

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2008/2009
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
FEBRUARY 2007

OPERATION AND MAINTENANCE,
MARINE CORPS

"In accordance with the President's Management Agenda, Budget and Performance Integration initiative, this program has been assessed using the Program Assessment Rating Tool (PART). Remarks regarding program performance and plans for performance improvement can be located at the Expectmore.gov website."

Department of the Navy
 Operation and Maintenance, Marine Corps
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FY 2006	Price	Program	FY 2007	Price	Program	FY 2008
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
7,061.0	74.7	-3,349.1	3,786.6	86.0	1,088.8	4,961.4

Note: FY 2006 Includes Supplemental Funding

The Operation and Maintenance, Marine Corps appropriation provides the funding for Marine Corps missions, functions, activities, and facilities except for those requirements related to: procurement of major items of equipment and ammunition, military personnel, military family housing, operation and maintenance of the Marine Corps Reserve, and those functions supported by Navy-sponsored appropriations.

The funds contained in this appropriation are intended primarily for the support of the total active Marine Corps Forces. The primary Marine Corps objective is to train and maintain the Operating Forces at a high level of combat readiness for service with the fleet, ashore, or for such other duties as the President may direct.

The Operating Forces supported by this appropriation are composed of Marine Expeditionary Forces (Division/Wing/Force Service Support Group Task Organizations), including a combination of combat and combat service support organizations and a variety of supporting units. Funds are also provided to support two landing force training commands, Marine detachments afloat, the security forces assigned to Naval and other government activities ashore, maritime prepositioning ships, and Norway prepositioning.

Shore facilities receiving funding support from this appropriation are: three major bases; two recruit depots; eleven air installations; one Marine Corps Combat Development Command; one Marine Corps Systems Command; one Marine Corps Air-Ground Combat Center; and two Expeditionary Warfare Training Groups. These facilities are being maintained at standards that will permit effective utilization, avoid major replacement costs, and allow operation and maintenance on an economical and effective basis.

The individual training of enlisted personnel and officers from basic training to the highest technical training and advanced training at schools of the other Services and civilian institutions are funded in this appropriation. Such schooling is designed to produce highly trained and disciplined officers and enlisted personnel for duty with the Operating Forces, capable of leadership growth as well as effective performance.

This appropriation also supports the Marine Corps supply system. The principal objective of the supply system is to provide Marine activities/units with the proper materiel and equipment in the quantity, condition, time, and place required. Further, it supports other activities such as special training, second destination transportation of things, recruiting, equipment overhaul and repair, and miscellaneous expenses.

The FY 2008 O&M budget request of \$4,961.4 million reflects a net increase of \$1,174.8 million from the FY 2007 funding level. The change includes \$86.0 million in price growth and \$1,088.8 million in program changes. Detailed explanations of major program changes are below:

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Budget Activity 1: Operating Forces

FY 2006	Price	Program	FY 2007	Price	Program	FY 2008
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
5,722.0	54.5	-2,898.9	2,877.6	74.4	829.6	3,781.6

Note: FY 2006 Includes Supplemental Funding

The Operating Forces budget activity is comprised of two activity groups, Expeditionary Forces and USMC Prepositioning.

The Expeditionary Forces activity group provides funding for the operating forces that constitute the Marine Corps Air-Ground Team and Marine security forces at naval installations and aboard naval vessels. The field logistics and depot maintenance programs in support of the operating forces are also funded in this activity group. In addition, base support functions for Marine Corps bases, camps, air stations and logistics bases supporting the Operating Forces; Quality-of-Life (QOL) programs such as Childcare, Youth Development and Family Service Centers; injury compensation payments; and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases are financed in this activity group.

The USMC Prepositioning activity group finances the Maritime Prepositioning Forces (MPF) program, the Geographic Prepositioned Force and the Aviation Logistics Support Ships (TAVB) program.

The FY 2008 budget request of \$3,781.6 million for Operating Forces reflects a net increase of \$904.0 million from the FY 2007 funding level. The increase includes \$74.4 million in price growth and \$829.6 million in program growth. Major program changes include: increase of \$+573.3 million for Marine Corps Ground Forces Augmentation operational and base support needs; increase of \$+49.7 million for maintenance of Table of Equipment (T/E) items acquired through supplemental funding; increase of \$+24.0 million for support of Marine Corps, Joint, and international exercises, building worldwide expertise in military operations; increase of \$+27.8 million for Secondary Repairables; increase of \$+7.7 million for Marine Corps Formal Training; increase of \$+7.2 million for Marine Corps Combat Development Command; increase of \$+83.3 million to fund Facility Sustainment, Restoration and Modernization requirements deferred from FY 2007 in support of a Marine Corps barracks initiative of two Marines per room (2.0) by FY 2012, increase of \$+1.5 million to Maritime and Norway Prepositioning Programs; increase of \$+19.4 million for Unit Operations Center (UOC) contract maintenance and communication support for Command and Control (C2) functionality for the Marine Air Ground Task Force (MAGTF); increase of \$+9.4 million for MAGTF C2 Systems post deployment maintenance and software support; increase of \$+8.0 million to Counter Radio Controlled Improvised Explosive Device (RCIED) and Electronic Warfare maintenance support; increase of \$+6.9 million to Marine Corps Software Enterprise Licenses Maintenance System (MCSELMS) to ensure Marine Corps software investments are sustainable and eliminate security issues; increase of \$+5.0 million in Defense Integrated Military Human Resources System (DIMHRS) to meet mandated funding levels; increase of \$+4.1 million in Corrosion Prevention and Control (CPAC); increase of \$+5.3 million to sustain new High Mobility Artillery Rocket Systems (HIMARS) and Lightweight 155mm Howitzers; and an increase of \$+3.0 million for logistics modernization and integrated logistics capability. There is a decrease of \$-23.0 million in Depot Maintenance funding as approximately 30% of Marine Corps ground systems are deployed in support of Operations Iraqi and Enduring Freedom (OIF/OEF).

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Budget Activity 3: Training and Recruiting

FY 2006	Price	Program	FY 2007	Price	Program	FY 2008
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
727.2	16.0	-160.8	582.4	14.2	191.3	787.9

Note: FY 2006 Includes Supplemental Funding

The resources in this budget activity support recruiting and advertising, training, and education of Marines. Recruit training encompasses the transition from civilian life to duties as a Marine, and includes an intense period of training designed to prepare the new Marine for assignment to units of the Operating Forces, major bases and stations, and duty at sea aboard vessels of the U.S. Navy. Officer Acquisition encompasses training candidates for appointment as commissioned officers prior to actual commissioning in the Marine Corps or Marine Corps Reserve. Nominees undergo intense courses of instruction prior to actual commissioning.

Upon completion of Officer Acquisition Training or Recruit Training, a Marine is assigned to courses of instruction to acquire the requisite skills necessary to meet the minimum requirements of a Military Occupational Specialty (MOS). For officers, this involves completion of The Basic School at the Marine Corps Combat Development Command (MCCDC), in Quantico, Virginia and the assignment to an MOS qualifying course such as the Infantry Officers Course or the Communication Officers School. The enlisted Marine undergoes Specialized Skill Training at Marine Corps installations or at schools run by the other Services, depending on the designated MOS.

This budget activity also funds training support for costs associated with travel and per diem for those Marines attending Service and civilian schools away from their permanent duty stations; expenses incurred in developing a proficient recruiting force; costs for advertising media and market analysis; costs for training support equipment, audio-visual aids, computer-assisted training programs, direct administrative support to the training management functions and the Marine Corps Institute; injury compensation payments; and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases. In addition, this activity provides base support and Facilities Sustainment, Restoration, and Modernization (FSRM) support to Marine Corps Recruit Depots, Marine Corps Barracks, and the Marine Corps Recruiting Command.

The FY 2008 budget request of \$787.9 million for Training and Recruiting reflects an increase of \$205.5 million from the FY 2007 funding level. The increase includes \$14.2 million in price growth and \$191.3 million in program changes. Major program changes in FY 2008 include an increase of \$+113.2 million to support Marine Corps Ground Forces Augmentation; increase of \$+22.6 million for Mojave Viper pre-deployment training; increase of \$+16.1 million for Security Cooperation Education and Training Center (SCETC) for Marines deploying as advisors in support of security cooperation missions; increase of \$+4.8 million for Center for Marine Corps Lessons Learned to incorporate lessons into Marine Corps Doctrine, Organizations, Training, Materiel, Leadership and Education, Personnel, and Facilities (DOTMLPF); increase of \$+13.1 million for Training Transformation; increase of \$+3.4 million for Enlisted Professional Military Education-Training (EPME/T); increase of \$+4.3

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million for Center for Advanced Operational Culture Learning Center (CAOCL) pre-deployment operational culture and language familiarization training; increase of \$+3.9 million for Marine Corps Distance Learning (MCDLP). Base operations funding changes include: increase of \$+2.9 million to support increased availability and maintenance of ranges at Marine Corps Base Quantico; increase of \$+2.7 million for previous military to civilian position conversions; and an increase of \$+4.5 million to fund Facility Sustainment, Restoration and Modernization requirements deferred from FY 2007.

Budget Activity 4: Administration and Servicewide Support

FY 2006	Price	Program	FY 2007	Price	Program	FY 2008
<u>Actual</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>	<u>Growth</u>	<u>Growth</u>	<u>Estimate</u>
611.8	4.3	-289.4	326.6	-2.6	67.9	391.9

Note: FY 2006 Includes Supplemental Funding

The resources in this budget activity support the Marine Corps-wide efforts of special support, transportation, personnel management, headquarters base support, civilian personnel salaries and the department and staff management of Headquarters, Marine Corps.

Special Support provides funding for the support of Marine Corps prisoners confined at the Army Disciplinary Command, Fort Leavenworth, Kansas; the Marine Band located at the Marine Barracks, 8th and I Streets, Washington, DC; and Quality-of-Life (QOL) programs such as Childcare, Youth Development and Family Service Centers. Special Support also finances the administration of missions, functions and worldwide operations of the Marine Corps and Marine Security Guards. Costs of operations include civilian personnel salaries, Defense Finance and Accounting Service (DFAS) reimbursement, automated data processing, printing and reproduction, civilian and military travel, and personnel services.

All costs related to Second Destination Transportation (SDT) of cargo to the operating forces are also funded in this activity group. Categories of transportation are: (a) Military Sealift Command for ocean cargo; (b) Inland Transportation by commercial carriers for movement between CONUS installations and ports; (c) Military Airlift Command for movement of priority cargo in support of Operating Force units; and (d) Military Traffic Management Command and commercial sources for port handling of ocean cargo.

Base operations support for Headquarters Battalion, Headquarters, Marine Corps and military personnel assigned to Headquarters, U.S. Marine Corps is funded within this activity group. Also included in this activity group are injury compensation payments and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases.

The FY 2008 budget request of \$391.9 million for Administration and Servicewide Activities reflects a net increase of \$65.3 million from the FY 2007 funding level. This includes a decrease of \$2.6 million in price growth and an increase of \$67.9 million in program growth. Major program changes in FY 2008 include an increase of \$+67.9 million in support of Ground Forces Augmentation for increased transportation costs.

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Department of Defense
 FY 2008/2009 President's Budget
 Exhibit O-1

				Total Obligational Authority		
				(Dollars in Thousands)		
				FY 2006	FY 2007	FY 2008
				-----	-----	-----
1106N Operation & Maintenance, Marine Corps						
BUDGET ACTIVITY 01: OPERATING FORCES						
EXPEDITIONARY FORCES						
1106N	010	1A1A	OPERATIONAL FORCES	2,536,827	2,097,134	867,734
1106N	020	1A2A	FIELD LOGISTICS	587,045	585,865	502,437
1106N	030	1A3A	DEPOT MAINTENANCE	372,055	558,914	71,240
1106N	040	1A4A	BASE SUPPORT	577		
TOTAL EXPEDITIONARY FORCES				3,496,504	3,241,913	1,441,411
USMC PREPOSITIONING						
1106N	050	1B1B	MARITIME PREPOSITIONING	95,135	110,877	73,870
1106N	060	1B2B	NORWAY PREPOSITIONING	4,678	5,248	5,681
TOTAL USMC PREPOSITIONING				99,813	116,125	79,551
BASE SUPPORT						
1106N	070	BSM1	SUSTAINMENT, RESTORATION, & MODERNIZATION	671,234	419,418	517,701
1106N	080	BSS1	BASE OPERATING SUPPORT	1,454,438	1,498,185	1,742,906
TOTAL BASE SUPPORT				2,125,672	1,917,603	2,260,607
TOTAL, BA 01: OPERATING FORCES				5,721,989	5,275,641	3,781,569
BUDGET ACTIVITY 03: TRAINING AND RECRUITING						
ACCESSION TRAINING						
1106N	090	3A1C	RECRUIT TRAINING	13,494	11,762	13,242
1106N	100	3A2C	OFFICER ACQUISITION	353	388	520
TOTAL ACCESSION TRAINING				13,847	12,150	13,762
BASIC SKILLS AND ADVANCED TRAINING						
1106N	110	3B1D	SPECIALIZED SKILL TRAINING	46,965	43,351	54,185
1106N	120	3B2D	FLIGHT TRAINING	207	185	318
1106N	130	3B3D	PROFESSIONAL DEVELOPMENT EDUCATION	13,627	17,945	16,751
1106N	140	3B4D	TRAINING SUPPORT	227,787	199,537	284,071
TOTAL BASIC SKILLS AND ADVANCED TRAINING				288,586	261,018	355,325
RECRUITING AND OTHER TRAINING AND EDUCATION						
1106N	150	3C1F	RECRUITING AND ADVERTISING	168,956	141,876	141,378
1106N	160	3C2F	OFF-DUTY AND VOLUNTARY EDUCATION	49,350	55,280	57,523
1106N	170	3C3F	JUNIOR ROTC	16,627	17,557	17,080
TOTAL RECRUITING AND OTHER TRAINING AND EDUCATION				234,933	214,713	215,981
BASE SUPPORT						
1106N	180	BSM3	SUSTAINMENT, RESTORATION AND MODERNIZATION	56,728	50,810	56,590
1106N	190	BSS3	BASE OPERATING SUPPORT	133,094	143,250	146,254
TOTAL BASE SUPPORT				189,822	194,060	202,844
TOTAL, BA 03: TRAINING AND RECRUITING				727,188	681,941	787,912

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Department of Defense
 FY 2008/2009 President's Budget
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Total Obligational Authority
 (Dollars in Thousands)

				FY 2006	FY 2007	FY 2008
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1106N Operation & Maintenance, Marine Corps						
BUDGET ACTIVITY 04: ADMINISTRATION AND SERVICE-WIDE ACTIVITIES						
SERVICEWIDE SUPPORT						
1106N	200	4A2G	SPECIAL SUPPORT	256,861	254,398	257,131
1106N	210	4A3G	SERVICE-WIDE TRANSPORTATION	295,530	215,616	81,548
1106N	220	4A4G	ADMINISTRATION	43,994	33,899	36,078
			TOTAL SERVICEWIDE SUPPORT	596,385	503,913	374,757
BASE SUPPORT						
1106N	230	BSM4	SUSTAINMENT, RESTORATION, AND MODERNIZATION	2,349	2,913	3,039
1106N	240	BSS4	BASE OPERATING SUPPORT	13,090	12,182	14,116
			TOTAL BASE SUPPORT	15,439	15,095	17,155
TOTAL, BA 04: ADMINISTRATION AND SERVICE-WIDE ACTIVITIES				611,824	519,008	391,912
BUDGET ACTIVITY 30: ADJUSTMENT						
CONTINUING RESOLUTION ADJUSTMENT						
1106N	250	540	CONTINUING RESOLUTION ADJUSTMENT		-996	
			TOTAL CONTINUING RESOLUTION ADJUSTMENT		-996	
TOTAL, BA 30: ADJUSTMENT					-996	
Total Operation & Maintenance, Marine Corps				7,061,001	6,475,594	4,961,393

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Department of Defense
FY 2008/2009 President's Budget
Exhibit O-1A

Total Obligational Authority
(Dollars in Thousands)

Appropriation Summary

	FY 2006	FY 2007	FY 2008
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Department of the Navy			
OPERATION & MAINTENANCE, MARINE CORPS	7,061,001	3,786,588	4,961,393
Total Department of the Navy	7,061,001	3,786,588	4,961,393
Total Operation and Maintenance Title:	7,061,001	3,786,588	4,961,393

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Department of Defense
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Department of Defense
 FY 2008/2009 President's Budget
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Total Obligational Authority
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Total Operation & Maintenance, Marine Corps				7,061,001	3,786,588	4,961,393

DEPARTMENT OF NAVY
 Operation and Maintenance, Marine Corps
 FY 2008 President's Budget Submission
 Summary of Price and Program Changes (excludes Supplemental)
 Exhibit OP-32A

		FY 2006	Foreign	Price	Program	FY 2007	Foreign	Price	Program	FY 2008	Foreign	Price	Program	FY 2009
		Actuals	Currency	Growth	Growth	Estimate	Currency	Growth	Growth	Estimate	Currency	Growth	Growth	Estimate
Civilian Personnel Compensation														
	0101	772,276	-	18,537	15,247	806,060	-	22,487	18,332	846,879	-	21,173	19,424	887,476
	0103	147,228	-	4,505	(5,744)	145,989	-	3,299	3,913	153,201	-	4,552	(605)	157,148
	0111	13,872	-	-	4,239	18,111	-	-	-	18,111	-	-	-	18,111
Total Civilian Personnel Compensation		933,376	-	23,042	13,742	970,160	-	25,786	22,245	1,018,191	-	25,725	18,819	1,062,735
Travel														
	0308	112,295	-	2,695	6,213	121,203	-	2,787	6,213	130,203	-	2,862	2,197	135,262
Total Travel		112,295	-	2,695	6,213	121,203	-	2,787	6,213	130,203	-	2,862	2,197	135,262
WCF Supplies and Material Purchases														
	0401	97,796	-	(9,845)	4,516	92,467	-	7,913	112,757	213,137	-	903	63,992	278,032
	0411	18,345	-	807	1,784	20,936	-	168	9,467	30,571	-	427	4,036	35,034
	0412	53,228	-	(6,919)	8,874	55,183	-	1,490	51,623	108,296	-	2,166	34,207	144,669
	0414	1,552	-	(17)	(920)	615	-	37	1,315	1,967	-	51	32	2,050
	0415	60,587	-	363	6,465	67,415	-	1,483	20,033	88,931	-	1,690	8,025	98,646
	0416	52,961	-	1,271	(3,260)	50,972	-	1,173	2,019	54,164	-	1,191	330	55,685
	0417	12,538	-	300	(65)	12,773	-	294	(140)	12,927	-	285	(22)	13,190
	0491	200	-	-	44	244	-	-	25	269	-	-	8	277
	0492	18,477	-	-	(1,246)	17,231	-	-	1,002	18,233	-	-	(64)	18,169
Total WCF Supplies and Material Purchases		315,684	-	(14,040)	16,192	317,836	-	12,558	198,101	528,495	-	6,713	110,544	645,752
Stock Fund Equipment														
	0502	2,822	-	124	(2,946)	-	-	-	3,136	3,136	-	44	1	3,181
	0503	9,734	-	(1,266)	6,081	14,549	-	2,720	2,506	19,775	-	435	433	20,643
	0505	7	-	-	4	11	-	1	(1)	11	-	-	-	11
	0506	4,439	-	27	(2,880)	1,586	-	35	3,300	4,921	-	94	-	5,015
	0507	23,597	-	566	(315)	23,848	-	549	1,178	25,575	-	563	(33)	26,105
Total Stock Fund Equipment		40,599	-	(549)	(56)	39,994	-	3,305	10,119	53,418	-	1,136	401	54,955
Other WCF Purchases (Excluding Transportation)														
	0601	2,624	-	144	947	3,715	-	468	926	5,109	-	465	(149)	5,425
	0602	430	-	23	12,966	13,419	-	1,690	(3,610)	11,499	-	1,047	9,413	21,959
	0610	2,522	-	86	813	3,421	-	48	1,285	4,754	-	233	169	5,156
	0611	13,045	-	456	3,595	17,096	-	308	7,079	24,483	-	808	966	26,257
	0613	1,072	-	123	381	1,576	-	39	525	2,140	-	49	81	2,270
	0631	605	-	(4)	204	805	-	54	345	1,204	-	31	48	1,283
	0633	256	-	6	26	288	-	23	(2)	309	-	12	1	322
	0634	15,522	-	497	(999)	15,020	-	1,277	158	16,455	-	329	(16)	16,768
	0635	14,881	-	270	1,191	16,342	-	695	40	17,077	-	391	2	17,470
	0640	11,101	-	(367)	69,684	80,418	-	2,493	(4,258)	78,653	-	10,382	33,553	122,588
	0647	9,066	-	680	(607)	9,139	-	347	(346)	9,140	-	110	64	9,314
	0671	1,665	-	63	(108)	1,620	-	62	(27)	1,655	-	20	14	1,689
	0672	32,405	-	6,805	11,457	50,667	-	(2,432)	2,432	50,667	-	3,699	(3,699)	50,667
	0673	82,849	-	(7,954)	665	75,560	-	(4,836)	4,876	75,600	-	(4,158)	5,813	77,255
	0679	302	-	7	126	435	-	10	208	653	-	14	32	699
Total Other WCF Purchases (Excluding Transportation)		188,345	-	835	100,341	289,521	-	246	9,631	299,398	-	13,432	46,292	359,122

Transportation

0703	3,156	-	152	198	3,506	-	1,557	3,082	8,145	-	285	2,545	10,975
0705	1,147	-	5	1,272	2,424	-	53	(487)	1,990	-	41	3,192	5,223
0718	3,914	-	806	5,950	10,670	-	(106)	(9,832)	732	-	36	7,984	8,752
0719	5,403	-	(173)	2,833	8,063	-	395	11	8,469	-	415	537	9,421
0725	374	-	-	119	493	-	-	215	708	-	-	32	740
0771	14,142	-	297	6,031	20,470	-	450	73,394	94,314	-	1,981	6,995	103,290
Total Transportation	28,136	-	1,087	16,403	45,626	-	2,349	66,383	114,358	-	2,758	21,285	138,401

Other Purchases

0901	19,528	-	468	(1,265)	18,731	-	522	(48)	19,205	-	480	(21)	19,664
0902	4,287	-	103	(279)	4,111	-	115	(10)	4,216	-	106	(7)	4,315
0912	2,611	-	61	(2,664)	8	-	62	2,813	2,883	-	60	-	2,943
0913	135,476	-	3,251	6,744	145,471	-	3,345	8,055	156,871	-	3,451	(1,706)	158,616
0914	36,207	-	870	1,931	39,008	-	896	12,326	52,230	-	1,148	402	53,780
0915	32,918	-	790	(1,830)	31,878	-	733	1,174	33,785	-	743	(32)	34,496
0917	11,951	-	-	2,321	14,272	-	-	211	14,483	-	-	(5)	14,478
0920	315,471	-	7,570	(126,021)	197,020	-	4,530	196,689	398,239	-	8,759	78,337	485,335
0921	49,767	-	1,194	(7,047)	43,914	-	1,011	49,572	94,497	-	2,079	2,867	99,443
0922	163,486	-	3,925	72,325	239,736	-	5,513	32,448	277,697	-	6,109	4,026	287,832
0923	364,663	-	8,754	9,989	383,406	-	8,818	47,228	439,452	-	9,667	11,248	460,367
0925	97,745	-	2,348	40,620	140,713	-	3,236	389,751	533,700	-	11,738	(95,187)	450,251
0926	209	-	-	(209)	-	-	-	221	221	-	-	-	221
0930	618	-	15	7,073	7,706	-	177	(7,187)	696	-	15	-	711
0932	28,674	-	688	2,048	31,410	-	723	22,991	55,124	-	1,213	92	56,429
0933	24,939	-	598	6,932	32,469	-	747	11,913	45,129	-	993	4,200	50,322
0934	16,363	-	393	4,487	21,243	-	489	18,065	39,797	-	875	487	41,159
0937	1,987	-	(203)	366	2,150	-	193	(121)	2,222	-	11	(9)	2,224
0987	433,773	-	2,555	(28,040)	408,288	-	2,313	(27,117)	383,484	-	2,724	1,894	388,102
0988	4,800	-	115	(4,915)	-	-	-	-	-	-	-	-	-
0989	130,927	-	3,141	18,803	152,871	-	3,517	29,462	185,850	-	4,087	2,490	192,427
0991	83	-	-	20	103	-	-	54	157	-	-	8	165
0998	74,057	-	1,777	11,906	87,740	-	2,017	(12,365)	77,392	-	1,704	30	79,126
Total Other Purchases	1,950,540	-	38,413	13,295	2,002,248	-	38,957	776,125	2,817,330	-	55,962	9,114	2,882,406

Total OMMC

	3,518,975	-	51,483	166,130	3,786,588	-	85,988	1,088,817	4,961,393	-	108,588	208,652	5,278,633
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DEPARTMENT OF NAVY
Fiscal Year (FY) 2008/2009 Budget Estimates
Personnel Summary

	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	Change FY 2007-2008	Change FY 2008-2009
Operation and Maintenance, Marine Corps Personnel Summary:						
Civilian ES (Total)	16,140	15,884	16,230	16,370	346	140
U.S. Direct Hire	12,826	12,508	12,854	12,994	346	140
Foreign National Direct Hire	0	0	0	0	0	0
Total Direct Hire	12,826	12,508	12,854	12,994	346	140
Foreign National Indirect Hire (Military Technician Included Above (Memo)) (Reimbursable Civilians Included Above (Memo))	3,314	3,376	3,376	3,376	0	0
Additional Military Technicians Assigned to USSOCOM	3,427	3,675	3,743	3,741	68	-2
Operation and Maintenance, Marine Corps Personnel Summary:						
Civilian FTEs (Total)	15,535	15,762	15,976	16,238	214	262
U.S. Direct Hire	12,243	12,408	12,622	12,884	214	262
Foreign National Direct Hire	0	0	0	0	0	0
Total Direct Hire	12,243	12,408	12,622	12,884	214	262
Foreign National Indirect Hire (Military Technician Included Above (Memo)) (Reimbursable Civilians Incl. Above (Memo))	3,292	3,354	3,354	3,354	0	0
Additional Military Technicians Assigned to USSOCOM	3,400	3,629	3,695	3,692	66	-3

OPERATION AND MAINTENANCE, MARINE CORPS
 FY2008 BUDGET ESTIMATE SUBMISSION
 SUMMARY OF INCREASES AND DECREASES
 PB-31D EXHIBIT
 (Amounts in thousands)

	BA-1	BA-3	BA-4	TOTAL
FY 2007 President's Budget Request	2962509	588172	328281	3878962
1. Congressional Adjustment	-83468	-5940	-1690	-91098
a. Distributed	-64925	400	0	-64525
b. Undistributed	-2204	-765	-31	-3000
c. Adjustments to Meet Congressional Intent	0	0	0	0
d. General Provision	-16339	-5575	-1659	-23573
FY 2007 Appropriation	2879041	582232	326591	3787864
2. FY 2007 Program Changes (07 to 07)	-1474	0	52	-1422
FY 2007 Baseline Funding	2877567	582378	326643	3786588
3. Supplemental	2397078	99563	192365	2689006
Revised FY 2007 Estimate	5274645	681941	519008	6475594
4. Less: Supplemental	-2397078	-99563	-192365	-2689006
FY 2007 Normalized Current Estimate	2877567	582378	326643	3786588
5. Price Growth	74398	14218	-2628	85988
6. Program Changes	829604	191316	67897	1088817
a. Program Increases	850707	192208	67897	1110812
b. Program Decreases	-21103	-892	0	-21995
7. Transfers	0	0	0	0
a. Transfers In	0	0	0	0
b. Transfers Out	0	0	0	0
FY 2008 Budget Request	3781569	787912	391912	4961393
8. Price Growth	85388	17720	5480	108588
9. Program Change	198687	-3264	13229	208652
FY 2009 Budget Request	4065644	802368	410621	5278633

Department of the Navy
Operation and Maintenance, Marine Corps
1A1A Operational Forces
FY 2008 President's Budget Submission
Exhibit OP-5

I. Description of Operations Financed:

The Operating Forces are considered the heart of the Marine Corps. They constitute the forward presence, crisis response and fighting power available to the Combatant Commanders. This sub-activity group provides for the operating forces that constitute the Marine Air-Ground Team and Marine security forces at naval installations and aboard Naval vessels. The funds finance training and routine operations; maintenance and repair of organic ground equipment; routine supplies, travel, per diem and emergency leave; information technology and internet support; and replenishment and replacement of both unit and individual equipment. Financing is also provided for the movement of troops to participate in exercises either directed by higher authority or by the Commandant of the Marine Corps. About 65 percent of all active duty Marines are assigned to the Operating Forces.

