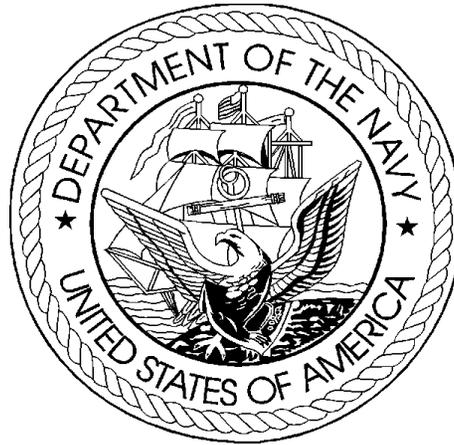


DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2006/FY 2007
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
FEBRUARY 2005

MILITARY PERSONNEL, NAVY

Table of Contents	2
<u>SECTION 1 - SUMMARY OF ENTITLEMENTS BY BUDGET PROGRAM</u>	3
<u>SECTION 2 - INTRODUCTION</u>	5
PERFORMANCE MEASURES AND EVALUATION SUMMARY	7
<u>SECTION 3 - SUMMARY CHARTS</u>	9
PERSONNEL SUMMARIES	10
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY	17
ANALYSIS OF APPROPRIATION CHANGES	20
SCHEDULE OF INCREASE AND DECREASE	21
<u>SECTION 4 - DETAIL OF MILITARY PERSONNEL ENTITLEMENTS</u>	36
PAY AND ALLOWANCES OF OFFICERS	37
PAY AND ALLOWANCES OF ENLISTED PERSONNEL	68
PAY AND ALLOWANCES OF CADETS/MIDSHIPMEN	103
SUBSISTENCE OF ENLISTED PERSONNEL	107
PERMANENT CHANGE OF STATION TRAVEL	112
OTHER MILITARY PERSONNEL COSTS	133
<u>SECTION 5 - SPECIAL ANALYSIS</u>	152
NAVY MILITARY PERSONNEL ASSIGNED OUTSIDE DOD	153
REIMBURSABLE PROGRAM	154
NAVY MILITARY PERSONNEL MONTHLY END STRENGTH BY PAYGRADE	155

Section 1

Summary of Requirements by Budget Program

MILITARY PERSONNEL, NAVY
SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM - ACTIVE FORCES
(IN THOUSANDS OF DOLLARS)

	FY 2004	FY 2005	FY 2006	FY 2007
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
<u>DIRECT BASELINE PROGRAM FUNDING</u>				
Pay and Allowances of Officers	5,683,735	5,960,989	5,928,209	6,003,178
Pay and Allowances of Enlisted Personnel	15,937,469	16,557,400	15,203,487	15,335,985
Pay and Allowances of Cadets / Midshipmen	54,471	52,289	56,108	57,211
Subsistence of Enlisted Personnel	915,045	961,493	980,557	1,017,467
Permanent Change of Station Travel	706,357	771,881	749,518	734,518
Other Military Personnel Costs	<u>103,049</u>	<u>72,055</u>	<u>114,222</u>	<u>118,185</u>
Total Direct Baseline Program Funding	23,400,126	24,376,107	23,032,101	23,266,544
<u>REIMBURSABLE BASELINE PROGRAM FUNDING</u>				
Pay and Allowances of Officers	217,732	201,710	193,548	207,795
Pay and Allowances of Enlisted Personnel	97,107	89,579	84,859	94,760
Subsistence of Enlisted Personnel	48,344	49,737	49,851	50,021
Permanent Change of Station Travel	<u>3,719</u>	<u>2,980</u>	<u>2,979</u>	<u>3,178</u>
Total Reimbursable Baseline Program Funding	366,902	344,006	331,237	355,754
<u>TOTAL BASELINE PROGRAM FUNDING</u>				
Pay and Allowances of Officers	5,901,467	6,162,699	6,121,757	6,210,973
Pay and Allowances of Enlisted Personnel	16,034,576	16,646,979	15,288,346	15,430,745
Pay and Allowances of Cadets / Midshipmen	54,471	52,289	56,108	57,211
Subsistence of Enlisted Personnel	963,389	1,011,230	1,030,408	1,067,488
Permanent Change of Station Travel	710,076	774,861	752,497	737,696
Other Military Personnel Costs	<u>103,049</u>	<u>72,055</u>	<u>114,222</u>	<u>118,185</u>
Total Baseline Program Funding	23,767,028	24,720,113	23,363,338	23,622,298
<u>FY 2004 Supplemental (P.L. 108-106); FY 2005 Title IX (P.L. 108-287)</u>				
Pay and Allowances of Officers	243,828	4,600		
Pay and Allowances of Enlisted Personnel	498,914	23,100		
Pay and Allowances of Cadets and Midshipmen				
Subsistence of Enlisted Personnel				
Permanent Change of Station Travel	58,358			
Other Military Personnel Costs	<u>15,000</u>			
Total P.L. 108-106/Title IX Program Funding	816,100	27,700		
<u>TOTAL PROGRAM FUNDING</u>				
Pay and Allowances of Officers	6,145,295	6,167,299		
Pay and Allowances of Enlisted Personnel	16,533,490	16,670,079		
Pay and Allowances of Cadets / Midshipmen	54,471	52,289		
Subsistence of Enlisted Personnel	963,389	1,011,230		
Permanent Change of Station Travel	768,434	774,861		
Other Military Personnel Costs	<u>118,049</u>	<u>72,055</u>		
Total Program Funding	24,583,128	24,747,813		
Medicare-Eligible Retiree Health Fund Contribution, (Navy)			2,006,415	2,073,110
TOTAL MILITARY PERSONNEL PROGRAM COST	24,583,128	24,747,813	25,369,753	25,695,408

LEGISLATIVE PROPOSALS:

The following legislative proposals are included in the above estimate and submitted for FY 2006 and 2007:

Legislative Proposals (Dollars in Thousands):

Targeted Separation Incentives (Force Shaping Tools)	104,226
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SECTION 2

Introduction

Section 2
Military Personnel, Navy
Introduction – Active Forces

The Military Personnel, Navy (MPN) appropriation provides resources necessary to compensate military personnel required to man approved force structure and support infrastructure, including those officer and enlisted personnel within individuals account: students, trainees, transients, patients, prisoners, holdees, and midshipmen. The Navy has budgeted for less end strength in FY 2006 and FY 2007. FY 2006 and FY 2007 programmed strength declines to 352,700 and 345,300, respectively. As the Navy becomes more technical, efficiencies can be gained resulting in a smaller and more capable, ready, work force. Through transformational concepts for employment of forces; changes in assignment practices; retirement of older, manpower intensive platforms; and substitution with civilian or contractor personnel, Navy has reduced its requirements for military manpower. In FY 2006, members will receive a 3.1% pay raise. Funding requested in the FY 2006/2007 Department of Navy's budget submission supports an end strength of 365,900 in FY 2005, 352,700 in FY 2006 and 345,300 in FY 2007.

The Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (P.L. 108-375) provided permanent, indefinite appropriations to finance the cost of TRICARE benefits accrued by uniformed service members. Previously, the military personnel accounts were required to pay the accrued costs, using annual appropriations. Since these costs are actually borne in support of the Department of Defense, they will be shown as part of the DoD discretionary total. Ten new accounts corresponding to each of the existing military personnel accounts have been created to show the cost of these payments. Beginning in 2006, the appropriations requested for the military personnel accounts exclude funding to make the retiree health accrual payments. Total obligations on behalf of military personnel include both the amounts requested for appropriation and amounts paid from the permanent, indefinite authority.

Basic Allowance for Housing (BAH) programs have been funded to eliminate Sailor's out-of-pocket (OOP) expenses in FY 2005. Additional funding has been budgeted for BAH costs associated with privatization (Public-Private Venture) of approximately 16,773 units in FY 2005, 9,583 units in FY 2006, and 5,945 units in FY07.

FY 2005 force structure gains include: 3 Arleigh Burke destroyers (DDG); 1 amphibious transport docks (LPD-17); and 3 nuclear powered attack submarines (SSN). FY 2005 reductions include: 2 cruisers (CG); and 5 destroyers (DD) and 1 carrier. In FY 2005, Navy aviation gains include the transition to 1 F/A - 18E (VFA) squadron and 3 F/A - 18F (VFA) squadrons. FY 2005 aviation reductions include the transition from 4 F - 14 A/B (VF) squadrons and the disestablishment of 4 S - 3B (VS) squadrons and the F -14 A/B/D FRS in Oceana, VA.

FY 2006 force structure gains include 4 Arleigh Burke destroyers (DDG) and 2 amphibious transport docks (LPD -17). FY 2006 reductions include: 4 Coastal Mine Hunters (MHC); 2 amphibious transport docks (LPD -4); 2 amphibious helicopter assault (LHA); 1 cruiser (CG); and 1 nuclear powered attack submarine (SSN). FY 2006 aviation gains include the transition to 1 F/A - 18E and 3 F/A - 18F (VFA) squadrons. FY 2006 aviation reductions include the disestablishment of 1 F/A - 18C (VFA) squadron, 1 S - 3B (VS) squadron, and the transition from 3 F - 14B/D (VF) squadrons and 1 F/A - 18C (VFA) squadron.

FY 2007 gains include: 3 Arleigh Burke destroyers (DDG); 1 amphibious transport docks (LPD-17); 1 amphibious helicopter dock (LHD-8); and 1 nuclear powered attack submarine (SSN). FY 2007 reductions include 4 Minehunter Crews (MHC); 1 amphibous helicopter assault (LHA); and 2 nuclear powered attack submarines (SSN). In FY 2007, Naval Aviation gains include the establishment of the first VTUAV (Firescout) detachment for deployment aboard LCS. FY2007 aviation reductions include the disestablishment of 3 S-3B (VS) squadrons.

Shaping and aligning the force profile is an important component of this budget. In FY 2003, the Navy far exceeded its retention and recruit quality goals for enlisted personnel. In addition, officer retention was the highest in over a decade. Attrition rates remain at historical lows with retention of quality officer and enlisted personnel exceeding the high levels experienced in FY 2001 and FY 2002. While reenlistment rates remain high and attrition rates low, personnel misalignment and force imbalance still persist. In order to correct for assets and deficiencies in the force profile and meet the Navy's mission, we must expand the number and type of targeted separation incentives (force shaping tools). This will enable us to continue to recruit, retain and deliver the right Sailors at the right time to the right places in the most cost-effective manner.

**MILITARY PERSONNEL, NAVY
PERFORMANCE MEASURES AND EVALUATION SUMMARY**

Activity: Active Military Personnel

Activity Goal: Maintain the correct Active Military Personnel to execute the National Strategy.

Description of Activity: The Active Military Personnel appropriations provide resources necessary to compensate military personnel required to man approved force structure and support infrastructure, which include pay, allowances, individual clothing, subsistence, and permanent change of station.

PERFORMANCE MEASURES:

	<u>FY 2004 Actual</u>	<u>FY 2005 Planned</u>	<u>FY 2006 Planned</u>	<u>FY 2007 Planned</u>
Average Strength	385,533/1	369,098	358,828	349,611
End Strength	373,197	365,900	352,700	345,300
Authorized End Strength	373,800	365,900		

/1 FY 2004 supplemental average strength includes 2,537 mobilized Reserve Component in support of ONE/OEF/OIF.

The Navy has budgeted for less end strength in FY2006 and FY 2007. FY 2005 programmed strength declines to 365,900 (7,297 fewer than FY 2004), FY 2006 declines to 352,700 (13,200 fewer than FY 2005), and FY 2007 declines to 345,300 (7,400 fewer) than FY 2006. As the Navy becomes more technical, efficiencies can be gained resulting in a smaller and more capable ready, work force. Through transformational concepts for employment of forces; changes in assignment practices; retirement of older, manpower intensive platforms; and substitution with civilian or contractor personnel, Navy has reduced its requirements for military manpower. The ability to manage the resizing is challenging and will require force shaping tools.

Recruiting

	<u>FY2004 Actual</u>	<u>FY 2005 Planned</u>	<u>FY 2006 Planned</u>	<u>FY 2007 Planned</u>
1. Numeric goals	39,611	38,500	35,000	35,000
Actual				
- Total recruiting mission is compared to actual accessions for the fiscal year. The percent of goal accomplished is the measurement.				
2. Quality Goals				
- HSDG percent	94.0%	95.0%	95.0%	95.0%
Actual				
- Test Score Category I-IIIa percent	70.0%	70.0%	70.0%	70.0%
Actual				

- a. High School Diploma Graduate (HSDG) percent measures the number of non-prior service accessions who meet Tier I (HSDG) educational criteria relative to the total number of non-prior service accessions in a fiscal year. Navy has established this quality goal above the DoD minimum of 90% because these recruits generally have lower first-term attrition than do Tier II (alternate High School Credential or High School Graduate) and Tier III (Non-High School Graduate) recruits.
- b. Test Score Category I-IIIa (CAT I-IIIa) percent measures the number of non-prior service accessions who score at or above the 50th percentile on the Armed Forces Qualification Test (AFQT) relative to the total number of non-prior service accessions in a fiscal year. Navy has established this quality goal above the DoD minimum of 60% because CAT I-IIIa recruits are generally better able to meet the challenges associated with the highly technical Navy of the 21st Century than are those who score lower on the AFQT. Navy does not currently assess CAT IV recruits. * Does not account for the renormalizing of the Armed Services Vocational Aptitude Battery (ASVAB).

Program: *Military Force Management*

Agency: *Department of Defense--Military*

Bureau:

Rating: *Effective*

Program Type: *Direct Federal*

Last Assessed: *1 year ago*

Key Performance Measures from Latest PART	Year	Target	Actual
Annual Measure: Active Duty End-Strength - percentage of manning goal achieved	2003	99.5% to 102%	103.2%
	2004	99.5% to 102%	1.017
	2005	99.5% to 102%	
	2006	99.5% to 102%	
Annual Measure: Reserve End-Strength	2003	>99.5% & <102%	101.2%
	2005	>99.5% & <102%	
	2006	>99.5% & <102%	
Annual Measure: Active Duty Recruiting - yearly percentage of required accessions achieved	2003	100.0%	101.0%
	2004	100.0%	101.0%
	2005	100.0%	
	2006	100.0%	

Recommended Follow-up Actions

Evaluate the entire military personnel compensation package, rather than making piecemeal recommendations.

Improve its pay and personnel systems, and include reserve systems.

Develop additional evaluation measures to rate the efficiency of its bonus and other programs, rather than just their effectiveness.

Status

Action taken, but not completed

Action taken, but not completed

Action taken, but not completed

Update on Follow-up Actions:

The Secretary of Defense initiated the Defense Advisory Committee on Military Compensation (DACMC) to identify how to adjust military pay and benefits to sustain recruitment and retention of high-quality people, and maintain a cost-effective and ready military force. The Department of Defense is also working on an integrated pay and personnel system for active and reserve components. It is expected to be ready by the end of 2005. Finally, the Department of Defense continues to refine its data collection to ensure it is able to monitor the recruitment and retention of the necessary personnel.

Program Funding Level (in millions of dollars)

2004 Actual	2005 Estimate	2006 Estimate
115,549	105,273	108,942

Section 3

Summary Charts

MILITARY PERSONNEL, NAVY
SUMMARY OF MILITARY PERSONNEL STRENGTH - ACTIVE FORCES

	<u>FY 2004 Actual</u>		<u>FY 2005 Planned</u>		<u>FY 2006 Planned</u>		<u>FY 2007 Planned</u>	
	<u>Average Strength</u>	<u>End Strength 30-Sep-04</u>	<u>Average Strength</u>	<u>End Strength 30-Sep-05</u>	<u>Average Strength</u>	<u>End Strength 30-Sep-06</u>	<u>Average Strength</u>	<u>End Strength 30-Sep-07</u>
DIRECT PROGRAM								
Officers	54,602	53,139	53,103	51,643	51,952	50,753	50,775	50,288
Enlisted	321,466	313,156	309,217	307,365	300,095	295,028	292,021	288,159
Academy (Cadets/Midshipmen)	<u>4,194</u>	<u>4,308</u>	<u>4,035</u>	<u>4,000</u>	<u>3,925</u>	<u>4,100</u>	<u>3,978</u>	<u>4,000</u>
Sub-Total	380,262	370,603	366,355	363,008	355,972	349,881	346,774	342,447
REIMBURSABLE PROGRAM								
Officers	1,076	1,069	1,148	1,227	1,185	1,142	1,145	1,147
Enlisted	<u>1,658</u>	<u>1,525</u>	<u>1,595</u>	<u>1,665</u>	<u>1,671</u>	<u>1,677</u>	<u>1,692</u>	<u>1,706</u>
Sub-Total	2,734	2,594	2,743	2,892	2,856	2,819	2,837	2,853
TOTAL PROGRAM								
Officers	55,678	54,208	54,251	52,870	53,137	51,895	51,920	51,435
Enlisted	323,124	314,681	310,812	309,030	301,766	296,705	293,713	289,865
Academy (Cadets/Midshipmen)	<u>4,194</u>	<u>4,308</u>	<u>4,035</u>	<u>4,000</u>	<u>3,925</u>	<u>4,100</u>	<u>3,978</u>	<u>4,000</u>
TOTAL PROGRAM	382,996	373,197	369,098	365,900	358,828	352,700	349,611	345,300
FY 2004 Supplemental (P.L. 108-106); FY2005 Title IX (P.L. 108-287)								
Officers	582							
Enlisted	<u>1,955</u>							
Supplemental Funded Strength	2,537							
REVISED TOTAL PROGRAM								
Officers	56,260	54,208	54,251	52,870	53,137	51,895	51,920	51,435
Enlisted	325,079	314,681	310,812	309,030	301,766	296,705	293,713	289,865
Academy (Cadets/Midshipmen)	<u>4,194</u>	<u>4,308</u>	<u>4,035</u>	<u>4,000</u>	<u>3,925</u>	<u>4,100</u>	<u>3,978</u>	<u>4,000</u>
Revised Total Program	385,533	373,197	369,098	365,900	358,828	352,700	349,611	345,300

/1 FY 2004 average strength includes 582 officers and 1955 for enlisted mobilized Reserve Component personnel in support of ONE/OEF/OIF.

**Military Personnel, Navy
End Strength by Grade - Active Forces
Total Program**

	FY 2004		FY 2005		FY 2006		FY 2007	
	Total	Reimbursables	Total	Reimbursables	Total	Reimbursables	Total	Reimbursables
Commissioned Officers								
0-10 Admiral	8	0	8	0	8	0	8	0
0-9 Vice Admiral	25	1	25	1	25	1	25	1
0-8 Rear Admiral (UH)	75	2	75	2	75	2	75	2
0-7 Rear Admiral (LH)	104	13	110	15	110	14	110	14
0-6 Captain	3,470	133	3,389	152	3,382	142	3,353	142
0-5 Commander	6,996	246	7,015	282	6,649	261	6,752	264
0-4 Lieutenant Commander	10,543	299	10,691	344	10,656	320	10,732	321
0-3 Lieutenant	17,434	315	17,351	362	17,476	337	17,480	338
0-2 Lieutenant (JG)	7,428	31	6,727	36	6,228	33	5,822	33
0-1 Ensign	6,542	6	5,968	7	5,866	7	5,774	7
TOTAL	52,625	1,046	51,359	1,201	50,475	1,117	50,131	1,122
Warrant Officers								
W-5 Warrant Officer	16	0	46	0	62	0	74	0
W-4 Warrant Officer	293	6	285	7	212	7	169	7
W-3 Warrant Officer	531	11	744	12	832	11	775	11
W-2 Warrant Officer	743	6	436	7	314	7	286	7
TOTAL	1,583	23	1,511	26	1,420	25	1,304	25
Total Officer Personnel	54,208	1,069	52,870	1,227	51,895	1,142	51,435	1,147
Enlisted Personnel								
E-9 Master Chief Petty Officer	3,115	32	3,087	33	2,959	35	2,891	35
E-8 Senior Chief Petty Officer	6,926	72	6,862	75	7,398	79	7,227	80
E-7 Chief Petty Officer	24,302	296	24,852	308	23,623	321	23,037	322
E-6 1st Class Petty Officer	54,581	533	53,762	556	52,134	579	50,854	582
E-5 2nd Class Petty Officer	76,017	439	75,770	534	72,133	495	70,247	518
E-4 3rd Class Petty Officer	62,349	130	64,350	135	59,138	143	58,054	144
E-3 Seaman	53,587	23	46,483	24	50,119	25	48,756	25
E-2 Seaman Apprentice	22,177	0	20,843	0	18,816	0	18,441	0
E-1 Seaman Recruit	11,627	0	13,021	0	10,385	0	10,358	0
Total Enlisted	314,681	1,525	309,030	1,665	296,705	1,677	289,865	1,706
Total Officer and Enlisted	368,889	2,594	361,900	2,892	348,600	2,819	341,300	2,853
Midshipmen	4,308		4,000		4,100		4,000	
TOTAL END STRENGTH	373,197	2,594	365,900	2,892	352,700	2,819	345,300	2,853

Military Personnel, Navy
Average Strength by Grade - Active Forces
Total Program

	FY 2004		FY 2005		FY 2006		FY 2007	
	Total	Reimbursables	Total	Reimbursables	Total	Reimbursables	Total	Reimbursables
Commissioned Officers								
0-10 Admiral	8	0	8	0	8	0	8	0
0-9 Vice Admiral	25	1	25	1	25	1	25	1
0-8 Rear Admiral (UH)	77	2	77	2	77	2	77	2
0-7 Rear Admiral (LH)	109	13	113	15	111	15	111	14
0-6 Captain	3,539	134	3,499	147	3,450	150	3,355	143
0-5 Commander	7,412	227	7,284	276	7,043	297	6,692	300
0-4 Lieutenant Commander	10,665	315	10,678	293	10,595	299	10,600	284
0-3 Lieutenant	17,610	320	17,574	346	17,803	352	17,664	334
0-2 Lieutenant (JG)	8,116	31	7,210	33	6,683	34	6,199	32
0-1 Ensign	7,024	7	6,175	7	5,807	8	5,770	7
TOTAL	54,585	1,050	52,643	1,120	51,602	1,157	50,501	1,117
Warrant Officers								
W-5 Warrant Officer	8	0	30	0	51	0	68	0
W-4 Warrant Officer	337	7	331	7	262	7	214	7
W-3 Warrant Officer	480	12	660	14	751	14	797	14
W-2 Warrant Officer	850	7	587	7	471	7	340	7
TOTAL	1,675	26	1,608	28	1,535	28	1,419	28
Total Officer Personnel	56,260	1,076	54,251	1,148	53,137	1,185	51,920	1,145
Enlisted Personnel								
E-9 Master Chief Petty Officer	3,168	35	3,064	34	3,002	35	2,887	35
E-8 Senior Chief Petty Officer	6,911	78	6,692	77	7,245	80	7,139	80
E-7 Chief Petty Officer	24,444	320	23,709	310	22,954	322	22,758	322
E-6 1st Class Petty Officer	55,393	582	54,108	559	54,006	581	51,945	581
E-5 2nd Class Petty Officer	76,872	479	75,411	454	73,744	486	71,019	507
E-4 3rd Class Petty Officer	65,707	140	63,691	138	59,416	143	57,140	143
E-3 Seaman	58,674	25	52,074	24	53,851	25	52,360	25
E-2 Seaman Apprentice	22,025	0	20,389	0	18,276	0	18,241	0
E-1 Seaman Recruit	11,885	0	11,674	0	9,272	0	10,224	0
Total Enlisted	325,079	1,658	310,812	1,595	301,766	1,671	293,713	1,692
Total Officer and Enlisted	381,339	2,734	365,063	2,743	354,903	2,856	345,633	2,837
Midshipmen	4,194		4,035		3,925		3,978	
TOTAL AVERAGE STRENGTH	385,533	2,734	369,098	2,743	358,828	2,856	349,611	2,837

MILITARY PERSONNEL, NAVY
ACTIVE DUTY STRENGTHS BY MONTHS
(In Thousands)

	FY 2004 Actual				FY 2005 Estimate				FY 2006 Estimate				FY 2007 Estimate			
	Off	Enl	Cadet	Total	Off	Enl	Cadet	Total	Off	Enl	Cadet	Total	Off	Enl	Cadet	Total
September	55,022	322,915	4,298	382,235	54,208	314,681	4,308	373,197	52,870	309,030	4,000	365,900	51,895	296,705	4,100	352,700
October	54,995	321,602	4,293	380,890	54,389	313,449	4,305	372,143	52,884	306,740	3,999	363,623	51,747	294,798	4,099	350,644
November	54,930	321,252	4,285	380,467	53,775	312,658	4,300	370,733	52,811	305,680	3,994	362,485	51,642	294,445	4,094	350,181
December	54,978	320,457	4,278	379,713	53,386	311,380	4,279	369,045	52,907	304,636	3,973	361,516	51,644	294,001	4,073	349,718
January	54,875	319,757	4,244	378,876	53,546	310,819	4,261	368,626	52,856	303,254	3,955	360,065	51,496	293,841	4,055	349,392
February	54,783	319,473	4,238	378,494	53,552	310,122	4,254	367,928	52,606	301,777	3,948	358,331	51,274	293,458	4,048	348,780
March	54,705	318,405	4,232	377,342	53,589	309,655	4,249	367,493	52,490	300,548	3,943	356,981	51,168	293,071	4,043	348,282
April	54,582	317,969	4,223	376,774	53,676	309,307	4,239	367,222	52,368	299,535	3,933	355,836	51,070	293,068	4,033	348,171
May	55,688	317,252	3,179	376,119	55,117	308,609	3,216	366,942	53,782	298,384	2,910	355,076	52,524	293,371	3,010	348,905
June	55,488	316,783	3,146	375,417	54,892	309,186	3,201	367,279	53,790	298,437	2,895	355,122	52,583	292,957	2,995	348,535
July	55,154	317,303	4,363	376,820	54,661	309,147	4,071	367,879	53,466	297,742	4,171	355,379	52,300	292,357	4,071	348,728
August	54,746	316,158	4,357	375,261	54,442	309,261	4,015	367,718	53,067	296,948	4,115	354,130	52,010	291,249	4,015	347,274
September	54,208	314,681	4,308	373,197	52,870	309,030	4,000	365,900	51,895	296,705	4,100	352,700	51,435	289,865	4,000	345,300
Average Strength 1/	56,260	325,079	4,194	385,533	54,251	310,812	4,035	369,098	53,137	301,766	3,925	358,828	51,920	293,713	3,978	349,611
Active Duty Special Work																
# of Mandays	275	293	0.0	568	275	359	0.0	634	240	373	0.0	613	238	372	0.0	610
Dollars in Millions	29.3	15.7	0.0	45.0	30.3	20.0	0.0	50.3	28.5	21.9	0.0	50.4	29.4	22.6	0.0	52.0

Includes reimbursable active duty military pay strengths, but excludes active duty personnel paid from Civil Functions, Reserve, and National Guard Appropriations.

1/ FY 2004 includes average strength of 582 officers and 1,955 enlisted mobilized Reserve Component Personnel in support of ONE/OEF/OIF funded with supplemental funds.

Gains and Losses By Source and Type -Active Forces
Officers

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Begin Strength	55,022	54,208	52,870	51,895
Gains				
Naval Academy	791	818	783	786
Reserve Officer Training Corps	922	870	815	778
Senior ROTC	(76)	(39)	(45)	(45)
Scholarship	(846)	(831)	(770)	(733)
Health Professions Scholarships	352	323	328	338
Reserve Officer Candidates	0	0	0	0
Other Enlisted Commissioning Programs	1,383	1,400	1,369	1,358
Voluntary Active Duty	2,008	2,302	2,948	2,961
Direct Appointments	321	455	374	374
Warrant Officer Programs	189	161	187	171
Other	0	0	0	0
Gain Adjustment	47	0	0	0
Total Gains	6,013	6,329	6,804	6,766
Losses				
Expiration of Contract / Obligation	388	353	356	369
Normal Early Release	97	88	89	92
Retirement	1,980	1,857	1,938	1,819
Disability	(120)	(120)	(120)	(120)
Non-disability	(1,860)	(1,737)	(1,818)	(1,699)
TERA	0	0	0	0
Voluntary Separation - VSI	0	0	0	0
Force Shaping Tools (ULB)	0	0	914	914
Involuntary Separation - Reserve Officers	45	43	58	58
Involuntary Separation - Regular Officers	88	71	99	76
Reduction-in-Force	0	0	0	0
Attrition	3,361	3,654	4,067	3,640
Other	110	123	258	258
Loss Adjustment	758	1478	0	0
Total Losses	6,827	7,667	7,779	7,226
End Strength	54,208	52,870	51,895	51,435

Gains and Losses by Source and Type - Active Forces

	Enlisted			
	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Begin Strength	322,915	314,681	309,030	296,705
Gains				
Non-prior Service Enlistments	39,151	39,253	31,016	30,472
Male	(32,698)	(31,453)	(24,236)	(23,732)
Female	(6,453)	(7,800)	(6,780)	(6,740)
Prior Service Enlistments	538	1,601	1,000	1,000
National Call to Service	1,007	0	2,340	3,000
Reenlistments	35,413	38,111	39,694	39,861
Reserve	113	100	133	150
Navy Reserve (2/3 x 6) Program	139	88	0	0
Officer Candidate Programs	1,256	1,441	1,148	1,141
Returned from Dropped Rolls	4,116	3,153	3,756	3,667
Gain Adjustment	643	0	0	0
Total Gains	82,376	83,747	79,087	79,291
Losses				
Expiration of Term of Service (ETS)	19,387	19,956	17,575	15,980
Normal Early Release	0	0	0	0
Programmed Early Release	0	0	0	0
Separations - VSI	0	0	0	0
Force Shaping Tools (ULB)	0	0	781	781
To Commissioned Officer	1,263	1,105	978	978
To Warrant Officer	163	120	148	132
Reenlistment	35,413	38,111	39,694	39,861
Retirement	10,654	10,039	10,796	7,836
TERA	0	0	0	0
Other	0	0	0	0
Dropped from Rolls (Deserters)	1,857	1,735	1,747	1,667
Attrition (Adverse Causes)	11,656	8,734	9,227	8,539
Attrition (Other)	9,044	9,368	8,704	8,100
Reserve Components	424	199	1,762	2,257
Other Losses	0	31	0	0
Loss Adjustment	749	0	0	0
Total Losses	90,610	89,398	91,412	86,131
End Strength	314,681	309,030	296,705	289,865

1/ Includes reimbursable active duty military personnel strengths, but excludes active duty military personnel paid from reserve appropriation.

Gains and Losses by Source and Type - Active Forces
Midshipmen

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Begin Strength	4,298	4,308	4,000	4,100
Gains				
Entering Midshipmen	1,255	1,188	1,346	1,146
Total Gains	1,255	1,188	1,346	1,146
Losses				
Attrition	216	537	236	236
Graduates	1,029	959	1010	1010
Total Losses	1,245	1,496	1,246	1,246
End Strength	4,308	4,000	4,100	4,000

MILITARY PERSONNEL, NAVY
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(\$ in Thousands)

	FY 2004			FY 2005			FY 2006			FY 2007		
	Officer	Enlisted	Total									
1. Basic Pay	3,170,035	7,962,526	11,132,561	3,161,683	8,049,275	11,210,958	3,234,081	8,068,225	11,302,306	3,265,596	8,101,180	11,366,776
2. Retired Pay Accrual	871,759	2,185,255	3,057,014	868,663	2,211,418	3,080,081	857,031	2,138,078	2,995,109	862,117	2,138,712	3,000,829
2a. Defense Health Program Accrual (Over 65)	251,487	1,477,402	1,728,889	288,823	1,688,600	1,977,423	0	0	0	0	0	0
3. Basic Allowance for Housing	897,630	2,571,492	3,469,122	915,453	2,561,364	3,476,817	963,929	2,628,976	3,592,905	1,003,497	2,750,094	3,753,591
A. With Dependents - Domestic	582,044	1,762,961	2,345,005	625,884	1,780,821	2,406,705	652,800	1,790,337	2,443,137	680,875	1,891,604	2,572,479
B. Without Dependents - Domestic	232,577	602,658	835,235	233,326	629,152	862,478	230,019	646,410	876,429	240,827	664,296	905,123
C. Substandard Family Housing - Domestic	0	0	0	0	0	0	0	0	0	0	0	0
D. Partial - Domestic	100	7,923	8,023	96	7,493	7,589	103	7,138	7,241	101	7,030	7,131
E. With Dependents - Overseas	51,809	93,603	145,412	32,531	84,629	117,160	46,983	107,351	154,334	47,382	108,553	155,935
F. Without Dependents - Overseas	31,100	104,347	135,447	23,616	59,269	82,885	34,024	77,740	111,764	34,312	78,611	112,923
4. Subsistence	116,991	963,389	1,080,380	116,629	1,011,230	1,127,859	121,720	1,030,408	1,152,128	124,879	1,067,488	1,192,367
A. Basic Allowance for Subsistence	116,991	631,555	748,546	116,629	615,226	731,855	121,720	663,385	785,105	124,879	683,067	807,946
1. Authorized to Mess Separately	116,991	533,163	650,154	116,629	613,167	729,796	121,720	661,260	782,980	124,879	680,902	805,781
2. Leave Rations	0	0	0	0	0	0	0	0	0	0	0	0
3. Rations-In-Kind Not Available	0	96,308	96,308	0	0	0	0	0	0	0	0	0
4. BAS II	0	1,865	1,865	0	1,842	1,842	0	1,903	1,903	0	1,939	1,939
5. Augmentation for Separate Meals	0	219	219	0	217	217	0	222	222	0	226	226
6. Partial BAS	0	0	0	0	0	0	0	0	0	0	0	0
B. Subsistence-In-Kind	0	331,714	331,714	0	395,504	395,504	0	366,523	366,523	0	383,921	383,921
1. Subsistence in Messes	0	225,721	225,721	0	283,417	283,417	0	257,843	257,843	0	275,867	275,867
2. Special Rations	0	0	0	0	0	0	0	0	0	0	0	0
3. Operational Rations	0	1,481	1,481	0	2,864	2,864	0	1,554	1,554	0	1,582	1,582
4. Augmentation Rations	0	1,955	1,955	0	8,322	8,322	0	5,505	5,505	0	5,405	5,405
5. Other Programs	0	102,557	102,557	0	100,901	100,901	0	101,621	101,621	0	101,067	101,067
C. FSSA	0	120	120	0	500	500	0	500	500	0	500	500
5. Incentive Pay, Hazardous Duty, and Aviation Career	165,941	101,122	267,063	205,214	108,657	313,871	219,122	108,878	328,000	225,533	110,370	335,903
A. Flying Duty Pay	117,379	16,908	134,287	140,831	17,357	158,188	142,491	17,723	160,214	149,198	18,136	167,334
1. Aviation Career, Officers	74,842	0	74,842	72,876	0	72,876	72,154	0	72,154	72,154	0	72,154
2. Crew Members	132	16,726	16,858	157	17,195	17,352	157	17,561	17,718	157	17,974	18,131
3. Noncrew Member	25	182	207	36	162	198	36	162	198	36	162	198
4. Aviation Continuation Pay	42,380	0	42,380	67,762	0	67,762	70,144	0	70,144	76,851	0	76,851
5. Career Enlisted Flyer Pay	0	0	0	0	0	0	0	0	0	0	0	0
B. Submarine Duty Pay	22,495	60,260	82,755	26,550	60,208	86,758	26,902	59,833	86,735	26,890	60,490	87,380
C. Submarine Support Incentive Pay	1,691	0	1,691	2,048	0	2,048	2,576	0	2,576	2,293	0	2,293
D. Parachute Jumping Pay	1,875	6,703	8,578	1,752	6,079	7,831	1,752	6,641	8,393	1,752	6,641	8,393
E. Demolition Pay	1,724	5,913	7,637	1,480	5,085	6,565	1,480	5,591	7,071	1,480	5,591	7,071
F. Special Warfare Officer Pay	1,902	0	1,902	2,850	0	2,850	5,719	0	5,719	4,718	0	4,718
G. Surface Warfare Officer Continuation Pay	17,769	0	17,769	28,501	0	28,501	37,000	0	37,000	38,000	0	38,000
H. Other Pays	1,106	11,338	12,444	1,202	19,928	21,130	1,202	19,090	20,292	1,202	19,512	20,714

MILITARY PERSONNEL, NAVY
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(\$ in Thousands)

