforts to improve the structure, review, and oversight of USSOCOM's budget submission documents. To support this effort, several budget sub-activity (BSA) realignments are included in this request that more properly align programs within the BSAs.

Together, the initiatives contained in USSOCOM's FY 2017 President's Budget Request will enable USSOCOM to perform SOF core activities, advance comparative advantages, and provide the nation with a highly capable, resilient force. This submission embraces increased flexibility and is responsive both alone and in conjunction with General Purpose Forces across the full spectrum of operations to provide multilateral capabilities that can identify, disrupt and defeat a wide spectrum of threats. The resources in this budget request will posture SOF to meet GCC requirements and National strategic objectives while leveraging our Global SOF partners for maximum effort.

COMBATANT COMMANDS

\$ in Millions

Combatant Command ¹	FY 2015 ² Actual	Program Change	FY 2016 ³ Enacted	Program Change	FY 2017 ³ Estimate
U.S. Africa Command (USAFRICOM)	244.3	-3.6	240.7	-15.0	225.7
U.S. Central Command (USCENTCOM)	258.4	-106.8	151.6	12.5	164.1
U.S. European Command (USEUCOM)	121.3	-1.9	119.4	14.9	134.3
U.S. Northern Command (USNORTHCOM)	221.9	-45.8	176.1	5.2	181.3
U.S. Pacific Command (USPACOM)	254.6	-41.2	213.4	1.1	214.5
U.S. Southern Command (USSOUTHCOM)	190.2	-6.6	183.6	4.5	188.1
U.S. Strategic Command (USSTRATCOM)	773.3	-30.9	742.4	6.5	748.9
TOTAL	2,063.8	-236.7	1,827.1	29.8	1,856.9
U.S. Special Operations Command (USSOCOM)/ ⁴	7,847.2	-2,677.8	5,169.4	183.5	5,352.9
U.S. Transportation Command (USTRANSCOM)/ ⁵	8,143.4	-1,466.4	6,677.0	-521.7	6,155.3
Numbers may not add due to rounding					
Source: Component PB-58 exhibits.					
¹ COCOM amounts reflect Headquarters and Mission Support O&M Funding					
² FY 2015 includes Overseas Contingency Operations (OCO) funding.					
³ FY 2016 and FY 2017 do not include OCO funding.					
⁴ USSOCOM includes HQ and operational funds.					
⁵ USTRANSCOM is funded predominately with customer orders in the Working Capital Fund.					

The funding reflected above supports Combatant Commands (COCOMs) day-to-day operations and mission activities that promote regional stability. The funding for USTRANSCOM and USSOCOM is shown separately because they also include operational funding.

COMBATANT COMMANDS

COMBATANT COMMANDS

Direct Mission Support: Supports the COCOMs and their mission to provide the functional combatant capability and geographic world-wide mobility of the United States (U.S.) Forces. This funding is critical to defending the homeland and deterring foreign adversaries by executing the National Security Strategy and National Military Strategy.

Core Operations Program Support: Supports the operation and administration of the COCOM's headquarters staff, including civilian pay, travel, supplies, and training.

The Department's request for Combatant Command Operation and Maintenance (O&M) funding increased from FY 2016 to FY 2017 by \$30 million. The significant changes for each COCOM are:

- Net increase of \$4.4 million for **Army COCOMs** includes:
 - \$+6.8 million for USEUCOM to support Cyberspace and Information Operations; FTEs for the Joint Cyber Center; partner nation expenses supporting combined exercise program; European Command Open Source Element program; changes in civilian costing rates due to increases in mandated contributions, cost of living allowances, aggressive hiring of professionals
 - \$+5.4 million for USEUCOM to support the Russia Strategic Initiative
 - \$+5.0 million for USEUCOM to support an engineering study to determine Integrated Air and Missile Defense operational requirements
 - \$+4.6 million for USSOUTHCOM for Traditional Commander's Activities program; for the Joint Southern Surveillance Reconnaissance Operation Center
 - \$+4.5 million for USSOUTHCOM supports changes in civilian costing rates
 - \$+3.5 million for USAFRICOM's Cyberspace and Information Operations
 - \$-3.1 million for USAFRICOM to support strategic efficiency reductions in major headquarters activities
 - \$-4.0 million for USEUCOM to support strategic efficiency reductions in major headquarters activities
 - \$-4.3 million for USSOUTHCOM to support strategic efficiency reductions in major headquarters activities
 - \$-15.0 million for USAFRICOM for Personnel Recovery program services contract funded in the base as this primarily supports counter terrorism operations and is funded in OCO for FY 2017

COMBATANT COMMANDS

COMBATANT COMMANDS

- Net increase of \$1.2 million for Support to **USPACOM** includes:
 - \$+3.6 million for USFK for the Command, Control, Communications, Computers and Information Management and Technology service contract; Joint Information Communications System; Defense Biometric Identification Systems contract
 - \$+2.2 million for USPACOM for mission engagement, international partnership development, Pacific Warfighting Center operations; Computer Network Defense Services
 - \$+1.8 million for to support Cyberspace and Information Operations; FTEs for the Joint Cyber Center; partner nation expenses supporting combined exercise program; European Command Open Source Element program; changes in civilian costing rates due to increases in mandated contributions, cost of living allowances, aggressive hiring of professionals
 - \$-1.1 million for US Forces Korea (USFK) to support strategic efficiency reductions in major headquarters activities
 - \$-5.7 million for USPACOM for strategic efficiency reductions in major headquarters activities
- Net increase of \$+24.2 million for **Air Force COCOMs** includes:
 - \$+9.2 million adjustment to classified programs
 - \$+8.0 million increase for USCENCOM HQ operational requirements to support the enhancement of operational planning, crisis and contingency response and steady state operations in support of National Security interest
 - \$+4.1 million to continue USCYBERCOM Joint Operations Center Fit-out project to include hiring of security guards for increased facility security during construction and allows USCYBERCOM to conduct phase 1 and 2 of the Cyber Situational Awareness Evaluation of Alternatives for Combatant Commander support (\$+20.6 million) which is offset for an adjustment (\$-16.5 million) in funding for Cyber Forces Phased Full Growth as program matures and reaches full operating capability
 - \$+3.6 million to modify the modeling and simulation tools at USSTRATCOM's Joint Space Doctrine/Tactics Center; USSTRATCOM's mission planning and analysis system capability and support integration of strategic options
 - \$+2.2 million for USNORTHCOM Cheyenne Mountain Air Station requirements; Contingency Command Center
 - \$-4.3 million for USCENCOM Voice and Military Information Support Operations programs

COMBATANT COMMANDS

MILITARY INFORMATION SUPPORT OPERATIONS (MISO)

\$ in Millions

Program	SAG	FY 2015 Actual	Program Change	FY 2016 Enacted	Program Change	FY 2017 Estimate
Army O&M	138	73.7	-12.7	61.0	17.9	78.9
USAFRICOM	138	3.8	-0.1	3.7	3.6	7.3
USEUCOM	138	2.8	2.0	4.8	0.2	5.0
USEUCOM (OCO)	135	0.0	0.0	0.0	5.0	5.0
USSOUTHCOM	138	2.9	0.2	3.1	0.0	3.1
AFGHANISTAN (OCO)	135	64.2	-14.8	49.4	9.1	58.5
Air Force O&M	15A	55.9	9.2	65.1	3.2	68.2
USCENTCOM	15A	35.6	-1.4	34.2	3.2	37.4
USCENTCOM (OCO)	15A	19.9	10.5	30.4	0.0	30.4
USNORTHCOM	15A	0.4	0.1	0.5	0.0	0.5
Navy O&M*	1CCM	6.1	2.0	8.1	0.2	8.3
USPACOM	1CCM	6.1	2.0	8.1	0.2	8.3
Defense Wide O&M	1PL2	12.2	12.8	25.0	-1.2	23.8
USSOCOM	1PL2	0.4	24.6	25.0	-1.2	23.8
USSOCOM (OCO)	1PL2	11.8	-11.8	0.0	0.0	0.0
Subtotal Base		51.9	27.5	79.4	6.0	85.4
Subtotal OCO		96.0	-16.2	79.7	14.1	93.9
Total (Base and OCO)		147.9	11.2	159.1	20.1	179.2
Numbers may not add due to rounding						

* Does not include Navy O&M funding for AFRICOM VOICE/MISO activities in the amount of \$8.2 million in FYs 2015, 2016, and 2017.

MILITARY INFORMATION SUPPORT OPERATIONS (MISO)

MILITARY INFORMATION SUPPORT OPERATIONS (MISO)

Military Information Support Operations (MISO), previously known as Psychological Operations (PSYOP), are planned operations to convey selected information and indicators to foreign audiences to influence their emotions, motives, objective reasoning, and ultimately the behavior of foreign governments, organizations, groups, and individuals. This exhibit represents only Combatant Command and theater level MISO activities.

The FY 2017 budget request of \$179.2 million includes base and Overseas Contingency Operations (OCO) funding. The FY 2017 estimate reflects an increase of \$20.1 million or a 12.6 percent increase from the FY 2016 budget request level. The following are the most significant changes:

- The Afghanistan request of \$58.5 million includes a net increase of \$9.1 million or 18.4 percent increase from the FY 2016 budget request level to reflect anticipated increased operations in support of military retrograde activities.
- The USAFRICOM budget request of \$7.3 million includes a net increase of \$3.6 million or a 97.3 percent increase from the FY 2016 budget request level to fund a pilot in support of AFRICOM's Theater Campaign Plan (TCP).
- The USEUCOM OCO budget request of \$5.0 million or a 100 percent increase from the FY 2016 budget request level to fund a pilot in support of the Guidance for Employment of the Force (GEF) campaign objectives.
- The USCENTCOM budget request of \$37.4 million reflects a net increase of \$3.2 million or a 9.4 percent increase from the FY 2016 budget request level which is mainly due to an internal realignment between program elements.

DEPOT MAINTENANCE

\$ in Millions

	FY 2015 ¹ <u>Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2016 ² <u>Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2017 ³ <u>Estimate</u>
<u>Active Forces</u>							
Army	3,498.5	146.7	-3,051.2	594.0	3.7	415.8	1,013.5
Navy	8,863.3	85.0	-3,105.7	5,842.6	231.8	101.5	6,176.0
Marine Corps	658.3	27.8	-497.5	188.6	4.6	13.6	206.8
Air Force	9,583.9	67.3	-1,772.6	7,878.6	101.8	969.8	8,950.2
USSOCOM	724.2	10.0	-84.8	649.3	9.5	-31.1	627.7
Subtotal	23,328.2	336.8	-8,511.8	15,153.1	351.4	1,469.6	16,974.2
<u>Reserve Forces</u>							
Army Reserve	59.4	2.8	-7.6	54.6	0.5	1.2	56.2
Navy Reserve	103.3	-0.9	-19.7	82.7	6.2	-2.7	86.2
Marine Corps Reserves	18.4	0.5	-0.6	18.3	0.7	-0.4	18.6
Air Force Reserve	494.3	-8.1	0.8	487.0	-0.8	55.5	541.7
Army National Guard	178.9	7.5	-21.3	165.1	-1.4	56.2	219.9
Air National Guard	1,708.1	-9.4	69.9	1,768.6	6.2	49.6	1,824.4
Subtotal	2,562.4	-7.6	21.5	2,576.3	11.4	159.4	2,747.0
Grand Total	25,890.6	329.2	-8,490.3	17,729.4	362.8	1,629.0	19,721.2
					Numbers may not add due to rounding		
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$7,858.7 million of OCO funding including \$2,000.0 million of base funds transferred to OCO							
³ FY 2017 excludes \$6,751.2 million of OCO funding including \$1,249.0 million of Bipartisan Budget Act (BBA) of 2015 compliance							

DEPOT MAINTENANCE

The Depot Maintenance program funds the overhaul, repair, and maintenance of aircraft, missiles, aircraft carriers, ships, submarines, combat vehicles and other equipment. It continues to play a key role in force readiness by ensuring maintenance priorities align with military operational needs, sustaining core maintenance capabilities in organic depots, and sustaining the Defense industrial base.

The FY 2017 request reflects an increase of \$1,992 million. The FY 2017 base budget funds an average of 75 percent of base executable requirements. This decrease of 2 percent over FY 2016 enacted levels is partially due to realignment of \$2,000 million of base transferred to OCO in the FY 2016 Consolidated Appropriations Act offset by \$1,249 million FY 2017 BBA of 2015 compliance. Executable requirements include both funded and unfunded requirements not restricted by depot capacity. The following highlights the FY 2017 Depot Maintenance program base budget.

Department of the Army:

The FY 2017 request of \$1,290 million, a net increase of \$476 million from FY 2016 enacted levels, funds 65 percent of executable base requirements. The following details the Department of the Army changes:

- \$500 million increase in depot maintenance for the base to OCO transfer of funds in the FY 2016 Consolidated Appropriations Act.
- \$117 million increase for 45 additional M1A2 Abrams System Enhancement Package/Retrofits recapitalizations to support the Army's modernizations efforts.
- \$93 million increase to support 828 embedded software support systems for the sustainment of Army's Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance, which helps support the Army's migration from an analog force to a net centric force on a digitized battlefield and enables Army to distribute intelligence information.
- \$93 million increase to support the Army's modernization efforts for Phase Array Tracking Radar, Intercept of Target (PATRIOT) recapitalizations and repair missile recertification.
- \$23 million increase to support Communications Electronics End Item Maintenance for Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance equipment.
- \$350 million decrease for BBA of 2015 compliance.

DEPOT MAINTENANCE

Department of the Navy:

Navy

The FY 2017 request of \$6,262 million, a net increase of \$337 million from FY 2016 enacted levels, funds 79 percent of executable base requirements. The following details Navy changes:

- \$1,000 million increase in ship maintenance for the base to OCO transfer of funds in the FY 2016 Consolidated Appropriations Act.
- \$112 million base funds supporting the shift from public to private shipyard for the overhaul of 2 submarines, the USS Springfield and Columbus.
- \$775 million decrease for BBA of 2015 compliance.

Marine Corps

The FY 2017 request of \$225 million, a net increase of \$19 million from FY 2016 enacted levels, funds 69 percent of executable requirements. The following details Marine Corps changes:

- \$19 million base funds supporting Amphibious Assault Vehicles (AAVs), construction equipment maintenance, e.g., loaders and purification systems, and communications maintenance for radars.

Department of the Air Force:

The FY 2017 request of \$11,316 million, a net increase of \$1,182 million from FY 2016 enacted levels, funds 75 percent of executable requirements. The following details the Department of the Air Force changes:

- \$500 million increase in depot maintenance for the base to OCO transfer of funds in the FY 2016 Consolidated Appropriations Act.
- \$675 increase base funds increase for contractor logistics support and aircraft depot maintenance supporting A-10 Warthogs, F-15 Eagles, F-16 Falcons, C-17 Globemasters, B-1 Bombers, B-2 Stealth Bombers, F-22 Raptors, and KC-135 Stratotankers.
- \$131 million base funds increase supporting cyber systems and Global Positioning System (GPS) space and control maintenance.
- \$124 million decrease for BBA of 2015 compliance.

DEPOT MAINTENANCE

U.S. Special Operations Command (USSOCOM):

The FY 2017 request of \$628 million, a net decrease of \$22 million from FY 2016 enacted levels, funds 100 percent of executable requirements. The following details SOCOM changes:

- \$15 million decrease for a reduction of 5 airframes in the C-145A program and the C-146 contracted support migrating to military sustainment in FY 2017.
- \$20 million decrease for Family of Special Operations Vehicles (FOSOV) requirements for sustainment of Ground Mobility Vehicle (GMV) platforms. In FY 2017, the GMV 1.1 will begin replacing the GMV 1.0 fleet, which reduces sustainment costs of older vehicles.
- \$3 million increase for sustainment of Wet Combat Submersibles, Combatant Craft Medium (CCM) MK1 boats, Combat Craft Heavy (CCH) boats, and the High Speed Assault Craft (HSAC).

DEPOT MAINTENANCE

\$ in Millions

	FY 2015¹ Funded Executable Requirement	Unfunded Deferred Requirement	FY 2016² Funded Executable Requirement	Unfunded^{3/} Deferred Requirement	FY 2017⁴ Funded Executable Requirement	Unfunded^{3/} Deferred Requirement	FY 2016 % Funded	FY 2017 % Funded
Dept of the Army⁵	3,736.8	3,973.8	813.7	530.3	1,289.6	699.2	61%	65%
Aircraft	381.7	415.8	458.9	172.0	450.4	95.9	73%	82%
Combat Vehicles / Automotive Equipment	709.2	912.1	202.1	169.8	323.7	128.9	54%	72%
Other	2,645.9	2,645.9	152.7	188.5	515.5	474.4	45%	52%
Dept of the Navy⁵	9,643.3	197.8	6,132.2	1,834.1	6,487.6	1,909.5	77%	77%
Ships	7,799.2	62.8	4,887.3	1,550.2	5,103.5	1,580.2	76%	76%
Aircraft	1,129.9	74.5	973.3	217.5	1,074.0	229.6	82%	82%
Combat Vehicles / Automotive Equipment	504.8	47.8	137.1	51.3	126.7	68.1	73%	65%
Other	209.4	12.7	134.5	15.1	183.4	31.6	90%	85%
Dept of Air Force⁵	11,786.3	2,070.2	10,134.2	4,031.8	11,316.3	3,819.2	72%	75%
Aircraft	9,129.1	1,426.3	7,672.8	3,132.1	8,782.6	3,021.1	71%	74%
Other	2,657.2	643.9	2,461.4	899.7	2,533.7	798.1	73%	76%
USSOCOM	724.2	-	649.3	0.0	627.7	-	100%	100%
Aircraft	338.5	-	351.7	0.0	342.0	-	100%	100%
Other	385.7	-	297.6	0.0	285.7	-	100%	100%
Total	25,890.6	6,241.8	17,729.4	6,396.2	19,721.2	6,427.9	73%	75%
Ship	7,799.2	62.8	4,887.3	1,550.2	5,103.5	1,580.2	76%	76%
Aircraft	10,979.2	1,916.6	9,456.7	3,521.6	10,649.0	3,346.6	73%	76%
Combat Vehicles / Automotive Equipment	1,214.0	959.9	339.2	221.1	450.4	197.0	61%	70%
Other	5,898.2	3,302.5	3,046.2	1,103.3	3,518.3	1,304.1	73%	73%
1/ FY 2015 includes OCO funding.								
2/ FY 2016 excludes excludes \$7,858.7 million of OCO funding including \$2,000.0 million of base funds transferred to OCO.								
3/ A portion of the unfunded deferred requirement is funded with OCO.								
4/ FY 2017 excludes \$6,751.2 million of OCO funding including \$1,249.0 million of Bipartisan Budget Act (BBA) of 2015 compliance								
5/ Includes Active, Reserve, and Guard Components as applicable.								

DEPOT MAINTENANCE

Department of Defense

All Appropriations

Depot Maintenance Program

Dollars in Millions			FY 2015	FY 2016				FY 2017			
Service	Activity Type	Method Of Accomplishment	Total Funds	Base Funded	Base Required	OCO Funded	OCO Required	Base Funded	Base Required	OCO Funded	OCO Required
Army	Aircraft	Contractor Logistics Support (CLS)	19.8	16.1	16.1	-	-	16.3	16.3	-	-
		Organic	402.9	433.7	567.2	48.7	48.7	481.1	562.6	16.6	16.6
		Other Contract	73.1	133.5	172.0	2.8	2.8	89.1	103.5	2.1	2.1
	All Other Items Not Identified	Organic	334.3	5.6	9.1	482.5	482.5	5.9	9.4	1.5	1.5
		Other Contract	116.6	2.1	11.8	-	-	-	10.3	1.7	1.7
	Automotive Equipment	Organic	408.9	243.4	286.0	268.8	268.8	249.2	271.4	6.5	6.5
		Other Contract	57.4	20.2	33.1	0.3	0.3	36.0	44.4	32.4	32.4
	Combat Vehicles	Inter-Service	4.2	-	-	7.2	7.2	-	-	-	-
		Organic	272.6	157.6	253.6	40.3	40.3	205.8	288.0	1.5	1.5
		Other Contract	170.9	22.2	40.5	123.9	123.9	93.9	109.9	-	-
	Construction Equipment	Organic	15.9	1.4	4.9	0.5	0.5	2.5	7.0	1.9	1.9
		Other Contract	4.1	0.4	-	-	-	0.5	-	3.7	3.7
	Electronics and Communications Systems	Organic	243.4	106.5	245.6	37.6	37.6	131.4	194.6	66.9	66.9
		Other Contract	575.3	290.8	548.0	377.9	377.9	342.3	546.5	160.7	160.7
	General Purpose Equipment	Organic	238.3	31.3	94.2	76.6	76.6	108.5	176.7	83.9	83.9
		Other Contract	13.5	7.5	15.6	27.4	27.4	5.3	13.9	121.9	121.9
	Missiles	Organic	246.1	153.8	271.5	4.2	4.2	174.6	262.4	228.8	228.8
		Other Contract	90.5	41.3	115.8	7.8	7.8	86.7	106.1	8.6	8.6
	Ordnance Weapons and Munitions	Organic	58.5	15.8	41.9	77.4	77.4	18.7	51.3	3.3	3.3
		Other Contract	17.9	10.0	17.3	40.2	40.2	15.7	22.0	-	-
	Ships	Organic	2.4	-	-	-	-	-	1.5	-	-
		Other Contract	59.2	75.4	97.6	9.7	9.7	68.7	78.5	1.1	1.1
Army Total			3,425.8	1,768.5	2,841.7	1,633.7	1,633.7	2,132.1	2,876.2	743.1	743.1

Includes Depot Maintenance funds for Operation and Maintenance, Aircraft Procurement, Missile Procurement, Procurement of Weapons and Tracked Combat Vehicles, and Other Procurement.

DEPOT MAINTENANCE

Department of Defense

All Appropriations

Depot Maintenance Program

Dollars in Millions			FY 2015	FY 2016				FY 2017			
Service	Activity Type	Method Of Accomplishment	Total Funds	Base Funded	Base Required	OCO Funded	OCO Required	Base Funded	Base Required	OCO Funded	OCO Required
Navy	Aircraft	Contractor Logistics Support (CLS)	472.5	491.2	668.1	65.1	65.1	557.8	719.2	2.5	2.5
		Interim Contractor Support (ICS)	51.7	17.7	0.0	-	-	26.5	0.0	-	-
		Inter-Service	101.2	105.7	118.5	14.7	14.7	121.9	127.8	17.8	5.7
		Organic	1,221.0	1,065.1	1,079.3	175.5	151.7	1,303.8	1,185.2	91.9	2.4
		Other Contract	468.5	354.0	389.6	153.9	153.9	409.5	441.0	16.0	-
	All Other Items Not Identified	Contractor Logistics Support (CLS)	20.9	15.8	14.2	-	-	21.6	17.0	-	-
		Inter-Service	1.4	2.3	2.7	0.0	0.0	2.2	3.5	-	-
		Organic	59.2	88.1	82.3	-	-	132.0	127.2	0.5	0.5
		Other Contract	92.8	66.7	64.4	0.6	0.6	69.9	66.9	2.0	2.6
	Electronics and Communications Systems	Contractor Logistics Support (CLS)	2.5	3.1	3.4	2.7	2.7	5.5	6.0	-	-
		Interim Contractor Support (ICS)	4.7	4.0	4.0	-	-	4.3	4.3	-	-
		Inter-Service	0.0	-	-	-	-	-	-	-	-
		Organic	48.8	42.3	48.4	4.2	4.2	45.5	54.3	3.5	0.5
		Other Contract	27.8	24.7	27.6	1.9	1.9	29.6	31.3	4.8	0.7
	Missiles	Contractor Logistics Support (CLS)	21.7	42.2	42.2	-	-	44.5	44.5	-	-
		Inter-Service	0.1	-	-	-	-	-	-	-	-
		Organic	58.9	65.9	106.1	0.4	0.4	66.3	120.4	-	0.8
		Other Contract	58.2	54.5	96.2	-	-	55.9	100.3	-	-
	Ordnance Weapons and Munitions	Contractor Logistics Support (CLS)	2.0	1.7	9.4	-	-	1.7	9.4	-	-
		Interim Contractor Support (ICS)	-	-	0.5	-	-	-	0.5	-	-
		Organic	50.9	47.0	56.2	-	-	48.3	60.2	-	-
		Other Contract	10.2	13.4	35.3	6.2	6.2	15.1	36.2	-	-
	Ships	Inter-Service	-	-	-	-	-	-	-	-	-
		Organic	4,826.1	4,398.0	4,514.5	536.9	789.6	4,443.8	4,567.3	682.5	685.2
		Other Contract	3,342.5	909.3	1,043.0	2,385.9	2,404.0	1,119.1	1,175.8	2,221.0	2,245.6
Navy Total			10,943.8	7,812.7	8,405.7	3,348.1	3,595.2	8,524.7	8,898.2	3,042.5	2,946.6

DEPOT MAINTENANCE

DEPOT MAINTENANCE

Includes Depot Maintenance funds for Operation and Maintenance, Aircraft Procurement, Weapons Procurement, Other Procurement, and Research, Development, Test, and Evaluation.

Department of Defense

All Appropriations

Depot Maintenance Program

Dollars in Millions			FY 2015	FY 2016				FY 2017			
Service	Activity Type	Method Of Accomplishment	Total Funds	Base Funded	Base Required	OCO Funded	OCO Required	Base Funded	Base Required	OCO Funded	OCO Required
Marine Corps	Automotive Equipment	Inter-Service	191.5	-	-	5.0	5.0	-	0.2	-	-
		Organic	82.2	1.7	1.8	187.7	187.7	8.0	18.2	108.2	108.2
		Other Contract	5.3	0.7	0.9	12.7	12.7	2.3	2.4	-	-
	Combat Vehicles	Inter-Service	67.0	44.0	65.2	3.5	3.5	47.0	63.0	-	-
		Organic	158.8	90.8	120.4	3.6	3.6	79.0	120.6	31.6	31.6
	Construction Equipment	Inter-Service	18.6	6.0	10.9	7.6	7.6	6.9	7.2	-	-
		Organic	55.0	6.8	7.9	3.2	3.2	16.0	18.8	2.2	2.2
		Other Contract	-	0.0	0.0	0.1	0.1	0.0	0.0	-	-
	Electronics and Communications Systems	Inter-Service	23.7	20.2	25.8	6.7	6.7	28.1	28.3	-	-
		Organic	15.7	9.9	18.7	1.5	1.5	15.3	16.5	0.9	0.9
		Other Contract	-	0.8	0.8	-	-	-	-	-	-
	Missiles	Inter-Service	9.7	7.5	8.8	0.8	0.8	7.9	8.6	-	-
		Organic	0.3	0.6	0.6	-	-	0.1	0.1	-	-
		Other Contract	0.0	-	-	-	-	-	-	-	-
	Ordnance Weapons and Munitions	Inter-Service	2.8	0.5	0.5	3.4	3.4	1.0	2.8	-	-
		Organic	38.9	17.3	27.5	2.8	2.8	21.6	37.6	4.0	4.0
		Other Contract	8.9	2.9	4.4	1.6	1.6	4.8	7.8	-	-
Marine Corps Total			678.3	209.5	294.2	240.0	240.0	238.0	332.1	147.0	147.0

Includes Depot Maintenance funds for Operation and Maintenance and Procurement, Marine Corps.

DEPOT MAINTENANCE

Department of Defense

All Appropriations

Depot Maintenance Program

Dollars in Millions			FY 2015	FY 2016				FY 2017			
Service	Activity Type	Method Of Accomplishment	Total Funds	Base Funded	Base Required	OCO Funded	OCO Required	Base Funded	Base Required	OCO Funded	OCO Required
Air Force	Aircraft	Contractor Logistics Support (CLS)	5,676.3	4,844.7	6,709.5	1,007.8	-	5,395.1	7,562.8	1,387.7	-
		Interim Contractor Support (ICS)	73.3	104.5	157.9	-	-	174.4	230.1	-	-
		Inter-Service	67.1	66.9	90.0	19.3	-	83.0	124.9	38.7	-
		Organic	2,857.0	2,184.0	3,362.8	995.6	1.8	2,697.7	3,397.2	435.8	-
		Other Contract	1,227.2	1,186.3	1,356.6	27.1	1.8	1,200.2	1,433.8	30.6	-
	All Other Items Not Identified	Contractor Logistics Support (CLS)	42.7	-	-	-	-	0.0	0.0	-	-
		Interim Contractor Support (ICS)	12.7	11.9	-	-	-	7.7	-	-	-
		Organic	6.7	-	-	-	-	-	-	-	-
		Other Contract	0.1	-	-	-	-	-	-	-	-
	Automotive Equipment	Inter-Service	0.2	0.2	0.2	-	-	0.5	2.0	1.5	-
		Organic	0.0	0.0	0.0	-	-	4.0	4.0	-	-
		Other Contract	6.1	17.3	17.3	-	-	17.5	24.8	7.2	-
	Combat Vehicles	Contractor Logistics Support (CLS)	-	-	3.9	3.9	-	-	4.0	-	-
		Inter-Service	31.4	27.4	35.6	8.2	-	9.1	34.0	24.9	-
		Other Contract	-	-	1.3	1.3	-	-	2.1	-	-
	Electronics and Communications Systems	Contractor Logistics Support (CLS)	1,491.5	1,136.8	1,809.3	191.2	-	1,365.5	1,851.0	171.6	-
		Interim Contractor Support (ICS)	52.3	-	-	-	-	-	-	-	-
		Inter-Service	64.8	89.9	95.9	-	-	76.4	89.7	-	-
		Organic	175.3	147.8	220.3	-	-	200.1	219.0	1.3	-
		Other Contract	513.5	744.9	900.6	25.5	-	571.2	759.6	35.6	-

Includes Depot Maintenance funds for Operation and Maintenance, Aircraft Procurement, Space Procurement, Other Procurement, and Research, Development, Test, and Evaluation.

DEPOT MAINTENANCE

Department of Defense

All Appropriations

Depot Maintenance Program

Dollars in Millions			FY 2015	FY 2016				FY 2017			
Service	Activity Type	Method Of Accomplishment	Total Funds	Base Funded	Base Required	OCO Funded	OCO Required	Base Funded	Base Required	OCO Funded	OCO Required
Air Force	General Purpose Equipment	Contractor Logistics Support (CLS)	34.3	32.7	37.9	2.5	-	34.8	37.5	2.4	-
		Inter-Service	1.6	0.3	0.3	-	-	5.8	7.7	-	-
		Organic	12.3	7.7	8.5	-	-	13.6	16.0	-	-
		Other Contract	0.8	0.4	0.6	-	-	1.3	1.6	-	-
	Missiles	Contractor Logistics Support (CLS)	224.9	286.0	309.4	-	-	268.9	308.0	-	-
		Inter-Service	12.9	12.2	13.1	-	-	9.1	12.6	-	-
		Organic	56.3	111.8	120.4	-	-	81.9	100.9	-	-
		Other Contract	115.5	90.3	103.7	-	-	89.8	104.1	-	-
	Ordnance Weapons and Munitions	Contractor Logistics Support (CLS)	10.5	16.0	17.9	-	-	14.2	18.4	-	-
		Inter-Service	6.2	8.0	9.3	-	-	8.2	13.3	-	-
		Organic	1.3	1.4	1.4	-	-	2.2	2.2	-	-
		Other Contract	34.4	24.8	29.2	-	-	17.6	33.0	-	-
Air Force Total			12,809.0	11,154.2	15,412.9	2,282.4	3.6	12,349.6	16,394.2	2,137.2	-

Includes Depot Maintenance funds for Operation and Maintenance, Aircraft Procurement, Space Procurement, Other Procurement, and Research, Development, Test, and Evaluation.

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

DESCRIPTION OF EQUIPMENT FINANCED:

- **Body Armor** is government owned, issued, and controlled ballistic projectile protection equipment temporarily issued to military Service members for use at no cost to the military Service members. Body armor is a subset of individual equipment. Examples of body armor include helmets, armored vests, body armor plates, small arms protective inserts, side ballistic insert, and tactical vests. Body Armor Systems continue to enhance individual troop mobility, reduce weight, improve comfort, facilitate fighting load carrying requirements, and improve weight distribution of ballistic and fighting load components. The FY 2017 body armor requirement increased by \$28 million.
- **Individual Equipment** is government owned, issued, and controlled personal protective gear temporarily issued to military Service members for use at no cost to the military Service members. Examples of personal protective gear include load bearing equipment, helmets, ballistic eyewear, steel toe boots, gloves, goggles, ear protection, and hard armor ballistic inserts. The FY 2017 individual equipment requirement decreased by \$23 million.
- **Organizational Clothing** is government owned, issued, and controlled uniform garments temporarily issued to military Service members for use at no cost to the military Service member. Examples of uniform garments include the extended cold weather clothing system, aviation combat uniform, flight suit, fire resistant combat uniform, and the improved combat vehicle crewmember coverall. The FY 2016 organizational clothing requirement increased by \$17 million.

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

BODY ARMOR (TOTAL)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u>	<u>FY 2016</u>	<u>FY 2016</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2017</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Base</u>	<u>OCO</u>	<u>Total</u>	<u>Base</u>	<u>OCO</u>	<u>Total</u>
Army	34.2	82.9	19.1	102.0	139.3	22.6	161.9
Navy	3.6	3.5	0.5	4.0	3.5	0.3	3.8
Marine Corps	24.4	-	4.2	4.2	-	4.2	4.2
Air Force	1.4	-	1.3	1.3	-	1.3	1.3
U.S. Special Operations Command	12.5	22.0	-	22.0	21.7	-	21.7
Total	76.1	108.4	25.1	133.5	164.5	28.4	192.9
Numbers may not add due to rounding							
¹ FY 2015 includes Base and Overseas Contingency Operations (OCO) funding							

BODY ARMOR (COMPONENTS)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u>	<u>FY 2016</u>	<u>FY 2016</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2017</u>	<u>FY 2017</u>
	<u>Actual</u>	<u>Base</u>	<u>OCO</u>	<u>Total</u>	<u>Base</u>	<u>OCO</u>	<u>Total</u>
Army	28.9	88.4	16.3	104.7	109.6	25.6	135.2
Navy	3.3	3.1	0.5	3.6	3.1	0.3	3.4
Marine Corps	21.7	-	3.9	3.9	-	3.9	3.9
Air Force	-	-	-	-	-	-	-
U.S. Special Operations Command	9.8	18.2	-	18.2	17.9	-	17.9
Total	63.7	109.7	20.7	130.4	130.6	29.8	160.4
Numbers may not add due to rounding							
¹ FY 2015 includes Base and Overseas Contingency Operations (OCO) funding							

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

BODY ARMOR (COMBAT HELMETS)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>FY 2016</u> <u>Base</u>	<u>FY 2016</u> <u>OCO</u>	<u>FY 2016</u> <u>Total</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Army	-	1.2	-	1.2	23.4	3.7	27.1
Navy	0.2	0.2	-	0.2	0.2	-	0.2
Marine Corps	1.3	-	0.1	0.1	-	0.1	0.1
Air Force	-	-	-	-	-	-	-
U.S. Special Operations Command	1.9	2.7	-	2.7	2.8	-	2.8
Total	3.4	4.1	0.1	4.2	26.4	3.8	30.2

Numbers may not add due to rounding

¹ FY 2015 includes Base and Overseas Contingency Operations (OCO) funding

BODY ARMOR (PROTECTIVE EYEWEAR)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>FY 2016</u> <u>Base</u>	<u>FY 2016</u> <u>OCO</u>	<u>FY 2016</u> <u>Total</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Army	4.9	-	-	-	-	-	-
Navy	0.2	0.2	-	0.2	0.2	-	0.2
Marine Corps	1.3	-	0.2	0.2	-	0.2	0.2
Air Force	0.1	0.1	-	0.1	0.1	-	0.1
U.S. Special Operations Command	1.2	1.1	-	1.1	1.0	-	1.0
Total	7.7	1.4	0.2	1.6	1.3	0.2	1.5

Numbers may not add due to rounding

¹ FY 2015 includes Base and Overseas Contingency Operations (OCO) funding

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

INDIVIDUAL EQUIPMENT

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>FY 2016</u> <u>Base</u>	<u>FY 2016</u> <u>OCO</u>	<u>FY 2016</u> <u>Total</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Army	192.3	105.6	13.1	118.7	71.9	12.8	84.7
Navy	7.6	7.2	2.4	9.5	7.2	2.5	9.7
Marine Corps	12.3	1.1	2.8	3.9	-	3.0	3.0
Air Force	3.1	2.9	0.3	3.2	3.0	0.3	3.3
U.S. Special Operations Command	32.0	28.3	5.0	33.3	39.3	5.1	44.4
Total	247.3	145.1	23.6	168.6	121.4	23.7	145.1

Numbers may not add due to rounding

¹ FY 2015 includes base and Overseas Contingency Operations (OCO) funding

ORGANIZATIONAL CLOTHING (TOTAL)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>FY 2016</u> <u>Base</u>	<u>FY 2016</u> <u>OCO</u>	<u>FY 2016</u> <u>Total</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Army	192.2	102.3	16.8	119.1	117.0	20.2	137.2
Navy	30.9	27.8	10.7	38.5	26.1	10.8	36.8
Marine Corps	18.3	-	1.4	1.4	2.0	1.5	3.5
Air Force	35.8	29.8	3.4	33.2	28.1	3.2	31.3
U.S. Special Operations Command	-	-	-	-	-	-	-
Total	277.2	159.9	32.3	192.2	173.2	35.7	208.8

Numbers may not add due to rounding

¹ FY 2015 includes base and Overseas Contingency Operations (OCO) funding

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

ORGANIZATIONAL CLOTHING (FIRE-RESISTANT CLOTHING)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>FY 2016</u> <u>Base</u>	<u>FY 2016</u> <u>OCO</u>	<u>FY 2016</u> <u>Total</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Army	97.7	24.2	6.8	31.0	42.6	10.4	53.0
Navy	10.4	9.8	3.4	13.2	8.0	3.5	11.4
Marine Corps	6.4	-	0.5	0.5	0.7	0.5	1.2
Air Force	18.2	15.4	1.8	17.2	14.5	1.6	16.1
Total	132.7	49.4	12.5	61.9	65.8	16.0	81.7

Numbers may not add due to rounding

¹ FY 2015 includes base and Overseas Contingency Operations (OCO) funding

ORGANIZATIONAL CLOTHING (AVIATION CLOTHING)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>FY 2016</u> <u>Base</u>	<u>FY 2016</u> <u>OCO</u>	<u>FY 2016</u> <u>Total</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Army	2.7	2.1	0.3	2.4	7.2	1.7	8.9
Navy	10.6	9.2	3.3	12.5	9.3	3.5	12.8
Marine Corps	6.6	-	0.5	0.5	0.7	0.5	1.2
Air Force	4.4	3.2	0.2	3.4	3.1	0.2	3.3
Total	28.3	14.5	4.3	18.8	20.3	5.9	26.2

Numbers may not add due to rounding

¹ FY 2015 includes base and Overseas Contingency Operations (OCO) funding

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

ORGANIZATIONAL CLOTHING (COLD-WEATHER CLOTHING)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>FY 2016</u> <u>Base</u>	<u>FY 2016</u> <u>OCO</u>	<u>FY 2016</u> <u>Total</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Army	59.8	25.5	7.7	33.2	30.8	8.4	39.2
Navy	3.0	2.2	1.5	3.7	2.2	1.3	3.5
Marine Corps	1.4	-	0.1	0.1	0.2	0.1	0.3
Air Force	0.7	0.6	0.1	0.7	0.5	0.1	0.6
Total	64.9	28.3	9.4	37.7	33.7	9.9	43.6
Numbers may not add due to rounding							
¹ FY 2015 includes base and Overseas Contingency Operations (OCO) funding							

ORGANIZATIONAL CLOTHING (ALL OTHER CLOTHING)

\$ in Millions

<u>Appropriation</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>FY 2016</u> <u>Base</u>	<u>FY 2016</u> <u>OCO</u>	<u>FY 2016</u> <u>Total</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Army	31.2	38.1	12.3	50.4	24.7	5.6	30.3
Navy	7.0	6.7	2.5	9.1	9.3	3.5	12.8
Marine Corps	4.0	-	0.3	0.3	0.4	0.3	0.8
Air Force	6.8	5.7	0.6	6.3	5.8	0.6	6.4
Total	51.0	50.5	15.7	66.1	40.2	10.0	50.3
Numbers may not add due to rounding							
¹ FY 2015 includes base and Overseas Contingency Operations (OCO) funding							

BODY ARMOR, INDIVIDUAL EQUIPMENT, AND ORGANIZATIONAL CLOTHING

BASE OPERATIONS SUPPORT

FUNDING SUMMARY

\$ in Millions

	FY 2015¹	Price	Program	FY 2016²	Price	Program	FY 2017³
	<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Enacted</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
Army	8,003.0	103.9	-669.4	7,437.6	112.8	265.9	7,816.3
Army Reserve	537.5	8.7	11.7	557.9	9.5	6.5	573.8
Army National Guard	966.7	31.2	-2.2	995.7	16.0	28.3	1,040.0
Navy	4,396.7	61.8	-49.6	4,408.9	-15.7	-187.1	4,206.1
Marine Corps	2,100.6	27.7	-310.1	1,818.2	19.4	299.1	2,136.6
Navy Reserve	100.2	1.7	0.2	102.2	1.6	-4.6	99.2
Marine Corps Reserve	99.0	1.7	7.1	107.9	2.3	1.4	111.6
Air Force	3,767.2	-34.3	-1,132.8	2,600.1	86.4	100.7	2,787.2
Air Force Reserve	439.2	6.1	-75.8	369.5	5.8	9.5	384.8
Air National Guard	719.9	10.5	-177.7	552.7	9.4	13.4	575.5
Defense Health Program	764.3	24.3	13.6	802.2	21.6	44.5	868.3
Total	21,894.3	243.3	-2,385.0	19,752.9	269.1	577.6	20,599.4
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$1,291.1 million of enacted OCO funding							
³ FY 2017 excludes \$1,392.7 million of requested OCO funding							

BASE OPERATIONS SUPPORT

ACTIVE FORCES PROGRAM DATA

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
# of Active Major Installations	234	0	235	1	235
CONUS	170	0	170	0	170
Overseas	65	0	65	0	66
Active Personnel (Thousands)					
Military (End-Strength)	1,314.1	-12.8	1,301.3	-19.4	1,281.9

Base Operations Support (BOS) provides the resources to operate the bases, installations, camps, posts, and stations of the Military Services and the Defense Health Program (DHP). These resources provide personnel and infrastructure support to sustain mission capability, ensure quality-of-life, and enhance work force productivity.

Personnel support includes: food and housing services for unaccompanied and deployed forces; religious services and programs; payroll support; personnel management; morale, welfare, and recreation services to military members and their families.

Infrastructure support includes utility system operations; installation equipment maintenance; engineering services including fire protection, crash rescue, custodial, refuse collection, snow removal, and lease of real property; security protection and law enforcement; and motor pool transportation operations.

The FY 2016 budget request of \$23,227.5 million reflects a net increase of \$1,310.2 million above the FY 2015 enacted level. The FY 2015 Consolidated Appropriation Act transferred base costs of \$150 million from the Marine Corps Active account to their OCO account.

Installations: There was an increase of one additional overseas installation in FY 2015 to support the national defense strategy. There is neither an increase nor decrease in active CONUS or overseas installations from FY 2015 to FY 2016.

Personnel: The decrease in military end-strength from FY 2015 to FY 2016 is due primarily to Army force structure changes.

The following sections address BOS for each active Military Component and Defense Health Program.

BASE OPERATIONS SUPPORT

BASE OPERATIONS SUPPORT

ARMY *\$ in Millions*

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Army Active Funding	8,003.1	-565.5	7,437.6	378.7	7,816.3
Installations					
CONUS	44	0	44	0	44
Overseas	26	0	26	0	26
Personnel (Thousands)					
Active Military (End-Strength)	491.4	-16.4	475.0	-15.0	460.0
Numbers may not add due to rounding					

The Army's FY 2017 President's Budget request of \$7,816.3 million reflects an increase of \$378.7 million above the FY 2016 enacted level.

The net FY 2017 program increase includes a net Public Works increase of \$300.1 million based on \$126.2 million for Utility services, \$164.9 million for engineering services. Other increases include \$30.6 million for the Environmental Program to support the Endangered Species Program and the installation's management of natural resources and \$29 million for the Leases program.

The FY 2017 program decreases include \$-91.1 million for grounds maintenance, custodial, pest management, solid waste or refuse handling, and seasonal pavement clearance, \$-30.2 million for Real Property reporting management program and installation security services, and \$-14.3 million for Fire and Emergency Services operations.

BASE OPERATIONS SUPPORT

NAVY *\$ in Millions*

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Navy Active Funding	4,396.7	12.2	4,408.9	-202.8	4,206.1
Installations					
CONUS	51	0	51	0	51
Overseas	19	0	19	1	20
Personnel (Thousands)					
Active Military (End-Strength)	327.9	-0.6	327.3	-4.4	322.9
Numbers may not add due to rounding					

The Navy's FY 2017 BOS request of \$4,206.1 million reflects a net decrease of \$202.1 million below the FY 2016 enacted level.

FY 2017 program increases include \$58.7 million for additional Naval Security Force (NSF) personnel and training, \$49.3 million for extended gymnasium and Child Development Center (CDC) hours per the SECNAV Talent Management Initiative, \$22.1 million for information technology funding for cybersecurity of shore systems, and \$16.2 million for the establishment of a new OCONUS installation in Poland.

FY 2017 program decreases include \$-158.0 million for transfer of Camp Lemonnier, Djibouti from Base to the Overseas Contingency Operations (OCO), \$-86.8 million to comply with the Bipartisan Budget Act of 2015, \$-25.4 million for efficiencies in base vehicle management, and \$-13.3 million for an overall reduction in utility consumption.

BASE OPERATIONS SUPPORT

MARINE CORPS

\$ in Millions

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Marine Corps Active Funding	2,100.6	-282.4	1,818.2	318.4	2,136.6
Installations					
CONUS	17	0	17	0	17
Overseas	6	0	6	0	6
Personnel (Thousands)					
Active Military (End-Strength)	182.7	-0.7	182.0	0.0	182.0
Numbers may not add due to rounding					

The Marine Corps' FY 2017 BOS budget request of \$2,136.6 million reflects a net increase of \$318.4 million above the FY 2016 enacted level. The FY 2016 Consolidated Appropriation Act transferred base costs of \$210 million from the Marine Corps Active account to their OCO account.

Program increases include \$22 million for Defense Posture Review Initiative Guam, \$19 million for Collateral Equipment, \$14 million for Civilian Personnel Marine Corps Civilian Law Enforcement Program, \$13 million for Environmental Services, \$12 million for other Morale, Welfare, and Recreation programs, \$12 million for Facilities Services, \$11 million for Facilities Asset Management, \$11 million for Child and Youth Development Programs, \$9 million for Utilities, \$8 million for Retail Supply Operations, \$8 million for Fire Protection and Consolidated Emergency Response, \$7 million for Installations Geospatial Information service and \$6 million for Installations Training and Operations Support.

Program decreases include \$-43 million for Defense Posture Review Iwakuni, \$-11 million for FY 2016 one time increase in Behavioral Health Community Counseling, \$-7 million for Information Technology Services, \$-6 million for Civilian Personnel due to two less work days in FY 2017, and \$-22 million for Civilian Staffing Reduction.

BASE OPERATIONS SUPPORT

BASE OPERATIONS SUPPORT

AIR FORCE

\$ in Millions

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Air Force Active Funding	3,767.2	-1,162.1	2,600.1	187.1	2,787.2
Installations					
CONUS	58	0	58	0	58
Overseas	14	0	14	0	14
Personnel (Thousands)					
Active Military (End-Strength)	311.4	5.6	317.0	0.0	317.0
Numbers may not add due to rounding					

The Air Force's FY 2017 BOS request of \$2,787.2 million reflects a net increase of \$187.1 million above the FY 2016 enacted level.

Program increases include \$56.6 million for transfers-in of other BOS-related programs, \$55.3 million for average work-year cost adjustment, \$7.8 FERS increase, \$7.5 million for environmental programs, \$6.9 for facilities operations support, and \$4.6 for support to military families.

Program decreases include \$-29.5 million for transfers-out of non-BOS programs and \$-10.8 million for civilian personnel two less work days in 2017.

BASE OPERATIONS SUPPORT

DEFENSE HEALTH PROGRAM

\$ in Millions

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Defense Health Program Funding	764.3	38.0	802.2	66.1	868.3
Installations					
CONUS	0	0	0	0	0
Overseas	0	0	0	0	0
Numbers may not add due to rounding					

The Defense Health Program's (DHP) FY 2017 BOS request of \$868.3 million reflects a net increase of \$66.1 million from the FY 2016 enacted level.

Program increases include \$66.8 million for transfer-in to the DHP BOS programs of the Army Medical Command Civilian Human Resources Agency (CHRA) bill, Financial Improvement and Audit Readiness (FIAR) costs, GSA rent payments, and various other civilian personnel functions within the DHP, \$5 million for increased telecommunication requirements, and \$3.7 million to support increased MTF activities.