II. Force Structure Summary:

a. Land Forces. Encompasses the ground portion of the Operating Forces and includes those forces in the three active Marine Divisions, three active Marine Logistics Groups, and three active Marine Aircraft Wings. The forces are located at installations on the East and West coasts of the United States, at bases in the Pacific Ocean, and aboard amphibious ships of the United States Navy. The specific missions of the Operating Forces are: (1) to serve with the fleets in the seizure or defense of naval bases and in land operations through the prosecution of a naval campaign; (2) to participate as directed by the Commandant of the Marine Corps in the development of doctrine, tactics, techniques, and equipment used by landing forces in amphibious operations; (3) to train and equip Marine forces for airborne operations as directed by the Commandant of the Marine Corps; (4) to train the maximum number of personnel to meet requirements for expansion during time of war; (5) to support irregular warfare operations through the Marine Corps Special Operations Command; and (6) to perform such other duties as may be directed.

b. Naval Forces. Provide Marine forces for duty at sea and ashore for security aboard naval vessels and naval stations and provide forces from the Marine Air-Ground Team for participation in exercises as directed by the Joint Chiefs of Staff (JCS). The objectives of the Marine Corps in this area are to: (1) ensure that highly qualified Marines are assigned to Naval Security Forces; (2) provide Marine security forces for duty aboard Naval vessels; (3) provide adequate material support for the unique requirements of Marine Security Forces; (4) maintain Marine Air and Ground Forces at a state of readiness capable of participating in exercises as directed by the JCS; and (5) provide material support to Marine forces and other allied forces participating in JCS exercises aboard or in the vicinity of Marine Corps installations.

c. Tactical Air Forces. Participate as the air component of the Operating Forces in the prosecution of a naval campaign. Tactical Air Forces are designed to provide fixed wing air support for Marine Corps ground forces. The concept of employment envisions formation of a Marine Air-Ground Task Force (MAGTF) specifically tailored to meet anticipated requirements of the assigned tactical objective, to include offensive air warfare, and command and control of aircraft and missiles. Inherent in these functions are the tasks which include close air support, interdiction, air superiority, and air control. A collateral function of Marine Corps Tactical Air is to participate as an integral component of naval aviation in the execution of other Navy functions as the fleet commanders may direct.

d. Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in endstrength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved endstrength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

Department of the Navy
 Operation and Maintenance, Marine Corps
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
2,536,827	503,462	443,074	88.01	447,734	867,734	1,100,720
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	503,462	447,734	867,734
Congressional Adjustments (Distributed)	-55,025	0	0
Congressional Adjustments (Undistributed)	-1,786	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-3,577	0	0
Subtotal Appropriation Amount	443,074	0	0
War-Related and Disaster Supplemental Appropriations	1,649,400	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	4,660	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-1,649,400	0	0
Price Change	0	17,064	15,842
Functional Transfers	0	0	0
Program Changes	0	402,936	217,144
Normalized Current Estimate	447,734	0	0
Current Estimate	447,734	867,734	1,100,720

/1 Excludes FY 2007 Supplemental Funds

Department of the Navy
 Operation and Maintenance, Marine Corps
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C. Reconciliation of Increases and Decreases

FY 2007 President's Budget Request

1) Congressional Adjustments

	<u>Amount</u>	<u>Totals</u>
		503,462
a) Distributed Adjustments		-60,388
i) Peacetime Training Offset	-43,500	
ii) One Time Adjustment for Baseline Increase	-30,300	
iii) Hardened Fluorescent Stringable Tent Lighting System	3,000	
iv) Marine Advance Combat Garments	2,600	
v) Individual Water Purification	2,275	
vi) Cold Weather Layering System	1,800	
vii) MIOX On-the-Move Individual Water Purification System	1,650	
viii) Modular General Purpose Tent System (MGPTS) - Type III	1,650	
ix) Marine Corps Flame Resistant Contact Glove	1,500	
x) QuickClot Hemostatic Agent	1,300	
xi) Modular Military Steel Traction Combat Snowshoe	1,000	
xii) Command Post - Large Tactical Shelter	1,000	
xiii) Marine Corps Base Layer / Cold Weather Clothing and Equipment Program	1,000	
b) Undistributed Adjustments		-1,786
i) Congressional Reduction - Unobligated Balance	-1,786	
c) General Provisions		-3,577
i) Sec. 8106: Revised Economic Assumptions	-1,504	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-1,060	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-908	
iv) Sec. 8078: Excessive Growth in Advisory and Assistance Services	-105	

2) War-Related and Disaster Supplemental Appropriations

a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		1,649,400
i) Title IX	1,649,400	

3) Fact-of-Life Changes

a) Emergent Requirements		4,660
i) Program Growth		4,660

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
- Realignment of funding from Facilities Sustainment, Restoration and Modernization (BSM1) (\$1,100) and Base Operating Support (BSS1) (\$2,072) to reflect actual execution for Marine Forces Central Command. (Baseline \$1,978)	3,172	
- Funding for military to civilian conversions. This will enable the military personnel to be reassigned to the operating forces and is a component of the Commandant of the Marine Corps initiative to rebalance the force. (Baseline \$31,778)	1,488	
Revised FY 2007 Estimate		2,097,134
4) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-1,649,400
Normalized Current Estimate for FY 2007		447,734
Price Change		17,064
5) Program Increases		402,936
a) Program Growth in FY 2008		402,936
i) Increase for Marine Corps Ground Forces Augmentation. Funding for training and routine operations; fuel; maintenance and repair of organic ground equipment; routine supplies; travel, per diem and emergency leave; replenishment and replacement of both unit and individual equipment. (Baseline \$447,734)	286,648	
ii) Intermediate and Organizational Maintenance for Table of Equipment (T/E) items acquired from previous fiscal years supplemental funding. Funding is required to maintain equipment for future use in support of CONPLAN 7500 and to provide adequately equipped forces to the Combatant Commanders as outlined in the Strategic Planning Guidance (SPG). Funding supports items provided in supplemental that are a permanent increase to the Table of Equipment. (Baseline \$80,631)	49,667	
iii) Secondary Repairables. Components of major end items that have established usage rates and scheduled maintenance, repair and replacement requirements. Secondary Repairable funding supports maintaining adequate readiness levels for forces assigned to the Combatant Commander. Increase in funding is necessary due to increased usage and an increase in the number of items scheduled for maintenance. (Baseline \$46,800)	27,754	
iv) Marine Corps Exercise funding for airlift and sealift, risk assessments, and general support. Provides funding for exercises consistent with the shift from conventional to irregular warfare and for exercises intended to improve cultural awareness. Funding for the participation in Joint or Multinational Exercises including the Commander Joint Chiefs of Staff (CJCS) Exercise and Training Program and Bilateral Training. These exercises provide an opportunity to stress strategic transportation and Command, Control, Communications, Computers, and Intelligence (C4I) systems and evaluate their readiness and supportability across the full spectrum of military operations. Additionally, exercises and training events demonstrate US resolve and capability to project military presence anywhere in the world in support of our national interests and commitments to our allies. Joint and multinational training events range from small unit deployments through full-scale field training exercises. (Baseline \$58,169)	23,966	
v) Marine Forces Formal Training. Funds for the daily operations of organized schools within the Operating Forces. Examples include but are not limited to: Corporals Courses, Sergeants Courses, Staff NCO academies,	7,672	

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
Marine Battle Skills Training, and specialized training such as those required by Recon units. (Baseline \$134,051)		
vi) Marine Corps Combat Development Command (MCCDC). This program funds MCCDC Headquarters and Expeditionary Force Development Center activities. MCCDC's mission is to develop warfighting capabilities for the present and future and equip the USMC for decisive victory in Joint and Coalition operations. Increase reflects the shift from conventional to irregular warfare by supporting analysis and doctrinal updates at MCCDC to support irregular warfare. (Baseline \$24,179)	7,229	
FY 2008 Budget Request		867,734
Price Change		15,842
Program Change		217,144
FY 2009 Budget Request		1,100,720

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IV. Performance Criteria and Evaluation Summary:

Activity: Operating Forces

Activity Goal: The purpose of Operating Forces Operation and Maintenance programs is to provide training and equipment maintenance funds to Marine Corps Force Commanders so they can provide combat ready forces to the Combatant Commanders.

Description of Activity: The Marine Corps Land Forces program encompasses the ground portion of the USMC Total Force and includes those forces in the four Marine Divisions, four Force Service Support Groups, and four Marine Aircraft Wings. The forces are located at installations throughout the United States, at bases in the Pacific and aboard amphibious ships of the United States Navy.

MEASURES

Combat Ready Day-Equipment and Training: This measure represents one Status Of Resources & Training System (SORTS) reportable unit reporting an equipment R1 or R2 and a training rating of T1 or T2 for one day. The % Achieved represents the percentage of units throughout the USMC (both Active and Reserve Components) have achieved this desired SORTS rating.

	FY 2006	FY 2007	FY 2008	FY 2009
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Funds Allocated to Training and Equipment Maintenance (\$000)	\$566,234	\$579,857	\$784,038	\$813,369
Combat Ready Days-Equipment and Training (CRED-ET)	84,112	96,000	99,000	99,000
Cost Per CRED-ET (\$000)	\$6.732	\$6.040	\$7.920	\$8.216
Total Possible CRED-ETs	113,047	113,047	113,047	113,047
% Achieved	74%	85%	88%	88%

Explanation of Performance Variances:

Prior Year: This is the first update to the FY 2007 President's Budget submission for CRED-ET. CRED-ET attempts to link USMC readiness efforts to Operations and Maintenance fiscal resources. The resulting values are estimates carried forward to FY 2008 and FY 2009. Additionally, the "Funds Allocated to Training and Equipment Maintenance" have been updated to reflect current financial controls. Performance trends cannot be assessed until actual data is studied from year to year. Actual data for 2003 to FY 2006 reflect an average CRED-ET % Achieved = 83%.

* This model excludes any Supplemental funds to ensure logical comparisons between fiscal years.

Current Year: Estimated results for prior year were derived by assuming that USMC units could achieve an 88% Combat Ready level and that total possible CRED-ET remain consistent. Total possible CRED-ET is estimated at 113,047 for FY 2007 through FY 2009 with a percent achieved goal of 85%. Funding is reported as the current estimate (\$579,857K), yielding a cost per CRED-ET of \$6,040K. Given the absence of a baseline CRED-ET, the ability to infer out-year variance is difficult. As CRED is collected and refined, the measure will provide greater predictive capability.

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<u>V. Personnel Summary</u>	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	9,286	9,286	9,286	9,286	0	0
Enlisted	107,398	107,398	107,398	107,398	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	163	163	163	163	0	0
Enlisted	106	106	106	106	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	400	417	437	444	20	7
Active Military Average Strength (A/S) (Total)						
Officer	9,286	9,286	9,286	9,286	0	0
Enlisted	107,398	107,398	107,398	107,398	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	163	163	163	163	0	0
Enlisted	106	106	106	106	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	400	417	437	444	20	7
Average Civilian Workyear/Full Time Equivalent Cost	95	82	85	86	3	1

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

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	35864	0	861	-4947	31778	0	887	784	33449	0	837	393	34679
0103 Wage Board	846	0	27	201	1074	0	24	318	1416	0	43	-7	1452
0111 Disability Compensation	13	0	0	11	24	0	0	0	24	0	0	0	24
03 Travel													
0308 Travel of Persons	187066	0	4490	-142921	48635	0	1119	7106	56860	0	1251	2751	60862
04 WCF Supplies and Materials Purchases													
0401 DFSC Fuel	323493	0	-31435	-241346	50712	0	4336	109947	164995	0	751	64074	229820
0411 Army Managed Purchases	229544	0	10100	-219936	19708	0	158	9293	29159	0	408	4011	33578
0412 Navy Managed Purchases	37879	0	-4924	-10137	22818	0	616	26631	50065	0	1002	32724	83791
0414 Air Force Managed Purchases	13942	0	-154	-13788	0	0	0	1078	1078	0	28	0	1106
0415 DLA Managed Purchases	592438	0	3554	-547914	48078	0	1058	21109	70245	0	1335	8408	79988
0416 GSA Managed Supplies and Materials	7620	0	183	-7185	618	0	14	507	1139	0	25	295	1459
0417 Local Proc DoD Managed Supp and Materials	25806	0	619	-22900	3525	0	81	-3	3603	0	79	-3	3679
05 STOCK FUND EQUIPMENT													
0502 Army WCF Equipment	2822	0	124	-2946	0	0	0	3136	3136	0	44	1	3181
0503 Navy WCF Equipment	8421	0	-1095	5917	13243	0	2476	2638	18357	0	404	394	19155
0506 DLA WCF Equipment	3038	0	18	-3056	0	0	0	3300	3300	0	63	0	3363
0507 GSA Managed Equipment	2840	0	68	159	3067	0	71	2	3140	0	69	4	3213
06 Other WCF Purchases (Excl Transportation)													
0611 Naval Surface Warfare Center	778	0	27	-805	0	0	0	866	866	0	29	0	895
0635 Naval Public Works Ctr (Other)	360	0	13	-373	0	0	0	404	404	0	9	1	414
0640 Depot Maintenance Marine Corps	73	0	-2	-71	0	0	0	88	88	0	12	-14	86
07 Transportation													
0703 JCS Exercise Program	3156	0	152	198	3506	0	1557	3082	8145	0	285	2545	10975
0705 AMC Channel Cargo	288	0	1	17	306	0	7	505	818	0	17	292	1127
0771 Commercial Transportation	7103	0	149	416	7668	0	169	5326	13163	0	276	2404	15843
09 OTHER PURCHASES													
0912 Standard Level User Charges(GSA Leases)	2605	0	61	-2666	0	0	62	2813	2875	0	60	0	2935
0913 PURCH UTIL (Non WCF)	417	0	10	-427	0	0	0	460	460	0	10	0	470
0914 Purchased Communications (Non WCF)	2900	0	70	160	3130	0	72	502	3704	0	81	289	4074
0915 Rents	11813	0	284	-643	11454	0	263	1318	13035	0	287	-13	13309
0917 Postal Services (USPS)	398	0	0	23	421	0	0	0	421	0	0	0	421
0920 Supplies and Materials (Non WCF)	407713	0	9785	-343775	73723	0	1696	103197	178616	0	3929	60015	242560
0921 Printing and Reproduction	1316	0	32	73	1421	0	33	503	1957	0	43	290	2290
0922 Equip Maintenance by Contract	585630	0	14055	-546160	53525	0	1231	9341	64097	0	1410	521	66028
0923 FAC maint by contract	57	0	1	-58	0	0	0	0	0	0	0	0	0
0925 Equipment Purchases	24481	0	588	18805	43874	0	1009	66483	111366	0	2450	35164	148980
0926 Other Overseas Purchases	209	0	0	-209	0	0	0	221	221	0	0	0	221
0932 Mgt and Prof Support Services	853	0	20	-873	0	0	0	941	941	0	21	-1	961
0934 Engineering and Tech Svcs	963	0	23	-986	0	0	0	1062	1062	0	23	-1	1084

1A1A Operational Forces

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Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
0987 Other Intragovernmental Purchases	7993	0	192	-8185	0	0	0	9830	9830	0	216	575	10621
0989 Other Contracts	5675	0	136	-385	5426	0	125	9691	15242	0	335	2032	17609
0998 Other Costs	414	0	10	-424	0	0	0	457	457	0	10	0	467
TOTAL 1A1A Operational Forces	2536827	0	8043	-2097136	447734	0	17064	402936	867734	0	15842	217144	1100720

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I. Description of Operations Financed:

The Field Logistics sub-activity group provides the resources necessary for overall weapons system management and logistics support required to meet the operational needs of the Marine Corps. This sub-activity group specifically includes lifecycle management support of weapon systems/equipment; maintenance of service wide stores and allotment accounting systems; technical support of weapon systems acquisition; monitoring of quality assurance programs; implementation of configuration management programs; implementation of total service wide provisioning; and research, design and development of Marine Corps uniforms and specialized dress requirements. This mission also includes the assembly and disassembly of sets, kits, chests, collateral material and end-item components; and management of the Marine Corps' worldwide uniform clothing mail order support. Funds also reimburse the Defense Logistics Agency for the supply and distribution system that receives, stores, maintains and distributes the material required to meet the operational needs of the Marine Corps.

II. Force Structure Summary:

This activity group provides logistics support to the entire Marine Corps.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current	FY 2008	FY 2009
	Budget	Congressional	Action			
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
587,045	424,331	415,882	98.01	416,105	502,437	555,186
				/1		

B. Reconciliation Summary

	Change	Change	Change
	<u>FY 2007/2007</u>	<u>FY 2007/2008</u>	<u>FY 2008/2009</u>
Baseline Funding	424,331	416,105	502,437
Congressional Adjustments (Distributed)	-2,800	0	0
Congressional Adjustments (Undistributed)	-93	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-5,556	0	0
Subtotal Appropriation Amount	415,882	0	0
War-Related and Disaster Supplemental Appropriations	169,760	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	223	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-169,760	0	0
Price Change	0	10,754	14,074
Functional Transfers	0	0	0
Program Changes	0	75,578	38,675
Normalized Current Estimate	416,105	0	0
Current Estimate	416,105	502,437	555,186

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		424,331
1) Congressional Adjustments		-8,449
a) Distributed Adjustments		-2,800
i) One Time Adjustment for Baseline Increase	-7,600	
ii) Ultra Lightweight Camouflage System (ULCANS)	3,000	
iii) Corrosion Prevention and Control	1,800	
b) Undistributed Adjustments		-93
i) Congressional Reduction - Unobligated Balance	-93	
c) General Provisions		-5,556
i) Sec. 8078: Excessive Growth in Advisory and Assistance Services	-3,825	
ii) Sec. 8106: Revised Economic Assumptions	-1,413	
iii) Sec. 8077: Contract Efficiencies and Management Improvements	-251	
iv) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-67	
2) War-Related and Disaster Supplemental Appropriations		169,760
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		169,760
i) Title IX	169,760	
3) Fact-of-Life Changes		223
a) Emergent Requirements		223
i) Program Growth		223
- i) Adjustment to reflect actual execution of funding	223	
Revised FY 2007 Estimate		585,865
4) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-169,760
Normalized Current Estimate for FY 2007		416,105
Price Change		10,754
5) Program Increases		78,341
a) Program Growth in FY 2008		78,341
i) Unit Operations Center (UOC). The UOC is comprised of the Combat Centers (CCs) and Combat Operation Center (COC). The COC provides a centralized facility to host Command and Control (C2) functionality for the Command Element (CE), Ground Combat Element (GCE), Air Combat Element (ACE) and the Combat Service Support Element (CSSE) of the Marine Air Ground Task Force (MAGTF). The UOC is scalable and supports	19,398	

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
command echelons for battalion and above. Increased funding provides contract maintenance and communications support to UOCs fielded through supplemental funding that will remain in the Marine Corps inventory. (Baseline \$13,127)		
ii) Marine Air Ground Task Force (MAGTF) Command and Control (C2) Systems Applications. This is a new start and a component of the MAGTF C2 end-to-end C2 strategy capabilities framework. A single MAGTF C2 software baseline will be developed as defined in each 2 year MAGTF C2 Spiraled capability. Costs include the integration, test, installation, and sustainment of Software, Firmware, and the computing environment. Funding provides post deployment software support. (Baseline \$0)	9,440	
iii) MC Enterprise IT Services (MCEITS). Funds provide for management and technical support for the MCEITS Operational Command (MOC) and the operations of the MCEITS Enterprise Information Technology (IT) Centers. The MOC will be responsible for the strategic operation of the IT Centers and for operations and maintenance of individual Enterprise IT Centers on a day-to-day basis. The centers will provide the following capabilities: applications and database hosting, configuration management of software, Storage Area Networks (SAN) and physical environment. The MOC will enable the MCEITS IT Centers to function as a full service enterprise-class electronic business environment based on scaleable, deployable, interoperable hardware, software and services. (Baseline \$1,550)	9,357	
iv) Counter Radio Controlled Improvised Explosive Device (RCIED) and Electronic Warfare. New start. High-Power RCIEDs are currently responsible for 80% of all Marine casualties that occur within the Multi-national Force-West (MNF-W) area of operations. This is a new enemy threat, evolving on a daily basis, that will most certainly spread to other areas of the globe and will be present in all future engagements. The counter systems supported by this funding provide independent, easy to operate, and programmable capability that protects maneuver elements, convoys, and entry control points from the deadly effects of RCIEDs. Funding is for support and sustainment of RCIED devices previously purchased with supplemental funds. (Baseline \$0)	8,000	
v) Marine Corps S/W Enterprise Licenses Maintenance System (MCSELMS). Consolidation of decentralized software licensing programs. Funds are used to ensure the Marine Corp's software enterprise investments are upgradeable and eliminate security issues that arise by using software that is out dated and no longer supported by the software vendor. Programs of record will purchase new licensing requirements via MCSELMS to provide assured protection, asset management and configuration management of the portfolio. Required to maintain software licenses for computer applications throughout the Marine Corps. (Baseline \$0)	6,894	
vi) Defense Integrated Military Human Resources System. DIMHRS (Pers/Pay) will provide a single integrated human resources system for personnel and pay functionality that supports the four Military Services (Army, Navy, Air Force, and Marine Corps), a total of ten Components (Active, Guard, and Reserve), as well as Defense Agencies and the Unified Commanders in Chiefs. Increase for OSD mandated funding levels. (Baseline \$875)	5,000	
vii) Defense Message System. This is a one year cost for refresh and upgrade of the system to meet system requirements. DMS is a flexible COTS-based, network centric, application layer system that provides multi-media messaging and directory services capable of taking advantage of the DII network and security services (High Grade Service PKI). (Baseline \$922)	4,808	
viii) Corrosion Prevention and Control (CPAC). CPAC provides corrosion assessment and service teams and	4,120	

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
distributes resources to support active and reserve Marine Force corrosion prevention and services. This increase provides funding in the baseline for this program. Funding for CPAC assessment and service teams currently provided by Congressional plus-ups. (Baseline \$3,923)		
ix) HIMARS will be fielding systems in FY08 from systems procured in FY06 and FY07. O&M growth is to cover Acquisition Support to include the following: Government Travel, Contractor Logistics Support, and initial support for the units receiving the HIMARS Systems, and replenishment spares. (Baseline \$1,950)	4,079	
x) Integrated Logistics Capability. Increase provides additional resources to the current Logistics Modernization line to harmonize the ground logistics operational architecture with the aviation logistics community, enabling a common information technology solution to accommodate both communities. (Baseline \$1,937)	1,520	
xi) The Enterprise Logistics Modernization effort supports the overall corporate effort to modernize logistics planning and execution. It provides funding for the development of the MC Logistics Campaign Plan, MARCORLOGCOM Strategic Plan, Realignment of Maintenance and integration of the operational logistics chain management. It provides system support and development of Condition-Based Maintenance (CBM), Autonomic Logistics and enhances Operating force access to tech and maintenance data. Through centralization it provides for predictive analysis for equipment design, development/assessment of logistics support alternatives and reduction of total ownership costs. This funding will also support Performance Based Logistics business cases analyses. It will also provide for Diminishing Manufacturing Sources and Materiel Shortages prediction and planning for obsolescence issues. (Baseline \$1,425)	1,500	
xii) Intel, Info, C2 Equip.and Enhancement. The Intelligence, Information, Command, Control Equipment and Enhancement (ICE2) contract is a service support contract and is the primary source of post fielding support for a variety of Intel, Command, Control and Computer-related systems. Provides funding for 14 contractors, deployed throughout the force that perform maintenance and supply support for 49 different Comm/Elect items. (Baseline \$2,417)	1,500	
xiii) The Consolidated Training Allowance Pool (CTAP) program funds the consolidation of cold, wet, and hot weather clothing into regional centers under a single operational management structure. Does not include items funded under the Consolidated Issue Facilities (CIF) program. (Baseline \$1,410)	1,480	
xiv) LW 155 howitzer will be fielding systems in FY08 from systems procured in FY06 and FY07. O&M growth is to cover Acquisition Support to include the following: Government Travel, Contractor Logistics Support and, initial support for the units receiving the LW155, and replenishment spares. (Baseline \$2,274)	1,245	
6) Program Decreases		-2,763
a) Program Decreases in FY 2008		-2,763
i) Joint Tactical Radio System. Defense Planning Guidance directs consolidation of service programs into an interoperable, joint program for the development and acquisition of affordable, high capacity tactical radios with various bandwidths. (Baseline \$2,763)	-2,763	
FY 2008 Budget Request		502,437
Price Change		14,074
Program Change		38,675

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C. Reconciliation of Increases and Decreases
FY 2009 Budget Request

Amount

Totals
555,186

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IV. Performance Criteria and Evaluation Summary:

Activity: Field Logistics

Description of Activity: Provides logistics, supply, maintenance, and readiness support through Marine Corps Systems Command and Marine Corps Logistics Command

Performance Measure:

Metric Description: Provide the percentage of Field Logistics Support for Marine Corps Investment Programs

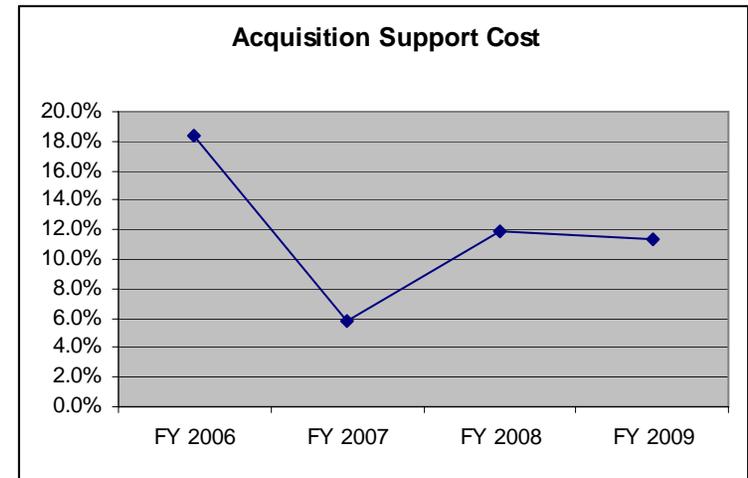
Metric #1: Acquisition Support Cost (ASCP) = Total 1A2A equipment / systems support divided by the total budgeted amount for all investment appropriations (PANMC, PMC, RDT&E)

Metric #2: Average dollar per 1A2A equipment / system program

Performance Goal: Less than 15% ASCP

Data Source: Programming and Budgeting Documentation Database
 Program Budget Information System

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
1A2A Programs (\$000)	485433	416105	502437	555186
Investment Appn	2641881	7090582	4217762	4864321
# of 1A2A Programs	178	178	178	178
ASCP	18.4%	5.9%	11.9%	11.4%
Avg per program (\$000)	2727	2338	2823	3119



Note: Funding levels exclude GWOT supplemental funding in order to achieve a normalized baseline measure.

