

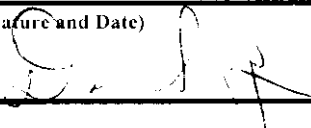
Subject: FY 2003 Internal Reprogramming Requirements		DoD Serial Number: FY 03-12 IR
Appropriation Title: Various		
		Includes Transfer? Yes

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	
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This internal reprogramming action transfers funds for proper execution. This action uses general transfer authority pursuant to section 8005 of Public Law (P.L.) 107-248, the Department of Defense Appropriations Act, 2003, and section 1001 of P.L. 107-314, the Bob Stump National Defense Authorizations Act for FY 2003. This action does not change the purposes for which the funds were originally appropriated. It meets all administrative and legal requirements of the Congress, and the Congress has not denied any of the items.

This action transfers funding for:

- The Counterintelligence Field Activity. This action transfers \$54.274 million to the Counterintelligence Field Activity for proper execution.
- Department of Defense Polygraph Institute (DoDPI). This action transfers \$2.795 million associated with the management of the DoDPI to the Counterintelligence Field Activity for proper execution.
- Defense Technology Security Administration (DTSA). On August 31, 2001, the Deputy Secretary of Defense reestablished the DTSA as a separate agency vice being a part of the Defense Threat Reduction Agency (DTRA). The DTSA mission and some general overhead operations are currently funded in the DTRA budget baseline. This action transfers \$20.598 million from DTRA to DTSA for proper execution.
- Employer Support of the Guard and Reserve (ESGR). The National Committee for the ESGR is located within the OASD(RA) and is responsible for promoting cooperation and understanding between Military Reserve Component members and their civilian employers. The National Committee also assists with the resolution of issues arising from an employee's military commitment. Since its inception in 1972, the Army Reserve has been the Executive Agent for budgeting and execution. However, on October 1, 2002, the Executive Agent responsibility transferred to the Defense Human Resources Activity (DHRA) because the ESGR office supports all Reserve Components in an expanding role. This action transfers the \$9.935 million to the DHRA for proper execution.
- The Unconventional Nuclear Warfare program. The Congress appropriated funds in FY 2003 for the Unconventional Nuclear Warfare program in the Operation and Maintenance, Defense-Wide appropriation. However, \$22.950 million is needed for efforts that are more appropriately financed in the Research, Development, Test, and Evaluation, Defense-Wide appropriation. Funds will be used to implement the recommendations of the Defense Science Board Task Force on Unconventional Nuclear Warfare.
- Defense Property Accountability System (DPAS). The DPAS was designated as the standard property accountability and equipment management system in 1995, and numerous DoD Components use it. The

Approved (Signature and Date)  Dov S. Zakheim FEB 6 2003

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Defense Information Systems Agency (DISA) provides DPAS information technology support and data processing services on a reimbursable basis at the Defense Enterprise Computing Center Detachment in Dayton, Ohio. The DISA maintains hundreds of inter-service support agreements with individual DPAS system customer organizations and bills each system customer organization. This business practice has become inefficient and costly as the DPAS customer base has grown. This action therefore transfers \$3.434 million from the customers that use the DPAS to the DPAS program management office at the Defense Logistics Agency (DLA).

