

DEPARTMENT OF DEFENSE

FY 2011 Overseas Contingency Operations

FOR

OPERATION IRAQI FREEDOM (OIF) AND

OPERATION ENDURING FREEDOM (OEF)



ARMY MILITARY PERSONNEL
FEBRUARY 2010

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MILITARY PERSONNEL OVERVIEW

Introduction

In response to the terrorist attacks on the United States on September 11, 2001, the President invoked his authority (10 U.S.C 12302) to order to active duty Ready Reserve members and delegated his authority to the Secretary of Defense in Proclamation 7463 of September 14, 2001. This declaration of national emergency has been extended, thereby continuing the authority to order to active duty Ready Reserve members. In order to sustain current military operations, funding is requested to finance the incremental costs (i.e., pay, allowances, subsistence, and other personnel costs) for personnel mobilized for duty in support of OIF and OEF and is in addition to ongoing daily military operations around the globe.

Major Budget Drivers

Afghanistan Surge

The FY 2010 and FY 2011 columns reflect \$610M (\$554.7M AC, \$22.1M USAR and \$33.2M NGB) and \$1,262M (\$1,121.8M AC, \$84.1M NGB and \$56.1M USAR) respectively for the additional requirements to support the increased numbers of mobilized Reservists and the increased deployment pays associated with the Active Component Soldiers for the Afghanistan Surge. On December 1, 2009 President Obama updated the Nation's plan for Afghanistan. The primary component of the plan being a temporary surge of an additional 30,000 U.S. troops that would begin deployment in early 2010 and will begin to re-deploy after 18 months. The surge drives an increased Reserve Component man-year requirement of 3,578 and 8,804 for FY 2010 and FY 2011 respectively.

Temporary End Strength Increase

In addition to the temporary surge, the FY 2010 and FY 2011 request provides funds (\$560M in FY 2010 and \$1,225M (\$1,108 MPA, \$117M MERHCF) in FY 2011) to increase the active duty Army end strength from a base of 547,400 to 569,400. This growth (7,000 above the FY 2010 level and 22,000 above the base funded end strength of 547,400) will be utilized based on the operational demand.

The persistent pace of operations has resulted in increasing numbers of forces unavailable for deployment, primarily due to temporary medical conditions, the mandate for 12 months of dwell time at home, and the decision to eliminate the practice of retaining Soldiers beyond their period of obligated service. The temporary growth will improve the fill of priority units, reduce personnel turbulence and improve unit manning within the Army Force Generation model (ARFORGEN) with no additional structure growth.

The temporary growth has targeted grades fill critical gaps across the force. The officer segment is focused on retiree recalls and is predominantly in the grades of Major to Colonel. This targeting of specific grades creates a set of rates that are higher than the Officer force in general. The growth plan on the Enlisted side is targeted towards new accessions primarily in the grades of Private to Private First Class. This grade change is apparent in the Active Component over-strength lines when analyzing the rates between FY 2009 and FY 2010.

Additional Mobilization Strength

The FY 2010 column has been increased above the enacted level by \$1,671M. As addressed above, \$610M of the amended FY 2010 Supplemental supports the Afghanistan surge. The balance, \$1,061M supports an additional mobilization ~13K man-years above the 73.4K originally requested.

This un-forecasted increase is driven by three primary causes.

1. Friction/Overlap for RC units was modeled at 90 days, actual time is 125 – this drives an approximately 1/12 increase to mobilization requirement due to:
 - Mobilization station training
 - Reception, Staging, Onward-movement & Integration (RSOI)
 - Medical
 - Implementation of Post Deployment Mobilization Respite Absence
2. Unit Fill Rates
 - Initial assumptions about the unit fill rates were adjusted from 86% to 93% for FY 2010.
 - Recent analysis shows personnel on-hand at 98% - this is a 5% increase above estimates.
 - Higher fill early in Mobilization to reach deployed strength level – incurs additional costs for Active Duty.
3. Contingency Active Duty for Operational Support (CO-ADOS)
 - The CO-ADOS population is a subset of the total mobilization population and consists of voluntary RC Soldiers supporting Contingency missions (e.g. OCO, OEF, OIF) as authorized by Section 12301(d), Title 10, U.S.C. These Soldiers are filling positions dictated by Joint Manning Documents (JMD), Mobilization TDAs and Base TDAs. These Soldiers support missions directly related to contingency operations, such as First Army trainers in CONUS, the Warrior in Transition Units, and Soldiers involved in RESET. There has been an increase in the number of CO-ADOS mobilizations since the estimate was developed for the FY 2010 submission.

This request includes **\$11,892 million** for Army military personnel costs as shown in the following tables:

	(\$ in thousands)				
	FY 2009	FY 2010	FY 2010	FY 2010	FY 2011
	Actuals	Enacted*	Supplemental	Totals	Requested
Summary by Appropriation					
Military Personnel, Army	11,835,514	9,551,840	1,615,809	11,167,650	10,678,409
MERHCF, Army					117,070
Reserve Personnel, Army	259,158	293,137	22,118	315,255	268,031
National Guard Personnel, Army	1,553,530	824,966	33,184	858,150	828,122
Total	13,648,202	10,669,943	1,671,111	12,341,054	11,891,632

* Excludes \$407M enacted for baseline requirements

Summary By Category
(\$ in thousands)

FY 2009 Actuals	Active Army	Army Reserve	Army Guard	Total
Reserve & Guard Mobilization	6,152,044			6,152,044
AC Deployment Costs	793,927			793,927
Other Mobilization and Deployment Costs *	176,141			176,141
Active Overstrength	1,914,182			1,914,182
Subsistence-In-Kind (SIK)	1,716,099			1,716,099
Recruiting and Retention	646,264	-	419,039	1,065,303
Permanent Change of Station	143,485			143,485
Casualty and Disability	293,372			293,372
Pre and Post Mobilization Training		- 259,158	1,134,491	1,393,649
Total Military Personnel	11,835,514	259,158	1,553,530	13,648,202

*Includes Unemployment Compensation, Reserve Income Replacement Program, Services Savings Deposits and Unrealized Collections for Basic Allowance for Subsistence.

(\$ in thousands)

<u>FY 2010 Enacted for OCO**</u>	<u>Active Army</u>	<u>Army Reserve</u>	<u>Army Guard</u>	<u>Total</u>
Reserve & Guard Mobilization	5,859,436			5,859,436
AC Deployment Costs	707,500			707,500
Other Mobilization and Deployment Costs *	290,934			290,934
Active Overstrength***	547,970			547,970
Subsistence-In-Kind (SIK)	1,728,276			1,728,276
Recruiting and Retention	-	-	-	-
Permanent Change of Station	150,985			150,985
Casualty and Disability	266,739			266,739
Pre and Post Mobilization Training	-	293,137	824,966	1,118,103
Total Military Personnel	9,551,840	293,137	824,966	10,669,943

*Includes Unemployment Compensation, Reserve Income Replacement Program, Services Savings Deposits and Unrealized Collections for Basic Allowance for Subsistence.

** Excludes \$407 million enacted for baseline requirements.

***Approved AC overstrength requirement is \$560,000 including \$12,030 which is categorized as SIK.

(\$ in thousands)

<u>FY 2010 Supplemental</u>	<u>Active Army</u>	<u>Army Reserve</u>	<u>Army Guard</u>	<u>Total</u>
Reserve & Guard Mobilization	1,384,079			1,384,079
AC Deployment Costs	36,935			36,935
Other Mobilization and Deployment Costs *	95,894			95,894
Active Overstrength	-			-
Subsistence-In-Kind (SIK)	74,725			74,725
Recruiting and Retention	-		-	-
Permanent Change of Station	7,367			7,367
Casualty and Disability	16,809		-	16,809
Pre and Post Mobilization Training	-	22,118	33,184	55,302
Total Military Personnel	1,615,809	22,118	33,184	1,671,111

*Includes Unemployment Compensation, Reserve Income Replacement Program, Services Savings Deposits and Unrealized Collections for Basic Allowance for Subsistence.

(\$ in thousands)

<u>FY 2010 Total for OCO**</u>	<u>Active Army</u>	<u>Army Reserve</u>	<u>Army Guard</u>	<u>Total</u>
Reserve & Guard Mobilization	7,243,515	-	-	7,243,515
AC Deployment Costs	744,435			744,435
Other Mobilization and Deployment Costs *	386,828			386,828
Active Overstrength***	547,970	-	-	547,970
Subsistence-In-Kind (SIK)	1,803,001	-	-	1,803,001
Recruiting and Retention	-	-	-	-
Permanent Change of Station	158,352	-	-	158,352
Casualty and Disability	283,548	-	-	283,548
Pre and Post Mobilization Training	-	315,255	858,150	1,173,405
Total Military Personnel	11,167,649	315,255	858,150	12,341,054

*Includes Unemployment Compensation, Reserve Income Replacement Program, Services Savings Deposits and Unrealized Collections for Basic Allowance for Subsistence.

** Excludes \$407 million enacted for baseline requirements.

***Approved AC overstrength requirement is \$560,000 including \$12,030 which is categorized as SIK.

(\$ in thousands)

<u>FY 2011 Total Request</u>	<u>Active Army</u>	<u>Army Reserve</u>	<u>Army Guard</u>	<u>Total</u>
Reserve & Guard Mobilization	6,607,410			6,607,410
AC Deployment Costs	545,388			545,388
Other Mobilization and Deployment Costs *	210,220			210,220
Active Overstrength**	1,125,325			1,125,325
Subsistence-In-Kind (SIK)	1,871,805			1,871,805
Recruiting and Retention	-	-		-
Permanent Change of Station	198,051			198,051
Casualty and Disability	237,280			237,280
Pre and Post Mobilization Training	-	268,031	828,122	1,096,153
Total Military Personnel	10,795,479	268,031	828,122	11,891,632

*Includes Unemployment Compensation, Reserve Income Replacement Program and Services Savings Deposits.

**Approved AC overstrength requirement is \$1,224,757. The remaining \$99,432 is categorized as PCS (\$69,035) and SIK (\$30,397).