Program decreases include \$-7.2 million for reduced service contract requirements and \$-6.0 million for the consolidation of redundant medical facility services throughout the Medical Health System (MHS).

FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION (SRM) AND DEMOLITION PROGRAMS¹

Summary

(\$ in Millions)

	<u>FY 2015²</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016³</u> <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017⁴</u> <u>Estimate</u>
Army	2,413.3	44.3	170.7	2,628.3	46.4	-440.1	2,234.5
Navy	1,666.7	0.8	610.3	2,277.8	35.0	-670.1	1,642.7
Marine Corps	634.8	8.4	105.9	749.1	13.0	-129.4	632.7
Air Force	2,763.3	43.5	23.9	2,830.7	48.2	-406.3	2,472.6
Army Reserve	264.1	4.5	-10.1	258.5	4.6	-48.1	215.0
Navy Reserve	63.9	1.1	-13.9	51.0	0.9	-24.4	27.6
Marine Corps Reserve	47.3	0.8	-17.9	30.1	0.5	-5.2	25.5
Air Force Reserve	190.1	3.2	-81.3	112.0	2.0	-0.5	113.5
Army National Guard	595.9	10.2	86.4	692.6	11.3	-27.2	676.7
Air National Guard	<u>357.7</u>	<u>6.1</u>	<u>-66.8</u>	<u>297.0</u>	<u>5.3</u>	<u>-56.6</u>	<u>245.8</u>
Subtotal	8,997.1	122.8	807.2	9,927.2	167.3	-1,807.9	8,286.6
Defense-Wide	158.1	2.2	50.3	210.5	3.5	-5.9	208.2
Defense Health Program	<u>1,015.0</u>	<u>13.9</u>	<u>-171.5</u>	<u>857.4</u>	<u>14.4</u>	<u>265.9</u>	<u>1,137.7</u>
Total	10,170.3	138.9	686.0	10,995.1	185.3	-1,547.9	9,632.6

Numbers may not add due to rounding

¹ This paper only addresses Operation and Maintenance (O&M) and Defense Health Program (DHP) FSRM

² FY 2015 includes Overseas Contingency Operations (OCO) funding

³ FY 2016 enacted excludes \$93.4 million OCO funding

⁴ FY 2017 excludes \$60.1 million OCO funding

FACILITIES, SUSTAINMENT, RESTORATION, AND MODERNIZATION (SRM) AND DEMOLITION PROGRAMS

FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION (SRM) AND DEMOLITION PROGRAMS^{/1}

The Facilities Sustainment, Restoration and Modernization (FSRM) program provides funds to keep the Department's inventory of facilities in good working order (i.e., day-to-day maintenance requirements). In addition, the program provides resources to restore facilities whose age is excessive or have been damaged. FSRM includes alterations of facilities to implement new or higher standards or to accommodate new functions or missions. The demolition program provides funds to demolish and dispose of obsolete and excess structures, some of which date back to World War II.

The FY 2017 budget request of \$9,632.6 million includes price growth of \$185.3 million and a net program decrease of -\$1,547.9 million below the FY 2016 enacted level. The FY 2017 request represents a total decrease in funding of -\$1,362.6 (12 percent) million below the FY 2016 enacted amount. This is directly related to escalating resourcing constraints, coupled with the Department's commitment to restoring near-term and achieving long-term readiness.

- Facilities Sustainment - In aggregate, the FY 2017 request funds 74 percent of the facilities sustainment requirement, a 7 percent decrease from the 81 percent funded in FY 2016.
- Restoration and Modernization - A greater burden is being placed on restoration and modernization funding (decrease of 22 percent from the FY 2016 amount), as the Department is taking increased risk within its renovation activities.

The following data provides details on FSRM and the demolition program.

FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION (SRM) AND DEMOLITION PROGRAMS¹

Facilities Sustainment

(\$ in Millions)

	<u>FY 2015² Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016³ Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017⁴ Estimate</u>
Army	1,697.9	31.1	396.3	2,125.4	37.5	-182.8	1,980.2
Navy	1,248.7	0.6	319.8	1,569.1	24.1	-314.6	1,278.7
Air Force	1,957.1	30.8	48.1	2,036.0	34.7	-112.4	1,958.2
Army Reserve	220.3	3.7	-4.7	219.3	3.9	-33.5	189.7
Navy Reserve	53.1	0.9	-16.6	37.5	0.7	-11.6	26.5
Marine Corps Reserve	21.9	0.4	-2.8	19.5	0.4	-3.6	16.3
Air Force Reserve	59.1	1.0	17.5	77.6	1.4	-4.4	74.6
Army National Guard	472.1	8.1	106.8	587.0	9.6	-85.8	510.7
Air National Guard	<u>324.8</u>	<u>5.5</u>	<u>-97.1</u>	<u>233.2</u>	<u>4.2</u>	<u>-24.5</u>	<u>212.9</u>
Subtotal	6,589.5	89.2	826.2	7,504.9	126.8	-859.5	6,772.3
Defense-Wide	130.8	1.8	14.8	147.4	2.5	-0.9	149.0
Defense Health Program	<u>533.8</u>	<u>7.2</u>	<u>-23.7</u>	<u>517.3</u>	<u>8.7</u>	<u>2.6</u>	<u>528.7</u>
Total	7,254.1	98.2	817.3	8,169.7	138.1	-857.8	7,450.0
Numbers may not add due to rounding							
¹ This paper only addresses Operation and Maintenance (O&M) and Defense Health Program (DHP) FSRM							
² FY 2015 includes Overseas Contingency Operations (OCO) funding							
³ FY 2016 enacted excludes sustainment share of \$93.4 million OCO funding							
⁴ FY 2017 excludes sustainment share of \$60.1 million OCO funding							

FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION (SRM) AND DEMOLITION PROGRAMS¹

Restoration and Modernization

(\$ in Millions)

	<u>FY 2015²</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016³</u> <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017⁴</u> <u>Estimate</u>
Army	695.3	12.8	-238.3	469.8	8.3	-257.4	220.7
Navy	418.0	0.2	232.4	650.6	10.0	-307.5	353.0
Marine Corps	83.1	1.1	35.9	120.1	2.1	-21.6	100.7
Air Force	795.7	12.5	-38.1	770.1	13.1	-293.6	489.6
Army Reserve	39.6	0.7	-6.2	34.0	0.6	-14.4	20.2
Navy Reserve	10.6	0.2	2.8	13.6	0.2	-12.8	1.1
Marine Corps Reserve	25.3	0.4	-15.1	10.6	0.2	-1.6	9.2
Air Force Reserve	130.9	2.2	-98.7	34.5	0.6	3.8	38.9
Army National Guard	121.5	2.1	-22.0	101.6	1.7	58.4	161.7
Air National Guard	<u>32.5</u>	<u>0.6</u>	<u>30.0</u>	<u>63.1</u>	<u>1.1</u>	<u>-33.0</u>	<u>31.2</u>
Subtotal	2,352.6	32.7	-117.3	2,268.0	37.9	-879.8	1,426.2
Defense-Wide	27.3	0.4	35.4	63.1	1.1	-4.9	59.3
Defense Health Program	<u>481.3</u>	<u>6.7</u>	<u>-147.9</u>	<u>340.1</u>	<u>5.7</u>	<u>263.2</u>	<u>609.0</u>
Total	2,861.2	39.7	-229.8	2,671.2	44.7	-621.4	2,094.4

Numbers may not add due to rounding

¹ This paper only addresses Operation and Maintenance (O&M) and Defense Health Program (DHP) FSRM

² FY 2015 includes Overseas Contingency Operations (OCO) funding

³ FY 2016 enacted excludes R&M share of \$93.4 million OCO funding

⁴ FY 2017 excludes R&M share of \$60.1 million OCO funding

FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION (SRM) AND DEMOLITION PROGRAMS¹

Demolition costs

(\$ in Millions)

	<u>FY 2015²</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016³</u> <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017⁴</u> <u>Estimate</u>
Army	20.0	0.4	12.7	33.1	0.6	0.0	33.7
Navy	0.0	0.0	58.1	58.1	0.9	-48.0	11.1
Marine Corps	17.2	0.2	11.1	28.6	0.5	-21.5	7.5
Air Force	10.5	0.2	13.9	24.6	0.4	-0.3	24.8
Army Reserve	4.2	0.1	0.8	5.1	0.1	-0.1	5.1
Navy Reserve	0.1	0.0	-0.1	0.0	0.0	0.0	0.0
Marine Corps Reserve	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Air Force Reserve	0.1	0.0	-0.1	0.0	0.0	0.0	0.0
Army National Guard	2.4	0.0	1.6	4.0	0.1	0.2	4.3
Air National Guard	<u>0.4</u>	<u>0.0</u>	<u>0.3</u>	<u>0.7</u>	<u>0.0</u>	<u>1.0</u>	<u>1.8</u>
Subtotal	55.0	0.9	98.4	154.3	2.6	-68.7	88.2
Defense-Wide	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Defense Health Program	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	55.0	0.9	98.4	154.3	2.6	-68.7	88.2

Numbers may not add due to rounding

¹ This paper only addresses Operation and Maintenance (O&M) and Defense Health Program (DHP) FSRM

² FY 2015 includes Overseas Contingency Operations (OCO) funding

³ FY 2016 enacted excludes demolition share of \$93.4 million OCO funding

⁴ FY 2017 excludes demolition share of \$60.1 million OCO funding

FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION (SRM) AND DEMOLITION PROGRAMS¹

Army

- The Army is requesting \$2,234.5 million in FY 2017 for FSRM in its Operation and Maintenance (O&M), Army appropriation. These funds reflect a net decrease of -\$393.7 million from the FY 2016 funding level: \$46.4 million in price growth and -\$440.1 million in program decreases. FSRM funding for FY 2017 will fund critical facility requirements and upgrade deteriorating facilities at Army installations worldwide.
- The FY 2017 program funds facilities sustainment at 70 percent of the requirement, a decrease from the 78 percent funded in FY 2016.
- The Army request includes \$33.7 million for its demolition program, an increase of \$0.6 million above the FY 2016 enacted level.

Navy

- The Navy is requesting \$1,642.7 million in FY 2017 for FSRM in its O&M, Navy appropriation. These funds reflect a net decrease of -\$635.1 million from the FY 2016 funding level: \$35.0 million in price growth and -\$670.1 million in program decreases.
- The FY 2017 program funds facilities sustainment at 70 percent of the requirement, a decrease from the 85 percent funded in FY 2016.
- The Navy request includes \$11.1 million for its demolition program, a decrease of -\$47.1 million below the FY 2016 enacted level.

Marine Corps

- The Marine Corps is requesting \$632.7 million in FY 2017 for FSRM in its O&M, Marine Corps appropriation. These funds reflect a net decrease of -\$116.4 million from the FY 2016 funding level: \$13.0 million in price growth and -\$129.4 million in program decreases.
- The FY 2017 program funds facilities sustainment at 74 percent of the requirement, a decrease from the 84 percent funded in FY 2016.
- The Marine Corps request includes \$7.5 million for its demolition program, a decrease of -\$21.1 million from the FY 2016 enacted level.

FACILITIES SUSTAINMENT, RESTORATION, AND MODERNIZATION (SRM) AND DEMOLITION PROGRAMS¹

Air Force

- The Air Force is requesting \$2,472.6 million in FY 2017 for FSRM in its O&M, Air Force appropriation. These funds reflect a net decrease of -\$358.1 million from the FY 2016 funding level: \$48.2 million in price growth and -\$406.3 million in program decreases.
- The FY 2017 program funds facilities sustainment at 78 percent of the requirement, a decrease from the 79 percent funded in FY 2016.
- The Air Force request includes \$24.8 million for its demolition program, an increase of \$0.2 million from the FY 2016 enacted level.

Defense-Wide

- The Defense-Wide activities are requesting \$208.2 million in FY 2017 for FSRM in the O&M, Defense-Wide appropriation. These funds reflect a net decrease from the FY 2016 funding level: \$3.5 million in price growth and -\$5.9 million in program decreases.

Defense Health Program (DHP)

- The DHP is requesting \$1,137.7 million in FY 2017 for FSRM in its O&M budget activity. These funds reflect a net increase of \$280.3 million from the FY 2016 funding level: \$14.4 million for price growth and \$265.9 million in program increases. The program funds the maintenance of military medical facilities, such as heating and air conditioning units, and plumbing and electrical systems, that are required to support active duty, military dependents, eligible retirees, and family members.

Guard and Reserve Forces

- The Guard and Reserve Forces are requesting \$1,304.0 million in FY 2017, which reflects a decrease of -\$137.3 million from the FY 2016 funding level: \$24.7 million in price growth and -\$162.0 million in program decreases. The program supports the maintenance and restoration of real property facilities including: buildings, roads, grounds, and airfields of the Guard and Reserve. These facilities support the combat readiness for the Guard and Reserve that enables them to augment the active forces.
- The Guard and Reserve Forces request includes \$11.2 million for their demolition programs, which is an increase of \$1.2 million from the FY 2016 enacted level.

MOBILIZATION

\$ in Millions

	FY 2015^{/1} <u>Actual</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2016^{/2/3} <u>Enacted</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2017^{/4} <u>Estimate</u>
Army	599.3	20.2	25.2	644.7	-19.8	109.7	734.6
Navy	713.1	42.9	156.6	912.6	294.0	375.3	1,581.9
Marine Corps	87.8	1.5	-3.1	86.2	0.9	-1.8	85.3
Air Force	<u>8,210.3</u>	<u>-150.0</u>	<u>-4,421.4</u>	<u>3,638.9</u>	<u>-2.9</u>	<u>740.5</u>	<u>4,376.5</u>
Total	9,610.5	-85.4	-4,242.7	5,282.4	272.2	1,223.7	6,778.3
Numbers may not add due to rounding.							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 enacted excludes \$4,445.8 million OCO funding including \$1,000.0 million of base funds transferred to OCO							
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+219.1 million, to OCO, \$-219.1 million, to reflect congressional intent for proper execution							
⁴ FY 2017 excludes \$4,301.0 million of OCO funding including \$3.6 million of Bipartisan Budget Act (BBA) of 2015 compliance							

Mobilization provides for strategic and tactical airlift and sealift capability to deploy combat forces and materiel in contingencies. The mobilization program funds an inventory of readily available supplies and equipment, stationed both afloat and on land, to sustain the operating forces for lengths of time and levels of conflict outlined in the National Military Strategy.

The Mobilization program increases by \$1,495.9 million from FY 2016 to FY 2017. This includes a price increase of \$272.2 million and a program increase of \$1,223.7 million. The majority of the program increase represents a restoral of \$1,000 million of base to OCO realignments in the FY 2016 Consolidated Appropriations Act. The Army increases due to additional funding for care of supplies in storage and cyclic maintenance of 2 additional Combined Arms Battalions to the European Activity Set (EAS). This addition expands the EAS to a full Armored Brigade Combat Team. The Navy increases due to transferring the National Defense Sealift Fund (NDSF) to Operation and Maintenance, Navy in FY 2017.

MOBILIZATION

\$ in Millions

Afloat Prepositioned Fleet (APF) and Air Mobility Command	FY 2015¹ Actual	Change	FY 2016^{2/3} Enacted	Change	FY 2017⁴ Estimate
Army Prepositioned Stocks (APS)	213.4	37.7	251.1	139.7	390.8
Navy Maritime Prepo Ships (MPS)	400.5	22.3	422.8	470.7	893.5
Air Force Air Mobility Command	7,988.9	-4,485.4	3,503.5	734.1	4,237.6
Total	8,602.8	-4,425.4	4,177.4	1,344.5	5,521.9
Numbers may not add due to rounding.					
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding					
² FY 2016 enacted excludes \$4,332.3 million OCO funding including \$1,000.0 million of base funds transferred to OCO					
³ FY 2016 includes General Provision 8128, funds have been realigned for fuel savings from base, \$+219.1 million, to OCO, \$-219.1 million, to reflect congressional intent for proper execution					
⁴ FY 2017 excludes \$4,019.7 million OCO funding					

The Afloat Prepositioned Fleet (APF) program funds prepositioned ships, which carry equipment, supplies, and ammunition, and are available for immediate and rapid response to unforeseen contingencies throughout the world.

The Army Prepositioned Stocks (APS) program supports the Army's capability to project combat ready forces from CONUS, Europe, Southwest Asia, Korea, Japan, and Hawaii to conduct operations anywhere in the world. Major FY 2017 changes include:

- Increased funding for the Army's care of supplies in storage for Inland Petroleum Distribution Systems, Large Area Maintenance Shelters, and Force Providers.
- Increased funding for care of supplies in storage and cyclic maintenance of 2 additional Combined Arms Battalions to the EAS. This addition expands the EAS to a full Armored Brigade Combat Team.
- Increased funding for care of supplies in storage for new equipment sets and operational projects, e.g., Route Clearance units, Multi-Role Bridging companies, and Humanitarian Assistance/Disaster Relief packages for Northeast Asia.

The Navy's Sealift Program provides the worldwide capability to deploy combat forces and supporting material that may be required to meet national contingency objectives.

The program is divided into two functional areas, prepositioned assets and surge assets. The Maritime Prepositioning Force (MPF) is the foundation of the Navy's afloat prepositioned assets. This program includes two forward deployed Maritime Prepositioning Ships (MPS) squadrons. Each squadron is able to provide 30 days of over-the-shore support to a Marine Air-Ground Task Force or Brigade equivalent. Causeway/ferry units (Naval Support Elements) are essential components of MPS squadrons since a

MOBILIZATION

MOBILIZATION

developed/undamaged port facility may not always be available or tactically located. Surge sealift assets are maintained in a high state of readiness at U.S. ports. These ships can be manned, loaded, and underway within days of being called into service to move material and equipment into a theater of operations. The NDSF provides funding to maintain the Reduced Operating Status (ROS) readiness of the surge vessels, including maintenance and repair costs. This account provides for the biannual exercise costs for one of the two Aviation Logistics Ships (T-AVBs) supporting the Marine Corps. The program also provides support for various sealift support programs, including Improved Navy Lighterage System (INLS), Navy Lighterage (NL), MPF Utility Boats, Lighter, Amphibious Resupply, Cargo, 5-Ton (LARC-V); Landing Craft, Mechanized (LCM-8); Elevated Causeway, Modular, Amphibious Bulk Liquid Transfer System (ABLTS), Travel Lifts, Mobil Lighterage Transfer System (MLTS), and Off Shore Petroleum Discharge System (OPDS). In addition, this program provides for maintenance for the MPF's on-board Lighterage, and support for the Navy Expeditionary Logistics Support Group (NAVELSG) and Naval Beach Groups (BEACHGRUs).

- The majority of the increase represents transfer from the NDSF, Large Medium Roll-on/Roll-off (LSMR) Maintenance, DoD Mobilization Alterations, and Ready Reserve Force to Operation and Maintenance, Navy due to elimination of the NDSF appropriation.

The Air Force Air Mobility Command (AMC) provides rapid global mobility and sustainment for America's armed forces. These objectives lie at the heart of U.S. strategy in the modern world-wide war fighting environment. AMC also plays a crucial role in providing humanitarian support at home and abroad. Major mobility operations include airlift and refueling for all of America's armed forces, AMC aircrew training and proficiency activities, airlift operations, depot maintenance, facilities sustainment, restoration, and modernization (FSRM), and base support. It also funds operational support airlift and VIP special airlift missions for the President and Vice President of the United States, cabinet members and other high ranking officials, and special operations forces.

- The majority of the increase represents a restoral of \$1,000.0 million of base to OCO realignments in FY 2016.
- The Air Force increased the training, test, and ferry program for C-5 and C-17 aircraft.
- The Air Force air mobility requirements for flying hours and weapons system maintenance decrease in FY 2017 as well as the requirements for the Transportation Working Capital Fund (TWCF) cost to operate Airlift Systems.

MOBILIZATION

MOBILIZATION

OTHER MOBILIZATION PROGRAMS

\$ in Millions

	FY 2015¹ <u>Actual</u>	<u>Change</u>	FY 2016² <u>Enacted</u>	<u>Change</u>	FY 2017³ <u>Estimate</u>
Army	385.9	7.7	393.6	-49.9	343.7
Strategic Mobility	299.9	87.2	387.1	-50.8	336.3
Industrial Preparedness	86.0	-79.5	6.5	0.9	7.4
Navy	312.5	177.2	489.7	198.6	688.3
Activations/Inactivations	192.6	175.6	368.2	-73.3	294.9
Ready Reserve Force	-	-	-	274.5	274.5
Expeditionary Health Services Systems	97.3	0.2	97.5	-1.8	95.7
Industrial Readiness	2.3	-0.1	2.2	-0.1	2.1
Coast Guard Support	20.3	1.5	21.8	-0.7	21.1
Marine Corps	87.8	-1.6	86.2	-0.9	85.3
Prepositioned Equipment	87.8	-1.6	86.2	-0.9	85.3
Air Force	221.3	-85.9	135.4	3.5	138.9
Mobilization Preparedness	221.3	-85.9	135.4	3.5	138.9
Total Other Mobilization	1,007.5	97.4	1,104.9	151.3	1,256.2
Numbers may not add due to rounding.					
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding					
² FY 2016 enacted excludes \$113.5 million of OCO funding					
³ FY 2017 excludes \$281.3 million of OCO funding including \$3.6 million of Bipartisan Budget Act (BBA) of 2015 compliance					

The Army's other mobilization programs fund manpower, material handling and other supply support equipment and facilities that are required to store and handle prepositioned stock materials. The Army's strategic mobilization consists of the Army Power Projection Program (AP3), which seeks a balanced, synchronized, rapid fort-to-foxhole capability projected into areas of operations, without relying on conventional sea and aerial ports of debarkation where an adversary's anti-access efforts can be focused. The AP3 enables the Army to rapidly deploy a lethal, expandable, and sustainable CONUS-based military force capable of achieving decisive victory anywhere in the world.

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- The FY 2017 program decrease of \$49.9 million is attributable to decreases in operational costs for 1 Large, Medium Speed Roll On/Roll Off (LSMR) ship and reduced requirements for medical countermeasures.

The Navy's other mobilization programs include aircraft and ship activation/inactivation programs, which place aircraft and ships (both nuclear and conventional) out of active service, and prepare and maintain them for mobilization purposes or disposal through scrapping and sales. Other mobilization programs also fund the expeditionary health services systems program, which provides comprehensive medical support to U.S. and allied forces in the event of contingency operations; maintenance, overhaul, and support of Navy equipment aboard Coast Guard vessels; and an industrial readiness program.

- The majority of the increase represents transfer from the NDSF, Large Medium Roll-on/Roll-off (LSMR) Maintenance, DoD Mobilization Alterations, and Ready Reserve Force to Operation and Maintenance, Navy due to elimination of the NDSF appropriation.
- Decreases due to reduced requirements for the Nuclear Surface Ship Inactivation and Disposal program for the USS ENTERPRISE inactivation and one less submarine inactivation in the Nuclear Submarine program.

The Marine Corps' Maritime Prepositioning Force (MPF) provides the essential operational elements needed to execute crisis response, global reach, and forward presence. Prepositioning key warfighting equipment and supplies has significantly reduced reliance on strategic lift while providing powerful and integrated warfighting capabilities to Combatant Commanders. Funding supports the rapid deployment of the Marine Corps and to provide for all costs associated with supplying and maintaining the Norway storage caves. This program includes maintenance of the equipment in a ready-to-operate status, facility leases, contractor support, transportation of prepositioning equipment/supplies, and training/exercise associated with Marine Corps Prepositioning Program-Norway. The major FY 2017 program decrease is attributed to:

- Contractual services for port operations, stevedoring, support services, and supplies and materials due to variations in MPF exercise scope and locations.

The Air Force's Other Mobilization program includes resources for specialized airlift activities supporting prepositioning operations for war readiness materials, theater nuclear weapon storage and security systems, industrial preparedness, inactive aircraft storage, deployable contingency hospitals and clinics, and the Medical Counter-Chemical, Biological, Radiological, Nuclear (C-CBRN) Installation Response Program. The major FY 2017 program increase is attributed to:

- Increased requirements for the civilian pay program.

MOBILIZATION

TRAINING AND EDUCATION

Training and Education resources finance the operation of a wide range of Service training centers and schools, Service academies, DoD and Joint-Service schools and colleges, Reserve Officer Training Corps (ROTC) units, the Senior ROTC scholarship program, the Uniformed Services University of the Health Sciences (USUHS), and the Health Professions Scholarship Program (HPSP). The FY 2017 budget request reflects a net increase of \$171.6 million. This is the net result of price decreases totaling \$9.3 million and programmatic increases totaling \$180.9 million. Overall, the program increases are a result of increased flight training, distributed learning courseware, advanced training, the Navy's Sailor 2025 initiative, U.S. Air Force Academy operations, the Air Force Senior Leader Development Program, and Air Force Language and Culture Programs.

Appropriation Summary \$ in Millions

	FY 2015¹	Price	Program	FY 2016²	Price	Program	FY 2017³
	<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Enacted</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
Army	3,167.7	47.0	139.2	3,354.5	-71.1	-27.1	3,255.7
Navy	1,323.1	19.5	-4.8	1,337.8	23.4	34.6	1,395.8
Marine Corps	517.2	9.2	-23.6	502.9	6.6	22.1	531.6
Air Force	1,588.5	1.5	-54.5	1,535.5	10.2	140.1	1,685.8
Defense Acquisition University (DAU)	134.9	1.8	0.7	137.5	2.2	-1.0	138.7
National Defense University (NDU)	87.6	1.2	-10.4	78.4	1.3	6.0	85.7
US Special Operations Command	352.4	5.6	-7.3	350.7	5.8	8.8	365.3
Defense Health Program (DHP)	<u>662.6</u>	<u>20.6</u>	<u>44.7</u>	<u>727.8</u>	<u>13.1</u>	<u>2.3</u>	<u>743.2</u>
Total	7,777.9	105.6	94.3	7,978.5	-9.3	180.9	8,149.5
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 excludes \$85.0 million of OCO funding							
³ FY 2017 excludes \$94.6 million of OCO funding including \$15.0 million Bipartisan Budget Act (BBA) of 2015 compliance							

TRAINING AND EDUCATION

TRAINING AND EDUCATION

\$ in Millions

	FY 2015 Actual	Price Growth	Program Growth	FY 2016 Enacted	Price Growth	Program Growth	FY 2017 Estimate
<u>Recruit Training</u>							
Army ¹	81.0	0.6	7.3	89.5	0.2	4.1	93.2
Navy	10.6	0.1	-1.7	9.0	0.2	-0.7	8.5
Marine Corps	18.6	0.3	-2.6	16.3	0.1	-0.5	15.9
Air Force	18.2	0.3	3.2	21.7	0.4	1.7	23.8
Total	128.4	1.3	6.2	136.5	0.9	4.6	141.4
<u>Specialized Skills Training</u>							
Army	904.0	13.8	21.0	938.8	-88.0	-29.8	821.0
Navy	658.3	10.2	-15.0	653.5	11.5	34.2	699.2
Marine Corps	91.8	1.9	3.6	97.3	0.3	1.7	99.3
Air Force	333.3	4.7	37.1	375.1	2.6	9.7	387.4
DHP	99.6	1.7	14.5	115.8	2.1	-7.5	110.4
USSOCOM	328.3	5.2	-11.4	322.1	5.3	7.7	335.2
Total	2,415.3	37.5	49.8	2,502.6	-66.2	16.0	2,452.5
<u>Officer Acquisition</u>							
Army	127.8	1.9	-0.7	129.0	2.0	0.9	131.9
Navy	159.5	2.2	-12.4	149.3	2.4	-7.9	143.8
Marine Corps	0.9	<0.1	<0.1	1.0	<0.1	-0.1	0.9
Air Force	113.6	1.7	-26.1	89.2	1.4	30.3	120.9
Total	401.8	5.8	-39.2	368.5	5.8	23.2	397.5
¹ Includes One Station Unit Training							

TRAINING AND EDUCATION

TRAINING AND EDUCATION

\$ in Millions

<u>Professional Development</u>	<u>FY 2015 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
Army	171.5	2.5	47.9	221.9	3.7	-9.0	216.6
Navy	164.9	2.3	-1.7	165.5	2.7	4.7	172.9
Marine Corps	42.7	0.7	-2.6	40.8	0.7	4.0	45.5
Air Force	212.7	3.1	12.1	227.9	3.9	32.4	264.2
DAU	134.9	1.8	0.7	137.5	2.2	-1.0	138.7
NDU	31.5	0.4	-0.1	31.8	0.5	1.1	33.4
USSOCOM	24.1	0.4	4.1	28.6	0.5	1.1	30.1
DHP	563.0	18.9	30.2	612.1	11.0	9.8	632.8
Total	1,345.3	30.1	90.6	1,466.1	25.2	43.1	1,534.2
<u>Senior ROTC</u>							
Army	412.8	6.6	59.0	478.4	8.3	-4.0	482.7
Navy	132.9	2.2	21.2	156.3	2.7	-15.6	143.4
Air Force	69.7	1.2	6.6	77.5	1.4	-1.2	77.7
Total	615.4	10.0	86.8	712.2	12.4	-20.8	703.8
<u>Flight Training</u>							
Army	874.7	12.0	39.6	926.3	-4.2	-19.3	902.8
Navy	7.9	0.2	0.1	8.2	0.1	-3.0	5.3
Air Force	737.4	-10.6	-59.1	667.7	-0.4	57.8	725.1
Total	1,620.0	1.6	-19.4	1,602.2	-4.5	35.5	1,633.2
<u>Training Support</u>							
Army	595.9	9.6	-34.9	570.6	6.9	30.0	607.5
Navy	189.0	2.3	4.7	196.0	3.8	22.9	222.7
Marine Corps	363.2	6.3	-22.0	347.5	5.5	17.0	370.0
Air Force	103.6	1.1	-28.3	76.4	0.9	9.4	86.7
Total	1,251.7	19.3	-80.5	1,190.5	17.1	79.3	1,286.9

TRAINING AND EDUCATION

TRAINING AND EDUCATION

Recruit Training:

- The Army budget request of \$93.2 million includes a program increase of \$4.1 million. This increase supports additional student load at the Army Training Centers and additional supplies, materials, equipment, and travel.
- The Navy budget request of \$8.5 million includes a program decrease of \$0.7 million. This decrease is for travel and civilian pay.
- The Marine Corps budget request of \$15.9 million includes a program decrease of \$0.5 million. This decrease is for contractor services, supplies, and materials as well as a funding transfer from Recruit Training to Professional Development.
- The Air Force budget request of \$23.8 million includes a program increase of \$1.7 million. This increase is for recruit training and civilian pay.

Specialized Skill Training:

- The Army budget request of \$821.0 million includes a program decrease of \$29.8 million. This decrease reflects reduced civilian pay to shape the workforce commensurate with force structure levels.
- The Navy budget request of \$699.2 million includes a program increase of \$34.2 million. This increase is for the Sailor 2025 initiative, Navy Nuclear Training pipeline, and the Navy Learning Enterprise.
- The Marine Corps budget request of \$99.3 million includes a program increase of \$1.7 million. This increase is for supplies, materials, and equipment needed for communications, information technology, and software applications for Military Occupational Skills Training.
- The Air Force budget request of \$387.4 million includes a program increase of \$9.7 million. This increase is for technical training and civilian pay.
- The USSOCOM budget request of \$335.2 million includes a program increase of \$7.7 million. This increase is for the Aircraft Training and Rehearsal contract, language capability requirements, Cross Cultural Competence and Regional courses, Joint terminal attack controllers training, and civilian pay.

Officer Acquisition:

- The Army budget request of \$131.9 million includes a program increase of \$0.9 million. This increase reflects a transfer of funds and civilian pay to this account for consolidation of Military Academy resources.
- The Navy budget request of \$143.8 million includes a program decrease of \$7.9 million. This decrease is due to reduced U.S. Naval Academy staff and infrastructure and other administrative support for Officer Acquisition programs.

TRAINING AND EDUCATION

- The Marine Corps budget request of \$0.9 million includes a program decrease of \$0.1 million. This decrease is due to reduced requirements for travel and contract supplies and materials.
- The Air Force budget request of \$120.9 million includes a program increase of \$30.3 million. This increase is for operating support for the U.S. Air Force Academy and civilian pay.

Professional Development:

- The Army budget request of \$216.6 million includes a program decrease of \$9.0 million. This decrease reflects a reduction in the number of training seats required for the 41-week Sergeants Major Academy resident course.
- The Navy budget request of \$172.9 million includes a program increase of \$4.7 million. This increase supports additional civilians for the Naval Postgraduate School.
- The Marine Corps budget of \$45.5 million includes a program increase of \$4.0 million. This increase supports civil in-service schooling opportunities, school materials equipment maintenance, instructor staff, and administrative costs.
- The Air Force budget request of \$264.2 million includes a program increase of \$32.4 million. This increase supports the Air Force Senior Leader Development Program, Language and Culture Program, and civilian pay.
- The Defense Acquisition University budget request of \$138.7 million includes a program decrease of \$1.0 million. This decrease reflects reduced facilities maintenance costs in FY 2017.
- The National Defense University budget request of \$33.4 million includes a program increase of \$1.1 million. This increase reflects increased student enrollments for FY 2017.
- The USSOCOM budget request of \$30.1 million includes a program increase of \$1.1 million. This increase supports additional core development courses, student enrollments, and civilian pay.

Senior ROTC:

- The Army budget request of \$482.7 million includes a program decrease of \$4.0 million. This decrease reflects reduced training, travel, and other personnel support.
- The Navy budget request of \$143.4 million includes a program decrease of \$15.6 million. This decrease is due to 299 fewer scholarships required in FY 2017.
- The Air Force budget request of \$77.7 million includes a program decrease of \$1.2 million. This decrease is due to reduced requirements for Reserve Officer Training Corps operations in FY 2017.

TRAINING AND EDUCATION

TRAINING AND EDUCATION

Flight Training:

- The Army budget request of \$902.8 million reflects a program decrease of \$19.3 million. This decrease reflects reduced student workload for fixed-wing multi-engine aircraft training.
- The Navy budget request of \$5.3 million reflects a program increase of \$-3.0 million. This increase is for classroom and simulator training for the TH-57 Sea Ranger training platform, contract maintenance, and fuel usage.
- The Air Force budget request of \$725.1 million reflects a program increase of \$57.8 million. This increase is for flight training and the associated training flying hours due to an increase in Air Force military end-strength for FY 2017.

Training Support:

- The Army budget request of \$607.5 million reflects a program increase of \$30.0 million. This increase supports the sustainment of distributed learning courseware content and the development of training and doctrine for the newly established Cyber Center of Excellence.
- The Navy budget request of \$222.7 million reflects a program increase of \$22.9 million. This increase is for the Information Technology infrastructure required for the Sailor 2025 initiative, cyber security, and management of the Battle Force Tactical Training/Total Ship Training Capability family of systems including the Navigation Seamanship and Ship Handling Trainer.
- The Marine Corps budget request of \$370.0 million reflects a program increase of \$17.0 million. This increase is for advanced training in the Cyber and Air and Ground Intelligence Military Occupational Specialties.
- The Air Force budget request of \$86.7 million reflects a program increase of \$9.4 million. This increase is for Nuclear Enterprise and base support civilian pay.

TRAINING AND EDUCATION

PROGRAM DATA

Hours in Thousands

<u>Flying Hours</u>	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Army	199.0	20.0	219.0	1.0	220.0
Navy	255.0	-1.0	254.0	0.0	254.0
Air Force	<u>735.3</u>	<u>-9.1</u>	<u>726.1</u>	<u>24.0</u>	<u>750.1</u>
Total	1,189.3	9.9	1,199.1	25.0	1,224.1
Numbers may not add due to rounding					

WORKLOAD INDICATORS

Student/Trainee Work-years

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Army	<u>61,595</u>	<u>5,314</u>	<u>66,909</u>	<u>-584</u>	<u>66,325</u>
Recruit Training	13,836	1,750	15,586	-703	14,883
One Station Unit Training	7,805	451	8,256	716	8,972
Specialized Skill	31,297	2,513	33,810	-425	33,385
Officer Acquisition	4,644	290	4,934	-137	4,797
Flight Training	1,047	149	1,196	-31	1,165
Professional Development	2,966	161	3,127	-4	3,123
Navy	<u>47,609</u>	<u>-412</u>	<u>47,197</u>	<u>934</u>	<u>48,131</u>
Recruit Training	6,311	-76	6,235	-104	6,131
Specialized Skill	24,922	-146	24,776	1,758	26,534
Officer Acquisition	4,941	-14	4,927	-2	4,925
Senior ROTC	5,815	287	6,102	-242	5,860
Flight Training	3,105	-324	2,781	-527	2,254
Professional Development	2,515	-139	2,376	51	2,427

TRAINING AND EDUCATION

TRAINING AND EDUCATION

WORKLOAD INDICATORS (cont'd)

Student/Trainee Work-years

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Marine Corps	<u>50,188</u>	<u>4,621</u>	<u>54,809</u>	<u>669</u>	<u>55,478</u>
Recruit Training	34,416	4,019	38,435	326	38,761
Specialized Skill	13,779	368	14,147	349	14,496
Officer Acquisition	283	28	311	-4	307
Professional Development	1,710	206	1,916	-2	1,914
Air Force	<u>20,696</u>	<u>656</u>	<u>21,352</u>	<u>2,973</u>	<u>24,325</u>
Recruit Training	2,317	315	2,632	0	2,632
Specialized Skill Training	10,649	503	11,152	2,629	13,781
Officer Acquisition	4,334	55	4,389	2	4,391
Flight Training	1,487	12	1,499	292	1,791
Professional Development	1,909	-229	1,680	50	1,730
Defense Health Program	<u>99,215</u>	<u>12,798</u>	<u>112,013</u>	<u>-1,814</u>	<u>110,199</u>
Health Professions Scholarship Program	4,237	68	4,305	2	4,307
Uniformed Services University of the Health Sciences	1,913	39	1,952	29	1,981
Graduate Medical Education	1,427	21	1,448	-5	1,443
Professional Development	37,103	3,091	40,194	-1,341	38,853
Other Education and Training Programs	40,983	6,680	47,663	-209	47,454
Medical Education and Training Center	13,552	2,899	16,451	-290	16,161
Numbers may not add due to rounding					

RECRUITING, ADVERTISING, AND EXAMINING

Overall funding in recruiting, advertising, and examining provides support for recruiting commands and stations throughout the United States; local, regional, and national advertising to access and retain quality enlisted and officer personnel; and the processing of all enlisted personnel entering on active duty. Total FY 2017 funding of \$1,552.1 million increases by \$98.9 million. Of this amount, there is a \$22.6 million increase for price growth and a \$76.3 million increase for program changes.

\$ in Millions

<u>Funding Summary</u>	<u>FY 2015 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
Army	758.3	12.0	-116.5	653.8	11.0	73.0	737.8
Navy	214.2	2.4	13.5	230.1	1.5	-6.0	225.6
Marine Corps	174.2	2.9	-12.3	164.8	2.9	-2.2	165.6
Air Force	94.3	1.5	-18.5	77.3	1.4	29.9	108.6
Army Reserve	32.9	0.6	0.4	33.9	0.7	2.2	36.8
Marine Corps Reserve	8.7	0.2	0.0	8.8	0.1	-0.1	8.9
Air Force Reserve	21.7	0.3	-7.7	14.3	0.2	0.2	14.7
Army National Guard	191.1	3.4	44.8	239.3	4.3	-20.5	223.1
Air National Guard	31.1	0.6	-1.0	30.7	0.5	-0.2	31.0
Total	1,526.5	23.9	-97.3	1,453.0	22.6	76.3	1,552.1
Numbers may not add due to rounding							

RECRUITING, ADVERTISING, AND EXAMINING

RECRUITING, ADVERTISING, AND EXAMINING

The following tables provide the funding by Component for each category:

Recruiting

The recruiting mission is to maintain the highest quality force possible. Recruiting funds provide support for recruiting commands and stations throughout the United States, to include civilian pay and training; recruiter training; recruiter travel and per diem; applicant meals, lodging and travel; vehicle operation and maintenance; office leases; and operating costs of the Navy's Flight Demonstration Team (Blue Angels).

The FY 2017 recruiting program reflects an increase of \$29.8 million. Of this increase, \$11.1 million is for price growth and \$18.7 million is for program changes. The increase supports additional travel, supplies, equipment, and upgrades to recruiting automated systems.

\$ in Millions

<u>Recruiting Summary</u>	<u>FY 2015 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
Army	254.0	4.1	8.2	266.3	4.6	14.6	285.5
Navy	158.1	1.5	21.5	181.1	0.7	-3.2	178.6
Marine Corps	91.1	1.5	-6.0	86.6	1.4	0.9	87.1
Air Force	46.9	0.7	-2.4	45.2	0.8	6.1	52.1
Army Reserve	29.7	0.5	0.5	30.7	0.6	1.9	33.2
Marine Corps Reserve	5.5	0.1	0.0	5.5	0.1	-0.1	5.6
Air Force Reserve	7.3	0.1	-0.7	6.7	0.1	0.2	7.0
Army National Guard	115.2	2.1	26.7	144.0	2.6	0.2	146.8
Air National Guard	14.1	0.3	-0.3	14.1	0.2	0.1	14.2
Total	721.9	10.9	47.5	780.2	11.1	18.7	810.1
Numbers may not add due to rounding							

RECRUITING, ADVERTISING, AND EXAMINING

Advertising

Advertising funds provide for local, regional, national and corporate advertising to access quality enlisted and officer personnel. All advertising is designed to increase public awareness and describe employment opportunities. The Services fund a media mix that includes television and radio; magazines and newspapers; internet websites and banner advertising; informational videos; direct mail campaigns; and recruiting booklets/pamphlets.

The FY 2017 Advertising program reflects an increase of \$58.3 million. This amount is the result of a \$9.0 million increase for price growth and a \$49.3 million increase for program changes. The increase reflects the cost to advertise for a higher standard of recruit in a lower unemployment environment.

\$ in Millions

<u>Advertising Summary</u>	<u>FY 2015 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
Army	364.5	5.9	-135.5	234.9	4.0	50.1	289.0
Navy	56.1	0.9	-8.0	49.0	0.8	-2.8	47.0
Marine Corps	83.1	1.4	-6.3	78.2	1.5	-1.3	78.5
Air Force	45.0	0.8	-17.5	28.3	0.5	23.8	52.6
Army Reserve	3.2	0.1	-0.1	3.2	0.1	0.3	3.6
Marine Corps Reserve	3.2	0.1	0.0	3.3	0.0	0.0	3.3
Air Force Reserve	14.4	0.2	-7.0	7.6	0.1	0.0	7.7
Army National Guard	75.9	1.4	18.1	95.4	1.7	-20.7	76.4
Air National Guard	17.0	0.3	-0.7	16.6	0.3	0.1	16.8
Total	662.4	11.0	-157.0	516.5	9.0	49.3	574.9

Numbers may not add due to rounding

RECRUITING, ADVERTISING, AND EXAMINING

Examining

Examining funds provide support for the U.S. Military Entrance Processing Command (MEPCOM), which operates 65 Military Entrance Processing Stations (MEPS) and 468 Military Examining Test Sites (METS). This joint-Service organization screens individuals for medical and moral qualifications and aptitude, and then administratively processes them into all of the Armed Services. During mobilization, the command processes persons called to active duty from the Individual Ready Reserve, as well as conscripts inducted via the Selective Service System (SSS). As the DoD Executive Agent for the MEPCOM, the Army provides funding and civilian personnel resources for operation of the MEPS and the METS, administration of the Armed Services Vocational Aptitude Battery (ASVAB) for both the production and student (high school) testing programs, and the MEPCOM's Information Technology (IT) requirements. The Air Force provides funding for an Air Force specific strength aptitude test program. This Air Force program provides a gender neutral test to ensure personnel are capable of performing their duties, therefore reducing accidents and injuries due to overexertion and alleviating attrition in strenuous jobs.

The FY 2017 Examining program reflects an increase of \$10.8 million. This amount is the result of a \$2.5 million increase for price growth and an \$8.3 million increase for program changes. The increase supports efforts to improve the effectiveness of recruiting and accessions by using modern data analytics, expanding non-cognitive testing and digitizing the MEPS process.

\$ in Millions

<u>Examining Summary</u>	<u>FY 2015 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
Army	139.8	2.0	10.8	152.6	2.4	8.3	163.3
Air Force	2.4	0.0	1.4	3.8	0.1	0.1	3.9
Total	142.2	2.0	12.2	156.4	2.5	8.3	167.2
Numbers may not add due to rounding							

COMMAND, CONTROL, AND COMMUNICATIONS (C3)

\$ in Millions

<u>C3</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016²</u> <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017³</u> <u>Estimate</u>
Army	1,248.6	25.5	-224.1	1,050.0	4.9	88.0	1,142.9
Navy	1,106.2	-22.3	-71.8	1,006.5	-8.3	-161.6	836.6
Marine Corps	55.3	0.9	-5.1	51.2	1.0	0.5	52.7
Air Force	3,177.7	-39.2	-976.9	2,161.6	5.9	-227.6	1,939.9
Defense-Wide	593.7	4.6	-50.2	548.1	7.1	-29.8	525.4
Army Reserve	89.2	1.6	8.6	99.4	1.7	0.8	101.4
Navy Reserve	145.5	0.3	-0.2	14.5	0.3	-0.9	13.8
Marine Corps Reserve	0.8	-	-0.4	0.4	-	0.9	1.3
Air Force Reserve	119.8	1.8	-54.9	66.7	1.0	3.1	70.8
Army National Guard	214.5	3.4	95.9	313.8	5.8	7.1	326.7
Air National Guard	52.9	-1.6	3.7	55.0	-1.1	-2.2	51.7
Defense Health Program	52.2	0.9	-6.8	46.3	0.8	0.1	47.2
Total	6,725.4	-24.1	-1,287.8	5,413.5	19.1	-321.6	5,110.4
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 enacted excludes OCO funding							
³ FY 2017 excludes OCO funding							

Command, control, and communications (C3) resources provide seamless base level and worldwide communication networks for voice, data, and imagery traffic of sufficient quality, reliability, and flexibility to ensure responsive support to U.S. forces. This information infrastructure contains communications networks, computers, software, databases, applications, data, security services, and other capabilities that meet the information processing and transport needs of DoD users. The C3 program specifically funds telecommunications systems, leased circuits, and other services necessary for information transfer, messaging operations, and equipment associated with sending and receiving communications transmissions. Additionally, this program funds efforts to integrate command and control systems with communications to support the information needs of field commanders. The FY 2017 budget request of \$5,110.4 million includes price increases of \$19.1 million and program decreases of \$321.6 million (-6 percent) above the FY 2015 funding level.

COMMAND, CONTROL, AND COMMUNICATIONS (C3)

COMMAND, CONTROL, AND COMMUNICATIONS (C3)

\$ in Millions

<u>C3</u>	<u>FY 2015¹</u> <u>Actual</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2016²</u> <u>Enacted</u>	<u>Price</u> <u>Growth</u>	<u>Program</u> <u>Growth</u>	<u>FY 2017³</u> <u>Estimate</u>
Data Communications							
Sustaining Base Communications	1,267.6	15.1	8.8	1,291.6	20.6	-77.2	1,235.0
Long Haul Communications	1,494.2	-85.0	-190.5	1,218.7	-44.6	-269.4	904.2
Deployable and Mobile Communications	756.8	12.8	-423.3	346.3	4.2	-1.0	349.5
Sub Total (data communications)	3,518.6	-57.1	-605.0	2,856.6	-19.8	-347.6	2,488.7
Command and Control (C2)							
National	638.5	9.1	-180.0	467.6	7.2	-22.4	452.4
Operational	739.0	10.8	-62.4	687.4	8.7	54.7	750.8
Tactical	431.7	-9.1	10.8	433.4	7.7	-69.9	371.2
Sub Total C2	1,809.2	10.8	-231.6	1,588.4	23.6	-37.6	1,574.4
C3-Related							
Navigation	152.1	1.7	-23.5	130.3	2.0	8.7	141.0
Meteorology	70.2	0.8	-0.2	70.8	1.1	0.3	72.2
Combat Identification	318.9	5.4	-7.0	317.3	5.6	-23.8	299.1
Information Assurance Activities	856.4	14.2	-420.5	450.1	6.5	78.4	535.0
Sub Total C3 related	1,397.6	22.1	-445.6	968.5	15.2	63.6	1,047.3
Total	6,725.4	-24.1	-1,287.8	5,413.5	19.1	-321.6	5,110.4
Numbers may not add due to rounding							
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
² FY 2016 enacted excludes OCO funding							
³ FY 2017 excludes OCO funding							

COMMAND, CONTROL, AND COMMUNICATIONS (C3)

COMMAND, CONTROL, AND COMMUNICATIONS (C3)

Command and Control (C2): This category of C3 represents the facilities, systems, and manpower essential to a commander for planning, directing, coordinating, and controlling operations of assigned forces. These command and control capabilities cover the National Command Authority, through the joint operational and theater level echelon, and down to the front-line tactical elements. Additionally, this category includes funding for the Defense portion of the National Airspace System and other air traffic control activities. The FY 2017 budget request of \$1,574.4 million reflects a program decrease of \$37.6 million (-2 percent) above the FY 2016 funding level. Major changes include:

- The Army Active Component budget request of \$240.2 million reflects a program increase of \$63.5 million to refresh Command Strategic Communication equipment at Army commands.
- The Air Force Active Component budget request of \$976.3 million reflects a program decrease of \$72.8 million, primarily for decrease in sustainment for radar systems.
- The Defense-wide budget request of \$285.9 million reflects a program decrease of \$18.3 million for reductions in various USSOCOM radio, network, and communication programs.

