

Subject: Operation FREEDOM'S SENTINEL and Other Priorities Prior Approval		DoD Serial Number: FY 16-13 PA
Appropriation Title: Various Appropriations		
		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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a	b	c	d	e	f	g	h	i

This reprogramming action is submitted for prior approval because this action uses general transfer authority, exceeds established reprogramming thresholds, and affects congressional special interest items. This action reprograms funds in support of higher priority items, based on unforeseen military requirements than those for which originally appropriated; and is 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.

Part I of this reprogramming action transfers or realigns \$147.247 million among Fiscal Year (FY) 2016 Defense appropriations. This reprogramming action uses \$134.941 million of general transfer authority pursuant to section 8005 of division C of Public Law 114-113, the Department of Defense (DoD) Appropriations Act, 2016, and section 1001 of Public Law 114-92, the National Defense Authorization Act for FY 2016.

Part II of this reprogramming action transfers \$1,568.565 million from the Defense Working Capital Fund appropriation to various Operation and Maintenance, 16/16, appropriations pursuant to section 8008 of division C of Public Law 114-113, the DoD Appropriations Act, 2016.

PART I – FY 2016 GENERAL TRANSFER AUTHORITY (Section 8005)

<u>FY 2016 REPROGRAMMING INCREASES:</u>	<u>+147,247</u>
<u>NAVY INCREASES:</u>	<u>+98,347</u>
<u>Military Personnel, Navy, 16/16</u>	<u>+98,347</u>
<u>Budget Activity 01: Pay and Allowances of Officers</u>	
7,755,648	7,755,648
	<u>+43,051</u>
	7,798,699

Explanation: Funds are required for officer base pay, retired pay accrual, basic allowance for housing (BAH), basic allowance for subsistence (BAS), special pays, allowances, and social security due to higher than planned mobilization of 287 reserve officers in support of Overseas Contingency Operations (OCO) eligible activities. This is an OCO budget requirement.

Approved (Signature and Date)

Michael McCord April 12, 2016

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Budget Activity 02: Pay and Allowances of Enlisted Personnel
17,864,547 17,864,547 +50,624 17,915,171

Explanation: Funds are required for the following:

- \$+44.771 million for enlisted personnel base pay, retired pay accrual, basic allowance for housing (BAH), special pays, allowances, and social security due to higher than planned mobilization of 570 reserve enlisted personnel in support of OCO-eligible activities. This is an OCO budget requirement.
- \$+5.853 million for higher than planned enlisted personnel Hostile Fire Pay, Hardship Duty Pay, and Family Separation Allowances for Active Component personnel in support of OCO-eligible activities. This is an OCO budget requirement.

Budget Activity 04: Subsistence of Enlisted Personnel
1,241,004 1,241,004 +4,672 1,245,676

Explanation: Funds are required for the following:

- \$+2.377 million for Basic Allowance for Subsistence (BAS) requirements due to higher than planned mobilization of 570 reserve enlisted personnel in support of OCO-eligible activities. This is an OCO budget requirement.
- \$+2.295 million for Subsistence-in-Kind (SIK) requirements due to 12 percent higher than budgeted usage of Navy managed dining facilities by personnel at Camp Lemonier, Djibouti and ISA Air Base, Bahrain. This is an OCO budget requirement.

DEFENSE-WIDE INCREASES: **+48,900**

Research, Development, Test, and Evaluation, Defense-Wide, 16/17 **+48,900**

Budget Activity 02: Applied Research
PE 0602234D8Z Lincoln Laboratory Research Program
50,925 50,925 +4,300 55,225

Explanation: Funds are required to support development of the Missile Defeat Enterprise (MDE) to improve national response to specific threats by integrating Department of Defense and Intelligence Community efforts. Additional classified details will be provided under a separate cover. This is a base budget requirement.

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Budget Activity 03: Advanced Technology Development

PE 0603160BR Counterproliferation Initiatives – Proliferation Prevention and Defeat	290,310	290,310	+14,600	304,910
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Explanation: Funds are required to support development of the Missile Defeat Enterprise (MDE) to improve national response to specific threats by integrating Department of Defense and Intelligence Community efforts. Additional classified details will be provided under a separate cover. This is a base budget requirement.

PE 0603699D8Z Emerging Capabilities Technology Development	40,949	40,949	+30,000	70,949
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Explanation: Funds are required to support development of the Missile Defeat Enterprise (MDE) to improve national response to specific threats by integrating Department of Defense and Intelligence Community efforts. Additional classified details will be provided under a separate cover. This is a congressional special interest item. This is a base budget requirement.

FY 2016 REPROGRAMMING DECREASES: **-147,247**

FY 2016 NAVY DECREASES: **-12,306**

Military Personnel, Navy, 16/16 **-12,306**

<u>Budget Activity 05: Permanent Change of Station Travel</u>	922,745	922,745	-8,370	914,375
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Explanation: Funds are available due to lower than planned execution of operational and rotational travel including 45 fewer operational moves, and 624 fewer rotational moves, and less expensive move rates based on lower than anticipated actual FY 2016 move rates. This is Title IX OCO budget funding.

<u>Budget Activity 06: Other Military Personnel Costs</u>	169,532	169,532	-3,936	165,596
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Explanation: Funds are available as follows:

- \$-1.9 million due to lower than planned unemployment compensation. This is Title IX OCO budget funding.
- \$-0.236 million due to lower than planned death gratuity payments. This is Title IX OCO budget funding.
- \$-1.8 million due to lower than planned Traumatic Servicemembers Group Life Insurance (T-SGLI) premiums paid on behalf of Servicemembers. This is Title IX OCO budget funding.