The following table reflects mobilization and deployment assumptions as well as active over-strength estimates. Mobilization numbers include personnel deployed to theater as well as personnel remaining in CONUS supporting OEF and OIF. The FY 2010 and 2011 active component over-strength man-years support a temporary end strength increase of 15K and 22K active component Soldiers respectively. The over-strength in FY 2009 represents the accelerated growth above the base funded end strength of 532.4K.

	Average Strength		
	FY 2009	FY 2010	FY 2011
	Total	Total	Total
Active Army Deployment by IDP Payment	120,662	118,828	95,576
Reserve Component Deployment by IDP Payment	53,733	44,420	46,985
Total Hostile Fire Pay	174,395	163,248	142,561
Army Reserve Mobilization	28,347	29,449	28,703
Army National Guard Mobilization	55,393	56,912	52,846
Total RC Mobilization	83,740	86,361	81,547
Active Army Overstrength	29,133	10,582	19,528

The Army's current military personnel request of **\$11,891.6 million** is comprised of the following major costs:

Reserve & National Guard Mobilization (\$6,607.4 million)

- Basic military pay and entitlements (i.e., Basic Pay, Basic Allowance for Housing (BAH), retired pay accrual, social security contributions, and incentive pays) for Reserve and National Guard members on active duty to provide essential military operation support or backfill for those active personnel deployed overseas in support of OIF and OEF. This includes funding for Reserve Component members mobilized to support Wounded Warrior Transition Units.
- Special Pays for Mobilized Reserve and National Guard Personnel, primarily:
 - Hostile Fire Pay (HFP) (\$225 per month)
 - Family Separation Allowance (FSA) (\$250 per month)
 - Hardship Duty-location Pay (\$100 per month if deployed for less than 12 months and \$300 per month if deployed for more than 12 months)

- Assignment Incentive Pay & HDP Pay – (\$1,000 per month) – “Boots-on-ground” payment for Soldiers deployed beyond 12 months
- Basic Allowance for Subsistence (BAS) – for Reserve Component members in support of OIF and OEF.

Active Component Deployment Cost (\$545 million)

- Active Component Deployment Costs. Funds the incremental deployment pays required to support the Active Component Deployed Soldiers. These deployment pays include: Hostile Fire Pay (HFP) (\$225 per month), Family Separation Allowance (FSA) (\$250 per month) and Hardship Duty-location Pay (\$100 per month if deployed for less than 12 months and \$300 per month if deployed for more than 12 months).

Other Mobilization and Deployment Costs (\$210.2 million)

- Additional Mobilization/Deployment Benefits for unemployment benefits to ex-service members who are discharged or released under honorable conditions; the Reserve Income Replacement Program (RIRP); and Interest on Uniformed Services Savings Deposits payments authorized by Section 1035 of 10 U.S.C.

Active Component Over-strength and Active Component Temporary End Strength growth \$1,125.3 million)

- Active Component Over-strength: The active component over-strength lines in the FY 2009 column reflect the accelerated growth of end strength above the Army’s original grow the Army plan. The funds executed represent the basic military pay and entitlements (i.e., Basic Pay, Basic Allowance for Housing (BAH), BAS, unrealized collections, retired pay accrual, social security contributions, and incentive pays) for active deployed and an additional 29,133 man years in FY 2009.
- Active Component Temporary Strength Increase: As the Army has reached its 547,400 end strength goal in FY 2009 and has fully resourced the 547,400 end strength in the base budget request, the FY 2010 and FY 2011 columns of the Overseas Contingency Operations request does not include requirements for base end strength growth. In FY 2010 and FY 2011, the active component over-strength lines contain the resources required to temporarily grow the Army’s end-strength by 15,000 in FY 2010 (10,582 man years) and 22,000 in FY 2011 (19,528 man years). This temporary growth is designed to reduce stress on the force, maintain a minimum of 12 months of dwell time at home stations between deployments, and eliminate the need to hold Service members beyond their period of obligated service. The total estimated cost for Temporary End Strength is \$1,244.8M in FY 2011 (includes \$117.1M for MERHCF). In addition to the \$1,125.3M captured in this category, there are additional costs for SIK (\$30.4M) and PCS (\$69M).

Subsistence-In-Kind (SIK) Costs (\$1,871.8 million)

- Funds requested provide Subsistence-in-Kind (SIK) (food and drink) to all US military personnel while deployed in support of both OEF and OIF. SIK includes the cost of procuring subsistence for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Army provides subsistence in mess facilities and operational rations for members of all military services participating in Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF).

Permanent Change of Station (\$198.1 million)

- The Permanent Change of Station (PCS) program pays for the travel, transportation, storage and dislocation allowances for reassignment of military members and families traveling individually for operational or rotational moves in support of OIF and OEF. Costs are for the dislocation allowance, shipment of household goods, temporary and non-temporary storage of household goods, temporary lodging expense, and member mileage and per diem.

Casualty and Disability Benefits (\$237.3 million)

- Casualty Benefits for the following benefits associated with the death and traumatic injury of service members (T-SGLI) costs.
 - Death Gratuity payments to survivors of members dying on active duty (**\$66.2 million**).
 - Provides funds to the Department of Veterans Affairs (VA) to cover the increased number of Soldiers Group Life Insurance (SGLI) / Traumatic-SGLI claims directly associate with contingency operations. (**\$127.4 million**).
 - Provides reimbursement of SGLI/TSGLI premiums to deployed Soldiers (**\$43.7 million**).

Pre and Post Mobilization Training (\$1,096.2million)

- Basic pay and allowance costs for training of members in alerted Guard and Reserve units prior to mobilization and post deployment training to re-certify skills not utilized during extended deployments.

ARMY M-1

AAPN	MI LINE		<u>FY 2009 Actuals</u>	<u>FY2010 Enacted*</u>	<u>FY 2010 Supplemental</u>	<u>FY 2010 Total</u>	<u>FY 2011 Requested</u>
		MILITARY PERSONNEL, ARMY					
		BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS					
2010A	5	BASIC PAY	1,301,853	1,092,996	194,000	1,286,996	1,237,779
2010A	10	RETIRED PAY ACCRUAL	304,816	278,338	133,232	411,570	313,278
2010A	25	BASIC ALLOWANCE FOR HOUSING	371,816	307,496	18,747	326,243	349,839
2010A	30	BASIC ALLOWANCE FOR SUBSISTENCE	48,429	39,353	2,310	41,663	44,752
2010A	35	INCENTIVE PAYS	14,527	9,733	10,302	20,035	2,835
2010A	40	SPECIAL PAYS	177,047	145,278	6,691	151,969	159,261
2010A	45	ALLOWANCES	65,039	71,925	15,430	87,355	56,632
2010A	50	SEPARATION PAY	2,027	15,209	958	16,167	1,303
2010A	56	SOCIAL SECURITY TAX	98,707	83,526	9,325	92,851	94,650
		TOTAL BUDGET ACTIVITY 1	2,384,261	2,043,854	390,995	2,434,849	2,260,329
		BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED					
2010A	60	BASIC PAY	2,917,559	2,198,707	330,836	2,529,543	2,708,271
2010A	65	RETIRED PAY ACCRUAL	677,180	551,605	254,842	806,447	693,325
2010A	80	BASIC ALLOWANCE FOR HOUSING	1,207,563	881,953	291,109	1,173,062	1,113,877
2010A	85	INCENTIVE PAYS	12,206	18,335	1,030	19,365	6,714
2010A	90	SPECIAL PAYS	1,457,018	675,518	43,968	719,485	574,120
2010A	95	ALLOWANCES	309,299	286,973	105,070	392,043	241,921
2010A	100	SEPARATION PAY	9,731	23,793	1,341	25,134	26,276
2010A	105	SOCIAL SECURITY TAX	222,303	168,228	13,301	181,529	207,174
		TOTAL BUDGET ACTIVITY 2	6,812,860	4,805,112	1,041,497	5,846,608	5,571,678
		BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL					
2010A	115	BASIC ALLOWANCE FOR SUBSISTENCE	365,398	448,940	-	448,940	329,046
2010A	120	SUBSISTENCE-IN-KIND	1,716,099	1,728,276	74,725	1,803,001	1,871,805
		TOTAL BUDGET ACTIVITY 4	2,081,497	2,177,216	74,725	2,251,941	2,200,851

* Excludes \$407 million enacted for baseline requirements

Army M-1 Continued

		<u>FY 2009</u>	<u>FY2010</u>	<u>FY 2010</u>	<u>FY 2010</u>	<u>FY 2011</u>
		Actuals	Enacted*	Supplemental	Total	Requested
BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL						
2010A	125	ACCESSION TRAVEL	-	-	-	45,512
2010A	130	TRAINING TRAVEL	-	-	-	-
2010A	135	OPERATIONAL TRAVEL	82,108	82,714	7,367	90,081
2010A	140	ROTATIONAL TRAVEL	61,377	68,271	-	68,271
2010A	145	SEPARATION TRAVEL	-	-	-	-
2010A	150	TRAVEL OF ORGANIZED UNITS	-	-	-	-
		TOTAL BUDGET ACTIVITY 5	143,485	150,985	7,367	158,352
BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS						
2010A	175	INTEREST ON SOLDIERS DEPOSITS	15,654	16,000	-	16,000
2010A	212	RESERVE INCOME REPLACEMENT PROGRAM	2,555	800	-	800
2010A	185	UNEMPLOYMENT COMPENSATION	101,830	91,134	84,417	175,551
2010A	180	DEATH GRATUITIES	70,331	96,000	16,809	112,809
2010A	216	SGLI EXTRA HAZARD PAYMENTS	172,198	141,345	-	141,345
2010A	219	TRAUMATIC SGLI	50,843	29,394	-	29,394
		TOTAL BUDGET ACTIVITY 6	413,411	374,673	101,226	475,899
1004A	300	MERHCF, ARMY	-	-	-	117,070
		TOTAL MERHCF, ARMY	-	-	-	117,070
		TOTAL MILITARY PERSONNEL, ARMY	11,835,514	9,551,840	1,615,809	11,167,650