Data Communications: Communications are an integral element of C3 and include sustaining base, long haul, and all forms of deployable and mobile communications assets. Resources for sustaining base communications are almost exclusively fixed plant and installation support and provide the “backbone” and other communications infrastructure for CONUS and overseas locations. Funding for long-haul communications, largely comprised of the Defense Information Systems Network (DISN) costs, includes primarily voice and data services for all off-post connectivity, worldwide web, and other connectivity. The DISN is a combination of DoD-owned and leased telecommunications networks and subsystems comprised of equipment, services, personnel, and facilities under the management control and operational direction of the Defense Information Systems Agency (DISA). Resources for deployable and mobile communications include funding for systems and capabilities to extend communications into areas of operations, which are primarily provided through satellite systems and other wireless transmission means and constitute moveable or transportable communications. The FY 2017 budget request of \$2,488.7 million reflects a program decrease of \$347.6 million (-12 percent) above the FY 2016 enacted level. The following are the most significant changes:

- The Army Active Component budget request of \$659.2 million includes a program decrease of \$40.6 million. This decrease reflects the divestiture of legacy phone and implementation of voice over internet protocols.
- The Navy Active Component budget request of \$402.5 million includes a program decrease of \$132 million that reflects reductions on communication contracts and long haul communications.
- The Marine Corps Active Component budget request of \$52.7 million includes a program increase of \$0.5 million for increases in base communications.

COMMAND, CONTROL, AND COMMUNICATIONS (C3)

- The Air Force Active Component budget request of \$709.9 million includes a program decrease of \$170 million, primarily driven by decreases in replacing end-of-life and end-of-service equipment to sustain the Air Force Network Enterprise.

C3-Related: This category includes various programs and functions related to, and supportive of, communications, command, and control requirements and includes both communications security and computer security. Included are communication resources to support navigation, meteorological reporting, combat identification that provides positive identification of friendly forces to prevent fratricide, and information assurance to protect information systems against denial of service and unauthorized (accidental or intentional) disclosure, modification, or destruction of the information system or data. The FY 2017 budget request of \$1,047.3 million reflects a program increase of \$63.6 million (7 percent) above the FY 2016 funding level. The significant changes include:

- The Army Active Component budget request of \$243.5 million reflects a program increase of \$65.1 million for security and access improvements on Army Networks.
- The Navy Active Component budget request of \$362.1 million reflects a program decrease of \$19.6 million to decrease in barge operations due to decreased availabilities.
- The Air Force Active Component budget request of \$253.7 million includes a program increase of \$15.2 million to support increases for equipment and contract services to upgrade data and network requirements for Information Assurance.

TRANSPORTATION

\$ in Millions

	FY 2015¹ <u>Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2016² <u>Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	FY 2017³ <u>Estimate</u>
Army	2,160.5	103.5	-1,779.0	485.0	7.4	-261.7	230.7
Navy	309.5	5.4	-117.2	197.7	3.3	-29.4	171.7
Marine Corps	107.1	2.8	-72.4	37.4	0.4	-3.3	34.5
Air Force	259.1	11.3	-198.9	71.5	-3.4	176.7	244.8
Army Reserve	10.6	0.2	-0.1	10.7	0.2	0.2	11.0
Marine Corps Reserve	0.8	<0.1	0.1	0.9	<0.1	<-0.1	0.9
Air Force Reserve	4.5	0.1	-2.5	2.1	-	0.3	2.4
Army National Guard	5.9	0.1	0.6	6.6	0.1	-0.3	6.4
Air National Guard	10.9	0.2	0.9	12.0	0.2	-0.5	11.7
DoD Education Activity	26.1	0.8	-4.3	22.6	0.8	-	23.4
Defense Logistics Agency	20.0	48.0	-	68.0	1.0	-	69.0
Defense Threat Reduction Agency	4.6	-	-	4.6	-	-0.6	4.0
Office of the Secretary of Defense	219.0	18.5	1.2	238.6	-9.7	8.1	237.0
Total	3,138.6	190.9	-2,171.6	1,157.7	0.3	-110.5	1,047.5

Numbers may not add due to rounding

¹ FY 2015 includes Overseas Contingency Operations (OCO) funding

² FY 2016 enacted excludes \$1,280.7 million of OCO funding including \$200.0 million of base funds transferred to OCO

³ FY 2017 excludes \$1,027.6 million of OCO funding including \$200.0 million of Bipartisan Budget Act (BBA) of 2015 compliance

The Transportation budget funds the movement of materiel between contractors' plants, military logistics centers, and field activities throughout the world. The Components purchase transportation from Department of Defense (DoD) activities in the Defense Working Capital Funds (DWCF) and from commercial sources. Transportation consists of two types: first destination and second destination (explained subsequently). In addition to DoD military supplies and equipment, other major commodities shipped include overseas mail, subsistence items, and base exchange stock. Supplies and equipment may be shipped overland, by sea or by air.

TRANSPORTATION

TRANSPORTATION

In FY 2017, total DoD transportation costs are \$1,047.5 million, a net decrease of \$110.2 million above the FY 2016 funding level. This includes price increases of \$0.3 million and program decreases of \$110.5 million (9.5 percent).

- The Army Active Component budget request of \$230.7 million includes a program decrease of \$261.7 million in the second destination transportation program. The majority of the decrease is due to the FY 2017 \$200.0 million BBA of 2015 compliance. Additional program decreases are a result of the reduction in new equipment fieldings and recapitalizations as force structure decreases.
- The Navy Active Component budget request of \$171.7 million includes a program decrease of \$29.4 million in second destination transportation for decreased costs associated with increased use of surface transportation vice air transportation as well as consolidation and better routing of cargo.
- The Air Force Active Component budget request of \$244.8 million includes a program increase of \$176.7 million, which primarily represents a restoral of \$200.0 million of base to OCO realignment in FY 2016.
- The Office of the Secretary of Defense (OSD) budget request of \$237.0 million includes a program increase of \$8.1 million in second destination transportation. In an effort to adapt to changing strategic and theater requirements, there is increased forces' participation along with increased surface shipment requirements for the joint exercise program in FY 2017.

TRANSPORTATION

First Destination Transportation

First Destination Transportation (FDT) finances the transportation costs for delivery of items purchased directly from manufacturers. FDT costs for delivery of procurement-funded weapon systems and equipment or supplies and equipment purchased through the Defense Working Capital Fund are not included here. The following table summarizes FDT funding:

\$ in Millions

	FY 2015 ^{/1} <u>Actual</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2016 ^{/2} <u>Enacted</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2017 ^{/3} <u>Estimate</u>
Major Commodity	46.1	48.8	-4.3	90.6	1.8	-	92.4
Military Supplies and Equipment	46.1	48.8	-4.3	90.6	1.8	-	92.4
Mode of Shipment	46.1	48.8	-4.3	90.6	1.8	-	92.4
Commercial	46.1	48.8	-4.3	90.6	1.8	-	92.4
Surface	46.1	48.8	-4.3	90.6	1.8	-	92.4
					Numbers may not add due to rounding		
¹ FY 2015 does not include Overseas Contingency Operations (OCO) funding							
² FY 2016 enacted did not request OCO							
³ FY 2017 did not request OCO							

Second Destination Transportation

Funding for Second Destination Transportation (SDT) finances the movement of government owned equipment and materiel among and between depots, logistics centers, and field activities including: retrograde cargo, post office mail, ammunition, support of classified and special programs, spare parts and other cargo. Equipment and materiel is shipped by either military airlift and sealift worldwide, commercial surface transportation, or commercial air carriers operating daily flights over regular routes within CONUS and Alaska. Costs include accessory transportation services such as vessel per diem and retention charges. The following table summarizes SDT funding – “other” includes storage costs, container leasing, shipping equipment (e.g., cranes), and cargo tracking systems:

TRANSPORTATION

TRANSPORTATION

\$ in Millions

	FY 2015^{/1} <u>Actual</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2016^{/2} <u>Enacted</u>	Price <u>Growth</u>	Program <u>Growth</u>	FY 2017^{/3} <u>Estimate</u>
Major Commodity	3,092.5	142.1	-2,167.3	1,067.1	-1.5	-110.5	955.1
Military Supplies and Equipment	2,795.5	131.7	-2,074.6	852.4	-5.4	-44.4	802.6
Mail Overseas	85.7	4.2	-30.5	59.4	1.4	-7.4	53.4
Subsistence	24.3	0.5	-11.8	13.0	0.0	15.1	28.1
Base Exchange	187.0	5.7	-50.4	142.3	2.5	-73.8	71.0
Mode of Shipment	3,092.5	142.1	-2,167.3	1,067.1	-1.5	-110.5	955.1
Military Commands	1,255.4	66.4	-781.8	540.0	-10.1	26.2	556.1
Surface	100.2	28.3	-69.2	59.3	0.5	44.8	104.6
Sealift	453.9	19.4	-344.7	128.6	2.1	-49.7	81.0
Airlift	542.8	15.3	-287.7	270.4	-14.0	43.4	299.8
Other	158.5	3.4	-80.2	81.7	1.3	-12.3	70.7
Commercial	1,837.1	75.7	-1,385.7	527.1	8.6	-136.7	399.0
Surface	444.2	19.8	-317.2	146.8	2.5	-54.9	94.4
Sealift	561.7	26.9	-462.5	126.1	1.9	-68.0	60.0
Airlift	569.3	18.6	-404.1	183.8	3.1	12.0	198.9
Other	261.9	10.4	-201.9	70.4	1.1	-25.8	45.7
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding							
Numbers may not add due to rounding							
² FY 2016 enacted excludes \$1,280.7 million of OCO funding including \$200.0 million of base funds transferred to OCO							
³ FY 2017 excludes \$1,027.6 million of OCO funding including \$200.0 million of BBA of 2015 compliance							

TRANSPORTATION

PRISONER OF WAR/MISSING IN ACTION (POW/MIA) ACTIVITIES

\$ in Millions

FINANCIAL SUMMARY:

	<u>APPN</u>	<u>BA</u>	<u>SAG</u>	<u>FY 2015 Actual/1</u>	<u>FY 2016 Enacted</u>	<u>FY 2017 Estimate</u>	<u>FY 2018 Estimate</u>	<u>FY 2019 Estimate</u>	<u>FY 2020 Estimate</u>	<u>FY 2021 Estimate</u>
<u>Estimated Requirements</u>										
Defense POW/MIA Accounting Agency	0100D	04	4GTC	131.2	115.4	112.6	116.3	116.8	117.1	117.1
Armed Forces DNA Identification Laboratory	2020A	04	434	13.6	17.5	19.2	19.2	19.2	19.1	19.1
<u>Total</u>				144.8	132.9	131.8	135.5	136	136.2	136.2
<u>Budget</u>										
Defense POW/MIA Accounting Agency	0100D	04	4GTC	127.3	115.3	112.6	116.3	116.8	117.1	117.1
Armed Forces DNA Identification Laboratory	2020A	04	434	13.6	17.4	19.1	19.1	19.1	19.1	19.1
<u>Total</u>				140.9	132.7	131.7	135.4	135.9	136.2	136.2
<u>Percent of Estimated Requirements to Budget</u>										
Defense POW/MIA Accounting Agency	0100D	04	4GTC	97%	100%	100%	100%	100%	100%	100%
Armed Forces DNA Identification Laboratory	2020A	04	434	100%	99%	99%	99%	99%	100%	100%
<u>Total</u>				97%	100%	100%	100%	100%	100%	100%

1/ With the passage of the FY 2015 Appropriations Act, the budgets for the Joint POW/MIA Accounting Command, the Defense Prisoner of War/Missing Personnel Office, and the Life Sciences Equipment Laboratory were transferred to the new Defense POW/MIA Accounting Agency from the Navy, Defense-Wide, and Air Force budgets respectively.

DESCRIPTION OF OPERATIONS FINANCED:

- The Defense POW/MIA Accounting Agency (DPAA) provides families and the nation with the fullest possible accounting for missing personnel from past conflicts. DPAA provides policy, control, and oversight for the DoD personnel accounting process in accordance with 10 USC § 1501, 1509, and 1513. The DPAA leads the national effort to develop and implement DoD policy on all matters relating to personnel accounting from past conflicts, conduct global search, recovery, and laboratory operations to identify personnel from past conflicts and to provide information and answers to the families of missing personnel, share their stories, and, when possible, bring home their remains.

PRISONER OF WAR/MISSING IN ACTION (POW/MIA) ACTIVITIES

PRISONER OF WAR/MISSING IN ACTION (POW/MIA) ACTIVITIES

- The DPAA operates a laboratory for forensic and anthropological analysis of remains, and capability for material analysis of artifacts and other items related to crash sites and personnel losses, and coordinates closely with the Armed Forces DNA Identification Laboratory (AFDIL) to collect and identify DNA samples. The AFDIL is the collection and identification of DNA samples remain important aspects of the Department's POW/MIA accounting mission. The DPAA, through the Department of State, coordinates with foreign governments for initial and sustained access to potential locations containing artifacts and remains of U.S. missing personnel. The DPAA personnel assist with command and control, logistics, and in-country support during investigation, excavation, and recovery operations. In addition, the DPAA leads and supports the U.S. side of the U.S.-Russia Joint Commission.

PROGRAM DESCRIPTION:

- The DPAA completed implementation of the Secretary of Defense's direction to transform POW/MIA activities, specifically by implementing the consolidation of the Defense Prisoner of War/Missing Personnel Office (DPMO), the Joint POW/MIA Accounting Command (JPAC), and the USAF Life Sciences Equipment Laboratory (LSEL). Significant programmatic changes to each funding stream from previous submissions have not occurred due to the Department's efforts to continue existing POW/MIA activities while the reorganization and transformation processes take place. Throughout this process, thorough review and analysis of missions and business practices will take place, the products of which will inform future program and budget submissions.

This exhibit complies with Section 563 of the National Defense Authorization Act for Fiscal Year 2007, Annual Budget Display of Funds for POW/MIA Activities of the DoD, as codified in Section 234 of Chapter 9 of Title 10 of the United States Code.

CIVILIAN PERSONNEL

Full-Time Equivalent

The Department of Defense (DoD) civilian workforce is critical to our mission in helping to protect America's national security. The civilian workforce serves as a constant, steady, and stable resource within the Department. Budget uncertainties often impact the civilian force structure and affect hiring, training, retention and other civilian talent enablers. The Department's budget supports a properly sized and highly capable civilian workforce that is aligned to mission and workload, and is sized and shaped to reflect changes to the Department's reduced military force structure. Our civilian workforce delivers readiness, and provides maintenance, training, base support, medical care, and family care programs that are critical to our warfighters and their families. It is also intrinsic to our operational success, particularly in areas such as intelligence and cyber. A sufficient civilian workforce is necessary to prevent an erosion of organic skills and an overreliance on contracted services. At the same time, there are areas in which we have recognized we can be more effective or efficient, such as in our headquarters staffing and some of our core business processes. This budget takes prudent, well-reasoned actions to shape the workforce in those areas.

To help shape the civilian workforce to meet our missions, while mitigating the risks associated with financial uncertainty, the Department applies the principles and tenets of strategic workforce planning. The DoD civilian workforce of the future must strive to meet the strategic priorities of the Department while facing the realities of a constrained fiscal environment. DoD civilians will be expected to meet the stated missions and priorities of the Department as resources continue to decline, an environment in which tough choices may be required.

Strategic workforce planning is a process that enables DoD leaders and managers to have the right people with the right skills in place when and where they need them to achieve the Department's mission. It is a strategic imperative that enables DoD leaders to anticipate and proactively manage the civilian workforce capacity and capability. The Department uses strategic workforce planning to facilitate talent management; assess functional competencies; evaluate skill, competency, and resource gaps; and develop strategies to close the gaps while mitigating risks.

The Department continues to lean forward in its effort to institutionalize strategic workforce planning as a requisite management practice across the DoD enterprise, and link the strategic workforce planning process with Defense planning and budgetary guidance to improve the mission readiness of the civilian workforce. The Fiscal Year 2014-2019 Strategic Workforce Plan, as required by Section 115b, title 10, United States Code, details the ongoing accomplishments and strategy implementation for shaping a ready civilian employee workforce. The plan focuses on improving the engagement of DoD leaders and managers in a more systematic approach and the application of enterprise tools for strategic workforce planning. This effort continues through various outreach opportunities, standardized reporting methodologies, budget-aligned workforce strategy development, and the measurement of workforce planning progress and results. The FY 2014-2019 Strategic Workforce Plan is available at http://media.cpms.osd.mil/SWP/FY14-19_SWP_Report.pdf.

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

While DoD civilians will continue to support the Department's missions and priorities across the spectrum, there are five strategic priorities likely to significantly impact and shape the Department's next Strategic Workforce Plan (SWP) for FY17-21.

- **Cyberspace:** In an increasingly digital world, the Department must ensure a robust presence in the cyber domain. The DoD's cyberspace strategy identifies three key missions: defending DoD networks, systems, and information; defending the nation against cyberattacks of significant consequences; and supporting operational and contingency plans.
- **Readiness:** Readiness is the ability of the joint force to perform missions and provide capabilities to achieve strategic objectives. By providing institutional continuity and knowledge, as well as infrastructure and support for the warfighter, civilians deliver readiness for the Department. However, the readiness of the joint force has been strained by years of conflict, and investments in full-spectrum readiness are critical to ensuring a ready force in the future.
- **Technology:** Sustaining and advancing U.S. military superiority depends in large part on maintaining the nation's technological edge, in order to meet challenges from state and non-state actors. In 2014, the Department established the Defense Innovation Initiative (DII) in an effort to advance U.S. military superiority in the 21st century. The DII will drive demand for innovation, as well as the workforce that supports such innovation, over the lifespan of this SWP.
- **Nuclear:** Nuclear deterrence plays a critical role in ensuring our national security. The DoD civilians provide the backbone of the work that will be required to support and reinvigorate DoD nuclear forces across the Department—at shipyards and strategic weapons facilities, as well as support for reactor training systems and training for military forces.
- **Reform and Optimize Resources:** The DoD is the largest and most diverse organization in the world. It is crucial for the Department's long-term vitality that its business practices are optimized and its resources are managed effectively; this is especially true in an era of constrained budgets. The DoD civilians are vital to the Department's efforts to increase efficiency and productivity in DoD spending areas to include auditing, financial and budget analysis, as well as contracting and quality assurance functions.

CIVILIAN PERSONNEL

Full-Time Equivalent

<u>By Department/Defense-Wide</u>	<u>FY 2015 Actuals</u>	<u>Change</u>	<u>FY 2016 Enacted</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Army ^{/1}	205,626	-3,891	201,735	-5,247	196,488
Navy	198,642	2,939	201,581	1,736	203,317
Air Force	166,024	4,995	171,019	-232	170,787
Defense-Wide	<u>186,571</u>	<u>8,872</u>	<u>195,443</u>	<u>-1,642</u>	<u>193,801</u>
DoD Total	756,863	12,915	769,778	-5,385	764,393
<u>By Type of Hire</u>					
U.S. Direct Hire	709,013	13,705	722,718	-5,111	717,607
Foreign National Direct Hire	<u>15,939</u>	<u>-508</u>	<u>15,431</u>	<u>-132</u>	<u>15,299</u>
Total – Direct Hire	724,952	13,197	738,149	-5,243	732,906
Foreign National Indirect Hire	<u>31,911</u>	<u>-282</u>	<u>31,629</u>	<u>-142</u>	<u>31,487</u>
DoD Total	756,863	12,915	769,778	-5,385	764,393
<u>By Appropriation Categories</u>					
Operation and Maintenance, Active & Defense-Wide	389,599	10,178	399,777	-1,533	398,244
Operation and Maintenance, Reserve	23,758	444	24,202	663	24,865
Operation and Maintenance, National Guard	51,889	-93	51,796	-687	51,109
Research, Development, Test, and Evaluation	34,590	-3,005	31,585	-598	30,987
Military Construction	6,859	-1,377	5,482	-228	5,254
Family Housing	1,144	168	1,312	-53	1,259
Defense Working Capital Funds	184,891	3,511	188,402	-757	187,645
Defense Health Program	61,282	3,730	65,012	-2,014	62,998
Defense Acquisition Workforce Development Fund	2,628	-676	1,952	80	2,032
Joint Improvised Explosive Device Defeat Fund	223	35	258	-258	0
Foreign Military Assistance	0	0	0	0	0
DoD Total	756,863	12,915	769,778	-5,385	764,393
^{/1} Excludes Cemeterial Expenses					

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

ARMY					
	FY 2015 Actuals	Change	FY 2016 Enacted	Change	FY 2017 Estimate
<u>Direct Hires by Appropriation</u>					
<u>Operation and Maintenance, Army</u>					
U. S. Direct Hire	98,922	2,023	100,945	-2,557	98,388
Foreign National Direct Hire	<u>6,911</u>	<u>-832</u>	<u>6,079</u>	<u>-319</u>	<u>5,760</u>
Total Direct Hire	105,833	1,191	107,024	-2,876	104,148
<u>Operation and Maintenance, Army Reserve</u>					
U. S. Direct Hire	10,460	-39	10,421	39	10,460
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	10,460	-39	10,421	39	10,460
<u>Operation and Maintenance, Army National Guard</u>					
U. S. Direct Hire	28,388	-189	28,199	-681	27,518
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	28,388	-189	28,199	-681	27,518
<u>Research, Development, Test, and Evaluation, Army</u>					
U. S. Direct Hire	20,356	-3,738	16,618	-551	16,067
Foreign National Direct Hire	<u>0</u>	<u>136</u>	<u>136</u>	<u>7</u>	<u>143</u>
Total Direct Hire	20,356	-3,602	16,754	-544	16,210
<u>Military Construction, Army</u>					
U. S. Direct Hire	6,488	-1,533	4,955	-211	4,744
Foreign National Direct Hire	<u>138</u>	<u>78</u>	<u>216</u>	<u>-14</u>	<u>202</u>
Total Direct Hire	6,626	-1,455	5,171	-225	4,946

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

ARMY					
	FY 2015 Actuals	Change	FY 2016 Enacted	Change	FY 2017 Estimate
<u>Direct Hires by Appropriation</u>					
<u>Family Housing, Army</u>					
U. S. Direct Hire	326	72	398	-42	356
Foreign National Direct Hire	<u>52</u>	<u>-3</u>	<u>49</u>	<u>2</u>	<u>51</u>
Total Direct Hire	378	69	447	-40	407
<u>Working Capital Fund, Army</u>					
U. S. Direct Hire	21,492	170	21,662	-561	21,101
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	21,492	170	21,662	-561	21,101
<u>Foreign Financing Program, Army</u>					
U. S. Direct Hire	0	0	0	0	0
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	0	0	0	0	0
<u>Joint Improvised Explosive Device Defeat Fund</u>					
U. S. Direct Hire	223	35	258	-258	0
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	223	35	258	-258	0
<u>Army Total</u>					
U. S. Direct Hire	186,655	-3,199	183,456	-4,822	178,634
Foreign National Direct Hire	<u>7,101</u>	<u>-621</u>	<u>6,480</u>	<u>-324</u>	<u>6,156</u>
Total Direct Hire	193,756	-3,820	189,936	-5,146	184,790

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

ARMY					
	FY 2015 Actuals	Change	FY 2016 Enacted	Change	FY 2017 Estimate
<u>Indirect Hires by Appropriation</u>					
Operation and Maintenance, Army	<u>11,536</u>	<u>-153</u>	<u>11,383</u>	<u>-88</u>	<u>11,295</u>
Research, Development, Test & Evaluation, Army	<u>7</u>	<u>-7</u>	<u>0</u>	<u>0</u>	<u>0</u>
Military Construction, Army	<u>186</u>	<u>70</u>	<u>256</u>	<u>-3</u>	<u>253</u>
Family Housing, Army	<u>141</u>	<u>19</u>	<u>160</u>	<u>-10</u>	<u>150</u>
Total Indirect Hire	11,870	-71	11,799	-101	11,698
<u>Army Total</u>					
Total Direct Hire	193,756	-3,820	189,936	-5,146	184,790
Total Indirect Hire	11,870	-71	11,799	-101	11,698
Total Army Civilians	205,626	-3,891	201,735	-5,247	196,488
NAVY					
<u>Direct Hires by Appropriation</u>					
<u>Operation and Maintenance, Navy</u>					
U. S. Direct Hire	87,550	3,842	91,392	1,678	93,070
Foreign National Direct Hire	<u>1,303</u>	<u>-38</u>	<u>1,265</u>	<u>27</u>	<u>1,292</u>
Total Direct Hire	88,853	3,804	92,657	1,705	94,362
<u>Operation and Maintenance, Marine Corps</u>					
U. S. Direct Hire	16,515	-319	16,196	-40	16,156
Foreign National Direct Hire	<u>69</u>	<u>-35</u>	<u>34</u>	<u>0</u>	<u>34</u>
Total Direct Hire	16,584	-354	16,230	-40	16,190

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

NAVY					
	FY 2015 <u>Actuals</u>	<u>Change</u>	FY 2016 <u>Enacted</u>	<u>Change</u>	FY 2017 <u>Estimate</u>
<u>Direct Hires by Appropriation</u>					
<u>Operation and Maintenance, Navy Reserve</u>					
U. S. Direct Hire	782	30	812	23	835
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	782	30	812	23	835
<u>Operation and Maintenance, Marine Corps Reserve</u>					
U. S. Direct Hire	259	-6	253	-3	250
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	259	-6	253	-3	250
<u>Research, Development, Test & Evaluation, Navy</u>					
U. S. Direct Hire	659	211	870	-1	869
Foreign National Direct Hire	<u>199</u>	<u>-44</u>	<u>155</u>	<u>0</u>	<u>155</u>
Total Direct Hire	858	167	1,025	-1	1,024
<u>Department of Defense Base Closure, Navy</u>					
U. S. Direct Hire	47	8	55	0	55
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	47	8	55	0	55
<u>Working Capital Fund, Navy</u>					
U. S. Direct Hire	77,994	471	78,465	-349	78,116
Foreign National Direct Hire	<u>481</u>	<u>-15</u>	<u>466</u>	<u>4</u>	<u>470</u>
Total Direct Hire	78,475	456	78,931	-345	78,586

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

NAVY					
	FY 2015 Actuals	Change	FY 2016 Enacted	Change	FY 2017 Estimate
<u>Direct Hires by Appropriation</u>					
<u>Family Housing, Navy</u>					
U. S. Direct Hire	409	69	478	-3	475
Foreign National Direct Hire	<u>100</u>	<u>2</u>	<u>102</u>	<u>0</u>	<u>102</u>
Total Direct Hire	509	71	580	-3	577
<u>Foreign Military Financing, Navy</u>					
U. S. Direct Hire	0	0	0	0	0
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	0	0	0	0	0
<u>Navy Total</u>					
U. S. Direct Hire	167,441	4,631	172,072	1,348	173,420
Foreign National Direct Hire	<u>2,083</u>	<u>-95</u>	<u>1,988</u>	<u>31</u>	<u>2,019</u>
Total Direct Hire	169,524	4,536	174,060	1,379	175,439
<u>Marine Corps Total</u>					
U. S. Direct Hire	16,774	-325	16,449	-43	16,406
Foreign National Direct Hire	<u>69</u>	<u>-35</u>	<u>34</u>	<u>0</u>	<u>34</u>
Total Direct Hire	16,843	-360	16,483	-43	16,440
<u>Department of Navy Total</u>					
U. S. Direct Hire	184,215	4,306	188,521	1,305	189,826
Foreign National Direct Hire	<u>2,152</u>	<u>-130</u>	<u>2,022</u>	<u>31</u>	<u>2,053</u>
Total Direct Hire	186,367	4,176	190,543	1,336	191,879

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

NAVY					
	FY 2015 Actuals	Change	FY 2016 Enacted	Change	FY 2017 Estimate
<u>Indirect Hires by Appropriation</u>					
Operation and Maintenance, Navy	<u>4,797</u>	<u>-9</u>	<u>4,788</u>	<u>410</u>	<u>5,198</u>
Operation and Maintenance, Marine Corps	<u>4,801</u>	<u>-1,226</u>	<u>3,575</u>	<u>-1</u>	<u>3,574</u>
Research, Development, Test & Evaluation, Navy	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>2</u>
Working Capital Fund, Navy	<u>2,559</u>	<u>-11</u>	<u>2,548</u>	<u>-9</u>	<u>2,539</u>
Family Housing, Navy	<u>116</u>	<u>9</u>	<u>125</u>	<u>0</u>	<u>125</u>
Total Indirect Hire	12,275	-1,237	11,038	400	11,438
<u>Department of Navy Total</u>					
Total Direct Hire	186,367	4,176	190,543	1,336	191,879
Total Indirect Hire	12,275	-1,237	11,038	400	11,438
Total Navy Civilians	198,642	2,939	201,581	1,736	203,317
AIR FORCE					
<u>Direct Hires by Appropriation</u>					
<u>Operation and Maintenance, Air Force</u>					
U. S. Direct Hire	82,232	2,646	84,878	-1,378	83,500
Foreign National Direct Hire	<u>4,105</u>	<u>430</u>	<u>4,535</u>	<u>213</u>	<u>4,748</u>
Total Direct Hire	86,337	3,076	89,413	-1,165	88,248
<u>Operation and Maintenance, Air Force Reserve</u>					
U. S. Direct Hire	12,257	459	12,716	604	13,320
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	12,257	459	12,716	604	13,320

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

AIR FORCE					
	FY 2015 <u>Actuals</u>	<u>Change</u>	FY 2016 <u>Enacted</u>	<u>Change</u>	FY 2017 <u>Estimate</u>
<u>Direct Hires by Appropriation</u>					
<u>Operation and Maintenance, Air National Guard</u>					
U. S. Direct Hire	23,501	96	23,597	-6	23,591
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	23,501	96	23,597	-6	23,591
<u>Research, Development, Test & Evaluation, Air Force</u>					
U. S. Direct Hire	10,057	94	10,151	126	10,277
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	10,057	94	10,151	126	10,277
<u>Working Capital Fund, Air Force</u>					
U. S. Direct Hire	29,510	655	30,165	398	30,563
Foreign National Direct Hire	<u>272</u>	<u>26</u>	<u>298</u>	<u>0</u>	<u>298</u>
Total Direct Hire	29,782	681	30,463	398	30,861
<u>Air Force Total</u>					
U. S. Direct Hire	157,557	3,950	161,507	-256	161,251
Foreign National Direct Hire	<u>4,377</u>	<u>456</u>	<u>4,833</u>	<u>213</u>	<u>5,046</u>
Total Direct Hire	161,934	4,406	166,340	-43	166,297
<u>Indirect Hires by Appropriation</u>					
<u>Operation and Maintenance, Air Force</u>	<u>3,797</u>	<u>580</u>	<u>4,377</u>	<u>-189</u>	<u>4,188</u>
<u>Research, Development, Test & Evaluation, Air Force</u>	<u>2</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>2</u>
<u>Working Capital Fund, Air Force</u>	<u>291</u>	<u>9</u>	<u>300</u>	<u>0</u>	<u>300</u>
Total Indirect Hire	4,090	589	4,679	-189	4,490

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

AIR FORCE					
	FY 2015 <u>Actuals</u>	<u>Change</u>	FY 2016 <u>Enacted</u>	<u>Change</u>	FY 2017 <u>Estimate</u>
<u>Air Force Total</u>					
Total Direct Hire	161,934	4,406	166,340	-43	166,297
Total Indirect Hire	4,090	589	4,679	-189	4,490
Total Air Force Civilians	166,024	4,995	171,019	-232	170,787
DEFENSE-WIDE ACTIVITIES					
<u>Direct Hires by Appropriation</u>					
<u>Operation and Maintenance, Defense Wide</u>					
U. S. Direct Hire	62,944	2,974	65,918	676	66,594
Foreign National Direct Hire	415	27	442	-4	438
Total Direct Hire	63,359	3,001	66,360	672	67,032
<u>Research, Development, Test & Evaluation, Defense Wide</u>					
U. S. Direct Hire	3,308	343	3,651	-179	3,472
Foreign National Direct Hire	0	0	0	0	0
Total Direct Hire	3,308	343	3,651	-179	3,472
<u>Working Capital Fund</u>					
U. S. Direct Hire	49,493	2,087	51,580	-172	51,408
Foreign National Direct Hire	770	-61	709	-48	661
Total Direct Hire	50,263	2,026	52,289	-220	52,069
<u>Pentagon Reservation Fund</u>					
U. S. Direct Hire	1,601	182	1,783	-30	1,753

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

DEFENSE-WIDE ACTIVITIES					
	<u>FY 2015</u>	<u>Change</u>	<u>FY 2016</u>	<u>Change</u>	<u>FY 2017</u>
<u>Direct Hires by Appropriation</u>	<u>Actuals</u>		<u>Enacted</u>		<u>Estimate</u>
<u>National Defense Stockpile</u>					
U. S. Direct Hire	65	21	86	-1	85
<u>Building Maintenance Fund</u>					
U. S. Direct Hire	202	29	231	-27	204
<u>Defense Health Program</u>					
U. S. Direct Hire	58,799	3,639	62,438	-1,800	60,638
Foreign National Direct Hire	<u>1,124</u>	<u>-179</u>	<u>945</u>	<u>0</u>	<u>945</u>
Total Direct Hire	59,923	3,460	63,383	-1,800	61,583
<u>U. S. Court of Appeals for the Armed Forces</u>					
U. S. Direct Hire	52	7	59	0	59
<u>Office of the Inspector General</u>					
U. S. Direct Hire	1,494	42	1,536	115	1,651
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	1,494	42	1,536	115	1,651
<u>Foreign Military Sales</u>					
U. S. Direct Hire	0	0	0	0	0
<u>Defense Acquisition Workforce Development Fund</u>					
U. S. Direct Hire	2,628	-676	1,952	80	2,032

CIVILIAN PERSONNEL

CIVILIAN PERSONNEL

Full-Time Equivalent

DEFENSE-WIDE ACTIVITIES					
	FY 2015		FY 2016		FY 2017
<u>Defense-Wide Activities Total</u>	<u>Actuals</u>	<u>Change</u>	<u>Enacted</u>	<u>Change</u>	<u>Estimate</u>
U. S. Direct Hire	180,586	8,648	189,234	-1,338	187,896
Foreign National Direct Hire	2,309	-34	2,096	-52	2,044
Total Direct Hire	182,895	8,614	191,330	-1,390	189,940
<u>Indirect Hires by Appropriation</u>					
Operation and Maintenance, Defense-Wide	287	-13	274	-18	256
Office of the Inspector General	1	0	1	0	1
Defense Health Program	1,359	270	1,629	-214	1,415
Working Capital Fund	2,029	180	2,209	-20	2,189
Total Indirect Hire	3,676	437	4,113	-252	3,861
<u>Defense Wide Activities Total</u>					
Total Direct Hire	182,895	8,614	191,330	-1,390	189,940
Total Indirect Hire	3,676	437	4,113	-252	3,861
Total Defense-Wide Civilians	186,571	9,051	195,443	-1,642	193,801

CIVILIAN PERSONNEL

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

In accordance with section 955(d) of the National Defense Authorization Act for Fiscal Year (FY) 2013 (Public Law 112-239), the following pertains to the Department's military manpower and civilian workforce reductions provided in the President's FY 2017 Budget.

The Department is committed to ensuring the civilian workforce is appropriately sized to support and execute the National Military Strategy, and commensurate with the military force structure levels. The Department's challenge is to define the right mix of military, civilian, and contracted services needed to support new strategic priorities and evolving operational challenges. The Department's sourcing of functions and work among military, civilian, and contracted services must be consistent with workload requirements, funding availability, readiness and management needs, as well as applicable laws and guidance.

PLAN, GUIDANCE, AND IMPLEMENTATION

The Department's plan to comply with section 955(d) balances workforce shaping and workload demands with necessary mitigation of risk to critical Defense capabilities, all in a fiscally constrained environment. To accomplish this, the Department applies the principles and tenets of Strategic Workforce Planning (SWP), and continues to conform to the plan prescribed in the Department's Planning, Programming, Budgeting and Execution (PPBE) process, issued at the beginning of each Program and Budget Review.

- The SWP effort continues through various outreach opportunities, standardized reporting methodologies, budget-aligned workforce strategy development, and the measurement of workforce planning progress and results. The latest Strategic Workforce Plan is available at http://media.cpmc.osd.mil/SWP/FY14-19_SWP_Report.pdf.
- In August, 2016, the Deputy Secretary of Defense directed a Manpower review to measure the Department's compliance level with section 955(d) and other statutory requirements.

In conjunction with the formulation of the DoD FY 2017 budget request, the Deputy Chief Management Officer (DCMO) was assigned with the reduction in Major DoD Headquarters Activities (MHA), as prescribed in section 346 of the National Defense Authorization Act for Fiscal Year (FY) 2016 (Public Law 114-92). These additional reductions in the MHA ensured that the Department will remain in compliance with the section 955(d) reductions.

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

NUMBER AND COST OF MILITARY AND CIVILIAN PERSONNEL REDUCED

Incorporating the exclusions granted under section 955(c), the Department's civilian FTEs are estimated to decrease by 11.5% over the FY 2012 through FY 2017 period, and its cost is estimated to decrease by 7.1% over the same period. In comparison, the military average strength is estimated to decrease by 7.0%, and its cost is estimated to decrease by 6.4% over this time period. Through the end of the FY 2017 President's Budget projection window in FY 2021, the Department projects its civilian FTEs will decrease by 14.2%, outpacing the 8.1% reduction in military average strength.

The Department used its civilian FTE and military average strength data along with their associated cost over the FY 2012 through FY 2017 period to assess its compliance with section 955(c) regarding its civilian workforce savings over this time period. The Department's civilian FTE data exclude only the Army's cemetery expenses and certain classified programs. The DoD military average strength data includes Active, Reserve, and National Guard.

CHALLENGES IN COMPLYING WITH REQUIRED REDUCTIONS

The proportion of the individual elements of the Total Force (military, civilian, and contractor) varies in response to the varied missions of the Department. Each of the elements must perform a myriad of functions – some that are exclusively military, and others which are predominantly civilian-focused. Moreover, in certain functional areas, the size of the civilian workforce does not directly correspond to military end-strength levels or the tempo of military operations. Currently proposed military end-strength reductions are predicated on revised defense strategy, changing geo-political priorities, increased international cooperation, and force structure changes. The Department's civilian and contracted support workforces perform key enabling functions for the operating forces, such as critical training and preparation to ensure readiness, equipment modernization and reset, medical care, family support, and base operating and infrastructure services - all vital services that support the men and women in uniform. Even during this period of constrained defense budgets, it is important to plan for sufficient numbers of federal civilian personnel to meet the support needs of the military forces. It is also important to ensure that military or federal civilians are performing all inherently governmental jobs, and that sufficient levels of civilians are available to perform critical oversight, management, and readiness functions of the Department.

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

CIVILIAN EXCLUSIONS GRANTED UNDER SECTION 955(c)

Under section 955(c), the Secretary of Defense may exclude expenses related to the performance of functions identified as core or critical to the mission of the Department, consistent with the workload analysis and risk assessments required by sections 129 and 129a of title 10, United States Code. Section 955(c) further specifies certain civilian and service contractor personnel that shall be considered by the Secretary in making a determination of core or critical functions, including those providing core logistics capabilities, financial audit services, maintenance and repair of military equipment, and medical services.

In accordance with section 955(c), the Department identified the following civilian personnel functions and associated FTEs over the FY 2012 through FY 2021 period as core or critical to the mission of the Department.

COST OF CONTRACT SERVICES FUNDING REDUCED

The details for contract services funding limitation prescribed in section 955 can be found under the CONTRACT SERVICES section of this volume.

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 1. Summary of Section 955 Military and Civilian Personnel Reductions

	<i>Full-Time Equivalents (FTEs)/Average Strength</i>										<i>Percent Change</i>	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY12-17	FY12-21
DoD Civilian FTEs^{1/}												
Direct ^{2/}	414,477	401,418	455,528	449,654	457,770	454,557	454,129	454,976	454,407	449,201	9.7%	8.4%
Reimbursable ^{2/}	<u>316,141</u>	<u>302,844</u>	<u>233,674</u>	<u>238,663</u>	<u>242,538</u>	<u>241,496</u>	<u>234,847</u>	<u>232,980</u>	<u>232,688</u>	<u>232,313</u>	-23.6%	-26.5%
U.S. Direct Hires	730,618	704,262	689,202	688,317	700,308	696,053	688,976	687,956	687,095	681,514	-4.7%	-6.7%
Foreign Direct/Indirect Hires	<u>45,646</u>	<u>46,327</u>	<u>44,833</u>	<u>47,547</u>	<u>46,687</u>	<u>46,413</u>	<u>46,351</u>	<u>46,288</u>	<u>46,291</u>	<u>46,292</u>	1.7%	1.4%
Total without Exclusions	776,264	750,589	734,035	735,864	746,995	742,466	735,327	734,244	733,386	727,806	-4.4%	-6.2%
Section 955(c) Exclusions ^{3/}	<u>538,310</u>	<u>530,577</u>	<u>511,529</u>	<u>523,376</u>	<u>533,385</u>	<u>531,960</u>	<u>528,079</u>	<u>522,547</u>	<u>526,583</u>	<u>523,618</u>	-1.2%	-2.7%
Total with Exclusions	237,954	220,012	222,506	212,488	213,610	210,506	207,248	211,697	206,803	204,188	-11.5%	-14.2%
Military Average Strength^{4/}												
Active	1,412,368	1,390,984	1,360,265	1,326,147	1,307,705	1,291,600	1,276,550	1,272,300	1,273,000	1,272,350	-8.6%	-9.9%
Reserve	378,771	374,031	367,567	363,619	363,406	362,000	361,050	361,350	361,000	360,900	-4.4%	-4.7%
National Guard	<u>465,357</u>	<u>463,455</u>	<u>461,948</u>	<u>458,102</u>	<u>451,626</u>	<u>444,100</u>	<u>440,700</u>	<u>440,700</u>	<u>440,650</u>	<u>440,400</u>	-4.6%	-5.4%
Total	2,256,495	2,228,469	2,189,779	2,147,867	2,122,736	2,097,700	2,078,300	2,074,350	2,074,650	2,073,650	-7.0%	-8.1%
<i>1/ Excludes the Army's cemetery expenses and classified programs.</i>												
<i>2/ Realigns FTEs funded by the Defense Health Program and the Special Operations Command from Military Service reimbursable FTEs to direct FTEs.</i>												
<i>3/ Adds exclusions for Working Capital Fund (WCF), and adjusts for exclusions previously omitted e.g. Inspector General, Safety/Security, Audit Readiness/Service functions.</i>												
<i>- These adjustments were made retroactively.</i>												
<i>4/ Assumes drawdown stops at Army Active End Strength (ES) of 450,000, Army Reserve ES of 195,000, Army National Guard ES of 335,000 and</i>												
<i>Marine Corps Active ES of 182,000.</i>												

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 2. Summary of Section 955 Military and Civilian Personnel Cost Reductions

*Full-Time Equivalents (FTEs)/Military Average Strength
Estimated Savings (\$ in Billions)*

			<u>FY 2012 - FY 2017</u>	
	<u>FY 2012</u>	<u>FY 2017</u>	<u>% Change</u>	<u>~\$ Savings</u>
DoD Civilian FTEs				
<u>Total Civilian FTEs without Exclusions</u>	776,264	742,446	-4.4%	
Average Annual Salary (\$) ^{1/}	\$ 68,002	\$ 75,354		
Total Civilian Personnel Cost (Then-Year Dollar) (\$B)	\$ 52.79	\$ 55.95		
Treatment for Inflation ^{2/}	1.0000	1.0551		
Total Civilian Personnel Cost (Constant FY 2012 Dollar) (\$B) ^{3/}	\$ 52.79	\$ 53.02		
Estimated Dollar Savings (without Exclusions) (\$B)			0.4%	\$ 0.23
<u>Total Civilian FTEs with Exclusions</u>	237,954	210,506	-11.5%	
Average Annual Salary (\$) ^{1/}	\$ 68,002	\$ 75,354		
Total Civilian Personnel Cost (Then-Year Dollar) (\$B)	\$ 16.18	\$ 15.86		
Treatment for Inflation ^{2/}	1.0000	1.0551		
Total Civilian Personnel Cost (Constant FY 2012 Dollar) (\$B) ^{3/}	\$ 16.18	\$ 15.03		
Estimated Dollar Savings (with Exclusions) (\$B)			-7.1%	\$ (1.15)
Military Average Strength				
<u>Total Military Average Strength</u>	2,256,495	2,097,700	-7.0%	
Total Military Personnel Cost (Then-Year Dollar) (\$B)	\$ 62.22	\$ 62.22		
Treatment for Inflation ^{2/}	1.0000	1.0678		
Total Military Personnel Cost (Constant FY 2012 Dollar) (\$B) ^{3/4/}	\$ 62.22	\$ 58.27		
Estimated Dollar Savings (\$B)			-6.4%	\$ (3.96)

^{1/} Average Annual Salary in whole dollar value - Basic Compensation cited in OP-8 exhibit for FY 2012 and FY 2017.

^{2/} Pay Raise Deflator - Value to convert FY 2017 Budget Dollar to FY 2012 Constant Dollar.

^{3/} Total Civilian and Military Personnel Cost in FY 2012 Constant Dollar values.

^{4/} The reduction in military basic pay dollars was based on average strength over the FY 2012 - FY 2017 period.

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 3. Summary of Section 955(c) Civilian Exclusions

	<i>Civilian Full-Time Equivalent (FTEs) ^{1/}</i>									
Civilian Personnel Functions	<u>FY 2012 ^{3/}</u>	<u>FY 2013 ^{3/}</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Acquisition	132,020	131,138	135,257	138,773	139,529	138,789	137,444	137,135	137,045	136,957
Audit Readiness/Service	471	976	1,050	1,628	1,951	1,998	1,966	1,920	1,909	1,908
Cyber	2,701	2,851	3,352	2,503	3,668	4,030	4,115	4,111	4,109	4,128
Depots	68,487	66,275	57,494	59,046	59,438	60,577	58,936	58,929	58,929	56,229
Foreign Nationals	45,646	46,327	44,833	47,547	46,687	46,413	46,351	46,288	46,291	46,292
Inspector General	1,690	1,754	1,696	1,627	1,680	1,739	1,725	1,715	1,733	1,758
Medical	62,679	61,604	57,256	57,860	61,576	59,775	59,261	59,287	59,327	59,380
Military Technicians	65,160	63,874	66,840	67,080	66,859	66,769	67,150	67,058	66,933	66,935
Safety/Security	17,096	17,445	16,593	18,989	21,093	21,522	21,746	17,161	21,966	22,062
Sexual Assault Prevention/Response	158	381	628	704	914	1,063	1,066	1,063	1,063	1,067
Shipyards	32,312	32,725	33,232	31,267	32,810	33,530	33,555	33,563	33,058	32,554
Other ^{2/}	<u>109,890</u>	<u>105,227</u>	<u>93,298</u>	<u>96,352</u>	<u>97,180</u>	<u>95,755</u>	<u>94,764</u>	<u>94,317</u>	<u>94,220</u>	<u>94,348</u>
Total	538,310	530,577	511,529	523,376	533,385	531,960	528,079	522,547	526,583	523,618
<i>1/ Excludes the Army's cemetery expenses and classified programs.</i>										
<i>2/ Includes DoDEA educators, reimbursable personnel, military construction workforce, working capital funded areas, and support for special forces.</i>										
<i>3/ Adds exclusions for Working Capital Fund (WCF), and adjusts for exclusions previously omitted e.g. Inspector General, Safety/Security, Audit Readiness/Service functions.</i>										
<i>- These adjustments were made retroactively.</i>										

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

The Department's section 955(c) exclusions by Component are provided below.