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DEFENSE-WIDE DECREASE: **-134,941**

Defense Working Capital Fund, Defense-Wide, X **-134,941**

Explanation: Funds are available from excess working capital funds cash balances due to lower than budgeted fuel costs. After the reprogramming, the cash balance will remain within the FY 2016 upper and lower operational requirement.

PART II – FY 2016 WORKING CAPITAL FUND TRANSFER AUTHORITY (Section 8008)

FY 2016 REPROGRAMMING INCREASES: **+1,568,565**

ARMY INCREASES: **+1,367,435**

Operation and Maintenance, Army, 16/16 **+1,367,435**

<u>Budget Activity 01: Operating Forces</u>	30,676,122	30,875,131	+1,163,317	32,038,448
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Explanation: Funds are required for the following due to the Administration's October 2015 decision to maintain a troop presence of 9,800, vice the budgeted 5,500, in Afghanistan throughout calendar year 2016:

- \$+563.074 million to support funding shortfalls for fuel, consumables, repair parts, and medical supplies and services. This is an OCO budget requirement.
- \$+205.174 million to support funding shortfalls for increased contractor-provided support for linguists, base support and security, and intra-theater transportation. This is an OCO budget requirement.
- \$+197.772 million to support funding shortfalls in Logistics Civil Augmentation Program (LOGCAP), which provides operational support to the deployed warfighter, civilians, and contract personnel in the form of food preparation, power generation, water production, and delivery, and other basic life support functions. This is an OCO budget requirement.
- \$+154.914 million to support funding shortfalls for in-theater maintenance and contractor logistic support for aviation assets, unmanned aerial systems, theater provided equipment, and force protection equipment. This is an OCO budget requirement.
- \$+42.383 million to support funding shortfalls in incremental pay and temporary civilian personnel hires. This is an OCO budget requirement.

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Budget Activity 04: Administration and Servicewide Activities
 10,417,848 10,963,188 **+204,118** 11,167,306

Explanation: Funds are required for the following due to the Administration's October 2015 decision to maintain a troop presence of 9,800, vice the budgeted 5,500, in Afghanistan throughout calendar year 2016:

- \$+40.645 million to support funding shortfalls for increased equipment and subsistence transportation costs. This is an OCO budget requirement.
- \$+23.679 million to support funding shortfalls for increased ammunition shipments in theater. This is an OCO budget requirement.
- \$+139.794 million to support funding shortfalls due to increased requirements for the United States Army Corps of Engineer to maintain and operate their geospatial system, BUCKEYE, that provides real-time imagery of the local terrain and geography. Ground and air operations rely on this accurate data for logistic and operational planning purposes. This is an OCO budget requirement.

NAVY INCREASE: **+23,000**

Operation and Maintenance, Marine Corps, 16/16 **+23,000**

Budget Activity 04: Administration and Servicewide Activities
 538,460 538,460 **+23,000** 561,460

Explanation: Funds are required due to the United States Transportation Command and the Defense Logistics Agency over-ocean transportation billing methodology change implemented on July 10, 2015, which now utilizes Service troop presence in specific regions. The "Boots on Ground" methodology assigns fair share costs of the total transportation bill and is deemed financial improvement and audit readiness compliant. As a result, transportation rates increased creating this additional requirement to support Operation FREEDOM'S SENTINEL. This is an OCO budget requirement.

DEFENSE-WIDE INCREASES: **+178,130**

Operation and Maintenance, Defense-Wide, 16/16 **+178,130**

Special Operations Command
Budget Activity 01: Operating Forces
 7,126,254 7,191,746 **+143,130** 7,334,876

Explanation: Funds are required to support the following for USSOCOM counterterrorism (CT) operations, enabler, and training forces:

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- \$+15.0 million to support Operation INHERENT RESOLVE (OIR) funding shortfalls for CT operations command, control, communications, computers, and information support to include bandwidth, software, and hardware. This is an OCO budget requirement.
- \$+25.0 million to support OIR funding shortfalls for CT operations training, airlift, and transportation. This is an OCO budget requirement.
- \$+62.0 million to support OIR funding shortfalls for CT operations contract support for intelligence, linguists, and processing, evaluation and dissemination analysis. This is an OCO budget requirement.
- \$+15.0 million to support OIR funding shortfalls for CT operations logistical support. This is an OCO budget requirement.
- \$+7.030 million to support OIR funding shortfalls for Family of Special Operations Vehicles contractor logistics support for equipment maintenance, life cycle sustainment, and transportation to and from repair locations. This is an OCO budget requirement.
- \$+3.9 million to support OFS funding shortfalls for the Mobile Technology and Repair Complex contractor logistics support for equipment maintenance. This is an OCO budget requirement.
- \$+15.2 million to support OFS funding shortfalls for non-standard aviation contractor logistics support and aviation maintenance and sustainment. This is an OCO budget requirement.

Defense Security Service

Budget Activity 04: Administration and Servicewide Activities

	546,845	546,845	+35,000	581,845
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Explanation: Funds are required to support increased costs for the security background investigations for contractor staff. The increased costs are due to the Office of Personnel Management increasing rates for background investigative services to cover necessary enhancements and upgrades to their information technology security systems. This is a base budget requirement.

FY 2016 REPROGRAMMING DECREASE: **-1,568,565**

DEFENSE-WIDE DECREASE: **-1,568,565**

Defense Working Capital Fund, Defense-Wide, X **-1,568,565**

Explanation: Funds are available from excess working capital funds cash balances due to lower than budgeted fuel costs. After the reprogramming, the cash balance will remain within the FY 2016 upper and lower operational requirement.