* Excludes \$407 million enacted for baseline requirements

Army M-1 Continued

		FY 2009	FY2010	FY 2010	FY 2010	FY 2011	
		<u>Actuals</u>	<u>Enacted</u>	<u>Supplemental</u>	<u>Total</u>	<u>Requested</u>	
RESERVE PERSONNEL, ARMY							
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT							
2070A	10	PAY GROUP A TRAINING	94,681	127,166	9,727	136,893	104,230
2070A	80	SPECIAL TRAINING (PRE/POST MOB TRAINING)	164,477	154,771	11,506	166,277	153,915
2070A	70	SCHOOL TRAINING (PRE/POST MOB TRAINING)	-	11,200	885	12,085	9,886
2070A	90	RECRUITING AND RETENTION	-	-	-	-	-
TOTAL RESERVE PERSONNEL, ARMY			259,158	293,137	22,118	315,255	268,031
		FY 2009	FY2010	FY 2010	FY 2010	FY 2011	
		<u>Actuals</u>	<u>Enacted</u>	<u>Supplemental</u>	<u>Total</u>	<u>Requested</u>	
NATIONAL GUARD PERSONNEL, ARMY							
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT							
2060A	10	PAY GROUP A TRAINING	402,219	463,203	22,122	485,325	231,547
2060A	80	SPECIAL TRAINING (PRE/POST MOB TRAINING)	670,111	361,763	11,062	372,825	550,090
2060A	70	SCHOOL TRAINING (PRE/POST MOB TRAINING)	-	-	-	-	-
2060A	90	ADMINISTRATION AND SUPPORT	62,161	-	-	-	46,485
2060A	90	RECRUITING AND RETENTION	419,039	-	-	-	-
TOTAL NATIONAL GUARD PERSONNEL, ARMY			1,553,530	824,966	33,184	858,150	828,122
 GRAND TOTAL ARMY MILITARY PERSONNEL			 13,648,202	 10,669,943	 1,671,111	 12,341,055	 11,891,632

**RESERVE & NATIONAL GUARD MOBILIZATION
AND
ACTIVE DEPLOYMENT**

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Basic Pay

FY 2011
(\$ in Thousands)
\$1,237,779

Part I - Purpose and Scope

Funds provide for incremental basic compensation and length of service pay increments for mobilized reserve officer and active component temporary end strength personnel.

Part II - Justification of Funds Required

Funds provide basic compensation for mobilized Reserve and National Guard officer personnel. The FY 2011 military pay raise reflects a 1.4% across-the-board pay raise effective January 1, 2011. In FY 2011, the Army has met its end strength goal and has fully funded the active component strength in the base budget. The active component over strength request in FY 2010 and 2011 supports a temporary increase in end strength. The Army plans to temporarily grow its officer strength through the use of retiree recalls. The target grades for the recall are Captain to Colonel, causing a higher basic pay rate than in the FY 2009 column that reflects general over-strength. The FY 2010 column has increased \$194,000K above the enacted request of \$1,092,996K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

ACTIVE ARMY

BA1

Basic Pay	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Reserve/Guard Mobilization	13,674	71,325	975,296	15,644	73,607	1,151,492	14,339	77,336	1,108,937
Active Component Overstrength	5,096	64,081	326,557	1,592	85,116	135,504	1,360	94,736	128,841
Total	18,770		1,301,853	17,236		1,286,996	15,699		1,237,779

Appropriation: Active Military Personnel
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Retired Pay Accrual

FY 2011
(\$ in Thousands)
\$313,278

Part I - Purpose and Scope

Funds provide for the Department of Army's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466. Funds provide the Retired Pay Accrual payments for mobilized Reserve and National Guard and active component temporary end strength officer personnel.

Part II - Justification of Funds Required

The budget estimates are derived as a product of:

- The total amount of the basic pay expected to be paid during the fiscal year.
- The actuary estimate assumes a part-time Normal Cost Percentage (NCP) of 24.5% and a full-time NCP of 32.3% of basic pay for FY 2010.
- The actuary estimate assumes a part-time Normal Cost Percentage (NCP) of 24.4% and a full-time NCP of 32.7% of basic pay for FY 2011.

The FY 2010 column has increased \$133,232K above the enacted request of \$278,338K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA1	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Retired Pay Accrual							-	-	-
Reserve/Guard Mobilization	13,674	14,245	194,780	15,644	23,513	367,830	14,339	18,948	271,690
Active Component Overstrength	5,096	21,593	110,037	1,592	27,475	43,740	1,360	30,579	41,588
Total	18,770		304,816	17,236		411,570	16,358		313,278

Appropriation: Active Military Personnel
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Basic Allowance for Housing

FY 2011
(\$ in Thousands)
\$349,839

Part I - Purpose and Scope

In the FY 1998 NDAA, Congress approved the payment of a Basic Allowance for Housing (BAH) for Soldiers. The Overseas Housing Allowance (OHA) payment, formerly located in overseas station allowances, moved into this section due to a change in Section 603 of P.L. 105-85, the NDAA for FY 1998. The continental United States, Alaska, and Hawaii BAH is termed BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to Reserve and National Guard and active component temporary end strength officer personnel is authorized by 37 U.S.C. 403.

Part II - Justification of Funds Required

This program provides a cash allowance to those Soldiers not provided with government quarters adequate for themselves and their family members. This allowance enables such personnel to obtain civilian housing as a substitute.

The funds provide the BAH allowance for mobilized Reserve and National Guard officers and active component temporary end strength personnel in support of operations directly associated with Overseas Contingency Operations. The FY 2011 Army Specific Housing Allowance inflation rate effective on 1 January 2011 is 3.9%. The FY 2010 column has increased \$18,747K above the enacted request of \$307,496K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA1 Basic Allowance for Housing	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Reserve/Guard Mobilization	13,674	21,023	287,467	13,183	21,927	289,054	14,340	21,979	315,175
Active Component Overstrength	5,096	16,552	84,349	1,592	23,360	37,189	1,360	25,488	34,664
Total	18,770		371,816	14,775		326,243	15,700		349,839

Appropriation: Active Military Personnel
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Basic Allowance for Subsistence

FY 2011
(\$ in Thousands)
\$44,752

Part I - Purpose and Scope

Funds provide for subsistence allowance for Reserve and National Guard officer and active component temporary end strength personnel and is authorized by 37 U.S.C. 402 and P.L. 96-343.

Part II - Justification of Funds Required

All officers, regardless of dependency status, deployment status, and pay grade, are paid a monthly Basic Allowance for Subsistence (BAS) at the same statutory rate.

The FY 2011 estimate for the USDA Food Index inflation rate is 3.4% effective on 1 January 2011. The FY 2010 column has increased \$2,310K above the enacted request of \$39,353K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA1 Basic Allowance for Subsistence	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Reserve/Guard Mobilization	13,674	2,567	35,098	13,411	2,777	37,242	14,339	2,848	40,833
Active Component Overstrength	5,096	2,616	13,331	1,592	2,777	4,421	1,360	2,882	3,919
Total	18,770		48,429	15,003		41,663	15,699		44,752

Appropriation: Active Military Personnel
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Special Pay and Allowances

FY 2011
(\$ in Thousands)
\$220,032

Part I - Purpose and Scope

Funds provide for payments to officers Reserve and National Guard and active component temporary end strength officer personnel for the following special pays:

Family Separation Allowance: Paid at the rate of \$250 per month to members with dependents who are on duty away from home for a period of more than 30 continuous days (37 U.S.C. 427).

Hostile Fire/Imminent Danger Pay: Paid at the rate of \$225 per month to personnel subject to hostile fire or in an area in which they are in imminent danger of being exposed to hostile fire (37 U.S.C. 310).

Hardship Duty Pay: The monthly rate may *not exceed* \$1,500 per month. Funds provide additional payment to personnel performing duty in a location that is designated by the Secretary of Defense as hardship duty (37 U.S.C. 305).

Other Pays and Allowances. These funds reflect other pays and allowances for mobilized Reserve, Guard, and active component over strength officer personnel supporting contingency operations, OEF or OIF. Other pays and allowances include, incentive pays, other special pays, clothing allowances, and separation pay.

Part II - Justification of Funds Requested

The projected average number of personnel is based on the total spaces where each type of pay is authorized to meet force structure requirements. Funding requirements are based on the estimated number of officers eligible for each type of payment and rate of payment. The decline from FY 2010 to FY 2011 is driven primarily by the deployment assumptions. The FY 2011 assumption is that 130,000 Soldiers will be deployed, a decrease from approximately 170,000 in FY 2010. The FY 2010 column has increased \$33,382K above the enacted request of \$242,145K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided by the following table:

BA1

Special Pays	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Mobilized Guard & Reserve									
Family Separation Allowance	7,697	3,000	23,091	8,993	3,000	26,980	5,471	3,000	16,414
Hostile Fire Pay	7,122	2,700	19,229	6,249	2,700	16,873	9,495	2,700	25,637
Hardship Duty Pay	6,435	1,200	7,722	5,267	1,200	6,320	6,283	1,200	7,539
Foreign Language Proficiency Pay	55	4,600	253	46	4,600	213	49	4,600	227
Incentive Pays	1,357	6,443	8,743	2,791	6,443	17,984	97	6,443	626
Special Pays (Various Medical Pay)	2,876	10,407	29,934	1,042	10,407	10,847	1,128	10,407	11,743
Other Special Pays	590	5,717	3,375	3,222	5,717	18,417	3,420	5,717	19,549
Clothing/Convalescent Soldiers Clothing Allowance	5,289	209	1,105	3,592	213	765	5,563	217	1,209
Separation Pay	253	2,547	645	5,576	2,628	14,653	229	2,712	621
CONUS COLA	13	5,309	69	45	5,479	245	53	5,654	300
Overseas Station Allowance	672	15,251	10,245	804	15,739	12,646	457	16,242	7,420
Total	32,359		104,411			125,943			91,286

