

<b>Subject:</b> FY 2003 Omnibus II		<b>DoD Serial Number:</b> FY 03-20 PA
<b>Appropriation Title:</b> Various		
		<b>Includes Transfer?</b> Yes

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

This reprogramming action is submitted for prior approval because it uses general transfer authority, pursuant to section 8005 of P.L. 107-248, the DoD Appropriations Act, 2003 and section 1001 of Public Law 107-314, the Bob Stump National Defense Authorization Act for FY 2003. This action reprograms funding in support of higher priority items, based on unforeseen military requirements, than that 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.

<b><u>FY 2003 TOTAL REPROGRAMMING INCREASES:</u></b>	<b><u>+329,578</u></b>	<b><u>+289,578</u></b>
<b><u>ARMY FY 2003 REPROGRAMMING INCREASES:</u></b>	<b><u>+175,000</u></b>	
<b><u>Operation and Maintenance, Army Reserve, 03/03</u></b>	<b><u>+175,000</u></b>	
<b><u>Budget Activity 1: Operating Forces</u></b>	1,731,151	1,906,151
	1,731,151	+175,000

As a result of Operation Iraqi Freedom (OIF) and the Global War on Terrorism (GWOT), funds are needed to support unfunded requirements in:

**Corps Support Forces (\$83.4 million):** In “Corps Support Forces”, the Army Reserve “fronted costs” for unbudgeted purchases of such war related items as: Prescribed Load Lists (\$7.9 million), Chemical Detection Equipment (\$22.8 million), 30 round magazines (\$4.0 million). In addition, the USAR mobilized almost its entire inventory of petroleum, oil, and lubricant (POL) Bags (\$48.7 million), which are not expected to return from Iraq.

**Base Operations Support (BOS) (\$18.1 million):** A part of the BOS costs are due to extensive requirements for secure communications down to the Regional Support Center level. The Army Reserve incurred SIPRNET infrastructure costs due to GWOT (\$3.1 million). Additionally, costs were incurred to establish an adequate Chaplain Support network (\$11.0 million) and Family Support network (\$4.0 million). These costs, associated with Chaplain/Counselor training as well as costs to counsel the returning soldiers and family members are unfunded requirements directly associated with GWOT and OIF.

**Forces Readiness Operations Support (\$18.3 million):** Forces Readiness Support fronted funds to provide pre-mobilization medical/dental readiness in support of Army Reserve soldiers.

Approved (Signature and Date)  JUN 25 2003

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Sustainment Restoration Modernization (\$55.2 million). Due to GWOT, Army Reserve installations incurred extensive SRM costs including: traffic control point establishment (\$6.3 million), increased maintenance repair costs due to mobilizations at Fort Dix and Fort McCoy (\$25.9 million), secure barrier emplacements (\$20.2 million), and increased electricity and phone expenses bills due to 24 hour activities at the operations centers (\$2.8 million).

**NAVY FY 2003 REPROGRAMMING INCREASES:** **+58,100** **+18,100**

**Operation and Maintenance, Marine Corps, 03/03** **+45,500** **+5,500**

Budget Activity 1: Operating Forces

	4,373,342	4,382,349	+45,500	+5,500	4,427,849
					<b>4,387,849</b>

Small Arms Protective Inserts - \$+5.5 million: This increase will assist the Marine Corps in achieving the acquisition objective and ensuring every Marine will be outfitted with the Small Arms Protective Inserts (SAPI). Currently, the SAPI are partially fielded but not in sufficient quantities to outfit all Marines. This item has been credited with saving lives in Iraq and will continue to save more lives in current operations.

Intermediate-level maintenance - \$+40.0 million: Funds intermediate-level maintenance necessary to turn assets around for redeployment in the event of new operational contingencies. Intermediate-level maintenance includes such functions as vehicle overhauls, electronic equipment repairs, secondary repairables and other items. Maintenance is performed on major items such as amphibious tractors, High Mobility Multi-Purpose Wheeled Vehicles (HMMWV) and other trucks, tanks and artillery (which could include replacing the engine, wheels, track, machine guns, radios, radiators, engines, alternators, transmissions, differentials, hoses, belts, filters, canvas, windshields, etc.); air conditioners, computers, machine guns, ammunition loaders, and other items that can be replaced by the intermediate-level maintenance units. Equipment used during intermediate maintenance would include M155 artillery tubes, optics, hydraulics and tires that need replacing. Performing maintenance at the intermediate level mitigates more costly and timely referrals to depot activities, ensuring a faster turn around time to meet national command authority needs.

**Source denied by the HAC and SAC**

**Operation and Maintenance, Marine Corps Reserve, 03/03** **+12,600**

Budget Activity 1: Operating Forces

	174,576	174,836	+12,600	187,436
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The increase in funding will procure required inventories of Small Arms Protective Inserts (\$3.0 million), Lightweight Helmets (\$3.0 million), and Improved Load Bearing Equipment (\$6.6 million).