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	161	161	161	161	0	0
Enlisted	164	164	164	164	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	3	3	3	3	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	1,728	1,504	1,508	1,639	4	131
Active Military Average Strength (A/S) (Total)						
Officer	161	161	161	161	0	0
Enlisted	164	164	164	164	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	3	3	3	3	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	1,653	1,447	1,451	1,582	4	131
Average Civilian Workyear/Full Time Equivalent Cost	107	104	109	109	5	0

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

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	165336	0	3969	-27413	141892	0	3959	2836	148687	0	3717	11324	163728
0103 Wage Board	11085	0	339	-2841	8583	0	194	169	8946	0	265	-34	9177
0111 Disability Compensation	88	0	0	-84	4	0	0	0	4	0	0	0	4
03 Travel													
0308 Travel of Persons	2999	0	72	965	4036	0	93	1619	5748	0	126	230	6104
04 WCF Supplies and Materials Purchases													
0411 Army Managed Purchases	68382	0	3009	-71025	366	0	3	154	523	0	7	23	553
0412 Navy Managed Purchases	7315	0	-951	2142	8506	0	230	3306	12042	0	241	494	12777
0414 Air Force Managed Purchases	459	0	-5	152	606	0	36	215	857	0	22	33	912
0415 DLA Managed Purchases	3651	0	22	-3673	0	0	0	0	0	0	0	0	0
0416 GSA Managed Supplies and Materials	693	0	17	236	946	0	22	314	1282	0	28	49	1359
05 STOCK FUND EQUIPMENT													
0503 Navy WCF Equipment	20934	0	-2721	-18075	138	0	26	33	197	0	4	13	214
06 Other WCF Purchases (Excl Transportation)													
0601 Army Armament Command	2624	0	144	947	3715	0	468	926	5109	0	465	-149	5425
0602 Army Depot Sys Cmd-Maintenance	318	0	17	113	448	0	56	172	676	0	62	28	766
0610 Naval Air Warfare Center	2522	0	86	813	3421	0	48	1285	4754	0	233	169	5156
0611 Naval Surface Warfare Center	12267	0	429	4400	17096	0	308	6213	23617	0	779	966	25362
0613 Naval Aviation Depots	995	0	114	387	1496	0	37	525	2058	0	47	80	2185
0631 Naval Facilities Engineering Svc Center	598	0	-4	203	797	0	54	345	1196	0	31	48	1275
0640 Depot Maintenance Marine Corps	8261	0	-273	2360	10348	0	321	5323	15992	0	2111	-1736	16367
0679 Cost Reimbursable Purchases	302	0	7	126	435	0	10	208	653	0	14	32	699
07 Transportation													
0725 MTMC Other (Non-WCF)	374	0	0	119	493	0	0	215	708	0	0	32	740
09 OTHER PURCHASES													
0912 Standard Level User Charges(GSA Leases)	6	0	0	2	8	0	0	0	8	0	0	0	8
0913 PURCH UTIL (Non WCF)	1204	0	29	260	1493	0	34	671	2198	0	48	77	2323
0914 Purchased Communications (Non WCF)	3620	0	87	2434	6141	0	141	12255	18537	0	408	377	19322
0917 Postal Services (USPS)	10	0	0	0	10	0	0	0	10	0	0	0	10
0920 Supplies and Materials (Non WCF)	63176	0	1516	-43845	20847	0	479	4053	25379	0	558	1417	27354
0921 Printing and Reproduction	379	0	9	128	516	0	12	207	735	0	16	31	782
0922 Equip Maintenance by Contract	36082	0	866	20110	57058	0	1312	629	58999	0	1298	6175	66472
0923 FAC maint by contract	1314	0	32	290	1636	0	38	-3437	-1763	0	-39	1905	103
0925 Equipment Purchases	14221	0	341	-14509	53	0	1	2195	2249	0	49	709	3007
0932 Mgt and Prof Support Services	14282	0	343	3423	18048	0	415	9085	27548	0	606	1083	29237
0933 Studies, Analysis, and Eval	25964	0	623	2840	29427	0	677	3153	33257	0	732	4852	38841
0934 Engineering and Tech Svcs	13618	0	327	3463	17408	0	400	9021	26829	0	590	1083	28502
0987 Other Intragovernmental Purchases	31428	0	754	6912	39094	0	899	6172	46165	0	1016	8030	55211
0989 Other Contracts	66545	0	1598	-49562	18581	0	427	6386	25394	0	559	1171	27124
0991 Foreign Currency Variance	83	0	0	20	103	0	0	54	157	0	0	8	165

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Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
0998 Other Costs	5910	0	141	-3695	2356	0	54	1276	3686	0	81	155	3922
TOTAL 1A2A Field Logistics	587045	0	10937	-181877	416105	0	10754	75578	502437	0	14074	38675	555186

Department of the Navy
Operation and Maintenance, Marine Corps
1A3A Depot Maintenance
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I. Description of Operations Financed:

This sub-activity group funds the depot maintenance (major repair/rebuild) of active Marine Corps ground equipment. Repair/rebuild is accomplished on a scheduled basis to maintain the materiel readiness of the equipment inventory necessary to support the operational needs of the Fleet Marine Forces. Items programmed for repair are screened to ensure that a valid stock requirement exists and that the repair or rebuild of the equipment is the most cost effective means of satisfying the requirement. This program is closely coordinated with the Procurement, Marine Corps appropriation to ensure that the combined repair/procurement program provides a balanced level of attainment of inventory objectives for major equipment. Thus, the specified items to be rebuilt, both principal end items and components, are determined by a process which utilizes cost-benefit considerations as a prime factor. The rebuild costs for each item are updated annually on the basis of current applicable cost factors at the performing activities.

II. Force Structure Summary:

a. This sub-activity group supports the entire depot maintenance requirement for the Active Operating Forces. Depot level repair/rebuild requirements for Operating Force units, Maritime Prepositioning Force assets aboard ships, and training units are satisfied under this sub-activity group.

b. Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in endstrength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved endstrength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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 1A3A Depot Maintenance
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current	FY 2008	FY 2009
	Budget	Congressional	Action			
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
372,055	111,210	87,914	79.05	87,914	71,240	125,566
				/1		

B. Reconciliation Summary

	Change	Change	Change
	<u>FY 2007/2007</u>	<u>FY 2007/2008</u>	<u>FY 2008/2009</u>
Baseline Funding	111,210	87,914	71,240
Congressional Adjustments (Distributed)	-23,000	0	0
Congressional Adjustments (Undistributed)	0	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-296	0	0
Subtotal Appropriation Amount	87,914	0	0
War-Related and Disaster Supplemental Appropriations	471,000	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-471,000	0	0
Price Change	0	3,901	8,927
Functional Transfers	0	0	0
Program Changes	0	-20,575	45,399
Normalized Current Estimate	87,914	0	0
Current Estimate	87,914	71,240	125,566

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		111,210
1) Congressional Adjustments		-23,296
a) Distributed Adjustments		-23,000
i) Depot Maintenance Peace time Work Load Adjustment	-23,000	
b) General Provisions		-296
i) Sec. 8106: Revised Economic Assumptions	-296	
2) War-Related and Disaster Supplemental Appropriations		471,000
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		471,000
i) Title IX	471,000	
Revised FY 2007 Estimate		558,914
3) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-471,000
Normalized Current Estimate for FY 2007		87,914
Price Change		3,901
4) Program Decreases		-20,575
a) Program Decreases in FY 2008		-20,575
i) Decrease in Depot Maintenance funding due to availability of funded carry-over from prior years. (Baseline \$87,914)	-20,575	
FY 2008 Budget Request		71,240
Price Change		8,927
Program Change		45,399
FY 2009 Budget Request		125,566

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IV. Performance Criteria and Evaluation Summary:

Activity: Depot Maintenance

Activity Goal: To provide maintenance necessary to sustain the operational readiness of combat forces, to ensure the safe and efficient operation of weapon systems, to renovate assets (recapitalization), and to ensure equipment is at or above fully mission capable standards prior to any transfers from the Active to Reserve Components.

Description of Activity: The USMC Depot Maintenance Program funds the overhaul, repair, and maintenance of Combat Vehicles, Tactical Missiles, and Ordnance, Electrical and Communication, Engineering, and Automotive Equipment. Depot Maintenance is performed at both public (DoD) and private (contractor) facilities.

Categories:

Commodity totals show the total depot maintenance dollars and quantities budgeted in support of the Marine Corps total Depot Maintenance Program. These amounts equal amounts shown in the OP-30 by commodity total and for the total Depot Maintenance Program.

*Memo entry detail is provided for major items of interest that are tracked during execution. The memo entries will be a substantial, but not total, listing of the activity in the overall category.

Type of Maintenance		FY 2006		FY 2007		FY 2008		FY 2009	
		Qty	\$	Qty	\$	Qty	\$	Qty	\$
COMBAT VEHICLES	TAMCN	384	243,679	88	47,325	98	55,836	212	113,279
*M1A1 Tank	E1888	121	121,425	15	15,881	17	20,266	8	10,405
*Amphibious Assault Vehicle	E0846	92	40,525	20	8,519	81	35,571	110	54,668
*Light Armored Vehicle, Assault	E0947	84	39	29	13,142	0	0	63	33,313
TACTICAL MISSILES		134	8,580	0	0	11	104	0	0
*Module, North Finding	E1049	69	2,771	0	0	0	0	0	0
ORDNANCE		7,849	17,588	513	329	937	1,876	445	391
*.50 Caliber Machine Gun	E0980	915	5,193	0	0	0	0	0	0
*Rifle, Improved 5.5 Caliber	E1441	4,128	1,858	400	174	256	115	0	0
ELECTRICAL & COMMUNICATION		630	26,920	14	5,825	49	3,204	98	1,658
*Radar Set, 3D ,Long Range	A1503	2	12,014	1	5,809	0	0	0	0
GENERAL PROPERTY		613	35,974	41	2,323	102	2,149	4	18
*Combat Excavator	B0589	13	4,535	0	0	0	0	0	0
*Water Pump Module	B1581	34	1,623	26	1,200	0	0	0	0
AUTOMOTIVE		447	39,314	232	32,112	54	8,071	47	10,220
*Power Unit, 12.5 Ton, 4X4	D0209	72	13,887	57	11,060	31	6,202	45	10,188
*Trailer, Powered 20 T	D0879	21	2,923	27	3,635	0	0	0	0
DEPOT MAINTENANCE TOTAL		10,057	372,055	888	87,914	1,251	71,240	806	125,566

Explanation of Performance Variances:

Current Year: FY 2006 budgeted figures are based upon the existing Depot Level Maintenance Plan plus supplemental dollars. Increases are reflected in the Combat Vehicle category for maintenance to Light Armored Vehicles, Assault and M1A1 Tanks. The aforementioned Combat Vehicles loaded in theater heavily engaged in GWOT operations are in dire need of rebuild and repair in order to support any future contingencies. The increase is essential for the Marine Corps to replenish capabilities lost due to combat losses and/or increase demand/usage of equipment.

Budget Year: The baseline funding decrease between FY 2007 and FY 2008 is largely due to the high priority that is given to Combat Vehicle and Ordnance equipment depot-level maintenance. The 3D Long Range Radar system is the Marine Corp's only air surveillance, Tactical Ballistic capable radar optimized to detect and track tactical ballistic missiles. 3 Radar Systems were deployed during Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF). All three radars are low density items and the increase results from major failures due to high usage and the age of the radars. Replacement systems are not scheduled until FY12-FY13; therefore, it is imperative to maintain the current capability. In addition, a significant increase in Ordnance category for maintenance of Rifle, Improved 5.5 Caliber due to its heavy usage in support of training and GWOT.

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	6	6	6	6	0	0
Enlisted	3	3	3	3	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Active Military Average Strength (A/S) (Total)						
Officer	6	6	6	6	0	0
Enlisted	3	3	3	3	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
No Civilian Data Found	0	0	0	0	0	0

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

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
06 Other WCF Purchases (Excl Transportation)													
0602 Army Depot Sys Cmd-Maintenance	129107	0	7101	-123237	12971	0	1634	-3782	10823	0	985	9385	21193
0640 Depot Maintenance Marine Corps	242420	0	-8000	-166516	67904	0	2105	-9892	60117	0	7935	35647	103699
09 OTHER PURCHASES													
0925 Equipment Purchases	0	0	0	0	0	0	0	300	300	0	7	367	674
0930 Other Depot Maintenance (Non WCF)	528	0	13	6498	7039	0	162	-7201	0	0	0	0	0
TOTAL 1A3A Depot Maintenance	372055	0	-886	-283255	87914	0	3901	-20575	71240	0	8927	45399	125566

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I. Description of Operations Financed:

a. This sub-activity group finances the Maritime Prepositioning Forces (MPF) program and the Aviation Logistics Support Ships (TAVB). The O&M funding provided for MPF and TAVB finances training and exercise costs as well as the cost of maintaining the equipment and supplies in a ready-to-operate status. Marine Corps Logistics Bases support all aspects of maintenance cycle operations for the Prepositioning programs. Maintenance cycle operations include maintenance operations support, facility lease, port operations, stevedoring costs, receipt and preparation for shipment cost, and contractor maintenance. Additionally, support costs, transportation costs, and exercise costs are centrally administered by Headquarters Marine Corps. These funds provide for contractor support, for TAD funds which support HQMC sponsored trips and conferences, for transportation of Prepositioning equipment and supplies, and for the MARFORs exercise costs associated with the Prepositioning programs.

b. Aviation Logistics Support Ship (TAVB) funding provides for the movement of the aviation Intermediate Maintenance Activity (IMA) to support the rapid deployment of the Marine Corps fixed wing and rotary wing aircraft units. There are two TAVB ships, one on each coast, that are maintained in a Ready Reserve Fleet-5 status by the Maritime Administration (MARAD). Funding provides for one TAVB to participate in an exercise each year.

II. Force Structure Summary:

a. MPF gives the Combatant Commanders a multi-dimensional capability in the areas of mobility, readiness, and global responsiveness. The MPF program involves 16 ships, organized into three squadrons. Maritime Prepositioning Squadron One (MPSRON-1) operates in the Mediterranean Sea, MPSRON-2 in the Indian Ocean, and MPSRON-3 in the Western Pacific.

b. Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in endstrength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved endstrength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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 1B1B Maritime Prepositioning
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current Estimate	FY 2008 Estimate	FY 2009 Estimate
	Budget Request	Congressional Amount	Action Percent			
<u>Actuals</u> 95,135	70,801	72,576	102.51	72,575	73,870	74,788
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	70,801	72,575	73,870
Congressional Adjustments (Distributed)	2,300	0	0
Congressional Adjustments (Undistributed)	-70	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-455	0	0
Subtotal Appropriation Amount	72,576	0	0
War-Related and Disaster Supplemental Appropriations	38,302	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	-1	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-38,302	0	0
Price Change	0	1,823	2,019
Functional Transfers	0	0	0
Program Changes	0	-528	-1,101
Normalized Current Estimate	72,575	0	0
Current Estimate	72,575	73,870	74,788

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		70,801
1) Congressional Adjustments		1,775
a) Distributed Adjustments		2,300
i) Advanced Vapor Corrosion Unhibitor Delviery System	1,300	
ii) Maritime Prepositioning Force	1,000	
b) Undistributed Adjustments		-70
i) Congressional Reduction - Unobligated Balance	-70	
c) General Provisions		-455
i) Sec. 8106: Revised Economic Assumptions	-245	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-175	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-35	
2) War-Related and Disaster Supplemental Appropriations		38,302
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		38,302
i) Title IX	38,302	
3) Fact-of-Life Changes		-1
a) Emergent Requirements		-1
i) One-Time Costs		-1
- One time program reduction to meet appropriation objectives. (Baseline \$1)	-1	
Revised FY 2007 Estimate		110,877
4) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-38,302
Normalized Current Estimate for FY 2007		72,575
Price Change		1,823
5) Program Increases		1,247
a) Program Growth in FY 2008		1,247
i) Increase for purchases of non-working capital fund supplies and corresponding contract labor to support preventive maintenance cycles for MPF combat equipment, and increase of the annual Maritime Prepositioning Force (MPF) exercises at Marine Forces Pacific Command from one to two exercises per year, and increases in the Surface Deployment and Distribution Command (SDCC) (formerly Military Traffic Management Command, MTMC) contract. (Baseline \$16,078)	1,247	
6) Program Decreases		-1,775
1B1B Maritime Prepositioning		110,877

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
a) One-Time FY 2007 Costs		-1,775
i) One time decrease for prior year Congressional Adjustments.	-1,775	
FY 2008 Budget Request		73,870
Price Change		2,019
Program Change		-1,101
FY 2009 Budget Request		74,788

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IV. Performance Criteria and Evaluation Summary:

Activity: Maritime Prepositioning

Description of Activity: Resources operations and support costs to maintain prepositioned equipment and supplies in order to provide the Combatant Commanders a multi-dimensional capability in the areas of mobility, readiness, and global responsiveness.

(\$ in Thousands)	FY 2006	FY 2007	FY 2008	FY 2009
Appropriated Amounts/Budget	96,970	72,575	73,870	74,788
Execution*	95,135	72,575		

* projected end of year

Performance Measure:

Metric Description: Measure the ability to provide Ready For Issue (RFI) equipment and supplies upon request from from the Regional Combatant Commanders.

Metric #1: Attainment Rate = Equipment on-hand/Prepositioning Objective

Metric #2: Readiness Rate = Equipment on-hand in RFI condition/Equipment on-hand

Performance Goal: 90% Attainment Rate and 90% Readiness Rate.

Data Source: U.S. Marine Corps Logistics Command and Blount Island Command.

	FY 2006	FY 2007*	FY 2008*	FY 2009*
Prepositioning Objective	27,047	27,047	27,047	27,047
Equipment on-hand	24,716	25,439	26,750	27,047
Equipment on-hand in RFI condition	23,280	25,382		
Attainment Rate	91%	94%	99%	100%
Readiness Rate	89%	99%	99%	99%

* Planned

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	13	13	13	13	0	0
Enlisted	3	3	3	3	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	73	69	73	73	4	0
Active Military Average Strength (A/S) (Total)						
Officer	13	13	13	13	0	0
Enlisted	3	3	3	3	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	73	69	73	73	4	0
Average Civilian Workyear/Full Time Equivalent Cost	64	82	85	87	3	2

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

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	4078	0	98	909	5085	0	142	398	5625	0	141	-3	5763
03 Travel													
0308 Travel of Persons	2088	0	50	-41	2097	0	48	-543	1602	0	35	-28	1609
04 WCF Supplies and Materials Purchases													
0411 Army Managed Purchases	259	0	11	60	330	0	3	19	352	0	5	2	359
0412 Navy Managed Purchases	924	0	-120	176	980	0	26	67	1073	0	21	10	1104
0414 Air Force Managed Purchases	16	0	0	-16	0	0	0	23	23	0	1	-1	23
0415 DLA Managed Purchases	5237	0	31	1559	6827	0	150	-1080	5897	0	112	-386	5623
0416 GSA Managed Supplies and Materials	305	0	7	68	380	0	9	19	408	0	9	4	421
0417 Local Proc DoD Managed Supp and Materials	130	0	3	28	161	0	4	13	178	0	4	3	185
0491 WCF Passthroughs: Fuel	200	0	0	44	244	0	0	25	269	0	0	8	277
06 Other WCF Purchases (Excl Transportation)													
0640 Depot Maintenance Marine Corps	20201	0	-667	-17368	2166	0	67	223	2456	0	324	-344	2436
07 Transportation													
0719 MTMC Cargo Operations (Port Handling)	4068	0	-130	862	4800	0	235	1	5036	0	247	-1	5282
09 OTHER PURCHASES													
0913 PURCH UTIL (Non WCF)	0	0	0	0	0	0	0	1	1	0	0	1	2
0914 Purchased Communications (Non WCF)	0	0	0	0	0	0	0	3	3	0	0	0	3
0915 Rents	0	0	0	0	0	0	0	6	6	0	0	1	7
0920 Supplies and Materials (Non WCF)	2585	0	62	1110	3757	0	86	-9	3834	0	84	376	4294
0921 Printing and Reproduction	0	0	0	153	153	0	4	7	164	0	4	0	168
0922 Equip Maintenance by Contract	55044	0	1321	-10770	45595	0	1049	-138	46506	0	1023	-851	46678
0925 Equipment Purchases	0	0	0	0	0	0	0	342	342	0	7	95	444
0937 Locally Purchased Fuel (Non-WCF)	0	0	0	0	0	0	0	6	6	0	0	2	8
0987 Other Intragovernmental Purchases	0	0	0	0	0	0	0	7	7	0	0	-3	4
0989 Other Contracts	0	0	0	0	0	0	0	82	82	0	2	14	98
TOTAL 1B1B Maritime Prepositioning	95135	0	666	-23226	72575	0	1823	-528	73870	0	2019	-1101	74788

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1B2B Norway Prepositioning
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I. Description of Operations Financed:

a. The Marine Corps Prepositioning Program - Norway (MCPN) provides storage of equipment, supplies and ammunition in man-made caves and shelters throughout central Norway. Funding for the MCPN supports the following: equipment repair and preparation for shipment; Care In Storage supplies; replenishment of sustainment block items; shelf-life materials; contractor support; manuals and books; temporary additional duty costs for personnel; and recurrent training exercises. Name changed from Norway Air Landed Marine Expeditionary Brigade (NALMEB) effective January 2005.

II. Force Structure Summary:

a. The MCPN equipment and supplies were originally designed to support a 13,200-man Marine Expeditionary Brigade (MEB). The NALMEB concept is currently being transformed into a larger framework, granting the flexibility to allow Marine Forces to redeploy MCPN equipment and supplies throughout the globe as needed. The Battle Griffin exercise is designed to test all aspects of the MCPN, including the deployment of forces from CONUS, the withdrawal of equipment and supplies from cave sites, the redeployment of equipment and supplies, and the integration of U.S. and Norwegian forces.

b. Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in endstrength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved endstrength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current	FY 2008	FY 2009
	Budget	Congressional	Action			
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
4,678	5,284	5,248	99.32	5,248	5,681	5,665
				/1		

B. Reconciliation Summary

	Change	Change	Change
	<u>FY 2007/2007</u>	<u>FY 2007/2008</u>	<u>FY 2008/2009</u>
Baseline Funding	5,284	5,248	5,681
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-6	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-30	0	0
Subtotal Appropriation Amount	5,248	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	81	162
Functional Transfers	0	0	0
Program Changes	0	352	-178
Normalized Current Estimate	5,248	0	0
Current Estimate	5,248	5,681	5,665

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		5,284
1) Congressional Adjustments		-36
a) Undistributed Adjustments		-6
i) Congressional Reduction - Unobligated Balance	-6	
b) General Provisions		-30
i) Sec. 8106: Revised Economic Assumptions	-18	
ii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-7	
iii) Sec. 8077: Contract Efficiencies and Management Improvements	-5	
Revised FY 2007 Estimate		5,248
Normalized Current Estimate for FY 2007		5,248
Price Change		81
2) Program Increases		352
a) Program Growth in FY 2008		352
i) Single year increase for exercise costs designed to test all aspects of the MCPP-N, including the deployment of forces from CONUS, the withdrawal of equipment and supplies from cave sites, the redeployment of equipment and supplies, and the integration of U.S. and Norwegian forces. (Baseline \$3,843)	352	
FY 2008 Budget Request		5,681
Price Change		162
Program Change		-178
FY 2009 Budget Request		5,665

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IV. Performance Criteria and Evaluation Summary:

Activity: Norway Prepositioning

Description of Activity: Resources operations and support costs to maintain prepositioned equipment and supplies in order to provide the Combatant Commanders a multi-dimensional capability in the areas of mobility, readiness, and global responsiveness.

(\$ in Thousands)	FY 2006	FY 2007	FY 2008	FY 2009
Appropriated Amounts/Budget	5,022	5,248	5,681	5,665
Execution*	4,678	5,248		

* projected end of year

Performance Measure:

Metric Description: Measure the ability to provide Ready For Issue (RFI) equipment and supplies upon request from from the Regional Combatant Commanders.

Metric #1: Attainment Rate = Equipment on-hand/Prepositioning Objective

Metric #2: Readiness Rate = Equipment on-hand in RFI condition/Equipment on-hand

Performance Goal: 90% Attainment Rate and 90% Readiness Rate.

Data Source: U.S. Marine Corps Logistics Command and Blount Island Command.

	FY 2006	FY 2007*	FY 2008*	FY 2009*
Prepositioning Objective	3,124	3,124	3,124	3,124
Equipment on-hand	1,130	2,055	2,625	2,712
Equipment on-hand in RFI condition	1,114	2,055	2,625	2,712
Attainment Rate	36%	66%	84%	87%
Readiness Rate	99%	100%	100%	100%

* Planned

FY 2006 low attainment rate due to equipment removed from storage for use in support of GWOT.

Department of the Navy
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 1B2B Norway Prepositioning
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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	3	3	3	3	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Active Military Average Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	3	3	3	3	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
No Civilian Data Found	0	0	0	0	0	0

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

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
03 Travel													
0308 Travel of Persons	379	0	9	28	416	0	10	-1	425	0	9	0	434
04 WCF Supplies and Materials Purchases													
0411 Army Managed Purchases	121	0	5	10	136	0	1	0	137	0	2	0	139
0412 Navy Managed Purchases	265	0	-34	16	247	0	7	4	258	0	5	0	263
0415 DLA Managed Purchases	619	0	4	45	668	0	15	0	683	0	13	0	696
0416 GSA Managed Supplies and Materials	75	0	2	5	82	0	2	0	84	0	2	0	86
07 Transportation													
0705 AMC Channel Cargo	93	0	0	8	101	0	2	0	103	0	2	0	105
0718 MTMC Liner Ocean Transportation	1038	0	214	91	1343	0	-13	0	1330	0	65	0	1395
0719 MTMC Cargo Operations (Port Handling)	186	0	-6	14	194	0	10	-1	203	0	10	0	213
09 OTHER PURCHASES													
0920 Supplies and Materials (Non WCF)	873	0	21	37	931	0	21	327	1279	0	28	-183	1124
0922 Equip Maintenance by Contract	1029	0	25	76	1130	0	26	-1	1155	0	25	-1	1179
0925 Equipment Purchases	0	0	0	0	0	0	0	24	24	0	1	6	31
TOTAL 1B2B Norway Prepositioning	4678	0	240	330	5248	0	81	352	5681	0	162	-178	5665

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BSM1 Sustainment, Restoration and Modernization
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I. Description of Operations Financed:

This sub-activity group funds Facilities Sustainment, Restoration, and Modernization (FSRM) for the Expeditionary Forces Activity Group.

Sustainment provides resources for maintenance and repair activities necessary to keep an inventory of facilities in good working order. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, and emergency response and service calls for minor repairs. Sustainment also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the life cycle of facilities. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacement of tile and carpeting, and similar types of work.

Restoration includes repair and replacement work to restore facilities damaged by lack of sustainment, excessive age, natural disaster, fire, accident, or other causes.

Modernization includes alteration of facilities solely to implement new or higher standards (including regulatory changes), to accommodate new functions, or to replace building components that typically last more than 50 years (such as foundations and structural members).