BA1

Special Pays	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Active Component Deployed									
Family Separation Allowance	7,096	3,000	21,287	11,941	3,000	35,824	8,141	3,000	24,423
Hostile Fire Pay	16,801	2,700	45,363	18,563	2,700	50,120	19,883	2,700	53,685
Hardship Duty Pay	36,170	1,200	43,404	32,818	1,200	39,381	25,532	1,200	30,638
Foreign Language Proficiency Pay	337	1,983	669	117	1,983	232	108	1,983	215
Incentive Pays	1,155	5,009	5,784	409	5,009	2,051	441	5,009	2,209
Special Pays (Various Medical)	1,758	5,876	10,328	750	5,876	4,408	772	5,876	4,536
Other Special Pays	91	3,644	333	1,193	3,644	4,346	1,104	3,644	4,024
Clothing/Convalescent Soldiers Clothing Allowance	982	382	375	118	390	46	649	397	258
Separation Pay	535	2,583	1,382	568	2,666	1,514	248	2,751	682
CONUS COLA	12	1,754	21	43	1,810	78	43	1,868	80
Overseas Station Allowance	1,233	8,377	10,326	1,340	8,645	11,582	896	8,922	7,996
Total	66,169		139,272			149,583			128,746
			243,683			275,526			220,032

Appropriation: Active Military Personnel
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Recruiting and Retention

FY 2011
(\$ in Thousands)
\$0

Part I – Purpose and Scope

In FY 2009 funding covered officer retention bonuses. Payments were used as accession and retention incentives to fill critical Army Military Operational Skill (MOS) positions.

Warrant Officer Accession and Retention Bonus: This incentive is authorized under the provisions of 37 U.S.C 324. As an accession tool, the Army may pay a Soldier up to \$60,000 if they accept a commission or appointment in a critical skill.

Dentist Accession Bonus: The FY 2007 NDAA identified an additional accession bonus requirement for dentists from \$30,000 to \$200,000.

Medical Bonuses: Include bonus levels provided by the Wounded Ill and Injured Senior Oversight committee to recruit critical wartime specialties including: Neurosurgeons, diagnostic radiologists and psychiatrists.

Part II – Justification of Funds Requested

The Army has fully funded all of its recruiting and retention requirements in the FY 2010 and FY 2011 baseline President’s Budget.

Summary cost computations are provided by the following table:

BA 1 Recruiting & Retention	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Warrant Officer Accession and Retention Bonus	1,495	3,000	4,485	-	-	-	-	-	-
Dentist Accession Bonus	31	30,000	930	-	-	-	-	-	-
Medical Bonuses	42	226,014	9,542	-	-	-	-	-	-
Total	1,568		14,957	-		-			

Appropriation: Military Personnel, Army
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Social Security Tax

FY 2011
(\$ in Thousands)
\$94,650

Part I - Purpose and Scope

Funds provide for the employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA). Funds provide the employer's Social Security Tax payment for mobilized Reserve and National Guard officer and active component temporary end strength personnel in support of operations directly associated with the Overseas Contingency Operations.

Part II - Justification of Funds Required

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percent. The Old Age, Survivor, and Disability Insurance (OASDI) rate is 6.2% and the Hospital Insurance (HI) rate is 1.45%. The maximum amounts of earnings per individual on which tax is payable are:

<u>Calendar year</u>	<u>OASDI Base</u>	<u>Medicare Base</u>
2009	\$106,800	No upper limit
2010	\$106,800	No upper limit
2011	\$106,800	No upper limit

The FY 2010 column has increased \$9,325K above the enacted request of \$83,526K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA 1

Social Security

	<u>FY 2009 Actuals</u>			<u>FY 2010 Estimate</u>			<u>FY 2011 Estimate</u>		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Reserve/Guard Mobilization	13,674	5,135	70,217	15,644	5,279	82,578	14,339	5,916	84,860
Active Component Overstrength	5,096	5,591	28,490	1,592	6,453	10,273	1,360	7,199	9,790
Total	18,770		98,707	17,236		92,851	15,699		94,650

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Basic Pay

FY 2011
(\$ in Thousands)
\$2,708,271

Part I - Purpose and Scope

Funds provide for incremental basic compensation and length of service pay increments for mobilized reserve military enlisted personnel that are above baseline strength levels and active component temporary end strength.

Part II - Justification of Funds Required

Funds provide basic compensation for mobilized Reserve and Guard, and active component strength associated with the temporary end strength increase. The FY 2011 military pay raise reflects a 1.4% across-the-board pay raise effective January 1, 2011. The active component over strength request in FY 2010 and 2011 supports a temporary increase in end strength. The Army plans to temporarily grow its enlisted strength through increased accessions. The target grades are Private to Private First Class. These ranks cause a lower basic pay rate than in the FY 2009 column that reflects general over-strength. The FY 2010 column has increased \$330,836K above the enacted request of \$2,198,707K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA2 Base Pay	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Reserve/Guard Mobilization	70,066	32,254	2,259,888	70,717	33,427	2,363,887	67,208	33,898	2,278,210
Active Component Overstrength	24,037	27,361	657,671	8,990	18,427	165,656	18,168	23,671	430,061
Total	94,103		2,917,559	79,707		2,529,543	85,376		2,708,271

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Retired Pay Accrual

FY 2011
(\$ in Thousands)
\$693,325

Part I - Purpose and Scope

Funds provide for the Department of Army's contribution to its Military Retirement Fund, in accordance with *10 U.S.C 1466*. Funds provide the Retired Pay Accrual payments for mobilized Reserve and National Guard and active component temporary end strength enlisted Soldiers.

Part II - Justification of Funds Required

The budget estimates are derived as a product of:

- The total amount of the basic pay expected to be paid during the fiscal year.
- The actuary estimate assumes a part-time Normal Cost Percentage (NCP) of 24.5% and a full-time NCP of 32.3% of basic pay for FY 2010.
- The actuary estimate assumes a part-time Normal Cost Percentage (NCP) of 24.4% and a full-time NCP of 32.7% of basic pay for FY 2011.

The FY 2010 column has increased \$254,842K above the enacted request of \$551,605K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA2	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Retired Pay Accrual									
Reserve/Guard Mobilization	70,066	6,556	459,372	70,717	8,190	752,940	67,208	8,305	558,162
Active Component Overstrength	24,037	9,061	217,808	8,990	5,952	53,507	18,168	7,440	135,163
Total	94,103		677,180	79,707		806,447	85,376		693,325

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Basic Allowance for Housing

FY 2011
(\$ in Thousands)
\$1,113,877

Part I - Purpose and Scope

In the FY 1998 NDAA, Congress approved the payment of a Basic Allowance for Housing (BAH) to Soldiers. The Overseas Housing Allowance (OHA) payment, formerly located in overseas station allowances, moved into this section due to a change in *Section 603 of P.L. 105-85*, the NDAA for FY 1998. The continental United States, Alaska, and Hawaii BAH is termed BAH Domestic, while the overseas housing allowance is called BAH Overseas. Payment to Soldiers is authorized by *37 U.S.C. 403*.

Funds provide the BAH allowance for mobilized Reserve and Guard enlisted and active component temporary end strength personnel in support of operations directly associated with the Overseas Contingency Operations.

Part II - Justification of Funds Required

This program provides a cash allowance to those Soldiers not provided with government quarters adequate for themselves and their family members. This allowance enables such personnel to obtain civilian housing as a substitute. The FY 2011 Army Specific Housing Allowance inflation rate effective on 1 January is 3.9 %. The FY 2010 column has increased \$251,109K above the enacted request of \$881,953K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA2 BAH	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Reserve/Guard Mobilization	70,066	14,040	983,722	70,717	16,164	1,143,059	63,847	15,969	1,019,581
Active Component Overstrength	21,874	10,233	223,841	2,822	10,632	30,003	5,839	16,150	94,296
Total	91,940		1,207,563	73,539		1,173,062	73,907		1,113,877

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Special Pays and Allowances

FY 2011
(\$ in Thousands)
\$849,032

Part I - Purpose and Scope

Funds provide for payments to enlisted Soldiers for the following special pays:

Family Separation Allowance: Paid at the rate of \$250 per month to members with dependents who are on duty away from home for a period of more than 30 continuous days (37 U.S.C. 427).

Hostile Fire/Imminent Danger Pay: Paid at the rate of \$225 per month to personnel subject to hostile fire or in an area in which they are in imminent danger of being exposed to hostile fire (37 U.S.C. 310).

Hardship Duty Pay: The monthly rate may not exceed \$1,500 per month. Funds provide additional payment to personnel performing duty in a location that is designated by the Secretary of Defense as hardship duty (37 U.S.C. 305).

Stop Loss/Stabilization Pays: Provides funding for: Stop Loss - Authorized in *Sec. 8116 (c) of P.L. 110-329* in FY 2009 for special pay to members whose obligated service is extended, or whose eligibility for retirement is suspended under "Stop Loss" authority. Funding is for members in a stop-loss status and the amount of special pay may not exceed \$500 per month. Deployment Extension Incentive Pay (DEIP) Authorized in *37 U.S.C. Sec 307a - Special pay: assignment incentive pay*. Active Army limits not to exceed \$500 per month. Deployment Extension Stabilization Pay (DESP) - Authorized in *37 U.S.C. Sec 307a - Special Assignment Incentive Pay*. ARNG limits not to exceed \$500 per month.

Other Pays and Allowances. These funds reflect other pays and allowances for mobilized Reserve, Guard, and active component over strength enlisted Soldiers supporting contingency operations, OEF or OIF. Other pays and allowances include, incentive pays, other special pays, clothing allowances, and separation pay.

