

Subject: Overseas Contingency Operations (OCO) Request		DoD Serial Number: FY 14-13 PA
Appropriation Title: Various Appropriations		Includes Transfer Yes

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

This reprogramming action is submitted for prior approval because this action uses special transfer authority, exceeds established reprogramming thresholds, and affects congressional special interest items. This reprogramming action provides funding in support of higher priority items, based on unforeseen military requirements, than those for which originally appropriated; and are determined to be necessary in the national interest. The adjustments meet all administrative and legal requirements, and none of the items have previously been denied by the Congress.

This reprogramming action transfers or realigns \$1,908.855 million among various FY 2014 Title IX Overseas Contingency Operations (OCO) Defense appropriations. This reprogramming action uses \$1,890.855 million of special transfer authority pursuant to section 9002 of Title IX OCO of division C of Public Law 113-76, the Department of Defense (DoD) Appropriations Act, 2014.

FY 2014 REPROGRAMMING INCREASES: **+1,908,855** **+339,802**

ARMY INCREASES: **+419,426** **+15,426**

Aircraft Procurement, Army, 14/16 **+404,000**

Budget Activity 01: Aircraft

AH 64 Apache Block IIIA Reman

	42	608,469	42	608,469	+21	+404,000	63	1,012,469
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Explanation: Funds are required to procure 21 AH 64E Apache helicopters. These Apache helicopters will replace 21 OH 58D Kiowa Warrior battle loss aircraft, as the Apache now assumes the Armed Scout role previously filled by the Kiowa Warrior. These additional Apache aircraft will help the Army reach its acquisition objective earlier, contribute to manned-unmanned teaming, and reduce overall unit costs by increasing production efficiencies. Funding for these 21 aircraft would be executed in FY 2015 along with the 25 aircraft requested in the FY 2015 President's Budget. This would bring the program up to 46 aircraft in FY 2015, close to the minimum sustaining rate of 48 aircraft. Accelerating the production of the AH 64Es will also reduce the operational risk caused by the termination of the Kiowa Warrior program. This is an OCO budget requirement.

HAC Denied

Missile Procurement, Army, 14/16 **+15,426**

Budget Activity 02: Other Missiles

Hellfire Sys Summary	550	56,464	550	56,464	+150	+15,426	700	71,890
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Explanation: Funds are required to replenish Hellfire missiles used for Operation ENDURING FREEDOM. This is an OCO budget requirement.

Approved (Signature and Date)

Michael McCord

September 8, 2014

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<u>NAVY INCREASES:</u>						<u>+1,030,453</u>		<u>+150,000</u>
<u>Operation and Maintenance, Navy, 14/14</u>						<u>+150,000</u>		
<u>Budget Activity 01: Operating Forces</u>								
	36,901,396		37,841,583			<u>+150,000</u>		37,991,583

Explanation: Funds are required for the following:

- \$+70.0 million for increases in aviation fuel and maintenance costs supporting contingencies in the Middle East due to higher than projected flying levels supporting missions in the area of operations. This is an OCO budget requirement.
- \$+80.0 million to support higher than budgeted costs for fleet surface ship maintenance resulting from extended deployments. This includes material and contract costs for FY 2014 inductions, continuous maintenance, and intermediate level work packages. This is an OCO budget requirement.

<u>Aircraft Procurement, Navy, 14/16</u>						<u>+880,453</u>		
<u>Budget Activity 01: Combat Aircraft</u>								
<u>JSF STOVL</u>	6	1,176,498	6	1,176,498	+6	<u>+852,000</u>	12	2,028,498

Explanation: Funds are required to procure six JSF STOVL F-35B aircraft to replace the six AV-8Bs destroyed at Forward Operating Base Camp Bastion in Afghanistan in September 2012. These battle losses resulted in the early stand down of one aircraft squadron and exacerbated the shortfall in the Marine Corps legacy Tactical Aircraft Fleet. This procurement will provide increased mission assurance for operational JSF STOVL F-35B squadrons. This is a congressional special interest item. This is an OCO budget requirement.

HAC Denied

<u>Budget Activity 06: Aircraft Spares and Repair Parts</u>								
<u>Spares and Repair Parts</u>		990,014		1,081,804		<u>+28,453</u>		1,110,257

Explanation: Funds are required to procure initial spares for the six F-35 aircraft proposed for procurement as replacements for the 2012 AV-8B combat losses at Forward Operating Base Camp Bastion in Afghanistan. This is a congressional special interest item. This is an OCO budget requirement.

HAC Denied

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AIR FORCE INCREASES: **+430,976** **+174,376**

Aircraft Procurement, Air Force, 14/16 **+256,600**

Budget Activity 01: Combat Aircraft

F-35	19	2,889,602	19	2,889,602	+2	<u>+247,510</u>	21	3,137,112
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Explanation: Funds are required to procure two F-35 aircraft to replace two F-15 aircraft lost in combat in the U.S. Central Command (CENTCOM) area of responsibility (AOR) during 2012-2013. This is a congressional special interest item. This is an OCO budget requirement.

HAC Denied

Budget Activity 06: Aircraft Spares and Repair Parts

Spares and Repair Parts	268,285	268,285	+9,090	277,375
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Explanation: Funds are required to procure initial spares for the two F-35 aircraft proposed for procurement as replacements for the F-15 fighter combat losses in the CENTCOM AOR during the 2012-2013 timeframe. This is a congressional special interest item. This is an OCO budget requirement.