	FY 2004			FY 2005			FY 2006			FY 2007		
	Officer	Enlisted	Total									
6. Special Pays	277,196	848,546	1,125,742	266,852	816,039	1,082,891	288,176	938,341	1,226,517	289,042	936,655	1,225,697
A. Medical Pay	150,854	0	150,854	147,646	0	147,646	157,129	0	157,129	157,129	0	157,129
B. Dental Pay	29,385	0	29,385	30,415	0	30,415	36,433	0	36,433	36,433	0	36,433
C. Optometrists Pay	178	0	178	953	0	953	953	0	953	953	0	953
D. Veterinarians	0	0	0	0	0	0	0	0	0	0	0	0
E. Board Certified Pay for Non-Physician Health	1,541	0	1,541	1,655	0	1,655	1,622	0	1,622	1,622	0	1,622
F. Nurses Pay	1,674	0	1,674	2,078	0	2,078	3,752	0	3,752	3,752	0	3,752
G. Nuclear Officer Incentive Pay	49,621	0	49,621	47,022	0	47,022	47,395	0	47,395	47,321	0	47,321
H. Nuclear Accession Bonus	0	2,150	2,150	0	2,150	2,150	0	18,152	18,152	0	20,052	20,052
I. Scientific/Engineering Bonus	0	0	0	0	0	0	0	0	0	0	0	0
J. CEC Accession Bonus	0	0	0	0	0	0	0	0	0	0	0	0
K. Responsibility Pay	765	0	765	814	0	814	814	0	814	814	0	814
L. Sea and Foreign Duty, Total	27,498	289,767	317,265	25,652	277,861	303,513	29,315	338,299	367,614	29,315	338,323	367,638
1. Sea Duty	27,498	285,977	313,475	25,652	274,295	299,947	29,315	332,995	362,310	29,315	332,995	362,310
2. Duty at Certain Places	0	0	0	0	0	0	0	0	0	0	0	0
3. Overseas Extension Pay	0	3,790	3,790	0	3,566	3,566	0	5,304	5,304	0	5,328	5,328
M. Diving Duty Pay	3,826	11,386	15,212	3,532	11,194	14,726	3,559	12,270	15,829	3,559	16,590	20,149
N. Foreign Language Proficiency Pay	380	2,742	3,122	499	2,392	2,891	499	2,392	2,891	1,334	8,092	9,426
O. Hostile Fire Pay	8,799	56,438	65,237	1,906	899	2,805	1,987	899	2,886	2,182	899	3,081
P. Hardship Duty Pay	1,136	6,151	7,287	1,463	7,341	8,804	1,463	6,152	7,615	1,463	6,152	7,615
Q. Judge Advocate Continuation Pay	1,399	0	1,399	2,000	0	2,000	2,000	0	2,000	2,000	0	2,000
R. Reenlistment Bonus	0	310,741	310,741	0	333,635	333,635	0	351,992	351,992	0	339,532	339,532
1. Regular	0	138,617	138,617	0	155,413	155,413	0	168,360	168,360	0	163,413	163,413
2. Selective	0	172,124	172,124	0	178,222	178,222	0	183,632	183,632	0	176,119	176,119
S. Special Duty Assignment Pay	0	77,996	77,996	0	76,936	76,936	0	89,984	89,984	0	80,740	80,740
T. Enlistment Bonus	0	83,336	83,336	0	83,234	83,234	0	81,000	81,000	0	84,400	84,400
U. Education/Loan Repayment	0	6,092	6,092	0	8,397	8,397	0	10,700	10,700	0	10,694	10,694
V. High Deployment Per Diem Allowance	0	0	0	0	0	0	0	0	0	0	0	0
W. Other Special Pay	140	1,747	1,887	1,217	12,000	13,217	1,255	26,501	27,756	1,165	31,181	32,346
7. Allowances	114,894	594,545	709,439	81,357	461,183	542,540	93,840	507,737	601,577	95,306	511,274	606,580
A. Uniform or Clothing Allowances	2,507	179,499	182,006	2,204	172,384	174,588	2,173	163,484	165,657	2,149	161,971	164,120
1. Initial Issue	1,859	51,662	53,521	1,729	53,884	55,613	1,712	46,093	47,805	1,715	46,025	47,740
a. Military	1,787	50,446	52,233	1,612	52,652	54,264	1,588	44,843	46,431	1,588	44,754	46,342
b. Civilian	72	1,216	1,288	117	1,232	1,349	124	1,250	1,374	127	1,271	1,398
2. Additional	648	2,000	2,648	475	1,669	2,144	461	1,669	2,130	434	1,669	2,103
3. Basic Maintenance	0	28,506	28,506	0	23,989	23,989	0	23,312	23,312	0	23,249	23,249
4. Standard Maintenance	0	85,651	85,651	0	77,797	77,797	0	77,133	77,133	0	75,723	75,723
5. Supplementary	0	11,680	11,680	0	13,045	13,045	0	13,277	13,277	0	13,305	13,305
6. Civilian Clothing Maintenance	0	0	0	0	2,000	2,000	0	2,000	2,000	0	2,000	2,000
B. Station Allowances Overseas	97,485	322,050	419,535	66,810	228,005	294,815	78,292	266,018	344,310	79,388	270,087	349,475
1. Cost-of-Living	88,651	300,568	389,219	61,398	204,369	265,767	71,950	238,358	310,308	72,957	242,004	314,961
2. Temporary Lodging	8,834	21,482	30,316	5,412	23,636	29,048	6,342	27,660	34,002	6,431	28,083	34,514
C. Family Separation Allowance	12,385	79,480	91,865	9,635	50,140	59,775	10,865	66,168	77,033	11,222	66,968	78,190
1. On PCS, No Government Quarters	1,198	4,483	5,681	926	4,264	5,190	1,226	1,527	2,753	1,583	2,327	3,910
2. On PCS, Dependent Not Authorized	1,803	17,718	19,521	702	10,173	10,875	1,629	15,942	17,571	1,629	15,945	17,574
3. Afloat	2,976	33,828	36,804	2,700	12,777	15,477	2,664	19,911	22,575	2,664	19,911	22,575
4. On TDY	6,408	23,451	29,859	5,307	22,926	28,233	5,346	28,788	34,134	5,346	28,785	34,131
D. Personal Money Allowance, General & Flag Officer	43	2	45	48	2	50	48	2	50	48	2	50
E. CONUS COLA	2,474	13,514	15,988	2,660	10,652	13,312	2,462	12,065	14,527	2,499	12,246	14,745

MILITARY PERSONNEL, NAVY
SUMMARY OF ENTITLEMENTS BY SUBACTIVITY
(\$ in Thousands)

	FY 2004			FY 2005			FY 2006			FY 2007		
	Officer	Enlisted	Total									
8. Separation Payments	36,854	184,704	221,558	21,873	162,725	184,598	98,879	285,891	384,770	97,577	267,719	365,296
A. Terminal Leave Pay	19,015	42,396	61,411	10,066	38,037	48,103	19,901	52,672	72,573	19,846	47,468	67,314
B. Lump Sum Readjustment Pay	3,221	0	3,221	2,370	0	2,370	4,095	0	4,095	4,224	0	4,224
C. Donations	0	10	10	0	10	10	0	10	10	0	10	10
D. Severance Pay, Disability	3,562	16,660	20,222	2,652	24,197	26,849	3,622	30,799	34,421	3,742	28,950	32,692
E. Severance Pay, Nonpromotion	5,986	0	5,986	3,605	0	3,605	6,752	0	6,752	5,256	0	5,256
F. Severance Pay, Invol Half (5%)	0	7,631	7,631	0	6,689	6,689	0	7,911	7,911	0	7,383	7,383
G. Severance Pay, Invol Full (10%)	0	18,057	18,057	0	4,562	4,562	0	65,892	65,892	0	55,091	55,091
H. Severance Pay, VSI	0	2,900	2,900	0	3,400	3,400	0	3,600	3,600	0	3,600	3,600
I. Severance Pay, SSB	0	0	0	0	0	0	57,699	46,527	104,226	57,699	46,527	104,226
J. 15-Year Temporary Early Retirement	0	0	0	0	0	0	0	0	0	0	0	0
K. \$30,000 Lump Sum Bonus	5,070	97,050	102,120	3,180	85,830	89,010	6,810	78,480	85,290	6,810	78,690	85,500
9. Social Security Tax Payment	242,508	607,898	850,406	240,752	610,818	851,570	244,979	612,220	857,199	247,426	614,741	862,167
9a. Special Compensation for Combat-Related Disabled	0	0	0	0	0	0	0	0	0	0	0	0
10. Permanent Change of Station Travel	247,013	521,421	768,434	243,914	530,947	774,861	283,328	469,169	752,497	276,852	460,844	737,696
11. Other Military Personnel Costs	5,322	112,727	118,049	3,143	68,912	72,055	37,151	77,071	114,222	37,679	80,506	118,185
A. Apprehension of Deserters	0	729	729	0	768	768	0	825	825	0	825	825
B. Interest on Uniformed Services Savings Deposit	172	258	430	84	125	209	84	125	209	84	125	209
C. Death Gratuities	1,955	5,609	7,564	554	2,515	3,069	572	2,664	3,236	591	2,745	3,336
D. Unemployment Compensation	0	97,040	97,040	0	59,943	59,943	0	66,358	66,358	0	70,386	70,386
E. Survivor Benefits	278	1,265	1,543	72	327	399	205	934	1,139	195	890	1,085
F. SGLI	404	2,156	2,560	0	0	0	0	0	0	0	0	0
G. Education Benefits	0	1,499	1,499	0	1,070	1,070	0	1,799	1,799	0	1,499	1,499
H. Adoption Expenses	184	124	308	267	179	446	267	179	446	267	179	446
I. Transportation Subsidy	1,906	2,630	4,536	1,660	2,291	3,951	1,659	2,292	3,951	1,659	2,292	3,951
J. Partial Dislocation Allowance	423	1,417	1,840	506	1,694	2,200	566	1,895	2,461	467	1,565	2,032
K. Senior ROTC (Non-Scholarship)	0	0	0	0	0	0	1,646	0	1,646	1,668	0	1,668
L. Senior ROTC (Scholarship)	0	0	0	0	0	0	19,058	0	19,058	19,272	0	19,272
M. Junior ROTC	0	0	0	0	0	0	13,094	0	13,094	13,476	0	13,476
12. Cadets/Midshipmen	54,471	0	54,471	52,289	0	52,289	56,108	0	56,108	57,211	0	57,211
Military Personnel Appropriation Total	6,452,101	18,131,027	24,583,128	6,466,645	18,281,168	24,747,813	6,498,344	16,864,994	23,363,338	6,582,715	17,039,583	23,622,298
13. Less Reimbursables	219,488	147,414	366,902	203,747	140,259	344,006	195,630	135,607	331,237	209,980	145,774	355,754
Military Personnel Appropriation Total, Direct	6,232,613	17,983,613	24,216,226	6,262,898	18,140,909	24,403,807	6,302,714	16,729,387	23,032,101	6,372,735	16,893,809	23,266,544

Military Personnel, Navy
 Analysis of Appropriation Changes and Supplemental Requirements
 FY 2005
 (\$ in Thousands)

	FY 2005 President's Budget	Congressional Action	Appropriation	Internal Realignment/ Reprogramming	Subtotal	Title IX Funds	Proposed DD 1415 Actions	FY 2005 Col FY06/07 President's Budget
Pay and Allowances of Officers								
Basic Pay	3,160,423	-5,064	3,155,359		3,155,359		6,324	3,161,683
Retired Pay Accrual	869,116	-2,193	866,923		866,923		1,740	868,663
Defense Health Program Accrual	289,527	-746	288,781		288,781		42	288,823
Incentive Pay	205,214		205,214		205,214			205,214
Special Pay	267,224		267,224		267,224	476	-800	266,900
Basic Allowance for Housing	915,574	-245	915,329		915,329		124	915,453
Basic Allowance for Subsistence	116,645	-33	116,612		116,612		17	116,629
Station Allowances Overseas	66,810		66,810		66,810			66,810
CONUS Cost of Living Allowances	2,660		2,660		2,660			2,660
Uniform Allowances	2,206	-2	2,204		2,204			2,204
Family Separation Allowances	5,727	-216	5,511		5,511	4,124		9,635
Separation Payments	26,518	-4,645	21,873		21,873			21,873
Social Security Tax-Employer's Contribution	240,344	-68	240,276		240,276		476	240,752
Total Obligations	6,167,988	-13,212	6,154,776	0	6,154,776	4,600	7,923	6,167,299
Less Reimbursements	201,710	0	201,710		201,710	0		201,710
Total Direct Obligations	5,966,278	-13,212	5,953,066	0	5,953,066	4,600	7,923	5,965,589
Pay and Allowances of Enlisted								
Basic Pay	8,016,715	-3,214	8,013,501		8,013,501		35,774	8,049,275
Retired Pay Accrual	2,204,596	-3,014	2,201,582		2,201,582		9,836	2,211,418
Defense Health Program Accrual	1,686,914	-2,773	1,684,141		1,684,141		4,459	1,688,600
Incentive Pay	110,276	-1,619	108,657		108,657			108,657
Special Pay	335,139	-2,049	333,090		333,090	224	-19,475	313,839
Special Duty Assignment Pay	77,538	-602	76,936		76,936			76,936
Reenlistment Bonus	362,486	-12,000	350,486		350,486		-16,851	333,635
Enlistment Bonus	85,526	-2,292	83,234		83,234			83,234
Navy College Fund	9,280	-983	8,297		8,297		-2,096	6,201
Loan Repayment Program	100		100		100		2,096	2,196
Basic Allowance for Housing	2,555,677	-689	2,554,988		2,554,988		6,376	2,561,364
Station Allowances Overseas	230,296	-2,291	228,005		228,005			228,005
CONUS Cost of Living Allowances	10,652		10,652		10,652			10,652
Clothing Allowances	177,683	-15	177,668		177,668		-5,284	172,384
Family Separation Allowances	29,556	-2,291	27,265		27,265	22,876	-1	50,140
Separation Payments	165,017	-2,292	162,725		162,725			162,725
Social Security Tax-Employer's Contribution	608,278	-174	608,104		608,104		2,714	610,818
Total Obligations	16,665,729	-36,298	16,629,431	0	16,629,431	23,100	17,548	16,670,079
Less Reimbursements	89,579		89,579		89,579			89,579
Total Direct Obligations	16,576,150	-36,298	16,539,852	0	16,539,852	23,100	17,548	16,580,500

Military Personnel, Navy
 Analysis of Appropriation Changes and Supplemental Requirements
 FY 2005
 (\$ in Thousands)

	FY 2005 President's Budget	Congressional Action	Appropriation	Internal Realignment/ Reprogramming	Subtotal	Title IX Funds	Proposed DD 1415 Actions	FY 2005 Col FY06/07 President's Budget
Pay and Allowances for Midshipmen								
Academy Midshipmen	52,840	-630	52,210		52,210	0	79	52,289
Total Obligations	52,840	-630	52,210	0	52,210	0	79	52,289
Less Reimbursements	0	0	0	0	0	0	0	0
Total Direct Obligations	52,840	-630	52,210	0	52,210	0	79	52,289
Subsistence of Enlisted Personnel								
Basic Allow for Subsistence	613,780	-175	613,605		613,605		1,621	615,226
Subsistence-in-Kind	394,575	-113	394,462		394,462		1,042	395,504
FSSA	500		500		500			500
Total Obligations	1,008,855	-288	1,008,567	0	1,008,567	0	2,663	1,011,230
Less Reimbursements	49,737	0	49,737	0	49,737	0	0	49,737
Total Direct Obligations	959,118	-288	958,830	0	958,830	0	2,663	961,493
Permanent Change of Station Travel								
Accession Travel	53,895	-3	53,892		53,892		3	53,895
Training Travel	77,715	-8,254	69,461		69,461		935	70,396
Operational Travel	212,056	-20,923	191,133		191,133		922	192,055
Rotational Travel	330,555	-30,977	299,578		299,578		-189	299,389
Separation Travel	96,996	-12	96,984		96,984		12	96,996
Travel of Organized Units	29,934	-20	29,914		29,914		20	29,934
Non-Temporary Storage	12,151		12,151		12,151		-581	11,570
IPCOT/OTEIP	7,622		7,622		7,622		0	7,622
Temporary Lodging Expense	14,126		14,126		14,126		-1,122	13,004
Total Obligations	835,050	-60,189	774,861	0	774,861	0	0	774,861
Less Reimbursements	2,980		2,980	0	2,980		0	2,980
Total Direct Obligations	832,070	-60,189	771,881	0	771,881	0	0	771,881
Other Personnel Costs								
Apprehension of Military Deserters								
Absentees & Escaped Military Prisoners								
	825	-57	768		768			768
Interest on Uniform Svcs Savings (MIA)	209		209		209			209
Death Gratuities	3,036	-67	2,969		2,969		100	3,069
Unemployment Compensation	59,943		59,943		59,943			59,943
Survivors' Benefits	1,721	-809	912		912		-513	399
SGLI	0		0		0			0
Education Benefits	1,370	-600	770		770		300	1,070
Transportation Subsidy	3,951		3,951		3,951			3,951
Adoption Expenses	246		246		246		200	446
Partial Dislocation Allowance	2,200		2,200		2,200			2,200
Total Obligations	73,501	-1,533	71,968	0	71,968	0	87	72,055
Less Reimbursements	0		0	0	0		0	0
Total Direct Obligations	73,501	-1,533	71,968	0	71,968	0	87	72,055
Total Direct Obligations	24,459,957	-112,150	24,347,807	0	24,347,807	27,700	28,300	24,403,807

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
FY 2005 Direct Program	5,965,589	16,580,500	52,289	961,493	771,881	72,055	24,403,807
INCREASES							
Pricing Increases	263,236	768,455	5,098	79,760	44,141	8,723	1,169,413
Annualization of FY 2005 Pay Raise 3.5% (Effective 1 January 2005)	48,169	75,317	771				124,257
Basic Pay	35,927	56,086	716				92,729
Retired Pay Accrual	9,521	14,807					24,328
FICA	2,721	4,291	55				7,067
Separation Payments (Lump Sum Leave)		133					133
Dislocation Allowance					1,885		1,885
FY 2006 Pay Raise 3.1% (Effective 1 January 2006)	127,993	200,131	2,314				330,438
Basic Pay	95,464	149,030	2,149				246,643
Retired Pay Accrual	25,298	39,344					64,642
FICA	7,231	11,401	165				18,797
Separation Payments (Lump Sum Leave)		356					356
Dislocation Allowance					5,009		5,009
Annualization of FY 2005 Inflation 4.95% (Effective 1 January 2005)				14,355			14,355
Basic Allowance for Subsistence				14,355			14,355
Inflation Rate	8,272			65,405			73,677
FY 2006 BAS Inflation 4.95% (Effective 1 January 2006)	8,265		1,260	43,064			52,589
SIK - Rate				22,341			22,341
Commercially Procured Services - 2.0% Projected Inflation					45		45
Industrially Funded Services - 2.0% Projected Inflation					37,202		37,202
Civilian Clothing - Rate (2.0%)	7						7
BAH Rates	39,056	321,280					360,336
Domestic - Rate	12,759	278,750					291,509
Overseas - Consistent with FCF rates	26,297	42,530					68,827
Other Pricing Increases							
Incentive Pay	799	1,661					2,460
Submarine Duty Pay - Rate		1,661					1,661
Surface Warfare CSRB - Rate	799						799

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Special Pay	20,199	88,536					108,735
Dental Additional - Rate	9						9
Dental MYSP - Rate	4,792						4,792
Dental Variable - Rate	731						731
Career Sea Pay - Rate		56,911					56,911
Distribution Incentive Pay - Rate		14,501					14,501
Diving Duty - Rate	27						27
Enlisted Supervisor Retention Pay - Rate		15,200					15,200
FLPP IV- Rate	219						219
Hardship Duty - Rate		1,062					1,062
Medical Board Certified - Rate	1,027						1,027
Medical Multi Year Spec - Rate	10,297						10,297
Medical Variable - Rate	1,244						1,244
Nuclear Accession Bonus - Rate		862	753				1,615
Nurse Accession - Rate	1,125						1,125
Nurse Incentive - Rate	728						728
Reenlistment Bonus		5,060					5,060
New Payment - Rate		5,060					5,060
Enlistment Bonus		422					422
Anniversary Payment - Rate		291					291
New Payment - Rate		131					131
Education Benefits		35					35
National Call to Service 12-Month Enlistment - Rate		26					26
National Call to Service 36-Month Enlistment - Rate		9					9
Overseas Station Allowance	12,878	47,335					60,213
COLA - Rate	12,083	42,413					54,496
Temporary Lodging Allowance - Rate	795	4,922					5,717
CONUS COLA - Rate		431					431
Clothing Allowance		2,589					2,589
Initial - Rate		630					630
Replacement - Rate		1,959					1,959
Family Separation Allowance	43	45					88
FSA I - Rate	43	45					88

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Separation Payments	5,827	25,613					31,440
Severance Pay Disability - Rate	12	922					934
Severance Pay Non-Disability - Rate		24,691					24,691
Lump Sum Leave - Rate	5,797						5,797
Failure of Promotion - Rate	18						18
Other Military Personnel Costs						8,723	8,723
Partial Dislocation - Rate						138	138
Unemployment Compensation - Department of Labor Rate						5,225	5,225
Death Gratuity - Rate						168	168
Senior ROTC Pay and Allowances						136	136
Senior ROTC Summer Training Subsistence						31	31
Scholarship ROTC Pay and Allowances						2,476	2,476
Scholarship ROTC Summer Training Subsistence						549	549
Program Increases	124,951	184,166	100	12,861	19,661	33,445	375,184
Strength Related							
BAH Domestic - Number	11,860						11,860
Separation Payments		43,541					43,541
Severance Pay Disability - Number		5,680					5,680
Severance Pay Non-Disability - Number		37,861					37,861
Permanent Change of Station (PCS) Travel					19,661		19,661
Additional Officer Accessions					3,203		3,203
Additional Midshipmen Accessions					109		109
Additional Officer Training					2,936		2,936
Additional Officer Rotational					2,269		2,269
Additional Officer Operational					9,714		9,714
Additional Officer Separationa					203		203
Additional Enlisted Separations					1,227		1,227
New Increases to Program							
Separation Payments	57,699	46,527					104,226
Targeted Separation Incentives (Force Shaping Tools) - Number	57,699	46,527					104,226

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Other							
Incentive Pay	15,557	2,453					18,010
ACCP - Number	4,028						4,028
Demolition Duty - Number		506					506
Flying Duty - Number		986					986
Incentive Bonus for Conversion - Number		399					399
Parachute Jumping Pay - Number		562					562
Nuclear Accession Bonus - Number			100				100
Special Warfare Incentive Pay - Number	2,869						2,869
Submarine Duty Pay - Number	352						352
Submarine Support Incentive Pay - Number	608						608
Surface Warfare Officer CSRB - Number	7,700						7,700
Special Pay	24,696	10,463					35,159
Career Sea Pay - Number	3,663						3,663
Dental Board Certified - Number	255						255
Dental MYSP - Number	2,220						2,220
Diving Duty - Number		1,076					1,076
FLPP - Number	35						35
Hardship Duty - Number		7,649					7,649
Imminent Danger Pay - Number	81						81
Medical Incentive Pay - Number	12,186						12,186
NOIP - Number	5,133						5,133
Overseas Extension Pay - Number		1,738					1,738
Psyche Diplomat - Number	1,033						1,033
SOCOM Assignment Incentive Pay - Number	90						90
Special Duty Assignment Pay		14,081					14,081
Aggregate - Number		14,081					14,081
Reenlistment Bonus		27,008					27,008
New Payment - Number		7,887					7,887
Anniversary Payment - Number		19,121					19,121
Enlistment Bonus		2,533					2,533
Residual - Number		2,533					2,533
Education Benefits		1,463					1,463
40K Program - Number		11					11
50K Program - Number		1,452					1,452

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Loan Repayment Program - Number		2,004					2,004
Family Separation Allowance - Number (FSA Type II, III, and IV)	1,223	18,765					19,988
Overseas Station Allowance	135						135
TLA - Number	135						135
CONUS COLA - Number	99	982					1,081
SIK							
SIK Messing				720			720
Collections				12,141			12,141
Separation Payments	13,682	14,346					28,028
Failure of Promotion - Number	3,129						3,129
Lump Sum Leave - Number	4,038	14,146					18,184
Lump Sum to Reservists - Number	1,927						1,927
30K Lump Sum Bonus - Number	3,630						3,630
Severance Pay Disability - Number	958						958
VSI Payment - Number		200					200
Other Military Personnel Costs						33,445	33,445
Apprehension						57	57
Unemployment Compensation - Number						1,190	1,190
Survivor Benefits						740	740
Education Benefits						729	729
Partial DLA - Number						123	123
Transfer of JROTC Uniform Replacement from Reserve Personnel, Navy						11,540	11,540
Transfer of JROTC Uniform Alterations/Renovations from Reserve Personnel, Navy						1,554	1,554
Transfer of Senior ROTC Stipend from Reserve Personnel, Navy						396	396
Transfer of Senior ROTC Uniforms, Issue-in-Kind from Reserve Personnel, Navy						529	529
Transfer of Senior ROTC Uniforms, Commutation-in-Lieu of from Reserve Personnel, Navy						554	554
Transfer of Scholarship ROTC Stipend from Reserve Personnel, Navy						13,127	13,127
Transfer of Scholarship ROTC Uniforms, Issue-in-Kind from Reserve Personnel, Navy						2,258	2,258
Transfer of Scholarship ROTC Uniforms, Commutation-in-Lieu of from Reserve Personnel, Navy						648	648
TOTAL INCREASES	388,187	952,621	5,198	92,621	63,802	42,168	1,544,597

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
DECREASES							
Pricing Decreases	-50,049	-8,565	0	0	-12,443	0	-71,057
Retired Pay Accrual (27.5 to 26.5%)	-31,523	-2					-31,525
Other Pricing Decreases							
Incentive Pay	-1,726	-620					-2,346
ACCP - Rate	-1,646						-1,646
Flying Duty - Rate		-613					-613
Flying Duty Crew - Rate		-7					-7
Submarine Support Incentive Pay - Rate	-80						-80
Special Pay	-16,301						-16,301
Dental Board Certified - Rate	-23						-23
Medical Incentive - Rate	-10,400						-10,400
NOIP - Rate	-4,760						-4,760
Pharmacy Special Pay - Rate	-52						-52
Psyche Diplomat - Rate	-1,066						-1,066
CONUS COLA - Rate	-297						-297
Separation Payments	-202						-202
Lump Sum to Reservist - Rate	-202						-202
Special Duty Assignment Pay - Aggregate Rate		-1,033					-1,033
Reenlistment Bonus		-5,711					-5,711
Anniversary Payment - Rate		-5,711					-5,711
Education Benefits		-1,199					-1,199
40K Program - Rate		-33					-33
50K Program - Rate		-1,166					-1,166
Permanent Change of Station (PCS) Travel							
Commercially Procured Services - Number					-6,313		-6,313
Industrially Funded Services - Number					-6,130		-6,130
Program Decreases	-375,518	-2,321,069	-1,379	-73,557	-73,722	-1	-2,845,246
Strength Related							
Basic Pay	-54,021	-183,528					-237,549
Workyears	-42,690	-131,655	-1,058	-21,399			-196,802
Pay Grade Mix	-11,331	-51,873					-63,204

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Retired Pay Accrual	-13,890	-126,647					-140,537
Workyears	-10,887	-112,953					-123,840
Pay Grade Mix	-3,003	-13,694					-16,697
FICA	-5,355	-14,089					-19,444
Workyears	-4,497	-10,121	-81				-14,699
Pay Grade Mix	-858	-3,968					-4,826
Transfer of DHP Accrual to Medicare-Eligible Retiree Health Fund Contribution Account	-288,823	-1,688,600					-1,977,423
BAH	-1,437	-252,629					-254,066
Domestic - Number		-251,292					-251,292
Overseas - Number	-1,437	-1,337					-2,774
Clothing Allowance		-11,489					-11,489
Initial - Number		-8,421					-8,421
Replacement - Number		-3,068					-3,068
SIK					-52,158		-52,158
Workyears					-49,225		-49,225
Rate					-413		-413
Augmentation Rations					-2,520		-2,520
BAS - Workyears	-2,395		-240				-2,635
Other							
Incentive Pay	-722	-3,273					-3,995
ACIP - Number	-722						-722
Submarine Pay - Number		-2,036					-2,036
Flight Deck Duty - Number		-1,237					-1,237
Special Pay	-7,270	-8,171					-15,441
Career Sea Pay Premium - Number		-5,860					-5,860
Dental Variable - Number	-1,086						-1,086
Dental Additional - Number	-880						-880
FLPP II & III	-254						-254
Hardship Duty Pay - Number		-2,251					-2,251
Medical Additional - Number	-2,671						-2,671
Medical Board Certified - Number	-648						-648
Medical Multi Year Pay - Number	-1,282						-1,282
Medical Variable - Number	-270						-270
Nuclear Accession Bonus - Number		-60					-60
Nurse Accession - Number	-125						-125
Nurse Incentive - Number	-54						-54

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Reenlistment Bonus		-8,000					-8,000
Distribution SRB - Elimination of Pilot Program		-8,000					-8,000
Enlistment Bonus		-5,189					-5,189
New Payment - Number		-5,189					-5,189
Clothing Allowance	-38						-38
Initial - Number	-24						-24
Additional - Number	-14						-14
Overseas Station Allowance	-1,531	-9,322					-10,853
COLA - Number	-1,531	-8,424					-9,955
Temporary Lodging - Number		-898					-898
Family Separation Allowance - Number (Type I)	-36	-2,782					-2,818
Separation Payments		-7,350					-7,350
30K Lump Sum Bonus - Number		-7,350					-7,350
Death Gratuity						-1	-1
Permanent Change of Station (PCS) Travel					-73,722		-73,722
Enlisted Accessions					-5,843		-5,843
Training					-8,201		-8,201
Operational					-18,019		-18,019
Rotational					-32,214		-32,214
Midshipmen Separations					-1		-1
Organized Unit Moves					-9,444		-9,444
TOTAL DECREASES	-425,567	-2,329,634	-1,379	-73,557	-86,165	-1	-2,916,303
FY 2006 Direct Program	5,928,209	15,203,487	56,108	980,557	749,518	114,222	23,032,101

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
FY 2006 Direct Program	5,928,209	15,203,487	56,108	980,557	749,518	114,222	23,032,101
INCREASES							
Pricing Increases	196,483	563,706	1,103	50,552	6,168	2,632	820,644
Annualization of FY 2006 Pay Raise 3.1% (Effective 1 January 2006)	30,050	80,137	45				110,232
Basic Pay	22,413	59,532	42				81,987
Retired Pay Accrual	5,939	15,716					21,655
FICA	1,698	4,554	3				6,255
Separation Payments (Lump Sum Leave)		335					335
Dislocation Allowance					732		732
Anticipated FY 2007 Pay Raise (Effective 1 January 2007)	98,877	264,682	136				363,695
Basic Pay	73,746	196,880	126				270,752
Retired Pay Accrual	19,543	51,712					71,255
FICA	5,588	14,985	10				20,583
Separation Payments (Lump Sum Leave)		1,105					1,105
Dislocation Allowance					2,408		2,408
Annualization of FY 2006 Inflation 5.0% (Effective 1 January 2006)				11,491			11,491
Basic Allowance for Subsistence				11,491			11,491
Inflation Rate							
Basic Allowance for Subsistence	5,677		922	39,061			45,660
FY 2006 BAS Inflation 5.0% (Effective 1 January 2007)	5,677		198	34,472			40,347
Basic Pay - Workyears			549				549
FICA - Workyears			42				42
BAS - Workyears			133				133
SIK - Rate				4,589			4,589
Clothing Allowance	3	2,819					2,822
Initial - Rate (2.1%)		977					977
Replacement - Rate (2.1%)		1,842					1,842
Civilian Clothing - Rate (2.1%)	3						3
Permanent Change of Station (PCS) Travel					3,028		3,028
Commercially Procured Services - 2.1% Projected Inflation					2,203		2,203
Industrially Funded Services - 2.1% Projected Inflation					825		825
BAH Rates	56,452	194,111					250,563
Domestic - Rate	55,056	190,203					245,259
Overseas - Consistent with FCF rates	1,396	3,908					5,304

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Other Pricing Increases							
Incentive Pay	2,233						2,233
Aviation Career Continuation Pay - Rate	1,191						1,191
Special Warfare (SPECOPS CSRB) - Rate	42						42
Surface Warfare CSRB - Rate	1,000						1,000
Special Pay	398	6,077					6,475
FLPP IV - Rate	95						95
Foreign Language Proficiency Pay - Rate		6,077					6,077
NOIP - Rate	3						3
Nurse Accession Bonus - Rate	300						300
Reenlistment Bonus		4,942					4,942
New Payment Aggregate- Rate		4,923					4,923
Anniversary Payment Aggregate - Rate		19					19
Enlistment Bonus		2,461					2,461
Anniversary Payment - Rate		1,749					1,749
New Payment - Rate		712					712
Overseas Station Allowance	1,813	6,454					8,267
COLA - Rate	1,724	6,031					7,755
Temporary Lodging Allowance - Rate	89	423					512
CONUS COLA - Rate	18	181					199
Family Separation Allowance	52	84					136
FSA I - Rate	52	84					136
Separation Payments	910	1,758					2,668
Failure of Promotion - Rate	74						74
Lump Sum Leave - Rate	587						587
Lump Sum Leave to Reservists - Rate	129						129
Severance Pay Disability - Rate	120	83					203
Severance Pay Non-Disability - Rate		1,675					1,675
Other Military Personnel Costs						2,632	2,632
Death Gratuity - Rate						100	100
Partial DLA - Rate						65	65
Unemployment Compensation - Department of Labor Rate						2,215	2,215
JROTC Uniform Replacement						21	21
JROTC Uniform Alterations/Renovations						33	33
Senior ROTC Uniforms, Issue-in-Kind						11	11
Senior ROTC Uniforms, Comutation-in-Lieu of						11	11
Senior ROTC Pay and Allowances						5	5

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Senior ROTC Summer Training Subsistence						2	2
Scholarship ROTC Uniforms, Issue-in-Kind						47	47
Scholarship ROTC Uniforms, Commutation-in-Lieu of						14	14
Scholarship ROTC Pay and Allowances						79	79
Scholarship ROTC Summer Training Subsistence						29	29
Program Increases	7,032	45,741	0	15,526	1,270	2,187	71,756
Strength Related		18,093					18,093
Base Pay - Pay Grade Mix		13,497					13,497
RPA - Pay Grade Mix		3,563					3,563
FICA - Pay Grade Mix		1,033					1,033
Organized Units - Number					1,270		1,270
Other							
Incentive Pay	5,773	2,571					8,344
ACCP - Number	5,516						5,516
Flying Duty - Number		325					325
Flying Duty Crew - Number		181					181
Flight Deck Duty - Number		422					422
Special Warfare Incentive Pay - Number	99						99
Special Warfare (SPECOPS CSRB) - Number	158						158
Submarine Pay - Number		1,643					1,643
Special Pay	935	21,818					22,753
Diving Duty (Explosive Ordnance Disposal) - Number		4,320					4,320
Enlisted Supervisor Retention Pay - Number		12,614					12,614
FLPP IV - Number	740						740
Imminent Danger Pay - Number	195						195
Overseas Tour Extension Program - Number		24					24
Distribution Incentive Pay - Number		4,860					4,860

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Enlistment Bonus		939					939
New Payment - Number		277					277
Anniversary Payment - Number		662					662
CONUS COLA - Number	19						19
SIK				15,526			15,526
Workyears				67			67
Augmentation Rations				13,463			13,463
Messing				1,996			1,996
Loan Repayment Program - Number		1,394					1,394
Family Separation Allowance - Number	305	716					1,021
Separation Payments		210					210
30K Lump Sum Bonus - Number		210					210
Other Military Personnel Costs						2,187	2,187
Unemployment Compensation - Number						1,813	1,813
JROTC Uniform Alterations/Renovations (2,260 cadets)						39	39
JROTC Uniform Replacement (55 cadets)						289	289
Scholarship ROTC Stipend						4	4
Scholarship ROTC Uniforms, Issue-in-Kind (33 midshipmen)						17	17
Scholarship Pay and Allowances (640 mandays)						20	20
Scholarship Summer Training Subsistence (640 mandays)						5	5
TOTAL INCREASES	203,515	609,447	1,103	66,078	7,438	4,819	892,400
DECREASES							
Pricing Decreases	-3,266	-14,016	0	0	0	0	-17,282
Retired Pay Accrual (26.5 to 26.4%)	-3,266						-3,266
Other Pricing Decreases							
Incentive Pay		-1,079					-1,079
Flying Duty - Rate		-72					-72
Flying Duty Crew - Rate		-21					-21
Submarine Pay - Rate		-986					-986
Special Pay		-10,894					-10,894
Enlisted Supervisor Retention Pay - Rate		-10,714					-10,714
Distribution Incentive Pay - Rate		-180					-180
Special Duty Assignment Pay - Rate		-2,043					-2,043

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Program Decreases	-125,280	-462,933	0	-29,168	-22,438	-856	-640,675
Strength Related							
Basic Pay	-73,541	-242,859					-316,400
Workyears	-73,007	-242,859					-315,866
Pay Grade Mix	-534						-534
Retired Pay Accrual	-19,510	-71,956					-91,466
Workyears	-19,369	-71,956					-91,325
Pay Grade Mix	-141						-141
FICA	-5,529	-18,503					-24,032
Workyears	-5,489	-18,503					-23,992
Pay Grade Mix	-40						-40
BAH	-18,894	-74,938					-93,832
Domestic - Number	-18,185	-1,835					-20,020
Overseas - Number	-709	-73,103					-73,812
BAS - Workyears	-2,788						-2,788
SIK				-29,168			-29,168
Workyears				-28,278			-28,278
Augmentation Rations				-166			-166
Messing				-724			-724
Other							
Incentive Pay	-1,595						-1,595
Special Warfare (SPECOPS CSRB) - Number	-1,300						-1,300
Submarine Duty Pay - Number	-12						-12
Submarine Support Incentive Pay - Number	-283						-283
Special Pay		-377					-377
Foreign Language Proficiency Pay - Number	-467	-377					-844
NOIP - Number	-77						-77
Nurse Accession Bonus - Number	-300						-300
SOCOM Assignment Incentive Pay - Number	-90						-90
Special Duty Assignment Pay - Number		-7,201					-7,201
Reenlistment Bonus		-17,402					-17,402
New Payment - Number		-9,870					-9,870
Anniversary Payment - Number		-7,532					-7,532
Education Benefits		-1,400					-1,400
40K Program - Number		-27					-27
50K Program - Number		-1,373					-1,373

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES - SUMMARY
(\$ In Thousands)

	<u>BA 1</u>	<u>BA 2</u>	<u>BA 3</u>	<u>BA 4</u>	<u>BA 5</u>	<u>BA 6</u>	<u>Amount</u>
Overseas Station Allowance		-2,385					-2,385
COLA - Number	-717	-2,385					-3,102
Clothing Allowance	-27	-4,332					-4,359
Initial - Number	-27	-1,045					-1,072
Replacement - Number		-3,287					-3,287
Separation Payments	-2,212	-21,580					-23,792
Failure of Promotion - Number	-1,570						-1,570
Lump Sum Leave - Number	-642	-6,644					-7,286
Severance Pay Disability - Number		-1,932					-1,932
Severance Pay Non-Disability - Number		-13,004					-13,004
Other Military Personnel Costs						-856	-856
Survivor Benefits						-54	-54
Education Benefits						-300	-300
Partial DLA - Number						-495	-495
Senior ROTC Pay and Allowances (224 mandays)						-6	-6
Senior ROTC Summer Training Subsistence (224 mandays)						-1	-1
Permanent Change of Station (PCS) Travel					-22,438		-22,438
Accessions					-8,409		-8,409
Training					-275		-275
Operational					-706		-706
Rotational					-1,019		-1,019
Separations					-12,029		-12,029
TOTAL DECREASES	-128,546	-476,949	0	-29,168	-22,438	-856	-657,957
FY 2007 Direct Program	6,003,178	15,335,985	57,211	1,017,467	734,518	118,185	23,266,544

Section 4
Detail of Military Personnel Entitlements

Budget Activity 1
Pay and Allowances of Officers

**MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Officers
(\$ in Thousands)**

		<u>AMOUNT</u>
FY 2005 Total Direct Program		5,965,589
Increases		
Pricing Increases:		
Annualization of FY 2005 Pay Raise of 3.5% effective 1 January 2005		48,169
Basic Pay	35,927	
RPA	9,521	
FICA	2,721	
FY 2006 Pay Raise of 3.1% effective 1 January 2006		127,993
Basic Pay	95,464	
RPA	25,298	
FICA	7,231	
Inflation Rate		8,272
BAS rate increase of 4.95%	8,265	
Clothing - Civilian Clothing Rate of 2.0%	7	
BAH Rates		39,056
BAH Domestic Rates	12,759	
BAH Overseas Rates Consistent with FCF Rates	26,297	
Other Pricing Increases		39,746
Incentive Pays		
Surface Warfare Critical Skills Retention Bonus	799	
Special Pays		20,199
Med Variable	1,244	
Med Board Certif	1,027	
Med Multi Yr Spec	10,297	
Dental Variable	731	
Dental additional	9	
Dental MYSP	4,792	
Nurse Accession	1,125	
Nurse Incentive	728	
Diving Duty	27	
Foreign Language Proficiency Pay IV	219	

