

Subject: July 2019 Request	DoD Serial Number: FY 19-11 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	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This prior approval reprogramming action is submitted for approval because these actions use general transfer authority, exceed established reprogramming thresholds, or affect 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. They 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 \$439.116 million among Fiscal Year (FY) 2019 Defense appropriations. This reprogramming action uses \$314.685 million of general transfer authority pursuant to section 8005 of division A of Public Law 115-245, the Department of Defense (DoD) Appropriations Act, 2019; and section 1001 of Public Law 115-91, the John S. McCain National Defense Authorization Act for Fiscal Year 2019.

Part II of this reprogramming action transfers \$500.0 million from the Foreign Currency Fluctuations, Defense (FCF,D) appropriation to the Defense Working Capital Fund, Defense-Wide, X, appropriation, pursuant to section 8008 of division A of Public Law, 115-245, the DoD Appropriations Act, 2019.

PART I

<u>FY 2019 REPROGRAMMING INCREASES:</u>	<u>+439,116</u>	<u>+299,098</u>
<u>ARMY INCREASES</u>	<u>+193,738</u>	<u>+179,567</u>
<u>National Guard Personnel, Army, 19/19</u>	<u>+182,867</u>	<u>+172,067</u>
<u>Budget Activity 01: Reserve Component Training and Support</u>		
8,955,034	8,955,034	
	<u>+182,867</u>	9,137,901
	<u>+172,067</u>	9,127,101

Explanation: Funds are required for fourth quarter pay and allowances of full-time Active Guard and Reserve (AGR) personnel providing day-to-day operations of the Army Guard. Accounts have been depleted due to the National Guard mission on the southern border. Additional expenses for pay, allowances, and travel for activated personnel have been internally resourced within existing AGR funding and must be replenished to support planned activities and protect readiness. This is a base budget requirement.

Implemented August 20, 2019
OUSD(C) adjusted to match approved sources

Approved (Signature and Date)

Elaine M. Gustafson

7/19/19

Subject: July 2019 Request		DoD Serial Number: FY 19-11 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	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

<u>Operation and Maintenance, Army National Guard, 19/19</u>					<u>+3,371</u>			
Budget Activity 01: Operating Forces								
		6,836,753		6,836,753		+3,371		6,840,124

Explanation: Funds are required for operational costs (e.g., contract lodging and rental vans) associated with the Army National Guard support to the southern border mission. These funds are required to replenish support for planned activities and to support readiness. This is a base budget requirement.

SAC and SASC Deferred

<u>Research, Development, Test, and Evaluation, Army, 19/20</u>					<u>+7,500</u>			
Budget Activity 04: Advanced Component Development and Prototypes								
PE 1206308A Army Space Systems Integration								
		38,307		38,307		+7,500		45,807
(Implemented 9/24/2019)						+6,826		
(Implemented 9/26/2019)						+674		

Explanation: Funds are required to develop a Battle Management Command and Communication (BMC2) capability to meet prototyping and procurement benchmarks prior to a targeted FY 2023 launch date. The BMC2 will provide the capability to task payloads, fuse data, and disseminate information to the tactical warfighter via existing Army systems and networks in support of sensor-to-shooter operations. This is a **new start**. The estimated total cost of this new start effort is \$93.5 million. The funding required for the follow-on efforts will be requested in the Army Space Systems Integration line, PE 1206308A, in future President's Budget requests. This is a base budget requirement.

NAVY INCREASES **+116,931**

<u>Military Personnel, Navy, 19/19</u>					<u>+116,931</u>			
Budget Activity 02: Pay and Allowances of Enlisted								
		19,647,367		19,647,367		+116,931		19,764,298

Explanation: Funds are required for the following programs:

- Enlisted Basic Pay (\$+36.3M), Retired Pay Accrual (RPA) (\$+11.0M), Federal Income Contributions Act (FICA) (\$+2.8M) and Basic Allowance for Housing (BAH) (\$+15.8M) due to overexecution of 1,020 enlisted workyears. This is base budget funding.
- Enlisted BAH (\$+51.0M) due to higher than projected number of members receiving BAH with and without dependents. This is base budget funding.

Implemented September 24, 2019

Subject: July 2019 Request		DoD Serial Number: FY 19-11 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	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

AIR FORCE INCREASES **+125,847**

Operation and Maintenance, Air Force, 19/19 **+125,847**

Budget Activity 01: Operating Forces

40,853,734 40,853,734 **+97,336** 40,951,070

Explanation: Funds are required to support deployments to the U.S. Central Command (USCENTCOM) area of responsibility (AOR) and beddown support for additional aircraft. Beddown requirements include vehicles, installation support services, solar sails, HVAC unit, and transportation of cargo, equipment, and personnel. The related build out includes site work, runway pavement, cargo yard, defense artillery battalion positions, hangar repair, and communications center. This is an OCO budget requirement.

