

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2018
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MAY 2017

Overseas Contingency Operations (OCO) Request

The estimated cost for this report for the Department of Navy (DON) is \$66,279.

The estimated total cost for supporting the DON budget justification material is approximately \$1,142,960 for the 2017 fiscal year. This includes \$76,659 in supplies and \$1,066,301 in labor.

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2018
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MAY 2017

Military Personnel, Navy

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MILITARY PERSONNEL OVERVIEW

The FY 2018 OCO requests funding so that the United States may continue security stabilization efforts in Afghanistan and continue the global fight against terror. These efforts are in addition to ongoing daily military operations around the globe. Without additional funds in FY 2018, the Navy would have to use funds from readiness and investment accounts to finance the continuing costs of military operations. Absorbing costs of this magnitude will seriously degrade combat operations and weaken the nation's ability to react to future threats.

This request includes **\$386.9 million** for Navy military personnel costs as shown in the following tables:

	FY 2016	FY 2017	FY 2018
	<u>Actual</u>	<u>Estimate</u>	<u>Request</u>
Summary by Appropriation			
Military Personnel, Navy	343,871	337,911	377,857
Reserve Personnel, Navy	12,693	11,929	9,091
Total	356,564	349,840	386,948
<i>FY 2017 CR Adjustment *</i>	<i>0</i>	<i>-78,782</i>	<i>0</i>
Revised Total Program	356,564	271,058	386,948

*A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

Summary of Appropriation by Category
(\$ in Thousands)

<u>FY 2016 Actual</u>	Active Navy	Navy Reserve	Total
Reserve and Guard Mobilization	271,623		271,623
AC Deployment Costs	26,791		26,791
Subsistence-In-Kind (SIK)	26,526		26,526
Permanent Change of Station	6,989		6,989
Casualty and Disability	4,177		4,177
Additional IMobilization/Deployment Costs	7,765		7,765
Pre and Post Mobilization Training	-	12,693	12,693
Total Military Personnel	343,871	12,693	356,564
 <u>FY 2017 OCO Estimate</u>	 Active Navy	 Navy Reserve	 Total
Reserve and Guard Mobilization*	266,263		266,263
AC Deployment Costs	24,438		24,438
Subsistence-In-Kind (SIK)	25,446		25,446
Permanent Change of Station	9,823		9,823
Casualty and Disability	4,973		4,973
Additional IMobilization/Deployment Costs	6,968		6,968
Pre and Post Mobilization Training		11,929	11,929
Total Military Personnel	337,911		349,840
<i>FY2017 CR Adjustment**</i>	(79,546)	764	(78,782)
Revised Total Program	258,365	12,693	271,058
 <u>FY 2018 OCO Request</u>	 Active Navy	 Navy Reserve	 Total
Reserve and Guard Mobilization	307,144		307,144
AC Deployment Costs	23,420		23,420
Subsistence-In-Kind (SIK)	29,101		29,101
Permanent Change of Station	7,822		7,822
Casualty and Disability	4,383		4,383
Additional IMobilization/Deployment Costs	5,987		5,987
Pre and Post Mobilization Training		9,091	9,091
Total Military Personnel	377,857	9,091	386,948

*Includes the European Reassurance Initiative requirements (\$3.13 million)

** A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

The following table reflects mobilization and deployment assumptions. Mobilization numbers include personnel deployed to theater as well as personnel remaining in CONUS supporting OEF/OFS and OND.

Average Strength

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Request
Active Navy Deployment by IDP Payment	1,806	824	638
Navy Reserve Mobilization	2,786	2,670	3,011
Total	4,592	3,494	3,649

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 Operation Enduring Freedom (OEF). Effective January 1, 2015, Operation ENDURING FREEDOM (OEF) transitioned to Operation FREEDOM'S SENTINEL (OFS). The United States will execute Operation FREEDOM'S SENTINEL (OFS) to support the NATO Resolute Support Mission and conduct U.S. counterterrorism operations to protect its national interests.

The Navy's current military personnel request of **\$386.9 million** is comprised of the following major costs:

Reserve & Guard Mobilization/AC Deployment Costs (\$330.6 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 members on active duty to provide essential military operation support or backfill for those active personnel deployed overseas in support of OEF/OFS. This includes funding for Reserve Component members mobilized to support Wounded Warrior Transition Units.
- Special Pays for Mobilized Reserve and Active Component Personnel, primarily:
 - Hostile Fire Pay (HFP) (\$7.50 per day)
 - 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 Sailors deployed beyond 12 months
- Basic Allowance for Subsistence (BAS) – for Reserve Component members in support of OEF/OFS.

Subsistence-In-Kind (SIK) Costs (\$29.1 million)

- Funds requested provide Subsistence-in-Kind (SIK) (food and drink) to Sailors while deployed in support of OEF and OFS. SIK includes the cost of procuring subsistence for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Navy provides subsistence in mess facilities and operational rations for members of all military services participating in OEF/OFS.

Permanent Change of Station Active Component (\$7.8 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 OEF/OFS. 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 (\$4.4 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 (**\$.3 million**).
- Reimbursement of SGLI/TSGLI premiums for deployed Sailors (**\$4.1 million**).

Additional Mobilization/Deployment Costs (\$6.0 million)

- Funds requested provide unemployment benefits to ex-service members who are discharged or released under honorable conditions; the Reserve Income Replacement Program (RIRP); Interest on Uniformed Services Savings Deposits payments authorized by Section 1035 of 10 U.S.C., and Stop-Loss Retroactive Pay for eligible members.

Pre and Post Mobilization Training (\$9.1 million)

- Basic pay and allowances, special pays, and PCS costs for Reserve members associated with OCO mobilization and post deployment training.

10 U.S.C. §12304b: Selective Reserve: Order to Active Duty for Preplanned Missions in Support of the Combatant Commands

Introduction:

The National Defense Authorization Act (NDAA) 2012, authorizes the use of 10 U.S.C. §12304b, which provides the Secretary of the Navy the authority to involuntarily activate members of the Selected Reserves for not more than 365 consecutive days. In FY2017, the Navy plans to utilize 12304b in support of pre-planned and OCO funded missions identified by Combatant Commanders should the ability to mobilize reservists under 10 U.S.C. 12302 no longer be available.

AFRICOM, CENTCOM -The Navy Mobile Construction Battalion as part of the Navy construction force- Engaged in camp maintenance (i.e. water, electrical, maintenance, building construction, Special Operation Forces, humanitarian efforts and Forward Operating Base (FOB) development to include (horizontal and vertical construction support).

CENTCOM - The Navy Expeditionary Logistics Support Group as part of the Maritime Prepositioning Force and Joint Logistics Over-the-Shore support operations - Provide expeditionary cargo handling services for surface, air and terminal operations, tactical fueling and ordnance handling/reporting in support of worldwide Joint and combined forces.

AFRICOM, CENTCOM - The Coastal Riverine Force - Provide provides flexible responsive maritime security forces capable of performing high level port security, maritime infrastructure protection and US vessel escorts. This includes High Value Unit (HUV) escort missions in and out of foreign ports ensuring all Anti-terrorism force protection measures are provide to the HUVs.

AFRICOM, CENTCOM, SOUTHCOM, SOCOM - Provides support to Naval Special Warfare (NSW) Operations for continued sourcing of critical NSW operations. Includes COCOM Theater Security Cooperation Plans by training and advising partner nations in Special Operations Forces (SOF) mission sets, building relationships and regional cooperation via multiple counterterrorism partnership programs such as Joint Combined Exchange Training (JCET). Includes stability operations that focus on partner nation engagement and training to support regional threats.

The following table reflects the amounts requested for military personnel by appropriation and by M-1 line item.

	FY 2016	FY 2017	FY 2018
	Total	Total	Total
	Actual	Estimate	Request
MILITARY PERSONNEL, NAVY			
BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
BASIC PAY	65,916	60,029	74,171
RETIRED PAY ACCRUAL	15,161	14,167	16,763
BASIC ALLOWANCE FOR HOUSING	21,577	20,255	25,185
BASIC ALLOWANCE FOR SUBSISTENCE	2,284	2,181	2,616
INCENTIVE PAYS	583	480	631
SPECIAL PAYS	3,792	3,202	3,168
ALLOWANCES	7,603	7,337	7,597
SEPARATION PAY	-	-	-
SOCIAL SECURITY TAX	5,043	4,592	5,674
TOTAL BUDGET ACTIVITY 1	121,959	112,243	135,805
BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED			
BASIC PAY	77,054	79,091	86,671
RETIRED PAY ACCRUAL	17,723	18,665	19,588
BASIC ALLOWANCE FOR HOUSING	40,270	41,467	46,974
INCENTIVE PAYS	208	211	-
SPECIAL PAYS	8,688	6,602	6,542
ALLOWANCES	17,841	17,438	17,995
SEPARATION PAY	-	-	-
SOCIAL SECURITY TAX	5,894	6,051	6,630
TOTAL BUDGET ACTIVITY 2	167,678	169,525	184,400

	FY 2016 Total Actual	FY 2017 Total Estimate	FY 2018 Total Request
BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
BASIC ALLOWANCE FOR SUBSISTENCE	8,777	8,933	10,359
SUBSISTENCE-IN-KIND	26,526	25,446	29,101
TOTAL BUDGET ACTIVITY 4	35,303	34,379	39,460
BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL			
ACCESSION TRAVEL	3,398	1,427	3,806
OPERATIONAL TRAVEL	1,129	1,825	1,264
ROTATIONAL TRAVEL	543	4,634	600
SEPARATION TRAVEL	1,919	1,937	2,152
TOTAL BUDGET ACTIVITY 5	6,989	9,823	7,822
BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS			
RESERVE INCOME REPLACEMENT PROGRAM	3	9	9
UNEMPLOYMENT COMPENSATION	6,442	6,959	5,978
DEATH GRATUITIES	400	300	300
SGLI EXTRA HAZARD PAYMENTS	-	-	-
TRAUMATIC SGLI	3,777	4,673	4,083
TOTAL BUDGET ACTIVITY 6	10,622	11,941	10,370
TOTAL MILITARY PERSONNEL, NAVY	342,551	337,911	377,857
<i>FY2017 CR Adjustment*</i>	-	<i>(79,546)</i>	-
REVISED TOTAL PROGRAM	342,551	258,365	377,857

*A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

RESERVE PERSONNEL, NAVY

	FY 2016 Actual	FY 2017 Estimate	FY 2018 Request
BUDGET ACTIVITY 1			
ACTIVE DUTY FOR TRAINING (Special Training)	10,150	9,474	7,232
YELLOW RIBBON REINTEGRATION PROGRAM	2,379	2,100	1,603
IMMINENT DANGER PAY	36	152	110
HARDSHIP DUTY PAY	70	135	98
SGLI INSURANCE PREMIUM	58	68	48
TOTAL BUDGET ACTIVITY 1	12,693	11,929	9,091
<i>FY 2017 CR Adjustment*</i>	-	764	-
REVISED TOTAL PROGRAM	12,693	12,693	9,091

*A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS

	FY 2017				Internal		Proposed	FY 2017
Military Personnel, Navy	President's	Congressional	Enacted	Appropriation	Realignment	Subtotal	DD 1415	Column
	Budget*	Action	Title IX		Reprogramming		Action	FY 2018
								Pres Budget
BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS								
BASIC PAY	58,413	-	58,413	58,413	1,077	59,490	-	60,029
RETIRED PAY ACCRUAL	13,903	-	13,903	13,903	-	13,903	-	14,167
BASIC ALLOWANCE FOR HOUSING	19,879	-	19,879	19,879	-	19,879	-	20,255
BASIC ALLOWANCE FOR SUBSISTENCE	2,141	-	2,141	2,141	-	2,141	-	2,181
INCENTIVE PAYS	480	-	480	480	-	480	-	480
SPECIAL PAYS	3,293	385	3,128	3,676	-	3,676	-	3,202
ALLOWANCES	7,615	791	7,280	8,408	-	8,408	-	7,337
SEPARATION PAY	-	-	-	-	-	-	-	-
SOCIAL SECURITY TAX	4,507	-	4,507	4,507	-	4,507	-	4,592
TOTAL BUDGET ACTIVITY 1	110,231	1,176	109,731	111,407	1,077	112,484	-	112,243
BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED								
BASIC PAY	74,456	-	74,456	74,456	-	74,456	-	79,091
RETIRED PAY ACCRUAL	18,163	-	18,163	18,163	-	18,163	-	18,665
BASIC ALLOWANCE FOR HOUSING	40,353	-	40,353	40,353	-	40,353	-	41,467
INCENTIVE PAYS	211	-	211	211	-	211	-	211
SPECIAL PAYS	6,740	2,199	5,812	8,947	-	8,947	-	6,602
ALLOWANCES	18,612	3,693	17,032	22,297	(791)	21,506	-	17,438
SEPARATION PAY	-	-	-	-	-	-	-	-
SOCIAL SECURITY TAX	5,888	-	5,888	5,888	-	5,888	-	6,051
TOTAL BUDGET ACTIVITY 2	164,423	5,892	161,915	170,315	(791)	169,524	-	169,525
BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL								
BASIC ALLOWANCE FOR SUBSISTENCE	8,693	-	8,693	8,693	-	8,693	-	8,933
SUBSISTENCE-IN-KIND	25,446	-	25,446	25,446	-	25,446	-	25,446
TOTAL BUDGET ACTIVITY 4	34,139	-	34,139	34,139	-	34,139	-	34,379
BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL								
ACCESSION TRAVEL	1,427	-	1,427	1,427	-	1,427	-	1,427
OPERATIONAL TRAVEL	1,825	-	1,825	1,825	-	1,825	-	1,825
ROTATIONAL TRAVEL	4,634	-	4,634	4,634	-	4,634	-	4,634
SEPARATION TRAVEL	1,937	-	1,937	1,937	-	1,937	-	1,937
TOTAL BUDGET ACTIVITY 5	9,823	-	9,823	9,823	-	9,823	-	9,823
BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COSTS								
RESERVE INCOME REPLACEMENT PROGRAM	9	-	9	9	-	9	-	9
UNEMPLOYMENT COMPENSATION	6,959	-	6,959	6,959	-	6,959	-	6,959
DEATH GRATUITIES	300	-	300	300	-	300	-	300
SGLI EXTRA HAZARD PAYMENTS	4,673	286	4,551	4,959	-	4,959	-	-
TRAUMATIC SGLI	-	-	-	-	(286)	(286)	-	4,673
TOTAL BUDGET ACTIVITY 6	11,941	286	11,819	12,227	(286)	11,941	-	11,941
TOTAL MILITARY PERSONNEL, NAVY	330,557	7,354	327,427	337,911	-	337,911	-	337,911
<i>FY 2017 CR Adjustment*</i>	<i>(79,546)</i>	<i>-</i>	<i>-</i>	<i>(79,546)</i>	<i>-</i>	<i>(79,546)</i>	<i>-</i>	<i>(79,546)</i>
Revised Total Program	251,011	7,354	327,427	258,365	-	258,365	-	258,365
GRAND TOTAL MILITARY PERSONNEL, NAVY OCO	251,011	7,354	327,427	258,365	-	258,365	-	258,365

*A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS

Reserve Personnel, Navy	FY 2017 President's Budget*	Congressional Action	Enacted Title IX	Appropriation	Internal Realignment Reprogramming	Subtotal	Proposed DD 1415 Action	Column FY 2018 Pres Budget
BUDGET ACTIVITY 1								
ACTIVE DUTY FOR TRAINING (Special Training)	9,474	-	9,474	9474	-	9474	-	9474
YELLOW RIBBON REINTEGRATION PROGRAM	2,100	-	2,100	2100	-	2100	-	2100
IMMINENT DANGER PAY	152	-	152	152	-	152	-	152
HARDSHP DUTY PAY	135	-	135	135	-	135	-	135
SGLI INSURANCE PROGRAM	68	-	68	68	-	68	-	68
TOTAL BUDGET ACTIVITY 1	11,929	-	11,929	11,929	-	11,929	-	11,929
TOTAL RESERVE PERSONNEL, NAVY	11,929	-	11,929	11,929	-	11,929	-	11,929
FY 2017 CR Adjustment*	764	-	-	764	-	764	-	764
Revised Total Program	12,693	-	11,929	12,693	-	12,693	-	12,693
GRAND TOTAL RESERVE PERSONNEL,NAVY OCO	12,693	-	11,929	12,693	-	12,693	-	12,693

*A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Resolution, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

**RESERVE MOBILIZATION/
ACTIVE DEPLOYMENT COSTS
ACTIVE OVERSTRENGTH
RECRUITING & RETENTION**

Appropriation: Military Personnel, Navy

Budget Activity 1: Pay and Allowances of Officers

Budget Line Item: Basic Pay

FY 2018

(Amounts in Thousands)

\$74,171

Part I - Purpose and Scope

The funds requested will provide for the incremental basic compensation for mobilized officers and active military personnel that are above the baseline strength levels.

Part II - Justification of Funds Required

The request provides the basic compensation for mobilized Reserve officer personnel. The FY 2018 military pay raise reflects a 2.1 percent across-the-board pay raise effective January 1, 2018.

Detailed cost computations are provided in the following table:

	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
<u>Basic Pay</u>									
Reserve Mobilization	775	\$85,053	\$65,916	699	\$85,879	\$60,029	838	\$88,510	\$74,171

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 1: Pay and Allowances of Officers

(Amounts in Thousands)

Budget Line Item: Retired Pay Accrual

\$16,763

Part I - Purpose and Scope

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

Part II - Justification of Funds Requested

The budget estimates are derived as a product of: (a) The DoD Actuary approved part-time Normal Cost Percentages (NCP) is 22.6 percent of basic pay for FY 2018 for part time (mobilized reserves) and; (b) The total amount of the basic pay expected to be paid during the fiscal year. The funds provide the Retired Pay Accrual payments for mobilized Reserve officer personnel. The summary cost computations are provided in the following table:

	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
<u>Retired Pay Accrual</u>									
Reserve Mobilization	775	\$19,562	\$15,161	699	\$20,267	\$14,167	838	\$20,003	\$16,763

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 1: Pay and Allowances of Officers

(Amounts in Thousands)

Budget Line Item: Basic Allowance for Housing (BAH)

\$25,185

Part I - Purpose and Scope

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a Basic Allowance for Housing (BAH) to Servicemembers. 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 National Defense Authorization Act 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 Servicemembers is authorized by 37 U.S.C. 403.

Part II - Justification of Funds Requested

This program provides a cash allowance to those military personnel not provided with government quarters adequate for themselves and their dependents. This allowance enables such personnel to obtain civilian housing as a substitute. The funds provide the BAH allowance for mobilized Reserve personnel. The summary cost computations are provided in the following table:

	FY 2016 Actual			FY 2017 Estimate				FY 2018 Request		
	<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>
<u>Basic Allowance for Housing</u>										
Reserve Mobilization	775	\$27,841	\$21,577	699	\$28,977	\$20,255	INQ01	838	\$30,054	\$25,185

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 1: Pay and Allowances of Officers

(Amounts in Thousands)

Budget Line Item: Basic Allowance for Subsistence (BAS)

\$2,616

Part I - Purpose and Scope

The funds requested will provide for subsistence allowance authorized by 37 U.S.C. 402 and P.L. 96-343.

Part II - Justification of Funds Requested

All officers, regardless of dependency status and pay grade, are paid a monthly Basic Allowance for Subsistence (BAS) at the same statutory rate. The funds provide the BAS allowance for mobilized Reserve officer personnel. Summary cost computations are provided in the following table:

	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
<u>Basic Allowance for Subsistence</u>									
Reserve Mobilization	775	\$2,947	\$2,284	699	\$3,121	\$2,181	838	\$3,121	\$2,616

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 1: Pay and Allowances of Officers

(Amounts in Thousands)

Budget Line Item: Special and Incentive Pays and Allowances

\$11,397

Part I - Purpose and Scope

The funds requested provide for payments to officers for the following special pays.

Family Separation Allowance (FSA): 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 (IDP): Prior to Dec. 31, 2011, members eligible for IDP were paid the full monthly rate of \$225 for any complete or partial month they served in a qualifying area. The 2012 National Defense Authorization Act modified IDP payments, limiting eligibility to only the actual days served in a qualifying area. Now service members will receive \$7.50 for each day they are on official duty in an IDP area up to the maximum monthly rate of \$225. The monthly rate is paid to members who serve an entire calendar month in an IDP area regardless of the number of individual days in that month.

Hardship Duty Pay (HDP): The monthly rate may *not exceed* \$1,500 per month. The funds requested 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).

Foreign Language Proficiency Pay (FLPP): (37 U.S.C. 316) -a monthly payment made to qualified officers whose military specialty requires proficiency in a foreign language. The FY05 NDAA increased the monthly cap from \$300 to \$1,000 per month for members entitled to basic pay and a one-time bonus not to exceed \$6,000 for Reserve component members who fulfill a 12 month certification period.

Parachute: (37 U.S.C. 301(a) (3)) - duty involving parachute jumping as an essential part of military duty. Payment is a flat \$150 per month, except for duty involving High Altitude Low Opening (HALO) jumps which receive \$225 per month.

Diving duty pay: (37 U.S.C. 304) - a monthly amount not to exceed \$240 paid to officers on active duty assigned to diving duty. Recipients of diving duty pay are required to maintain proficiency as divers and must actually perform diving duty.

Sea pay (37 U.S.C. 305a):

(a) Career sea pay (CSP) - a variable amount paid monthly that ranges from \$50 to \$750 to officers on active duty who are permanently or temporarily serving on a ship, the primary mission of which is accomplished while underway, or while serving as a member of the off crew of a two-crewed submarine; or when serving on a ship, the primary mission of which is accomplished while in port. CSP is earned only during a period that the ship is away from its homeport for 30 consecutive days or more. The FY 2001 National Defense Authorization Act enhanced CSP which increases existing sea pay rates in order to restore incentive values of sea pay and expands CSP to officers with less than three years of sea duty if they are assigned to qualifying sea duty.

(b) Premium sea pay - \$100 per month paid to officers who are entitled to CSP who have served more than 36 consecutive months on sea duty payable on the 37th consecutive month.

Demolition Duty: ((37 U.S.C. 301(a)(4)) - duty involving the demolition of explosives as a primary duty including training for such duty. Payment is a flat \$150 per month.

Separation Pay: Provides for separation payments for reserve component members who either sell back their unused leave or receive payments due to physical disability under 10 USC 1212.

Overseas Station Allowance: (37 U.S.C. 405 and the Joint Travel Regulations) – Provides for payments of a per diem allowance to member and their dependents on duty outside the United States for increased cost of living, housing and temporary lodging allowances.

Aviation Career Incentive Pay: ((37 U.S.C. 301(a)) – Financial incentive for members to serve as military aviators throughout a military career. Payment ranges from \$125 to \$840 per month determined by years of aviation service.

Medical/Dental: (37 U.S.C. 302) –

- (a) Medical Variable Special Pay (sec 302(a)) – Monthly payment to medical corps officers on active duty or order to active duty. Amount paid varies with total length of creditable service and ranges from \$1,200 to \$12,000 per year.
- (b) Medical Board Certified Pay (sec 302 (a)) – Monthly payment which varies with length of creditable service paid to medical corps officers who become board certified or re-certified as having successfully met specified post-graduate education, training and experience requirements in a medical or osteopathic specialty. Payment ranges from \$2,500 to \$6,000 per year.
- (c) Medical Incentive Pay (sec 302 (b)) – Up to \$50,000 for medical corps officers below the grade of O7 who meet certain criteria and who agree to remain on active duty for a period of one year and who are not undergoing medical or osteopathic internship, initial residency, subspecialty or fellowship training.
- (d) Dental Variable (sec 302(b)) – Monthly payment to dental corps officers on active duty or on call to active duty. Amount paid varies with total length of creditable service and ranges from \$3,000 to \$12,000 per year.

- (e) Psychologist diplomat/non-physician (sec 302(c)) – Annual amount for medical service corps officers who are health care providers, certified by a professional board of their specialty and awarded a diploma as a diplomat in psychology. Payment ranges from \$2,000 to \$5,000 dependent upon years of creditable service.

Nuclear Officer Incentive Pay: (37 U.S.C. 312, 312b and 312c) - an annual bonus paid to officers below the grade of O7 who are qualified to supervise, operate and maintain nuclear propulsion plants and agree to remain on active duty; or paid to officers who complete nuclear power training.

Responsibility Pay: (37 U.S.C. 306) – Amount which varies by grade payable to officers on active duty serving in Secretary of the Navy designated positions of unusual responsibility which are of a critical nature to the Navy.

CONUS COLA: (37 U.S.C. 403b) – Payment to officers who are assigned to high cost areas in the Continental United States. The amount of COLA payable is the product of spendable income times the difference between the COLA index for the individual's high cost area and the threshold percentage.

Uniform Allowance: (37 U.S.C. 415/416) – Initial clothing allowance paid to officers upon commissioning and active clothing allowance to reserves upon entry or reentry on active duty. Also provides for civilian clothing allowance as authorized by 37 U.S.C. 419.

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. Summary cost computations are provided in the following tables:

Appropriation: Military Personnel, Navy

Budget Activity 1: Pay and Allowances of Officers

Budget Line Item: Special and Incentive Pays and Allowances

<u>Mobilized Reserve</u>	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</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>
Family Separation Allowance	351	\$3,000	\$1,053	324	\$3,000	\$972	384	\$3,000	\$1,152
Overseas Station Allowance	33	\$11,768	\$388	24	\$12,235	\$294	33	\$12,194	\$402
Uniform Allowance	156	\$294	\$46	135	\$290	\$39	174	\$305	\$53
CONUS COLA	45	\$1,312	\$59	57	\$1,343	\$77	51	\$1,359	\$69
Hostile Fire/Imminent Danger Pay	290	\$2,700	\$783	270	\$2,700	\$729	314	\$2,700	\$848
Hardship Duty Pay	300	\$1,200	\$360	273	\$1,200	\$328	321	\$1,200	\$385
Foreign Language Proficiency Pay	10	\$3,300	\$33	7	\$3,450	\$24	11	\$3,300	\$36
Dive	6	\$2,880	\$17	4	\$2,880	\$12	7	\$2,880	\$20
Career Sea Pay	5	\$2,640	\$13	4	\$2,725	\$11	5	\$2,640	\$13
Medical/Dental Pay	87	\$7,080	\$616	108	\$7,000	\$756	84	\$7,120	\$598
Aviation Career Incentive Pay	90	\$6,240	\$562	73	\$6,282	\$459	98	\$6,250	\$613
Parachute	5	\$2,340	\$12	5	\$2,340	\$12	4	\$2,340	\$9
Demolition	5	\$1,800	\$9	5	\$1,800	\$9	5	\$1,800	\$9
Separations	0	\$4,215	\$0	0	\$4,230	\$0	0	\$3,850	\$0
Total			\$3,951			\$3,722			\$4,207

<u>Active Component Deployed</u>	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</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>
Family Separation Allowance	2,019	\$3,000	\$6,057	1,985	\$3,000	\$5,955	1,974	\$3,000	\$5,922
Hostile Fire/Imminent Danger Pay	425	\$2,700	\$1,148	190	\$2,700	\$513	171	\$2,700	\$462
Hardship Duty Pay	685	\$1,200	\$822	691	\$1,200	\$829	672	\$1,200	\$806
Total			\$8,027			\$7,297			\$7,190
Total Special and Incentive Pays and Allowances			\$11,978			\$11,019			\$11,397

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 1: Pay and Allowances of Officers

(Amounts in Thousands)

Budget Line Item: Social Security Tax

\$5,674

Part I - Purpose and Scope

The funds requested provide for employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

Part II - Justification of Funds Requested

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 percent and the Hospital Insurance (HI) rate is 1.45 percent. 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>
2016	\$118,500	No upper limit
2017	\$118,500	No upper limit
2018	\$127,500	No upper limit

The funds provide the employer's Social Security Tax payment for mobilized Reserve officer personnel. Summary cost computations are provided in the following table:

	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</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>
<u>Social Security Tax</u>									
Reserve Mobilization	775	\$6,507	\$5,043	699	\$6,570	\$4,592	838	\$6,771	\$5,674

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 2: Pay and Allowances of Enlisted

(Amounts in Thousands)

Budget Line Item: Basic Pay

\$86,671

Part I - Purpose and Scope

The funds requested will provide for the incremental basic compensation and length of service pay increments for mobilized enlisted personnel and active military personnel that are above the baseline strength levels.

Part II - Justification of Funds Requested

The funds provide the basic compensation for mobilized Reserve personnel. The FY 2018 military pay raise reflects a 2.1 percent across-the-board pay raise effective January 1, 2018. Summary cost computations are provided in the following table:

	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
<u>Basic Pay</u>									
Reserve Mobilization	2,011	\$38,316	\$77,054	1,971	\$40,127	\$79,091	2,173	\$39,885	\$86,671

Appropriation: Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted

Budget Line Item: Retired Pay Accrual

FY 2018

(Amounts in Thousands)

\$19,588

Part I - Purpose and Scope

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

Part II - Justification of Funds Requested

The budget estimates are derived as a product of: (a) The DoD Actuary approved part-time Normal Cost Percentages (NCP) is 22.6 percent of basic pay for FY 2017 for part time (mobilized reserves) and; (b) The total amount of the basic pay expected to be paid during the fiscal year. The funds provide the Retired Pay Accrual payments for mobilized Reserve enlisted personnel. The summary cost computations are provided in the following table:

	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
<u>Retired Pay Accrual</u>									
Reserve Mobilization	2,011	\$8,813	\$17,723	1,971	\$9,470	\$18,665	2,173	\$9,014	\$19,588

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 2: Pay and Allowances of Enlisted

(Amounts in Thousands)

Budget Line Item: Basic Allowance for Housing (BAH)

\$46,974

Part I - Purpose and Scope

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a Basic Allowance for Housing (BAH) to Servicemembers. 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 National Defense Authorization Act 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 Servicemembers is authorized by 37 U.S.C. 403.

Part II - Justification of Funds Requested

This program provides a cash allowance to those military personnel not provided with government quarters adequate for themselves and their dependents. This allowance enables such personnel to obtain civilian housing as a substitute. The funds provide the BAH allowance for mobilized Reserve enlisted personnel. The summary cost computations are provided in the following table:

	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</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>
<u>Basic Allowance for Housing</u>									
Reserve Mobilization	2,011	\$20,025	\$40,270	1,971	\$21,039	\$41,467	2,173	\$21,617	\$46,974

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 2: Pay and Allowances of Enlisted

(Amounts in Thousands)

Budget Line Item: Special and Incentive Pays and Allowances

\$24,537

Part I - Purpose and Scope

The funds requested provide for payments to enlisted 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 (IDP): Prior to Dec. 31, 2011, members eligible for IDP were paid the full monthly rate of \$225 for any complete or partial month they served in a qualifying area. The 2012 National Defense Authorization Act modified IDP payments, limiting eligibility to only the actual days served in a qualifying area. Now service members will receive \$7.50 for each day they are on official duty in an IDP area up to the maximum monthly rate of \$225. The monthly rate is paid to members who serve an entire calendar month in an IDP area regardless of the number of individual days in that month.

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

Foreign Language Proficiency Pay (FLPP): (37 U.S.C. 316) - a bonus not to exceed \$1000/mo paid to individuals certifying in languages identified on the DoD Strategic Language List. Certification must be renewed via testing annually to maintain eligibility. This pay increases language capacity and readiness across the active and reserve components by encouraging members to identify their skill and improve their proficiency.

Parachute: (37 U.S.C. 301(a) (3)) - duty involving parachute jumping as an essential part of military duty. Payment is a flat \$150 per month, except for duty involving High Altitude Low Opening (HALO) jumps which receive \$225 per month.

Diving duty pay: (37 U.S.C. 304) - a monthly amount not to exceed \$240 paid to officers on active duty assigned to diving duty. Recipients of diving duty pay are required to maintain proficiency as divers and must actually perform diving duty.

Sea pay (37 U.S.C. 305a):

(a) Career sea pay (CSP) - a variable amount paid monthly that ranges from \$50 to \$750 to officers on active duty who are permanently or temporarily serving on a ship, the primary mission of which is accomplished while underway, or while serving as a member of the off crew of a two-crewed submarine; or when serving on a ship, the primary mission of which is accomplished while in port. CSP is earned only during a period that the ship is away from its homeport for 30 consecutive days or more. The FY 2001 National Defense Authorization Act enhanced CSP which increases existing sea pay rates in order to restore incentive values of sea pay and expands CSP to officers with less than three years of sea duty if they are assigned to qualifying sea duty.

(b) Premium sea pay - \$100 per month paid to officers who are entitled to CSP who have served more than 36 consecutive months on sea duty payable on the 37th consecutive month.

Demolition Duty: (37 U.S.C. 301(a)(4)) - duty involving the demolition of explosives as a primary duty including training for such duty. Payment is a flat \$150 per month.

Uniform Allowance: (37 U.S.C. 418) – Payments cover initial clothing upon enlistment or promotion to E7 and civilian clothing allowance when authorized by competent orders. Payments also cover basic maintenance allowances and supplementary clothing allowances as authorized.

Flying Duty: (37 U.S.C. 301 (a) (1) and (2)) – Payments for both crew and non-crew members for performance of hazardous duty involving frequent and regular aerial flight and to induce members to volunteer for and remain in flying duty assignments. Payments range from \$125 to \$250 per month for crew members and from \$110 to \$150 per month for non crew members.

Special Duty Assignment Pay: (37 U.S.C. 307 - Payment to enlisted personnel to obtain a sufficient number of qualified volunteers to sustain adequate manning levels in designated special duty assignments.

CONUS COLA: (37 U.S.C. 403b) – Payment to enlisted who are assigned to high cost areas in the Continental United States. The amount of COLA payable is the product of spend able income times the difference between the COLA index for the individual's high cost area and the threshold percentage.

Overseas Station Allowance: (37 U.S.C. 405) – Per diem allowance paid to members and their dependents on duty outside the United States for increased cost of living, housing and temporary lodging allowances.

Aid and Attendance Allowance for Catastrophically Injured: (37 U.S.C 439) – Allowance paid to Enlisted who require regular aid and attendance during and after hospitalization as a result of injuries sustained in combat or in a combat-related event.

Separation Pay: Provides for separation payments for reserve component members who either sell back their unused leave or receive payments due to physical disability under 10 USC 1212. (Includes Wounded, Ill and Injured)

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. Summary cost computations are provided in the following tables:

Appropriation: Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted

Budget Line Item: Special and Incentive Pays and Allowances

<u>Mobilized Reserve</u>	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</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>
Family Separation Allowance	835	\$3,000	\$2,505	749	\$3,000	\$2,247	903	\$3,000	\$2,709
Overseas Station Allowance	92	\$6,559	\$603	63	\$6,749	\$425	57	\$6,824	\$388
Uniform	2580	\$420	\$1,084	2169	\$440	\$954	2977	\$435	\$1,295
CONUS COLA	234	\$1,161	\$272	227	\$950	\$216	270	\$1,203	\$325
Hostile Fire/Imminent Danger Pay	706	\$2,700	\$1,906	709	\$2,700	\$1,914	766	\$2,700	\$2,068
Hardship Duty Pay	780	\$1,200	\$936	742	\$1,200	\$890	845	\$1,200	\$1,014
Foreign Language Proficiency Pay	25	\$3,410	\$85	17	\$3,565	\$61	28	\$3,410	\$95
Dive	21	\$2,488	\$52	13	\$2,399	\$31	23	\$2,488	\$57
Career Sea Pay	65	\$2,965	\$193	14	\$2,965	\$42	70	\$2,965	\$208
Special Duty Assignment Pay	43	\$3,011	\$129	37	\$3,206	\$119	49	\$3,019	\$148
Demolition	21	\$1,800	\$38	13	\$1,800	\$23	0	\$1,800	\$0
Flying Duty	36	\$3,027	\$109	46	\$3,003	\$138	0	\$3,027	\$0
Parachute	26	\$2,350	\$61	22	\$2,266	\$50	0	\$2,350	\$0
Total			\$7,973			\$7,110			\$8,307

<u>Active Component Deployed</u>	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</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>
Family Separation Allowance	4,459	\$3,000	\$13,377	4,532	\$3,000	\$13,596	4426	\$3,000	\$13,278
Hostile Fire/Imminent Danger Pay	1,381	\$2,700	\$3,729	634	\$2,700	\$1,712	467	\$2,700	\$1,261
Hardship Duty Pay	1,382	\$1,200	\$1,658	1,528	\$1,200	\$1,833	1409	\$1,200	\$1,691
Total			\$18,764			\$17,141			\$16,230
Total Special and Incentive Pays and Allowances			\$26,737			\$24,251			\$24,537

Appropriation: Military Personnel, Navy

Budget Activity 2: Pay and Allowances of Enlisted

Budget Line Item: Social Security Tax

FY 2018

(Amounts in Thousands)

\$6,630

Part I - Purpose and Scope

The funds requested provide for employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

Part II - Justification of Funds Requested

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 percent and the Hospital Insurance (HI) rate is 1.45 percent. 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>
2016	\$118,500	No upper limit
2017	\$118,500	No upper limit
2018	\$127,500	No upper limit

The funds provide the employer's Social Security Tax payment for mobilized Reserve enlisted personnel. Summary cost computations are provided in the following table:

	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</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>
<u>Social Security Tax</u>									
Reserve Mobilization	2,011	\$2,931	\$5,894	1,971	\$3,070	\$6,051	2,173	\$3,051	\$6,630

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 4: Subsistence of Enlisted Personnel

(Amounts in Thousands)

Budget Line Item: Basic Allowance for Subsistence/Subsistence-in-Kind

\$39,460

Part I - Purpose and Scope

The funds requested for this budget activity are for the payment of authorized Basic Allowances for Subsistence (BAS) and Subsistence-in-Kind (SIK). Subsistence-in-Kind includes the cost of procuring subsistence for garrison dining facilities (Subsistence in Messes), operational rations, and augmentation rations. The Navy provides subsistence at Camp Lemonier, Djibouti as well as various satellite messes of Camp Lemonier. The Marine Corps transferred management of Camp Lemonier, Djibouti to the Navy as of October 1, 2006. The Army transferred responsibility for galley operations at ISA Air Base, Bahrain to the Navy as of November 11, 2010. The funds requested will continue to finance subsistence of personnel stationed at Camp Lemonier and ISA Air Base.

Basic Allowance for Subsistence is linked to the Department of Agriculture (DoA) 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 OEF/OFS. 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 sailors. The number of active duty personnel and the type of operational rations served determine costs for operational rations.

Appropriation: Military Personnel, Navy

Budget Activity 4: Subsistence of Enlisted Personnel

Budget Line Item: Basic Allowance for Subsistence/Subsistence-in-Kind

Part II - Justification of Funds Requested

This budget activity includes the Basic Allowance for Subsistence (BAS) paid to the mobilized enlisted sailor. The 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. All mobilized sailors are paid their full BAS entitlement. Funds provide for incremental subsistence costs for personnel supporting OEF/OFS. Summary cost computations are provided in the following table:

<u>Enlisted BAS</u>	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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 Mobilization	2,011	\$4,364	\$8,777	1,971	\$4,532	\$8,933	2,173	\$4,767	\$10,359
<u>Subsistence-In-Kind (SIK)</u>	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
Subsistence in Messes	6,098	\$4,350	\$26,526	5,710	\$4,456	\$25,446	6,527	\$4,459	\$29,101
Total Subsistence of Enlisted Personnel			\$35,303			\$34,379			\$39,460

PERMANENT CHANGE OF STATION

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 5: Permanent Change of Station (PCS)

(Amounts in Thousands)

Budget Line Item: Permanent Change of Station (PCS)

\$7,822

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 Operation Enduring Freedom (OEF) and Operation Freedom's Sentinel (OFS). 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

Accession moves are necessary to ensure the Navy meets increase in strength requirements and distributes the correct grade and skill mix for Sailors deploying in support of OCO. There are also increased costs for moves to support transition teams and deploying personnel to Afghanistan. These moves fully man deploying units to authorized strength levels and provide military advisors to the Afghanistan government. Additional moves are also required to reset the forces in support of deploying units for OEF/OFS, moves for Sailors retained due to specialized skills, and Sailors separating after returning from deployment. Summary cost computations are provided in the following table:

	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
<u>Permanent Change of Station</u>									
Accession Moves	3,839	\$885	\$3,398	1,587	\$899	\$1,427	4,146	\$918	\$3,806
Operational Moves	174	\$6,490	\$1,129	376	\$4,854	\$1,825	188	\$6,726	\$1,264
Rotational Moves	30	\$18,086	\$543	351	\$13,203	\$4,634	32	\$18,761	\$600
Separation Moves	2,244	\$855	\$1,919	2,234	\$867	\$1,937	2,426	\$887	\$2,152
Total	6,287		\$6,989	4,548		\$9,823	6,792		\$7,822

CASUALTY AND DISABILITY BENEFITS

Appropriation: Military Personnel, Navy

Budget Activity 6: Other Military Personnel Costs

Budget Line Item: Casualty and Disability Benefits

FY 2018

(Amounts in Thousands)

\$4,383

Part I – Purpose and Scope

The Servicemembers' Group Life Insurance (SGLI) program is a low cost group life insurance for Servicemembers on active duty. These payments are required, under section 1969(b) of title 38, United States Code, when actual mortality rates exceed peacetime mortality rates. The Traumatic Servicemembers' Group Life Insurance (T-SGLI) provides automatic traumatic injury coverage to all Servicemembers covered under the SGLI program. Every member who has SGLI also has T-SGLI, effective December 1, 2005. Funding is for SGLI/T-SGLI insurance premiums that the Department of Defense pays on behalf of Servicemembers. Funding for Death Gratuity (Combat Deaths) is for payments to survivors of members while dying on active duty.

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 2013, which is not on a fiscal year (policy year based on July 1 – June 30). Funds are also required to make benefit payments to military personnel who incur a traumatic injury in support of Operation Enduring Freedom (OEF) and Operation Freedom's Sentinel (OFS). Section 606 of the FY 2007 National Defense Authorization Act directs the Department to pay the full premium for coverage under Servicemembers' Group Life Insurance program during service in OEF/OFS. This amount the Department pays is \$29.00 per month for each member.

	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
<u>Casualty and Disability</u>									
SGLI			\$0			\$0			\$0
T-SGLI Prospective			\$0			\$0			\$0
T-SGLI Retroactive			\$0			\$0			\$0
SGLI/T-SGLI Insurance Premium	10,854	\$348	\$3,777	13,429	\$348	\$4,673	11,734	\$348	\$4,083
Death Gratuity (Combat Deaths)	4	\$100,000	\$400	3	\$100,000	\$300	3	\$100,000	\$300
Total			\$4,177			\$4,973			\$4,383

ADDITIONAL MOBILIZATION/DEPLOYMENT COSTS

Appropriation: Military Personnel, Navy

FY 2018

Budget Activity 6: Other Military Personnel Costs

(Amounts in Thousands)

Budget Line Item: Additional Mobilization/Deployment Costs

\$5,987

Part I – Purpose and Scope

Unemployment benefits are for payments to ex-Servicemembers 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. The Reserve Income Replacement Program (RIRP), authorized in the FY 2006 NDAA, authorized the payment to members of the reserves who are involuntarily mobilized and experiencing a monthly active duty income differential as a result of extended or frequent mobilizations.

For Retroactive Stop-Loss Special Pay Compensation, Public Law 111-32, Section 310 appropriated \$534.4 million in FY 2009 supplemental appropriations to make payment of claims to members of the Armed Forces, including members of the reserve components, and former and retired members under the jurisdiction of the Secretary who, at any time during the period beginning on September 11, 2001, and ending on September 30, 2009, served on active duty while the members' enlistment or period of obligated service was extended, or whose eligibility for retirement was suspended, pursuant to section 123 or 12305 of title 10, United States Code, or any other provision of law (commonly referred to as a "stop-loss authority") authorizing the President to extend an enlistment or period of obligated service, or suspend an eligibility for retirement, of a member of the uniformed services in time of war or of national emergency declared by Congress or the President.

Part II – Justification of Funds Requested

Eligibility for unemployment benefits is defined as active service in the armed forces where upon 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, or for personality disorders, or ineptitude (but only if the service was continuous for 365 days or more). These increased costs are primarily the result of Reserve Component mobilization. Payment for RIRP is up to \$3,000 per month. The amount to be paid to or on behalf of an eligible member, retired member, or former member described above shall be \$500 per month for each month or portion of a month during the period specified above that the member was retained on active duty as a result of application of the stop-loss authority. Although not available for new claims, the

funds are available for obligation until expended on claims received prior to the deadline, but not yet processed for payment.

The Department of the Navy's share of the \$354.1 million for this program is \$1.67 million. As of September 30, 2016 \$1.32 million was obligated and recorded as an Overseas Contingency Operation (OCO) obligation.

	FY 2016 Actual			FY 2017 Estimate			FY 2018 Request		
	<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>
<u>Additional Mobilization/Deployment Costs</u>									
Unemployment Benefits			\$6,442			\$6,959			\$5,978
Reserve Income Replacement Prog. (RIRP)	1	\$3,000	\$3	3	\$3,000	\$9	3	\$3,000	\$9
Stop-Loss Retroactive Pay - Officer	475	\$500	\$238	0	\$500	\$0	-	\$500	\$0
Stop-Loss Retroactive Pay - Enlisted	2,164	\$500	<u>\$1,082</u>	0	\$500	<u>\$0</u>	-	\$500	<u>\$0</u>
Total			\$7,765			\$6,968			\$5,987
MPN Grand Total Requirement			\$343,871			\$337,911			\$377,857

PRE AND POST MOBILIZATION TRAINING

Appropriation: Reserve Personnel, Navy

FY 2018

Budget Activity 1: Reserve Component Training and Support

(Amounts in Thousands)

Budget Line Item: Special Training

\$8,835

Part I – Purpose and Scope

The funds requested will provide pay and allowances for Navy Reservists performing Active Duty for Training (ADT) in support of OCO mission-related operations as part of Operation Freedom's Sentinel (OFS) In Theater and In CONUS. FY18 ADT man-days support Navy Expeditionary Combat Command, Commander Navy Air Force Reserve and other contributory support.

Yellow Ribbon Reintegration Program (YRRP): 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 predeployment phase (from first notification of mobilization until deployment) 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 member demobilization. The focus is on reconnecting members and their families with the service providers (i.e. TRICARE, Judge Advocate General (JAG), Department of Veterans Affairs, etc.) to ensure a clear understanding of the entitled benefits. FY18 budget request is based on forecasted Ready Mobilization Pool requirements and historical execution.

Part II – Justification of Funds Requested

The FY18 OCO request for ADT (Special Training) will provide Navy Reserve operational support directly to Navy commands conducting OCO mission-related training and operations. Costs are determined by using an average cost per man-day; the unit of strength in the table below is Reserve man-days.

The FY18 OCO request for YRRP supports the members' pay and allowance and travel costs for reintegration training through pre and post deployment phases. The rates are a composite of officer/enlisted daily costs per person per manday. The summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</u>		
	<u>Mandays</u>	<u>Rate</u>	<u>Amount</u>	<u>Mandays</u>	<u>Rate</u>	<u>Amount</u>	<u>Mandays</u>	<u>Rate</u>	<u>Amount</u>
Active Duty for Training (Special Training)	20,505	\$495	\$10,150	18,798	\$504	\$9,474	14,098	\$513	\$7,232
Yellow Ribbon Reintegration Program	5,407	\$440	\$2,379	4,687	\$448	\$2,100	3,516	\$456	\$1,603
Total	25,912		\$12,529	23,485		\$11,574	17,614		\$8,835

Appropriation: Reserve Personnel, Navy

FY 2018

Budget Activity 1: Reserve Component Training and Support

(Amounts in Thousands)

Budget Line Item: Administration and Support

\$256

Part I – Purpose and Scope

The funds requested will provide for the special pay and allowances and Permanent Change of Station (PCS) benefits for Full Time Support (FTS) Navy Reservists performing active duty in support of Navy OCO mission requirements in Operation Enduring Freedom (OEF).

Part II – Justification of Funds Requested

The requested funding will support FTS Navy Reserve officers and enlisted personnel who are assigned in support of OCO mission requirements and who are entitled to Imminent Danger Pay (IDP), Hardship Duty Pay (HDP), and Permanent Change of Station (PCS) benefits. IDP provides special pay to FTS officers and enlisted personnel who are assigned to designated areas in support of OCO requirements. HDP provides special pay to FTS officers and enlisted who are assigned to designated hardship locations in support of OCO requirements. These pays are directly associated with the OCO and will cease to be a requirement when the OCO ends. Therefore, these pays are included in this OCO request. The PCS benefit is related to those FTS Sailors that execute an operational PCS move directly as a result of OCO. The summary cost computations are provided in the following table:

<u>Total</u>	<u>FY 2016 Actual</u>			<u>FY 2017 Estimate</u>			<u>FY 2018 Request</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>
Imminent Danger Pay	13	\$2,700	\$36	56	\$2,700	\$152	41	\$2,700	\$110
Hardship Duty Pay	58	\$1,200	\$70	113	\$1,200	\$135	82	\$1,200	\$98
SGLI Insurance Premium	167	\$348	\$58	195	\$348	\$68	138	\$348	\$48
Total			\$164			\$355			\$256
RPN Total			\$12,693			\$11,929			\$9,091

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2018
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MAY 2017

Military Personnel, Marine Corps

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MILITARY PERSONNEL OVERVIEW**Introduction**

The FY 2018 Overseas Contingency Operations (OCO) Request provides funds so that the United States may continue its security stabilization efforts in Afghanistan and the global fight against terrorism. These efforts are in addition to the daily military operations around the globe. Without additional funds in FY 2018, the Marine Corps would have to use funds from their readiness and investment accounts to finance the continuing costs of military operations. In FY 2018, Marine Corps military personnel costs for deployment and reserve mobilization are expected to average about \$10.1 million per month for Operation Freedom's Sentinel (OFS), Operation New Normal (NN), Georgia Deployment Program-Resolute Support Mission (GDP-RSM), Counter Terrorism (CD) EXORD and Operation Inherent Resolve (OIR). Absorbing costs of this magnitude would seriously degrade combat operations and would weaken the nation's ability to react to future threats.