Part II - Justification of Funds Requested

The projected average number of enlisted Soldiers is based on the total spaces where each type of pay is authorized to meet force structure requirements. Funding requirements are based on the estimated number of enlisted personnel eligible for each type of payment and rate of payment. The decline from FY 2010 to FY 2011 is driven primarily by the deployment assumptions. The FY 2011 assumption is that 130,000 Soldiers will be deployed, a decrease from approximately 170,000 deployed in FY 2010. The FY 2010 column has increased \$151,407K above the enacted request of \$1,004,619K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided by the following table:

BA2

Special Pays

Mobilized Guard & Reserve

	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Family Separation Allowance	34,302	3,000	102,906	36,184	3,000	108,552	23,579	3,000	70,737
Hostile Fire Pay	46,611	2,700	125,851	38,171	2,700	103,061	37,490	2,700	101,223
Hardship Duty Pay	42,475	1,200	50,970	33,263	1,200	39,916	37,751	1,200	45,301
Foreign Language Proficiency Pay	423	4,327	1,831	339	4,327	1,467	327	4,327	1,414
Incentive Pays	1,105	6,191	6,843	3,012	6,191	18,649	678	6,191	4,198
Other Special Pays	14	4,493	62	2,728	4,493	12,258	1,235	4,493	5,551
Clothing/Convalescent Soldier Clothing Allowance	4,767	2,664	12,699	18,331	2,714	49,755	3,648	2,766	10,089
Special Duty Assignment Pay	1,251	4,490	5,617	1,181	4,490	5,302	1,142	4,490	5,126
Overseas Station Allowance	4,536	9,252	41,970	7,903	9,548	75,458	4,202	9,853	41,399
CONUS COLA	134	3,359	450	172	3,467	595	188	3,578	673
Separation Pay	1,939	1,147	2,225	14,596	1,184	17,278	15,731	1,222	19,218
Total	137,559		351,424			432,292			304,929

BA2

Special Pays

Active Component Deployed

	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Family Separation Allowance	46,598	3,000	139,795	55,559	3,000	166,678	33,404	3,000	100,211
Hostile Fire Pay	103,861	2,700	280,424	100,265	2,700	270,715	75,693	2,700	204,370
Hardship Duty Pay	219,712	1,200	263,654	151,431	1,200	181,717	110,051	1,200	132,062
Stop Loss Payment/Stabilization Pay	10,869	6,000	65,216	10,083	6,000	60,500	11,987	6,000	71,921
Foreign Language Proficiency Pay	788	1,815	1,430	4	1,815	7	228	1,815	413
Incentive Pays	2,921	1,836	5,363	390	1,836	716	1,370	1,836	2,516
Other Special Pays	427	3,017	1,289	-	3,017	-	1,343	3,017	4,052
Clothing/Convalescent Soldiers Clothing Allowance	17,061	539	9,197	15,522	549	8,526	9,312	560	5,212
Separation Pay	484	15,510	7,506	491	16,006	7,856	427	16,519	7,058
Special Duty Assignment Pay	1,627	4,593	7,471	142	4,593	651	585	4,593	2,686
Overseas Station Allowance	5,738	4,202	24,109	6,064	4,336	26,296	2,984	4,475	13,354
CONUS COLA	61	1,129	69	63	1,166	74	205	1,203	247
Total	410,147		805,524			723,735			544,101
			1,156,947			1,156,027			849,032

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Recruiting and Retention

FY 2011
(\$ in Thousands)
\$0

Part I – Purpose and Scope

In FY 2009 funding covered enlisted personnel incentives, bonuses, education benefits and retention bonuses. Payments were used as accession and retention incentives to fill critical Army Military Operational Skill (MOS) positions.

Enlistment Bonus: This incentive is authorized under the provisions of 37 U.S.C 309. As an enlistment tool, the Army may pay anyone who enlists a maximum of \$40,000 for at least a two year enlistment.

Selective Reenlistment Bonus: This incentive is authorized under the provisions of 37 U.S.C 308. As a retention tool, the Army may pay a Soldier in a critical skill up to \$90,000 for at least a three year reenlistment.

Critical Skill Retention Bonus: This incentive is authorized under the provisions of 37 U.S.C 323. As a retention tool, the Army may pay a Soldier in a critical skill up to a lifetime maximum of \$200,000 for at least a one year reenlistment. In December 2004, the Department of Defense authorized \$150,000 for a six year commitment for Special Forces.

Army College Fund: This incentive is authorized under the provisions of 38 U.S.C 3015. As an enlistment tool, the Army may augment the basic Montgomery GI Bill benefit (MGIB) for a recruit that enlists in a critical skill. The maximum augmentation is \$950 per month for 36 months when the Soldier utilizes the Basic MGIB.

Loan Repayment Program: This incentive is authorized under the provisions of 10 U.S.C 2171. The Army may repay approved loans for a Soldier who enlists in a critical skill. The loans are paid over a three year period. Army policy limits the loan to \$65,000.

Montgomery GI Bill Transferability: This incentive is authorized under the provision of 38 U.S.C 3020. As a retention tool, the Army may allow a Soldier in a critical skill to transfer 18 months of their MGIB to their spouse for a minimum of a four year reenlistment.

Part II – Justification of Funds Requested

The Active Component has successfully accelerated its personnel strength and achieved 547,400 end strength. In FY2010 and in FY 2011 all recruiting and retention requirements are resourced in the base budget. The Army did not request additional Recruiting and Retention funding for the temporary end strength increase.

Summary cost computations are provided by the following table:

BA 2 Recruiting & Retention	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Enlistment Bonus	37,499	10,417	390,630	-	-	-	-	-	-
Reenlistment Bonus SRB	15,851	13,500	213,995	-	-	-	-	-	-
Reenlistment Bonus CSRB	206	73,450	15,136	-	-	-	-	-	-
Army College Fund	1,850	5,426	10,038	-	-	-	-	-	-
Loan Repayment	242	6,027	1,458	-	-	-	-	-	-
MGIB Transferability	7	7,100	50	-	-	-	-	-	-
Total	55,656		631,307	-		-	-		-

Appropriation: Military Personnel, Army
Budget Activity 2: Pay and Allowances of Enlisted
Budget Line Item: Social Security Tax

FY 2011
(\$ in Thousands)
\$207,174

Part I - Purpose and Scope

Funds provide for the employer’s tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

Funds provide the employer’s Social Security Tax payment for mobilized Reserve and National Guard and the active component over strength associated with the Army’s temporary end strength growth in support of operations directly associated with the Overseas Contingency Operations.

Part II - Justification of Funds Required

The FICA tax is developed by multiplying the total earnings for FICA tax purposes by the applicable percent. The Old Age, Survivor, and Disability Insurance (OASDI) rate is 6.2 % and the Hospital Insurance (HI) rate is 1.45 %. The maximum amounts of earnings per individual on which tax is payable are:

<u>Calendar year</u>	<u>OASDI Base</u>	<u>Medicare Base</u>
2009	\$106,800	No upper limit
2010	\$106,800	No upper limit
2011	\$106,800	No upper limit

The FY 2010 column has increased \$13,301K above the enacted request of \$168,228K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge. Summary cost computations are provided in the following table:

BA 2 Social Security	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Reserve/Guard Mobilization	70,066	2,370	166,045	75,105	2,248	168,834	66,558	2,619	174,285
Active Component Overstrength	24,037	2,340	56,258	8,990	1,412	12,695	18,168	1,810	32,889
Total	94,103		222,303	84,095		181,529	84,726		207,174

Appropriation: Military Personnel, Army
Budget Activity 4: Subsistence of Enlisted Personnel
Budget Line Item: Basic Allowance for Subsistence/Subsistence-in-Kind (SIK)

FY 2011
(\$ in Thousands)
\$2,200,851

Part I - Purpose and Scope

Funds provide for the payment of authorized Basic Allowance for Subsistence (BAS) and Subsistence-in-Kind (SIK) for mobilized Reserve and National Guard and the active component over strength associated with the Army's temporary end strength growth in support of operations directly associated with the Overseas Contingency Operations. SIK includes the cost of procuring subsistence (food and drink) for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Army provides subsistence in mess facilities and operational rations for members of all military services participating in OIF and OEF.

Basic Allowance for Subsistence is linked to the Department of Agriculture food plan indices. All enlisted members (except recruits and holdees) are entitled to BAS. Members continue to receive BAS while deployed.

Subsistence-in-Messes is the cost of bulk subsistence for dining facilities operated in support of OIF and OEF. This requirement is dependent on the number of personnel using the dining facilities and the cost of food. This is an additional cost above the BAS since members are authorized to continue receiving their BAS even though food is provided in theater.

Operational Rations are rations used for field subsistence. Operational rations include the Meal-Ready-to-Eat (MRE), Unitized Group Rations (UGR) that include "heat and serve" and A-ration varieties, and other operational rations, such as Cold Weather Rations. The SIK funds the cost of operational rations for both officers and enlisted Soldiers. The number of active duty personnel and the type of operational rations served determine costs for operational rations.

Part II - Justification of Funds Required

This budget activity includes the Basic Allowance for Subsistence (BAS) paid to mobilized Reserve and Guard enlisted Soldiers and active component temporary end strength supporting OEF/OIF. BAS is paid under the following conditions: (1) when authorized to mess separately, (2) while on authorized leave, and (3) when subsistence-in-kind is not available. FY 2011 subsistence rates are based on the USDA food cost index inflation rate of 3.4 % effective 1 January 2011. The FY 2010 column has increased \$74,725K above the enacted request of \$2,177,216K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA 4**Enlisted Basic Allowance for Subsistence (BAS)**

	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Reserve/Guard Mobilization	69,593	3,798	264,324	59,633	3,886	231,762	67,208	4,173	280,462
Active Component Overstrength	11,840	3,798	44,972	5,841	3,886	22,701	12,190	3,986	48,584
Unrealized Collections			56,102			194,478	-	-	-
Total	81,433		365,398	65,475		448,941	79,398		329,046

BA 4**Subsistence-In-Kind (SIK)**

	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Subsistence in Messes	181,171	8,256	1,495,691	172,677	9,121	1,574,920	170,864	9,569	1,635,059
Meals Ready to Eat (MRE)	7,979	11,726	93,558	7,979	12,134	96,815	7,775	12,927	100,503
Unitized Group Rations	15,958	7,949	126,850	15,958	8,226	131,266	15,550	8,764	136,244
Total	205,108		1,716,099	196,614		1,803,001	194,188	-	1,871,805

Total Subsistence of Enlisted Personnel

2,081,497

2,251,941

2,200,851

Appropriation: Military Personnel, Army
Budget Activity 5: Permanent Change of Station (PCS)
Budget Line Item: Permanent Change of Station (PCS)

FY 2011
(\$ in Thousands)
\$198,051

Part I – Purpose and Scope

The Permanent Change of Station (PCS) program pays for travel, transportation, storage, and dislocation allowances for reassignment of military members and their families traveling individually or as part of an organized unit in support of OIF and OEF. Costs are for the dislocation allowance, shipment of household goods, temporary and non-temporary storage of household goods, temporary lodging expense, and member mileage and per diem.