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Officers
(\$ in Thousands)

			<u>AMOUNT</u>
Overseas Station Allowance		12,878	
COLA based on FCF exchange rates	12,083		
Temporary Lodging Allowance	795		
FSA - FSA 1 rate change		43	
Separation Pays		5,827	
Lump Sum Leave - Rate	5,797		
Failure of Promotion	18		
Severance Pay Disability	12		
Total Pricing Increases			263,236
Program Increases			
Strength Related			11,860
BAH Domestic - Number	11,860		
New or Projected Increases to Programs/Compensation			57,699
Separation Pays - Force Shaping Tools	57,699		
Other			55,392
Incentive Pays		15,557	
ACCP number	4,028		
Submarine Duty Pay	352		
Submarine Support Incentive Pay	608		
Surface Warfare Officer CSRB	7,700		
Special Warfare Incentive Pay	2,869		
Special Pays		24,696	
Med Incentive Pay	12,186		
Dental Board Cert	255		
Dental MYSP	2,220		
NOIP	5,133		
Career Sea Pay	3,663		
FLPP	35		
Imminent Danger Pay	81		
Psyche Diplomat	1,033		
SOCOM Assignment Incentive Pay	90		
OSA			135
TLA numbers entitled	135		
CONUS COLA			99
CONUS COLA numbers entitled	99		

**MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Officers
(\$ in Thousands)**

		<u>AMOUNT</u>
FSA		1,223
FSA - Members entitled to FSA I, II, and IV	1,223	
Separation Pay		13,682
Separation - \$30,000 Lump Sum Bonus - Number	3,630	
Lump Sum Leave - Number	4,038	
Lump Sum to Reservist - Number	1,927	
Failure of Promotion - Number	3,129	
Severance Pay Disability - Number	958	
Total Program Increases		124,951
Total Increases		388,187
Decreases		
Pricing Decreases		
Retired Pay Accrual from 27.5% to 26.5%		-31,523
Other Pricing Decreases		-18,526
Incentive Pays		-1,726
ACCP Rates	-1,646	
Submarine Support Incentive Pay	-80	
Special Pays		-16,301
Medical incentive	-10,400	
Dental Board Cert	-23	
Pharmacy Special Pay	-52	
NOIP	-4,760	
Psyche Diplomat	-1,066	
Separation Pay		-202
Lump Sum to Reservist - Rate	-202	
CONUS COLA		-297
Total Pricing Decreases		-50,049
Program Decreases		
Strength Related		-365,921
Basic Pay		-54,021
Workyears	-42,690	
Pay grade mix	-11,331	

**MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Officers
(\$ in Thousands)**

			<u>AMOUNT</u>
RPA		-13,890	
Workyears	-10,887		
Pay grade mix	-3,003		
FICA		-5,355	
Workyears	-4,497		
Pay grade mix	-858		
BAH OVERSEAS number entitled		-1,437	
Defense Health Program - Discontinuation of the DHP program		-288,823	
BAS Work Years		-2,395	
Other			-9,597
Incentive Pays - ACIP number entitled		-722	
Special Pays		-7,270	
Med Variable	-270		
Med Additional	-2,671		
Med Board Cert	-648		
Med Multi Year Pay	-1,282		
DentalVariable	-1,086		
Dental Add	-880		
Nurse Incentive	-54		
Nurse Accession	-125		
FLPP II & III	-254		
COLA number entitled		-1,531	
Clothing		-38	
Initial	-24		
Additional	-14		
FSA - Members Entitled to FSA - Sea Duty Greater Than 30 Days		-36	
Total Program Decreases			-375,518
Total Decreases			-425,567
FY 2006 Direct Program			5,928,209

**MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Officers
(\$ in Thousands)**

		<u>AMOUNT</u>
FY 2006 Direct Program		5,928,209
Increases		
Pricing Increases:		
Annualization of FY 2006 Pay Raise of 3.1% effective 1 January 2006		30,050
Basic Pay	22,413	
RPA	5,939	
FICA	1,698	
Anticipated FY2007 Pay Raise effective 1 January 2007		98,877
Basic Pay	73,746	
RPA	19,543	
FICA	5,588	
Inflation Rate		5,680
BAS Rate Growth of 5.0%	5,677	
Clothing - Civilian Clothing Rate of 2.1%	3	
BAH Rates		56,452
FY 2007 Housing Rate Growth	55,056	
BAH Overseas Rates Consistent with FCF Rates	1,396	
Other Pricing Increases		5,424
Incentive Pays		2,233
Aviation Career Continuation Pay	1,191	
Surface Warfare CSRB	1,000	
Special Warfare - SPECOPS CSRB	42	
Special Pays		398
Nurse Accession Bonus	300	
NOIP	3	
FLPP IV	95	
CONUS COLA		18
OSA		1,813
COLA due to FCF rates	1,724	
TLA rates	89	
FSA - Rate for FSA I		52
Separation Pays		910
Lump Sum Leave - Rate	587	
Reservists LSL Payment	129	
Failure of Promotion	74	
Severance Pay Disability	120	
Total Pricing Increases		196,483

**MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Officers
(\$ in Thousands)**

			<u>AMOUNT</u>
Program Increases			
Other			
Incentive Pays			7,032
ACCP number	5,516		
Special Warfare Incentive Pay	99		
Special Warfare - SPECOPS CSRB	158		
Special Pays			935
FLPP IV	740		
Immient Danger Pay	195		
CONUS COLA - number			19
FSA 1 - number entitled			305
Total Program Increases			7,032
Total Increases			203,515
Pricing Decreases			
Retired Pay Accrual from 26.5% to 26.4%			-3,266
Total Pricing Decreases			-3,266
Program Decreases			
Strength Related			
Basic Pay			-120,262
Workyears	-73,007		
Pay grade mix	-534		
RPA			-19,510
Workyears	-19,369		
Pay grade mix	-141		
FICA			-5,529
Workyears	-5,489		
Pay grade mix	-40		
BAS Work Years			-2,788
BAH Dom			-18,894
Domestics Workyears	-18,185		
Oversears Number	-709		

**MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Officers
(\$ in Thousands)**

			<u>AMOUNT</u>
Other			-5,018
Incentive Pays		-1,595	
Submarine Duty Pay number	-12		
Submarine Support Incentive Pay number	-283		
Special Warfare - SPECWAR CSRB	-1,300		
Special Pay		-467	
NOIP	-77		
Nurse Accession Bonus	-300		
SOCOM Assignment Incentive Pay	-90		
OSA			
COLA member entitled		-717	
Separation Pay		-2,212	
Lump Sum Leave - Number	-642		
Failure of Promotion - Number	-1,570		
Clothing - Additional member entitled		-27	
Total Program Decreases			-125,280
Total Decreases			-128,546
FY 2007 Direct Program			6,003,178

(In Thousands Of Dollars)

Project: Basic Pay - Officer

FY 2007 Estimate	\$3,265,596
FY 2006 Estimate	\$3,234,081
FY 2005 Estimate	\$3,161,683
FY 2004 Actual	\$3,170,035

Part I - Purpose And Scope

Funds requested to provide for basic compensation for officers on active duty according to rank and length of service under provisions of Title 37 U.S.C. 201, 203, 204, 205 and P.L. 97-37. The estimate excludes those officers on active duty at the seat of government and at headquarters responsible for reserve affairs (Title 10 U.S.C. 12301) and those officers of the reserve component on active duty serving in connection with the organizing, administering, recruiting, instructing and training of the reserve components (Title 10 U.S.C. 12301).

Part II - Justification Of Funds Requested

FY 2004 is based on an end strength of 54,208 and 56,260 workyears. FY 2005 is based on an end strength of 52,870 and 54,251 workyears. FY 2006 is based on an end strength of 51,895 and 53,137 workyears. FY 2007 is based on an end strength of 51,435 and 51,920 workyears. Costs are calculated on the basis of grade distribution and average rates experienced. FY 2005 includes 3.5% across the board pay raise effective 1 January 2005. FY 2006 includes a 3.1% across the board pay raise effective 1 January 2006.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Admiral	8	148,499.88	1,188	8	149,523.00	1,196	8	153,140.63	1,225	8	158,235.13	1,266
Vice Admiral	25	139,640.00	3,491	25	142,263.20	3,557	25	149,225.80	3,731	25	154,194.48	3,855
Rear Admiral (UH)	77	126,493.51	9,740	77	128,867.36	9,923	77	135,174.82	10,408	77	139,672.99	10,755
Rear Admiral (LH)	109	112,119.27	12,221	113	114,155.96	12,900	111	119,854.66	13,304	111	123,840.81	13,746
Captain	3,539	94,181.41	333,308	3,499	96,030.08	336,009	3,450	100,944.84	348,260	3,355	104,288.45	349,888
Commander	7,412	76,004.99	563,349	7,284	77,946.81	567,765	7,043	81,446.56	573,628	6,692	84,157.74	563,184
Lieutenant Commander	10,665	64,273.79	685,480	10,678	66,039.33	705,168	10,595	68,881.15	729,796	10,600	71,172.13	754,425
Lieutenant	17,610	52,307.16	921,129	17,574	53,538.81	940,891	17,803	55,501.01	988,084	17,664	57,344.82	1,012,939
Lieutenant Junior Grade	8,116	41,704.29	338,472	7,210	42,224.89	304,441	6,683	43,510.23	290,779	6,199	44,960.01	278,707
Ensign	7,024	30,749.43	215,984	6,175	31,235.36	192,878	5,807	32,307.54	187,610	5,770	33,382.71	192,618
Warrant Officer 5	8	70,750.00	566	30	72,423.23	2,173	51	75,071.86	3,829	68	77,547.74	5,273
Warrant Officer 4	337	63,080.12	21,258	331	65,739.24	21,760	262	68,471.48	17,940	214	70,763.71	15,143
Warrant Officer 3	480	52,964.58	25,423	660	54,805.04	36,171	751	56,833.17	42,682	797	58,675.63	46,764
Warrant Officer 2	850	45,207.06	38,426	587	45,742.14	26,851	471	48,417.96	22,805	340	50,095.73	17,033
Warrant Officer 1	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total Basic Pay - Officer	56,260		3,170,035	54,251		3,161,683	53,137		3,234,081	51,920		3,265,596

(In Thousands Of Dollars)

Project: Retired Pay Accrual -Officer

FY 2007 Estimate	\$862,117
FY 2006 Estimate	\$857,031
FY 2005 Estimate	\$868,663
FY 2004 Actual	\$871,759

Part I - Purpose And Scope

Funds requested provide for the Department of Defense's contribution to it's Military Retirement Fund, in accordance with 10 U.S.C. 1466. Additionally, funds are budgeted to support military retirement reform which changes the current retirement system from 40% of the average of high 3 years of monthly base pay to 50% of average of high 3 with COLA adjustments using modified Consumer Price Index.

Part II - Justification Of Funds Requested

The budgetary estimates are derived as a product of:

- (a) normal cost percentage of 27.5% in FY 2005, 26.5% in FY 2006 and 26.4% in FY 2007.
- (b) the total amount of basic pay expected to be paid during the fiscal year to members of the Armed Forces.

Cost computations are as follows:

	FY 2004			FY 2005			FY 2006			FY 2007		
Base Pay (1-A)			3,170,035			3,161,683			3,234,081			3,265,596
Less Fines & Forfeitures			0			0			0			0
Base Pay Subject To RPA			3,170,035			3,161,683			3,234,081			3,265,596

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Retired Pay Accrual	56,260	15,495.19	871,759	54,251	16,011.93	868,663	53,137	16,128.71	857,031	51,920	16,604.72	862,117
Total Retired Pay Accrual -Officer	56,260		871,759	54,251		868,663	53,137		857,031	51,920		862,117

(In Thousands Of Dollars)

Project: Defense Health Program- Officer

FY 2007 Estimate	\$0
FY 2006 Estimate	\$0
FY 2005 Estimate	\$288,823
FY 2004 Actual	\$251,487

Part I - Purpose And Scope

The funds will be used to pay the health care accrual amount in the Department of Defense Medicare-eligible Retiree Health Care Fund for the future Medicare-eligible health care costs for current military personnel.

Part II - Justification Of Funds Requested

The budgetary estimates are derived as a product of the approved actuarial rate and the average strength.

Fund requirements are provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
(1) Defense Health (Officers)												
DHP Over 65	55,006	4,572.00	251,487	53,845	5,364.00	288,823	0	0.00	0	0	0.00	0
Total - (1)	55,006		251,487	53,845		288,823	0		0	0		0
Total Defense Health Program- Officer	55,006		251,487	53,845		288,823	0		0	0		0

(In Thousands Of Dollars)

Project: Incentive Pay For Hazardous Duty-Officer

FY 2007 Estimate	225,533
FY 2006 Estimate	219,122
FY 2005 Estimate	205,214
FY 2004 Actual	165,941

Part I - Purpose And Scope

Funds requested provide payment to officers for the following types of duty (37 U. S. C. 301).

(1)(a),(b),(c),(d) Flying duty as crew member involving frequent and regular performance or operational of proficiency flying duty required by orders. Frequent and regular participation in aerial flights as a non-crew member.

(e) Duty involving operational flying in which an aviator is paid a retention bonus in addition to ACIP for agreeing to remain on active duty in aviation service for at least one year.

(2) Duty involving frequent and regular performance of operational submarine duty, restricted to members who hold or are in training for submarine duty designator and remain in the submarine service on a career basis.

(3) Duty to provide highly skilled and otherwise irreplaceable submarine officers who no longer hold current nuclear qualifications to stay navy and serve in vital non nuclear submarine support roles.

(4) Duty involving parachute jumping as an essential part of military duty.

(5) Duty inside a high or low pressure chamber; duty involving acceleration or deceleration experiments, or thermal stress experiments.

(6) Duty involving the demolition of explosives as a primary duty including training for such duty.

(7) Duty involving participation in flight operations on ships from which aircraft are launched.

(8) Duty involving exposure to highly toxic fuels, pesticides or laboratory work that utilizes live, dangerous viruses or bacteria.

(9) Continuation pay for naval surface warfare officers with more than six and less than fourteen years of commissioned service.

(10) Continuation pay for naval special warfare officers with more than six and less than fourteen years of commissioned service.

Part II - Justification Of Funds Requested

Hazardous duty pay is computed using the average number of officers eligible for each type of payment. Average rates for flying duty for crew members are based on statutory rates categorized by years of aviation/commissioned service. Aviation career continuation pay (ACCP) long term contracts computed at no greater than \$25,000 per year for pilots and \$15,000 per year for naval flight officers (NFOs) if the officer agrees to remain on active duty for 5 years, with a 50% up front lump sum payment option. The lump sum of \$67,000 for pilots and \$37,500 for NFOs is the basis for all long term ACCP payments. All short term (3 years or less) payment projections are based on \$15,000 for both pilots and NFOs with no lump sum option. Average rates for submarine duty are based on statutory rates by pay grade within each longevity step. All other hazardous duty is computed at the statutory rate of \$1,320/\$1,800 per annum for each workyear, except for those officers who receive \$1,980/\$2,700 per year for performing high altitude/low opening parachute jumps. Special warfare continuation pay not to exceed \$15,000 per year. Surface warfare not to exceed \$50,000 per bonus.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1A) Flying Duty - Commissioned Officers												
Regular (2) years	2,429	1,500.00	3,644	2,433	1,500.00	3,650	2,433	1,500.00	3,650	2,433	1,500.00	3,650
Regular (2-3) years	861	1,872.00	1,612	1,002	1,872.00	1,876	1,000	1,872.00	1,872	1,000	1,872.00	1,872
Regular (3-4) years	834	2,256.00	1,882	799	2,256.00	1,803	799	2,256.00	1,803	799	2,256.00	1,803
Regular (4-6) years	1,550	2,472.00	3,832	1,557	2,472.00	3,849	1,557	2,472.00	3,849	1,557	2,472.00	3,849
Regular (6-14) years	4,491	7,800.00	35,030	4,395	7,800.00	34,281	4,303	7,800.00	33,563	4,303	7,800.00	33,563
Regular (14-22) years	2,519	10,080.00	25,392	2,355	10,080.00	23,738	2,355	10,080.00	23,738	2,355	10,080.00	23,738
Regular (> 22) years	205	7,020.00	1,439	232	7,020.00	1,629	232	7,020.00	1,629	232	7,020.00	1,629
Regular (> 23) years	170	5,940.00	1,010	176	5,940.00	1,045	176	5,940.00	1,045	176	5,940.00	1,045
Regular (> 24) years	140	4,620.00	647	141	4,620.00	651	141	4,620.00	651	141	4,620.00	651
Regular (> 25) years	65	3,000.00	195	65	3,000.00	195	65	3,000.00	195	65	3,000.00	195
Total - (1A)	13,264		74,683	13,155		72,717	13,061		71,995	13,061		71,995
(1B) Flying Duty - Warrant Officers												
2 Years	4	1,500.00	6	4	1,500.00	6	4	1,500.00	6	4	1,500.00	6
2 - 3 Years	6	1,872.00	11	6	1,872.00	11	6	1,872.00	11	6	1,872.00	11
3 - 4 Years	2	2,256.00	5	2	2,256.00	5	2	2,256.00	5	2	2,256.00	5
4 - 6 Years	5	2,472.00	12	5	2,472.00	12	5	2,472.00	12	5	2,472.00	12
6 - 18 Years	16	7,800.00	125	16	7,800.00	125	16	7,800.00	125	16	7,800.00	125
Total - (1B)	33		159									
(1C) Crew Members	58	2,280.90	132	69	2,280.90	157	69	2,280.90	157	69	2,280.90	157
(1D) Non-Crew Members	14	1,800.00	25	20	1,800.00	36	20	1,800.00	36	20	1,800.00	36
(1E) Continuation Pay												
Pilots	1,606	17,804.44	28,594	2,225	20,914.67	46,535	2,409	20,860.52	50,253	2,654	20,896.38	55,459
Flight Officers	1,074	12,836.47	13,786	1,411	15,043.85	21,227	1,423	13,978.22	19,891	1,452	14,732.78	21,392
Total - (1E)	2,680		42,380	3,636		67,762	3,832		70,144	4,106		76,851
Total - (Group) (1)	16,049		117,379	16,913		140,831	17,015		142,491	17,289		149,198
(2) Submarine Pay for Officers												
09 - Vice Admiral	1	4,260.00	4	0	4,273.00	0	0	4,273.00	0	0	4,273.00	0
08 - Rear Admiral (UH)	3	4,260.00	13	1	4,273.00	4	1	4,273.00	4	1	4,273.00	4
07 - Rear Admiral (LH)	3	4,260.00	13	5	4,273.00	21	6	4,273.00	26	5	4,273.00	21
06 - Captain	242	7,140.00	1,728	220	9,782.00	2,152	220	9,782.00	2,152	220	9,782.00	2,152
05 - Commander	387	7,140.00	2,763	380	10,067.00	3,825	380	10,067.00	3,825	381	10,067.00	3,836
04 - Lieutenant Commander	525	7,140.00	3,749	585	9,496.00	5,555	585	9,496.00	5,555	585	9,496.00	5,555
03 - Lieutenant	1,189	7,140.00	8,489	1,075	8,396.00	9,026	1,117	8,396.00	9,378	1,114	8,396.00	9,353
02 - Lieutenant (JG)	747	3,681.00	2,750	769	3,681.00	2,831	769	3,681.00	2,831	769	3,681.00	2,831
01 - Ensign	818	3,225.00	2,638	844	3,225.00	2,722	844	3,225.00	2,722	843	3,225.00	2,719
W5 - Warrant Officer	0	0.00	0	3	5,125.00	15	3	5,125.00	15	3	5,125.00	15
W4 - Warrant Officer	11	5,125.00	56	11	5,125.00	56	11	5,125.00	56	11	5,125.00	56
W3 - Warrant Officer	23	5,125.00	118	19	5,125.00	97	19	5,125.00	97	19	5,125.00	97
W2 - Warrant Officer	34	5,122.00	174	48	5,125.00	246	47	5,125.00	241	49	5,125.00	251
W1 - Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Total - (2)	3,983		22,495	3,960		26,550	4,002		26,902	4,000		26,890
(3) Submarine Support Incentive Pay	149	11,350.00	1,691	175	11,700.00	2,048	227	11,350.00	2,576	202	11,350.00	2,293
(4) Parachute Jumping (Officer) Parachute Jumping	958	1,957.54	1,875	895	1,957.54	1,752	895	1,957.54	1,752	895	1,957.54	1,752
(5) Duty inside a high/low pressure chamber Hi/Lo Pressure Chamber	81	1,800.00	146	88	1,800.00	158	88	1,800.00	158	88	1,800.00	158
(6) Demolition Duty (Officer) Demolition Duty	958	1,800.00	1,724	822	1,800.00	1,480	822	1,800.00	1,480	822	1,800.00	1,480
(7) Flight Deck Duty	532	1,800.00	958	580	1,800.00	1,044	580	1,800.00	1,044	580	1,800.00	1,044
(8) Toxic Material Pay	1	1,800.00	2	0	1,800.00	0	0	1,800.00	0	0	1,800.00	0
(9) Surface Warfare Pay												
A. SWOCP	1,299	10,000.00	12,990	1,380	10,000.00	13,800	1,380	10,000.00	13,800	1,380	10,000.00	13,800
B. SWO CSRB	321		4,779	906		14,701	1,223		23,200	1,223		24,200
(1) SWO POST DH	79	18,200.00	1,438	500	18,200.00	9,100	500	19,600.00	9,800	500	21,000.00	10,500
(2) SWO SR	242	13,805.79	3,341	406	13,795.57	5,601	406	14,039.41	5,700	406	14,039.41	5,700
(3) SWO 25+ YOS	0	0.00	0	0	11,904.76	0	42	11,904.76	500	42	19,047.62	800
(4) SWO JR	0	0.00	0	0	0.00	0	275	26,182.00	7,200	275	26,182.00	7,200
Total (9)	1,620		17,769	2,286		28,501	2,603		37,000	2,603		38,000

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(10) Special Warfare Pay												
A. Special Warfare Inc Pay	129	14,745.95	1,902	202	14,108.91	2,850	214	14,108.91	3,019	221	14,108.91	3,118
B. SPECOPS CSRB	0	0.00	0	0	0.00	0	133	10,530.00	1,400	148	10,810.81	1,600
C. SPECWAR CSRB	0	0.00	0	0	0.00	0	31	41,935.48	1,300	0	0.00	0
Total (10)	129		1,902	202		2,850	378		5,719	369		4,718
Total Incentive Pay For Hazardous Duty-Officer	24,460		165,941	25,921		205,214	26,610		219,122	26,848		225,533

(In Thousands Of Dollars)

Project: Special Pay-Officer

FY 2007 Estimate	289,090
FY 2006 Estimate	288,224
FY 2005 Estimate	266,900
FY 2004 Actual	277,239

Part I - Purpose And Scope

Funds requested provide for the following special pay:

(1) Physicians pay (37 U.S.C. 302):

(a) Variable special pay - monthly payment to medical corps officers on active duty under a call or order to active duty for a period of not less than one year. Amount paid varies with total length of creditable service.

(b) Additional special pay - an annual payment which varies with length of creditable service paid to medical corps officers who execute a written agreement to remain on active duty for a period of not less than one year and who are not undergoing medical or osteopathic internship, or initial residency.

(c) Board certified pay - a monthly payment which varies with length of creditable service paid to medical corps officers who become certified or re-certified as having successfully met specified post-graduate education, training and experience requirements in a medical or osteopathic specialty.

(d) Medical incentive pay - for medical corps officers, O-6 and below, 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.

(e) Multiyear specialty pay (MSP) (P.L. 101-150) - MSP is a bonus payable to medical corps officers who have 8 years of creditable service or no further post graduate medical training obligation and executes an agreement to serve an additional two to four years on active duty.

(2) Dentists pay (37 U.S.C. 302b):

(a) Variable special pay - monthly payment to dental corps officers on active duty under a call or order to active duty for a period of not less than one year. Amount paid varies with total length of creditable service.

(b) Additional special pay - an annual payment which varies with length of creditable service which is paid to dental corps officers who execute a written agreement to remain on active duty for a period of not less than one year and who are not undergoing dental internships or residency training.

(c) Board certified pay - a monthly payment which varies with length of creditable service paid to dental corps officers who attain board certification or board certification equivalency requirements.

(d) Accession bonus - a bonus paid to a dental school graduate who agrees to accept a commission as an officer and remain on active duty for a period of not less than four years.

(e) Multiyear specialty pay (MSP) -MSP is a bonus payable to a dental corps officer who has at least eight years of creditable service, or has completed any active duty service commitment incurred for dental education and training, has completed specialty training, and executes an agreement to serve an additional two to four years on active duty.

(3) Optometrists pay (37 U.S.C. 302a)

(a) Special pay - a monthly pay of \$100 to officers on active duty designated as optometrists.

(b) Multiyear retention bonus - an annual payment of \$6,000 per year of contract for designated officers who agree to remain on active duty as an optometrist.

(4) Pharmacy accession bonus (37 U.S.C. 302j)

(a) Accession bonus - authorized payment not to exceed \$30,000 to eligible commissioned officers who sign a written agreement to serve on active duty in exchange for receiving the accession bonus.

(b) Special pay - payable to active duty officers designated as pharmacists who agree to remain on active duty for a period of one year or more.

(5) Nurse pay (37 U.S.C. 302d and 302e)

(a) Accession bonus - a bonus paid to a person who is a registered nurse who agrees to accept a commission as an officer and remain on active duty for a period of not less than four years.

(b) Incentive - for nurse anesthetists who agree to remain on active duty for a period of one year or more.

(6) Personal money allowances (37 U.S.C. 414)

(a) Personal money allowances - paid to flag officers on active duty who are serving as Chairman, Joint Chiefs of Staff, Vice Admirals, senior members of the military staff committee of the United Nations, Admiral, or Chief of Naval Operations.

(b) Special allowances (37 U.S.C. 414b) - paid to officers on active duty serving as Commandant of Midshipmen, U. S. Naval Academy; Superintendent, Naval Post Graduate School; President, Naval War College; Superintendent, U. S. Naval Academy, or Director of Naval Intelligence.

(7) Responsibility pay (37 U.S.C. 306) - an amount which varies by pay 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.

(8) 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.

- (9) Nuclear Officer Incentive Pay (37 U.S.C. 312, 312b and 312c) :
- (a) an annual bonus not to exceed \$25,000 paid to officers below the pay grade of 0-7 who are qualified to supervise, operate, and maintain naval nuclear propulsion plants and agree to remain on active duty.
 - (b) a bonus not to exceed \$2,000 paid to officers who complete nuclear power training.
 - (c) an annual bonus not to exceed \$12,500 paid to officers below the pay grade of 0-7 who are qualified to supervise, operate, and maintain naval nuclear propulsion plants.
- (10) Civil Engineer Corps (CEC) accession bonus - (37 U.S.C. 5) : a bonus not to exceed \$5,000 to an individual who is selected for CEC officer training and commissioned via officer candidate school and who executes a written agreement to participate in a program of training for duty in connection with CEC and agrees to accept a commission in the CEC.
- (11) Sea pay (37 U.S.C. 305a) :
- (a) Career sea pay (CSP) - a variable amount paid monthly 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.
- (12) Imminent danger pay (37 U.S.C. 310) - a monthly payment of \$150 to officers on active duty who are in designated areas or to members who are exposed to hostile fire or explosion of hostile mines, or members who are in a foreign country in which member was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.
- (13) Foreign language proficiency pay (37 U.S.C. 316) - a monthly payment not to exceed \$300 made to qualified officers whose military specialty requires proficiency in a foreign language.
- (14) Psychologists diplomate pay/non physician board certified pay (37 U.S.C. 302c) - an annual payment for medical service corps officers who are health care providers, certified by a professional board of their specialty or awarded a diploma as a diplomate in psychology.
- (15) Hardship duty paid to members at specified duty locations and special missions effective January 2001.
- (16) Judge advocate continuation pay (JACP) (37 U.S.C. 321) - authorizes up to \$60,000 per uniformed judge advocate. The Navy plan consists of three phases: (1) \$30,000 payment at augmentation with three years obligated service; (2) \$15,000 payment upon promotion to O4 (2 years obligated service); and (3) \$15,000 payment upon reaching 10 years of active commissioned service as a JAG (2 years obligated service).
- (17) Assignment Incentive Pay (37 USC 35) enables the Services to pay a flexible market based incentive to encourage volunteers for difficult to fill jobs or less desirable geographic locations.

Part II - Justification Of Funds Requested

Special pay for physicians and dentists is computed by multiplying the statutory rates for members within each applicable longevity step. Costs for career sea pay are based on average rates and grade distribution experienced in FY 2004. Other special pays are based on statutory rates prescribed for each entitlement as applicable.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) Physicians												
Variable	3,950	7,730.00	30,534	4,022	7,723.02	31,062	3,987	8,035.00	32,036	3,987	8,035.00	32,036
Additional	3,169	15,000.00	47,535	3,160	15,000.00	47,400	2,982	15,000.00	44,730	2,982	15,000.00	44,730
Board Certified	1,973	3,973.00	7,839	2,133	3,704.64	7,902	1,958	4,229.00	8,280	1,958	4,229.00	8,280
Medical Incentive	2,138	24,252.57	51,852	1,763	27,200.23	47,954	2,211	22,497.00	49,741	2,211	22,497.00	49,741
Multi Year Pay	1,061	12,341.00	13,094	1,289	10,339.80	13,328	1,165	19,178.00	22,342	1,165	19,178.00	22,342
Total - (1)	12,291		150,854	12,367		147,646	12,303		157,129	12,303		157,129
(2) Dentists												
Variable	1,237	7,106.00	8,790	1,351	7,105.85	9,600	1,198	7,716.00	9,244	1,198	7,716.00	9,244
Additional	943	10,763.00	10,150	1,182	10,728.43	12,681	1,100	10,737.00	11,811	1,100	10,737.00	11,811
Board Certified	252	5,285.00	1,332	223	5,428.57	1,211	270	5,343.00	1,443	270	5,343.00	1,443
Accession Bonus	42	30,000.00	1,260	40	30,000.00	1,200	40	30,000.00	1,200	40	30,000.00	1,200
Saved Pay	0	0.00	315	0	0.00	250	0	0.00	250	0	0.00	250
MYSP	584	12,907.00	7,538	424	12,907.00	5,473	596	20,948.00	12,485	596	20,948.00	12,485
Total - (2)	3,058		29,385	3,220		30,415	3,204		36,433	3,204		36,433
(3) Optometrists												
Special Pay	118	1,200.00	142	129	1,200.00	155	129	1,200.00	155	129	1,200.00	155
Multi Year Retention Bonus	6	6,000.00	36	133	6,000.00	798	133	6,000.00	798	133	6,000.00	798
Total - (3)	124		178	262		953	262		953	262		953
(4) Pharmacy Pay												
Accession Bonus	0	30,000.00	0	3	30,000.00	90	3	30,000.00	90	3	30,000.00	90
Special Pay	20	7,000.00	140	160	7,042.42	1,127	160	6,719.00	1,075	160	6,719.00	1,075
Total - (4)	20		140	163		1,217	163		1,165	163		1,165
(5) Nurses Bonus												
Accession Bonus	58	5,000.00	290	100	5,000.00	500	75	20,000.00	1,500	60	25,000.00	1,500
Incentive Pay	128	10,812.50	1,384	146	10,808.22	1,578	141	15,972.00	2,252	141	15,972.00	2,252
Total - (5)	186		1,674	246		2,078	216		3,752	201		3,752

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(6A) Personal Money Allowance												
0-10 Admiral	1	4,000.00	4	1	4,000.00	4	1	4,000.00	4	1	4,000.00	4
0-9 Vice Admiral	9	2,200.00	20	7	2,200.00	15	7	2,200.00	15	7	2,200.00	15
0-8 Rear Admiral (UH)	1	2,700.00	3	1	2,700.00	3	1	2,700.00	3	1	2,700.00	3
0-7 Rear Admiral (LH)	32	500.00	16	26	500.00	13	26	500.00	13	26	500.00	13
Total - (6A)	43		43	35		35	35		35	35		35
(6B) Special Allowances	0	0.00	0	5	2,520.00	13	5	2,520.00	13	5	2,520.00	13
Total - (Group) (6)	43		43	40		48	40		48	40		48
(7) Responsibility Pay	567	1,349.92	765	603	1,349.92	814	603	1,349.92	814	603	1,349.92	814
(8) Diving Duty Pay	1,392	2,748.56	3,826	1,295	2,727.41	3,532	1,295	2,748.00	3,559	1,295	2,748.00	3,559
(9) Nuclear Officer Incentive Pay	3,373	14,711.24	49,621	2,785	16,884.02	47,022	3,089	15,343.00	47,395	3,084	15,344.00	47,321
(10) CEC Accession Bonus	0	5,000.00	0	0	5,000.00	0	0	5,000.00	0	0	5,000.00	0
(11A) Career Sea Pay (Officers)												
06 - Captain	202	4,304.57	870	203	4,304.57	874	214	4,304.57	921	214	4,304.57	921
05 - Commander	751	3,294.34	2,474	839	3,294.34	2,764	797	3,294.34	2,626	797	3,294.34	2,626
04 - Lieutenant Commander	1,759	2,718.69	4,782	1,568	2,718.69	4,263	1,867	2,718.69	5,076	1,867	2,718.69	5,076
03 - Lieutenant	2,779	2,001.79	5,563	2,757	2,001.77	5,519	2,949	2,001.77	5,903	2,949	2,001.77	5,903
02 - Lieutenant (JG)	3,469	1,705.03	5,915	2,644	1,705.03	4,508	3,681	1,705.03	6,276	3,681	1,705.03	6,276
01 - Ensign	2,472	1,713.43	4,236	2,170	1,713.43	3,718	2,622	1,713.43	4,493	2,622	1,713.43	4,493
W-5 Warrant Officer	1	7,563.84	8	0	0.00	0	1	7,563.84	8	1	7,563.84	8
W-4 Warrant Officer	58	6,605.83	383	58	6,605.83	383	61	6,605.83	403	61	6,605.83	403
W-3 Warrant Officer	104	5,813.83	605	88	5,813.83	512	110	5,813.83	640	110	5,813.83	640
W-2 Warrant Officer	369	4,917.26	1,814	420	4,917.26	2,065	391	4,917.26	1,923	391	4,917.26	1,923
W-1 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (11A)	11,964		26,650	10,747		24,606	12,693		28,269	12,693		28,269
(11B) Premium Sea Pay	707	1,200.00	848	872	1,200.00	1,046	872	1,200.00	1,046	872	1,200.00	1,046
Total - (Group) (11)	12,671		27,498	11,619		25,652	13,565		29,315	13,565		29,315
(12) Imminent Danger Pay	3,259	2,700.00	8,799	706	2,700.00	1,906	736	2,700.00	1,987	808	2,700.00	2,182

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(13) Foreign Language Proficiency Pay												
Foreign Language Proficiency Pay - IV	390	973.20	380	204	1,200.00	245	233	2,140.00	499	579	2,304.70	1,334
Foreign Language Proficiency Pay - III	0	0.00	0	230	900.00	207	0	0.00	0	0	0.00	0
Foreign Language Proficiency Pay - II	0	0.00	0	79	600.00	47	0	0.00	0	0	0.00	0
Foreign Language Proficiency Pay - I	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (13)	390		380	513		499	233		499	579		1,334
(14) Psyche Diplomat & Non Physicians												
Psyche Diplomat & Non Physician Pay	540	2,853.58	1,541	391	4,233.00	1,655	635	2,554.00	1,622	635	2,554.00	1,622
(15) Hardship Duty Pay												
Location - 150	384	1,800.00	691	494	1,800.00	889	494	1,800.00	889	494	1,800.00	889
Location - 100	57	1,200.00	68	73	1,200.00	88	73	1,200.00	88	73	1,200.00	88
Location - 50	622	600.00	373	799	600.00	479	799	600.00	479	799	600.00	479
Mission	2	1,800.00	4	4	1,800.00	7	4	1,800.00	7	4	1,800.00	7
Total - (15)	1,065		1,136	1,370		1,463	1,370		1,463	1,370		1,463
(16) Judge Advocate												
Judge Advocate Cont Pay	99	14,131.31	1,399	103	19,417.48	2,000	103	19,417.48	2,000	103	19,417.48	2,000
(17) SOCOM Assignment Incentive Pay (AIP)												
SOCOM AIP			0			0	10	9,000.00	90			0
Total Special Pay-Officer	39,078		277,239	35,683		266,900	37,827		288,224	38,215		289,090

(In Thousands Of Dollars)

Project: Basic Allowance For Housing

FY 2007 Estimate	1,003,497
FY 2006 Estimate	963,929
FY 2005 Estimate	915,453
FY 2004 Actual	897,630

Part I - Purpose And Scope

Congress approved in the FY 1998 National Defense Authorization Act the payment of a Basic Allowance for Housing (BAH) to service members. The BAH combines housing payments formerly provided by Basic Allowance for Quarters (BAQ) and Variable Housing Allowance (VHA). The FY 2000 National Defense Authorization Act directed the BAH transition to market-based rates be accelerated and completed during FY 2005. Payment to service members is authorized by revisions to 37 U.S.C. 403.