Table 4. Detailed Section 955(c) Civilian Exclusions by Component

Civilian Personnel Functions	<i>Civilian Full-Time Equivalents (FTEs) ^{1/}</i>									
	FY 2012 ^{2/}	FY 2013 ^{2/}	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Army:										
Acquisition	40,769	40,211	35,285	34,669	34,232	33,767	33,048	33,048	33,048	33,048
Audit Readiness/Service	-	12	16	484	657	626	662	657	657	657
Cyber	228	360	195	425	988	1,022	1,000	988	988	988
Depots	26,932	26,176	20,326	19,794	19,700	19,073	17,519	17,512	17,512	17,512
Foreign Nationals	20,116	20,553	17,864	18,971	18,279	17,854	17,801	17,739	17,739	17,739
Inspector General	88	68	67	58	66	79	78	77	77	77
MilTechs	33,475	32,314	34,186	34,930	34,501	34,001	34,046	34,085	34,124	34,164
Safety/Security	8,016	7,987	7,808	10,915	11,749	11,569	11,376	11,297	11,319	11,328
Sexual Assault Prevention/Response	-	146	326	322	436	535	528	528	528	528
Other:										
Child Care	451	498	454	383	307	297	287	284	284	284
Counternarcotics	724	724	612	565	708	708	708	708	708	708
Foreign Military Sales	1,364	1,721	1,634	1,520	1,899	1,815	1,784	1,758	1,758	1,758
Military Construction	7,630	6,896	6,568	6,488	5,600	5,387	5,375	5,263	5,263	5,263
Nuclear/Bio/Chemical	1,596	1,001	877	424	1,007	984	986	983	983	983
Reimbursed (external)	6,985	7,372	6,378	6,267	4,948	4,568	4,428	4,317	4,317	4,317
Working Capital Fund (Supply/Transportation)	<u>3,522</u>	<u>3,354</u>	<u>3,215</u>	<u>1,698</u>	<u>1,962</u>	<u>2,028</u>	<u>2,021</u>	<u>2,016</u>	<u>2,016</u>	<u>2,016</u>
Total Other	<u>22,272</u>	<u>21,566</u>	<u>19,738</u>	<u>17,345</u>	<u>16,431</u>	<u>15,787</u>	<u>15,589</u>	<u>15,329</u>	<u>15,329</u>	<u>15,329</u>
Total Army	151,896	149,393	135,811	137,913	137,039	134,313	131,647	131,260	131,321	131,370

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 4. Detailed Section 955(c) Civilian Exclusions by Component (continued)

Civilian Personnel Functions	<i>Civilian Full-Time Equivalents (FTEs) 1/</i>									
	FY 2012 ^{2/}	FY 2013 ^{2/}	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Department of Navy:										
Acquisition	45,844	45,373	50,558	52,138	52,641	52,739	52,505	52,271	52,276	52,280
Audit Readiness/Service	365	521	365	400	422	444	447	442	442	442
Cyber	1,926	1,808	2,494	1,204	1,327	1,452	1,519	1,531	1,531	1,533
Depots	11,001	10,467	8,225	10,388	10,763	10,850	10,763	10,763	10,763	10,763
Foreign Nationals	13,541	13,646	12,992	14,427	13,060	13,491	13,485	13,484	13,487	13,487
Inspector General	52	54	68	60	63	59	53	51	51	51
Safety/Security	7,680	7,947	6,828	6,204	7,350	7,958	8,453	3,972	8,761	8,850
Sexual Assault Prevention/Response	-	72	94	156	174	180	180	180	180	180
Shipyards	32,312	32,725	33,232	31,267	32,810	33,530	33,555	33,563	33,058	32,554
Other:										
Child Care	889	830	518	527	523	513	513	513	513	513
Counternarcotics	244	261	319	358	421	413	410	410	410	410
Expeditionary Health	134	142	189	130	209	209	205	205	205	205
Foreign Military Sales	369	366	474	452	424	430	438	438	438	438
Military Construction	2,505	2,324	2,137	1,614	1,597	1,625	1,625	1,619	1,613	1,620
Nuclear	177	175	384	1,063	1,139	1,027	1,019	1,019	1,019	1,019
Reimbursed (external)	9,839	4,541	3,731	3,989	3,921	3,749	3,684	3,650	3,648	3,639
Working Capital Fund (Base Support)	10,413	9,940	6,570	7,559	7,650	7,650	7,650	7,650	7,650	7,650
Working Capital Fund (Research & Development)	17,930	16,979	16,021	17,550	17,192	17,051	16,349	16,292	16,288	16,284
Working Capital Fund (Supply/Transportation)	11,763	11,675	12,310	14,623	14,788	14,636	14,396	14,377	14,323	14,323
Total Other	<u>54,263</u>	<u>47,233</u>	<u>42,653</u>	<u>47,865</u>	<u>47,864</u>	<u>47,303</u>	<u>46,289</u>	<u>46,173</u>	<u>46,107</u>	<u>46,101</u>
Total Department of Navy	166,984	159,846	157,509	164,109	166,474	168,006	167,249	162,430	166,656	166,241

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 4. Detailed Section 955(c) Civilian Exclusions by Component (continued)

	<i>Civilian Full-Time Equivalents (FTEs)1/</i>									
<u>Civilian Personnel Functions</u>	<u>FY 2012 ^{2/}</u>	<u>FY 2013 ^{2/}</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Air Force:										
Acquisition	25,041	24,993	25,302	26,839	26,620	26,307	26,029	25,855	25,758	25,662
Audit Readiness/Service	32	32	248	248	248	248	248	248	248	248
Cyber	124	237	351	403	876	1,076	1,116	1,112	1,110	1,127
Depots	30,554	29,632	28,943	28,864	28,975	30,654	30,654	30,654	30,654	27,954
Foreign Nationals	7,792	8,210	8,570	8,467	9,512	9,536	9,533	9,533	9,533	9,534
MilTechs	31,685	31,560	32,654	32,150	32,358	32,768	33,104	32,973	32,809	32,771
Sexual Assault Prevention/Response	146	151	196	212	289	333	343	340	340	344
Other:										
Child Care	2,444	2,720	2,383	2,298	2,600	2,565	2,682	2,665	2,661	2,708
Counternarcotics	266	252	172	191	242	242	243	243	243	243
Foreign Military Sales	2,837	3,036	2,972	2,987	2,902	2,952	2,902	2,902	2,902	2,902
Military Construction	1,725	4,098	4,103	4,164	4,556	4,584	4,800	4,774	4,770	4,849
Nuclear	296	281	279	291	365	462	480	478	478	486
Reimbursed (external)	5,029	5,625	2,299	2,258	2,469	2,607	2,570	2,570	2,570	2,570
Total Other	<u>12,597</u>	<u>16,012</u>	<u>12,208</u>	<u>12,189</u>	<u>13,134</u>	<u>13,412</u>	<u>13,677</u>	<u>13,632</u>	<u>13,624</u>	<u>13,758</u>
Total Air Force	107,971	110,827	108,472	109,372	112,012	114,334	114,704	114,347	114,076	111,398

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 4. Detailed Section 955(c) Civilian Exclusions by Component (continued)

Defense-Wide Agencies:	<i>Civilian Full-Time Equivalents (FTEs)1/</i>									
Civilian Personnel Functions	FY 2012 ^{2/}	FY 2013 ^{2/}	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Defense Acquisition University (DAU):										
Acquisition	351	417	400	397	400	400	400	400	400	400
Defense Advanced Research Projects Agency (DARPA):										
Acquisition	13	13	13	12	13	13	13	13	13	13
Audit Readiness/Service	6	6	6	6	6	6	6	6	6	6
Cyber	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Total DARPA	26	26	26	25	26	26	26	26	26	26
Department of Defense Chief Information Office (DoD CIO):										
Cyber	25	25	23	25	25	25	25	25	25	25
Other:										
National Leadership Command Capabilities	9	9	9	9	9	9	9	9	9	9
Spectrum Programs and Policies	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
Total Other	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>	<u>14</u>
Total DoD CIO	39	39	37	39	39	39	39	39	39	39
Defense Commissary Agency (DECA):										
Acquisition	121	142	130	119	155	177	177	177	177	177
Defense Contract Audit Agency (DCAA):										
Acquisition	3,792	4,140	4,146	4,203	4,132	4,048	3,986	4,056	4,009	4,022
Defense Contract Management Agency (DCMA):										
Acquisition	7,761	7,286	8,514	8,626	9,248	9,523	9,535	9,550	9,564	9,564

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 4. Detailed Section 955(c) Civilian Exclusions by Component (continued)

	<i>Civilian Full-Time Equivalents (FTEs)^{1/}</i>									
Civilian Personnel Functions	FY 2012 ^{2/}	FY 2013 ^{2/}	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Department of Defense Education Activity (DoDEA):										
Acquisition	64	68	75	83	83	83	83	83	83	83
Audit Readiness	-	2	3	3	3	3	3	3	3	3
Foreign Nationals	278	282	286	285	270	248	248	248	248	248
Safety/Security	26	26	26	30	30	30	30	30	30	29
Other:										
School Level Educators	<u>11,045</u>	<u>11,014</u>	<u>10,083</u>	<u>9,704</u>	<u>10,199</u>	<u>9,675</u>	<u>9,675</u>	<u>9,675</u>	<u>9,674</u>	<u>9,674</u>
Total DoDEA	11,413	11,392	10,473	10,105	10,585	10,039	10,039	10,039	10,038	10,037
Department of Defense Inspector General (DoD IG):										
Inspector General	1,533	1,614	1,543	1,494	1,536	1,586	1,579	1,572	1,590	1,615
Defense Finance and Accounting Service (DFAS):										
Acquisition	71	68	67	69	75	72	67	60	57	55
Audit Readiness	-	<u>337</u>	<u>348</u>	<u>435</u>	<u>555</u>	<u>603</u>	<u>534</u>	<u>498</u>	<u>487</u>	<u>486</u>
Total DFAS	71	405	415	504	630	675	601	558	544	541
Defense Human Resource Activity (DHRA):										
Acquisition	-	25	25	-	-	-	-	-	-	-
Audit Readiness/Service	7	7	8	8	9	10	10	10	10	10
Cyber	207	208	206	200	206	209	209	209	209	209
Safety/Security	3	3	3	3	3	3	3	3	3	3
Sexual Assault Prevention/Response	12	12	12	14	15	15	15	15	15	15
Other:										
Suicide Prevention	-	<u>10</u>	<u>10</u>	<u>11</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>	<u>13</u>
Total DHRA	229	265	264	236	246	250	250	250	250	250

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 4. Detailed Section 955(c) Civilian Exclusions by Component (continued)

	<i>Civilian Full-Time Equivalents (FTEs)1/</i>									
Civilian Personnel Functions	FY 2012 ^{2/}	FY 2013 ^{2/}	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Defense Information Systems Agency (DISA):										
Acquisition	850	834	1,059	1,059	1,124	1,148	1,169	1,190	1,214	1,214
Audit Readiness/Service	21	21	21	21	21	21	21	21	21	21
Cyber	177	177	42	177	177	177	177	177	177	177
Other:										
DISA Command Center /Theater NetOps Centers	399	399	107	387	387	387	387	387	387	387
Defense Information Systems Network (DISN)	525	525	485	448	448	448	448	448	448	448
White House Support	33	34	33	52	52	52	52	52	52	52
Working Capital Fund (Computing Services)	1,726	1,722	1,530	1,831	1,831	1,831	1,831	1,831	1,831	1,831
Total Other	<u>2,683</u>	<u>2,680</u>	<u>2,155</u>	<u>2,718</u>	<u>2,718</u>	<u>2,718</u>	<u>2,718</u>	<u>2,718</u>	<u>2,718</u>	<u>2,718</u>
Total DISA	3,731	3,712	3,277	3,975	4,040	4,064	4,085	4,106	4,130	4,130
Defense Logistics Agency (DLA):										
Acquisition	4,980	4,986	5,761	6,340	6,826	6,681	6,673	6,659	6,652	6,646
Defense Media Activity (DMA):										
Acquisition	24	24	24	17	17	16	16	16	16	16
Defense POW/MIA Accounting Agency (DPAA):										
Audit Readiness/Service	<u>1</u>	<u>1</u>	<u>1</u>	-	-	-	-	-	-	-
Defense Security Service (DSS):										
Audit Readiness/Service	1	1	2	2	2	2	2	2	2	2
Cyber	-	-	-	16	16	16	16	16	16	16
Inspector General	3	4	4	3	3	3	3	3	3	3
Safety/Security	<u>67</u>	<u>72</u>	<u>72</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
Total DSS	71	77	78	30	30	30	30	30	30	30

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 4. Detailed Section 955(c) Civilian Exclusions by Component (continued)

	<i>Civilian Full-Time Equivalents (FTEs)^{1/}</i>									
Civilian Personnel Functions	<u>FY 2012</u>^{2/}	<u>FY 2013</u>^{2/}	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>
Defense Threat Reduction Agency (DTRA):										
Acquisition	457	530	509	523	530	530	535	539	539	539
Missile Defense Agency (MDA):										
Acquisition	1,827	1,886	1,982	2,224	2,052	1,901	1,828	1,841	1,862	1,862
Audit Readiness	19	19	19	5	5	5	3	3	3	3
Cyber	-	-	-	6	6	6	6	6	6	6
Inspector General	14	14	14	12	12	12	12	12	12	12
Safety/Security	152	167	161	159	159	154	149	144	138	138
Other:										
Acquisition Mission Support	223	370	204	244	311	304	278	262	240	240
Foreign Military Sales	<u>8</u>	<u>8</u>	<u>8</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
Total Other	<u>231</u>	<u>378</u>	<u>212</u>	<u>250</u>	<u>317</u>	<u>310</u>	<u>284</u>	<u>268</u>	<u>246</u>	<u>246</u>
Total MDA	2,243	2,464	2,388	2,656	2,551	2,388	2,282	2,274	2,267	2,267
National Defense University (NDU):										
Acquisition	2	2	77	79	81	81	81	81	81	81
Cyber	-	-	-	31	31	31	31	31	31	31
Safety/Security	<u>8</u>	<u>6</u>	<u>6</u>	<u>6</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
Total NDU	10	8	83	116	121	121	121	121	121	121
Office of the Under Secretary of Defense (Comptroller) (OUSD(C)):										
Audit Readiness/Service	17	15	11	15	22	29	29	29	29	29
Office of the Under Secretary of Defense for Personnel and Readiness (OUSD(P&R)):										
Cyber	2	2	2	2	2	2	2	2	2	2

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 4. Detailed Section 955(c) Civilian Exclusions by Component (continued)

	<i>Civilian Full-Time Equivalents (FTEs) 1/</i>									
Civilian Personnel Functions	FY 2012 ^{2/}	FY 2013 ^{2/}	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Pentagon Force Protection Agency (PFPA):										
Safety/Security	1,067	1,160	1,048	1,001	1,099	1,095	1,095	1,095	1,095	1,095
Test Resource Management Center (TRMC):										
Audit Readiness/Service	1	1	1	1	1	1	1	1	1	1
Cyber	<u>5</u>	<u>5</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Total TRMC	6	6	8	8	8	8	8	8	8	8
The Joint Staff (TJS):										
Acquisition	1	1	152	152	101	101	101	101	101	101
Audit Readiness/Service	1	1	1	-	-	-	-	-	-	-
Cyber	-	<u>22</u>	<u>25</u>	-	-	-	-	-	-	-
Total TJS	2	24	178	152	101	101	101	101	101	101
TRICARE Management Activity (TMA)/Defense Health Agency (DHA/DHP):										
Acquisition	-	-	1,068	1,069	1,071	1,072	1,072	1,072	1,072	1,072
Medical	62,679	61,604	57,256	57,730	61,367	59,566	59,056	59,082	59,122	59,175
Foreign Nationals	<u>2,741</u>	<u>2,553</u>	<u>2,232</u>	<u>2,483</u>	<u>2,574</u>	<u>2,360</u>	<u>2,360</u>	<u>2,360</u>	<u>2,360</u>	<u>2,360</u>
Total TMA/DHA ^{4/}	65,420	64,157	60,556	61,282	65,012	62,998	62,488	62,514	62,554	62,607
US Special Operations Command (USSOCOM):										
Other:										
Special Forces	6,563	6,126	6,028	6,224	6,556	6,599	6,587	6,587	6,587	6,587

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

Table 4. Detailed Section 955(c) Civilian Exclusions by Component (continued)

	<i>Civilian Full-Time Equivalents (FTEs)^{1/}</i>									
Civilian Personnel Functions	FY 2012 ^{2/}	FY 2013 ^{2/}	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Washington Headquarters Services (WHS):										
Acquisition	52	139	110	155	128	130	126	123	123	122
Safety/Security	<u>77</u>	<u>77</u>	<u>641</u>	<u>662</u>	<u>685</u>	<u>695</u>	<u>622</u>	<u>602</u>	<u>602</u>	<u>601</u>
Total WHS	129	216	751	817	813	825	748	725	725	723
Other Defense-Wide Exclusions:										
Foreign Nationals	1,178	1,083	2,889	2,914	2,992	2,924	2,924	2,924	2,924	2,924
Other:										
Counternarcotics	<u>222</u>	<u>194</u>	<u>197</u>	<u>162</u>	<u>143</u>	<u>133</u>	<u>123</u>	<u>113</u>	<u>113</u>	<u>113</u>
Total Other Defense-Wide Exclusions	1,400	1,277	3,086	3,076	3,135	3,057	3,047	3,037	3,037	3,037
Total Defense-Wide Agencies	111,459	110,511	109,737	111,982	117,860	115,307	114,479	114,510	114,530	114,609
Total Department of Defense (DoD)	538,310	530,577	511,529	523,376	533,385	531,960	528,079	522,547	526,583	523,618
<i>1/ Excludes the Army's cemetery expenses and classified programs.</i>										
<i>2/ Adds new exclusions for Working Capital Fund (WCF), Inspector General, Safety/Security, Audit Readiness/Service, and other functions inadvertently left off from previous reports.</i>										
<i>- These adjustments were made retroactively.</i>										
<i>3/ Includes Air Force Working Capital Fund</i>										
<i>4/ DHP funded FTEs are in the Military Services in FY 2012 and FY 2013.</i>										

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

	Full-Time Equivalents (FTEs)/Average Strength										Percent Change	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY12-17	FY12-21
Army:												
Civilian FTEs ^{1/}												
Direct ^{2/}	148,430	136,327	132,424	130,829	129,446	127,377	127,149	127,271	127,301	127,343	-14.2%	-14.2%
Reimbursable ^{2/}	104,473	97,163	54,987	54,166	52,206	49,435	47,129	46,644	46,636	46,634	-52.7%	-55.4%
U.S. Direct Hires	252,903	233,490	187,411	184,995	181,652	176,812	174,278	173,915	173,937	173,977	-30.1%	-31.2%
Foreign Direct/Indirect Hires	20,116	20,553	17,864	18,958	18,187	17,762	17,709	17,647	17,647	17,647	-11.7%	-12.3%
Total without Exclusions	273,019	254,043	205,275	203,953	199,839	194,574	191,987	191,562	191,584	191,624	-28.7%	-29.8%
Section 955(c) Exclusions ^{3/}	151,896	149,393	135,811	137,913	137,039	134,313	131,647	131,260	131,321	131,370	-11.6%	-13.5%
Total with Exclusions	121,123	104,650	69,464	66,040	62,800	60,261	60,340	60,302	60,263	60,254	-50.2%	-50.3%
Military Average Strength^{4/}												
Active	557,764	541,054	520,127	499,788	483,183	467,500	455,000	450,000	450,000	450,000	-16.2%	-19.3%
Reserve	202,985	199,688	196,824	196,995	198,276	196,500	195,000	195,000	195,000	195,000	-3.2%	-3.9%
National Guard	359,820	357,907	355,904	352,048	346,012	338,500	335,000	335,000	335,000	335,000	-5.9%	-6.9%
Total	1,120,568	1,098,648	1,072,854	1,048,830	1,027,470	1,002,500	985,000	980,000	980,000	980,000	-10.5%	-12.5%
Department of Navy:												
Civilian FTEs ^{1/}												
Direct ^{2/}	90,512	88,649	87,937	89,714	91,252	92,269	92,520	93,098	92,604	92,430	1.9%	2.1%
Reimbursable ^{2/}	106,178	103,059	90,107	92,185	94,789	95,133	93,364	92,435	92,398	92,147	-10.4%	-13.2%
U.S. Direct Hires	196,690	191,708	178,044	181,899	186,041	187,402	185,884	185,533	185,002	184,577	-4.7%	-6.2%
Foreign Direct/Indirect Hires	13,541	13,646	12,988	14,427	13,060	13,491	13,485	13,484	13,487	13,487	-0.4%	-0.4%
Total without Exclusions	210,231	205,354	191,032	196,326	199,101	200,893	199,369	199,017	198,489	198,064	-4.4%	-5.8%
Section 955(c) Exclusions ^{3/}	166,984	159,846	157,509	164,109	166,474	168,006	167,249	162,430	166,656	166,241	0.6%	-0.4%
Total with Exclusions	43,247	45,508	33,523	32,217	32,627	32,887	32,120	36,587	31,833	31,823	-24.0%	-26.4%
Military Average Strength^{4/}												
Navy Active	321,765	321,179	324,768	326,723	327,581	325,100	322,550	323,300	324,000	323,350	1.0%	0.5%
Marine Corps Active	199,675	196,925	191,858	185,792	182,763	182,000	182,000	182,000	182,000	182,000	-8.9%	-8.9%
Navy/Marine Corps Reserve	104,412	103,173	100,395	97,485	96,283	96,400	96,950	97,400	97,400	97,400	-7.7%	-6.7%
Total	625,851	621,276	617,020	610,000	606,627	603,500	601,500	602,700	603,400	602,750	-3.6%	-3.7%

APPENDIX A – Detailed Section 955 Military and Civilian Personnel Reductions by Component

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

	Full-Time Equivalents (FTEs)/Average Strength										Percent Change	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY12-17	FY12-21
Air Force:												
Civilian FTEs ^{1/}												
Direct ^{2/}	120,524	119,601	121,053	115,607	118,029	116,595	117,556	117,760	117,690	117,575	-3.3%	-2.4%
Reimbursable ^{2/}	45,277	44,901	34,265	38,920	40,099	41,681	39,088	39,088	39,070	39,034	-7.9%	-13.8%
U.S. Direct Hires	165,801	164,502	155,318	154,527	158,128	158,276	156,644	156,848	156,760	156,609	-4.5%	-5.5%
Foreign Direct/Indirect Hires	7,792	8,210	8,255	8,442	9,501	9,525	9,522	9,522	9,522	9,523	22.2%	22.2%
Total without Exclusions	173,593	172,712	163,573	162,969	167,629	167,801	166,166	166,370	166,282	166,132	-3.3%	-4.3%
Section 955(c) Exclusions ^{3/}	107,971	110,827	108,472	109,372	112,012	114,334	114,704	114,347	114,076	111,398	5.9%	3.2%
Total with Exclusions	65,622	61,885	55,101	53,597	55,617	53,467	51,462	52,023	52,206	54,734	-18.5%	-16.6%
Military Average Strength^{4/}												
Active	333,165	331,827	323,513	313,845	314,179	317,000	317,000	317,000	317,000	317,000	-4.9%	-4.9%
Reserve	71,375	71,171	70,349	69,139	68,847	69,100	69,100	68,950	68,600	68,500	-3.2%	-4.0%
National Guard	105,537	105,549	106,044	106,054	105,614	105,600	105,700	105,700	105,650	105,400	0.1%	-0.1%
Total	510,076	508,546	499,906	489,038	488,640	491,700	491,800	491,650	491,250	490,900	-3.6%	-3.8%
Defense-Wide Agencies:												
Civilian FTEs ^{1/}												
Direct ^{2/}	55,011	56,841	114,114	113,504	119,043	118,316	116,904	116,847	116,812	111,853	115.1%	103.3%
Reimbursable ^{2/}	60,213	57,721	54,315	53,392	55,444	55,247	55,266	54,813	54,584	54,498	-8.2%	-9.5%
U.S. Direct Hires	115,224	114,562	168,429	166,896	174,487	173,563	172,170	171,660	171,396	166,351	50.6%	44.4%
Foreign Direct/Indirect Hires	4,197	3,918	5,726	5,720	5,939	5,635	5,635	5,635	5,635	5,635	34.3%	34.3%
Total without Exclusions ^{5/}	119,421	118,480	174,155	172,616	180,426	179,198	177,805	177,295	177,031	171,986	50.1%	44.0%
Section 955(c) Exclusions ^{3/}	111,459	110,511	109,737	111,982	117,860	115,307	114,479	114,510	114,530	114,609	3.5%	2.8%
Total with Exclusions	7,962	7,969	64,418	60,634	62,566	63,891	63,326	62,785	62,501	57,377	702.4%	620.6%
1/ Excludes the Army's cemeterial expenses and classified programs. 2/ Realigns FTEs funded by the DHP and the SOF Command from Military Service reimbursable FTEs to direct FTEs.												
3/ Adds exclusions for Working Capital Fund (WCF), and adjusts for exclusions previously omitted e.g. Inspector General, Safety/Security, Audit Readiness/Service functions.												
- These adjustments were made retroactively.												
4/ Assumes drawdown stops at Army Active End Strength (ES) of 450,000, Army Reserve ES of 195,000, Army National Guard ES of 335,000 and Marine Corps Active ES of 182,000.												
5/ Excludes DHP funded FTEs that were realigned from the Services in FY 2014.												

APPENDIX A – Detailed Section 955 Military and Civilian Personnel Reductions by Component (continued)

SECTION 955 MILITARY MANPOWER AND CIVILIAN PERSONNEL REDUCTIONS

CONTRACT SERVICES

SUMMARY BY COMPONENT

\$ in Millions

<u>COMPONENT</u>	<u>FY 2015¹</u> <u>Actuals</u>	<u>FY 2016</u> <u>Base</u> <u>Enacted</u>	<u>FY 2016</u> <u>OCO</u> <u>Enacted</u>	<u>FY 2017</u> <u>Base</u> <u>Request</u>	<u>FY 2017</u> <u>OCO</u> <u>Request</u>
Army	38,895	19,856	10,932	22,689	7,035
Navy	38,090	31,697	4,613	31,476	5,064
Air Force	24,112	19,025	4,821	20,604	5,395
Defense-Wide	39,474	33,927	4,508	35,173	5,084
Total	140,572	104,506	24,873	109,942	22,578
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding.			Numbers may not add due to rounding		
Excludes MILCON and RDT&E					
Excludes R&D Contracts (Object Class 25.5)					

Description of Services Financed: In accordance with the Federal Acquisition Regulation 37.101, contract services are contracts that directly engage the time and effort of a contractor whose primary purpose is to perform an identifiable task rather than to furnish an end item of supply. Contract services are a viable source of labor for commercial work that is not inherently governmental or otherwise exempted from the private sector. In accordance with 10 U.S. Code 235 (as modified by the National Defense Authorization Act for Fiscal Year 2010, Section 803), this exhibit provides a summary of services contracted within all DoD appropriations except Military Construction, and Research, Development, Test and Evaluation. This exhibit has been expanded to include contract services for medical care, other federal purchases, and Overseas Contingency Operations.

Reporting Limitations: The Department of Defense will continue to work on processes and system improvements required to accurately and consistently report budget requests for contract services (to include funding and contractor FTEs). Modifications are required to the following systems and processes: budget and manpower systems, contracting procedures, the Federal Procurement Data System – Next Generation, and the Inventory of Contracts for Services.

CONTRACT SERVICES

CONTRACT SERVICES

SUMMARY BY APPROPRIATION

\$ in Millions

<u>APPROPRIATION</u>	<u>FY 2015^{/1}</u> <u>Actuals</u>	<u>FY 2016</u> <u>Base</u> <u>Enacted</u>	<u>FY 2016</u> <u>OCO</u> <u>Enacted</u>	<u>FY 2017</u> <u>Base</u> <u>Request</u>	<u>FY 2017</u> <u>OCO</u> <u>Request</u>
Family Housing	494	546	0	459	0
Military Personnel	89	58	0	50	0
Operation and Maintenance	125,642	92,237	24,699	98,301	22,389
Procurement	13,842	11,290	115	11,133	189
Revolving Funds	504	374	60	0	0
Total	140,572	104,506	24,873	109,942	22,578
Total Contractor Full-Time Equivalents (FTEs)	294,551	261,659	52,446	266,798	47,878
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding.			Numbers may not add due to rounding		
Excludes MILCON and RDT&E					
Excludes R&D Contracts (Object Class 25.5)					

CONTRACT SERVICES

OPERATION AND MAINTENANCE

\$ in Millions

<u>Object Class</u>	<u>FY 2015¹</u> <u>Actuals</u>	<u>FY 2016</u> <u>Base Enacted</u>	<u>FY 2016</u> <u>OCO</u> <u>Enacted</u>	<u>FY 2017</u> <u>Base Request</u>	<u>FY 2017</u> <u>OCO</u> <u>Request</u>
25.1 - Advisory and Assistance Services	10,386	5,942	763	6,018	928
25.2 - Other Services	11,647	6,997	4,729	7,165	1,859
25.3 - Other Government Purchases	42,401	27,904	10,830	30,816	7,437
25.4 - Operation and Maintenance of Facilities	10,051	9,033	352	8,460	3,153
25.6 - Medical Care	15,703	14,761	237	16,231	299
25.7 - Operation and Maintenance of Equipment	34,120	27,122	7,316	28,947	8,441
25.8 - Subsistence and Support of Persons	1,333	478	472	664	271
Total	125,642	92,237	24,699	98,301	22,389
Total Contractor Full-Time Equivalents (FTEs)	253,950	238,771	51,803	245,934	46,838
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding.			Numbers may not add due to rounding		
Excludes MILCON and RDT&E					
Excludes R&D Contracts (Object Class 25.5)					

CONTRACT SERVICES

FAMILY HOUSING

\$ in Millions

<u>Object Class</u>	<u>FY 2015¹</u> <u>Actuals</u>	<u>FY 2016</u> <u>Base Enacted</u>	<u>FY 2016</u> <u>OCO</u> <u>Enacted</u>	<u>FY 2017</u> <u>Base Request</u>	<u>FY 2017</u> <u>OCO</u> <u>Request</u>
25.1 - Advisory and Assistance Services	2,056	2,164	32	2,012	83
25.2 - Other Services	4,503	1,286	36	1,284	1
25.3 - Other Government Purchases	6,798	7,460	30	7,557	105
25.4 - Operation and Maintenance of Facilities	142	155	0	80	0
25.6 - Medical Care	0	0	0	0	0
25.7 - Operation and Maintenance of Equipment	334	223	17	198	0
25.8 - Subsistence and Support of Persons	10	2	0	2	0
Total	13,842	11,290	115	11,133	189
Total Contractor Full-Time Equivalents (FTEs)	39,021	21,441	643	19,677	1,040
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding.			Numbers may not add due to rounding		
Excludes MILCON and RDT&E					
Excludes R&D Contracts (Object Class 25.5)					

CONTRACT SERVICES

PROCUREMENT

\$ in Millions

<u>Object Class</u>	<u>FY 2015¹</u> <u>Actuals</u>	<u>FY 2016</u> <u>Base Enacted</u>	<u>FY 2016</u> <u>OCO</u> <u>Enacted</u>	<u>FY 2017</u> <u>Base Request</u>	<u>FY 2017</u> <u>OCO</u> <u>Request</u>
25.1 - Advisory and Assistance Services	2,056	2,164	32	2,012	83
25.2 - Other Services	4,503	1,286	36	1,284	1
25.3 - Other Government Purchases	6,798	7,460	30	7,557	105
25.4 - Operation and Maintenance of Facilities	142	155	0	80	0
25.6 - Medical Care	0	0	0	0	0
25.7 - Operation and Maintenance of Equipment	334	223	17	198	0
25.8 - Subsistence and Support of Persons	10	2	0	2	0
Total	13,842	11,290	115	11,133	189
Total Contractor Full-Time Equivalents (FTEs)	39,021	21,441	643	19,677	1,040
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding.			Numbers may not add due to rounding		
Excludes MILCON and RDT&E					
Excludes R&D Contracts (Object Class 25.5)					

CONTRACT SERVICES

MILITARY PERSONNEL

\$ in Millions

<u>Object Class</u>	<u>FY 2015¹</u> <u>Actuals</u>	<u>FY 2016</u> <u>Base Enacted</u>	<u>FY 2016</u> <u>OCO</u> <u>Enacted</u>	<u>FY 2017</u> <u>Base Request</u>	<u>FY 2017</u> <u>OCO</u> <u>Request</u>
25.1 - Advisory and Assistance Services	0	0	0	0	0
25.2 - Other Services	0	0	0	0	0
25.3 - Other Government Purchases	0	0	0	0	0
25.4 - Operation and Maintenance of Facilities	0	0	0	0	0
25.6 - Medical Care	0	0	0	0	0
25.7 - Operation and Maintenance of Equipment	89	58	0	50	0
25.8 - Subsistence and Support of Persons	0	0	0	0	0
Total	89	58	0	50	0
Total Contractor Full-Time Equivalents (FTEs)	157	197	0	142	0
¹ FY 2015 includes Overseas Contingency Operations (OCO) funding.			Numbers may not add due to rounding		
Excludes MILCON and RDT&E					
Excludes R&D Contracts (Object Class 25.5)					

CONTRACT SERVICES

CONTRACT SERVICES

Summary of Changes: While the Department is still decreasing its reliance on contractor support services, the net increase (\$5,437 million) from FY 2016 enacted levels to the FY 2017 request is the result of inflation (\$1,881 million) and a program increase in contract services (\$3,556 million). The increase in contract services is primarily driven by growth in the Operation and Maintenance appropriations to protect critical readiness requirements.

- **Operation and Maintenance**
 - 25.1 – Advisory and Assistance Services (\$+107 million price growth and \$-32 million program decrease)
 - 25.2 – Other Services (\$+126 million price growth and \$+42 million program growth)
 - 25.4 – Operation and Maintenance of Facilities (\$+163 million price growth and \$-736 million program decrease)
 - 25.7 – Operations and Maintenance of Equipment (\$+488 million price growth and \$+1,204 million program growth)
- **Advisory and Assistance (\$-32 million)** The decrease is the result of program decreases in the Military Services and Defense-wide classified programs, Army specialized skills training, Navy combat support forces, and Air Force combat enhancement forces.
- **Other Services (\$+42 million)** The increase is the result of program increases in Army central supply activities, Navy specialized skills training, Marine Corps base operations support, Air Force flight training, and Defense-wide increases at the Defense Human Resources Agency and U.S. Special Operations Command.
- **Operation and Maintenance of Facilities (\$-736 million)** The net decrease reflects a reduction in the percent funded of the Department's facility sustainment requirement from 81% in FY 2016 to 74% in FY 2017.
- **Operation and Maintenance of Equipment (\$+1.2 billion)** Among the program increases for FY 2017, there is growth to reflect the restoral of the base to OCO transfers for Army, Navy, and Air Force depot maintenance included in the FY 2016 enacted appropriations. In addition, there is program growth in Army prepositioned stocks, Navy aviation logistics, Air Force flying hour program, and in the Defense Information Services Agency.

Contractor Reductions: For measuring contract services funding limitations, Section 955 of the FY 2013 National Defense Authorization Act (P.L. 112-239). Section 955 directs the Department to reduce contract services commensurate with the percentage reduction in military average strength over the period from FY 2012 to FY 2017. The FY 2017 budget request reflects a 7 percent decrease in military average strength from FY 2012. When compared to the FY 2012 contract services level of \$57.8 billion, the Department's FY 2017 budget request of \$55.4 billion reflects a 4 percent decrease (\$2.4 billion decrease). While the Department has significantly decreased advisory and assistance and other services contracts from the FY 2012 level, there have been increases in equipment maintenance contracts as the Department repairs and maintains its equipment in order to maintain our global presence. In accordance with the OMB Circular A-76, the Department does not project contract services funding beyond the budget year.

CONTRACT SERVICES

ACTIVE FORCE MILITARY PERSONNEL

Active Force Personnel

End Strength

	<u>FY 2015 Actual</u> ^{/1,2}	<u>Change</u>	<u>FY 2016 Estimate</u> ^{/2,3}	<u>Change</u>	<u>FY 2017 Estimate</u> ^{/2}
<u>DoD Total by Type</u>	<u>1,314,110</u>	<u>-12,810</u>	<u>1,301,300</u>	<u>-19,400</u>	<u>1,281,900</u>
Officer	230,482	-1,606	228,876	-3,018	225,858
Enlisted	1,070,702	-11,199	1,059,503	-16,339	1,043,164
Cadets	12,926	-5	12,921	-43	12,878
<u>DoD Total by Service</u>	<u>1,314,110</u>	<u>-12,810</u>	<u>1,301,300</u>	<u>-19,400</u>	<u>1,281,900</u>
Army	491,365	-16,365	475,000	-15,000	460,000
Navy	327,862	-562	327,300	-4,400	322,900
Marine Corps	183,526	-1,526	182,000	0	182,000
Air Force	311,357	5,643	317,000	0	317,000
¹ Includes end strength funded in Division C, Title IX - Overseas Contingency Operations of the Consolidated Appropriations Act of 2015 (P.L. 113-235).					
² Reserve Component members called to active duty are excluded in the active force end strength, but are included in the average strength figures					
³ The 2016 column reflects the projected end strength levels.					

ACTIVE FORCE MILITARY PERSONNEL

End Strength

<u>End Strength by Service</u>	<u>FY 2015 Actual ^{/1,2}</u>	<u>Change</u>	<u>FY 2016 Estimate ^{/2,3}</u>	<u>Change</u>	<u>FY 2017 Estimate ^{/2}</u>
<u>Army</u>	<u>491,365</u>	<u>-16,365</u>	<u>475,000</u>	<u>-15,000</u>	<u>460,000</u>
Officer	94,610	-2,669	91,941	-3,107	88,834
Enlisted	392,327	-13,746	378,581	-11,925	366,656
Cadets	4,428	50	4,478	32	4,510
<u>Navy</u>	<u>327,862</u>	<u>-562</u>	<u>327,300</u>	<u>-4,400</u>	<u>322,900</u>
Officer	54,223	110	54,333	-221	54,112
Enlisted	269,172	-648	268,524	-4,104	264,420
Cadets	4,467	-24	4,443	-75	4,368
<u>Marine Corps</u>	<u>183,526</u>	<u>-1,526</u>	<u>182,000</u>	<u>0</u>	<u>182,000</u>
Officer	20,645	267	20,912	0	20,912
Enlisted	162,881	-1,793	161,088	0	161,088
<u>Air Force</u>	<u>311,357</u>	<u>5,643</u>	<u>317,000</u>	<u>0</u>	<u>317,000</u>
Officer	61,004	686	61,690	310	62,000
Enlisted	246,322	4,988	251,310	-310	251,000
Cadets	4,031	-31	4,000	0	4,000

ACTIVE FORCE MILITARY PERSONNEL

End Strength continued

<u>End Strength by Service</u>	<u>FY 2015 Actual</u> ^{/1,2}	<u>Change</u>	<u>FY 2016 Estimate</u> ^{/2,3}	<u>Change</u>	<u>FY 2017 Estimate</u> ^{/2}
<u>DoD Total</u>	<u>1,314,110</u>	<u>-12,810</u>	<u>1,301,300</u>	<u>-19,400</u>	<u>1,281,900</u>
Officer	230,482	-1,606	228,876	-3,018	225,858
Enlisted	1,070,702	-11,199	1,059,503	-16,339	1,043,164
Cadets	12,926	-5	12,921	-43	12,878
¹ Includes end strength funded in Division C, Title IX - Overseas Contingency Operations of the Consolidated Appropriations Act of 2015 (P.L. 113-235).					
² Reserve Component members called to active duty are excluded in the active force end strength, but are included in the average strength figures					
³ The 2015 column reflects the authorized end strength levels in the National Defense Authorization Act for FY 2015 in Public Law 113-291,					
³ The 2016 column reflects the projected end strength levels.					

ACTIVE FORCE MILITARY PERSONNEL

Average Strength

<u>Average Strength by Service</u>	<u>FY 2015 Actual ^{/1}</u>	<u>Change</u>	<u>FY 2016 Estimate ^{/2}</u>	<u>Change</u>	<u>FY 2017 Estimate ^{/3}</u>
<u>Army</u>	<u>517,052</u>	<u>-17,587</u>	<u>499,465</u>	<u>-11,875</u>	<u>487,590</u>
Officer	101,029	-3,813	97,216	-1,976	95,240
Enlisted	411,674	-13,800	397,874	-9,894	387,980
Cadets	4,349	26	4,375	-5	4,370
<u>Navy</u>	<u>330,993</u>	<u>694</u>	<u>331,687</u>	<u>-3,210</u>	<u>328,477</u>
Officer	55,502	-150	55,352	-117	55,235
Enlisted	271,167	831	271,998	-3,055	268,943
Cadets	4,324	13	4,337	-38	4,299
<u>Marine Corps</u>	<u>185,992</u>	<u>-1,714</u>	<u>184,278</u>	<u>-1,213</u>	<u>183,065</u>
Officer	21,306	-60	21,246	195	21,441
Enlisted	164,686	-1,654	163,032	-1,408	161,624
<u>Air Force</u>	<u>322,593</u>	<u>2,969</u>	<u>325,562</u>	<u>2,377</u>	<u>327,939</u>
Officer	63,510	1,169	64,679	347	65,026
Enlisted	255,246	1,720	256,966	2,032	258,998
Cadets	3,837	80	3,917	-2	3,915

ACTIVE FORCE MILITARY PERSONNEL

Average Strength continued

Average Strength by Service	FY 2015 <u>Actual</u> ^{/1}	<u>Change</u>	FY 2016 <u>Estimate</u> ^{/2}	<u>Change</u>	FY 2017 <u>Estimate</u> ^{/3}
<u>DoD Total</u>	<u>1,356,630</u>	<u>-15,638</u>	<u>1,340,992</u>	<u>-13,921</u>	<u>1,327,071</u>
Officer	241,347	-2,854	238,493	-1,551	236,942
Enlisted	1,102,773	-12,903	1,089,870	-12,325	1,077,545
Cadets	12,510	119	12,629	-45	12,584
¹ Includes average strength associated with reserve mobilization and active duty overstrength funded from Division C, Title IX - Overseas Contingency Operations of the Consolidated Appropriations Act of 2015 (P.L. 113-235).					
² Includes average strength associated with reserve mobilization funded from Division C, Title IX - Overseas Contingency Operations of the Consolidated Appropriations Act, 2016 (P.L. 114-113).					
³ Includes average strength associated with reserve mobilization funded in the FY 2017 OCO request.					

ACTIVE FORCE MILITARY PERSONNEL

U.S. SPECIAL OPERATIONS COMMAND (USSOCOM) SUPPORT PERSONNEL

Military End Strength/Civilian FTEs

	<u>FY 2015 Actual</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
<u>Army (Active, Reserve, Guard)¹</u>	<u>32,001</u>	<u>2,109</u>	<u>34,110</u>	<u>1</u>	<u>34,111</u>
Officer	5,805	423	6,228	-114	6,114
Enlisted	26,196	1,686	27,882	115	27,997
<u>Navy (Active, Reserve)¹</u>	<u>9,851</u>	<u>8</u>	<u>9,859</u>	<u>3</u>	<u>9,862</u>
Officer	1,729	3	1,732	2	1,734
Enlisted	8,122	5	8,127	1	8,128
<u>Marine Corps (Active, Reserve)¹</u>	<u>2,863</u>	<u>131</u>	<u>2,994</u>	<u>1</u>	<u>2,995</u>
Officer	465	46	511	13	524
Enlisted	2,398	85	2,483	-12	2,471
<u>Air Force (Active, Reserve, Guard)¹</u>	<u>13,819</u>	<u>2,588</u>	<u>16,407</u>	<u>-28</u>	<u>16,379</u>
Officer	3,137	487	3,624	128	3,752
Enlisted	10,682	2,101	12,783	-156	12,627
<u>Total -Military (Active, Reserve, Guard)</u>	<u>58,534</u>	<u>4,836</u>	<u>63,370</u>	<u>-23</u>	<u>63,347</u>
Officer	11,136	959	12,095	29	12,124
Enlisted	47,398	3,877	51,275	-52	51,223
<u>Civilian FTEs</u>	<u>6,224</u>	<u>332</u>	<u>6,556</u>	<u>43</u>	<u>6,599</u>
<u>DoD Total</u>	<u>64,758</u>	<u>5,168</u>	<u>69,926</u>	<u>20</u>	<u>69,946</u>
¹ Included in Active and Reserve Force Military Personnel totals					

USSOCOM SUPPORT PERSONNEL

SELECTED RESERVE, NATIONAL GUARD, AND RESERVE SUPPORT PERSONNEL

(Military End Strength/Civilian Full-Time Equivalents)

	<u>FY 2015 Actuals</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Total Selected Reserve	819,062	-8,062	811,000	-9,800	801,200
Trained in Units	680,205	-9,517	670,688	-9,567	661,121
Individual Mobilization Augmentees (IMAs)	12,402	+1,934	14,336	-11	14,325
Training Pipeline	50,076	-1,105	48,971	+432	49,403
Full-time Duty	76,379	+626	77,005	-654	76,351
Active Military Support to Reserves	5,680	-245	5,435	-3	5,432
Civilian FTEs For Reserves/National Guard (Technicians Included Above)	75,647	+351	75,998	-24	75,974
Selected Reserve By Service	819,062	-8,062	811,000	-9,800	801,200
Army Reserve	198,552	-552	198,000	-3,000	195,000
Navy Reserve	57,359	+41	57,400	+600	58,000
Marine Corps Reserve	38,906	-6	38,900	-400	38,500
Air Force Reserve	68,494	+706	69,200	-200	69,000
Army National Guard	350,023	-8,023	342,000	-7,000	335,000
Air National Guard	105,728	-228	105,500	+200	105,700

SELECTED RESERVE, NATIONAL GUARD, AND RESERVE SUPPORT PERSONNEL

SELECTED RESERVE, NATIONAL GUARD, AND RESERVE SUPPORT PERSONNEL

(Military End Strength/Civilian Full-Time Equivalents)

	<u>FY 2015</u> <u>Actuals</u>	<u>Change</u>	<u>FY 2016</u> <u>Estimate</u>	<u>Change</u>	<u>FY 2017</u> <u>Estimate</u>
Army Reserve (AR)	198,552	-552	198,000	-3,000	195,000
Trained in Units	169,304	-1,263	168,041	-3,308	164,733
Individual Mobilization Augmentees (IMAs)	2,656	+1,344	4,000	-	4,000
Training Pipeline	10,295	-597	9,698	+308	10,006
Full-time Duty	16,297	-36	16,261	-	16,261
Active Military Support to AR	68	-2	66	-	66
Civilian FTE for AR	10,460	-39	10,421	+39	10,460
(Technicians Included Above)	7,494	-143	7,351	+82	7,433
Navy Reserve (NR)	57,359	+41	57,400	+600	58,000
Trained in Units	45,962	-363	45,599	+579	46,178
Individual Mobilization Augmentees (IMAs)	208	+40	248	-	248
Training Pipeline	1,339	+280	1,619	-	1,619
Full-time Duty	9,850	+84	9,934	+21	9,955
Active Military Support to NR	1,237	-175	1,062	-	1,062
Civilian FTEs for NR	782	+30	812	+23	835
(Technicians Included Above)	-	-	-	-	-
Marine Corps Reserve (MCR)	38,906	-6	38,900	-400	38,500
Trained in Units	30,901	-66	30,835	-481	30,354
Individual Mobilization Augmentees (IMAs)	2,609	+1	2,610	-11	2,599
Training Pipeline	3,161	+34	3,195	+91	3,286
Full-time Duty	2,235	+25	2,260	+1	2,261
Active Military Support to MCR	3,779	-1	3,778	-	3,778
Civilian FTEs for MCR	259	-6	253	-3	250
(Technicians Included Above)	-	-	-	-	-

SELECTED RESERVE, NATIONAL GUARD, AND RESERVE SUPPORT PERSONNEL

SELECTED RESERVE, NATIONAL GUARD, AND RESERVE SUPPORT PERSONNEL

(Military End Strength/Civilian Full-Time Equivalents)

	<u>FY 2015 Actuals</u>	<u>Change</u>	<u>FY 2016 Estimate</u>	<u>Change</u>	<u>FY 2017 Estimate</u>
Air Force Reserve (AFR)	68,494	+706	69,200	-200	69,000
Trained in Units	56,825	-622	56,203	-123	56,080
Individual Mobilization Augmentees (IMAs)	6,929	+549	7,478	-	7,478
Training Pipeline	2,060	+427	2,487	-	2,487
Full-time Duty	2,680	+352	3,032	-77	2,955
Active Military Support for AFR	427	-35	392	-	392
Civilian FTEs for AFR	12,257	+459	12,716	+604	13,320
(Technicians Included Above)	8,501	+1,403	9,904	+247	10,151
Army National Guard (ARNG)	350,023	-8,023	342,000	-7,000	335,000
Trained in Units	291,280	-8,249	283,031	-6,418	276,613
Individual Mobilization Augmentees (IMAs)	-	-	-	-	-
Training Pipeline	28,210	-11	28,199	+33	28,232
Full-time Duty	30,533	+237	30,770	-615	30,155
Active Military Support to ARNG	112	-2	110	-3	107
Civilian FTEs for ARNG	28,388	-189	28,199	-681	27,518
(Technicians Included Above)	27,436	-286	27,150	-582	26,568
Air National Guard (ANG)	105,728	-228	105,500	+200	105,700
Trained in Units	85,933	+1,046	86,979	+184	87,163
Individual Mobilization Augmentees (IMAs)	-	-	-	-	-
Training Pipeline	5,011	-1,238	3,773	-	3,773
Full-time Duty	14,784	-36	14,748	+16	14,764
Active Military Support for ANG	57	-30	27	-	27
Civilian FTEs for ANG	23,501	+96	23,597	-6	23,591
(Non SOCOM Technicians Included Above)	23,448	-1,158	22,290	+163	22,453

SELECTED RESERVE, NATIONAL GUARD, AND RESERVE SUPPORT PERSONNEL

MAJOR DOD HEADQUARTERS

MAJOR DEPARTMENT OF DEFENSE HEADQUARTERS ACTIVITIES (MHA) BY SERVICE

The section 346 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2016 (Public Law 114-92) requires the Secretary of Defense to: (1) implement a plan to ensure that the DoD achieves not less than \$10 billion in cost savings from headquarters, administrative, and support activities during the period beginning FY 2015 and ending in FY 2019 and ensure that at least half of the cost savings are programmed for years before FY 2018, and (2) modify the headquarters reduction plan required by section 904 of the NDAA for FY 2014 to ensure savings in the total funding available for Major DoD Headquarters Activities (MHA) by FY 2020 are not less than 25 percent of the funds appropriated for MHA for FY 2016.