The FY 2018 request includes **\$106.1 million** for Marine Corps military personnel costs as shown in the following table:

Summary by Appropriation (\$ in thousands)

	FY 2016	FY 2017	FY 2018
	Total Actuals	Request for Additional Appropriations	Total Estimate
Military Personnel, Marine Corps	\$143,866	\$185,573	\$103,800
Reserve Personnel, Marine Corps	\$3,035	\$3,764	\$2,328
CR1 Adj to Match Continuing Resolution*		(\$9,025)	
Less Enacted Div. B P.L 114-254		(\$5,840)	
Total	\$146,901	\$174,472	\$106,128

The following table reflects mobilization and deployment assumptions. Mobilization numbers include personnel deployed to theater as well as personnel remaining in CONUS supporting OFS, OIR, NN, GDP-RSM and CT EXORD.

Average Strength

	FY 2016 Actual	FY 2017 Request for Additional Appropriations	FY 2018 Estimate
Active Marine Corps Deployment (IDP)	917	1,486	1,708
Marine Corps Reserve Mobilization	802	874	830
Total Imminent Danger Pay	1,719	2,360	2,538

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 current operations supporting the 10 U.S.C. 12302 authority.

SUMMARY BY APPROPRIATION BY CATEGORY (\$ in Thousands)

	Active Marine Corps	Marine Corps Reserve	Total
<u>FY 2016 Actual</u>			
Reserve Mobilization	\$90,583	-	\$90,583
Active Component Deployment Costs	\$13,333	-	\$13,333
Additional Mobilization/Deployment Costs*	\$235	-	\$235
Temporary End Strength (MPMC)	\$38,801	-	\$38,801
Permanent Change of Station	-	-	\$0
Casualty and Disability Benefits	\$914	-	\$914
Pre and Post Mobilization Training	-	\$3,035	3,035
Total Military Personnel	\$143,866	\$3,035	\$146,901

	Active Marine Corps	Marine Corps Reserve	Total
<u>FY 2017 Request for Additional Appropriations</u>			
Reserve Mobilization	\$92,917	-	\$92,917
Active Component Deployment Costs	\$12,440	-	\$12,440
Additional Mobilization/Deployment Costs*	\$302	-	\$302
Temporary End Strength (MPMC)	\$78,037	-	\$78,037
Permanent Change of Station	-	-	\$0
Casualty and Disability Benefits	\$1,877	-	\$1,877
Pre and Post Mobilization Training	-	\$3,764	3,764
CR1 Adj to Match Continuing Resolution*	(8,654)	(371)	(9,025)
Less Enacted Div. B P.L 114-254	(5,840)	-	(5,840)
Total Military Personnel	\$171,079	3,393	\$174,472

	Active Marine Corps	Marine Corps Reserve	Total
<u>FY 2018 Estimate</u>			
Reserve Mobilization	\$85,713	-	\$85,713
Active Component Deployment Costs	\$15,908	-	\$15,908
Additional Mobilization/Deployment Costs*	\$302	-	\$302
Temporary End Strength (MPMC)	\$0	-	\$0
Permanent Change of Station	-	-	\$0
Casualty and Disability Benefits	\$1,877	-	\$1,877
Pre and Post Mobilization Training	-	\$2,328	\$2,328
Total Military Personnel	\$103,800	\$2,328	\$106,128

*Includes Unemployment Compensation, Reserve Income Replacment Program (PIRP) and Interest on Uniformed Services Savings Deposits.

FY 2018 REQUEST SUMMARY

The FY 2018 military personnel request of \$106.1 million is comprised of the following major costs:

Reserve Mobilization/Active Deployment Costs (\$101.6 million)

• Basic military pay and entitlements (e.g., Basic Allowance for Housing (BAH), retired pay accrual and social security contributions, incentive pays, etc.) for Reserve members on active duty to provide essential military operation support or backfill for those active personnel deployed overseas in support of Operation Enduring Freedom (OEF).

- Special Pays for Mobilized Reserve Personnel:
 - Hostile Fire Pay/Imminent Danger Pay (IDP) (\$7.50 per day up to a maximum of \$225 per month)
 - Family Separation Allowance (FSA) (\$250 per month)
 - Hardship Duty Pay (HDP) (\$100 per month when received in conjunction with Hostile Fire Pay/Imminent Danger Pay)
- Subsistence for all mobilized Reserve Component members

Casualty and Disability (\$1.9 million)

- Reimbursement of Servicemembers Group Life Insurance (SGLI)/Traumatic Injury Protection Under SGLI (T-SGLI) insurance premiums to deployed Marines.

Other Mobilization and Deployment Cost (\$0.3 million)

- Includes Unemployment Compensation Benefits for ex-service members who are discharged or released under honorable conditions.
- Includes interest paid on the Savings Deposit Program.

Pre and Post Mobilization Training (\$2.3 million)

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

10 U.S.C. §12304b: Selective Reserve: Order to Active Duty for Preplanned Missions in Support of the Combatant Commands (COCOM)

Budget estimates reflect the use of various mobilization authorities for activating the Reserve component. Also, if the Declaration of National Emergency by Reason of Certain Terrorist Attacks (Proclamation 7463) is not extended by the President in September 2017 and 10 USC §12302 authority expires, the Marine Corps may utilize §12304b authority as required to augment the active forces for pre-planned COCOM missions described below. Manpower and associated costs are identified by mobilized reserve work-years delineated throughout the justification details.

The National Defense Authorization Act (NDAA) of 2012, authorizes the use of 10 U.S.C. §12304b, which provides the Secretary of the Navy the authority to involuntarily activate members of the Selected Reserves for not more than 365 consecutive days. In FY 2018, the Marine Corps plans to utilize 10 U.S.C. §12302 in support of missions identified by the Combatant Commanders. The Marine Corps may use authority granted in 10 U.S.C. § 12301(d) for Marines volunteering to support any of these missions. In FY2018, the Marine Corps may utilize 10 U.S.C. §12304b in support of pre-planned and OCO funded missions identified by Combatant Commanders, should the ability to mobilize reservists under 10 U.S.C. §12302 no longer be available.

United States Africa Command (AFRICOM), United States Central Command (CENTCOM) – Provides theater security cooperation engagements and operational and strategic objectives throughout the AORs by means of Special Purpose Marine Air-Ground Task Force – Crisis Response – Africa is a Marine Air-Ground Task Force (SPMAGTF-CR-CC), Deployable Joint Command and Control (DJC2), CENTCOM Security Cooperation Teams, Special Purpose Marine Air-Ground Task Force – Crisis Response – Africa (SPMAGTF-CR-AF), and Battlespace Command and Control Center Theater (BCE3-T).

AFRICOM, CENTCOM, United States European Command (EUCOM), United States Northern Command (NORTHCOM), United States Pacific Command (PACOM), United States Special Operations Command (SOCOM) – Provides tactical Counterintelligence (CI)/Human Source Intelligence (HUMINT) collection capability for OFS, Civil Affairs, Combatant Commander (CCDR) Exercises, and assistance and specialized training to Georgian infantry battalions in order to prepare their force contributions for Resolute Support Missions by means of capabilities, Marine Expeditionary Unit (MEU) Civil Affairs detachments, Global Force Management Allocation Plan (GFMAP), medical hold and GDP-RSM rotations.

Exhibit OC0-2

M1 EXHIBIT

	FY 2016	FY 2017	FY 2018
	Actual	Request for Additional Appropriations	Estimate
MILITARY PERSONNEL, MARINE CORPS			
BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS			
BASIC PAY	\$29,345	\$32,195	\$19,766
RETIRED PAY ACCRUAL	\$6,749	\$7,598	\$4,479
BASIC ALLOWANCE FOR HOUSING	\$10,222	\$9,505	\$6,679
BASIC ALLOWANCE FOR SUBSISTENCE	\$1,020	\$1,074	\$634
SPECIAL PAYS AND INCENTIVE PAY	\$1,560	\$1,854	\$2,620
ALLOWANCES	\$2,166	\$2,122	\$890
SEPARATION PAY	\$5,239	\$5,939	\$0
SOCIAL SECURITY TAX	\$2,245	\$2,463	\$1,512
TOTAL BUDGET ACTIVITY 1	\$58,546	\$62,750	\$36,580
BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED			
BASIC PAY	\$18,840	\$18,075	\$24,617
RETIRED PAY ACCRUAL	\$4,333	\$4,266	\$5,551
BASIC ALLOWANCE FOR HOUSING	\$10,360	\$9,082	\$15,229
SPECIAL PAYS AND INCENTIVE PAY	\$5,544	\$4,739	\$8,044
ALLOWANCES	\$6,665	\$6,222	\$6,875
SEPARATION PAY	\$35,003	\$74,707	\$0
SOCIAL SECURITY TAX	\$1,441	\$1,382	\$1,883
TOTAL BUDGET ACTIVITY 2	\$82,186	\$118,473	\$62,199
BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL			
BASIC ALLOWANCE FOR SUBSISTENCE	\$1,985	\$2,171	\$2,842
TOTAL BUDGET ACTIVITY 4	\$1,985	\$2,171	\$2,842
BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL			
SEPARATION TRAVEL	\$0	\$0	\$0
TOTAL BUDGET ACTIVITY 5	\$0	\$0	\$0
BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COST			
DEATH GRATUITIES	\$100	\$0	\$0
UNEMPLOYMENT COMPENSATION	\$0	\$0	\$0
SGLI EXTRA HAZARD PAYMENTS	\$814	\$1,877	\$1,877
INTEREST ON SAVINGS DEPOSITS	\$235	\$302	\$302
TOTAL BUDGET ACTIVITY 6	\$1,149	\$2,179	\$2,179
CR1 ADJ TO MATCH CONTINUING RESOLUTION		-\$8,654	
LESS ENACTED DIV B P.L.114-254		-\$5,840	
TOTAL MILITARY PERSONNEL, MARINE CORPS	\$143,866	\$171,079	\$103,800
RESERVE PERSONNEL, MARINE CORPS			
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT			
SPECIAL TRAINING (ACTIVE DUTY OPERATIONAL SUPPORT)	\$2,978	\$3,700	\$2,285
FULL TIME SUPPORT (FTS) DEPLOYMENT COSTS	\$57	\$64	\$43
CR1 ADJ TO MATCH CONTINUING RESOLUTION		-\$371	
TOTAL RESERVE PERSONNEL, MARINE CORPS	\$3,035	\$3,393	\$2,328
GRAND TOTAL MARINE CORPS MILITARY PERSONNEL	\$146,901	\$174,472	\$106,128

ANALYSIS OF APPROPRIATION AND SUPPLEMENTAL CHANGES

MILITARY PERSONNEL, MARINE CORPS
(\$ in Thousands)
FY 2017

	FY17 Amended Presidential Budget	Congressional Action	Appropriation	Internal Realignment/ Reprogramming	Subtotal	Proposed DD 1415 Actions	FY17 Column of the FY18 President's Budget
MILITARY PERSONNEL, MARINE CORPS							
BUDGET ACTIVITY 1: PAY AND ALLOWANCES OF OFFICERS							
BASIC PAY	\$32,195		\$32,195	\$0	\$32,195	\$0	\$32,195
RETIRED PAY ACCRUAL	\$7,598		\$7,598	\$0	\$7,598	\$0	\$7,598
BASIC ALLOWANCE FOR HOUSING	\$9,505		\$9,505	\$0	\$9,505	\$0	\$9,505
BASIC ALLOWANCE FOR SUBSISTENCE	\$1,074		\$1,074	\$0	\$1,074	\$0	\$1,074
SPECIAL PAYS AND INCENTIVE PAY	\$1,854		\$1,854	\$0	\$1,854	\$0	\$1,854
ALLOWANCES	\$2,122		\$2,122	\$0	\$2,122	\$0	\$2,122
SEPARATION PAY	\$5,939		\$5,939	\$0	\$5,939	\$0	\$5,939
SOCIAL SECURITY TAX	\$2,463		\$2,463	\$0	\$2,463	\$0	\$2,463
TOTAL BUDGET ACTIVITY 1	\$62,750	\$0	\$62,750	\$0	\$62,750	\$0	\$62,750
BUDGET ACTIVITY 2: PAY AND ALLOWANCES OF ENLISTED							
BASIC PAY	\$18,075		\$18,075	\$0	\$18,075	\$0	\$18,075
RETIRED PAY ACCRUAL	\$4,266		\$4,266	\$0	\$4,266	\$0	\$4,266
BASIC ALLOWANCE FOR HOUSING	\$9,082		\$9,082	\$0	\$9,082	\$0	\$9,082
SPECIAL PAYS AND INCENTIVE PAY	\$4,739		\$4,739	\$0	\$4,739	\$0	\$4,739
ALLOWANCES	\$6,222		\$6,222	\$0	\$6,222	\$0	\$6,222
SEPARATION PAY	\$74,707		\$74,707	\$0	\$74,707	\$0	\$74,707
SOCIAL SECURITY TAX	\$1,382		\$1,382	\$0	\$1,382	\$0	\$1,382
TOTAL BUDGET ACTIVITY 2	\$118,473	\$0	\$118,473	\$0	\$118,473	\$0	\$118,473
BUDGET ACTIVITY 4: SUBSISTENCE OF ENLISTED PERSONNEL							
BASIC ALLOWANCE FOR SUBSISTENCE	\$2,171		\$2,171	\$0	\$2,171	\$0	\$2,171
TOTAL BUDGET ACTIVITY 4	\$2,171	\$0	\$2,171	\$0	\$2,171	\$0	\$2,171
BUDGET ACTIVITY 5: PERMANENT CHANGE OF STATION TRAVEL							
SEPARATION TRAVEL	\$0		\$0	\$0	\$0	\$0	\$0
TOTAL BUDGET ACTIVITY 5	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BUDGET ACTIVITY 6: OTHER MILITARY PERSONNEL COST							
DEATH GRATUITIES	\$0		\$0	\$0	\$0	\$0	\$0
UNEMPLOYMENT COMPENSATION	\$0		\$0	\$0	\$0	\$0	\$0
SGLI EXTRA HAZARD PAYMENTS	\$1,877		\$1,877	\$0	\$1,877	\$0	\$1,877
INTEREST ON SAVINGS DEPOSITS	\$302		\$302	\$0	\$302	\$0	\$302
TOTAL BUDGET ACTIVITY 6	\$2,179	\$0	\$2,179	\$0	\$2,179	\$0	\$2,179
CR1 ADJ TO MATCH CONTINUING RESOLUTION	-\$8,654	\$0	-\$8,654	\$0	-\$8,654	\$0	-\$8,654
LESS ENACTED DIV B P.L.114-254	-\$5,840	0	-\$5,840	\$0	-\$5,840	\$0	-\$5,840
TOTAL MILITARY PERSONNEL, MARINE CORPS	\$171,079	\$0	\$171,079	\$0	\$171,079	\$0	\$171,079
RESERVE PERSONNEL, MARINE CORPS							
BUDGET ACTIVITY 1: RESERVE COMPONENT TRAINING AND SUPPORT							
SPECIAL TRAINING (ACTIVE DUTY OPERATIONAL SUPPORT)	\$3,700	0	\$3,700	\$0	\$3,700	\$0	\$3,700
FULL TIME SUPPORT (FTS) DEPLOYMENT COSTS	\$64	0	\$64	\$0	\$64	\$0	\$64
CR1 ADJ TO MATCH CONTINUING RESOLUTION	-\$371	0	-\$371	\$0	-\$371	\$0	-\$371
TOTAL RESERVE PERSONNEL, MARINE CORPS	\$3,393	\$0	\$3,393	\$0	\$3,393	\$0	\$3,393
GRAND TOTAL MARINE CORPS MILITARY PERSONNEL	\$174,472	\$0	\$174,472	\$0	\$174,472	\$0	\$174,472

RESERVE MOBILIZATION AND ACTIVE DEPLOYMENT

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

FY 2018
 (\$ in Thousands)
 \$19,766

Part I - Purpose and Scope

The funds requested will provide for the incremental basic compensation for mobilized Reserve officers and active military personnel that are temporarily above the baseline strength levels.

Part II - Justification of Funds Required

The request provides the basic compensation for mobilized Reserve officer personnel. The FY 2018 military pay assumes a 2.1 percent across-the-board rate increase effective January 1, 2018.

Detailed cost computations are provided in the following table:

(\$ In Thousands)									
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	338	\$86,820	\$29,345	344	\$93,591	\$32,195	203	\$97,369	\$19,766
Total	338		\$29,345	344		\$32,195	203		\$19,766

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

FY 2018
 (\$ in Thousands)
 \$4,479

Part I - Purpose and Scope

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C 1466.

Part II - Justification of Funds Requested

The budget estimates are derived as a product of: (a) The DoD Actuary approved part-time Normal Cost Percentages (NCP) rate of 22.6 percent and full-time NCP rate of 28.5 percent for FY 2018, and (b) The total amount of the basic pay expected to be paid during the fiscal year.

The funds provide the Retired Pay Accrual payments for mobilized Reserve officer personnel. The summary cost computations are provided in the following table:

(\$ In Thousands)									
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	338	\$19,967	\$6,749	344	\$22,087	\$7,598	203	\$22,064	\$4,479
Total	338		\$6,749	344		\$7,598	203		\$4,479

Appropriation: Military Personnel, Marine Corps
 Budget Activity 1: Pay and Allowances of Officers
 Budget Line Item: Basic Allowance for Housing (BAH)

FY 2018
 (\$ in Thousands)
 \$6,679

Part I - Purpose and Scope

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a Basic Allowance for Housing (BAH) to service members. 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 National Defense Authorization Act 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 service members is authorized by 37 U.S.C. 403.

Part II - Justification of Funds Requested

This program provides a cash allowance to those military personnel not provided with government quarters adequate for themselves and their dependents. This allowance enables such personnel to obtain civilian housing as a substitute. The BAH inflation annualized rate for FY 2018 is 4.1 percent.

The funds provide the BAH allowance for mobilized Reserve personnel. The summary cost computations are provided in the following table:

(\$ In Thousands)									
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	<u>338</u>	\$30,243	<u>\$10,222</u>	<u>344</u>	\$27,631	<u>\$9,505</u>	<u>203</u>	\$32,901	<u>\$6,679</u>
Total	338		\$10,222	344		\$9,505	203		\$6,679

Appropriation: Military Personnel, Marine Corps
 Budget Activity 1: Pay and Allowances of Officers
 Budget Line Item: Basic Allowance for Subsistence (BAS)

FY 2018
 (\$ in Thousands)
 \$634

Part I - Purpose and Scope

The funds requested will provide for subsistence allowance authorized by 37 U.S.C. 402.

Part II - Justification of Funds Requested

All officers, regardless of dependency status and pay grade, are paid a monthly Basic Allowance for Subsistence (BAS) at the same statutory rate. The BAS inflation rate for FY 2018 is 2.5 percent.

The funds provide the BAS allowance for mobilized Reserve personnel. Summary cost computations are provided in the following table:

(\$ In Thousands)									
	<u>FY2016 Estimate</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	338	\$3,018	\$1,020	344	\$3,121	\$1,074	203	\$3,121	\$634
Total	338		\$1,020	344		\$1,074	203		\$634

Appropriation: Military Personnel, Marine Corps
Budget Activity 1: Pay and Allowances of Officers
Budget Line Item: Special Pays, Incentive Pays & Allowances, Officer

FY 2018
(\$ in Thousands)
\$3,510

Part I - Purpose and Scope

The funds requested provide for payments to officers for the following special pays:

Family Separation Allowance (FSA): (37 U.S.C. 427) - 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.

Hostile Fire/Imminent Danger Pay (IDP): (37 U.S.C. 310) - Paid at the rate of \$7.50 per day, up to a maximum 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.

Hardship Duty Pay (HDP): (37 U.S.C. 305) - Paid at the rate of \$100 per month, when received in conjunction with Hostile Fire Pay/Imminent Danger Pay, to personnel performing duty in a location that is designated by The Secretary of Defense as hardship duty.

Aviation Career Incentive Pay: (37 U.S.C. 301(a)) - Financial incentive for members to serve as military aviators throughout a military career.

Foreign Language Proficiency: (37 U.S.C. 316) - Duty performed requiring proficiency in a foreign language identified by the Secretary concerned.

Parachute Jumping Duty: (37 U.S.C. 301(a) (3)) - Duty involving parachute jumping as an essential part of military duty. Payments are either \$150 or \$225 per month.

Uniform Allowance: (37 U.S.C. 415/416) - Initial clothing allowance paid to officers upon commissioning and active clothing allowance to reserve upon entry or reentry on active duty. Also provides for civilian clothing allowance as authorized by 37 U.S.C.

Overseas Station Allowance: (37 U.S.C. 405) - Provides for payments of a per diem allowance to member and their dependents on duty outside the United States for increased cost of living, housing and temporary lodging.

CONUS Cola: (37 U.S.C. 403b) - Payment to officers who are assigned to high cost areas in the Continental United States. The amount of COLA payable is the product of spend able income times the difference between the COLA index for the individual's high cost area and the threshold percentage.

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. Summary cost computations are provided by the following tables:

Appropriation: Military Personnel, Marine Corps
 Budget Activity 1: Pay and Allowances of Officers
 Budget Line Item: Special Pays, Incentive Pays & Allowances, Officer

FY 2018
 (\$ in Thousands)
 \$3,510

Summary cost computations are provided by the following tables:

(\$ In Thousands)									
<u>Mobilized Reserve Total</u>	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Aviation Career Incentive Pay	20	\$10,080	\$206	26	\$10,080	\$262	15	\$10,080	\$151
Parachute Jumping Duty	4	\$1,800	\$7	2	\$1,800	\$4	5	\$1,800	\$9
Hardship Duty Pay	91	\$1,200	\$109	36	\$1,200	\$43	22	\$1,200	\$26
Hostile Fire Pay/Imminent Danger Pay	29	\$2,700	\$77	36	\$2,700	\$98	21	\$2,700	\$57
Foreign Language Proficiency Pay	26	\$3,715	\$95	26	\$3,197	\$83	17	\$3,264	\$55
Family Separation Allowance	79	\$3,000	\$237	33	\$3,000	\$99	19	\$3,000	\$58
Uniform Allowance	85	\$205	\$17	16	\$237	\$4	4	\$242	\$1
Overseas Station Allowance	142	\$3,961	\$563	93	\$4,967	\$462	59	\$5,071	\$298
CONUS Cola	28	\$1,472	\$41	40	\$1,499	\$60	17	\$1,530	\$26
Subtotal	504		\$1,352	308		\$1,115	179		\$681

Appropriation: Military Personnel, Marine Corps
 Budget Activity 1: Pay and Allowances of Officers
 Budget Line Item: Special Pays, Incentive Pays & Allowances, Officer

FY 2018
 (\$ in Thousands)
 \$3,510

(\$ In Thousands)

<u>Active Component Deployed Total</u>	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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>
Family Separation Allowance	436	\$3,000	\$1,308	499	\$3,000	\$1,497	169	\$3,000	\$507
Hostile Fire Pay/Imminent Danger Pay	225	\$2,700	\$608	232	\$2,700	\$626	736	\$2,700	\$1,986
Hardship Duty Pay	381	\$1,200	\$458	615	\$1,200	\$738	280	\$1,200	\$336
Subtotal	1,042		\$2,373	1,346		\$2,861	1,185		\$2,829
Grand Total	1,546		\$3,725	1,654		\$3,976	1,364		\$3,510

Appropriation: Military Personnel, Marine Corps
 Budget Activity 1: Pay and Allowances of Officer
 Budget Line Item: Separation Pay

FY 2018
 (\$ in Thousands)
 \$0

Part I - Purpose and Scope

The funds requested provide for separation payments to officer personnel for the following pay and allowances:

Severance Pay: Payments to personnel who are separated due to a service connected disability and have a disability rating of less than 30% (10 U.S.C. 1212).

Accrued Leave: Unused accrued leave paid to members discharged from active duty under honorable conditions (37 U.S.C. 501).

Involuntary Separation Pay (ISP): Payment to members, who have served more than six, but less than 20 years of active duty, who are involuntarily separated from active service (10 U.S.C. 1174).

Voluntary Separation Pay (VSP): Financial incentive for members, who have served more than six, but less than 20 years of active duty, to voluntarily separate from active service (10 U.S.C. 1175).

Temporary Early Retirement Authority (TERA): Provides voluntary early retirement, at a reduced amount, to members who have served at least 15, but less than 20 years of active duty (10 U.S.C. 1293).

Lump Sum Leave (LSL): Unused accrued leave paid to members separating under VSP and TERA provisions (37 U.S.C. 501).

Part II - Justification of Funds Requested

The funds requested will provide for separation pay and allowances for mobilized Reserve officers. Summary cost computations are provided in the following table:

(\$ In Thousands)

	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 Estimate</u>		
<u>Reserve Mobilization</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>
Severance Pay	3	\$82,269	\$218	1	\$235,057	\$235	-	\$0	\$0
Accrued Leave	202	\$2,812	\$568	390	\$3,192	\$1,245	-	\$0	\$0
Subtotal	205		\$786	391		\$1,480	-		\$0
<u>Temporary End Strength</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>
ISP	-	\$0	\$0	-	\$0	\$0	-	\$0	\$0
VSP	-	\$0	\$0	-	\$0	\$0	-	\$0	\$0
TERA	49	\$90,878	\$4,453	50	\$89,186	\$4,459	-	\$0	\$0
LSL	-	\$0	\$0		\$0	\$0	-	\$0	\$0
Subtotal	49		\$4,453	50		\$4,459	-		\$0
Grand Total	254		\$5,239	441		\$5,939	-		\$0

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

FY 2018
 (\$ in Thousands)
 \$1,512

Part I - Purpose and Scope

The funds requested provide for employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

Part II - Justification of Funds Requested

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 7.65 percent and the Hospital Insurance (HI) rate is 1.45 percent. 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>
2016	\$118,500	No upper limit
2017	\$127,200	No upper limit
2018	\$129,900	No upper limit

The funds provide the employer's Social Security Tax payment for mobilized Reserve officer personnel. Summary cost computations are provided by the following table:

	(\$ In Thousands)								
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	<u>338</u>	\$6,642	<u>\$2,245</u>	<u>344</u>	\$7,160	<u>\$2,463</u>	<u>203</u>	\$7,449	<u>\$1,512</u>
Total	338		\$2,245	344		\$2,463	203		\$1,512

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

FY 2018
 (\$ in Thousands)
 \$24,617

Part I - Purpose and Scope

The funds requested will provide for the incremental basic compensation and length of service pay increments for mobilized enlisted personnel.

Part II - Justification of Funds Requested

The funds provide the basic compensation for mobilized Reserve enlisted personnel. The FY 2018 military pay assumes a 2.1 percent across-the-board rate increase effective January 1, 2018.

Summary cost computations are provided by the following table:

(\$ In Thousands)									
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	464	\$40,603	\$18,840	479	\$37,736	\$18,075	627	\$39,262	\$24,617
Total	464		\$18,840	479		\$18,075	627		\$24,617

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

FY 2018
 (\$ in Thousands)
 \$5,551

Part I - Purpose and Scope

The funds requested provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with 10 U.S.C. 1466.

Part II - Justification of Funds Requested

The budget estimates are derived as a product of: (a) The DoD Actuary approved part-time Normal Cost Percentages (NCP) rate of 22.6 percent and full-time NCP rate of 28.5 percent for FY 2018. (b) The total amount of the basic pay expected to be paid during the fiscal year.

The funds provide the Retired Pay Accrual payments for mobilized Reserve enlisted personnel. The summary cost computations are provided in the following table:

(\$ In Thousands)									
<u>FY2016 Actual</u>				<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	464	\$9,338	\$4,333	479	\$8,906	\$4,266	627	\$8,853	\$5,551
Total	464		\$4,333	479		\$4,266	627		\$5,551

Appropriation: Military Personnel, Marine Corps
 Budget Activity 2: Pay and Allowances of Enlisted
 Budget Line Item: Basic Allowance for Housing (BAH)

FY 2018
 (\$ in Thousands)
 \$15,229

Part I - Purpose and Scope

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a Basic Allowance for Housing (BAH) to service members. 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 National Defense Authorization Act 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 service members is authorized by 37 U.S.C. 403.

Part II - Justification of Funds Requested

This program provides a cash allowance to those military personnel not provided with government quarters adequate for themselves and their dependents. This allowance enables such personnel to obtain civilian housing as a substitute. The BAH inflation annualized rate for FY 2018 is 4.1 percent.

The funds provide the BAH allowance for mobilized Reserve enlisted personnel. The summary cost computations are provided in the following table:

(\$ In Thousands)									
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 Estimate</u>		
<u>Total</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 Mobilization	464	\$22,328	\$10,360	479	\$18,961	\$9,082	627	\$24,289	\$15,229
Total	464		\$10,360	479		\$9,082	627		\$15,229

Appropriation: Military Personnel, Marine Corps

FY 2018

Budget Activity 2: Pay and Allowances of Enlisted

(\$ in Thousands)

Budget Line Item: Special Pays, Incentive Pays & Allowances Enlisted

\$14,919

Part I - Purpose and Scope

The funds requested provide for payments to enlisted personnel for the following special pays:

Family Separation Allowance: (37 U.S.C. 427) - 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.

Hostile Fire/Imminent Danger Pay: (37 U.S.C. 310) - Paid at the rate of \$7.50 per day, up to a maximum 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.

Hardship Duty Pay: (37 U.S.C. 305) - Paid at the rate of \$100 per month, when received in conjunction with Hostile Fire Pay/Imminent Danger Pay, to personnel performing duty in a location that is designated by The Secretary of Defense as hardship duty.

Hardship Duty Pay - Tempo (37 U.S.C. 305) - Paid at the rate of \$495 per month to personnel performing duty in an operational location for periods which exceed rotation norms that is designated by The Secretary of Defense as hardship duty pay Tempo.

Flying Duty (Crew member/Non-crew member): (37 U.S.C. 301(a)) - To provide additional payment for enlisted personnel involved in frequent and regular participation in aerial flight as a crew member and a non-crew member.

Uniform Allowance: (37 U.S.C. 415/416) - Initial clothing allowance paid to officers upon commissioning and active clothing allowance to reserve upon entry or reentry on active duty. Also provides for civilian clothing allowance as authorized by 37 U.S.C.

CONUS Cola: (37 U.S.C. 403b) - Payment to officers who are assigned to high cost areas in the Continental United States. The amount of COLA payable is the product of spend able income times the difference between the COLA index for the individual's high cost area and the threshold percentage.

Overseas Station Allowance: (37 U.S.C. 405) - Provides for payments of a per diem allowance to member and their dependents on duty outside the United States for increased cost of living, housing and temporary lodging.

Foreign Language Proficiency Pay: (37 U.S.C. 316) - Duty performed requiring proficiency in a foreign language identified by the Secretary concerned.

Parachute Psy: (37 U.S.C. 301(a) (3)) - Duty involving parachute jumping as an essential part of military duty. Payments are either \$150 or \$225 per month.

Appropriation: Military Personnel, Marine Corps
 Budget Activity 2: Pay and Allowances of Enlisted
 Budget Line Item: Special Pays, Incentive Pays & Allowances Enlisted

FY 2018
 (\$ in Thousands)
 \$14,919

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 enlisted personnel eligible for each type of payment and rate of payment.

Summary cost computations are provided by the following tables:

(\$ In Thousands)									
<u>Mobilized Reserve Total</u>	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Flight Duty Crew	1	\$2,880	\$3	4	\$2,580	\$10	6	\$2,880	\$18
Parachute Duty	10	\$1,800	\$18	3	\$1,800	\$6	3	\$1,800	\$5
Hostile Fire Pay/Imminent Danger Pay	42	\$2,700	\$113	49	\$2,700	\$133	60	\$2,700	\$162
Hardship Duty Pay	103	\$1,200	\$124	85	\$1,200	\$102	124	\$1,200	\$149
Hardship Duty Pay - TEMPO	10	\$1,800	\$18	30	\$1,800	\$54	48	\$1,800	\$87
Foreign Language Proficiency Pay	20	\$3,106	\$62	18	\$3,192	\$57	19	\$3,259	\$61
Family Separation Allowance	88	\$3,000	\$264	102	\$3,000	\$306	134	\$3,000	\$402
Uniform Allowance	375	\$443	\$166	428	\$431	\$185	574	\$440	\$253
Overseas Station Allowance	63	\$5,595	\$353	124	\$3,074	\$381	168	\$3,139	\$526
CONUS Cola	68	\$1,879	\$128	80	\$1,855	\$148	93	\$1,894	\$177
Total	780		\$1,249	923		\$1,382	1,230		\$1,840

Appropriation: Military Personnel, Marine Corps
 Budget Activity 2: Pay and Allowances of Enlisted
 Budget Line Item: Special Pays, Incentive Pays & Allowances Enlisted

FY 2018
 (\$ in Thousands)
 \$14,919

(\$ In Thousands)									
<u>Active Component Deployed Total</u>	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Family Separation Allowance	1,918	\$3,000	\$5,754	1,734	\$3,000	\$5,202	1,839	\$3,000	\$5,517
Hostile Fire Pay/Imminent Danger Pay	1,111	\$2,700	\$3,000	944	\$2,700	\$2,549	2,426	\$2,700	\$6,549
Hardship Duty Pay	1,838	\$1,200	\$2,206	1,523	\$1,200	\$1,828	844	\$1,200	\$1,013
Total	4,867		\$10,960	4,201		\$9,579	5,109		\$13,079
Grand Total	5,647		\$12,209	5,124		\$10,961	6,338		\$14,919

Appropriation: Military Personnel, Marine Corps
 Budget Activity 2: Pay and Allowances of Enlisted
 Budget Line Item: Separation Pay

FY 2018
 (\$ in Thousands)
 \$0

Part I - Purpose and Scope

The funds requested provide for separation payments to enlisted personnel for the following pay and allowances:

Severance Pay: Payments to personnel who are separated due to a service connected disability and have a disability rating of less than 30% (10 U.S.C. 1212).

Accrued Leave: Unused accrued leave paid to members discharged from active duty under honorable conditions (37 U.S.C. 501).

Involuntary Separation Pay (ISP): Payment to members, who have served more than six, but less than 20 years of active duty, who are involuntarily separated from active service (10 U.S.C. 1174).

Voluntary Separation Pay (VSP): Financial incentive for members, who have served more than six, but less than 20 years of active duty, to voluntarily separate from active service (10 U.S.C. 1175).

Temporary Early Retirement Authority (TERA): Provides voluntary early retirement, at a reduced amount, to members who have served at least 15, but less than 20 years of active duty (10 U.S.C. 1293).

Lump Sum Leave (LSL): Unused accrued leave paid to members separating under VSP and TERA provisions (37 U.S.C. 501).

Part II - Justification of Funds Requested

The funds requested will provide for separation pay and allowances for mobilized Reserve enlisted personnel. Summary cost computations are provided in the following table:

(\$ In Thousands)									
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 Estimate</u>		
<u>Reserve Mobilization</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>
Severance Pay	3	\$59,000	\$177	13	\$40,456	\$526	-	\$0	\$0
Accrued Leave	449	\$1,065	\$478	1,295	\$466	\$603	-	\$0	\$0
Total	452		\$655	1,308		\$1,129	-		\$0
<u>Temporary End Strength</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>
ISP	-	\$0	\$0	1,361	\$30,710	\$41,796	-	\$0	\$0
VSP	-	\$0	\$0	25	\$105,118	\$2,628	-	\$0	\$0
TERA	635	\$54,092	\$34,348	567	\$51,418	\$29,154	-	\$0	\$0
LSL	-	\$0	\$0	-	\$0	\$0	-	\$0	\$0
Total	635		\$34,348	1,953		\$73,578	-		\$0
Grand Total	1,087		\$35,003	3,261		\$74,707	-		\$0

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

FY 2018
 (\$ in Thousands)
 \$1,883

Part I - Purpose and Scope

The funds requested provide for employer's tax to the Social Security Administration as required by the Federal Insurance Contribution Act (FICA).

Part II - Justification of Funds Requested

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 7.65 percent and the Hospital Insurance (HI) rate is 1.45 percent. 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>
2016	\$118,500	No upper limit
2017	\$127,200	No upper limit
2018	\$129,900	No upper limit

The funds provide the employer's Social Security Tax payment for mobilized Reserve enlisted personnel. Summary cost computations are provided by the following table:

(In Thousands)

	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	464	\$3,106	\$1,441	479	\$2,887	\$1,382	627	\$3,004	\$1,883
Total	464		\$1,441	479		\$1,382	627		\$1,883

Appropriation: Military Personnel, Marine Corps
 Budget Activity 4: Subsistence of Enlisted Personnel
 Budget Line Item: Basic Allowance for Subsistence

FY 2018
 (\$ in Thousands)
 \$2,842

Part I - Purpose and Scope

The funds requested for this budget activity are for the payment of authorized Basic Allowances for Subsistence (BAS).

Part II - Justification of Funds Requested

Basic Allowance for Subsistence (BAS) is linked to the Department of Agriculture (DoA) food plan indices. All enlisted members (except recruits and holdees) are entitled to BAS. Members continue to receive BAS while deployed. The BAS inflation rate for FY 2018 is 2.5 percent. Summary cost computations are provided in the following table:

	(\$ In Thousands)								
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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 Mobilization	449	\$4,418	\$1,985	479	\$4,532	\$2,171	627	\$4,532	\$2,842
Total	449		\$1,985	479		\$2,171	627		\$2,842

CASUALTY AND DISABILITY BENEFITS

Appropriation: Military Personnel, Marine Corps
 Budget Activity 6: Other Military Personnel Costs
 Budget Line Item: Casualty and Disability Benefits

FY 2018
 (\$ in Thousands)
 \$1,877

Part I - Purpose and Scope

The Service members' Group Life Insurance (SGLI) program is a low cost group life insurance for service members on active duty. These payments are required, under section 1969(b) of title 38, United States Code, when actual mortality rates exceed peacetime mortality rates. The T-SGLI is a 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. Funding for death gratuity payments is for payments 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 National Defense Authorization Act. Funding is for SGLI/T-SGI insurance premiums that the Department of Defense pays on behalf of service members.

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 2013, which is not on a fiscal year basis (policy year based on July 1 -June 30). 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 Operations OIR, OFS, NN, GDP-RSM and CT EXORD. The amount the Department pays for each member increased from \$27 to \$29 per month due to a SGLI premium increase from \$26 to \$28 effective July 1, 2014.

(\$ In Thousands)

	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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>
SGLI Extra Hazard	-	\$0	\$0	-	\$0	\$0	-	\$0	\$0
T-SGLI	-	\$0	\$0	-	\$0	\$0	-	\$0	\$0
T-SGLI Retroactive	-	\$0	\$0	-	\$0	\$0	-	\$0	\$0
SGLI/T-SGLI Insurance Premium	2,339	\$348	\$814	5,393	\$348	\$1,877	5,393	\$348	\$1,877
Death Gratuity (Combat Deaths)	1	\$100,000	\$100	-	\$0	\$0	-	\$0	\$0
Total	2,340		\$914	5,393		\$1,877	5,393		\$1,877

ADDITIONAL MOBILIZATION / ACTIVE DEPLOYMENT COSTS

Appropriation: Military Personnel, Marine Corps
 Budget Activity 6: Other Military Personnel Costs
 Budget Line Item: Interest on Savings Deposits

FY 2018
(\$ in Thousands)
 \$302

PART I - PURPOSE AND SCOPE

As authorized by Title 10, U.S.C, Section 1035, this program allows members to deposit up to \$10,000 of their allotted pays into the Savings Deposit Program and be reimbursed up to 10% interest on all deposits.

PART II - JUSTIFICATION OF FUNDS REQUESTED

The Servicemen's Saving Deposit Program was reinstated for participants deployed to designated contingency operations. Computation of funding requirements is provided in the following table:

	(\$ In Thousands)								
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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>
Interest on Savings Deposits	235	\$1,000	\$235	302	\$1,000	\$302	302	\$1,000	\$302

RESERVE PRE AND POST MOBILIZATION TRAINING

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

FY 2018
(\$ in Thousands)
\$2,285

Part I - Purpose and Scope

Funding will cover Marine Corps Reserve incremental costs due to FY 2014 deployment preparation and support that are above the baseline Special Training budget. This funding is required to support a capability gap generated as a direct result of deployments for Overseas Contingency Operations (OCO) and the reset of Marine Corps Reserve units. The Special Training funding will provide for basic pay, travel, per diem, retired pay accrual, special pays (e.g. flight pay, Special Operations Forces (SOF) pay and Foreign Language Proficiency pay), Basic Allowance for Subsistence (BAS), Basic Allowance for Housing (BAH), the government's share of Federal Insurance Contribution Act (FICA), and Family Separation Allowance (FSA) for pre and post mobilization planning and training of key members of SMCR Unit staff.

The Yellow Ribbon Program is designed for mobilized reservists and their support network. Its goal is to educate on the potential challenges of mobilization and deployment away from home. The program requires units to provide at least one pre-deployment information session, one information session during deployment, and three post deployment sessions to help with the challenges of reintegrating in families and civilian life.

Part II - Justification of Funds Requested

Section 582 of the FY 2008 National Defense Authorization Act directs the establishment of "a national combat veteran reintegration program to provide 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 30, 60 and 90 day intervals 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 that all members understand their entitled benefits clearly. In addition, combat stress and transition and how members and their families can address these issues are also integral to the post-deployment phase.

The budget estimates are derived from the estimated number of man-days multiplied by the average estimated cost per Marine per man-day. The length of the tour and man-day rates of the individual Marines will vary among and within unit requirements.

Appropriation: Reserve Personnel, Marine Corps
 Budget Activity 1: Other Training and Support
 Budget Line Item: Special Training

FY 2018
 (\$ in Thousands)
 \$2,285

(\$ In Thousands)									
	<u>FY2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 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>
Active Duty Operational Support	14,052	\$211	\$2,965	17,060	\$216	\$3,685	10,320	\$220	\$2,270
Yellow Ribbon Reintegration Program	61	\$213	\$13	69	\$218	\$15	67	\$222	\$15
Total	14,113		\$2,978	69		\$3,700	67		\$2,285

Appropriation: Reserve Personnel, Marine Corps
Budget Activity 1: Reserve Component Training and Support
Budget Line Item: Administration and Support, FTS Deployment Costs

FY 2018
(\$ in Thousands)
\$43

Part I - Purpose and Scope

The funds requested will provide for the special pay and allowances for Full Time Support (FTS) Marine Corps Reservists performing active duty in support of USMC OCO mission requirements in Operation OFS, OIR, NN, GDP-RSM, and CT EXORD.

Part II - Justification of Funds Requested

The requested funding will support FTS USMC Reserve Officers and Enlisted Personnel who are assigned in theatre as Individual Augmentees (IA) in support of OCO mission requirements and who are entitled to Imminent Danger Pay (IDP) and Hardship Duty Pay (HDP). IDP provides special pay to FTS officers and enlisted personnel who are assigned to designated areas in support of OCO requirements. HDP provides special pay to FTS officers and enlisted who are assigned to designated hardship locations in support of OCO requirements. These pays are directly associated with the OCO and will cease to be a requirement when the OCO ends. Therefore, these pays are included in this OCO request.

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 \$7.50 per day, up to a maximum 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: Paid at the rate of \$100 per month, when received in conjunction with Hostile Fire Pay/Imminent Danger Pay, to personnel performing duty in a location that is designated by The Secretary of Defense as hardship duty (37 U.S.C. 305).

Appropriation: Reserve Personnel, Marine Corps
 Budget Activity 1: Reserve Component Training and Support
 Budget Line Item: Administration and Support, FTS Deployment Costs

FY 2018
 (\$ in Thousands)
 \$43

(\$ In Thousands)

	<u>FY 2016 Actual</u>			<u>FY 2017 Request for Additional Appropriations</u>			<u>FY2018 Estimate</u>		
	Strength	Rate	Amount	Strength	Rate	Amount	Strength	Rate	Amount
Family Separation Allowance	12	\$3,000	\$37	14	\$3,000	\$42	7	\$3,000	\$21
Hostile Fire Pay/Imminent Danger Pay	3	\$2,700	\$7	4	\$2,700	\$11	6	\$2,700	\$16
Hardship Duty Pay	11	\$1,200	\$13	9	\$1,200	\$11	5	\$1,200	\$6
Total	26		\$57	27		\$64	18		\$43

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2018
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MAY 2017

Operation and Maintenance, Navy

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Department of the Navy
FY 2018 President's Budget Submission
Summary Information
Operation and Maintenance, Navy

I. Description of Operations Financed: Operation Enduring Freedom/Operation Freedom's Sentinel (OEF/OFS) includes the Department of the Navy's continuing support for efforts to track down terrorists and provide stability, primarily in the Middle East and operations in the Horn of Africa (HoA). These objectives also include destroying terrorist training camps and infrastructure, capturing Al Qaeda leaders, stopping terrorist activities, and preventing the re-emergence of international terrorist organizations. Support costs include continued operations for Carrier Strike Groups, Expeditionary Strike Groups and associated aircraft operations, deployment of expeditionary units, activation of reserve personnel and units, Individual Augmentees (IA), increased fuel consumption and spare parts, additional maintenance supporting higher equipment usage, deployment of medical capabilities, extended communications and intelligence support, and related transportation costs. Also funds operations supporting the European Reassurance Initiative (ERI) reinforcing partnerships with our allies in Europe. Also funds strike and Intelligence, Surveillance, and Reconnaissance (ISR) operations supporting Operation Inherent Resolve (OIR) to defeat the Islamic State of Iraq and Syria (ISIS).

II. Force Structure Summary: The DoN is continually deployed in support of the contingency operations overseas serving as members of carrier strike groups, expeditionary strike groups, Special Operating Forces, Seabee units, Marine forces, medical units, as IAs and other units critical to success in OEF and OFS. Our Sailors are fully engaged on the ground, in the air, and at sea in support of operations in the Middle East and HoA. On any given day there are approximately 10,000 Sailors afloat and 4,600 ashore throughout U.S. Central Command (CENTCOM) and the Horn of Africa. These Sailors are conducting maritime infrastructure protection, explosive ordnance disposal, combat construction engineering, cargo handling, combat logistics, maritime security, customs inspections, detainee operations, civil affairs, base operations and other forward presence activities. In collaboration with the U.S. Coast Guard, the Navy also conducts critical port operations, port and oil platform security, and maritime interception operations.