II. Force Structure Summary:

This sub-activity group funds Facilities Sustainment, Restoration, and Modernization (FSRM) functions for Marine Corps Bases at Camp Lejeune, Camp Pendleton, Marine Air-Ground Combat Center, Twentynine Palms and Camp Butler; Marine Corps Air Stations/Facilities Cherry Point, Beaufort, New River, Yuma, Miramar; MCB Hawaii, Iwakuni, Futema, Camp Allen; and Marine Corps Logistics Base Albany, Georgia, and Barstow, California.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current Estimate	FY 2008 Estimate	FY 2009 Estimate
	Budget Request	Congressional Amount	Action Percent			
671,234	419,418	419,418	100	419,418	517,701	575,485

/1

B. Reconciliation Summary

	Change FY 2007/2007	Change FY 2007/2008	Change FY 2008/2009
Baseline Funding	419,418	419,418	517,701
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	0	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	0	0	0
Subtotal Appropriation Amount	419,418	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	10,099	11,723
Functional Transfers	0	0	0
Program Changes	0	88,184	46,061
Normalized Current Estimate	419,418	0	0
Current Estimate	419,418	517,701	575,485

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		419,418
1) Fact-of-Life Changes		0
Revised FY 2007 Estimate		419,418
Normalized Current Estimate for FY 2007		419,418
Price Change		10,099
2) Program Increases		88,184
a) Program Growth in FY 2008		88,184
i) The FY 2007 Restoration and Modernization program was significantly reduced, deferring projects until FY 2008. This increase will restore baseline funding and address those projects that were deferred in the FY 2007 budget. Funds are used for whole building type repairs to facilities that require structural changes or significant modernization that should be done at the time of a major repair. For example, seismic upgrades, or interior layout modifications to meet current mission requirements. (Baseline \$93,879K)	82,300	
ii) Restoration and Modernization in support of Marine Corps initiative to have barracks two Marines per room (2.0) by FY 2012. The first step is military construction to eliminate the existing deficiency. Second, is restoration and modernization of existing barracks housing. The goal is to bring existing barracks to C2 (acceptable) readiness condition as measured by the Commanding Officer's readiness reporting system. Funding includes numerous barracks projects at numerous Marine Corps installations. (Baseline \$93,879K)	4,171	
iii) Increase in funding to support demolition in support of the barracks initiative. (Baseline \$5,916K)	1,604	
iv) Civilian personnel realignment to more accurately reflect the labor supporting facilities and sustainment. (Baseline \$67,437)	109	
FY 2008 Budget Request		517,701
Price Change		11,723
Program Change		46,061
FY 2009 Budget Request		575,485

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IV. Performance Criteria and Evaluation Summary:

	(000's)	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
<u>BSM1</u>					
Sustainment		\$604,265	\$404,089	\$418,090	\$423,911
Restoration and Modernization		\$57,447	\$5,580	\$87,880	\$139,748
Demolition		\$4,061	\$4,226	\$5,961	\$6,054
Other		<u>\$5,461</u>	<u>\$5,523</u>	<u>\$5,770</u>	<u>\$5,772</u>
Total		<u>\$671,234</u>	<u>\$419,418</u>	<u>\$517,701</u>	<u>\$575,485</u>
 <u>TOTAL OMMC/R USMC FSRM</u>					
Sustainment		\$666,757	\$496,780	\$583,384	\$550,542
Restoration and Modernization		\$74,081	\$14,562	\$116,675	\$159,852
Demolition		<u>\$4,831</u>	<u>\$5,282</u>	<u>\$6,996</u>	<u>\$7,106</u>
Total		<u>\$745,669</u>	<u>\$516,624</u>	<u>\$662,055</u>	<u>\$717,500</u>
Sustainment Requirement Active		\$550,905	\$531,505	\$563,366	\$575,185
Sustainment Requirement Reserve		\$9,952	\$10,314	\$10,887	\$11,411
FSRM Sustainment Funding Active		\$647,277	\$454,874	\$461,245	\$469,587
FSRM Sustainment Funding Reserve		\$19,480	\$8,766	\$10,756	\$11,884
Host Nation Support		\$39,790	\$40,440	\$41,350	\$42,040
Military Pay (Sustainment)		\$1,323	\$1,337	\$1,455	\$1,512
Total Sustainment Funding		\$707,870	\$505,417	\$514,806	\$525,023
ACTIVE Annual Deferred Sustainment (100% Funded)		(\$96,372)	\$76,631	\$102,121	\$105,598
RESERVE Annual Deferred Sustainment (100% Funded)		(\$9,528)	\$1,548	\$141	(\$473)
TOTAL Sustainment Percent Funded		126%	93%	90%	90%
Needed to reach 95% funded – Active		(\$123,917)	\$50,056	\$73,952	\$76,839
Needed to reach 95% funded – Reserve		(\$10,026)	\$1,032	(\$413)	(\$1,044)
Restoration and Modernization Requirement		\$206,000	\$206,000	\$206,000	\$206,000
Restoration and Modernization Shortfall		\$131,919	\$191,438	\$89,325	\$46,148
Recap Rate (Years)		186	948	118	86

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	106	106	106	106	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	850	817	826	826	9	0
Indirect Hire, Foreign National	4	3	3	3	0	0
Active Military Average Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	106	106	106	106	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	832	812	821	821	9	0
Indirect Hire, Foreign National	4	3	3	3	0	0
Average Civilian Workyear/Full Time Equivalent Cost	83	76	79	81	3	2

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

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	29296	0	704	-4157	25843	0	721	290	26854	0	671	-13	27512
0103 Wage Board	39641	0	1213	-5305	35549	0	804	1372	37725	0	1121	-149	38697
04 WCF Supplies and Materials Purchases													
0401 DFSC Fuel	487	0	-49	110	548	0	48	11	607	0	2	3	612
0412 Navy Managed Purchases	9861	0	-1282	1108	9687	0	262	157	10106	0	202	10	10318
0415 DLA Managed Purchases	5172	0	31	671	5874	0	129	2	6005	0	114	1	6120
0416 GSA Managed Supplies and Materials	144	0	3	19	166	0	4	0	170	0	4	1	175
0417 Local Proc DoD Managed Supp and Materials	431	0	10	56	497	0	11	0	508	0	11	0	519
06 Other WCF Purchases (Excl Transportation)													
0633 Defense Publication and Printing Service	7	0	0	1	8	0	1	-1	8	0	0	1	9
0635 Naval Public Works Ctr (Other)	12745	0	227	1673	14645	0	622	-271	14996	0	344	2	15342
09 OTHER PURCHASES													
0901 Foreign Nat'l Indirect Hire (FNIH)	104	0	2	9	115	0	3	0	118	0	3	0	121
0902 FNIH Separation Liability	23	0	1	1	25	0	1	0	26	0	1	-1	26
0920 Supplies and Materials (Non WCF)	37650	0	904	-28964	9590	0	221	26795	36606	0	805	21386	58797
0921 Printing and Reproduction	4	0	0	0	4	0	0	0	4	0	0	0	4
0922 Equip Maintenance by Contract	129	0	3	2	134	0	3	0	137	0	3	180	320
0923 FAC maint by contract	507717	0	12070	-219101	296881	0	6805	38700	341390	0	7511	12198	361099
0925 Equipment Purchases	114	0	3	15	132	0	3	14899	15034	0	330	12469	27833
0937 Locally Purchased Fuel (Non-WCF)	97	0	-10	23	110	0	10	-13	107	0	1	-1	107
0987 Other Intragovernmental Purchases	10296	0	247	-3931	6612	0	152	4561	11325	0	249	-10	11564
0989 Other Contracts	17103	0	410	-4515	12998	0	299	2678	15975	0	351	-16	16310
0998 Other Costs	214	0	5	-219	0	0	0	0	0	0	0	0	0
TOTAL BSM1 Sustainment, Restoration and Modernization	671234	0	14492	-262504	419418	0	10099	88184	517,701	0	11723	46061	575,485

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I. Description of Operations Financed:

This sub-activity group funds base support for the Expeditionary Forces Activity Group.

Administrative services finance such functions as installation financial and military/civilian manpower management and base safety and legal services. Specific services finance organic supply operations in support of the installations, including vehicle operation and maintenance. Community support services provide for support of living facilities, food services, recreation areas, special services programs and common use facilities. Real Property services consists of utilities operations and other engineering support. Base communication includes the operation and maintenance of telephone systems, including record communications (data card, magnetic tape, teletype), radio and facsimile equipment and the administrative costs associated with message reproduction and distribution as well as payments for long distance toll charges. The environmental category includes compliance, conservation, and pollution prevention, to include air, water, and soil pollution abatement; environmental restoration; natural, cultural, historic, land, forest, and coastal zone management; and hazardous waste handling and disposal.

Also included under Base Support are injury compensation payments and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases, posts and stations.

II. Force Structure Summary:

This sub-activity group funds base support functions for Marine Corps at Camp Lejeune, Camp Pendleton, Marine Corps Air-Ground Combat Center, Twentynine Palms and Camp Butler; Marine Corps Air Stations/Facilities Cherry Point, Beaufort, New River, El Toro, Tustin, Yuma, Miramar, MCB Hawaii, Iwakuni, Futenma, and Camp Allen; and Marine Corps Logistics Bases Albany and Barstow, California.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
1,454,438	1,428,003	1,434,929	100.49	1,428,573	1,742,906	1,628,234
				/1		

B. Reconciliation Summary

	Change	Change	Change
	<u>FY 2007/2007</u>	<u>FY 2007/2008</u>	<u>FY 2008/2009</u>
Baseline Funding	1,428,003	1,428,573	1,742,906
Congressional Adjustments (Distributed)	13,600	0	0
Congressional Adjustments (Undistributed)	-249	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-6,425	0	0
Subtotal Appropriation Amount	1,434,929	0	0
War-Related and Disaster Supplemental Appropriations	68,616	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	-6,356	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-68,616	0	0
Price Change	0	30,676	32,641
Functional Transfers	0	0	0
Program Changes	0	283,657	-147,313
Normalized Current Estimate	1,429,569	0	0
Current Estimate	1,428,573	1,742,906	1,628,234

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		1,428,003
1) Congressional Adjustments		6,926
a) Distributed Adjustments		13,600
i) MAGTFTC Range Transformation Initiative	17,600	
ii) One Time Adjustment for Baseline Increase	-8,800	
iii) Communications Upgrade MBH	3,200	
iv) Airborne UXO Survey technologies to support Range Modernization at 29 Palms	1,600	
b) Undistributed Adjustments		-249
i) Congressional Reduction - Unobligated Balance	-249	
c) General Provisions		-6,425
i) Sec. 8106: Revised Economic Assumptions	-4,834	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-1,366	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-225	
2) War-Related and Disaster Supplemental Appropriations		68,616
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		68,616
i) Title IX	68,616	
3) Fact-of-Life Changes		-6,356
a) Emergent Requirements		-6,356
i) Program Reductions		-6,356
- Marine Corps Central Command technical adjustment to realign FY2007 budget activities to reflect how funds will be executed. Base Operations Support (BSS1) realigned into Operating Forces (1A1A).	-3,068	
- Technical adjustment from Marine Forces Command military to civilian conversion realignment to reflect actual hiring. (Baseline \$46,755K)	-1,782	
- Department of Navy reduction to program for centralized Defense Information Systems Network (DISN) Grid Bandwidth Expansion (GIG BE) funding at Commander, Fleet Forces Command (CFFC). (Baseline \$1,397)	-1,397	
- Civilian Personnel realignment to more accurately portray Base Operation Support labor. (Baseline \$450,780K)	-109	
Revised FY 2007 Estimate		1,497,189
4) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-68,616
Normalized Current Estimate for FY 2007		1,428,573
Price Change		30,676

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
5) Program Increases		283,657
a) One-Time FY 2008 Costs		-6,926
i) One time decrease for prior year Congressional Adjustments	-6,926	
b) Program Growth in FY 2008		290,583
i) Marine Corps Ground Forces Augmentation to meet increased endstrength of 202,000 Marines. Administrative services finance such functions as installation financial and military manpower management, base safety and legal services. Specific services finance organic supply operations in support of the installations, including vehicle operation and maintenance. Community support services provide for support of living facilities, food services, recreation areas, special services programs and common use facilities. Real Property services consists of utilities operations and other engineering support. Base communication includes the operation and maintenance of telephone systems, including record communications (data card, magnetic tape, teletype), radio and facsimile equipment and the administrative costs associated with message reproduction and distribution as well as payments for long distance toll charges. The environmental category includes compliance, conservation, and pollution prevention, to include air, water, and soil pollution abatement; environmental restoration; natural, cultural, historic, land, forest, and coastal zone management; and hazardous waste handling and disposal. (Baseline \$1,429,569)	286,647	
ii) Funding for Marine Corps Network Operations Security Command (MCNOSC) to support core fleet information technology, data and network capability requirements. Funding will ensure that the Marine Corps Network has the essential security protection and is not vulnerable to cyber attacks. (Baseline \$55,769K)	3,936	
FY 2008 Budget Request		1,742,906
Price Change		32,641
Program Change		-147,313
FY 2009 Budget Request		1,628,234

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IV. Performance Criteria and Evaluation Summary:

BSS1 Base Operating Support	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
A. Administration (\$000)	387,812	377,562	347,285	351,468
Military Personnel Avg Strength	682	679	682	680
Civilian Personnel FTE's	407	407	407	407
Number of Bases, Total	15	15	15	15
Number of Bases, (CONUS)	12	12	12	12
Number of Bases, (Overseas)	3	3	3	3
Population Served, Total	96,367	96,367	96,367	96,367
Population Served, (Military, Avg Strength)	61,215	61,215	61,215	61,215
Population Served, (Civilian, FTE'S)	35,152	35,152	35,152	35,152
B. Retail Supply Operations (\$000)	10,007	9,455	9,828	9,988
Military Personnel Avg Strength	67	53	53	47
Civilian Personnel FTE's	102	102	102	102
C. Bachelor Housing Ops/Furn (\$000)	5,330	5,382	5,527	5,653
Military Personnel Avg Strength	139	109	110	97
Civilian Personnel FTE's	35	35	35	35
No. of Officer Quarters	990	990	990	990
No. of Enlisted Quarters	43,747	43,747	43,747	43,747
D. Other Morale, Welfare and Recreation (\$000)	121,781	113,522	111,148	113,688
Military Personnel Avg Strength	84	84	84	84
Civilian Personnel FTE's	436	436	436	436
Population Served, Total	316,092	316,092	316,092	316,092
Population Served, (Military, Avg Strength)	165,961	165,961	170,961	175,961
Population Served, (Civilian Personnel, FTE's)	150,131	150,131	150,131	150,131
E. Maintenance of Installation Equipment (\$000)	6,766	6,393	6,645	6,753
Military Personnel Avg Strength	25	25	25	25
Civilian Personnel FTE's	22	22	22	22
F. Other Base Services (\$000)	544,422	531,957	786,621	653,700
Military Personnel Avg Strength	5,578	5,585	5,583	5,583
Civilian Personnel FTE's	3461	3576	3,678	3,775
No. of Motor Vehicles, Total	9,010	9,010	9,010	9,010

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	No. of Motor Vehicles, (Owned)	4,744	4,744	4,744	4,744
	No. of Motor Vehicles, (Leased)	4,268	4,268	4,268	4,268
G.	Other Personnel Support (\$000)	52,130	56,141	88,617	92,173
	Military Personnel Avg Strength	1,613	1,613	1,613	1,613
	Civilian Personnel FTE'S	216	216	216	216
	Population Served, Total	102,267	102,267	102,267	102,267
	Population Served, (Military, Average Strength)	67,115	67,115	67,115	67,115
	Population Served, (Civilian Personnel FTE's)	35,152	35,152	35,152	35,152
H.	Non-GSA Lease Payment for Space (\$000)	7	7	7	7
	Leased Space (000 sq. ft.)	1	1	1	1
	Recurring Reimbursements (\$000)				
	One-time Reimbursements (\$000)				
I.	Other Engineering Support (\$000)	57,924	54,730	56,887	57,814
	Military Personnel Avg Strength	125	125	125	125
	Civilian Personnel FTE'S	441	441	441	441
J.	Operations of Utilities (\$000)	131,460	134,683	177,089	181,601
	Military Personnel Avg Strength	7	7	7	7
	Civilian Personnel FTE'S	273	273	273	273
	Electricity (MWH)	1,170,760	1,171,229	1,171,698	1,172,167
	Heating (000 therms) - Natural Gas	3,007,584	3,009,010	3,010,436	3,011,862
	Heating (000 lbs) - Steam	3,142,174	3,142,174	3,142,174	3,142,174
	Water, Plants & Systems (000 gals)	4,395,142	4,415,150	4,435,158	4,455,166
	Sewage & Waste Systems (000 gals)	2,787,745	2,787,748	2,787,751	2,787,754
	Air Conditioning and Refrigeration (Ton)	2,775	2,775	2,775	2,775
K.	Environmental Services (\$000)	114,682	114,328	129,177	131,097
L.	Child and Youth Development Programs (\$000)	22,115	24,411	24,074	24,290
	No. of Child Development Centers (CDC)	26	26	26	26
	No. of Family Child Care (FCC) Homes	276	276	276	276
	Total Number of Children Receiving Care (CDC/FCC)	7,321	7,321	7,321	7,321
	Percent of Eligible Children Receiving Care (USMC wide)	78	78	78	78

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No. of Children on Waiting List (Unmet only)	553	553	553	553
Total Military Child Population (Infant to 12 yrs)	49,756	49,756	49,756	49,756
No. of Youth Facilities	29	29	29	29
Youth Population Serviced (Grades 1-12)	62,332	62,332	62,332	62,332
No. of School Age Care (SAC) Facilities	27	27	27	27
Total Number of Children Receiving Care (SAC)	2,519	2,519	2,519	2,519
Total O&MMC Funding (\$000)	1,454,438	1,428,573	1,742,906	1,628,234
Military Personnel Average Strength	8,320	8,320	8,320	8,320
Civilian Personnel FTE'S	5,393	5,508	5,610	5,707

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	1,288	1,288	1,288	1,288	0	0
Enlisted	7,010	7,010	7,010	7,010	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	5,644	5,513	5,711	5,718	198	7
Direct Hire, Foreign National	0	0	0	0	0	0
Indirect Hire, Foreign National	639	681	681	681	0	0
Active Military Average Strength (A/S) (Total)						
Officer	1,287	1,287	1,287	1,287	0	0
Enlisted	7,033	7,033	7,033	7,033	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	5,393	5,508	5,610	5,707	102	97
Direct Hire, Foreign National	0	0	0	0	0	0
Indirect Hire, Foreign National	639	681	681	681	0	0
Average Civilian Workyear/Full Time Equivalent Cost	72	80	83	85	3	2

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

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	327267	0	7854	38542	373663	0	10453	11558	395674	0	9891	5502	411067
0103 Wage Board	62258	0	1905	3145	67308	0	1521	1328	70157	0	2084	-278	71963
0111 Disability Compensation	11189	0	0	4099	15288	0	0	0	15288	0	0	0	15288
03 Travel													
0308 Travel of Persons	0	0	0	0	0	0	0	67	67	0	1	-1	67
04 WCF Supplies and Materials Purchases													
0401 DFSC Fuel	43660	0	-4394	1687	40953	0	3507	2567	47027	0	150	-125	47052
0412 Navy Managed Purchases	6556	0	-852	-114	5590	0	151	453	6194	0	124	-12	6306
0415 DLA Managed Purchases	1007	0	6	-63	950	0	21	0	971	0	18	1	990
0416 GSA Managed Supplies and Materials	43101	0	1034	-2832	41303	0	950	2672	44925	0	988	-89	45824
0417 Local Proc DoD Managed Supp and Materials	4232	0	102	-279	4055	0	93	-146	4002	0	88	-16	4074
0492 WCF Passthroughs: Non-Fuel	17195	0	0	-1072	16123	0	0	1002	17125	0	0	-64	17061
05 STOCK FUND EQUIPMENT													
0507 GSA Managed Equipment	18925	0	454	-1244	18135	0	417	1174	19726	0	434	-39	20121
06 Other WCF Purchases (Excl Transportation)													
0613 Naval Aviation Depots	77	0	9	-6	80	0	2	0	82	0	2	1	85
0634 Naval Public Works Ctr (Utilities)	15522	0	497	-999	15020	0	1277	158	16455	0	329	-16	16768
0635 Naval Public Works Ctr (Other)	1721	0	29	-109	1641	0	69	-88	1622	0	37	-4	1655
0647 DISA Information Services	9066	0	680	-607	9139	0	347	-346	9140	0	110	64	9314
0671 Communications Services	1665	0	63	-108	1620	0	62	-27	1655	0	20	14	1689
07 Transportation													
0771 Commercial Transportation	3519	0	74	-445	3148	0	69	145	3362	0	71	-12	3421
09 OTHER PURCHASES													
0901 Foreign Nat'l Indirect Hire (FNIH)	19424	0	466	-1274	18616	0	519	-48	19087	0	477	-21	19543
0902 FNIH Separation Liability	4264	0	102	-280	4086	0	114	-10	4190	0	105	-6	4289
0913 PURCH UTIL (Non WCF)	115203	0	2765	5295	123263	0	2835	6794	132892	0	2924	-537	135279
0914 Purchased Communications (Non WCF)	15033	0	361	-889	14505	0	334	-622	14217	0	313	-58	14472
0915 Rents	20811	0	499	-1230	20080	0	462	-161	20381	0	448	-20	20809
0917 Postal Services (USPS)	1464	0	0	-82	1382	0	0	-56	1326	0	0	-5	1321
0920 Supplies and Materials (Non WCF)	143322	0	3439	-97432	49329	0	1135	7033	57497	0	1265	-6209	52553
0921 Printing and Reproduction	2977	0	71	-386	2662	0	61	92	2815	0	62	-12	2865
0922 Equip Maintenance by Contract	29737	0	714	18292	48743	0	1121	7064	56928	0	1252	-230	57950
0923 FAC maint by contract	71095	0	1707	-20313	52489	0	1207	7557	61253	0	1348	-248	62353
0925 Equipment Purchases	69320	0	1664	21125	92109	0	2119	301103	395331	0	8696	-144743	259284
0987 Other Intragovernmental Purchases	332414	0	122	-20269	312267	0	105	-47881	264491	0	106	88	264685
0989 Other Contracts	8908	0	214	447	9569	0	220	-1364	8425	0	185	-34	8576
0998 Other Costs	53506	0	1284	10667	65457	0	1505	-16361	50601	0	1113	-204	51510
TOTAL BSS1 Base Operating Support	1454438	0	20869	-46734	1428573	0	30676	283657	1742906	0	32641	-147313	1628234

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I. Description of Operations Financed:

The transition from civilian life to duties as a Marine occurs as a result of recruit training for new enlistees conducted at one of the two Marine Corps Recruit Depots located at Parris Island, South Carolina and at San Diego, California. This intense period of training is designed to prepare the new Marine for assignment to units of the Operating Forces, to major posts and stations, to duty at sea aboard vessels of the U.S. Navy, and to specialized skill training prior to assignment to a unit. During recruit training, the Marine is taught basic military skills, and develops confidence in himself and in members of his unit, while being closely supervised by special skilled Marines. The objective of the training is to produce a Marine who can assimilate well into a unit and, in time of emergency, sustain himself on the battlefield. Marines graduating from recruit training are assigned to formal schools for specialized skills training in a military occupational specialty (MOS).

II. Force Structure Summary:

This activity group conducts recruit training at one of two Marine Corps Recruit Depots located at Parris Island, South Carolina or at San Diego, California to attain the objectives of recruit training and produce the quality Marine ready for initial assignment at a permanent duty station. These costs include individual equipment requirements, operation and maintenance of support equipment, administrative functions and routine supplies. Specific examples of recruit training costs financed are recruit accession processing, uniform clothing alterations, marksmanship training and administrative, garrison and field training support, transportation costs associated with the recruit training, and civilian salaries.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements assigned to the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
13,494	11,581	11,512	99.4	11,512	13,242	13,626
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	11,581	11,512	13,242
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-9	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-60	0	0
Subtotal Appropriation Amount	11,512	0	0
War-Related and Disaster Supplemental Appropriations	250	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-250	0	0
Price Change	0	248	269
Functional Transfers	0	0	0
Program Changes	0	1,482	115
Normalized Current Estimate	11,512	0	0
Current Estimate	11,512	13,242	13,626

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		11,581
1) Congressional Adjustments		-69
a) Undistributed Adjustments		-9
i) Congressional Reduction - Unobligated Balance	-9	
b) General Provisions		-60
i) Sec. 8106: Revised Economic Assumptions	-39	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-16	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-5	
2) War-Related and Disaster Supplemental Appropriations		250
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		250
i) Title IX	250	
Revised FY 2007 Estimate		11,762
3) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-250
Normalized Current Estimate for FY 2007		11,512
Price Change		248
4) Program Increases		1,482
a) Program Growth in FY 2008		1,482
i) Increase supports Marine Corps Ground Forces Augmentation. Funding supports individual equipment requirements, operation and maintenance of support equipment, administrative functions and routine supplies. Specific examples of recruit training costs financed are recruit accession processing, uniform clothing alterations, marksmanship training and administrative, garrison and field training support, transportation costs associated with the recruit training, and civilian salaries.(Baseline \$11,762)	1,336	
ii) Increase due to change in female dress uniform regulations. (Baseline \$11,381)	146	
FY 2008 Budget Request		13,242
Price Change		269
Program Change		115
FY 2009 Budget Request		13,626

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IV. Performance Criteria and Evaluation Summary:

Recruit Training				
	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Active				
Input	32,502	32,780	32,282	32,282
Graduates	29,108	13,494	27,926	27,926
Workload	7,511	7,467	7,341	7,341
Reserve				
Input	5,360	6,218	6,090	6,090
Graduates	5,535	5,409	5,277	5,297
Workload	1,329	1,418	1,386	1,386
Total				
Input	37,862	38,998	38,372	38,372
Graduates	34,643	18,903	33,203	33,223
Workload	8,840	8,885	8,727	8,727
Total Workloads	8,885	8,727	8,727	8,727

Training Loads - Annual average number of Marines (man-years) receiving training from anyone, at any location.

Work Loads - Annual average number of students (man-years), civilians and military, receiving training at MC Formal Schools.