Part II - Justification Of Funds Requested

The FY 2005, FY 2006 estimates include a projected annual rate increase for the Navy of 3.9% and FY 2007 includes 7.2%. However, future housing rate adjustments may result as contractor generated survey data of actual housing costs becomes available.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
(1A) BAH Domestic - Officers with Dependents												
07 to 010 with Dependents	94	28,276.60	2,658	96	30,093.75	2,889	95	30,621.05	2,909	95	32,568.42	3,094
06 with Dependents	2,938	24,736.90	72,677	3,039	26,410.99	80,263	2,594	25,934.08	67,273	2,523	27,600.08	69,635
05 with Dependents	6,159	23,342.91	143,769	6,308	24,937.86	157,308	5,360	25,774.81	138,153	5,093	26,336.15	134,130
04 with Dependents	8,834	21,233.53	187,577	9,140	22,125.60	202,228	7,575	22,273.14	168,719	7,579	23,650.35	179,246
03 with Dependents	6,220	18,259.32	113,573	6,223	18,879.48	117,487	9,685	19,200.21	185,954	9,609	21,258.82	204,276
02 with Dependents	1,691	14,788.29	25,007	1,821	15,863.81	28,888	2,593	16,577.32	42,985	2,405	17,642.41	42,430
01 with Dependents	1,139	12,998.24	14,805	1,219	13,946.68	17,001	1,701	15,074.07	25,641	1,691	16,042.58	27,128
Total - (1A)	27,075		560,066	27,846		606,064	29,603		631,634	28,995		659,939
(1B) BAH Domestic - Warrant Officers with Dependents												
W-5 Warrant Officer	3	18,000.00	54	18	19,277.78	347	42	18,952.38	796	57	20,157.89	1,149
W-4 Warrant Officer	300	17,966.67	5,390	300	19,270.00	5,781	225	18,906.67	4,254	184	20,119.57	3,702
W-3 Warrant Officer	328	16,448.17	5,395	250	17,668.00	4,417	565	18,233.63	10,302	599	19,404.01	11,623
W-2 Warrant Officer	613	15,900.49	9,747	469	17,061.83	8,002	337	17,252.23	5,814	243	18,362.14	4,462
W-1 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (1B)	1,244		20,586	1,037		18,547	1,169		21,166	1,083		20,936
(1C) BAH Differential	727	1,914.72	1,392	720	1,768.06	1,273	0	0.00	0	0	0.00	0
Total - (Group) (1)	29,046		582,044	29,603		625,884	30,772		652,800	30,078		680,875
(2A) BAH Domestic - Officers without Dependents												
07 - 010 without Dependents	2	21,500.00	43	2	23,000.00	46	2	29,000.00	58	2	30,500.61	61
06 without Dependents	328	21,484.76	7,047	282	22,897.16	6,457	314	22,853.50	7,176	305	24,321.31	7,418
05 without Dependents	892	19,008.97	16,956	853	20,297.77	17,314	789	20,657.79	16,299	750	21,985.33	16,489
04 without Dependents	1,779	18,878.02	33,584	1,794	18,974.92	34,041	1,610	19,453.42	31,320	1,611	20,702.67	33,352
03 without Dependents	5,086	15,394.61	78,297	5,156	16,198.60	83,520	5,252	16,776.66	88,111	5,211	17,854.35	93,039
02 without Dependents	3,621	13,066.56	47,314	3,284	13,996.95	45,966	3,021	14,190.67	42,870	2,802	15,102.07	42,316
01 without Dependents	4,255	11,098.47	47,224	3,696	11,902.87	43,993	3,490	12,074.21	42,139	3,468	12,850.06	44,564
Total - (2A)	15,963		230,465	15,067		231,337	14,478		227,973	14,149		237,239

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(2B) BAH Domestic - Warrant Officers without Dependents												
W-5 Warrant Officer	0	15,500.06	0	2	15,500.00	31	0	16,000.00	0	0	0.00	0
W-4 Warrant Officer	25	15,280.00	382	31	16,387.10	508	18	16,111.11	290	15	17,133.33	257
W-3 Warrant Officer	48	14,270.83	685	37	15,297.30	566	70	15,714.29	1,100	74	16,716.22	1,237
W-2 Warrant Officer	76	13,750.00	1,045	60	14,733.33	884	44	14,909.09	656	132	15,863.64	2,094
W-1 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (2B)	149		2,112	130		1,989	132		2,046	221		3,588
Total - (Group) (2)	16,112		232,577	15,197		233,326	14,610		230,019	14,370		240,827
(3A) Officer Partial BAH												
07-10 Flag Officers	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
0-6 Captain	13	461.54	6	13	461.54	6	9	475.14	4	9	475.14	4
0-5 Commander	21	380.95	8	21	380.95	8	15	396.00	6	14	396.00	6
0-4 Lieutenant Commander	37	351.35	13	37	324.32	12	32	320.41	10	32	320.41	10
0-3 Lieutenant	106	264.15	28	106	264.15	28	143	266.40	38	142	266.40	38
0-2 Lieutenant (JG)	88	215.91	19	78	217.95	17	94	212.40	20	87	212.40	18
0-1 Ensign	165	157.58	26	151	158.94	24	157	158.40	25	156	158.40	25
Total - (3A)	430		100	406		95	450		103	440		101
(3B) Warrant Officer Partial BAH												
W-5 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
W-4 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
W-3 Warrant Officer	1	248.00	0	3	333.33	1	2	248.50	0	2	248.50	0
W-2 Warrant Officer	2	190.00	0	1	190.80	0	0	0.00	0	0	0.00	0
W-1 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (3B)	3		0	4		1	2		0	2		0
Total - (Group) (3)	433		100	410		96	452		103	442		101
(4A) BAH - Inadequate Family Housing (Officers)												
07-10 Flag Officers	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
0-6 Captain	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
0-5 Commander	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
0-4 Lieutenant Commander	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
0-3 Lieutenant	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
0-2 Lieutenant (JG)	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
0-1 Ensign	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (4A)	0		0	0		0	0		0	0		0
(4B) BAH - Warrant Officers Inadequate Family Housing												
W-5 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
W-4 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
W-3 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
W-2 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
W-1 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (4B)	0		0	0		0	0		0	0		0
Total - (Group) (4)	0		0	0		0	0		0	0		0
SubTotal (1) (2) (3) (4)	45,591		814,721	45,210		859,306	45,834		882,922	44,890		921,803

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(5A) BAH Overseas - Officers with Dependents												
07 - 010 with Dependents	1	61,613.00	62	0	0.00	0	0	0.00	0	0	0.00	0
06 with Dependents	104	38,172.50	3,970	78	32,552.24	2,539	64	48,524.52	3,106	63	49,288.02	3,105
05 with Dependents	325	34,410.29	11,183	238	29,373.13	6,991	196	43,791.06	8,583	194	44,485.76	8,630
04 with Dependents	431	30,815.05	13,281	486	24,098.21	11,712	327	35,927.97	11,748	322	36,644.24	11,799
03 with Dependents	596	28,195.70	16,805	322	23,908.76	7,699	527	35,645.74	18,785	525	36,322.68	19,069
02 with Dependents	121	28,089.37	3,399	80	22,352.11	1,788	70	33,322.51	2,333	69	33,797.89	2,332
01 with Dependents	55	31,674.19	1,742	54	21,680.85	1,171	45	32,333.77	1,455	44	33,291.97	1,465
Total - (5A)	1,633		50,442	1,258		31,900	1,229		46,010	1,217		46,400
(5B) BAH Overseas - Warrant Officers With Dependents												
W-5 Warrant Officer	1	23,634.00	24	0	0.00	0	0	0.00	0	0	0.00	0
W-4 Warrant Officer	12	26,161.17	314	4	24,250.00	97	4	36,136.95	145	4	36,472.87	146
W-3 Warrant Officer	18	24,748.67	445	9	22,000.00	198	9	32,788.22	295	10	33,017.56	330
W-2 Warrant Officer	24	24,333.92	584	16	21,000.00	336	17	31,353.19	533	16	31,625.53	506
W-1 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (5B)	55		1,367	29		631	30		973	30		982
Total - (Group) (5)	1,688		51,809	1,287		32,531	1,259		46,983	1,247		47,382
(6A) BAH Overseas - Officers without Dependents												
07 - 010 without Dependents	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
06 without Dependents	28	31,859.25	892	28	28,875.00	809	15	44,400.00	666	15	44,800.00	672
05 without Dependents	66	27,867.89	1,839	89	24,117.65	2,146	83	36,060.24	2,993	83	36,361.45	3,018
04 without Dependents	193	25,937.45	5,006	172	22,936.51	3,945	121	34,181.82	4,136	120	34,758.33	4,171
03 without Dependents	581	22,748.47	13,217	490	22,829.67	11,187	528	34,060.61	17,984	523	34,678.78	18,137
02 without Dependents	288	21,812.28	6,282	156	20,032.26	3,125	150	29,866.67	4,480	149	30,322.15	4,518
01 without Dependents	176	21,053.60	3,705	112	19,911.29	2,230	120	29,683.33	3,562	119	30,184.87	3,592
Total - (6A)	1,332		30,941	1,047		23,442	1,017		33,821	1,009		34,108
(6B) BAH Overseas - Warrant Officers Without Dependents												
W-5 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
W-4 Warrant Officer	1	35,899.00	36	4	18,666.67	75	3	26,966.67	81	3	27,133.33	81
W-3 Warrant Officer	2	22,523.00	45	1	14,000.00	14	1	19,800.00	20	1	20,100.00	20
W-2 Warrant Officer	4	19,590.00	78	6	14,200.00	85	5	20,460.00	102	5	20,500.00	103
W-1 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (6B)	7		159	11		174	9		203	9		204
Total - (Group) (6)	1,339		31,100	1,058		23,616	1,026		34,024	1,018		34,312
SubTotal (5) (6)	3,027		82,909	2,345		56,147	2,285		81,007	2,265		81,694
Total Basic Allowance For Housing	48,618		897,630	47,555		915,453	48,119		963,929	47,155		1,003,497

(In Thousands Of Dollars)

Project: Basic Allowance For Subsistence-Officer

FY 2007 Estimate	\$124,879
FY 2006 Estimate	\$121,720
FY 2005 Estimate	\$116,629
FY 2004 Actual	\$116,991

Part I - Purpose And Scope

Funds requested will provide for a cash allowance, payable by law to officers at all times, to reimburse them for the expense of subsisting themselves (37 U.S.C. 402).

Part II - Justification Of Funds Requested

Basic Allowance for Subsistence (BAS) is computed by multiplying the total officer workyear average by a fiscal year rate using the statutory rate of \$175.23 per month effective 01 January 2004, \$183.99 per month effective 01 January 2005, \$193.19 per month effective 01 January 2006 and \$202.85 effective 01 January 2007.

Section 602 of the FY 2001 National Defense Authorization Act (NDAA) repeals the transition of the BAS program, effective October 1, 2000, and increases the BAS rate in effect by the amount of increases in food costs, as determined by growth in the Department of Agriculture moderate food plan.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Basic Allowance For Subsistence	56,260	2,079.47	116,991	54,251	2,149.80	116,629	53,137	2,290.68	121,720	51,920	2,405.22	124,879
Total Basic Allowance For Subsistence-Officer	56,260		116,991	54,251		116,629	53,137		121,720	51,920		124,879

(In Thousands Of Dollars)

Project: Conus Cost Of Living Allowance (COLA)-Officer

FY 2007 Estimate	2,499
FY 2006 Estimate	2,462
FY 2005 Estimate	2,660
FY 2004 Actual	2,474

Part I - Purpose And Scope

The funds requested will provide for payment of a cost of living allowance (COLA) to officers who are assigned to high cost areas in the continental United States (CONUS). High cost areas are grouped as military housing areas (MHAs) where the cost of goods and services exceeds 108 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation) times the difference between the COLA index for the individual's high cost area and the threshold percentage.

Part II - Justification Of Funds Requested

CONUS COLA payments are determined by multiplying the projected number of personnel eligible by an estimated rate.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) CONUS Cost Of Living (COLA)												
CONUS COLA	1,497	1,652.64	2,474	1501	1,772.42	2,660	1,557	1,581.25	2,462	1,569	1,592.76	2,499
Total Conus Cost Of Living Allowance (COLA)-Officer	1,497		2,474	1501		2,660	1,557		2,462	1,569		2,499

(In Thousands Of Dollars)

Project: Station Allowances, Overseas-Officer

FY 2007 Estimate	\$79,388
FY 2006 Estimate	\$78,292
FY 2005 Estimate	\$66,810
FY 2004 Actual	\$97,485

Part I - Purpose And Scope

Funds requested provide for payments of a per diem allowance to members and their dependents on duty outside the United States for increased cost of living, housing and temporary lodging allowances. Authorization is provided under provision of (37 U.S.C. 405) and the Joint travel Regulations.

Part II - Justification Of Funds Requested

The numbers for cost of living allowance (COLA) are based on actual experience adjusted to reflect changes in overseas strength.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
(1A) Station Allowances - Cost Of Living												
Cost Of Living	7,731	11,466.90	88,651	7,620	8,057.48	61,398	7,430	9,683.70	71,950	7,356	9,918.06	72,957
(2B) Station Allowances - Temporary Lodging												
Temporary Lodging	8,687	1,016.95	8,834	5,917	914.65	5,412	6,065	1,045.69	6,342	6,065	1,060.31	6,431
Total Station Allowances, Overseas-Officer	16,418		97,485	13,537		66,810	13,495		78,292	13,421		79,388

(In Thousands Of Dollars)

Project: Uniform Allowance-Officer

FY 2007 Estimate	\$2,149
FY 2006 Estimate	\$2,173
FY 2005 Estimate	\$2,204
FY 2004 Estimate	\$2,507

Part I - Purpose And Scope

Funds requested will provide for payment of an initial clothing allowance (U.S.C.415 and 416) to officers upon commissioning and an active clothing allowance to reserves upon entry or reentry on active duty for a period of 90 days or more. Civilian clothing allowances are authorized by 37 U.S.C. 419.

Part II - Justification Of Funds Requested

Uniform allowances are determined by multiplying the planned number of members eligible by the statutory rates.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1)Initial Reserves	2,745	400.00	1,098	2,333	400.00	933	2,275	400.00	910	2,118	400.00	847
Regular	1,723	400.00	689	1,697	400.00	679	1,695	400.00	678	1,852	400.00	741
Total - (1)	4,468		1,787	4,030		1,612	3,970		1,588	3,970		1,588
(2)Additional	3,240	200.00	648	2,377	200.00	475	2,305	200.00	461	2,168	200.00	434
(3)Civilian	45	1,600.00	72	75	1,561.00	117	75	1,658.81	124	75	1,687.01	127
Total Project: Uniform Allowance-Officer	7,753		2,507	6,482		2,204	6,350		2,173	6,213		2,149

(In Thousands Of Dollars)

Project: Family Separation Allowance-Officer

FY 2007 Estimate	\$11,222
FY 2006 Estimate	\$10,865
FY 2005 Estimate	\$9,635
FY 2004 Actual	\$12,385

Part I - Purpose And Scope

Funds requested provide an allowance to officers with dependents (37 U.S.C .427) for added separation expenses when the requirements listed below are met:

- (1) movement of dependents to an overseas permanent duty station is not authorized and the member must maintain two homes.
- (2) movement of dependents to the permanent duty station or a place near the station is not authorized at government expense under the Joint Travel Regulations and the member's dependents do not reside at or near that station.
- (3) member is on duty on board a ship away from the home port of the ship for a continuous period of more than 30 days.
- (4) member is on temporary duty or temporary additional duty away from their permanent station for a continuous period of more than 30 days and the member's dependents do not reside at or near the member's temporary or temporary additional duty station.

In FY 2006/2007 there is currently a statutory requirement in accordance with 37 U.S.C., Sec 403(d) that makes post PCS dependents acquisitions entitled.

Part II - Justification Of Funds Requested

Family separation allowances are determined by multiplying the planned number of members eligible by the statutory rates.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1)On Permanent Change of Station with Dependents												
0-6 Captain	13	11,526.28	150	5	12,001.62	60	12	12,346.72	148	16	12,766.51	204
0-5 Commander	22	11,098.01	244	18	11,534.85	208	21	11,887.98	250	26	12,292.17	320
0-4 Lieutenant Commander	28	10,181.18	285	18	10,706.76	193	26	10,905.89	284	33	11,276.68	372
0-3 Lieutenant	43	8,688.86	374	29	8,893.24	258	42	9,309.48	391	52	9,626.00	501
0-2 Lieutenant (JG)	9	7,126.70	64	5	7,172.34	36	9	7,555.56	68	9	7,893.53	71
0-1 Ensign	2	8,631.38	17	11	6,562.33	72	2	9,245.76	18	2	9,560.01	19
W-5 Warrant Officer	1	6,965.49	7	1	7,000.01	7	1	7,462.09	7	1	7,714.98	8
W-4 Warrant Officer	3	9,277.89	28	4	9,663.32	39	3	9,938.29	30	4	10,246.19	41
W-3 Warrant Officer	1	7,801.10	8	3	8,125.39	24	1	8,356.39	8	1	8,640.50	9
W-2 Warrant Officer	3	6,922.42	21	4	7,207.68	29	3	7,415.16	22	5	7,667.28	38
W-1 Warrant Officer	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (4)	125		1,198	98		926	120		1,226	149		1,583
(2)On PCS With Dependents Not Authorized(Type 2A)	601	3,000.00	1,803	234	3,000.00	702	543	3,000.00	1,629	543	3,000.00	1,629
(3)On Board Ship More Than 30 Days (Type 2B)	992	3,000.00	2,976	900	3,000.00	2,700	888	3,000.00	2,664	888	3,000.00	2,664
(4)On Temporary Duty More Than 30 Days with	2136	3,000.00	6,408	1,769	3,000.00	5,307	1,782	3,000.00	5,346	1,782	3,000.00	5,346
Total Family Separation Allowance-Officer	3,854		12,385	3,001		9,635	3,333		10,865	3,362		11,222

(In Thousands Of Dollars)

Project: Project: Separation Payments-Officer

FY 2007 Estimate	\$97,577
FY 2006 Estimate	\$98,879
FY 2005 Estimate	\$21,873
FY 2004 Actual	\$36,854

Part I - Purpose And Scope

Funds requested provide:

- (1) Lump sum terminal leave payments for unused accrued leave at time of discharge, or death under provisions of (37 U.S.C. 501) and (10 U.S.C. 701).
- (2) Lump sum payment to reservists who are involuntarily released from active duty after having completed at least six years of active duty as provided under provisions of (10 U.S.C. 687).
- (3) Severance pay for failure of promotion or for reasons other than physical disability under provisions of (10 U.S.C. 6383).
- (4) Severance pay disability for members on active duty and temporary disability retired list that are separated for physical reasons under the provisions of (10 U.S.C. 1212).
- (5) Involuntary - half severance pay is (5% of the product of members years active service plus fractions of years based on full months and 12 times monthly basic pay) is authorized to members not fully qualified for retention and are denied reenlistment or continuation.

Involuntary - full severance pay is (10% of the product of members years active service plus fractions of years based on full months and 12 times monthly basic pay) is authorized to members involuntarily separated from active duty but who are fully qualified for retention, but are denied reenlistment or continuation.

- (6) Voluntary- Force shaping separation incentives for military members in selected over manned skills:
 - a. a lump sum payment for members who have at least six years of service
 - b. an annuity and lump sum payment to members who have at least fifteen years

Voluntary - Special Separation Benefits ((SSB) 10 U.S.C. 1174a) will pay members a lump-sum amount equal to 15% of their annual basic pay multiplied by their years of service. The authority for this program expired on 31 December 2001. Targeted Separation Incentives (Force Shaping Tools) were approved by OSD and will be forwarded for inclusion in the FY 2006 NDAA. Targeted Separation Incentives (Force Shaping Tools) will be used to incentivize members with more than 6 years of service to leave active duty, some short of retirement. It would consist of four tools: an annuity, a buy-out, 6 months of transition benefits and repeal of the expanded Selective Early Retirement authority.

Voluntary Separation Incentive ((VSI) 10 U.S.C. 1175) will pay members 2.5% of their annual basic pay, multiplied by their years of service. Payments will be annual and last for twice the number of years of service. The authority for this program expired on 31 December 2001.

(7) 15 Year Early Retirement Program (ERP) for members on active duty with more than 15 but less than 20 years of service. The FY 1993 National Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The authority to use the early retirement program expired on 1 October 2001.

(8) \$30,000 lump sum bonus - the FY 2000 National Defense Authorization Act provides to service members who entered the uniform service on or after August 1, 1986 the option to retire under the pre-1986 military plan (50% retirement benefit at 20 years of service, with full COLA) or to accept a one-time \$30,000 lump sum bonus and remain under redux retirement plan (40% retirement benefit at 20 years of service, with partial COLA). Sailors are permitted to select between the two retirement programs within 180 days of completing 15 years of service. Sailors who elect to accept the lump sum bonus are obligated to serve the remaining five years to become retirement eligible. Those who do not complete the required service are required to repay a pro-rated amount based on the unserved amount of the obligation.

Part II - Justification Of Funds Requested

Separation payments are computed on the basis of the number of members eligible for payment at the average rates derived from past experience. A pay raise of 3.5% effective 01 January 2005 and a 3.1% effective 01 January 2006.

Computation of fund requirements is provided in the following table:

	FY 2004				FY 2005				FY 2006				FY 2007			
	Number	Days	Rate	Amount												
(1)Separation Pay - Lump sum Leave Payment(Officer)																
Flag Officers	38	29	6,328.00	240	28	33	6,247.26	175	39	29	8,834.36	345	39	29	9,126.72	356
0-6 Captain	460	21	6,371.24	2,931	323	25	5,316.79	1,717	378	21	7,496.46	2,834	400	21	7,700.90	3,080
0-5 Commander	580	15	6,166.19	3,576	395	23	5,377.58	2,124	545	15	7,571.22	4,126	428	15	7,785.42	3,332
0-4 Lieutenant Commander	779	14	5,134.79	4,000	487	21	4,121.80	2,007	745	14	5,779.50	4,306	698	14	5,968.53	4,166
0-3 Lieutenant	1,390	19	4,835.74	6,722	969	22	3,618.83	3,507	1,322	19	5,129.82	6,782	1,408	19	5,289.06	7,447
0-2 Lieutenant (JG)	239	16	3,243.64	775	129	19	2,323.62	300	174	16	3,321.08	578	174	16	3,419.92	595
0-1 Ensign	73	20	2,239.03	163	25	17	1,667.50	42	68	20	2,375.76	162	68	20	2,455.62	167
W-5 Warrant Officer	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0
W-4 Warrant Officer	97	17	3,161.61	307	50	17	2,639.72	132	102	17	3,709.18	378	116	17	3,836.43	445
W-3 Warrant Officer	63	12	2,750.79	173	30	13	2,052.82	62	77	12	2,884.95	222	81	12	2,982.35	242
W-2 Warrant Officer	48	12	2,674.98	128	0	18	2,665.14	0	45	12	3,736.76	168	4	12	3,892.42	16
W-1 Warrant Officer	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0
Total - (1)	3,767			19,015	2,436			10,066	3,495			19,901	3,416			19,846
(2)Separation Pay - Lump sum to Reserve Officers(RAD)	45		71,572.42	3,221	32		74,077.45	2,370	58		70,602.79	4,095	58		72,825.95	4,224
(3)Separation Pay - Severance Pay, Failure of Promotion	88		68,020.13	5,986	53		68,011.77	3,605	99		68,197.54	6,752	76		69,159.78	5,256
(4)Separation Pay - Severance Pay, Disability	50		71,243.25	3,562	36		73,665.52	2,652	49		73,911.07	3,622	49		76,369.87	3,742
(5)Separation Pay - Severance Pay, Non-Disability (Officer)																
Invol - Full Pay (10%)	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
Invol - Half Pay (5%)	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
Total - (5)	0			0	0			0	0			0	0			0
(6)Separation Pay - Voluntary Separation																
Targeted Separation Incentives (Force Shaping Tools) (ULB)	0		0.00	0	0		0.00	0	914		63,128.01	57,699	914		63,128.01	57,699
VSI	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
VSI Trust Fund	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
Total - (6)	0			0	0			0	914			57,699	914			57,699
(7)Separation Pay - 15 YR Retirement Program	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
(8)Separation Pay - \$30,000 Lump Sum Bonus	169		30,000.00	5,070	106		30,000.00	3,180	227		30,000.00	6,810	227		30,000.00	6,810
Total Project: Separation Payments-Officer	4,119			36,854	2,663			21,873	4,842			98,879	4,740			97,577

(In Thousands Of Dollars)

Project: Social Security Tax-Officer

FY 2007 Estimate	247,426
FY 2006 Estimate	244,979
FY 2005 Estimate	240,752
FY 2004 Actual	242,508

Part I - Purpose And Scope

Funds requested represent the government's contribution (as an employer) as required by the Federal Insurance Contribution Act under provision of (26 U.S.C. 3101, 3111), and P.L. 98-21 "Social Security Amendment of 1983".

Part II - Justification Of Funds Requested

Social security costs are based on the percentage rate set by law on a member's salary for a calendar year. P.L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983 established the tax rate while the maximum taxable income is determined by the Social Security Administration. The old age, survivor and disability income (OASDI) rate is 6.2% and the hospital insurance (HI) is 1.45%. There is no wage cap on the 1.45% medical contribution. The government's contribution is based on the percentage rate set by law on member's salary for a calendar year. Taxable income ceilings for OASDI are as follows:

- Calendar year 2004 - 7.65% on first \$87,900
- Calendar year 2005 - 7.65% on first \$90,000
- Calendar year 2006 - 7.65% on first \$92,700
- Calendar year 2007 - 7.65% on first \$96,600

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Social Security Tax - Employer's contribution	56,260	4,310.48	242,508	54,251	4,437.74	240,752	53,137	4,610.32	244,979	51,920	4,765.53	247,426
Total Social Security Tax-Officer	56,260		242,508	54,251		240,752	53,137		244,979	51,920		247,426
Total Obligations			6,145,295			6,167,299			6,121,757			6,210,973
Less Reimbursables			217,732			201,710			193,548			207,795
Total Direct Obligations			5,927,563			5,965,589			5,928,209			6,003,178

Budget Activity 2

Pay and Allowances of Enlisted Personnel

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Enlisted
(\$ in Thousands)

			<u>AMOUNT</u>
FY 2005 Direct Program			\$16,580,500
Increases:			
Pricing Increases			
Annualization of FY 2005 Pay Raise of 3.5% effective 1 January 2005			75,317
Basic Pay	56,086		
Retired Pay Accrual	14,807		
FICA	4,291		
Separation Payments (Lump Sum Leave)	133		
FY 2006 Pay Raise of 3.1% effective 1 January 2006			200,131
Basic Pay	149,030		
Retired Pay Accrual	39,344		
FICA	11,401		
Separation Payments (Lump Sum Leave)	356		
BAH - Rates			321,280
BAH Domestic - Rates	278,750		
BAH Overseas - Rates Consistent with FCF rate	42,530		
Other Pricing Increases			171,727
Incentive Pay - Submarine Duty Rate	1,661		
Special Pay		88,536	
Career Sea Pay - Rate	56,911		
Hardship Duty - Rate	1,062		
Nuclear Accession Bonus - Rate	862		
Enlisted Supervisor Retention Pay - Rate	15,200		
Distribution Incentive Pay - Rate	14,501		
Reenlistment Bonus - New Payment Rate		5,060	
Enlistment Bonus		422	
New Payment - Rate	131		
Anniversary Payment - Rate	291		
Education Benefits		35	
National Call to Service 12 Month Enlistment	26		
National Call to Service 36 Month Enlistment	9		
Overseas Station Allowance		47,335	
COLA - Rate	42,413		
Temporary Lodging Allowance - Rate	4,922		
CONUS COLA - Rate		431	
Clothing Allowances		2,589	

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Enlisted
(\$ in Thousands)

			<u>AMOUNT</u>
Initial Clothing - Rate	630		
Replacement Clothing - Rate	1,959		
Family Separation Allowance - FSA 1 - Rate		45	
Separation Payments		25,613	
Severance Pay Disability - Rate	922		
Severance Pay Non-Disability - Rate	24,691		
Total Pricing Increases:			\$768,455
Program Increases			
Strength Related			43,541
Separation Payments		43,541	
Severance Pay Disability - Number	5,680		
Severance Pay Non-Disability - Number	37,861		
New Increases to Program			46,527
Separation Payments - Implementation of Force Shaping Tool		46,527	
Other			94,098
Incentive Pay		2,453	
Flying Duty - Number	986		
Parachute Jumping Pay - Number	562		
Demolition Duty - Number	506		
Incentive Bonus for Conversion - Number	399		
Special Pay		10,463	
Hardship Duty - Number	7,649		
Overseas Extension Pay - Number	1,738		
Diving Duty - Number	1,076		
Special Duty Assignment Pay - Aggregate - Number			14,081
Reenlistment Bonus			27,008
New Payment - Number	7,887		
Anniversary Payment - Number	19,121		
Enlistment Bonus - Residual Number			2,533
Education Benefits			1,463
40K Program	11		
50K Program	1,452		
Loan Repayment Program - Number			2,004

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Enlisted
(\$ in Thousands)

		<u>AMOUNT</u>
Family Separation Allowance - Number, FSA Type II, III, and IV	18,765	
CONUS COLA	982	
Separation Payments	14,346	
Separations -Lump Sum Leave - Number	14,146	
VSI Payment	200	
Total Program Increases:		\$184,166
Total Increases:		\$952,621
Decreases:		
Pricing Decreases		
Retired Pay Accrual (27.5%-26.5%)	-2	-2
Other		-8,563
Incentive Pay	-620	
Flying Duty - Rate	-613	
Flying Duty Crew - Rate	-7	
Special Assignment Duty Pay - Aggregate Rate	-1,033	
Reenlistment Bonus	-5,711	
Anniversary Payment - Aggregate Rate	-5,711	
Education Benefits	-1,199	
40K Program	-33	
50K Program	-1,166	
Total Pricing Decreases:		-\$8,565
Program Decreases		
Strength Related		-2,276,982
Basic Pay	-183,528	

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Enlisted
(\$ in Thousands)

			<u>AMOUNT</u>
Workyears	-131,655		
Pay Grade Mix	-51,873		
Retired Pay Accrual		-126,647	
Workyears	-112,953		
Pay Grade Mix	-13,694		
FICA		-14,089	
Workyears	-10,121		
Pay Grade Mix	-3,968		
Transfer of DHP Accrual to Medicare-Eligible Retiree Health Fund Contribution Account		-1,688,600	
BAH - Domestic - Number		-251,292	
BAH -Overseas - Number		-1,337	
Clothing Allowances		-11,489	
Initial Clothing - Number	-8,421		
Replacement Clothing - Number	-3,068		
Other			-44,087
Incentive Pay		-3,273	
Submarine Pay - Number	-2,036		
Flight Deck Duty - Number	-1,237		
Special Pay		-8,171	
Career Sea Pay Premium - Number	-5,860		
Hardship Duty Pay - Number	-2,251		
Nuclear Accession Bonus - Number	-60		
Reenlistment Bonus - Distribution SRB - Elimination of Pilot Program		-8,000	
Enlistment Bonus		-5,189	
New Payment - Number	-5,189		
Overseas Station Allowance		-9,322	
COLA - Number	-8,424		
Temporary Lodging - Number	-898		
Family Separation Allowance Type I - Number		-2,782	
Separation Payments - 30K Lump Sum Bonus - Number		-7,350	
Total Program Decreases:			-\$2,321,069
Total Decreases:			-\$2,329,634
FY 2006 Direct Program			\$15,203,487

**MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Enlisted
(\$ in Thousands)**

		<u>AMOUNT</u>
FY 2006 Direct Program		\$15,203,487
Increases:		
Pricing Increases		
Annualization of FY 2006 Pay Raise of 3.1% effective 1 January 2006		80,137
Basic Pay	59,532	
Retired Pay Accrual	15,716	
FICA	4,554	
Separation Payments (Lump Sum Leave)	335	
Anticipated FY 2007 Pay Raise effective 1 January 2007		264,682
Basic Pay	196,880	
Retired Pay Accrual	51,712	
FICA	14,985	
Separation Payments (Lump Sum Leave)	1,105	
Inflation		2,819
Clothing Allowances	2,819	
Initial Clothing - Rate (2.1%)	977	
Replacement Clothing - Rate (2.1%)	1,842	
BAH - Rates		194,111
BAH Domestic - Rates	190,203	
BAH Overseas - Rates consistent with FCF	3,908	
Other Pricing Increases		21,957
Separation Payments	83	
Severance Pay - Rate	1,675	
Severance Pay Non-Disability - Rate		
Special Pay - Foreign Language Proficiency Pay - Rate	6,077	
Reenlistment Bonus		4,942
New Payment Aggregate - Rate	4,923	
Anniversary Payment Aggregate - Rate	19	
Overseas Station Allowance		6,454
COLA - Rate	6,031	
Temporary Lodging Allowance - Rate	423	
CONUS COLA - Rate		181
Family Separation Allowance - Rate, Type 1		84

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Enlisted
(\$ in Thousands)

			<u>AMOUNT</u>
Enlistment Bonus		2,461	
New Payment - Rate	712		
Anniversary Payment - Rate	1,749		
Total Pricing Increases:			\$563,706
Program Increases			
Strength Related			18,093
Base Pay Pay Grade Mix		13,497	
RPA - Pay Grade Mix		3,563	
FICA - Pay Grade Mix		1,033	
Other			27,648
Incentive Pay		2,571	
Flying Duty - Number	325		
Flying Duty Crew - Number	181		
Flight Deck Duty - Number	422		
Submarine Pay - Number	1,643		
Special Pay		21,818	
Enlisted Supervisor Retention Pay - Number	12,614		
Diving Duty (Explosive Ordnance Disposal) - Number	4,320		
Overseas Tour Extension Program - Number	24		
Distribution Incentive Pay - Number	4,860		
Enlistment Bonus		939	
New Payment - Number	277		
Anniversary Payment - Number	662		
Loan Repayment Program - Number		1,394	
Family Separation Allowance - Number		716	
Separation Payments - 30K Lump Sum Bonus - Number		210	
Total Program Increases:			\$45,741
Total Increases:			\$609,447
Decreases:			
Pricing Decreases			
Other			-14,016
Incentive Pay		-1,079	
Flying Duty - Rate	-72		
Flying Duty Crew - Rate	-21		
Submarine Pay - Rate	-986		

**MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Enlisted
(\$ in Thousands)**

			<u>AMOUNT</u>
Special Pay		-10,894	
Enlisted Supervisor Rentention Pay - Rate	-10,714		
Distribution Incentive Pay - Rate	-180		
Special Duty Assignment Pay - Rate		-2,043	
Total Pricing Decreases:			-\$14,016
Program Decreases			
Strength Related			-408,256
Basic Pay - Workyears		-242,859	
Retired Pay Accrual - Workyears		-71,956	
FICA - Workyears		-18,503	
BAH Overseas - Number		-73,103	
BAH Domestic - Number		-1,835	
Other			-54,677
Special Pay - Foreign Language Proficiency Pay - Number		-377	
Special Duty Assignment Pay - Number		-7,201	
Reenlistment Bonus		-17,402	
New Payment - Number	-9,870		
Anniversary Payment- Number	-7,532		
Education Benefits		-1,400	
40K Program - Number	-27		
50K Program - Number	-1,373		
Overseas Station Allowance		-2,385	
COLA - Number	-2,385		
Clothing Allowances		-4,332	
Initial Clothing - Number	-1,045		
Replacement Clothing - Number	-3,287		
Seperation Payments		-21,580	
Lump Sum Leave - Number	-6,644		
Severance Pay Disability - Number	-1,932		
Severance Pay Non-Disability - Number	-13,004		
Total Program Decreases:			-\$462,933
Total Decreases:			-\$476,949
FY 2007 Direct Program			\$15,335,985

(In Thousands Of Dollars)

Project: Basic Pay - Enlisted	FY 2007 Estimate	\$8,101,180
	FY 2006 Estimate	\$8,068,225
	FY 2005 Estimate	\$8,049,275
	FY 2004 Actual	\$7,962,526

Part I - Purpose And Scope

Funds requested provide for basic compensation (37 U.S.C.) of enlisted personnel on active duty, according to pay grade and length of service increments. The estimate excludes those enlisted members of the reserve component on active duty serving in connection with the organizing, administering, recruiting, instructing and training of the reserve components (10 U.S.C. 12310).

Part II - Justification Of Funds Requested

FY 2005 is based on end strength of 309,030 and 310,812 workyears. FY 2006 is based on end strength of 296,705 and 301,766 workyears. FY 2007 is based on end strength of 289,865 and 293,713 workyears. Costs are calculated on the basis of grade distribution and average rates experienced. FY 2005 includes a 3.5% across the board pay raise effective 1 January 2005. FY 2006 includes a 3.1% payraise effective 1 January 2006.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
E9	3,168	56,222.98	178,114	3,064	59,355.03	181,864	3,002	60,483.83	181,572	2,887	62,496.53	180,427
E8	6,911	45,283.24	312,952	6,692	47,742.99	319,496	7,245	48,708.48	352,893	7,139	50,332.77	359,326
E7	24,444	38,477.90	940,554	23,709	40,513.91	960,544	22,954	41,363.72	949,463	22,758	42,742.34	972,730
E6	55,393	31,660.75	1,753,784	54,108	33,277.17	1,800,561	54,006	34,013.62	1,836,940	51,945	35,144.26	1,825,569
E5	76,872	25,167.34	1,934,664	75,411	26,457.46	1,995,184	73,744	27,046.63	1,994,527	71,019	27,947.30	1,984,789
E4	65,707	20,373.37	1,338,673	63,691	21,375.17	1,361,406	59,416	21,948.74	1,304,106	57,140	22,682.78	1,296,094
E3	58,674	17,095.41	1,003,056	52,074	17,934.80	933,937	53,851	18,614.91	1,002,432	52,360	19,233.45	1,007,063
E2	22,025	15,315.64	337,327	20,389	16,069.17	327,634	18,276	16,988.04	310,473	18,241	17,559.22	320,298
E1	11,885	13,748.56	163,402	11,674	14,446.57	168,649	9,272	14,648.28	135,819	10,224	15,149.07	154,884
Total Basic Pay - Enlisted	325,079		7,962,526	310,812		8,049,275	301,766		8,068,225	293,713		8,101,180

(In Thousands Of Dollars)

Project: Retired Pay Accrual (RPA) - Enlisted

FY 2007 Estimate	2,138,712
FY 2006 Estimate	2,138,078
FY 2005 Estimate	2,211,418
FY 2004 Actual	2,185,255

Part I - Purpose And Scope

Funds requested will provide for the Department of Defense contribution to its Military Retirement Fund in accordance with 10 U.S.C. 1446. Funds are provided to support the military requirement reform, which changes the current retirement system from 40% of the average of high years of monthly base pay to 50% of high 3 with COLA adjustments using modified CPI.

Part II - Justification Of Funds Requested

The budgetary estimates are derived as a product of:

- (a) The normal cost percent of 27.5% in FY 2005, 26.5% in FY 2006 and 26.4% FY 2007.
- (b) The total amount of basic pay expected to be paid during the fiscal year to members of the armed forces.

Cost computations are as follows:

	FY 2004			FY 2005			FY 2006			FY 2007		
Base Pay (2-A)	7,962,526			8,049,275			8,068,255			8,101,180		
Less Fines & Forfeitures	-			-			-			-		
Base Pay Subject To RPA	7,962,526			8,049,275			8,068,255			8,101,180		

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Retired Pay Accrual	325,079	6,722.23	2,185,255	310,812	7,114.97	2,211,418	301,766	7,085.22	2,138,078	293,713	7,281.64	2,138,712
Total Retired Pay Accrual (RPA) - Enlisted	325,079		2,185,255	310,812		2,211,418	301,766		2,138,078	293,713		2,138,712

(In Thousands Of Dollars)

Project: Defense Health Program (DHP) Accrual - Enlisted

FY 2007 Estimate	\$0
FY 2006 Estimate	\$0
FY 2005 Estimate	\$1,688,600
FY 2004 Actual	\$1,477,402

Part I - Purpose And Scope

The funds will be used to pay the health care accrual amount in the Department of Defense Medicare-eligible Retiree Health Care Fund for the future Medicare-eligible health care costs for current military personnel.