Budget Activity 02: Mobilization

2,719,214 2,719,214 **+28,511** 2,747,725

Explanation: Funds are required to support deployments to the USCENTCOM AOR. Costs include KC-135 aircrew and inter-theater airlift support, as well as consumables and non-accountable equipment to support operations. This is an OCO budget requirement.

HAC, HASC, and SAC Deferred

DEFENSE-WIDE INCREASES **+2,600**

Procurement, Defense-Wide, 19/21 **+1,100**

Special Operations Command

Budget Activity 02: Special Operations Command

Warrior Systems <\$5M 458,499 469,699 **+1,100** 470,799

Explanation: Funds are required to procure Joint Terminal Attack Controller (JTAC) Virtual Trainers for integration into existing U.S. Special Operations Command (USSOCOM) simulators. The trainers will have three configurations: a full immersive system, classroom system, and deployable system. The immersive and classroom configurations provide a full realistic simulation which addresses multiple phases of training to include proficiency, readiness, and mission preparation. The deployable configuration is to train U.S. Special Operations Forces (SOF) JTACs and enhance currency and proficiency without the use of live aircraft and munitions, as well as internal currency rehearsal requirements when a SOF JTAC is away from the garrison unit during training and or forward deployments. This is a Close Combat Lethality Task Force requirement. This is a base budget requirement.

Implemented September 26, 2019

Subject: July 2019 Request						DoD Serial Number: FY 19-11 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	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

Research, Development, Test, and Evaluation, Defense-Wide, 19/20					+1,500			
Budget Activity 07: Operational System Development								
PE 1160431BB Warrior Systems	74,582		74,582		+1,500		75,750	

Explanation: Funds are required to develop the architecture to integrate the Virtual Trainers into existing USSOCOM simulators. The training system will be used by SOF Components to support certification, qualification, critical task list training, and mission rehearsal requirements. This is a Close Combat Lethality Task Force requirement. This is a base budget requirement.

Implemented September 26, 2019

PART I

<u>FY 2019 REPROGRAMMING DECREASES:</u>					<u>-439,116</u>		<u>-299,098</u>
<u>ARMY DECREASES</u>					<u>-304,580</u>		<u>-182,167</u>
<u>Military Personnel, Army, 19/19</u>					<u>-297,080</u>		<u>-175,341</u>
Budget Activity 01: Pay and Allowances of Officers							
	13,947,823		13,947,823		<u>58,422</u>		13,889,401

Explanation: Funds are available from the following programs:

- ~~\$ 46.622 million in Basic Allowance for Housing (BAH) due to lower than budgeted rate increases (2.4% on average for Army vice 2.9% budgeted) effective January 1, 2019, and fewer with dependent BAH recipients. This is base budget funding.~~
- ~~\$ 11.8 million in Overseas Station Allowance (OSA) Cost of Living Adjustment (COLA). The FY 2019 budget request for OSA was based on FY 2017 execution rates. Since then, the Army has experienced significant decreases in OSA COLA payment rates due to changes in the local market surveys that establish rates for overseas locations. These decreases are not due to foreign currency exchange rate fluctuations. This is base budget funding.~~

Budget Activity 02: Pay and Allowances of Enlisted							
	26,396,997		26,396,997		<u>-238,658</u>		26,158,339
Implemented 8/20/2019					<u>-172,067</u>		26,224,930
Implemented 9/26/2019					<u>-3,274</u>		26,221,656

Explanation: Funds are available from the following programs:

- ~~\$ 193.758 \$130.441 million in Basic Allowance for Housing (BAH) due to lower than budgeted rate increases (2.4% on average for Army vice 2.9% budgeted) effective January 1, 2019, and fewer with dependent BAH recipients. This is base budget funding.~~

Subject: July 2019 Request		DoD Serial Number: FY 19-11 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	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

- \$-44.9 million in Overseas Station Allowance (OSA) Cost of Living Adjustment (COLA). The FY 2019 budget request for OSA was based on FY 2017 execution rates. Since then, the Army has experienced significant decreases in OSA COLA payment rates due to changes in the local market surveys that establish rates for overseas locations. These decreases are not due to foreign currency exchange rate fluctuations. This is base budget funding.

OUSD(C) adjusted to match approved requirements

<u>Research, Development, Test, and Evaluation, Army, 19/20</u>					<u>-7,500</u>		<u>-6,826</u>	
<u>Budget Activity 05: System Development and Demonstration</u>								
PE 0604802A Weapons and Munitions - Eng Dev								
		172,744		172,744		-146		172,598

Explanation: Funds are available because of delays in finalizing the requirements documents supporting the standardization of non-standard pyrotechnical battlefield effects currently used by Combat Training Centers. This is base budget funding.