Department of the Navy
FY 2018 President's Budget Submission
Summary Information
Operation and Maintenance, Navy

III. O-1 Line Item Summary:

O-1 Line Item Number	Budget Activity	Sub-Activity Group	Sub-Activity Group Name	FY 2016	FY 2017*	FY 2018
010	01	1A1A	Mission and Other Flight Operations	422,149	927,452	412,710
030	01	1A3A	Aviation Technical Data & Engineering Services	998	0	1,750
040	01	1A4A	Air Operations and Safety Support	5,373	4,603	2,989
050	01	1A4N	Air Systems Support	134,941	159,049	144,030
060	01	1A5A	Aircraft Depot Maintenance	76,352	113,994	211,196
070	01	1A6A	Aircraft Depot Operations Support	3,402	1,840	1,921
080	01	1A9A	Aviation Logistics	33,704	35,529	102,834
090	01	1B1B	Mission and Other Ship Operations	1,130,961	1,073,080	855,453
100	01	1B2B	Ship Operational Support and Training	17,400	17,306	19,627
110	01	1B4B	Ship Maintenance	2,049,548	2,903,431	2,483,179
120	01	1B5B	Ship Depot Operations Support	280	0	0
130	01	1C1C	Combat Communications and Electronic Warfare	29,083	25,326	58,886
140	01	1C2C	Electronic Warfare	2,024	0	0
150	01	1C3C	Space Systems & Surveillance	0	0	4,400
160	01	1C4C	Warfare Tactics	52,712	22,603	21,550
170	01	1C5C	Op Meteorology & Oceanography	26,035	22,934	21,104
180	01	1C6C	Combat Support Forces	512,052	575,305	605,936
190	01	1C7C	Equipment Maintenance and Depot Operations Support	8,403	11,358	11,433
250	01	1D3D	In-service Weapons Systems Support	66,128	63,800	0
260	01	1D4D	Weapons Maintenance	316,054	379,545	325,011
270	01	1D7D	Other Weapon Systems Support	4,500	8,000	9,598
290	01	BSM1	Sustainment, Restoration and Modernization	12,167	27,089	31,898
300	01	BSS1	Base Operating Support	58,343	219,525	228,246
330	02	2B1G	Aircraft Activations/Inactivations	1,250	1,530	0

* FY 2017 reflects President's Budget request, Amended November request, plus the Request for Additional Appropriations

Department of the Navy
FY 2018 President's Budget Submission
Summary Information
Operation and Maintenance, Navy

O-1 Line Item Number	Budget Activity	Sub-Activity Group	Sub-Activity Group Name	FY 2016	FY 2017*	FY 2018
340	02	2B2G	Activations/Inactivations	0	0	1,869
350	02	2C1H	Expeditionary Health Services Systems	4,512	10,310	11,905
410	03	3B1K	Specialized Skill Training	41,207	43,365	43,369
490	04	4A1M	Administration	2,055	3,764	3,217
500	04	4A2M	External Relations	0	515	0
510	04	4A3M	Civilian Manpower & Personnel Mgt	220	0	0
520	04	4A4M	Military Manpower & Personnel Mgt	5,089	5,409	7,356
530	04	4A5M	Other Personnel Support	1,205	1,578	0
540	04	4A6M	Service-wide Communications	0	25,617	0
570	04	4B1N	Service-wide Transportation	43,671	126,700	67,938
590	04	4B2N	Planning, Engineering, and Program Support	538	0	0
600	04	4B3N	Acquisition, Logistics, and Oversight	8,346	9,261	9,446
640	4C	4C0P	Security Programs	4,889	23,831	14,279
Appropriation Totals				5,075,591	6,843,649	5,713,130
370	02	2C3H	Coast Guard Support	0	162,692	161,885
Appropriation Totals (w/USCG)				5,075,591	7,006,341	5,875,015

Summary by Operation	FY 2016	FY 2017*	FY 2018
European Reassurance Initiative (ERI)	10,034	14,000	25,511
Operation FREEDOM'S SENTINEL (OFS)	4,602,291	4,997,214	5,119,536
Operation INHERENT RESOLVE (OIR)	463,266	513,611	522,139
Other/Bipartisan Budget Act of 2015 Compliance	0	1,481,516	207,829
Operations Totals	5,075,591	7,006,341	5,875,015

* FY 2017 reflects President's Budget request, Amended November request, plus the Request for Additional Appropriations

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Overseas Contingency Operations
OP-32A

	FY 2016	For	Price	Price	Prog	FY 2017	For	Price	Price	Prog	FY 2018
	Actuals	Curr	Growth %	Growth	Growth	Est.	Curr	Growth %	Growth	Growth	Est.
100 Civilian Personnel Compensation											
101 Executive, General and Special Schedules	19,006	0	1.88 %	357	-17,350	2,013	0	1.99 %	40	1,187	3,240
103 Wage Board	53,083	0	1.88 %	998	-54,081	0	0	0.00 %	0	0	0
TOTAL 100 Civilian Personnel Compensation	72,089	0		1,355	-71,431	2,013	0		40	1,187	3,240
300 Travel											
308 Travel Of Persons	152,943	0	1.90 %	2,904	-9,601	146,246	0	2.00 %	2,926	-27,425	121,747
TOTAL 300 Travel	152,943	0		2,904	-9,601	146,246	0		2,926	-27,425	121,747
400 WCF Supplies											
401 DLA Energy (Fuel Products)	310,553	0	6.00 %	18,635	73,138	402,326	0	-0.40 %	-1,609	-134,065	266,652
411 Army Managed Supplies and Materials	254	0	-4.72 %	-12	-212	30	0	3.33 %	1	5	36
412 Navy Managed Supplies and Materials	167,410	0	3.05 %	5,106	189,363	361,879	0	-0.70 %	-2,544	-128,932	230,403
416 GSA Managed Supplies and Materials	40,045	0	1.90 %	760	54,385	95,190	0	2.00 %	1,905	-16,138	80,957
417 Local Purchase Managed Supplies and Materials	950	0	1.89 %	18	-184	784	0	1.91 %	15	976	1,775
421 DLA Material Supply Chain (Clothing and Textiles)	5,482	0	1.39 %	76	-409	5,149	0	0.14 %	7	233	5,389
422 DLA Material Supply Chain (Medical)	9,203	0	-0.40 %	-37	671	9,837	0	-0.01 %	-1	2,418	12,254
423 DLA Material Supply Chain (Subsistence)	419	0	-0.72 %	-3	2,740	3,156	0	-1.77 %	-56	34	3,134
424 DLA Material Supply Chain (Weapon Systems)	350,696	0	-6.00 %	-21,043	101,584	431,237	0	-0.59 %	-2,544	-145,900	282,794
TOTAL 400 WCF Supplies	885,012	0		3,500	421,076	1,309,588	0		-4,826	-421,369	883,394
500 Stock Fund Equipment											
503 Navy Fund Equipment	381,161	0	4.02 %	15,304	318,723	715,188	0	-0.38 %	-2,722	-283,657	428,809
506 DLA Material Supply Chain (Construction and Equipment)	3,447	0	-0.12 %	-4	943	4,386	0	-1.78 %	-78	173	4,482
507 GSA Managed Equipment	1,617	0	1.86 %	30	-771	876	0	2.05 %	18	-843	51
TOTAL 500 Stock Fund Equipment	386,225	0		15,330	318,895	720,450	0		-2,782	-284,327	433,342
600 Other WCF Purchases (Excl Transportation)											
603 DLA Distribution	656	0	15.09 %	99	16,121	16,876	0	4.15 %	700	-312	17,264
610 Naval Air Warfare Center	104,193	0	3.20 %	3,333	12,244	119,770	0	2.67 %	3,197	-61,715	61,252

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Overseas Contingency Operations
OP-32A

	FY 2016	For	Price	Price	Prog	FY 2017	For	Price	Price	Prog	FY 2018
	Actuals	Curr	Growth %	Growth	Growth	Est.	Curr	Growth %	Growth	Growth	Est.
611 Naval Surface Warfare Center	126,318	0	3.22 %	4,068	-68,258	62,128	0	1.43 %	887	-10,846	52,169
612 Naval Undersea Warfare Center	15,875	0	0.91 %	144	-14,613	1,406	0	3.77 %	53	-82	1,377
613 Naval Fleet Readiness Centers (Aviation)	100,215	0	15.09 %	15,119	14,196	129,530	0	-0.20 %	-256	81,209	210,483
614 Space and Naval Warfare Center	35,973	0	1.04 %	375	-5,878	30,470	0	3.78 %	1,151	-7,683	23,938
620 Navy Transportation (Combat Logistics Force)	277,265	0	-0.41 %	-1,146	-186,782	89,337	0	-2.14 %	-1,909	0	87,428
623 Navy Transportation (Special Mission Ships)	6,684	0	0.00 %	0	-6,684	0	0	0.00 %	0	0	0
625 Navy Transportation (Service Support)	22	0	0.00 %	0	-22	0	0	0.00 %	0	0	0
630 Naval Research Laboratory	913	0	0.55 %	5	-757	161	0	4.97 %	8	1,404	1,573
631 Naval Facilities Engineering and Expeditionary Warfare Center	1,724	0	7.08 %	122	-642	1,204	0	-1.50 %	-18	-416	770
633 DLA Document Services	1,180	0	1.53 %	18	-395	803	0	-1.25 %	-10	3	796
634 Navy Base Support (NAVFEC: Utilities and Sanitation)	24,258	0	-0.84 %	-203	-23,715	340	0	-7.35 %	-25	42	357
635 Navy Base Support (NAVFEC: Other Support Services)	4,072	0	-3.12 %	-127	-2,983	962	0	5.30 %	51	102	1,115
647 DISA Enterprise Computing Centers	6,158	0	-10.00 %	-616	11,060	16,602	0	0.00 %	0	-5,080	11,522
661 Air Force Consolidated Sustainment Activity Group	1,250	0	-1.12 %	-14	6,141	7,377	0	2.62 %	193	-5,701	1,869
671 DISN Subscription Services (DSS)	28,915	0	-7.00 %	-2,024	-1,565	25,326	0	1.90 %	481	-481	25,326
677 DISA Telecommunications Services - Other	0	0	0.00 %	0	29	29	0	3.45 %	1	-30	0
679 Cost Reimbursable Purchases	1,800	0	1.89 %	34	-1,834	0	0	0.00 %	0	0	0
TOTAL 600 Other WCF Purchases (Excl Transportation)	737,471	0		19,187	-254,337	502,321	0		4,504	-9,586	497,239
700 Transportation											
705 AMC Channel Cargo	25,173	0	1.90 %	478	55,795	81,446	0	2.00 %	1,629	-38,414	44,661
706 AMC Channel Passenger	33,448	0	1.90 %	635	26,655	60,738	0	2.00 %	1,215	-27,100	34,853
718 SDDC Liner Ocean Transportation	5,975	0	-1.91 %	-114	16,775	22,636	0	-2.80 %	-634	-10,604	11,398
771 Commercial Transportation	126,828	0	1.90 %	2,406	75,138	204,372	0	2.00 %	4,087	-87,923	120,536
TOTAL 700 Transportation	191,424	0		3,405	174,363	369,192	0		6,297	-164,041	211,448
900 Other Purchases											
912 Rental Payments to GSA (SLUC)	0	0	0.00 %	0	1,377	1,377	0	2.03 %	28	97	1,502
913 Purchased Utilities (Non-Fund)	10,163	0	1.90 %	193	-10,270	86	0	2.33 %	2	0	88
914 Purchased Communications (Non-Fund)	6,446	0	1.89 %	122	3,980	10,548	0	2.01 %	212	-207	10,553

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Overseas Contingency Operations
OP-32A

	FY 2016	For	Price	Price	Prog	FY 2017	For	Price	Price	Prog	FY 2018
	Actuals	Curr	Growth %	Growth	Growth	Est.	Curr	Growth %	Growth	Growth	Est.
915 Rents (Non-GSA)	34,649	0	1.90 %	658	39,927	75,234	0	2.00 %	1,504	15,004	91,742
920 Supplies and Materials (Non-Fund)	137,657	0	1.90 %	2,614	-24,455	115,816	0	2.00 %	2,318	6,349	124,483
921 Printing and Reproduction	947	0	1.90 %	18	-365	600	0	2.00 %	12	1	613
922 Equipment Maintenance By Contract	92,990	0	1.90 %	1,764	50,931	145,685	0	2.00 %	2,915	-17,842	130,758
923 Facility Sustainment, Restoration, and Modernization by Contract	26,152	0	1.90 %	498	55,897	82,547	0	2.00 %	1,650	1,850	86,047
925 Equipment Purchases (Non-Fund)	27,983	0	1.89 %	530	-2,804	25,709	0	2.00 %	514	20,166	46,389
926 Other Overseas Purchases	4,240	0	1.93 %	82	4,889	9,211	0	2.01 %	185	-2,247	7,149
927 Air Defense Contracts and Space Support (AF)	3,333	0	1.89 %	63	-3,396	0	0	0.00 %	0	0	0
928 Ship Maintenance By Contract	1,527,685	0	1.90 %	29,026	803,090	2,359,801	0	2.00 %	47,198	-445,261	1,961,738
929 Aircraft Reworks by Contract	285,213	0	1.90 %	5,419	89,852	380,484	0	2.00 %	7,611	29,815	417,910
930 Other Depot Maintenance (Non-Fund)	156,931	0	1.90 %	2,980	1,163	161,074	0	2.00 %	3,222	54,982	219,278
932 Management and Professional Support Services	8,479	0	1.91 %	162	2,116	10,757	0	2.01 %	216	764	11,737
934 Engineering and Technical Services	44,798	0	1.90 %	851	-11,897	33,752	0	2.00 %	675	22,603	57,030
935 Training and Leadership Development	41,426	0	1.87 %	773	-42,199	0	0	0.00 %	11	-11	0
936 Training and Leadership Development (Other contracts)	0	0	0.00 %	0	0	0	0	0.00 %	0	12,844	12,844
937 Locally Purchased Fuel (Non-Fund)	60	0	6.67 %	4	535	599	0	-0.33 %	-2	-597	0
955 Medical Care	0	0	0.00 %	0	786	786	0	3.94 %	31	761	1,578
957 Land and Structures	670	0	1.94 %	13	2,594	3,277	0	2.01 %	66	3,095	6,438
964 Subsistence and Support of Persons	1,838	0	1.90 %	35	776	2,649	0	2.00 %	53	-3	2,699
984 Equipment Contracts	2,166	0	1.94 %	42	-2,121	87	0	2.30 %	2	466	555
985 Research and Development Contracts	0	0	0.00 %	0	0	0	0	0.00 %	0	529	529
987 Other Intra-Government Purchases	134,163	0	1.90 %	2,547	318,890	455,600	0	2.00 %	9,110	-47,959	416,751
989 Other Services	79,360	0	1.90 %	1,509	-7,794	73,075	0	2.00 %	1,463	30,694	105,232
990 IT Contract Support Services	23,078	0	1.90 %	439	-15,740	7,777	0	1.99 %	155	3,030	10,962
TOTAL 900 Other Purchases	2,650,427	0		50,342	1,255,762	3,956,531	0		79,151	-311,077	3,724,605
TOTAL	5,075,591	0		96,023	1,834,727	7,006,341	0		85,310	-1,216,638	5,875,015

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

I. Description of Operations Financed:

Mission and Other Flight Operations OCO funds incremental flying hours for Navy and Marine Corps forces participating in Operations Inherent Resolve (OIR) and Freedom's Sentinel (OFS), and other warfighting missions as assigned, as well as authorized Combatant Commander programs such as the European Reassurance Initiative (ERI). Forces include, but are not limited to: Navy Carrier Airwings (CVW), expeditionary maritime patrol aircraft, intelligence collection squadrons, and helicopters; and Marine Corps Amphibious Ready groups (ARGs), Special Purpose Marine Air Ground Task Forces (SPMAGTF), and electronic warfare squadrons.

OCO funding also supports necessary personnel travel costs for squadrons deployed to expeditionary locations, as well as transportation of parts and materiel and rotational airlift of helicopters.

The cumulative impact of incremental flying in support of these warfighting missions and deferred maintenance has resulted in a Naval Aviation force with inadequate numbers of Ready Basic Aircraft (RBA). The OCO program also funds organizational- and intermediate-maintenance efforts required to reset naval aviation assets that have been directly impacted by these missions. Currently this consists of the Reset program for CH-53Es (a USMC RBA priority).

II. Force Structure Summary:

In FY 2016, there are 10 active carrier air wings, 2,483 crews, and 1,960 tactical primary authorized aircraft.

In FY 2017, there are 9 active carrier air wings, 2,480 crews, and 1,972 tactical primary authorized aircraft

In FY 2018, there are 9 active carrier air wings, 2,473 crews, and 1,976 tactical primary authorized aircraft

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
1. Mission and Other Flight Operations	422,149	927,452	0	0.00	927,452	412,710
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
European Reassurance Initiative (ERI)	\$1,475	\$0	\$4,750
Operation FREEDOM'S SENTINEL (OFS)	\$174,329	\$195,143	\$181,678
Operation INHERENT RESOLVE (OIR)	\$246,345	\$232,309	\$226,282
Other/Bipartisan Budget Act of 2015 Compliance	\$0	\$500,000	\$0
Operation Totals	\$422,149	\$927,452	\$412,710

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	927,452	927,452
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	927,452	0
Baseline Appropriation	4,502,269	0
Less Baseline Funding	-4,502,269	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	927,452	0
Reprogrammings	0	0
Price Change	0	613
Functional Transfers	0	0
Program Changes	0	-515,355
Line Item Consolidation	0	0
Current Estimate	927,452	412,710

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		927,452
1) Baseline Appropriations		4,502,269
a) Base Budget Funding	4,502,269	
2) Enacted Security Assistance Appropriation Act, (P.L. 114-254)		0
a) Enacted Security Assistance Appropriation Act, (P.L. 114-254)	-66,831	
b) Restore Enacted Security Assistance Appropriation Act, (P.L. 114-254)	66,831	
FY 2017 Appropriated and Supplemental Funding		5,429,721
Revised FY 2017 Current Estimate		5,429,721
Less Baseline Funding		-4,502,269
FY 2017 Current Estimate		927,452
Price Change		613
3) Program Increases		18,687
a) Program Increase in FY 2018		18,687
i) Increase funds revised estimate for personnel transportation to and from theater as well as lodging and per diem costs for Navy and Marine Corps aviation units deployed to ashore locations within the CENTCOM AOR. This includes tactical and intelligence-related P-3 squadrons, MH-53 and MH-60 helicopter squadrons, Marine Corps Special Purpose MAGTF and electronic warfare squadrons, and carrier air wing personnel. Request for FY2017 did fully address historical requirement. Average OCO TAD requirement from FY2012 to FY2016 was \$41.2M per year.	10,953	
ii) European Reassurance Initiative: Supports participation by U.S. forces in the UNIFIED VISION 2018 (UV18) - Joint Surveillance and Reconnaissance (JISR) Exercise and Experiment. Supports transportation, travel, and operational costs for participation by P-3 aircrew.	3,952	
iii) Increase due changing mix of aircraft cost per hour, partially offset by reduction of 5,541 incremental hours for Navy squadrons 2017 to 2018. Reduction is based on current Global Force Management schedule and continues to support operating tempo of forces in theater.	2,832	
iv) European Reassurance Initiative: Funds improvements and equipment maintenance at Tactical Operations Center Sigonella for Mobile Tactical Operations Center (MTOC) and U.S. Battlefield Information Collection and Exploitation Systems (BICES) in support of enhanced Anti-Submarine Warfare (ASW) capabilities. Funding will support equipment maintenance on MTOC equipment sets and supporting material handling equipment, as well as minor construction improvements to the TACOPSCEN Sigonella operations facilities.	700	
v) European Reassurance Initiative: Funds necessary improvements at RAF Lossiemouth to allow P-8A aircraft to operate from the airfield during sustained Anti-Submarine Warfare (ASW) missions. Funding will support engineering design in support	250	

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
of projects to enhance the airfield, hangar, and equipment storage facilities, as well as operational maintenance for aircraft support vehicles.		
4) Program Decreases		-534,042
a) One-Time FY 2017 Costs		-510,000
i) Decrease in Mission and Other Flight Operations due to the One-Time FY 2017 increase to comply with the Bipartisan Budget Act of 2015.	-510,000	
b) Program Decreases in FY 2018		-24,042
i) Decrease supports modified profile of USMC CH-53E Reset program. Incorporates planned number of aircraft throughput as well as adjustments in per aircraft cycle time and increased replacement of depot-level repairables (DLR) based on observed performance.	-3,052	
ii) Decrease in transportation costs based on updated estimates to ship aviation squadron materials, including rotation of helicopters, in and out of theater.	-7,435	
iii) Decrease in Marine Corps incremental flying hours due to revised mix of hours shifting towards aircraft with lower cost per hour, partially offset by an increase of 458 total hours. Includes fuel cost of incremental hours for first F-35B deployment, with maintenance component of cost per hour funded in 1A9A.	-13,555	
FY 2018 OCO Budget Request		412,710

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

IV. Performance Criteria and Evaluation Summary:

Incremental flying hours by component

	2016	2017	2018
Navy	45,181	41,070	35,529
Marines	8,200	8,926	9,384
Total	53,381	49,996	44,913

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

<u>V. Personnel Summary:</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	84	393	160	-233

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	39,779	0	756	-10,801	29,734	0	595	2,241	32,570
400 WCF Supplies									
401 DLA Energy (Fuel Products)	95,592	0	5,736	138,374	239,702	0	-959	-143,569	95,174
412 Navy Managed Supplies and Materials	49,136	0	1,936	100,128	151,200	0	-1,859	-97,062	52,279
416 GSA Managed Supplies and Materials	40	0	1	-41	0	0	0	150	150
424 DLA Material Supply Chain (Weapon Systems)	46,788	0	-2,807	17,920	61,901	0	-365	-35,178	26,358
500 Stock Fund Equipment									
503 Navy Fund Equipment	168,345	0	9,478	170,794	348,617	0	1,290	-185,832	164,075
600 Other WCF Purchases (Excl Transportation)									
631 Naval Facilities Engineering and Expeditionary Warfare Center	60	0	4	-64	0	0	0	250	250
700 Transportation									
705 AMC Channel Cargo	2,750	0	52	8,013	10,815	0	216	-5,573	5,458
771 Commercial Transportation	4,431	0	83	9,862	14,376	0	287	-8,516	6,147
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	0	0	0	412	412	0	8	-5	415
922 Equipment Maintenance By Contract	13,631	0	258	56,207	70,096	0	1,402	-42,364	29,134
926 Other Overseas Purchases	1,118	0	21	-1,139	0	0	0	0	0
937 Locally Purchased Fuel (Non-Fund)	0	0	0	599	599	0	-2	-597	0
957 Land and Structures	479	0	9	-488	0	0	0	700	700
TOTAL 1A1A Mission and Other Flight Operations	422,149	0	15,527	489,776	927,452	0	613	-515,355	412,710

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations

Detail by Subactivity Group: Aviation Technical Data and Engineering Services

I. Description of Operations Financed:

Engineering Technical Services (ETS) - This program provides on-site technical information, instruction and training (formal and on the job) to aviation maintenance personnel at the organizational and intermediate levels of maintenance for a network of 23 detachments dispersed worldwide. The purpose of the training is to elevate the technical knowledge and skills of Navy and Marine aviation maintenance technicians in the installation, maintenance, repair and operation of all types of aviation equipment and associated support equipment. Engineering Technical Services (ETS) are performed by Contractor Engineering Technical Service (CETS) and Navy Engineering Technical Service (NETS) personnel. Naval Air Technical Data and Engineering Services Command (NATEC) Administrative functions include: technical data management, data distribution, digitization and conversion, Fleet liaison, Customer Service, ETS management/administration and Corporate Operations.

II. Force Structure Summary:

Engineering Technical Services (ETS) tasks are in support of sustaining the current readiness and mobilization capability of the Naval Active Force. The Naval Air Technical Data and Engineering Services Command (NATEC) facility responds to customer demands and ensures that Fleet users of technical documentation are working with accurate and current information to maintain fleet readiness. NATEC responds to ensure that requirements for Fleet Engineering Technical Services are satisfied.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Technical Data and Engineering Services

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2018 Estimate
1. Aviation Technical Data & Engineering Services	998 /1	0	0	0.00	0	1,750

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$998	\$0	\$1,750
Operation Totals	\$998	\$0	\$1,750

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	52,802	0
Less Baseline Funding	-52,802	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	1,750
Line Item Consolidation	0	0
Current Estimate	0	1,750

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Technical Data and Engineering Services

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		52,802
a) Base Budget Funding	52,802	
FY 2017 Appropriated and Supplemental Funding		52,802
Revised FY 2017 Current Estimate		52,802
Less Baseline Funding		-52,802
2) Program Increases		1,750
a) Program Increase in FY 2018		1,750
i) Increase in four Technical Representative Aircraft personnel performing F-18 tasks for the Hornet Support Network.	700	
ii) Increase in four Technical Representative Aircraft personnel supporting H-53 RESET efforts.	700	
iii) Increase in two Technical Representative Aircraft personnel performing Rotary Wing support.	350	
FY 2018 OCO Budget Request		1,750

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Technical Data and Engineering Services

IV. Performance Criteria and Evaluation Summary:

	FY 2016 UNIT	FY 2016 COST	FY 2017 UNIT	FY 2017 COST	FY 2018 UNIT	FY 2018 COST
A. NATEC ETS (CETS only)	6	998	0	0	10	1,750
Attack	1	167	0	0	0	0
Fighter	0	0	0	0	4	700
Rotary Wing	4	665	0	0	6	1,050
Electronic Warfare	1	166	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Technical Data and Engineering Services

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	6	0	10	10

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Technical Data and Engineering Services

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
900 Other Purchases									
922 Equipment Maintenance By Contract	998	0	19	-1,017	0	0	0	1,750	1,750
TOTAL 1A3A Aviation Technical Data and Engineering Services	998	0	19	-1,017	0	0	0	1,750	1,750

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Operations and Safety Support

I. Description of Operations Financed:

The Air Traffic Control (ATC) program provides logistics, engineering, and maintenance support for identification and landing systems for facilities ashore and afloat.

The Marine Air Traffic Control and Landing Systems (MATCALs) provides life-cycle support of electronic and other systems used by the Marine Air Traffic Control Detachments in support of Marine expeditionary forces. This funding provides for support of the Fleet Support Team (FST), the In-service Engineering Activity, and other supporting activities in maintaining this equipment in operational condition. Included in the FST tasking is Technical and Training assists to Fleet units (on-site and telephonic/email), technical manual development and updates, maintenance tracking programs, engineering investigations, resolution of obsolescence issues, and other tasks required to maintain and support the electronic and other systems used by the Marine Air Traffic Control Detachments. These systems include Airport Surveillance Radars, Precision Approach Radars, control and communications systems, air navigation aids, towers, and the ancillary equipment associated with the systems. The high use and harsh environment encountered during expeditionary operations necessitate frequent and thorough overhaul of these systems. Funded activities include supply support, procurement agencies, and other life-cycle support requirements.

II. Force Structure Summary:

Air Traffic Control (ATC) supports over 100 Naval and Marine Corps aviation shore facilities worldwide and all aviation/combat ships afloat.

Marine Air Traffic Control and Landing Systems (MATCALs) provide support to ten (10) active and one (1) reserve Marine Air Traffic Control Detachments (MATCD), components of the Marine Air Control Squadron, Marine Air Control Group, Marine Aircraft Wing.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Operations and Safety Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Air Operations and Safety Support	5,373 /1	4,603	0	0.00	4,603	2,989

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$5,373	\$4,603	\$2,989
Operation Totals	\$5,373	\$4,603	\$2,989

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	4,603	4,603
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	4,603	0
Baseline Appropriation	97,584	0
Less Baseline Funding	-97,584	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	4,603	0
Reprogrammings	0	0
Price Change	0	113
Functional Transfers	0	0
Program Changes	0	-1,727
Line Item Consolidation	0	0
Current Estimate	4,603	2,989

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Operations and Safety Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		4,603
1) Baseline Appropriations		97,584
a) Base Budget Funding	97,584	
FY 2017 Appropriated and Supplemental Funding		102,187
Revised FY 2017 Current Estimate		102,187
Less Baseline Funding		-97,584
FY 2017 Current Estimate		4,603
Price Change		113
2) Program Increases		152
a) Program Increase in FY 2018		152
i) Increase in Air Traffic Control based on schedule of system grooms and overhauls.	152	
3) Program Decreases		-1,879
a) Program Decreases in FY 2018		-1,879
i) Decrease due to no Marine Air Traffic Control and Landing Systems (MATCALs) depot restorations currently scheduled for FY 2018.	-1,879	
FY 2018 OCO Budget Request		2,989

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Operations and Safety Support

IV. Performance Criteria and Evaluation Summary:

	FY 2016			FY 2017			FY 2018	
<u>Air Traffic Control</u>	<u>Quantity</u>	<u>Dollars</u>	-	<u>Quantity</u>	<u>Dollars</u>	-	<u>Quantity</u>	<u>Dollars</u>
Ship ATC Systems/In-Service Engineering Efforts		\$2,213			\$2,210			\$2,391
Ship ATC Systems/Logistics Efforts		\$550			\$553			\$598
Total Air Traffic Control		\$2,763			\$2,763			\$2,989

	FY 2016			FY 2017			FY 2018	
<u>Marine Air Traffic Control and Landing Systems</u>	<u>Quantity</u>	<u>Dollars</u>	-	<u>Quantity</u>	<u>Dollars</u>	-	<u>Quantity</u>	<u>Dollars</u>
TACAN (TRN-44)								
ATNAVICS				1	\$1,840			
RLST TSQ-216	1	\$460						
ATC Towers (TSQ-120)	1	\$400						
Total MATCALs	2	\$860		1	\$1,840		0	\$0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Operations and Safety Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	25	8	0	-8

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Operations and Safety Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
610 Naval Air Warfare Center	913	0	29	2,221	3,163	0	84	-258	2,989
900 Other Purchases									
922 Equipment Maintenance By Contract	1,697	0	32	-289	1,440	0	29	-1,469	0
934 Engineering and Technical Services	1,517	0	29	-1,546	0	0	0	0	0
989 Other Services	1,246	0	24	-1,270	0	0	0	0	0
TOTAL 1A4A Air Operations and Safety Support	5,373	0	114	-884	4,603	0	113	-1,727	2,989

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Systems Support

I. Description of Operations Financed:

Air Systems Support provides funding for engineering and logistics analysis necessary to sustain aircraft systems and equipment. This includes support to sustain aircraft platforms across Navy and Marine Corps Training and Test and Evaluation Commands. Additionally, it provides for critical aircraft components, ground support equipment, automatic test equipment, and information systems which capture, store, and maintain system performance, failure, and readiness maintenance data. Technical products include maintenance plans and procedures, technical data updates (drawings, publications, provisioning information), and system software maintenance to include threat library assessment necessary to meet inventory requirements of the Fleet Response Plan and offset the effects of aging on systems, obsolescence, and component reliability. Outcomes include resolution of critical issues affecting safety of flight, increased readiness through reliability improvements, and reduced operation and maintenance costs.

II. Force Structure Summary:

Air Systems Support provides engineering and logistics support for the Navy and Marine Corps operational inventory of aircraft, associated support equipment, automatic test equipment, and aircraft systems. These services are performed at Fleet Readiness Centers, Naval Air Warfare Centers, and through private contractors.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Systems Support

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017	FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Current Estimate
1. Air Systems Support	134,941	159,049	144,030
	/1		

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$134,941	\$152,477	\$117,231
Operation INHERENT RESOLVE (OIR)	\$0	\$6,572	\$26,799
Operation Totals	\$134,941	\$159,049	\$144,030

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	159,049	159,049
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	159,049	0
Baseline Appropriation	499,931	0
Less Baseline Funding	-499,931	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	159,049	0
Reprogrammings	0	0
Price Change	0	2,134
Functional Transfers	0	0
Program Changes	0	-17,153
Line Item Consolidation	0	0
Current Estimate	159,049	144,030

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Systems Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		159,049
1) Baseline Appropriations		499,931
a) Base Budget Funding	499,931	
FY 2017 Appropriated and Supplemental Funding		658,980
Revised FY 2017 Current Estimate		658,980
Less Baseline Funding		-499,931
FY 2017 Current Estimate		159,049
Price Change		2,134
2) Program Increases		47,050
a) Program Increase in FY 2018		47,050
i) Increase in organic and commercial Program Related Logistics (PRL) for EA-18G, AV-8B, V-22, CH-53E, KC-130J, and H-1.	47,050	
3) Program Decreases		-64,203
a) Program Decreases in FY 2018		-64,203
i) Decrease in organic Non-Program Related Logistics (NPRL) for Marine Aviation Logistics-Enterprise Information Technology (MAL-EIT) support.	-41	
ii) Decrease in commercial Non-Program Related Engineering (NPRL) support for Air Worthiness Inspection (AWI) efforts.	-438	
iii) Decrease in organic and commercial Program Related Logistics (PRL) support for F/A-18E/F, EA-18G, and V-22 due to requirement shift to baseline.	-15,019	
iv) Decrease in organic and commercial Program Related Engineering (PRE) support for EA-18G and EA-6B software defect corrections.	-48,705	
FY 2018 OCO Budget Request		144,030

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Systems Support

IV. Performance Criteria and Evaluation Summary:

(\$ in Thousands)	<u>FY 2016</u>		<u>FY 2017</u>		<u>FY 2018</u>	
	<u>Units</u>	<u>Dollars</u>	<u>Units</u>	<u>Dollars</u>	<u>Units</u>	<u>Dollars</u>
Program Related Engineering Support (PRE)*	21	54,831	25	88,529	14	42,147
Program Related Logistics Support (PRL)**	21	73,864	16	60,571	21	107,228
Non-Program Related Engineering Support (NPRE)**	1	550	1	429	0	0
Non-Program Related Logistics Support (NPRL)**	3	5,696	3	9,520	3	9,674
TOTAL PROGRAM	46	134,941	45	159,049	38	159,049

* PRE units represent each Type/Model/Series (TMS) Fleet Response Activity and Capability Defect Packages.

** PRL/NPRE/NPRL units represent the number of projects/programs funded within each account (i.e. Engineering Investigations, Hazardous Material Reports, Tech Pub Deficiency Reports, Reliability Centered Maintenance analysis, Cost and Readiness Degraded Analysis, or Fleet Technical Assistance requests). Unit decrease in PRL reflects combination of H-46 airframe and T-58 engine into one unit due to sundown of asset.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Systems Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	242	227	423	196

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Air Systems Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	154	0	3	7	164	0	4	0	168
400 WCF Supplies									
412 Navy Managed Supplies and Materials	118	0	5	-123	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
610 Naval Air Warfare Center	61,818	0	1,978	26,957	90,753	0	2,423	-57,226	35,950
611 Naval Surface Warfare Center	3,956	0	128	-1,156	2,928	0	42	122	3,092
613 Naval Fleet Readiness Centers (Aviation)	22,391	0	3,325	-4,882	20,834	0	-1,224	4,509	24,119
614 Space and Naval Warfare Center	80	0	1	55	136	0	5	-2	139
633 DLA Document Services	575	0	9	-484	100	0	-1	3	102
700 Transportation									
771 Commercial Transportation	6	0	0	-3	3	0	0	0	3
900 Other Purchases									
914 Purchased Communications (Non-Fund)	2,080	0	40	2	2,122	0	42	0	2,164
920 Supplies and Materials (Non-Fund)	232	0	4	-111	125	0	5	-2	128
929 Aircraft Reworks by Contract	4,652	0	88	892	5,632	0	113	0	5,745
930 Other Depot Maintenance (Non-Fund)	1,859	0	35	4,802	6,696	0	134	12,530	19,360
932 Management and Professional Support Services	4,327	0	82	4	4,413	0	88	1	4,502
934 Engineering and Technical Services	31,512	0	598	-8,307	23,803	0	476	22,949	47,228
987 Other Intra-Government Purchases	1,181	0	22	137	1,340	0	27	-37	1,330
TOTAL 1A4N Air Systems Support	134,941	0	6,318	17,790	159,049	0	2,134	-17,153	144,030

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

I. Description of Operations Financed:

A. Airframe Rework: This program provides inspection, rework and emergent repairs of Fleet aircraft. Through periodic depot level maintenance activities, aircraft major structures and airframe systems are maintained in a safe flyable condition. Depot maintenance is currently being performed under the Integrated Maintenance Concept (IMC), Phase Depot Maintenance (PDM) and Standard Depot Level Maintenance (SDLM) programs. The IMC concept uses Planned Maintenance Intervals (PMI), performing more frequent depot maintenance, with smaller work packages, reducing out of service time. The goal of this program is to improve readiness while reducing operating and support costs. Currently, the AV-8B, C-130, C-2, E-2, EA-6B, EA-18G, FA-18, H-1, H-53, H-60, MV-22 and P-3 aircraft programs have been incorporated under IMC. The PDM concept is used with the E-6B aircraft. OCO funding finances a portion of the baseline requirement.

B. Engine Rework: The engine rework program accomplishes the repair and overhaul of aircraft engines, gearboxes and torque meters. The program objective is to return depot-repairable engines to ready-for-issue (RFI) status to support Fleet aircraft and Fleet engine pool requirements. Under the Reliability Centered Maintenance (RCM) program engines are repaired at the lowest level of maintenance possible. Engines beyond the repair capability of intermediate maintenance activities are scheduled for induction in the depots. Engine field team is included in this budget submission to provide on-site depot level maintenance on an as-needed basis. Repair and replacement of these aircraft engines are a direct result of the incremental hours flown during CENTCOM AOR operations.

*Note: Depot Maintenance funding for engines is necessary to meet the depot engine rework objective to return depot-repairable engines/modules to Ready-for-Issue (RFI) status. To meet the integrated engine budget objective and be consistent with the Defense Planning Guidance the engine reliability accounts (i.e., Component Improvement Program [CIP], Power Plant Change [PPC], and Program Related Logistics [PRL]) need to be properly financed.

C. Components: The component repair program supports the depot level repair of components for the aircraft mission systems and equipment under programs and projects that do not have a Material Support Date (MSD) established. Additionally, Contractor Logistics Support (CLS) support is provided for closed-loop weapon systems and equipment for Presidential Helicopter and trainer aircraft prop repair that will be commercially supported for its life cycle. Repair and replacement of these aircraft components are a direct result of incremental hours flown during CENTCOM AOR operations.

II. Force Structure Summary:

Airframe and Engine Depot Maintenance is performed at Fleet Readiness Centers (East, Southeast, Southwest, Western Pacific), commercially (many vendors, including L-3 Communications, Sikorsky, Raytheon, Boeing, DRS Technical Services, Standard Aero, Rolls Royce, etc.), and via inter-service agreement with the Army and Air Force in support of the following Primary Aircraft Authorized (PAA) and Total Aircraft Inventory (TAI):

	PAA	TAI
FY 2016	3,256	3,815
FY 2017	3,286	3,997
FY 2018	3,294	4,185

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
1. Aircraft Depot Maintenance	76,352	113,994	0	0.00	113,994	211,196
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$76,352	\$113,994	\$176,252
Operation INHERENT RESOLVE (OIR)	\$0	\$0	\$34,944
Operation Totals	\$76,352	\$113,994	\$211,196

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	113,994	113,994
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	113,994	0
Baseline Appropriation	1,042,209	0
Less Baseline Funding	-1,042,209	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	113,994	0
Reprogrammings	0	0
Price Change	0	1,830
Functional Transfers	0	0
Program Changes	0	95,372
Line Item Consolidation	0	0
Current Estimate	113,994	211,196

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

	(\$ in Thousands)	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		113,994
1) Baseline Appropriations		1,042,209
a) Base Budget Funding	1,042,209	
FY 2017 Appropriated and Supplemental Funding		1,156,203
Revised FY 2017 Current Estimate		1,156,203
Less Baseline Funding		-1,042,209
FY 2017 Current Estimate		113,994
Price Change		1,830
2) Program Increases		98,484
a) Program Increase in FY 2018		98,484
i) Airframes increase is a result of differences in workload and unit cost mix for Phase Depot Maintenance (PDM) and Planned Maintenance Interval (PMI) events.	58,478	
ii) Engines increase associated with 38 engine repairs for the F414, F402, T56, and CFM56, as well as 6 T56 gearbox torque meter repairs.	15,150	
iii) Airframes increase associated with Air Worthiness Inspections (AWI) for the P-3 aircraft.	13,209	
iv) Airframes increase associated with Special Rework for the F/A-18C aircraft.	4,594	
v) Components increase associated with ALQ-99 Tactical Jamming System repairs and Manned Reconnaissance Repair of Repairables (RoR).	4,114	
vi) Airframes increase associated with Emergency Repairs maintenance.	2,939	
3) Program Decreases		-3,112
a) Program Decreases in FY 2018		-3,112
i) Airframes decrease associated with Age Exploration for the F/A-18E-F aircraft.	-1,432	
ii) Engines decrease associated with 2 T64 Overhauls.	-1,680	
FY 2018 OCO Budget Request		211,196

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

IV. Performance Criteria and Evaluation Summary:

(\$ in Thousands)

	FY 2016						FY 2017					FY 2018	
	Budget		Actual Inductions		Completions**		Budget		Estimated Inductions		Carry In**	Budget	
	Qty	Dollars	Qty	Dollars	Prior Yr	Cur Year	Qty	Dollars	Qty	Dollars	Qty	Qty	Dollars
Airframe Maintenance	68	58,800	74	63,800	35	30	155	94,900	155	94,900	64	197	173,776
Engine Maintenance	42	13,106	26	8,561	61	24	40	11,966	40	11,966	2	82	26,030
Components (see below)	0	3,991	0	3,991	0	0	0	7,128	0	7,128	0	0	11,390
TOTAL	110	75,897	100	76,352	96	54	195	113,994	195	113,994	66	279	211,196

**** NOTE: Completions and Carry in (Work In Progress) reported are thru 30 September 2016****

Explanation of Performance Variances [from original President's Budget for Prior Year and Current Year]:

Prior Year:

There is an increase in airframes inductions due to increased requirements and change in workload unit cost mix. There is a decrease in engine inductions due to T64 production / material delays and reduced requirements for the F414.

Current Year:

The funding levels and inductions have remained constant from the FY17 President's Budget.

COMPONENTS:

(\$ in Thousands)	FY 2016	FY 2017	FY 2018
	Dollars	Dollars	Dollars
ALQ-99 PODS	0	1,970	2,990
EP-3E (JSAF) COMPONENT REPAIR **	1,910	0	0
VPU SPECIAL PROJECTS **	2,081	0	0
MANNED RECON COMPONENT REPAIR **	0	5,158	8,400
TOTAL	3,991	7,128	11,390

** Starting in FY17 EP-3E and VPU Special Projects, which are both managed by PMA-290, are combined to form a Manned Reconnaissance Component Repair.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	12	76	211	135

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
611 Naval Surface Warfare Center	2,564	0	83	949	3,596	0	51	1,942	5,589
613 Naval Fleet Readiness Centers (Aviation)	71,630	0	10,899	7,029	89,558	0	1,300	74,123	164,981
614 Space and Naval Warfare Center	17	0	0	1,423	1,440	0	54	807	2,301
661 Air Force Consolidated Sustainment Activity Group	0	0	0	5,847	5,847	0	153	-6,000	0
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	67	0	1	-68	0	0	0	0	0
929 Aircraft Reworks by Contract	2,070	0	39	11,444	13,553	0	272	24,500	38,325
987 Other Intra-Government Purchases	4	0	0	-4	0	0	0	0	0
TOTAL 1A5A Aircraft Depot Maintenance	76,352	0	11,022	26,620	113,994	0	1,830	95,372	211,196

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Operations Support

I. Description of Operations Financed:

Fleet Readiness Center Western Pacific (FRCWP), Atsugi, Japan is responsible for providing broad-bases depot-level maintenance and repair capability to support operational plans and maintain depot-level capability to augment CONUS sites for surge capability. FRCWP provides a logistics base for Overseas Home-Ported Units (OFRP). The Funding supports civilian salaries, tools, equipment, travel, training, Permanent Change of Station, communications, Information Technology (non-NMCI), supplies, utilities and operation, and administration of facilities.

The Aviation Rapid Action Team (ARAT) provides logistic and engineering capability solutions to triage failing components that are adversely affecting warfighter readiness. The team works closely with the Naval Aviation Enterprise stakeholders to perform needed analysis, development, and fielding of solutions to ensure developed capabilities are technically authorized, logistically supportable and immediately and effectively exercised in support of fleet degraders.

II. Force Structure Summary:

Funding is required to provide unscheduled In-Service Repair (ISR) depot maintenance support of United States Central Command (CENTCOM) aviation assets. The funding maintains one team of depot artisans in the CENTCOM area of operation (AOR) for Operation Freedom Sentinel (OFS) to support USMC Marine Air Ground Task Force (MAGTF) aviation assets. The team will deploy to either Bahrain or Kuwait depending on which location has the highest demand. A second team of depot artisans would be deployed afloat for USN/USMC aviation assets while operating in CENTCOM.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Operations Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Aircraft Depot Operations Support	3,402	1,840	0	0.00	1,840	1,921
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$3,402	\$1,840	\$1,921
Operation Totals	\$3,402	\$1,840	\$1,921

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	1,840	1,840
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	1,840	0
Baseline Appropriation	40,023	0
Less Baseline Funding	-40,023	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	1,840	0
Reprogrammings	0	0
Price Change	0	-109
Functional Transfers	0	0
Program Changes	0	190
Line Item Consolidation	0	0
Current Estimate	1,840	1,921

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Operations Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. Reconciliation of Increases and Decreases		
FY 2017 Budget OCO Request		1,840
1) Baseline Appropriations		40,023
a) Base Budget Funding	40,023	
FY 2017 Appropriated and Supplemental Funding		41,863
Revised FY 2017 Current Estimate		41,863
Less Baseline Funding		-40,023
FY 2017 Current Estimate		1,840
Price Change		-109
2) Program Increases		190
a) Program Increase in FY 2018		190
i) Increase in unscheduled depot maintenance In-Service Repair (ISR) support of CENTCOM aviation assets.	190	
FY 2018 OCO Budget Request		1,921

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Operations Support

IV. Performance Criteria and Evaluation Summary:

	FY 2016 <u>Funding</u>	FY 2017 <u>Funding</u>	FY 2018 <u>Funding</u>
Aviation Depot Support in CENTCOM	2,281	1,840	1,921

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Operations Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Operations Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	679	0	13	-692	0	0	0	0	0
103 Wage Board	1,813	0	35	-1,848	0	0	0	0	0
300 Travel									
308 Travel Of Persons	33	0	1	-34	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
610 Naval Air Warfare Center	694	0	22	-716	0	0	0	0	0
613 Naval Fleet Readiness Centers (Aviation)	0	0	0	1,840	1,840	0	-109	90	1,821
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	183	0	3	-186	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	0	0	0	0	0	0	0	100	100
TOTAL 1A6A Aircraft Depot Operations Support	3,402	0	74	-1,636	1,840	0	-109	190	1,921

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

I. Description of Operations Financed:

The Aviation Logistics program provides Navy and Marine Corps aviation programs a budget line item for Contractor Logistics Support (CLS) and Performance Based Logistics (PBL). CLS is the performance of maintenance and/or materiel management functions for a DoD system by a commercial activity. PBL is the purchase of support as an integrated, performance package designed to optimize system readiness and meet performance goals for a weapon system through long-term support arrangements with clear lines of authority and responsibility. Below are the current platforms.

The KC-130J airframe contractor provides engineering and logistics support services for the KC-130J weapon system during Overseas Contingency Operations (OCO). Peculiar airframe Repair of Repairables (RoR) and consumable support transitioned to Naval Supply Systems Command's management in FY17 in conjunction with the program material support date. The propulsion support contractor provides propulsion system (engine and propeller) support which includes all labor and material support for depot level repair; material for Organizational level scheduled and unscheduled maintenance (repairable and consumable) logistics, engineering, and Field Services Representatives (FSR) support.

The V-22 propulsion support contractor provides engine sustainment on a flight hour basis that includes all material required for depot engine and component repair in support of OCO.

F-35 – Management Initiative Decision 917 directed Joint Strike Fighter (JSF), one of six pilot programs, to test revised contracting, programming, budgeting, and financing processes for PBL agreements. The JSF approach is a total PBL government and industry partnership for maintenance and engineering support of the airframe and propulsion systems including depot level repairables and consumables, support equipment, Autonomic Logistics Information System (ALIS), simulators and maintenance trainers, aircraft and engine components, and software maintenance through separate Performance Based Agreements (PBA).

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

II. Force Structure Summary:

The Aviation Logistics program is performed commercially as well as organically at the Naval Air Warfare Centers (NAWC), Fleet Readiness Centers (FRC), and Naval Supply Systems Command Weapon Systems Support (NAVSUP WSS) Philadelphia and via an inter-service agreement (ISA) with the Air Force and Army in support of the following Primary Aircraft Authorization (PAA):

	PAA	
	FY17	FY18
F-35	67	88
KC-130J	45	45
MV-22	228	238
E-6B	16	16

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016	Budget	Congressional	Action	Current	FY 2018
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Aviation Logistics	33,704	35,529	0	0.00	35,529	102,834
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$33,704	\$1,806	\$84,365
Operation INHERENT RESOLVE (OIR)	\$0	\$33,723	\$18,469
Operation Totals	\$33,704	\$35,529	\$102,834

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	35,529	35,529
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	35,529	0
Baseline Appropriation	625,720	0
Less Baseline Funding	-625,720	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	35,529	0
Reprogrammings	0	0
Price Change	0	710
Functional Transfers	0	0
Program Changes	0	66,595
Line Item Consolidation	0	0
Current Estimate	35,529	102,834

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		35,529
1) Baseline Appropriations		625,720
a) Base Budget Funding	625,720	
FY 2017 Appropriated and Supplemental Funding		661,249
Revised FY 2017 Current Estimate		661,249
Less Baseline Funding		-625,720
FY 2017 Current Estimate		35,529
Price Change		710
2) Program Increases		66,595
a) Program Increase in FY 2018		66,595
i) Aviation Logistics increase associated with increased number of funded depot engine repairs for the MV-22 OCO Power By the Hour (PBtH) program.	36,445	
ii) Aviation Logistics increase associated with additional Airframes support and OCO flight hours for the F-35.	11,628	
iii) Aviation Logistics increase associated with additional Power By the Hour (PBtH) engine sustainment required to support KC-130J OCO flight hours.	11,509	
iv) Aviation Logistics increase associated with additional Engine Performance Based Logistics (PBL) support and OCO flight hours for the F-35.	5,247	
v) Aviation Logistics increase associated with additional Airframes logistics support and OCO flight hours for the KC-130J.	1,766	
FY 2018 OCO Budget Request		102,834

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

IV. Performance Criteria and Evaluation Summary:

<u>Program (\$K)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
KC-130J	\$ 13,608	\$ 9,028	\$ 22,483
<i>Incremental flying hours</i>	\$ 9,722	\$ 4,950	\$ 6,667
<i>Increase RFI engine levels</i>	\$ -	\$ -	\$ 9,890
<i>Harvest Hawk support</i>	\$ 3,886	\$ 4,078	\$ 5,926
MV-22B	\$ 20,096	\$ 26,501	\$ 63,476
<i>Incremental flying hours</i>	\$ 20,096	\$ 26,501	\$ 31,738
<i>Shift 2 SPMAGTF Base to OCO</i>	\$ -	\$ -	\$ 31,738
F-35B	\$ -	\$ -	\$ 16,875
<i>Incremental flying hours</i>	\$ -	\$ -	\$ 16,875
Total	\$ 33,704	\$ 35,529	\$ 102,834

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	192	199	563	364

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
611 Naval Surface Warfare Center	102	0	3	-105	0	0	0	561	561
900 Other Purchases									
929 Aircraft Reworks by Contract	33,597	0	639	1,278	35,514	0	710	66,049	102,273
987 Other Intra-Government Purchases	5	0	0	10	15	0	0	-15	0
TOTAL 1A9A Aviation Logistics	33,704	0	642	1,183	35,529	0	710	66,595	102,834

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

I. Description of Operations Financed:

This sub-activity group provides resources for all aspects of ship operations required to continuously deploy combat ready warships and supporting forces in support of national objectives. Programs supported include operating tempo (OPTEMPO), fleet and unit training, operational support such as command and control, pier side support and port services, organizational maintenance, and associated administrative and other support. Costs consist of distillate fuel to support the OPTEMPO of 13 underway days per quarter for deployed Fleet forces and 4 underway days per quarter for non-deployed forces; temporary assigned duty (TAD) for shipboard and afloat staff personnel, organizational level repairs, supplies and equipage (S&E) Operating Target (OPTAR); utilities costs; and charter of units through the Military Sealift Command (MSC).