Part II - Justification Of Funds Requested

The budgetary estimates are derived as a product of the approved actuarial rate and the average strength.

Fund requirements are provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
(1) DHP Over 65												
Enlisted	319,050	4,572.00	1,458,698	310,767	5,364.00	1,666,956	0	0.00	0	0	0.00	0
MidShipmen	4,091	4,572.00	18,704	4,035	5,364.00	21,644	0	0.00	0	0	0.00	0
Total - (1)	323,141		1,477,402	314,802		1,688,600	0		0	0		0
Total Defense Health Program (DHP) Accrual - Enlisted	323,141		1,477,402	314,802		1,688,600	0		0	0		0

(In Thousands Of Dollars)

Project: Incentive Pay For Hazardous Duty - Enlisted

FY 2007 Estimate	110,370
FY 2006 Estimate	108,878
FY 2005 Estimate	108,657
FY 2004 Actual	101,122

Part I - Purpose And Scope

Funds requested provide for pay to enlisted personnel for the following types of duty (37 U.S.C. 301):

- (1) Duty involving frequent and regular participation in aerial flight as a crew or non-crew member.
- (2) Duty involving frequent and regular performance of operational submarine duty restricted to members who hold or are in training for submarine duty designator and remain in the submarine service on a career basis.
- (3) Duty involving parachute jumping as an essential part of military duty.
- (4) Duty inside a high or low pressure chamber; duty involving acceleration or deceleration experiments, or human test subject in thermal stress experiments.
- (5) Duty involving the demolition of explosives as a primary duty, including training.
- (6) Duty involving participation in flight operations on ships from which aircraft are launched.
- (7) Duty involving exposure to highly toxic fuels, pesticides or laboratory work that utilizes live dangerous viruses or bacteria.
- (8) Incentive Bonus for Conversion to Military Occupational Specialty to ease personnel shortages.

Part II - Justification Of Funds Requested

Hazardous duty pay is computed on the basis of the average number of enlisted personnel who are eligible for payment. Average rates for submarine duty are those prescribed by law, based on average years of service by pay grade. Rates for flying duty crewmembers are prescribed by pay grade and years of service gates. All other hazardous pays are computed at the statutory rate of \$1,800 per workyear, except for those members performing high altitude/low opening jumps entitled to \$2,700 per year.

Submarine service entry date (SSED) for nuclear trained personnel is the date the member started nuclear field "A" school. This assignment occurs upon graduation from nuclear power training unit (about 14 months after starting nuclear field "A" school). This results in an increase in entitlement (displayed as student members) to submarine duty pay for approximately 800 members at the E-4 and E-5 level. The pay accrues while attending nuclear power operator pipeline schools and is paid upon completion of training.

Title 37 U.S.C. section 336 was amended to include an Incentive Bonus for Conversion to Military Occupational Specialty to ease personnel shortages. A bonus under this section may not exceed \$4,000.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1A) Flying Duty - Career												
Under 4 yrs	1,657	1,800.00	2,983	1,626	1,800.00	2,927	1,755	1,800.00	3,159	1,668	1,800.00	3,002
4 - 8 yrs	1,047	2,700.00	2,827	1,101	2,700.00	2,973	1,448	2,700.00	3,910	1,689	2,700.00	4,560
8 - 14 yrs	1,007	4,200.00	4,229	1,040	4,200.00	4,368	990	4,200.00	4,158	990	4,200.00	4,158
Over 14 yrs	1,209	4,800.00	5,803	1,250	4,800.00	6,000	1,128	4,800.00	5,414	1,078	4,800.00	5,174
Total - (1A)	4,920		15,842	5,017		16,268	5,321		16,641	5,425		16,894
(1B) Flying Duty - Non Career												
E-9	2	2,880.00	6	3	2,880.00	9	3	2,880.00	9	3	2,880.00	9
E-8	8	2,880.00	23	8	2,880.00	23	11	2,880.00	32	11	2,880.00	32
E-7	33	2,880.00	95	33	2,880.00	95	33	2,880.00	95	34	2,880.00	98
E-6	118	2,580.00	304	120	2,580.00	310	120	2,580.00	310	120	2,580.00	310
E-5	120	2,280.00	274	135	2,280.00	308	130	2,280.00	296	135	2,280.00	308
E-4	81	1,980.00	160	81	1,980.00	160	81	1,980.00	160	145	1,980.00	287
E-3	12	1,800.00	22	12	1,800.00	22	10	1,800.00	18	20	1,800.00	36
E-2	0	1,800.00	0	0	1,800.00	0	0	1,800.00	0	0	1,800.00	0
E-1	0	1,800.00	0	0	1,800.00	0	0	1,800.00	0	0	1,800.00	0
Total - (1B)	374		884	392		927	388		920	468		1,080
(1C) Non-Crew (HDIP)	101	1,800.00	182	90	1,800.00	162	90	1,800.00	162	90	1,800.00	162
Total - (Group) (1)	5,395		16,908	5,499		17,357	5,799		17,723	5,983		18,136
(2) Submarine Pay												
E-9	286	5,100.00	1,459	343	5,100.00	1,749	348	5,100.00	1,775	350	5,100.00	1,785
E-8	676	4,980.00	3,366	672	4,980.00	3,347	679	4,980.00	3,381	684	4,980.00	3,406
E-7	2,056	4,860.00	9,992	2,093	4,860.00	10,172	2,118	4,860.00	10,293	2,130	4,860.00	10,352
E-6	4,078	4,484.00	18,286	4,200	4,454.00	18,707	4,136	4,414.00	18,256	4,148	4,414.00	18,309
E-5	5,768	2,859.00	16,491	5,420	2,858.00	15,490	5,470	2,887.00	15,792	5,465	2,887.00	15,777
E-4	4,063	1,461.00	5,936	3,900	1,507.00	5,877	3,965	1,584.00	6,281	3,929	1,584.00	6,224
E-3	2,200	1,004.00	2,209	1,845	1,004.00	1,852	1,307	996.00	1,302	1,887	996.00	1,879
E-2	804	907.00	729	1,188	907.00	1,078	951	906.00	862	953	906.00	863
E-1	377	900.00	339	502	900.00	452	501	900.00	451	505	900.00	455
Student	1,514		1,453	1,546		1,484	1,500		1,440	1,500		1,440
Total - (2)	21,822		60,260	21,709		60,208	20,975		59,833	21,551		60,490

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(3) Parachute Jumping (Enl)												
Parachute Jumping	3,009	2,227.65	6,703	2,729	2,227.65	6,079	2,981	2,227.65	6,641	2,981	2,227.65	6,641
(4) Duty Inside HiLo Chamber (Enl)												
Test subjects in thermal stress exper	437	1,800.00	787	375	1,800.00	675	375	1,800.00	675	375	1,800.00	675
(5) Demolition Duty (Enl)												
Demolition Duty	3,285	1,800.00	5,913	2,825	1,800.00	5,085	3,106	1,800.00	5,591	3,106	1,800.00	5,591
(6) Flight Deck Duty (Enl)												
Flight Deck Duty	5,679	1,800.00	10,223	8,070	1,800.00	14,526	7,383	1,800.00	13,289	7,617	1,800.00	13,711
(7) Toxic Material Pay (Enl)												
Toxic Material Pay	182	1,800.00	328	126	1,800.00	227	126	1,800.00	227	126	1,800.00	227
(8) Incentive Bonus for Conversion												
	0	0.00	0	1,500	3,000.00	4,500	1,633	3,000.00	4,899	1,633	3,000.00	4,899
Total Incentive Pay For Hazardous	39,809		101,122	42,833		108,657	42,378		108,878	43,372		110,370

(In Thousands Of Dollars)

Project: Special Pay - Enlisted	FY 2007 Estimate	421,291
	FY 2006 Estimate	404,667
	FY 2005 Estimate	313,839
	FY 2004 Actual	370,383

Part I - Purpose And Scope

Funds requested provide for special pay to enlisted personnel as follows:

(1) Sea Pay (37 U.S.C. 305a):

(a) Career Sea Pay - a variable amount paid monthly to enlisted personnel who are permanently or temporarily serving on a ship or while serving as a member of the off-crew of a two-crew submarine.

(b) Premium Sea Pay - \$100 per month paid to enlisted personnel who are entitled to career sea pay; have less than eight years of sea duty and have served more than 36 consecutive months on sea duty.

(2) Hardship Duty Pay (37 U.S.C. 305) - a monthly amount payable to enlisted personnel on duty at specific locations and special missions effective 1 January 2001.

(3) Diving Duty Pay (37 U.S.C. 304) - a monthly amount which varies depending on skill/class of diver, payable to members assigned to diving duty who maintain their proficiency as divers. Explosive Ordnance Disposal/Seal/Master Diver (Established under 37 USC 323 to provide retention incentives for Critical Military Specialty area

(4) Nuclear Accession Bonus (37 U.S.C. 312b) - a bonus of \$10,000 paid to an individual upon acceptance for naval nuclear power training who agrees to participate in a program of training for duty in connection with the supervision, operation and maintenance of naval nuclear propulsion plants. Funding also provides an increase for Submarine Nuclear Accession Bonus to \$15,000. Surface Nuclear Accession Bonus remains at \$10,000. Enlisted Supervisor Retention Pay - a career retention tool for nuclear trained enlisted supervisors leveraging the existing authorized legislation of 37 USC Sec. 308 and 37 USC Sec. 323

(5) Overseas Extension Pay (37 U.S.C.314) - a monthly amount of \$80 payable to enlisted members in certain specialties who have completed a tour of duty at an overseas location and executed an agreement to extend that tour for a period of not less than 1 year.

(6) Imminent Danger Pay (37 U.S.C. 310) - a monthly amount of \$150 payable to members in designated hostile areas or to members who are exposed to hostile fire or explosion of hostile mines, or members who are in a foreign country in which member was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.

(7) Foreign Language Proficiency Pay (37 U.S.C. 316) - military specialty requires proficiency in a foreign language with a monthly payment not to exceed \$300. This pay improves linguistic readiness across the active and reserve components.

(8) Personal Money Allowance (37 U.S.C.. 414) - paid to the master chief petty officer of the Navy to defray expenses incurred in connection with official duties.

(9) Distribution Incentive Pay (37 U.S.C. 305) - enables the services to pay a flexible, market based incentive to encourage enlisted members to volunteer for difficult-to-fill jobs or less desirable geographic locations.

Part II - Justification Of Funds Requested

Special pay is computed by applying statutory rates to the average number of personnel who are eligible for payment.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1A) Career Sea Pay (Enlisted)												
E-9	805	5,827.68	4,691	779	5,821.32	4,535	710	7,300.48	5,183	710	7,300.48	5,183
E-8	1,844	5,438.88	10,029	1,785	5,381.52	9,606	1,738	6,925.36	12,036	1,738	6,925.36	12,036
E-7	7,065	5,059.08	35,742	6,624	5,051.28	33,460	6,709	6,359.28	42,664	6,709	6,359.28	42,664
E-6	16,748	4,143.60	69,397	15,247	4,161.48	63,450	15,327	5,192.81	79,590	15,327	5,192.81	79,590
E-5	26,511	2,824.44	74,879	24,085	2,936.76	70,732	24,037	3,552.00	85,379	24,037	3,552.00	85,379
E-4	33,260	1,730.76	57,565	30,644	1,730.88	53,041	29,799	2,009.33	59,876	29,799	2,009.33	59,876
E-3	17,594	405.36	7,132	18,049	875.88	15,809	20,269	926.32	18,776	20,269	926.32	18,776
E-2	15,026	372.60	5,599	9,219	670.80	6,184	6,359	777.45	4,944	6,359	777.45	4,944
E-1	6,041	287.40	1,736	4,024	600.00	2,414	3,011	609.10	1,834	3,011	609.10	1,834
Total - (1A)	124,894		266,770	110,456		259,231	107,959		310,282	107,959		310,282
(1B) Premium Sea Pay (Enlisted)												
Premium Sea Pay	16,006	1,200.00	19,207	12,553	1,200.00	15,064	18,928	1,200.00	22,713	18,928	1,200.00	22,713
Total - (Group) (1)	140,900		285,977	123,009		274,295	126,887		332,995	126,887		332,995
(2A) HDP Mission (Enl)												
HDP Mission	15	1,800.00	27	28	1,800.00	50	15	1,800.00	27	15	1,800.00	27
(2B) HDP Location (Enl)												
Location #1	338	1,800.00	608	2,384	1,800.00	4,291	338	1,800.00	608	338	1,800.00	608
Location #2	4,436	1,200.00	5,323	39	1,200.00	47	4,436	1,200.00	5,323	4,436	1,200.00	5,323
Location #3	322	600.00	193	4,922	600.00	2,953	323	600.00	194	323	600.00	194
Total - (2B)	5,096		6,124	7,345		7,291	5,097		6,125	5,097		6,125
Total - (Group) (2)	5,111		6,151	7,373		7,341	5,112		6,152	5,112		6,152
(3A) Diving Duty Pay (Enl)												
Diving Duty Pay	4,327	2,631.44	11,386	4,254	2,631.44	11,194	4,663	2,631.44	12,270	4,663	2,631.44	12,270
(3B) Explosive Ordnance Disposal/Seal/Ma												
	0	0.00	0	0	0.00	0	0	0.00	0	360	12,000.00	4,320
Total - (Group) (3)	4,327		11,386	4,254		11,194	4,663		12,270	5,023		16,590
(4A) Nuclear Accession Bonus (Enl)												
Nuclear Accession Bonus	215	10,000.00	2,150	215	10,000.00	2,150	209	14,125.00	2,952	209	14,125.00	2,952
(4B) Enlisted Supervisor Retention Pay												
	0	0.00	0	0	0.00	0	241	63,070.54	15,200	441	38,775.51	17,100
Total - (Group) (4)	215		2,150	215		2,150	450		18,152	650		20,052

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(5) Overseas Extension Pay (Enl)												
Overseas Extension Pay	1,895	2,000.00	3,790	1,783	2,000.00	3,566	2,652	2,000.00	5,304	2,664	2,000.00	5,328
(6) Imminent Danger Pay (Enl)												
Imminent Danger Pay	20,903	2,700.00	56,438	333	2,700.00	899	333	2,700.00	899	333	2,700.00	899
(7) Foreign Language Proficiency Pay (Enl)												
Foreign Language Proficiency Pay	1,745	1,571.60	2,742	1,561	1,532.38	2,392	1,561	1,532.38	2,392	1,315	6,153.61	8,092
(8) Personal Money Allowance (PMA)												
Personal Money Allowance	1	2,000.00	2	1	2,000.00	2	1	2,000.00	2	1	2,000.00	2
(9) Distribution Incentive Pay (Enl)												
(A)Distributed Inc. Pay	448	3,900.00	1,747	3,077	3,900.00	12,000	6,726	3,900.00	26,231	7,995	3,900.00	31,181
(B) SOCOM AIP	0	0.00	0	0	0.00	0	30	9,000.00	270	0	0.00	0
	448		1,747	3,077		12,000	6,756		26,501	7,995		31,181
Total Special Pay - Enlisted	175,545		370,383	141,606		313,839	148,415		404,667	149,980		421,291

(In Thousands Of Dollars)

Project: Special Duty Assignment Pay And Proficiency Pay - Enlisted

FY 2007 Estimate	80,740
FY 2006 Estimate	89,984
FY 2005 Estimate	76,936
FY 2004 Actual	77,996

Part I - Purpose And Scope

Special duty assignment pay (SDAP) - 37 U.S.C. 307 provides for payments to enlisted personnel to obtain a sufficient number of qualified volunteers to sustain adequate manning levels in designated special duty

Part II - Justification Of Funds Requested

The estimate is based on the average number of personnel required in the following skills:

Nuclear propulsion plant supervisor	Aircrewman	Harbor pilots, unlimited
Shipboard engineering plant program mgr	C9 crew chief	Recruiters
Main propulsion asst on MCM and MHC	MCM helo aircrewmn	Divers
Acoustic intelligence specialist	Independent duty hospital corpsmen	Helicopter rescue air crewman
ASW/Air intercept controller/supervisors	EOD technician	Special operations technician
JCS joint comm unit	P-3 flight engineer	LAMPS MK III Ataco
Helicopter mine countermeasures	Combatant swimmer	Naval test parachutists
Coxswain	Air intercept controller/supervisor	White House Communication personnel
On-site inspection personnel	SDY pilot/navigator	Combatant craft member
Joint special operations personnel	ASW/ASUW tact air ctrl(ASTAC)	Personnel resource development off
Ship engineering plant program manager	Command master chiefs	Shipboard Tactical data system tech

Career recruiters are Navy's professional sales force of proven recruiters, responsible for training and supervision of fleet sailors assigned to recruiting duty.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) SDAP												
\$450/month	1,850	5,400.00	9,990	1,850	5,400.00	9,990	3,110	5,400.00	16,794	2,175	5,400.00	11,745
\$375/month	3,051	4,500.00	13,730	3,055	4,500.00	13,748	3,551	4,500.00	15,980	3,551	4,500.00	15,980
\$350/month	0	4,200.00	0	0	4,200.00	0	0	4,200.00	0	0	4,200.00	0
\$300/month	1,544	3,600.00	5,558	1,544	3,600.00	5,558	1,572	3,600.00	5,659	971	3,600.00	3,496
\$275/month	0	3,300.00	0	0	3,300.00	0	0	3,300.00	0	0	3,300.00	0
\$255/month	0	3,060.00	0	0	3,060.00	0	0	3,060.00	0	0	3,060.00	0
\$225/month	3,036	2,700.00	8,197	3,036	2,700.00	8,197	3,813	2,700.00	10,295	3,710	2,700.00	10,017
\$220/month	0	2,640.00	0	0	2,640.00	0	0	2,640.00	0	0	2,640.00	0
\$175/month	0	2,100.00	0	0	2,100.00	0	0	2,100.00	0	0	2,100.00	0
\$165/month	0	1,980.00	0	0	1,980.00	0	0	1,980.00	0	0	1,980.00	0
\$150/month	7,228	1,800.00	13,010	7,229	1,800.00	13,012	8,749	1,800.00	15,748	8,550	1,800.00	15,390
\$110/month	0	1,320.00	0	0	1,320.00	0	0	1,320.00	0	0	1,320.00	0
\$100/month	0	1,200.00	0	0	1,200.00	0	0	1,200.00	0	0	1,200.00	0
\$75/month	1,738	900.00	1,564	1,738	900.00	1,564	2,110	900.00	1,899	2,006	900.00	1,805
\$55/month	0	660.00	0	0	660.00	0	0	660.00	0	0	660.00	0
\$50/month	0	600.00	0	0	600.00	0	0	600.00	0	0	600.00	0
Total - (1)	18,447		52,049	18,452		52,069	22,905		66,375	20,963		58,433
(2) Recruiter												
Recruiter (\$375)	0	0.00	0	0	4,500.00	0	0	4,500.00	0	0	4,500.00	0
Recruiter (\$450)	4,805	5,400.00	25,947	4,605	5,400.00	24,867	4,372	5,400.00	23,609	4,131	5,400.00	22,307
Total - (2)	4,805		25,947	4,605		24,867	4,372		23,609	4,131		22,307
Total Special Duty Assignment Pay And Proficiency Pay	23,252		77,996	23,057		76,936	27,277		89,984	25,094		80,740

(In Thousands Of Dollars)

Project: Reenlistment Bonus - Enlisted

FY 2007 Estimate	339,532
FY 2006 Estimate	351,992
FY 2005 Estimate	333,635
FY 2004 Actual	310,741

Part I - Purpose And Scope

Reenlistment Bonus (37 U.S.C. 308) - provides a bonus to enlisted personnel who reenlist in a skill characterized by inadequate manning, low retention, and high replacement costs payable to an individual with between twenty-one months and fourteen years active service. Payment is based on monthly basic pay times a specified award level (not to exceed 10) times the number of additional years of obligated service (not to exceed 6). Obligated service in excess of sixteen years is not used in the computation. The maximum payment is \$60,000. While there is authority for \$60,000 payment, the Navy has no plans of making a payment of this amount.

Part II - Justification Of Funds Requested

The rates include pay raises.

Twenty most undermanned critical skills:

Fire controlman (FC)	Sonar Technician Surface (STG)
Electronic technician, subsurface warfare (ETSS)	Nuclear Field (ET, MM, EM)
Cryptologic technician collection (CTO)	Gunner's Mate (GM)
AviationWarfare Systems Tech (AW)	Operational Specialist (OS)
Dental Technician (DT)	Electronic Warfare Technician (EW)
Information Systems Technician (IT)	Legalman (LN)
Mineman (MM)	Electronic warfare tech (EW)
Air traffic controller (AC)	Hospital Corpsman (HM)
Cryptologic Technician Interpretive (CTI)	Cryptologic Technician Technical (CTT)
Master-at-Arms (MA)	Cryptologic Technician Maintenance (CTM)

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
(1) Reenlistment Bonus												
Initial Payment	13,978	9,916.80	138,617	15,016	10,349.83	155,413	15,778	10,670.55	168,360	14,853	11,002.02	163,413
Anniversary	61,627	2,754.18	169,732	61,239	2,779.63	170,222	68,118	2,695.79	183,632	65,324	2,696.08	176,119
Distribution	0	0.00	2,392	0	0.00	8,000	0	0.00	0	0	0.00	0
Total - (1)	75,605		310,741	76,255		333,635	83,896		351,992	80,177		339,532
Total Reenlistment Bonus	75,605		310,741	76,255		333,635	83,896		351,992	80,177		339,532

Reenlistment Bonus	FY 2004		FY 2005		FY 2006		FY 2007		FY 2008		FY 2009		FY 2010		FY 2011	
	Number	Amount														
Prior Obligations	61,627	\$169,732	47,813	\$134,136	40,285	\$107,144	24,171	\$60,880	15,279	\$36,722	10,283	\$24,507	5,010	\$12,039	2,648	\$4,922
FY 2004 New Anniversary ADV / REM	13,978	138,617	13,426	36,086	13,369	35,917	11,525	30,830	7,676	19,511	5,337	12,651				
FY 2005 New Anniversary ADV / REM			15,016	155,413	14,464	40,571	14,402	40,381	12,478	34,666	8,270	21,942	6,505	16,100		
FY 2006 New Anniversary ADV / REM					15,778	168,360	15,226	44,028	15,160	43,822	13,072	37,624	9,461	25,683	7,261	18,529
FY 2007 New Anniversary ADV / REM							14,853	163,413	14,302	42,707	14,241	42,507	13,033	38,362	9,384	26,179
FY 2008 New Anniversary ADV / REM									15,661	169,101	15,110	44,226	15,044	44,019	14,179	40,873
FY 2009 New Anniversary ADV / REM											15,661	174,851	15,110	45,761	15,044	45,547
FY 2010 New Anniversary ADV / REM													15,661	180,796	15,110	47,348
FY 2011 New Anniversary ADV / REM															15,661	186,943
Total New Anniversary Distribution SRB	13,978	138,617	15,016	155,413	15,778	168,360	14,853	163,413	15,661	169,101	15,661	174,851	15,661	180,796	15,661	186,943
Total SRB	61,627	169,732	61,239	170,222	68,118	183,632	65,324	176,119	64,895	177,428	66,313	183,457	64,163	181,964	63,626	183,398
		2,392		8,000						0		0		0		0
	75,605	\$310,741	76,255	\$333,635	83,896	\$351,992	80,177	\$339,532	80,556	\$346,529	81,974	\$358,308	79,824	\$362,760	79,287	\$370,341

(In Thousands Of Dollars)

Project: Enlistment Bonus - Enlisted

FY 2007 Estimate	84,400
FY 2006 Estimate	81,000
FY 2005 Estimate	83,234
FY 2004 Actual	83,336

Part I - Purpose And Scope

Funds requested provide for an enlistment bonus (37 U.S.C. 308a) - payable to a member who enlists for a minimum of five years or extends active duty obligation at least one year beyond the normal enlistment in a designated skill. Eligible skills are characterized by an enlistment rate less than that required to ensure adequate first term manning. The enlistment bonus program is unique in that the bonus is contractually obligated at the time of enlistment into the delayed entry program (DEP), but is not paid until the successful completion of all training leading to designation in the skill. In the case of nuclear field candidates, payment of the bonus occurs 24 to 36 months after enlistment in the DEP.

Part II - Justification Of Funds Requested

The bonus is payable upon completion of training. Most training pipelines for enlistment bonus recipients are approximately two years. The enlisted signing bonus will further enhance recruiting efforts to enlist personnel to serve in skill areas designated as critical.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) Enlistment Bonus - New Pay												
New Pay \$1,000	60	1,000.00	60	50	1,000.00	50	0	1,000.00	0	0	1,000.00	0
New Pay \$1,500	0	1,500.00	0	0	1,500.00	0	0	1,500.00	0	0	1,500.00	0
New Pay \$2,000	2,400	2,000.00	4,800	2,300	2,000.00	4,600	2,850	2,000.00	5,700	2,721	2,000.00	5,442
New Pay \$2,500	0	2,500.00	0	0	2,500.00	0	0	2,500.00	0	0	2,500.00	0
New Pay \$2,750	0	2,750.00	0	0	2,750.00	0	0	2,750.00	0	0	2,750.00	0
New Pay \$3,000	1,600	3,000.00	4,800	1,500	3,000.00	4,500	412	3,000.00	1,236	417	3,000.00	1,251
New Pay \$3,500	0	3,500.00	0	0	3,500.00	0	0	3,500.00	0	0	3,500.00	0
New Pay \$3,750	0	3,750.00	0	0	3,750.00	0	0	3,750.00	0	0	3,750.00	0
New Pay \$4,000	2,650	4,000.00	10,600	2,050	4,000.00	8,200	1,082	4,000.00	4,328	1,094	4,000.00	4,376
New Pay \$5,000	1,200	5,000.00	6,000	1,150	5,000.00	5,750	1,006	5,000.00	5,030	1,018	5,000.00	5,090
New Pay \$6,000	500	6,000.00	3,000	480	6,000.00	2,880	601	6,000.00	3,606	709	6,000.00	4,254
New Pay \$7,000	400	7,000.00	2,800	380	7,000.00	2,660	526	7,000.00	3,682	594	7,000.00	4,158
New Pay \$7,500	0	7,500.00	0	0	7,500.00	0	0	7,500.00	0	0	7,500.00	0
New Pay \$8,000	0	8,000.00	0	0	8,000.00	0	0	8,000.00	0	0	8,000.00	0
New Pay \$9,000	0	9,000.00	0	0	9,000.00	0	0	9,000.00	0	0	9,000.00	0
New Pay \$9,500	0	9,500.00	0	0	9,500.00	0	0	9,500.00	0	0	9,500.00	0
New Pay \$10,000	0	10,000.00	0	0	10,000.00	0	0	10,000.00	0	0	10,000.00	0
New Pay \$11,000	0	11,000.00	0	0	11,000.00	0	0	11,000.00	0	0	11,000.00	0
New Pay \$12,000	0	12,000.00	0	0	12,000.00	0	0	12,000.00	0	0	12,000.00	0
Signing Bonus	0		0	0		0	0		0	0		0
New Pay Gendet	0		0	0		0	0		0	0		0
Total - (1)	8,810		32,060	7,910		28,640	6,477		23,582	6,553		24,571

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(2) Enlistment Bonus - Residuals												
Residuals \$1,000	68	1,000.00	68	68	1,000.00	68	0	1,000.00	0	0	1,000.00	0
Residuals \$1,500	0	1,500.00	0	0	1,500.00	0	0	1,500.00	0	0	1,500.00	0
Residuals \$2,000	1,800	2,000.00	3,600	1,550	2,000.00	3,100	1,949	2,000.00	3,898	1,773	2,000.00	3,546
Residuals \$2,500	0	2,500.00	0	0	2,500.00	0	0	2,500.00	0	0	2,500.00	0
Residuals \$2,750	0	2,750.00	0	0	2,750.00	0	0	2,750.00	0	0	2,750.00	0
Residuals \$3,000	2,800	3,000.00	8,400	2,000	3,000.00	6,000	3,176	3,000.00	9,528	3,149	3,000.00	9,447
Residuals \$3,500	0	3,500.00	0	0	3,500.00	0	13	3,500.00	46	13	3,500.00	46
Residuals \$3,750	0	3,750.00	0	0	3,750.00	0	0	3,750.00	0	0	3,750.00	0
Residuals \$4,000	24	4,000.00	96	142	4,000.00	568	458	4,000.00	1,832	500	4,000.00	2,000
Residuals \$5,000	1,480	5,000.00	7,400	1,380	5,000.00	6,900	446	5,000.00	2,230	451	5,000.00	2,255
Residuals \$6,000	825	6,000.00	4,950	1,250	6,000.00	7,500	595	6,000.00	3,570	602	6,000.00	3,612
Residuals \$7,000	700	7,000.00	4,900	700	7,000.00	4,900	337	7,000.00	2,359	341	7,000.00	2,387
Residuals \$7,500	0	7,500.00	0	0	7,500.00	0	0	7,500.00	0	0	7,500.00	0
Residuals \$8,000	800	8,000.00	6,400	1,200	8,000.00	9,600	590	8,000.00	4,720	620	8,000.00	4,960
Residuals \$9,000	250	9,000.00	2,250	150	9,000.00	1,350	150	9,000.00	1,350	253	9,000.00	2,277
Residuals \$9,500	0	9,500.00	0	0	9,500.00	0	0	9,500.00	0	0	9,500.00	0
Residuals \$10,000	408	10,000.00	4,080	426	10,000.00	4,260	443	10,000.00	4,430	513	10,000.00	5,130
Residuals \$11,000	281	11,000.00	3,091	300	11,000.00	3,300	910	11,000.00	10,010	919	11,000.00	10,109
Residuals \$12,000	236	12,000.00	2,832	260	12,000.00	3,120	944	12,000.00	11,328	990	12,000.00	11,880
Residuals \$13,000	136	13,000.00	1,768	142	13,000.00	1,846	30	13,000.00	390	30	13,000.00	390
Residuals \$14,000	40	14,000.00	560	45	14,000.00	630	20	14,000.00	280	20	14,000.00	280
Residuals \$15,000	15	15,000.00	225	20	15,000.00	300	19	15,000.00	285	21	15,000.00	315
Residuals \$16,000	15	16,000.00	240	20	16,000.00	320	20	16,000.00	320	21	16,000.00	336
Residuals \$17,000	3	17,000.00	51	6	17,000.00	102	21	17,000.00	357	22	17,000.00	374
Residuals \$18,000	6	18,000.00	108	12	18,000.00	216	15	18,000.00	270	15	18,000.00	270
Residuals \$19,000	3	19,000.00	57	6	19,000.00	114	5	19,000.00	95	5	19,000.00	95
Residuals \$20,000	10	20,000.00	200	20	20,000.00	400	6	20,000.00	120	6	20,000.00	120
Residuals Gendet	0		0	0		0	0		0	0		0
Total - (2)	9,900		51,276	9,697		54,594	10,147		57,418	10,264		59,829
Total Enlistment Bonus - Enlisted	18,710		83,336	17,607		83,234	16,624		81,000	16,817		84,400

Enlistment Bonus	FY 2004		FY 2005		FY 2006		FY 2007		FY 2008		FY 2009		FY 2010		FY 2011	
	Number	Amount	Number	Amount												
Prior Obligations	9,900	\$51,276	1,776	\$10,300												
FY 2004 Initial Payments	8,810	32,060														
Residual Payments			7,921	44,294	1,930	11,718										
Installments																
FY 2005 Initial Payments			7,910	28,640												
Residual Payments					8,217	45,700	1,952	12,210								
Installments																
FY 2006 Initial Payments					6,477	23,582										
Residual Payments							8,312	47,619	2,021	13,020						
Installments																
FY 2007 Initial Payments							6,553	24,571								
Residual Payments									8,606	50,778	2,082	13,816	1,631			
Installments																
FY 2008 Initial Payments									6,784	26,202						
Residual Payments											8,866	53,881	2,161	14,771		
Installments																
FY 2009 Initial Payments											6,989	27,803				
Residual Payments													9,203	57,605	2,230	15,696
Installments																
FY 2010 Initial Payments													7,254	29,724		
Residual Payments															9,494	61,216
Installments																
FY 2011 Initial Payments															7,485	31,588
Residual Payments																
Installments																
Total Initial Payments	8,810	32,060	7,910	28,640	6,477	23,582	6,553	24,571	6,784	26,202	6,989	27,803	7,254	29,724	7,485	31,588
Residual Payments	9,900	51,276	9,697	54,594	10,147	57,418	10,264	59,829	10,627	63,798	10,948	67,697	11,366	72,376	11,724	76,912
Installments		0		0												
Total EB	18,710	\$83,336	17,607	\$83,234	16,624	\$81,000	16,817	\$84,400	17,411	\$90,000	17,937	\$95,500	18,620	\$102,100	19,209	\$108,500

(In Thousands Of Dollars)

Project: Educational Benefits - Enlisted

FY 2007 Estimate	5,100
FY 2006 Estimate	6,500
FY 2005 Estimate	6,201
FY 2004 Actual	5,992

Part I - Purpose And Scope

Funds are for payment to the Department of Defense Education Benefits Funds, a trust fund. This program is governed by Title 38 U.S.C. Chapter 30. The program funds additional and supplemental benefit payments above a basic benefit to be budgeted by the Veterans Administration. This program is budgeted on an accrual basis by the Department of Defense. Actual benefit payments to individuals are made by the Veterans Administration from funds transferred from the trust account. The Navy College Fund program attracts members for three and four year commitments, primarily into undermanned hard to fill ratings.

Part II - Justification Of Funds Requested

The Navy College Fund is a critical element in Navy's recruiting strategy. The purpose of the Navy College Fund is to expand the recruiting market to include college bound youth. The allure of a college education dominates the plans of 60-80% of all high school seniors and represents a major obstruction to the recruiter. The Navy College Fund will provide a source of high quality recruits, primarily in the critical skill sea intensive ratings. By providing the recruiters with a tool to address this market, many college bound youth who would not otherwise have considered the Navy, are exposed to the educational opportunities and programs that the Navy provides. This portion of the Navy College Fund program provides an additional source of high quality recruits. The program is directed at the 17-35 year old, non-prior service recruits in aptitude category I or II (minimum ASVAB AFQT of 50) with a high school diploma. Enrollment in the Montgomery G. I. Bill is required.

The FY 2004 National Defense Authorization Act (NDAA) authorized the implementation of the Navy's College First Program. This Pilot Program pays \$475 per month (assuming recruits in the first year of participation) to Delayed Entry Program (DEP) personnel pursuing post secondary education or vocational/technical training. The estimated average length of time in the program is six months.

The FY 2003 National Defense Authorization Act amended chapter 31 of title 10 USC to include the National Call to Service (NCS). Enlistment under NCS program will incur an eight-year military service obligation (MSO). NCS participants will be given the opportunity to select one of the following incentives upon enlistment: Education allowance for up to 12 months payable at the monthly rate for basic educational assistance allowances under Sec. 3015 (a) (1) title 38, USC, or educational allowance for up to 36 months payable at one-half of the monthly rate for basic educational assistance allowances under section 3015 (b) (1) of title 38, USC.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) Navy College Fund Program (Enl)												
(4 Yr Commitment) \$30K	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(4 Yr Commitment) \$40K	240	903.00	217	101	670.00	68	118	392.00	46	48	392.00	19
(4 Yr Commitment) \$50K	1,765	3,101.00	5,473	1,619	2,530.00	4,096	2,193	1,998.00	4,382	1,506	1,998.00	3,009
(3 Yr Commitment) \$25K	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (1)	2,005		5,690	1,720		4,164	2,311		4,428	1,554		3,028
(2) National Call to Service												
12 Month Enlistments	38	4,328.00	164	240	4,328.00	1,039	240	4,438.00	1,065	240	4,438.00	1,065
36 Month Enlistments	52	2,652.00	138	150	2,652.00	398	150	2,711.00	407	150	2,711.00	407
Total - (2)	90		302	390		1,437	390		1,472	390		1,472
(3) Navy College First	0	0.00	0	210	2,857.00	600	210	2,857.00	600	210	2,857.00	600
Total Educational Benefits	2,095		5,992	2,320		6,201	2,911		6,500	2,154		5,100

(In Thousands Of Dollars)

Project: Loan Repayment Program	FY 2007 Estimate	\$5,594
	FY 2006 Estimate	\$4,200
	FY 2005 Estimate	\$2,196
	FY 2004 Actual	\$100

Part I - Purpose And Scope

The Loan Repayment Program (LRP) is authorized by P.L. 99-145, Section 2171. The LRP is an enlistment incentive designed to increase test scope category I-III A. The LRP repays loans up to the maximum ceiling of \$65,000. Only guaranteed student loans (GSLI)/Stafford loans, federally insured student loans (FISL), national direct student loans (NDSL)/Perkins loans, or any loan covered under Title IV of the Higher Education Act of 1965, Parts (b) and (e), are authorized for payment under the Department of Navy LRP.

Part II - Justification Of Funds Requested

The LRP is a major enlistment incentive program.

Fund requirements for this incentive program are provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) Navy College Loan Repayment (Enl)												
Navy College Loan Repayment	20	5,000.00	100	265	8,300.00	2,196	506	8,300.00	4,200	674	8,300.00	5,594
Total Loan Repayment Program	20		100	265		2,196	506		4,200	674		5,594

(In Thousands Of Dollars)

Project: Basic Allowance For Housing - Enlisted

FY 2007 Estimate	2,750,094
FY 2006 Estimate	2,628,976
FY 2005 Estimate	2,561,364
FY 2004 Actual	2,571,492

Part I - Purpose And Scope

Congress approved in the FY 1998 National Defense Authorization Act the payment of a Basic Allowance for Housing (BAH) to service members. BAH combines housing payments formerly provided by the basic allowance for quarters (BAQ) and the variable housing allowance (VHA). The FY 2000 National Defense Authorization Act directed the BAH transition to market-based rates be accelerated and completed during FY 2005. Payment to service members is authorized by revisions to 37 U.S.C. 403.

