

Subject: RETRACT LARCH		DoD Serial Number: FY 03-07 IR
Appropriation Title: Operation and Maintenance, Navy, 02/03; Research, Development, Test, and Evaluation (RDT&E), Navy, 03/04		Includes Transfer? Yes

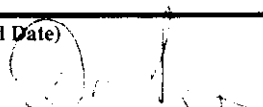
Component Serial Number:	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This internal reprogramming action transfers \$3.5 million from the Operation and Maintenance, Navy, 02/03, appropriation to the Research, Development, Test, and Evaluation (RDT&E), Navy, 02/03, appropriation for proper execution. This action uses transfer authority pursuant to section 8005 of Public Law (P.L.) 107-117, the DoD Appropriations Act, 2002; and section 1001 of P.L. 107-107, the National Defense Authorization Act for FY 2002. This transfer does not change the purpose for which the funds were appropriated. This action meets all administrative and legal requirements of the Congress and the Congress has not denied any of the funds.

<u>REPROGRAMMING INCREASE:</u>	<u>+3,500</u>
<u>Research, Development, Test, and Evaluation, Navy, 02/03</u>	<u>+3,500</u>
<u>Budget Activity 4: Advanced Component Development and Prototypes</u>	
PE 0603527N RETRACT LARCH	49,995 49,995 +3,500 53,495

<u>REPROGRAMMING DECREASE:</u>	<u>-3,500</u>
<u>Operation and Maintenance, Navy, 02/03</u>	<u>-3,500</u>
<u>Budget Activity 4: Administration and Servicewide Activities</u>	
	36,500 36,500 -3,500 33,000

Explanation: The funds were appropriated in the Operation and Maintenance, Navy appropriation in P.L. 107-206, the 2002 Supplemental Appropriations Act for Further Recovery from and Response to Terrorist Attacks on the United States. Funding provided for this on-going classified effort was incorrectly requested and appropriated in the Operation and Maintenance, Navy appropriation rather than the RDT&E appropriation. This action therefore transfers funds for proper execution.

Approved (Signature and Date)  Dov S. Zakheim DEC 31 2002