OCO funding finances 35% of the OPTAR base requirement. In addition, OCO funds incremental costs associated with OPTEMPO demand for Operation Freedom's Sentinel.

II. Force Structure Summary:

<u>Ship Type</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Aircraft Carrier	10	11	11
Surface Combatant	104	112	119
Amphibious Ships	31	32	32
Nuclear Attack Submarines	52	51	52
Ballistic Missile Submarines	14	14	14
Missile Submarines	4	4	4
Combat Logistics Ships	29	29	29
Support Ships	31	29	31
Total Battle Force Ships	275	282	292

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Mission and Other Ship Operations	1,130,961	1,073,080	0	0.00	1,073,080	855,453
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
European Reassurance Initiative (ERI)	\$3,619	\$4,950	\$3,677
Operation FREEDOM'S SENTINEL (OFS)	\$1,127,342	\$1,068,130	\$851,776
Operation Totals	\$1,130,961	\$1,073,080	\$855,453

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	1,073,080	1,073,080
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	1,073,080	0
Baseline Appropriation	3,896,133	0
Less Baseline Funding	-3,896,133	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	1,073,080	0
Reprogrammings	0	0
Price Change	0	-5,077
Functional Transfers	0	0
Program Changes	0	-212,550
Line Item Consolidation	0	0
Current Estimate	1,073,080	855,453

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		1,073,080
1) Baseline Appropriations		3,896,133
a) Base Budget Funding	3,896,133	
FY 2017 Appropriated and Supplemental Funding		4,969,213
Revised FY 2017 Current Estimate		4,969,213
Less Baseline Funding		-3,896,133
FY 2017 Current Estimate		1,073,080
Price Change		-5,077
2) Program Increases		26,517
a) Program Increase in FY 2018		26,517
i) Increase in Operations and Sustainment funding for the Ticonderoga-Class Cruiser and Dock Landing Ships that will undergo the Phased Modernization Plan.	15,804	
ii) Increase in ship distillate fuel consumption as a result of increase in barrels of fuel required in support of operations in U.S. Central Command (CENTCOM).	10,713	
3) Program Decreases		-239,067
a) Program Decreases in FY 2018		-239,067
i) European Reassurance Initiative: Decrease in operational costs of partner nations to participate in multinational exercises.	-1,430	
ii) Decrease in repair parts supporting organizational maintenance, consumable supplies, administrative and training, and port service requirements for non-Navy and foreign port visits in support of Operations Freedom's Sentinel (OFS). OCO Consumables, Repair Parts, Administration (OPTAR) decreases from 51% funded in FY 2017 to 35% funded in FY 2018.	-237,637	
FY 2018 OCO Budget Request		855,453

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016 *</u>	<u>FY 2017</u>	<u>FY 2018</u>
OPTEMPO (Days Underway Per Quarter)			
Deployed	66	13	13
Non-Deployed	24	4	4
Ship Steaming Days Per Quarter			
Deployed	3,899	842	653
Non-Deployed	3,124	332	529
Barrels of Fossil Fuel Required (000)	8,054	1,215	1,295
Consumables/Repair Parts/Administration (% OPTAR Funded)	100%	51%	35%
MSC Charter Inventory	51	2	2
Per Diem Days Chartered			
Full Operation Status	16,997	730	730
Reduced Operating Status	-	-	-

**FY 2016 portrays total program funding*

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	298	51	38	-13

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	19,243	0	365	-613	18,995	0	381	-8,435	10,941
400 WCF Supplies									
401 DLA Energy (Fuel Products)	200,605	0	12,037	-81,445	131,197	0	-524	9,562	140,235
411 Army Managed Supplies and Materials	35	0	-2	-3	30	0	1	5	36
412 Navy Managed Supplies and Materials	63,124	0	1,691	26,043	90,858	0	-338	-22,995	67,525
416 GSA Managed Supplies and Materials	34,140	0	649	40,367	75,156	0	1,503	-17,201	59,458
421 DLA Material Supply Chain (Clothing and Textiles)	5,149	0	72	-72	5,149	0	7	233	5,389
422 DLA Material Supply Chain (Medical)	5,462	0	-22	-3,014	2,426	0	0	461	2,887
424 DLA Material Supply Chain (Weapon Systems)	161,403	0	-9,685	82,668	234,386	0	-1,382	-53,149	179,855
500 Stock Fund Equipment									
503 Navy Fund Equipment	206,850	0	5,645	149,377	361,872	0	-3,960	-103,419	254,493
506 DLA Material Supply Chain (Construction and Equipment)	2,771	0	-3	689	3,457	0	-61	127	3,523
600 Other WCF Purchases (Excl Transportation)									
610 Naval Air Warfare Center	21	0	1	-22	0	0	0	0	0
611 Naval Surface Warfare Center	157	0	5	34	196	0	3	1,052	1,251
612 Naval Undersea Warfare Center	44	0	0	-1	43	0	2	-33	12
620 Navy Transportation (Combat Logistics Force)	276,015	0	-1,146	-185,532	89,337	0	-1,909	0	87,428
631 Naval Facilities Engineering and Expeditionary Warfare Center	350	0	25	-375	0	0	0	520	520
634 Navy Base Support (NAVFEC: Utilities and Sanitation)	23,270	0	-98	-23,172	0	0	0	0	0
635 Navy Base Support (NAVFEC: Other Support Services)	467	0	24	-491	0	0	0	0	0
700 Transportation									
706 AMC Channel Passenger	3,749	0	71	-2,509	1,311	0	26	330	1,667
771 Commercial Transportation	2,295	0	43	-718	1,620	0	33	-624	1,029
900 Other Purchases									
913 Purchased Utilities (Non-Fund)	10,163	0	193	-10,356	0	0	0	0	0
914 Purchased Communications (Non-Fund)	386	0	7	1,431	1,824	0	37	-610	1,251
915 Rents (Non-GSA)	13,181	0	250	-5,560	7,871	0	157	-1,773	6,255
920 Supplies and Materials (Non-Fund)	48,500	0	921	-13,983	35,438	0	708	-13,766	22,380
921 Printing and Reproduction	0	0	0	271	271	0	5	0	276
922 Equipment Maintenance By Contract	16,400	0	311	-16,711	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
923 Facility Sustainment, Restoration, and Modernization by Contract	25	0	0	-25	0	0	0	0	0
926 Other Overseas Purchases	1,850	0	36	6,586	8,472	0	170	-2,337	6,305
928 Ship Maintenance By Contract	1,038	0	20	-1,058	0	0	0	0	0
937 Locally Purchased Fuel (Non-Fund)	60	0	4	-64	0	0	0	0	0
984 Equipment Contracts	388	0	8	-396	0	0	0	0	0
987 Other Intra-Government Purchases	959	0	18	1,616	2,593	0	52	-498	2,147
989 Other Services	32,861	0	624	-32,907	578	0	12	0	590
TOTAL 1B1B Mission and Other Ship Operations	1,130,961	0	12,064	-69,945	1,073,080	0	-5,077	-212,550	855,453

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Operational Support and Training

I. Description of Operations Financed:

Ship Operational Support and Training provides for the detailed pre-planning, engineering, training and range operations necessary to ensure that all operating force ships and nuclear attack submarines and their crews are operating at high levels of readiness. Specific programs funded include submarine support, surface ship support, and Receipt, Segregation, Storage, and Issue (RSSI).

Submarine Support includes the Submarine Operations and Safety Program, which supports activation of Reserve personnel and units, increased fuel consumption and spare parts, additional maintenance to support higher usage of equipment, deployment of medical capabilities, extended communications and intelligence support, and related transportation costs. The program also funds TRIDENT Mission Support which includes Video Distribution System (7TV) as a temporary alteration to the submarine, which provides capability to the contingent Navy Divers and Navy SEAL Teams, when onboard to conduct Special Operations Forces (SOF) Missions. The funds also provide for Operations & Support (O&S) for sustaining the SOF equipment.

Surface Support includes the Shipboard Electromagnetic Compatibility Improvement Program (SEMCIP) which provides incremental costs to prepare units. In addition, funding ensures ashore commands can support group deployments providing reach-back, full end to end capabilities. In support of current deployments, program will provide engineering capability to investigate and resolve reported Casualty Reports interference problems and install operationally-required modifications to equipment in support of combat operations.

The RSSI program provides for the movement, handling, storage, and disposal of ordnance as required by Fleet operations and for inventory management. The RSSI program supports personnel and material to manage the Navy worldwide disposable ordnance inventory and accomplishes required reuse and declassification in the most effective and economical manner consistent with safety, security, and environmental regulations and constraints.

II. Force Structure Summary:

Not applicable.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Operational Support and Training

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Ship Operational Support and Training	17,400	17,306	0	0.00	17,306	19,627
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$17,400	\$17,306	\$19,627
Operation Totals	\$17,400	\$17,306	\$19,627

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	17,306	17,306
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	17,306	0
Baseline Appropriation	744,341	0
Less Baseline Funding	-744,341	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	17,306	0
Reprogrammings	0	0
Price Change	0	365
Functional Transfers	0	0
Program Changes	0	1,956
Line Item Consolidation	0	0
Current Estimate	17,306	19,627

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Operational Support and Training

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		17,306
1) Baseline Appropriations		744,341
a) Base Budget Funding	744,341	
FY 2017 Appropriated and Supplemental Funding		761,647
Revised FY 2017 Current Estimate		761,647
Less Baseline Funding		-744,341
FY 2017 Current Estimate		17,306
Price Change		365
2) Program Increases		2,318
a) Program Increase in FY 2018		2,318
i) Increase for Intelligence Carry-On Program (ICOP) supports maintenance and troubleshooting of system failures, distance support, fly away support, help desk, Information Assurance (IA), on-site troubleshooting support and manning of chat terminals for deployed units. Funding increase will also provide ICOP system cross deck and system groom costs which include Ship's Acceptance Test and Authority to Operate (ATO) trusted agent.	1,900	
ii) Increase in ordnance management and handling supports for contractual services for stevedoring, land transportation, and renting trucks and forklifts used during ordnance movement and handling for contingency operations.	418	
3) Program Decreases		-362
a) Program Decreases in FY 2018		-362
i) Decrease in Subsurface support for Submarine Operations and Safety program due to reduction in propeller repairs.	-6	
ii) Decrease in funding for Naval Information Forces (NAVIFOR) for linguists directly supporting operations in theater via reach-back and deployed at CENTCOM.	-22	
iii) Decrease in surface support due to reduction in modifications to outfit U.S. 5th Fleet deploying ship with a Spectrum Common Operational Picture (COP).	-104	
iv) Decrease in Trident Mission support due to reduction in replenishment of equipment for SOF missions.	-230	
FY 2018 OCO Budget Request		19,627

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Operational Support and Training

IV. Performance Criteria and Evaluation Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Surface Support (\$000)	6,400	6,552	6,600
Sub Surface Support (\$000)	6,801	7,121	7,027
Common Operational and ADP Support (\$000)	-	-	1,900
RSSI and Other Ordnance Support (\$000)	1,986	2,533	3,000
Other Environmental Support (\$000)	198	-	-
Naval Information Force (\$000)	2,015	1,100	1,100
Total Ship Operational Support and Training	17,400	17,306	19,627

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Operational Support and Training

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	12	15	22	7

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Operational Support and Training

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	261	0	5	-266	0	0	0	0	0
103 Wage Board	32	0	0	-32	0	0	0	0	0
300 Travel									
308 Travel Of Persons	168	0	3	245	416	0	8	0	424
400 WCF Supplies									
416 GSA Managed Supplies and Materials	127	0	2	-45	84	0	2	0	86
424 DLA Material Supply Chain (Weapon Systems)	300	0	-18	-282	0	0	0	0	0
500 Stock Fund Equipment									
503 Navy Fund Equipment	34	0	1	-35	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
611 Naval Surface Warfare Center	4,050	0	130	47	4,227	0	60	-135	4,152
612 Naval Undersea Warfare Center	1,323	0	12	-10	1,325	0	50	-52	1,323
614 Space and Naval Warfare Center	1,267	0	13	-120	1,160	0	44	896	2,100
633 DLA Document Services	1	0	0	-1	0	0	0	0	0
635 Navy Base Support (NAVFEC: Other Support Services)	7	0	0	-7	0	0	0	0	0
700 Transportation									
771 Commercial Transportation	24	0	0	-24	0	0	0	0	0
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	37	0	1	-38	0	0	0	0	0
922 Equipment Maintenance By Contract	844	0	16	-7	853	0	17	800	1,670
923 Facility Sustainment, Restoration, and Modernization by Contract	1,250	0	24	599	1,873	0	37	455	2,365
925 Equipment Purchases (Non-Fund)	3	0	0	-3	0	0	0	0	0
987 Other Intra-Government Purchases	7,672	0	146	-450	7,368	0	147	-8	7,507
TOTAL 1B2B Ship Operational Support and Training	17,400	0	335	-429	17,306	0	365	1,956	19,627

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Maintenance

I. Description of Operations Financed:

Financing within this program supports maintenance ranging from Overhauls (OH) to Restricted Technical Availabilities (RA/TA) performed at Naval Shipyards (public) or private shipyards. Ship overhauls restore the ship, including all operating systems that affect safety or combat capability, to established performance standards. This includes the correction of all discrepancies found during pre-overhaul tests and inspections or developed from maintenance history analysis. RA/TA repairs include selected restricted availabilities (SRA), phased maintenance availabilities (PMA), emergent repairs, service craft overhauls (SCO), repairs during post-shakedown of new units, interim dry docking, battery renewals and various miscellaneous type repairs.

Non-depot/Intermediate Maintenance supports fleet maintenance performed by Navy personnel and civilians on tenders, repair ships, aircraft carriers, Intermediate Maintenance Facilities (IMFs), Regional Maintenance Centers (RMCs), Trident Refit Facilities (TRFs) and Naval Submarine Support Facility (NSSF) New London. The Regional Maintenance Centers provide in-service engineering and technical support and oversight of private sector depot-level maintenance and modernization in fleet concentration areas. The Trident Refit Facilities provide industrial support for incremental overhaul and repair of Trident submarines and for the overhaul of equipment in the Trident Planned Equipment Replacement (TRIPER) Program. Naval Submarine Support Facility (NSSF) New London provides intermediate level maintenance, ordnance, and supply support to nuclear attack submarines, support vessels and service craft.

OCO funding finances 20% of the baseline requirement. In addition, OCO funds incremental reset costs to conduct maintenance that has been deferred due to ships' operating tempo (OPTEMPO) in the Central Command theater.

II. Force Structure Summary:

The Overseas Contingency Operations (OCO) funded Ship Maintenance program supports 1 Overhaul and 45 maintenance availabilities in FY 2016; 1.5 Overhauls and 37.5 maintenance availabilities in FY 2017; and 2 Overhauls and 48 maintenance availabilities in FY 2018.

<u>Availability Type</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Overhauls (OH)	1	1.5	2
Selected Restricted Availabilities (SRA)	38.5	27	42
Planned Incremental Availabilities (PIA)	0.5	0.5	0
Phased Maintenance Availabilities (PMA)	6	9	6
Carrier Incremental Availabilities (CIA)	0	1	0
Service Craft Overhauls (SCO)	0	0	0

Department of the Navy
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Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Maintenance

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2018 Estimate
1. Ship Maintenance	2,049,548 /1	2,903,431	0	0.00	2,903,431	2,483,179

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$2,049,548	\$2,128,431	\$2,483,179
Other/Bipartisan Budget Act of 2015 Compliance	\$0	\$775,000	\$0
Operation Totals	\$2,049,548	\$2,903,431	\$2,483,179

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	2,903,431	2,903,431
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	2,903,431	0
Baseline Appropriation	5,855,732	0
Less Baseline Funding	-5,855,732	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	2,903,431	0
Reprogrammings	0	0
Price Change	0	52,200
Functional Transfers	0	0
Program Changes	0	-472,452
Line Item Consolidation	0	0
Current Estimate	2,903,431	2,483,179

1/ Figure represent certified Cost of War actuals

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Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Maintenance

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		2,903,431
1) Baseline Appropriations		5,855,732
a) Base Budget Funding	5,855,732	
FY 2017 Appropriated and Supplemental Funding		8,759,163
Revised FY 2017 Current Estimate		8,759,163
Less Baseline Funding		-5,855,732
FY 2017 Current Estimate		2,903,431
Price Change		52,200
2) Program Increases		670,390
a) Program Increase in FY 2018		670,390
i) Increase in Selected Restricted Availabilities (SRA) from 27 inductions in FY 2017 with 10 carrying in from FY 2016 to 41 inductions in FY 2018 with 5 carrying in from FY 2017.	338,471	
ii) Increase in Miscellaneous Restricted Availability/Technical Availability (ORATA) for DDG-51 gas turbine overhauls.	83,315	
iii) Increase in Operations and Sustainment funding for the Ticonderoga-Class Cruiser and Dock Landing Ships that will undergo the Phased Modernization Plan.	80,039	
iv) Increase in Phased Maintenance Availabilities (PMA) due for two private shipyard availabilities in FY 2018 and advance planning on four FY 2019 inductions.	76,859	
v) Increase in scope and complexity of Planned Incremental Availabilities (PIA) and advanced planning on future year availabilities.	73,446	
vi) Increase in Overhauls (OH) from 1.5 in FY 2017 to 2 in FY 2018.	18,260	
3) Program Decreases		-1,142,842
a) Program Decreases in FY 2018		-1,142,842
i) Decrease Emergent Restricted Availability/Technical Availability (ERATA) due to a decrease in estimates for emergent work in FY 2018.	-44,074	
ii) Decrease represents a change in scope and complexity of Carrier Incremental Availabilities (CIA) and a decrease in advanced planning on future year availabilities.	-45,958	
iii) Decrease in material and contract costs for Continuous Maintenance.	-68,929	
iv) Decrease in Miscellaneous Restricted Availability/Technical Availability (ORATA) due to Surface Warfare Enterprise (SWE) and Naval Aviation Warfare Enterprise (NAE) program costs included in overseas contingency operation (OCO) request for FY 2017 and funded with baseline in FY 2018.	-96,431	
v) Decrease in scheduled non-depot workload to support intermediate level maintenance work packages, which includes	-96,488	

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Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
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	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
material and contract costs for submarines and surface ships.		
vi) Decrease in Ship Maintenance due to the One-Time FY 2017 increase to comply with the Bipartisan Budget Act of 2015.	-790,962	
FY 2018 OCO Budget Request		2,483,179

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Maintenance

IV. Performance Criteria and Evaluation Summary:

Table I - Activity: Ship Depot Maintenance

Activity Goal: To provide maintenance necessary to sustain the operational readiness of combat forces, to ensure the safe and efficient operation of weapon systems, to renovate assets (recapitalization), and to ensure equipment is at or above full mission requirements.

Description of Activity: Depot Maintenance programs fund the overhaul, repair, and maintenance of ships. Depot Maintenance is performed at both public (DoD) and private (contractor) facilities.

	<u>Prior Year (FY 2016)</u>						<u>President's Budget (FY 2017)</u>				<u>Budget Year (FY 2018)</u>		
	Budget		Actual Inductions		Completions		Budget		Estimated Inductions		Carry-In	Budget	
	Qty	(\$ in K)	Qty	(\$ in K)	Prior Yr	Cur Yr	Qty	(\$ in K)	Qty	(\$ in K)	Qty	Qty	(\$ in K)
Overhauls	0	0	1	109,726	0.5	0	0	0	1.5	101,228	2	2	121,258
Selected Restricted Availabilities	0	0	38.5	801,912	6	14	0	0	27	658,934	10	42	1,087,984
Planned Incremental Availabilities	0	0	0.5	275,625	0	0	0	0	0.5	134,751	0.5	0	210,553
Planned Maintenance Availabilities	0	0	6	405,227	6	1	0	0	9	375,139	3.5	6	458,558
Carrier Incremental Availabilities	0	0	0	0	0	0	0	0	1	46,077	0	0	925
Service Craft Overhauls	0	0	0	0	0	0	0	0	0	0	0	0	0
Emergent Repair	n/a	0	n/a	54,652	n/a	n/a	n/a	0	n/a	74,802	n/a	n/a	32,036
Miscellaneous RA/TA	n/a	0	n/a	211,181	n/a	n/a	n/a	0	n/a	280,424	n/a	n/a	272,212
Continuous maintenance	n/a	0	n/a	143,454	n/a	n/a	n/a	0	n/a	242,950	n/a	n/a	178,270
Non-depot / Intermediate Maintenance	n/a	0	n/a	47,771	n/a	n/a	n/a	0	n/a	214,126	n/a	n/a	121,383
Departmental Shift to Comply with BBA of 2015	n/a	0	n/a	0	n/a	n/a	n/a	0	n/a	775,000	n/a	n/a	0
TOTAL	0	0	46	2,049,548	13	15	0	0	39	2,903,431	16	50	2,483,179
				/1						/2			/3

1/Includes \$556,529 of OCO Reset

2/Includes \$625,150 of OCO Reset

3/Includes \$625,150 of OCO Reset

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Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Maintenance

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	9,433	14,027	11,760	-2,267

Department of the Navy
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Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Maintenance

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	14,886	0	280	-15,166	0	0	0	0	0
103 Wage Board	51,238	0	963	-52,201	0	0	0	0	0
300 Travel									
308 Travel Of Persons	19,174	0	364	-17,146	2,392	0	48	568	3,008
400 WCF Supplies									
401 DLA Energy (Fuel Products)	275	0	17	-292	0	0	0	0	0
411 Army Managed Supplies and Materials	219	0	-10	-209	0	0	0	0	0
412 Navy Managed Supplies and Materials	40,324	0	1,077	59,044	100,445	0	-291	-7,058	93,096
416 GSA Managed Supplies and Materials	1,236	0	23	11,027	12,286	0	246	-1,878	10,654
424 DLA Material Supply Chain (Weapon Systems)	123,557	0	-7,414	1,959	118,102	0	-698	-57,065	60,340
500 Stock Fund Equipment									
503 Navy Fund Equipment	5,457	0	167	-925	4,699	0	-52	26	4,673
600 Other WCF Purchases (Excl Transportation)									
603 DLA Distribution	46	0	7	-53	0	0	0	0	0
610 Naval Air Warfare Center	3,435	0	110	-3,460	85	0	2	85	172
611 Naval Surface Warfare Center	47,394	0	1,526	-48,845	75	0	1	8,776	8,852
612 Naval Undersea Warfare Center	13,695	0	125	-13,820	0	0	0	0	0
613 Naval Fleet Readiness Centers (Aviation)	458	0	66	9,476	10,000	0	-129	8,636	18,507
614 Space and Naval Warfare Center	4,371	0	46	-4,018	399	0	15	-414	0
620 Navy Transportation (Combat Logistics Force)	1,250	0	0	-1,250	0	0	0	0	0
631 Naval Facilities Engineering and Expeditionary Warfare Center	400	0	28	776	1,204	0	-18	-1,186	0
633 DLA Document Services	2	0	0	-2	0	0	0	0	0
634 Navy Base Support (NAVFEC: Utilities and Sanitation)	928	0	-105	-823	0	0	0	0	0
635 Navy Base Support (NAVFEC: Other Support Services)	1,983	0	-125	-1,858	0	0	0	102	102
647 DISA Enterprise Computing Centers	158	0	-16	-142	0	0	0	0	0
677 DISA Telecommunications Services - Other	0	0	0	29	29	0	1	-30	0
700 Transportation									
771 Commercial Transportation	179	0	3	8,129	8,311	0	166	-840	7,637
900 Other Purchases									
914 Purchased Communications (Non-Fund)	1,140	0	22	-350	812	0	16	-1	827
915 Rents (Non-GSA)	13	0	0	277	290	0	6	-296	0

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Activity Group: Ship Operations
Detail by Subactivity Group: Ship Maintenance

Change from FY 2016 to FY 2017

Change from FY 2017 to FY 2018

Inflation Categories	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	FY 2018 Est.
920 Supplies and Materials (Non-Fund)	30,445	0	578	1,068	32,091	0	642	-2	32,731
922 Equipment Maintenance By Contract	2,967	0	56	11,935	14,958	0	299	-1,150	14,107
925 Equipment Purchases (Non-Fund)	0	0	0	9,638	9,638	0	193	-512	9,319
928 Ship Maintenance By Contract	1,523,396	0	28,944	803,109	2,355,449	0	47,110	-449,099	1,953,460
930 Other Depot Maintenance (Non-Fund)	120,193	0	2,283	6,875	129,351	0	2,587	34,174	166,112
932 Management and Professional Support Services	0	0	0	0	0	0	0	3,573	3,573
934 Engineering and Technical Services	745	0	14	-759	0	0	0	0	0
984 Equipment Contracts	1,778	0	34	-1,812	0	0	0	0	0
987 Other Intra-Government Purchases	33,913	0	644	67,952	102,509	0	2,050	-9,365	95,194
989 Other Services	4,293	0	82	-4,069	306	0	6	503	815
TOTAL 1B4B Ship Maintenance	2,049,548	0	29,789	824,094	2,903,431	0	52,200	-472,453	2,483,179

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Depot Operations Support

I. Description of Operations Financed:

A variety of depot maintenance programs are funded within this sub-activity group. The planning and technical support function supports management for availabilities, life cycle maintenance, and class maintenance impacts due to alterations, repair material management, and special projects for ship logistics managers. This program provides for the continued safe and reliable operation of naval nuclear propulsion plants by funding essential routine maintenance and engineering support, inspection and refurbishment of reactor components, as well as routine support of reactor refueling/defueling and reactor servicing equipment.

The Supervisors of Shipbuilding, Conversion, and Repair (SUPSHIPS) are designated contract administrators and on-site technical and business agents for the Navy Department and other Department of Defense shipbuilding, design and conversion and facility contracts at assigned shipyards. They are also responsible for planning, procuring, and providing field program management of overhauls, repairs, alterations, and inactivations performed on Naval and other DOD ships at private shipyards.

The Fleet Modernization Program (FMP) funds all design services in support of Operation and Maintenance Navy (O&M,N) alterations. The FMP is designed to upgrade ships of the fleet to be mission capable in countering current and projected threats and improve operational capabilities. Modernization of aircraft carriers, surface combatants and submarines improves war-fighting capability, reliability, safety and quality of life.

Ship Life Cycle Support provides technical oversight in the diagnosis, planning and execution of modernization and repair work. In addition, management and technical expertise are provided to ensure that documentation, support, spare parts and personnel are available to support the Fleet.

Naval shipyards' centrally managed Quality and Safety Management program develops policy, technical guidance, training, and oversight to ensure that industrial work performed in Naval Shipyards and SUPSHIPS is accomplished in accordance with technical specifications, regulations and customer requirements.

The Berthing and Messing program funds off-ship berthing costs for a ship's crew when the ship is uninhabitable during an availability or overhaul. This program also supports berthing barge operation and maintenance.

II. Force Structure Summary:

Not applicable.

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Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Depot Operations Support

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2018 Estimate
1. Ship Depot Operations Support	280 /1	0	0	0.00	0	0

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$160	\$0	\$0
Operation INHERENT RESOLVE (OIR)	\$120	\$0	\$0
Operation Totals	\$280	\$0	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	1,582,934	0
Less Baseline Funding	-1,582,934	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	0
Current Estimate	0	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Depot Operations Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		1,582,934
a) Base Budget Funding	1,582,934	
FY 2017 Appropriated and Supplemental Funding		1,582,934
Revised FY 2017 Current Estimate		1,582,934
Less Baseline Funding		-1,582,934
FY 2018 OCO Budget Request		0

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IV. Performance Criteria and Evaluation Summary:

N/A

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Detail by Subactivity Group: Ship Depot Operations Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

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Operation and Maintenance, Navy
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Activity Group: Ship Operations
Detail by Subactivity Group: Ship Depot Operations Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	280	0	5	-285	0	0	0	0	0
TOTAL 1B5B Ship Depot Operations Support	280	0	5	-285	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Communications and Electronic Warfare

I. Description of Operations Financed:

This sub-activity provides for Defense Information Systems Network (DISN) Subscription Services (DSS) to Global Information Grid (GIG) connectivity, including but not limited to critical mission services such as Non-secure Internet Protocol (IP) Router Network (NIPRNET), Secret Internet Protocol Router Network (SIPRNET), Joint Worldwide Intelligence Communications System (JWICS), OCONUS Navy Enterprise Network (ONE-NET), Video-teleconference (VTC) capabilities, Base 911 Emergency Services, Federal Aviation Administration (FAA) mandated air traffic control communications and Radio Frequency (RF) communications supporting Special Forces units.

The Cryptologic Carry-On Program (CCOP) provides a response to Fleet Commanders' requirements for a quick-reaction surface, subsurface, and airborne cryptologic carry-on capability. CCOP equipment is used to exploit and target Radio Frequency (RF) communications to provide platform Indications and Warnings (I&W), Own-Force Protection (FP), and support to Time Sensitive Targeting (TST).

Line Item Consolidation-In: Naval Information Forces Command (NAVIFOR) operates, maintains and defends responsive, resilient, and secure computer and telecommunications systems, providing information superiority for global maritime and joint forces in support of real-world operations and exercises to Commander, Joint Task Force Horn of Africa (CJTF HOA), Camp Lemonnier, Djibouti, its tenant commands, other Department of Defense and U.S. government agencies, and U.S. Naval and Coalition operating forces in the European, African and Central Command theaters of operations. NAVIFOR operates a Technical Control Facility that performs quality control checks, isolation, and restoral actions for DISN Defense Security Service (DSS) circuits in support military commands and other government agencies; operates and maintains Satellite Communications (SATCOM) terminal; manage the submission of Satellite Access Requests (SARs) and Defense Information Systems Agency (DISA) Direct Order Entries (DOE) Telecommunications Requests (TR) to activate, modify or terminate connectivity provided via operated SATCOM terminal.

II. Force Structure Summary:

Line Item Consolidation-In: USAFRICOM Camp Lemonnier supports U.S. Africa Command (AFRICOM)/Naval Forces AFRICOM (NAVAF) and forward deployed U.S. Central Command (CENTCOM)/Naval Forces Central Command (NAVCENT) forces in support of AFRICOM and southern CENTCOM area of operations. Funding provides Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems engineering, systems installation drawings, equipment relocation and integration support for USAFRICOM Camp Lemonnier's Joint Intelligence Center (JIC) and Joint Operations Center.

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Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Communications and Electronic Warfare

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
	Actuals	Request	Amount	Percent	Estimate	Estimate
A. Sub-Activity Group Total						
1. Combat Communications and Electronic Warfare	29,083	25,326	0	0.00	25,326	58,886
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
European Reassurance Initiative (ERI)	\$0	\$0	\$5,400
Operation FREEDOM'S SENTINEL (OFS)	\$29,083	\$25,326	\$23,190
Other/Bipartisan Budget Act of 2015 Compliance	\$0	\$0	\$30,296
Operation Totals	\$29,083	\$25,326	\$58,886

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	25,326	25,326
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	25,326	0
Baseline Appropriation	593,167	0
Less Baseline Funding	-593,167	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	25,326	0
Reprogrammings	0	0
Price Change	0	481
Functional Transfers	0	0
Program Changes	0	6,949
Line Item Consolidation	0	26,130
Current Estimate	25,326	58,886

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Communications and Electronic Warfare

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. Reconciliation of Increases and Decreases		
FY 2017 Budget OCO Request		25,326
1) Baseline Appropriations		593,167
a) Base Budget Funding	593,167	
FY 2017 Appropriated and Supplemental Funding		618,493
Revised FY 2017 Current Estimate		618,493
Less Baseline Funding		-593,167
FY 2017 Current Estimate		25,326
Price Change		481
2) Program Increases		7,430
a) Program Increase in FY 2018		7,430
i) Increase reflects maintenance efforts providing command and control Information Technology (IT) services which include updating software (licensing) and hardware requirements, monitoring Wireless Fidelity/Virtual Private Networks/Local Area Networks (WIFI/VPN/LAN), troubleshooting voice and messaging systems, maintaining data centers and hosted services and are necessary to continue establishing the Common Operational Picture (COP) in the Mission Partner Environment (MPE).	5,300	
ii) Increase reflects maintenance and troubleshooting of Cryptologic Carry-On Program (CCOP) system failures, distance support via Internet Relay Chat (IRC) and e-mail, on site troubleshooting support, manning of chat terminals for deployed units and transportation of spares and repair items to forward deployed platforms. This will also support Fleet Electronic Support (FES) cross deck and system groom costs which include Ship's Operational Verification Test (SOVT) Authority to Operate (ATO) trusted agent, training, and project and technical oversight to the 59 Own Force Monitoring (OFM).	2,030	
iii) European Reassurance Initiative: Funding supports re-establishment of a NATO Secret IP network for the Maritime Air Coordinating Authority (MACA) Sigonella. Funds will be used to procure equipment for the NATO Secret Wide Area Network (NSWAN).	100	
3) Program Decreases		-481
a) Program Decreases in FY 2018		-481
i) Decrease in DISN Subscription Services (DSS) rates supporting the T-1 line from Naples to Bahrain and Djibouti.	-481	
4) Line Item Consolidation		26,130
a) Line Item Consolidation - In		26,130
i) Transfer to BA 1, Combat Communications and Electronic Warfare (1C1C) from BA 4, Servicewide Communications (4A6M) to properly align funding for Base Communications Services.	25,570	
ii) Transfer to BA 1, Combat Communications and Electronic Warfare (1C1C) from BA 4, Servicewide Communications (4A6M) to properly align funding for Camp Lemonnier.	560	

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Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Communications and Electronic Warfare

(\$ in Thousands)

C. Reconciliation of Increases and Decreases
FY 2018 OCO Budget Request

<u>Amount</u>	<u>Total</u>
	58,886

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Communications and Electronic Warfare

IV. Performance Criteria and Evaluation Summary:

<u>DSS Long Haul Leased Communications Circuits</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
NAPLES TO BAHRAIN – (5.53 Gbs)	15	15	15
NAPLES TO CAMP LEMONIER (1.12 Gbs)	10	10	10

<u>Contingency operating locations receiving Navy-funded DSS services</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
Horn of Africa	0	1	1
Southwest Asia	1	4	4

Djibouti General Service and Capability

Satellite Communication (SATCOM) Deployable Ku-band Earth Terminal (DKET)	1*
AFRICOM Network Users	3300*
Outside Plant (telephone) Cable Maintenance (Manhole/Comm Closet)	370*
Base Level Communications Trouble Tickets	1600*
Communications Technical Support Services	24/7/365*

	<u>FY2016</u>		<u>FY2017</u>		<u>FY2018</u>	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
Cryptologic Carry-On Program (CCOP) Own						
Force Monitoring (OFM) systems	0	\$0	0	\$0	59	\$2,030
International Interoperability (Maritime					23.5	\$5,300
Arctic Enclave) Purchased Work Years	0	\$0	0	\$0		
USAFRICOM Camp Lemonier Purchased					2	\$560*
Work Years	0	\$0	0	\$0		

*LI Consolidation In: Performance criteria for FY18 associated with programs that moved as part of LI Consolidation is reflected on the gaining LI OP5

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Communications and Electronic Warfare

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	118	118

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Communications and Electronic Warfare

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	0	0	0	0	0	0	0	41	41
400 WCF Supplies									
416 GSA Managed Supplies and Materials	0	0	0	0	0	0	0	346	346
600 Other WCF Purchases (Excl Transportation)									
614 Space and Naval Warfare Center	0	0	0	0	0	0	0	2,082	2,082
647 DISA Enterprise Computing Centers	6,000	0	-600	-5,400	0	0	0	0	0
671 DISN Subscription Services (DSS)	22,715	0	-1,590	4,201	25,326	0	481	-481	25,326
900 Other Purchases									
922 Equipment Maintenance By Contract	0	0	0	0	0	0	0	17,500	17,500
925 Equipment Purchases (Non-Fund)	0	0	0	0	0	0	0	232	232
987 Other Intra-Government Purchases	368	0	7	-375	0	0	0	9,365	9,365
989 Other Services	0	0	0	0	0	0	0	3,994	3,994
TOTAL 1C1C Combat Communications and Electronic Warfare	29,083	0	-2,183	-1,574	25,326	0	481	33,079	58,886

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Electronic Warfare

I. Description of Operations Financed:

Starting in FY 2018 this Line Item (LI) will be eliminated and the programs will be moved to various other OMN LI's as part of the Navy's LI Consolidation Initiative

Funding provides for ship operations electronic warfare support including Quick Reaction Capability Support and various electronic warfare decoys and deception devices, and a wide spectrum of electronic warfare support including radar and anti-ship missile warning and defense systems maintenance and software support.

Funding also provides for In-Service Engineering Activity (ISEA) support of Shipboard Information Warfare Exploitation systems, Common Data Link System (CDLS), and Common High Bandwidth Data Link (CHBDL) programs onboard a multitude of platforms in the Fleet. ISEA efforts include hardware and software maintenance, technical assistance to deployed systems, Casualty Report (CASREP) repairs, in-service system support, pre-deployment system grooms, on-site system training, documentation updates and configuration management of deployed systems.

II. Force Structure Summary:

This sub-activity group supports Fleet Communications Centers interacting with deployed forces and fleet afloat units, providing Indications and Warnings (IW) and Maritime Domain Awareness (MDA). Electronic Warfare also supports defense systems and maintenance that provide protection to afloat units, including carrier battle groups, amphibious readiness groups, and fleet command ships.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Electronic Warfare

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2018 Estimate
1. Electronic Warfare	2,024 /1	0	0	0.00	0	0

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$2,024	\$0	\$0
Operation Totals	\$2,024	\$0	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	105,686	0
Less Baseline Funding	-105,686	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	0
Current Estimate	0	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Electronic Warfare

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		105,686
a) Base Budget Funding	105,686	
FY 2017 Appropriated and Supplemental Funding		105,686
Revised FY 2017 Current Estimate		105,686
Less Baseline Funding		-105,686
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Electronic Warfare

IV. Performance Criteria and Evaluation Summary:

N/A

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Electronic Warfare

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	8	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Electronic Warfare

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
614 Space and Naval Warfare Center	640	0	7	-647	0	0	0	0	0
900 Other Purchases									
922 Equipment Maintenance By Contract	1,384	0	26	-1,410	0	0	0	0	0
TOTAL 1C2C Electronic Warfare	2,024	0	33	-2,057	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Space Systems and Surveillance

I. Description of Operations Financed:

This subactivity group includes funding for Naval Network and Space Operations Command (NNSOC); space systems management; tracking, telemetry and control; and undersea surveillance. The NNSOC supports naval space policy and strategy by providing direct support to fleet units world-wide through integrated control of naval space programs. The command coordinates Navy-wide operational space resources and personnel required to fulfill Fleet missions. Tracking, telemetry and control program consists of a large continuous wave radar system to detect and track satellites. Evaluated satellite information from this system supports over 600 activities, consisting of all Fleet units, various naval shore installations, and other departments of the Government. Primary mission for Fleet support is vulnerability data assessment for United States Navy and Marine Corps operating forces. Undersea surveillance includes expenses for performing oceanographic observations in selected areas in order to provide the U.S. Navy with more extensive information on oceanographic conditions and for training of personnel employed in observing and analyzing oceanographic conditions. Programs include the Sound Surveillance System (SOSUS), International Programs, and the Surveillance Towed Array Sensor System (SURTASS).

OCO funding under the European Reassurance Initiative is used to operate deep water distributed Transformational Reliable Acoustic Path System (TRAPS) units and Carina gliders in support of the Navy's roles for deterrence and forward presence. Funding will reduce physical, coverage, and capability gaps within the European Anti-Submarine Warfare (ASW) arena by providing a rapidly deployable capability to key threat submarine transit areas.

II. Force Structure Summary:

Not applicable.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Space Systems and Surveillance

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Space Systems & Surveillance	0	0	0	0.00	0	4,400
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
European Reassurance Initiative (ERI)	\$0	\$0	\$4,400
Operation Totals	\$0	\$0	\$4,400

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	185,136	0
Less Baseline Funding	-185,136	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	4,400
Line Item Consolidation	0	0
Current Estimate	0	4,400

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Space Systems and Surveillance

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) <u>Baseline Appropriations</u>		185,136
a) Base Budget Funding	185,136	
FY 2017 Appropriated and Supplemental Funding		185,136
Revised FY 2017 Current Estimate		185,136
Less Baseline Funding		-185,136
2) <u>Program Increases</u>		4,400
a) Program Increase in FY 2018		4,400
i) European Reassurance Initiative: Supports Theater Anti-Submarine Warfare (ASW) offset operations. Funds will be used to maintain and operate 37 deep water distributed system technology TRAPS units and 11 Carina units.	4,400	
FY 2018 OCO Budget Request		4,400

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Space Systems and Surveillance

IV. Performance Criteria and Evaluation Summary:

Not applicable.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Space Systems and Surveillance

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	24	24

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Space Systems and Surveillance

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
900 Other Purchases									
922 Equipment Maintenance By Contract	0	0	0	0	0	0	0	4,400	4,400
TOTAL 1C3C Space Systems and Surveillance	0	0	0	0	0	0	0	4,400	4,400

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Warfare Tactics

I. Description of Operations Financed:

This funding directly supports warfare tactics, including development and execution efforts designed to improve and enhance Naval War fighting capabilities as defined and directed by the Optimized Fleet Response Plan, Fleet Response Training Plan, Fleet Training Continuum and Fleet Training Wholeness initiative in support of overseas contingency operations. Provides Fleet training support services for readiness and certification of deploying Naval forces to deter and defeat threats that may be encountered by deployed Naval forces. These efforts support live, virtual and construction capabilities that include Electronic Warfare threat emitters, bombing ranges, aerial, and seaborne & moving land target threat target.

Provides Live and Synthetic training to Carrier Strike Group (CSG), Amphibious Ready Group/Marine Expeditionary Unit (ARG/MEU) staffs and Individual Deployers (IDs) in preparation of executing deployment orders into the CENTCOM AOR; These operations and deployment enable the Fleet to train, qualify, and certify units, staffs and Strike Groups for a stressing competitor (Near peer threat) in an assured C2 environment in accordance with the CUSFF/CPF Fleet Training Wholeness (FTW) CUSFF/CPF Priority Capabilities List (S/NF). Support enables the training and certification of individual units and Strike Groups by making the NCTE responsive to near peer emerging threats.

II. Force Structure Summary:

Warfare Tactics supports the Fleet Synthetic Training (FST) Program, Naval Continuous Training Environment (NCTE), Fleet Marine Force Aviation Training, various Warfare Tactics and Fleet Training capabilities for instruction, training events, exercises, live and synthetic training and range operations and 21 Fleet Tactical Training Range Complexes worldwide.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Warfare Tactics

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016	Budget	Congressional	Action	Current	FY 2018
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Warfare Tactics	52,712	22,603	0	0.00	22,603	21,550
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$52,712	\$22,603	\$21,550
Operation Totals	\$52,712	\$22,603	\$21,550

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	22,603	22,603
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	22,603	0
Baseline Appropriation	500,187	0
Less Baseline Funding	-500,187	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	22,603	0
Reprogrammings	0	0
Price Change	0	501
Functional Transfers	0	0
Program Changes	0	-1,554
Line Item Consolidation	0	0
Current Estimate	22,603	21,550

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Warfare Tactics

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		22,603
1) Baseline Appropriations		500,187
a) Base Budget Funding	500,187	
FY 2017 Appropriated and Supplemental Funding		522,790
Revised FY 2017 Current Estimate		522,790
Less Baseline Funding		-500,187
FY 2017 Current Estimate		22,603
Price Change		501
2) Program Increases		2,078
a) Program Increase in FY 2018		2,078
i) Increase funds afloat readiness investments for Training Support Vessel (TSV) Operations and Maintenance in accordance with American Bureau of Shipping (ABS) requirements in support of Warfare Tactics. Increase reflects additional threat target and TSV support for deploying forces.	1,727	
ii) Increase supports the pre/deployment training of units and personnel in support of Overseas Contingency Operations. This includes the cost of supplies and equipment maintenance required to equip and sustain training forces during all phases of the operation. The increase is a direct result of the operations and maintenance demand associated with Fleet Training Range systems and Electronic Warfare (EW) related remote training operations in support of Commander Fifth Fleet (C5F) and U.S. Central Command (CENTCOM) Request for Forces (RFF) requirements.	351	
3) Program Decreases		-3,632
a) Program Decreases in FY 2018		-3,632
i) Decrease in support of the aerial and seaborne target operations and maintenance, implementation of the Optimized Fleet Readiness Plan (OFRP), Group Sails and the addition of supersonic target presentations.	-3,632	
FY 2018 OCO Budget Request		21,550

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Warfare Tactics

IV. Performance Criteria and Evaluation Summary:

Training Ranges:	FY 2016	FY 2017	FY 2018
Number of bombs and ordnance expended	685,878	503,450	453,425

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Warfare Tactics

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	178	85	96	11

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Warfare Tactics

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	101	0	2	112	215	0	4	0	219
400 WCF Supplies									
421 DLA Material Supply Chain (Clothing and Textiles)	14	0	0	-14	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
610 Naval Air Warfare Center	19,280	0	616	-12,650	7,246	0	193	-3,632	3,807
612 Naval Undersea Warfare Center	767	0	7	-774	0	0	0	0	0
635 Navy Base Support (NAVFEC: Other Support Services)	953	0	-60	-893	0	0	0	0	0
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	437	0	8	-445	0	0	0	0	0
922 Equipment Maintenance By Contract	25,483	0	484	-14,581	11,386	0	228	351	11,965
923 Facility Sustainment, Restoration, and Modernization by Contract	1,900	0	36	-1,936	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	1	0	0	-1	0	0	0	0	0
928 Ship Maintenance By Contract	0	0	0	1,877	1,877	0	38	1,727	3,642
930 Other Depot Maintenance (Non-Fund)	3,589	0	68	-1,778	1,879	0	38	0	1,917
935 Training and Leadership Development	187	0	3	-190	0	0	0	0	0
TOTAL 1C4C Warfare Tactics	52,712	0	1,164	-31,273	22,603	0	501	-1,554	21,550

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Op Meteorology and Oceanography

I. Description of Operations Financed:

This sub activity group supports the performance of the Naval Meteorology and Oceanographic mission functions worldwide and provides a wide array of essential operational meteorological and oceanographic products and services to operating forces afloat and ashore. These services include collecting and processing environmental data using resources such as oceanographic ships, aircraft, satellites, and computing systems. These products and services enhance the performance of active and passive sensor and weapon systems; optimize the effectiveness of the sea control mission for mine counter-measures; and identify the environmental effects that influence the performance of fixed and mobile warfare systems and tactics. Hydrographic data from near shore areas support the production of coastal, combat, approach, harbor and special purpose nautical charts used to address littoral warfare requirements. General and tailored oceanographic, acoustic and meteorological forecasts are provided daily to fleet commanders and individual operating units from the Meteorology and Oceanography Command's numerical modeling and forecasting centers and from forecasting support activities located worldwide. It also supports commercial transportation of equipment to and from Oceanographic survey sights conducting Hydrographic and Bathymetric data collection. These shipments of critical parts and equipment items ensure uninterrupted operations without mission delay or failure.

DON's Meteorological Mobile Facility (Replacement) Next Generation (METMF (R) NEXGEN) systems are designed, operationally tested, fielded and maintained to provide Special Purpose Marine Air Ground Task Force (SPMAGTF) and Marine Air Ground Task Force (MAGTF) units with quick-reaction, cyber secure capabilities that monitor and predict weather conditions in Operation Enduring Freedom (OFS) combat zones worldwide. The METMF (R) NEXGEN OCO funding provides for the sustainment, maintenance and repair of METMF(R) NEXGEN systems. These systems are critical component of the overall SPMAGTF/MAGTF combat zone missions and must be properly maintained to detect and forecast safety of flight and ground maneuver hazards in and around Forward Operating Bases (FOBs) and Forward Arming and Refueling Points (FARPs).

II. Force Structure Summary:

Meteorological and Oceanographic (METOC) is one of the five elements of Naval Special Warfare's (NSW) Technical Special Reconnaissance (TSR) Program to improve "find and fix" capability against terrorist and insurgent networks. The capability to accurately sense environmental parameters allows NSW METOC personnel to sufficiently characterize the physical environment to support NSW missions.