PE 0604804A Logistics and Engineer Equipment - Eng Dev								
		76,388		76,388		-2,000		74,388

Explanation: Funds are available because the 3000 Gallon Tactical Water Purification Systems Milestone B decision has been postponed. This is base budget funding.

PE 0604808A Landmine Warfare/Barrier - Eng Dev								
		43,064		43,064		-1,980		41,084

Explanation: Funds are available from the Next Generation Advanced Bomb Suit (NGABS) due to a schedule delay. This is base budget funding.

PE 0605052A Indirect Fire Protection Capability Inc 2 - Block 1								
		132,283		132,283		-674		131,689

~~Explanation: Funds are available to implement the revised strategy as detailed in the IFPC Increment 2-I Acquisition Strategy Report to Congress dated October 31, 2018. This is base budget funding.~~

HASC Defers

PE 0605053A Ground Robotics		71,435		71,435		-2,700		68,735
-----------------------------	--	--------	--	--------	--	--------	--	--------

Explanation: Funds are available because all requirements have been met and the program will sunset by the end of FY 2019. This is base budget funding.

Implemented September 24, 2019

Subject: July 2019 Request						DoD Serial Number: FY 19-11 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	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

<u>NAVY DECREASES</u>						<u>-116,931</u>		
<u>Military Personnel, Navy, 19/19</u>						<u>-116,931</u>		
<u>Budget Activity 01: Pay and Allowances of Officers</u>								
	8,407,743		8,412,385			-44,931		8,367,454

Explanation: Funds are available from the following programs:

- Officer Basic Pay (\$-32.5M), Retired Pay Accrual (RPA) (\$-9.9M) and Federal Income Contributions Act (FICA) (\$-2.5M) due to underexecution of 375 officer workyears. This is base budget funding.

<u>Budget Activity 05: Permanent Change of Station</u>								
	953,583		953,583			-56,000		897,583

Explanation: Funds are available due to lower cost per move for operational (\$-18.7M), rotational (\$-29.6M) and training (\$-7.7M) travel. The permanent change of station (PCS) program has been a significant contributor to undisbursed balances and this reduction lowers the rates in line with projected expenditures. This is base budget funding.

<u>Budget Activity 06: Other Military Personnel Costs</u>								
	129,011		129,011			-16,000		113,011

Explanation: Funds are available due to lower than projected number of Sailors receiving unemployment compensation payments. This is base budget funding.

Implemented September 24, 2019

<u>DEFENSE-WIDE DECREASES</u>						<u>-17,605</u>		
<u>Operation and Maintenance, Defense Wide, 19/19</u>						<u>-17,605</u>		
<u>Defense Security Cooperation Agency</u>								
<u>Budget Activity 04: Administration and Servicewide Activities</u>								
	879,694		870,144			-17,605		852,539

~~Explanation: Funds are available due to the lower than estimated execution of the initial manpower requirements to implement the security cooperation reform responsibilities mandated in the NDAA for FY 2017. The DSCA allocated \$27.155 million for security cooperation reform manpower requirements in FY 2019. To date, the DSCA identified \$9.550 million of requirements that were validated and executable in FY 2019. The remaining \$17.605 million is set to expire on September 30, 2019, and is available for other purposes, because there is insufficient time remaining in FY 2019 to develop, notify, and implement additional security cooperation programs using this funding. This is base budget funding.~~

HASC Defers

Subject: July 2019 Request		DoD Serial Number: FY 19-11 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	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

PART II

FY 2019 REPROGRAMMING INCREASE: **+500,000**

Defense Working Capital Fund, Defense, X **+500,000**
Defense Logistics Agency **+500,000**

Explanation: Funds are required in the Defense-Wide Working Capital Fund (DWWCF) to mitigate a cash shortfall resulting from efforts to support an increase in material readiness in the Defense Logistics Agency Supply Chain Management Activity Group in accordance with the 2018 National Defense Strategy.

Implemented August 20, 2019

FY 2019 REPROGRAMMING DECREASE: **-500,000**

Foreign Currency Fluctuations. Defense **-500,000**
970,000 615,997 **-500,000** 115,997

Explanation: Funds are available because of lower than estimated foreign currency losses resulting from the increase in the value of the U.S. dollar compared to foreign currency execution rates. Section 8008 of the Department of Defense Appropriations Act, 2019 authorizes the Department to transfer amounts from the Foreign Currency Fluctuations, Defense appropriation to Working Capital Funds to maintain amounts necessary for cash disbursements.

Implemented August 20, 2019