- Foreign Currency Fluctuations. Section 8082 of P.L. 107-248, the DoD Appropriations Act, 2003, reduced the Operation and Maintenance and Military Personnel appropriations by \$338.0 million based on anticipated foreign currency rate gains. However, the congressional distribution of the reduction by appropriation is not consistent with the actual impact of such a change in foreign currency exchange rates. This action redistributes \$88.203 million of the congressional reduction to correct the distribution by appropriation.
- Financial Management Modernization Program. The Department requested Research, Development, Test, and Evaluation, Defense-Wide funds in FY 2003 for development of the Financial Management Modernization Program. However, reimbursement to the Components to pay civilian personnel that are detailed to the program, other functional support labor, program management, and program operations and support costs such as travel, equipment, support contracts and facilities are more appropriately financed with Operation and Maintenance funding. This action transfers \$25.0 million for proper execution of those requirements.
- M72 LAW Product Improvement. The Congress appropriated \$2.125 million for the M72 LAW Product Improvement program in the Research, Development, Test, and Evaluation (RDT&E), Navy, 03/04, appropriation. Because this is a Special Operations Command (SOCOM) program, this action transfers the funds to the RDT&E, Defense-Wide, appropriation for proper execution by SOCOM.
- Northern Command. The Air Force was assigned as Executive Agent for the U.S. Northern Command, which began operations on October 1, 2002, as the Unified Combatant Commander responsible for DoD Homeland Defense and Civil Support missions. This action transfers \$54.761 million from The Joint Staff to the Air Force for proper execution.
- Future Combat System (FCS). The FCS, the centerpiece of the Army's Objective Force, is a networked system of systems that serves as the core building block within all maneuver Unit of Action (UA) echelons to develop combat power, sustainability, agility, and the versatility necessary for the full spectrum of military operations. Two of the integral capabilities of FCS were incorrectly funded in Budget Activity 5, System Development and Demonstration, in FY 2003: Networked Fires (NetFires) Systems Technology and NetFires C4ISR Technology. Because these two mission systems have not yet achieved Milestone B, they are more properly funded in Budget Activity 4, Advanced Component Development and Prototypes, in FY 2003. This action realigns \$82.032 million between these budget activities for proper execution.

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- On Board Oxygen Generating System (OBOGS). The Congress added \$.5 million in the Other Procurement, Navy (OPN) appropriation to eliminate the deficiencies associated with liquid oxygen in the OBOGS. Because this program modifies aircraft from depending on liquid oxygen tanks to an OBOGS system, which bleeds oxygen from the exhaust of the engine, this requirement is more properly financed in the Aircraft Procurement, Navy (APN) appropriation. This action transfers the funds for proper execution.
- Information Assurance (IA) and Critical Infrastructure Protection (CIP). During the formulation of the FY 2003 President's Budget, funding was budgeted in the Research, Development, Test, and Evaluation, Defense-Wide (RDT&E,DW) appropriation to support IA and CIP activities. However, a portion of this funding \$21.8 million) should have been identified as Operation and Maintenance in support of the policy development, program oversight, integration of all DoD Information Assurance and Critical Infrastructure Protection efforts, and the Information Assurance scholarship program. In addition, the Congress added \$7.0 million in the RDT&E,DW appropriation for Information Assurance scholarships. Given that the \$7.0 million will be provided as grants directly to universities and colleges that participate in the information security scholarship program, and then distributed to students who are selected for the program, the \$7.0 million is more appropriately funded in the Operation and Maintenance, Defense-Wide (O&M,DW). Therefore, this action transfers \$28.8 million from the RDT&E,DW appropriation to the O&M,DW appropriation for proper execution.
- Classified Program. This action transfers \$2.0 million for proper execution of a classified program.
- Commercial Technology and Maintenance Activities (CTMA). The CTMA program is a cooperative agreement between the National Center for Manufacturing Sciences (NCMS) and DUSD(Logistics & Materiel Readiness) to co-sponsor technology development, deployment, and validation. The objective is to infuse commercial manufacturing technologies and best business practices into DoD maintenance activities. In previous years, funding for the CTMA program has been appropriated in the RDT&E, DW appropriation and executed by the Defense Logistics Agency (DLA). In FY 2003, the Congress added \$5.750 million to the O&M,DW appropriation for CTMA. This action transfers \$5.750 million from the O&M, DW appropriation to the RDT&E, DW appropriation for proper execution.
- LPD 4. In FY 2003, Congress appropriated \$48 million in the Operation and Maintenance, Navy appropriation for the LPD 4 Class Extended Sustainability program. Upon further review, the Navy has determined that elements of the program are more appropriately funded in the Other Procurement, Navy appropriation. Therefore, this action transfers the funding for proper execution.
- Civil Military Programs. Funds were issued to the Reserve Personnel, Marine Corps, 03/03, appropriation in Reprogramming Action 03-08 IR to finance costs associated with the Reserve Components' Active Duty for Training (ADT), travel, and applicable statutory allowances. The Marine Corps has since determined that not all the funds are needed. This action returns \$.211 million from the Reserve Personnel, Marine Corps appropriation to the Operation and Maintenance, Defense-Wide, 03/03, appropriation for other Civil Military Programs.