In FY 2017, the Department will continue its reduction efforts on Major DoD Headquarters Activities (MHA) initiated in the FY 2015 President's Budget. The Deputy Chief Management Officer (DCMO) has been assigned as the lead for these tasks. The DCMO is working to implement more comprehensive MHA definition, framework, categorization, and business rules across the Department and adjudicate MHA and non-MHA determinations for DoD Components. The MHA review continues its part of the Department's greater efficiency effort recognizing the need to consolidate duplicative efforts, reduce overhead, and achieve better alignment in support of a smaller force of the future. The Department will continue to use the Planning, Programming, Budgeting and Execution process to prioritize major headquarters requirements such as conducting reviews of Business Processes and System Reviews.

The MHA review evaluates operational funding, military end strength, and civilian full time equivalents for the Department. The Department is on track to achieve savings prescribed within the statutory requirements. This summary tables below reflect interim estimated personnel levels and funding applicable to MHA within the Department from FY 2015 to FY 2017.

Major Department of Defense Headquarters Activities <i>All Appropriations (\$ in Millions)</i>				
	FY 2015 <u>Actual</u>	FY 2016 <u>Enacted</u>	FY 2017 <u>Estimate</u>	FY 2015 to FY 2017 <u>Change</u>
Army¹	1,933	1,815	1,818	-115
Navy¹	1,469	1,071	1,150	-319
Air Force¹	1,640	1,831	1,861	221
Defense - Wide	2,300	2,446	2,435	135
Total	7,341	7,164	7,263	-78
Numbers may not add due to rounding				
¹ Combantant Commanders and National Guard Bureau included with appropriate Service				

MAJOR DOD HEADQUARTERS

Major Department of Defense Headquarters Activities				
<i>Military End Strength (ES)</i>				
	FY 2015 <u>Actual</u>	FY 2016 <u>Enacted</u>	FY 2017 <u>Estimate</u>	FY 2015 to FY 2017 <u>Change</u>
Army	4,871	5,745	5,032	161
Navy	8,343	8,387	5,331	-3,012
Air Force	6,730	6,641	6,746	16
Defense - Wide	3,391	3,208	2,929	-462
Total	23,335	23,981	20,038	-3,297
Numbers may not add due to rounding				
<i>Civilian Full-time Equivalent (FTE)</i>				
	FY 2015 <u>Actual</u>	FY 2016 <u>Enacted</u>	FY 2017 <u>Estimate</u>	FY 2015 to FY 2017 <u>Change</u>
Army	12,265	10,575	9,593	-2,672
Navy	6,062	5,776	4,993	-1,069
Air Force	6,941	6,588	7,063	122
Defense - Wide	9,418	9,349	9,806	388
Total	34,686	32,288	31,455	-3,231
Numbers may not add due to rounding				
¹ Combantant Commanders and National Guard Bureau included with appropriate Service				

DoD CUSTOMER FUEL PRICES

The Department of Defense (DoD) procures an array of refined fuel products. The fuel standard selling prices identified in the following table include the cost of refined products, inventory control, transportation, storage, and operations.

The DoD makes refined fuel purchases in a two-step process involving both the Defense Logistics Agency (DLA) and the individual Service or Agency customers. The DLA-Energy activity, operating under the Defense Wide Working Capital Fund, purchases the fuel and subsequently sells it primarily to DoD customers. This allows the DoD to take advantage of large quantity purchase pricing and in most years provides the DoD customer a stabilized standard fuel price per gallon during that fiscal year.

In FY 2015, reduced product costs and resulting price changes provided the Department with an asset to source \$2,385 million of emerging Departmental requirements.

Due to the volatility in the fuel market the Department was able to decrease fuel prices twice in the first five months of FY 2016.

- On October 1, 2015 the standard price was reduced by \$20.16/bbl, from the budget request of \$144.06/bbl to \$123.90/bbl
- The Department will decrease the price further by \$14.28/bbl to \$109.62/bbl on February 1, 2016.

The calculated enacted composite standard price in FY 2016 is \$114.38/bbl, consisting of \$92.88 for refined product and \$21.50 for non-product.

The FY 2017 budget submission assumes a standard composite fuel selling price of \$105.00 per barrel.

The following table reflects, by fuel product, the final fuel price for FY 2015, the updated FY 2016 prices, and the stabilized prices DoD customers are budgeted to pay for fuel in FY 2017.

(Rates in U.S. Dollars)	FY 2015		FY 2016, as of Oct 1		FY 2016, as of Feb 1		FY 2017	
<u>Product Type</u>	<u>Gallon</u>	<u>Barrel</u>	<u>Gallon</u>	<u>Barrel</u>	<u>Gallon</u>	<u>Barrel</u>	<u>Gallon</u>	<u>Barrel</u>
AVGAS (CONUS) – 130	\$3.72	\$156.24	\$3.36	\$141.12	\$2.97	\$124.74	\$2.85	\$119.70
AVGAS (OCONUS) – LL	\$14.59	\$612.78	\$13.20	\$554.40	\$11.68	\$490.56	\$11.19	\$469.98
<u>Diesel Fuel:</u>								
Distillates – F76	\$3.25	\$136.50	\$3.10	\$130.20	\$2.63	\$110.46	\$2.52	\$105.84
High Sulfur – DF1	\$3.26	\$136.92	\$2.95	\$123.90	\$2.61	\$109.62	\$2.50	\$105.00
Generic (High Sulfur) – DF2	\$2.93	\$123.06	\$2.65	\$111.30	\$2.34	\$98.28	\$2.25	\$94.50
Ultra Low Sulfur – DS1	\$3.33	\$139.86	\$3.02	\$126.84	\$2.68	\$112.56	\$2.57	\$107.94
Ultra Low Sulfur – DS2	\$3.15	\$132.30	\$2.85	\$119.70	\$2.52	\$105.84	\$2.41	\$101.22

DoD CUSTOMER FUEL PRICES

DoD CUSTOMER FUEL PRICES

(Rates in U.S. Dollars)	FY 2015		FY 2016, as of Oct 1		FY 2016, as of Feb 1		FY 2017	
<u>Product Type</u>	<u>Gallon</u>	<u>Barrel</u>	<u>Gallon</u>	<u>Barrel</u>	<u>Gallon</u>	<u>Gallon</u>	<u>Barrel</u>	<u>Gallon</u>
Burner Grade – FS1	\$3.18	\$133.56	\$2.88	\$120.96	\$2.55	\$107.10	\$2.44	\$102.48
Burner Grade – FS2	\$2.80	\$117.60	\$2.54	\$106.68	\$2.25	\$94.50	\$2.15	\$90.30
Biodiesel – BDI	\$3.14	\$131.88	\$2.85	\$119.70	\$2.52	\$105.84	\$2.41	\$101.22
<u>Jet Fuel:</u>								
JP8 & JA1	\$3.26	\$136.92	\$2.95	\$123.90	\$2.61	\$109.62	\$2.50	\$105.00
JAA	\$3.24	\$136.08	\$2.93	\$123.06	\$2.59	\$108.78	\$2.48	\$104.16
JP5	\$3.29	\$138.18	\$2.98	\$125.16	\$2.64	\$110.88	\$2.53	\$106.26
JTS	\$5.07	\$212.94	\$4.58	\$192.36	\$4.05	\$170.10	\$3.88	\$162.96
Kerosene – KS1	\$3.22	\$135.24	\$2.91	\$122.22	\$2.57	\$107.94	\$2.47	\$103.74
<u>Motor Gasoline:</u>								
Regular, Unleaded – MUR	\$3.18	\$133.56	\$2.88	\$120.96	\$2.55	\$107.10	\$2.44	\$102.48
Midgrade, Unleaded – MUM	\$3.37	\$141.54	\$3.05	\$128.10	\$2.70	\$113.40	\$2.58	\$108.36
Premium, Unleaded – MUP	\$3.76	\$157.92	\$3.40	\$142.80	\$3.01	\$126.42	\$2.88	\$120.96
Gasohol – GUM	\$3.37	\$141.54	\$3.05	\$128.10	\$2.70	\$113.40	\$2.58	\$108.36
Ethanol – E85	\$3.18	\$133.56	\$2.88	\$120.96	\$2.55	\$107.10	\$2.44	\$102.48
<u>Residual:</u>								
Burner Grade – FS4	\$2.06	\$86.52	\$1.87	\$78.54	\$1.65	\$69.30	\$1.58	\$66.36
Residual (Burner Grade) – FS6	\$1.64	\$68.88	\$1.48	\$62.16	\$1.31	\$55.02	\$1.25	\$52.50
Fuel Oil, Reclaimed – FOR	\$0.95	\$39.90	\$0.95	\$39.90	\$0.95	\$39.90	\$0.94	\$39.48
Bunkers – Marine – MGO	\$3.33	\$139.86	\$3.18	\$133.56	\$2.71	\$113.82	\$2.60	\$109.20
Bunkers – Intermediate Grade – 180,380	\$2.45	\$102.90	\$2.22	\$93.24	\$1.96	\$82.32	\$1.88	\$78.96
Intoplane – Jet Fuel – IA1, IAA, IAB, IP8	\$3.72	\$156.24	\$3.36	\$141.12	\$2.97	\$124.74	\$2.85	\$119.70
Local Purchase Jet Fuel – NA1, NAA	\$4.00	\$168.00	\$3.62	\$152.04	\$3.20	\$134.40	\$3.07	\$128.94
Local Purchase Ground Fuel – NLS, NMU	\$3.42	\$143.64	\$3.09	\$129.78	\$2.73	\$114.66	\$2.62	\$110.04
Composite Standard Price	\$3.26	\$136.92	\$2.95	\$123.90	\$2.61	\$109.62	\$2.50	\$105.00

DoD CUSTOMER FUEL PRICES

EUROPEAN REASSURANCE INITIATIVE (ERI)

\$ in Millions

<u>FY 2015 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2016 Enacted</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2017 Estimate</u>
985.0	--	-195.7	789.3	--	+2,360.4	3,419.7
Note: FY 2015-2017 ERI is funded entirely in Overseas Contingency Operations (OCO)						

This budget continues and expands projects under the President’s European Reassurance Initiative (ERI), which was originally proposed by the President in Warsaw on June 3, 2014. The Fiscal Year (FY) 2017 Overseas Contingency Operations (OCO) budget request funds ERI efforts started in FY 2015 and FY 2016 to reassure North Atlantic Treaty Organization (NATO) Allies and partners of the U.S. commitment to their security and territorial integrity. Funds will provide near-term flexibility and responsiveness to the evolving concerns of our allies and partners in Europe, particularly Central and Eastern Europe, and increase the capability and readiness of U.S. allies and partners.

Additionally, the FY 2017 ERI funding will strengthen deterrence through measures that provide a quick joint response against any threats made by aggressive actors in the region. As such, the FY 2017 ERI request is broken down into two broad funding categories: (1) continuance of ongoing assurance measures (referred to hereafter as “Assurance”); and (2) the introduction of deterrence measures to better set European posture in the wake of Russian aggression (referred to hereafter as “Deterrence”).

The Department of Defense (DoD) will continue to pursue several lines of effort to accomplish the purposes of both the Assurance and Deterrence initiatives, including: (1) increased military presence in Europe; (2) additional bilateral and multilateral exercises and training with allies and partners; (3) enhanced prepositioning of U.S. equipment in Europe; (4) improved infrastructure to allow for greater responsiveness; and (5) intensified efforts to build partner capacity with newer NATO members and allied partners. The FY 2017 ERI budget request totals \$3,419.7 million, including \$1,829.1 million in O&M funding.

INCREASED PRESENCE

Assurance – Increasing the presence of U.S. forces in Europe through additional rotations of U.S. ground, air, and maritime forces provides assurance to NATO Allies and U.S. partners across U.S. European Command’s (USEUCOM’s) area of responsibility (AOR). Additionally, these actions demonstrate that the U.S. security commitment to Europe remains unshakable. In FY 2017, the Army will augment presence through the rotation of U.S.-based units from an Armored Brigade Combat Team (ABCT), the Air Force will sustain its current Mobility Air Force (MAF) capability and add new intelligence, surveillance, and reconnaissance (ISR) capabilities in Europe, and the Navy will maintain its presence in the Black and Baltic Seas.

EUROPEAN REASSURANCE INITIATIVE

EUROPEAN REASSURANCE INITIATIVE (ERI)

Deterrence – Supports the necessary U.S. actions to deter potential adversaries by increasing the presence of U.S. forces in Europe through additional rotations and the potential deferral of previously-planned force and footprint reductions. These actions will provide deterrence measures against adversaries throughout the region and demonstrate the re-establishment of a more robust U.S. military presence in the European theater. The Services are continuing to work with USEUCOM to develop options to best utilize equipment and forces to counter regional threats.

ADDITIONAL BILATERAL AND MULTILATERAL EXERCISES AND TRAINING

Assurance – Supports the presence of U.S. forces in Europe to enable more extensive U.S. participation in exercises and training activities with NATO Allies and non-NATO partner countries, improving overall readiness and interoperability and sending a strong message on the U.S. commitment to European security.

Deterrence – Provides increased levels of U.S. forces participating in the multitude of European-based exercises that act as deterrence measures against aggressive actors in the region.

IMPROVED INFRASTRUCTURE

Assurance – Supports a robust infrastructure at key locations to support military activities. The Department will pursue, subject to final agreement with host nations, selective improvements that will expand NATO's flexibility and contingency options and give concrete expressions of support to U.S. allies and partners.

Deterrence – Pursues selective improvements throughout Europe on various types of installations, such as airfields, training centers, and ranges. These steps will expand the military capability in the region, provide for quick dispersal of forces, and demonstrate concrete expressions of the support the U.S. is providing to allies and partners.

ENHANCED PREPOSITIONING

Assurance – Demonstrates tangible support for regional security by prepositioning additional stocks of equipment in Europe.

Deterrence – Enhances prepositioning of U.S. combat equipment throughout Europe, including added air equipment in Eastern European nations, improved prepositioning facilities and stockpiling of equipment, and improved weapons and ammunition storage capabilities. The expansion of U.S. equipment in the region demonstrates the U.S. security commitment to deter threats in the region.

EUROPEAN REASSURANCE INITIATIVE (ERI)

BUILDING PARTNER CAPACITY

Assurance – Builds and strengthens the partner capacity of the newer NATO Allies as well as with non-NATO partners, such as Georgia, Moldova, and Ukraine. Providing these countries with the capability and capacity to defend themselves and enable their participation as full operational partners against threatening actors is an important complement to multiple U.S. lines of effort. The ERI focuses on filling critical operational gaps, such as border security and air/maritime domain awareness, as well as building stronger institutional oversight of the defense establishments in these countries.

Deterrence – Strengthens international engagement and exercises with Atlantic Resolve countries to improve cyber security readiness through exercises and familiarization events. Additionally, procures and sustains a coalition mission network to support rotational regional training events and rapidly transition to support crisis response if the need arises.

OVERSEAS COST SUMMARY

The FY 2017 overseas cost summary identifies the amounts necessary for payment of all personnel, operations, maintenance, facilities, and support costs for all DoD overseas military units and the costs of supporting all dependents who accompany DoD personnel outside of the United States. The United States includes all 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States including Guam, U.S. Virgin Islands, and the Northern Mariana Islands.

Overseas costs are funded by the following appropriations: Military Personnel; Operation and Maintenance; Family Housing Operation and Maintenance; Family Housing Construction; and Military Construction to support all DoD activities located outside the United States that are being performed on a permanent basis at U.S. military bases and other locations (U.S. Embassy, U.S. Consulates, U.S. Mission, etc.). Overseas costs also include the cost of transporting personnel, material, and equipment to and from overseas locations. The overseas amounts do not include incremental costs associated with contingency operations.

Funding for DoD activities which take place in the United States, but in support of overseas, are excluded. For example, overseas amounts exclude the funding of depot maintenance performed in the United States on components/aircraft used by an overseas unit. Similarly, training that is conducted in the United States is excluded.

Pursuant to Section 2803 of Public Law 113-291 (Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015), approximately \$130.7 million of in-kind contributions are provided for the operation of United States forces in Korea. Of this amount, approximately \$72.9 million is in support of facility sustainment and restoration/modernization in Korea. In addition, the Government of Japan provides approximately \$1 billion of in-kind labor contributions in support of the operation of United States forces in Japan. These costs are not included in the overseas cost summary.

*Other includes countries with less than \$5 million or unspecified overseas locations. Other includes Albania, Algeria, Angola, Argentina, Bangladesh, Brazil, Bulgaria, Burma (Republic of the Union of Myanmar), Cambodia, Cameroon, China, Croatia, Cyprus, Denmark, Ecuador, Ethiopia, France, Georgia, Ghana, Guatemala, Hong Kong, Hungary, India, Indonesia, Ireland, Israel, Jordan, Kenya, Kwajalein Atoll, Laos, Latvia, Libya, Lithuania, Madagascar, Mali, Mauritania, Mexico, Malaysia, Mongolia, Montenegro, Morocco, Nepal, Norway, Panama, Paraguay, Peru, Philippines, Russia, Rwanda, Senegal, Sierra Leone, Slovenia, South Africa, Sri Lanka, Sweden, Syria, Tajikistan, Tanzania, Thailand, Timor-Leste, Tunisia, Uganda, Ukraine, Uzbekistan, Venezuela, Vietnam, Yemen, Zambia, and Zimbabwe.

OVERSEAS COST SUMMARY

FY 2015 Appropriations

\$ in millions

<u>Country</u>	<u>Military Personnel</u>	<u>Operation & Maintenance</u>	<u>Military Construction</u>	<u>Family Housing, Operations</u>	<u>Family Housing, Construction</u>	<u>Total</u>
Australia	\$ 73.1	\$ 23.1	\$ 9.6	\$ -	\$ -	\$ 105.8
Bahrain	\$ 283.3	\$ 141.5	\$ 27.8	\$ 0.9	\$ -	\$ 453.5
Belgium	\$ 116.1	\$ 32.4	\$ 79.5	\$ 3.0	\$ -	\$ 231.0
Canada	\$ 6.8	\$ 0.1	\$ -	\$ -	\$ -	\$ 6.9
Cuba	\$ 55.3	\$ 81.6	\$ 100.1	\$ 18.7	\$ -	\$ 255.7
Diego Garcia	\$ 31.2	\$ 70.7	\$ -	\$ -	\$ -	\$ 101.9
Djibouti	\$ 11.4	\$ 222.0	\$ 9.9	\$ -	\$ -	\$ 243.3
Egypt	\$ 29.2	\$ 8.8	\$ 24.8	\$ 1.1	\$ -	\$ 63.8
Germany	\$ 2,796.2	\$ 1,105.9	\$ 189.7	\$ 224.9	\$ -	\$ 4,316.6
Greece	\$ 33.0	\$ 35.9	\$ -	\$ 0.4	\$ -	\$ 69.3
Greenland	\$ 10.2	\$ 133.5	\$ -	\$ -	\$ -	\$ 143.7
Honduras	\$ 29.3	\$ 0.3	\$ -	\$ -	\$ -	\$ 29.5
Italy	\$ 885.4	\$ 471.7	\$ 44.5	\$ 74.5	\$ -	\$ 1,476.1
Japan	\$ 3,020.6	\$ 1,949.7	\$ 323.1	\$ 249.2	\$ 15.9	\$ 5,558.6
Kuwait	\$ 139.8	\$ 2.1	\$ -	\$ -	\$ -	\$ 141.9
Netherlands	\$ 42.6	\$ 9.8	\$ -	\$ 2.2	\$ -	\$ 54.6
Niger	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oman	\$ 1.4	\$ 19.9	\$ -	\$ 0.0	\$ -	\$ 21.4
Other*	\$ 991.0	\$ 201.1	\$ 27.0	\$ 4.4	\$ -	\$ 1,223.6
Poland	\$ -	\$ -	\$ 22.4	\$ -	\$ -	\$ 22.4
Portugal	\$ 47.2	\$ 8.1	\$ -	\$ 3.2	\$ -	\$ 58.4
Qatar	\$ 42.8	\$ 0.3	\$ -	\$ 2.2	\$ -	\$ 45.3
Romania	\$ 41.7	\$ 24.8	\$ 39.9	\$ -	\$ -	\$ 106.4
Saudi Arabia	\$ 37.5	\$ 1.7	\$ -	\$ -	\$ -	\$ 39.2
Singapore	\$ 18.5	\$ 35.3	\$ -	\$ 6.5	\$ -	\$ 60.4
South Korea	\$ 1,766.5	\$ 838.5	\$ -	\$ 33.9	\$ 57.8	\$ 2,696.8
Spain	\$ 184.4	\$ 132.1	\$ 20.2	\$ 14.8	\$ -	\$ 351.5
Turkey	\$ 102.3	\$ 68.2	\$ -	\$ 5.0	\$ -	\$ 175.5
United Arab Emirates	\$ 11.3	\$ 7.8	\$ -	\$ 0.3	\$ -	\$ 19.3
United Kingdom	\$ 650.0	\$ 227.0	\$ 92.2	\$ 35.6	\$ -	\$ 1,004.8
Total	\$ 11,458.1	\$ 5,853.7	\$ 1,010.8	\$ 680.8	\$ 73.7	\$ 19,077.1

OVERSEAS COST SUMMARY

OVERSEAS COST SUMMARY

FY 2016 Appropriations

\$ in millions

<u>Country</u>	<u>Military Personnel</u>	<u>Operation & Maintenance</u>	<u>Military Construction</u>	<u>Family Housing, Operations</u>	<u>Family Housing, Construction</u>	<u>Total</u>
Australia	\$ 12.4	\$ 24.0	\$ -	\$ -	\$ -	\$ 36.4
Bahrain	\$ 248.5	\$ 150.6	\$ 89.8	\$ 1.0	\$ -	\$ 489.9
Belgium	\$ 118.8	\$ 39.9	\$ -	\$ 3.4	\$ -	\$ 162.1
Canada	\$ 6.7	\$ 0.1	\$ -	\$ -	\$ -	\$ 6.8
Cuba	\$ 48.9	\$ 83.7	\$ -	\$ 27.0	\$ -	\$ 159.6
Diego Garcia	\$ 31.8	\$ 72.2	\$ -	\$ -	\$ -	\$ 103.9
Djibouti	\$ 0.9	\$ 225.2	\$ 43.7	\$ -	\$ -	\$ 269.7
Egypt	\$ 30.1	\$ 9.0	\$ -	\$ 1.2	\$ -	\$ 40.3
Germany	\$ 2,760.0	\$ 1,128.4	\$ 277.8	\$ 224.7	\$ 9.2	\$ 4,400.2
Greece	\$ 33.6	\$ 36.9	\$ -	\$ 0.5	\$ -	\$ 71.0
Greenland	\$ 10.3	\$ 137.4	\$ 42.0	\$ -	\$ -	\$ 189.7
Honduras	\$ 11.3	\$ 0.3	\$ -	\$ -	\$ -	\$ 11.6
Italy	\$ 892.3	\$ 498.9	\$ 102.9	\$ 78.9	\$ -	\$ 1,573.1
Japan	\$ 2,765.0	\$ 2,174.7	\$ 112.7	\$ 265.1	\$ 152.8	\$ 5,470.3
Kuwait	\$ 59.8	\$ 1.8	\$ -	\$ -	\$ -	\$ 61.7
Netherlands	\$ 45.0	\$ 15.3	\$ -	\$ 2.4	\$ -	\$ 62.7
Niger	\$ -	\$ -	\$ 50.0	\$ -	\$ -	\$ 50.0
Oman	\$ 1.6	\$ 19.9	\$ 25.0	\$ 0.1	\$ -	\$ 46.6
Other*	\$ 1,194.0	\$ 81.7	\$ -	\$ 6.5	\$ -	\$ 1,282.2
Poland	\$ -	\$ -	\$ 220.4	\$ -	\$ -	\$ 220.4
Portugal	\$ 46.8	\$ 9.5	\$ -	\$ 3.3	\$ -	\$ 59.6
Qatar	\$ 42.6	\$ 0.4	\$ -	\$ 4.6	\$ -	\$ 47.6
Romania	\$ 6.5	\$ 21.1	\$ -	\$ -	\$ -	\$ 27.7
Saudi Arabia	\$ 37.1	\$ 1.7	\$ -	\$ -	\$ -	\$ 38.7
Singapore	\$ 18.2	\$ 34.6	\$ -	\$ 6.0	\$ -	\$ 58.7
South Korea	\$ 1,716.8	\$ 1,006.0	\$ -	\$ 38.4	\$ 61.0	\$ 2,822.1
Spain	\$ 123.1	\$ 142.4	\$ 13.7	\$ 16.1	\$ -	\$ 295.3
Turkey	\$ 102.8	\$ 63.6	\$ -	\$ 5.1	\$ -	\$ 171.4
United Arab Emirates	\$ 11.5	\$ 8.1	\$ -	\$ 0.2	\$ -	\$ 19.8
United Kingdom	\$ 671.8	\$ 231.8	\$ 130.6	\$ 37.3	\$ -	\$ 1,071.6
Total	\$ 11,048.1	\$ 6,219.2	\$ 1,108.7	\$ 721.8	\$ 223.0	\$ 19,320.8

OVERSEAS COST SUMMARY

OVERSEAS COST SUMMARY

FY 2017 Appropriations

\$ in millions

<u>Country</u>	<u>Military Personnel</u>	<u>Operation & Maintenance</u>	<u>Military Construction</u>	<u>Family Housing, Operations</u>	<u>Family Housing, Construction</u>	<u>Total</u>
Australia	\$ 13.3	\$ 24.5	\$ 30.4	\$ -	\$ -	\$ 68.2
Bahrain	\$ 251.2	\$ 150.9	\$ -	\$ 1.1	\$ -	\$ 403.2
Belgium	\$ 118.7	\$ 39.1	\$ -	\$ 2.9	\$ -	\$ 160.6
Canada	\$ 6.8	\$ 0.1	\$ -	\$ -	\$ -	\$ 6.9
Cuba	\$ 49.2	\$ 85.1	\$ 33.0	\$ 14.5	\$ -	\$ 181.9
Diego Garcia	\$ 31.6	\$ 73.6	\$ 30.0	\$ -	\$ -	\$ 135.2
Djibouti	\$ 0.9	\$ 230.2	\$ -	\$ -	\$ -	\$ 231.1
Egypt	\$ 30.0	\$ 9.2	\$ -	\$ 1.4	\$ -	\$ 40.5
Germany	\$ 2,683.6	\$ 1,131.0	\$ 211.0	\$ 254.9	\$ -	\$ 4,280.5
Greece	\$ 33.6	\$ 37.6	\$ -	\$ 0.5	\$ -	\$ 71.7
Greenland	\$ 10.2	\$ 140.2	\$ -	\$ -	\$ -	\$ 150.4
Honduras	\$ 11.3	\$ 0.3	\$ -	\$ -	\$ -	\$ 11.6
Italy	\$ 894.3	\$ 513.8	\$ -	\$ 67.0	\$ -	\$ 1,475.1
Japan	\$ 2,777.2	\$ 2,274.6	\$ 376.4	\$ 249.4	\$ 67.5	\$ 5,745.0
Kuwait	\$ 59.9	\$ 1.9	\$ -	\$ -	\$ -	\$ 61.7
Netherlands	\$ 41.5	\$ 15.0	\$ -	\$ 2.2	\$ -	\$ 58.7
Niger	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oman	\$ 1.6	\$ 19.9	\$ -	\$ 0.1	\$ -	\$ 21.6
Other*	\$ 1,180.7	\$ 82.0	\$ 85.5	\$ 8.3	\$ -	\$ 1,356.4
Poland	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Portugal	\$ 15.1	\$ 33.6	\$ -	\$ 3.2	\$ -	\$ 51.9
Qatar	\$ 36.8	\$ 0.4	\$ -	\$ 3.2	\$ -	\$ 40.4
Romania	\$ 6.7	\$ 21.9	\$ -	\$ -	\$ -	\$ 28.6
Saudi Arabia	\$ 37.4	\$ 1.8	\$ -	\$ -	\$ -	\$ 39.1
Singapore	\$ 18.3	\$ 36.3	\$ -	\$ 5.1	\$ -	\$ 59.7
South Korea	\$ 1,726.4	\$ 967.7	\$ -	\$ 33.2	\$ 198.1	\$ 2,925.4
Spain	\$ 123.8	\$ 145.7	\$ 23.6	\$ 13.9	\$ 0.5	\$ 307.5
Turkey	\$ 103.6	\$ 73.0	\$ 13.4	\$ 5.1	\$ -	\$ 195.2
United Arab Emirates	\$ 11.5	\$ 8.1	\$ 35.4	\$ 2.5	\$ -	\$ 57.5
United Kingdom	\$ 672.4	\$ 222.9	\$ 154.5	\$ 32.6	\$ -	\$ 1,082.5
Total	\$ 10,947.4	\$ 6,340.5	\$ 993.2	\$ 701.0	\$ 266.1	\$ 19,248.2

OVERSEAS COST SUMMARY

FOREIGN CURRENCY FLUCTUATION RATES

FOREIGN CURRENCY FLUCTUATIONS, DEFENSE

The Foreign Currency Fluctuations, Defense (FCF,D) appropriation enables execution of budgeted programs despite adverse variations in foreign currency exchange rates. This centralized account is managed by the Under Secretary of Defense (Comptroller). Funds are transferred from this appropriation to DoD Components' Operation and Maintenance and Military Personnel appropriations to offset net losses in purchasing power because of unfavorable fluctuations in the foreign currency exchange rates of specified currencies. If a net gain results, the asset is transferred from the gaining appropriation to the FCF,D appropriation to replenish the fund. Unobligated balances from the prior two years for Operation and Maintenance and Military Personnel appropriations can be transferred to the FCF,D to further replenish the fund. The specified currencies are shown below as well as the rates used to formulate the budget. The Department will use these rates to measure foreign currency fluctuation during execution. These rates are expressed in terms of units of foreign currency that can be purchased with one (1) U.S. dollar.

Foreign Currency Exchange Rates
Units of Foreign Currency per One U.S. Dollar

		<u>Execution Rates</u>	<u>Enacted Rates</u>	<u>President's Budget Rates</u>
<u>Country</u>	<u>Monetary Unit</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>
Denmark	Krone	7.0711	6.7523	6.7076
European Community	Euro	0.9462	0.9049	0.8990
Iceland	Krona	138.4200	130.2096	130.4519
Japan	Yen	120.1200	121.8300	122.4519
Norway	Krone	8.0999	8.3430	8.1758
Singapore	Dollar	1.3715	1.3979	1.3858
South Korea	Won	1,101.6400	1,163.0138	1,151.5242
Turkey	Lira	2.6705	2.8759	2.8346
United Kingdom	Pound	0.6814	0.6505	0.6473

FOREIGN CURRENCY FLUCTUATION RATES

GOVERNMENT LODGING PILOT PROGRAM

OVERVIEW OF SECTION 914 DEPARTMENT OF DEFENSE LODGING PILOT PROGRAM

In accordance with section 914 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2015 (Public Law (P.L.) 113-291), the Secretary of Defense is authorized to establish and carry out a Government Lodging Program to provide Government or commercial lodging for Department of Defense (DoD) employees or members of the uniformed Services. This annual report is submitted as prescribed in section 914(d)(4).

The annual report includes: (1) actual savings achieved (or costs incurred) under the Government lodging program to date, (2) a description of estimated savings for the fiscal year budget being submitted, (3) any changes to program rules made since the prior report, and (4) an overall assessment to date of the program's effectiveness in increasing efficiency of travel and safety of Department employees.

This section fulfills the annual reporting requirement of section 914, P.L. 113-291.

The purpose of the Defense Lodging Pilot Program is to develop a comprehensive integrated program for providing Government and commercial travelers lodging with greater safety, security, and service at a reduced rate. The lodging pilot program began on June 15, 2015, at seven pilot sites: (1) Charleston, South Carolina-Joint Base Charleston, (2) Dayton, Ohio-Wright-Patterson Air Force Base, (3) Norfolk, Virginia-selected military installations, (4) Saratoga Springs, New York-Naval Support Activity Saratoga Springs (commercial only), (5) Seattle, Washington-Seattle-Tacoma Airport Area (commercial only), (6) Tampa, Florida-MacDill Air Force Base, and (7) Twentynine Palms, California-Marine Corps Air Ground Combat Center.

In January 2016, the pilot added four additional sites: (1) Hampton, Virginia-Langley Air Force Base; (2) Newport News, Virginia-Fort Eustis; (3) Petersburg, Virginia-Fort Lee, and (4) Rock Island, Illinois-Rock Island Arsenal. The authority to execute a Government lodging program under this section expires on December 31, 2019.

GOVERNMENT LODGING PILOT PROGRAM

FY 2015 - FY 2017 Government Lodging Pilot Program Savings			
(\$ in Millions)			
	FY 2015	FY 2016	FY 2017
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
<u>Commercial Lodging</u>			
Number of Sites	7	16*	32
Direct Annual Savings	\$0.5	\$5.6	\$28.6
<u>Government Lodging</u>			
Number of Sites	5	10	20
Direct Annual Savings	\$11.7	\$94.1	\$188.2
* assumes new sites are added in July 2016. Therefore, the estimated savings for FY 2016 includes one quarter's savings for the additional sites added in July.			
Note : Indirect Savings and cost avoidance are non-quantified savings accrued to the Department from other sources (i.e. free internet, free parking), as well as those accrued to DoD travelers (i.e. free breakfast, free fitness center privilege).			

GOVERNMENT LODGING PILOT PROGRAM

FY 2015 – FY 2017 SAVINGS

FY 2015:

The FY 2015 savings from the pilot program include both direct savings (i.e., reduced cost of lodging), and indirect savings (e.g., reduction in reimbursable expenses). Based on availability of lodging data obtained from post trip voucher settlements, this reporting period was over the July 1, 2015 to September 30, 2015 time period. Note that the pilot did not begin until June 15, 2015.

Commercial Lodging (DoD Preferred):

The direct savings achieved in FY 2015 for the seven pilot sites, resulting from a reduction in hotel rates, was \$524,073 over the 4th Quarter, FY 2015 period. During this period, travelers paid an average of 81.6 percent of per diem for over 26 thousand room nights, for an average discount of \$19.86 per night. The annual savings for the seven pilot sites is estimated to be approximately \$2 million. The seven pilot sites constitute approximately 5 percent of DoD's continental U.S. annual lodging expenditures.

Indirect savings accrued to the Department from other sources, to include: (1) free negotiated amenities otherwise paid as a reimbursable expense (e.g., free internet and parking), (2) increased usage of the Government Travel Charge Card resulting in increased rebates, (3) reduction in reimbursements for various lodging fees (e.g., late arrival or early departure), and (4) reduction in Commercial Travel Office (CTO) "touch" fees. Additional indirect savings and cost avoidance for DoD travelers include: (1) free breakfast (77 percent), (2) free fitness center privilege (87 percent of hotels), (3) protection from improper charges for non-reimbursed expenses (e.g., in room safe), and (4) avoidance of non-reimbursable portion of hotel rates above per diem.

Government (DoD Lodging):

Increased civilian use of government-owned, DoD Lodging represents the only locality per diem savings that DoD Lodging can directly attribute to pilot program participation since uniformed personnel on official travel are already required to use DoD Lodging per section 2555 of the the Joint Travel Regulations. The Department's per diem savings is estimated based on the difference between the locality per diem (maximum reimbursement) rate and the average daily room rate that is charged at the DoD Lodging operation. For the five DoD Lodging sites participating in the pilot program (two of the seven sites do not have government/DoD lodging), the estimated locality per diem savings totalled \$11.7 million for the period July 1, 2015 through September 30, 2015. During this period, travelers paid an average of 54.6 percent of the capped locality per diem rate for approximately 239.9 thousand nights for an average discount of \$49.03 per night. The DoD Lodging

GOVERNMENT LODGING PILOT PROGRAM

rates were not adjusted during the reporting period and there was no notable increase in civilians at these sites. As noted in the “Compliance” section of this report, monitoring, system training, and communications to ensure policy awareness is a key factor for ensuring maximum program participation.

FY 2016:

Commercial Lodging (DoD Preferred):

Further expansions planned in FY 2016, during the July 2016 time period will assist in achieving savings in FY 2017. The estimated FY 2016 savings of \$5.6 million is based on the successful expansion to 16 sites. As resources become available, the pilot will be expanded.

Government (DoD Lodging):

The estimated FY 2016 Government (DoD lodging) savings of \$94.1 million is based on the successful expansion to 10 sites. This estimate does not include an increase in participating locations as the size of the lodging operations across the Department varies greatly. Therefore, estimating such increases without knowing the exact locations of these new sites cannot not be made.

FY 2017:

Commercial Lodging (DoD Preferred):

Estimated savings for FY 2017 are based on the expansion in the number of sites from seven in FY 2015 to 32 in FY 2017. As a result, annual savings are estimated to be \$28.6 million incorporating approximately 3.9 million room nights and \$286 million, or 15 percent, of DoD’s commercial domestic lodging expenditures. Likewise, non-quantified will accrue to DoD (i.e., see “Actual Savings Achieved” section). The current DoD Lodging program will most likely cover 70 percent to 80 percent of domestic lodging expenditures because of the labor intensive nature of strategic sourcing, supplier management requirements, and potential return on investment.

Government (DoD Lodging):

The estimated savings for FY 2017 can vary considerably based on the size of the DoD Lodging operation participating in the pilot program. Applying the estimated savings from this reporting period uniformly across 20 pilot locations (12 of the 32 sites will not have government/DoD lodging) results in a consolidated FY 2017 locality per diem savings estimate of \$188.2 million.

GOVERNMENT LODGING PILOT PROGRAM

CHANGES TO PROGRAM RULES

The initial report was processed prior to the start of the pilot as required by the FY 2015 NDAA. Therefore, no program rules have been changed. However, some key program rules (e.g., policies) worth noting were established, as follows:

Pursuant to section 914 of the FY 2015 NDAA (Public Law 113-291), the Secretary's authority will be implemented incrementally through a controlled Integrated Lodging Program Pilot (ILPP). This will facilitate successful implementation and ensure full integration of policy, technology (Defense Travel System (DTS)), program management, strategic sourcing, training, strategic communications, and performance management. The pilot will consist of three components: DoD Lodging (i.e., Government quarters), Public-Private Venture (PPV) Lodging, and DoD Preferred Lodging (i.e., commercial).

Additionally, the Secretary of Defense "may require travelers to occupy adequate quarters on a rental basis when available." The following factors are used to determine if quarters are "adequate": (1) Traveler Safety and Security (e.g., interior opening door, security monitoring), (2) Quality Traveler Accommodations (e.g., minimum crown/star rating, renovation last five years), (3) Traveler Financial Protections (e.g., no deposit, no cancellation fee), and (4) Traveler Conveniences (e.g., close to installations, online booking).

OVERALL ASSESSMENT OF PROGRAM'S EFFECTIVENESS

The following assessment is provided on the areas of: (1) DTS interface, (2) strategic sourcing and supplier management, (3) customer satisfaction, and (4) compliance. The areas of greatest success include integration of two of the three categories of lodging into DTS (Government and commercial) and the sourcing of quality properties at reduced rates. Areas of greatest challenges are program compliance and change management (e.g., educating approval authorities and travelers).

1) DTS Interface (both Government and commercial). In June 2015, the DTS interface went into production for DoD Lodging (i.e., Government quarters with the exception of Twentynine Palms) and DoD Preferred Lodging (i.e., commercial) providing online capabilities for: reservation, booking, audits, claims settlement, and data collection. The flow controller in DTS routes overnight travelers to the appropriate DTS tab in the lodging module, offers "adequate" hotel rooms with options, provides certification of nonavailability, if applicable, provides program protections (e.g., fees), displays pre-audits and exceptions codes as required, and populates travel claims with correct reimbursement rates. Overall, this complex addition to DTS is functioning well, although it requires some minor adjustments. Integration of Public-Private Venture (PPV) Lodging is scheduled for 1st Quarter calendar year 2016. As part of the pilot, DTS enhancements are being identified for a planned upgrade for all three lodging modules to enhance or correct navigation, reservations, auditability, and reimbursement computations.

GOVERNMENT LODGING PILOT PROGRAM

2) Strategic Sourcing and Supplier Management (commercial lodging only). The Department is implementing a corporate-style competitive sourcing model leveraging a standard commercial automated tool (i.e., Lanyon). To facilitate this approach, DoD is leveraging the General Services Administration's FedRooms® program. This enabled DoD to establish over 100 qualifying requirements to ensure "adequate" standards are met while achieving rates averaging 81.6 percent of per diem. Supplier management includes biweekly rate audits (i.e., accomplished by FedRooms® via the contract holder, Carlson Wagonlit Travel) and customer feedback from the Travel Assistance Center, the Services, and travelers. Of the 52 properties selected, two have been removed due to quality issues. Areas of greatest success include the efficient automated solicitation of over 500 hotels, leading to the selection of just 52 properties at very competitive rates. Areas of greatest challenge include the pilot's limitation to only seven sites, resulting in confusion when non-pilot site hotels are booked and do not meet rate or quality expectations. Another challenge will be expanding the pilot to new areas to accommodate requests from hotels at non-pilot sites that want to be included in the program. Planned enhancements during FY 2016 include: leveraging local purchase agreements for lodging, identifying a local liaison in each market for ongoing coordination, and improving data reporting.

3) Customer Satisfaction (commercial only). All travelers completing a DTS travel voucher and staying in a DoD Preferred commercial property are provided a customer satisfaction survey electronically—the response rate in FY 2015 was 30 percent. The survey evaluated and scored four areas on a scale of 100 as follows: (1) product and service quality scored 74, (2) customer interaction scored 69, (3) assurance and reliability scored 82, and (4) overall satisfaction scored 58, resulting in a weighted survey average score of 68 overall. The goal is to attain a 70 percent satisfaction rating. In summary, scores indicate that travelers are satisfied with the DoD Preferred properties. After reviewing narrative comments, the lower "overall satisfaction" score appears to result from the fact that the traveler's ability to select any property at full per diem is now limited (e.g., stay where they receive loyalty points). These results are being used for supplier management, sourcing requirements, and program improvements. DoD Government Lodging is researching future inclusion in the DTS-generated customer satisfaction survey program.

4) Compliance (commercial only). High program participation rates are essential to the success of the pilot in order to afford travelers the best rates, protections, and provisions. For travel vouchers settled through DTS in FY 2015, 26,379 nights (33 percent) of a total 80,231 nights were at DoD Preferred properties. The goal is 70 percent. There are authorized exceptions captured via reason codes in DTS. The most frequently used reason codes include: mission requirements, stayed in military lodging, and attending conference or event. Other sources for nonparticipation identified include: (1) use of local purchase agreements and contracts for commercial lodging; many of which predate the pilot, (2) use of centrally billed accounts or purchase cards used frequently for groups, or (3) travelers directly booking lodging with hotels outside DTS. More data and research are required to more precisely quantify each area. However, a combination of solutions will be required: (1) integration of local purchase agreements and contracts into the pilot by DoD policy, (2) development of an automated compliance query as required by section 463, title 37 of U.S.C. to minimize inaccurate claims known as improper payments, (3) tightening of the policy, and (4) continued communications, training, and education efforts.