METMF(R) NEXGEN systems are forward-deployed High Mobility Multipurpose Wheeled Vehicle (HMMWV) based capabilities supporting SPMAGTF/MAGTF OFS operations. METMF(R) NEXGEN systems are critical components of the overall SPMAGTF/MAGTF capabilities that detect and predict hazardous weather conditions for air and ground operations in remote areas where Operation Freedom Sentinel (OFS) missions are conducted.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Op Meteorology and Oceanography

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2018 Estimate
1. Op Meteorology & Oceanography	26,035 /1	22,934	0	0.00	22,934	21,104

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$26,035	\$22,934	\$21,104
Operation Totals	\$26,035	\$22,934	\$21,104

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	22,934	22,934
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	22,934	0
Baseline Appropriation	361,979	0
Less Baseline Funding	-361,979	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	22,934	0
Reprogrammings	0	0
Price Change	0	468
Functional Transfers	0	0
Program Changes	0	-2,298
Line Item Consolidation	0	0
Current Estimate	22,934	21,104

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Op Meteorology and Oceanography

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		22,934
1) Baseline Appropriations		361,979
a) Base Budget Funding	361,979	
FY 2017 Appropriated and Supplemental Funding		384,913
Revised FY 2017 Current Estimate		384,913
Less Baseline Funding		-361,979
FY 2017 Current Estimate		22,934
Price Change		468
2) Program Increases		3,200
a) Program Increase in FY 2018		3,200
i) Increase supports Testing and Evaluation of Survey Systems, the Starfire License for Global Positioning System Indicator, supplies, materials, and buoys for T-AGS ships and Fleet Survey Team, Sonar arrays, and the Consolidated Hazardous Material Reutilization and Inventory (CHRIMP).	2,110	
ii) Increase in Operation Tempo (OPTEMPO) of coastal survey vessels supporting the Fleet Survey Team.	620	
iii) Increase associated with maintenance and repair of high priority system components for the Meteorological Mobile Facility (Replacement) Next Generation (METMF(R) NEXGEN), including inline power conditioners and environmental cooler unit replacements for the weather radar and upper atmosphere sensing subsystems.	470	
3) Program Decreases		-5,498
a) Program Decreases in FY 2018		-5,498
i) Decrease in travel costs for mission deployments aboard survey ships to perform Oceanographic, Hydrographic and Bathymetric data collection, littoral and expeditionary hydrographic operations, and littoral and riverine modeling.	-840	
ii) Decrease demand of Hydrographic and Bathymetric equipment and repair parts.	-4,658	
FY 2018 OCO Budget Request		21,104

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Op Meteorology and Oceanography

IV. Performance Criteria and Evaluation Summary:

Performance Category	<u>FY2016</u>			<u>FY2017</u>			<u>FY2018</u>	
	<u>Units</u>	<u>Amount</u>		<u>Units</u>	<u>Amount</u>		<u>Units</u>	<u>Amount</u>
Oceanographic Data Deployments	358	\$12,266		356	\$7,599		350	\$7,810
Operations of Surveys to include FST surveys, Surface Drifters, Profiling Floats, and Gliders)								
Oceanographic Products	427	\$7,931		422	\$5,130		145	\$4,280
Charts, reports and products for Anti-submarine Warfare, Expeditionary Warfare, Intelligence Surveillance Reconnaissance, Mine Warfare and Navigation								
Supports Systems	136,354	\$4,838		136,215	\$9,205		136,100	\$7,514
Oceanographic model runs, geology lab reports, satellite imagery and high performance computing support								
Meteorological Mobile Facility (Replacement) Next Generation (METMF (R) NEXGEN	2	\$1,000		2	\$1,000		2	\$1,500

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Activity Group: Combat Operations/Support
Detail by Subactivity Group: Op Meteorology and Oceanography

<u>V. Personnel Summary:</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	41	66	58	-8

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VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	752	0	14	-766	0	0	0	0	0
300 Travel									
308 Travel Of Persons	1,416	0	27	2,060	3,503	0	70	-840	2,733
400 WCF Supplies									
401 DLA Energy (Fuel Products)	0	0	0	2	2	0	0	-2	0
417 Local Purchase Managed Supplies and Materials	0	0	0	63	63	0	1	-64	0
500 Stock Fund Equipment									
507 GSA Managed Equipment	0	0	0	826	826	0	17	-843	0
600 Other WCF Purchases (Excl Transportation)									
612 Naval Undersea Warfare Center	46	0	0	-8	38	0	1	3	42
614 Space and Naval Warfare Center	801	0	9	-243	567	0	21	540	1,128
623 Navy Transportation (Special Mission Ships)	6,684	0	0	-6,684	0	0	0	0	0
625 Navy Transportation (Service Support)	22	0	0	-22	0	0	0	0	0
630 Naval Research Laboratory	753	0	4	-757	0	0	0	1,404	1,404
700 Transportation									
771 Commercial Transportation	649	0	12	160	821	0	16	-215	622
900 Other Purchases									
914 Purchased Communications (Non-Fund)	310	0	6	-113	203	0	4	114	321
915 Rents (Non-GSA)	58	0	1	-59	0	0	0	0	0
920 Supplies and Materials (Non-Fund)	1,914	0	36	-1,950	0	0	0	632	632
922 Equipment Maintenance By Contract	600	0	11	-330	281	0	6	1,088	1,375
925 Equipment Purchases (Non-Fund)	4,855	0	92	-3,721	1,226	0	24	440	1,690
926 Other Overseas Purchases	49	0	1	-11	39	0	1	91	131
932 Management and Professional Support Services	0	0	0	0	0	0	0	762	762
934 Engineering and Technical Services	0	0	0	152	152	0	3	-51	104
984 Equipment Contracts	0	0	0	0	0	0	0	381	381
985 Research and Development Contracts	0	0	0	0	0	0	0	529	529
987 Other Intra-Government Purchases	669	0	13	3,319	4,001	0	80	-3,057	1,024
989 Other Services	4,923	0	94	5,242	10,259	0	205	-3,270	7,194
990 IT Contract Support Services	1,534	0	29	-610	953	0	19	60	1,032
TOTAL 1C5C Op Meteorology and Oceanography	26,035	0	349	-3,450	22,934	0	468	-2,298	21,104

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I. Description of Operations Financed:

Funding in Combat Support Forces sustains a vast array of programs that support and maintain combat ready forces necessary to respond to national objectives in Joint, Naval, and combined operations. Funding supports the operations of the Navy Expeditionary Combat Command (NECC), service-common costs for Navy Special Warfare (NSW) forces, Naval Beach Groups, Special Combat Support Forces (SCSF), other Mission support programs, and Fleet management headquarters and staffs.

NECC provides Navy forces to operate in an expeditionary environment providing a secure area for forces and logistics to operate through the full continuum of situations from blue water to ashore. Funding is provided for acquisition, life cycle management, Integrated Logistic Support (ILS), and Table of Allowance (TOA) Configuration Management for the Naval Construction Force and other Navy Special Operating Units. OCO funding finances 20% of baseline requirement.

The Chemical, Biological and Radiological Defense (CBRD) program supports systems and equipment to protect forces, facilities, ships, and equipment from the effects of chemical, biological, and radiological contamination and toxic industrial hazards that have been disseminated through conventional, asymmetric or terrorist methods.

US Fleet Cyber Command provides operational support to Navy commanders worldwide, supporting information, computer, electronic warfare and space operations. In addition to joint and service reporting, the command also serves as the Navy's cryptologic commander, reporting to the Central Security Service and has operational control over Navy information, computer, cryptologic, and space forces.

Line Item Consolidation – In: This sub-activity now provides all depot-support funding for NECC forces, including Explosive Ordnance Disposal (EOD) Support, Joint Counter RCIED (Radio Controlled Improvised Explosive Device) Electronic Warfare (JCREW), and Foreign Mine Exploitation

OCO funding supports:

1. NECC incremental funding includes the operational cost of mobilized Reserve units, in-theater operational cost of intelligence functions that are not part of the baseline Global Force Management requirement, and depot-level repair of equipment degraded during operations;
2. Transportation of units, equipment and material in support of contingency operations, including intra-theater movement and redeployment of Marine forces;
3. All operational costs of Commander, Combined Joint Task Force-Horn of Africa (CJTF-HOA). CJTF-HOA, through unified action with U.S. and international partners in East Africa, counters violent extremist organizations, executes military engagements, and conducts security force assistance in order to enhance partner capacity, promote regional security, deter conflict, and protect U.S. interests. CJTF-HOA is also postured to execute and/or provide support to crisis response and limited contingency operations, including securing of U.S. Embassies, conducting personnel recovery support, and response to regional crises throughout the Combined Joint Operations Area. Funding also supports base operating support (BOS) and common user logistics at contingency locations assigned by U.S. Africa Command (AFRICOM). Base operating support for Camp Lemonnier, Djibouti is not funded in this line item.
4. All operational costs of Commander, U.S. Naval Forces Central Command (COMUSNAVCENT). NAVCENT exercises command and control of Naval forces assigned to U.S. Central Command and coordinates with U.S. and foreign force commanders operating within USCENTCOM AOR. Major programs funded with OCO include operational costs (non-BOS) at Isa Air Base, fuel for Pakistani naval forces participating in counter-piracy operations, participation in biennial International Mine Countermeasures Exercise (IMCMEX), support to special operations forces deployed in theater, improvements and security requirements for NAVCENT facilities, and emergent operational and intelligence capabilities.
5. Travel costs associated with service members deployed as Individual Augmentees (IA) to Overseas Contingency Operations. Funding supports transportation into and out of theater and per diem costs while IAs are deployed or conducting pre-deployment training. Funding supports approximately 6,500 personnel.

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6. Naval Beach Group operational costs in accordance with standards set for other readiness programs.
7. Service-common costs in support of NSW contingency operations.
8. International Maritime Satellite (INMARSAT) subscription services for E-P3E units deployed in CENTCOM AOR.
9. Costs of participation by government employees in the Civilian Expeditionary Workforce (CEW) program, including training, in-theater travel, and incremental civilian labor costs (overtime, hazard pay, etc).
10. Operations of Commander, U.S. Naval Forces Europe (NAVEUR) to plan and conduct European Reassurance Initiative (ERI) programs, as well as costs of combat support forces participating in ERI operations and exercises.

II. Force Structure Summary:

Combat Support Forces provides support for Fleet headquarters and training staffs, two Assault Craft Units, one Amphibious Construction Battalion, three Emergency Ship Salvage Material (ESSM) bases, 71 Landing Craft Air Cushion units, the Naval Facilities Engineering Command Expeditionary Warfare Center (NAVFAC EXWC) and the Navy Expeditionary Combat Command (NECC).

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III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016	Budget	Congressional	Action	Current	FY 2018
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Combat Support Forces	512,052	575,305	0	0.00	575,305	605,936
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
European Reassurance Initiative (ERI)	\$4,940	\$9,050	\$5,984
Operation FREEDOM'S SENTINEL (OFS)	\$507,112	\$559,461	\$584,952
Operation INHERENT RESOLVE (OIR)	\$0	\$6,794	\$15,000
Operation Totals	\$512,052	\$575,305	\$605,936

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	575,305	575,305
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	575,305	0
Baseline Appropriation	1,268,619	0
Less Baseline Funding	-1,268,619	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	575,305	0
Reprogrammings	0	0
Price Change	0	10,099
Functional Transfers	0	0
Program Changes	0	-44,580
Line Item Consolidation	0	65,112
Current Estimate	575,305	605,936

1/ Figure represent certified Cost of War actuals

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Detail by Subactivity Group: Combat Support Forces

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		575,305
1) Baseline Appropriations		1,268,619
a) Base Budget Funding	1,268,619	
2) Enacted Security Assistance Appropriation Act, (P.L. 114-254)		0
a) Enacted Security Assistance Appropriation Act, (P.L. 114-254)	-9,144	
b) Restore Enacted Security Assistance Appropriation Act, (P.L. 114-254)	9,144	
FY 2017 Appropriated and Supplemental Funding		1,843,924
Revised FY 2017 Current Estimate		1,843,924
Less Baseline Funding		-1,268,619
FY 2017 Current Estimate		575,305
Price Change		10,099
3) Transfers		9,200
a) One-Time FY 2018 Costs		9,200
i) Increase required to overhaul runway at Baledogle Airfield, Somalia, in support of contingency operations in the Horn of Africa.	9,200	
4) Program Increases		84,580
a) Program Increase in FY 2018		84,580
i) Increase for added CJTF-HOA enhanced life support and services for five new contingency locations (Somalia, Galcayo, Baledogle, Boassaso, Kismayo, Mogadishu), and casualty evacuation directly supporting forward operating forces in direct action against violent extremist organization.	53,747	
ii) Increase for NSW Support. Program details are held at a higher classification.	15,000	
iii) NSW Support. Increase due to transfer of requirement to Navy from SOCOM to provide support for service-common equipment. Funding supports maintenance costs for night vision devices, thermal sights, and unmanned systems.	4,885	
iv) Increase to support Patrol Craft (PC) Signals Intelligence (SIGINT) upgrades.	4,200	
v) Net increase in funding for Fleet LCAC maintenance in support of Expeditionary Strike Group (ESG) amphibious operations for deployments, exercises, and contingencies. These units conduct or support the contingency operation components, kits, assemblies, repairable and non-repairable items for equipment maintenance ISO Operation Enduring Freedom/Operation Inherent Resolve.	3,342	
vi) Increase in equipment and maintenance contracts to support construction and material handling equipment, motion platform simulators for training, and service craft within the Fifth Fleet (C5F) in preparation for deployment into OCONUS areas of operation utilized by Navy Expeditionary Combat Forces and the Expeditionary Mine Counter-Measures (EXMCM) program	1,345	

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	<u>(\$ in Thousands)</u>	
C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
vii) Naval Costal Warfare, new requirements resulting from the addition of EXU-1, the increasing security posture due to changing threat level, and the IDS system being certified to connect to Navy shipboard networks, which provide real-time reach back to DOD databases.	1,121	
viii) Increase required to fund biennial International Mine Countermeasures Exercise (IMCMEX).	900	
ix) Revised estimate for personnel travel costs while deployed as Individual Augmentees.	40	
5) Program Decreases		-138,360
a) Program Decreases in FY 2018		-138,360
i) Reduction in the Civilian Expeditionary Workforce which is an organized, trained, cleared, and ready civilian that facilitates the use of their capabilities in a temporary reassignment overseas.	-1,000	
ii) Decrease in estimated DISA billings for INMARSAT data usage by aviation units deployed in theater.	-2,567	
iii) Decrease associated with ERI funds to support Navy EUCOM Information sharing Initiatives.	-3,247	
iv) Decrease in funding required to support Laser Weapons System (LaWS) onboard USS PONCE after ship leaves Central Command theater.	-4,100	
v) Decrease reflects revised estimates for transportation of Navy and USMC personnel, equipment, and material by airlift and sealift either by commercial or military assets to and from operating destinations in support of Overseas Contingency Operations.	-127,446	
6) Line Item Consolidation		65,112
a) Line Item Consolidation - In		65,112
i) Transfer from BA 1, In-service Weapons Systems Support (1D3D) to BA 1, Combat Support Forces (1C6C) for maintenance and engineering of Explosive Ordnance Disposal (EOD) systems in an effort to consolidate all Navy Expeditionary Combat Command (NECC) funding into one budget line item.	65,112	
FY 2018 OCO Budget Request		605,936

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IV. Performance Criteria and Evaluation Summary:

<u>Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
NECC	\$213,266	\$162,824	\$167,461
1C6C	\$147,138	\$99,024	\$167,461
(Line item consolidation) 1D3D	\$66,128	\$63,800	\$0
	20%	20%	20%
Transportation	\$125,576	\$283,824	\$160,731
CJTF-HOA	\$43,248	\$44,535	\$108,373
NAVCENT	\$81,072	\$47,642	\$49,005
IA travel	\$41,174	\$39,714	\$40,548
Naval Beach Group	\$48,162	\$28,145	\$32,050
NSW service support	\$0	\$0	\$19,885
E-P3E INMARSAT	\$13,134	\$16,191	\$13,952
CBRD capabilities	\$5,200	\$0	\$0
Civilian Expeditionary Workforce		\$2,500	\$1,500
Other incremental costs	\$2,408	\$4,680	\$6,447
Counter-drug support	\$635	\$0	\$0
European Reassurance Initiative	\$4,940	\$9,050	\$5,984
Total	\$578,815	\$639,105	\$605,936

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Detail by Subactivity Group: Combat Support Forces

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	795	524	952	428

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VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	624	0	12	-636	0	0	0	1,500	1,500
300 Travel									
308 Travel Of Persons	70,238	0	1,334	15,913	87,485	0	1,750	-20,714	68,521
400 WCF Supplies									
401 DLA Energy (Fuel Products)	11,023	0	662	-134	11,551	0	-46	509	12,014
412 Navy Managed Supplies and Materials	14,389	0	384	4,603	19,376	0	-56	-3,597	15,723
416 GSA Managed Supplies and Materials	2,178	0	41	590	2,809	0	56	2,934	5,799
417 Local Purchase Managed Supplies and Materials	615	0	12	-127	500	0	10	1,040	1,550
422 DLA Material Supply Chain (Medical)	705	0	-3	-365	337	0	0	1,296	1,633
423 DLA Material Supply Chain (Subsistence)	419	0	-3	-416	0	0	0	0	0
424 DLA Material Supply Chain (Weapon Systems)	18,648	0	-1,119	-681	16,848	0	-99	-508	16,241
500 Stock Fund Equipment									
503 Navy Fund Equipment	475	0	13	-488	0	0	0	5,568	5,568
506 DLA Material Supply Chain (Construction and Equipment)	0	0	0	429	429	0	-8	47	468
507 GSA Managed Equipment	916	0	17	-933	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
603 DLA Distribution	610	0	92	-702	0	0	0	0	0
611 Naval Surface Warfare Center	18,881	0	608	-15,129	4,360	0	62	23,688	28,110
614 Space and Naval Warfare Center	5,835	0	60	137	6,032	0	228	4,924	11,184
631 Naval Facilities Engineering and Expeditionary Warfare Center	914	0	65	-979	0	0	0	0	0
634 Navy Base Support (NAVSEC: Utilities and Sanitation)	60	0	0	280	340	0	-25	42	357
647 DISA Enterprise Computing Centers	0	0	0	14,000	14,000	0	0	-5,100	8,900
671 DISN Subscription Services (DSS)	6,200	0	-434	-5,766	0	0	0	0	0
700 Transportation									
705 AMC Channel Cargo	16,083	0	306	27,841	44,230	0	885	-18,007	27,108
706 AMC Channel Passenger	29,699	0	564	29,164	59,427	0	1,189	-27,430	33,186
771 Commercial Transportation	110,292	0	2,096	66,259	178,647	0	3,573	-77,402	104,818
900 Other Purchases									
914 Purchased Communications (Non-Fund)	1,575	0	30	2,866	4,471	0	90	393	4,954
915 Rents (Non-GSA)	10,848	0	206	-1,483	9,571	0	191	1	9,763

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Detail by Subactivity Group: Combat Support Forces

Change from FY 2016 to FY 2017

Change from FY 2017 to FY 2018

Inflation Categories	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	FY 2018 Est.
920 Supplies and Materials (Non-Fund)	19,980	0	379	-5,187	15,172	0	303	20,796	36,271
921 Printing and Reproduction	434	0	8	-113	329	0	7	-4	332
922 Equipment Maintenance By Contract	21,627	0	411	-3,946	18,092	0	362	20,323	38,777
923 Facility Sustainment, Restoration, and Modernization by Contract	9,137	0	174	-7,311	2,000	0	40	60	2,100
925 Equipment Purchases (Non-Fund)	17,198	0	327	-13,670	3,855	0	77	3,208	7,140
926 Other Overseas Purchases	1,223	0	24	-547	700	0	14	-1	713
927 Air Defense Contracts and Space Support (AF)	3,333	0	63	-3,396	0	0	0	0	0
928 Ship Maintenance By Contract	3,251	0	62	-838	2,475	0	50	2,111	4,636
930 Other Depot Maintenance (Non-Fund)	28,184	0	535	-5,571	23,148	0	463	4,878	28,489
932 Management and Professional Support Services	1,831	0	35	-1,866	0	0	0	0	0
934 Engineering and Technical Services	0	0	0	0	0	0	0	200	200
935 Training and Leadership Development	18,379	0	331	-18,710	0	0	0	0	0
936 Training and Leadership Development (Other contracts)	0	0	0	0	0	0	0	4,202	4,202
957 Land and Structures	0	0	0	500	500	0	10	52	562
964 Subsistence and Support of Persons	1,838	0	35	776	2,649	0	53	-3	2,699
987 Other Intra-Government Purchases	14,065	0	267	-12,630	1,702	0	34	29,394	31,130
989 Other Services	33,714	0	640	5,118	39,472	0	790	43,163	83,425
990 IT Contract Support Services	16,631	0	316	-12,149	4,798	0	96	2,969	7,863
TOTAL 1C6C Combat Support Forces	512,052	0	8,550	54,703	575,305	0	10,099	20,532	605,936

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Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Equipment Maintenance and Depot Operations Support

I. Description of Operations Financed:

The Support Equipment program supports approximately 989,000 individual items of support equipment. Contract Maintenance Support or Life of Type Services provides contractor maintenance services in direct support of a small population of EP-3 special mission aircraft. Digital Camera Receiving Stations - Digital Photographic Laboratories (DCRS - DPL) program finances the overhaul and rework of digital receiving stations and digital photo labs for all aircraft carriers and large deck amphibious ships. DCRS interfaces with transmitting systems integrated into TACAIR and rotary wing aircraft to support intelligence and reconnaissance missions. In addition, the program supports these systems at the ashore training commands responsible for training and supporting fleet technicians. The program includes processing, imaging, and interpretation equipment maintenance. External Fuel Tank maintenance program provides for the support of external fuel tanks during carrier operations. These fuel tanks provide the aircraft with the ability to carry more fuel during missions.

II. Force Structure Summary:

The Support Equipment program supports approximately 1,992 different end items of support equipment.

The Metrology and Calibration program maintains aviation core technical capability at 61 Intermediate (I Level) and 20 Depot (D Level) servicing activities worldwide. The program provides uniform units of measurements necessary to support over 425,000 Aviation Test and Measurement Systems to meet Chief of Naval Operations and Commander Fleet Forces Command goals for calibration.

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Detail by Subactivity Group: Equipment Maintenance and Depot Operations Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
A. Sub-Activity Group Total						
1. Equipment Maintenance and Depot Operations Support	8,403	11,358	0	0.00	11,358	11,433

/1

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$8,403	\$11,358	\$11,433
Operation Totals	\$8,403	\$11,358	\$11,433

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	11,358	11,358
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	11,358	0
Baseline Appropriation	125,492	0
Less Baseline Funding	-125,492	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	11,358	0
Reprogrammings	0	0
Price Change	0	-12
Functional Transfers	0	0
Program Changes	0	87
Line Item Consolidation	0	0
Current Estimate	11,358	11,433

1/ Figure represent certified Cost of War actuals

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Activity Group: Combat Operations/Support
Detail by Subactivity Group: Equipment Maintenance and Depot Operations Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		11,358
1) Baseline Appropriations		125,492
a) Base Budget Funding	125,492	
FY 2017 Appropriated and Supplemental Funding		136,850
Revised FY 2017 Current Estimate		136,850
Less Baseline Funding		-125,492
FY 2017 Current Estimate		11,358
Price Change		-12
2) Program Increases		6,125
a) Program Increase in FY 2018		6,125
i) Increase for the backlog of deferred support equipment rework for in-theater aviation units.	5,181	
ii) Increase for Diminishing Manufacturing Sources and Material Shortages (DMSMS) for all Life of Type Systems which historically have to deal with obsolescence and manufacturer issues when repairing multiple processors, video cards, active and passive RF Distribution components, Electro Optics components, Circuit Card assemblies, Support equipment, radar and transmitters.	714	
iii) Increase for onsite/in-lab calibration support associated with forward operating bases to conduct calibration, calibration equipment repair, and to provide reach-back calibration for Test, Monitoring, Diagnostic Equipment (TMDE) used during O and I level maintenance on forward-deployed aircraft operating in support of marine forces.	230	
3) Program Decreases		-6,038
a) Program Decreases in FY 2018		-6,038
i) Decrease maintenance on AERO-1D Gallon and FPU-8/A 330 Gallon External Fuel Tanks which are utilized during Carrier operations.	-6,038	
FY 2018 OCO Budget Request		11,433

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Activity Group: Combat Operations/Support
Detail by Subactivity Group: Equipment Maintenance and Depot Operations Support

IV. Performance Criteria and Evaluation Summary:

(\$ in Thousands)	FY 2016			FY 2017			FY 2018		
	Units	Man-hours	Dollars	Units	Man-hours	Dollars	Units	Man-hours	Dollars
External Fuel Tank Maintenance	0	0	3,250	0	0	6,825	0	0	700
Life of Type Services	0	0	2,360	0	0	3,711	0	0	4,500
Calibration	1,445	53	822	1,445	53	822	1,943	68	1,053
WCF Calibration Labs	1,445	53	822	1,445	53	822	1,943	68	1,053
GSE Rework	0	3,105	1,971	0	0	0		0	5,180
Fixed Price (Commercial)	0	0	592	0	0	0	0	0	1,140
Contractor Field Team (CFT)	0	0	575	0	0	0	0	0	3,400
LOE Organic (Field Teams)	0	3,105	475	0	0	0	0	0	0
Navy Stock Fund Material	0	0	329	0	0	0	0	0	640
Program Total	1,445	3,158	8,403	1,445	53	11,358	1,943	68	11,433

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Equipment Maintenance and Depot Operations Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	20	21	43	22

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Equipment Maintenance and Depot Operations Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
400 WCF Supplies									
412 Navy Managed Supplies and Materials	319	0	13	-332	0	0	0	1,780	1,780
600 Other WCF Purchases (Excl Transportation)									
610 Naval Air Warfare Center	626	0	20	-485	161	0	4	-55	110
611 Naval Surface Warfare Center	175	0	6	7	188	0	3	371	562
613 Naval Fleet Readiness Centers (Aviation)	3,688	0	533	3,077	7,298	0	-94	-6,149	1,055
614 Space and Naval Warfare Center	12	0	0	7	19	0	1	3	23
900 Other Purchases									
925 Equipment Purchases (Non-Fund)	4	0	0	-4	0	0	0	0	0
929 Aircraft Reworks by Contract	2,344	0	45	1,297	3,686	0	74	709	4,469
930 Other Depot Maintenance (Non-Fund)	1,173	0	22	-1,195	0	0	0	3,400	3,400
987 Other Intra-Government Purchases	62	0	1	-57	6	0	0	28	34
TOTAL 1C7C Equipment Maintenance and Depot Operations Support	8,403	0	640	2,315	11,358	0	-12	87	11,433

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: In-service Weapons Systems Support

I. Description of Operations Financed:

Line Item Consolidation-Out: Funding for this program provides maintenance engineering support services for aviation, undersea and surface weapons systems. Systems include Unmanned Aerial Vehicles (UAV), Explosive Ordnance Disposal (EOD) equipment, and Joint Service Explosive Ordnance Disposal/Counter Radio-Controlled Improvised Explosive Device (IED) Electronic Warfare (EOD/CREW) program support. Funding is provided for a variety of in-service engineering and maintenance tasks which support Overseas Contingency Operations.

II. Force Structure Summary:

Not applicable.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: In-service Weapons Systems Support

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016	Budget	Congressional	Action	Current	FY 2018
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. In-service Weapons Systems Support	66,128	63,800	0	0.00	63,800	0
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$66,128	\$61,000	\$0
Operation INHERENT RESOLVE (OIR)	\$0	\$2,800	\$0
Operation Totals	\$66,128	\$63,800	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	63,800	63,800
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	63,800	0
Baseline Appropriation	163,025	0
Less Baseline Funding	-163,025	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	63,800	0
Reprogrammings	0	0
Price Change	0	1,312
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	-65,112
Current Estimate	63,800	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: In-service Weapons Systems Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		63,800
1) Baseline Appropriations		163,025
a) Base Budget Funding	163,025	
FY 2017 Appropriated and Supplemental Funding		226,825
Revised FY 2017 Current Estimate		226,825
Less Baseline Funding		-163,025
FY 2017 Current Estimate		63,800
Price Change		1,312
2) Line Item Consolidation		-65,112
a) Line Item Consolidation - Out		-65,112
i) Transfer to BA 1, Combat Support Forces (1C6C) from BA1, In-service Weapons Systems Support (1D3D) for maintenance and engineering of Explosive Ordnance Disposal (EOD) systems in an effort to consolidate all Navy Expeditionary Combat Command (NECC) funding into one budget line item.	-65,112	
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: In-service Weapons Systems Support

IV. Performance Criteria and Evaluation Summary:

(\$ in Thousands)	FY 2016	FY 2017	FY 2018
Explosive Ordinance Device System Support	\$66,128	\$63,800	\$0*

*LI Consolidation Out: Performance criteria for FY18 associated with programs that moved as part of LI Consolidation is reflected on the gaining LI OP5.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: In-service Weapons Systems Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: In-service Weapons Systems Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
611 Naval Surface Warfare Center	48,687	0	1,568	-3,934	46,321	0	662	-46,983	0
614 Space and Naval Warfare Center	16,880	0	176	-139	16,917	0	639	-17,556	0
900 Other Purchases									
987 Other Intra-Government Purchases	561	0	11	-10	562	0	11	-573	0
TOTAL 1D3D In-service Weapons Systems Support	66,128	0	1,755	-4,083	63,800	0	1,312	-65,112	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Weapons Maintenance

I. Description of Operations Financed:

Weapons Maintenance program provides depot level maintenance and overhaul for missile systems, rockets, gun systems and surface/undersea/aviation and anti-submarine warfare (ASW) systems. Ammunition and ordnance rework and certification are also performed in this program. Funding is also provided for maintenance of electronic components, data processors and guidance systems that are integral with weapons systems operations.

It also provides operations and maintenance costs of contractor-operated Tactical Unmanned Aerial Systems (TUAS) utilized to provide Intelligence, Surveillance, and Reconnaissance (ISR) in support of warfighting operations.

II. Force Structure Summary:

Unmanned Aerial Systems (UAS) are supported by Naval Air Warfare Center Aircraft Division (NAWC AD) Patuxent River, NSWC Indian Head, Fort Huachuca AZ, Redstone Arsenal AL, FRC Cherry Point NC, and multiple commercial depots. There are thirteen RQ-7B in service operated and deployed by four Marine Unmanned Aerial Vehicle Squadron (VMU).

Air-Launched Missile Rework supports maintenance which is performed at two lead Naval Weapons Stations, one Fleet Readiness Center, joint service maintenance facilities managed by the Air Force and the Army, two Naval Surface Warfare Centers (NSWC), three lead Naval Air Warfare Centers (NAWC), and other Navy and Defense activities.

Air-Launched Ordnance Rework supports maintenance which is performed at six Naval Weapons Stations, major forward Naval Magazines, two surface Warfare Centers, and Single Manager for Conventional Ammunition operated facilities. Non-expendable ordnance (bomb racks, aircraft gun systems, direct attack weapons, missile racks and launchers) maintenance is performed at two Fleet Readiness Center, Hill AFB, or Army Ammunition's Plant (Anniston, AL).

Joint Mission Planning Systems (JMPS) supports logistics and software performed by NAWC WD, Pt. Mugu and Contractor Logistics Services. JMPS is currently on a four year refresh cycle and is currently refreshing assets, providing additional only when a new platform transitions to the program.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Weapons Maintenance

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Weapons Maintenance	316,054 /1	379,545	0	0.00	379,545	325,011

Summary of Operation	FY 2016	FY 2017	FY 2018
European Reassurance Initiative (ERI)	\$0	\$0	\$1,300
Operation FREEDOM'S SENTINEL (OFS)	\$107,704	\$167,823	\$135,982
Operation INHERENT RESOLVE (OIR)	\$208,350	\$211,722	\$187,729
Operation Totals	\$316,054	\$379,545	\$325,011

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	379,545	379,545
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	379,545	0
Baseline Appropriation	553,269	0
Less Baseline Funding	-553,269	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	379,545	0
Reprogrammings	0	0
Price Change	0	7,727
Functional Transfers	0	0
Program Changes	0	-62,261
Line Item Consolidation	0	0
Current Estimate	379,545	325,011

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Weapons Maintenance

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		379,545
1) Baseline Appropriations		553,269
a) Base Budget Funding	553,269	
2) Enacted Security Assistance Appropriation Act, (P.L. 114-254)		0
a) Enacted Security Assistance Appropriation Act, (P.L. 114-254)	-20,000	
b) Restore Enacted Security Assistance Appropriation Act, (P.L. 114-254)	20,000	
FY 2017 Appropriated and Supplemental Funding		932,814
Revised FY 2017 Current Estimate		932,814
Less Baseline Funding		-553,269
FY 2017 Current Estimate		379,545
Price Change		7,727
3) Program Increases		26,515
a) Program Increase in FY 2018		26,515
i) Increase in Air Launched Ordnance Rework in order to better meet theater inventory requirements. Currently available flares are without the kit necessary for use with appropriate dispensers. Kits will be completed and paired with the parachute flares, restoring the units to a condition compatible for use with the appropriate dispenser (SUU-25). Funding is also required for repair of LAU-127 F/A launchers that are being prematurely removed from service due to overconsumption of flight hours, causing rail wear, excessive corrosion and damage.	10,390	
ii) Increase for Scan Eagle/Sea Based efforts. Funds provide for ISR services to afloat commanders lacking organic tactical ISR capability. Funds procure contractor owned and operated ISR services providing 300 imagery hours and other payload hours per month, for a total of 14,400 hours per year.	7,760	
iii) Increase for Scan Eagle efforts in support. Intelligence, Surveillance and Reconnaissance (ISR) services to Combatant Commanders providing crucial tactical ISR and Signals capabilities. Funds provide manpower, travel, training, engineering support, technical data, obsolescence management, maintenance, sustainment, storage, transport, replacement parts, fuel, communications equipment, facilities and other necessary logistics. Under this effort, the government also procures flight hours from a contractor or contractors.	5,700	
iv) Increase for RQ-7B VMU (Shadow) to support emergent deployments in support of DoD counter terrorism efforts.	1,365	
v) European Reassurance Initiative: Supports participation by U.S. forces in the UNIFIED VISION 2018 (UV18) - Joint Surveillance and Reconnaissance (JISR) Exercise and Experiment. Full Motion Video (FMV) ISR support will provide near real time ingestion of data for rapid analysis and dissemination to intelligence specialists.	1,300	
4) Program Decreases		-88,776

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Weapons Maintenance

	<u>(\$ in Thousands)</u>	
C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
a) One-Time FY 2017 Costs		-17,850
i) Removes one-time costs from FY2017 associated with TUAS capability upgrades. Details are available at a higher classification in the FY17 Military Intelligence Program (MIP) Congressional Justification Book, Volume 1B Adjustments.	-7,650	
ii) Removes one-time costs from FY2017 associated with installation of a TUAS aboard a vessel supporting counter terrorism operations. Details are available at a higher classification in the FY17 Military Intelligence Program (MIP) Congressional Justification Book, Volume 1B Adjustments.	-10,200	
b) Program Decreases in FY 2018		-70,926
i) Decrease in funding for Joint Mission Planning Systems (JMPS) as OCO requirement was completed in FY 2017.	-3,432	
ii) Decrease in Air Launched Missile Rework due to decrease in Standoff Precision Guided Munitions (SOPGM) Viper Strike and Griffin requirements as well as completion of the HARM Missile Library effort.	-4,090	
iii) Decrease for Scan Eagle Badger requirements as less ISR services for Badger efforts are required.	-10,670	
iv) Decrease for Scan Eagle maritime requirements aboard Navy vessels and in support of NSW. Decrease based on current theater ship allocations for this effort.	-52,734	
FY 2018 OCO Budget Request		325,011

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Weapons Maintenance

IV. Performance Criteria and Evaluation Summary:

<u>Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
SCAN EAGLE	\$ 222,664	\$ 288,500	\$ 237,000
<i>Maritime</i>	\$ 43,980	\$ 46,000	\$ 20,000
<i>Afghanistan</i>	\$ 76,650	\$ 117,500	\$ 94,000
<i>OIR</i>	\$ 102,034	\$ 125,000	\$ 123,000
BAMS	\$ 78,266	\$ 83,000	\$ 84,600
RQ-7		\$ -	\$ 1,365
Air-launched rework	\$ 8,401	\$ 3,989	\$ -
JMPS	\$ 3,723	\$ 3,359	\$ -
Training databases	\$ 683	\$ 697	\$ 746
Execution Requirements	\$ 2,317		
ERI		\$ -	\$ 1,300
Total	\$ 316,054	\$ 379,545	\$ 325,011

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Weapons Maintenance

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	1,463	1,865	1,523	-342

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Weapons Maintenance

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	234	0	4	-154	84	0	2	62	148
600 Other WCF Purchases (Excl Transportation)									
610 Naval Air Warfare Center	17,406	0	557	399	18,362	0	491	-629	18,224
611 Naval Surface Warfare Center	253	0	8	-24	237	0	3	-240	0
613 Naval Fleet Readiness Centers (Aviation)	2,048	0	296	-2,344	0	0	0	0	0
614 Space and Naval Warfare Center	5,810	0	60	-2,198	3,672	0	139	1,170	4,981
647 DISA Enterprise Computing Centers	0	0	0	2,602	2,602	0	0	20	2,622
700 Transportation									
771 Commercial Transportation	150	0	3	-153	0	0	0	0	0
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	29,674	0	564	-10,238	20,000	0	400	-400	20,000
922 Equipment Maintenance By Contract	147	0	3	165	315	0	6	-321	0
925 Equipment Purchases (Non-Fund)	123	0	2	-125	0	0	0	0	0
929 Aircraft Reworks by Contract	242,550	0	4,608	74,941	322,099	0	6,442	-61,443	267,098
930 Other Depot Maintenance (Non-Fund)	1,933	0	37	-1,970	0	0	0	0	0
932 Management and Professional Support Services	1,610	0	31	-119	1,522	0	31	58	1,611
934 Engineering and Technical Services	9,924	0	189	-1,661	8,452	0	169	-494	8,127
987 Other Intra-Government Purchases	4,192	0	79	-2,071	2,200	0	44	-44	2,200
TOTAL 1D4D Weapons Maintenance	316,054	0	6,441	57,050	379,545	0	7,727	-62,261	325,011

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Other Weapon Systems Support

I. Description of Operations Financed:

Funding is required for operational planning support to integrate products and responses into Combatant Commanders (COCOM) operational planning; support to peacetime exercises; and COCOM support teams to forward deploy to a COCOM/Joint Force Commander's headquarters in support of contingency planning with associated deployable gear. The details specific to these programs are held at a higher classification

II. Force Structure Summary:

Details are held at a higher classification.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Other Weapon Systems Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Other Weapon Systems Support	4,500	8,000	0	0.00	8,000	9,598
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$0	\$0	\$3,824
Operation INHERENT RESOLVE (OIR)	\$4,500	\$8,000	\$5,774
Operation Totals	\$4,500	\$8,000	\$9,598

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	8,000	8,000
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	8,000	0
Baseline Appropriation	350,028	0
Less Baseline Funding	-350,028	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	8,000	0
Reprogrammings	0	0
Price Change	0	160
Functional Transfers	0	0
Program Changes	0	1,438
Line Item Consolidation	0	0
Current Estimate	8,000	9,598

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Other Weapon Systems Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		8,000
1) Baseline Appropriations		350,028
a) Base Budget Funding	350,028	
FY 2017 Appropriated and Supplemental Funding		358,028
Revised FY 2017 Current Estimate		358,028
Less Baseline Funding		-350,028
FY 2017 Current Estimate		8,000
Price Change		160
2) Program Increases		1,438
a) Program Increase in FY 2018		1,438
i) This adjustment reflects a net increase to classified programs.	1,438	
FY 2018 OCO Budget Request		9,598

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Other Weapon Systems Support

IV. Performance Criteria and Evaluation Summary:

Details are held at a higher classification.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Other Weapon Systems Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	26	45	53	8

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Weapons Support
Detail by Subactivity Group: Other Weapon Systems Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
900 Other Purchases									
922 Equipment Maintenance By Contract	4,500	0	86	3,414	8,000	0	160	-3,660	4,500
989 Other Services	0	0	0	0	0	0	0	5,098	5,098
TOTAL 1D7D Other Weapon Systems Support	4,500	0	86	3,414	8,000	0	160	1,438	9,598

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support

Detail by Subactivity Group: Sustainment, Restoration and Modernization

I. Description of Operations Financed:

Facility Sustainment, Restoration and Modernization (FSRM) and Demolition includes funding for shore activities that support ship, aviation, combat operations and weapons support operating forces. FSRM funding provides maintenance, repair, and minor construction for all buildings, structures, grounds and utility systems to permit assigned forces and tenants to perform their mission. The major elements of the program include recurring day-to-day scheduled maintenance and emergency service work needed to preserve facilities; major and minor repairs needed to put existing facilities in adequate condition; and minor construction, which includes the addition to or alteration of existing facilities. Funding this request is necessary based on the increased wear and tear at facilities or additional force protection resulting from OCO requirements.

II. Force Structure Summary:

Funding supports four Operating Bases.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Sustainment, Restoration and Modernization

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
1. Sustainment, Restoration and Modernization	12,167	27,089	0	0.00	27,089	31,898
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$12,167	\$7,819	\$12,276
Other/Bipartisan Budget Act of 2015 Compliance	\$0	\$19,270	\$19,622
Operation Totals	\$12,167	\$27,089	\$31,898

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	27,089	27,089
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	27,089	0
Baseline Appropriation	1,814,028	0
Less Baseline Funding	-1,814,028	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	27,089	0
Reprogrammings	0	0
Price Change	0	541
Functional Transfers	0	0
Program Changes	0	4,268
Line Item Consolidation	0	0
Current Estimate	27,089	31,898

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Sustainment, Restoration and Modernization

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		27,089
1) Baseline Appropriations		1,814,028
a) Base Budget Funding	1,814,028	
FY 2017 Appropriated and Supplemental Funding		1,841,117
Revised FY 2017 Current Estimate		1,841,117
Less Baseline Funding		-1,814,028
FY 2017 Current Estimate		27,089
Price Change		541
2) Program Increases		4,268
a) Program Increase in FY 2018		4,268
i) Increase funding for facilities and infrastructures operating cost at Camp Lemonnier Djibouti (CLDJ).	2,349	
ii) Increase funding for replacement of generators and phased replacement of relocatable buildings in Jebel Ali (UAE), ISA Air Base.	1,919	
FY 2018 OCO Budget Request		31,898

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Sustainment, Restoration and Modernization

IV. Performance Criteria and Evaluation Summary:

Facilities Sustainment, Restoration, and Modernization

BSM1		FY16	FY17	FY18
Operating Bases by Operation				
OFS		3	3	3
HOA		1	1	1
Funding Level				
HOA				
RM	Restoration & Modernization		\$2,302	\$2,349
ST	Sustainment		\$16,968	\$17,273
OFS				
ST	Sustainment	\$12,167	\$7,819	\$12,276
Total		\$12,167	\$27,089	\$31,898

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Sustainment, Restoration and Modernization

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	69	139	150	11

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Sustainment, Restoration and Modernization

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
900 Other Purchases									
923 Facility Sustainment, Restoration, and Modernization by Contract	12,167	0	232	12,388	24,787	0	495	1,924	27,206
957 Land and Structures	0	0	0	2,302	2,302	0	46	2,344	4,692
TOTAL BSM1 Sustainment, Restoration and Modernization	12,167	0	232	14,690	27,089	0	541	4,268	31,898

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

I. Description of Operations Financed:

Base Operating Support includes funding for shore activities that enable sea, air, and land operations by the Navy's fleet forces. Support functions include port and airfield operations, operation of utility systems, public works services, base administration, supply operations and base services such as transportation, environmental and hazardous waste management, security, personnel support functions, bachelor quarters operations, morale, welfare and recreation operations and disability compensation.

II. Force Structure Summary:

Force Structure includes Naval Bases, Naval Air Stations, Naval Support Activities, and technical support sites both in the continental United States and Overseas.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Base Operating Support	58,343	219,525	0	0.00	219,525	228,246
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$58,343	\$61,493	\$74,004
Other/Bipartisan Budget Act of 2015 Compliance	\$0	\$158,032	\$154,242
Operation Totals	\$58,343	\$219,525	\$228,246

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	219,525	219,525
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	219,525	0
Baseline Appropriation	4,243,269	0
Less Baseline Funding	-4,243,269	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	219,525	0
Reprogrammings	0	0
Price Change	0	4,161
Functional Transfers	0	0
Program Changes	0	4,560
Line Item Consolidation	0	0
Current Estimate	219,525	228,246

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		219,525
1) Baseline Appropriations		4,243,269
a) Base Budget Funding	4,243,269	
FY 2017 Appropriated and Supplemental Funding		4,462,794
Revised FY 2017 Current Estimate		4,462,794
Less Baseline Funding		-4,243,269
FY 2017 Current Estimate		219,525
Price Change		4,161
2) Program Increases		4,560
a) Program Increase in FY 2018		4,560
i) Increase funding for service call contracts on facilities and infrastructures at Camp Lemonnier Djibouti.	4,560	
FY 2018 OCO Budget Request		228,246

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

IV. Performance Criteria and Evaluation Summary:

BSS1		FY16	FY17	FY18
Operating Bases by Operation				
OFS		3	3	3
HOA		1	1	1
Funding Level				
HOA				
AO	Airfield Operations	\$ 6,494	\$ 7,303	
CA	Command Admin Program	\$ 334	\$ 560	
CT	Combating Terrorism	\$ 8,661	\$ 8,835	
EC	ENVIRONMENTAL COMPLIANCE	\$ 1,692	\$ 1,722	
EM	EMERGENCY MANAGEMENT/DISASTER PREPAREDNESS	\$ 1,303	\$ 1,326	
FI	FEDERAL FIRE	\$ 5,151	\$ 5,244	
FP	Facilities Management	\$ 5,620	\$ 5,721	
FS	Family Support Programs	\$ 40	\$ 492	
FX	Facilities Services	\$ 12,980	\$ 14,126	
GL	GALLEY OPERATIONS	\$ 5,098	\$ 5,190	
IT	Information Technology Services	\$ 1,927	\$ 1,962	
MS	MILPERS SERVICES	\$ 62	\$ -	
MW	MORALE, WELFARE AND RECREATION	\$ 5,942	\$ 5,944	
PR	Port Operations	\$ 6	\$ 7	
QO	BACHELOR QUARTERS -- OPERATIONS	\$ 3,575	\$ 3,729	
RL	Real Estate Leases	\$ 63,039	\$ 64,174	
RN	Resource Management	\$ 209	\$ 213	
SA	SAFETY	\$ 20	\$ 734	
TR	BASE SUPPORT VEHICLES AND EQUIPMENT	\$ 3,839	\$ 4,111	
UT	UTILITIES	\$ 30,930	\$ 22,849	
Sub-total		\$ -	\$ 158,032	\$ 154,242

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

OFS				
AO	Airfield Operations	\$ 1,723	\$ 185	\$ 162
CA	Command Admin Program	\$ 429	\$ 521	\$ 548
CT	Combating Terrorism	\$ 4,088	\$ 1,723	\$ 2,442
EC	ENVIRONMENTAL COMPLIANCE	\$ 760	\$ 1,363	\$ 1,171
EM	EMERGENCY MANAGEMENT/DISASTER PREPAREDNESS	\$ 470	\$ 209	\$ 212
FI	FEDERAL FIRE	\$ 6,942	\$ 8,525	\$ 6,727
FL	Fuel - Other	\$ -	\$ 19,724	\$ 19,083
FM	FLYING HOURS - MAINTENANCE	\$ -	\$ -	\$ 2,204
FP	Facilities Management	\$ 6,923	\$ 6,315	\$ 5,271
FS	Family Support Programs	\$ 295	\$ 429	\$ 333
FX	Facilities Services	\$ 2,529	\$ 2,733	\$ 2,744
GL	GALLEY OPERATIONS	\$ 4,915	\$ 5,209	\$ 4,753
IT	Information Technology Services	\$ 4,026	\$ 4,596	\$ 4,556
MS	MILPERS SERVICES	\$ 19	\$ 10	\$ 10
MW	MORALE, WELFARE AND RECREATION	\$ 2,837	\$ 2,972	\$ 2,974
PR	Port Operations	\$ -	\$ -	\$ 507
QO	BACHELOR QUARTERS -- OPERATIONS	\$ 1,196	\$ 926	\$ 958
RL	Real Estate Leases	\$ 10,038	\$ 12,035	\$ 11,550
RN	Resource Management	\$ 412	\$ 889	\$ 892
SA	SAFETY	\$ 811	\$ 588	\$ 580
SP	SUPPLY	\$ -	\$ -	\$ 3,200
TR	BASE SUPPORT VEHICLES AND EQUIPMENT	\$ 2,503	\$ 1,834	\$ 2,063
UT	UTILITIES	\$ 7,427	\$ 2,161	\$ 1,064
Sub-total		\$ 58,343	\$ 61,493	\$ 74,004
Total		\$ 58,343	\$ 219,525	\$ 228,246

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	2	309	300	-9

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	438	0	8	122	568	0	11	0	579
400 WCF Supplies									
401 DLA Energy (Fuel Products)	3,021	0	181	16,522	19,724	0	-79	-562	19,083
423 DLA Material Supply Chain (Subsistence)	0	0	0	3,156	3,156	0	-56	34	3,134
600 Other WCF Purchases (Excl Transportation)									
603 DLA Distribution	0	0	0	16,876	16,876	0	700	-312	17,264
700 Transportation									
771 Commercial Transportation	90	0	2	-18	74	0	1	0	75
900 Other Purchases									
913 Purchased Utilities (Non-Fund)	0	0	0	86	86	0	2	0	88
914 Purchased Communications (Non-Fund)	861	0	16	8	885	0	18	-1	902
915 Rents (Non-GSA)	10,507	0	200	46,795	57,502	0	1,150	17,072	75,724
920 Supplies and Materials (Non-Fund)	3,293	0	63	828	4,184	0	84	-5	4,263
922 Equipment Maintenance By Contract	307	0	6	623	936	0	19	-1	954
923 Facility Sustainment, Restoration, and Modernization by Contract	0	0	0	53,882	53,882	0	1,078	-1,725	53,235
925 Equipment Purchases (Non-Fund)	4,235	0	80	1,262	5,577	0	111	-5	5,683
934 Engineering and Technical Services	0	0	0	345	345	0	7	-1	351
957 Land and Structures	0	0	0	475	475	0	10	-1	484
987 Other Intra-Government Purchases	35,591	0	676	18,988	55,255	0	1,105	-9,933	46,427
TOTAL BSS1 Base Operating Support	58,343	0	1,232	159,950	219,525	0	4,161	4,560	228,246

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Aircraft Activations/Inactivations

I. Description of Operations Financed:

Line Item Consolidation-Out: The aircraft activations/inactivations program removes aircraft from active service, and then prepares and maintains these aircraft for either later potential mobilization or disposal through scrapping and sales. This program also funds special tooling storage and demilitarization of aircraft. The extent of initial preservation efforts depends on the particular airframe, its physical condition, and its potential for future reuse in the active fleet. Aircraft in storage receive periodically scheduled planned maintenance. This program also provides for the disposal of stricken aircraft and the reclamation of obsolete and damaged ground support equipment, tools, and production gear. OCO funding prepares aircraft at the Aerospace Maintenance and Regeneration Group (AMARG) for transportation and eventual reconstitution prior to return to service in order to mitigate Ready Basic Aircraft shortfalls caused by overconsumption for warfighting missions.