HAC Denied

Procurement of Ammunition, Air Force, 14/16 **+16,500**

Budget Activity 01: Procurement of Ammo, Air Force

General Purpose Bombs	224,911	224,911	+16,500	241,411
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Explanation: Funds are required to support an Urgent Operational Need requirement to procure a specific mission critical modification on GBU-57 Massive Ordnance Penetration (MOP). Additional information is available at a higher classification level upon request. This is an OCO budget requirement.

Research, Development, Test, and Evaluation, Air Force, 14/15 **+157,876**

Budget Activity 04: Advanced Component Development and Prototypes

PE 0604327F Hard and Deeply Buried Target Defeat System (HDBTS) Program

5,103	5,103	+104,500	109,603
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Explanation: Funds are required to support an Urgent Operational Need requirement to develop a specific mission critical modification on GBU-57 Massive Ordnance Penetration (MOP) and to perform developmental testing. Additional information is available at a higher classification level upon request. This is an OCO budget requirement.

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Classified Programs **+53,376**

Explanation: Funds are required for a classified program. The details are classified and will be provided under separate cover. Additional funding to complete this effort is required and will be addressed in the FY 2016 President’s Budget. This is an OCO budget requirement.

~~**DEFENSE-WIDE INCREASE:**~~ ~~**+28,000**~~

~~**Operation and Maintenance, Defense-Wide, 14/14**~~ ~~**+28,000**~~

<u>United States Special Operations Command</u>	7,026,137	7,079,728	+28,000	7,107,728
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~~Explanation: Funds are required to support the ongoing advise and assist efforts by the assessment teams in Iraq. The teams are focused on assessing the strength and cohesion of the Iraqi security force, strength and locations of Islamic State of Iraq and Syria (ISIS), and protection of Embassy personnel. This is an OCO budget requirement.~~

HAC Denied and HASC Deferred

FY 2014 REPROGRAMMING DECREASES: ~~**-1,908,855**~~ ~~**-339,802**~~

ARMY DECREASES: ~~**-1,890,855**~~ ~~**-321,802**~~

Operation and Maintenance, Army, 14/14 ~~**-1,890,855**~~ ~~**-321,802**~~

<u>Budget Activity 01: Operating Forces</u>	43,558,583	43,471,641	-1,748,425	41,723,216
			-321,802	43,149,839

Explanation: Funds are available from the following activities:

- ~~• \$ 62.006 million due to reduced requirements for contract linguists due to the accelerated reduction in the number of deployed units. This is Title IX OCO budget funding.~~
- ~~• \$ 80.444 million due to lower base support requirements associated with the accelerated drawdown of forward operating bases. This is Title IX OCO budget funding.~~
- ~~• \$ 230.009 million due to decreases in contract logistic support (CLS) requirements for theater provided equipment due to the accelerated reduction in the number of deployed units and their associated equipment. This is Title IX OCO budget funding.~~
- ~~• \$ 392.504 \$-321.802 million due to decreases in maintenance, sustainment, and CLS requirements for aviation equipment and systems operating within the CENTCOM AOR. The lower requirements are attributable to an accelerated reduction in the number of deployed aviation units. This is Title IX OCO budget funding.~~

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- ~~\$ 471.0 million due to decreases in supplies, equipment, and contract costs for counter improvised explosive device (C-IED) measures due to a reduction in the number of deployed units in the CENTCOM theater and a reduced threat level to forces in Afghanistan. Funds are also available as a result of an accelerated drawdown of forward operating bases requiring reduced civilian and contractor support. This is Title IX OCO budget funding.~~
- ~~\$ 512.462 million due to lower aviation support requirements, lower OPTEMPO costs for spare parts and fuel, and reduced Logistic Civilian Augmentation Program (LOGCAP) requirements. The lower requirements are attributable to an accelerated reduction in the number of deployed units and the accelerated drawdown of forward operating bases. This is Title IX OCO budget funding.~~

OUSD(C) adjustment to balance to approved requirements

Budget Activity 04: Administration and Servicewide Activities

	15,302,766	14,679,257	142,430	14,536,827
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Explanation: Funds are available from the following:

- ~~\$ 28.430 million due to lower than expected costs due to a theater decision to reduce forward operating bases at a faster pace, requiring fewer Law Enforcement Program assets in theater. This is Title IX OCO budget funding.~~
- ~~\$ 114.0 million due to a security contract that could not be renewed under the President of Afghanistan's new decree on private security firms operating in the country. Security must now be provided by the Afghanistan National Army. These funds are no longer needed. This is Title IX OCO budget funding.~~

OUSD(C) adjustment to balance to approved requirements

<u>DEFENSE-WIDE DECREASE:</u>	<u>-18,000</u>
<u>Operation and Maintenance, Defense-Wide, 14/14</u>	<u>-18,000</u>
<u>Defense Security Cooperation Agency</u>	
1,154,895	1,154,895
	<u>-18,000</u>
	1,136,895

Explanation: Funds are available from the Lift and Sustain program due to reduced number of coalition partners. This is Title IX OCO budget funding.