Workload is calculated as follows: [(Inputs + Graduates) divided by (2)] x [(course length) divided by (365)]

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	249	249	249	249	0	0
Enlisted	10,222	10,222	10,222	10,222	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	17	14	14	14	0	0
Active Military Average Strength (A/S) (Total)						
Officer	250	250	250	250	0	0
Enlisted	10,224	10,224	10,224	10,224	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	17	14	14	14	0	0
Average Civilian Workyear/Full Time Equivalent Cost	70	81	84	86	3	2

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

Inflation Categories	Change from FY 2006 to FY 2007				FY 2007 Est.	Change from FY 2007 to FY 2008				FY 2008 Est.	Change from FY 2008 to FY 2009			
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	For Curr		Price Growth	Prog Growth	FY 2009 Est.	
01 Civilian Personnel Compensation														
0101 Exec Gen and Spec Schedules	1127	0	27	-171	983	0	27	13	1023	0	25	0	1048	
0103 Wage Board	63	0	1	80	144	0	3	2	149	0	4	0	153	
03 Travel														
0308 Travel of Persons	334	0	8	-52	290	0	7	-22	275	0	6	-3	278	
04 WCF Supplies and Materials Purchases														
0401 DFSC Fuel	0	0	0	0	0	0	0	7	7	0	0	2	9	
0411 Army Managed Purchases	84	0	4	-12	76	0	1	0	77	0	1	0	78	
0415 DLA Managed Purchases	112	0	1	-15	98	0	2	0	100	0	2	0	102	
0416 GSA Managed Supplies and Materials	30	0	1	-4	27	0	1	0	28	0	1	0	29	
0417 Local Proc DoD Managed Supp and Materials	1805	0	43	-253	1595	0	37	-2	1630	0	36	-2	1664	
0492 WCF Passthroughs: Non-Fuel	1282	0	0	-174	1108	0	0	0	1108	0	0	0	1108	
05 STOCK FUND EQUIPMENT														
0507 GSA Managed Equipment	37	0	1	-5	33	0	1	0	34	0	1	0	35	
09 OTHER PURCHASES														
0920 Supplies and Materials (Non WCF)	3163	0	76	-709	2530	0	58	1328	3916	0	86	59	4061	
0921 Printing and Reproduction	391	0	9	-58	342	0	8	3	353	0	8	-1	360	
0925 Equipment Purchases	22	0	1	-4	19	0	0	52	71	0	2	12	85	
0937 Locally Purchased Fuel (Non-WCF)	77	0	-8	1	70	0	6	-7	69	0	0	0	69	
0989 Other Contracts	4967	0	119	-889	4197	0	97	108	4402	0	97	48	4547	
TOTAL 3A1C Recruit Training	13494	0	283	-2265	11512	0	248	1482	13242	0	269	115	13626	

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I. Description of Operations Financed:

Candidates for appointment as commissioned officers to the Marine Corps and Marine Corps Reserve undergo intense courses of instruction prior to actual commissioning. This sub-activity group includes four commissioning programs: the Platoon Leaders Class, Officer Candidates Course, Naval Reserve Officers Training Course (Marine Option), and the Enlisted Commissioning Program (MECEP). The screening process involves instruction in leadership, basic military subjects, history and traditions, and physical conditioning.

II. Force Structure Summary:

This sub-activity group trains approximately 2,700 officer candidates annually. Operation and maintenance funds are required for maintenance of individual and organizational equipment, maintenance and replacement of classroom equipment, training aids, printing and reproduction of individual training material and schedules, candidate processing, general administrative support, civilian salaries, and travel and per diem costs.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements assigned to the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
353	390	388	99.49	388	520	538
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	390	388	520
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-1	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-1	0	0
Subtotal Appropriation Amount	388	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	11	12
Functional Transfers	0	0	0
Program Changes	0	121	6
Normalized Current Estimate	388	0	0
Current Estimate	388	520	538

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		390
1) Congressional Adjustments		-2
a) Undistributed Adjustments		-1
i) Congressional Reduction - Unobligated Balance	-1	
b) General Provisions		-1
i) Sec. 8106: Revised Economic Assumptions	-1	
Revised FY 2007 Estimate		388
Normalized Current Estimate for FY 2007		388
Price Change		11
2) Program Increases		121
a) Program Growth in FY 2008		121
i) Increase for Marine Corps Ground Forces Augmentation. Funding supports required maintenance of individual and organizational equipment, maintenance and replacement of classroom equipment, training aids, printing and reproduction of individual training material and schedules, candidate processing, general administrative support, civilian salaries, and travel and per diem costs. (Baseline \$388)	121	
FY 2008 Budget Request		520
Price Change		12
Program Change		6
FY 2009 Budget Request		538

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IV. Performance Criteria and Evaluation Summary:
 OFFICER ACQUISITION

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Officer Candidate Course (OCC)				
Inputs	555	390	390	390
Graduates	332	293	293	293
Training Loads	85	66	66	66
PLC & Other Enlisted (Active & Reserve)				
Inputs	2,295	2,271	2,271	2,271
Graduates	1,696	1,932	1,932	1,932
Training Loads	560	653	653	653
Total				
Input	2,850	2,661	2,661	2,661
Graduates	2,028	2,225	2,225	2,225
Training Loads	645	719	719	719
Workloads	210	320	320	320

Training Loads - Annual average number of Marines (man-years) receiving training from anyone, at any location.

Work Loads - Annual average number of students (man-years), civilians and military, receiving training at MC Formal Schools.

Workload is calculated as follows: $[(\text{Inputs} + \text{Graduates}) \text{ divided by } (2)] \times [(\text{course length}) \text{ divided by } (365)]$

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	146	146	146	146	0	0
Enlisted	26	26	26	26	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	2	2	2	2	0	0
Active Military Average Strength (A/S) (Total)						
Officer	146	146	146	146	0	0
Enlisted	26	26	26	26	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	2	2	2	2	0	0
Average Civilian Workyear/Full Time Equivalent Cost	57	82	85	87	3	3

Department of the Navy
Operation and Maintenance, Marine Corps
3A2C Officer Acquisition
FY 2008 President's Budget Submission
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VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	114	0	3	46	163	0	4	2	169	0	4	1	174
03 Travel													
0308 Travel of Persons	8	0	0	-1	7	0	0	-1	6	0	0	0	6
04 WCF Supplies and Materials Purchases													
0401 DFSC Fuel	15	0	-2	0	13	0	1	0	14	0	0	1	15
0411 Army Managed Purchases	14	0	1	-2	13	0	0	0	13	0	0	0	13
0412 Navy Managed Purchases	11	0	-1	-1	9	0	0	0	9	0	0	0	9
0415 DLA Managed Purchases	36	0	0	-4	32	0	1	0	33	0	1	0	34
0416 GSA Managed Supplies and Materials	2	0	0	0	2	0	0	0	2	0	0	0	2
0417 Local Proc DoD Managed Supp and Materials	82	0	2	-10	74	0	2	0	76	0	2	0	78
06 Other WCF Purchases (Excl Transportation)													
0635 Naval Public Works Ctr (Other)	35	0	1	-4	32	0	2	-1	33	0	1	0	34
09 OTHER PURCHASES													
0920 Supplies and Materials (Non WCF)	14	0	0	-4	10	0	0	118	128	0	3	7	138
0921 Printing and Reproduction	22	0	1	10	33	0	1	1	35	0	1	-3	33
0925 Equipment Purchases	0	0	0	0	0	0	0	2	2	0	0	0	2
TOTAL 3A2C Officer Acquisition	353	0	5	30	388	0	11	121	520	0	12	6	538

Department of the Navy
Operation and Maintenance, Marine Corps
3B1D Specialized Skills Training
FY 2008 President's Budget Submission
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I. Description of Operations Financed:

Upon completion of Officer Acquisition Training or Recruit Training, the Marine is assigned to courses of instruction to acquire the requisite skills to meet the minimum requirements of a Military Occupational Specialty (MOS). Officer Training involves completion of The Basic School at the Marine Corps Combat Development Command (MCCDC), Quantico, Virginia, and the assignment to a MOS qualifying course such as the Infantry Officer's Course or the Command and Control Systems School. The enlisted Marine undergoes specialized skill training at Marine Corps installations or at schools of other Services, depending on his designated MOS. The majority of specialized skills training is provided at subsequent career points to qualify Marines for occupational specialties involving higher levels of proficiency or responsibilities and to develop the functional skills required within specific job assignments. To ensure adequate input of qualified personnel for assignment to Marine Corps commands, approximately 10,313 officer and 104,793 enlisted regular and reserve Marines participate in this category of training annually.

II. Force Structure Summary:

This sub-activity group includes the direct support of specialized skills training at six Marine Corps commands to include salaries of civilian personnel, training, administrative support, travel and per diem.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements assigned to the Marine Corps.

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B1D Specialized Skills Training
 FY 2008 President's Budget Submission
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current Estimate	FY 2008 Estimate	FY 2009 Estimate
	Budget Request	Congressional Amount	Action Percent			
46,965	41,130	40,851	99.32	40,851	54,185	56,093
				/1		

B. Reconciliation Summary

	Change FY 2007/2007	Change FY 2007/2008	Change FY 2008/2009
Baseline Funding	41,130	40,851	54,185
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-27	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-252	0	0
Subtotal Appropriation Amount	40,851	0	0
War-Related and Disaster Supplemental Appropriations	2,500	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-2,500	0	0
Price Change	0	1,185	1,185
Functional Transfers	0	0	0
Program Changes	0	12,149	723
Normalized Current Estimate	40,851	0	0
Current Estimate	40,851	54,185	56,093

/1 Excludes FY 2007 Supplemental Funds

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B1D Specialized Skills Training
 FY 2008 President's Budget Submission
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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		41,130
1) Congressional Adjustments		-279
a) Undistributed Adjustments		-27
i) Congressional Reduction - Unobligated Balance	-27	
b) General Provisions		-252
i) Sec. 8106: Revised Economic Assumptions	-138	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-51	
iii) Sec. 8078: Excessive Growth in Advisory and Assistance Services	-42	
iv) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-21	
2) War-Related and Disaster Supplemental Appropriations		2,500
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		2,500
i) Title IX	2,500	
Revised FY 2007 Estimate		43,351
3) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-2,500
Normalized Current Estimate for FY 2007		40,851
Price Change		1,185
4) Program Increases		12,618
a) Program Growth in FY 2008		12,618
i) Increase supports Marine Corps Ground Forces Augmentation. Funding supports specialized skills training at six Marine Corps commands to include salaries of civilian personnel, training, administrative support, travel and per diem. (Baseline \$43,351).	12,618	
5) Program Decreases		-469
a) Program Decreases in FY 2008		-469
i) Decrease due to cost savings incurred from move toward paperless instruction. (Baseline \$891)	-469	
FY 2008 Budget Request		54,185
Price Change		1,185
Program Change		723
FY 2009 Budget Request		56,093

Department of the Navy
Operation and Maintenance, Marine Corps
3B1D Specialized Skills Training
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C. Reconciliation of Increases and Decreases

Amount

Totals

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B1D Specialized Skills Training
 FY 2008 President's Budget Submission
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IV. Performance Criteria and Evaluation Summary:

SPECIALIZED SKILLS

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Active	76179	100997	101046	100936
Inputs	67,373	96,472	97,518	96,409
Graduates	9,240	11,727	11,714	11,801
Loads				
Reserves	13,096	16,396	16,248	16,186
Inputs	11,463	15,617	15,479	15,418
Graduates	1,363	1,679	1,659	1,657
Loads				
Total Training Loads	89,275	117,393	117,294	117,122
Inputs	78,836	112,089	112,997	111,827
Graduates	10,603	13,406	13,373	13,458
Loads				
	6,874	8,758	8,751	8736
Total Workloads				

Training Loads - Annual average number of Marines (man-years) receiving training from anyone, at any location.

Work Loads - Annual average number of students (man-years), civilians and military, receiving training at MC Formal Schools.

Workload is calculated as follows: [(Inputs + Graduates) divided by (2)] x [(course length) divided by (365)]

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B1D Specialized Skills Training
 FY 2008 President's Budget Submission
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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	1,940	1,940	1,940	1,940	0	0
Enlisted	15,966	15,966	15,966	15,966	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	241	166	166	166	0	0
Active Military Average Strength (A/S) (Total)						
Officer	1,940	1,940	1,940	1,940	0	0
Enlisted	15,962	15,962	15,962	15,962	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	242	166	166	166	0	0
Average Civilian Workyear/Full Time Equivalent Cost	61	81	85	87	3	2

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B1D Specialized Skills Training
 FY 2008 President's Budget Submission
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VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	14226	0	342	-1770	12798	0	357	144	13299	0	332	-7	13624
0103 Wage Board	580	0	18	118	716	0	17	12	745	0	22	-3	764
03 Travel													
0308 Travel of Persons	1203	0	29	70	1302	0	30	-98	1234	0	27	-11	1250
04 WCF Supplies and Materials Purchases													
0401 DFSC Fuel	228	0	-22	29	235	0	20	-5	250	0	1	2	253
0411 Army Managed Purchases	284	0	12	11	307	0	2	1	310	0	4	0	314
0412 Navy Managed Purchases	6004	0	-781	189	5412	0	146	10931	16489	0	330	671	17490
0415 DLA Managed Purchases	4630	0	28	168	4826	0	106	2	4934	0	94	1	5029
0416 GSA Managed Supplies and Materials	93	0	2	3	98	0	2	0	100	0	2	0	102
0417 Local Proc DoD Managed Supp and Materials	2176	0	52	77	2305	0	53	-2	2356	0	52	-3	2405
05 STOCK FUND EQUIPMENT													
0503 Navy WCF Equipment	958	0	-125	30	863	0	161	-122	902	0	20	19	941
0506 DLA WCF Equipment	1123	0	7	40	1170	0	26	0	1196	0	23	0	1219
0507 GSA Managed Equipment	27	0	1	1	29	0	1	0	30	0	1	0	31
06 Other WCF Purchases (Excl Transportation)													
0633 Defense Publication and Printing Service	249	0	6	25	280	0	22	-1	301	0	12	0	313
07 Transportation													
0771 Commercial Transportation	1	0	0	1	2	0	0	0	2	0	0	0	2
09 OTHER PURCHASES													
0913 PURCH UTIL (Non WCF)	2	0	0	0	2	0	0	1	3	0	0	0	3
0920 Supplies and Materials (Non WCF)	2209	0	53	-1344	918	0	21	1760	2699	0	59	72	2830
0921 Printing and Reproduction	867	0	21	12	900	0	21	17	938	0	21	-1	958
0922 Equip Maintenance by Contract	2545	0	61	477	3083	0	71	-215	2939	0	65	-231	2773
0923 FAC maint by contract	40	0	1	0	41	0	1	1	43	0	1	0	44
0925 Equipment Purchases	0	0	0	0	0	0	0	183	183	0	4	46	233
0930 Other Depot Maintenance (Non WCF)	618	0	15	34	667	0	15	14	696	0	15	0	711
0932 Mgt and Prof Support Services	747	0	18	-32	733	0	17	58	808	0	18	-1	825
0987 Other Intragovernmental Purchases	1918	0	46	348	2312	0	53	37	2402	0	53	-3	2452
0989 Other Contracts	6238	0	149	-4535	1852	0	43	-569	1326	0	29	172	1527
TOTAL 3B1D Specialized Skills Training	46966	0	-67	-6048	40851	0	1185	12149	54185	0	1185	723	56093

Department of the Navy
Operation and Maintenance, Marine Corps
3B2D Flight Training
FY 2008 President's Budget Submission
Exhibit OP-5

I. Description of Operations Financed:

Marine Corps personnel assigned to duty under instruction prior to qualification as Naval Aviators or Naval Flight Officers are trained either at U.S. Naval Air Station, Pensacola, Florida or U.S. Naval Air Station, Corpus Christi, Texas. The majority of flight training costs are incurred by the U.S. Navy. The Marine Corps provides limited operation and maintenance support for its personnel at these installations.

II. Force Structure Summary:

The Marine Corps has small administrative detachments at these Naval Air Stations providing support to Marine students undergoing instruction. This sub-activity group provides for routine administrative services, maintenance of office machines, other minor property, and limited travel and per diem. The actual cost of "hands on, hard skill" training is incurred by the Navy.

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B2D Flight Training
 FY 2008 President's Budget Submission
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	<u>Actuals</u>	<u>Budget Request</u>	<u>Congressional Amount</u>	<u>Action Percent</u>		
207	187	185	98.93	185	318	361
				/1		

B. Reconciliation Summary

	<u>Change FY 2007/2007</u>	<u>Change FY 2007/2008</u>	<u>Change FY 2008/2009</u>
Baseline Funding	187	185	318
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	0	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-2	0	0
Subtotal Appropriation Amount	185	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	5	6
Functional Transfers	0	0	0
Program Changes	0	128	37
Normalized Current Estimate	185	0	0
Current Estimate	185	318	361

/1 Excludes FY 2007 Supplemental Funds

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B2D Flight Training
 FY 2008 President's Budget Submission
 Exhibit OP-5

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		187
1) Congressional Adjustments		-2
a) General Provisions		-2
i) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-1	
ii) Sec. 8106: Revised Economic Assumptions	-1	
Revised FY 2007 Estimate		185
Normalized Current Estimate for FY 2007		185
Price Change		5
2) Program Increases		128
a) Program Growth in FY 2008		128
i) Increase cost is associated with the safety boots that are required for each and every student that attends flight courses. (Baseline \$30)	128	
FY 2008 Budget Request		318
Price Change		6
Program Change		37
FY 2009 Budget Request		361

Department of the Navy
Operation and Maintenance, Marine Corps
3B2D Flight Training
FY 2008 President's Budget Submission
Exhibit OP-5

IV. Performance Criteria and Evaluation Summary:

FLIGHT TRAINING

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Active				
Inputs	455	466	466	466
Graduates	348	358	358	358
Workloads	567	589	589	589

*Total Work Loads 0 0 0 0

* Work Loads are zero because all instructors are sailors.

Training Loads - Annual average number of Marines (man-years) receiving training from anyone, at any location.

Work Loads - Annual average number of students (man-years), civilians and military, receiving training at MC Formal Schools.

Workload is calculated as follows: $[(\text{Inputs} + \text{Graduates}) \text{ divided by } (2)] \times [(\text{course length}) \text{ divided by } (365)]$

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B2D Flight Training
 FY 2008 President's Budget Submission
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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	864	864	864	864	0	0
Enlisted	429	429	429	429	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	0	2	2	2	0	0
Active Military Average Strength (A/S) (Total)						
Officer	864	864	864	864	0	0
Enlisted	430	430	430	430	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	0	2	2	2	0	0
Average Civilian Workyear/Full Time Equivalent Cost	0	82	85	87	3	3

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B2D Flight Training
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VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	0	0	0	163	163	0	4	2	169	0	4	1	174
03 Travel													
0308 Travel of Persons	58	0	1	-58	1	0	0	9	10	0	0	9	19
04 WCF Supplies and Materials Purchases													
0414 Air Force Managed Purchases	103	0	-1	-93	9	0	1	-1	9	0	0	0	9
09 OTHER PURCHASES													
0920 Supplies and Materials (Non WCF)	12	0	0	-5	7	0	0	77	84	0	2	25	111
0921 Printing and Reproduction	0	0	0	0	0	0	0	17	17	0	0	2	19
0925 Equipment Purchases	23	0	1	-22	2	0	0	6	8	0	0	0	8
0989 Other Contracts	11	0	0	-8	3	0	0	18	21	0	0	0	21
TOTAL 3B2D Flight Training	207	0	1	-23	185	0	5	128	318	0	6	37	361

Department of the Navy
Operation and Maintenance, Marine Corps
3B3D Professional Development Education
FY 2008 President's Budget Submission
Exhibit OP-5

I. Description of Operations Financed:

This sub-activity group allows career Marines to enhance their overall professional development and to qualify them for increased command and staff responsibilities. Funded in this sub-activity group are programs for officers and Staff Non-Commissioned Officers (SNCOs) within the Marine Corps, at schools of other Services, and at civilian institutions. The Marine Corps Combat Development Command (MCCDC), Quantico, Virginia, is the field activity with primary responsibility for professional development education. The professional development education schools located at this installation are the Command and Staff College, Expeditionary Warfare School and the SNCO Academy. The courses taught at the Command and Staff College and the Expeditionary Warfare School are designed primarily for majors and captains. These courses emphasize the Marine Air-Ground team in amphibious operations to prepare the student for command and staff assignments at the Division/Wing, Regiment/Group and Battalion/Squadron levels, as well as for assignment to departmental, joint or combined staffs. The overall objective of the instruction is to present the doctrine, tactics and techniques of amphibious warfare with a view toward potential employment and responsiveness of amphibious forces in support of changing national strategy.

This sub-activity group also supports Marines undergoing professional development education at schools of other Services and at civilian institutions where students study a variety of academic courses that are offered to them for staff assignments that require expertise in technical or scientific areas.

II. Force Structure Summary:

The operational support funded in this sub-activity group includes the direct requirements of the professional development schools at the six Marine Corps installations; various costs of Marines assigned to civilian institutions; and administrative support for Marines attending other Service schools. Specific examples of items financed include materials and supplies; professional books and literature; computer assisted instructions; travel and per diem; tuition, book and fee charges at civilian institutions; civilian salaries; and administrative expenses to include material, supplies and maintenance of office machines and purchases of minor equipment.

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B3D Professional Development Education
 FY 2008 President's Budget Submission
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
13,627	16,476	16,305	98.96	16,305	16,751	16,980
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	16,476	16,305	16,751
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-12	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-159	0	0
Subtotal Appropriation Amount	16,305	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	389	379
Functional Transfers	0	0	0
Program Changes	0	57	-150
Normalized Current Estimate	16,305	0	0
Current Estimate	16,305	16,751	16,980

/1 Excludes FY 2007 Supplemental Funds

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B3D Professional Development Education
 FY 2008 President's Budget Submission
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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		16,476
1) Congressional Adjustments		-171
a) Undistributed Adjustments		-12
i) Congressional Reduction - Unobligated Balance	-12	
b) General Provisions		-159
i) Sec. 8078: Excessive Growth in Advisory and Assistance Services	-71	
ii) Sec. 8106: Revised Economic Assumptions	-55	
iii) Sec. 8077: Contract Efficiencies and Management Improvements	-23	
iv) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-10	
2) War-Related and Disaster Supplemental Appropriations		0
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		0
i) Title IX	0	
Revised FY 2007 Estimate		16,305
3) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		0
Normalized Current Estimate for FY 2007		16,305
Price Change		389
4) Program Increases		57
a) Program Growth in FY 2008		57
i) Increase support senior advisor professional services (Baseline \$552)	57	
FY 2008 Budget Request		16,751
Price Change		379
Program Change		-150
FY 2009 Budget Request		16,980

Department of the Navy
 Operation and Maintenance, Marine Corps
 3B3D Professional Development Education
 FY 2008 President's Budget Submission
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IV. Performance Criteria and Evaluation Summary:

PROFESSIONAL DEVELOPMENT

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Active				
Inputs	5,455	8,151	8,154	8,157
Graduates	5,102	8,057	8,060	8,063
Loads	917	1,659	1,660	1,659
Reserves				
Inputs	389	634	686	634
Graduates	298	634	686	634
Loads	33	56	58	56
Total Training Loads				
Inputs	5,844	8,785	8,840	8,791
Graduates	5,400	8,691	8,746	8,697
Loads	950	1,715	1,718	1,715
Total Workloads	989	1,419	1,421	1,419

Training Loads - Annual average number of Marines (man-years) receiving training from anyone, at any location.

Work Loads - Annual average number of students (man-years), civilians and military, receiving training at MC Formal Schools.

Workload is calculated as follows: [(Inputs + Graduates) divided by (2)] x [(course length) divided by (365)]

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	1,601	1,601	1,601	1,601	0	0
Enlisted	274	274	274	274	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	42	38	41	41	3	0
Active Military Average Strength (A/S) (Total)						
Officer	1,601	1,601	1,601	1,601	0	0
Enlisted	274	274	274	274	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	42	38	41	41	3	0
Average Civilian Workyear/Full Time Equivalent Cost	99	85	88	90	3	2

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

Inflation Categories	Change from FY 2006 to FY 2007				FY 2007 Est.	Change from FY 2007 to FY 2008				FY 2008 Est.	Change from FY 2008 to FY 2009			
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	For Curr		Price Growth	Prog Growth	FY 2009 Est.	
01 Civilian Personnel Compensation														
0101 Exec Gen and Spec Schedules	4065	0	97	-1016	3146	0	87	295	3528	0	88	-1	3615	
0103 Wage Board	85	0	3	-17	71	0	1	1	73	0	3	-1	75	
03 Travel														
0308 Travel of Persons	482	0	12	323	817	0	19	-102	734	0	16	-5	745	
04 WCF Supplies and Materials Purchases														
0412 Navy Managed Purchases	13	0	-2	17	28	0	1	0	29	0	1	0	30	
0415 DLA Managed Purchases	42	0	0	14	56	0	1	0	57	0	1	0	58	
0416 GSA Managed Supplies and Materials	37	0	1	13	51	0	1	0	52	0	1	0	53	
0417 Local Proc DoD Managed Supp and Materials	262	0	6	76	344	0	8	0	352	0	8	-1	359	
05 STOCK FUND EQUIPMENT														
0507 GSA Managed Equipment	6	0	0	3	9	0	0	0	9	0	0	0	9	
07 Transportation														
0771 Commercial Transportation	29	0	1	13	43	0	1	0	44	0	1	0	45	
09 OTHER PURCHASES														
0914 Purchased Communications (Non WCF)	2	0	0	0	2	0	0	1	3	0	0	0	3	
0920 Supplies and Materials (Non WCF)	3213	0	77	121	3411	0	78	-334	3155	0	69	-78	3146	
0921 Printing and Reproduction	586	0	14	94	694	0	16	6	716	0	16	-1	731	
0922 Equip Maintenance by Contract	34	0	1	21	56	0	1	0	57	0	1	0	58	
0923 FAC maint by contract	66	0	2	25	93	0	2	1	96	0	2	0	98	
0925 Equipment Purchases	64	0	2	17	83	0	2	73	158	0	3	18	179	
0932 Mgt and Prof Support Services	267	0	6	279	552	0	13	19	584	0	13	-1	596	
0934 Engineering and Tech Svcs	752	0	18	735	1505	0	35	51	1591	0	35	-17	1609	
0989 Other Contracts	3622	0	87	1327	5036	0	116	43	5195	0	114	-5	5304	
0998 Other Costs	0	0	0	308	308	0	7	3	318	0	7	-58	267	
TOTAL 3B3D Professional Development Education	13627	0	325	2353	16305	0	389	57	16751	0	379	-150	16980	

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I. Description of Operations Financed:

This sub-activity group funds travel and per diem costs of Marine students attending Service and civilian schools away from their permanent duty stations. Also included are costs for training support equipment, audiovisual aids, computer-assisted training programs, and direct administrative support to the training management function, the Expeditionary Warfare Training Groups (EWTGs), minor training devices and the Marine Corps Institute.