II. Force Structure Summary:

Line Item Consolidation-Out: OCO funding prepares aircraft at the Aerospace Maintenance and Regeneration Group (AMARG) for transportation and eventual reconstitution prior to return to service in order to mitigate Ready Basic Aircraft shortfalls caused by overconsumption for warfighting missions.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Aircraft Activations/Inactivations

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Aircraft Activations/Inactivations	1,250	1,530	0	0.00	1,530	0
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$1,250	\$1,530	\$0
Operation Totals	\$1,250	\$1,530	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	1,530	1,530
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	1,530	0
Baseline Appropriation	6,727	0
Less Baseline Funding	-6,727	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	1,530	0
Reprogrammings	0	0
Price Change	0	40
Functional Transfers	0	0
Program Changes	0	299
Line Item Consolidation	0	-1,869
Current Estimate	1,530	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Aircraft Activations/Inactivations

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		1,530
1) Baseline Appropriations		6,727
a) Base Budget Funding	6,727	
FY 2017 Appropriated and Supplemental Funding		8,257
Revised FY 2017 Current Estimate		8,257
Less Baseline Funding		-6,727
FY 2017 Current Estimate		1,530
Price Change		40
2) Program Increases		299
a) Program Increase in FY 2018		299
i) Increase funds for cost associated with the F/A-18C at the Aerospace Maintenance and Regeneration Group (AMARG) for eventual reconstitution and return to service.	299	
3) Line Item Consolidation		-1,869
a) Line Item Consolidation - Out		-1,869
i) Transfer from BA 2, Aircraft Activations/Inactivations (2B1G) to BA 2, Activations/Inactivations (2B2G) to properly align funding for Aircraft Activations/Inactivation's. (Baseline \$0)	-1,869	
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Aircraft Activations/Inactivations

IV. Performance Criteria and Evaluation Summary:

Aircraft prepared for reconstitution:

<u>Type</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
MH-53E		-	-
F/A-18C	6	6	0*

*LI Consolidation Out: Performance criteria for FY18 associated with programs that moved as part of LI Consolidation is reflected on the gaining LI OP5.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Aircraft Activations/Inactivations

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Aircraft Activations/Inactivations

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
661 Air Force Consolidated Sustainment Activity Group	1,250	0	-14	294	1,530	0	40	-1,570	0
TOTAL 2B1G Aircraft Activations/Inactivations	1,250	0	-14	294	1,530	0	40	-1,570	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Activations/Inactivations

I. Description of Operations Financed:

Ship Activations/Inactivations program supports Inactive Ship Maintenance Facility Support, Surface Ship Inactivation, Nuclear Surface Ship Inactivation and Nuclear Submarine Inactivation.

Line Item Consolidation-In: The aircraft activations/inactivations program removes aircraft from active service, and then prepares and maintains these aircraft for either later potential mobilization or disposal through scrapping and sales. This program also funds special tooling storage and demilitarization of aircraft. The extent of initial preservation efforts depends on the particular airframe, its physical condition, and its potential for future reuse in the active fleet. Aircraft in storage receive periodically scheduled planned maintenance. This program also provides for the disposal of stricken aircraft and the reclamation of obsolete and damaged ground support equipment, tools, and production gear. OCO funding prepares aircraft at the Aerospace Maintenance and Regeneration Group (AMARG) for transportation and eventual reconstitution prior to return to service in order to mitigate Ready Basic Aircraft shortfalls caused by overconsumption for warfighting missions.

II. Force Structure Summary:

Line Item Consolidation-In: OCO funding prepares aircraft at the Aerospace Maintenance and Regeneration Group (AMARG) for transportation and eventual reconstitution prior to return to service in order to mitigate Ready Basic Aircraft shortfalls caused by overconsumption for warfighting missions.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Activations/Inactivations

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Activations/Inactivations	0	0	0	0.00	0	1,869
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$0	\$0	\$1,869
Operation Totals	\$0	\$0	\$1,869

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	288,167	0
Less Baseline Funding	-288,167	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	1,869
Current Estimate	0	1,869

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Activations/Inactivations

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		288,167
a) Base Budget Funding	288,167	
FY 2017 Appropriated and Supplemental Funding		288,167
Revised FY 2017 Current Estimate		288,167
Less Baseline Funding		-288,167
2) Line Item Consolidation		1,869
a) Line Item Consolidation - In		1,869
i) Transfer to BA 2, Activations/Inactivations (2B2G) from BA2, Aircraft Activations/Inactivations (2B1G) to properly align funding for Aircraft Activations/Inactivation's.	1,869	
FY 2018 OCO Budget Request		1,869

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Activations/Inactivations

IV. Performance Criteria and Evaluation Summary:

Aircraft prepared for reconstitution:

<u>Type</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
MH-53E		-	-
F/A-18C	-	-	7

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Activations/Inactivations

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Activations/Inactivations
Detail by Subactivity Group: Activations/Inactivations

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
661 Air Force Consolidated Sustainment Activity Group	0	0	0	0	0	0	0	1,869	1,869
TOTAL 2B2G Activations/Inactivations	0	0	0	0	0	0	0	1,869	1,869

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Expeditionary Health Services Systems

I. Description of Operations Financed:

The Fleet Hospital Program is comprised of scalable, modular, rapidly erectable Expeditionary Medical Facilities (EMFs) that provide comprehensive medical support to U.S. and allied forces in the event of combat or contingency operations. These medical capability packages play a critical role in the Navy's evolving war fighting strategies of forward deployed theater operations. Funding supports capability-based EMFs when and where tasked to stand up a medical facility in the OIR and OFS Area of Responsibility (AOR). Kandahar NATO Role 3 is the primary trauma receiving and referral center for all combat casualties in Southern Afghanistan. EMF Djibouti provides acute medical and dental services in support of approximately 4,000 U.S., joint and allied military forces, civilian personnel, and U.S. Department of Defense contractors as well as personnel from ships, aircraft, and other units conducting operations in the Horn of Africa region.

II. Force Structure Summary:

Funding provides support for Expeditionary Medical Facility in Camp Lemonier, Djibouti, Expeditionary Medical Facility in Kandahar, and deployment of an Expeditionary Medical Unit in support of OIR and OFS.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Expeditionary Health Services Systems

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Expeditionary Health Services Systems	4,512 /1	10,310	0	0.00	10,310	11,905

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$3,480	\$5,307	\$5,414
Operation INHERENT RESOLVE (OIR)	\$1,032	\$1,406	\$2,822
Other/Bipartisan Budget Act of 2015 Compliance	\$0	\$3,597	\$3,669
Operation Totals	\$4,512	\$10,310	\$11,905

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	10,310	10,310
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	10,310	0
Baseline Appropriation	40,204	0
Less Baseline Funding	-40,204	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	10,310	0
Reprogrammings	0	0
Price Change	0	81
Functional Transfers	0	0
Program Changes	0	1,514
Line Item Consolidation	0	0
Current Estimate	10,310	11,905

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Expeditionary Health Services Systems

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		10,310
1) Baseline Appropriations		40,204
a) Base Budget Funding	40,204	
2) Enacted Security Assistance Appropriation Act, (P.L. 114-254)		0
a) Enacted Security Assistance Appropriation Act, (P.L. 114-254)	-1,406	
b) Restore Enacted Security Assistance Appropriation Act, (P.L. 114-254)	1,406	
FY 2017 Appropriated and Supplemental Funding		50,514
Revised FY 2017 Current Estimate		50,514
Less Baseline Funding		-40,204
FY 2017 Current Estimate		10,310
Price Change		81
3) Program Increases		1,514
a) Program Increase in FY 2018		1,514
i) Increase requirement of medical supplies and equipment due to increased operational tempo in support of Operation Inherent Resolve.	1,383	
ii) Increase of medical, surgical, and pharmaceutical supplies to EMF Djibouti and EMF Kandahar.	131	
FY 2018 OCO Budget Request		11,905

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Expeditionary Health Services Systems

IV. Performance Criteria and Evaluation Summary:

Expeditionary Medical Forces funded in OCO

<u>Unit</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expeditionary Medical Facility Kandahar	1	1	1
Expeditionary Medical Facility Djibouti	0*	1	1
Expeditionary Medical Unit (OIR)	1**	1	1

** Increase in FY2017 to comply with the Bipartisan Budget Act of 2015

* Initial OIR deployment Q4 FY2016

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Expeditionary Health Services Systems

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	4	9	5

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Expeditionary Health Services Systems

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	55	0	1	-41	15	0	0	0	15
400 WCF Supplies									
422 DLA Material Supply Chain (Medical)	3,034	0	-12	3,953	6,975	0	-1	661	7,635
700 Transportation									
771 Commercial Transportation	446	0	8	-339	115	0	2	6	123
900 Other Purchases									
915 Rents (Non-GSA)	7	0	0	-7	0	0	0	0	0
920 Supplies and Materials (Non-Fund)	0	0	0	681	681	0	14	0	695
925 Equipment Purchases (Non-Fund)	0	0	0	1,651	1,651	0	33	1	1,685
955 Medical Care	0	0	0	786	786	0	31	761	1,578
984 Equipment Contracts	0	0	0	87	87	0	2	85	174
987 Other Intra-Government Purchases	970	0	18	-988	0	0	0	0	0
TOTAL 2C1H Expeditionary Health Services Systems	4,512	0	15	5,783	10,310	0	81	1,514	11,905

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

I. Description of Operations Financed:

CENSECFOR (Center for Security Forces or CSF) conducts multiple courses of instruction responsible for training both active and reserve duty Sailors and Marines in support of Operation Enduring Freedom (OEF). Funding provides supplies, equipment, course materials, training unique equipment costs, and contracted services for instructors. Instructors and support personnel provide course delivery and training support. CENSECFOR funding provides support to the Expeditionary Combat Skills (ECS), Coastal Riverine Force (CRF), Navy Individual Augmentee Combat Training (NIACT), and Core Captivity Curriculum (CCC) courses of instruction.

The Center for EOD and Diving (CEODD) serves as the primary training provider for DoD EOD training. Training supports USN, USA, USAF, and USMC EOD forces in support of national missions. Additionally, foreign military and select federal and state agencies are provided with EOD training at varying levels. Training ranges from initial entry EOD training to advanced Improvised Explosive Device (IED) disablement training. Training is delivered by military, civilian, and contract instructors at Naval School Explosive Ordnance Disposal (NSEOD) located on Eglin Air Force Base, FL.

The Center for Seabees and Facilities Engineering (CSFE) supports all accession schools for the Seabee Enlisted Rates (OF-7) and Civil Engineer Corps (CEC) Officers, supports Inter-service Training Review Organization (ITRO) courses at four learning sites, supports expeditionary, facilities, energy, and environmental courses with civilian, military, and contractor students from all branches of service and various federal agencies. Funding supports Navy Expeditionary Combat Enterprise (NECE), Surface Warfare Enterprise (SWE), Commander Naval Installations Command (CNIC), Naval Facilities Engineering Command (NAVFAC), Naval Special Warfare (NSW), and the State Department.

Temporary Duty Under Instructions (TEMDUINS) provides funding for travel and per diem associated with mission essential training less than 20 weeks for service members en-route from one permanent duty station to another.

II. Force Structure Summary:

Training and support for military personnel in support of Contingency Operations: Operation Freedom's Sentinel, Operation Enduring Freedom, Horn of Africa, Operation Inherent Resolve, European Reassurance Initiative.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016	Budget	Congressional	Action	Current	FY 2018
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Specialized Skill Training	41,207	43,365	0	0.00	43,365	43,369
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$41,207	\$43,365	\$43,369
Operation Totals	\$41,207	\$43,365	\$43,369

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	43,365	43,365
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	43,365	0
Baseline Appropriation	698,413	0
Less Baseline Funding	-698,413	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	43,365	0
Reprogrammings	0	0
Price Change	0	861
Functional Transfers	0	0
Program Changes	0	-857
Line Item Consolidation	0	0
Current Estimate	43,365	43,369

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		43,365
1) Baseline Appropriations		698,413
a) Base Budget Funding	698,413	
FY 2017 Appropriated and Supplemental Funding		741,778
Revised FY 2017 Current Estimate		741,778
Less Baseline Funding		-698,413
FY 2017 Current Estimate		43,365
Price Change		861
2) Program Decreases		-857
a) Program Decreases in FY 2018		-857
i) Decrease of instruction course supplies and equipment for Coastal Riverine Force (CRF).	-857	
FY 2018 OCO Budget Request		43,369

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

IV. Performance Criteria and Evaluation Summary:

Center for Seabees and Facilities Engineering (CSFE):

	<u>FY 2016</u>			<u>FY 2017</u>			<u>FY 2018</u>		
	<u>Input</u>	<u>Output</u>	<u>Work Load</u>	<u>Input</u>	<u>Output</u>	<u>Work Load</u>	<u>Input</u>	<u>Output</u>	<u>Work Load</u>
<u>Initial Skills:</u>									
Active	3,098	3,189	549	2,700	2,750	452	2,495	2,470	410
Reserve	596	590	188	628	646	103	772	772	126
Other	<u>10</u>	<u>10</u>	<u>2</u>	<u>11</u>	<u>11</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>
Total	3,704	3,789	739	3,339	3,407	557	3,269	3,244	537
<u>Skill Progression:</u>									
Reserve	962	962	106	949	949	104	623	623	68
Other	<u>13</u>	<u>13</u>	<u>2</u>	<u>10</u>	<u>10</u>	<u>2</u>	<u>17</u>	<u>17</u>	<u>2</u>
Total	4,952	4,945	517	5,238	5,238	574	4,773	4,773	521
<u>Functional Skills:</u>									
Active	8,750	8,750	229	7,659	7,659	201	5,260	5,260	138
Reserve	827	827	6	1,566	1,566	11	3,749	3,749	27
Other	<u>849</u>	<u>849</u>	<u>4</u>	<u>2,686</u>	<u>2,680</u>	<u>19</u>	<u>3,540</u>	<u>3,530</u>	<u>25</u>
Total	10,426	10,426	239	11,911	11,905	231	12,549	12,539	190

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

Center for EOD and Diving (CEODD):

	<u>FY 2016</u>			<u>FY 2017</u>			<u>FY 2018</u>		
	<u>Input</u>	<u>Output</u>	Work <u>Load</u>	<u>Input</u>	<u>Output</u>	Work <u>Load</u>	<u>Input</u>	<u>Output</u>	Work <u>Load</u>
<u>Initial Skills:</u>									
Active	829	373	161	816	367	142	804	362	139
Reserve	6	3	1	6	3	1	1	1	0
Other	<u>356</u>	<u>178</u>	<u>296</u>	<u>355</u>	<u>178</u>	<u>201</u>	<u>395</u>	<u>198</u>	<u>240</u>
Total	1,191	554	458	1,177	548	344	1,200	561	379
<u>Skill Progression</u>									
Active	110	98	21	114	102	22	114	101	20
Reserve	21	9	3	16	7	3	1	0	0
Other	<u>15</u>	<u>7</u>	<u>2</u>	<u>11</u>	<u>6</u>	<u>1</u>	<u>15</u>	<u>7</u>	<u>3</u>
Total	146	114	26	141	115	26	130	108	23
<u>Functional Skills:</u>									
Active	71	69	6	76	74	6	66	65	6
Reserve	0	0	0	0	0	0	0	0	0
Other	<u>159</u>	<u>137</u>	<u>9</u>	<u>148</u>	<u>127</u>	<u>9</u>	<u>151</u>	<u>130</u>	<u>9</u>
Total	230	206	15	224	201	15	217	195	15

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

Center for Security Forces (CSF):

	<u>FY 2016</u>			<u>FY 2017</u>			<u>FY 2018</u>		
<u>Skill Progression</u>									
Active	2,096	2,051	161	2,692	2,611	188	2,692	2,611	188
Reserve	250	249	19	332	322	23	332	322	23
Other	<u>2</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	2,348	2,302	180	3,024	2,933	211	3,024	2,933	211
<u>Functional Skills</u>									
Active	1,742	1,734	66	3,090	3,024	238	4,219	4,219	325
Reserve	27	26	1	38	37	3	197	195	14
Other	<u>933</u>	<u>922</u>	<u>31</u>	<u>4</u>	<u>4</u>	<u>0</u>	<u>10</u>	<u>10</u>	<u>1</u>
Total	2,702	2,682	98	3,132	3,065	241	4,426	4,424	340

	FY 2016	FY 2017	FY 2018
TEMDUINS			
Enlisted/Officers			
Counts	20	558	536
Average cost per move	\$850	\$2,085	\$2,106
Costs (\$000)	\$17	\$1,164	\$1,186

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	158	109	59	-50

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	339	0	7	-346	0	0	0	0	0
300 Travel									
308 Travel Of Persons	284	0	6	983	1,273	0	25	-1	1,297
400 WCF Supplies									
401 DLA Energy (Fuel Products)	37	0	2	111	150	0	-1	-3	146
416 GSA Managed Supplies and Materials	2,324	0	44	2,008	4,376	0	88	0	4,464
417 Local Purchase Managed Supplies and Materials	335	0	6	-120	221	0	4	0	225
421 DLA Material Supply Chain (Clothing and Textiles)	319	0	4	-323	0	0	0	0	0
422 DLA Material Supply Chain (Medical)	2	0	0	97	99	0	0	0	99
500 Stock Fund Equipment									
506 DLA Material Supply Chain (Construction and Equipment)	676	0	-1	-175	500	0	-9	-1	491
507 GSA Managed Equipment	701	0	13	-664	50	0	1	0	51
600 Other WCF Purchases (Excl Transportation)									
633 DLA Document Services	602	0	9	92	703	0	-9	0	694
635 Navy Base Support (NAVFE: Other Support Services)	662	0	34	266	962	0	51	0	1,013
679 Cost Reimbursable Purchases	1,800	0	34	-1,834	0	0	0	0	0
700 Transportation									
771 Commercial Transportation	26	0	0	-1	25	0	1	0	26
900 Other Purchases									
914 Purchased Communications (Non-Fund)	76	0	1	54	131	0	3	0	134
915 Rents (Non-GSA)	35	0	1	-36	0	0	0	0	0
920 Supplies and Materials (Non-Fund)	2,133	0	41	3,338	5,512	0	110	-416	5,206
921 Printing and Reproduction	513	0	10	-523	0	0	0	5	5
922 Equipment Maintenance By Contract	1,944	0	37	-1,563	418	0	8	-103	323
923 Facility Sustainment, Restoration, and Modernization by Contract	1,673	0	32	-1,700	5	0	0	1,136	1,141
925 Equipment Purchases (Non-Fund)	1,221	0	23	192	1,436	0	28	17,365	18,829
932 Management and Professional Support Services	711	0	14	-725	0	0	0	0	0
935 Training and Leadership Development	22,860	0	439	-23,299	0	0	11	-11	0
936 Training and Leadership Development (Other contracts)	0	0	0	0	0	0	0	8,642	8,642
957 Land and Structures	191	0	4	-195	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Specialized Skill Training

Change from FY 2016 to FY 2017

Change from FY 2017 to FY 2018

Inflation Categories	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	FY 2018 Est.
987 Other Intra-Government Purchases	1,202	0	23	7,248	8,473	0	169	-8,642	0
989 Other Services	145	0	3	18,311	18,459	0	370	-18,829	0
990 IT Contract Support Services	396	0	8	168	572	0	11	0	583
TOTAL 3B1K Specialized Skill Training	41,207	0	794	1,364	43,365	0	861	-858	43,369

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

I. Description of Operations Financed:

The Secretary of the Navy staff serves as the principal policy advisors and assistants in the administration of the affairs of the Department of the Navy. The Chief of Naval Operations staff (OPNAV) advises and assists the Chief of Naval Operations (CNO) in the discharge of his responsibilities as the principle naval advisor and naval executive to the Secretary of the Navy on the conduct of the activities of the Department of the Navy, and as the Navy member of the Joint Chiefs of Staff. The OPNAV Support Activity performs functions of an operational nature that support the CNO staff offices.

II. Force Structure Summary:

Navy support to the Periodic Review Secretariat (PRS) includes Temporary Additional Duty (TAD) travel to detainee facility, linguist support and office supplies and equipment. The PRS is a joint service organization created as a result of Executive Order 13567 of 7 March 2011, whereby the Secretary of Defense was directed to establish a secretariat to administer the Periodic Review Board (PRB) review and hearing process.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Administration	2,055 /1	3,764	0	0.00	3,764	3,217

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$2,055	\$3,764	\$3,217
Operation Totals	\$2,055	\$3,764	\$3,217

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	3,764	3,764
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	3,764	0
Baseline Appropriation	941,199	0
Less Baseline Funding	-941,199	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	3,764	0
Reprogrammings	0	0
Price Change	0	76
Functional Transfers	0	0
Program Changes	0	-623
Line Item Consolidation	0	0
Current Estimate	3,764	3,217

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		3,764
1) Baseline Appropriations		941,199
a) Base Budget Funding	941,199	
FY 2017 Appropriated and Supplemental Funding		944,963
Revised FY 2017 Current Estimate		944,963
Less Baseline Funding		-941,199
FY 2017 Current Estimate		3,764
Price Change		76
2) Program Decreases		-623
a) Program Decreases in FY 2018		-623
i) Reduction to linguist services as a result of process changes to perform paper reviews of eligible detainees instead of in-person Periodic Review Board appearances.	-310	
ii) Reduction in the Civilian Expeditionary Workforce which is an organized, trained, cleared, and ready civilian that facilitates the use of their capabilities in a temporary reassignment overseas.	-313	
FY 2018 OCO Budget Request		3,217

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

IV. Performance Criteria and Evaluation Summary:

	FY2016	FY 2017	FY 2018
Periodic Review Secretariat	\$1,794	\$2,184	\$1,917
Civilian Expeditionary Workforce	\$308	\$1,580	\$1,300

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	2	3	1	-2

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	250	0	5	1,325	1,580	0	32	-313	1,299
300 Travel									
308 Travel Of Persons	221	0	4	-25	200	0	4	-1	203
600 Other WCF Purchases (Excl Transportation)									
614 Space and Naval Warfare Center	260	0	3	-263	0	0	0	0	0
900 Other Purchases									
912 Rental Payments to GSA (SLUC)	0	0	0	1,377	1,377	0	28	97	1,502
914 Purchased Communications (Non-Fund)	18	0	0	82	100	0	2	-102	0
920 Supplies and Materials (Non-Fund)	54	0	1	-19	36	0	1	0	37
925 Equipment Purchases (Non-Fund)	0	0	0	0	0	0	0	0	0
987 Other Intra-Government Purchases	905	0	17	-922	0	0	0	0	0
989 Other Services	347	0	7	117	471	0	9	-304	176
TOTAL 4A1M Administration	2,055	0	37	1,672	3,764	0	76	-623	3,217

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: External Relations

I. Description of Operations Financed:

The Navy Public Affairs Support Element provide direct public affairs support to the Fleet and shore installations worldwide, including written, audio, video, and still photographic feature coverage of fleet and shore personnel, units and activities, and deployable, fast reaction public affairs support teams for emergency situations requiring public affairs personnel/crisis communication expertise.

II. Force Structure Summary:

The Navy Public Affairs Support Element Headquarters in Norfolk, Virginia, operates detachments in Norfolk, San Diego, Seattle, Whidbey Island, Everett, Honolulu, Sasebo, Yokosuka, Naples, Sigonella, and Jacksonville.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: External Relations

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. External Relations	0	515	0	0.00	515	0
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$0	\$515	\$0
Operation Totals	\$0	\$515	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	515	515
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	515	0
Baseline Appropriation	14,586	0
Less Baseline Funding	-14,586	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	515	0
Reprogrammings	0	0
Price Change	0	10
Functional Transfers	0	0
Program Changes	0	-525
Line Item Consolidation	0	0
Current Estimate	515	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: External Relations

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		515
1) Baseline Appropriations		14,586
a) Base Budget Funding	14,586	
FY 2017 Appropriated and Supplemental Funding		15,101
Revised FY 2017 Current Estimate		15,101
Less Baseline Funding		-14,586
FY 2017 Current Estimate		515
Price Change		10
2) Program Decreases		-525
a) Program Decreases in FY 2018		-525
i) Decrease reflects a reduction of lifecycle funds for Navy Public Affairs Support Element equipment in Joint Task Force - Horn of Africa.	-525	
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: External Relations

IV. Performance Criteria and Evaluation Summary:

Navy Public Affairs Support Element Headquarters (NPASE)

	FY2016	FY 2017	FY 2018
NPASE Equipment	\$0	\$515	\$0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: External Relations

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: External Relations

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	0	0	0	15	15	0	0	-15	0
925 Equipment Purchases (Non-Fund)	0	0	0	500	500	0	10	-510	0
TOTAL 4A2M External Relations	0	0	0	515	515	0	10	-525	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Civilian Manpower and Personnel Mgt

I. Description of Operations Financed:

This activity group supports Department of the Navy (DON) civilian personnel and equal employment opportunity (EEO) policy and programs, regionalized operational human resources servicing for DON civilians, and DON Human Resources (HR) Information Technology (IT) systems. Funds provided are for the Office of Civilian Human Resources (OCHR), Defense Civilian Personnel Data System-Navy (DCPDS-Navy), and OCHR Operation Centers. The OCHR strategic goal is to provide civilian human resources policy support, program management, HR systems and assessment in order to deliver and sustain the right workforce to meet the DON mission and support the warfighter.

This sub-activity group also contains the Unemployment Compensation Fund, which provides resources to reimburse states for unemployment compensation paid to eligible former civilian employees of the DON.

II. Force Structure Summary:

Funding is provided for the Office of Civilian Human Resources (OCHR) and OCHR Operation Centers.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Civilian Manpower and Personnel Mgt

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Civilian Manpower & Personnel Mgt	220	0	0	0.00	0	0
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$220	\$0	\$0
Operation Totals	\$220	\$0	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	123,302	0
Less Baseline Funding	-123,302	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	0
Current Estimate	0	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Civilian Manpower and Personnel Mgt

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		123,302
a) Base Budget Funding	123,302	
FY 2017 Appropriated and Supplemental Funding		123,302
Revised FY 2017 Current Estimate		123,302
Less Baseline Funding		-123,302
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Civilian Manpower and Personnel Mgt

IV. Performance Criteria and Evaluation Summary:

n/a

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Civilian Manpower and Personnel Mgt

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Civilian Manpower and Personnel Mgt

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	220	0	5	-225	0	0	0	0	0
TOTAL 4A3M Civilian Manpower and Personnel Mgt	220	0	5	-225	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Military Manpower and Personnel Mgt

I. Description of Operations Financed:

Navy Marine Corps Mobilization Processing System (NMCMPMS) provides end to end capability for Augmentation Requirement generation, approval and sourcing as well as order generation, sailor advocacy, and processing administration for both Reserve Component Mobilization and Active Component Augmentee personnel.

BUPERS Online (BOL) is the operation and maintenance aspect of NPC's web-enabled applications. BOL delivers hardware, software, and labor to operate and maintain a wide range of hosted applications. Many of these hosted programs were created to comply with Task Force Web, eliminate reliance on aging mainframes, or reduce production costs associated with paper-based processes.

Line Item Consolidation-In: The Mortuary Services provides expenses related to honoring our Nation's fallen Sailors and Marines to include the burial of remains, the transportation of remains, the cost of supplies and services related to the funeral expense, memorial travel and escort duties. In addition program finances the mortuary services provided by morticians. The Dependent/Bedside Travel provides non-discretionary travel funds for family members of Very Seriously Ill or Injured Navy personnel. The Next-of-Kin/Funeral Travel provides non-discretionary travel funds for family members of deceased Navy personnel to attend military funerals and memorial services. The DCIPS (Defense Casualty Information Processing System) supports the system that enables initial info entry and data tracking for all Casualty cases for Case Managers, Regional Coordinators, and CACO's. The Temporary Disability Retired List (TDRL) enables Sailors with disabilities to receive retired pay and benefits until medical conditions stabilize such that a final disability determination can be made by the Physical Evaluation Board. Members may remain on the TDRL for as many as five years.

II. Force Structure Summary:

Force Structure supported includes IT support, Navy Marine Corps Mobilization Processing System (NMCMPMS), and BUPERS Online (BOL). NMCPMS provides automatic workflow processing/ tracking for Contingency Operational Augmentation requests.

Line Item Consolidation-In: Force Structure supported includes Mortuary Affairs to the families of fallen Sailors and Marines. Morticians are assigned to BUPERS in Millington, TN, Dover Port Mortuary at DOVER AFB, DE and USMC Casualty at Quantico, VA. Morticians are also assigned in Guam, Spain and Italy. Casualty Operations to families of the fallen or injured through notification, coordination of authorized travel, proper identification of beneficiaries, and certification of associated benefits. Additional casualty support for the Forgotten Widows program which coordinates benefits under the Survivor Benefits Plan (SBP), and administer the Navy's Traumatic and Family SGLI programs.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Military Manpower and Personnel Mgt

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Military Manpower & Personnel Mgt	5,089	5,409	0	0.00	5,409	7,356
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$5,089	\$5,409	\$7,356
Operation Totals	\$5,089	\$5,409	\$7,356

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	5,409	5,409
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	5,409	0
Baseline Appropriation	368,630	0
Less Baseline Funding	-368,630	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	5,409	0
Reprogrammings	0	0
Price Change	0	108
Functional Transfers	0	0
Program Changes	0	230
Line Item Consolidation	0	1,609
Current Estimate	5,409	7,356

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Military Manpower and Personnel Mgt

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		5,409
1) Baseline Appropriations		368,630
a) Base Budget Funding	368,630	
FY 2017 Appropriated and Supplemental Funding		374,039
Revised FY 2017 Current Estimate		374,039
Less Baseline Funding		-368,630
FY 2017 Current Estimate		5,409
Price Change		108
2) Program Increases		230
a) Program Increase in FY 2018		230
i) Increased funding for IT requirements to include Data and systems support services for legacy mainframe systems which are the source data for BOL and NCMCPS, Helpdesk support for Legacy IT and ITEMPO to support Cyber Asset Reduction and Security (CARS) Consolidated Data Center (CDC) and Citrix application hosting.	230	
3) Line Item Consolidation		1,609
a) Line Item Consolidation - In		1,609
i) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for Mortuary Affairs.	834	
ii) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for Defense Casualty Information Processing System (DCIPS).	241	
iii) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for Next of Kin.	196	
iv) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for Dependent/Bedside Travel.	196	
v) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for TDRL (Temporary/Permanent Disability Retired List).	142	
FY 2018 OCO Budget Request		7,356

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Military Manpower and Personnel Mgt

IV. Performance Criteria and Evaluation Summary:

	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
IT support for Service Unique Systems			
Number of individual transactions submitted to modify data discrepancies	239,346	240,000	245,000
Navy/Marine Corps Mobilization Processing System (NMCMPs)			
Total validated and approved manpower requirements tracked	158,417	161,586	163,362
Average number of orders written in NMCMPs per month	1,331	1,358	1,385
Total records in NMCMPs	809,886	826,083	842,605
BUPERS Online (BOL)			
Customer Service Requested Completed	3,300	3,300	3,300
BOL Total Logins	152,500	152,500	152,500
Temporary Disability Retired List (TDRL)			
Number of Travel Orders	0	0	169
Average Cost of Travel Orders	0	0	\$750
Mortuary Services			
Number of Navy Deaths	0	0	2
Number of Marine Corp Deaths	0	0	3
Next of Kin/Funeral Travel			
Funeral Travel Orders processed	0	0	25
DTR (Dignified Transfer of Remains) Travel Orders processed	0	0	15
Memorial Travel Orders processed	0	0	25
Dependent (Bedside) Travel			
Number of Travel Orders processed	0	0	15

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Military Manpower and Personnel Mgt

<u>V. Personnel Summary:</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	29	30	35	5

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Military Manpower and Personnel Mgt

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	0	0	0	0	0	0	0	737	737
700 Transportation									
771 Commercial Transportation	0	0	0	0	0	0	0	56	56
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	0	0	0	0	0	0	0	273	273
922 Equipment Maintenance By Contract	0	0	0	3,990	3,990	0	80	233	4,303
932 Management and Professional Support Services	0	0	0	0	0	0	0	539	539
989 Other Services	572	0	11	-583	0	0	0	0	0
990 IT Contract Support Services	4,517	0	86	-3,184	1,419	0	28	1	1,448
TOTAL 4A4M Military Manpower and Personnel Mgt	5,089	0	97	223	5,409	0	108	1,839	7,356

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Other Personnel Support

I. Description of Operations Financed:

Line Item Consolidation-Out: The Mortuary Services provides expenses related to honoring our Nation's fallen Sailors and Marines to include the burial of remains, the transportation of remains, the cost of supplies and services related to the funeral expense, memorial travel and escort duties. In addition program finances the mortuary services provided by morticians. The Dependent/Bedside Travel provides non-discretionary travel funds for family members of Very Seriously Ill or Injured Navy personnel. The Next-of-Kin/Funeral Travel provides non-discretionary travel funds for family members of deceased Navy personnel to attend military funerals and memorial services. The DCIPS (Defense Casualty Information Processing System) supports the system that enables initial info entry and data tracking for all Casualty cases for Case Managers, Regional Coordinators, and CACO's. The Temporary Disability Retired List (TDRL) enables Sailors with disabilities to receive retired pay and benefits until medical conditions stabilize such that a final disability determination can be made by the Physical Evaluation Board. Members may remain on the TDRL for as many as five years.

II. Force Structure Summary:

Line Item Consolidation-Out: Force Structure supported includes Mortuary Affairs to the families of fallen Sailors and Marines. Morticians are assigned to BUPERS in Millington, TN, Dover Port Mortuary at DOVER AFB, DE and USMC Casualty at Quantico, VA. Morticians are also assigned in Guam, Spain and Italy. Casualty Operations to families of the fallen or injured through notification, coordination of authorized travel, proper identification of beneficiaries, and certification of associated benefits. Additional casualty support for the Forgotten Widows program which coordinates benefits under the Survivor Benefits Plan (SBP), and administer the Navy's Traumatic and Family SGLI programs.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Other Personnel Support

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Other Personnel Support	1,205 /1	1,578	0	0.00	1,578	0

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$1,205	\$1,578	\$0
Operation Totals	\$1,205	\$1,578	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	1,578	1,578
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	1,578	0
Baseline Appropriation	285,640	0
Less Baseline Funding	-285,640	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	1,578	0
Reprogrammings	0	0
Price Change	0	31
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	-1,609
Current Estimate	1,578	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Other Personnel Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		1,578
1) Baseline Appropriations		285,640
a) Base Budget Funding	285,640	
FY 2017 Appropriated and Supplemental Funding		287,218
Revised FY 2017 Current Estimate		287,218
Less Baseline Funding		-285,640
FY 2017 Current Estimate		1,578
Price Change		31
2) Line Item Consolidation		-1,609
a) Line Item Consolidation - Out		-1,609
i) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for TDRL (Temporary/Permanent Disability Retired List).	-142	
ii) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for Next of Kin.	-196	
iii) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for Dependent/Bedside Travel.	-196	
iv) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for Defense Casualty Information Processing System (DCIPS)	-241	
v) Transfer from BA 4, Other Personnel Support (4A5M) to BA 4, Military Manpower and Personnel Management (4A4M) to properly align funding for Mortuary Affairs.	-834	
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Other Personnel Support

IV. Performance Criteria and Evaluation Summary:

	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Temporary Disability Retired List (TDRL)			
Number of Travel Orders	155	240	0*
Average Cost of Travel Orders	\$361	\$580	\$0*
Mortuary Service			
Number of Navy Deaths	2	2	0*
Number of Marine Corp Deaths	3	3	0*
Next of Kin/Funeral Travel			
Funeral Travel Orders processed	0	25	0*
DTR (Dignified Transfer of Remains) Travel Orders processed	0	15	0*
Memorial Travel Orders processed	0	25	0*
Dependent (Bedside) Travel			
Number of Travel Orders processed	0	15	0*

*LI Consolidation Out: Performance criteria for FY18 associated with programs that moved as part of LI Consolidation is reflected on the gaining LI OP5.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Other Personnel Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	4	3	0	-3

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Other Personnel Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	63	0	1	658	722	0	14	-736	0
700 Transportation									
771 Commercial Transportation	181	0	3	-129	55	0	1	-56	0
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	305	0	6	-43	268	0	5	-273	0
922 Equipment Maintenance By Contract	232	0	4	0	236	0	5	-241	0
932 Management and Professional Support Services	0	0	0	297	297	0	6	-303	0
989 Other Services	424	0	8	-432	0	0	0	0	0
TOTAL 4A5M Other Personnel Support	1,205	0	22	351	1,578	0	31	-1,609	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Communications

I. Description of Operations Financed:

Line Item Consolidation-Out: Naval Information Forces Command (NAVIFOR) operates, maintains and defends responsive, resilient, and secure computer and telecommunications systems, providing information superiority for global maritime and joint forces in support of real-world operations and exercises to Commander, Joint Task Force Horn of Africa (CJTf HOA), Camp Lemonnier, Djibouti, its tenant commands, other Department of Defense and U.S. government agencies, and U.S. Naval and Coalition operating forces in the European, African and Central Command theaters of operations. NAVIFOR operates a Technical Control Facility that performs quality control checks, isolation, and restoral actions for Defense Information Systems Network (DISN) Defense Security Service (DSS) circuits in support military commands and other government agencies; operates and maintains Satellite Communications (SATCOM) terminal; manage the submission of Satellite Access Requests (SARs) and Defense Information Systems Agency (DISA) Direct Order Entries (DOE) Telecommunications Requests (TR) to activate, modify or terminate connectivity provided via operated SATCOM terminal. Base Communication Offices (BCO) operate and maintain base telephone switches with voicemail and inside cable plant for telephone and other non-network requirements, control engineering and installation of emergent outside cable plant for voice and data, and provide access to Defense Switched Network (DSN) long-distance and local dial tone.

Line Item Consolidation-Out: USAFRICOM Camp Lemonnier hosts the only on-continent operational command and control facility. Funding permits validated and standardized Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems engineering, systems installation design drawings, equipment relocation and integration support. This support enables preparation of C4I transition and integration plans, detailed procurement and installation documents, and comprehensive planning drawings to coordinate C4I systems installations with facility construction.

II. Force Structure Summary:

Line Item Consolidation-Out: USAFRICOM Camp Lemonnier supports U.S. Africa Command (AFRICOM)/Naval Forces AFRICOM (NAVAF) and forward deployed U.S. Central Command (CENTCOM)/Naval Forces Central Command (NAVCENT) forces in support of AFRICOM and southern CENTCOM area of operations. Funding provides Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems engineering, systems installation drawings, equipment relocation and integration support for USAFRICOM Camp Lemonnier's Joint Intelligence Center (JIC) and Joint Operations Center.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Communications

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Servicewide Communications	0	25,617	0	0.00	25,617	0
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Other/Bipartisan Budget Act of 2015 Compliance	\$0	\$25,617	\$0
Operation Totals	\$0	\$25,617	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	25,617	25,617
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	25,617	0
Baseline Appropriation	319,953	0
Less Baseline Funding	-319,953	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	25,617	0
Reprogrammings	0	0
Price Change	0	516
Functional Transfers	0	0
Program Changes	0	-3
Line Item Consolidation	0	-26,130
Current Estimate	25,617	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Communications

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		25,617
1) Baseline Appropriations		319,953
a) Base Budget Funding	319,953	
FY 2017 Appropriated and Supplemental Funding		345,570
Revised FY 2017 Current Estimate		345,570
Less Baseline Funding		-319,953
FY 2017 Current Estimate		25,617
Price Change		516
2) Program Decreases		-3
a) Program Decreases in FY 2018		-3
i) USAFRICOM Camp Lemonnier. Funding increase is due to supporting the integration of C4I systems into the Commander Joint Task Force -Horn of Africa (CJTF-HOA) Joint Intelligence /Operations Center (JIOC) and Camp Lemonnier HQ military construction project (MILCON P230) in Djibouti, Africa transition from the Planning and Design (P and D) Phase to the Execution Phase necessitating validation and updating of the operational Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance/Information Technology (C4ISR/IT) system requirements.	-3	
3) Line Item Consolidation		-26,130
a) Line Item Consolidation - Out		-26,130
i) Transfer to BA 1, Combat Communications and Electronic Warfare (1C1C) from BA 4, Servicewide Communications (4A6M) to properly align funding for Camp Lemonnier.	-560	
ii) Transfer to BA 1, Combat Communications and Electronic Warfare (1C1C) from BA 4, Servicewide Communications (4A6M) to properly align funding for Base Communications Services.	-25,570	
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Communications

IV. Performance Criteria and Evaluation Summary:

<u>Unit Title</u>	<u>FY 2016 Units</u>	<u>FY 2016 Amount</u>	<u>FY 2017 Units</u>	<u>FY 2017 Amount</u>	<u>FY 2018 Units</u>	<u>FY 2018 Amount</u>
USAFRICOM Camp Lemonier Purchased Workyears	0	0	2	560	0	0*
Total Funding		0		560		0*

	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
<u>Djibouti General Service and Capability</u>			
Satellite Communication (SATCOM) Deployable Ku-band Earth Terminal (DKET)	1	1	0*
AFRICOM Network Users	3,000	3,300	0*
Outside Plant (telephone) Cable Maintenance (Manhole/Comm Closet)	350	360	0*
Base Level Communications Trouble Tickets	1,200	1,600	0*
Communications Technical Support Services	24/7/365	24/7/365	0*

*LI Consolidation Out: Performance criteria for FY18 associated with programs that moved as part of LI Consolidation is reflected on the gaining LI OP5.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Communications

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	82	0	-82

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Communications

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	0	0	0	41	41	0	1	-42	0
400 WCF Supplies									
416 GSA Managed Supplies and Materials	0	0	0	479	479	0	10	-489	0
600 Other WCF Purchases (Excl Transportation)									
614 Space and Naval Warfare Center	0	0	0	128	128	0	5	-133	0
900 Other Purchases									
922 Equipment Maintenance By Contract	0	0	0	14,684	14,684	0	294	-14,978	0
925 Equipment Purchases (Non-Fund)	0	0	0	129	129	0	3	-132	0
987 Other Intra-Government Purchases	0	0	0	10,156	10,156	0	203	-10,359	0
TOTAL 4A6M Servicewide Communications	0	0	0	25,617	25,617	0	516	-26,133	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Servicewide Transportation

I. Description of Operations Financed:

Service Wide Transportation (SWT) provides centralized funding for transportation and cargo movement. This includes Second Destination Transportation (SDT) and continental United States terminal services in conjunction with cargo movements. SDT includes shipments of regular and emergency readiness material including ammunition, chemicals, subsistence, Fleet Post Office mail, repair parts, and high value repairable items. The SWT program finances the purchase of transportation services predominately from DoD working capital fund transportation activities; the Air Mobility Command (AMC), Military Sealift Command (MSC), and the Surface Deployment and Distribution Command (SDDC). In addition, SWT purchases transportation services from private sector firms. These include aircraft, truck, rail and barge. The program's volume is driven by a variety of factors, the most significant being the operating tempo and readiness requirements of the Fleet, and the quality of life support requirements for overseas units, Naval personnel, and their dependents.

II. Force Structure Summary:

SWT provides funding for specific Navy worldwide cargo shipments. This includes financing Second Destination movement of regular and emergency readiness material including ammunition, chemicals, subsistence, mail, repair parts, aircraft engines and other high value repairable items. The SWT program finances the purchase of transportation services predominately from DoD working capital fund transportation activities; the Air Mobility Command, Military Sealift Command, and the Surface Deployment and Distribution Command.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Servicewide Transportation

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Servicewide Transportation	43,671	126,700	0	0.00	126,700	67,938
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$43,671	\$126,700	\$67,938
Operation Totals	\$43,671	\$126,700	\$67,938

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	126,700	126,700
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	126,700	0
Baseline Appropriation	171,659	0
Less Baseline Funding	-171,659	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	126,700	0
Reprogrammings	0	0
Price Change	0	1,447
Functional Transfers	0	0
Program Changes	0	-60,209
Line Item Consolidation	0	0
Current Estimate	126,700	67,938

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Servicewide Transportation

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		126,700
1) Baseline Appropriations		171,659
a) Base Budget Funding	171,659	
FY 2017 Appropriated and Supplemental Funding		298,359
Revised FY 2017 Current Estimate		298,359
Less Baseline Funding		-171,659
FY 2017 Current Estimate		126,700
Price Change		1,447
2) Program Decreases		-60,209
a) Program Decreases in FY 2018		-60,209
i) Reduced demand for Ocean Transportation, Air Transportation and Mail.	-60,209	
FY 2018 OCO Budget Request		67,938

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Servicewide Transportation

IV. Performance Criteria and Evaluation Summary:

II. Financial Summary (\$ in Thousand)

	FY 2016	FY2017	FY 2018
	Actual	Total	Total
Second Destination Transportation			
Airlift	\$6,340	\$26,401	\$12,095
Sealift	\$5,975	\$22,626	\$11,398
Other Transportation	\$31,356	\$77,663	\$44,445
SAG Total	\$43,671	\$126,700	\$67,938

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Servicewide Transportation

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Servicewide Transportation

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
700 Transportation									
705 AMC Channel Cargo	6,340	0	120	19,941	26,401	0	528	-14,834	12,095
718 SDDC Liner Ocean Transportation	5,975	0	-114	16,775	22,636	0	-634	-10,604	11,398
771 Commercial Transportation	8,059	0	153	-8,212	0	0	0	0	0
900 Other Purchases									
987 Other Intra-Government Purchases	23,297	0	443	53,923	77,663	0	1,553	-34,771	44,445
TOTAL 4B1N Servicewide Transportation	43,671	0	602	82,427	126,700	0	1,447	-60,209	67,938

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Planning, Engineering, and Program Support

I. Description of Operations Financed:

This sub-activity group provides funding for the acquisition, planning, engineering, and design of engineering programs. This program includes the sustainment and development of physical security equipment, mishap prevention and hazard abatement programs. This program also supports the Anti-Terrorism/Force Protection (ATFP) and Chemical, Biological, Nuclear and high-yield Explosive (CBRNE) planning and engineering. Funding additionally supports the Navy Crane Center and the Naval Facilities Engineering Service Centers, which provide engineering support to all Naval commands regarding energy, utilities, environmental, and shore facilities management.

II. Force Structure Summary:

Funding provided in this sub-activity group supports Navy logistics and technical operations worldwide.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Planning, Engineering, and Program Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Planning, Engineering, and Program Support	538	0	0	0.00	0	0
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$538	\$0	\$0
Operation Totals	\$538	\$0	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	271,142	0
Less Baseline Funding	-271,142	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	0
Current Estimate	0	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Planning, Engineering, and Program Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		271,142
a) Base Budget Funding	271,142	
FY 2017 Appropriated and Supplemental Funding		271,142
Revised FY 2017 Current Estimate		271,142
Less Baseline Funding		-271,142
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Planning, Engineering, and Program Support

IV. Performance Criteria and Evaluation Summary:

N/A

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Planning, Engineering, and Program Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Planning, Engineering, and Program Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	376	0	6	-382	0	0	0	0	0
300 Travel									
308 Travel Of Persons	162	0	3	-165	0	0	0	0	0
TOTAL 4B2N Planning, Engineering, and Program Support	538	0	9	-547	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Acquisition, Logistics, and Oversight

I. Description of Operations Financed:

Provides logistics support for ship systems, space systems, material transportation, food service systems, fuel and petroleum support, special support operations and salaries, administrative expenses, and travel for personnel involved in program management. Requirement covers Isa Air Base (IAB), Bahrain and ongoing Overseas Contingency Operations (OCO).