Small Arms Protective Inserts (SAPI) are partially fielded but not in sufficient quantities to outfit all Marines. This item is in high demand for current operations and has been credited with saving lives in Iraq. The additional funding will assist the Marine Corps in achieving the acquisition objective for this item.

The Lightweight Helmets will replace the current Marine helmet with one that provides the same area of coverage, is lighter, and incorporates improved ballistics protection with a more stable and comfortable suspension system that reduces neck stress and unwanted movement of the helmet. Initial production is slated to begin in the fourth quarter fiscal year 2003.

The Improved Load Bearing Equipment (ILBE ) program is intended to correct deficiencies associated with the current Modular Lightweight Load Carrying Equipment (MOLLE) system. The ILBE is a load carrying system designed to provide a durable and lightweight means for the deployed Marine to transport individual combat clothing and equipment during combat.

<b><u>AIR FORCE FY 2003 REPROGRAMMING INCREASES:</u></b>	<b><u>+96,013</u></b>
<b><u>Operation and Maintenance, Air National Guard, 03/03</u></b>	<b><u>+5,000</u></b>
<u>Budget Activity 1: Operating Forces</u>	4,252,502      +5,000      4,257,502

The funds are needed to repair taxiways and aprons on the Air National Guard 101<sup>st</sup> Air Refueling Wing runway at Bangor International Airport.

<b><u>Military Personnel, Air Force, 03/03</u></b>	<b><u>+91,013</u></b>
<u>Budget Activity 1: Pay and Allowances of Officer</u>	6,871,065      6,906,002      +18,200      6,924,202
<u>Budget Activity 2: Pay and Allowances of Enlisted Personnel</u>	13,278,060      13,444,704      +72,813      13,517,517

Members of the Air National Guard (ANG) have been called to active duty, and are now deployed in support of Operation Iraqi Freedom (OIF). The Military Personnel, Air Force appropriation finances ANG members when they are mobilized.

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**DEFENSE-WIDE FY 2003 REPROGRAMMING INCREASES:** **+465**

**Office of the Inspector General, Defense, 03/03** **+465**

**Budget Activity 1: Operation and Maintenance** **+465**

The Department has established the objective to achieve a qualified audit opinion on the FY 2004 DoD-wide financial statements. These funds will support critical mission-related travel requirements assisting the effort to meet the near-term goal. The increased travel is required to conduct financial statement audits of the DoD Agencies and Military Departments.

**TOTAL FY 2003 REPROGRAMMING DECREASES:** **-329,578** **-289,578**

**ARMY FY 2003 REPROGRAMMING DECREASES:** **-175,000**

**Reserve Personnel, Army 03/03** **-175,000**

**Budget Activity 1: Unit and Individual Training** 1,703,964 -175,000 1,528,964

Due to the large number of Army Reserve soldiers mobilized, the soldiers are not available to perform annual training or inactive duty training. As a result less funding is required in Pay Group A (-\$161.0 million) and Pay Group B (-\$14.0 million). These funds are available to reprogram to higher priority emerging requirements.

**NAVY FY 2003 REPROGRAMMING DECREASES** **-18,100**

**Reserve Personnel, Marine Corps, 03/03** **-18,100**

**Budget Activity 1: Unit and Individual Training** 325,484 325,484 -18,100 307,384

Reserve personnel are unavailable to perform annual training and drilling due to mobilization in support of Operation Iraqi Freedom.

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a		b	c	d	e	f	g	h	i
<b><u>AIR FORCE REPROGRAMMING DECREASE:</u></b>						<b><u>-96,013</u></b>			
<b><u>National Guard Personnel, Air Force, 03/03</u></b>						<b><u>-96,013</u></b>			
<b><u>Budget Activity 2: Other Training Support</u></b>									
		1,168,286			1,221,594	-96,013		1,125,581	
National Guard personnel are unavailable to perform annual training and drilling due to their mobilization in support of Operation Iraqi Freedom.									
<b><u>DEFENSE-WIDE REPROGRAMMING DECREASES:</u></b>						<b><u>-40,465 -465</u></b>			
<b><u>Operation and Maintenance, Defense-Wide, 03/03</u></b>						<b><u>-465</u></b>			
<b><u>The Joint Staff</u></b>						578,163	-465	577,698	
Funds are available due to the slow execution of the Joint Chiefs Staff exercise program. The on-going contingencies forced the cancellation and/or curtailment of some exercises.									
<b><u>Procurement, Defense Health Program, 03/05</u></b>						<b><u>-40,000 =</u></b>			
<b><u>Budget Activity 3: Procurement</u></b>						3,951,300	-40,000	-	3,911,300
						3,951,300			
Funds are available due to the deferred acquisition of information management systems end user devices and a limited re-phasing of the equipment replacement cycle.									
<b>HAC and SAC denied the source.</b>									