WORLD WIDE WEB ADDRESS

**The Operation and Maintenance Overview is available on the
World Wide Web at:**

<http://comptroller.defense.gov/BudgetMaterials.aspx>

WORLD WIDE WEB ADDRESS

Exhibit M-1 FY 2017 President's Budget

Department of Defense
FY 2017 President's Budget
Exhibit M-1 FY 2017 President's Budget
Total Obligational Authority
(Dollars in Thousands)

04 Feb 2016

	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
	-----	-----	-----	-----	-----	-----	-----	-
Military Personnel, Army								
Budget Activity 01: Pay and Allowances of Officers								
2010A 5 Basic Pay	7,358,054	6,892,294	270,743	7,163,037	6,846,876	315,786	7,162,662	U
2010A 10 Retired Pay Accrual	2,325,023	2,172,454	62,271	2,234,725	2,015,554	74,526	2,090,080	U
2010A 25 Basic Allowance for Housing	2,327,937	2,195,928	103,968	2,299,896	2,241,563	133,911	2,375,474	U
2010A 30 Basic Allowance for Subsistence	302,358	293,794	10,586	304,380	285,488	11,866	297,354	U
2010A 35 Incentive Pays	86,092	81,079	2,140	83,219	85,542	1,543	87,085	U
2010A 40 Special Pays	382,835	365,582	15,614	381,196	367,175	15,411	382,586	U
2010A 45 Allowances	211,258	258,446	10,485	268,931	212,392	11,970	224,362	U
2010A 50 Separation Pay	201,573	210,860	3,858	214,718	201,125	4,541	205,666	U
2010A 55 Social Security Tax	557,102	527,824	20,712	548,536	521,218	24,158	545,376	U
Total Budget Activity 01	13,752,232	12,998,261	500,377	13,498,638	12,776,933	593,712	13,370,645	
Budget Activity 02: Pay and Allowances of Enlisted								
2010A 60 Basic Pay	13,468,680	12,622,673	460,476	13,083,149	12,429,886	506,209	12,936,095	U
2010A 65 Retired Pay Accrual	4,268,144	3,973,957	105,909	4,079,866	3,663,328	119,465	3,782,793	U
2010A 80 Basic Allowance for Housing	5,045,006	4,735,320	217,370	4,952,690	4,701,364	255,613	4,956,977	U
2010A 85 Incentive Pays	96,491	92,964	1,071	94,035	90,342	959	91,301	U
2010A 90 Special Pays	481,352	430,630	60,785	491,415	395,840	47,347	443,187	U
2010A 95 Allowances	768,230	843,293	44,077	887,370	707,120	46,094	753,214	U
2010A 100 Separation Pay	569,061	445,315	7,500	452,815	523,385	10,063	533,448	U
2010A 105 Social Security Tax	1,030,178	969,143	35,226	1,004,369	950,887	38,725	989,612	U
Total Budget Activity 02	25,727,142	24,113,295	932,414	25,045,709	23,462,152	1,024,475	24,486,627	
Budget Activity 03: Pay And Allowances Of Cadets								
2010A 110 Academy Cadets	79,236	80,323		80,323	81,184		81,184	U
Total Budget Activity 03	79,236	80,323		80,323	81,184		81,184	
Budget Activity 04: Subsistence of Enlisted Personnel								
2010A 115 Basic Allowance for Subsistence	1,378,310	1,304,526	87,006	1,391,532	1,240,112	59,079	1,299,191	U
2010A 120 Subsistence-In-Kind	809,961	514,155	171,697	685,852	594,481	222,742	817,223	U
2010A 121 Family Subsistence Supplemental Allowance	841	893		893	813		813	U
Total Budget Activity 04	2,189,112	1,819,574	258,703	2,078,277	1,835,406	281,821	2,117,227	

Exhibit M-1 FY 2017 President's Budget

Department of Defense
FY 2017 President's Budget
Total Obligational Authority
(Dollars in Thousands)

04 Feb 2016

	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
	-----	-----	-----	-----	-----	-----	-----	-
Military Personnel, Army								
Budget Activity 05: Permanent Change of Station Travel								
2010A 125 Accession Travel	144,781	167,227		167,227	155,211		155,211	U
2010A 130 Training Travel	147,082	143,944		143,944	149,240		149,240	U
2010A 135 Operational Travel	446,983	401,702	30,212	431,914	428,891	32,597	461,488	U
2010A 140 Rotational Travel	780,205	714,783	17,757	732,540	710,007	12,059	722,066	U
2010A 145 Separation Travel	300,933	304,382		304,382	302,576		302,576	U
2010A 150 Travel of Organized Units	4,156	4,234		4,234	4,033		4,033	U
2010A 155 Non-Temporary Storage	14,853	11,543		11,543	14,073		14,073	U
2010A 160 Temporary Lodging Expense	50,235	39,190		39,190	47,766		47,766	U
Total Budget Activity 05	1,889,228	1,787,005	47,969	1,834,974	1,811,797	44,656	1,856,453	
Budget Activity 06: Other Military Personnel Costs								
2010A 170 Apprehension of Military Deserters	600	717		717	621		621	U
2010A 175 Interest on Uniformed Services Savings	2,906	1,301	1,858	3,159	132	2,194	2,326	U
2010A 180 Death Gratuities	44,492	39,000	3,800	42,800	38,000	1,200	39,200	U
2010A 185 Unemployment Benefits	277,941	201,052	92,209	293,261	168,656	89,464	258,120	U
2010A 195 Education Benefits	268	4,620		4,620	634		634	U
2010A 200 Adoption Expenses	617	589		589	576		576	U
2010A 210 Transportation Subsidy	6,043	4,814		4,814	11,284		11,284	U
2010A 215 Partial Dislocation Allowance	293	105		105	251		251	U
2010A 216 SGLI Extra Hazard Payments	9,706		6,223	6,223		8,184	8,184	U
2010A 217 Reserve Officers Training Corps (ROTC)	110,219	111,929		111,929	97,362		97,362	U
2010A 218 Junior ROTC	52,723	28,140		28,140	27,522		27,522	U
2010A 219 Traumatic Injury Protection Coverage (T-SGLI)	3,670		2,803	2,803		5,872	5,872	U
Total Budget Activity 06	509,478	392,267	106,893	499,160	345,038	106,914	451,952	
Total Military Personnel, Army	44,146,428	41,190,725	1,846,356	43,037,081	40,312,510	2,051,578	42,364,088	
Less Reimbursables	286,302	267,242		267,242	284,328		284,328	
Total Direct - Military Personnel, Army	43,860,126	40,923,483	1,846,356	42,769,839	40,028,182	2,051,578	42,079,760	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1004A 300 Military Personnel, Army	2,046,867	1,889,889		1,889,889	1,793,909		1,793,909	U
Total Active Army Military Personnel Costs	45,906,993	42,813,372	1,846,356	44,659,728	41,822,091	2,051,578	43,873,669	

M-1C1: FY 2017 President's Budget (Published Version of PB Position), as of February 4, 2016 at 17:01:29

Exhibit M-1 FY 2017 President's Budget

Department of Defense
FY 2017 President's Budget
Exhibit M-1 FY 2017 President's Budget
Total Obligational Authority
(Dollars in Thousands)

04 Feb 2016

	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
	-----	-----	-----	-----	-----	-----	-----	-
Reserve Personnel, Army								
Reserve Component Training and Support								
2070A 10 Pay Group A Training (15 Days & Drills 24/48)	1,489,564	1,522,349	6,000	1,528,349	1,549,028	2,773	1,551,801	U
2070A 20 Pay Group B Training (Backfill For Active Duty)	39,990	44,492		44,492	41,018		41,018	U
2070A 30 Pay Group F Training (Recruits)	199,875	216,726		216,726	216,524		216,524	U
2070A 40 Pay Group P Training (Pipeline Recruits)	11,926	13,326		13,326	11,514		11,514	U
2070A 60 Mobilization Training	1,809	320		320	326		326	U
2070A 70 School Training	169,289	210,779		210,779	224,758		224,758	U
2070A 80 Special Training	238,609	251,057	18,462	269,519	281,611	39,733	321,344	U
2070A 90 Administration and Support	2,082,925	2,066,029		2,066,029	2,120,835		2,120,835	U
2070A 100 Education Benefits	9,944	18,380		18,380	4,124		4,124	U
2070A 120 Health Profession Scholarship	58,921	59,605		59,605	59,937		59,937	U
2070A 130 Other Programs (Admin & Support)	47,367	60,101		60,101	52,028		52,028	U
Total Budget Activity 01	4,350,219	4,463,164	24,462	4,487,626	4,561,703	42,506	4,604,209	
Total Direct - Reserve Personnel, Army	4,350,219	4,463,164	24,462	4,487,626	4,561,703	42,506	4,604,209	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1005A 300 Reserve Personnel, Army	395,088	357,528		357,528	341,533		341,533	U
Total Reserve Army Military Personnel Costs	4,745,307	4,820,692	24,462	4,845,154	4,903,236	42,506	4,945,742	

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National Guard Personnel, Army								
Reserve Component Training and Support								
2060A 10 Pay Group A Training (15 Days & Drills 24/48)	2,547,629	2,549,671	34,199	2,583,870	2,561,418	33,702	2,595,120	U
2060A 30 Pay Group F Training (Recruits)	501,709	539,106		539,106	551,868		551,868	U
2060A 40 Pay Group P Training (Pipeline Recruits)	48,822	47,418		47,418	46,202		46,202	U
2060A 70 School Training	359,794	479,036	2,780	481,816	546,563	47,658	594,221	U
2060A 80 Special Training	781,432	604,771	119,247	724,018	570,009	105,939	675,948	U
2060A 90 Administration and Support	3,645,532	3,652,459	9,789	3,662,248	3,632,138	9,173	3,641,311	U
2060A 100 Education Benefits	19,282	19,866		19,866	2,496		2,496	U
Total Budget Activity 01	7,904,200	7,892,327	166,015	8,058,342	7,910,694	196,472	8,107,166	
Total Direct - National Guard Personnel, Army	7,904,200	7,892,327	166,015	8,058,342	7,910,694	196,472	8,107,166	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1006A 300 National Guard Personnel, Army	688,865	629,824		629,824	589,354		589,354	U
Total National Guard Army Military Personnel Costs	8,593,065	8,522,151	166,015	8,688,166	8,500,048	196,472	8,696,520	
Total Direct - Army Military Appropriations	56,114,545	53,278,974	2,036,833	55,315,807	52,500,579	2,290,556	54,791,135	
Total Direct - Army MERHFC Accounts	3,130,820	2,877,241		2,877,241	2,724,796		2,724,796	
Grand Total Direct - Army Military Personnel Costs	59,245,365	56,156,215	2,036,833	58,193,048	55,225,375	2,290,556	57,515,931	

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Military Personnel, Navy								
Budget Activity 01: Pay and Allowances of Officers								
1453N 5 Basic Pay	4,093,020	3,894,436	39,310	3,933,746	4,120,767	58,913	4,179,680	U
1453N 10 Retired Pay Accrual	1,308,694	1,290,301	9,041	1,299,342	1,214,093	13,903	1,227,996	U
1453N 25 Basic Allowance for Housing	1,438,473	1,505,773	13,069	1,518,842	1,497,045	19,879	1,516,924	U
1453N 30 Basic Allowance for Subsistence	166,660	172,082	1,456	173,538	170,255	2,141	172,396	U
1453N 35 Incentive Pays	129,788	132,555	486	133,041	132,868	480	133,348	U
1453N 40 Special Pays	406,272	437,248	2,881	440,129	428,731	3,128	431,859	U
1453N 45 Allowances	122,567	131,475	6,512	137,987	118,231	7,280	125,511	U
1453N 50 Separation Pay	42,300	42,355		42,355	47,200		47,200	U
1453N 55 Social Security Tax	311,032	313,642	3,016	316,658	313,964	4,507	318,471	U
Total Budget Activity 01	8,018,806	7,919,867	75,771	7,995,638	8,043,154	110,231	8,153,385	
Budget Activity 02: Pay And Allowances Of Enlisted Personnel								
1453N 60 Basic Pay	8,714,867	8,657,386	49,797	8,707,183	8,940,145	76,964	9,017,109	U
1453N 65 Retired Pay Accrual	2,800,341	2,769,263	11,453	2,780,716	2,636,817	18,163	2,654,980	U
1453N 80 Basic Allowance for Housing	3,982,500	4,071,548	24,160	4,095,708	4,254,377	40,353	4,294,730	U
1453N 85 Incentive Pays	96,240	104,910	150	105,060	103,685	211	103,896	U
1453N 90 Special Pays	743,373	779,276	4,901	784,177	752,380	5,931	758,311	U
1453N 95 Allowances	560,315	581,588	14,345	595,933	544,072	16,913	560,985	U
1453N 100 Separation Pay	152,262	156,500		156,500	161,985		161,985	U
1453N 105 Social Security Tax	663,960	674,951	3,807	678,758	683,920	5,888	689,808	U
Total Budget Activity 02	17,713,858	17,795,422	108,613	17,904,035	18,077,381	164,423	18,241,804	
Budget Activity 03: Pay And Allowances Of Cadets								
1453N 110 Midshipmen	79,712	79,242		79,242	81,580		81,580	U
Total Budget Activity 03	79,712	79,242		79,242	81,580		81,580	
Budget Activity 04: Subsistence of Enlisted Personnel								
1453N 115 Basic Allowance for Subsistence	787,611	791,044	5,832	796,876	804,972	8,693	813,665	U
1453N 120 Subsistence-In-Kind	395,396	429,817	23,482	453,299	378,674	25,446	404,120	U
1453N 121 Family Subsistence Supplemental Allowance	7	4		4	10		10	U
Total Budget Activity 04	1,183,014	1,220,865	29,314	1,250,179	1,183,656	34,139	1,217,795	

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Military Personnel, Navy								
Budget Activity 05: Permanent Change of Station Travel								
1453N 125 Accession Travel	92,929	88,649	2,051	90,700	84,530	1,427	85,957	U
1453N 130 Training Travel	84,101	99,893		99,893	66,298		66,298	U
1453N 135 Operational Travel	226,783	249,743	4,702	254,445	184,700	1,825	186,525	U
1453N 140 Rotational Travel	328,191	284,292	13,052	297,344	228,489	4,634	233,123	U
1453N 145 Separation Travel	115,910	120,917	519	121,436	123,633	1,937	125,570	U
1453N 150 Travel of Organized Units	41,216	30,968		30,968	24,746		24,746	U
1453N 155 Non-Temporary Storage	12,588	12,159		12,159	12,686		12,686	U
1453N 160 Temporary Lodging Expense	16,051	15,800		15,800	16,225		16,225	U
Total Budget Activity 05	917,769	902,421	20,324	922,745	741,307	9,823	751,130	
Budget Activity 06: Other Military Personnel Costs								
1453N 170 Apprehension of Military Deserters	69	59		59	71		71	U
1453N 175 Interest on Uniformed Services Savings	1,029	1,370		1,370	1,060		1,060	U
1453N 180 Death Gratuities	14,422	17,800	500	18,300	13,500	300	13,800	U
1453N 185 Unemployment Benefits	86,301	72,655	9,948	82,603	78,956	6,959	85,915	U
1453N 195 Education Benefits	20,406	19,364		19,364	16,505		16,505	U
1453N 200 Adoption Expenses	243	265		265	250		250	U
1453N 210 Transportation Subsidy	4,299	4,993		4,993	8,434		8,434	U
1453N 212 Reserve Income Replacement Program						9	9	U
1453N 215 Partial Dislocation Allowance	30	35		35	30		30	U
1453N 216 SGLI Extra Hazard Payments	5,900		6,541	6,541		4,673	4,673	U
1453N 217 Reserve Officers Training Corps (ROTC)	19,694	21,269		21,269	20,234		20,234	U
1453N 218 Junior ROTC	12,309	14,733		14,733	14,990		14,990	U
1453N 240 Cancelled Account Payment	436							U
Total Budget Activity 06	165,138	152,543	16,989	169,532	154,030	11,941	165,971	
Total Military Personnel, Navy	28,078,297	28,070,360	251,011	28,321,371	28,281,108	330,557	28,611,665	
Less Reimbursables	366,481	366,320		366,320	329,503		329,503	
Total Direct - Military Personnel, Navy	27,711,816	27,704,040	251,011	27,955,051	27,951,605	330,557	28,282,162	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1000N 300 Navy	1,312,671	1,281,468		1,281,468	1,240,982		1,240,982	U
Total Active Navy Military Personnel Costs	29,024,487	28,985,508	251,011	29,236,519	29,192,587	330,557	29,523,144	

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Military Personnel, Marine Corps								
Budget Activity 01: Pay and Allowances of Officers								
1105N 5 Basic Pay	1,531,684	1,506,223	33,349	1,539,572	1,543,145	29,855	1,573,000	U
1105N 10 Retired Pay Accrual	492,947	474,241	7,670	481,911	454,866	7,046	461,912	U
1105N 25 Basic Allowance for Housing	497,678	489,384	11,320	500,704	511,997	8,814	520,811	U
1105N 30 Basic Allowance for Subsistence	62,924	64,674	1,176	65,850	65,927	996	66,923	U
1105N 35 Incentive Pays	34,040	35,998	343	36,341	31,661	266	31,927	U
1105N 40 Special Pays	8,941	6,210	2,408	8,618	3,582	1,350	4,932	U
1105N 45 Allowances	37,983	36,300	1,745	38,045	35,359	1,939	37,298	U
1105N 50 Separation Pay	43,176	14,887	954	15,841	13,077	5,939	19,016	U
1105N 55 Social Security Tax	117,246	115,108	2,551	117,659	117,478	2,284	119,762	U
Total Budget Activity 01	2,826,619	2,743,025	61,516	2,804,541	2,777,092	58,489	2,835,581	
Budget Activity 02: Pay And Allowances Of Enlisted Personnel								
1105N 60 Basic Pay	4,795,143	4,756,530	19,331	4,775,861	4,840,416	17,509	4,857,925	U
1105N 65 Retired Pay Accrual	1,539,548	1,509,761	4,446	1,514,207	1,425,856	4,132	1,429,988	U
1105N 80 Basic Allowance for Housing	1,533,165	1,557,470	11,007	1,568,477	1,557,367	8,798	1,566,165	U
1105N 85 Incentive Pays	9,145	9,508	12	9,520	9,137	16	9,153	U
1105N 90 Special Pays	143,850	116,177	13,115	129,292	116,757	4,449	121,206	U
1105N 95 Allowances	299,762	297,795	7,072	304,867	289,349	6,012	295,361	U
1105N 100 Separation Pay	218,007	93,577	45,374	138,951	97,926	74,707	172,633	U
1105N 105 Social Security Tax	363,921	369,010	1,479	370,489	369,924	1,339	371,263	U
Total Budget Activity 02	8,902,541	8,709,828	101,836	8,811,664	8,706,732	116,962	8,823,694	
Budget Activity 04: Subsistence of Enlisted Personnel								
1105N 115 Basic Allowance for Subsistence	427,413	435,030	2,440	437,470	440,800	2,103	442,903	U
1105N 120 Subsistence-In-Kind	368,830	379,036		379,036	386,455		386,455	U
1105N 121 Family Subsistence Supplemental Allowance	6	10		10	10		10	U
Total Budget Activity 04	796,249	814,076	2,440	816,516	827,265	2,103	829,368	
Budget Activity 05: Permanent Change of Station Travel								
1105N 125 Accession Travel	51,364	57,955		57,955	64,291		64,291	U
1105N 130 Training Travel	12,295	16,913		16,913	7,185		7,185	U
1105N 135 Operational Travel	164,813	161,285		161,285	130,620		130,620	U
1105N 140 Rotational Travel	104,700	121,359		121,359	107,630		107,630	U
1105N 145 Separation Travel	104,860	97,940		97,940	109,224		109,224	U
1105N 150 Travel of Organized Units	59	797		797	380		380	U
1105N 155 Non-Temporary Storage	6,978	5,564		5,564	7,942		7,942	U
1105N 160 Temporary Lodging Expense		5,734		5,734	5,473		5,473	U
Total Budget Activity 05	445,069	467,547		467,547	432,745		432,745	

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Military Personnel, Marine Corps								
Budget Activity 06: Other Military Personnel Costs								
1105N 170 Apprehension of Military Deserters	351	505		505	395		395	U
1105N 175 Interest on Uniformed Services Savings	279	19	280	299	19	302	321	U
1105N 180 Death Gratuities	12,600	13,700	300	14,000	12,900		12,900	U
1105N 185 Unemployment Benefits	76,923	82,598	1,540	84,138	77,928		77,928	U
1105N 195 Education Benefits	7,009	9,655		9,655	7,125		7,125	U
1105N 200 Adoption Expenses	96	84		84	116		116	U
1105N 210 Transportation Subsidy	1,387	1,621		1,621	2,122		2,122	U
1105N 215 Partial Dislocation Allowance	71	67		67	101		101	U
1105N 216 SGLI Extra Hazard Payments	2,485		3,167	3,167		1,877	1,877	U
1105N 218 Junior ROTC	3,912	3,526		3,526	3,589		3,589	U
Total Budget Activity 06	105,113	111,775	5,287	117,062	104,295	2,179	106,474	
Total Military Personnel, Marine Corps	13,075,591	12,846,251	171,079	13,017,330	12,848,129	179,733	13,027,862	
Less Reimbursables	28,203	28,730		28,730	34,717		34,717	
Total Direct - Military Personnel, Marine Corps	13,047,388	12,817,521	171,079	12,988,600	12,813,412	179,733	12,993,145	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1001N 300 Marine Corps	762,093	726,196		726,196	703,171		703,171	U
Total Active Marine Corps Military Personnel Costs	13,809,481	13,543,717	171,079	13,714,796	13,516,583	179,733	13,696,316	

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Reserve Personnel, Navy								
Reserve Component Training and Support								
1405N 10 Pay Group A Training (15 Days & Drills 24/48)	615,594	603,067		603,067	625,660		625,660	U
1405N 20 Pay Group B Training (Backfill For Active Duty)	4,455	7,141		7,141	7,369		7,369	U
1405N 30 Pay Group F Training (Recruits)	57,356	62,500		62,500	62,904		62,904	U
1405N 60 Mobilization Training	8,874	8,816		8,816	8,732		8,732	U
1405N 70 School Training	48,351	45,974		45,974	50,441		50,441	U
1405N 80 Special Training	124,842	103,503	12,350	115,853	112,504	11,574	124,078	U
1405N 90 Administration and Support	975,276	983,946	343	984,289	1,004,041	355	1,004,396	U
1405N 100 Education Benefits	58	107		107	105		105	U
1405N 120 Health Profession Scholarship	51,421	51,837		51,837	52,399		52,399	U
Total Budget Activity 01	1,886,227	1,866,891	12,693	1,879,584	1,924,155	11,929	1,936,084	
Total Direct - Reserve Personnel, Navy	1,886,227	1,866,891	12,693	1,879,584	1,924,155	11,929	1,936,084	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1002N 300 Reserve Personnel, Navy	124,898	115,519		115,519	112,246		112,246	U
Total Reserve Navy Military Personnel Costs	2,011,125	1,982,410	12,693	1,995,103	2,036,401	11,929	2,048,330	

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Reserve Personnel, Marine Corps								
Reserve Component Training and Support								
1108N 10 Pay Group A Training (15 Days & Drills 24/48)	250,013	269,298		269,298	274,555		274,555	U
1108N 20 Pay Group B Training (Backfill For Active Duty)	38,348	36,573		36,573	43,539		43,539	U
1108N 30 Pay Group F Training (Recruits)	119,325	108,034		108,034	124,902		124,902	U
1108N 60 Mobilization Training	2,024	2,529		2,529	2,096		2,096	U
1108N 70 School Training	20,037	24,160		24,160	24,607		24,607	U
1108N 80 Special Training	27,589	26,272	3,350	29,622	29,000	3,700	32,700	U
1108N 90 Administration and Support	230,141	229,388	43	229,431	237,484	64	237,548	U
1108N 95 Platoon Leader Class	6,521	5,585		5,585	8,124		8,124	U
1108N 100 Education Benefits	622	642		642	688		688	U
Total Budget Activity 01	694,620	702,481	3,393	705,874	744,995	3,764	748,759	
Total Direct - Reserve Personnel, Marine Corps	694,620	702,481	3,393	705,874	744,995	3,764	748,759	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1003N 300 Reserve Personnel, Marine Corps	73,966	67,797		67,797	64,942		64,942	U
Total Reserve Marine Corps Military Personnel Costs	768,586	770,278	3,393	773,671	809,937	3,764	813,701	
Total Direct - Navy Military Appropriations	29,598,043	29,570,931	263,704	29,834,635	29,875,760	342,486	30,218,246	
Total Direct - Navy MERHFC Accounts	1,437,569	1,396,987		1,396,987	1,353,228		1,353,228	
Grand Total Direct - Navy Military Personnel Costs	31,035,612	30,967,918	263,704	31,231,622	31,228,988	342,486	31,571,474	
Total Direct - Marine Corps Military Appropriations	13,742,008	13,520,002	174,472	13,694,474	13,558,407	183,497	13,741,904	
Total Direct - Marine Corps MERHFC Accounts	836,059	793,993		793,993	768,113		768,113	
Grand Total Direct - Marine Corps Military Personnel Co	14,578,067	14,313,995	174,472	14,488,467	14,326,520	183,497	14,510,017	
Total Direct - DoN Military Appropriations	43,340,051	43,090,933	438,176	43,529,109	43,434,167	525,983	43,960,150	
Total Direct - DoN MERHFC Accounts	2,273,628	2,190,980		2,190,980	2,121,341		2,121,341	
Grand Total Direct - DoN Military Personnel Costs	45,613,679	45,281,913	438,176	45,720,089	45,555,508	525,983	46,081,491	

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Military Personnel, Air Force								
Budget Activity 01: Pay and Allowances of Officers								
3500F 5 Basic Pay	4,708,133	4,626,288	105,498	4,731,786	4,886,786	104,751	4,991,537	U
3500F 10 Retired Pay Accrual	1,496,836	1,476,126	24,265	1,500,391	1,433,571	24,721	1,458,292	U
3500F 25 Basic Allowance for Housing	1,414,192	1,473,371	32,922	1,506,293	1,507,570	33,351	1,540,921	U
3500F 30 Basic Allowance for Subsistence	191,652	198,685	3,832	202,517	199,210	3,745	202,955	U
3500F 35 Incentive Pays	199,777	235,054		235,054	230,325		230,325	U
3500F 40 Special Pays	294,534	351,827	7,559	359,386	303,925	5,227	309,152	U
3500F 45 Allowances	111,196	102,298	7,910	110,208	110,509	5,610	116,119	U
3500F 50 Separation Pay	131,277	57,589		57,589	54,540		54,540	U
3500F 55 Social Security Tax	358,648	363,907	8,071	371,978	373,187	8,013	381,200	U
Total Budget Activity 01	8,906,245	8,885,145	190,057	9,075,202	9,099,623	185,418	9,285,041	
Budget Activity 02: Pay and Allowances of Enlisted								
3500F 60 Basic Pay	8,624,245	8,656,026	196,552	8,852,578	8,811,898	199,730	9,011,628	U
3500F 65 Retired Pay Accrual	2,745,036	2,635,170	45,207	2,680,377	2,591,637	47,136	2,638,773	U
3500F 80 Basic Allowance for Housing	3,507,545	3,542,011	83,389	3,625,400	3,674,509	86,671	3,761,180	U
3500F 85 Incentive Pays	37,184	36,123		36,123	35,601		35,601	U
3500F 90 Special Pays	312,014	298,002	27,835	325,837	357,581	20,006	377,587	U
3500F 95 Allowances	502,290	541,592	25,901	567,493	503,008	19,146	522,154	U
3500F 100 Separation Pay	187,765	126,959		126,959	109,908		109,908	U
3500F 105 Social Security Tax	659,754	663,579	15,036	678,615	674,109	15,279	689,388	U
Total Budget Activity 02	16,575,833	16,499,462	393,920	16,893,382	16,758,251	387,968	17,146,219	
Budget Activity 03: Pay And Allowances Of Cadets								
3500F 110 Academy Cadets	70,437	71,242		71,242	72,144		72,144	U
Total Budget Activity 03	70,437	71,242		71,242	72,144		72,144	
Budget Activity 04: Subsistence of Enlisted Personnel								
3500F 115 Basic Allowance for Subsistence	981,863	960,519	22,231	982,750	1,007,662	22,208	1,029,870	U
3500F 120 Subsistence-In-Kind	220,691	134,055	84,711	218,766	131,986	93,369	225,355	U
3500F 121 Family Subsistence Supplemental Allowance	8	3		3	8		8	U
Total Budget Activity 04	1,202,562	1,094,577	106,942	1,201,519	1,139,656	115,577	1,255,233	

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Total Obligational Authority
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Military Personnel, Air Force	FY 2015 (Base & OCO) -----	FY 2016 Base Enacted -----	FY 2016 OCO Enacted -----	FY 2016 Total Enacted -----	FY 2017 Base -----	FY 2017 OCO -----	FY 2017 Total -----	S e c -
Budget Activity 05: Permanent Change of Station Travel								
3500F 125 Accession Travel	83,642	94,021		94,021	90,791		90,791	U
3500F 130 Training Travel	50,034	71,403		71,403	71,207		71,207	U
3500F 135 Operational Travel	274,176	276,627		276,627	265,682		265,682	U
3500F 140 Rotational Travel	538,666	578,894		578,894	567,998		567,998	U
3500F 145 Separation Travel	163,600	145,515		145,515	147,938		147,938	U
3500F 150 Travel of Organized Units	8,399	8,919		8,919	9,204		9,204	U
3500F 155 Non-Temporary Storage	24,205	23,607		23,607	23,664		23,664	U
3500F 160 Temporary Lodging Expense	33,124	35,560		35,560	34,701		34,701	U
Total Budget Activity 05	1,175,846	1,234,546		1,234,546	1,211,185		1,211,185	
Budget Activity 06: Other Military Personnel Costs								
3500F 170 Apprehension of Military Deserters	17	18		18	16		16	U
3500F 175 Interest on Uniformed Services Savings	2,018	2,691		2,691	2,691		2,691	U
3500F 180 Death Gratuities	16,800	15,100	1,000	16,100	16,000	1,000	17,000	U
3500F 185 Unemployment Benefits	79,727	52,962	24,143	77,105	53,431	24,626	78,057	U
3500F 195 Education Benefits	185	185		185	79		79	U
3500F 200 Adoption Expenses	435	305		305	435		435	U
3500F 210 Transportation Subsidy	2,468	2,262		2,262	4,841		4,841	U
3500F 215 Partial Dislocation Allowance	598	569		569	723		723	U
3500F 216 SGLI Extra Hazard Payments	10,047		10,064	10,064		5,307	5,307	U
3500F 217 Reserve Officers Training Corps (ROTC)	25,689	25,376		25,376	29,445		29,445	U
3500F 218 Junior ROTC	16,722	13,338		13,338	18,200		18,200	U
Total Budget Activity 06	154,706	112,806	35,207	148,013	125,861	30,933	156,794	
Total Military Personnel, Air Force	28,085,629	27,897,778	726,126	28,623,904	28,406,720	719,896	29,126,616	
Less Reimbursables	438,704	451,006		451,006	462,105		462,105	
Total Direct - Military Personnel, Air Force	27,646,925	27,446,772	726,126	28,172,898	27,944,615	719,896	28,664,511	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1007F 300 Air Force	1,274,110	1,239,093		1,239,093	1,210,812		1,210,812	U
Total Active Air Force Military Personnel Costs	28,921,035	28,685,865	726,126	29,411,991	29,155,427	719,896	29,875,323	

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04 Feb 2016

	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
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Reserve Personnel, Air Force								
Reserve Component Training and Support								
3700F 10 Pay Group A Training (15 Days & Drills 24/48)	680,271	656,936		656,936	696,068		696,068	U
3700F 20 Pay Group B Training (Backfill For Active Duty)	86,634	109,227		109,227	98,133		98,133	U
3700F 30 Pay Group F Training (Recruits)	45,759	56,152		56,152	55,568		55,568	U
3700F 40 Pay Group P Training (Pipeline Recruits)	2,178	1,830		1,830	2,559		2,559	U
3700F 60 Mobilization Training	645	576		576	703		703	U
3700F 70 School Training	158,657	141,835		141,835	159,593		159,593	U
3700F 80 Special Training	264,337	199,620	18,710	218,330	244,844	20,535	265,379	U
3700F 90 Administration and Support	370,562	439,536		439,536	409,615		409,615	U
3700F 100 Education Benefits	13,749	13,248		13,248	12,533		12,533	U
3700F 120 Health Profession Scholarship	52,506	58,952		58,952	60,301		60,301	U
3700F 130 Other Programs (Admin & Support)	2,862	5,030		5,030	2,989		2,989	U
Total Budget Activity 01	1,678,160	1,682,942	18,710	1,701,652	1,742,906	20,535	1,763,441	
Total Direct - Reserve Personnel, Air Force	1,678,160	1,682,942	18,710	1,701,652	1,742,906	20,535	1,763,441	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1008F 300 Reserve Personnel, Air Force	127,214	117,541		117,541	113,540		113,540	U
Total Reserve Air Force Military Personnel Costs	1,805,374	1,800,483	18,710	1,819,193	1,856,446	20,535	1,876,981	

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Total Obligational Authority
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04 Feb 2016

	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
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National Guard Personnel, Air Force								
Reserve Component Training and Support								
3850F 10 Pay Group A Training (15 Days & Drills 24/48)	909,429	900,442		900,442	934,650		934,650	U
3850F 30 Pay Group F Training (Recruits)	128,004	105,653		105,653	131,022		131,022	U
3850F 40 Pay Group P Training (Pipeline Recruits)	10,700	8,596		8,596	10,555		10,555	U
3850F 70 School Training	294,295	349,988		349,988	349,904		349,904	U
3850F 80 Special Training	207,391	165,211	2,828	168,039	167,077	5,288	172,365	U
3850F 90 Administration and Support	1,657,739	1,657,197		1,657,197	1,678,355		1,678,355	U
3850F 100 Education Benefits	17,794	14,803		14,803	8,502		8,502	U
Total Budget Activity 01	3,225,352	3,201,890	2,828	3,204,718	3,280,065	5,288	3,285,353	
Total Direct - National Guard Personnel, Air Force	3,225,352	3,201,890	2,828	3,204,718	3,280,065	5,288	3,285,353	
Medicare-Eligible Retiree Health Fund Contribution (MERHFC) Accounts								
1009F 300 National Guard Personnel, Air Force	216,969	203,847		203,847	196,419		196,419	U
Total National Guard Air Force Military Personnel Costs	3,442,321	3,405,737	2,828	3,408,565	3,476,484	5,288	3,481,772	
Total Direct - Air Force Military Appropriations	32,550,437	32,331,604	747,664	33,079,268	32,967,586	745,719	33,713,305	
Total Direct - Air Force MERHFC Accounts	1,618,293	1,560,481		1,560,481	1,520,771		1,520,771	
Grand Total Direct - Air Force Military Personnel Costs	34,168,730	33,892,085	747,664	34,639,749	34,488,357	745,719	35,234,076	

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04 Feb 2016

	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
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Military Personnel, Grand Total								
Budget Activity 01: Pay and Allowances of Officers								
5 Basic Pay	17,690,891	16,919,241	448,900	17,368,141	17,397,574	509,305	17,906,879	
10 Retired Pay Accrual	5,623,500	5,413,122	103,247	5,516,369	5,118,084	120,196	5,238,280	
25 Basic Allowance for Housing	5,678,280	5,664,456	161,279	5,825,735	5,758,175	195,955	5,954,130	
30 Basic Allowance for Subsistence	723,594	729,235	17,050	746,285	720,880	18,748	739,628	
35 Incentive Pays	449,697	484,686	2,969	487,655	480,396	2,289	482,685	
40 Special Pays	1,092,582	1,160,867	28,462	1,189,329	1,103,413	25,116	1,128,529	
45 Allowances	483,004	528,519	26,652	555,171	476,491	26,799	503,290	
50 Separation Pay	418,326	325,691	4,812	330,503	315,942	10,480	326,422	
55 Social Security Tax	1,344,028	1,320,481	34,350	1,354,831	1,325,847	38,962	1,364,809	
Total Budget Activity 01	33,503,902	32,546,298	827,721	33,374,019	32,696,802	947,850	33,644,652	
Budget Activity 02: Pay and Allowances of Enlisted								
60 Basic Pay	35,602,935	34,692,615	726,156	35,418,771	35,022,345	800,412	35,822,757	
65 Retired Pay Accrual	11,353,069	10,888,151	167,015	11,055,166	10,317,638	188,896	10,506,534	
80 Basic Allowance for Housing	14,068,216	13,906,349	335,926	14,242,275	14,187,617	391,435	14,579,052	
85 Incentive Pays	239,060	243,505	1,233	244,738	238,765	1,186	239,951	
90 Special Pays	1,680,589	1,624,085	106,636	1,730,721	1,622,558	77,733	1,700,291	
95 Allowances	2,130,597	2,264,268	91,395	2,355,663	2,043,549	88,165	2,131,714	
100 Separation Pay	1,127,095	822,351	52,874	875,225	893,204	84,770	977,974	
105 Social Security Tax	2,717,813	2,676,683	55,548	2,732,231	2,678,840	61,231	2,740,071	
Total Budget Activity 02	68,919,374	67,118,007	1,536,783	68,654,790	67,004,516	1,693,828	68,698,344	
Budget Activity 03: Pay And Allowances Of Cadets								
110 Academy Cadets	229,385	230,807		230,807	234,908		234,908	
Total Budget Activity 03	229,385	230,807		230,807	234,908		234,908	
Budget Activity 04: Subsistence of Enlisted Personnel								
115 Basic Allowance for Subsistence	3,575,197	3,491,119	117,509	3,608,628	3,493,546	92,083	3,585,629	
120 Subsistence-In-Kind	1,794,878	1,457,063	279,890	1,736,953	1,491,596	341,557	1,833,153	
121 Family Subsistence Supplemental Allowance	862	910		910	841		841	
Total Budget Activity 04	5,370,937	4,949,092	397,399	5,346,491	4,985,983	433,640	5,419,623	

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04 Feb 2016

	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
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Military Personnel, Grand Total								
Budget Activity 05: Permanent Change of Station Travel								
125 Accession Travel	372,716	407,852	2,051	409,903	394,823	1,427	396,250	
130 Training Travel	293,512	332,153		332,153	293,930		293,930	
135 Operational Travel	1,112,755	1,089,357	34,914	1,124,271	1,009,893	34,422	1,044,315	
140 Rotational Travel	1,751,762	1,699,328	30,809	1,730,137	1,614,124	16,693	1,630,817	
145 Separation Travel	685,303	668,754	519	669,273	683,371	1,937	685,308	
150 Travel of Organized Units	53,830	44,918		44,918	38,363		38,363	
155 Non-Temporary Storage	58,624	52,873		52,873	58,365		58,365	
160 Temporary Lodging Expense	99,410	96,284		96,284	104,165		104,165	
Total Budget Activity 05	4,427,912	4,391,519	68,293	4,459,812	4,197,034	54,479	4,251,513	
Budget Activity 06: Other Military Personnel Costs								
170 Apprehension of Military Deserters	1,037	1,299		1,299	1,103		1,103	
175 Interest on Uniformed Services Savings	6,232	5,381	2,138	7,519	3,902	2,496	6,398	
180 Death Gratuities	88,314	85,600	5,600	91,200	80,400	2,500	82,900	
185 Unemployment Benefits	520,892	409,267	127,840	537,107	378,971	121,049	500,020	
195 Education Benefits	27,868	33,824		33,824	24,343		24,343	
200 Adoption Expenses	1,391	1,243		1,243	1,377		1,377	
210 Transportation Subsidy	14,197	13,690		13,690	26,681		26,681	
212 Reserve Income Replacement Program						9	9	
215 Partial Dislocation Allowance	992	776		776	1,105		1,105	
216 SGLI Extra Hazard Payments	28,138		25,995	25,995		20,041	20,041	
217 Reserve Officers Training Corps (ROTC)	155,602	158,574		158,574	147,041		147,041	
218 Junior ROTC	85,666	59,737		59,737	64,301		64,301	
219 Traumatic Injury Protection Coverage (T-SGLI)	3,670		2,803	2,803		5,872	5,872	
240 Cancelled Account Payment	436							
Total Budget Activity 06	934,435	769,391	164,376	933,767	729,224	151,967	881,191	
Total Military Personnel - Active	113,385,945	110,005,114	2,994,572	112,999,686	109,848,467	3,281,764	113,130,231	
Less Reimbursables	1,119,690	1,113,298		1,113,298	1,110,653		1,110,653	
Total Direct - Active	112,266,255	108,891,816	2,994,572	111,886,388	108,737,814	3,281,764	112,019,578	
300 Medicare-Eligible Retiree Health Fund Contribution	5,395,741	5,136,646		5,136,646	4,948,874		4,948,874	
Grand Total Direct - Active Personnel Costs	117,661,996	114,028,462	2,994,572	117,023,034	113,686,688	3,281,764	116,968,452	

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04 Feb 2016

	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
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Reserve Personnel, Grand Total								
10 Pay Group A Training (15 Days & Drills 24/48)	3,035,442	3,051,650	6,000	3,057,650	3,145,311	2,773	3,148,084	
20 Pay Group B Training (Backfill For Active Duty)	169,427	197,433		197,433	190,059		190,059	
30 Pay Group F Training (Recruits)	422,315	443,412		443,412	459,898		459,898	
40 Pay Group P Training (Pipeline Recruits)	14,104	15,156		15,156	14,073		14,073	
60 Mobilization Training	13,352	12,241		12,241	11,857		11,857	
70 School Training	396,334	422,748		422,748	459,399		459,399	
80 Special Training	655,377	580,452	52,872	633,324	667,959	75,542	743,501	
90 Administration and Support	3,658,904	3,718,899	386	3,719,285	3,771,975	419	3,772,394	
95 Platoon Leader Class	6,521	5,585		5,585	8,124		8,124	
100 Education Benefits	24,373	32,377		32,377	17,450		17,450	
120 Health Profession Scholarship	162,848	170,394		170,394	172,637		172,637	
130 Other Programs (Admin & Support)	50,229	65,131		65,131	55,017		55,017	
Total Budget Activity 01	8,609,226	8,715,478	59,258	8,774,736	8,973,759	78,734	9,052,493	
Total Direct - Reserve	8,609,226	8,715,478	59,258	8,774,736	8,973,759	78,734	9,052,493	
300 Medicare-Eligible Retiree Health Fund Contribution	721,166	658,385		658,385	632,261		632,261	
Grand Total Direct - Reserve Personnel Costs	9,330,392	9,373,863	59,258	9,433,121	9,606,020	78,734	9,684,754	

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	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
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National Guard Personnel, Grand Total								
10 Pay Group A Training (15 Days & Drills 24/48)	3,457,058	3,450,113	34,199	3,484,312	3,496,068	33,702	3,529,770	
30 Pay Group F Training (Recruits)	629,713	644,759		644,759	682,890		682,890	
40 Pay Group P Training (Pipeline Recruits)	59,522	56,014		56,014	56,757		56,757	
70 School Training	654,089	829,024	2,780	831,804	896,467	47,658	944,125	
80 Special Training	988,823	769,982	122,075	892,057	737,086	111,227	848,313	
90 Administration and Support	5,303,271	5,309,656	9,789	5,319,445	5,310,493	9,173	5,319,666	
100 Education Benefits	37,076	34,669		34,669	10,998		10,998	
Total Budget Activity 01	11,129,552	11,094,217	168,843	11,263,060	11,190,759	201,760	11,392,519	
Total Direct - National Guard	11,129,552	11,094,217	168,843	11,263,060	11,190,759	201,760	11,392,519	
300 Medicare-Eligible Retiree Health Fund Contribution	905,834	833,671		833,671	785,773		785,773	
Grand Total Direct - National Guard Personnel Costs	12,035,386	11,927,888	168,843	12,096,731	11,976,532	201,760	12,178,292	
Grand Total Direct - Military Personnel	139,027,774	135,330,213	3,222,673	138,552,886	135,269,240	3,562,258	138,831,498	

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Department of Defense
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Total Obligational Authority
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FEB 2016

<u>Appropriation Summary</u>	<u>FY 2015 (Base & OCO)</u>	<u>FY 2016 Base Enacted</u>	<u>FY 2016 OCO Enacted</u>	<u>FY 2016 Total Enacted</u>	<u>FY 2017 Base</u>	<u>FY 2017 OCO</u>	<u>FY 2017 Total</u>
Department of the Army							
Operation & Maintenance, Army	51,195,748	31,681,140	14,723,484	46,404,624	33,809,040	15,310,587	49,119,627
Operation & Maintenance, Army Res	2,676,099	2,628,891	99,554	2,728,445	2,712,331	38,679	2,751,010
Operation & Maintenance, ARNG	6,337,472	6,555,945	135,845	6,691,790	6,825,370	127,035	6,952,405
Afghanistan Security Forces Fund	4,109,333		3,652,257	3,652,257		3,448,715	3,448,715
Iraq Train and Equip Fund	1,618,000		715,000	715,000		630,000	630,000
Syria Train and Equip Fund						250,000	250,000
Total Department of the Army	65,936,652	40,865,976	19,326,140	60,192,116	43,346,741	19,805,016	63,151,757
Department of the Navy							
Operation & Maintenance, Navy	45,068,219	38,946,290	7,005,409	45,951,699	39,483,581	6,827,391	46,310,972
Operation & Maintenance, Marine Corps	7,467,360	5,677,365	1,361,056	7,038,421	5,954,258	1,244,359	7,198,617
Operation & Maintenance, Navy Res	1,057,647	956,761	31,462	988,223	927,656	26,265	953,921
Operation & Maintenance, MC Reserve	284,287	273,497	3,455	276,952	270,633	3,304	273,937
Ship Modernization, Operations & Sustainment Fund	294,400						
Total Department of the Navy	54,171,913	45,853,913	8,401,382	54,255,295	46,636,128	8,101,319	54,737,447
Department of the Air Force							
Operation & Maintenance, Air Force	45,806,197	34,649,764	10,697,587	45,347,351	37,518,056	9,498,830	47,016,886
Operation & Maintenance, AF Reserve	3,098,774	2,874,813	58,106	2,932,919	3,067,929	57,586	3,125,515
Operation & Maintenance, ANG	6,446,452	6,649,972	19,900	6,669,872	6,703,578	20,000	6,723,578
Total Department of the Air Force	55,351,423	44,174,549	10,775,593	54,950,142	47,289,563	9,576,416	56,865,979
Defense-Wide							
Operation and Maintenance, Defense-Wide	38,108,528	32,322,396	6,400,555	38,722,951	32,571,590	5,982,173	38,553,763
Office of the Inspector General	308,596	312,559	10,262	322,821	322,035	22,062	344,097
US Court of Appeals for Armed Forces, Def	13,723	14,078		14,078	14,194		14,194
Defense Health Program	32,606,754	32,273,869	272,704	32,546,573	33,467,516	331,764	33,799,280*
Overseas Humanitarian, Disaster, and Civic Aid	103,000	103,266		103,266	105,125		105,125
Cooperative Threat Reduction Account	365,108	358,496		358,496	325,604		325,604
Contributions to the Cooperative Threat Red Pgm	560						
DoD Acquisition Workforce Development Fund	79,234						
Total Defense-Wide	71,585,503	65,384,664	6,683,521	72,068,185	66,806,064	6,335,999	73,142,063

* \$137.4M for transfer to the Department of Veterans Affairs included in this total.