II. Force Structure Summary:

This effort supports U.S. Central Command (CENTCOM) direction to plan for operations at IAB. IAB will operate as an expeditionary base with no permanent billets assigned to perform logistics functions. OCO funding provides postal, Hazardous Material (HAZMAT) Response, and some transportation services at IAB starting in FY 2010. Global Logistics Husbanding Support, ATAC, and Regional Transportation services were added in FY 2012. Base supply functions managed or performed by the Fleet Industrial Supply Center (FISC), Sigonella include Global Logistics Support, Transportation Services, HAZMAT Reutilization, Postal Services, and Fuel Support.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Acquisition, Logistics, and Oversight

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Acquisition, Logistics, and Oversight	8,346	9,261	0	0.00	9,261	9,446
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$8,346	\$9,261	\$9,446
Operation Totals	\$8,346	\$9,261	\$9,446

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	9,261	9,261
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	9,261	0
Baseline Appropriation	1,111,499	0
Less Baseline Funding	-1,111,499	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	9,261	0
Reprogrammings	0	0
Price Change	0	185
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	0
Current Estimate	9,261	9,446

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Acquisition, Logistics, and Oversight

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		9,261
1) Baseline Appropriations		1,111,499
a) Base Budget Funding	1,111,499	
FY 2017 Appropriated and Supplemental Funding		1,120,760
Revised FY 2017 Current Estimate		1,120,760
Less Baseline Funding		-1,111,499
FY 2017 Current Estimate		9,261
Price Change		185
FY 2018 OCO Budget Request		9,446

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Acquisition, Logistics, and Oversight

IV. Performance Criteria and Evaluation Summary:

(Funding in Thousands)

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Global Logistics Support	8,119	9,261	9,446

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Acquisition, Logistics, and Oversight

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Logistics Operations And Technical Support
Detail by Subactivity Group: Acquisition, Logistics, and Oversight

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	227	0	3	-230	0	0	0	0	0
900 Other Purchases									
987 Other Intra-Government Purchases	8,119	0	154	988	9,261	0	185	0	9,446
TOTAL 4B3N Acquisition, Logistics, and Oversight	8,346	0	157	758	9,261	0	185	0	9,446

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Investigative and Security Services

I. Description of Operations Financed:

The Department of the Navy's efforts for conducting stability and support operations throughout Afghanistan; the cessation of terrorist activities; and military related reconstruction operations. Support costs include activation of Reserve personnel and units, increased fuel consumption and spare parts, additional maintenance to support higher usage of equipment, deployment of medical capabilities (hospital ships and deployable fleet hospitals), extended communications and intelligence support, and related transportation costs.

II. Force Structure Summary:

Funds Danger Pay, Over Time and Post Differential. Currently NCIS averages 42 personnel deployed in support of OFS. It is expected that NCIS presence in OFS will continue in FY18 to provide Law Enforcement investigations for residual forces.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Investigative and Security Services

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Investigative and Security Services	1,551	1,501	0	0.00	1,501	1,528
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$1,551	\$1,501	\$1,528
Operation Totals	\$1,551	\$1,501	\$1,528

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	1,501	1,501
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	1,501	0
Baseline Appropriation	611,543	0
Less Baseline Funding	-611,543	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	1,501	0
Reprogrammings	0	0
Price Change	0	30
Functional Transfers	0	0
Program Changes	0	-3
Line Item Consolidation	0	0
Current Estimate	1,501	1,528

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Investigative and Security Services

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		1,501
1) Baseline Appropriations		611,543
a) Base Budget Funding	611,543	
FY 2017 Appropriated and Supplemental Funding		613,044
Revised FY 2017 Current Estimate		613,044
Less Baseline Funding		-611,543
FY 2017 Current Estimate		1,501
Price Change		30
2) Program Decreases		-3
a) Program Decreases in FY 2018		-3
i) Reduction in clothing which is not normally required for NCIS Special Agents in regular duty assignments.	-3	
FY 2018 OCO Budget Request		1,528

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Investigative and Security Services

IV. Performance Criteria and Evaluation Summary:

	FY 2016	FY 2017	FY 2018
NCIS Support Operations	1,551	1,501	1,528

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Investigative and Security Services

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Investigative and Security Services

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	112	0	2	319	433	0	8	0	441
300 Travel									
308 Travel Of Persons	1,165	0	22	-1,048	139	0	3	1	143
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	211	0	4	-215	0	0	0	0	0
922 Equipment Maintenance By Contract	63	0	1	-64	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	0	0	0	725	725	0	15	-21	719
987 Other Intra-Government Purchases	0	0	0	204	204	0	4	17	225
TOTAL 4C1P Investigative and Security Services	1,551	0	29	-79	1,501	0	30	-3	1,528

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

I. Description of Operations Financed:

Funding provides for classified programs including statistical analysis on foreign military forces, weapons, targets and personnel; analysis of worldwide developments that affect U.S. security interests and personnel/equipment; assessments of military capabilities and actions; and forecasting future forces, weapons, plans, and intentions.

II. Force Structure Summary:

This subactivity group provides support for worldwide Navy intelligence operations.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
A. Sub-Activity Group Total						
1. Security Programs	1,803 /1	8,040	0	0.00	8,040	3,868

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$1,803	\$7,040	\$2,168
Operation INHERENT RESOLVE (OIR)	\$0	\$1,000	\$1,700
Operation Totals	\$1,803	\$8,040	\$3,868

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	8,040	8,040
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	8,040	0
Baseline Appropriation	358,550	0
Less Baseline Funding	-358,550	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	8,040	0
Reprogrammings	0	0
Price Change	0	162
Functional Transfers	0	0
Program Changes	0	-4,334
Line Item Consolidation	0	0
Current Estimate	8,040	3,868

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		8,040
1) Baseline Appropriations		358,550
a) Base Budget Funding	358,550	
FY 2017 Appropriated and Supplemental Funding		366,590
Revised FY 2017 Current Estimate		366,590
Less Baseline Funding		-358,550
FY 2017 Current Estimate		8,040
Price Change		162
2) Program Decreases		-4,334
a) Program Decreases in FY 2018		-4,334
i) This adjustment reflects a net decrease to classified programs.	-4,334	
FY 2018 OCO Budget Request		3,868

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

IV. Performance Criteria and Evaluation Summary:

Details are held at a higher classification.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

<u>V. Personnel Summary:</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	7	31	10	-21

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	15	0	0	-15	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
611 Naval Surface Warfare Center	99	0	3	-102	0	0	0	0	0
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	192	0	4	1,686	1,882	0	38	-468	1,452
922 Equipment Maintenance By Contract	166	0	3	-169	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	231	0	4	398	633	0	13	0	646
932 Management and Professional Support Services	0	0	0	4,525	4,525	0	91	-3,866	750
934 Engineering and Technical Services	1,100	0	21	-121	1,000	0	20	0	1,020
TOTAL 4CBP Security Programs	1,803	0	35	6,202	8,040	0	162	-4,334	3,868

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

I. Description of Operations Financed:

This classified program provides funding for protecting installations, material, operations information and personnel from espionage, sabotage, terrorism, and other clandestine intelligence activities.

II. Force Structure Summary:

This subactivity group provides support for worldwide Navy intelligence operations.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Security Programs	0 /1	11,530	0	0.00	11,530	6,228

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$0	\$2,245	\$6,228
Operation INHERENT RESOLVE (OIR)	\$0	\$9,285	\$0
Operation Totals	\$0	\$11,530	\$6,228

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	11,530	11,530
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	11,530	0
Baseline Appropriation	127,793	0
Less Baseline Funding	-127,793	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	11,530	0
Reprogrammings	0	0
Price Change	0	231
Functional Transfers	0	0
Program Changes	0	-5,533
Line Item Consolidation	0	0
Current Estimate	11,530	6,228

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		11,530
1) Baseline Appropriations		127,793
a) Base Budget Funding	127,793	
2) Enacted Security Assistance Appropriation Act, (P.L. 114-254)		0
a) Enacted Security Assistance Appropriation Act, (P.L. 114-254)	-500	
b) Restore Enacted Security Assistance Appropriation Act, (P.L. 114-254)	500	
FY 2017 Appropriated and Supplemental Funding		139,323
Revised FY 2017 Current Estimate		139,323
Less Baseline Funding		-127,793
FY 2017 Current Estimate		11,530
Price Change		231
3) Program Decreases		-5,533
a) Program Decreases in FY 2018		-5,533
i) This adjustment reflects a net decrease to classified programs.	-5,533	
FY 2018 OCO Budget Request		6,228

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

IV. Performance Criteria and Evaluation Summary:

Details are held at a higher classification.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	10	13	3

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	0	0	0	300	300	0	6	-306	0
700 Transportation									
771 Commercial Transportation	0	0	0	325	325	0	7	-332	0
900 Other Purchases									
987 Other Intra-Government Purchases	0	0	0	9,155	9,155	0	183	-5,400	3,938
989 Other Services	0	0	0	1,750	1,750	0	35	505	2,290
TOTAL 4CCP Security Programs	0	0	0	11,530	11,530	0	231	-5,533	6,228

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

I. Description of Operations Financed:

This subactivity group provides funding to support Security Programs.

II. Force Structure Summary:

This information is classified.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
1. Security Programs	1,535 /1	2,760	0	0.00	2,760	2,655

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$1,535	\$2,760	\$35
Operation INHERENT RESOLVE (OIR)	\$0	\$0	\$2,620
Operation Totals	\$1,535	\$2,760	\$2,655

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	2,760	2,760
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	2,760	0
Baseline Appropriation	9,158	0
Less Baseline Funding	-9,158	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	2,760	0
Reprogrammings	0	0
Price Change	0	61
Functional Transfers	0	0
Program Changes	0	-166
Line Item Consolidation	0	0
Current Estimate	2,760	2,655

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		2,760
1) Baseline Appropriations		9,158
a) Base Budget Funding	9,158	
FY 2017 Appropriated and Supplemental Funding		11,918
Revised FY 2017 Current Estimate		11,918
Less Baseline Funding		-9,158
FY 2017 Current Estimate		2,760
Price Change		61
2) Program Decreases		-166
a) Program Decreases in FY 2018		-166
i) This adjustment reflects a net decrease to classified programs.	-166	
FY 2018 OCO Budget Request		2,655

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

IV. Performance Criteria and Evaluation Summary:

Details are held at a higher classification.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	5	10	9	-1

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
630 Naval Research Laboratory	160	0	1	0	161	0	8	0	169
900 Other Purchases									
925 Equipment Purchases (Non-Fund)	112	0	2	225	339	0	7	0	346
987 Other Intra-Government Purchases	428	0	8	9	445	0	9	0	454
989 Other Services	835	0	16	929	1,780	0	36	-166	1,650
990 IT Contract Support Services	0	0	0	35	35	0	1	0	36
TOTAL 4CDP Security Programs	1,535	0	27	1,198	2,760	0	61	-166	2,655

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2018
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MAY 2017

United States Coast Guard

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Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Coast Guard Support

I. Description of Operations Financed:

This sub activity group includes funds United States Coast Guard operational support. The Coast Guard will continue to provide the Department of Defense (DOD) operational support for Overseas Contingency Operations (OCO). All DOD combatant commanders' mission assignments requiring direct Coast Guard forces and support for OCO and Sea Ports of Embarkation and Debarkation (SPOE/SPOD) security remain in effect. Specific Coast Guard activities in support of DOD requirements include the operation and maintenance of six 110 ft. Patrol Boats, and Law Enforcement Detachments (LEDETS), deployment of one Port Security Unit (PSU) detachment to Guantanamo Bay, Cuba to support maritime/counter-terrorism security operations.

II. Force Structure Summary:

The program includes six Island Class Cutters operating in CENTCOM.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Coast Guard Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. <u>Sub-Activity Group Total</u>	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Coast Guard Support	160,002	162,692	162,692	0.00	162,692	161,885
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$160,002	\$162,692	\$161,885
Operation Totals	\$160,002	\$162,692	\$161,885

B. Reconciliation Summary

	<u>Change</u> <u>FY 2017/2017</u>	<u>Change</u> <u>FY 2017/2018</u>
OCO Funding	162,692	162,692
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	162,692	0
Baseline Appropriation	0	0
Less Baseline Funding	0	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	162,692	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	-807
Line Item Consolidation	0	0
Current Estimate	162,692	161,885

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Coast Guard Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		162,692
FY 2017 Appropriated and Supplemental Funding		162,692
Revised FY 2017 Current Estimate		162,692
FY 2017 Current Estimate		162,692
Price Change		0
1) Program Decreases		-807
a) Program Decreases in FY 2018		-807
i) Decrease associated with completion of hull strength assessment of six patrol boats that support CENTCOM.	-807	
FY 2018 OCO Budget Request		161,885

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Coast Guard Support

IV. Performance Criteria and Evaluation Summary:

	FY16	FY17	FY18
Number of Island Class Patrol Boats	6	6	6
Funding Level	\$160,002	\$162,692	\$161.885

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Coast Guard Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Mobilization
Activity Group: Mobilization Preparedness
Detail by Subactivity Group: Coast Guard Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
900 Other Purchases									
987 Other Intra-Government Purchases	0	0	0	162,692	162,692	0	0	-807	161,885
TOTAL 2C3H Coast Guard Support	0	0	0	162,692	162,692	0	0	-807	161,885

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2018
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MAY 2017

Operation and Maintenance, Marine Corps

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**Department of the Navy
FY 2018 President's Budget Submission
Summary Information
Operation and Maintenance, Marine Corps**

I. Description of Operations Financed: The FY18 request prioritizes global steady state operations, forward postured and rapid crisis response and modernization in support of warfighting readiness. This is essential to develop the Marine Corps as a future 5th Generation MAGTF, increase warfighter lethality, and is the key to ensuring tomorrow's Marine Corps is trained and equipped to execute the concepts codified in the Marine Corps Operating Concept and outmatch anticipated future challenges.

The Marine Corps remains committed to Operation Freedom's Sentinel (OFS) and its role in helping to maintain security and stability as that nation strives for a democratic and prosperous future. Under OFS the Marine Corps will continue to train, advise, and assist Afghan security forces, and continue counterterrorism missions against remnants of Al-Qaeda.

Operation Inherent Resolve (OIR) includes the Marine Corps' support to U.S. Central Command (CENTCOM) in maintaining stability across the Area of Responsibility (AOR) and work with partner nations to conduct necessary strikes against Iraq and Syria as part of the comprehensive strategy to degrade and defeat the Islamic State of Iraq and Syria (ISIS).

The European Reassurance Initiative (ERI) is a Presidential initiative that will provide temporary support to bolster the security of our NATO Allies and Partners in Europe. Funds made available for the ERI will enable the United States to increase military exercises, training, and presence in Europe, especially Central and Eastern Europe; increase U.S. naval force deployments to the Black and Baltic Seas; enhance preparedness to reinforce NATO allies through the prepositioning of equipment; improve infrastructure at training and logistics facilities; and strengthen the capacity of partner states in Europe to operate alongside the United States and NATO and to defend their security. The Marine Corps request provides for increased Black Sea Rotational Force Presence and multilateral engagements, and participation in NATO Multinational Exercises, Baltic Operations Multinational Exercises, and the Cold Response Multinational Exercise. The request funds travel, training, exercise support, strategic lift, and arrival and assembly support. In addition, the request increases quantities and types of equipment stored in prepositioning locations to better allow the Marine Corps to respond to emergent missions.

II. Force Structure Summary: The FY 2018 request supports approximately 3,000 Marines and 1,000 Marine Corps Reserve members supporting Afghanistan, Iraq, and other locations in support of OFS, OIR, and ERI.

**Department of the Navy
FY 2018 President's Budget Submission
Summary Information
Operation and Maintenance, Marine Corps**

III.O-1 Line Item Summary:

O-1 Line Item Number	Budget Activity	Sub-Activity Group	Sub-Activity Group Name	FY 2016	FY 2017*	FY 2018
010	149,489	1A1A	Operational Forces	149,489	874,435	710,790
020	186,327	1A2A	Field Logistics	186,327	266,094	242,150
030	230,621	1A3A	Depot Maintenance	230,621	147,000	52,000
060	14,507	BSS1	Base Operating Support	14,507	18,576	17,529
110	20,410	3B4D	Training Support	20,410	31,750	29,421
150	26,780	4A3G	Servicewide Transportation	26,780	73,800	61,600
160	8,769	4A4G	Administration	8,769	0	0
170	2,036	4A7G	Security Programs	2,036	5,684	3,150
Appropriation Totals				638,939	1,417,339	1,116,640

Summary by Operation	FY 2016	FY 2017*	FY 2018
European Reassurance Initiative (ERI)	24,800	49,000	38,100
Operation FREEDOM'S SENTINEL (OFS)	600,818	1,024,548	923,990
Operation INHERENT RESOLVE (OIR)	13,321	43,791	96,663
Other/Bipartisan Budget Act of 2015 Compliance	0	300,000	57,887
Operations Totals	638,939	1,417,339	1,116,640

* FY 2017 reflects President's Budget request, Amended November request, plus the Request for Additional Appropriations

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Overseas Contingency Operations
OP-32A

	FY 2016 Actuals	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2018 Est.
100 Civilian Personnel Compensation											
101 Executive, General and Special Schedules	100	0	2.00 %	2	4,398	4,500	0	1.96 %	88	-4,353	235
103 Wage Board	2,269	0	1.90 %	43	-2,312	0	0	0.00 %	0	2,800	2,800
TOTAL 100 Civilian Personnel Compensation	2,369	0		45	2,086	4,500	0		88	-1,553	3,035
300 Travel											
308 Travel Of Persons	32,323	0	1.89 %	612	97,231	130,166	0	2.00 %	2,604	-21,558	111,212
TOTAL 300 Travel	32,323	0		612	97,231	130,166	0		2,604	-21,558	111,212
400 WCF Supplies											
401 DLA Energy (Fuel Products)	470	0	5.96 %	28	62,202	62,700	0	-0.40 %	-251	-27,346	35,103
411 Army Managed Supplies and Materials	0	0	0.00 %	0	0	0	0	0.00 %	0	574	574
413 Marine Corps Supply	1,093	0	-3.75 %	-41	41,646	42,698	0	2.00 %	854	-32,101	11,451
416 GSA Managed Supplies and Materials	1	0	0.00 %	0	119	120	0	1.67 %	2	806	928
417 Local Purchase Managed Supplies and Materials	0	0	0.00 %	0	51,732	51,732	0	2.00 %	1,035	-27,946	24,821
421 DLA Material Supply Chain (Clothing and Textiles)	0	0	0.00 %	0	10,957	10,957	0	0.13 %	14	-1,109	9,862
422 DLA Material Supply Chain (Medical)	0	0	0.00 %	0	9,848	9,848	0	-0.01 %	-1	15	9,862
424 DLA Material Supply Chain (Weapon Systems)	0	0	0.00 %	0	9,916	9,916	0	-0.59 %	-59	-2	9,855
TOTAL 400 WCF Supplies	1,564	0		-13	186,420	187,971	0		1,594	-87,109	102,456
500 Stock Fund Equipment											
502 Army Fund Equipment	0	0	0.00 %	0	0	0	0	0.00 %	0	137	137
503 Navy Fund Equipment	79	0	-2.53 %	-2	220	297	0	-2.36 %	-7	-23	267
506 DLA Material Supply Chain (Construction and Equipment)	0	0	0.00 %	0	88	88	0	-2.27 %	-2	248	334
507 GSA Managed Equipment	0	0	0.00 %	0	0	0	0	0.00 %	0	408	408
TOTAL 500 Stock Fund Equipment	79	0		-2	308	385	0		-9	770	1,146
600 Other WCF Purchases (Excl Transportation)											
601 Army Industrial Operations	24,577	0	-0.11 %	-27	-24,550	0	0	0.00 %	0	0	0
611 Naval Surface Warfare Center	1,051	0	3.24 %	34	-1,085	0	0	0.00 %	0	995	995

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Overseas Contingency Operations
OP-32A

	FY 2016 Actuals	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2018 Est.
633 DLA Document Services	0	0	0.00 %	0	77	77	0	-1.30 %	-1	33	109
640 Marine Corps Depot Maintenance	190,965	0	4.04 %	7,715	-51,680	147,000	0	-0.85 %	-1,249	-93,575	52,176
661 Air Force Consolidated Sustainment Activity Group	231	0	-1.30 %	-3	-228	0	0	0.00 %	0	0	0
671 DISN Subscription Services (DSS)	1,588	0	-6.99 %	-111	3,574	5,051	0	1.90 %	96	-55	5,092
TOTAL 600 Other WCF Purchases (Excl Transportation)	218,412	0		7,608	-73,892	152,128	0		-1,154	-92,602	58,372
700 Transportation											
705 AMC Channel Cargo	6,036	0	1.91 %	115	8,774	14,925	0	2.00 %	299	-2,766	12,458
708 MSC Chartered Cargo	327	0	5.20 %	17	-344	0	0	0.00 %	0	0	0
718 SDDC Liner Ocean Transportation	13,854	0	-1.90 %	-263	13,356	26,947	0	-2.80 %	-754	-3,710	22,483
719 SDDC Cargo Operation (Port Handling)	3,084	0	0.78 %	24	-578	2,530	0	1.30 %	33	-451	2,112
771 Commercial Transportation	23,502	0	1.90 %	446	70,381	94,329	0	2.00 %	1,886	-6,233	89,982
TOTAL 700 Transportation	46,803	0		339	91,589	138,731	0		1,464	-13,160	127,035
900 Other Purchases											
913 Purchased Utilities (Non-Fund)	2,171	0	1.89 %	41	5,810	8,022	0	1.99 %	160	-137	8,045
914 Purchased Communications (Non-Fund)	3,076	0	1.89 %	58	4,718	7,852	0	2.00 %	157	-561	7,448
915 Rents (Non-GSA)	4,593	0	1.92 %	88	10,054	14,735	0	2.00 %	295	-1,684	13,346
917 Postal Services (U.S.P.S)	1,393	0	1.87 %	26	-1,419	0	0	0.00 %	0	0	0
920 Supplies and Materials (Non-Fund)	52,623	0	1.90 %	1,000	179,376	232,999	0	2.00 %	4,661	-55,006	182,654
921 Printing and Reproduction	823	0	1.82 %	15	-689	149	0	2.01 %	3	221	373
922 Equipment Maintenance By Contract	70,916	0	1.90 %	1,348	73,260	145,524	0	2.00 %	2,910	-19,689	128,745
923 Facility Sustainment, Restoration, and Modernization by Contract	82	0	2.44 %	2	677	761	0	1.97 %	15	184	960
925 Equipment Purchases (Non-Fund)	5,210	0	1.90 %	99	31,126	36,435	0	2.00 %	729	-11,633	25,531
926 Other Overseas Purchases	0	0	0.00 %	0	26	26	0	3.85 %	1	557	584
930 Other Depot Maintenance (Non-Fund)	13,797	0	1.91 %	263	-13,618	442	0	2.04 %	9	-44	407
932 Management and Professional Support Services	20,378	0	1.90 %	388	19,416	40,182	0	2.00 %	803	5,200	46,185
933 Studies, Analysis, and evaluations	0	0	0.00 %	0	2,104	2,104	0	2.00 %	42	-2,146	0
934 Engineering and Technical Services	1,603	0	1.81 %	29	3,694	5,326	0	2.01 %	107	-1,389	4,044
955 Medical Care	-364	0	4.12 %	-15	1,383	1,004	0	3.88 %	39	-560	483

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Overseas Contingency Operations
OP-32A

	FY 2016 Actuals	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2018 Est.
964 Subsistence and Support of Persons	610	0	1.80 %	11	1,653	2,274	0	1.98 %	45	-271	2,048
987 Other Intra-Government Purchases	46,733	0	1.90 %	887	18,515	66,135	0	2.00 %	1,324	101	67,560
989 Other Services	113,745	0	1.90 %	2,162	123,581	239,488	0	2.00 %	4,790	-19,307	224,971
TOTAL 900 Other Purchases	337,389	0		6,402	459,667	803,458	0		16,090	-106,164	713,384
 TOTAL	 638,939	 0		 14,991	 763,409	 1,417,339	 0		 20,677	 -321,376	 1,116,640

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operational Forces

I. Description of Operations Financed:

The Operational Forces compose the core element of the Marine Corps, the Marine Air Ground Task Force (MAGTF). They form the forward presence, crisis response, and fighting power available to Combatant Commanders. These funds finance unit level training and routine operations; maintenance and repair of organic ground equipment; routine supplies; travel, per diem, and emergency leave; communications; replenishment and replacement of both unit and individual equipment; and other routine contingency support costs. OCO funding finances a portion of the baseline requirement.

II. Force Structure Summary:

This sub-activity group provides funding in support of the following:

- A.** Command Element (CE). Encompasses the headquarters element for all composite MAGTFs and includes staff components to support intelligence, communication, administration, command and control, resource management, acquisition, operations planning, and execution functions. The CE provides mission specific guidance and resources to the three combat elements—Ground, Logistics, and Air—and coordinates with the combatant commander or joint task force commander for roles and mission guidance when deployed.
- B.** Ground Combat Element (GCE). Provides task organized combat forces to the MAGTF from an infantry battalion and supporting units to an infantry division, commensurate with the mission requirement. The GCE is the largest element of the MAGTF and provides capabilities to support infantry, artillery, reconnaissance, heavy and light armor, amphibious assault, engineering, and other supporting functions. The spectrum of training inherent in the GCE allows it to quickly respond to multiple missions by escalating force levels from non-kinetic relief and rescue operations to security operations or by conducting cooperative training operations with host nations or full-scale combat operations.
- C.** Air Combat Element (ACE). Provides fixed and rotary wing aircraft organic to the MAGTF in support of the six functions of aviation: assault support, anti-aircraft warfare, offensive air support, electronic warfare, aircraft and missile control, and aerial reconnaissance. Funding supports general administrative costs to Marine Corps aviation units and personnel not engaged in direct aircraft maintenance and repair. Included in this area is support necessary for command and control of aviation operations and related activities residing at the squadron, group, and wing headquarters.
- D.** Logistics Combat Element (LCE). Provides scalable, task organized logistics support elements to fulfill logistics functions to the MAGTF that are not organic to the CE, GCE, and ACE. Functions include communications, combat engineering, motor transportation, medical and dental, supply and finance, maintenance, air delivery, and landing support.
- E.** Other Combat Support (OCS). Provides additional mission support via capabilities such as Cyberspace Defense, Chemical, Biological, Radiological, and Nuclear (CBRN) response operations, Security Forces Regiment, and Marine Special Operations Command (MARSOC) support to USSOCOM. Also supports combatant commander's joint/coalition exercises, bilateral training, and security assistance through exercises such as Black Sea Rotational Force, Southern Partnership Station, and African Partnership Station.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operational Forces

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
A. <u>Sub-Activity Group Total</u>						
1. Operational Forces	149,489	874,435	0	0.00	874,435	710,790
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
European Reassurance Initiative (ERI)	\$24,800	\$49,000	\$38,100
Operation FREEDOM'S SENTINEL (OFS)	\$121,240	\$496,181	\$556,717
Operation INHERENT RESOLVE (OIR)	\$3,449	\$29,254	\$58,086
Other/Bipartisan Budget Act of 2015 Compliance	\$0	\$300,000	\$57,887
Operation Totals	\$149,489	\$874,435	\$710,790

B. Reconciliation Summary

	<u>Change</u> <u>FY 2017/2017</u>	<u>Change</u> <u>FY 2017/2018</u>
OCO Funding	874,435	874,435
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	874,435	0
Baseline Appropriation	674,613	0
Less Baseline Funding	-674,613	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	874,435	0
Reprogrammings	0	0
Price Change	0	15,318
Functional Transfers	0	58,000
Program Changes	0	-236,963
Line Item Consolidation	0	0
Current Estimate	874,435	710,790

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operational Forces

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		874,435
1) Baseline Appropriations		674,613
a) Base Budget Funding	674,613	
2) Enacted Security Assistance Appropriation Act, (P.L. 114-254)		0
a) Enacted Security Assistance Appropriation Act, (P.L. 114-254)	-180,546	
b) Restore Enacted Security Assistance Appropriation Act, (P.L. 114-254)	180,546	
FY 2017 Appropriated and Supplemental Funding		1,549,048
Revised FY 2017 Current Estimate		1,549,048
Less Baseline Funding		-674,613
FY 2017 Current Estimate		874,435
Price Change		15,318
3) Transfers		58,000
a) Transfers In		58,000
i) Special Purpose Marine Air Ground Task Force (SPMAGTF). Transfer of all costs associated with SPMAGTF Crisis Response Africa (SPMAGTF-CR-AF) and SPMAGTF Crisis Response Central Command (SPMAGTF-CR-CC) to the FY 2018 Overseas Contingency Operations (OCO) budget request.	58,000	
4) Program Increases		90,685
a) Program Increase in FY 2018		90,685
i) Operation Freedom's Sentinel (OFS). Increase supports all costs related to OFS operations. These costs include: temporary duty for individual augmentee (IA) travel; replenishment of individual consumable explosive ordnance disposal (EOD) equipment and supplies; replacement/replenishment of authorized medical/dental allowance lists (AMAL/ADAL); service support of reserve component activation/deactivation; replacement/replenishment of body armor; training (including pre-deployment training); service-common travel, consumables, services, and contracts required for SPMAGTF operations; intermediate/organizational level maintenance and secondary reparables management; contractor logistics support; communication equipment and related contract support; counter improvised explosive device (IED) training; and airlift transportation and logistics in theater.	50,805	
ii) Operation Inherent Resolve (OIR). Increase supports all costs related to increased OIR operations. These costs include: temporary duty for travel to/from theater; training (including pre-deployment training); service-common travel, consumables, services, and contracts; communication equipment and related contract support; and transportation of personnel and equipment. Funding also supports operational costs associated with the updated force management level.	27,495	
iii) European Reassurance Initiative (ERI). Increase provides for incremental costs to support presence of a Combined Arms	11,452	

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operational Forces

	<u>(\$ in Thousands)</u>	
C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
Company and Black Sea Rotational Force (BSRF). These include life support for personnel such utilities, billeting, and facilities maintenance. Also includes augments of Information Operations teams to MARFOREUR for rapid planning for operations in accordance with COCOM OP Plans and exercises.		
iv) ERI Mission Partner Environment. Increase supports building partnership capacity using C4I at HQ with hardware and network upgrades. Provides funding to support installation of a coalition network for 200 users in the MARFOREUR/AF Headquarters building. This would allow increased interoperability for the command as part of a coalition command structure.	800	
v) Civilian Personnel. Increase supports civilian personnel premium pay for MARCENT employees who fulfill a vital role in contingency operations throughout the U.S. Central Command (CENTCOM) area of responsibility.	133	
5) Program Decreases		-327,648
a) Program Decreases in FY 2018		-327,648
i) ERI Joint Exercises. Decrease reflects the removal of joint exercise funding from the Marine Corps specific account in order to be managed at the Department level. FY17 joint exercise funding for Marine Corps forces was \$6,100.	-6,216	
ii) ERI Marine Corps Prepositioning Program - Norway (MCPN). This reflects a decrease in scope of participation in multilateral exercises.	-17,700	
iii) Title IX Transfer. The FY 2017 total includes an increase in funding to support travel, consumables, services, and contracts associated with mission support via the Marine Division, Marine Aircraft Wing, Marine Logistics Group, and Marine Expeditionary Unit Capability programs requirements funded in the Overseas Contingency Operations to comply with the Bipartisan Budget Act of 2015. Decrease reflects the restoration to the baseline budget.	-303,732	
FY 2018 OCO Budget Request		710,790

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operational Forces

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operational Forces

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	299	1,113	1,076	-37

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operational Forces

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	100	0	2	-2	100	0	2	133	235
300 Travel									
308 Travel Of Persons	20,401	0	387	107,452	128,240	0	2,565	-21,381	109,424
400 WCF Supplies									
401 DLA Energy (Fuel Products)	470	0	28	62,202	62,700	0	-251	-27,346	35,103
411 Army Managed Supplies and Materials	0	0	0	0	0	0	0	574	574
413 Marine Corps Supply	1,093	0	-41	41,646	42,698	0	854	-32,101	11,451
416 GSA Managed Supplies and Materials	1	0	0	119	120	0	2	806	928
417 Local Purchase Managed Supplies and Materials	0	0	0	51,732	51,732	0	1,035	-27,946	24,821
421 DLA Material Supply Chain (Clothing and Textiles)	0	0	0	10,957	10,957	0	14	-1,109	9,862
422 DLA Material Supply Chain (Medical)	0	0	0	9,848	9,848	0	-1	15	9,862
424 DLA Material Supply Chain (Weapon Systems)	0	0	0	9,916	9,916	0	-59	-2	9,855
500 Stock Fund Equipment									
502 Army Fund Equipment	0	0	0	0	0	0	0	137	137
503 Navy Fund Equipment	79	0	-2	220	297	0	-7	-23	267
506 DLA Material Supply Chain (Construction and Equipment)	0	0	0	88	88	0	-2	248	334
507 GSA Managed Equipment	0	0	0	0	0	0	0	408	408
600 Other WCF Purchases (Excl Transportation)									
611 Naval Surface Warfare Center	0	0	0	0	0	0	0	995	995
633 DLA Document Services	0	0	0	77	77	0	-1	33	109
640 Marine Corps Depot Maintenance	0	0	0	0	0	0	0	176	176
671 DISN Subscription Services (DSS)	1,588	0	-111	3,359	4,836	0	92	-39	4,889
700 Transportation									
718 SDDC Liner Ocean Transportation	0	0	0	11	11	0	0	-11	0
771 Commercial Transportation	20,023	0	380	44,517	64,920	0	1,298	-783	65,435
900 Other Purchases									
913 Purchased Utilities (Non-Fund)	2,060	0	39	5,673	7,772	0	155	-118	7,809
914 Purchased Communications (Non-Fund)	881	0	17	3,466	4,364	0	87	-153	4,298
915 Rents (Non-GSA)	3,442	0	66	9,327	12,835	0	257	-1,539	11,553
920 Supplies and Materials (Non-Fund)	43,329	0	823	174,778	218,930	0	4,379	-52,950	170,359
921 Printing and Reproduction	0	0	0	149	149	0	3	221	373

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operational Forces

Change from FY 2016 to FY 2017

Change from FY 2017 to FY 2018

Inflation Categories	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	FY 2018 Est.
922 Equipment Maintenance By Contract	17,094	0	325	51,388	68,807	0	1,376	-6,188	63,995
923 Facility Sustainment, Restoration, and Modernization by Contract	0	0	0	761	761	0	15	184	960
925 Equipment Purchases (Non-Fund)	79	0	2	27,774	27,855	0	557	-11,162	17,250
926 Other Overseas Purchases	0	0	0	26	26	0	1	557	584
930 Other Depot Maintenance (Non-Fund)	0	0	0	442	442	0	9	-44	407
932 Management and Professional Support Services	4,497	0	86	12,190	16,773	0	335	5,162	22,270
933 Studies, Analysis, and evaluations	0	0	0	1,942	1,942	0	39	-1,981	0
934 Engineering and Technical Services	882	0	16	3,403	4,301	0	86	-1,390	2,997
955 Medical Care	-364	0	-15	1,383	1,004	0	39	-560	483
964 Subsistence and Support of Persons	610	0	11	1,653	2,274	0	45	-271	2,048
987 Other Intra-Government Purchases	3,530	0	67	13,983	17,580	0	352	692	18,624
989 Other Services	29,694	0	565	71,821	102,080	0	2,042	-2,207	101,915
TOTAL 1A1A Operational Forces	149,489	0	2,645	722,301	874,435	0	15,318	-178,963	710,790

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Field Logistics

I. Description of Operations Financed:

The Field Logistics sub-activity group provides resources necessary for overall weapon systems management and logistical support required to meet the operational needs of the Marine Corps. This sub-activity group includes lifecycle management and sustainment, technical support of weapon systems acquisition, quality assurance overview, and implementation of service-wide provisioning. Field Logistics also supports research, design, and development of Marine Corps personal protective equipment. OCO funding finances a portion of the baseline requirement.

II. Force Structure Summary:

The Field Logistics sub-activity group provides resources necessary for overall weapon systems management and logistical support required to meet the operational needs of the entire Marine Corps. The resources in this sub-activity group funds the operations described above at U.S. Marine Corps Logistics Command, U.S. Marine Corps Systems Command, Marine Corps Combat Development Command, and Headquarters Marine Corps.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Field Logistics

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017	FY 2018
A. <u>Sub-Activity Group Total</u>	Actuals	Budget Request	Current Estimate
1. Field Logistics	186,327	266,094	242,150
	/1	0	

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$186,327	\$257,241	\$206,723
Operation INHERENT RESOLVE (OIR)	\$0	\$8,853	\$35,427
Operation Totals	\$186,327	\$266,094	\$242,150

B. Reconciliation Summary

	<u>Change</u> <u>FY 2017/2017</u>	<u>Change</u> <u>FY 2017/2018</u>
OCO Funding	266,094	266,094
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	266,094	0
Baseline Appropriation	947,424	0
Less Baseline Funding	-947,424	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	266,094	0
Reprogrammings	0	0
Price Change	0	5,322
Functional Transfers	0	0
Program Changes	0	-29,266
Line Item Consolidation	0	0
Current Estimate	266,094	242,150

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Field Logistics

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		266,094
1) Baseline Appropriations		947,424
a) Base Budget Funding	947,424	
FY 2017 Appropriated and Supplemental Funding		1,213,518
Revised FY 2017 Current Estimate		1,213,518
Less Baseline Funding		-947,424
FY 2017 Current Estimate		266,094
Price Change		5,322
2) Program Increases		2,079
a) Program Increase in FY 2018		2,079
i) OIR C4. Increase supports the use of Ground-Based Operational Surveillance System (GBOSS). GBOSS funding includes spares and repairs for highly specialized cameras and sensor equipment; integration support from FSRs who provide technical expertise at multiple locations in theater; program support to include database management, Information Assurance updates, and inventory management activities critical to maintaining GBOSS Authority to Operate and preserving positive inventory control of GBOSS assets; and logistics and sustainment support. Increase also supports USMC Crew Systems, MAGTF Command and Control, Information Surveillance and Reconnaissance, Expeditionary Logistics, GBOSS, and the Consolidated Storage Program in support of the updated Force Management Levels (FML).	1,265	
ii) OFS Operations. Increase supports operations, maintenance, sustainment, Field Service Representatives (FSR), and trainers for Ground-Based Operational Surveillance Systems (G-BOSS).	479	
iii) OFS Counter IED. Increase supports the family of Counter Radio-controlled Improvised Explosive Device Electronic Warfare (CREW) systems and a critical defensive electronic attack capability to counter Radio-Controlled Improvised Explosive Devices (RCIED). CREW systems are man-portable backpack and vehicle-mounted active/reactive electronic countermeasure systems designed to counter high- and low-powered RCIEDs. Increase provides contractor support, repairable spares for both vehicle-mounted and dismounted systems, FSR Support, Information Assurance, and technical instructions development for all CREW systems.	335	
3) Program Decreases		-31,345
a) Program Decreases in FY 2018		-31,345
i) OFS Clothing and Other Personnel Equipment and Supplies. Decrease is due to a reduction in orders for the replacement of Improved Load Bearing Equipment, a series of configurable pouches, packs, and holsters designed to provide a stable platform for the individual carriage of equipment and supplies by Marine infantry personnel.	-103	
ii) OFS Other Supplies and Equipment. Funding decrease can be attributed to a reduction in sustainment and interim Contractor	-698	

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Field Logistics

	<u>(\$ in Thousands)</u>	
C. <u>Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
Logistics support, software licensing and maintenance, contracted sustainment support, and refurbishment and inventory management.		
iii) OFS Other Transportation. Decrease reflects reduced requirements for Defense Logistics Agency (DLA) services, to include the distribution, receipt, and storage of Marine Corps equipment.	-722	
iv) Civilian Personnel. Decrease of required civilian pay for Marine Corps Logistics Command (MCLC) managed liaisons supporting in-theater repair, rotation of stocks, emergency and planned teleconferences, logistics planning, formulating strategies for deficient stock, rotation of equipment necessary for replenishment and sustainment, loading and off-loading of containers, providing technical assistance, and trouble shooting. The decrease is commensurate with a reduced reset OPTEMPO.	-1,686	
v) OFS Contract Services. Decrease is due to a reduction in support for the handling, storage, transportation, and tracking of consumable and secondary repairable items, as well as asset tracking for the Marine Corps Serialized Small Arms Program. Decrease also reflects a reduction in contractor support to the Consolidated Storage Program, which manages the issue, storage, requisition, and maintenance of certain types of equipment, removing the burden of management from the operating forces. This equipment includes Infantry Combat Equipment, Chemical/Biological/Radiological/Nuclear Defense Equipment, Special Training Allowance Pool Equipment, and soft-walled shelters and camouflage netting.	-1,712	
vi) OFS MRAP Vehicles Equipment Maintenance. Decrease reflects reduction in MRAP maintenance and sustainment. The reduction is commensurate with a decreased reset OPTEMPO.	-3,608	
vii) OFS C4I. Decrease reflects reductions in C4I associated with exercises, FSR support, and contractor logistics support.	-5,760	
viii) OFS Contractor Logistics Support. Decrease in contractor services for the storage, inventory tracking, labeling, and kitting of assets returning from theater, and their preparation for shipment back to home station units from remote storage areas at Marine Corps Logistics Command.	-17,056	
FY 2018 OCO Budget Request		242,150

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Field Logistics

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Field Logistics

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	831	1,152	1,000	-152

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Field Logistics

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	0	0	0	4,400	4,400	0	86	-4,486	0
103 Wage Board	2,269	0	43	-2,312	0	0	0	2,800	2,800
300 Travel									
308 Travel Of Persons	10	0	0	16	26	0	1	0	27
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	8,253	0	157	3,625	12,035	0	241	19	12,295
922 Equipment Maintenance By Contract	53,779	0	1,022	21,896	76,697	0	1,534	-13,500	64,731
925 Equipment Purchases (Non-Fund)	2,435	0	46	999	3,480	0	70	5	3,555
932 Management and Professional Support Services	15,881	0	302	7,226	23,409	0	468	38	23,915
934 Engineering and Technical Services	721	0	13	291	1,025	0	21	1	1,047
987 Other Intra-Government Purchases	27,868	0	529	12,367	40,764	0	816	65	41,645
989 Other Services	75,111	0	1,427	27,720	104,258	0	2,085	-14,208	92,135
TOTAL 1A2A Field Logistics	186,327	0	3,539	76,228	266,094	0	5,322	-29,266	242,150

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Depot Maintenance

I. Description of Operations Financed:

This sub-activity group finances the depot maintenance (major repair/rebuild) of active Marine Corps ground equipment. Depot Maintenance programs fund the overhaul, repair, and maintenance of combat vehicles, automotive equipment, construction equipment, electronics and communications systems, missiles, and ordnance/weapons/munitions performed at both public (DoD) and private (contractor) facilities. Repair and rebuild are accomplished on a coordinated schedule to help manage and maintain the materiel readiness of the equipment inventory necessary to support the operational needs of the Marine Corps. Items programmed for repair are screened to ensure that a valid stock requirement exists and that the repair or rebuild of the equipment is the most cost effective means of satisfying the requirement. This program is closely coordinated with the Procurement, Marine Corps appropriation to ensure that the combined repair and procurement program provides a balanced level of attainment and maintenance of inventory objectives for major equipment. Thus, the specified items are updated annually on the basis of current applicable cost factors at the performing activities.

II. Force Structure Summary:

Marine Corps depot maintenance is accomplished via multiple sources of repair. Organic facilities include production plants located at Albany, GA, and Barstow, CA, managed under the Marine Depot Maintenance Command (MDMC). Inter-service work is performed at various Air Force, Navy, and Army maintenance activities. A small portion of Marine Corps depot maintenance is performed at private contractor facilities.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Depot Maintenance

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016	Budget	Congressional	Action	Current	FY 2018
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Depot Maintenance	230,621	147,000	0	0.00	147,000	52,000
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$230,621	\$147,000	\$52,000
Operation Totals	\$230,621	\$147,000	\$52,000

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	147,000	147,000
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	147,000	0
Baseline Appropriation	206,783	0
Less Baseline Funding	-206,783	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	147,000	0
Reprogrammings	0	0
Price Change	0	-1,249
Functional Transfers	0	0
Program Changes	0	-93,751
Line Item Consolidation	0	0
Current Estimate	147,000	52,000

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Depot Maintenance

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		147,000
1) Baseline Appropriations		206,783
a) Base Budget Funding	206,783	
FY 2017 Appropriated and Supplemental Funding		353,783
Revised FY 2017 Current Estimate		353,783
Less Baseline Funding		-206,783
FY 2017 Current Estimate		147,000
Price Change		-1,249
2) Program Decreases		-93,751
a) Program Decreases in FY 2018		-93,751
i) OFS Depot Level Maintenance. Decrease reflects reduced depot maintenance requirements as reset efforts near completion.	-93,751	
FY 2018 OCO Budget Request		52,000

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Depot Maintenance

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Depot Maintenance

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	79	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Depot Maintenance

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
601 Army Industrial Operations	24,577	0	-27	-24,550	0	0	0	0	0
611 Naval Surface Warfare Center	1,051	0	34	-1,085	0	0	0	0	0
640 Marine Corps Depot Maintenance	190,965	0	7,715	-51,680	147,000	0	-1,249	-93,751	52,000
661 Air Force Consolidated Sustainment Activity Group	231	0	-3	-228	0	0	0	0	0
900 Other Purchases									
930 Other Depot Maintenance (Non-Fund)	13,797	0	263	-14,060	0	0	0	0	0
TOTAL 1A3A Depot Maintenance	230,621	0	7,982	-91,603	147,000	0	-1,249	-93,751	52,000

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

I. Description of Operations Financed:

Base Operating Support (BOS) finances base support, administrative services, and civilian labor. BOS enables activities associated with supporting the Marine Corps' most valuable assets - the individual Marine and family members. These activities constitute the core business model that includes the three major functional areas and associated sub-functional areas:

1. Operating Forces Support

Operating Forces Support encompasses operations and training support activities that enable mission ready, launch recovery and reset platforms for combat readiness. These areas include behavioral health, collateral equipment, environmental services, facilities services and asset management, family care, morale and welfare, information and technology management, installations support to include utilities, and safety. Training support includes range management, simulation support, and airfield operations.

2. Warrior and Family Support

Warrior and Family Support encompasses various activities that foster the welfare of individual Marines and their families under three sub-functional areas: 1) Child and Youth programs; 2) Morale, Welfare, and Recreation (MWR) programs; and 3) Warfighter and Family Services (WFS) programs. Child and Youth programs provide maximum access to useful, flexible, and affordable programs focused on social, recreational, and child development programs. MWR programs ensure high quality and consistent community support to promote individual Marine readiness and family well-being. WFS activities provide personal and professional learning opportunities to increase awareness for personal and family development.

3. Command Support

Command Support encompasses the traditional base support functions of facility support, housing, public safety, information technology, logistics support, and command and staff support. This includes various activities required to maintain real property and land to include maintenance, utilities, and environmental conservation and compliance. Public safety functions allow the Marine Corps to fulfill its statutory requirements to protect the life, health, and safety of its personnel. This is achieved through force protection, fire & rescue, Occupational Safety & Health Administration (OSHA), and tactical safety activities. Critical infrastructure includes information technology which encompasses voice, data services, and ground electronics. Logistics support services provide for garrison transportation, supply and procurement operations, and food services. Finally, command and staff support services finance functions such as installation financial and military or civilian manpower management, legal services, and religious services.

Overseas Contingency Operations (OCO) funding supports baseline requirements and incremental increases in the above areas, but most specifically behavioral health and certain pre-deployment training costs at installations.

II. Force Structure Summary:

This sub-activity group provides funding to ensure adequate operational support, facilities, and equipment are provided to support the Marine Corps mission. Funding supports operations for Marine Corps Installations under the purview of Marine Corps Installations Command (MCICOM): Marine Corps Bases (MCBs), Marine Corps Air Stations (MCASs), Marine Corps Logistics Bases (MCLBs), Marine Corps Recruit Depots (MCRDs), the Marine Corps Air Ground Combat Center (MCAGCC), the Marine Air Ground Task Force Training Command (MAGTF-TC), and the Marine Corps Mountain Warfare Training Center (MCMW-TC).

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

MCI - EAST		MCI - WEST		MCI - PACIFIC	
Florida	Blount Island Command	Arizona	MCAS Yuma	Hawaii	MCB Hawaii
Georgia	MCLB Albany	California	MCLB Barstow	Japan	MCB Butler
North Carolina	MCB Camp Lejeune		MCB Camp Pendleton		MCAS Iwakuni
	MCAS Cherry Point		MCAGCC 29 Palms		MCAS Futenma
	MCAS New River		MCRD San Diego		MCB Fuji
South Carolina			MCAS Miramar	South Korea	MCB Camp Mujuk
	MCAS Beaufort		MCMW-TC Bridgeport		
	MCRD Parris Island				
NATIONAL CAPITAL REGION					
		DC / Virginia	Marine Barracks 8th & I		
			MCB Quantico		
			MCAF Quantico		

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
A. <u>Sub-Activity Group Total</u>	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
1. Base Operating Support	14,507 /1	18,576	0	0.00	18,576	17,529

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$14,507	\$18,576	\$17,529
Operation Totals	\$14,507	\$18,576	\$17,529

B. Reconciliation Summary

	<u>Change</u> <u>FY 2017/2017</u>	<u>Change</u> <u>FY 2017/2018</u>
OCO Funding	18,576	18,576
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	18,576	0
Baseline Appropriation	2,136,626	0
Less Baseline Funding	-2,136,626	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	18,576	0
Reprogrammings	0	0
Price Change	0	371
Functional Transfers	0	0
Program Changes	0	-1,418
Line Item Consolidation	0	0
Current Estimate	18,576	17,529

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		18,576
1) Baseline Appropriations		2,136,626
a) Base Budget Funding	2,136,626	
FY 2017 Appropriated and Supplemental Funding		2,155,202
Revised FY 2017 Current Estimate		2,155,202
Less Baseline Funding		-2,136,626
FY 2017 Current Estimate		18,576
Price Change		371
2) Program Decreases		-1,418
a) Program Decreases in FY 2018		-1,418
i) OFS Facilities/Base. Decrease in funding to support low-level radio communications systems maintenance contract at Chocolate Mountain (AZ/CA) and Barry M. Goldwater (AZ) bombing ranges used to train and prepare units for deployments.	-1,418	
FY 2018 OCO Budget Request		17,529

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	67	62	-5

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	1,086	0	20	-1,106	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
671 DISN Subscription Services (DSS)	0	0	0	215	215	0	4	-16	203
900 Other Purchases									
913 Purchased Utilities (Non-Fund)	111	0	2	137	250	0	5	-19	236
914 Purchased Communications (Non-Fund)	159	0	3	-162	0	0	0	0	0
915 Rents (Non-GSA)	1,151	0	22	727	1,900	0	38	-145	1,793
920 Supplies and Materials (Non-Fund)	895	0	17	-912	0	0	0	0	0
923 Facility Sustainment, Restoration, and Modernization by Contract	82	0	2	-84	0	0	0	0	0
987 Other Intra-Government Purchases	11,023	0	209	-7,021	4,211	0	84	-321	3,974
989 Other Services	0	0	0	12,000	12,000	0	240	-917	11,323
TOTAL BSS1 Base Operating Support	14,507	0	275	3,794	18,576	0	371	-1,418	17,529

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Training Support

I. Description of Operations Financed:

The Training Support Program (TSP) funds critical Marine Corps training programs to ensure combat readiness across the warfighting functions. This includes training ranges, training support equipment, simulator training programs, formal school training, training battalions, warfare training groups, cultural language training, security cooperation and education training, the Marine Air Ground Task Force Staff Training Support Program (MSTP), and other core training functions.