Part II - Justification Of Funds Requested

The FY 2005 estimate include a projected annual rate increase of 3.9% and the projected annual rate increase in FY06 and FY07 is 4.0%. However, future housing rate adjustments may result as contractor generated survey data of actual housing cost becomes available. Additional funds have been budgeted to reduce out-of-pocket expenses to 3.5% in FY 2004, and 0.0% in FY 2005.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1A) BAH Domestic - Enlisted with Dependents												
E9 with Dependents	2,537	17,452.01	44,276	2,462	18,218.45	44,854	2,378	19,015.98	45,220	2,287	20,237.43	46,283
E8 with Dependents	5,221	16,045.06	83,771	5,077	16,752.73	85,054	5,427	17,486.09	94,897	5,347	18,609.31	99,504
E7 with Dependents	16,839	15,260.25	256,967	16,097	15,931.90	256,456	15,701	16,629.32	261,097	15,566	17,697.42	275,478
E6 with Dependents	33,109	14,425.52	477,615	32,817	15,060.81	494,251	32,134	15,531.68	499,095	30,907	17,250.56	533,163
E5 with Dependents	32,418	12,870.86	417,248	31,760	13,434.09	426,667	31,046	14,019.52	435,250	29,899	15,620.76	467,045
E4 with Dependents	20,326	12,370.98	251,453	18,793	12,908.87	242,596	18,419	13,473.91	248,176	17,713	14,339.36	253,993
E3 with Dependents	13,124	12,475.59	163,730	12,596	13,017.14	163,964	12,116	13,586.91	164,619	11,781	14,459.64	170,349
E2 with Dependents	2,801	12,152.99	34,041	2,596	12,683.31	32,926	2,358	13,238.34	31,216	2,353	14,088.82	33,151
E1 with Dependents	1,035	12,113.09	12,537	941	12,643.00	11,897	816	13,194.85	10,767	900	14,042.22	12,638
Total - (1A)	127,410		1,741,638	123,139		1,758,665	120,395		1,790,337	116,753		1,891,604
(1B) BAH Differential (ENL)												
BAH Differential	11,066	1,926.89	21,323	9,549	2,320.24	22,156	0	0.00	0	0	0.00	0
Total - (Group) (1)	138,476		1,762,961	132,688		1,780,821	120,395		1,790,337	116,753		1,891,604
(2) BAH Domestic - Enlisted without Dependents												
E9 without Dependents	241	14,082.40	3,394	236	15,040.11	3,549	228	15,811.40	3,605	219	16,826.48	3,685
E8 without Dependents	634	13,066.75	8,284	624	13,967.57	8,716	667	14,686.66	9,796	657	15,630.14	10,269
E7 without Dependents	2,630	12,083.00	31,778	2,542	12,908.29	32,813	2,479	13,571.60	33,644	2,458	14,443.45	35,502
E6 without Dependents	9,633	11,249.71	108,368	9,652	12,017.69	115,995	9,451	12,635.17	119,415	9,090	13,446.75	122,231
E5 without Dependents	24,677	10,669.89	263,301	24,443	11,394.71	278,521	23,893	11,979.28	286,221	23,010	12,748.76	293,349
E4 without Dependents	13,490	9,180.31	123,842	12,609	9,813.40	123,737	12,359	10,319.04	127,533	11,885	10,981.91	130,520
E3 without Dependents	6,231	9,256.14	57,675	6,046	9,891.82	59,806	5,816	10,400.96	60,492	5,655	11,069.14	62,596
E2 without Dependents	558	9,298.76	5,189	523	9,935.35	5,196	475	10,446.32	4,962	474	11,118.14	5,270
E1 without Dependents	93	8,897.35	827	86	9,521.83	819	74	10,027.03	742	82	10,658.54	874
Total - (2)	58,187		602,658	56,761		629,152	55,442		646,410	53,530		664,296

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(3) BAH Domestic Partial (Enlisted)												
E-9	13	223.20	3	13	229.88	3	13	230.77	3	12	250.00	3
E-8	14	183.60	3	14	213.46	3	15	200.00	3	15	200.00	3
E-7	73	144.00	11	71	140.30	10	69	144.93	10	69	144.93	10
E-6	492	118.68	58	497	118.25	59	487	119.10	58	467	119.91	56
E-5	3,510	104.28	366	3,471	103.89	361	3,393	104.33	354	3,264	104.47	341
E-4	22,613	97.20	2,198	21,097	96.84	2,043	20,677	97.21	2,010	19,860	97.33	1,933
E-3	32,575	93.60	3,049	31,574	93.23	2,944	30,372	93.61	2,843	29,491	93.72	2,764
E-2	16,678	86.40	1,441	16,617	80.87	1,344	14,183	86.37	1,225	13,806	88.58	1,223
E-1	9,589	82.80	794	8,807	82.46	726	7,641	82.71	632	7,817	89.16	697
Total - (3)	85,557		7,923	82,161		7,493	76,850		7,138	74,801		7,030
(4) BAH Domestic Inadequate (Enl)												
E-9	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
E-8	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
E-7	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
E-6	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
E-5	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
E-4	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
E-3	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
E-2	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
E-1	-	0.00	0	-	0.00	0	-	0.00	0	-	0.00	0
Total - (4)	-		0	-		0	-		0	-		0
SubTotal (1) (2) (3) (4)	282,220		2,373,542	271,610		2,417,466	252,687		2,443,885	245,084		2,562,930
(5A) BAH Overseas - Enlisted with Dependents												
E9 with Dependents	77	24,562.02	1,891	55	24,423.73	1,343	56	33,092.48	1,853	55	33,816.02	1,860
E8 with Dependents	181	22,357.92	4,047	131	18,470.09	2,420	110	25,255.59	2,778	110	25,813.87	2,840
E7 with Dependents	700	20,745.25	14,522	558	26,627.29	14,858	463	36,332.89	16,822	458	37,100.31	16,992
E6 with Dependents	1,558	19,253.24	29,997	1,262	21,645.57	27,317	1,117	29,528.25	32,983	1,106	30,170.12	33,368
E5 with Dependents	1,624	18,725.07	30,410	1,224	20,647.81	25,273	1,251	28,151.34	35,217	1,238	28,753.66	35,597
E4 with Dependents	598	18,428.78	11,020	602	18,943.00	11,404	579	25,847.15	14,965	572	26,393.09	15,097
E3 with Dependents	91	17,410.21	1,584	107	17,508.93	1,873	106	23,766.80	2,519	106	24,301.89	2,576
E2 with Dependents	7	16,119.48	113	7	15,500.00	109	10	20,281.79	203	10	20,326.26	203
E1 with Dependents	2	9,385.57	19	4	8,000.00	32	1	10,500.00	11	2	10,212.12	20
Total - (5A)	4,838		93,603	3,950		84,629	3,693		107,351	3,657		108,553
(5B) BAH Overseas - Enlisted without Dependents												
E9 without Dependents	20	25,756.40	515	16	19,384.62	310	14	25,363.07	355	15	25,456.88	382
E8 without Dependents	40	22,852.85	914	52	17,833.33	927	45	24,353.90	1,096	43	24,990.80	1,075
E7 without Dependents	244	22,399.29	5,465	241	15,918.80	3,836	225	21,286.24	4,789	222	21,750.38	4,829
E6 without Dependents	952	19,011.78	18,099	1,036	13,452.92	13,937	805	18,012.43	14,500	797	18,400.38	14,665
E5 without Dependents	2,609	18,262.42	47,647	1,474	12,672.56	18,679	1,683	16,975.76	28,570	1,667	17,342.49	28,910
E4 without Dependents	1,330	17,386.99	23,125	1,438	10,147.15	14,592	1,247	13,582.08	16,937	1,235	13,877.87	17,139
E3 without Dependents	466	16,513.96	7,696	551	11,422.06	6,294	655	15,283.99	10,011	647	15,603.12	10,095
E2 without Dependents	44	16,351.07	719	60	10,764.71	646	97	14,368.81	1,394	97	14,716.76	1,428
E1 without Dependents	9	18,501.78	167	5	9,571.43	48	7	12,571.22	88	7	12,548.34	88
Total - (5B)	5,714		104,347	4,873		59,269	4,778		77,740	4,730		78,611
SubTotal (5)	10,552		197,950	8,823		143,898	8,471		185,091	8,387		187,164
Total Basic Allowance For Housing - Enlisted	292,772		2,571,492	280,433		2,561,364	261,158		2,628,976	253,471		2,750,094

(In Thousands Of Dollars)

Project: Station Allowance. Overseas - Enlisted

FY 2007 Estimate	\$270,087
FY 2006 Estimate	\$266,018
FY 2005 Estimate	\$228,005
FY 2004 Actual	\$322,050

Part I - Purpose And Scope

Funds requested provide for payments of a per diem allowance to members and their dependents on duty outside the United States for increased cost of living, housing and temporary lodging allowances. Authorization is provided under provision of 37 U.S.C. 405 and the Joint Federal Travel Regulations.

Part II - Justification Of Funds Requested

The numbers for cost of living allowance (COLA) are based on actual experience adjusted to reflect changes in overseas strength.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) Overseas Station Allowance (Enl)												
COLA	47,278	6,357.47	300,568	47,330	4,317.96	204,369	45,379	5,252.61	238,358	44,925	5,386.84	242,004
(1) Temporary Lodging (Enl)												
Temporary Lodging	23,681	907.16	21,482	28,650	825.00	23,636	27,562	1,003.56	27,660	27,562	1,018.90	28,083
Total Station Allowance, Overseas	70,959		322,050	75,980		228,005	72,941		266,018	72,487		270,087

(In Thousands Of Dollars)

Project: CONUS Cost Of Living Allowance (COLA) - Enlisted

FY 2007 Estimate	\$12,246
FY 2006 Estimate	\$12,065
FY 2005 Estimate	\$10,652
FY 2004 Actual	\$13,514

Part I - Purpose And Scope

The funds requested will provide for payment of a cost of living (COLA) to sailors who are assigned to high cost areas in the Continental United States (CONUS). High cost areas are grouped as military housing areas (MHA) where the cost of goods and services exceeds 108 percent of the national cost of living average. The amount of COLA payable is the product of spendable income (based on regular military compensation) times the difference between the COLA index for the individual's high cost area and the threshold percentage.

Part II - Justification Of Funds Requested

CONUS COLA payments are determined multiplying the projected number of personnel eligible by an estimated rate.

Detailed cost computations are provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
(1) CONUS Cost of Living Allowance (COLA)												
CONUS Cost of Living Allowance	11,485	1,176.69	13,514	12,696	839.04	10,652	13,866	870.08	12,065	13,939	878.55	12,246
Total CONUS Cost Of Living Allowance	11,485		13,514	12,696		10,652	13,866		12,065	13,939		12,246

(In Thousands Of Dollars)

Project: Clothing Allowance - Enlisted

FY 2007 Estimate	\$161,971
FY 2006 Estimate	\$163,484
FY 2005 Estimate	\$172,384
FY 2004 Actual	\$179,499

Part I - Purpose And Scope

Funds requested will provide enlisted personnel with prescribed clothing as authorized by the Secretary of Defense under provisions of (37 U.S.C. 418). Included are:

- (1) Initial clothing upon enlistment, advancement to chief petty officer (pay grade E-7) and civilian clothing allowance when authorized by competent orders.
- (2) Basic maintenance allowance is payable to members upon completion of six months active duty and accrues during the remainder of the first three years of continuous service. Standard or special maintenance allowance is payable to a member upon completion of 36 months of active duty and continues during the remainder of continuous active duty.
- (3) Supplementary clothing allowances are payable to members assigned to special duty where additional items of clothing are required.

Part II - Justification Of Funds Requested

Initial clothing allowances are based on planned numbers of accessions by type of accession at rates prescribed by the Secretary of Defense, clothing maintenance allowances are computed based on past experience for numbers of members entitled and rates prescribed by the Secretary of Defense. Supplementary clothing allowances are based on numbers planned for assignment to qualifying special duties multiplied by the rates prescribed by the Secretary of Defense.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(A)Initial Military												
Male	30,136	1,182.16	35,626	29,572	1,161.46	34,347	24,538	1,178.88	28,927	24,672	1,198.92	29,580
Female	5,745	1,549.48	8,902	7,293	1,416.19	10,328	6,232	1,437.43	8,958	6,193	1,461.87	9,053
Prior Service	616	1,281.34	789	1,608	1,236.35	1,988	1,071	1,248.69	1,337	1,086	1,269.92	1,379
OCS Newport	359	1,276.35	458	250	1,269.18	317	225	1,279.27	288	285	1,330.96	379
On Advancement E7	4,472	992.03	4,436	5,491	990.40	5,438	5,071	1,005.25	5,098	4,034	1,022.34	4,124
Navy Unit Bands	237	989.88	235	240	976.40	234	237	990.90	235	237	1,007.74	239
Total - (A)	41,565		50,446	44,454		52,652	37,374		44,843	36,507		44,754
(B)Enlisted Civilian Clothing												
Initial Civilian	850	1,430.49	1,216	850	1,449.08	1,232	850	1,470.82	1,250	850	1,495.82	1,271
Total (1)	42,415		51,662	45,304		53,884	38,224		46,093	37,357		46,025
(2A)Replacement Allowances												
(Basic) Male	79,075	291.60	23,058	68,678	291.60	20,027	65,616	295.97	19,420	64,428	301.01	19,393
(Basic) Female	16,272	334.80	5,448	13,422	295.20	3,962	12,990	299.63	3,892	12,654	304.72	3,856
Total - (2A)	95,347		28,506	82,100		23,989	78,606		23,312	77,082		23,249

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(2B)Replacement Allowances												
(Std) Male	176,894	414.00	73,234	163,390	414.00	67,643	159,656	420.21	67,089	154,122	427.35	65,864
(Std) Female	25,934	478.80	12,417	24,108	421.20	10,154	23,494	427.52	10,044	22,675	434.79	9,859
Total - (2B)	202,828		85,651	187,498		77,797	183,150		77,133	176,797		75,723
(2C)Replacement Allowances												
(Spl) Male	17,965	597.60	10,736	19,131	597.60	11,433	19,171	606.56	11,628	18,892	616.88	11,654
(Spl) Female	1,311	720.00	944	2,574	626.40	1,612	2,593	635.80	1,649	2,554	646.60	1,651
Total - (2C)	19,276		11,680	21,705		13,045	21,764		13,277	21,446		13,305
Total (2)	317,451		125,837	291,303		114,831	283,520		113,722	275,325		112,277
(3)Supplementary Clothing (Enl)	6,042	331.04	2,000	5,041	331.04	1,669	5,041	331.04	1,669	5,041	331.04	1,669
(4)Up-Front Purchases			0			2,000		-	2,000			2,000
Total Clothing Allowance -	365,908		179,499	341,648		172,384	326,785		163,484	317,723		161,971

(In Thousands Of Dollars)

Project: Family Separation Allowance - Enlisted

FY 2007 Estimate	66,968
FY 2006 Estimate	66,168
FY 2005 Estimate	50,140
FY 2004 Actual	79,480

Part I - Purpose And Scope

Funds requested provide an allowance to enlisted members with dependents (37 U.S.C. 427) for added separation expenses when the requirements listed below are met:

- (1) The movement of dependents to an overseas permanent duty station is not authorized and the member must maintain two homes.
- (2) The movement of dependents to the permanent duty station or a place near the station is not authorized at government expense under the Joint Travel Regulations and the member's dependents do not reside at or near that station.
- (3) The member is on duty on board a ship away from the home port of the ship for a continuous period of more than 30 days.
- (4) The member is on temporary duty or temporary additional duty away from his permanent station for a continuous period of more than 30 days and the member's dependents do not reside at or near the member's temporary or temporary additional duty station.

Part II - Justification Of Funds Requested

Family separation allowances are determined by multiplying the planned number of members eligible by the statutory rates.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) Family Separation Allowance - Enlisted Type 1												
E-9	12	8,000.00	96	12	7,730.56	93	5	7,962.48	40	6	8,273.02	50
E-8	28	7,285.71	204	27	7,096.67	192	9	7,309.57	66	14	7,594.64	106
E-7	133	6,150.38	818	130	5,985.82	778	44	6,165.39	271	66	6,405.84	423
E-6	273	5,633.70	1,538	267	5,479.44	1,463	93	5,643.82	525	136	5,863.93	797
E-5	271	5,206.64	1,411	265	5,063.79	1,342	92	5,215.70	480	135	5,419.11	732
E-4	81	4,567.90	370	79	4,442.16	351	28	4,575.42	128	40	4,753.86	190
E-3	9	4,333.33	39	9	4,169.97	38	3	4,295.07	13	4	4,462.58	18
E-2	2	3,500.00	7	2	3,509.10	7	1	3,614.37	4	3	3,755.33	11
E-1	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
Total - (1)	809		4,483	791		4,264	275		1,527	404		2,327
(2) Family Separation Allowance - Enlisted Type 2												
PCS w/dep not auth/gov quarters not avail	5,906	3,000.00	17,718	3,391	3,000.00	10,173	5,314	3,000.00	15,942	5,315	3,000.00	15,945
Onboard > 30 days	11,276	3,000.00	33,828	4,259	3,000.00	12,777	6,637	3,000.00	19,911	6,637	3,000.00	19,911
TDY > 30 days	7,817	3,000.00	23,451	7,642	3,000.00	22,926	9,596	3,000.00	28,788	9,595	3,000.00	28,785
Total - (2)	24,999		74,997	15,292		45,876	21,547		64,641	21,547		64,641
Total Family Separation Allowance - Enlisted	25,808		79,480	16,083		50,140	21,822		66,168	21,951		66,968

(In Thousands Of Dollars)

Project: Separation Payments - Enlisted

FY 2007 Estimate	\$267,719
FY 2006 Estimate	\$285,891
FY 2005 Estimate	\$162,725
FY 2004 Actual	\$184,704

Part I - Purpose And Scope

Funds requested will provide for the following separation payments:

- (1) Lump Sum Terminal Leave Payments for unused accrued leave at time of discharge, or death under provisions of (37 U.S.C. 501), and (10 U.S.C 701). Funding request includes a legislative proposal to allow service members to sell back leave in conjunction with reenlistment, not just within three months prior to expiration of active service.
- (2) Severance Pay Disability - Payment to members separated (not retired) for physical disability under provisions of (10 U.S.C. 1212).
- (3) Involuntary - Half Severance Pay is 5% of the product of members years active service plus fractions of years based on full months and 12 times monthly basic pay is authorized to members not fully qualified for retention and denied reenlistment or continuation.

Involuntary - Full Severance Pay is 10% of the product of members years active service plus fractions of years based on full months and 12 times monthly basic pay is authorized to members involuntarily separated from active duty who are fully qualified for retention, but are denied reenlistment or continuation.

- (4) Voluntary - Force shaping separation incentives for military members in selected over manned skills:
 - a. a lump sum payment for members who have at least six years of service.
 - b. an annuity and lump sum payment to members who have at least fifteen years of service.

Voluntary - Special Separation Benefits ((SSB) 10 U.S.C. 1174a) will pay members a lump-sum amount equal to 15% of their annual basic pay multiplied by their years of service. The authority for this program expired on 31 December 2001. Targeted Separation Incentives (Force Shaping Tools) were approved by OSD and will be forwarded for inclusion in the FY 2006 NDAA. Targeted Separation Incentives (Force Shaping Tools) will be used to incentivize members with more than 6 years of service to leave active duty, some short of retirement. It would consist of four tools: an annuity, a buy-out, 6 months of transition benefits and repeal of the expanded Selective Early Retirement authority.

Voluntary Separation Incentive ((VSI) 10 U.S.C. 1175) will pay members 2.5% of their annual basic pay, multiplied by their years of service. Payments will be annual and last for twice the number of years of service. The authority for this program expired on 31 December 2001.

- (5) Discharge Gratuity donation not to exceed \$25, to member separated with a dishonorable, bad conduct, or undesirable discharge for reasons of security, unfitness etc., under provisions of (10 U.S.C. 771a).
- (6) 15 year Early Retirement Program (ERP) for members on active duty with more than 15 but less than 20 years of service. The FY 1993 Defense Authorization Act approved an active duty early retirement program for use during the force drawdown. The authority to use the early retirement program expires on 1 October 2003.
- (7) \$30,000 Lump Sum Bonus: the FY 2000 National Defense Authorization Act provides to service members who entered the uniformed service on or after August 1, 1986, the option to retire under the pre-1986 military retirement plan (50% retirement benefit at 20 years of service, with full COLA) or to accept a one-time \$30,000 lump sum bonus and to remain under the redux retirement plan (40% retirement benefit at 20 years of service, with partial COLA). Sailors are permitted to select between the two retirement programs within 180 days of completing 15 years of service. Sailors who elect to accept the lump sum bonus are obligated to serve the remaining five years to become retirement eligible. Those who do not complete the required service are required to repay a prorated amount based on the unserved amount of the obligation.

Part II - Justification Of Funds Requested

Separation Payments are computed on the basis of the number eligible for payment at the average rates derived from past experience. FY 2005 includes a 3.5% pay raise effective 1 January 2005. FY 2006 includes a 3.1% payraise effective 1 January 2006.

Computation of fund requirements is provided in the following table:

	FY 2004				FY 2005				FY 2006				FY 2007			
	Number	Days	Rate	Amount												
(1)Lump Sum Terminal Leave Payments																
E-9	355	16	2,829.13	1,004	175	16	2,569.28	450	279	16	2,613.80	729	303	16	2,746.19	832
E-8	690	17	2,215.94	1,529	551	17	2,140.78	1,180	815	17	2,235.06	1,822	866	17	2,409.17	2,086
E-7	1,309	18	3,391.14	4,439	2,145	18	1,998.80	4,287	3,349	18	2,039.06	6,829	3,546	18	2,147.18	7,614
E-6	4,810	18	1,577.34	7,587	3,969	19	1,689.42	6,705	5,247	19	1,750.94	9,187	5,753	19	1,804.99	10,384
E-5	6,782	18	1,344.44	9,118	8,519	18	1,324.09	11,280	11,289	18	1,320.57	14,908	8,786	18	1,361.63	11,963
E-4	8,295	18	1,127.43	9,352	8,878	18	1,061.80	9,427	11,110	18	1,061.74	11,796	8,256	18	1,083.44	8,945
E-3	4,388	17	1,062.67	4,663	3,869	17	859.88	3,327	6,222	17	857.12	5,333	4,521	17	860.11	3,889
E-2	2,244	15	1,062.36	2,384	1,521	15	665.31	1,012	2,321	15	665.49	1,545	1,936	15	665.34	1,288
E-1	2,340	8	991.45	2,320	1,206	8	305.90	369	1,712	8	305.73	523	1,528	8	305.73	467
Total - (1)	31,213			42,396	30,833			38,037	42,344			52,672	35,495			47,468
743																
(2)Severance Pay, Disability (Enl)	743		22,422.61	16,660	852		28,400.24	24,197	1,052		29,280.64	30,799	986		29,363.20	28,950
(3)Severance Pay, Non-Disability (Enl)																
Invol - Full Pay	875		20,636.57	18,057	200		22,809.51	4,562	2,512		26,230.98	65,892	2,029		27,149.06	55,091
Invol - Half Pay	643		11,867.61	7,631	493		13,568.44	6,689	513		15,421.09	7,911	463		15,945.41	7,383
Total - (3)	1,518			25,688	693			11,251	3,025			73,803	2,492			62,474
(4)Voluntary Separation (Enl)																
Targeted Separation Incentives (Force Shaping Tools) (ULB)	0		0.00	0	0		0.00	0	781		59,573.62	46,527	781		59,573.62	46,527
VSI	0		0.00	0	0		0.00	0	0		0.00	0	0		0.00	0
VSI Trust Fund	0		0.00	2,900	0		0.00	3,400	0		0.00	3,600	0		0.00	3,600
Total - (4)	0			2,900	0			3,400	781			50,127	781			50,127
(5)Discharge Gratuity	410		24.00	10	410		24.00	10	410		24.00	10	410		24.00	10
(6)15 YR Retirement Program	-		0.00	-	-		0.00	0	0		0.00	0	0		0.00	0
(7)\$30,000 Lump Sum Bonus (Enl)	3,235		30,000.00	97,050	2,861		30,000.00	85,830	2,616		30,000.00	78,480	2,623		30,000.00	78,690
Total Separation Payments - Enlisted	37,119			184,704	35,649			162,725	50,228			285,891	42,787			267,719

(In Thousands Of Dollars)

Project: Social Security Tax - Employer's Share - Enlisted

FY 2007 Estimate	\$614,741
FY 2006 Estimate	\$612,220
FY 2005 Estimate	\$610,818
FY 2004 Actual	\$607,898

Part I - Purpose And Scope

Funds requested represent the government's contribution (as an employer) as required by the Federal Insurance Contribution act under provision of (26 U.S.C. 3101, 3111), and P.L. 98-21 "Social Security Amendment of 1983".

Part II - Justification Of Funds Requested

Social security costs are based on the percentage rate set by law on a member's salary for a calendar year. P.L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983 established the tax rate while the maximum taxable income is determined by the Social Security Administration. The Old Age, Survivor and Disability Income (OASDI) rate is 6.2% and the Hospital Insurance (HI) is 1.45%. There is no wage cap on the 1.45% medical contribution. The government's contribution is based on the percentage rate set by law on member's salary for a calendar year. Taxable income ceilings for OASDI are as follows:

- Calendar year 2004 - 7.65% on first \$87,900
- Calendar year 2005 - 7.65% on first \$89,700
- Calendar year 2006 - 7.65% on first \$92,700
- Calendar year 2007 - 7.65% on first \$96,600

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Social Security Tax - Employer's contribution	325,079	1,870.00	607,898	310,812	1,965.23	610,818	301,766	2,028.79	612,220	293,713	2,093.00	614,741
Total Social Security Tax - Employer's Share - Enlisted	325,079		607,898	310,812		610,818	301,766		612,220	293,713		614,741
Total Obligations			16,533,490			16,670,079			15,288,346			15,430,745
Less Reimbursables			97,107			85,579			84,859			94,760
Total Direct Obligations			16,436,383			16,584,500			15,203,487			15,335,985

Budget Activity 3

Pay and Allowances of Cadets/Midshipmen

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Cadets/Midshipmen
(\$ in Thousands)

			<u>Amount</u>
FY 2005 Direct Program			\$52,289
Increases:			
Pricing Increases:			
Annualization of FY 2005 Pay Raise of 3.5% effective 1 January 2005		771	
Base Pay	716		
FICA	55		
FY 2006 Pay Raise of 3.1% effective 1 January 2006		2,314	
Base Pay	2,149		
FICA	165		
Other		2,013	
Increase in Basic Allowance for Subsistence Rate of 4.95% Inflation Rate	1,260		
Increase in Nuclear Accession Bonus Rate	753		
Total Pricing Increases			2,013
Program Increases:			
Other			
Increase in number of Nuclear Accession Bonus payments		100	
Total Program Increases			100
Total Increases:			5,198
Decreases:			
Program Decreases:			
Strength Related			
Decrease in Basic Pay Workyears	-1058		
Decrease in Social Security Tax Workyears	-81		
Decrease in Basic Allowance for Subsistence Workyears	-240		
Total Program Decreases			-1,379
Total Decreases:			-1,379
FY 2006 Direct Program			\$56,108

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Pay and Allowances of Cadets/Midshipmen
(\$ in Thousands)

		<u>Amount</u>
FY 2006 Direct Program		\$56,108
Increases:		
Pricing Increases:		
Annualization of FY 2006 Pay Raise of 3.1% effective 1 January 2006		45
Base Pay	42	
FICA	3	
Anticipated FY 2007 Pay Raise effective 1 January 2007		136
Base Pay	126	
FICA	10	
Inflation Rate		922
Increase in Basic Allowance for Subsistence Rate of 5.0% Inflation Rate	198	
Increase in Basic Pay Workyears	549	
Increase in Social Security Tax Workyears	42	
Increase in Basic Allowance for Subsistence Workyears	133	
Total Pricing Increases		1,103
Total Increases		1,103
FY 2007 Direct Program		\$57,211

(In Thousands Of Dollars)

Project: Midshipmen - Enlisted

FY 2007 Estimate	\$57,211
FY 2006 Estimate	\$56,108
FY 2005 Estimate	\$52,289
FY 2004 Actual	\$54,471

Part I - Purpose And Scope

Funds requested are to provide for basic pay under the provisions of 37 U.S.C. 203(c)(1); commuted rations allowance under the provisions of 37 U.S.C. 422; for employer's contribution of FICA as provided by the Federal Insurance Contribution Act (26 U.S.C. 3101 and 3111); and for nuclear accession bonus (37 U.S.C. 312b).

Part II - Justification Of Funds Requested

Funds required are determined by applying statutory rates to the projected workyears. Funding has been provided to link midshipmen pay to 35 percent of Ensign (0-1) pay, as authorized by section 612 of the FY 2001 National Defense Authorization Act. Provision is made for an average 4,035 midshipmen in FY 2005, 3,925 in FY 2006, and 3,978 in FY 2007. Funding also provides an increase for Submarine Nuclear Accession Bonuses to \$15,000. Surface Nuclear Accession Bonuses remain at \$10,000.

Subsistence rates are \$6.35 per day for FY 2005, \$6.65 per day for FY 2006 and \$7.00 per day for FY 2007.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) Basic Pay	4,194	9,575.58	40,160	4,035	9,620.07	38,817	3,925	10,350.06	40,624	3,978	10,392.41	41,341
(2) Subsistence Allowance	4,194	2,250.12	9,437	4,035	2,181.66	8,803	3,925	2,502.68	9,823	3,978	2,552.54	10,154
(3) Social Security Tax - Employer's Contribution	4,194	732.95	3,074	4,035	735.81	2,969	3,925	791.85	3,108	3,978	795.12	3,163
(4) Nuclear Accession Bonus	180	10,000.00	1,800	170	10,000.00	1,700	185	13,800.00	2,553	185	13,800.00	2,553
Total Obligations			54,471			52,289			56,108			57,211
Less Reimbursable Obligations			0			0			0			0
Total Direct Obligations			54,471			52,289			56,108			57,211

Budget Activity 4
Subsistence of Enlisted Personnel

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Subsistence of Enlisted Personnel
(\$ in Thousands)

			<u>Amount</u>
FY 2005 Direct Program			\$961,493
Increases:			
Pricing Increases:			
Annualization of FY 2005 Inflation of 4.95% Effective 1 Jan 2005			
Basic Allowance for Subsistence	14,355		
Inflation Rate			
FY 2006 BAS Inflation of 4.95% Effective 1 Jan 2006	43,064		
Increase in SIK Rates	22,341		
Total Pricing Increases		79,760	
Program Increases:			
Other			
SIK Messing	720		
Collections	12,141		
Total Program Increases		12,861	
Total Increases:			92,621
Decreases:			
Program Decreases:			
Strength Related			
Decrease in BAS Workyears	-21,399		
Decrease in SIK Workyears	-49,225		
Decrease in SIK due to rate	-413		
Decrease in SIK Augmentation Rations	-2,520		
Total Program Decreases		-73,557	
Total Decreases:			-73,557
FY 2006 Direct Program			\$980,557

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Subsistence of Enlisted Personnel
(\$ in Thousands)

		<u>Amount</u>
FY 2006 Direct Program		\$980,557
Increases:		
Pricing Increases:		
Annualization of FY 2006 Inflation of 5.0% Effective 1 Jan 2005		
Basic Allowance for Subsistence	11,491	
Inflation Rate		
FY 2007 BAS Inflation of 5.0% Effective 1 Jan 2006	34,472	
Increase in SIK Rates	4,589	
Total Pricing Increases		50,552
Program Increases:		
Other		
SIK Rations	67	
Increase in SIK percentage of takers	13,463	
Collections	1,996	
Total Program Increases		15,526
Total Increases:		66,078
Decreases:		
Program Decreases:		
Strength Related		
Decrease in SIK Workyears	-28,278	
Decrease in SIK Augmentation Rations	-166	
Decrease in SIK Messing	-724	
Total Program Decreases		-29,168
Total Decreases:		-29,168
FY 2007 Direct Program		\$1,017,467

(In Thousands Of Dollars)

Project: Basic Allowance For Subsistence

FY 2007 Estimate	\$1,067,488
FY 2006 Estimate	\$1,030,408
FY 2005 Estimate	\$1,011,230
FY 2004 Actual	\$963,389

Part I - Purpose And Scope

The funds requested will provide all military members entitled to basic pay to have a continuous entitlement to Basic Allowance for Subsistence (BAS), as stipulated by law (Title 37 U.S.C. section 402) except when they are:

- (a) attending basic military training (boot camp) (those members in BMT will be provided government messing at no cost),
- (b) in excess leave status,
- (c) in an absent without leave status, unless the absence is excused as unavoidable, (Title 37U.S.C. section 503).

Subsistence-in-Kind

The funds requested will provide for Subsistence-In-Kind furnished active duty enlisted personnel (37 U.S.C), (10 U.S.C. 6081a), (10 U.S.C.6087). Funds are included for testing of new food items, for the replacement of emergency rations, and the rotation of operational rations. The additional cost of subsisting submarine enlisted personnel is included in supplemental allowances to identify the cost which is in excess of that required for surface ships. Funds to cover losses of subsistence inventories are also included.

Family Subsistence Supplemental Allowance (FSSA)

Section 604 of the FY 2001 National Defense Authorization Act requires the Secretary of Defense to establish a program to pay a monthly supplemental allowance, not to exceed \$500, to members who qualify for food stamps using state income eligibility standards. The value of either the member's Basic Allowance for Housing (BAH) or value of the "in-kind" benefit for members residing in military housing must be included as income in determination of eligibility.

Part II - Justification Of Funds Requested

Section 603 of the FY 2001 National Defense Authorization Act (NDAA) repeals the transition of the Basic Allowance for Subsistence (BAS) program effective October 1, 2001, and increases the BAS rate in effect by the amount of increases in food costs, as determined by growth in the Department of Agriculture moderate food plan. Funds requested will provide all enlisted military members a BAS payment, except when they are attending basic military training (boot camp), or in a non-pay status. Section 604 of the FY 2001 NDAA authorized a monthly supplemental allowance, not to exceed \$500, to members who qualify for food stamps. The value of either the member's basic allowance for housing or the "in-kind" benefit for members residing in military housing must be included as income in determining eligibility.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
(1) Basic Allowance for Subsistence												
(A) When Authorized to Mess Separately	288,269	3,018.57	870,160	303,635	3,122.19	948,006	296,799	3,315.24	983,960	288,287	3,474.33	1,001,604
(B) When Rations-In-Kind Not Available	30,574	3,150.00	96,308	0	0.00	0	0	0.00	0	0	0.00	0
(C) BAS II	309	6,037.14	1,865	295	6,244.38	1,842	287	6,630.48	1,903	279	6,948.66	1,939
(D) Augmentation of Commuted Rations	(1463)	149.76	219	(1399)	155.46	217	(1358)	163.11	222	(1322)	170.94	226
(E) Less Collections			336,997			334,839			322,700			320,702
Total (1)	319,152		631,555	303,930		615,226	297,086		663,385	288,566		683,067

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
(2) Subsistence-In-Kind												
(A) Subsistence-In-Mess												
(1) Trainee/Non-Pay Status	5,927	2,946.30	17,463	6,882	2,598.80	17,885	4,680	3,025.85	14,161	5,147	3,076.95	15,837
(2) Members Taking Meals In Mess	68,149	3,055.92	208,258	92,299	2,876.87	265,532	77,633	3,138.90	243,682	81,463	3,192.00	260,030
Total(2)(A)	74,076		225,721	99,181		283,417	82,313		257,843	86,610		275,867
(B) Operational Rations												
(1) MREs			786			1,711			810			824
(2) Unitized Rations			667			1,087			687			699
(3) Other Package Operational Rations			28			66			57			59
Total(2)(B)			1,481			2,864			1,554			1,582
(C) Augmentation Rations/Other Programs												
(1) Augmentation Rations	5,805	336.72	1,955	26,513	313.90	8,322	18,852	292.00	5,505	18,282	295.65	5,405
(2) Other Regionalization			0			0			0			0
(3) Other Messing			102,557			100,901			101,621			101,067
Total(2)(C)	5,805		104,512	26,513		109,223	18,852		107,126	18,282		106,472
Total(2)	79,881		331,714	125,694		395,504	101,165		366,523	104,892		383,921
(3) Family Subsistence Supplemental Allowance			120			500			500			500
Total Obligations			963,389			1,011,230			1,030,408			1,067,488
Less Reimbursables			48,344			49,737			49,851			50,021
Total Direct Obligations			915,045			961,493			980,557			1,017,467

Budget Activity 5
Permanent Change of Station

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Permanent Change of Station (PCS) Travel
(\$ in Thousands)

		<u>Amount</u>
FY 2005 Direct Program		\$771,881
Increases:		
Pricing Increases		
Annualized of FY 2005 Pay Raise of 3.4% Effective January 2005	1,885	1,885
Dislocation Allowance		
FY 2006 Pay Raise of 3.1% Effective January 2006	5,009	5,009
Dislocation Allowance	5,009	
Inflation Rate		37,247
Commercially Procured Services Due to 2.0% Projected Inflation	45	
Industrially Funded Services Due to 2.0% Projected Inflation	37,202	
Total Pricing Increases		44,141
Program Increases		
Strength Related		19,661
Permanent Change of Station (PCS) Travel		
Additional Officer Accessions	3,203	
Additional Midshipmen Accessions	109	
Additional Officer Training	2,936	
Additional Officer Rotational	2,269	
Additional Officer Operational	9,714	
Additional Officer Separations	203	
Additional Enlisted Separations	1,227	
Total Program Increases		19,661
Total Increases		63,802
Decreases:		
Pricing Decreases		
Other Program Decreases		-\$12,443
Commercially Procured Services Due to decrease in number	-6,313	
Industrially Funded Services Due to decrease in Number	-6,130	
Total Pricing Decreases		-12,443
Program Decreases		
Other Program Decreases		-73,722
Permanent Change of Station (PCS) Travel		
Decrease in Enlisted Accessions	-5,843	
Decrease in Training	-8,201	
Decrease in Operational	-18,019	
Decrease in Rotational	-32,214	
Decrease in Midshipmen Separations	-1	
Decrease in Organized Unit Moves	-9,444	
Total Program Decreases		-73,722
Total Decreases		-86,165
FY 2006 Direct Program		\$749,518

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Permanent Change of Station (PCS) Travel
(\$ in Thousands)

		<u>Amount</u>
FY 2006 Direct Program		\$749,518
Increases:		
Pricing Increases:		
Annualized of FY 2006 Pay Raise of 3.1% Effective January 2006	732	732
Dislocation Allowance	732	
Anticipated FY 2007 Pay Raise Effective January 2007		2,408
Dislocation Allowance	2408	
Inflation Rate		3028
Commercially Procured Services Due to 2.0% Projected Inflation	2203	
Industrially Funded Services Due to 2.0% Projected Inflation	825	
Total Pricing Increases		6,168
Program Increases		
Strength Related		1,270
Permanent Change of Station (PCS) Travel	1270	
Additional Organized Units		
Total Program Increases		1,270
Total Increases		7,438
Pricing Decreases:		\$0
Inflation Rate		0
Industrially Funded Services Due to decrease in Number		
Decreases:		
Program Decreases		
Other Program Decreases		
Permanent Change of Station (PCS) Travel		
Decrease Accessions	-8,409	
Decrease in Training	-275	
Decrease in Operational	-706	
Decrease in Rotational	-1,019	
Decrease in Separations	-12,029	
Total Program Decreases		-22,438
Total Decreases		-22,438
FY 2007 Direct Program		\$734,518

Summary of Project Requirement Moves
(In Thousands of Dollars)

	FY 2004		FY 2005		FY 2006		FY 2007	
	No.Moves	Amount	No.Moves	Amount	No.Moves	Amount	No.Moves	Amount
(1) Accession Travel <u>1</u> /	44,649	56,580	47,155	53,895	41,693	67,016	37,841	58,831
(2) Training Travel	14,256	65,146	16,687	70,396	14,116	72,913	14,064	73,718
(3) Operational Travel Between Duty Stations	37,261	198,158	36,213	192,055	32,675	186,317	32,554	187,858
(4) Rotational Travel To and From Overseas	25,106	305,420	24,936	299,389	22,406	281,104	22,325	281,905
(5) Separation Travel <u>1</u>	48,832	100,366	47,194	96,996	47,904	104,252	42,617	93,171
(6) Travel Of Organized Units <u>2</u> /	6,504	23,104	5,796	29,934	4,102	19,160	4,374	20,734
(7) IPCOT / OTEIP		5,058		7,622		7,686		7,844
(8) Non-Temporary Storage		6,621		11,570		6,350		5,880
(9) Temporary Lodging Expense		7,981		13,004		7,699		7,755
Total Obligations	176,608	768,434	177,981	774,861	162,896	752,497	153,775	737,696
Less Reimbursables		3,719		2,980		2,979		3,178
Total Direct Obligations	176,608	\$764,715	177,981	\$771,881	162,896	\$749,518	153,775	\$734,518

1/ Includes Academy Midshipmen
2/ Reflects Number of Family Moves

Summary of Requirements by Types of Cost Moves
(In Thousands of Dollars)

	FY 2004		FY 2005		FY 2006		FY 2007	
	No.Moves	Amount	No.Moves	Amount	No.Moves	Amount	No.Moves	Amount
(1) Travel Of Military Members <u>1/</u>								
(A) Mileage and Per Diem	184,166	112,472	183,216	102,455	167,657	105,334	158,863	102,235
(B) MAC	21,241	21,430	13,666	16,438	19,068	20,238	18,420	19,602
(C) Commercial Air	23,107	16,030	24,197	17,609	22,564	15,749	21,731	15,369
Total (1)	228,514	149,932	221,079	136,502	209,289	141,321	199,014	137,206
(2) Travel of Dependents (Family)								
(A) Mileage	53,529	26,604	55,082	21,310	48,098	24,209	42,707	24,185
(B) MAC	8,413	5,899	6,608	6,150	8,203	5,847	8,047	5,765
(C) Commercial Air	14,470	6,497	24,105	12,238	14,439	6,507	14,203	6,432
Total (2)	76,412	39,000	85,795	39,698	70,740	36,563	64,957	36,382
(3) Transportation of Household								
(A) M Tons – MSC	1,242	98	9,189	906	1,330	95	1,276	91
(B) S Tons – MAC	16,189	80,979	9,635	53,535	15,228	78,709	14,925	77,294
(C) Household Goods Land	92,018	251,458	97,480	253,045	81,114	239,212	77,448	229,761
(D) ITGBL	11,537	70,532	17,120	93,684	11,037	69,963	10,851	69,238
(E) Commercial Air	3,664	16,477	3,692	15,320	3,522	16,317	3,461	16,097
Total (3)	124,650	419,544	137,116	416,490	112,231	404,296	107,961	392,480
(4) Dislocation Allowance	48,320	97,420	51,341	106,709	44,652	99,700	44,290	102,032
(5) Trailer Allowance	82	46	196	535	78	46	71	43
(6) Global POV	11,815	35,217	9,897	34,436	11,321	40,107	11,121	39,479
(7) Non-Temporary Storage		6,621		11,570		6,350		5,880
(8) Cargo Operations		7,615		8,295		8,729		8,595
(9) Temporary Lodging Expense		7,981		13,004		7,699		7,755
(10) IPCOT / OTEIP		5,058		7,622		7,686		7,844
Total Obligations	489,793	768,434	505,424	774,861	448,311	752,497	427,414	737,696
Less Reimbursables		3,719		2,980		2,979		3,178
Total Direct Obligations	489,793	\$764,715	505,424	\$771,881	448,311	\$749,518	427,414	\$734,518

1/ Includes Academy Midshipmen

(In Thousands of Dollars)

FY 2007 Estimate	58,831
FY 2006 Estimate	67,016
FY 2005 Estimate	53,895
FY 2004 Actual	56,580

Project: Accession Travel

Part I - Purpose And Scope

(A) Officer covers PCS movements of: (1) officers appointed to a commissioned grade from civil life, military academies, reserve and NROTC called or recalled to extended active duty, from home or point where orders were received to first permanent duty station or training school of twenty weeks or more duration and (2) officers or warrant officers appointed or recalled from enlisted status from station where they served as enlisted to new permanent duty or training school of twenty weeks or more duration (includes officers appointed from enlisted status upon graduation from OCS or basic flying training).