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<u>Appropriation Summary</u>	<u>FY 2015</u> <u>(Base & OCO)</u>	<u>FY 2016</u> <u>Base Enacted</u>	<u>FY 2016</u> <u>OCO Enacted</u>	<u>FY 2016</u> <u>Total Enacted</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>
Transfer Accounts							
Drug Interdiction & Ctr-Drug Activities, Def		1,050,598	186,000	1,236,598	844,800	215,333	1,060,133
Environmental Restoration, Army		234,829		234,829	170,167		170,167
Environmental Restoration, Navy		300,000		300,000	281,762		281,762
Environmental Restoration, Air Force		368,131		368,131	371,521		371,521
Environmental Restoration, Defense		8,232		8,232	9,009		9,009
Environmental Restoration Formerly Used Sites		231,217		231,217	197,084		197,084
Counterterrorism Partnerships Fund	713,098		1,100,000	1,100,000		1,000,000	1,000,000
Total Transfer Accounts	713,098	2,193,007	1,286,000	3,479,007	1,874,343	1,215,333	3,089,676
Miscellaneous Accounts							
Support for International Sporting Competitions , Def	6,366						
Total Miscellaneous Accounts	6,366						
Indefinite Accounts							
Disposal of DoD Real Property	8,904	18,000		18,000	8,175		8,175
Lease of DoD Real Property	39,327	40,000		40,000	36,587		36,587
Total Indefinite Accounts	48,231	58,000		58,000	44,762		44,762
Total Operation and Maintenance Title plus Indefinite A	247,813,186	198,530,109	46,472,636	245,002,745	205,997,601	45,034,083	251,031,684
Total Operation and Maintenance Title	247,764,955	198,472,109	46,472,636	244,944,745	205,952,839	45,034,083	250,986,922

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<u>2020A Operation & Maintenance, Army</u>										
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				FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	
				(Base & OCO)	Base Enacted	OCO Enacted	Total Enacted	Base	OCO	Total	S e c
<u>2020A Operation & Maintenance, Army</u>											
2020A	190	212	Army Prepositioned Stocks	213,376	251,083	40,000	291,083	390,848	350,200	741,048	U
2020A	200	213	Industrial Preparedness	86,026	6,532		6,532	7,401		7,401	U
Total Mobility Operations				599,275	644,733	40,000	684,733	734,578	350,200	1,084,778	
Total, BA 02: Mobilization				599,275	644,733	40,000	684,733	734,578	350,200	1,084,778	
<u>Budget Activity 03: Training and Recruiting</u>											
<u>Accession Training</u>											
2020A	210	311	Officer Acquisition	127,833	128,997		128,997	131,942		131,942	U
2020A	220	312	Recruit Training	40,554	47,468		47,468	47,846		47,846	U
2020A	230	313	One Station Unit Training	40,362	41,954		41,954	45,419		45,419	U
2020A	240	314	Senior Reserve Officers Training Corps	412,849	478,430		478,430	482,747		482,747	U
Total Accession Training				621,598	696,849		696,849	707,954		707,954	
<u>Basic Skill and Advanced Training</u>											
2020A	250	321	Specialized Skill Training	904,019	938,759		938,759	921,025	3,565	924,590	U
2020A	260	322	Flight Training	874,712	926,320		926,320	902,845		902,845	U
2020A	270	323	Professional Development Education	171,503	221,917		221,917	216,583	9,021	225,604	U
2020A	280	324	Training Support	595,888	570,598		570,598	607,534	2,434	609,968	U
Total Basic Skill and Advanced Training				2,546,122	2,657,594		2,657,594	2,647,987	15,020	2,663,007	
<u>Recruiting, and Other Training & Education</u>											
2020A	290	331	Recruiting and Advertising	592,456	479,121		479,121	550,599		550,599	U
2020A	300	332	Examining	167,136	175,937		175,937	187,263		187,263	U
2020A	310	333	Off-Duty and Voluntary Education	202,006	219,210		219,210	189,556		189,556	U
2020A	320	334	Civilian Education and Training	143,807	145,583		145,583	182,835	1,254	184,089	U
2020A	330	335	Junior Reserve Officer Training Corps	175,316	175,015		175,015	171,167		171,167	U
Total Recruiting, and Other Training & Education				1,280,721	1,194,866		1,194,866	1,281,420	1,254	1,282,674	
Total, BA 03: Training and Recruiting				4,448,441	4,549,309		4,549,309	4,637,361	16,274	4,653,635	
<u>Budget Activity 04: Admin & Srvwide Activities</u>											
<u>Logistics Operations</u>											
2020A	350	421	Servicewide Transportation	2,160,469	485,002	763,553	1,248,555	230,739	740,400	971,139	U
2020A	360	422	Central Supply Activities	695,300	780,360		780,360	850,060		850,060	U
2020A	370	423	Logistic Support Activities	588,302	668,522		668,522	778,757		778,757	U
2020A	380	424	Ammunition Management	466,529	314,745	5,033	319,778	370,010	13,974	383,984	U
Total Logistics Operations				3,910,600	2,248,629	768,586	3,017,215	2,229,566	754,374	2,983,940	
<u>Servicewide Support</u>											
2020A	390	431	Administration	469,106	372,235		372,235	451,556		451,556	U
2020A	400	432	Servicewide Communications	1,728,976	1,736,106		1,736,106	1,888,123		1,888,123	U
2020A	410	433	Manpower Management	285,598	277,101		277,101	276,403		276,403	U
2020A	420	434	Other Personnel Support	430,516	374,854	100,480	475,334	369,443	105,508	474,951	U

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			FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
<u>2020A Operation & Maintenance, Army</u>										
2020A	430	435 Other Service Support	1,161,421	1,077,926		1,077,926	1,096,074		1,096,074	U
2020A	440	436 Army Claims Activities	193,978	215,153		215,153	207,800		207,800	U
2020A	450	437 Real Estate Management	429,127	237,380	154,350	391,730	240,641	165,678	406,319	U
2020A	460	438 Financial Management and Audit Readiness	192,351	222,938		222,938	250,612		250,612	U
		Total Servicewide Support	4,891,073	4,513,693	254,830	4,768,523	4,780,652	271,186	5,051,838	
<u>Support of Other Nations</u>										
2020A	470	441 International Military Headquarters	432,021	376,804		376,804	416,587		416,587	U
2020A	480	442 Misc. Support of Other Nations	24,375	39,608		39,608	36,666		36,666	U
		Total Support of Other Nations	456,396	416,412		416,412	453,253		453,253	
<u>Closed Account Adjustments</u>										
2020A	490	451 Closed Account Adjustments	16,298							U
2020A	500	471 Foreign Currency Fluctuation	-137,147							U
2020A	510	493 Defense Environmental Restoration Account (DERA)	497,999							U
		Total Closed Account Adjustments	377,150							
<u>Judgment Fund</u>										
2020A	520	461 Judgment Fund	450							U
		Total Judgment Fund	450							
2020A	999	Classified Programs	2,278,466	1,132,678	1,159,632	2,292,310	1,151,023	835,551	1,986,574	U
		Total, BA 04: Admin & Srvwide Activities	11,914,135	8,311,412	2,183,048	10,494,460	8,614,494	1,861,111	10,475,605	
		Total Operation & Maintenance, Army	51,195,748	31,681,140	14,723,484	46,404,624	33,809,040	15,310,587	49,119,627	

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<u>2080A Operation & Maintenance, Army Res</u>								
TOTAL, BA 01: Operating Forces	2,575,310	2,530,091	99,554	2,629,645	2,606,078	38,679	2,644,757	
TOTAL, BA 04: Admin & Srvwd Activities	100,789	98,800		98,800	106,253		106,253	
Total Operation & Maintenance, Army Res	2,676,099	2,628,891	99,554	2,728,445	2,712,331	38,679	2,751,010	
<u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Land Forces</u>								
2080A 010 112 Modular Support Brigades	13,043	16,408		16,408	11,435	708	12,143	U
2080A 020 113 Echelons Above Brigade	524,796	474,690	20,642	495,332	491,772	14,822	506,594	U
2080A 030 114 Theater Level Assets	102,246	104,529		104,529	116,163	375	116,538	U
2080A 040 115 Land Forces Operations Support	552,230	514,221	19,713	533,934	563,524	2,088	565,612	U
2080A 050 116 Aviation Assets	67,712	79,442		79,442	91,162	608	91,770	U
Total Land Forces	1,260,027	1,189,290	40,355	1,229,645	1,274,056	18,601	1,292,657	
<u>Land Forces Readiness</u>								
2080A 060 121 Force Readiness Operations Support	329,700	347,601	14,279	361,880	347,459	5,425	352,884	U
2080A 070 122 Land Forces Systems Readiness	78,516	81,350		81,350	101,926		101,926	U
2080A 080 123 Land Forces Depot Maintenance	59,447	54,574	5,000	59,574	56,219		56,219	U
Total Land Forces Readiness	467,663	483,525	19,279	502,804	505,604	5,425	511,029	
<u>Land Forces Readiness Support</u>								
2080A 090 131 Base Operations Support	537,497	557,852	39,920	597,772	573,843	14,653	588,496	U
2080A 100 132 Facilities Sustainment, Restoration & Modernization	264,123	258,462		258,462	214,955		214,955	U
2080A 110 133 Management and Operational Headquarters	46,000	40,962		40,962	37,620		37,620	U
Total Land Forces Readiness Support	847,620	857,276	39,920	897,196	826,418	14,653	841,071	
Total, BA 01: Operating Forces	2,575,310	2,530,091	99,554	2,629,645	2,606,078	38,679	2,644,757	
<u>Budget Activity 04: Admin & Srvwd Activities</u>								
<u>Logistics Operations</u>								
2080A 120 421 Servicewide Transportation	10,608	10,665		10,665	11,027		11,027	U
Total Logistics Operations	10,608	10,665		10,665	11,027		11,027	
<u>Servicewide Support</u>								
2080A 130 431 Administration	20,090	18,390		18,390	16,749		16,749	U
2080A 140 432 Servicewide Communications	4,190	9,976		9,976	17,825		17,825	U
2080A 150 433 Manpower Management	15,630	8,841		8,841	6,177		6,177	U
2080A 160 434 Recruiting and Advertising	49,909	50,928		50,928	54,475		54,475	U
Total Servicewide Support	89,819	88,135		88,135	95,226		95,226	

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	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
<u>2065A Operation & Maintenance, ARNG</u>								
TOTAL, BA 01: Operating Forces	6,026,792	6,160,249	135,062	6,295,311	6,418,203	127,035	6,545,238	
TOTAL, BA 04: Admin & Srvwd Activities	310,680	395,696	783	396,479	407,167		407,167	
Total Operation & Maintenance, ARNG	6,337,472	6,555,945	135,845	6,691,790	6,825,370	127,035	6,952,405	
<u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Land Forces</u>								
2065A 010 111 Maneuver Units	725,505	688,203	76,984	765,187	708,251	16,149	724,400	U
2065A 020 112 Modular Support Brigades	141,259	164,887		164,887	197,251	748	197,999	U
2065A 030 113 Echelons Above Brigade	713,810	722,278	4,671	726,949	792,271	34,707	826,978	U
2065A 040 114 Theater Level Assets	94,171	94,825		94,825	80,341	10,472	90,813	U
2065A 050 115 Land Forces Operations Support	18,924	31,224		31,224	37,138		37,138	U
2065A 060 116 Aviation Assets	904,114	923,927	15,980	939,907	887,625	32,804	920,429	U
Total Land Forces	2,597,783	2,625,344	97,635	2,722,979	2,702,877	94,880	2,797,757	
<u>Land Forces Readiness</u>								
2065A 070 121 Force Readiness Operations Support	608,021	680,682	12,867	693,549	696,267	12,435	708,702	U
2065A 080 122 Land Forces Systems Readiness	63,013	67,934		67,934	61,240		61,240	U
2065A 090 123 Land Forces Depot Maintenance	178,945	165,112		165,112	219,948		219,948	U
Total Land Forces Readiness	849,979	913,728	12,867	926,595	977,455	12,435	989,890	
<u>Land Forces Readiness Support</u>								
2065A 100 131 Base Operations Support	966,744	995,696	23,134	1,018,830	1,040,012	18,800	1,058,812	U
2065A 110 132 Facilities Sustainment, Restoration & Modernization	595,919	692,586		692,586	676,715		676,715	U
2065A 120 133 Management and Operational Headquarters	1,016,367	932,895	1,426	934,321	1,021,144	920	1,022,064	U
Total Land Forces Readiness Support	2,579,030	2,621,177	24,560	2,645,737	2,737,871	19,720	2,757,591	
Total, BA 01: Operating Forces	6,026,792	6,160,249	135,062	6,295,311	6,418,203	127,035	6,545,238	
<u>Budget Activity 04: Admin & Srvwd Activities</u>								
<u>Logistics Operations</u>								
2065A 130 421 Servicewide Transportation	5,886	6,570		6,570	6,396		6,396	U
Total Logistics Operations	5,886	6,570		6,570	6,396		6,396	
<u>Servicewide Support</u>								
2065A 140 431 Administration	43,873	52,438		52,438	68,528		68,528	U
2065A 150 432 Servicewide Communications	39,849	66,833	783	67,616	76,524		76,524	U
2065A 160 433 Manpower Management	8,174	8,298		8,298	7,712		7,712	U
2065A 170 434 Other Personnel Support	211,144	258,615		258,615	245,046		245,046	U

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				FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	
				(Base & OCO)	Base Enacted	OCO Enacted	Total Enacted	Base	OCO	Total	
<u>2065A Operation & Maintenance, ARNG</u>											
2065A	180	437	Real Estate Management	1,754	2,942		2,942	2,961		2,961	U
			Total Servicewide Support	304,794	389,126	783	389,909	400,771		400,771	
			Total, BA 04: Admin & Srvwd Activities	310,680	395,696	783	396,479	407,167		407,167	
Total Operation & Maintenance, ARNG				6,337,472	6,555,945	135,845	6,691,790	6,825,370	127,035	6,952,405	

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<u>2091A Afghanistan Security Forces Fund</u>								
TOTAL, BA 01: Ministry of Defense	2,707,323		2,601,205	2,601,205		2,517,958	2,517,958	
TOTAL, BA 02: Ministry of Interior	1,372,627		1,051,052	1,051,052		930,757	930,757	
TOTAL, BA 04: Detainee Ops	29,383							
Total Afghanistan Security Forces Fund	4,109,333		3,652,257	3,652,257		3,448,715	3,448,715	
<u>Details:</u>								
<u>Budget Activity 01: Ministry of Defense</u>								
<u>Defense Forces</u>								
2091A 010 110 Sustainment	2,333,665		2,136,899	2,136,899		2,173,341	2,173,341	U
2091A 020 120 Infrastructure	20,000		182,751	182,751		48,262	48,262	U
2091A 030 130 Equipment and Transportation	353,658		281,555	281,555		76,216	76,216	U
2091A 040 140 Training and Operations						220,139	220,139	U
Total Defense Forces	2,707,323		2,601,205	2,601,205		2,517,958	2,517,958	
Total, BA 01: Ministry of Defense	2,707,323		2,601,205	2,601,205		2,517,958	2,517,958	
<u>Budget Activity 02: Ministry of Interior</u>								
<u>Interior Forces</u>								
2091A 050 210 Sustainment	1,156,858		869,137	869,137		860,441	860,441	U
2091A 060 220 Infrastructure	18,394		116,573	116,573		20,837	20,837	U
2091A 070 230 Equipment and Transportation	22,643		65,342	65,342		8,153	8,153	U
2091A 080 240 Training and Operations	174,732					41,326	41,326	U
Total Interior Forces	1,372,627		1,051,052	1,051,052		930,757	930,757	
Total, BA 02: Ministry of Interior	1,372,627		1,051,052	1,051,052		930,757	930,757	
<u>Budget Activity 04: Detainee Ops</u>								
<u>Related Activities</u>								
2091A 090 410 Sustainment	27,307							U
2091A 100 440 Training and Operations	2,076							U
Total Related Activities	29,383							
Total, BA 04: Detainee Ops	29,383							
Total Afghanistan Security Forces Fund	4,109,333		3,652,257	3,652,257		3,448,715	3,448,715	

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<u>2097A Iraq Train and Equip Fund</u>								
TOTAL, BA 01: Iraq Train and Equip Fund	1,618,000		715,000	715,000		630,000	630,000	
Total Iraq Train and Equip Fund	1,618,000		715,000	715,000		630,000	630,000	
Details:								
<u>Budget Activity 01: Iraq Train and Equip Fund</u>								
<u>Defense Forces</u>								
2097A 010 140 Iraq Train and Equip Fund	1,618,000		715,000	715,000		630,000	630,000	U
Total Defense Forces	1,618,000		715,000	715,000		630,000	630,000	
Total, BA 01: Iraq Train and Equip Fund	1,618,000		715,000	715,000		630,000	630,000	
Total Iraq Train and Equip Fund	1,618,000		715,000	715,000		630,000	630,000	

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<u>2098A Syria Train and Equip Fund</u>								
TOTAL, BA 01: Syria Train and Equip Fund						250,000	250,000	
Total Syria Train and Equip Fund						250,000	250,000	
<u>Details:</u>								
<u>Budget Activity 01: Syria Train and Equip Fund</u>								
<u>Defense Forces</u>								
2098A 010 140 Syria Train and Equip Fund						250,000	250,000	U
Total Defense Forces						250,000	250,000	
Total, BA 01: Syria Train and Equip Fund						250,000	250,000	
Total Syria Train and Equip Fund						250,000	250,000	

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<u>1804N Operation & Maintenance, Navy</u>								
TOTAL, BA 01: Operating Forces	37,318,178	31,366,586	6,772,164	38,138,750	31,173,511	6,420,775	37,594,286	
TOTAL, BA 02: Mobilization	713,073	912,641	5,307	917,948	1,581,865	173,126	1,754,991	
TOTAL, BA 03: Training and Recruiting	1,779,292	1,819,186	44,832	1,864,018	1,876,229	43,365	1,919,594	
TOTAL, BA 04: Admin & Srvwd Activities	5,257,676	4,847,877	183,106	5,030,983	4,851,976	190,125	5,042,101	
Total Operation & Maintenance, Navy	45,068,219	38,946,290	7,005,409	45,951,699	39,483,581	6,827,391	46,310,972	
<u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Air Operations</u>								
1804N 010 1A1A Mission and Other Flight Operations	5,175,085	3,550,756	1,261,071	4,811,827	4,094,765	860,621	4,955,386	U
1804N 020 1A2A Fleet Air Training	1,687,839	1,652,081		1,652,081	1,722,473		1,722,473	U
1804N 030 1A3A Aviation Technical Data & Engineering Services	35,869	37,225	110	37,335	52,670		52,670	U
1804N 040 1A4A Air Operations and Safety Support	95,831	103,456	4,513	107,969	97,584	4,603	102,187	U
1804N 050 1A4N Air Systems Support	448,992	351,844	126,001	477,845	446,733	159,049	605,782	U
1804N 060 1A5A Aircraft Depot Maintenance	1,053,157	908,583	80,897	989,480	1,007,681	113,994	1,121,675	U
1804N 070 1A6A Aircraft Depot Operations Support	40,222	33,048	2,770	35,818	38,248	1,840	40,088	U
1804N 080 1A9A Aviation Logistics	434,397	504,056	34,101	538,157	564,720	35,529	600,249	U
Total Air Operations	8,971,392	7,141,049	1,509,463	8,650,512	8,024,874	1,175,636	9,200,510	
<u>Ship Operations</u>								
1804N 090 1B1B Mission and Other Ship Operations	4,985,161	3,826,890	1,318,305	5,145,195	3,513,083	1,073,080	4,586,163	U
1804N 100 1B2B Ship Operations Support & Training	749,090	787,319	16,663	803,982	743,765	17,306	761,071	U
1804N 110 1B4B Ship Depot Maintenance	7,810,149	4,934,059	2,922,763	7,856,822	5,168,273	2,903,431	8,071,704	U
1804N 120 1B5B Ship Depot Operations Support	1,376,279	1,554,812		1,554,812	1,575,578		1,575,578	U
Total Ship Operations	14,920,679	11,103,080	4,257,731	15,360,811	11,000,699	3,993,817	14,994,516	
<u>Combat Operations/Support</u>								
1804N 130 1C1C Combat Communications	793,468	683,318	31,602	714,920	558,727	21,257	579,984	U
1804N 140 1C2C Electronic Warfare	94,067	96,916		96,916	105,680		105,680	U
1804N 150 1C3C Space Systems and Surveillance	263,861	191,892		191,892	180,406		180,406	U
1804N 160 1C4C Warfare Tactics	473,331	450,833	26,454	477,287	470,032	22,603	492,635	U
1804N 170 1C5C Operational Meteorology and Oceanography	352,317	351,615	22,305	373,920	346,703	22,934	369,637	U
1804N 180 1C6C Combat Support Forces	1,733,358	1,136,215	509,615	1,645,830	1,158,688	568,511	1,727,199	U
1804N 190 1C7C Equipment Maintenance	138,294	123,939	10,007	133,946	113,692	11,358	125,050	U
1804N 200 1C8C Depot Operations Support	2,470	2,443		2,443	2,509		2,509	U
1804N 210 1CCH Combatant Commanders Core Operations	110,606	95,210		95,210	91,019		91,019	U
1804N 220 1CCM Combatant Commanders Direct Mission Support	90,671	71,969		71,969	74,780		74,780	U
Total Combat Operations/Support	4,052,443	3,204,350	599,983	3,804,333	3,102,236	646,663	3,748,899	

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<u>1804N Operation & Maintenance, Navy</u>									
<u>Weapons Support</u>									
1804N	230 1D1D Cruise Missile	108,964	110,734		110,734	106,030		106,030	U
1804N	240 1D2D Fleet Ballistic Missile	1,159,718	1,206,145		1,206,145	1,233,805		1,233,805	U
1804N	250 1D3D In-Service Weapons Systems Support	194,675	141,664	60,865	202,529	163,025	61,000	224,025	U
1804N	260 1D4D Weapons Maintenance	731,585	535,122	275,231	810,353	553,269	289,045	842,314	U
1804N	270 1D7D Other Weapon Systems Support	327,449	371,547		371,547	350,010	8,000	358,010	U
	Total Weapons Support	2,522,391	2,365,212	336,096	2,701,308	2,406,139	358,045	2,764,184	
<u>Base Support</u>									
1804N	280 BSIT Enterprise Information	780,518	872,491		872,491	790,685		790,685	U
1804N	290 BSM1 Sustainment, Restoration and Modernization	1,674,075	2,271,500	7,819	2,279,319	1,642,742	27,089	1,669,831	U
1804N	300 BSS1 Base Operating Support	4,396,680	4,408,904	61,072	4,469,976	4,206,136	219,525	4,425,661	U
	Total Base Support	6,851,273	7,552,895	68,891	7,621,786	6,639,563	246,614	6,886,177	
	Total, BA 01: Operating Forces	37,318,178	31,366,586	6,772,164	38,138,750	31,173,511	6,420,775	37,594,286	
<u>Budget Activity 02: Mobilization</u>									
<u>Ready Reserve and Prepositioning Force</u>									
1804N	310 2A1F Ship Prepositioning and Surge	400,487	422,825		422,825	893,517		893,517	U
1804N	320 2A2F Ready Reserve Force					274,524		274,524	U
	Total Ready Reserve and Prepositioning Force	400,487	422,825		422,825	1,168,041		1,168,041	
<u>Activations/Inactivations</u>									
1804N	330 2B1G Aircraft Activations/Inactivations	7,287	6,464		6,464	6,727	1,530	8,257	U
1804N	340 2B2G Ship Activations/Inactivations	185,350	361,764		361,764	288,154		288,154	U
	Total Activations/Inactivations	192,637	368,228		368,228	294,881	1,530	296,411	
<u>Mobilization Preparation</u>									
1804N	350 2C1H Expeditionary Health Services Systems	97,316	97,528	5,307	102,835	95,720	8,904	104,624	U
1804N	360 2C2H Industrial Readiness	2,317	2,237		2,237	2,109		2,109	U
1804N	370 2C3H Coast Guard Support	20,316	21,823		21,823	21,114	162,692	183,806	U
	Total Mobilization Preparation	119,949	121,588	5,307	126,895	118,943	171,596	290,539	
	Total, BA 02: Mobilization	713,073	912,641	5,307	917,948	1,581,865	173,126	1,754,991	
<u>Budget Activity 03: Training and Recruiting</u>									
<u>Accession Training</u>									
1804N	380 3A1J Officer Acquisition	159,506	149,320		149,320	143,815		143,815	U
1804N	390 3A2J Recruit Training	10,613	9,035		9,035	8,519		8,519	U
1804N	400 3A3J Reserve Officers Training Corps	132,884	156,288		156,288	143,445		143,445	U
	Total Accession Training	303,003	314,643		314,643	295,779		295,779	

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1804N Operation & Maintenance, Navy									
<u>Basic Skill and Advanced Training</u>									
1804N	410 3B1K Specialized Skill Training	658,256	653,548	44,832	698,380	699,214	43,365	742,579	U
1804N	420 3B2K Flight Training	7,947	8,171		8,171	5,310		5,310	U
1804N	430 3B3K Professional Development Education	164,911	165,471		165,471	172,852		172,852	U
1804N	440 3B4K Training Support	188,967	196,048		196,048	222,728		222,728	U
	Total Basic Skill and Advanced Training	1,020,081	1,023,238	44,832	1,068,070	1,100,104	43,365	1,143,469	
<u>Recruiting and Other Training & Education</u>									
1804N	450 3C1L Recruiting and Advertising	214,244	230,188		230,188	225,647		225,647	U
1804N	460 3C3L Off-Duty and Voluntary Education	132,820	134,207		134,207	130,569		130,569	U
1804N	470 3C4L Civilian Education and Training	57,789	69,257		69,257	73,730		73,730	U
1804N	480 3C5L Junior ROTC	51,355	47,653		47,653	50,400		50,400	U
	Total Recruiting and Other Training & Education	456,208	481,305		481,305	480,346		480,346	
	Total, BA 03: Training and Recruiting	1,779,292	1,819,186	44,832	1,864,018	1,876,229	43,365	1,919,594	
<u>Budget Activity 04: Admin & Srvwd Activities</u>									
<u>Servicewide Support</u>									
1804N	490 4A1M Administration	885,816	923,771	2,513	926,284	917,453	3,764	921,217	U
1804N	500 4A2M External Relations	14,218	13,737	500	14,237	14,570	515	15,085	U
1804N	510 4A3M Civilian Manpower and Personnel Management	122,120	120,812		120,812	124,070		124,070	U
1804N	520 4A4M Military Manpower and Personnel Management	350,002	341,699	5,309	347,008	369,767	5,409	375,176	U
1804N	530 4A5M Other Personnel Support	245,098	264,547	1,469	266,016	285,927	1,578	287,505	U
1804N	540 4A6M Servicewide Communications	352,684	326,512		326,512	319,908	25,617	345,525	U
1804N	550 4A6S Spectrum Relocation Pre-Auction	1,521							U
1804N	560 4A8M Medical Activities	24,301							U
	Total Servicewide Support	1,995,760	1,991,078	9,791	2,000,869	2,031,695	36,883	2,068,578	
<u>Logistics Operations and Technical Support</u>									
1804N	570 4B1N Servicewide Transportation	309,521	197,724	156,671	354,395	171,659	126,700	298,359	U
1804N	580 4B2E Environmental Programs	286,312							U
1804N	590 4B2N Planning, Engineering and Design	306,648	274,936		274,936	270,863		270,863	U
1804N	600 4B3N Acquisition and Program Management	1,081,368	1,116,932	8,834	1,125,766	1,112,766	9,261	1,122,027	U
1804N	610 4B5N Hull, Mechanical and Electrical Support	42,997	48,587		48,587	49,078		49,078	U
1804N	620 4B6N Combat/Weapons Systems	25,415	25,599		25,599	24,989		24,989	U
1804N	630 4B7N Space and Electronic Warfare Systems	70,341	72,768		72,768	72,966		72,966	U
	Total Logistics Operations and Technical Support	2,122,602	1,736,546	165,505	1,902,051	1,702,321	135,961	1,838,282	
<u>Investigations and Security Programs</u>									
1804N	640 4C1P Naval Investigative Service	602,909	589,196	1,490	590,686	595,711	1,501	597,212	U
	Total Investigations and Security Programs	602,909	589,196	1,490	590,686	595,711	1,501	597,212	

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<u>1804N Operation & Maintenance, Navy</u>									
<u>Support of Other Nations</u>									
1804N	700 4D1Q International Headquarters and Agencies	4,645	4,768		4,768	4,809		4,809	U
	Total Support of Other Nations	4,645	4,768		4,768	4,809		4,809	
<u>Cancelled Accounts</u>									
1804N	710 4EMM Cancelled Account Adjustments	7,836							U
1804N	720 4EPJ Judgement Fund	1,277							U
	Total Cancelled Accounts	9,113							
1804N	999 Classified Programs	522,647	526,289	6,320	532,609	517,440	15,780	533,220	U
	Total, BA 04: Admin & Srwd Activities	5,257,676	4,847,877	183,106	5,030,983	4,851,976	190,125	5,042,101	
	Total Operation & Maintenance, Navy	45,068,219	38,946,290	7,005,409	45,951,699	39,483,581	6,827,391	46,310,972	

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<u>1106N Operation & Maintenance, Marine Corps</u>								
TOTAL, BA 01: Operating Forces	6,120,758	4,456,016	1,277,357	5,733,373	4,683,395	1,135,159	5,818,554	
TOTAL, BA 03: Training and Recruiting	751,525	728,726	37,862	766,588	755,981	31,750	787,731	
TOTAL, BA 04: Admin & Srvwd Activities	595,077	492,623	45,837	538,460	514,882	77,450	592,332	
Total Operation & Maintenance, Marine Corps	7,467,360	5,677,365	1,361,056	7,038,421	5,954,258	1,244,359	7,198,617	
 <u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Expeditionary Forces</u>								
1106N 010 1A1A Operational Forces	1,450,628	682,258	554,204	1,236,462	674,613	703,489	1,378,102	U
1106N 020 1A2A Field Logistics	1,188,616	931,757	259,676	1,191,433	947,424	266,094	1,213,518	U
1106N 030 1A3A Depot Maintenance	658,348	188,583	240,000	428,583	206,783	147,000	353,783	U
Total Expeditionary Forces	3,297,592	1,802,598	1,053,880	2,856,478	1,828,820	1,116,583	2,945,403	
 <u>USMC Prepositioning</u>								
1106N 040 1B1B Maritime Prepositioning	87,771	86,176		86,176	85,276		85,276	U
Total USMC Prepositioning	87,771	86,176		86,176	85,276		85,276	
 <u>Base Support</u>								
1106N 050 BSM1 Sustainment, Restoration & Modernization	634,795	749,079		749,079	632,673		632,673	U
1106N 060 BSS1 Base Operating Support	2,100,600	1,818,163	223,477	2,041,640	2,136,626	18,576	2,155,202	U
Total Base Support	2,735,395	2,567,242	223,477	2,790,719	2,769,299	18,576	2,787,875	
Total, BA 01: Operating Forces	6,120,758	4,456,016	1,277,357	5,733,373	4,683,395	1,135,159	5,818,554	
 <u>Budget Activity 03: Training and Recruiting</u>								
<u>Accession Training</u>								
1106N 070 3A1C Recruit Training	18,647	16,260		16,260	15,946		15,946	U
1106N 080 3A2C Officer Acquisition	942	975		975	935		935	U
Total Accession Training	19,589	17,235		17,235	16,881		16,881	
 <u>Basic Skill and Advanced Training</u>								
1106N 090 3B1D Specialized Skill Training	91,790	97,307		97,307	99,305		99,305	U
1106N 100 3B3D Professional Development Education	42,738	40,786		40,786	45,495		45,495	U
1106N 110 3B4D Training Support	363,172	347,474	37,862	385,336	369,979	31,750	401,729	U
Total Basic Skill and Advanced Training	497,700	485,567	37,862	523,429	514,779	31,750	546,529	
 <u>Recruiting and Other Training & Education</u>								
1106N 120 3C1F Recruiting and Advertising	174,207	164,806		164,806	165,566		165,566	U
1106N 130 3C2F Off-Duty and Voluntary Education	36,770	37,721		37,721	35,133		35,133	U

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<u>1106N Operation & Maintenance, Marine Corps</u>								
1106N 140 3C3F Junior ROTC	23,259			23,397		23,397	23,622	
Total Recruiting and Other Training & Education	234,236			225,924		225,924	224,321	
Total, BA 03: Training and Recruiting	751,525			728,726	37,862	766,588	755,981	
<u>Budget Activity 04: Admin & Srvwd Activities</u>								
<u>Servicewide Support</u>								
1106N 150 4A3G Servicewide Transportation	107,050			37,386	43,767	81,153	34,534	
1106N 160 4A4G Administration	371,620			335,167		335,167	355,932	
1106N 180 4B3N Acquisition and Program Management	69,996			74,641		74,641	76,896	
Total Servicewide Support	548,666			447,194	43,767	490,961	467,362	
<u>Cancelled Accounts</u>								
1106N 190 4EMM Cancelled Account Adjustment	534							U
Total Cancelled Accounts	534							
1106N 999	Classified Programs			45,877	45,429	2,070	47,499	
Total, BA 04: Admin & Srvwd Activities	595,077	492,623	45,837	538,460	514,882	77,450	592,332	
Total Operation & Maintenance, Marine Corps	7,467,360	5,677,365	1,361,056	7,038,421	5,954,258	1,244,359	7,198,617	

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<u>1806N Operation & Maintenance, Navy Res</u>								
TOTAL, BA 01: Operating Forces	1,037,653	934,827	31,462	966,289	906,440	26,265	932,705	
TOTAL, BA 04: Admin & Srvwd Activities	19,994	21,934		21,934	21,216		21,216	
Total Operation & Maintenance, Navy Res	1,057,647	956,761	31,462	988,223	927,656	26,265	953,921	
<u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Air Operations</u>								
1806N 010 1A1A Mission and Other Flight Operations	551,867	519,967	3,852	523,819	526,190		526,190	U
1806N 020 1A3A Intermediate Maintenance	5,735	6,218	60	6,278	6,714		6,714	U
1806N 030 1A5A Aircraft Depot Maintenance	97,140	82,712	20,300	103,012	86,209	16,500	102,709	U
1806N 040 1A6A Aircraft Depot Operations Support	352	326		326	389		389	U
1806N 050 1A9A Aviation Logistics	10,897	13,436		13,436	10,189	2,522	12,711	U
Total Air Operations	665,991	622,659	24,212	646,871	629,691	19,022	648,713	
<u>Ship Operations</u>								
1806N 060 1B1B Mission and Other Ship Operations	34,742							U
1806N 070 1B2B Ship Operations Support & Training	556	557		557	560		560	U
1806N 080 1B4B Ship Depot Maintenance	6,134							U
Total Ship Operations	41,432	557		557	560		560	
<u>Combat Operations/Support</u>								
1806N 090 1C1C Combat Communications	14,437	13,925		13,925	13,173		13,173	U
1806N 100 1C6C Combat Support Forces	122,782	115,108	7,250	122,358	109,053	7,243	116,296	U
Total Combat Operations/Support	137,219	129,033	7,250	136,283	122,226	7,243	129,469	
<u>Weapons Support</u>								
1806N 110 1D4D Weapons Maintenance	1,652							U
Total Weapons Support	1,652							
<u>Base Support</u>								
1806N 120 BSIT Enterprise Information	27,259	29,382		29,382	27,226		27,226	U
1806N 130 BSMR Sustainment, Restoration and Modernization	63,861	51,036		51,036	27,571		27,571	U
1806N 140 BSSR Base Operating Support	100,239	102,160		102,160	99,166		99,166	U
Total Base Support	191,359	182,578		182,578	153,963		153,963	
Total, BA 01: Operating Forces	1,037,653	934,827	31,462	966,289	906,440	26,265	932,705	
<u>Budget Activity 04: Admin & Srvwd Activities</u>								
<u>Servicewide Support</u>								
1806N 150 4A1M Administration	1,740	1,505		1,505	1,351		1,351	U

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<u>1806N Operation & Maintenance, Navy Res</u>									
1806N	160 4A4M Military Manpower and Personnel Management	12,354	13,782		13,782	13,251		13,251	U
1806N	170 4A6M Servicewide Communications	2,737	3,437		3,437	3,445		3,445	U
	Total Servicewide Support	16,831	18,724		18,724	18,047		18,047	
<u>Logistics Operations and Technical Support</u>									
1806N	180 4B3N Acquisition and Program Management	3,158	3,210		3,210	3,169		3,169	U
	Total Logistics Operations and Technical Support	3,158	3,210		3,210	3,169		3,169	
<u>Cancelled Accounts</u>									
1806N	190 4EMM Cancelled Account Adjustments	5							U
	Total Cancelled Accounts	5							
	Total, BA 04: Admin & Srvwd Activities	19,994	21,934		21,934	21,216		21,216	
	Total Operation & Maintenance, Navy Res	1,057,647	956,761	31,462	988,223	927,656	26,265	953,921	

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<u>1107N Operation & Maintenance, MC Reserve</u>								
TOTAL, BA 01: Operating Forces	266,933	252,922	3,455	256,377	249,768	3,304	253,072	
TOTAL, BA 04: Admin & Srvwd Activities	17,354	20,575		20,575	20,865		20,865	
Total Operation & Maintenance, MC Reserve	284,287	273,497	3,455	276,952	270,633	3,304	273,937	
<u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Expeditionary Forces</u>								
1107N 010 1A1A Operating Forces	102,261	96,670	2,500	99,170	94,154	2,500	96,654	U
1107N 020 1A3A Depot Maintenance	18,377	18,254		18,254	18,594		18,594	U
Total Expeditionary Forces	120,638	114,924	2,500	117,424	112,748	2,500	115,248	
<u>Base Support</u>								
1107N 030 BSM1 Sustainment, Restoration and Modernization	47,251	30,143		30,143	25,470		25,470	U
1107N 040 BSS1 Base Operating Support	99,044	107,855	955	108,810	111,550	804	112,354	U
Total Base Support	146,295	137,998	955	138,953	137,020	804	137,824	
Total, BA 01: Operating Forces	266,933	252,922	3,455	256,377	249,768	3,304	253,072	
<u>Budget Activity 04: Admin & Srvwd Activities</u>								
<u>Servicewide Support</u>								
1107N 050 4A3G Servicewide Transportation	806	924		924	902		902	U
1107N 060 4A4G Administration	7,855	10,866		10,866	11,130		11,130	U
1107N 070 4A6G Recruiting and Advertising	8,686	8,785		8,785	8,833		8,833	U
Total Servicewide Support	17,347	20,575		20,575	20,865		20,865	
<u>Cancelled Accounts</u>								
1107N 080 4EMM Cancelled Account Adjustment	7							U
Total Cancelled Accounts	7							
Total, BA 04: Admin & Srvwd Activities	17,354	20,575		20,575	20,865		20,865	
Total Operation & Maintenance, MC Reserve	284,287	273,497	3,455	276,952	270,633	3,304	273,937	

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<u>0513N Ship Modernization, Operations & Sustainment Fund</u>								
TOTAL, BA 01: Operating Forces	294,400							
Total Ship Modernization, Operations & Sustain	294,400							
<u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Servicewide Support</u>								
0513N 010 041 Ship Modernization, Operations & Sustainment Fund	294,400							U
Total Servicewide Support	294,400							
Total, BA 01: Operating Forces	294,400							
Total Ship Modernization, Operations & Sustainment Fund	294,400							

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<u>3400F Operation & Maintenance, Air Force</u>									
TOTAL, BA 01: Operating Forces		26,495,098	20,880,097	5,710,117	26,590,214	22,760,163	5,195,446	27,955,609	
TOTAL, BA 02: Mobilization		8,210,274	3,638,902	4,400,485	8,039,387	4,376,481	3,777,680	8,154,161	
TOTAL, BA 03: Training and Recruiting		3,384,756	3,397,508	2,278	3,399,786	3,573,006	57,240	3,630,246	
TOTAL, BA 04: Admin & Srvwd Activities		7,716,069	6,733,257	584,707	7,317,964	6,808,406	468,464	7,276,870	
Total Operation & Maintenance, Air Force		45,806,197	34,649,764	10,697,587	45,347,351	37,518,056	9,498,830	47,016,886	
<u>Details:</u>									
<u>Budget Activity 01: Operating Forces</u>									
<u>Air Operations</u>									
3400F 010 011A Primary Combat Forces		4,710,226	2,102,960	2,321,695	4,424,655	3,294,124	1,339,461	4,633,585	U
3400F 020 011C Combat Enhancement Forces		2,931,873	1,785,497	886,872	2,672,369	1,682,045	1,096,021	2,778,066	U
3400F 030 011D Air Operations Training (OJT, Maintain Skills)		1,192,523	1,647,513	31,978	1,679,491	1,730,757	152,278	1,883,035	U
3400F 040 011M Depot Maintenance		7,256,028	6,323,767	1,192,765	7,516,532	7,042,988	1,185,506	8,228,494	U
3400F 050 011R Facilities Sustainment, Restoration & Modernization		1,914,223	1,971,576	85,625	2,057,201	1,657,019	56,700	1,713,719	U
3400F 060 011Z Base Support		3,767,177	2,600,083	857,269	3,457,352	2,787,216	941,714	3,728,930	U
Total Air Operations		21,772,050	16,431,396	5,376,204	21,807,600	18,194,149	4,771,680	22,965,829	
<u>Combat Related Operations</u>									
3400F 070 012A Global C3I and Early Warning		1,031,688	905,701	30,219	935,920	887,831	30,219	918,050	U
3400F 080 012C Other Combat Ops Spt Programs		983,224	897,525	174,734	1,072,259	1,070,178	207,696	1,277,874	U
Total Combat Related Operations		2,014,912	1,803,226	204,953	2,008,179	1,958,009	237,915	2,195,924	
<u>Space Operations</u>									
3400F 100 013A Launch Facilities		292,268	271,017	869	271,886	208,582	869	209,451	U
3400F 110 013C Space Control Systems		374,614	382,331	5,008	387,339	362,250	5,008	367,258	U
Total Space Operations		666,882	653,348	5,877	659,225	570,832	5,877	576,709	
<u>COCOM</u>									
3400F 120 015A Combatant Commanders Direct Mission Support		1,074,098	882,653	100,190	982,843	907,245	100,081	1,007,326	U
3400F 130 015B Combatant Commanders Core Operations		218,785	198,997		198,997	199,171		199,171	U
Total COCOM		1,292,883	1,081,650	100,190	1,181,840	1,106,416	100,081	1,206,497	
3400F 999 Classified Programs		748,371	910,477	22,893	933,370	930,757	79,893	1,010,650	U
Total, BA 01: Operating Forces		26,495,098	20,880,097	5,710,117	26,590,214	22,760,163	5,195,446	27,955,609	
<u>Budget Activity 02: Mobilization</u>									
<u>Mobility Operations</u>									
3400F 140 021A Airlift Operations		4,919,518	1,410,693	3,276,621	4,687,314	1,703,059	2,774,729	4,477,788	U

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<u>3400F Operation & Maintenance, Air Force</u>									
3400F	150 021D Mobilization Preparedness	221,344	135,365	108,163	243,528	138,899	108,163	247,062	U
3400F	160 021M Depot Maintenance	1,963,596	1,117,571	1,011,059	2,128,630	1,553,439	891,102	2,444,541	U
3400F	170 021R Facilities Sustainment, Restoration & Modernization	355,500	273,474		273,474	258,328		258,328	U
3400F	180 021Z Base Support	750,316	701,799	4,642	706,441	722,756	3,686	726,442	U
	Total Mobility Operations	8,210,274	3,638,902	4,400,485	8,039,387	4,376,481	3,777,680	8,154,161	
	Total, BA 02: Mobilization	8,210,274	3,638,902	4,400,485	8,039,387	4,376,481	3,777,680	8,154,161	
<u>Budget Activity 03: Training and Recruiting</u>									
<u>Accession Training</u>									
3400F	190 031A Officer Acquisition	113,593	89,151	92	89,243	120,886		120,886	U
3400F	200 031B Recruit Training	18,185	21,684		21,684	23,782		23,782	U
3400F	210 031D Reserve Officers Training Corps (ROTC)	69,728	77,525		77,525	77,692		77,692	U
3400F	220 031R Facilities Sustainment, Restoration & Modernization	234,508	240,382		240,382	236,254		236,254	U
3400F	230 031Z Base Support	768,789	765,070		765,070	819,915	52,740	872,655	U
	Total Accession Training	1,204,803	1,193,812	92	1,193,904	1,278,529	52,740	1,331,269	
<u>Basic Skill and Advanced Training</u>									
3400F	240 032A Specialized Skill Training	333,270	375,103	2,186	377,289	387,446	4,500	391,946	U
3400F	250 032B Flight Training	737,433	667,713		667,713	725,134		725,134	U
3400F	260 032C Professional Development Education	212,708	227,945		227,945	264,213		264,213	U
3400F	270 032D Training Support	103,619	76,385		76,385	86,681		86,681	U
3400F	280 032M Depot Maintenance	283,624	375,513		375,513	305,004		305,004	U
	Total Basic Skill and Advanced Training	1,670,654	1,722,659	2,186	1,724,845	1,768,478	4,500	1,772,978	
<u>Recruiting, and Other Training & Education</u>									
3400F	290 033A Recruiting and Advertising	91,873	73,558		73,558	104,754		104,754	U
3400F	300 033B Examining	2,447	3,803		3,803	3,944		3,944	U
3400F	310 033C Off-Duty and Voluntary Education	194,934	180,475		180,475	184,841		184,841	U
3400F	320 033D Civilian Education and Training	159,974	163,973		163,973	173,583		173,583	U
3400F	330 033E Junior ROTC	60,071	59,228		59,228	58,877		58,877	U
	Total Recruiting, and Other Training & Education	509,299	481,037		481,037	525,999		525,999	
	Total, BA 03: Training and Recruiting	3,384,756	3,397,508	2,278	3,399,786	3,573,006	57,240	3,630,246	
<u>Budget Activity 04: Admin & Srvwd Activities</u>									
<u>Logistics Operations</u>									
3400F	340 041A Logistics Operations	1,072,670	921,236	286,716	1,207,952	1,107,846	86,716	1,194,562	U
3400F	350 041B Technical Support Activities	928,181	948,973		948,973	924,185		924,185	U
3400F	360 041M Depot Maintenance	80,618	61,745		61,745	48,778		48,778	U
3400F	370 041R Facilities Sustainment, Restoration & Modernization	283,519	314,295		314,295	321,013		321,013	U

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<u>3400F Operation & Maintenance, Air Force</u>									
3400F	380 041Z Base Support	1,175,539	1,102,220	3,836	1,106,056	1,115,910	59,133	1,175,043	U
	Total Logistics Operations	3,540,527	3,348,469	290,552	3,639,021	3,517,732	145,849	3,663,581	
<u>Servicewide Activities</u>									
3400F	390 042A Administration	702,077	802,481		802,481	811,650		811,650	U
3400F	400 042B Servicewide Communications	751,921	461,016	147,048	608,064	269,809	165,348	435,157	U
3400F	410 042G Other Servicewide Activities	1,403,947	883,680	131,583	1,015,263	961,304	141,883	1,103,187	U
3400F	420 042I Civil Air Patrol	27,890	27,400		27,400	25,735		25,735	U
3400F	430 042N Judgement Fund Reimbursement	163							U
	Total Servicewide Activities	2,885,998	2,174,577	278,631	2,453,208	2,068,498	307,231	2,375,729	
<u>Support to Other Nations</u>									
3400F	450 044A International Support	64,863		88,160		61	88,221	90,573	6
	Total Support to Other Nations	64,863		88,160		61	88,221	90,573	6
3400F	999				1,224,681	1,122,051	15,463	1,137,514	1,131,
	Total, BA 04: Admin & Srvwd Activities	7,716,069	6,733,257	584,707	7,317,964	6,808,406	468,464	7,276,870	
Total Operation & Maintenance, Air Force		45,806,197	34,649,764	10,697,587	45,347,351	37,518,056	9,498,830	47,016,886	

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<u>3740F Operation & Maintenance, AF Reserve</u>								
TOTAL, BA 01: Operating Forces	2,990,461	2,786,262	58,106	2,844,368	2,977,943	57,586	3,035,529	
TOTAL, BA 04: Administration And Servicewide Activities	108,313	88,551		88,551	89,986		89,986	
Total Operation & Maintenance, AF Reserve	3,098,774	2,874,813	58,106	2,932,919	3,067,929	57,586	3,125,515	
 <u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Air Operations</u>								
3740F 010 011A Primary Combat Forces	1,661,257	1,606,040		1,606,040	1,707,882		1,707,882	U
3740F 020 011G Mission Support Operations	205,574	211,663		211,663	230,016		230,016	U
3740F 030 011M Depot Maintenance	494,323	487,036	51,086	538,122	541,743	51,086	592,829	U
3740F 040 011R Facilities Sustainment, Restoration & Modernization	190,129	112,028		112,028	113,470		113,470	U
3740F 050 011Z Base Support	439,178	369,495	7,020	376,515	384,832	6,500	391,332	U
Total Air Operations	2,990,461	2,786,262	58,106	2,844,368	2,977,943	57,586	3,035,529	
Total, BA 01: Operating Forces	2,990,461	2,786,262	58,106	2,844,368	2,977,943	57,586	3,035,529	
 <u>Budget Activity 04: Administration And Servicewide Activities</u>								
<u>Servicewide Activities</u>								
3740F 060 042A Administration	63,242	53,921		53,921	54,939		54,939	U
3740F 070 042J Recruiting and Advertising	21,699	14,359		14,359	14,754		14,754	U
3740F 080 042K Military Manpower and Pers Mgmt (ARPC)	15,484	13,665		13,665	12,707		12,707	U
3740F 090 042L Other Pers Support (Disability Comp)	7,584	6,606		6,606	7,210		7,210	U
3740F 100 042M Audiovisual	304				376		376	U
Total Servicewide Activities	108,313	88,551		88,551	89,986		89,986	
Total, BA 04: Administration And Servicewide Activi	108,313	88,551		88,551	89,986		89,986	
Total Operation & Maintenance, AF Reserve	3,098,774	2,874,813	58,106	2,932,919	3,067,929	57,586	3,125,515	

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<u>3840F Operation & Maintenance, ANG</u>								
TOTAL, BA 01: Operating Forces	6,377,823	6,597,052	19,900	6,616,952	6,651,017	20,000	6,671,017	
TOTAL, BA 04: Administration And Service-Wide Activities	68,629	52,920		52,920	52,561		52,561	
Total Operation & Maintenance, ANG	6,446,452	6,649,972	19,900	6,669,872	6,703,578	20,000	6,723,578	
 <u>Details:</u>								
<u>Budget Activity 01: Operating Forces</u>								
<u>Air Operations</u>								
3840F 010 011F Aircraft Operations	2,766,760	3,244,242		3,244,242	3,282,238		3,282,238	U
3840F 020 011G Mission Support Operations	825,357	734,384	100	734,484	723,062	3,400	726,462	U
3840F 030 011M Depot Maintenance	1,708,101	1,768,636		1,768,636	1,824,329		1,824,329	U
3840F 040 011R Facilities Sustainment, Restoration & Modernization	357,714	297,045		297,045	245,840		245,840	U
3840F 050 011Z Base Support	719,891	552,745	19,800	572,545	575,548	16,600	592,148	U
Total Air Operations	6,377,823	6,597,052	19,900	6,616,952	6,651,017	20,000	6,671,017	
Total, BA 01: Operating Forces	6,377,823	6,597,052	19,900	6,616,952	6,651,017	20,000	6,671,017	
 <u>Budget Activity 04: Administration And Service-Wide Activities</u>								
<u>Servicewide Activities</u>								
3840F 060 042A Administration	31,976	23,071		23,071	23,715		23,715	U
3840F 070 042J Recruiting and Advertising	36,653	29,849		29,849	28,846		28,846	U
Total Servicewide Activities	68,629	52,920		52,920	52,561		52,561	
Total, BA 04: Administration And Service-Wide Activities	68,629	52,920		52,920	52,561		52,561	
Total Operation & Maintenance, ANG	6,446,452	6,649,972	19,900	6,669,872	6,703,578	20,000	6,723,578	

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<u>0100D Operation and Maintenance, Defense-Wide</u>									
<u>Budget Activity 01: Operating Forces</u>									
0100D	010 1PL1 Joint Chiefs of Staff	426,756	462,813	9,900	472,713	506,113		506,113	U
0100D	020 1GTN Office of the Secretary of Defense		538,924		538,924	524,439		524,439	U
0100D	030 1PL2 Special Operations Command/Operating Forces	7,407,642	4,735,497	2,390,757	7,126,254	4,898,159	2,650,651	7,548,810	U
Total, BA 01: Operating Forces		7,834,398	5,737,234	2,400,657	8,137,891	5,928,711	2,650,651	8,579,362	
<u>Budget Activity 03: Training and Recruiting</u>									
0100D	040 3EV2 Defense Acquisition University	134,940	137,454		137,454	138,658		138,658	U
0100D	050 3PL1 Joint Chiefs of Staff					85,701		85,701	U
0100D	060 PEV5 National Defense University	87,597	78,387		78,387				U
0100D	070 3EV7 Special Operations Command/Training and Recruiting	352,415	350,672		350,672	365,349		365,349	U
Total, BA 03: Training and Recruiting		574,952	566,513		566,513	589,708		589,708	
<u>Budget Activity 04: Administration and Servicewide Activities</u>									
0100D	080 4GT3 Civil Military Programs	163,923	195,527		195,527	160,480		160,480	U
0100D	100 4GT6 Defense Contract Audit Agency	572,935	566,364	18,474	584,838	630,925	13,436	644,361	U
0100D	110 4GTO Defense Contract Management Agency	1,290,715	1,344,451		1,344,451	1,356,380	13,564	1,369,944	U
0100D	120 4GT8 Defense Human Resources Activity	669,332	683,682		683,682	683,620		683,620	U
0100D	130 4GT9 Defense Information Systems Agency	1,322,724	1,281,132	29,579	1,310,711	1,439,891	47,579	1,487,470	U
0100D	150 4GTA Defense Legal Services Agency	126,576	26,063	110,000	136,063	24,984	111,986	136,970	U
0100D	160 4GTB Defense Logistics Agency	372,663	379,565		379,565	357,964		357,964	U
0100D	170 ES18 Defense Media Activity	195,313	185,491	5,960	191,451	223,422	13,317	236,739	U
0100D	180 4GTC Defense Personnel Accounting Agency	127,394	115,329		115,329	112,681		112,681	U
0100D	190 4GTD Defense Security Cooperation Agency	2,665,108	504,852	1,627,000	2,131,852	496,754	1,412,000	1,908,754	U
0100D	200 4GTE Defense Security Service	559,281	546,486		546,486	538,711		538,711	U
0100D	220 4GTG Defense Support Activities		300,000	500,000	800,000				U
0100D	230 4GTH Defense Technology Security Administration	32,284	33,564		33,564	35,417		35,417	U
0100D	240 4GTI Defense Threat Reduction Agency	407,501	412,142	100,000	512,142	448,146		448,146	U
0100D	260 4GTJ Department of Defense Education Activity	2,638,349	2,736,135	73,000	2,809,135	2,671,143	67,000	2,738,143	U
0100D	270 011A Missile Defense Agency	402,462	424,069		424,069	446,975		446,975	U
0100D	290 4GTM Office of Economic Adjustment	152,413	90,578		90,578	155,399		155,399	U
0100D	300 4GTN Office of the Secretary of Defense	1,999,262	1,406,061	106,709	1,512,770	1,481,643	31,106	1,512,749	U
0100D	310 4GT1 Special Operations Command/Admin & Svc-wide Activities	87,095	83,263		83,263	89,429		89,429	U