Part II – Justification of Funds Requested

Funding for these moves provide support for 1) transition team moves which are required to fill units deploying to train and advise Iraqi and Afghan security forces in the areas of intelligence, communications, fire support, logistics and infantry tactics; 2) reset the forces to 105 percent of authorized fill levels in support of deploying units for OIF and OEF, and; 3) support the headquarters staff function of the Multinational Forces - Iraq (MNF-I) which is engaged in establishing security, restoring effective government and overseeing reconstruction projects. The accession moves in FY 2011 provide resources for the 22,000 temporary end strength growth. The FY 2010 column has increased \$7,367K above the enacted request of \$150,985K. This delta supports the Afghanistan Surge.

Summary cost computations are provided in the following table:

BA 5 Permanent Change of Station	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Accession Moves	-	-	-	-	-	-	17,606	2,585	45,512
Training Moves	-	-	-	-	-	-	-	-	-
Operational Moves	6,488	12,656	82,108	7,121	12,651	90,081	8,737	12,249	107,025
Rotational Moves	3,882	15,812	61,377	4,161	16,409	68,271	3,002	15,163	45,514
Separation Moves	-	-	-	-	-	-	-	-	-
Unit Moves	-	-	-	-	-	-	-	-	-
Total	10,369		143,485	11,281		158,352	29,345		198,051

Appropriation: Military Personnel, Army
Budget Activity 6: Other Military Personnel Costs
Budget Line Item: Casualty & Disability Benefits

FY 2011
(\$ in Thousands)
\$237,280

Part I – Purpose and Scope

The Casualty and Disability Benefit funds support the Service Members' Group Life Insurance (SGLI) program, Traumatic Service Members' Group Life Insurance (T-SGLI) and Death Gratuity payments. SGLI is a low cost group life insurance for service members on active duty. These payments are required to the Department of Veterans Affairs, under section 1969(b) of title 38, United States Code, when actual mortality rates exceed peacetime mortality rates. The T-SGLI program is a relatively new program that provides automatic traumatic injury coverage to all service members covered under the Service Members' Group Life Insurance (SGLI) program. Every member who has SGLI also has T-SGLI, effective December 1, 2005. Death gratuity payments are made to survivors of members dying on active duty. The amount payable was increased from \$12,000 to \$100,000 in Section 664 of the FY 2006 NDAA.

Part II – Justification of Funds Requested

The funds are required to make extra hazard payment to the Department of Veterans Affairs to finance the increased number of SGLI death claims for policy year 2011, which is not on a fiscal year (policy year based on July 1 – June 30). The average claim in policy year 2009 was \$385,609 and is expected to remain at that level for policy years 2010 and 2011. Section 606 of the FY 2008 National Defense Authorization Act directs the Department to pay the full premium for coverage under Service members' Group Life Insurance program during service in Operation Iraqi Freedom (OIF) or Operation Enduring Freedom (OEF). The amount the Department pays is \$29.00 per month for each member.

Death gratuity requirements have been reduced based upon the recent mortality rate of individuals serving in a combat zone and the statutory gratuity rate.

The FY 2010 column has increased \$16,809K above the enacted request of \$266,739K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

BA 6**Casualty & Disability**

	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
SGLI	287	400,000	114,696	245	400,000	97,980	245	400,000	97,980
T-SGLI Prospective			28,674	-	-	29,394	-	-	29,394
TSGLI Retroactive			22,169	-	-	-	-	-	-
SGLI/T-SGLI Insurance Premium	165,236	348	57,502	124,612	348	43,365	125,534	348	43,686
Death Gratuity (Combat Deaths)	703	100,000	70,331	1,128	100,000	112,809	662	100,000	66,220
Total	166,226		293,372	125,985		283,548	182,919	500,348	237,280

Appropriation: Military Personnel, Army
Budget Activity 6: Other Military Personnel Costs
Budget Line Item: Additional Mobilization/Deployment Costs

FY 2011
(\$ in Thousands)
\$210,220

Part I – Purpose and Scope

Funds provide benefits associated with disability and other mobilization/deployment costs.

Unemployment Benefits: Payments to ex-service members who are discharged or released under honorable conditions as prescribed in paragraph (1) of section 8521(a) of Title 5, United States Code as amended by Section 301, PL. 102-164.

Reserve Income Replacement Program (RIRP): The Congress authorized payments in the FY 2006 NDAA to Reserve and Guard Soldiers who are involuntarily mobilized and experiencing a monthly active duty income differential as a result of extended or frequent mobilizations.

Interest on Uniformed Services Savings Deposits: Is a program authorized by Section 1035 of 10 U.S.C. This is a savings program for overseas members participating in temporary duty contingency operations.

Part II – Justification of Funds Requested

Eligibility for unemployment benefits is defined as active service in the armed forces where an individual was discharged under honorable conditions and had completed their first full term of active service; or was discharged before completing their first term under an early release program, because of hardship, for medical reasons, for personality disorders, or ineptitude (but only if the service was continuous for 365 days or more).

RIRP costs are primarily the result of Reserve Component mobilization and provide the necessary compensation to qualified Reserve and Guard Soldiers serving an involuntary mobilization tour on active duty and who would otherwise be earning more income if they were serving in their normal civilian occupation. Payment for the RIRP is capped at \$3,000 per month.

Funds are required to provide Interest on Uniformed Services Savings Deposits to fund the difference between a 10 percent annual rate of return paid under this program and average Treasury bill rates.

The FY 2010 column has increased \$84,417K above the enacted request of \$107,934K. This delta supports the un-forecasted mobilization increase and the Afghanistan surge.

Summary cost computations are provided in the following table:

		FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
BA 6										
Other	Unemployment Benefits	7,411	13,741	101,830	12,776	13,741	175,551	13,989	13,741	192,223
	Reserve Income Replacement Program	3,104	823	2,555	972	823	800	2,303	823	1,895
	Services Savings Deposits	14,796	1,472	15,654	10,870	1,472	16,000	10,939	1,472	16,102
	Total	25,311		120,039	24,617		192,351	27,230	-	210,220

**MEDICARE-ELIGIBLE RETIREE HEALTH FUND
CONTRIBUTION (MERHCF)
FOR TEMPORARY OVERSTRENGTH**

Appropriation: Medicare-Eligible Retiree Health Care Fund
Budget Activity 1: Officer Medicare-Eligible Retiree Health Care Fund
Budget Line Item: Medicare-Eligible Retiree Health Care Fund

FY 2011
(\$ in Thousands)
\$8,153

Part I - Purpose and Scope

The funds requested will provide for the Medicare Eligible Retiree Health Care Fund contributions for active military personnel that are above the baseline strength levels.

Part II - Justification of Funds Requested

The Medicare Eligible Retiree Health Care Fund is an accrual account to pay for future Medicare-eligible retiree health care. The Fund covers Medicare-eligible beneficiaries, regardless of age, to include retirees as well as their dependents and survivors. The DoD Board of Actuaries determines the Per Capita Accrual Rates. The FY 2011 Per Capita Accrual Rate is \$5,995 per active average strength.

Summary cost computations are provided in the following table:

BA1	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
MERHCF,Army									
Reserve/Guard Mobilization	-	-	-	-	-	-	-	-	-
Active Component Overstrength	-	-	-	-	-	-	1,360	5,995	8,153
Total			8,153

Appropriation: Medicare-Eligible Retiree Health Care Fund
Budget Activity 2: Enlisted Medicare-Eligible Retiree Health Care Fund
Budget Line Item: Medicare-Eligible Retiree Health Care Fund

FY 2011
(\$ in Thousands)
\$108,917

Part I - Purpose and Scope

The funds requested will provide for the Medicare Eligible Retiree Health Care Fund contributions for active military personnel that are above the baseline strength levels.

Part II - Justification of Funds Requested

The Medicare Eligible Retiree Health Care Fund is an accrual account to pay for future Medicare-eligible retiree health care. The Fund covers Medicare-eligible beneficiaries, regardless of age, to include retirees as well as their dependents and survivors. The DoD Board of Actuaries determines the Per Capita Accrual Rates. The FY 2011 Per Capita Accrual Rate is \$5,995 per active average strength.

Summary cost computations are provided in the following table:

BA2	FY 2009 Actuals			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
MERHCF,Army									
Reserve/Guard Mobilization	-	-	-	-	-	-	-	-	-
Active Component Overstrength	-	-	-	-	-	-	18,168	5,995	108,917
Total	-	-	-	-	-	-	-	-	108,917

UNITED STATES ARMY RESERVE
PRE/POST MOBILIZATION TRAINING

Appropriation: Reserve Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Pay Group A Training

FY 2011
(\$ in thousands)
\$104,230

Part I – Purpose and Scope

Funds support additional annual training days needed to conduct pre-mobilization training for deploying units. Funds also support Soldier pay, allowances, and travel costs for reintegration training through pre-and post-deployment phases.

Part II – Justification of Funds Requested

Pre-mobilization Training, (\$68.9 million): Funds will provide additional training days required to support collective training events during pre-mobilization. Units will require an additional 6 to 14 days of annual training to participate in technical and tactical exercises in years three and four of the ARFORGEN cycle. Soldiers and units require additional annual training days for planning, preparation, and post-exercise requirements such as equipment turn-in and inventory. Soldiers need additional mandays to become proficient and fully trained in directed mission essential task list (DMETL) tasks for wartime missions to meet Combatant Commander capabilities.