(B) Enlisted covers PCS movements of: (1) enlistees, reenlistees, and prior service personnel from recruiting station or place of enlistment to first permanent duty station or training school of twenty weeks or more duration and (2) recalled enlisted reservists from home to first permanent duty station or training school of twenty weeks or more duration.

(C) Officer candidates covers PCS movements of: (1) individuals selected as academy midshipmen upon entry into the academy and (2) individuals who travel to the academy but fail to pass the physical entrance examinations and return home.

Part II - Justification of Funds Requested

PCS moves for members entering active duty. Accession moves are directly related to the number of personnel entering or returning to active naval service. The planned number of personnel to be accessed is determined by the number of personnel who are expected to separate from active naval service and by planned increases or decreases in personnel strength in a given fiscal year. Average rates are based on statistical data, ratios and percentages that have been generated from actual PCS moves during prior accounting periods adjusted for projected cost increases/decreases.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officer												
(1) Travel of Military Member	3,894	838.73	3,266	4,307	837.62	3,608	5,097	856.19	4,364	4,103	869.23	3,566
(2) Travel of Dependents	920	736.47	678	999	618.16	618	1,197	745.50	892	963	754.19	726
(3) Transportation of Household Goods												
(A) Land/ITGBL	2,842	2,780.69	7,903	3,300	2,336.94	7,712	5,393	2,824.68	15,233	4,341	2,830.26	12,286
(B) Overseas			1,076			1,209			1,332			1,079
Total(3)			8,979			8,921			16,565			13,365
(4) Dislocation Allowance	1,283	2,700.10	3,464	1,260	2,798.36	3,526	1,680	2,894.54	4,863	1,353	2,993.58	4,050
(5) Trailer Allowance	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(6) Global POV												
(A) Full Service	78	2,980.71	232	52	3,490.40	182	94	3,542.77	333	75	3,549.75	266
(B) Partial Service	22	2,368.94	52	15	2,774.04	42	26	2,815.64	73	21	2,821.19	59
TOTAL(6)			284			224			406			325
(7) Cargo Operations ((HHG), M, TONS)	2	14.48	0	8	31.99	0	2	19.60	0	2	19.63	0
Total Officer			16,671			16,897			27,090			22,032

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Project: Accession Travel												
Enlisted												
(1) Travel of Military Member	39,511	778.83	30,772	41,880	596.90	24,998	35,250	781.94	27,563	32,592	781.17	25,460
(2) Travel of Dependents	2,635	400.21	1,055	1,674	375.71	629	2,498	416.43	1,040	2,273	424.59	965
(3) Transportation of Household Goods												
(A) Land/ITGBL	2,817	1,239.40	3,491	6,544	1,434.71	9,389	4,917	1,364.72	6,710	4,482	1,364.70	6,117
(B) Overseas			3,213			1,313			3,168			2,889
TOTAL(3)			6,704			10,702			9,878			9,006
(4) Dislocation Allowance	10	1,681.24	17	158	1,742.42	275	31	1,802.31	56	33	1,863.98	62
(5) Trailer Allowance	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(6) Global POV												
(A) Full Service	365	2,980.71	1,088	31	3,023.56	94	281	3,542.77	996	272	3,549.75	966
(B) Partial Service	45	0.00	0	9	2,403.02	22	35	0.00	0	40	0.00	0
TOTAL(6)			1,088			116			996			966
(7) Cargo Operations ((HHG), M, TONS)	0	14.48	0	15	31.99	0	0	19.60	0	0	0.00	0
Total Enlisted			39,636			36,720			39,533			36,459
Officer Candidates												
(1) Travel of Military Member												
Midshipmen	1,244	219.45	273	968	287.13	278	1,346	291.73	393	1,146	296.69	340
Total Midshipmen			273			278			393			340
Total Accession Travel			56,580			53,895			67,016			58,831

(In Thousands of Dollars)

Project: Training Travel

FY 2007 Estimate	73,718
FY 2006 Estimate	72,913
FY 2005 Estimate	70,396
FY 2004 Actual	65,146

Part I - Purpose And Scope

(A) Officer covers PCS movements of: (1) officers and warrant officers from previous CONUS permanent duty station to formal service or civilian schools, including technical schools, flying training schools, factory training, and other approved courses of instruction of 20 weeks duration or more; and (2) officer and warrant officer school graduates and eliminees from school to their next permanent CONUS duty station (excludes academy graduates, OCS, NROTC graduates and others chargeable to accession travel).

(B) Enlisted covers PCS movements of: (1) enlisted personnel from previous CONUS permanent duty station to formal service or civilian schools, including technical schools, flying training schools, factory training, and other courses of instruction, or 20 weeks duration or more; (2) enlisted school graduates and eliminees from school to their next CONUS permanent duty station; and (3) enlisted personnel ordered to training leading to a commission if such training period is of 20 weeks duration or more.

Part II - Justification of Funds Requested

Estimates are based on planned training input for officer and enlisted personnel, necessary to maintain needed skill levels and educational requirements.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officer												
(1) Travel of Military Member	5,381	1,028.98	5,537	6,131	888.22	5,446	6,539	1,058.17	6,919	6,515	1,075.11	7,004
(2) Travel of Dependents	2,303	416.68	960	2,595	590.52	1,532	2,799	428.85	1,200	2,789	434.77	1,213
(3) Transportation of Household Goods												
(A) Land/ITGBL	4,616	4,263.00	19,678	6,007	3,394.54	20,391	5,533	4,382.71	24,250	5,513	4,391.35	24,210
(B) Overseas			44			50			105			103
Total(3)			19,722			20,441			24,355			24,313
(4) Dislocation Allowance	4,666	2,700.10	12,599	5,288	2,798.36	14,798	5,670	2,894.54	16,412	5,649	2,993.58	16,911
(5) Trailer Allowance	1	136.14	0	2	6,390.68	13	1	139.98	0	1	140.25	0
(6) Global POV												
(A) Full Service	14	2,980.71	42	14	3,490.41	49	17	3,542.77	60	17	3,549.75	60
(B) Partial Service	4	0.00	0	4	2,774.04	11	5	0.00	0	5	0.00	0
TOTAL(6)			42			60			60			60
(7) Cargo Operations ((HHG), M, TONS)	0	0.00	0	78	31.99	2	0	0.00	0	0	19.63	0
Total Officer			38,860			42,292			48,946			49,501

Project: Training Travel	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Enlisted												
(1) Travel of Military Member	8,875	835.91	7,419	10,556	628.76	6,637	7,577	859.95	6,516	7,549	872.72	6,588
(2) Travel of Dependents	2,171	605.53	1,315	2,273	433.80	986	1,853	622.61	1,154	1,846	632.96	1,168
(3) Transportation of Household Goods												
(A) Land/ITGBL	4,406	2,452.43	10,805	5,378	2,327.19	12,516	4,002	2,522.92	10,097	3,988	2,527.89	10,081
(B) Overseas			168			52			164			164
TOTAL(3)			10,973			12,568			10,261			10,245
(4) Dislocation Allowance	3,839	1,681.24	6,454	4,453	1,742.42	7,759	3,278	1,802.31	5,908	3,266	1,863.98	6,088
(5) Trailer Allowance	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(6) Global POV												
(A) Full Service	42	2,980.71	125	36	3,490.40	126	36	3,542.77	128	36	3,549.75	128
(B) Partial Service	12	0.00	0	10	2,774.04	28	10	0.00	0	10	0.00	0
TOTAL(6)			125			154			128			128
(7) Cargo Operations ((HHG), M, TONS)	1	14.48	0	1	31.99	0	1	19.60	0	1	19.64	0
Total Enlisted			26,286			28,104			23,967			24,217
Total Training Travel			65,146			70,396			72,913			73,718

(In Thousands of Dollars)

Project: Operational Travel

FY 2007 Estimate	187,858
FY 2006 Estimate	186,317
FY 2005 Estimate	192,055
FY 2004 Actual	198,158

Part I - Purpose And Scope

(A) Officer covers PCS movements of: (1) officers, and warrant officers to and from permanent duty stations located within the United States; (2) officers and warrant officers to and from permanent duty stations located within an overseas area when no transoceanic travel is involved; and (3) dependents, household goods, personal effects, trailer allowances and privately owned vehicles or officers and warrant officers who are interned, missing or captured when no transoceanic travel is involved. Oceanic travel by member from homeport to join deployed unit is proper.

(B) Enlisted covers PCS movements of: (1) enlisted personnel to and from permanent duty stations located within the United States; (2) enlisted personnel to and from permanent duty stations within an overseas area when no transoceanic travel is involved, and (3) dependents, household goods, personal effects, trailer allowances, and privately owned vehicles of enlisted personnel who are interned, missing or captured when no transoceanic travel is involved. Oceanic travel by member from homeport to join deployed unit is proper.

Part II - Justification of Funds Requested

Operational moves are PCS moves for individuals going from one duty station to another within the same theater without transoceanic travel (e.g., CONUS to CONUS or European to European). Operational moves also include individuals reassigned within a given theater resulting from force structure changes. Operational moves are primarily a function of requirements to balance grade and skill inventories with vacancies. Average rates are based on statistical data, rates and percentages that have been generated from actual PCS moves during prior accounting periods adjusted for projected price changes.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officer												
(1) Travel of Military Member	6,724	1,219.72	8,201	6,655	1,034.40	6,884	6,913	1,254.51	8,672	6,887	1,273.42	8,770
(2) Travel of Dependents	3,726	764.04	2,847	3,643	595.16	2,168	3,830	785.64	3,009	3,816	798.28	3,046
(3) Transportation of Household Goods												
(A) Land/ITG/BL	4,828	6,704.20	32,368	5,735	5,692.83	32,648	5,536	6,892.46	38,157	5,516	6,906.05	38,094
(B) Overseas			407			79			481			475
Total(3)			32,775			32,727			38,638			38,569
(4) Dislocation Allowance	5,203	2,700.10	14,049	5,147	2,798.36	14,403	5,349	2,894.54	15,483	5,329	2,993.58	15,953
(5) Trailer Allowance	0	0.00	0	1	226.21	0	0	0.00	0	0	0.00	0
(6) Global POV												
(A) Full Service	25	2,980.71	75	24	3,490.40	84	26	3,542.77	92	26	3,549.75	92
(B) Partial Service	7	2,368.94	17	7	2,774.40	19	7	2,815.64	20	7	2,821.19	20
TOTAL(6)			92			103			112			112
(7) Cargo Operations ((HHG), M, TONS)	2	14.48	0	0	31.99	0	2	19.60	0	2	19.64	0
Total Officer			57,964			56,285			65,914			66,450

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Project: Operational Travel												
Enlisted												
(1) Travel of Military Member	30,537	1,050.43	32,077	29,558	948.93	28,048	25,762	1,080.67	27,840	25,667	1,095.92	28,129
(2) Travel of Dependents	12,967	676.21	8,768	12,501	532.18	6,653	10,939	695.32	7,606	10,899	705.93	7,694
(3) Transportation of Household Goods												
(A) Land/ITGBL	18,002	3,916.68	70,508	17,509	4,204.18	73,611	14,602	4,026.99	58,802	14,548	4,034.92	58,700
(B) Overseas			1,615			196			1,473			1,473
TOTAL(3)			72,123			73,807			60,275			60,173
(4) Dislocation Allowance	15,825	1,681.24	26,606	15,273	1,742.42	26,612	13,350	1,802.31	24,061	13,301	1,863.98	24,793
(5) Trailer Allowance	19	724.59	14	12	320.74	4	16	745.02	12	16	746.49	12
(6) Global POV												
(A) Full Service	166	2,980.71	495	151	3,490.40	527	140	3,542.77	496	140	3,549.75	497
(B) Partial Service	47	2,368.94	111	43	2,774.04	119	40	2,815.64	113	39	2,821.19	110
TOTAL(6)			606			646			609			607
(7) Cargo Operations ((HHG), M, TONS)	1	14.48	0	0	31.99	0	1	19.60	0	1	19.63	0
Total Enlisted			140,194			135,770			120,403			121,408
Total Operational Travel			198,158			192,055			186,317			187,858

(In Thousands of Dollars)

Project: Rotational Travel

FY 2007 Estimate	281,905
FY 2006 Estimate	281,104
FY 2005 Estimate	299,389
FY 2004 Actual	305,420

Part I - Purpose And Scope

(A) Officer PCS movements of: (1) officers and warrant officers from permanent duty stations in CONUS to permanent duty stations overseas; (2) officers and warrant officers from permanent duty stations in CONUS; (3) officers and warrant officers from permanent duty stations in an overseas area to permanent duty stations in other overseas area when transoceanic travel is involved; and (4) dependents, household goods, personal effects, trailer allowances and privately owned vehicles of officers and warrant officers who are interned, missing, or captured when transoceanic travel is involved.

(B) Enlisted PCS movements of: (1) enlisted personnel from permanent duty stations in CONUS us to permanent duty stations overseas; (2) enlisted personnel from permanent duty stations overseas to permanent duty stations in CONUS; (3) enlisted personnel from permanent duty stations in an overseas area to permanent duty stations in other overseas area when transoceanic travel is involved, and (4) dependents, household goods, personal effects, trailer allowances and privately owned vehicles of enlisted personnel who are interned, missing, or captured when transoceanic travel is involved.

Part II - Justification of Funds Requested

Rotational travel moves are PCS moves for personnel going from CONUS to an overseas assignment, or returning from an overseas assignment to CONUS. Rotational moves are a function of overases strength in accompanied (long tour) areas and in unaccompanied (short tour) areas. Average rates are based on statistical data, ratios and percentages that have been generated from actual PCS moves during prior accounting periods adjusted for projected price changes.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Officer												
(1) Travel of Military Member	4,988	1,855.24	9,254	4,729	1,852.66	8,761	5,231	1,908.97	9,986	5,213	1,930.37	10,063
(2) Travel of Dependents	3,209	1,644.62	5,278	2,891	1,559.25	4,508	3,366	1,693.39	5,700	3,354	1,705.14	5,719
(3) Transportation of Household Goods												
(A) Land/ITGBL	9,614	4,197.57	40,355	9,114	4,087.85	37,257	7,796	4,878.73	38,035	7,769	4,888.35	37,978
(B) Overseas			19,767			20,462			21,425			21,394
Total(3)			60,122			57,719			59,460			59,372
(4) Dislocation Allowance	4,281	2,700.10	11,559	3,993	2,798.36	11,174	4,489	2,894.54	12,994	4,474	2,993.58	13,393
(5) Trailer Allowance	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(6) Global POV												
(A) Full Service	3,177	2,980.71	9,470	1,865	3,490.40	6,510	3,332	3,542.77	11,805	3,321	3,549.75	11,789
(B) Partial Service	896	2,368.94	2,123	526	2,774.04	1,459	940	2,815.64	2,647	937	2,821.19	2,643
TOTAL(6)			11,593			7,969			14,452			14,432
(7) Cargo Operations ((HHG), M, TONS)	82	14.48	1	230	31.99	7	86	19.60	2	85	19.64	2
Total Officer			97,807			90,138			102,594			102,981

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Project: Rotational Travel												
Enlisted												
(1) Travel of Military Member	20,118	1,226.44	24,674	20,207	1,465.87	29,621	17,175	1,263.16	21,695	17,112	1,273.27	21,788
(2) Travel of Dependents	8,983	1,283.10	11,526	8,498	1,525.88	12,967	7,669	1,321.33	10,133	7,641	1,332.14	10,179
(3) Transportation of Household Goods												
(A) Land/TTGBL	30,025	2,148.13	64,498	29,575	2,789.36	82,495	18,728	2,596.79	48,633	18,659	2,601.91	48,549
(B) Overseas			65,362			38,114			57,666			57,568
TOTAL(3)			129,860			120,609			106,299			106,117
(4) Dislocation Allowance	10,601	1,681.24	17,823	11,240	1,742.42	19,585	9,050	1,802.31	16,311	9,017	1,863.98	16,808
(5) Trailer Allowance	2	3,141.36	6	6	533.30	3	1	3,229.93	3	1	3,236.30	3
(6) Global POV												
(A) Full Service	6,501	2,980.71	19,378	6,121	3,490.40	21,365	5,550	3,542.77	19,662	5,529	3,549.75	19,627
(B) Partial Service	1,834	2,368.94	4,345	1,726	2,774.04	4,788	1,565	2,815.64	4,406	1,560	2,821.19	4,401
TOTAL(6)			23,723			26,153			24,068			24,028
(7) Cargo Operations ((HHG), M, TONS)	77	14.48	1	9,773	31.99	313	65	19.60	1	65	19.64	1
Total Enlisted			207,613			209,251			178,510			178,924
Total Rotational Travel			305,420			299,389			281,104			281,905

(In Thousands of Dollars)

Project: Separation Travel

FY 2007 Estimate	93,171
FY 2006 Estimate	104,252
FY 2005 Estimate	96,996
FY 2004 Actual	100,366

Part I - Purpose And Scope

(A) Officer covers PCS movements of: (1) officers and warrant officers upon release or separation from the service from last permanent duty station to home of record or entry into service or to home of selection when authorized by law; and (2) dependents, household goods, trailer allowances and personal effects of officers and warrant officers who are deceased.

(B) Enlisted covers PCS movements of: (1) enlisted personnel upon release or separation from the service from last permanent duty station to home of record or entry into service or to home of selection when authorized by law; and (2) dependents, household goods, trailer allowances and personal effects of enlisted personnel who are deceased.

(C) Officer candidates covers PCS movement upon separation of academy midshipmen or aviation cadets to home of record or point of entry into service.

Part II - Justification of Funds Requested

Estimates are based on planned personnel losses and retirements.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officer 1/												
(1) Travel of Military Member	4,699	605.09	2,843	5,048	516.02	2,605	5,088	624.43	3,177	4,521	634.07	2,867
(2) Travel of Dependents	1,395	651.64	909	1,905	517.64	986	1,509	674.54	1,018	1,341	684.68	918
(3) Transportation of Household Goods												
(A) Land/ITGBL	4,172	3,948.40	16,473	6,281	2,683.87	16,857	4,523	4,047.40	18,306	4,019	4,055.49	16,299
(B) Overseas			1,814			2,481			2,122			1,893
Total(3)			18,287			19,338			20,428			18,192
(4) Dislocation Allowance	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(5) Trailer Allowance	29	759.90	22	17	544.93	9	32	778.24	25	28	779.78	22
(6) Global POV												
(A) Full Service	799	2,980.71	2,382	135	3,490.40	471	864	3,542.77	3,061	767	3,549.75	2,723
(B) Partial Service	225	2,368.94	533	38	2,774.04	105	244	2,815.64	687	216	2,821.19	609
TOTAL(6)			2,915			576			3,748			3,332
(7) Cargo Operations ((HHG), M, TONS)	5	14.48	0	65	31.99	2	5	19.60	0	5	19.63	0
Total Officer			24,976			23,516			28,396			25,331

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount	Number	Rate	Amount
Project: Separation Travel												
Enlisted 1/												
(1) Travel of Military Member	43,865	426.50	18,708	41,907	384.97	16,133	42,580	463.79	19,748	37,860	470.57	17,816
(2) Travel of Dependents	8,716	238.93	2,083	12,307	445.74	5,486	8,335	302.77	2,524	7,411	306.82	2,274
(3) Transportation of Household Goods												
(A) Land/ITGBL	19,288	2,593.09	50,016	19,607	2,199.36	43,123	17,319	2,518.67	43,621	15,399	2,523.62	38,861
(B) Overseas			3,607			5,247			7,098			6,326
TOTAL(3)			53,623			48,370			50,719			45,187
(4) Dislocation Allowance	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(5) Trailer Allowance	31	171.28	5	100	3,236.44	324	28	176.11	5	25	176.45	4
(6) Global POV												
(A) Full Service	243	2,980.41	724	671	3,490.40	2,342	642	3,542.77	2,274	571	3,549.75	2,027
(B) Partial Service	69	2,368.94	163	189	2,774.04	524	181	2,815.64	510	161	2,821.19	454
TOTAL(6)			887			2,866			2,784			2,481
(7) Cargo Operations ((HHG), M, TONS)	8	14.48	0	7,056	31.99	226	19	19.60	0	17	19.64	0
Total Enlisted			75,306			73,405			75,780			67,762
Officer Candidates												
(1) Travel of Military Member												
Midshipmen	268	313.43	84	239	313.42	75	236	323.21	76	236	328.71	78
Total Midshipmen			84			75			76			78
Total Separation Travel			100,366			96,996			104,252			93,171

1/ Includes \$298K in overall separations account

(In Thousands of Dollars)

Project: Travel Of Organized Units

FY 2007 Estimate	20,734
FY 2006 Estimate	19,160
FY 2005 Estimate	29,934
FY 2004 Actual	23,104

Part I - Purpose And Scope

(A) Officer covers PCS movements, CONUS or overseas, of officers and warrant officers directed to move as members or an organized unit movement.

(B) Enlisted covers PCS movements, CONUS or overseas, of enlisted personnel directed to move as members of an organized unit movement.

Part II - Justification of Funds Requested

Organized unit moves are PCS moves associated with transferring the families and belongings of personnel assigned to units which are relocated from one station to another. These moves are a function of known in projected force positioning due to operational requirements. Average rates are based on a point-to-point pricing of each unit move utilizing statistical data, ratios, and percentages that have been generated from actual PCS moves during a given period.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officer												
(1) Travel of Military Member	1,306	371.53	485	1,558	345.41	538	1,174	376.58	442	1,238	383.68	475
(2) Travel of Dependents	591	389.92	230	773	519.14	401	544	402.71	219	569	408.18	232
(3) Transportation of Household Goods												
(A) Land/TTGBL	468	2,841.29	1,330	785	2,102.68	1,651	408	2,920.73	1,192	435	2,926.74	1,273
(B) Overseas			88			180			80			88
Total(3)			1,418			1,831			1,272			1,361
(4) Dislocation Allowance	450	2,700.10	1,215	650	2,798.36	1,819	406	2,894.54	1,175	427	2,993.58	1,278
(5) Trailer Allowance	0	0.00	0	0	0.00	0	0	0.00	0	0	0.00	0
(6) Global POV												
(A) Full Service	190	2,980.71	566	79	3,490.40	276	154	3,542.77	546	168	3,549.75	596
(B) Partial Service	53	2,368.94	126	22	2,774.03	61	42	2,815.64	118	48	2,821.19	135
TOTAL(6)			692			337			664			731
(7) Cargo Operations ((HHG), M, TONS)	0	14.48	0	81	31.99	3	0	19.60	0	0	19.63	0
Total Officer			4,040			4,929			3,772			4,077

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Project: Travel Of Organized Units												
Enlisted												
(1) Travel of Military Member	12,757	496.91	6,339	9,473	302.96	2,870	7,690	511.10	3,930	8,224	518.29	4,262
(2) Travel of Dependents	5,913	566.96	3,352	5,023	550.31	2,764	3,558	581.12	2,068	3,805	590.65	2,247
(3) Transportation of Household Goods												
(A) Land/ITGBL	2,476	1,840.42	4,557	4,765	1,905.22	9,078	3,394	1,722.92	5,848	3,631	1,726.34	6,268
(B) Overseas			398			264			304			323
TOTAL(3)			4,955			9,342			6,152			6,591
(4) Dislocation Allowance	2,164	1,681.24	3,638	3,879	1,742.42	6,759	1,348	1,807.60	2,437	1,442	1,869.45	2,696
(5) Trailer Allowance	0	0.00	0	57	3,147.47	179	0	0.00	0	0	0.00	0
(6) Global POV												
(A) Full Service	214	2,980.71	638	718	3,490.40	2,506	185	3,542.77	655	198	3,549.75	703
(B) Partial Service	60	2,368.96	142	203	2,774.04	563	52	2,815.66	146	56	2,821.21	158
TOTAL(6)			780			3,069			801			861
(7) Cargo Operations ((HHG), M, TONS)	0	14.48	0	703	31.99	22	0	0.00	0	0	0.00	0
Total Enlisted			19,064			25,005			15,388			16,657
Total Travel of Organized Units			23,104			29,934			19,160			20,734

(In Thousands of Dollars)

Project: Non-Temporary Storage

FY 2007 Estimate	5,880
FY 2006 Estimate	6,350
FY 2005 Estimate	11,570
FY 2004 Actual	6,621

Part I - Purpose And Scope

Covers the cost of household goods placed in storage at government expense or moved to another destination under the provisions of Title 37 U.S.C. 406 when a member is ordered to a duty station to which the shipment of household goods is not authorized.

Part II - Justification of Funds Requested

Entitlement for non-temporary storage exists when personal property shipment is not authorized or elected. The number planned is determined by historical actual data of members that exercised the entitlement. Average rates are also based on statistical data adjusted for projected cost increases/decreases.

Fund requirements are provided in the following table:

	FY 2004	FY 2005	FY 2006	FY 2007
	Amount	Amount	Amount	Amount
Non-Temporary Storage	6,621	11,570	6,350	5,880
Total Non-Temporary Storage	6,621	11,570	6,350	5,880

(In Thousands of Dollars)

Project: Temporary Lodging Expense

FY 2007 Estimate	7,755
FY 2006 Estimate	7,699
FY 2005 Estimate	13,004
FY 2004 Actual	7,981

Part I - Purpose And Scope

For reimbursement of expenses incurred as a result of a PCS move, not to exceed \$180 per day for up to ten days under the provisions of 37 U.S.C. 404D. Limited to five days within CONUS when member moves from conus to overseas.

Part II - Justification of Funds Requested

Defrays some of the expenses of temporary lodging incurred when relocating between permanent duty stations. Ratios and percentages of personnel to use the entitlement are based on statistical data of previous entitlements used in actual moves. Average rates are based on statistical data from actual PCS moves during prior accounting periods.

Fund requirements are provided in the following table:

	FY 2004	FY 2005	FY 2006	FY 2007
	Amount	Amount	Amount	Amount
Temporary Lodging Expense	7,981	13,004	7,699	7,755
Total Temporary Lodging Expense	7,981	13,004	7,699	7,755

(In Thousands of Dollars)

Project: In-Place Consecutive Overseas Tour (IPCOT)

FY 2007 Estimate	6,259
FY 2006 Estimate	6,136
FY 2005 Estimate	6,016
FY 2004 Actual	3,481

Part I - Purpose And Scope

Covers the cost of members/dependents travel in connection with leave taken between consecutive in-place overseas duty assignments.

Part II - Justification of Funds Requested

This entitlement is for in-place consecutive overseas tour leave travel and transportation allowances for the member and command sponsored dependents who are authorized to accompany the member at the duty stations.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officers	215	7,722.96	1,660	112	7,880.48	883	113	7,964.60	900	113	8,134.66	919
Enlisted	320	5,689.39	1,821	884	5,806.58	5,133	888	5,896.40	5,236	891	5,993.87	5,340
Total In-Place Consecutive Overseas Tour (IPCOT)	535		3,481	996		6,016	1,001		6,136	1,004		6,259

(In Thousands of Dollars)

Project: Overseas Tour Extension Incentives Program (OTEIP)

FY 2007 Estimate	1,585
FY 2006 Estimate	1,550
FY 2005 Estimate	1,606
FY 2004 Actual	1,577

Part I - Purpose And Scope

The OTEIP is offered to eligible enlisted personnel for extension of their current planned rotation date for 12 months or more outside the continental united states.

Part II - Justification of Funds Requested

Entitlement to the overseas tour extension incentive occurs when members of the armed forces are authorized rest and recuperative absence of not more than 15 days, round trip transportation at government expense from the location of the extended tour of duty to the port of debarkation and return during the period of the extension.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officers	49	1,688.36	83	48	1,722.13	83	47	1,747.96	82	47	1,777.68	84
Enlisted	885	1,688.36	1,494	884	1,722.13	1,523	840	1,747.96	1,468	844	1,777.68	1,501
Total Overseas Tour Extension Incentives Program (OTEIP)	934		1,577	932		1,606	887		1,550	891		1,585
Total Obligations			768,434			774,861			752,497			737,696
Less Reimbursable Obligations			3,719			2,980			2,979			3,178
Total Direct Obligations			764,715			771,881			749,518			734,518

Budget Activity 6
Other Military Personnel Costs

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Other Military Personnel Costs
(\$ in Thousands)

		<u>Amount</u>
FY 2005 Direct Program		\$72,055
Increases:		
Pricing Increases:		
Other Pricing Increases		
Partial Dislocation Rate	138	
Unemployment Compensation due to the Department of Labor Rate	5,225	
Death Gratuity	168	
Transfer of Senior ROTC Pay and Allowances from Reserve Personnel, Navy	136	
Transfer of Senior ROTC Summer Training Subsistence from Reserve Personnel, Navy	31	
Transfer of Scholarship ROTC Pay and Allowances from Reserve Personnel, Navy	2,476	
Transfer of Scholarship ROTC Summer Training Subsistence from Reserve Personnel, Navy	549	
Total Pricing Increases		8,723
Program Increases:		
Other		
Apprehension of deserters	57	
Unemployment Compensation due to percentage of takers	1,190	
Survivor Benefits	740	
Education Benefits	729	
Partial DLA increase due to percentage of takers	123	
Transfer of JROTC Uniform replacement from Reserve Personnel, Navy	11,540	
Transfer of JROTC Uniform alterations/renovations from Reserve Personnel, Navy	1,554	
Transfer of Senior ROTC Stipend from Reserve Personnel, Navy	396	
Transfer of Senior ROTC Uniforms, Issue-in-Kind from Reserve Personnel, Navy	529	
Transfer of Senior ROTC Uniforms, Commutation in Lieu of from Reserve Personnel, Navy	554	
Transfer of Scholarship ROTC Stipend from Reserve Personnel, Navy	13,127	
Transfer of Scholarship ROTC Uniforms, Issue-in-Kind from Reserve Personnel, Navy	2,258	
Transfer of Scholarship ROTC Uniforms, Commutation in Lieu of from Reserve Personnel, Navy	648	
Total Program Increases		33,445
Total Increases:		42,168
Decreases:		
Program Decreases:		
Death Gratuity	-1	
Total Program Decreases		-1
Total Decreases:		-1
FY 2006 Direct Program		\$114,222

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Other Military Personnel Costs
(\$ in Thousands)

		<u>Amount</u>
FY 2006 Direct Program		\$114,222
Increases:		
Pricing Increases:		
Other Pricing Increases		
Death Gratuity	100	
Partial Dislocation Rate	65	
Unemployment Compensation due to the Department of Labor Rate	2,215	
JROTC Uniform replacement	21	
JROTC Uniform alterations/renovations	33	
Senior ROTC Uniforms, Issue-in-Kind	11	
Senior ROTC Uniforms, Commutation in Lieu of	11	
Senior ROTC Pay and Allowances	5	
Senior ROTC Summer Training Subsistence	2	
Scholarship ROTC Uniforms, Issue-in-Kind	47	
Scholarship ROTC Uniforms, Commutation in Lieu of	14	
Scholarship ROTC Pay and Allowances	79	
Scholarship ROTC Summer Training Subsistence	29	
Total Pricing Increases		2,632
Program Increases:		
Other		
Unemployment Compensation due to percentage of takers	1,813	
JROTC Uniform alterations/renovations for 2,260 cadets	39	
JROTC Uniform replacement for 55 cadets	289	
Scholarship ROTC Stipend	4	
Scholarship ROTC Uniforms, Issue-in-Kind for 33 midshipmen	17	
Scholarship Pay & Allowances for 640 mandays	20	
Scholarship Summer Training, Subsistence for 640 mandays	5	
Total Program Increases		2,187
Total Increases:		4,819

MILITARY PERSONNEL, NAVY
SCHEDULE OF INCREASES AND DECREASES
Other Military Personnel Costs
(\$ in Thousands)

		<u>Amount</u>
Decreases:		
Program Decreases:		
Survivor Benefits	-54	
Education Benefits	-300	
Partial DLA decrease due to percentage of takers	-495	
Senior ROTC Pay and Allowances for 224 less mandays	-6	
Senior ROTC Summer Training Subsistence for 224 less mandays	-1	
Total Program Decreases	-856	
Total Decreases:		-856
FY 2007 Direct Program		\$118,185

(In Thousands Of Dollars)

Project: Apprehension Of Military Deserters, Absentees And Escaped Military Prisoners

FY 2007 Estimate	\$825
FY 2006 Estimate	\$825
FY 2005 Estimate	\$768
FY 2004 Actual	\$729

Part I - Purpose And Scope

Funds requested provide for expenses in connection with the apprehension of deserters, absentees, and escaped military prisoners; and for their delivery to military control, including the cost of subsistence furnished during the period an enlisted member is detained in civil confinement for safekeeping when so requested by military authority; costs of rewards and reimbursement for expenses incurred; and cost of transportation, lodging and subsistence of a guard sent in pursuit of an absentee member.

Part II - Justification Of Funds Requested

Prior year costs are utilized as the basis for developing estimates. Estimates reflects rewards of \$50.00 for apprehension and \$75.00 for apprehension and return to military control. Estimates also reflect financial responsibility for guard/escort travel in connection with the member's further return to permanent duty station.

The following estimates are provided:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Apprehension			729			768			825			825
Total Apprehension Of Military Deserters, Absentees And Escaped Military Prisoners			729			768			825			825

(In Thousands Of Dollars)

Project: Interest On Savings Deposit

FY 2007 Estimate	\$209
FY 2006 Estimate	\$209
FY 2005 Estimate	\$209
FY 2004 Actual	\$430

Part I - Purpose And Scope

Funds requested will provide payment of interest for service members participating in the servicemen's savings deposit program.

Part II - Justification Of Funds Requested

The servicemen's savings deposit program was reinstated for participants in Operation Desert Shield/Storm and those serving in the area of Operation Joint Endeavor, Joint Forge, and Operation Iraqi Freedom. This program allows members to deposit their money into the savings program and be reimbursed 10% interest on all deposits.

The following estimates are provided.

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Interest			430			209			209			209
Total Interest On Savings Deposit			430			209			209			209

(In Thousands Of Dollars)

Project: Death Gratuities

FY 2007 Estimate	3,336
FY 2006 Estimate	3,236
FY 2005 Estimate	3,069
FY 2004 Actual	7,564

Part I - Purpose And Scope

The funds requested provide for payment of death gratuities to beneficiaries of deceased military personnel as authorized by 10 USC, Subtitle A, Part II, Chapter 75.