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sec

		FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	
<u>0100D Operation and Maintenance, Defense-Wide</u>		<u>(Base & OCO)</u>	<u>Base Enacted</u>	<u>OCO Enacted</u>	<u>Total Enacted</u>	<u>Base</u>	<u>OCO</u>	<u>Total</u>	<u>e</u>
0100D	320 4GTQ Washington Headquarters Services	589,242	618,582	2,102	620,684	629,874	3,137	633,011	U
0100D	999 Classified Programs	15,324,606	14,085,313	1,427,074	15,512,387	14,069,333	1,618,397	15,687,730	U
Total, BA 04: Administration and Servicewide Activi		29,699,178	26,018,649	3,999,898	30,018,547	26,053,171	3,331,522	29,384,693	
Total Operation and Maintenance, Defense-Wide		38,108,528	32,322,396	6,400,555	38,722,951	32,571,590	5,982,173	38,553,763	

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	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
<u>0107D Office of the Inspector General</u>								
<u>Budget Activity 01: Operation And Maintenance</u>								
0107D 010 4GTV Office of the Inspector General	306,196	310,459	10,262	320,721	318,882	22,062	340,944	U
Total, BA 01: Operation And Maintenance	306,196	310,459	10,262	320,721	318,882	22,062	340,944	
<u>Budget Activity 02: RDT&E</u>								
0107D 020 4GTV Office of the Inspector General	1,400	2,100		2,100	3,153		3,153	U
Total, BA 02: RDT&E	1,400	2,100		2,100	3,153		3,153	
<u>Budget Activity 03: Procurement</u>								
0107D 030 4GTV Office of the Inspector General	1,000							U
Total, BA 03: Procurement	1,000							
Total Office of the Inspector General	308,596	312,559	10,262	322,821	322,035	22,062	344,097	

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	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
<u>0104D US Court of Appeals for Armed Forces, Def</u>								
<u>Budget Activity 04: Administration And Associated Activities</u>								
0104D 010 4GTT Us Court of Appeals for the Armed Forces, Defense	13,723	14,078		14,078	14,194		14,194	U
Total, BA 04: Administration And Associated Activit	13,723	14,078		14,078	14,194		14,194	
Total US Court of Appeals for Armed Forces, Def	13,723	14,078		14,078	14,194		14,194	

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				FY 2015	FY 2016	FY 2016	FY 2016	FY 2017	FY 2017	FY 2017	
				(Base & OCO)	Base Enacted	OCO Enacted	Total Enacted	Base	OCO	Total	S e c
0130D Defense Health Program											
Budget Activity 01: Operation & Maintenance											
0130D	010	1	In-House Care	8,622,357	8,804,422	65,149	8,869,571	9,240,160	95,366	9,335,526	U
0130D	020	2	Private Sector Care	15,701,308	14,387,402	192,210	14,579,612	15,738,759	233,073	15,971,832	U
0130D	030	3	Consolidated Health Support	2,027,665	2,153,327	9,460	2,162,787	2,367,759	3,325	2,371,084	U
0130D	040	4	Information Management	1,475,130	1,649,614		1,649,614	1,743,749		1,743,749	U
0130D	050	5	Management Activities	321,391	325,908		325,908	311,380		311,380	U
0130D	060	6	Education and Training	662,560	727,864	5,885	733,749	743,231		743,231	U
0130D	070	7	Base Operations/Communications	1,859,115	1,738,490		1,738,490	2,086,352		2,086,352	U
Total, BA 01: Operation & Maintenance				30,669,526	29,787,027	272,704	30,059,731	32,231,390	331,764	32,563,154	
Budget Activity 02: RDT&E											
0130D	080	0601	R&D Research	11,186	14,157		14,157	9,097		9,097	U
0130D	090	0602	R&D Exploratory Development	68,382	76,377		76,377	58,517		58,517	U
0130D	100	0603	R&D Advanced Development	1,177,620	1,272,414		1,272,414	221,226		221,226	U
0130D	110	0604	R&D Demonstration/Validation	146,411	175,518		175,518	96,602		96,602	U
0130D	120	0605	R&D Engineering Development	240,551	507,823		507,823	364,057		364,057	U
0130D	130	0606	R&D Management and Support	38,052	57,807		57,807	58,410		58,410	U
0130D	140	0607	R&D Capabilities Enhancement	16,413	17,356		17,356	14,998		14,998	U
Total, BA 02: RDT&E				1,698,615	2,121,452		2,121,452	822,907		822,907	
Budget Activity 03: Procurement											
0130D	150	7720	PROC Initial Outfitting	13,057	33,392		33,392	20,611		20,611	U
0130D	160	7721	PROC Replacement & Modernization	219,212	330,504		330,504	360,727		360,727	U
0130D	170	7744	PROC Theater Medical Information Program	3,145	1,494		1,494				U
0130D	180	7746	PROC Joint Operational Medicine Information System					2,413		2,413	U
0130D	190	7784	PROC IEHR	3,199							U
0130D	200	7787	PROC DoD Healthcare Management System Modernization					29,468		29,468	U
Total, BA 03: Procurement				238,613	365,390		365,390	413,219		413,219	
Total Defense Health Program				32,606,754	32,273,869	272,704	32,546,573	33,467,516	331,764	33,799,280	

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		FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
<u>0819D Overseas Humanitarian, Disaster, and Civic Aid</u>									
<u>Budget Activity 01: Humanitarian Assistance</u>									
0819D	010 4GTD Overseas Humanitarian, Disaster and Civic Aid	103,000	103,266		103,266	105,125		105,125	U
Total, BA 01: Humanitarian Assistance		103,000	103,266		103,266	105,125		105,125	
Total Overseas Humanitarian, Disaster, and Civic Aid		103,000	103,266		103,266	105,125		105,125	

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	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
<u>0134D Cooperative Threat Reduction Account</u>								
<u>Budget Activity 01: FSU Threat Reduction</u>								
0134D 010 1PL3 Former Soviet Union (FSU) Threat Reduction	365,108	358,496		358,496	325,604		325,604	U
Total, BA 01: FSU Threat Reduction	365,108	358,496		358,496	325,604		325,604	
Total Cooperative Threat Reduction Account	365,108	358,496		358,496	325,604		325,604	

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	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
<u>5751D Contributions to the Cooperative Threat Red Pgm</u>								
<u>Budget Activity 01: FSU Threat Reduction</u>								
5751D 010 1PL3 Contributions to the CTR Program	560							U
Total, BA 01: FSU Threat Reduction	560							
Total Contributions to the Cooperative Threat Red Pgm	560							

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	FY 2015 (Base & OCO)	FY 2016 Base Enacted	FY 2016 OCO Enacted	FY 2016 Total Enacted	FY 2017 Base	FY 2017 OCO	FY 2017 Total	S e c
<u>0111D DoD Acquisition Workforce Development Fund</u>								
<u>Budget Activity 01: Acquisition Workforce Development</u>								
0111D 010 012 Acq Workforce Dev Fd	79,234							U
Total, BA 01: Acquisition Workforce Development	79,234							
Total DoD Acquisition Workforce Development Fund	79,234							

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			<u>FY 2015</u> <u>(Base & OCO)</u>	<u>FY 2016</u> <u>Base Enacted</u>	<u>FY 2016</u> <u>OCO Enacted</u>	<u>FY 2016</u> <u>Total Enacted</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>	<u>S</u> <u>e</u> <u>c</u>
<u>Transfer Accounts</u>										
0105D	010	Drug Interdiction and Counter-Drug Activities, Defense		716,109	186,000	902,109	730,087	215,333	945,420	U
0105D	020	Drug Demand Reduction Program		121,589		121,589	114,713		114,713	U
0105D	030	National Guard Counter-Drug Program		212,900		212,900				U
0810A	040	Environmental Restoration, Army		234,829		234,829	170,167		170,167	U
0810N	050	Environmental Restoration, Navy		300,000		300,000	281,762		281,762	U
0810F	060	Environmental Restoration, Air Force		368,131		368,131	371,521		371,521	U
0810D	070	Environmental Restoration, Defense		8,232		8,232	9,009		9,009	U
0811D	080	Environmental Restoration Formerly Used Sites		231,217		231,217	197,084		197,084	U
0145D	090	Counterterrorism Partnerships Fund	713,098		1,100,000	1,100,000		1,000,000	1,000,000	U
Total Transfer Accounts			713,098	2,193,007	1,286,000	3,479,007	1,874,343	1,215,333	3,089,676	
<u>Miscellaneous Accounts</u>										
0838D	100	Support of International Sporting Competitions, Defense	6,366							U
Total Miscellaneous Accounts			6,366							
<u>Indefinite Accounts</u>										
5188D	110	Disposal of DoD Real Property	617	1,247		1,247	567		567	U
5188D	120	Disposal of DoD Real Property	4,700	9,501		9,501	4,315		4,315	U
5188D	130	Disposal of DoD Real Property	3,587	7,252		7,252	3,293		3,293	U
5189D	140	Lease of DoD Real Property	10,267	10,443		10,443	9,552		9,552	U
5189D	150	Lease of DoD Real Property	21,776	22,148		22,148	20,259		20,259	U
5189D	160	Lease of DoD Real Property	7,284	7,409		7,409	6,776		6,776	U
Total Indefinite Accounts			48,231	58,000		58,000	44,762		44,762	

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TOTAL CIVILIAN PERSONNEL COSTS

	FY 2015 (\$ in Thousands)											Rates				
	a	b	c	d	e	f	g	e + f + g	d + h	i	i + j	d/c	i/c	k/c	h/d	j/d
	Begin	End		Basic	Overtime	Holiday	Other	h	i	Benefits	k	l	m	n	g	p
	Strength	Strength	FTEs	Comp	Pay	Pay	O.C.11	Variables	Comp	O.C.11	O.C.12/13	Comp	Comp	& Benefits	Variables	% BC
																% BC
Direct Funded Personnel (includes OC 13)	504,968	520,625	498,479	36,697,599	683,023	88,238	1,023,583	1,794,844	38,492,443	13,159,191	51,651,634	\$73,612	\$77,220	\$103,618	4.9%	35.9%
D1. US Direct Hire (USDH)	473,266	491,027	470,315	35,522,708	670,998	85,880	983,001	1,739,879	37,262,587	12,833,788	50,096,375	\$75,530	\$79,229	\$106,517	4.9%	36.1%
D1a. Senior Executive Schedule	1,343	1,360	1,330	249,449	0	214	10,114	10,328	259,777	57,085	316,862	\$187,556	\$195,321	\$238,242	4.1%	22.9%
D1b. General Schedule	391,411	408,148	391,992	30,578,321	449,710	76,333	849,277	1,375,320	31,953,641	10,878,142	42,831,783	\$78,008	\$81,516	\$109,267	4.5%	35.6%
D1c. Special Schedule	4,530	4,196	3,520	316,203	446	37	6,882	7,365	323,568	96,070	419,638	\$89,830	\$91,923	\$119,215	2.3%	30.4%
D1d. Wage System	69,274	70,905	67,391	3,922,855	220,842	8,844	84,759	314,445	4,237,300	1,492,148	5,729,448	\$58,210	\$62,876	\$85,018	8.0%	38.0%
D1e. Highly Qualified Experts	1	8	8	1,248	0	0	0	-	1,248	0	1,248	\$156,000	\$156,000	\$156,000	0.0%	0.0%
D1f. Other	6,707	6,410	6,074	454,632	0	452	31,969	32,421	487,053	310,343	797,396	\$74,849	\$80,187	\$131,280	7.1%	68.3%
D2. Direct Hire Program Foreign Nationals (DHFN)	12,717	12,135	12,086	453,211	8,002	2,358	40,334	50,694	503,905	103,511	607,416	\$37,499	\$41,693	\$50,258	11.2%	22.8%
D3. Total Direct Hire	485,983	503,162	482,401	35,975,919	679,000	88,238	1,023,335	1,790,573	37,766,492	12,937,299	50,703,791	\$74,577	\$78,289	\$105,107	5.0%	36.0%
D4. Indirect Hire Foreign Nationals (IHFN)	18,985	17,463	16,078	721,680	4,023	0	248	4,271	725,951	6,579	732,530	\$44,886	\$45,152	\$45,561	0.6%	0.9%
Subtotal - Direct Funded (excludes OC 13)	504,968	520,625	498,479	36,697,599	683,023	88,238	1,023,583	1,794,844	38,492,443	12,943,878	51,436,321	\$73,619	\$77,220	\$103,187	4.9%	35.3%
D5. Other Object Class 13 Benefits										215,313	215,313					
D5a. USDH - Benefits for Former Employees										172,222	172,222					
D5b. DHFN - Benefits for Former Employees										13,308	13,308					
D5c. Voluntary Separation Incentive Pay (VSIP)										25,168	25,168					
D5d. Foreign National Separation Liability Accrual										4,615	4,615					
Reimbursable Funded Personnel (includes OC 13)	250,479	261,008	258,530	17,941,690	847,212	109,175	606,226	1,562,613	19,504,303	6,169,916	25,674,219	\$69,399	\$75,443	\$99,308	8.7%	34.4%
R1. US Direct Hire (USDH)	233,733	242,138	238,844	17,696,540	845,625	108,728	599,917	1,554,270	19,250,810	6,100,356	25,351,166	\$74,092	\$80,600	\$106,141	8.8%	34.5%
R1a. Senior Executive Schedule	165	172	173	576,589	0	28	51,565	51,593	628,182	212,748	840,930	\$3,332,884	\$3,631,110	\$4,860,867	8.9%	36.9%
R1b. General Schedule	173,024	180,406	177,402	14,836,910	362,217	55,107	448,782	866,106	15,703,016	4,829,683	20,532,699	\$83,634	\$88,517	\$115,741	5.8%	32.6%
R1c. Special Schedule	6,370	6,546	8,761	367,964	188,104	2,023	60,140	250,267	618,231	117,120	735,351	\$42,000	\$70,566	\$83,935	68.0%	31.8%
R1d. Wage System	54,112	54,939	52,440	1,905,400	295,304	51,570	39,357	386,231	2,291,631	920,550	3,212,181	\$36,335	\$43,700	\$61,254	20.3%	48.3%
R1e. Highly Qualified Experts	0	9	1	0	0	0	0	-	-	0	-	\$0	\$0	\$0	-	-
R1f. Other	62	66	67	9,677	0	0	73	73	9,750	20,255	30,005	\$144,433	\$145,522	\$447,836	0.8%	209.3%
R2. Direct Hire Program Foreign Nationals (DHFN)	4,121	3,055	3,853	124,703	1,571	447	6,262	8,280	132,983	22,298	155,281	\$32,365	\$34,514	\$40,301	6.6%	17.9%
R3. Total Direct Hire	237,854	245,193	242,697	17,821,243	847,196	109,175	606,179	1,562,550	19,383,793	6,122,654	25,506,447	\$73,430	\$79,868	\$105,096	8.8%	34.4%
R4. Indirect Hire Foreign Nationals (IHFN)	12,625	15,815	15,833	120,447	16	0	47	63	120,510	14,537	135,047	\$7,607	\$7,611	\$8,529	0.1%	12.1%
Subtotal - Reimbursable Funded (excludes OC 13)	250,479	261,008	258,530	17,941,690	847,212	109,175	606,226	1,562,613	19,504,303	6,137,191	25,641,494	\$69,399	\$75,443	\$99,182	8.7%	34.2%
R5. Other Object Class 13 Benefits										32,725	32,725					
R5a. USDH - Benefits for Former Employees										17,274	17,274					
R5b. DHFN - Benefits for Former Employees										0	-					
R5c. Voluntary Separation Incentive Pay (VSIP)										14,503	14,503					
R5d. Foreign National Separation Liability Accrual										948	948					
Total Personnel (includes OC 13)	755,447	781,633	757,009	54,639,289	1,530,235	197,413	1,629,809	3,357,457	57,996,746	19,329,107	77,325,853	\$72,178	\$76,613	\$102,147	6.1%	35.4%
T1. US Direct Hire (USDH)	706,999	733,165	709,159	53,219,248	1,516,623	194,608	1,582,918	3,294,149	56,513,397	18,934,144	75,447,541	\$75,046	\$79,691	\$106,390	6.2%	35.6%
T1a. Senior Executive Schedule	1,508	1,532	1,503	826,038	0	242	61,679	61,921	887,959	269,833	1,157,792	\$549,593	\$590,791	\$770,321	7.5%	32.7%
T1b. General Schedule	564,435	588,554	569,394	45,415,231	811,927	131,440	1,298,059	2,241,426	47,656,657	15,707,825	63,364,482	\$79,761	\$83,697	\$111,284	4.9%	34.6%
T1c. Special Schedule	10,900	10,742	12,281	684,167	188,550	2,060	67,022	257,632	941,799	213,190	1,154,989	\$55,709	\$76,687	\$94,047	37.7%	31.2%
T1d. Wage System	123,386	125,844	119,831	5,828,255	516,146	60,414	124,116	700,676	6,528,931	2,412,698	8,941,629	\$48,637	\$54,484	\$74,619	12.0%	41.4%
T1e. Highly Qualified Experts	1	17	9	1,248	0	0	0	0	1,248	0	1,248	\$138,667	\$138,667	\$138,667	0.0%	0.0%
T1f. Other	6,769	6,476	6,141	464,309	0	452	32,042	32,494	496,803	330,598	827,401	\$75,608	\$80,899	\$134,734	7.0%	71.2%
T2. Direct Hire Program Foreign Nationals (DHFN)	16,838	15,190	15,939	577,914	9,573	2,805	46,596	58,974	636,888	125,809	762,697	\$36,258	\$39,958	\$47,851	10.2%	21.8%
T3. Total Direct Hire	723,837	748,355	725,098	53,797,162	1,526,196	197,413	1,629,514	3,353,123	57,150,285	19,059,953	76,210,238	\$74,193	\$78,817	\$105,103	6.2%	35.4%
T4. Indirect Hire Foreign Nationals (IHFN)	31,610	33,278	31,911	842,127	4,039	0	295	4,334	846,461	21,116	867,577	\$26,390	\$26,526	\$27,187	0.5%	2.5%
Subtotal - Total Funded (excludes OC 13)	755,447	781,633	757,009	54,639,289	1,530,235	197,413	1,629,809	3,357,457	57,996,746	19,081,069	77,077,815	\$72,178	\$76,613	\$101,819	6.1%	34.9%
T5. Other Object Class 13 Benefits										248,038	248,038					
T5a. USDH - Benefits for Former Employees										189,496	189,496					
T5b. DHFN - Benefits for Former Employees										13,308	13,308					
T5c. Voluntary Separation Incentive Pay (VSIP)										39,671	39,671					
T5d. Foreign National Separation Liability Accrual										5,563	5,563					

*Includes OCO and Cemeterial FTEs

TOTAL CIVILIAN PERSONNEL COSTS

TOTAL CIVILIAN PERSONNEL COSTS

	FY 2016 (\$ in Thousands)											Rates				
	a	b	c	d	e	f	g	e + f + g	d + h	i	i + j	d/c	i/c	k/c	h/d	j/d
	Begin	End		Basic	Overtime	Holiday	Other	Total	Comp	Benefits	Comp	Basic	Total	Comp	% BC	% BC
	Strength	Strength	FTEs	Comp	Pay	Pay	O.C.11	Variables	O.C.11	O.C.12/13	& Benefits	Comp	Comp	& Benefits	Variables	Benefits
Direct Funded Personnel (includes OC 13)	528,581	548,747	508,042	38,420,321	433,189	71,418	1,129,069	1,633,676	40,053,997	13,929,829	53,983,826	\$75,624	\$78,840	\$106,259	4.3%	36.3%
D1. US Direct Hire (USDH)	497,362	518,161	480,125	37,417,755	430,107	68,303	1,073,766	1,572,176	38,989,931	13,693,814	52,683,745	\$77,933	\$81,208	\$109,729	4.2%	36.6%
D1a. Senior Executive Schedule	1,383	1,523	1,514	265,366	0	310	9,898	10,208	275,574	80,848	356,422	\$175,275	\$182,017	\$235,417	3.8%	30.5%
D1b. General Schedule	410,256	430,059	399,195	32,101,027	322,186	62,471	945,725	1,330,382	33,431,409	11,547,992	44,979,401	\$80,414	\$83,747	\$112,675	4.1%	36.0%
D1c. Special Schedule	4,690	4,691	3,943	346,037	482	27	9,441	9,950	355,987	107,233	463,220	\$87,760	\$90,283	\$117,479	2.9%	31.0%
D1d. Wage System	74,358	75,239	69,122	4,245,833	107,419	4,998	91,387	203,804	4,449,637	1,627,826	6,077,463	\$61,425	\$64,374	\$87,924	4.8%	38.3%
D1e. Highly Qualified Experts	8	1	1	150	0	0	0	-	150	81	231	\$150,000	\$150,000	\$231,000	0.0%	54.0%
D1f. Other	6,667	6,648	6,350	459,342	20	497	17,315	17,832	477,174	329,834	807,008	\$72,337	\$75,146	\$127,088	3.9%	71.8%
D2. Direct Hire Program Foreign Nationals (DHFN)	12,590	12,834	12,057	326,934	2,923	3,115	55,073	61,111	388,045	121,393	509,438	\$27,116	\$32,184	\$42,252	18.7%	37.1%
D3. Total Direct Hire	509,952	530,995	492,182	37,744,689	433,030	71,418	1,128,839	1,633,287	39,377,976	13,815,207	53,193,183	\$76,688	\$80,007	\$108,076	4.3%	36.6%
D4. Indirect Hire Foreign Nationals (IHFN)	18,629	17,752	15,860	675,632	159	0	230	389	676,021	5,765	681,786	\$42,600	\$42,624	\$42,988	0.1%	0.9%
Subtotal - Direct Funded (excludes OC 13)	528,581	548,747	508,042	38,420,321	433,189	71,418	1,129,069	1,633,676	40,053,997	13,820,972	53,874,969	\$75,624	\$78,840	\$106,044	4.3%	36.0%
D5. Other Object Class 13 Benefits										108,857	108,857					
D5a. USDH - Benefits for Former Employees										78,180	78,180					
D5b. DHFN - Benefits for Former Employees										14,494	14,494					
D5c. Voluntary Separation Incentive Pay (VSIP)										14,591	14,591					
D5d. Foreign National Separation Liability Accrual										1,592	1,592					
Reimbursable Funded Personnel (includes OC 13)	253,066	247,017	261,937	18,629,718	849,321	109,312	433,714	1,392,347	20,022,065	6,341,938	26,364,003	\$71,123	\$76,438	\$100,650	7.5%	34.0%
R1. US Direct Hire (USDH)	235,674	229,723	242,794	18,263,540	848,284	108,959	422,201	1,379,444	19,642,984	6,261,966	25,904,950	\$75,222	\$80,904	\$106,695	7.6%	34.3%
R1a. Senior Executive Schedule	167	192	196	32,380	0	7	1,689	1,696	34,076	7,964	42,040	\$165,204	\$173,857	\$214,490	5.2%	24.6%
R1b. General Schedule	178,124	171,700	179,000	15,244,690	359,887	54,429	302,130	716,446	15,961,136	4,889,534	20,850,670	\$85,166	\$89,168	\$116,484	4.7%	32.1%
R1c. Special Schedule	6,616	6,610	8,544	376,109	193,402	761	53,163	247,326	623,435	145,299	768,734	\$44,020	\$72,968	\$89,974	65.8%	38.6%
R1d. Wage System	50,700	51,154	54,986	2,599,362	294,993	53,731	65,167	413,891	3,013,253	1,192,450	4,205,703	\$47,273	\$54,800	\$76,487	15.9%	45.9%
R1e. Highly Qualified Experts	1	1	1	137	0	0	0	-	137	0	137	\$137,000	\$137,000	\$137,000	0.0%	0.0%
R1f. Other	66	66	67	10,862	2	31	52	85	10,947	26,719	37,666	\$162,119	\$163,388	\$562,179	0.8%	246.0%
R2. Direct Hire Program Foreign Nationals (DHFN)	2,590	2,765	3,374	67,076	1,008	353	8,619	9,980	77,056	28,048	105,104	\$19,880	\$22,838	\$31,151	14.9%	41.8%
R3. Total Direct Hire	238,264	232,488	246,168	18,330,616	849,292	109,312	430,820	1,389,424	19,720,040	6,290,014	26,010,054	\$74,464	\$80,108	\$105,660	7.6%	34.3%
R4. Indirect Hire Foreign Nationals (IHFN)	14,802	14,529	15,769	299,102	29	0	2,894	2,923	302,025	18,224	320,249	\$18,968	\$19,153	\$20,309	1.0%	6.1%
Subtotal - Reimbursable Funded (excludes OC 13)	253,066	247,017	261,937	18,629,718	849,321	109,312	433,714	1,392,347	20,022,065	6,308,238	26,330,303	\$71,123	\$76,438	\$100,522	7.5%	33.9%
R5. Other Object Class 13 Benefits										33,700	33,700					
R5a. USDH - Benefits for Former Employees										19,476	19,476					
R5b. DHFN - Benefits for Former Employees										0	-					
R5c. Voluntary Separation Incentive Pay (VSIP)										12,726	12,726					
R5d. Foreign National Separation Liability Accrual										1,498	1,498					
Total Personnel (includes OC 13)	781,647	795,764	769,979	57,050,039	1,282,510	180,730	1,562,783	3,026,023	60,076,062	20,271,767	80,347,829	\$74,093	\$78,023	\$104,351	5.3%	35.5%
T1. US Direct Hire (USDH)	733,036	747,884	722,919	55,681,295	1,278,391	177,262	1,495,967	2,951,620	58,632,915	19,955,780	78,588,695	\$77,023	\$81,106	\$108,710	5.3%	35.8%
T1a. Senior Executive Schedule	1,550	1,715	1,710	297,746	0	317	11,587	11,904	309,650	88,812	398,462	\$174,120	\$181,082	\$233,019	4.0%	29.8%
T1b. General Schedule	588,380	601,759	578,195	47,345,717	682,073	116,900	1,247,855	2,046,828	49,392,545	16,437,526	65,830,071	\$81,885	\$85,425	\$113,854	4.3%	34.7%
T1c. Special Schedule	11,306	11,301	12,487	722,146	193,884	788	62,604	257,276	979,422	252,532	1,231,954	\$57,832	\$78,435	\$98,659	35.6%	35.0%
T1d. Wage System	125,058	126,393	124,108	6,845,195	402,412	58,729	156,554	617,695	7,462,890	2,820,276	10,283,166	\$55,155	\$60,132	\$82,857	9.0%	41.2%
T1e. Highly Qualified Experts	9	2	2	287	0	0	0	0	287	81	368	\$143,500	\$143,500	\$184,000	0.0%	28.2%
T1f. Other	6,733	6,714	6,417	470,204	22	528	17,367	17,917	488,121	356,553	844,674	\$73,275	\$76,067	\$131,631	3.8%	75.8%
T2. Direct Hire Program Foreign Nationals (DHFN)	15,180	15,599	15,431	394,010	3,931	3,468	63,692	71,091	465,101	149,441	614,542	\$25,534	\$30,141	\$39,825	18.0%	37.9%
T3. Total Direct Hire	748,216	763,483	738,350	56,075,305	1,282,322	180,730	1,559,659	3,022,711	59,098,016	20,105,221	79,203,237	\$75,947	\$80,041	\$107,271	5.4%	35.9%
T4. Indirect Hire Foreign Nationals (IHFN)	33,431	32,281	31,629	974,734	188	0	3,124	3,312	978,046	23,989	1,002,035	\$30,818	\$30,922	\$31,681	0.3%	2.5%
Subtotal - Total Funded (excludes OC 13)	781,647	795,764	769,979	57,050,039	1,282,510	180,730	1,562,783	3,026,023	60,076,062	20,129,210	80,205,272	\$74,093	\$78,023	\$104,166	5.3%	35.3%
T5. Other Object Class 13 Benefits										142,557	142,557					
T5a. USDH - Benefits for Former Employees										97,656	97,656					
T5b. DHFN - Benefits for Former Employees										14,494	14,494					
T5c. Voluntary Separation Incentive Pay (VSIP)										27,317	27,317					
T5d. Foreign National Separation Liability Accrual										3,090	3,090					

*Includes OCO and Cemetery FTEs

TOTAL CIVILIAN PERSONNEL COSTS

TOTAL CIVILIAN PERSONNEL COSTS

	FY 2017 (\$ in Thousands)											Rates				
	a	b	c	d	e	f	g	e + f + g	d + h	i	i + j	d/c	i/c	k/c	h/d	j/d
	Begin	End		Basic	Overtime	Holiday	Other	Total	Comp	Benefits	Comp	Basic	Total	Comp	% BC	% BC
	Strength	Strength	FTEs	Comp	Pay	Pay	O.C.11	Variables	O.C.11	O.C.12/13	& Benefits	Comp	Comp	& Benefits	Variables	Benefits
Direct Funded Personnel (includes OC 13)	538,817	533,487	502,846	38,902,804	415,520	65,894	1,041,388	1,522,802	40,425,606	14,073,162	54,498,768	\$77,365	\$80,394	\$108,381	3.9%	36.2%
D1. US Direct Hire (USDH)	508,910	503,860	475,442	37,902,761	412,416	62,435	965,636	1,440,487	39,343,248	13,853,056	53,196,304	\$79,721	\$82,751	\$111,888	3.8%	36.5%
D1a. Senior Executive Schedule	1,518	1,511	1,495	267,544	46	405	9,574	10,025	277,569	76,899	354,468	\$178,959	\$185,665	\$237,102	3.7%	28.7%
D1b. General Schedule	420,350	414,582	392,165	32,472,734	287,764	55,326	851,062	1,194,152	33,666,886	11,634,259	45,301,145	\$82,804	\$85,849	\$115,516	3.7%	35.8%
D1c. Special Schedule	5,718	5,385	4,781	449,362	742	150	10,552	11,444	460,806	137,097	597,903	\$93,989	\$96,383	\$125,058	2.5%	30.5%
D1d. Wage System	74,675	76,098	70,961	4,270,004	123,844	6,072	74,516	204,432	4,474,436	1,689,942	6,164,378	\$60,174	\$63,055	\$86,870	4.8%	39.6%
D1e. Highly Qualified Experts	1	3	3	150	0	0	0	-	150	81	231	\$50,000	\$50,000	\$77,000	0.0%	54.0%
D1f. Other	6,648	6,281	6,037	442,967	20	482	19,932	20,434	463,401	314,778	778,179	\$73,375	\$76,760	\$128,902	4.6%	71.1%
D2. Direct Hire Program Foreign Nationals (DHFN)	12,657	12,515	11,991	330,593	2,978	3,459	75,562	81,999	412,592	120,648	533,240	\$27,570	\$34,408	\$44,470	24.8%	36.5%
D3. Total Direct Hire	521,567	516,375	487,433	38,233,354	415,394	65,894	1,041,198	1,522,486	39,755,840	13,973,704	53,729,544	\$78,438	\$81,562	\$110,230	4.0%	36.5%
D4. Indirect Hire Foreign Nationals (IHFN)	17,250	17,112	15,413	669,450	126	0	190	316	669,766	5,793	675,559	\$43,434	\$43,455	\$43,830	0.0%	0.9%
Subtotal - Direct Funded (excludes OC 13)	538,817	533,487	502,846	38,902,804	415,520	65,894	1,041,388	1,522,802	40,425,606	13,979,497	54,405,103	\$77,365	\$80,394	\$108,194	3.9%	35.9%
D5. Other Object Class 13 Benefits										93,665	93,665					
D5a. USDH - Benefits for Former Employees										65,337	65,337					
D5b. DHFN - Benefits for Former Employees										14,750	14,750					
D5c. Voluntary Separation Incentive Pay (VSIP)										12,107	12,107					
D5d. Foreign National Separation Liability Accrual										1,471	1,471					
Reimbursable Funded Personnel (includes OC 13)	248,320	245,138	261,129	18,665,590	832,740	110,281	432,152	1,375,173	20,040,763	6,292,514	26,333,277	\$71,480	\$76,747	\$100,844	7.4%	33.7%
R1. US Direct Hire (USDH)	230,654	227,537	241,747	18,265,276	831,672	109,902	418,974	1,360,548	19,625,824	6,207,032	25,832,856	\$75,555	\$81,183	\$106,859	7.4%	34.0%
R1a. Senior Executive Schedule	192	190	194	33,240	0	7	1,708	1,715	34,955	8,303	43,258	\$171,340	\$180,180	\$222,979	5.2%	25.0%
R1b. General Schedule	172,631	170,538	179,066	15,248,661	353,072	53,814	298,699	705,585	15,954,246	4,836,965	20,791,211	\$85,157	\$89,097	\$116,109	4.6%	31.7%
R1c. Special Schedule	6,610	6,349	8,350	369,202	189,661	734	51,805	242,200	611,402	142,427	753,829	\$44,216	\$73,222	\$90,279	65.6%	38.6%
R1d. Wage System	51,154	50,398	54,074	2,603,137	288,937	55,316	66,710	410,963	3,014,100	1,192,172	4,206,272	\$48,140	\$55,740	\$77,787	15.8%	45.8%
R1e. Highly Qualified Experts	1	1	1	165	0	0	0	-	165	0	165	\$165,000	\$165,000	\$165,000	0.0%	0.0%
R1f. Other	66	61	62	10,871	2	31	52	85	10,956	27,165	38,121	\$175,339	\$176,710	\$614,855	0.8%	249.9%
R2. Direct Hire Program Foreign Nationals (DHFN)	2,769	2,746	3,308	80,561	1,045	379	10,270	11,694	92,255	35,191	127,446	\$24,353	\$27,888	\$38,527	14.5%	43.7%
R3. Total Direct Hire	233,423	230,283	245,055	18,345,837	832,717	110,281	429,244	1,372,242	19,718,079	6,242,223	25,960,302	\$74,864	\$80,464	\$105,937	7.5%	34.0%
R4. Indirect Hire Foreign Nationals (IHFN)	14,897	14,855	16,074	319,753	23	0	2,908	2,931	322,684	18,506	341,190	\$19,893	\$20,075	\$21,226	0.9%	5.8%
Subtotal - Reimbursable Funded (excludes OC 13)	248,320	245,138	261,129	18,665,590	832,740	110,281	432,152	1,375,173	20,040,763	6,260,729	26,301,492	\$71,480	\$76,747	\$100,722	7.4%	33.5%
R5. Other Object Class 13 Benefits										31,785	31,785					
R5a. USDH - Benefits for Former Employees										17,640	17,640					
R5b. DHFN - Benefits for Former Employees										0	-					
R5c. Voluntary Separation Incentive Pay (VSIP)										12,489	12,489					
R5d. Foreign National Separation Liability Accrual										1,656	1,656					
Total Personnel (includes OC 13)	787,137	778,625	763,975	57,568,394	1,248,260	176,175	1,473,540	2,897,975	60,466,369	20,365,676	80,832,045	\$75,354	\$79,147	\$105,805	5.0%	35.4%
T1. US Direct Hire (USDH)	739,564	731,397	717,189	56,168,037	1,244,088	172,337	1,384,610	2,801,035	58,969,072	20,060,088	79,029,160	\$78,317	\$82,222	\$110,193	5.0%	35.7%
T1a. Senior Executive Schedule	1,710	1,701	1,689	300,784	46	412	11,282	11,740	312,524	85,202	397,726	\$178,084	\$185,035	\$235,480	3.9%	28.3%
T1b. General Schedule	592,981	585,120	571,231	47,721,395	640,836	109,140	1,149,761	1,899,737	49,621,132	16,471,224	66,092,356	\$83,541	\$86,867	\$115,702	4.0%	34.5%
T1c. Special Schedule	12,328	11,734	13,131	818,564	190,403	884	62,357	253,644	1,072,208	279,524	1,351,732	\$62,338	\$81,655	\$102,942	31.0%	34.1%
T1d. Wage System	125,829	126,496	125,035	6,873,141	412,781	61,388	141,226	615,395	7,488,536	2,882,114	10,370,650	\$54,970	\$59,892	\$82,942	9.0%	41.9%
T1e. Highly Qualified Experts	2	4	4	315	0	0	0	0	315	81	396	\$78,750	\$78,750	\$99,000	0.0%	25.7%
T1f. Other	6,714	6,342	6,099	453,838	22	513	19,984	20,519	474,357	341,943	816,300	\$74,412	\$77,776	\$133,842	4.5%	75.3%
T2. Direct Hire Program Foreign Nationals (DHFN)	15,426	15,261	15,299	411,154	4,023	3,838	85,832	93,693	504,847	155,839	660,686	\$26,875	\$32,999	\$43,185	22.8%	37.9%
T3. Total Direct Hire	754,990	746,658	732,488	56,579,191	1,248,111	176,175	1,470,442	2,894,728	59,473,919	20,215,927	79,689,846	\$77,242	\$81,194	\$108,793	5.1%	35.7%
T4. Indirect Hire Foreign Nationals (IHFN)	32,147	31,967	31,487	989,203	149	0	3,098	3,247	992,450	24,299	1,016,749	\$31,416	\$31,519	\$32,291	0.3%	2.5%
Subtotal - Total Funded (excludes OC 13)	787,137	778,625	763,975	57,568,394	1,248,260	176,175	1,473,540	2,897,975	60,466,369	20,240,226	80,706,595	\$75,354	\$79,147	\$105,640	5.0%	35.2%
T5. Other Object Class 13 Benefits										125,450	125,450					
T5a. USDH - Benefits for Former Employees										82,977	82,977					
T5b. DHFN - Benefits for Former Employees										14,750	14,750					
T5c. Voluntary Separation Incentive Pay (VSIP)										24,596	24,596					
T5d. Foreign National Separation Liability Accrual										3,127	3,127					

*Includes Cemeterial FTEs and excludes OCO FTEs

TOTAL CIVILIAN PERSONNEL COSTS

TOTAL CIVILIAN PERSONNEL COSTS

	FY 2017 (OCO)											Rates				
	(\$ in Thousands)															
	a	b	c	d	e	f	g	e + f + g	d + h	i	i + j	d/c	i/c	k/c	h/d	j/d
	Begin	End		Basic	Overtime	Holiday	Other	Total	Comp	Benefits	Comp	Basic	Total	Comp	% BC	% BC
	Strength	Strength	FTEs	Comp	Pay	Pay	O.C.11	Variables	O.C.11	O.C.12/13	& Benefits	Comp	Comp	& Benefits	Variables	Benefits
Direct Funded Personnel (includes OC 13)	593	642	619	64,130	29,329	1,218	37,259	67,806	131,936	20,513	152,449	\$103,603	\$213,144	\$246,283	105.7%	32.0%
D1. US Direct Hire (USDH)	593	642	619	64,130	29,329	1,218	37,259	67,806	131,936	20,513	152,449	\$103,603	\$213,144	\$246,283	105.7%	32.0%
D1a. Senior Executive Schedule	3	3	3	509	0	0	24	24	533	137	670	\$169,667	\$177,667	\$223,333	4.7%	26.9%
D1b. General Schedule	590	639	616	63,621	29,329	1,218	27,962	58,509	122,130	20,376	142,506	\$103,281	\$198,263	\$231,341	92.0%	32.0%
D1c. Special Schedule	0	0	0	0	0	0	0	-	-	0	-	-	-	-	-	-
D1d. Wage System	0	0	0	0	0	0	0	-	-	0	-	-	-	-	-	-
D1e. Highly Qualified Experts	0	0	0	0	0	0	0	-	-	0	-	-	-	-	-	-
D1f. Other	0	0	0	0	0	0	9,273	9,273	9,273	0	9,273	-	-	-	-	-
D2. Direct Hire Program Foreign Nationals (DHFN)	0	0	0	0	0	0	0	-	-	0	-	-	-	-	-	-
D3. Total Direct Hire	593	642	619	64,130	29,329	1,218	37,259	67,806	131,936	20,513	152,449	\$103,603	\$213,144	\$246,283	105.7%	32.0%
D4. Indirect Hire Foreign Nationals (IHFN)	0	0	0	0	0	0	0	-	-	0	-	-	-	-	-	-
Subtotal - Direct Funded (excludes OC 13)	593	642	619	64,130	29,329	1,218	37,259	67,806	131,936	20,513	152,449	\$103,603	\$213,144	\$246,283	105.7%	32.0%
D5. Other Object Class 13 Benefits																
D5a. USDH - Benefits for Former Employees												0	-			
D5b. DHFN - Benefits for Former Employees												0	-			
D5c. Voluntary Separation Incentive Pay (VSIP)												0	-			
D5d. Foreign National Separation Liability Accrual												0	-			
Total Personnel (includes OC 13)	593	642	619	64,130	29,329	1,218	37,259	67,806	131,936	20,513	152,449	\$103,603	\$213,144	\$246,283	105.7%	32.0%
T1. US Direct Hire (USDH)	593	642	619	64,130	29,329	1,218	37,259	67,806	131,936	20,513	152,449	\$103,603	\$213,144	\$246,283	105.7%	32.0%
T1a. Senior Executive Schedule	3	3	3	509	0	0	24	24	533	137	670	\$169,667	\$177,667	\$223,333	4.7%	26.9%
T1b. General Schedule	590	639	616	63,621	29,329	1,218	27,962	58,509	122,130	20,376	142,506	\$103,281	\$198,263	\$231,341	92.0%	32.0%
T1c. Special Schedule	0	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-
T1d. Wage System	0	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-
T1e. Highly Qualified Experts	0	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-
T1f. Other	0	0	0	0	0	0	9,273	9,273	9,273	0	9,273	-	-	-	-	-
T2. Direct Hire Program Foreign Nationals (DHFN)	0	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-
T3. Total Direct Hire	593	642	619	64,130	29,329	1,218	37,259	67,806	131,936	20,513	152,449	\$103,603	\$213,144	\$246,283	105.7%	32.0%
T4. Indirect Hire Foreign Nationals (IHFN)	0	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-
Subtotal - Total Funded (excludes OC 13)	593	642	619	64,130	29,329	1,218	37,259	67,806	131,936	20,513	152,449	\$103,603	\$213,144	\$246,283	105.7%	32.0%
T5. Other Object Class 13 Benefits																
T5a. USDH - Benefits for Former Employees												0	0			
T5b. DHFN - Benefits for Former Employees												0	0			
T5c. Voluntary Separation Incentive Pay (VSIP)												0	0			
T5d. Foreign National Separation Liability Accrual												0	0			

*FY 2017 OCO FTEs

OVERSEAS CONTINGENCY OPERATIONS

(Dollars in Millions)

	FY 2015 Enacted^{/1}	FY 2016 Enacted^{/2}	FY 2017 Request^{/3}
Military Personnel	5,031.9	3,222.7	3,562.3
Military Personnel, Army	3,260.0	1,846.4	2,051.6
Medicare-Eligible Retiree Health Care Contribution, Army	51.0	--	--
Military Personnel, Navy	332.2	251.0	330.6
Military Personnel, Marine Corps	403.3	171.1	179.7
Medicare-Eligible Retiree Health Care Contribution, Marine Corps	14.3	--	--
Military Personnel, Air Force	728.3	726.1	719.9
Reserve Personnel, Army	25.0	24.5	42.5
Reserve Personnel, Navy	14.0	12.7	11.9
Reserve Personnel, Marine Corps	5.1	3.4	3.8
Reserve Personnel, Air Force	19.2	18.7	20.5
National Guard Personnel, Army	174.8	166.0	196.5
National Guard Personnel, Air Force	4.9	2.8	5.3
Operation and Maintenance	51,745.4	46,472.6	45,034.1
Operation and Maintenance, Army	18,358.7	14,723.5	15,310.6
Operation and Maintenance, Navy	6,253.8	7,005.4	6,827.4
Operation and Maintenance, Marine Corps	1,851.0	1,361.1	1,244.4
Operation and Maintenance, Air Force	10,076.4	10,697.6	9,498.8
Operation and Maintenance, Defense-Wide	7,211.0	6,400.6	5,982.2
Office of Inspector General	10.6	10.3	22.1
Operation and Maintenance, Army Reserve	41.5	99.6	38.7
Operation and Maintenance, Navy Reserve	45.9	31.5	26.3
Operation and Maintenance, Marine Corps Reserve	10.5	3.5	3.3
Operation and Maintenance, Air Force Reserve	77.8	58.1	57.6
Operation and Maintenance, Army National Guard	77.7	135.8	127.0
Operation and Maintenance, Air National Guard	22.6	19.9	20.0

OVERSEAS CONTINGENCY OPERATIONS

OVERSEAS CONTINGENCY OPERATIONS

(Dollars in Millions)

	FY 2015 Enacted^{/1}	FY 2016 Enacted^{/2}	FY 2017 Request^{/3}
Defense Health Program	300.5	272.7	331.8
Drug Interdiction and Counterdrug Activities	205.0	186.0	215.3
Afghanistan Security Forces Fund	4,109.3	3,652.3	3,448.7
Counterterrorism Partnerships Fund	1,300.0	1,100.0	1,000.0
European Reassurance Initiative	175.0	--	--
Iraq Train and Equip Fund	1,618.0	715.0	630.0
Syria Train and Equip Fund	--	--	250.0
Procurement	8,158.2	8,128.9	9,514.4
Aircraft Procurement, Army	196.2	162.0	313.2
Missile Procurement, Army	32.1	37.3	632.8
Procurement of Weapons and Tracked Combat Vehicles, Army	5.0	486.6	153.5
Procurement of Ammunition, Army	140.9	222.0	301.5
Other Procurement, Army	773.6	1,175.6	1,373.0
Joint Improvised Explosive Device Defeat Fund	444.5	349.5	408.3
Aircraft Procurement, Navy	243.4	211.0	393.0
Weapons Procurement, Navy	66.8	--	8.6
Procurement of Ammunition, Navy & Marine Corps	154.5	118.0	66.2
Other Procurement, Navy	123.7	12.2	124.2
Procurement, Marine Corps	65.6	56.9	118.9
Aircraft Procurement, Air Force	481.0	128.9	859.4
Missile Procurement, Air Force	136.2	289.1	339.5
Procurement of Ammunition, Air Force	219.8	228.9	487.4
Other Procurement, Air Force	3,607.5	3,477.0	3,696.3
Procurement, Defense-Wide	267.4	173.9	238.4
Procurement of National Guard and Reserve Equipment	1,200.0	1,000.0	--

OVERSEAS CONTINGENCY OPERATIONS

OVERSEAS CONTINGENCY OPERATIONS

(Dollars in Millions)

	FY 2015 Enacted^{/1}	FY 2016 Enacted^{/2}	FY 2017 Request^{/3}
Research, Development, Test and Evaluation	322.4	231.4	374.2
Research, Development, Test and Evaluation, Army	2.0	1.5	100.5
Research, Development, Test and Evaluation, Navy	36.0	35.7	78.3
Research, Development, Test and Evaluation, Air Force	14.7	17.1	32.9
Research, Development, Test and Evaluation, Defense-Wide	269.6	177.1	162.4
Military Construction	221.0	0.0	172.4
Military Construction, Army	37.0	--	18.9
Military Construction, Navy and Marine Corps	--	--	59.8
Military Construction, Air Force	133.1	--	88.7
Military Construction, Defense-Wide	50.9	--	5.0
Revolving and Management Funds	91.4	88.9	140.6
Working Capital Fund, Army	--	--	46.8
Working Capital Fund, Air Force	5.0	2.5	--
Working Capital Fund, Defense-Wide	86.4	86.4	93.8
TOTAL without Rescissions	65,570.2	58,144.5	58,798.0
Rescissions	-1,236.6 ^{/4}	-400.0 ^{/5}	--
TOTAL with Rescissions	64,333.6	57,744.5	58,798.0

1/ The FY 2015 enacted amounts include base budget amounts transferred by the Congress and \$112 million in emergency supplemental funding for Ebola response and preparedness.

2/ The FY 2016 enacted amounts include \$7.7 billion in compliance with the Bipartisan Budget Act of 2015, including base budget amounts transferred by the Congress and unrequested congressional adds.

3/ The FY 2017 request amounts include compliance with the Bipartisan Budget Act of 2015.

4/ From FY 2013 Other Procurement, Army (\$8.2 million), FY 2014 Afghanistan Security Forces Fund (\$764.4 million), and FY 2014/16 Aircraft Procurement, Army for CH-47 Chinook and Kiowa Warrior (\$464.0 million).

5/ From FY 2015 Afghanistan Security Forces Fund (\$400.0 million).