II. Force Structure Summary:

This sub-activity group supports unit training at the Mountain Warfare Training Center, Bridgeport, CA and Weapons Training Battalion, Quantico, VA; provides funds for contractor operation and maintenance of approximately 1,410 training devices; provides TAD support for approximately 20,734 Marine students attending formal schools training; supports the training management function at Marine Corps Combat Development Command, Quantico, VA, and the Marine Corps Institute. Annually, the Marine Corps Institute provides approximately 750,000 prep sheets, and 6,000 training packages.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current	FY 2008	FY 2009
	Budget	Congressional	Action			
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
227,787	144,692	141,855	98.04	141,862	284,071	288,511
				/1		

B. Reconciliation Summary

	Change	Change	Change
	<u>FY 2007/2007</u>	<u>FY 2007/2008</u>	<u>FY 2008/2009</u>
Baseline Funding	144,692	141,862	284,071
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-467	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-2,370	0	0
Subtotal Appropriation Amount	141,855	0	0
War-Related and Disaster Supplemental Appropriations	59,315	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	7	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-59,315	0	0
Price Change	0	3,353	6,240
Functional Transfers	0	0	0
Program Changes	0	138,856	-1,801
Normalized Current Estimate	141,862	0	0
Current Estimate	141,862	284,071	288,510

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		144,692
1) Congressional Adjustments		-2,837
a) Undistributed Adjustments		-467
i) Congressional Reduction - Unobligated Balance	-467	
b) General Provisions		-2,370
i) Sec. 8077: Contract Efficiencies and Management Improvements	-814	
ii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-542	
iii) Sec. 8078: Excessive Growth in Advisory and Assistance Services	-529	
iv) Sec. 8106: Revised Economic Assumptions	-485	
2) War-Related and Disaster Supplemental Appropriations		59,315
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		59,315
i) Title IX	59,315	
3) Fact-of-Life Changes		7
a) Emergent Requirements		7
i) Program Growth		7
- Adjustment realigns civilian personnel to better reflect execution	7	
Revised FY 2007 Estimate		201,177
4) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-59,315
Normalized Current Estimate for FY 2007		141,862
Price Change		3,353
5) Program Increases		138,856
a) Program Growth in FY 2008		138,856
i) Increase funding supports Marine Corps Ground Forces Augmentation. Funding supports contractor operation and maintenance of approximately 1,410 training devices; provides TAD support for approximately 20,734 Marine students attending formal schools training; supports the training management function at Marine Corps Combat Development Command, Quantico, VA, and the Marine Corps Institute. Annually, the Marine Corps Institute provides approximately 750,000 prep sheets, and 6,000 training packages. (Baseline \$199,537).	66,152	
ii) Program: Mojave Viper is the Marine Corps' premier pre-deployment training designed to enhance the realism of that training in order to improve unit and individual Marine efficiency and mission. Funding supports Mojave Viper program conducted aboard the Marine Air-Ground Task Force Training Command (MAGTFTC) in 29 Palms, California. The MV program is the culmination of pre-deployment training consisting of Combined	23,477	

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
Arms Training (CAT), Urban Warfare Training (UWT) and unit specific training. It is essential to combat success. The Mojave Viper Program also includes the Foreign Military Advisor Training Program designed to prepare Marines who will serve as military advisors to foreign units. This training is designed to ensure that deploying units receive the most up to date training possible and that they are fully prepared for the challenges that they will face during their deployment. Training Transformation is a key piece to the Marine Corps shift to irregular warfare and supporting direction given in both the CONPLAN 7500 and the Strategic Planning Guidance. (Baseline \$0)		
iii) Security Cooperation Education and Training Center (SCETC) - This program provides funding for the Marine Corps Advisor Course. This course supports the training of Marines deploying as advisors in support of security cooperation missions in accordance with the Secretary of Defense's security cooperation guidance and DoD Directive 3000.05, Military Support for Stability, Security, Transition and Reconstruction (SSTR) Operations. The course also supports Regional Combatant Commanders' requirements for Marine Corps trainer and advisor support in accordance with their Theater Security Cooperation Plans. This course is designed to meet minimum requirements for pre-deployment training for Marines who will perform duties as trainers and advisors. The training includes: Staff training and planning; Advanced Communications Training; Advanced Weapons Training (with emphasis on crew served weapons and foreign military weapons); Advanced Combat Lifesaver Training (including MEDEVAC procedures); Personal Recovery Training; Culture and Language training; Media/Public Affairs Office training; Improvised Explosives Devices (IED) Countermeasures: Explosive Ordnance Disposal; Combat Stress and Suicide Prevention; Law of Land Warfare; Rules of Engagement; Traffic Control Point Operations; Convoy Procedures; Combat Operations in Urban Areas and Advisor Tactics, Techniques and Procedures (Working with Interpreters; Negotiating; Fiscal; Group Dynamics). This training is conducted in direct support of the Mojave Viper pre-deployment training program. Funding provides training support (contractor support for courseware maintenance, training, consumable supplies) for this instruction. Training Transformation is a critical to the Marine Corps shift to irregular warfare and supporting direction given in CONPLAN 7500 and the Strategic Planning Guidance. (Baseline \$0)	16,075	
iv) Training Transformation is a combination of initiatives designed to address requirements associated with achieving victory in the Global War on Terror (GWOT) and the USMC transition to irregular warfare. This program includes formal funding for the Center for Marine Corps Lessons Learned, providing support for the collection of observations from the field, structure and services to support initial analysis and distribution of lessons learned for appropriate Doctrinal, Organizational, Training, Materiel, Leadership, Personnel and Facilities (DOTMLPF) action, and supplies and services to facilitate dissemination of lessons learned. This program directly supports the transformation of training in Marine Corps Formal Schools by providing the additional support and services necessary to conduct learning analysis based on lessons learned and emerging doctrine, tactics, techniques and procedures, and to move forward with design, development, execution and evaluation of formal school training to meet these new requirements. The Training Development process provides a systematic approach for the development of standards based training; provides the agility necessary to allow this training continuum to make the shift to irregular warfare and to keep pace with its dynamic nature. Training Transformation is a key piece to the Marine Corps shift to irregular warfare and supporting direction	13,052	

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Totals</u>
given in both the CONPLAN 7500 and the Strategic Planning Guidance. (Baseline \$0)		
v) Center for Marine Corps Lessons Learned - Lessons and observations from forces operating on the irregular battlefield are being incorporated into the Marine Corps decision process across the full DOTMLPF spectrum ISO operational commanders, advocates and proponents. Information will be used to update curricula in Marine Corps formal schools, and pre-deployment training programs. (Baseline \$0)	4,800	
vi) Create the Center for Advanced Operational Culture Learning Center Of Excellence in order to provide pre-deployment operational culture and language familiarization training support to operating forces; support schoolhouse operational culture and language familiarization training, professional military education and distance learning; provide focused regional studies for career Marines; provide language familiarization training for operational forces and bases and stations. Promotes the development of a sustainable and affordable Total Force of Active and Reserve Component, Civilians and contractor personnel with the right competencies, including improved language, cultural and information technology skills to win on the irregular battlefield. Training Transformation is a key piece to the Marine Corps shift to irregular warfare and supporting direction given in both the CONPLAN 7500 and the Strategic Planning Guidance. (Baseline \$0)	4,300	
vii) Marine Corps Distance Learning (MCDLP) develops electronic training and education course content, fields/supports infrastructure that provides Marines access to electronic courseware, and supports technical/program management requirements for distance learning. The Marine Learning Network (MarineNet) is the Marine Corps Intranet that hosts and delivers e-learning to Marines worldwide. MarineNet is the delivery platform for Peer to Peer (PTP), CAOCL, EPME and other vital training. (Baseline \$0).	3,900	
viii) Training Transformation is a key piece to the Marine Corps shift to irregular warfare and supporting direction given in both the CONPLAN 7500 and the Strategic Planning Guidance. (Baseline \$0)	3,700	
ix) Enlisted Professional Military Education-Training (EPME/T) - The EPME/T program allows for the transformation and implementation of a true enlisted education continuum that addresses lessons learned from recent GWOT operations. It provides for the infusion of technology (web-based distance education and war gaming simulation) into course content, procurement and sustainment of infrastructure, and the human resources to support and deliver the curriculum in both distance and resident education formats. (Baseline \$0)	3,400	
FY 2008 Budget Request		284,071
Price Change		6,240
Program Change		-1,801
FY 2009 Budget Request		288,510

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IV. Performance Criteria and Evaluation Summary:

TRAINING SUPPORT

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
1. Students Attending Training Away from Permanent Duty Station	22,825	23,000	23,500	24,250

Training Loads - Annual average number of Marines (man-years) receiving training from anyone, at any location.

Work Loads - Annual average number of students (man-years), civilians and military, receiving training at MC Formal Schools.

Workload is calculated as follows: [(Inputs + Graduates) divided by (2)] x [(course length) divided by (365)]

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	900	900	900	900	0	0
Enlisted	6,542	6,542	6,542	6,542	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	176	181	181	181	0	0
Active Military Average Strength (A/S) (Total)						
Officer	901	901	901	901	0	0
Enlisted	6,546	6,546	6,546	6,546	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	173	181	181	181	0	0
Average Civilian Workyear/Full Time Equivalent Cost	80	82	85	87	3	2

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

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	13484	0	324	712	14520	0	405	165	15090	0	378	-10	15458
0103 Wage Board	278	0	9	-1	286	0	6	5	297	0	9	-2	304
0111 Disability Compensation	25	0	0	11	36	0	0	0	36	0	0	0	36
03 Travel													
0308 Travel of Persons	21859	0	525	11588	33972	0	781	717	35470	0	780	-561	35689
04 WCF Supplies and Materials Purchases													
0401 DFSC Fuel	4	0	0	2	6	0	1	0	7	0	0	0	7
0412 Navy Managed Purchases	83	0	-11	303	375	0	10	10051	10436	0	208	306	10950
0416 GSA Managed Supplies and Materials	189	0	5	94	288	0	7	0	295	0	6	0	301
0417 Local Proc DoD Managed Supp and Materials	116	0	3	57	176	0	4	0	180	0	4	0	184
05 STOCK FUND EQUIPMENT													
0503 Navy WCF Equipment	236	0	-31	100	305	0	57	-43	319	0	7	7	333
0505 Air Force WCF Equipment	7	0	0	4	11	0	1	-1	11	0	0	0	11
0506 DLA WCF Equipment	278	0	2	136	416	0	9	0	425	0	8	0	433
0507 GSA Managed Equipment	1679	0	40	836	2555	0	59	2	2616	0	58	2	2676
06 Other WCF Purchases (Excl Transportation)													
0631 Naval Facilities Engineering Svc Center	3	0	0	1	4	0	0	0	4	0	0	0	4
0635 Naval Public Works Ctr (Other)	8	0	0	4	12	0	1	-1	12	0	0	0	12
09 OTHER PURCHASES													
0917 Postal Services (USPS)	981	0	0	447	1428	0	0	33	1461	0	0	0	1461
0920 Supplies and Materials (Non WCF)	45969	0	1103	-39179	7893	0	182	52596	60671	0	1335	1880	63886
0921 Printing and Reproduction	2204	0	53	833	3090	0	71	15727	18888	0	415	682	19985
0922 Equip Maintenance by Contract	13808	0	331	7969	22108	0	508	14553	37169	0	818	-1032	36955
0923 FAC maint by contract	113	0	3	53	169	0	4	4	177	0	4	0	181
0925 Equipment Purchases	0	0	0	0	0	0	0	958	958	0	21	218	1197
0932 Mgt and Prof Support Services	4061	0	98	3371	7530	0	173	12456	20159	0	443	-983	19619
0933 Studies, Analysis, and Eval	1383	0	33	1626	3042	0	70	8760	11872	0	261	-652	11481
0934 Engineering and Tech Svcs	1030	0	25	1275	2330	0	54	7931	10315	0	227	-578	9964
0987 Other Intragovernmental Purchases	2498	0	60	1156	3714	0	85	86	3885	0	85	-3	3967
0989 Other Contracts	117438	0	2819	-82792	37465	0	862	11634	49961	0	1099	-839	50221
0998 Other Costs	53	0	1	77	131	0	3	3223	3357	0	74	-236	3195
TOTAL 3B4D Training Support	227787	0	5392	-91317	141862	0	3353	138856	284071	0	6240	-1801	288510

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I. Description of Operations Financed:

Recruiting: The operations financed in this sub-activity include expenses incurred in developing a proficient military recruiting force, salaries of civilian personnel associated with recruiting, administrative supplies, communications, travel, per diem, leasing of recruiting vehicles, recruiter out-of-pocket expenses (ROPE), applicant processing costs and equipment.

Advertising: Marine Corps advertising includes support for all officers, enlisted, Marine-option NROTC, retention and market analysis programs. Purchased with these funds are media (magazines, broadcast, outdoor advertising, etc.), production (creative, photography, art work), and market analysis included in the advertising campaign.

II. Force Structure Summary:

Recruiting: Supports the Total Force procurement effort to enable enlisted and officer procurement personnel to achieve predetermined force levels in both quantity and quality of accessions. The Marine Corps total force recruiting program tasks individual recruiters to procure accessions for both the Regular and Reserve Forces. Officer procurement is the primary function of officer selection offices. A major objective of the Marine Corps is to provide quality recruits that will facilitate the reduction of first term non-expiration of active service attrition and increase combat readiness of the Operating Forces.

Advertising: Provides advertising support for procurement and career planning efforts while generating qualified non-prior service leads and maintaining target group awareness of Marine Corps opportunities at the desired level of response. Additionally, advertising encompasses goals to facilitate and encourage face-to-face contact between the potential applicant and the procurement force. The Marine Corps advertising program is structured to utilize all conventional media in delivering Marine Corps impressions, with direct mail and magazines used primarily as lead generating media.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
168,956	108,883	107,418	98.65	107,418	141,378	146,665
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	108,883	107,418	141,378
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-56	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-1,409	0	0
Subtotal Appropriation Amount	107,418	0	0
War-Related and Disaster Supplemental Appropriations	34,458	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-34,458	0	0
Price Change	0	2,515	3,122
Functional Transfers	0	0	0
Program Changes	0	31,445	2,165
Normalized Current Estimate	107,418	0	0
Current Estimate	107,418	141,378	146,665

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		108,883
1) Congressional Adjustments		-1,465
a) Undistributed Adjustments		-56
i) Congressional Reduction - Unobligated Balance	-56	
b) General Provisions		-1,409
i) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-451	
ii) Sec. 8078: Excessive Growth in Advisory and Assistance Services	-428	
iii) Sec. 8106: Revised Economic Assumptions	-365	
iv) Sec. 8077: Contract Efficiencies and Management Improvements	-165	
2) War-Related and Disaster Supplemental Appropriations		34,458
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		34,458
i) Title IX	34,458	
Revised FY 2007 Estimate		141,876
3) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-34,458
Normalized Current Estimate for FY 2007		107,418
Price Change		2,515
4) Program Increases		32,923
a) Program Growth in FY 2008		32,923
i) Increase funding supports Marine Corps Ground Forces Augmentation. Funding includes expenses incurred in developing a proficient military recruiting force, salaries of civilian personnel associated with recruiting, administrative supplies, communications, travel, per diem, leasing of recruiting vehicles, recruiter out-of-pocket expenses (ROPE), applicant processing costs and equipment. Support for all officers, enlisted, Marine-option NROTC, retention and market analysis programs. Purchased with these funds are media (magazines, broadcast, outdoor advertising, etc.), production (creative, photography, art work), and market analysis included in the advertising campaign.(Baseline \$107,418.	32,923	
5) Program Decreases		-1,478
a) Program Decreases in FY 2008		-1,478
i) Decrease in advertising program (e.g. paid media/printing and reproduction). (Baseline \$31,598)	-1,478	
FY 2008 Budget Request		141,378
Price Change		3,122

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C. Reconciliation of Increases and Decreases

Program Change

FY 2009 Budget Request

Amount

Totals

2,165

146,665

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IV. Performance Criteria and Evaluation Summary:

RECRUITING AND ADVERTISING

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY2009</u>
A. Special Interest Category Totals (\$000)				
Recruiting	79,647	63,132	82,196	85,013
Advertising	89,309	44,286	59,182	61,652
	168,956	107,418	141,378	146,665

This is a total force performance metric that includes both the Active and Reserve components.

Recruiting

1. Number of Enlisted Contracts

Non-prior Service Males	31,155	31,161	31,161	31,161
Non-prior Service Females	<u>1,991</u>	<u>1,989</u>	<u>1,989</u>	<u>1,989</u>
Non-prior Service Regular Enlisted	33,146	33,150	33,150	33,150
Prior Service Regular Enlisted	<u>332</u>	<u>331</u>	<u>331</u>	<u>331</u>
Total Regular Enlisted	33,478	33,481	33,481	33,481

2. Number of Enlisted Accessions

Non-prior Service Males (Regular)	30,002	30,319	28,719	28,719
Non-prior Service Females (Regular)	<u>2,210</u>	<u>2,281</u>	<u>2,281</u>	<u>2,281</u>
Non-prior Service Regular Enlisted	32,212	32,600	31,000	31,000
Prior Service Regular Enlisted	<u>235</u>	<u>234</u>	<u>234</u>	<u>234</u>
Total Regular Enlisted Accessions	32,447	32,834	31,234	31,234

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3. Officer Candidates to Training (includes all sources (i.e. PLC Junior and PLC Combined, OCC, and NROTC going to training)	1,299	1,184	1,184	1,184
4. End of Fiscal year – Delayed Entry Program (Regular)	16,325	17,745	17,745	17,745
5. Test Category I-III A Enlisted Contracts				
Non-prior Service Males	19,643	19,631	19,631	19,631
Non-prior Service Females	<u>1,256</u>	<u>1,253</u>	<u>1,253</u>	<u>1,253</u>
Total CAT I-III A Contracts	20,899	20,884	20,884	20,884
Enlisted Accessions				
Non-prior Service Males	19,164	18,983	19,226	18,900
Non-prior Service Females	<u>1,438</u>	<u>1,438</u>	<u>1,438</u>	<u>1,438</u>
Total CAT I-III A Accessions	20,602	20,421	20,664	20,338
6. High School Diploma Graduates Enlisted Contracts				
Non-prior Service Males	29,621	29,603	29,603	29,603
Non-prior Service Females	<u>1,894</u>	<u>1,889</u>	<u>1,889</u>	<u>1,889</u>
Total Contracted HS Graduates	31,515	31,492	31,492	31,492
Enlisted Accessions				
Non-prior Service Males	28,898	28,626	28,992	<u>28,500</u>
Non-prior Service Females	<u>2,168</u>	<u>2,168</u>	<u>2,168</u>	<u>2,168</u>
Total HS Graduates Accessions (Includes Delayed Entry Pool)	31,066	30,794	31,160	30,668
7. Number of Enlisted Production Recruiters	2,650	2,650	2,650	2,650
8. Recruiting Support Dollars per Non- Prior Service Accessic	2,120	1,962	2,159	2,213
9. Recruiting Quality Goals				
Tier 1 HSDG	97%	95%	95%	95%
CAT I-III A	66%	63%	63%	63%

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ADVERTISING

1. Advertising Cost Per Recruit	1,907	1,378	1,226	1,253
* Result of Accession & Advertising Budget				
2. Propensity to Enlist in Armed Forces (% of Men 16-21)	32	32	32	32
3. Propensity to Enlist in USMC (% of Men 16-21)	13	13	13	13
4. Paid Media				
Television Broadcast (\$000)	7,059	2,509	500	750
Number of Spots	68	23	4	6
*GRP M 18-24	148	75	52	53
Television Cable (\$000)	16,896	6,525	3,278	3,381
Number of Spots	4,382	1,599	759	740
*GRP M 18-24	1,490	754	523	531
Magazines (\$000)	412	312	153	155
Number of Insertions	21	16	8	8
**Circulation (000)	8,687	4,397	3,050	3,095
Theater (\$000)	4,164	651	300	280
Number of Screens	36,809	5,755	2,652	2,475
***Delivered Impressions (000)	122,784	62,153	43,109	43,748
Media Inflation % (As Reported by JWT)	6	6	6	6
5. Lead Generation Efforts				
Total Expenditures (\$000)	15,476	15,786	16,101	16,423
Qualified Leads Generated	315,000	315,000	315,000	315,000
6. Recruiter Support Materials				
Total Expenditures (\$000)	18,777	19,153	19,536	19,926
Number of Pieces	80	80	80	80
Quantity Printed (000)	70,000	70,000	70,000	70,000

*Gross Rating Points (GRP) for Males age 18-24. The gross total of the ratings for each of the commercials in a broadcast schedule or each of the ad insertions in a print schedule. In broadcast, a specific weekly GRP level is often the objective given a buyer. GRPs are a means of expressing in percentage terms the message-weight delivery of a media schedule or vehicle. GRPs are related to advertising impressions, another expression of message-weight by the following Formula: (GRP=Advertising Impressions/Universe)

** Circulation=Copies

***Impressions=total gross audience delivery

****Cost Per Thousand (CPM) is the cost of the media divided by the number of impressions

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	365	365	365	365	0	0
Enlisted	3,597	3,597	3,597	3,597	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	239	243	243	243	0	0
Active Military Average Strength (A/S) (Total)						
Officer	365	365	365	365	0	0
Enlisted	3,597	3,597	3,597	3,597	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	245	243	243	243	0	0
Average Civilian Workyear/Full Time Equivalent Cost	67	82	85	87	3	2

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

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	16384	0	393	3158	19935	0	556	225	20716	0	519	-11	21224
0103 Wage Board	0	0	0	0	0	0	0	0	0	0	0	0	0
03 Travel													
0308 Travel of Persons	29333	0	704	-2851	27186	0	625	-2041	25770	0	567	-212	26125
09 OTHER PURCHASES													
0914 Purchased Communications (Non WCF)	9055	0	217	-828	8444	0	194	82	8720	0	192	-9	8903
0917 Postal Services (USPS)	2591	0	0	-226	2365	0	0	24	2389	0	0	0	2389
0920 Supplies and Materials (Non WCF)	10528	0	253	-4442	6339	0	146	62	6547	0	144	-7	6684
0921 Printing and Reproduction	38384	0	921	-8400	30905	0	711	32105	63721	0	1402	2292	67415
0922 Equip Maintenance by Contract	2656	0	64	-242	2478	0	57	23	2558	0	56	-2	2612
0925 Equipment Purchases	1892	0	45	-175	1762	0	41	497	2300	0	51	123	2474
0932 Mgt and Prof Support Services	8464	0	203	-4120	4547	0	105	432	5084	0	112	-5	5191
0987 Other Intragovernmental Purchases	1987	0	48	-183	1852	0	43	17	1912	0	42	-2	1952
0989 Other Contracts	47639	0	1143	-47215	1567	0	36	16	1619	0	36	-2	1653
0998 Other Costs	43	0	1	-6	38	0	1	3	42	0	1	0	43
TOTAL 3C1F Recruiting and Advertising	168956	0	3992	-65530	107418	0	2515	31445	141378	0	3122	2165	146665

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3C2F Off-Duty and Voluntary Education
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I. Description of Operations Financed:

The Off-Duty Education Program provides tuition assistance for Marines high school through graduate level off-duty education. This program also pays 100 percent of the total cost of the Military Academic Skills Program (MASP) and off-duty high school completion. Approximately 1,700 Marines participate in the Veterans Educational Assistance Program (VEAP). Approximately 24,000 Marines participate in the tuition assistance program. This program also funds HQ participation in educational conferences, and implementation/sustainment of the Sailor/Marine American Council on Education Registry Transcript (SMART). The Marine Corps began to pay 100% tuition assistance beginning October 1, 2002.

II. Force Structure Summary:

The Off-Duty Education Program provides tuition assistance for Marines high school through graduate level off-duty education. This program also pays 100 percent of the total cost of the MASP and off-duty high school completion. Approximately 1,700 Marines participate in the VEAP. Approximately 24,000 Marines participate in the tuition assistance program. This program also funds HQ participation in educational conferences, and implementation/sustainment of the Sailor/Marine American Council on Education Registry Transcript (SMART). The Marine Corps began to pay 100% tuition assistance beginning October 1, 2002.

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 3C2F Off-Duty and Voluntary Education
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
49,350	55,524	55,280	99.56	55,280	57,523	58,819
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	55,524	55,280	57,523
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-6	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-238	0	0
Subtotal Appropriation Amount	55,280	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	1,271	1,265
Functional Transfers	0	0	0
Program Changes	0	972	31
Normalized Current Estimate	55,280	0	0
Current Estimate	55,280	57,523	58,819

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		55,524
1) Congressional Adjustments		-244
a) Undistributed Adjustments		-6
i) Congressional Reduction - Unobligated Balance	-6	
b) General Provisions		-238
i) Sec. 8106: Revised Economic Assumptions	-186	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-50	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-2	
Revised FY 2007 Estimate		55,280
Normalized Current Estimate for FY 2007		55,280
Price Change		1,271
2) Program Increases		972
a) Program Growth in FY 2008		972
i) Increase to support operational costs associated with tuition assistance (e.g. tuition cost increase and books). (Baseline \$54,972)	972	
FY 2008 Budget Request		57,523
Price Change		1,265
Program Change		31
FY 2009 Budget Request		58,819

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
A. Special Interest Category Totals (\$)				
Tuition Assistance (TA)	49,350	55,280	57,523	58,819
 B. Performance Criteria				
Other Off-Duty Education				
1) TA (\$000)	43,398	49,241	51,417	52,646
2) VEAP (\$000)	153	153	153	153
3) Other Supporting Programs & Operational Costs	3,799	3,886	3,953	4,020
a) Counselor Support (FY 05)	2,000	2,000	2,000	2,000
Total	49,350	55,280	57,523	58,819
 Course Enrollments:				
1) Off-Duty Education				
a. Graduate Level course enrollments	3,933	3,972	4,019	4,059
b. Undergraduate level/Vocational level course enrollments	69,839	70,538	71,236	71,948
Subtotal	73,772	74,510	75,255	76,007
2) Academic Skills Education Program				
a. BSEP/Academic Skills Individual Course Enrollments	4,000	4,040	4,080	4,120
Subtotal	4,000	4,040	4,080	4,120
3) High School Completion Program				
a. Individual Course Enrollments	17	18	18	19
Subtotal	17	18	18	19
TOTAL:	77,789	78,568	79,353	80,146

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Active Military Average Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
No Civilian Data Found	0	0	0	0	0	0

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

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
03 Travel													
0308 Travel of Persons	105	0	3	0	108	0	2	-8	102	0	2	-1	103
09 OTHER PURCHASES													
0920 Supplies and Materials (Non WCF)	12	0	0	0	12	0	0	0	12	0	0	0	12
0925 Equipment Purchases	0	0	0	0	0	0	0	249	249	0	5	83	337
0987 Other Intragovernmental Purchases	582	0	14	11	607	0	14	2	623	0	14	-1	636
0989 Other Contracts	48651	0	1168	4734	54553	0	1255	729	56537	0	1244	-50	57731
TOTAL 3C2F Off-Duty and Voluntary Education	49350	0	1185	4745	55280	0	1271	972	57523	0	1265	31	58819

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3C3F Junior ROTC
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I. Description of Operations Financed:

This sub-activity group finances the Department of Defense share of the costs for instructors and provides administrative supplies, tests, and training aids for Marine Junior Reserve Officers Training Corps units.

II. Force Structure Summary:

This sub-activity group provides for annual orientation visits by MJROTC units to Marine Corps installations. The units are under the administrative control of Marine Corps Districts.

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 3C3F Junior ROTC
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current Estimate	FY 2008 Estimate	FY 2009 Estimate
	Budget Request	Congressional Amount	Action Percent			
<u>Actuals</u> 16,627	17,257	17,557	101.74	17,557	17,080	17,847
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	17,257	17,557	17,080
Congressional Adjustments (Distributed)	400	0	0
Congressional Adjustments (Undistributed)	-13	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-87	0	0
Subtotal Appropriation Amount	17,557	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	415	383
Functional Transfers	0	0	0
Program Changes	0	-892	384
Normalized Current Estimate	17,557	0	0
Current Estimate	17,557	17,080	17,847

/1 Excludes FY 2007 Supplemental Funds

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 3C3F Junior ROTC
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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		17,257
1) Congressional Adjustments		300
a) Distributed Adjustments		400
i) Marine Military Academy High, Chicago,IL	400	
b) Undistributed Adjustments		-13
i) Congressional Reduction - Unobligated Balance	-13	
c) General Provisions		-87
i) Sec. 8106: Revised Economic Assumptions	-59	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-25	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-3	
Revised FY 2007 Estimate		17,557
Normalized Current Estimate for FY 2007		17,557
Price Change		415
2) Program Decreases		-892
a) One Time FY 2007 Costs		-400
i) One time baseline cost for Marine Military Academy High, Chicago,IL (Baseline \$0).	-400	
b) Program Decreases in FY 2008		-492
i) Reduction funding in courseware development, training and travel. (Baseline \$766)	-492	
FY 2008 Budget Request		17,080
Price Change		383
Program Change		384
FY 2009 Budget Request		17,847

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3C3F Junior ROTC
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IV. Performance Criteria and Evaluation Summary:
Marine Corps Junior Reserve Officers' Training Corps

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Starting Enrollment	26,822	26,985	27,322	27,622
Ending Enrollment	28,126	26,985	28,626	28,926
Average Enrollment	27,474	26,985	27,974	28,274
Number of Units	222	222	223	223

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 3C3F Junior ROTC
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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	6	6	6	6	0	0
Enlisted	8	8	8	8	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	31	30	30	30	0	0
Active Military Average Strength (A/S) (Total)						
Officer	6	6	6	6	0	0
Enlisted	8	8	8	8	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	31	30	30	30	0	0
Average Civilian Workyear/Full Time Equivalent Cost	67	82	85	87	3	2

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

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	2070	0	50	342	2462	0	68	28	2558	0	64	-3	2619
03 Travel													
0308 Travel of Persons	215	0	5	18	238	0	5	-57	186	0	4	42	232
04 WCF Supplies and Materials Purchases													
0412 Navy Managed Purchases	9	0	-1	0	8	0	0	-2	6	0	0	3	9
0415 DLA Managed Purchases	6	0	0	0	6	0	0	0	6	0	0	0	6
06 Other WCF Purchases (Excl Transportation)													
0631 Naval Facilities Engineering Svc Center	4	0	0	0	4	0	0	0	4	0	0	0	4
0635 Naval Public Works Ctr (Other)	12	0	0	0	12	0	1	-3	10	0	0	3	13
09 OTHER PURCHASES													
0914 Purchased Communications (Non WCF)	148	0	4	0	152	0	3	-4	151	0	3	9	163
0917 Postal Services (USPS)	2	0	0	0	2	0	0	0	2	0	0	0	2
0920 Supplies and Materials (Non WCF)	671	0	16	1	688	0	16	-42	662	0	15	61	738
0921 Printing and Reproduction	108	0	3	5	116	0	3	-7	112	0	2	18	132
0925 Equipment Purchases	0	0	0	0	0	0	0	75	75	0	2	20	97
0998 Other Costs	13382	0	321	166	13869	0	319	-880	13308	0	293	231	13832
TOTAL 3C3F Junior ROTC	16627	0	398	532	17557	0	415	-892	17080	0	383	384	17847

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I. Description of Operations Financed:

This sub-activity group funds Facilities Sustainment, Restoration, and Modernization (FSRM) for the Training and Education Activity Group.