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TOTAL FY 2003 REPROGRAMMING INCREASES:						+451,368			
FY 2003 ARMY REPROGRAMMING INCREASES:						+141,201			
Military Personnel, Army, 03/03						+59,169			
Budget Activity 1: Pay and Allowances of Officers						+15,384			
Budget Activity 2: Pay and Allowances of Enlisted						+43,785			
Research, Development, Test, and Evaluation, Army, 03/04						+82,032			
Budget Activity 4: Advanced Component Development and Prototypes									
PE 0603645A Armored Systems Modernization (ASM) – Adv Dev						+82,032			
FY 2003 NAVY REPROGRAMMING INCREASES:						+52,463			
Military Personnel, Marine Corps, 03/03						+1,963			
Budget Activity 1: Pay and Allowances of Officers						+447			
Budget Activity 2: Pay and Allowances of Enlisted						+1,516			
Aircraft Procurement, Navy, 03/05						+500			
Budget Activity 5: Modification of Aircraft									
Aviation Life Support Mods						+500			
Other Procurement, Navy, 03/05						+48,000			
Budget Activity 1: Ships Support Equipment									
Items less than \$5 Million						+48,000			
Research, Development, Test, and Evaluation, Navy, 03/04						+2,000			
Budget Activity 7: Operational System Development									
PE 0303905N PISCES						+2,000			
FY 2003 AIR FORCE REPROGRAMMING INCREASES:						+54,761			
Operation and Maintenance, Air Force, 03/03						+39,921			
Budget Activity 1: Operating Forces						+39,921			
Other Procurement, Air Force, 03/05						+14,840			
Budget Activity 3: Electronic and Telecommunications Equipment									
Automatic Data Processing Equipment						+14,840			

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FY 2003 DEFENSE-WIDE REPROGRAMMING INCREASES:							+202,943		
<u>Operation and Maintenance, Defense-Wide, 03/03</u>							+129,171		
Defense Human Resources Agency							+9,935		
Counterintelligence Field Activity							+14,762		
Defense Logistics Agency							+3,434		
(DPAS PMO DLA							+3,512)		
(DLA							-78)		
DoD Education Activity							+24,274		
National Security Agency							+2,797		
Defense Technology Security Administration							+19,958		
Office of the Secretary of Defense							+53,800		
Civil Military Programs							+211		
<u>Procurement, Defense-Wide, 03/05</u>							+640		
<u>Budget Activity 1: Equipment</u>									
Defense Technology Security Administration							+640		
<u>Research, Development, Test, and Evaluation, Defense-Wide, 03/04</u>							+73,132		
<u>Budget Activity 3: Advanced Technology Development</u>									
PE 0603160BR Counter-Proliferation Support - Advanced Development							+22,950		
<u>Budget Activity 7: Operational System Development</u>									
PE 0305146BZ Defense Joint Counterintelligence Program (JMIP)							+23,391		
PE 0305127BZ Foreign Counterintelligence Activities							+18,916		
PE 1160404BB Special Operations Tactical System Development							+2,125		
PE 0603805S Dual Use Applications Program							+5,750		