Yellow Ribbon Reintegration Program, (\$21.0 million): Funds support Soldier pay, allowances, and travel costs for reintegration training through pre-and post-deployment. The pre-deployment phase (from first notification of mobilization until deployment of the mobilized unit) focuses on educating Soldiers, families and affected communities on combat deployment. The post-deployment phase (from arrival at home station until 180 days following demobilization) consists of reintegration activities at the 30-60-90 day interval after unit demobilization. The focus is on reconnecting members and their families with service providers (i.e. TRICARE, JAG, Department of Veterans Affairs, etc.) to ensure a clear understanding of entitlements. In addition, methods for coping with combat stress and transition are integral to this post-deployment program.

Designated Unit Stabilization Pay (DUSP), (\$14.3 million): Soldiers assigned to a unit that is within six months of mobilization will be offered DUSP to remain with the unit through deployment. The purpose of DUSP is to improve and maintain unit readiness. DUSP is intended to increase Soldier stability and reenlistment rates as well as reduce attrition. The program is also intended to improve unit cohesiveness at pre-mobilization training events.

Summary cost computations are provided in the following table:

Annual Training	FY 2009 Actual			FY 2010 Estimate			FY 2011 Estimate		
	Mandays	Rate	Amount	Mandays	Rate	Amount	Mandays	Rate	Amount
Total									
Officer	73,614	\$321	\$23,630	91,518	\$340	\$31,116	58,957	\$347	\$20,458
Enlisted	381,851	\$160	\$61,096	437,250	\$169	\$73,895	278,656	\$174	\$48,486
Total	455,465		\$84,726	528,768		\$105,011	337,613		\$68,944

Yellow Ribbon Reintegration	FY 2009 Actual			FY 2010 Estimate			FY 2011 Estimate		
	Strength*	Rate	Amount	Strength*	Rate	Amount	Strength*	Rate	Amount
Officer	1,400	\$1,926	\$2,696	2,900	\$2,040	\$5,916	2,600	\$2,082	\$5,413
Enlisted	7,544	\$962	\$7,258	17,225	\$1,014	\$17,466	14,895	\$1,044	\$15,551
Total	8,944		\$9,955	20,125		\$23,382	17,495		\$20,964

*The "strength" represents the total number of estimated participants attending various events.

Designated Unit Stabilization Pay	FY 2009 Actual			FY 2010 Estimate			FY 2011 Estimate		
	Strength*	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Officer	-	-	-	658	\$1,200	\$790	1,985	\$1,200	\$2,382
Enlisted	-	-	-	6,425	\$1,200	\$7,710	9,950	\$1,200	\$11,940
Total	-	-	-	7,083		\$8,500	11,935		\$14,322

Total Pay Group A			94,681			136,893			104,230
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Appropriation: Reserve Personnel, Army FY 2011
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Special Training

(\$ in thousands)
\$153,915

Part I – Purpose and Scope

Program provides funding for pre-mobilization training to deploying units. The Army Reserve (AR) has limited mandays to accomplish the train, mobilize, deploy paradigm and must rely on additional mandays to train and support mobilizing units.

Part II – Justification of Funds Requested

Pre-mobilization Training, (\$140.2 million): Provides pre-mobilization training that directly supports readiness training strategies related to the 12-month mobilization policy. Funds will provide an additional 21 days of training to conduct pre-mobilization training related to Theater Specific Required Training (TSRT) for 130 tasks previously conducted in post mobilization status. Training includes convoy training, Improvised Explosive Device (IED) training, security training, first aid, map reading, weapons qualification, personnel search, react to indirect fire, country orientation, medical threat, Combat Life Saver training, rules of engagement, and collective training (training, either in institutions or units, that prepares cohesive teams and units to accomplish their missions). Under the train, mobilize, and deploy **model**, Reserve Component forces must be proficient in critical tasks prior to reaching the mobilization station.

Funding also supports mandays for key unit personnel to prepare deploying units for mobilization. Activities include supply, maintenance, medical, planning, administration, pay, logistics, and other categories of mobilization support to maximize pre-mobilization support and minimize time at the mobilization station. Funding will provide additional full-time equivalent (FTE) mandays for key unit personnel to prepare deploying units for mobilization.

Funding will provide mandays for personnel to validate units following pre-mobilization training. Each unit in the Ready Cycle of Army Force Generation (ARFORGEN) will receive one evaluator to support training readiness, certification and validation requirements, and update training databases.

Funds provide screenings for behavioral and physical health assessments. This program affects the overall ability of the Army Reserve to provide Combatant Commanders medically deployable Soldiers and ready units to meet contingency requirements.

Funding also supports mandays for administration and training support at Combat Support Training Centers (CSTC). CSTCs provide ranges, training areas and facilities to support year-round joint, multi-component, and interagency training.

Appropriation: Reserve Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Special Training

Ready Response Reserve Unit, (\$7.5 million): The R3U is a program for gaining assured, predictable access to RC capabilities. Select units will require volunteers who are available to deploy with units to execute short or no-notice global missions and surge requirements without being mobilized. This program will allow the Reserve Components to gain better access to its capabilities by leveraging volunteerism to fill Army capabilities during the first 30 days of a contingency. Units will train on company level deployment and field training exercises, platoon lanes and situational exercises. R3U will provide quick and responsive support to Combatant Commanders for world-wide engagements.

Foreign Army Training Command (FATRAC), (\$6.2 million): Provides pre-mobilization training for AR units selected to train Iraq and Afghanistan forces. The resources will fund travel, per diem, pay and allowances. Select Soldier instructors will deploy to Iraq and Afghanistan to train foreign Soldiers to an adequate level of combat readiness and performance without U.S. assistance. Pre-mobilization training includes theater-specific training, weapons (marksmanship), tactics, land navigation, rules of land warfare, IED recognition, and cultural awareness.

Summary cost computations are provided by the following table:

Special Training	FY 2009 Actual			FY 2010 Estimate			FY 2011 Estimate		
	Mandays	Rate	Amount	Mandays	Rate	Amount	Mandays	Rate	Amount
Officers	237,384	\$393	\$93,292	237,573	\$413	\$98,118	216,000	\$422	\$91,152
Enlisted	328,028	\$217	\$71,185	300,261	\$227	\$68,159	270,530	\$232	\$62,763
Total	565,412		\$164,477	537,834		\$166,277	486,530		\$153,915

Appropriation: Reserve Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Schools Training

FY 2011
(\$ in thousands)
\$9,886

Part I – Purpose and Scope

Funds emerging requirements for Soldiers requiring specialized training prior to mobilization.

Part II – Justification of Funds Requested

Pre-mobilization Skills Training, (\$9.9 million): This request funds Army Reserve Soldiers in high demand, low density Military Occupational Specialties (MOS) such as Civil Affairs and Psychological Operations. Also includes funding to support Combat Lifesaver Course Certification requirements for mobilizing Soldiers.

Summary cost computations are provided by the following table:

Total	FY 2009 Actual			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Officer	-	-	-	959	\$3,663	\$3,513	785	\$3,735	\$2,932
Enlisted	-	-	-	4,046	\$2,119	\$8,572	3,221	\$2,159	\$6,954
Total	-	-	-	6,390	\$12,085	\$12,085	4,006		\$9,886

NATIONAL GUARD
PRE/POST MOBILIZATION TRAINING

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Pay Group A Training

FY 2011
(\$ in Thousands)
\$231,547

Part I – Purpose and Scope

Provides pre-mobilization training and increased readiness to units in order to reduce post mobilization training and maximize soldier in theater time (boots on the ground) in support of the war effort. The training strategy is a direct result of the SECDEF RC Utilization policy signed on 19 January 2007. The benefits of shifting to a 12 month mobilization time for ARNG units allows them to have more time at home station and contact time with employers as well as families. This will build the required readiness of a unit at home station rather than at the mobilization station by providing additional training and support man-days prior to the units being mobilized. Units in the first and second years prior to mobilization are required to accomplish and be certified for full spectrum operations in individual and collective training in order to maximize the use of the unit in the 12 month mobilization time. Given this new strategy, only 2 to 3 months of additional training for the units specified mission in theater will be required which will allow for 9 to 10 months in theater combat time.

Part II – Justification of Funds Requested

Additional Pay Group A Training Periods – (\$231,547): Pay Group A requires funding to support pay and allowances for soldiers participating in required training related to Overseas Contingency Operations (OCO). This training includes Unit Soldier Readiness Processing, Warrior Task Testing, Military Tactical Vehicle Drivers Training and Individual/Crew Weapons Training among the various exercises Commanders implement to ensure soldier readiness, and Post Deployment Health Risk Assessments. These tasks are completed during additional authorized days of Annual Training, and Unit Training Assemblies. Current base funding allows for squad level proficiency training above base funding authorizations to achieve required collective proficiency levels prior to mobilization.

The Annual Training, Inactive Duty Training (AT/IDT) periods are for instruction and training of personnel in the Army National Guard. Individual and collective training are conducted during these periods. These periods of instruction prepare Soldiers for all phases of the unit mission. The Reserve Component Utilization policy requires that units are "more ready" in terms of soldier training, administrative readiness, and medical readiness than in years past. This is due to the shortening of the time available at the mobilization stations under this policy. In past years, units spent from 4-6 months at mobilization stations. Under the new mobilization policy, mobilization station time and mission time, "boots on the ground", and demobilization must not exceed 12 months total. Therefore, units must now arrive at the mobilization station more ready so that the unit can accomplish 9-10 months boots on the ground executing their assigned mission.