Sustainment provides resources for maintenance and repair activities necessary to keep an inventory of facilities in good working order. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, and emergency response and service calls for minor repairs. Sustainment also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the life cycle of facilities. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacement of tile and carpeting, and similar types of work.

Restoration includes repair and replacement work to restore facilities damaged by lack of sustainment, excessive age, natural disaster, fire, accident, or other causes.

Modernization includes alteration of facilities solely to implement new or higher standards (including regulatory changes), to accommodate new functions, or to replace building components that typically last more than 50 years (such as foundations and structural members).

II. Force Structure Summary:

This sub-activity group funds Facilities Sustainment, Restoration, and Modernization (FSRM) functions for Marine Corps Base Quantico, VA, Marine Barracks at 8th and I, Washington D.C., the Marine Corps Recruiting Command, Quantico, VA, Marine Corps Recruit Depots, Parris Island, S.C. and San Diego, CA.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
56,728	50,810	50,810	100	50,810	56,590	54,804
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	50,810	50,810	56,590
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	0	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	0	0	0
Subtotal Appropriation Amount	50,810	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	1,183	1,377
Functional Transfers	0	0	0
Program Changes	0	4,597	-3,163
Normalized Current Estimate	50,810	0	0
Current Estimate	50,810	56,590	54,804

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		50,810
Normalized Current Estimate for FY 2007		50,810
Price Change		1,183
1) Program Increases		5,205
a) Program Growth in FY 2008		5,205
i) The FY 2007 Restoration and Modernization (R&M) program was significantly reduced, deferring projects until FY 2008. This increase will restore baseline R&M funding and address those projects that were deferred in the FY 2007 budget. R&M funds are used for whole building type repairs to facilities that require structural changes or significant modernization that should be done at the time of a major repair. For example, seismic upgrades, or interior layout modifications to meet current mission requirements (Baseline \$18,238K).	4,501	
ii) Increase to support Marine Corps Base Quantico to sustain the facilities of the National Museum of the Marine Corps. (Baseline \$41,343K)	704	
2) Program Decreases		-608
a) Program Decreases in FY 2008		-608
i) Technical adjustment to correct Marine Corps Recruiting Depot Parris Island funding profile, aligns funding to match requirements. (Baseline \$8,789K)	-608	
FY 2008 Budget Request		56,590
Price Change		1,377
Program Change		-3,163
FY 2009 Budget Request		54,804

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IV. Performance Criteria and Evaluation Summary:

(000's)	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
BSM3				
Sustainment	\$40,959	\$48,883	\$41,578	\$43,955
Restoration and Modernization	\$14,522	\$274	\$13,318	\$9,118
Demolition	\$770	\$1,056	\$1,084	\$1,107
Other - Security Upgrades	<u>\$477</u>	<u>\$597</u>	<u>\$610</u>	<u>\$624</u>
Total	\$56,728	\$50,810	\$56,590	\$54,804
<u>TOTAL OMMC/R USMC FSRM</u>				
Sustainment	\$666,757	\$496,780	\$583,384	\$550,542
Restoration and Modernization	\$74,081	\$14,562	\$116,675	\$159,852
Demolition	<u>\$4,831</u>	<u>\$5,282</u>	<u>\$6,996</u>	<u>\$7,106</u>
Total	\$745,669	\$516,624	\$662,055	\$717,500
Sustainment Requirement Active	\$550,905	\$531,505	\$563,366	\$575,185
Sustainment Requirement Reserve	\$9,952	\$10,314	\$10,887	\$11,411
FSRM Sustainment Funding Active	\$647,277	\$454,874	\$461,245	\$469,587
FSRM Sustainment Funding Reserve	\$19,480	\$8,766	\$10,756	\$11,884
Host Nation Support	\$39,790	\$40,440	\$41,350	\$42,040
Military Pay (Sustainment)	\$1,323	\$1,337	\$1,455	\$1,512
Total Sustainment Funding	\$707,870	\$505,417	\$514,806	\$525,023
ACTIVE Annual Deferred Sustainment (100% Funded)	(\$96,372)	\$76,631	\$102,121	\$105,598
RESERVE Annual Deferred Sustainment (100% Funded)	(\$9,528)	\$1,548	\$141	(\$473)
TOTAL Sustainment Percent Funded	126%	93%	90%	90%
Needed to reach 95% funded – Active	(\$123,917)	\$50,056	\$73,952	\$76,839
Needed to reach 95% funded – Reserve	(\$10,026)	\$1,032	(\$413)	(\$1,044)
Restoration and Modernization Requirement	\$206,000	\$206,000	\$206,000	\$206,000
Restoration and Modernization Shortfall	\$131,919	\$191,438	\$89,325	\$46,148
Recap Rate (Years)	186	948	118	86

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	6	6	6	6	0	0
Enlisted	31	31	31	31	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	269	257	257	257	0	0
Active Military Average Strength (A/S) (Total)						
Officer	6	6	6	6	0	0
Enlisted	31	31	31	31	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	269	257	257	257	0	0
Average Civilian Workyear/Full Time Equivalent Cost	69	73	77	78	3	2

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

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	3933	0	94	-89	3938	0	111	43	4092	0	103	-3	4192
0103 Wage Board	14717	0	450	-218	14949	0	338	292	15579	0	463	-60	15982
09 OTHER PURCHASES													
0920 Supplies and Materials (Non WCF)	4415	0	106	879	5400	0	124	129	5653	0	124	-687	5090
0921 Printing and Reproduction	2	0	0	1	3	0	0	0	3	0	0	0	3
0922 Equip Maintenance by Contract	24	0	1	7	32	0	1	0	33	0	1	0	34
0923 FAC maint by contract	32556	0	782	-8277	25061	0	576	3874	29511	0	649	-2434	27726
0925 Equipment Purchases	205	0	5	61	271	0	6	260	537	0	11	22	570
0987 Other Intragovernmental Purchases	27	0	1	8	36	0	1	0	37	0	1	0	38
0989 Other Contracts	849	0	20	251	1120	0	26	-1	1145	0	25	-1	1169
TOTAL BSM3 Sustainment, Restoration and Modernization	56728	0	1459	-7377	50810	0	1183	4597	56590	0	1377	-3163	54804

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I. Description of Operations Financed:

This sub-activity funds the Base Support function for the Training and Education Activity Group.

Administrative services include such functions as installation financial and military/civilian manpower management and base safety and legal services. Specific services finance organic supply operations in support of the installations, including vehicle operation and maintenance. Community support services provide for support of living facilities, food services, recreation areas, special services programs and common use facilities. Real Property services category consists of utilities operations and other engineering support. Base communication includes the operation and maintenance of telephone systems, including record communications (data card, magnetic tape, teletype), radio and facsimile equipment and the administrative costs associated with message reproduction and distribution as well as payments for long distance toll charges. The environmental category includes compliance, conservation, and pollution prevention. These operations includes air, water, and soil pollution abatement; environmental restoration; natural, cultural, historic, land, forest, and coastal zone management; and hazardous waste handling and disposal.

Also included under Base Support are injury compensation payments and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases, posts and stations.

II. Force Structure Summary:

This sub-activity group provides Base Support to Marine Corps Barracks at 8th and I, Marine Corps Recruiting Command, Marine Corps Base Quantico, and Marine Corps Recruit Depots, Parris Island and San Diego.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current Estimate	FY 2008 Estimate	FY 2009 Estimate
	Budget Request	Congressional Amount	Action Percent			
<u>Actuals</u> 133,094	141,242	140,071	99.17	140,210	146,254	148,125
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	141,242	140,210	146,254
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-174	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-997	0	0
Subtotal Appropriation Amount	140,071	0	0
War-Related and Disaster Supplemental Appropriations	3,040	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	139	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-3,040	0	0
Price Change	0	3,643	3,482
Functional Transfers	0	0	0
Program Changes	0	2,401	-1,611
Normalized Current Estimate	140,210	0	0
Current Estimate	140,210	146,254	148,125

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		141,242
1) Congressional Adjustments		-1,171
a) Undistributed Adjustments		-174
i) Congressional Reduction - Unobligated Balance	-174	
b) General Provisions		-997
i) Sec. 8106: Revised Economic Assumptions	-474	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-471	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-52	
2) War-Related and Disaster Supplemental Appropriations		3,040
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		3,040
i) Title IX	3,040	
3) Fact-of-Life Changes		139
a) Emergent Requirements		139
i) Program Growth		169
- Realignment of funds from II MEF to Marine Corps Combat Development Command (MCCDC) to reflect execution of funds. (Baseline \$0K)	169	
- Realignment of funds from Base Operating Support (BSS1) to Base Operating Support (BSS3) to support a shared service agreement between MARFORCOM and Beaufort to reflect execution of funds. (Baseline \$0K)	4	
ii) Program Reductions		-30
- Reduction in Base Operating Support (BSS3) to fund one Provost Marshal in Base Operating Support (BSS1) (Baseline \$30K).	-30	
Revised FY 2007 Estimate		143,250
4) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-3,040
Normalized Current Estimate for FY 2007		140,210
Price Change		3,643
5) Program Increases		5,694
a) Program Growth in FY 2008		5,694
i) Increase in funding for installations training and operations support availability and maintenance of ranges at MCB Quantico. Due to increase usage and the availability of equipment, additional funds are necessary for the equipment at the ranges. Maintenance is necessary to ensure the equipment will work properly and Marines will receive proper training. (Baseline \$4,044K)	2,932	

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
ii) Increase in funding to support the FY2007 military to civilian hires and the funding to support previous civilian hires (FY 2005 and FY 2006). This enables the military to be reassigned to the operating forces and is a key component of the Commandant's initiative to rebalance the force. (Baseline \$85,978K).	2,762	
6) Program Decreases		-3,293
a) Program Decreases in FY 2008		-3,293
i) Reduction to support procurement and supply and supply operations to properly align FY2008 program with requirements (Baseline \$20,779K).	-3,293	
FY 2008 Budget Request		146,254
Price Change		3,482
Program Change		-1,611
FY 2009 Budget Request		148,125

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IV. Performance Criteria and Evaluation Summary:

BSS3 Base Operating Support	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
A. Administration (\$000)	15,516	15,442	15,822	16,150
Military Personnel Avg Strength	779	779	779	779
Civilian Personnel FTE's	108	105	105	105
Number of Bases, Total	5	5	5	5
Number of Bases, (CONUS)	5	5	5	5
Number of Bases, (Overseas)	0	0	0	0
Population Served, Total	17,467	17,467	17,467	17,467
Population Served, (Military, Avg Strength)	10,159	10,159	10,159	10,159
Population Served, (Civilian, FTE'S)	9,654	9,654	9,654	9,654
B. Retail Supply Operations (\$000)	9,696	9,930	10,176	10,562
Military Personnel Avg Strength	182	182	182	182
Civilian Personnel FTE's	146	144	144	144
C. Bachelor Housing Ops/Furn (\$000)	729	740	759	775
Military Personnel Avg Strength	12	12	12	12
Civilian Personnel FTE's	9	9	9	9
No. of Officer Quarters	3,531	3,531	3,531	3,531
No. of Enlisted Quarters	2,396	2,396	2,396	2,396
D. Other Morale, Welfare and Recreation (\$000)	10,406	10,820	10,773	10,985
Military Personnel Avg Strength	5	5	5	5
Civilian Personnel FTE's	113	113	113	113
Population Served, Total	23,993	23,993	23,993	23,993
Population Served, (Military, Avg Strength)	10,220	10,220	10,220	10,220
Population Served, (Civilian Personnel, FTE's)	13,773	13,773	13,773	13,773
E. Maintenance of Installation Equipment (\$000)	1,033	1,029	1,054	1,054
Military Personnel Avg Strength	14	14	14	14
Civilian Personnel FTE's	11	11	11	11
F. Other Base Services (\$000)	64,343	70,405	74,884	75,735
Military Personnel Avg Strength	712	712	712	712
Civilian Personnel FTE's	558	523	549	567
No. of Motor Vehicles, Total	1,169	1,169	1,169	1,169

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	No. of Motor Vehicles, (Owned)	551	551	551	551
	No. of Motor Vehicles, (Leased)	618	618	618	618
G.	Other Personnel Support (\$000)	3,573	3,998	3,802	3,893
	Military Personnel Avg Strength	152	152	152	152
	Civilian Personnel FTE'S	70	70	70	70
	Population Served, Total	19,054	19,054	19,054	19,054
	Population Served, (Military, Average Strength)	9,218	9,218	9,218	9,218
	Population Served, (Civilian Personnel FTE's)	9,836	9,836	9,836	9,836
H.	Non-GSA Lease Payment for Space (\$000)	N/A	N/A	N/A	N/A
	Leased Space (000 sq. ft.)				
	Recurring Reimbursements (\$000)				
	One-time Reimbursements (\$000)				
I.	Other Engineering Support (\$000)	10,323	10,438	10,497	10,497
	Military Personnel Avg Strength	10	10	10	10
	Civilian Personnel FTE'S	77	77	77	77
J.	Operations of Utilities (\$000)	17,614	17,967	18,863	18,646
	Military Personnel Avg Strength	6	6	6	6
	Civilian Personnel FTE'S	96	96	96	96
	Electricity (MWH)	78,137	78,139	78,141	78,141
	Heating (000 therms) - Natural Gas	444,125	444,130	444,135	444,135
	Heating (000 lbs) - Steam	161,656	161,656	161,656	161,656
	Water, Plants & Systems (000 gals)	845,899	845,899	845,899	845,899
	Sewage & Waste Systems (000 gals)	540,648	540,650	540,652	540,652
	Air Conditioning and Refrigeration (Ton)	9,442	9,442	9,442	9,442
K.	Environmental Services (\$000)	9,116	8,532	8,702	8,887
L.	Child and Youth Development Programs (\$000)	1,068	1,347	1,419	1,438
	No. of Child Development Centers (CDC)	1			
	No. of Family Child Care (FCC) Homes	14	20	25	30
	Total Number of Children Receiving Care (CDC/FCC)	378	400	425	450
	Percent of Eligible Children Receiving Care (USMC wide)	73	80	85	87

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No. of Children on Waiting List (Unmet only)	111	92	85	75
Total Military Child Population (Infant to 12 yrs)	7,855	8,250	8,350	8,450
No. of Youth Facilities	1	1	1	1
Youth Population Serviced (Grades 1-12)	5,117	5,200	5,200	5,200
No. of School Age Care (SAC) Facilities	1	1	1	1
Total Number of Children Receiving Care (SAC)	111	120	130	130
Total O&MMC Funding (\$000)	133,094	140,210	146,254	148,125
Military Personnel Average Strength	1,872	1,872	1,872	1,872
Civilian Personnel FTE'S	1,188	1,148	1,174	1,192

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	57	57	57	57	0	0
Enlisted	1,815	1,815	1,815	1,815	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	1,191	1,149	1,196	1,193	47	-3
Active Military Average Strength (A/S) (Total)						
Officer	57	57	57	57	0	0
Enlisted	1,815	1,815	1,815	1,815	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	1,188	1,148	1,174	1,192	26	18
Average Civilian Workyear/Full Time Equivalent Cost	67	80	83	84	3	2

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

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	61864	0	1485	11304	74653	0	2083	2451	79187	0	1980	937	82104
0103 Wage Board	17541	0	536	-1054	17023	0	385	409	17817	0	529	-69	18277
0111 Disability Compensation	2004	0	0	364	2368	0	0	0	2368	0	0	0	2368
03 Travel													
0308 Travel of Persons	5372	0	129	-5501	0	0	0	0	0	0	0	0	0
04 WCF Supplies and Materials Purchases													
0401 DFSC Fuel	0	0	0	0	0	0	0	230	230	0	-1	35	264
0416 GSA Managed Supplies and Materials	7715	0	185	-894	7006	0	161	-1493	5674	0	125	70	5869
0417 Local Proc DoD Managed Supp and Materials	39	0	1	1	41	0	1	0	42	0	1	0	43
05 STOCK FUND EQUIPMENT													
0507 GSA Managed Equipment	83	0	2	-65	20	0	0	0	20	0	0	0	20
09 OTHER PURCHASES													
0913 PURCH UTIL (Non WCF)	17433	0	418	1560	19411	0	446	113	19970	0	439	-1245	19164
0914 Purchased Communications (Non WCF)	1521	0	37	55	1613	0	37	52	1702	0	37	-1	1738
0915 Rents	294	0	7	43	344	0	8	11	363	0	8	0	371
0917 Postal Services (USPS)	694	0	0	53	747	0	0	25	772	0	0	0	772
0920 Supplies and Materials (Non WCF)	9227	0	221	-4861	4587	0	106	-183	4510	0	99	-471	4138
0921 Printing and Reproduction	90	0	2	11	103	0	2	2	107	0	2	-12	97
0922 Equip Maintenance by Contract	1882	0	45	645	2572	0	59	81	2712	0	60	-428	2344
0923 FAC maint by contract	1369	0	33	1360	2762	0	64	87	2913	0	64	-236	2741
0925 Equipment Purchases	1526	0	37	781	2344	0	54	639	3037	0	67	-177	2927
0937 Locally Purchased Fuel (Non-WCF)	1813	0	-185	342	1970	0	177	-107	2040	0	10	-10	2040
0987 Other Intragovernmental Purchases	48	0	1	-1	48	0	1	2	51	0	1	0	52
0989 Other Contracts	178	0	4	-2	180	0	4	5	189	0	4	0	193
0998 Other Costs	2401	0	58	-41	2418	0	55	77	2550	0	57	-4	2603
TOTAL BSS3 Base Operating Support	133094	0	3016	4100	140210	0	3643	2401	146254	0	3482	-1611	148125

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I. Description of Operations Financed:

This sub activity group supports Marine Corps prisoners confined at the Army Disciplinary Command, Fort Leavenworth, Kansas; Marine Corps Personnel Administration and Support Activity (MCPASA); the Marine Band located at the Marine Barracks, 8th and I Streets, Washington, DC; and the quality of life (QOL) programs of Child Care and Development and Family Service Centers. It also finances the administration of missions, functions and worldwide operation of the Marine Corps via MCPASA. Cost of operations includes civilian personnel salaries, Defense Finance and Accounting Service reimbursements, automated data processing, printing and reproduction, and travel for military and civilian personnel services on a Marine Corps-wide basis.

II. Force Structure Summary:

The Commandant of the Marine Corps is directly responsible to the Secretary of the Navy for the administration, discipline, internal organization, training and the total performance of the Marine Corps; and for ensuring that policies and programs are executed efficiently and effectively on a Marine Corps-wide basis. The organization is primarily concerned with the development of long-range plans, policies, programs, and requirements in all specific Marine Corps matters for which the Commandant is directly responsible to the Secretary of the Navy. Administration activities direct, coordinate, and supervise Marine Corps activities in the execution of policies and programs dealing with manpower, intelligence, logistics, aviation, financial management, telecommunications, data automation, reserve affairs and operational readiness matters.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current Estimate	FY 2008 Estimate	FY 2009 Estimate
	Budget Request	Congressional Amount	Action Percent			
256,861	255,058	253,663	99.45	254,036	257,131	257,296
				/1		

B. Reconciliation Summary

	Change FY 2007/2007	Change FY 2007/2008	Change FY 2008/2009
Baseline Funding	255,058	254,036	257,131
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-16	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-1,379	0	0
Subtotal Appropriation Amount	253,663	0	0
War-Related and Disaster Supplemental Appropriations	362	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-362	0	0
Price Change	0	-4,187	2,440
Functional Transfers	0	0	0
Program Changes	0	7,282	-2,275
Normalized Current Estimate	254,036	0	0
Current Estimate	254,036	257,131	257,296

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		255,058
1) Congressional Adjustments		-1,395
a) Undistributed Adjustments		-16
i) Congressional Reduction - Unobligated Balance	-16	
b) General Provisions		-1,379
i) Sec. 8106: Revised Economic Assumptions	-855	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-508	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-16	
2) War-Related and Disaster Supplemental Appropriations		362
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		362
i) Title IX	362	
3) Fact-of-Life Changes		373
a) Emergent Requirements		373
i) One-Time Costs		373
- Increase from (BSS4/4A4G) to reflect proper execution of the Marine Corps Community Services (MCCS) program.	373	
Revised FY 2007 Estimate		254,398
4) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-362
Normalized Current Estimate for FY 2007		254,036
Price Change		-4,187
5) Program Increases		7,282
a) Program Growth in FY 2008		7,282
i) Increase to DFAS program support to cover additional Technical Support Services contracts for Marine Corps (Baseline \$75.6M)	6,875	
ii) Increase to Civilian Labor to include projected pay raise adjustment (Baseline \$ 68.558M)	407	
FY 2008 Budget Request		257,131
Price Change		2,440
Program Change		-2,275
FY 2009 Budget Request		257,296

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IV. Performance Criteria and Evaluation Summary:

	FY 2006		FY 2007		FY 2008		FY 2009	
	Units	(\$ in 000)						
LABOR								
Number of Military Personnel:	175,320		175,320		175,320		175,320	
Number of Management HQ Personnel:	2,103		2,103		2,103		2,103	
Ratio of Total Military and Civilian Personnel Population to Management HQ Population	83	57,106	83	66,307	83	68,214	83	68,214
DEFENSE SECURITY SERVICE								
Clearances Initiated	0*	0*	0	0	0	0	0	0
*Note: Program transferred to AAUSN beginning in FY06								
Pentagon Reservation	247,630	29,388	247,630	34,808	247,630	34,808	247,630	34,808
Site-R	50,000	13,389	50,000	15,858	50,000	15,858	50,000	15,858
TOTAL		42,777		50,667		50,667		50,667
DEFENSE FINANCE AND ACCOUNTING SERVICE								
Pay Accounts Maintained	248,886	82,849	250,638	75,560	250,638	75,600	250,638	77,188
MARINE SECURITY GUARD								
Units Supported	149	44,158	149	41,702	152	42,711	152	42,711

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	206	0	0	0	0	0
Enlisted	1,704	0	0	0	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	818	806	802	808	-4	6
Indirect Hire, Foreign National	0	0	0	0	0	0
Active Military Average Strength (A/S) (Total)						
Officer	206	103	0	0	-103	0
Enlisted	1,704	852	0	0	-852	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	617	806	802	808	-4	6
Indirect Hire, Foreign National	0	0	0	0	0	0
Average Civilian Workyear/Full Time Equivalent Cost	98	82	85	87	3	2

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

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	60550	0	1453	4118	66121	0	1844	407	68372	0	1709	488	70569
0111 Disability Compensation	241	0	0	-55	186	0	0	0	186	0	0	0	186
03 Travel													
0308 Travel of Persons	682	0	16	263	961	0	22	-348	635	0	14	-5	644
04 WCF Supplies and Materials Purchases													
0412 Navy Managed Purchases	1831	0	-238	-70	1523	0	41	25	1589	0	32	1	1622
0416 GSA Managed Supplies and Materials	5	0	0	0	5	0	0	0	5	0	0	0	5
06 Other WCF Purchases (Excl Transportation)													
0672 Pentagon Reservation Maint Fund	32405	0	6805	11457	50667	0	-2432	2432	50667	0	3699	-3699	50667
0673 Defense Finance and Accounting Service	82849	0	-7954	665	75560	0	-4836	4876	75600	0	-4158	5813	77255
09 OTHER PURCHASES													
0917 Postal Services (USPS)	5805	0	0	2106	7911	0	0	185	8096	0	0	0	8096
0920 Supplies and Materials (Non WCF)	24942	0	599	-20700	4841	0	111	-1514	3438	0	76	1663	5177
0921 Printing and Reproduction	1267	0	30	542	1839	0	42	11	1892	0	42	-2	1932
0922 Equip Maintenance by Contract	627	0	15	320	962	0	22	22	1006	0	22	-1	1027
0923 FAC maint by contract	101	0	2	4	107	0	2	3	112	0	2	0	114
0925 Equipment Purchases	0	0	0	0	0	0	0	1116	1116	0	24	246	1386
0987 Other Intragovernmental Purchases	44548	0	1069	-3915	41702	0	959	50	42711	0	940	-6777	36874
0989 Other Contracts	170	0	4	85	259	0	6	6	271	0	6	0	277
0998 Other Costs	838	0	20	534	1392	0	32	11	1435	0	32	-2	1465
TOTAL 4A2G Special Support	256861	0	1821	-4646	254036	0	-4187	7282	257131	0	2440	-2275	257296

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I. Description of Operations Financed:

This sub-activity group funds the transportation of Marine Corps owned material and supplies by the most economical mode that will meet in-transit time standards in support of the Department of Defense Uniform Materiel Movement and Issue Priority System. All resources in this program are utilized to reimburse industrially funded or commercial transportation carriers for transportation services.

This program finances all costs related to Second Destination Transportation of cargo to the operating forces overseas and within the continental United States, as well as prepositioning of Marine Corps owned material and equipment to overseas locations. Categories of transportation are: Military Sealift Command for ocean cargo; Inland transportation by Commercial Carriers for movement between CONUS installations and ports; Air Mobility Command for air movement of priority cargo in support of the Operating Forces; and Surface Deployment Distribution Command for port handling of ocean cargo.