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TOTAL FY 2003 REPROGRAMMING DECREASES:							<u>-451,368</u>		
FY 2003 ARMY REPROGRAMMING DECREASES:							<u>-135,141</u>		
<u>Operation and Maintenance, Army, 03/03</u>							<u>-43,418</u>		
Budget Activity 1: Operating Forces							-32,102		
Budget Activity 2: Mobilization							-2,379		
Budget Activity 3: Training and Recruiting							-793		
Budget Activity 4: Administration and Servicewide Activities							-8,144		
<u>Operation and Maintenance, Army Reserve, 03/03</u>							<u>-9,691</u>		
Budget Activity 4: Administration and Servicewide Activities							-9,691		
<u>Research, Development, Test, and Evaluation, Army, 03/04</u>							<u>-82,032</u>		
Budget Activity 5: System Development and Demonstration									
PE 0604645A Armored Systems Modernization (ASM) – Eng Dev							-82,032		
FY 2003 NAVY REPROGRAMMING DECREASES:							<u>-90,675</u>		
<u>Military Personnel, Navy, 03/03</u>							<u>-16,545</u>		
Budget Activity 1: Pay and Allowances of Officers							-4,191		
Budget Activity 2: Pay and Allowances of Enlisted							-12,354		
<u>Reserve Personnel, Marine Corps, 03/03</u>							<u>-211</u>		
Budget Activity 2: Other Training and Support							-211		
<u>Operation and Maintenance, Navy, 03/03</u>							<u>-67,545</u>		
Budget Activity 1: Operating Forces							-61,689		
Budget Activity 4: Administration and Servicewide Activities							-5,856		
<u>Operation and Maintenance, Marine Corps, 03/03</u>							<u>-1,412</u>		
Budget Activity 1: Operating Forces							-1,412		
<u>Other Procurement, Navy, 03/05</u>							<u>-500</u>		
Budget Activity 3: Aviation Support Equipment									
Aviation Life Support							-500		

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<u>Research, Development, Test, and Evaluation, Navy, 03/04</u>							<u>-4,462</u>		
Budget Activity 4: Advanced Component Development and Prototypes									
PE 0603609N Conventional Munitions							-2,125		
Budget Activity 5: System Development and Demonstration									
PE 0605015N Joint Military Intelligence Programs (JMIP)							-2,337		
<u>FY 2003 AIR FORCE REPROGRAMMING DECREASES:</u>							<u>-10,413</u>		
<u>Military Personnel, Air Force, 03/03</u>							<u>-6,872</u>		
Budget Activity 1: Pay and Allowances of Officers							-1,375		
Budget Activity 2: Pay and Allowances of Enlisted							-5,497		
<u>Operation and Maintenance, Air Force, 03/03</u>							<u>-3,541</u>		
Budget Activity 4: Administration and Servicewide Activities							-3,541		
<u>FY 2003 DEFENSE-WIDE REPROGRAMMING DECREASES:</u>							<u>-215,139</u>		
<u>Operation and Maintenance, Defense-Wide, 03/03</u>							<u>-96,221</u>		
Defense Acquisition University							-4		
The Joint Staff							-39,921		
Defense Intelligence Agency							-3,350		
Defense Threat Reduction Agency							-43,135		
Defense Contract Audit Agency							-17		
Defense Finance and Accounting Service							-157		
Defense Contract Management Agency							-6		
Defense Information Service Agency							-85		
Defense Security Service							-3,647		
National Imagery and Mapping Agency							-62		
Armed Forces Information Service							-36		
DoD Education Activity							-41		
Office of the Secretary of Defense							-5,750		
Washington Headquarters Service							-8		
Prisoner of War/Missing in Action Office							-2		
<u>Office of the Inspector General</u>							<u>-7</u>		
Budget Activity 1: Operation and Maintenance, 03/03							-7		

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<u>Defense Health Program</u>							<u>-7,570</u>		
Budget Activity 1: Operation and Maintenance, 03/03							-7,570		
<u>Procurement, Defense-Wide, 03/05</u>							<u>-15,480</u>		
Budget Activity 1: Equipment									
Major Equipment (DTRA)							-640		
Major Equipment (TJS)							-14,840		
<u>Research, Development, Test, and Evaluation, Defense-Wide, 03/04</u>							<u>-95,774</u>		
Budget Activity 1: Basic Research									
PE 0601101E Defense Research Sciences							-2,000		
Budget Activity 5: System Development and Demonstration									
PE 0605016D8Z Financial Management System Improvements							-25,000		
Budget Activity 6: RDT&E Management Support									
PE 0901598C Management Headquarters - MDA							-4		
PE 0605710D8Z Classified Programs							-28,800		
Budget Activity 7: Operational System Development									
PE 0305146D8Z Defense Joint Counterintelligence Program (JMIP)							-6,058		
PE 0305190D8Z C3I Intelligence Programs							-14,996		
PE 0305127D8Z Foreign Counterintelligence Activities							-18,916		
<u>Defense Working Capital Fund</u>							<u>-87</u>		
Defense Commissary							-87		