Section 643 of the National Defense Authorization Act for Fiscal Year 2005 indexed the value of death gratuity payments to annual increases in basic pay. The rate increased to \$12,420 effective January 1, 2004.

Part II - Justification Of Funds Requested

Fund requirements are based on actual experience as to the number of deaths, multiplied by the death gratuity payment.

Computation of fund requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officer	158	12,000	1,895	42	12,315	517	42	12,709	534	42	13,132	552
Enlisted	468	12,000	5,609	204	12,315	2,515	209	12,709	2664	209	13,132	2745
MidShipmen/NAVCADS	5	12,000	60	3	12,315	37	3	12,709	38	3	13,132	39
Total Death Gratuities			7,564			3,069			3,236			3,336

(In Thousands Of Dollars)

Project: Unemployment Compensation, Paid To Ex-Service Members

FY 2007 Estimate	\$70,386
FY 2006 Estimate	\$66,358
FY 2005 Estimate	\$59,943
FY 2004 Actual	\$97,040

Part I - Purpose And Scope

Funds requested are for payments of unemployment benefits to ex-service members who are discharged or released under honorable conditions as prescribed in paragraph (1) of section 8521(a) of Title 5, United States Code as amended by (Section 301, P.L. 102-164). Generally, eligibility 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 inaptitude (but only if the service was continuous for 365 days or more).

Part II - Justification Of Funds Requested

The number of individuals eligible for unemployment benefits payable in a benefit year is based on estimated losses, factored to exclude retirements for other than honorable conditions as defined by section 8521(a) of Title 5, U.S. Code, as amended.

Computation of funds requirements is provided in the following table:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Unemployment Compensation	18,728	5,181.57	97,040	12,992	4,613.81	59,943	13,250	5,008.15	66,358	13,612	5,170.88	70,386
Total Unemployment Compensation, Paid To Ex-Service Members			97,040			59,943			66,358			70,386

(In Thousands Of Dollars)

Project: Survivor's Benefits

FY 2007 Estimate	\$1,085
FY 2006 Estimate	\$1,139
FY 2005 Estimate	\$399
FY 2004 Actual	\$1,543

Part I - Purpose And Scope

Funds requested will provide for payments of restored social security benefits to widows and orphans of military personnel. These benefits were withdrawn under Public Law 97-35. Public Law 97-35 terminated the "mother's" benefit when the last child in custody of the surviving spouse reached age 16, rather than 18, and affected the "school child" by either eliminating benefit payments or by requiring a reduction in benefits. Section 156 of Public Law 97-377 modified by Section 943 of the DOD Authorization Act, FY 1984. P. L. 98-94, 97 stat, 614, restored these social security benefits to survivors of military members and directed the Department of Defense to budget for this requirement.

Part II - Justification Of Funds Requested

Cost estimates are based on actual experience.

The following estimate is provided:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Survivors Benefits			1,543			399			1,139			1,085
Total Survivor's Benefits			1,543			399			1,139			1,085

(In Thousands Of Dollars)

Project: Service Group Life Insurance (SGLI)

FY 2007 Estimate	\$0
FY 2006 Estimate	\$0
FY 2005 Estimate	\$0
FY 2004 Actual	\$2,560

Part I - Purpose And Scope

The funds requested will provide for reimbursement payments to Veteran Affairs (VA) for military personnel deaths due to extra hazards of duty when actual mortality exceeds peacetime mortality (38 U.S.C. 1969).

Part II - Justification Of Funds Requested

Funds requirements are based on the Veteran Affairs (VA) actuaries perform a study peacetime mortality, based upon the most recent three years of service member claim experience.

The following estimate is provided:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Service Group Life Insurance (SGLI)			2,560			0			0			0
Total Service Group Life Insurance (SGLI)			2,560			0			0			0

(In Thousands Of Dollars)

Project: Education Benefits

FY 2007 Estimate	\$1,499
FY 2006 Estimate	\$1,799
FY 2005 Estimate	\$1,070
FY 2004 Actual	\$1,499

Part I - Purpose And Scope

Funds are for payment to the Department of Defense Education Benefits Fund, a trust fund. Title 38 U.S.C. Chapter 30 governs this program. The program funds additional and supplemental benefit payments above the basic benefit to be budgeted by the Veterans Administration. This program is budgeted on an accrual basis by the Department of Defense. Actual benefit payments to individuals are made by the Veterans Administration from funds transferred from the trust account.

Part II - Justification Of Funds Requested

Public Law 101-510 allows service members who were on active duty 30 September 1990 and involuntarily separated after 3 February 1991, the opportunity to enroll in the Montgomery G. I. Bill. The FY 1998 Defense Authorization Act allows members exercising the VSI/SSB options to convert from the Veterans Educational Assistance Program (VEAP) to the Montgomery G. I. Bill as a result of changes in the law. The services will be required to make additional contributions to the DOD educational benefits fund.

The following estimate is provided:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Involuntary Separates			1,499			1,070			1,463			1,499
Unfunded liability			0			0			336			0
Total Education Benefits			1,499			1,070			1,799			1,499

(In Thousands Of Dollars)

Project: Adoption Expenses

FY 2007 Estimate	\$446
FY 2006 Estimate	\$446
FY 2005 Estimate	\$446
FY 2004 Actual	\$308

Part I - Purpose And Scope

Funds requested will provide reimbursement for qualifying adoption expenses under the provisions of Title 10 U.S.C. Chapter 53, Section 1053.

Part II - Justification Of Funds Requested

All active duty individuals who initiate adoption proceedings are eligible to receive reimbursement for expenses related to the adoption of children less than 18 years of age. Reimbursement, which is made only after the adoption is final, is limited to not more than \$2,000 to a member of the armed forces or, to two such members who are spouses of each other, for expenses incurred in the adoption of a child. A maximum of not more than \$5,000 in any calendar year may be paid to any member or two such members who are spouses.

The following estimate is provided:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Adoption Expenses			308			446			446			446
Total Adoption Expenses			308			446			446			446

(In Thousands Of Dollars)

Project: Transportation Subsidy

FY 2007 Estimate	\$3,951
FY 2006 Estimate	\$3,951
FY 2005 Estimate	\$3,951
FY 2004 Actual	\$4,536

Part I - Purpose And Scope

Executive Order 13150 on federal workforce transportation, dated April 21, 2000, requires that by no later than October 1, 2000, federal agencies shall implement a transit pass fringe benefit program for qualified federal employees in the National Capital Region (NCR). Washington Headquarters Service (WHS) has been designated to run the within NCR transit pass program for DOD and has been working closely with the Department of Transportation to ensure that costs will be identified to the major command level. In addition, funding is being provided for a transit pass fringe program for areas outside the NCR. This benefit applies to both mass transit and qualified vanpool participants.

Part II - Justification Of Funds Requested

Under this program, participating employees will receive, in addition to their current compensation, "transit passes" in amounts equal to personal commuting costs, not to exceed \$65 per month (26 U.S.C. 132(f)(2)). Compensation rose to \$100 per month in FY 2002 and rose to \$105 in FY 2005.

Computation of fund requirements is provided in the following table.

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officer	1,588	1,200.00	1,906	1,333	1,245.00	1,660	1,317	1,260.00	1,659	1,317	1,260.00	1,659
Enlisted	2,192	1,200.00	2,630	1,840	1,245.00	2,291	1,819	1,260.00	2,292	1,819	1,260.00	2,292
Total Transportation Subsidy			4,536			3,951			3,951			3,951

(In Thousands Of Dollars)

Project: Partial DLA

FY 2007 Estimate	\$2,032
FY 2006 Estimate	\$2,461
FY 2005 Estimate	\$2,200
FY 2004 Actual	\$1,840

Part I - Purpose And Scope

Section 636 of the FY 2002 National Defense Authorization Act provide for a new element of compensations for certain members. This partial dislocation allowance is paid to a member ordered to occupy or vacate government family-type quarters due to privatization, renovation or any other reason other than a permanent change of station (PCS) move. Members are not entitled to the allowance for local moves from government quarters upon separation/retirement.

Part II - Justification Of Funds Requested

Under this program, participating members will receive a one time payment when they receive orders to vacate government family style quarters.

The following estimate is provided:

	FY 2004			FY 2005			FY 2006			FY 2007		
	Number	Rate	Amount									
Officer	777	544.96	423	929	544.96	506	971	583.21	566	775	603.04	467
Enlisted	2,600	544.96	1,417	3,108	544.96	1,694	3,250	583.21	1,895	2,595	603.04	1,565
Total Partial DLA			1,840			2,200			2,461			2,032

MILITARY PERSONNEL, NAVY
RESERVE OFFICER TRAINING CANDIDATES (ROTC) ENROLLMENT

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Begin</u>	<u>Average</u>	<u>End</u>	<u>Begin</u>	<u>Average</u>	<u>End</u>	<u>Begin</u>	<u>Average</u>	<u>End</u>	<u>Begin</u>	<u>Average</u>	<u>End</u>
<u>Senior ROTC (Excluding Scholarship Program)</u>												
First Year							850	900	950	850	900	950
Second Year							300	350	400	300	350	400
Total Basic ROTC							1,150	1,250	1,350	1,150	1,250	1,350
Third Year							80	90	100	80	90	100
Fourth Year							50	65	80	50	65	80
Total Adv ROTC							130	155	180	130	155	180
Total Senior ROTC Enrollment							1,280	1,405	1,530	1,280	1,405	1,530
<u>Scholarship Program</u>												
First Year							1,111	1,056	1,000	1,111	1,056	1,000
Second Year							1,099	1,115	1,130	1,084	1,107	1,130
Total Basic ROTC							2,210	2,171	2,130	2,195	2,163	2,130
Third Year							1,047	1,079	1,110	1,060	1,078	1,096
Fourth Year							1,126	1,127	1,127	1,119	1,135	1,150
Total Advanced ROTC							2,173	2,206	2,237	2,179	2,213	2,246
Total Scholarship Enrollment							4,383	4,377	4,367	4,374	4,376	4,376
<u>Total Enrollment</u>												
First Year							1,961	1,956	1,950	1,961	1,956	1,950
Second Year							1,399	1,465	1,530	1,384	1,457	1,530
Total Advanced ROTC							3,360	3,421	3,480	3,345	3,413	3,480
Third Year							1,127	1,169	1,210	1,140	1,168	1,196
Fourth							1,176	1,192	1,207	1,169	1,200	1,230
Total Advanced ROTC							2,303	2,361	2,417	2,309	2,368	2,426
Total ROTC Enrollment							5,663	5,782	5,897	5,654	5,781	5,906
Completed ROTC & Commissioned										975		938

Completed ROTC Commission Deferred:

Note: ROTC enrollment data for Guaranteed Reserve Forced Duty (GRFD) scholarships for accessing officers into the Army Reserve and Army National Guard should be provided on a separate exhibit from that of the regular active duty ROTC program.

(In Thousands Of Dollars)

Project: Senior ROTC (Non-Scholarship Program)	FY 2007 Estimate	\$1,668
	FY 2006 Estimate	\$1,646
	FY 2005 Estimate	\$0
	FY 2004 Actual	\$0

Part I - Purpose And Scope

The funds requested provide for military personnel costs for students enrolled in the Naval Reserve Officers Training Corps Senior program authorized by 10 U.S.C., 2101-2111. The estimate includes funds for a subsistence allowance, uniforms, pay and allowances, and subsistence-in-kind while performing Active Duty For Training for NROTC Midshipmen and designated applicants. Designated applicants perform summer training at a Naval installation and receive indoctrination in various Naval Science courses to enable them to enter the NROTC program in the fall.

Active duty training costs vary between years due to the length of training and location of sites at which training is performed. NROTC members and designated applicants receive the same rate of pay as U.S. Naval Academy Midshipmen.

Part II - Justificaiton Of Funds Requested

Funds requested provide military personnel costs for students enrolled in the Reserve Officers Training Corps Senior program authorized by 10 U.S.C. 2101-2111. The estimate includes funds for a subsistence allowance, uniforms, pay and allowances, and and subsistence-in-kind while performing Active Duty for Training, etc.

Stipend: Funds requested are to provide an allowance of \$350 per month for MS III and \$400 per month for MS IV to students enrolled in Military Science MS III and MS IV courses in accordance with the provisions of 37 U.S.C. 209.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
MS III			0			0	68	\$3,220.00	217	68	\$3,220.00	217
MS IV			0			0	49	\$3,680.00	179	49	\$3,680.00	179
Total			0			0	116		396	116		396

Uniforms, Issue-in-Kind: Funds are requested to provide uniform issues, including replacement items.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Non-Military Schools			0			0	703	\$688.84	484	703	\$703.31	494
Field Training			0			0	90	\$495.97	45	90	\$506.38	46
Total			0			0	793		529	793		540

Uniforms, Commutation-in-Lieu: Funds requested are to provide commutation in lieu of uniforms. Students attending military institutions receive a monetary allowance in lieu of uniforms-in-kind to procure such uniforms from the institution.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Juniors			0			0	38	\$2,719.12	103	38	\$2,776.22	105
Freshmen/Sophmores			0			0	497	\$906.37	451	497	\$925.41	460
Total			0			0	535		554	535		565

Pay & Allowances: Funds requested are to provide basic pay and social security payment to members attending summer training.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
NROTC			0			0	2,331	\$30.00	70	2,128	\$30.96	66
Designated Applicants			0			0	2,213	\$30.00	66	2,250	\$30.96	70
Total			0			0	4,544		136	4,378		136

Subsistence of Reserve Officer Candidates: Funds requested are to provide subsistence for members attending summer training.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
NROTC			0			0	2,331	\$6.65	16	2,128	\$7.00	15
Designated Applicants			0			0	2,213	\$6.65	15	2,250	\$7.00	16
Total			0			0	4,544		31	4,378		31

Total Non-Scholarship Program 0 0 1,646 1,668

(In Thousands Of Dollars)

Project: Senior ROTC (Scholarship Program)	FY 2007 Estimate	\$19,272
	FY 2006 Estimate	\$19,058
	FY 2005 Estimate	\$0
	FY 2004 Actual	\$0

Part I - Purpose And Scope

The funds requested provide for military personnel costs for students enrolled in the Naval Reserve Officers Training Corps Scholarship program authorized by 10 U.S.C., 2101-2111. The estimate includes funds for a subsistence allowance, uniforms, pay and allowances, and subsistence-in-kind while performing Active Duty For Training. During the fiscal year, scholarships are offered to selected students as authorized by 10 U.S.C., 2107.

Active duty training costs vary between years due to the length of training and location of sites at which training is performed. NROTC members and designated applicants receive the same rate of pay as U.S. Naval Academy Midshipmen.

Part II - Justificaiton Of Funds Requested

Funds requested provide military personnel costs for students enrolled in the Reserve Officers Training Corps Senior program authorized by 10 U.S.C. 2101-2111. The estimate includes funds for a subsistence allowance, uniforms, pay and allowances, and subsistence-in-kind while performing Active Duty for Training, etc.

Stipend: Funds requested are to provide an allowance of \$250 per month for MS I, \$300 per month for MS II, \$350 per month for MS III and \$400 per month for MS IV to students enrolled in Military Science courses in accordance with the provisions of 37 U.S.C. 209.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
MS I			0			0	1,056	\$2,300.00	2,429	1,056	\$2,300.00	2,429
MS II			0			0	1,115	\$2,760.00	3,077	1,107	\$2,760.00	3,055
MS III			0			0	1,079	\$3,220.00	3,474	1,078	\$3,220.00	3,471
MS IV			0			0	1,127	\$3,680.00	4,147	1,135	\$3,680.00	4,177
Total			0			0	4,377		13,127	4,376		13,132

Uniforms, Issue-in-Kind: Funds are requested to provide uniform issues, including replacement items.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Non-Military Schools			0			0	2,188	\$688.84	1,507	2,188	\$703.31	1,539
Field Training			0			0	1,514	\$495.97	751	1,547	\$506.38	783
Total			0			0	3,702		2,258	3,735		2,322

Uniforms, Commutation-in-Lieu: Funds requested are to provide commutation in lieu of uniforms. Students attending military institutions receive a monetary allowance in lieu of uniforms-in-kind to procure such uniforms from the institution.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Juniors			0			0	140	\$2,719.12	381	140	\$2,776.22	389
Freshmen/Sophmores			0			0	295	\$906.37	267	294	\$925.41	272
Total			0			0	435		648	434		661

Pay & Allowances: Funds requested are to provide basic pay and social security payment to members attending summer training.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Pay & Allowances			0			0	82,525	\$30.00	2,476	83,165	\$30.96	2,575
Total			0			0	82,525		2,476	83,165		2,575

Subsistence of Reserve Officer Candidates: Funds requested are to provide subsistence for members attending summer training.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Subsistence			0			0	82,525	\$6.65	549	83,165	\$7.00	582
Total			0			0	82,525		549	83,165		582

Total Scholarship Program			0			0			19,058			19,272
Total ROTC Program			0			0			20,704			20,940

(In Thousands Of Dollars)

Project: Junior ROTC

FY 2007 Estimate	\$13,476
FY 2006 Estimate	\$13,094
FY 2005 Estimate	\$0
FY 2004 Actual	\$0

Part I - Purpose And Scope

Funding provides for issue-in-kind uniforms and alteration/renovation thereof, for students enrolled in the Junior ROTC program at secondary education institutions as provided for in 10 U.S.C 2031.

Part II - Justificaiton Of Funds Requested

Funding provides for issue-in-kind uniforms and alteration/renovation thereof, for students enrolled in the Junior ROTC program at secondary education institutions as provided for in 10 U.S.C 2031.

Uniforms, issue-in-kind: Funding provides for uniforms, including replacement items, to member of the Junior ROTC program.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Initial Issue			0			0	0	\$647.02	0	0	\$660.60	0
Replacement			0			0	22,606	\$510.48	11,540	23,171	\$511.42	11,850
Alterations/Renovation			0			0	90,425	\$17.18	1,554	92,685	\$17.54	1,626
Total			0			0	113,031		13,094	115,856		13,476

Subsistence of Junior Officer Candidates: Funds requested are to provide subsistence for members attending summer camp.

	<u>FY 2004 (Actual)</u>			<u>FY 2005 (Estimate)</u>			<u>FY 2006 (Estimate)</u>			<u>FY 2007 (Estimate)</u>		
	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>	<u>Number</u>	<u>Rate</u>	<u>Amount</u>
Non-Military Schools			0			0			0			0
Field Training			0			0			0			0
Total			0			0			0			0

Total Junior ROTC Program			0			0			13,094			13,476
Total Obligations			118,049			72,055			114,222			118,185
Less Reimbursables			0			0			0			0
Total Direct Obligations			118,049			72,055			114,222			118,185

Section 5
Special Analysis

Section 5
Navy Military Strength Assigned Outside DoD
(End Strength)

ASSIGNED OUTSIDE DOD	FY 04			FY 05			FY 06			FY 07		
	OFFICER	ENLISTED	TOTAL									
NON-REIMBURSABLE PERSONNEL												
EXECUTIVE OFFICE OF THE PRESIDENT	10	2	12	9	13	22	8	13	21	8	11	19
OFFICE OF THE VICE PRESIDENT	0	10	10	0	10	10	0	10	10	0	10	10
STATE DEPARTMENT	4	10	14	7	16	23	7	16	23	7	16	23
STATE DEPARTMENT(U N TRUCE SUPERVISION)	2	0	2	7	0	7	7	0	7	7	0	7
JUSTICE DEPARTMENT	1	0	1	1	0	1	1	0	1	1	0	1
ENERGY DEPARTMENT	5	0	5	5	0	5	5	0	5	5	0	5
NATL DRUG INTERDICTION PROGAM	1	5	6	5	5	10	5	5	10	5	5	10
CLASSIFIED ACTIVITIES	0	0	0	0	0	0	0	0	0	0	0	0
DOD PROJECT OFFICE	15	2	17	15	2	17	15	2	17	15	2	17
CENTRAL INTELLIGENCE AGENCY	2	0	2	3	0	3	3	0	3	3	0	3
COMMERCE DEPT	0	0	0	0	0	0	0	0	0	0	0	0
DEPT OF TRANSP	0	0	0	0	0	0	0	0	0	0	0	0
SUB TOTAL NON REIMB PROGRAM	40	29	69	52	46	98	51	46	97	51	44	95
REIMBURSABLE PERSONNEL												
EXECUTIVE OFFICE OF THE PRESIDENT	0	0	0	0	0	0	0	0	0	0	0	0
ARMS CONT'L & DISARMAMENT AGENCY	5	0	5	6	0	6	6	0	6	6	0	6
STATE DEPARTMENT	0	0	0	0	0	0	0	0	0	0	0	0
DOT (MARITIME)	0	0	0	0	0	0	0	0	0	0	0	0
DOT (FAA)	1	0	1	1	0	1	1	0	1	1	0	1
DOT (COAST GUARD)	38	0	38	39	0	39	39	0	39	39	0	39
DOT(MERCHANT MARINE)	2	0	2	2	0	2	2	0	2	2	0	2
NASA	27	0	27	34	0	34	34	0	34	34	0	34
OFFICE OF PHYSICAN TO CONGRESS	6	9	15	5	9	14	5	9	14	5	9	14
CLASSIFIED ACTIVITIES	5	2	7	6	5	11	6	5	11	6	5	11
ENERGY DEPT (DOE)	1	0	1	2	1	3	2	1	3	2	1	3
NAVAL HOME	2	1	3	2	1	3	2	1	3	2	1	3
SUB-TOTAL REIMBURSABLE PERSONNEL	87	12	99	97	16	113	97	16	113	97	16	113
TOTAL OUTSIDE DOD	127	41	168	149	62	211	148	62	210	148	60	208
ASSIGNED TO DOD ACTIVITIES												
REIMBURSABLE PERSONNEL												
WORKING CAPITAL FUND												
WCF-NAVY	701	1,151	1,852	817	1,238	2,055	736	1,252	1,988	740	1,281	2,021
WCF-DEFENSE	218	156	374	226	169	395	222	167	389	223	167	390
WCF TOTAL	919	1,307	2,226	1,043	1,407	2,450	958	1,419	2,377	963	1,448	2,411
STATE DEPARTMENT (CB'S)	1	105	106	1	128	129	1	128	129	1	128	129
NATIONAL SCIENCE FOUNDATION	0	0	0	0	0	0	0	0	0	0	0	0
FOREIGN MILITARY SALES	62	101	163	86	114	200	86	114	200	86	114	200
SUB TOTAL DOD REIMBURSABLE PERSONNEL	982	1,513	2,495	1,130	1,649	2,779	1,045	1,661	2,706	1,050	1,690	2,740
TOTAL NON-REIMBURSABLE PERSONNEL	40	29	69	52	46	98	51	46	97	51	44	95
TOTAL REIMBURSABLE PERSONNEL	1,069	1,525	2,594	1,227	1,665	2,892	1,142	1,677	2,819	1,147	1,706	2,853
GRANDTOTAL	1,109	1,554	2,663	1,279	1,711	2,990	1,193	1,723	2,916	1,198	1,750	2,948

**MILITARY PERSONNEL, NAVY
REIMBURSABLE PROGRAM
(\$ in Thousands)**

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
<u>Subsistence (SIK)</u>	\$44,108	\$45,965	\$45,972	\$45,971
Sale of Meals - Bulk Subsistence	44,108	45,965	45,972	45,971
<u>OTHER NON-STRENGTH</u>	\$100	\$100	\$100	\$100
Other Military Costs	100	100	100	100
<u>STRENGTH RELATED</u>	\$322,694	\$297,941	\$285,165	\$309,683
Officer	178,005	168,703	161,579	173,446
Basic Pay	(146,618)	(122,248)	(117,276)	(126,173)
Other Pays and Allowances	(31,387)	(46,455)	(44,303)	(47,273)
Enlisted	82,441	78,485	74,714	83,187
Basic Pay	(69,317)	(54,690)	(52,052)	(57,957)
Other Pays and Allowances	(13,124)	(23,795)	(22,766)	(25,230)
Retired Pay Accrual (Officer and Enlisted)	58,529	47,773	45,893	49,872
PCS Travel	3,719	2,980	2,979	3,178
TOTAL PROGRAM	\$366,902	\$344,006	\$331,237	\$355,754
Includes the following anticipated reimbursements from the DHP Trust Fund (Over 65):	\$130,228	\$119,707	\$113,471	\$127,049

Exhibit PB-30R Reimbursable Program

MILITARY PERSONNEL, NAVY
MONTHLY END STRENGTH BY PAY GRADE
FY04

		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<u>Commissioned Officers</u>													
O-10	ADM	8	8	8	8	8	8	8	8	8	8	8	8
O-9	VADM	25	25	25	25	25	25	25	25	25	25	25	25
O-8	RADM(UH)	77	77	77	77	77	77	77	77	77	77	77	77
O-7	RADM(LH)	107	109	100	106	106	105	107	105	106	107	107	102
O-6	CAPT	3,495	3,490	3,467	3,438	3,454	3,465	3,484	3,484	3,449	3,485	3,500	3,470
O-5	CDR	7,032	7,041	7,023	6,999	7,004	7,017	7,023	6,999	7,016	7,040	7,036	6,996
O-4	LCDR	10,457	10,487	10,462	10,438	10,470	10,473	10,484	10,439	10,475	10,520	10,552	10,543
O-3	LT	17,072	17,008	16,958	17,122	17,027	17,001	16,904	16,927	18,229	17,988	17,667	17,434
O-2	LTJG	7,892	7,949	8,139	7,956	7,952	7,927	7,911	9,283	7,711	7,533	7,503	7,428
O-1	ENS	7,189	7,094	7,095	7,075	7,025	6,968	6,906	6,702	6,755	6,746	6,670	6,542
W-5	CWO5	1	2	3	3	4	5	6	7	8	11	13	16
W-4	CWO4	346	347	341	335	333	331	324	321	324	315	302	293
W-3	CWO3	427	428	423	439	450	467	474	486	493	502	511	531
W-2	CWO2	867	865	857	854	848	836	849	825	812	797	775	743
W-1	CWO1	0	0	0	0	0	0	0	0	0	0	0	0
Total Officers		54,995	54,930	54,978	54,875	54,783	54,705	54,582	55,688	55,488	55,154	54,746	54,208
<u>Enlisted Personnel</u>													
E-9	Master Chief Petty Officer	3,149	3,148	3,169	3,147	3,122	3,125	3,121	3,118	3,199	3,161	3,124	3,115
E-8	Senior Chief Petty Officer	7,055	7,030	7,036	6,959	6,921	6,895	6,853	6,807	6,588	6,517	6,466	6,926
E-7	Chief Petty Officer	24,511	24,488	24,552	24,362	24,270	24,222	24,095	24,038	23,910	23,764	23,403	24,302
E-6	Petty Officer First Class	53,271	52,915	55,119	54,752	54,358	54,043	53,572	53,160	57,154	56,819	56,307	54,581
E-5	Petty Officer Second Class	76,119	75,811	76,235	75,803	75,528	75,138	74,742	74,334	75,223	74,532	73,920	76,017
E-4	Petty Officer Third Class	62,885	62,704	66,742	66,159	65,813	65,587	65,081	64,589	64,568	63,408	62,073	62,349
E-3	Seaman	58,471	59,339	52,869	54,599	56,236	57,485	59,343	61,137	56,235	57,450	58,497	53,587
E-2	Apprentice	23,318	23,280	22,689	21,773	20,768	20,001	20,094	20,039	20,264	21,017	21,459	22,177
E-1	Recruit	12,823	12,537	12,046	12,203	12,457	11,909	11,068	10,030	9,642	10,635	10,909	11,627
Total Enlisted		321,602	321,252	320,457	319,757	319,473	318,405	317,969	317,252	316,783	317,303	316,158	314,681
<u>Cadets/Midshipmen</u>		4,293	4,285	4,278	4,244	4,238	4,232	4,223	3,179	3,146	4,363	4,357	4,308
Total End Strength		380,890	380,467	379,713	378,876	378,494	377,342	376,774	376,119	375,417	376,820	375,261	373,197

MILITARY PERSONEL, NAVY
MONTHLY END STRENGTHS BY PAY GRADE
FY05

		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<u>Commissioned Officers</u>													
O-10	ADM	8	8	8	8	8	8	8	8	8	8	8	8
O-9	VADM	25	25	25	25	25	25	25	25	25	25	25	25
O-8	RADM(UH)	77	77	77	77	77	77	77	77	77	77	77	77
O-7	RADM(LH)	112	114	114	118	115	116	114	113	113	112	110	108
O-6	CAPT	3,443	3,459	3,480	3,497	3,519	3,540	3,561	3,558	3,509	3,520	3,546	3,389
O-5	CDR	7,051	7,069	7,093	7,117	7,145	7,172	7,203	7,165	7,174	7,212	7,223	7,015
O-4	LCDR	10,565	10,597	10,616	10,631	10,640	10,674	10,714	10,662	10,736	10,819	10,874	10,691
O-3	LT	17,426	17,273	17,072	17,291	17,291	17,321	17,308	17,393	18,657	18,408	18,070	17,351
O-2	LTJG	7,537	7,286	7,217	7,046	6,993	6,964	6,993	8,489	6,984	6,875	6,930	6,727
O-1	ENS	6,559	6,273	6,097	6,131	6,123	6,064	6,038	6,003	5,987	5,992	5,978	5,968
W-5	CWO5	19	21	23	25	27	29	31	33	35	39	42	46
W-4	CWO4	338	341	338	335	336	340	339	336	337	329	321	285
W-3	CWO3	589	592	591	619	634	664	679	697	708	722	741	744
W-2	CWO2	640	640	635	626	619	595	586	558	542	523	497	436
W-1	CWO1	0	0	0	0	0	0	0	0	0	0	0	0
Total Officers		54,389	53,775	53,386	53,546	53,552	53,589	53,676	55,117	54,892	54,661	54,442	52,870
<u>Enlisted Personnel</u>													
E-9	Master Chief Petty Officer	3,116	3,095	3,088	3,067	3,044	3,028	3,015	2,998	3,098	3,068	3,031	3,087
E-8	Senior Chief Petty Officer	6,914	6,872	6,856	6,810	6,758	6,724	6,696	6,664	6,434	6,370	6,288	6,862
E-7	Chief Petty Officer	24,278	24,140	24,081	23,927	23,747	23,612	23,509	23,402	23,286	23,080	22,766	24,852
E-6	Petty Officer First Class	53,367	52,839	54,821	54,445	54,026	53,618	53,176	52,721	55,950	55,462	54,984	53,762
E-5	Petty Officer Second Class	76,212	75,674	75,653	75,145	74,719	74,353	73,982	73,467	75,798	75,037	74,307	75,770
E-4	Petty Officer Third Class	64,695	64,375	64,205	63,671	63,399	63,210	63,100	62,779	64,265	63,327	62,563	64,350
E-3	Seaman	51,363	51,869	49,748	51,025	52,520	54,300	55,613	56,806	49,761	50,954	52,376	46,483
E-2	Apprentice	21,493	22,025	21,585	20,997	19,864	18,913	18,836	19,231	19,860	20,228	20,491	20,843
E-1	Recruit	12,011	11,769	11,343	11,732	12,045	11,897	11,380	10,541	10,734	11,621	12,455	13,021
Total Enlisted		313,449	312,658	311,380	310,819	310,122	309,655	309,307	308,609	309,186	309,147	309,261	309,030
<u>Cadets/Midshipmen</u>		4,305	4,300	4,279	4,261	4,254	4,249	4,239	3,216	3,201	4,071	4,015	4,000
Total End Strength		372,143	370,733	369,045	368,626	367,928	367,493	367,222	366,942	367,279	367,879	367,718	365,900

MILITARY PERSONNEL, NAVY
MONTHLY END STRENGTHS BY PAY GRADE
FY06

		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<u>Commissioned Officers</u>													
O-10	ADM	8	8	8	8	8	8	8	8	8	8	8	8
O-9	VADM	25	25	25	25	25	25	25	25	25	25	25	25
O-8	RADM(UH)	77	77	77	77	77	77	77	77	77	77	77	77
O-7	RADM(LH)	111	110	109	110	109	109	107	108	109	110	109	108
O-6	CAPT	3,389	3,406	3,414	3,421	3,434	3,439	3,445	3,450	3,421	3,447	3,428	3,382
O-5	CDR	7,017	7,016	7,012	7,002	6,993	6,995	6,986	6,975	6,982	6,993	6,966	6,649
O-4	LCDR	10,593	10,544	10,530	10,513	10,505	10,493	10,483	10,450	10,514	10,564	10,653	10,656
O-3	LT	17,394	17,487	17,505	17,665	17,519	17,459	17,413	17,388	18,805	18,459	18,075	17,476
O-2	LTJG	6,810	6,662	6,813	6,674	6,628	6,586	6,549	7,873	6,387	6,381	6,377	6,228
O-1	ENS	5,913	5,916	5,872	5,809	5,761	5,762	5,757	5,917	5,963	5,923	5,896	5,866
W-5	CWO5	45	46	46	47	47	48	48	49	52	55	59	62
W-4	CWO4	272	288	278	272	267	262	253	245	239	232	223	212
W-3	CWO3	694	708	715	721	728	732	736	742	768	793	814	832
W-2	CWO2	536	518	503	512	505	495	481	475	440	399	357	314
W-1	CWO1	0	0	0	0	0	0	0	0	0	0	0	0
Total Officers		52,884	52,811	52,907	52,856	52,606	52,490	52,368	53,782	53,790	53,466	53,067	51,895
<u>Enlisted Personnel</u>													
E-9	Master Chief Petty Officer	3,055	3,038	3,037	3,019	2,998	2,986	2,981	2,972	3,048	2,977	2,898	2,959
E-8	Senior Chief Petty Officer	7,583	7,492	7,436	7,344	7,242	7,159	7,087	7,010	7,179	7,019	6,836	7,398
E-7	Chief Petty Officer	23,953	23,751	23,633	23,418	23,168	22,963	22,798	22,628	22,024	21,506	21,682	23,623
E-6	Petty Officer First Class	53,341	53,064	54,458	54,284	54,010	53,771	53,540	53,282	55,984	55,405	54,013	52,134
E-5	Petty Officer Second Class	74,290	73,910	74,532	74,128	73,675	73,313	72,920	72,501	73,273	72,513	71,702	72,133
E-4	Petty Officer Third Class	62,065	61,673	60,311	59,581	59,047	58,662	58,342	57,920	59,307	58,089	57,041	59,138
E-3	Seaman	51,872	52,407	51,877	52,938	54,203	55,699	56,831	57,839	52,761	53,887	55,229	50,119
E-2	Apprentice	19,958	20,218	19,707	18,978	17,874	16,824	16,545	16,637	17,192	17,731	18,134	18,816
E-1	Recruit	10,623	10,127	9,645	9,564	9,560	9,171	8,491	7,595	7,669	8,615	9,413	10,385
Total Enlisted		306,740	305,680	304,636	303,254	301,777	300,548	299,535	298,384	298,437	297,742	296,948	296,705
<u>Cadets/Midshipmen</u>													
		3,999	3,994	3,973	3,955	3,948	3,943	3,933	2,910	2,895	4,171	4,115	4,100
Total End Strength		363,623	362,485	361,516	360,065	358,331	356,981	355,836	355,076	355,122	355,379	354,130	352,700

MILITARY PERSONNEL, NAVY
MONTHLY END STRENGTHS BY PAY GRADE
FY07

		<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>
<u>Commissioned Officers</u>													
O-10	ADM	8	8	8	8	8	8	8	8	8	8	8	8
O-9	VADM	25	25	25	25	25	25	25	25	25	25	25	25
O-8	RADM(UH)	77	77	77	77	77	77	77	77	77	77	77	77
O-7	RADM(LH)	111	110	109	110	109	109	107	108	109	110	109	108
O-6	CAPT	3,345	3,352	3,332	3,305	3,308	3,303	3,309	3,314	3,305	3,331	3,351	3,353
O-5	CDR	6,639	6,631	6,617	6,591	6,598	6,616	6,621	6,624	6,664	6,703	6,743	6,752
O-4	LCDR	10,605	10,558	10,543	10,524	10,518	10,507	10,501	10,472	10,523	10,561	10,635	10,732
O-3	LT	17,409	17,428	17,404	17,476	17,376	17,252	17,191	17,160	18,606	18,310	17,923	17,480
O-2	LTJG	6,243	6,159	6,260	6,107	5,991	6,012	5,989	7,505	6,086	6,014	5,998	5,822
O-1	ENS	5,856	5,852	5,842	5,837	5,832	5,832	5,835	5,830	5,791	5,794	5,803	5,774
W-5	CWO	63	64	65	64	65	66	65	66	70	72	72	74
W-4	CWO	223	221	217	217	215	214	209	205	197	189	181	169
W-3	CWO	823	836	824	811	800	785	769	755	764	771	774	775
W-2	CWO	320	321	321	344	352	362	364	375	358	335	311	286
W-1	WO	0	0	0	0	0	0	0	0	0	0	0	0
Total Officers		51,747	51,642	51,644	51,496	51,274	51,168	51,070	52,524	52,583	52,300	52,010	51,435
<u>Enlisted Personnel</u>													
E-9	Master Chief Petty Officer	2,932	2,914	2,909	2,891	2,869	2,855	2,845	2,833	2,907	2,894	2,874	2,891
E-8	Senior Chief Petty Officer	7,351	7,326	7,322	7,294	7,264	7,210	7,121	7,031	6,830	6,818	6,792	7,227
E-7	Chief Petty Officer	23,453	23,361	23,337	23,232	23,098	22,923	22,701	22,474	22,187	21,742	21,266	23,037
E-6	Petty Officer First Class	51,596	51,203	52,217	52,006	51,715	51,558	51,527	51,468	52,906	52,873	52,772	50,854
E-5	Petty Officer Second Class	71,332	70,884	70,822	70,689	70,497	70,355	70,233	70,150	70,959	70,527	69,921	70,247
E-4	Petty Officer Third Class	58,192	57,718	57,168	56,827	56,658	56,568	56,602	56,637	57,631	56,909	56,179	58,054
E-3	Seaman	50,773	51,378	50,976	51,760	52,720	53,865	54,672	55,436	51,951	52,382	52,974	48,756
E-2	Apprentice	18,882	19,426	19,164	18,747	17,931	17,139	17,108	17,510	17,932	18,174	18,246	18,441
E-1	Recruit	10,287	10,235	10,086	10,395	10,706	10,598	10,259	9,832	9,654	10,038	10,225	10,358
Total Enlisted		294,798	294,445	294,001	293,841	293,458	293,071	293,068	293,371	292,957	292,357	291,249	289,865
<u>Cadets/Midshipmen</u>		4,099	4,094	4,073	4,055	4,048	4,043	4,033	3,010	2,995	4,071	4,015	4,000
Total End Strength		350,644	350,181	349,718	349,392	348,780	348,282	348,171	348,905	348,535	348,728	347,274	345,300