II. Force Structure Summary:

The Transportation of Things program package supports the second destination transportation requirements for movement of material and supplies for the entire Marine Corps.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end-strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end-strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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 Operation and Maintenance, Marine Corps
 4A3G Servicewide Transportation
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current Estimate	FY 2008 Estimate	FY 2009 Estimate
	Budget Request	Congressional Amount	Action Percent			
295,530	24,140	24,058	99.66	24,058	81,548	99,443
				/1		

B. Reconciliation Summary

	Change FY 2007/2007	Change FY 2007/2008	Change FY 2008/2009
Baseline Funding	24,140	24,058	81,548
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	0	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-82	0	0
Subtotal Appropriation Amount	24,058	0	0
War-Related and Disaster Supplemental Appropriations	192,003	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	-192,003	0	0
Price Change	0	313	1,787
Functional Transfers	0	0	0
Program Changes	0	57,177	16,108
Normalized Current Estimate	24,058	0	0
Current Estimate	24,058	81,548	99,443

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		24,140
1) Congressional Adjustments		-82
a) General Provisions		-82
i) Sec. 8106: Revised Economic Assumptions	-81	
ii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-1	
2) War-Related and Disaster Supplemental Appropriations		192,003
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		192,003
i) Title IX	192,003	
Revised FY 2007 Estimate		215,616
3) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-192,003
Normalized Current Estimate for FY 2007		24,058
Price Change		313
4) Program Increases		67,890
a) Program Growth in FY 2008		67,890
i) Change reflects increase in Marine Corps Ground Force Augmentation. This program finances all costs related to Second Destination Transportation of cargo to the operating forces overseas and within the continental United States, as well as prepositioning of Marine Corps owned material and equipment to overseas locations. (Baseline \$81.548M)	67,890	
5) Program Decreases		-10,713
a) Program Decreases in FY 2008		-10,713
i) Adjustment for peace time costs attributed to indirect fuel, port handling, and commercial air shipments within the Continental United States (CONUS) and overseas. (Baseline \$81,548M)	-10,713	
FY 2008 Budget Request		81,548
Price Change		1,787
Program Change		16,108
FY 2009 Budget Request		99,443

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Operation and Maintenance, Marine Corps
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IV. Performance Criteria and Evaluation Summary:

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<u>A. Servicewide Transportation</u>	<u>FY 2006</u>		<u>FY 2007</u>		<u>FY 2008</u>		<u>FY 2009</u>	
	Units	(\$ in 000)						
<u>Second Destination Transportation (SDT) (by Mode of Shipment):</u>								
Surface Deployment Distribution Command								
Port Handling (Measurement Tons (MT))	175,452	6,528	174,968	5,138	183,716	12,828	183,716	22,840
Liner Service Routes (MT)	175,452	14,876	174,968	14,690	183,716	52,940	183,716	58,955
Military Sealift Command:								
Per Diem (Ship Days (SD))								
Air Mobility Command:								
Regular Channel (Short Tons (ST))	1,732	5,318	1,720	4,230	1,806	15,780	1,806	17,648
SAAM (Missions (MSN))								
Commercial:								
Air (ST)	2,583	5,318	2,799	4,230	2,939	15,780	2,939	17,648
Surface (ST)	26,662	21,404	26,726	19,828	28,062	65,768	28,062	81,795
Total SDT		26,722		24,058		81,548		99,443
 <u>Second Destination Transportation (by Selected Commodities):</u>								
Cargo (Military Supplies and Equipment - ST)	30,977	14,964	31,245	13,472	32,807	45,667	32,807	55,688
Cargo (Military Supplies and Equipment - MT)	157,907	10,154	156,907	9,142	156,907	30,988	156,907	37,788
Base Exchanges								
ST								
MT	17,545	1,603	17,723	1,443	17,723	4,893	17,723	5,967
Totals								
ST	30,977	14,964	31,245	13,472	32,807	45,667	32,807	55,688
MT	175,452	11,758	174,630	10,586	174,630	35,881	174,630	43,755
Total SDT		26,722		24,058		81,548		99,443

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V. Personnel Summary

There are no military or civilian personnel assigned to this sub-activity group.

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

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
03 Travel													
0308 Travel of Persons	8	0	0	28	36	0	1	-2	35	0	1	0	36
07 Transportation													
0705 AMC Channel Cargo	269574	0	4	-267116	2462	0	44	-1437	1069	0	22	2900	3991
0718 MTMC Liner Ocean Transportation	3943	0	592	4792	9327	0	-93	-9832	-598	0	-29	7984	7357
0719 MTMC Cargo Operations (Port Handling)	1636	0	-37	1470	3069	0	150	11	3230	0	158	538	3926
0771 Commercial Transportation	10920	0	229	-1540	9609	0	211	67923	77743	0	1633	4603	83979
09 OTHER PURCHASES													
0920 Supplies and Materials (Non WCF)	9449	0	227	-9676	0	0	0	0	0	0	0	0	0
0925 Equipment Purchases	0	0	0	0	0	0	0	69	69	0	2	83	154
TOTAL 4A3G Servicewide Transportation	295530	0	1015	-272042	24503	0	313	56732	81548	0	1787	16108	99443

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I. Description of Operations Financed:

The cost of operations financed by this sub-activity group includes civilian personnel salaries, automated data processing, printing and reproduction, expense of travel for military and civilian personnel, expenses of Marine Corps representatives attending public functions as speakers and guests of honor, and purchase, maintenance and rental of office equipment and supplies.

II. Force Structure Summary:

The Commandant of the Marine Corps is directly responsible to the Secretary of the Navy for the administration, discipline, internal organization, training and the total performance of the Marine Corps; and for ensuring that policies and programs are executed efficiently and effectively on a Marine Corps-wide basis. The organization is primarily concerned with the development of long-range plans, policies, programs, and requirements in all specific Marine Corps matters for which the Commandant is directly responsible to the Secretary of the Navy. Administration activities direct, coordinate, and supervise Marine Corps activities in the execution of policies and programs dealing with manpower, intelligence, logistics, aviation, financial management, telecommunications, data automation, reserve affairs and operational readiness matters.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007			Current Estimate	FY 2008 Estimate	FY 2009 Estimate
	Budget Request	Congressional Amount	Action Percent			
43,994	34,266	34,133	99.61	33,864	36,078	36,287
				/1		

B. Reconciliation Summary

	Change FY 2007/2007	Change FY 2007/2008	Change FY 2008/2009
Baseline Funding	34,266	33,864	36,078
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	0	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-133	0	0
Subtotal Appropriation Amount	34,133	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	-269	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	887	859
Functional Transfers	0	0	0
Program Changes	0	1,327	-650
Normalized Current Estimate	33,864	0	0
Current Estimate	33,864	36,078	36,287

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		34,266
1) Congressional Adjustments		-133
a) General Provisions		-133
i) Sec. 8106: Revised Economic Assumptions	-115	
ii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-18	
2) War-Related and Disaster Supplemental Appropriations		35
a) Title IX, Department of Defense Appropriations Act, 2007, War-Related Appropriations Carryover		35
i) Title IX	35	
3) Fact-of-Life Changes		-269
a) Technical Adjustments		-269
i) Decreases		-269
- Emergent Requirement: Decrease from 4A4G Equipment Maintenance to be applied to 4A2G Marine Corps Community Services (MCCS) program.	-269	
Revised FY 2007 Estimate		33,899
4) Less: War-Related and Disaster Supplemental Appropriations, and Reprogrammings, Iraq Freedom Fund Transfers		-35
Normalized Current Estimate for FY 2007		33,864
Price Change		887
5) Program Increases		1,327
a) Program Growth in FY 2008		1,327
i) Provide resources maintenance and support of readiness predictive models that will enable the Service to respond to interactive queries concerning various environments, operational tempo, and equipment age. (Baseline \$7.468M)	1,327	
FY 2008 Budget Request		36,078
Price Change		859
Program Change		-650
FY 2009 Budget Request		36,287

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Labor	30,260	23,203	23,478	24890
TAD, ADP, Training, and fees	13,734	10,661	12,600	11397
TOTAL	43,994	33,864	36,078	36,287

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	964	0	0	0	0	0
Enlisted	1,308	0	0	0	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	78	0	0	0	0	0
Enlisted	80	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	294	269	268	268	-1	0
Active Military Average Strength (A/S) (Total)						
Officer	965	482	0	0	-482	0
Enlisted	1,291	654	0	0	-654	0
Reserve Drill Strength (A/S) (Total)						
Officer	78	39	0	0	-39	0
Enlisted	80	40	0	0	-40	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	276	268	261	267	-7	6
Average Civilian Workyear/Full Time Equivalent Cost	109	86	89	92	3	3

Department of the Navy
 Operation and Maintenance, Marine Corps
 4A4G Administration
 FY 2008 President's Budget Submission
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VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	29949	0	719	-7669	22999	0	642	-367	23274	0	582	830	24686
0111 Disability Compensation	311	0	0	-107	204	0	0	0	204	0	0	0	204
03 Travel													
0308 Travel of Persons	1095	0	26	-20	1101	0	25	-82	1044	0	23	-8	1059
09 OTHER PURCHASES													
0914 Purchased Communications (Non WCF)	3465	0	83	978	4526	0	104	51	4681	0	103	-205	4579
0920 Supplies and Materials (Non WCF)	5063	0	122	-4218	967	0	22	812	1801	0	40	-980	861
0921 Printing and Reproduction	1250	0	30	-198	1082	0	25	814	1921	0	42	-415	1548
0922 Equip Maintenance by Contract	1732	0	42	-422	1352	0	31	125	1508	0	33	-52	1489
0925 Equipment Purchases	0	0	0	0	0	0	0	148	148	0	3	32	183
0987 Other Intragovernmental Purchases	2	0	0	-1	1	0	0	0	1	0	0	0	1
0998 Other Costs	1127	0	27	478	1632	0	38	-174	1496	0	33	148	1677
TOTAL 4A4G Administration	43994	0	1049	-11179	33864	0	887	1327	36078	0	859	-650	36287

Department of the Navy
Operation and Maintenance, Marine Corps
BSM4 Sustainment, Restoration and Modernization
FY 2008 President's Budget Submission
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I. Description of Operations Financed:

This sub-activity group funds Facilities Sustainment, Restoration, and Modernization (FSRM) for the Service wide Support Activity Group.

Sustainment provides resources for maintenance and repair activities necessary to keep an inventory of facilities in good working order. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, and emergency response and service calls for minor repairs. Sustainment also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the life cycle of facilities. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacement of tile and carpeting, and similar types of work.

Restoration includes repair and replacement work to restore facilities damaged by lack of sustainment, excessive age, natural disaster, fire, accident, or other causes.

Modernization includes alteration of facilities solely to implement new or higher standards (including regulatory changes), to accommodate new functions, or to replace building components that typically last more than 50 years (such as foundations and structural members).

II. Force Structure Summary:

This sub-activity funds Facilities Sustainment, Restoration, and Modernization (FSRM) support for Headquarters Battalion, Henderson Hall, Arlington, VA. and Marine Corps Support Activity, Kansas City, MO.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

Department of the Navy
 Operation and Maintenance, Marine Corps
 BSM4 Sustainment, Restoration and Modernization
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
2,349	2,913	2,913	100	2,913	3,039	3,192
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	2,913	2,913	3,039
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	0	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	0	0	0
Subtotal Appropriation Amount	2,913	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	0	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	67	66
Functional Transfers	0	0	0
Program Changes	0	59	87
Normalized Current Estimate	2,913	0	0
Current Estimate	2,913	3,039	3,192

/1 Excludes FY 2007 Supplemental Funds

Department of the Navy
 Operation and Maintenance, Marine Corps
 BSM4 Sustainment, Restoration and Modernization
 FY 2008 President's Budget Submission
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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		2,913
Revised FY 2007 Estimate		2,913
Normalized Current Estimate for FY 2007		2,913
Price Change		67
1) Program Increases		59
a) Program Growth in FY 2008		59
i) The FY 2007 Restoration and Modernization (R&M) program was significantly reduced, deferring projects until FY 2008. This increase will restore baseline RandM funding and address those projects that were deferred in the FY 2007 budget. Funds are used for whole building type repairs to facilities that require structural changes or significant modernization that should be done at the time of a major repair. For example, seismic upgrades, or interior layout modifications to meet current mission requirements. (Baseline \$464K)	59	
FY 2008 Budget Request		3,039
Price Change		66
Program Change		87
FY 2009 Budget Request		3,192

Department of the Navy
 Operation and Maintenance, Marine Corps
 BSM4 Sustainment, Restoration and Modernization
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IV. Performance Criteria and Evaluation Summary:

<u>BSM4</u>	(000's)	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Sustainment		\$2,053	\$2,898	\$2,573	\$2,717
Restoration and Modernization		\$296	\$15	\$466	\$475
Demolition		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total		\$2,349	\$2,913	\$3,039	\$3,192
<u>TOTAL OMMC/R USMC FSRM</u>					
Sustainment		\$666,757	\$496,780	\$583,384	\$550,542
Restoration and Modernization		\$74,081	\$14,562	\$116,675	\$159,852
Demolition		<u>\$4,831</u>	<u>\$5,282</u>	<u>\$6,996</u>	<u>\$7,106</u>
Total		\$745,669	\$516,624	\$662,055	\$717,500
Sustainment Requirement Active		\$550,905	\$531,505	\$563,366	\$575,185
Sustainment Requirement Reserve		\$9,952	\$10,314	\$10,887	\$11,411
FSRM Sustainment Funding Active		\$647,277	\$454,874	\$461,245	\$469,587
FSRM Sustainment Funding Reserve		\$19,480	\$8,766	\$10,756	\$11,884
Host Nation Support		\$39,790	\$40,440	\$41,350	\$42,040
Military Pay (Sustainment)		\$1,323	\$1,337	\$1,455	\$1,512
Total Sustainment Funding		\$707,870	\$505,417	\$514,806	\$525,023
ACTIVE Annual Deferred Sustainment (100% Funded)		(\$96,372)	\$76,631	\$102,121	\$105,598
RESERVE Annual Deferred Sustainment (100% Funded)		(\$9,528)	\$1,548	\$141	(\$473)
TOTAL Sustainment Percent Funded		126%	93%	90%	90%
Needed to reach 95% funded – Active		(\$123,917)	\$50,056	\$73,952	\$76,839
Needed to reach 95% funded – Reserve		(\$10,026)	\$1,032	(\$413)	(\$1,044)
Restoration and Modernization Requirement		\$206,000	\$206,000	\$206,000	\$206,000
Restoration and Modernization Shortfall		\$131,919	\$191,438	\$89,325	\$46,148
Recap Rate (Years)		186	948	118	86

Department of the Navy
 Operation and Maintenance, Marine Corps
 BSM4 Sustainment, Restoration and Modernization
 FY 2008 President's Budget Submission
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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	3	3	3	3	0	0
Enlisted	22	22	22	22	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	0	0	0	0	0	0
Active Military Average Strength (A/S) (Total)						
Officer	3	3	3	3	0	0
Enlisted	22	22	22	22	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	0	0	0	0	0	0
Average Civilian Workyear/Full Time Equivalent Cost	0	0	0	0	0	0

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 Operation and Maintenance, Marine Corps
 BSM4 Sustainment, Restoration and Modernization
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VI. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	FY 2006 Actuals	Change from FY 2006 to FY 2007			FY 2007 Est.	Change from FY 2007 to FY 2008			FY 2008 Est.	Change from FY 2008 to FY 2009			FY 2009 Est.
		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth		For Curr	Price Growth	Prog Growth	
09 OTHER PURCHASES													
0920 Supplies and Materials (Non WCF)	73	0	2	-22	53	0	1	0	54	0	1	0	55
0923 FAC maint by contract	2244	0	54	519	2817	0	65	46	2928	0	64	82	3074
0925 Equipment Purchases	0	0	0	0	0	0	0	13	13	0	0	5	18
0987 Other Intragovernmental Purchases	32	0	1	10	43	0	1	0	44	0	1	0	45
TOTAL BSM4 Sustainment, Restoration and Modernization	2349	0	57	507	2913	0	67	59	3039	0	66	87	3192

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Operation and Maintenance, Marine Corps
BSS4 Base Operating Support
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I. Description of Operations Financed:

This sub-activity group funds base support functions for the Service-wide Support activity group in the following categories:

Administrative services finance such functions as installation financial and military/civilian manpower management and base safety and legal services. Specific services finance organic supply operations in support of the installations, including vehicle operation and maintenance. Community support services provide for support of living facilities, food services, recreation areas, special services programs and common use facilities. Real Property services consist of utilities operations and other engineering support. Base communication includes the operation and maintenance of telephone systems, including data communications, radio and facsimile equipment and the administrative costs associated with message reproduction and distribution as well as payments for long distance toll charges. The environmental category includes compliance, conservation, and pollution prevention, to include air, water, and soil pollution abatement; environmental restoration; natural, cultural, historic, land, forest, and coastal zone management; and hazardous waste handling and disposal.

Also included under Base Support are injury compensation payments and procurement of collateral equipment required to initially outfit new military construction projects at Marine Corps bases, posts and stations.

II. Force Structure Summary:

This sub-activity funds base support for Headquarters Battalion, Henderson Hall and the Marine Corps Support Activity, Kansas City.

Achieving victory in the Long War: Upon completing a reexamination of Marine Corps structure and manning for both the current Global War on Terrorism (GWOT) and future requirements, the President has approved an increase in end strength to 202,000 over the next five years. To posture forces for the Long War and relieve deployment strain resulting from GWOT operations, personnel policies, organizational constructs, infrastructure, equipping/resetting the force and training support must all be adjusted to more sustainable levels. The approved end strength will achieve the desired 1:2 deployment-to-dwell ratio required to support the long war while maintaining readiness for the full spectrum of mission requirements the Nation expects from the Marine Corps.

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 Operation and Maintenance, Marine Corps
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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group Total

FY 2006	FY 2007				FY 2008	FY 2009
	Budget	Congressional	Action	Current		
<u>Actuals</u>	<u>Request</u>	<u>Amount</u>	<u>Percent</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
13,090	11,904	11,824	99.33	11,772	14,116	14,403
				/1		

B. Reconciliation Summary

	Change <u>FY 2007/2007</u>	Change <u>FY 2007/2008</u>	Change <u>FY 2008/2009</u>
Baseline Funding	11,904	11,772	14,116
Congressional Adjustments (Distributed)	0	0	0
Congressional Adjustments (Undistributed)	-15	0	0
Adjustments to Meet Congressional Intent	0	0	0
Congressional Adjustments (General Provisions)	-65	0	0
Subtotal Appropriation Amount	11,824	0	0
War-Related and Disaster Supplemental Appropriations	0	0	0
Emergency Supplemental Carryover	0	0	0
Fact-of-Life Changes (CY to CY)	-52	0	0
Subtotal Baseline Funding	0	0	0
Reprogrammings	0	0	0
Less: War-Related and Disaster Supplemental Appropriations	0	0	0
Price Change	0	292	328
Functional Transfers	0	0	0
Program Changes	0	2,052	-41
Normalized Current Estimate	11,772	0	0
Current Estimate	11,772	14,116	14,403

/1 Excludes FY 2007 Supplemental Funds

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<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Totals</u>
FY 2007 President's Budget Request		11,904
1) Congressional Adjustments		-80
a) Undistributed Adjustments		-15
i) Congressional Reduction - Unobligated Balance	-15	
b) General Provisions		-65
i) Sec. 8106: Revised Economic Assumptions	-40	
ii) Sec. 8077: Contract Efficiencies and Management Improvements	-20	
iii) Sec. 8097: Excessive Growth in Travel and Transportation of Persons	-5	
2) Fact-of-Life Changes		-52
a) Emergent Requirements		-52
i) Program Reductions		-52
- Decrease in Base Operations Support (BSS4) and increased Base Operations Support (BSS1) to align funding with projected execution in Marine Corps Community Services (MCCS). (Baseline \$2,249K)	-52	
Revised FY 2007 Estimate		11,772
Normalized Current Estimate for FY 2007		11,772
Price Change		292
3) Program Increases		2,385
a) Program Growth in FY 2008		2,385
i) Increase reflects establishment of Marine Corps National Capital Region (MCNCR). This effort is funded in the Base Operation Support (BSS4) line. (Baseline \$9,269K)	647	
ii) Increase reflects efforts for Marine Corps Base Quantico Information Management Support for National Museum of the Marine Corps. (Baseline \$2,410K)	333	
iii) Increase in civilian manpower for military to civilian conversions resulting from a realignment of military personnel to military essential positions. This will allow military to return to the operating forces and is a key component of the Commandants	1,405	
4) Program Decreases		-333
a) Program Decreases in FY 2008		-333
i) Decrease reflects reduction for contractor support. (Baseline \$2,527)	-333	
FY 2008 Budget Request		14,116
Price Change		328
Program Change		-41

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C. Reconciliation of Increases and Decreases
FY 2009 Budget Request

Amount

Totals
14,403

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Operation and Maintenance, Marine Corps
BSS4 Base Operating Support
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IV. Performance Criteria and Evaluation Summary:

BSS4 Base Operating Support	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
A. Administration (\$000)	793	632	1,146	1,167
Military Personnel Avg Strength	25	25	25	25
Civilian Personnel FTE's	1	1	1	1
Number of Bases, Total	2	2	2	2
Number of Bases, (CONUS)	2	2	2	2
Number of Bases, (Overseas)	0	0	0	0
Population Served, Total	2,850	2,850	2,850	2,850
Population Served, (Military, Avg Strength)	2,050	2,050	2,050	2,050
Population Served, (Civilian, FTE'S)	800	800	800	800
B. Retail Supply Operations (\$000)	123	118	123	108
Military Personnel Avg Strength	5	5	5	5
Civilian Personnel FTE's	1	1	1	1
C. Bachelor Housing Ops/Furn (\$000)	105	87	89	91
Military Personnel Avg Strength	3	3	3	3
Civilian Personnel FTE's	0	0	0	0
No. of Officer Quarters	0	0	0	0
No. of Enlisted Quarters	254	254	254	254
D. Other Morale, Welfare and Recreation (\$000)	3,665	3,148	3,878	3,956
Military Personnel Avg Strength	1	1	1	1
Civilian Personnel FTE's	34	34	34	34
Population Served, Total	13,990	13,990	13,990	13,990
Population Served, (Military, Avg Strength)	2,450	2,450	2,450	2,450
Population Served, (Civilian Personnel, FTE's)	11,540	11,540	11,540	11,540
E. Maintenance of Installation Equipment (\$000)	2,149	908	1,893	1,913
Military Personnel Avg Strength	0	0	0	0
Civilian Personnel FTE's	2	2	2	2
F. Other Base Services (\$000)	3,355	4,247	3,721	4,015
Military Personnel Avg Strength	261	261	261	261
Civilian Personnel FTE's	34	31	31	31
No. of Motor Vehicles, Total	53	53	53	53

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BSS4 Base Operating Support
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	No. of Motor Vehicles, (Owned)	12	12	12	12
	No. of Motor Vehicles, (Leased)	41	41	41	41
G.	Other Personnel Support (\$000)	851	828	851	774
	Military Personnel Avg Strength	6	6	6	6
	Civilian Personnel FTE'S	4	4	4	4
	Population Served, Total	33,581	33,581	33,581	33,581
	Population Served, (Military, Average Strength)	5,382	5,382	5,382	5,382
	Population Served, (Civilian Personnel FTE's)	28,199	28,199	28,199	28,199
H.	Non-GSA Lease Payment for Space (\$000)	N/A	N/A	N/A	N/A
	Leased Space (000 sq. ft.)				
	Recurring Reimbursements (\$000)				
	One-time Reimbursements (\$000)				
I.	Other Engineering Support (\$000)	685	662	685	608
	Military Personnel Avg Strength	1	1	1	1
	Civilian Personnel FTE'S	1	1	1	1
J.	Operations of Utilities (\$000)	849	724	1,222	1,253
	Military Personnel Avg Strength	0	0	0	0
	Civilian Personnel FTE'S	0	0	0	0
	Electricity (MWH)	4,474	4,972	4,474	4,972
	Heating (000 therms) - Natural Gas	12,555	13,950	12,555	12,555
	Heating (000 lbs) - Steam	20,106	22,340	20,106	22,340
	Water, Plants & Systems (000 gals)	20,106	22,340	20,106	22,340
	Sewage & Waste Systems (000 gals)	788	788	788	788
	Air Conditioning and Refrigeration (Ton)	0	0	0	0
K.	Environmental Services (\$000)	121	94	101	103
L.	Child and Youth Development Programs (\$000)	394	324	407	415
	No. of Child Development Centers (CDC)	0	0	0	0
	No. of Family Child Care (FCC) Homes	45	40	45	50
	Total Number of Children Receiving Care (CDC/FCC)	24	24	24	24
	Percent of Eligible Children Receiving Care (USMC wide)	1	1	1	1

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No. of Children on Waiting List (Unmet only)	29	27	29	31
Total Military Child Population (Infant to 12 yrs)	2,549	2,549	2,549	2,549
No. of Youth Facilities	0	0	0	0
Youth Population Serviced (Grades 1-12)	1,699	1,699	1,699	1,699
No. of School Age Care (SAC) Facilities				
Total Number of Children Receiving Care (SAC)				
Total O&MMC Funding (\$000)	13,090	11,772	14,116	14,403
Military Personnel Average Strength	302	302	302	302
Civilian Personnel FTE'S	57	64	64	64

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V. Personnel Summary

	FY 2006	FY 2007	FY 2008	FY 2009	Change FY 2007/FY 2008	Change FY 2008/FY 2009
Active Military End Strength (E/S) (Total)						
Officer	27	27	27	27	0	0
Enlisted	281	281	281	281	0	0
Reserve Drill Strength (E/S) (Total)						
Officer	15	15	15	15	0	0
Enlisted	2	2	2	2	0	0
Reservists on Full Time Active Duty (E/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian End Strength (Total)						
Direct Hire, U.S.	38	68	68	68	0	0
Active Military Average Strength (A/S) (Total)						
Officer	27	27	27	27	0	0
Enlisted	281	281	281	281	0	0
Reserve Drill Strength (A/S) (Total)						
Officer	15	15	15	15	0	0
Enlisted	2	2	2	2	0	0
Reservists on Full-Time Active Duty (A/S) (Total)						
Officer	0	0	0	0	0	0
Enlisted	0	0	0	0	0	0
Civilian FTEs (Total)						
Direct Hire, U.S.	57	64	64	64	0	0
Average Civilian Workyear/Full Time Equivalent Cost	49	81	85	87	3	2

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

Inflation Categories	Change from FY 2006 to FY 2007				Change from FY 2007 to FY 2008				Change from FY 2008 to FY 2009				
	FY 2006 Actuals	For Curr	Price Growth	Prog Growth	FY 2007 Est.	For Curr	Price Growth	Prog Growth	FY 2008 Est.	For Curr	Price Growth	Prog Growth	FY 2009 Est.
01 Civilian Personnel Compensation													
0101 Exec Gen and Spec Schedules	2669	0	64	2189	4922	0	137	54	5113	0	128	-1	5240
0103 Wage Board	134	0	4	148	286	0	6	5	297	0	9	-2	304
0111 Disability Compensation	1	0	0	0	1	0	0	0	1	0	0	0	1
03 Travel													
0308 Travel of Persons	504	0	12	-516	0	0	0	0	0	0	0	0	0
09 OTHER PURCHASES													
0913 PURCH UTIL (Non WCF)	1217	0	29	56	1302	0	30	15	1347	0	30	-2	1375
0914 Purchased Communications (Non WCF)	463	0	11	21	495	0	11	6	512	0	11	0	523
0917 Postal Services (USPS)	6	0	0	0	6	0	0	0	6	0	0	0	6
0920 Supplies and Materials (Non WCF)	2335	0	56	-1204	1187	0	27	484	1698	0	37	-9	1726
0921 Printing and Reproduction	93	0	2	-44	51	0	1	67	119	0	3	-1	121
0922 Equip Maintenance by Contract	2149	0	52	-1293	908	0	21	964	1893	0	42	-22	1913
0923 FAC maint by contract	3025	0	73	-752	2346	0	54	392	2792	0	61	-19	2834
0925 Equipment Purchases	59	0	1	4	64	0	1	65	130	0	3	15	148
0989 Other Contracts	250	0	6	-191	65	0	1	0	66	0	1	0	67
0998 Other Costs	185	0	5	-51	139	0	3	0	142	0	3	0	145
TOTAL BSS4 Base Operating Support	13090	0	315	-1633	11772	0	292	2052	14116	0	328	-41	14403