Summary cost computations are provided in the following table:

		FY 2009 Actual			FY 2010 Estimate			FY 2011 Estimate		
Pay Grp A		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Training Days	Officer	138,264	292	40,373	59,829	310	18,547	65,331	320	20,906
Additional 6 Days of AT	Enlisted	1,484,378	143	212,266	645,762	151	97,510	700,076	157	109,912
Total		1,622,641		252,639	705,591		116,057	765,408		130,818
Pay Grp A		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Training Days	Officer	97,801	292	28,558	51,019	310	15,816	60,097	320	19,231
Additional 7 UTAs	Enlisted	846,308	143	121,022	443,874	151	67,025	519,096	157	81,498
Total		944,109		149,580	494,894		82,841	579,192		100,729
Pay Grp A		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Training Days	Officer	-	-	-	110,090	310	34,128	-	-	-
Additional 19 Days of Active Duty Training (ADT)*	Enlisted	-	-	-	1,188,278	151	179,430	-	-	-
Total		-		-	1,298,368		213,558	-		-
Pay Grp A		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Post Deployment Health Reassessment (PDHRA)*	Training	-	-	-	29,680	354	10,506	-	-	-
	Travel	-	-	-	29,660	26	763	-	-	-
Total		-		-	29,680		11,269	-		-
Yellow Ribbon Reintegration Program*		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
	Training	-	-	-	162,237	354	57,428	-	-	-
	Travel	-	-	-	162,177	26	4,172	-	-	-
Total		-		-	162,237		61,600	-		-
Total Pay Grp A				402,219			485,325			231,547

* These programs were obligated in Special Training in FY 2009, but were requested and appropriated in Pay Group A in FY 2010. These programs will execute in Special Training in FY 2010 and FY 2011.

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Special Training

FY 2011
(\$ in Thousands)
\$550,090

Part I – Purpose and Scope

Funding in FY 2011 continues to support pre-mobilization training and readiness and maximize soldiers in theater time (boots on the ground) in support of the OCO under the SECDEF RC Utilization policy signed on 19 January 2007. The benefits of shifting to a 12 month mobilization time for ARNG units allows them to have more time at home station and contact time with employers as well as families. This will build the required readiness of a unit at home station rather than at the mobilization station by providing the additional man-days, training, support, and schools, compared to the base budget requirements, prior to the units being mobilized. Given this new strategy, only 2 to 3 months of additional training for the units specified mission in theater will be required which will allow for 9 to 10 months in theater combat time.

Part II – Justification of Funds Requested

Additional Special Training Days – (\$303,844): Based on the requests for forces, ARNG requires increased funding to support training and unit readiness of BCTs supporting OEF/OIF. Current base funding provides funding for the ARNG to certify units up to squad level proficiency. Additional funding requested allows for Company Maneuver Exercises, Battalion Field Training Exercises and National Guard led Soldier Readiness Processing. Funding will assist the impacted Brigades in meeting training requirements for increased readiness, certification of training. Individual and collective training are conducted during the pre-mobilization periods. These periods of instruction prepare Soldiers for all phases of the unit mission. CCMRF operations to support OEF to supplement Active Component Personnel are also included in this request.

Additional 19 Days Active Duty for Training – (\$185,814): The funds requested in this paragraph include 19 days of ADT (Active Duty Training), Reset Man-Days, CCMRF mission funding, Pre-Mobilization Training Assistance Element support, Full Time AGR support, FTE 7 Days for Mobilizing Soldiers, ADSW Support for State Headquarters, PDHR (Post Deployment Health Reassessment), and Yellow Ribbon Reintegration Program.

Post Deployment Health Reassessment (PDHRA) – (\$10,200): This is a program mandated by the Assistant Secretary of Defense for Health Affairs in March 2005 and designed to identify and address health concerns, with specific emphasis on mental health, that have emerged over time since deployment. The PDHRA provides for a second health assessment during the three- to six-month time period after

return from deployment, ideally at the three to four month mark. The reassessment is scheduled for completion before the end of 180 days after return so that Reserve Component members have the option of treatment using their TRICARE health benefit.

Yellow Ribbon Reintegration Program – (\$50,232): The FY 2011 OCO Request supports the members’ pay and allowance and travel costs for reintegration training through the pre and post deployment phases. The “strength” represents the total number of participants attending various events.

Section 582 of the FY 2008 National Defense Authorization Act directs the establishment of “a national combat veteran reintegration program to provide National Guard and Reserve members and their families with sufficient information, services, referral and proactive outreach opportunities through the entire deployment cycle.” The pre-deployment phase (from first notification of mobilization until deployment of the mobilized unit) focuses on educating Members, families and affected communities on combat deployment. The post-deployment phase (from arrival at home station until 180 days following demobilization) consists of reintegration activities at the 30-60-90 day interval after unit demobilization. The focus is on reconnecting members and their families with the service providers (i.e. TRICARE, JAG, Department of Veterans Affairs, etc.) to ensure a clear understanding of the entitled benefits. In addition, combat stress and transition and how members and their families can address these issues is also integral to this post-deployment phase.

Summary cost computations are provided in the following table:

		<u>FY 2009 Actual</u>			<u>FY 2010 Estimate</u>			<u>FY 2011 Estimate</u>		
		<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>	<u>Strength</u>	<u>Rate</u>	<u>Amount</u>
Special Training										
	Officer	321,729	292	93,945	277,958	310	86,167	218,388	320	69,884
	Enlisted	2,158,958	143	308,731	1,898,397	151	286,658	1,490,191	157	233,960
	Total	2,480,687		402,676	2,176,355		372,825	1,708,579		303,844
Special Training										
	Training Days	128,634	292	37,561	-	-	-	92,906	320	29,730
	Additional 19 Days of	1,196,552	143	171,107	-	-	-	994,166	157	156,084
	Active Duty Training (ADT)*	1,325,186		208,668	-		-	1,087,072		185,814
Special Training										
	Post Deployment Health	13,858	344	4,767	-	-	-	25,989	365	9,486
	Reassessment (PDHRA)*	14,360	25	359	-	-	-	26,444	27	714
	Total	14,360		5,126	-		-	26,444		10,200
Special Training										
	Yellow Ribbon Reintegration Program*	145,017	344	49,886	-	-	-	127,989	365	46,716
	Travel	150,200	25	3,755	-	-	-	130,222	27	3,516
	Total	150,200		53,641	-		-	258,211		50,232
Total Special Training				670,111			372,825			550,090

* These programs were obligated in Special Training in FY 2009, but were requested and appropriated in Pay Group A in FY 2010. These programs will execute in Special Training in FY 2010 and FY 2011.

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Administration and Support

FY 2011
(\$ in Thousands)
\$46,485

Part I – Purpose and Scope

This requirement represents incremental costs to facilitate incapacitation (INCAP) pay and allowances for the increasing number of service members who have been injured because of Overseas Contingency Operations (OCO). Provides pay and allowances IAW 37 USC, 204 (g) (h), DOD Directive 1241.1 and AR 135-381 to Soldiers who are injured in the line of duty and are unable to perform their military and/ or civilian occupation. It also funds additional temporary AGRs to maintain readiness.

Part II – Justification of Funds Requested

Incapacitation Pay – (\$12,100): To provide funding for Soldiers who are injured while in support of OCO and are unable return to their civilian occupations or military duties. The Incapacitation Pay is also used to pay soldiers to-and-from medical appointments, medical treatment facilities, and Army Medical Board appearances while seeking treatment. This program provides pay and allowances IAW 37 USC, 204(g)(h), DOD Directive 1241.1 and AR 135-381 to Soldiers who are injured in the line of duty and are unable to perform their military and/ or civilian occupation.

Because Incapacitation Pay was initially intended for those soldier injured during Title 32, Annual Training, and IDT - not those activated on Title 10 - the Army National Guard has incurred an incremental expense due to increased rates of mobilizations. Many of these Soldiers injuries were overlooked when released from Active Duty and manifested at a later date. These injuries affect the Soldier and their family's quality of life for a prolonged period if it remains unresolved. Incapacitation Pay is based on the grade of the Soldier and the average is 29 days.

Pre-Mobilization AGR Augmentation – (\$34,385): Units that are one year from mobilization are authorized to fill vacancies in order to bring their AGR unit strength up to 100% of validated levels, as validated by the US Army Manpower Analysis Agency (USAMAA). These additional temporary AGR fills are vital to the unit and fill critical roles in order to assist the unit in training, supply, maintenance, logistics, and individual Soldier Readiness Processing requirements.

Summary cost computations are provided in the following table:

		FY 2009 Actual			FY 2010 Estimate			FY 2011 Estimate		
		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Administration and Support										
Pre-Mobilization for AGR	Officer	49,664	292	14,502	-	-	-	25,069	320	8,022
Augmentation	Enlisted	333,280	143	47,659	-	-	-	167,917	157	26,363
	Total	382,944		62,161	-		-	192,986		34,385
Administration and Support		Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Incapacitation (INCAP)	Officer	-	-	-	-	-	-	99	8,973	888
Pay / Severence Pay	Enlisted	-	-	-	-	-	-	1,735	6,462	11,212
	Total	-		-	-		-	1,834		12,100
Total Special Training				62,161			-			46,485

**NATIONAL GUARD
RECRUITING AND RETENTION**

Appropriation: National Guard Personnel, Army
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Recruiting and Retention

FY 2011
(\$ in Thousands)
\$0

Part I – Purpose and Scope

In FY 2009 funds supported Recruiting and Retention enablers such as Enlistment Bonuses and Retention Bonuses. Funding facilitated the Army National Guard’s (ARNG) Recruiting and Retention efforts and achieves readiness goals.

Part II – Justification of Funds Requested

Enlistment and reenlistment are vital incentives to achieved accessions and retentions to fill critical Army National Guard MOS’s. Enlistment and reenlistment bonuses are key factors in retaining Soldiers and attracting new Soldiers to the ARNG.

Summary cost computations are provided in the following table:

Recruiting and Retention	FY 2009 Actual			FY 2010 Estimate			FY 2011 Estimate		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Enlistment Bonus	48,671	8,000	389,369	-	-	-	-	-	-
Reenlistment Bonus	3,709	8,000	29,670	-	-	-	-	-	-
Total	52,380		419,039	-		-	-		-