OCO funding finances a portion of the baseline requirement. Marine Corps OCO funding support the following specialized programs:

The Counter Improvised Explosive Device (C-IED) Training Program, which consists of development and sustainment of standardized training packages and courseware for individual, collective, and staff C-IED training to include Defeat the Device and Attack the Network aspects, C-IED Common Skill Training at the entry and intermediate level, pre-deployment training for deploying units and individual augments, and refinement of courseware and training packages in response to evolving enemy threats.

Operations and tactics instruction, which includes the design, execution, and assessment of Marine Air-Ground Task Force and major subordinate element-level training and exercises in a live-virtual-constructive, joint, combined, interagency and full-spectrum warfare environment.

The Marine Corps Center for Lessons Learned (MCCLL), which actively collects and analyzes observations, insights and lessons to produce and disseminate lessons learned materials in support of the planning and execution processes for operations and exercises, and the combat development process.

The Squad Immersive Training Environment (SITE), which is a construct focused on training squads for the contemporary operating environment. This program provides the commander an integrated toolkit to better train infantry squads by leveraging live and virtual technologies.

Operational culture and foundational language training for the Marine Corps.

II. Force Structure Summary:

The force structure in this subactivity group is managed by Training and Education Command (TECOM), Quantico, VA and includes Training Command, Center for Advanced Operational Culture Learning, MAGTF Training Command, and Marine Corps Center for Lessons Learned.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Training Support

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
1. Training Support	20,410	31,750	0	0.00	31,750	29,421
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$20,410	\$31,750	\$29,421
Operation Totals	\$20,410	\$31,750	\$29,421

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	31,750	31,750
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	31,750	0
Baseline Appropriation	369,979	0
Less Baseline Funding	-369,979	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	31,750	0
Reprogrammings	0	0
Price Change	0	635
Functional Transfers	0	0
Program Changes	0	-2,964
Line Item Consolidation	0	0
Current Estimate	31,750	29,421

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Training Support

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		31,750
1) Baseline Appropriations		369,979
a) Base Budget Funding	369,979	
FY 2017 Appropriated and Supplemental Funding		401,729
Revised FY 2017 Current Estimate		401,729
Less Baseline Funding		-369,979
FY 2017 Current Estimate		31,750
Price Change		635
2) Program Decreases		-2,964
a) Program Decreases in FY 2018		-2,964
i) OFS Training. Reduction reflects a decrease in costs related to culture and language instructors, regional analysts, social science researchers, and curriculum developers as efficiencies are created by the Marine Corps efforts to maximize the opportunities for already trained and experienced Marines to instruct their peers.	-2,964	
FY 2018 OCO Budget Request		29,421

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Training Support

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Training Support

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	51	119	108	-11

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Training and Recruiting
Activity Group: Basic Skills And Advanced Training
Detail by Subactivity Group: Training Support

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	4,273	0	81	-2,454	1,900	0	38	-177	1,761
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	146	0	3	-149	0	0	0	0	0
922 Equipment Maintenance By Contract	43	0	1	-24	20	0	0	-1	19
925 Equipment Purchases (Non-Fund)	2,696	0	51	2,353	5,100	0	102	-476	4,726
987 Other Intra-Government Purchases	4,312	0	82	-814	3,580	0	72	-335	3,317
989 Other Services	8,940	0	170	12,040	21,150	0	423	-1,975	19,598
TOTAL 3B4D Training Support	20,410	0	388	10,952	31,750	0	635	-2,964	29,421

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Transportation

I. Description of Operations Financed:

This sub-activity group funds transportation of Marine Corps major end items, supplies and materials through the most economical mode to meet Department of Defense (DoD) in-transit standards of the Uniform Materiel Movement and Issue Priority System. Second Destination Transportation (SDT) resources support the costs of ground ammunition movements, Military Traffic Management Command (MTMC) Annual Contingency Charge, MTMC Annual Traffic Management Charge, Defense Logistics Agency over-ocean transportation movements, depot maintenance movements, Marine Corps Exchange over-ocean movements, Defense Reutilization and Marketing Office movements, equipment rebuild, remanufacture and testing movements. It also funds prepositioning of Marine Corps owned materiel and equipment to forward operating bases and cooperative security locations. All resources in this program either reimburse the US Transportation Command Working Capital Fund or pay for commercial transportation carrier services. Servicewide transportation finances SDT shipments for regular and emergency readiness materiel including ammunition, chemicals, medicine, subsistence, Army or Air Force Post Office mail, and repair parts. Servicewide transportation also provides transportation services, predominately from Air Mobility Command (AMC), Military Sealift Command (MSC), and the Surface Deployment and Distribution Command (SDDC), which are DoD working capital fund transportation activities.

II. Force Structure Summary:

Servicewide transportation supports SDT requirements for movement of major end items, supplies and materials in support of the operating forces worldwide.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Transportation

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Servicewide Transportation	26,780 /1	73,800	0	0.00	73,800	61,600

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$18,944	\$73,800	\$61,600
Operation INHERENT RESOLVE (OIR)	\$7,836	\$0	\$0
Operation Totals	\$26,780	\$73,800	\$61,600

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	73,800	73,800
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	73,800	0
Baseline Appropriation	34,534	0
Less Baseline Funding	-34,534	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	73,800	0
Reprogrammings	0	0
Price Change	0	166
Functional Transfers	0	0
Program Changes	0	-12,366
Line Item Consolidation	0	0
Current Estimate	73,800	61,600

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Transportation

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. Reconciliation of Increases and Decreases		
FY 2017 Budget OCO Request		73,800
1) Baseline Appropriations		34,534
a) Base Budget Funding	34,534	
FY 2017 Appropriated and Supplemental Funding		108,334
Revised FY 2017 Current Estimate		108,334
Less Baseline Funding		-34,534
FY 2017 Current Estimate		73,800
Price Change		166
2) Program Increases		-12,366
a) Program Increase in FY 2018		-12,366
i) OFS Second Destination Transportation. Decrease reflects a reduced reset OPTEMPO, lowering the overall equipment transportation requirement.	-12,366	
FY 2018 OCO Budget Request		61,600

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Transportation

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Transportation

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Servicewide Transportation

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
700 Transportation									
705 AMC Channel Cargo	6,036	0	115	8,774	14,925	0	299	-2,766	12,458
708 MSC Chartered Cargo	327	0	17	-344	0	0	0	0	0
718 SDDC Liner Ocean Transportation	13,854	0	-263	13,345	26,936	0	-754	-3,699	22,483
719 SDDC Cargo Operation (Port Handling)	3,084	0	24	-578	2,530	0	33	-451	2,112
771 Commercial Transportation	3,479	0	66	25,864	29,409	0	588	-5,450	24,547
TOTAL 4A3G Servicewide Transportation	26,780	0	-41	47,061	73,800	0	166	-12,366	61,600

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

I. Description of Operations Financed:

Headquarters, Marine Corps (HQMC) consists of the Commandant of the Marine Corps and those staff agencies that assist and support him in the discharge of his lawfully prescribed responsibilities, pursuant to Title 10 USC. The Commandant is the principal advisor to the Secretary of the Navy on Marine Corps matters, which include but are not limited to administration, policy development, plans and programs, audit, prioritizing requirements, training, discipline, internal organization, resource management, efficiency, operations, and the overall readiness of the force.

Costs financed include HQMC civilian salaries and benefits, automated data processing, printing and reproduction, personnel travel expenses, civilian training, equipment purchases and maintenance, communications, Defense Finance and Accounting Service (DFAS), the Marine Corps Embassy Security Group, and Pentagon Reservation.

II. Force Structure Summary:

The force structure supported by this sub-activity group includes immediate special assistance and staff agencies of the Commandant of the Marine Corps as well as associated support of Marine Corps operating forces providing oversight and support.

The force structure supported by this sub-activity group includes the HQMC Staff Agencies:

- Assistant Commandant of the Marine Corps
- Counsel for the Commandant
- Deputy Commandant (DC), Aviation
- DC, Command, Control, Communications, and Computers
- DC, Installations & Logistics
- DC, Combat Development and Integration
- DC, Manpower & Reserve Affairs
- DC, Plans, Policies & Operations
- DC, Programs & Resources
- Legislative Assistant to the Commandant of the Marine Corps
- Staff Judge Advocate to the Commandant/Director Joint Affairs Division
- Director, Administration & Resource Management Division
- Director, Expeditionary Energy Office
- Director, Intelligence
- Director, Marine Corps Staff
- Director, Office of Marine Corps Communications
- Director, Safety

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
A. <u>Sub-Activity Group Total</u>	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
1. Administration	8,769 /1	0	0	0.00	0	0

Summary of Operation	FY 2016	FY 2017	FY 2018
N/A	\$8,769	\$0	\$0
Operation Totals	\$8,769	\$0	\$0

B. Reconciliation Summary

	<u>Change FY 2017/2017</u>	<u>Change FY 2017/2018</u>
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	355,932	0
Less Baseline Funding	-355,932	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	0
Current Estimate	0	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		355,932
a) Base Budget Funding	355,932	
FY 2017 Appropriated and Supplemental Funding		355,932
Revised FY 2017 Current Estimate		355,932
Less Baseline Funding		-355,932
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Administration

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	6,553	0	124	-6,677	0	0	0	0	0
900 Other Purchases									
917 Postal Services (U.S.P.S)	1,393	0	26	-1,419	0	0	0	0	0
921 Printing and Reproduction	823	0	15	-838	0	0	0	0	0
TOTAL 4A4G Administration	8,769	0	165	-8,934	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Security Programs

I. Description of Operations Financed:

This sub-activity group provides funding to support Security Programs.

II. Force Structure Summary:

This information is classified.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Security Programs

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2018 Estimate
1. Security Programs	2,036 /1	5,684	0	0.00	5,684	3,150

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation INHERENT RESOLVE (OIR)	\$2,036	\$5,684	\$3,150
Operation Totals	\$2,036	\$5,684	\$3,150

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	5,684	5,684
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	5,684	0
Baseline Appropriation	47,520	0
Less Baseline Funding	-47,520	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	5,684	0
Reprogrammings	0	0
Price Change	0	114
Functional Transfers	0	0
Program Changes	0	-2,648
Line Item Consolidation	0	0
Current Estimate	5,684	3,150

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Security Programs

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		5,684
1) Baseline Appropriations		47,520
a) Base Budget Funding	47,520	
FY 2017 Appropriated and Supplemental Funding		53,204
Revised FY 2017 Current Estimate		53,204
Less Baseline Funding		-47,520
FY 2017 Current Estimate		5,684
Price Change		114
2) Program Decreases		-2,648
a) Program Decreases in FY 2018		-2,648
i) Security Programs. Decrease of funds in classified programs.	-2,648	
FY 2018 OCO Budget Request		3,150

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Security Programs

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Security Programs

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	1	0	-1

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Administration and Service-Wide Activities
Activity Group: Servicewide Support
Detail by Subactivity Group: Security Programs

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
900 Other Purchases									
914 Purchased Communications (Non-Fund)	2,036	0	38	1,414	3,488	0	70	-408	3,150
920 Supplies and Materials (Non-Fund)	0	0	0	2,034	2,034	0	41	-2,075	0
933 Studies, Analysis, and evaluations	0	0	0	162	162	0	3	-165	0
TOTAL 4A7G Security Programs	2,036	0	38	3,610	5,684	0	114	-2,648	3,150

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DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2018
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MAY 2017

Operation and Maintenance, Navy Reserve

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Department of the Navy
FY 2018 President's Budget Submission
Summary Information
Operation and Maintenance, Navy Reserve

- I. Description of Operations Financed:** Operation Enduring Freedom/Operation Freedom's Sentinel (OEF/OFS) includes the Department of the Navy's continuing support for efforts to track down terrorists and provide stability, primarily to operations in the Middle East. These objectives also include destroying terrorist training camps and infrastructure, capturing Al Qaeda leaders, stopping terrorist activities, and preventing the re-emergence of international terrorist organizations. Support costs include operations for Carrier Strike Groups, Expeditionary Strike Groups, associated aircraft operations, activation of reserve personnel and units, Individual Augmentees (IA), fuel consumption and spare parts, maintenance supporting equipment usage, deployment of medical capabilities, extended communications and intelligence support, and related transportation costs. Funds also support Yellow Ribbon Reintegration Program (YRRP) which is a DoD-wide effort to connect Reserve service members and their families with local resources for health care, education/training opportunities, financial, and legal needs before, during, and after deployments. YRRP also provides sailors and their families/significant others support services and resources that provide a myriad of support structures during phases of deployment.
- II. Force Structure Summary:** Navy reservists deploy in support of Overseas Contingency Operations (OCO) serving as IAs and as members of Seabee units, Security forces, Medical units, and other units critical to success in OEF/OFS. Sailors are conducting maritime infrastructure protection, explosive ordnance disposal, combat construction engineering, cargo handling, combat logistics, maritime security, customs inspections, detainee operations, civil affairs, base operations and other forward presence activities. Approximately 3,200 Navy Reservists will be mobilized to support contingency operations for FY 2018 objectives. In collaboration with the U.S. Coast Guard, Navy reservists also conduct critical port operations, port and oil platform security, and maritime interdiction operations.

**Department of the Navy
FY 2018 President's Budget Submission
Summary Information
Operation and Maintenance, Navy Reserve**

III. O-1 Line Item Summary:

O-1 Line Item Number	Budget Activity	Sub-Activity Group	Sub-Activity Group Name	FY 2016	FY 2017*	FY 2018
010	01	1A1A	Mission and Other Flight Operations	3,758	0	0
020	01	1A3A	Intermediate Maintenance	11	0	0
030	01	1A5A	Aircraft Depot Maintenance	20,300	16,500	14,964
050	01	1A9A	Aviation Logistics	0	2,522	0
100	01	1C6C	Combat Support Forces	7,336	7,243	9,016
Appropriation Totals				31,405	26,265	23,980

Summary by Operation	FY 2016	FY 2017*	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	31,405	26,265	23,980
Operations Totals	31,405	26,265	23,980

* FY 2017 reflects President's Budget request, Amended November request, plus the Request for Additional Appropriations

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Overseas Contingency Operations
OP-32A

	FY 2016 Actuals	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2018 Est.
300 Travel											
308 Travel Of Persons	399	0	2.01 %	8	610	1,017	0	1.97 %	20	-642	395
TOTAL 300 Travel	399	0		8	610	1,017	0		20	-642	395
 400 WCF Supplies											
401 DLA Energy (Fuel Products)	2,176	0	6.02 %	131	-2,307	0	0	0.00 %	0	541	541
412 Navy Managed Supplies and Materials	439	0	3.87 %	17	3,480	3,936	0	-0.28 %	-11	-2,263	1,662
416 GSA Managed Supplies and Materials	707	0	1.84 %	13	-720	0	0	0.00 %	0	736	736
TOTAL 400 WCF Supplies	3,322	0		161	453	3,936	0		-11	-986	2,939
 500 Stock Fund Equipment											
503 Navy Fund Equipment	511	0	5.68 %	29	-540	0	0	0.00 %	0	0	0
TOTAL 500 Stock Fund Equipment	511	0		29	-540	0	0		0	0	0
 600 Other WCF Purchases (Excl Transportation)											
613 Naval Fleet Readiness Centers (Aviation)	18,125	0	17.03 %	3,087	-21,212	0	0	0.00 %	0	14,959	14,959
661 Air Force Consolidated Sustainment Activity Group	0	0	0.00 %	0	11,921	11,921	0	2.61 %	311	-12,232	0
TOTAL 600 Other WCF Purchases (Excl Transportation)	18,125	0		3,087	-9,291	11,921	0		311	2,727	14,959

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Overseas Contingency Operations
OP-32A

	FY 2016 Actuals	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth %	Price Growth	Prog Growth	FY 2018 Est.
900 Other Purchases											
920 Supplies and Materials (Non-Fund)	180	0	2.22 %	4	-84	100	0	2.00 %	2	-2	100
922 Equipment Maintenance By Contract	7	0	0.00 %	0	-7	0	0	0.00 %	0	2,941	2,941
923 Facility Sustainment, Restoration, and Modernization by Contract	722	0	1.94 %	14	-736	0	0	0.00 %	0	0	0
925 Equipment Purchases (Non-Fund)	418	0	1.91 %	8	-426	0	0	0.00 %	0	435	435
929 Aircraft Reworks by Contract	2,175	0	1.89 %	41	4,885	7,101	0	2.00 %	142	-7,238	5
930 Other Depot Maintenance (Non-Fund)	0	0	0.00 %	0	0	0	0	0.00 %	0	479	479
964 Subsistence and Support of Persons	461	0	1.95 %	9	21	491	0	2.04 %	10	17	518
987 Other Intra-Government Purchases	657	0	1.83 %	12	180	849	0	2.00 %	17	-507	359
989 Other Services	850	0	1.88 %	16	-16	850	0	2.00 %	17	-17	850
990 IT Contract Support Services	3,578	0	1.90 %	68	-3,646	0	0	0.00 %	0	0	0
TOTAL 900 Other Purchases	9,048	0		172	171	9,391	0		188	-3,892	5,687
 TOTAL	 31,405	 0		 3,457	 -8,597	 26,265	 0		 508	 -2,793	 23,980

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

I. Description of Operations Financed:

The Commander, Naval Air Force Reserve flying hour program funds Navy Reserve and Marine Corps Reserve air operations from flying hours to specialized training, maintenance, and associated support programs. This includes day-to-day aviation operations and unit operational activities, organizational (O-level) and intermediate (I-level) maintenance activities, contracted aviation maintenance services, unit and operational training, engineering and logistics support, and administrative support for Wing staffs. Flying hour funding is provided to maintain an adequate level of readiness, enabling Reserve Component aviation forces to operate, maintain, and deploy aviation forces in support of the National Military Strategy.

OCO funding supports incremental flying hours for Reserve units participating in Operations Inherent Resolve (OIR) and Freedom's Sentinel (OFS), and other warfighting missions as assigned. The OCO program also funds organizational- and intermediate-maintenance efforts required to reset naval aviation assets that have been directly impacted by these missions, including the replacement of critical Flight Control Surfaces for all models of F/A-18s.

II. Force Structure Summary:

The Naval Air Force Reserve consists of one Logistics Support Wing (twelve squadrons), one Tactical Support Wing (five squadrons), one Maritime Support Wing (four squadrons), and two integrated Helicopter Mine Countermeasures squadrons. The Navy Reserve provides one hundred percent of Navy's organic lift through the Logistics Support Wing. The Fourth Marine Aircraft Wing consists of eleven squadrons and supporting units that are also funded through the Naval Air Force Reserve Flying Hour Program.

	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>
Primary Aircraft Authorized (PAA) for Naval Air Force Reserve (End of FY):			
Total Force	244	275	284
Navy Reserve	141	143	142
Marine Corps Reserve	103	132	142

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
A. Sub-Activity Group Total						
1. Mission and Other Flight Operations	3,758	0	0	0.00	0	0
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$3,758	\$0	\$0
Operation Totals	\$3,758	\$0	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	526,190	0
Less Baseline Funding	-526,190	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	0
Current Estimate	0	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		526,190
a) Base Budget Funding	526,190	
FY 2017 Appropriated and Supplemental Funding		526,190
Revised FY 2017 Current Estimate		526,190
Less Baseline Funding		-526,190
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

IV. Performance Criteria and Evaluation Summary:

Not Applicable

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
400 WCF Supplies									
401 DLA Energy (Fuel Products)	2,176	0	131	-2,307	0	0	0	0	0
412 Navy Managed Supplies and Materials	439	0	17	-456	0	0	0	0	0
500 Stock Fund Equipment									
503 Navy Fund Equipment	511	0	29	-540	0	0	0	0	0
900 Other Purchases									
987 Other Intra-Government Purchases	632	0	12	-644	0	0	0	0	0
TOTAL 1A1A Mission and Other Flight Operations	3,758	0	189	-3,947	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Intermediate Maintenance

I. Description of Operations Financed:

Reserve Engineering Technical Services - This program provides on-site technical information, instruction and training (formal and on the job) to aviation maintenance personnel at the organizational and intermediate levels of maintenance for a network of 23 detachments dispersed worldwide. The purpose of the training is to elevate the technical knowledge and skills of Navy and Marine aviation maintenance technicians in the installation, maintenance, repair and operation of all types of aviation equipment and associated support equipment. Engineering Technical Services tasks are performed by Contractor Engineering Technical Service (CETS) and Navy Engineering Technical Service (NETS) personnel.

OCO funding provides support to Reserve units participating in Operations Inherent Resolve (OIR) and Freedom's Sentinel (OFS), and other warfighting missions as assigned.

II. Force Structure Summary:

The Naval Air Force Reserve consists of one Logistics Support Wing (twelve squadrons), one Tactical Support Wing (five squadrons), one Maritime Support Wing (four squadrons), and two integrated Helicopter Mine Countermeasures squadrons. The Navy Reserve provides one hundred percent of Navy's organic lift through the Logistics Support Wing. The Fourth Marine Aircraft Wing consists of eleven squadrons and supporting units that are also funded through the Naval Air Force Reserve Flying Hour Program.

	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>

Primary Aircraft Authorized (PAA) for Naval Air Force Reserve (End of FY):

Total Force	244	275	284
Navy Reserve	141	143	142
Marine Corps Reserve	103	132	142

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Intermediate Maintenance

III. Financial Summary (\$ in Thousands):

	FY 2016	FY 2017				FY 2018
A. Sub-Activity Group Total	Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	Estimate
1. Intermediate Maintenance	11 /1	0	0	0.00	0	0

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$11	\$0	\$0
Operation Totals	\$11	\$0	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	0	0
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	0	0
Baseline Appropriation	6,714	0
Less Baseline Funding	-6,714	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	0	0
Reprogrammings	0	0
Price Change	0	0
Functional Transfers	0	0
Program Changes	0	0
Line Item Consolidation	0	0
Current Estimate	0	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Intermediate Maintenance

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
1) Baseline Appropriations		6,714
a) Base Budget Funding	6,714	
FY 2017 Appropriated and Supplemental Funding		6,714
Revised FY 2017 Current Estimate		6,714
Less Baseline Funding		-6,714
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Intermediate Maintenance

IV. Performance Criteria and Evaluation Summary:
Not Applicable

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Intermediate Maintenance

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Intermediate Maintenance

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	4	0	0	-4	0	0	0	0	0
900 Other Purchases									
922 Equipment Maintenance By Contract	7	0	0	-7	0	0	0	0	0
TOTAL 1A3A Intermediate Maintenance	11	0	0	-11	0	0	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

I. Description of Operations Financed:

The Aircraft Depot Maintenance program funds repairs, overhauls and inspections within available capacity to ensure sufficient aircraft quantities are available for operational units. The readiness-based model determines airframe and engine maintenance requirements based on the squadron inventory authorization necessary to execute assigned missions.

Airframe Rework – This program provides inspection, maintenance and emergent repairs of Reserve aircraft. Through periodic depot level maintenance activities, aircraft major structures and airframe systems are maintained in a safe flyable condition. Depot maintenance is currently being performed under both the Integrated Maintenance Concept (IMC) and the Phase Depot Maintenance (PDM) programs. The goals of these programs are to improve readiness while reducing operating and support costs. The IMC concept uses Planned Maintenance Intervals (PMI), performing more frequent depot maintenance, with smaller work packages, reducing out of service time. Currently, the C-130, FA-18, V-22, H-1, H-53, H-60, and P-3 aircraft programs have been incorporated under IMC. The PDM concept is used with the F-5 aircraft. OCO funding finances a portion of the baseline requirement.

Engine Rework - The engine rework program accomplishes the repair, modification and overhaul of aircraft engines, gearboxes and torque meters. The program objective is to return depot-repairable engines to ready-for-issue (RFI) status to support Reserve aircraft and Reserve engine pool requirements. Under the Reliability Centered Maintenance (RCM) Program, engines are repaired at the lowest echelon of maintenance possible. Only engines beyond the repair capability of intermediate maintenance activities are scheduled for induction into the depots. Engine field team assistance is included in this budget submission to provide on-site depot level maintenance on an as-needed basis. Repair and replacement of these aircraft engines are a direct result of the incremental hours flown during CENTCOM AOR operations.

Components - The component repair program supports the depot-level repair of aeronautical components for the aircraft systems and equipment under Contractor Logistics Support (CLS). CLS support is provided for weapon systems and equipment that will be commercially supported for the life-of-type, special programs, and projects that do not have an established material support date (MSD). Repair and replacement of these aircraft components are a direct result of incremental hours flown during CENTCOM AOR operations.

II. Force Structure Summary:

The Naval Air Force Reserve consists of one Logistics Support Wing (twelve squadrons), one Tactical Support Wing (five squadrons), one Maritime Support Wing (four squadrons), and two integrated Helicopter Mine Countermeasures squadrons. The Navy Reserve provides one hundred percent of Navy's organic lift through the Logistics Support Wing. The Fourth Marine Aircraft Wing consists of eleven squadrons and supporting units that are also funded through the Naval Air Force Reserve Flying Hour Program.

FY2016 FY2017 FY2018

Primary Aircraft Authorized (PAA) for Naval Air Force Reserve (End of FY):

Total Force	244	275	284
Navy Reserve	141	143	142
Marine Corps Reserve	103	132	142

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	FY 2017	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Congressional Amount	Percent	Estimate	Estimate
1. Aircraft Depot Maintenance	20,300	16,500	0	0.00	16,500	14,964
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$20,300	\$16,500	\$14,964
Operation Totals	\$20,300	\$16,500	\$14,964

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	16,500	16,500
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	16,500	0
Baseline Appropriation	91,417	0
Less Baseline Funding	-91,417	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	16,500	0
Reprogrammings	0	0
Price Change	0	109
Functional Transfers	0	0
Program Changes	0	-1,645
Line Item Consolidation	0	0
Current Estimate	16,500	14,964

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		16,500
1) Baseline Appropriations		91,417
a) Base Budget Funding	91,417	
FY 2017 Appropriated and Supplemental Funding		107,917
Revised FY 2017 Current Estimate		107,917
Less Baseline Funding		-91,417
FY 2017 Current Estimate		16,500
Price Change		109
2) Program Decreases		-1,645
a) Program Decreases in FY 2018		-1,645
i) Decrease of 1 airframe availability, as well as cost adjustments due to changing workload and unit cost mix for Phase Depot Maintenance (PDM), Planned Maintenance Interval (PMI) events, and Air Worthiness Inspections.	-1,645	
FY 2018 OCO Budget Request		14,964

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

IV. Performance Criteria and Evaluation Summary:
Airframe Availabilities

\$M	2016			2017			2018	
TMS	Units	Funding		Units	Funding		Units	Funding
C-130T	1	\$3.761		2	\$5.743		2	\$7.579
C-40A	1	\$1.814		2	\$4.568		0	\$0.000
EMER REPAIRS	0	\$0.360		0	\$0.011		0	\$0.005
FA-18A	1	\$0.242		0	\$0.000		0	\$0.000
HH-60H	1	\$0.752		0	\$0.000		1	\$0.868
KC-130T	3	\$11.101		2	\$6.178		1	\$3.663
MH-53E	1	\$2.270		0	\$0.000		0	\$0.000
P-3C	0	\$0.000		0	\$0.000		1	\$2.849
Total Airframes	8	\$20.300		6	\$16.500		5	\$14.964

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	12	26	0	-26

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aircraft Depot Maintenance

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
600 Other WCF Purchases (Excl Transportation)									
613 Naval Fleet Readiness Centers (Aviation)	18,125	0	3,087	-21,212	0	0	0	14,959	14,959
661 Air Force Consolidated Sustainment Activity Group	0	0	0	11,921	11,921	0	311	-12,232	0
900 Other Purchases									
929 Aircraft Reworks by Contract	2,175	0	41	2,363	4,579	0	92	-4,666	5
TOTAL 1A5A Aircraft Depot Maintenance	20,300	0	3,128	-6,928	16,500	0	403	-1,939	14,964

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

I. Description of Operations Financed:

The aviation logistics program provides Navy Reserve and Marine Corps Reserve aviation programs a budget line item for contractor logistics support (CLS) and performance-based logistics (PBL) contracts. CLS is the performance of maintenance and/or materiel management functions for a DoD system by a commercial activity. PBL is the purchase of support as an integrated, performance package designed to optimize system readiness and meet performance goals for a weapon system through long-term support arrangements with clear lines of authority and responsibility. The MV-22 power-by-the-hour (PBtH) contractor provides engine sustainment on a flight-hour basis that includes all material required for depot engine and component repair. The KC-130J PBtH contractor provides all the parts support required in the performance of depot-level maintenance both scheduled and unscheduled for the engine and propeller systems.

OCO funding provides support to Reserve units participating in Operations Inherent Resolve (OIR) and Freedom's Sentinel (OFS), and other warfighting missions as assigned.

II. Force Structure Summary:

The Aviation Logistics Reserve program is performed both commercially and organically supporting MV-22 and KC-130J United States Marine Corps Reserve squadrons.

	FY2016	FY2017	FY2018
	<u>PAA</u>	<u>PAA</u>	<u>PAA</u>
KC-130J PAA	6	7	8
MV-22 PAA	16	20	24

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016	Budget	Congressional	Action	Current	FY 2018
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Aviation Logistics	0	2,522	0	0.00	2,522	0
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$0	\$2,522	\$0
Operation Totals	\$0	\$2,522	\$0

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	2,522	2,522
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	2,522	0
Baseline Appropriation	10,189	0
Less Baseline Funding	-10,189	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	2,522	0
Reprogrammings	0	0
Price Change	0	50
Functional Transfers	0	0
Program Changes	0	-2,572
Line Item Consolidation	0	0
Current Estimate	2,522	0

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		2,522
1) Baseline Appropriations		10,189
a) Base Budget Funding	10,189	
FY 2017 Appropriated and Supplemental Funding		12,711
Revised FY 2017 Current Estimate		12,711
Less Baseline Funding		-10,189
FY 2017 Current Estimate		2,522
Price Change		50
2) Program Decreases		-2,572
a) Program Decreases in FY 2018		-2,572
i) Decrease in funding for Reserve MV-22 due to no deployment in FY 2018.	-2,572	
FY 2018 OCO Budget Request		0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

IV. Performance Criteria and Evaluation Summary:

	FY 2016	FY 2017	FY 2018
(\$ in thousands)	<u>Cost</u>	<u>Cost</u>	<u>Cost</u>
KC-130J CLS	0	0	0
KC-130J Power-by-the-Hour	0	0	0
KC-130J Total	0	0	0
 MV-22 Power-by-the-Hour	 0	 2,522	 0
MV-22 Total	0	2,522	0
 1A9A Total	 0	 2,522	 0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	0	14	0	-14

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Aviation Logistics

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
900 Other Purchases									
929 Aircraft Reworks by Contract	0	0	0	2,522	2,522	0	50	-2,572	0
TOTAL 1A9A Aviation Logistics	0	0	0	2,522	2,522	0	50	-2,572	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Support Forces

I. Description of Operations Financed:

Funding is provided for the readiness and peacetime support of combat support forces of Navy Expeditionary Combat Command (NECC) as well as the operations of the Navy Reserve Force headquarters and its subordinate commands.

Navy Expeditionary Combat Command (NECC): NECC serves as the single functional command for the Navy's expeditionary forces and as central management for the readiness, resources, manning, training and equipping of those forces to execute combat, combat support, and combat service support missions across the full spectrum of naval, joint and combined operations. Funds provide for the logistic delivery system for the initial outfitting, modernization, re-capitalization and Integrated Logistic Support (ILS) for the Reserve Component of Expeditionary forces. OCO funding finances a portion of the baseline requirement.

Commander Navy Reserve Forces Headquarters: Resources the operation of the Chief of Navy Reserve (Office of the Chief of Navy Reserve), Commander, Navy Reserve Forces Command headquarters, and the Reserve Component of the Chief of Naval Operations (OPNAV) staff. These Commands provide policy, control, administration, and management direction to include the management of all resources (manpower, hardware, and facilities) that maintain an optimum training posture and mobilization-ready Navy Reserve Force. Funding also provides civilian salaries and administrative support. The OPNAV staff advises and assists the Chief of Naval Operations in the discharge of his responsibilities as the principal advisor and executive of the Navy to the Secretary of the Navy on the conduct of the activities of the Department of the Navy, and as the Navy member of the Joint Chiefs of Staff. The OPNAV Support Activity performs functions of an operational nature that support the Chief of Naval Operations Staff Offices. OCO funding supports:

1. NECC incremental theater operations. Incremental funding includes the operational cost of mobilized Reserve units, in-theater operational cost of intelligence functions that are not part of the baseline Global Force Management requirement, and depot-level repair of equipment degraded during operations.
2. The Yellow Ribbon Reintegration Program (YRRP), a DoD-wide effort to connect Reserve service members and their families with local resources for health care, education/training opportunities, financial, and legal needs before, during, and after deployments. Provides sailors and their families/significant others support services and resources that provide a myriad of support structures during phases of deployment.

II. Force Structure Summary:

Navy Expeditionary Combat Command: The Reserve Component expeditionary forces are integrated with the Active Component forces to provide a continuum of capabilities unique to the maritime environment within the NECC. Blending the AC and RC brings strength to the force and is an important part of the Navy's ability to carry out the Naval Maritime Strategy from blue water into green and brown water and in direct support of the Joint Force. The Navy Reserve trains and equips approximately half of the Sailors supporting NECC missions, including naval construction, maritime expeditionary security, expeditionary logistics (cargo handling battalions), expeditionary intelligence, and other mission capabilities seamlessly integrated with operational forces around the world.

Reserve Activity Support: 132 Navy Reserve facilities including 123 Navy Operational Support Centers (NOSCs). The mission of these commands is to support training for over 48,897 Selected Reservists located in geographically dispersed locations throughout CONUS and overseas. Supported functions include administrative support funds, contract berthing, contract physicals, dental exams, organizational clothing, Reserve specific training, Information Technology (IT) legacy support, long distance toll calls, and cell phones.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Support Forces

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2018 Estimate
1. Combat Support Forces	7,336 /1	7,243	0	0.00	7,243	9,016

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$7,336	\$7,243	\$9,016
Operation Totals	\$7,336	\$7,243	\$9,016

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	7,243	7,243
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	7,243	0
Baseline Appropriation	109,053	0
Less Baseline Funding	-109,053	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	7,243	0
Reprogrammings	0	0
Price Change	0	136
Functional Transfers	0	0
Program Changes	0	1,637
Line Item Consolidation	0	0
Current Estimate	7,243	9,016

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Support Forces

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		7,243
1) Baseline Appropriations		109,053
a) Base Budget Funding	109,053	
FY 2017 Appropriated and Supplemental Funding		116,296
Revised FY 2017 Current Estimate		116,296
Less Baseline Funding		-109,053
FY 2017 Current Estimate		7,243
Price Change		136
2) Program Increases		1,664
a) Program Increase in FY 2018		1,664
i) Increase in fuel, spare parts, consumable components utilized for pre-deployment maintenance and training to sustain mission operations in the Commander Fifth Fleet (C5F) AOR such as Material Handling, Coastal Riverine port security, and Navy construction project support by ensuring that equipment and components are mission ready, to include: inspection and repair of system components, hydraulics, local fabrication and manufacturing of parts, and preventative maintenance.	1,664	
3) Program Decreases		-27
a) Program Decreases in FY 2018		-27
i) Decrease in supplies, travel, and other services in support of Yellow Ribbon events.	-27	
FY 2018 OCO Budget Request		9,016

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Support Forces

IV. Performance Criteria and Evaluation Summary:

<u>Program (\$K)</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
NECC	\$ 5,450	\$ 5,407	\$ 7,153
Yellow Ribbon Program	\$ 1,886	\$ 1,836	\$ 1,863
Total	\$ 7,336	\$ 7,243	\$ 9,016

	FY 2016	FY 2017	FY 2018
Navy Expeditionary Combat Command (NECC)			
Navy Expeditionary Combat Command	4	3	3
Naval Construction Force (NCF/Seabees)			
Mobile Construction Battalions	5	5	5
Naval Construction Regiments	2	2	2
Coastal Riverine Force (CRF formally MESF)			
Coastal Riverine Squadrons	4	4	4
Naval Expeditionary Logistics Support Group (NAVELSG)			
Cargo Handling Battalions	6	6	6
Explosive Ordnance Disposal (EOD)			
Explosive Ordnance Platoons	0	0	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Support Forces

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	32	8	26	18

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Navy Reserve
Budget Activity: Operating Forces
Activity Group: Combat Operations/Support
Detail by Subactivity Group: Combat Support Forces

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	395	0	8	614	1,017	0	20	-642	395
400 WCF Supplies									
401 DLA Energy (Fuel Products)	0	0	0	0	0	0	0	541	541
412 Navy Managed Supplies and Materials	0	0	0	3,936	3,936	0	-11	-2,263	1,662
416 GSA Managed Supplies and Materials	707	0	13	-720	0	0	0	736	736
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	180	0	4	-84	100	0	2	-2	100
922 Equipment Maintenance By Contract	0	0	0	0	0	0	0	2,941	2,941
923 Facility Sustainment, Restoration, and Modernization by Contract	722	0	14	-736	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	418	0	8	-426	0	0	0	435	435
930 Other Depot Maintenance (Non-Fund)	0	0	0	0	0	0	0	479	479
964 Subsistence and Support of Persons	461	0	9	21	491	0	10	17	518
987 Other Intra-Government Purchases	25	0	0	824	849	0	17	-507	359
989 Other Services	850	0	16	-16	850	0	17	-17	850
990 IT Contract Support Services	3,578	0	68	-3,646	0	0	0	0	0
TOTAL 1C6C Combat Support Forces	7,336	0	140	-233	7,243	0	55	1,718	9,016

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2018
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MAY 2017

Operation and Maintenance, Marine Corps Reserve

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Department of the Navy
FY 2018 President's Budget Submission Summary
Information
Operation and Maintenance, Marine Corps Reserve

I. Description of Operations Financed: The FY18 request prioritizes global steady state operations, forward postured and rapid crisis response and modernization in support of warfighting readiness. This is essential to develop the Marine Corps as a future 5th Generation MAGTF, increase warfighter lethality, and is the key to ensuring tomorrow's Marine Corps is trained and equipped to execute the concepts codified in the Marine Corps Operating Concept and outmatch anticipated future challenges. Funds will pay for Yellow Ribbon Reintegration Program, behavioral health, travel, transportation of equipment, maintenance, replenishment and replacement of consumable parts, and special training contracts expressly used to support pre-mobilization training requirements.

The Marine Corps remains committed to Operation Freedom's Sentinel (OFS) and its role in helping to maintain security and stability as that nation strives for a democratic and prosperous future. Under OFS the Marine Corps will continue to train, advise, and assist Afghan security forces, and continue counterterrorism missions against remnants of Al-Qaeda.

II. Force Structure Summary: In FY 2018, Marine Corps Forces Reserve (MARFORRES) will mobilize, train, and deploy approximately 1,000 Reserve members to support rotations in Afghanistan in support of OFS and other U.S. Central Command (CENTCOM) missions.

III. O-1 Line Item Summary:

O-1 Line Item Number	Budget Activity	Sub-Activity Group	Sub-Activity Group Name	FY 2016	FY 2017*	FY 2018
010	1A	1A1A	Operational Forces	2,503	2,500	2,548
060	01	BSS1	Base Operating Support	732	804	819
Appropriation Totals				3,235	3,304	3,367

Summary by Operation	FY 2016	FY 2017*	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	3,235	3,304	3,367
Operations Totals	3,235	3,304	3,367

* FY 2017 reflects President's Budget request, Amended November request, plus the Request for Additional Appropriations

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps Reserve
Overseas Contingency Operations
OP-32A

	FY 2016	For	Price	Price	Prog	FY 2017	For	Price	Price	Prog	FY 2018
	Actuals	Curr	Growth %	Growth	Growth	Est.	Curr	Growth %	Growth	Growth	Est.
300 Travel											
308 Travel Of Persons	1,883	0	1.96 %	37	80	2,000	0	2.00 %	40	-3	2,037
TOTAL 300 Travel	1,883	0		37	80	2,000	0		40	-3	2,037
900 Other Purchases											
920 Supplies and Materials (Non-Fund)	600	0	1.83 %	11	-11	600	0	2.00 %	12	0	612
989 Other Services	752	0	1.99 %	15	-63	704	0	1.99 %	14	0	718
TOTAL 900 Other Purchases	1,352	0		26	-74	1,304	0		26	0	1,330
TOTAL	3,235	0		63	6	3,304	0		66	-3	3,367

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps Reserve
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operating Forces

I. Description of Operations Financed:

This line item supports the day-to-day costs to train and support the Marine Forces Reserve (MFR). Programs within this line item include funding for materiel readiness, purchase and replacement of expense type items authorized by unit training allowances, local repair of equipment, training centers, and embarkation materials for training and preparation for mobilization. Operational Forces provide funding for annual exercise training in preparation for deployments such as Desert Fire Exercises, the Weapons and Tactics Instructor Course (WTI), and mountain warfare training. It also provides resources for equipment and ammunition shipments, essential travel, contract billeting, Maintenance Contact Teams (MCT), inspections, travel, recurring services such as Reserve Health Assessments, Contractor Engineering Technical Services (CETS), equipment calibration, Global Command & Control System (GCCS) technicians, consumables, reproduction and equipment replacement/replenishment.

Overseas Contingency Operations (OCO) funding specifically supports the incremental costs in the above programs related to deployed operations.

II. Force Structure Summary:

This line item funds the daily operating costs incurred in sustaining MFR units, Fourth Marine Division, Fourth Marine Aircraft Wing, Fourth Marine Logistics Group, Fourth Force Headquarters Group, and Headquarters Battalion to accomplish the MFR mission of providing trained units to selectively augment the active forces.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps Reserve
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operating Forces

III. Financial Summary (\$ in Thousands):

		FY 2017				
A. Sub-Activity Group Total	FY 2016 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2018 Estimate
1. Operating Forces	2,503 /1	2,500	0	0.00	2,500	2,548

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$2,503	\$2,500	\$2,548
Operation Totals	\$2,503	\$2,500	\$2,548

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	2,500	2,500
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	2,500	0
Baseline Appropriation	94,154	0
Less Baseline Funding	-94,154	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	2,500	0
Reprogrammings	0	0
Price Change	0	50
Functional Transfers	0	0
Program Changes	0	-2
Line Item Consolidation	0	0
Current Estimate	2,500	2,548

1/ Figure represent certified Cost of War actuals

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps Reserve
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operating Forces

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		2,500
1) Baseline Appropriations		94,154
a) Base Budget Funding	94,154	
FY 2017 Appropriated and Supplemental Funding		96,654
Revised FY 2017 Current Estimate		96,654
Less Baseline Funding		-94,154
FY 2017 Current Estimate		2,500
Price Change		50
2) Program Decreases		-2
a) Program Decreases in FY 2018		-2
i) OFS Training. Decrease in travel expenses.	-2	
FY 2018 OCO Budget Request		2,548

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps Reserve
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operating Forces

IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps Reserve
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operating Forces

V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	2	2	2	0

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps Reserve
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Operating Forces

VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	1,500	0	29	-29	1,500	0	30	-2	1,528
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	600	0	11	-11	600	0	12	0	612
989 Other Services	403	0	8	-11	400	0	8	0	408
TOTAL 1A1A Operating Forces	2,503	0	48	-51	2,500	0	50	-2	2,548

Department of the Navy
FY 2018 President's Budget Submission
Operation and Maintenance, Marine Corps Reserve
Budget Activity: Operating Forces
Activity Group: Base Support
Detail by Subactivity Group: Base Operating Support

I. Description of Operations Financed:

Base Operating Support (BOS) funds support activities associated with supporting the Marine Corps' most valuable assets - the individual Marine and family members. The following activities identify the three major functional areas of the Reserve component's BOS operations:

1. Operating Forces Support

Operating Forces Support encompasses operations and training support activities that enable mission ready, launch recovery and reset platforms for combat readiness. These areas include behavioral health, collateral equipment, environmental services, facilities services and asset management, family care, morale and welfare, information and technology management, installations support to include utilities, and safety. Training support includes range management, simulation support, and airfield operations.

2. Warrior and Family Support

Warrior and Family Support encompasses various activities that foster the welfare of individual Marines and their families under three sub-functional areas: 1) Child and Youth programs; 2) Morale, Welfare, and Recreation (MWR) programs; and 3) Warfighter and Family Services (WFS) programs. Child and Youth programs provide maximum access to useful, flexible, and affordable programs focused on social, recreational, and child development programs. MWR programs ensure high quality and consistent community support to promote individual Marine readiness and family well-being. WFS activities provide personal and professional learning opportunities to increase awareness for personal and family development.

3. Command Support

Command Support encompasses the traditional base support functions of facility support, housing, public safety, information technology, logistics support, and command and staff support. This includes various activities required to maintain real property and land to include maintenance, utilities, and environmental conservation and compliance. The Reserve component is often a tenant on installations. Funding of these activities is required by Interservice Support Agreements. Public safety functions allow the Marine Corps to fulfill its statutory requirements to protect the life, health, and safety of its personnel. This is achieved through force protection, fire & rescue, Occupational Safety & Health Administration (OSHA), and tactical safety activities. Critical infrastructure includes information technology which encompasses voice, data services, and ground electronics. Logistics support services provide for garrison transportation, supply and procurement operations, and food services. Finally, command and staff support services finance functions such as installation financial and military or civilian manpower management, legal services, and religious services.

Overseas Contingency Operations (OCO) funds specifically support programs in the Operating Forces and Warrior and Family Support such as behavioral health, Yellow Ribbon and other Marine Reserve Forces programs.

II. Force Structure Summary:

Funding supports operations for the Marines and families stationed and training with the Marine Forces Reserve, Headquarters Battalion, New Orleans, LA, and reserve installations across the United States.

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III. Financial Summary (\$ in Thousands):

	FY 2016	Budget	Congressional	Action	Current	FY 2018
A. Sub-Activity Group Total	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Base Operating Support	732	804	0	0.00	804	819
	/1					

Summary of Operation	FY 2016	FY 2017	FY 2018
Operation FREEDOM'S SENTINEL (OFS)	\$732	\$804	\$819
Operation Totals	\$732	\$804	\$819

B. Reconciliation Summary

	Change FY 2017/2017	Change FY 2017/2018
OCO Funding	804	804
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	804	0
Baseline Appropriation	111,550	0
Less Baseline Funding	-111,550	0
Fact-of-Life Changes (CY to CY)	0	0
Subtotal OCO Funding	804	0
Reprogrammings	0	0
Price Change	0	16
Functional Transfers	0	0
Program Changes	0	-1
Line Item Consolidation	0	0
Current Estimate	804	819

1/ Figure represent certified Cost of War actuals

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	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2017 Budget OCO Request		804
1) Baseline Appropriations		111,550
a) Base Budget Funding	111,550	
FY 2017 Appropriated and Supplemental Funding		112,354
Revised FY 2017 Current Estimate		112,354
Less Baseline Funding		-111,550
FY 2017 Current Estimate		804
Price Change		16
2) Program Increases		30
a) Program Increase in FY 2018		30
i) OFS - Yellow Ribbon. Increase supports the Yellow Ribbon Reintegration Program (YRRP) and the mission to provide information and education to service and family members on the challenges presented by the mobilization and deployment cycle.	30	
3) Program Decreases		-31
a) Program Decreases in FY 2018		-31
i) OFS - Behavioral Health. Decrease in requested funds for services related to strategic prevention planning, training and education initiatives, data collection and reporting regarding behavioral health burdens on the operating forces.	-31	
FY 2018 OCO Budget Request		819

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IV. Performance Criteria and Evaluation Summary:

Performance Criteria specific to Overseas Contingency Operations for this subactivity group are under development.

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V. Personnel Summary:

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>Change FY 2017/FY 2018</u>
<u>Contractor FTEs (Total) *</u>	2	2	2	0

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VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2016 to FY 2017				Change from FY 2017 to FY 2018				FY 2018 Est.
	FY 2016 Actuals	For Curr	Price Growth	Prog Growth	FY 2017 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	383	0	8	109	500	0	10	-1	509
900 Other Purchases									
989 Other Services	349	0	7	-52	304	0	6	0	310
TOTAL BSS1 Base Operating Support	732	0	15	57	804	0	16	-1	819