

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2019
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MARCH 2018

Addendum to Overseas Contingency Operations

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Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

I. Description of Operations Financed:

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

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

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

II. Force Structure Summary:

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

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

In FY 2019, there are 9 active carrier air wings, 2,479 crews, and 2,007 tactical primary authorized aircraft

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Air Operations
 Detail by Subactivity Group: Mission and Other Flight Operations

III. Financial Summary (\$ in Thousands):

	FY 2017 Actuals	FY 2018			Current Estimate	FY 2019 Estimate
		Budget Request	Congressional Amount	Action Percent		
A. Sub-Activity Group Total						
1. Mission and Other Flight Operations	411,019	412,710	0	0.00	412,710	435,508
	/1					

Summary of Operation	FY 2017	FY 2018	FY 2019
European Deterrence Initiative (EDI)	\$520	\$4,750	\$2,900
Operation FREEDOM'S SENTINEL (OFS)	\$156,435	\$181,678	\$199,667
Operation INHERENT RESOLVE (OIR)	\$254,064	\$226,282	\$232,940
Operation Totals	\$411,019	\$412,710	\$435,507

B. Reconciliation Summary

	Change FY 2018/2018	Change FY 2018/2019
OCO Funding	412,710	412,710
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	412,710	0
Baseline Appropriation	5,544,165	0
Less Baseline Funding	-5,544,165	0
Fact-of-Life Changes (CY to CY)	0	0
FY 2018 Request for Additional Appropriations	0	0
Subtotal OCO Funding	412,710	0
Reprogrammings	0	0
Price Change	0	-8,602
Functional Transfers	0	0
Program Changes	0	31,400
Line Item Consolidation	0	0
Current Estimate	412,710	435,508

1/ Figure represent certified Cost of War actuals

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Air Operations
 Detail by Subactivity Group: Mission and Other Flight Operations

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2018 Budget OCO Request		412,710
1) Baseline Appropriations		5,544,165
a) Base Budget Funding	5,544,165	
FY 2018 Appropriated and Supplemental Funding		5,956,875
Revised FY 2018 Current Estimate		5,956,875
Less Baseline Funding		-5,544,165
FY 2018 Current Estimate		412,710
Price Change		-8,602
2) Program Increases		37,705
a) Program Increase in FY 2019		37,705
i) Increase due to changing mix of aircraft cost per hour and the number of incremental hours for Marine Corps squadrons from 2018 to 2019. Increase is based on current Global Force Management schedule and continues to support operating tempo of forces in theater. (Baseline \$347,690)	24,078	
ii) Increase due to changing mix of aircraft cost per hour and the number of incremental hours for Navy squadrons from 2018 to 2019. Increase is based on current Global Force Management schedule and continues to support operating tempo of forces in theater. (Baseline \$347,690)	9,259	
iii) Increase for personnel travel cost reflects the addition of Triton deployments to the Global Force Management schedule. (Baseline \$347,690)	2,193	
iv) Increase in transportation cost based on updated estimates to ship aviation squadron, including rotation of helicopters, in and out of theater. (Baseline \$347,690)	2,175	
3) Program Decreases		-6,305
a) Program Decreases in FY 2019		-6,305
i) European Deterrence Initiative (EDI): Decrease is a result of the participation efforts planned by U.S. forces in multinational exercises with partner nations. (Baseline \$4,750)	-1,847	
ii) Decrease supports modified profile of USMC CH-53E Reset program. Incorporates planned number of aircraft throughput as well as adjustments in per aircraft cycle time and replacement of Depot-Level Repairables (DLR) based on observed performance. (Baseline \$65,200)	-4,458	
FY 2019 OCO Budget Request		435,508

Department of the Navy
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IV. Performance Criteria and Evaluation Summary:

Incremental flying hours by component

	2017	2018	2019
Navy	48,021	35,529	37,612
Marines	3,003	9,384	14,801
Total	51,024	44,913	52,413
Ch-53 Reset Funding	\$ 67,000	\$ 65,020	\$ 61,510
Flight Ops Funding	\$ 344,019	\$ 347,690	\$ 373,998
Total Funding	\$ 411,019	\$ 412,710	\$ 435,508

Department of the Navy
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 Operation and Maintenance, Navy
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 Activity Group: Air Operations
 Detail by Subactivity Group: Mission and Other Flight Operations

V. Personnel Summary:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change FY 2018/FY 2019</u>
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<u>Contractor FTEs (Total) *</u>	177	160	137	-23
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* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

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

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	17,261	0	294	15,015	32,570	0	586	2,077	35,233
400 WCF Supplies									
401 DLA Energy (Fuel Products)	78,984	0	9,106	7,084	95,174	0	-381	-1,006	93,787
412 Navy Managed Supplies and Materials	64,346	0	-791	-11,276	52,279	0	-6,460	10,294	56,113
416 GSA Managed Supplies and Materials	0	0	0	150	150	0	3	-153	0
424 DLA Material Supply Chain (Weapon Systems)	20,623	0	-365	6,100	26,358	0	-985	670	26,043
500 Stock Fund Equipment									
503 Navy Fund Equipment	191,837	0	709	-28,471	164,075	0	-2,060	23,265	185,280
600 Other WCF Purchases (Excl Transportation)									
631 Naval Facilities Engineering and Expeditionary Warfare Center	0	0	0	250	250	0	-19	-211	20
700 Transportation									
703 JCS Exercises	1,000	0	13	-1,013	0	0	0	0	0
705 AMC Channel Cargo	1,170	0	-370	4,658	5,458	0	98	-536	5,020
771 Commercial Transportation	4,023	0	69	2,055	6,147	0	110	1,927	8,184
900 Other Purchases									
920 Supplies and Materials (Non-Fund)	112	0	2	301	415	0	6	-6	415
922 Equipment Maintenance By Contract	30,550	0	519	-1,935	29,134	0	487	-4,208	25,413
923 Facility Sustainment, Restoration, and Modernization by Contract	1,113	0	19	-1,132	0	0	0	0	0
957 Land and Structures	0	0	0	700	700	0	13	-713	0
TOTAL 1A1A Mission and Other Flight Operations	411,019	0	9,205	-7,514	412,710	0	-8,602	31,400	435,508

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Mission and Other Ship Operations

I. Description of Operations Financed:

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

OCO funding finances 34% of OPSTAR, a portion of the base requirement. In addition, OCO funds incremental costs associated with OPTEMPO demand for Operation Freedom's Sentinel.

II. Force Structure Summary:

Ship Type	FY 2017	FY 2018	FY 2019
Aircraft Carrier	11	11	11
Surface Combatant	109	117	123
Amphibious Ships	32	32	33
Nuclear Attack Submarines	51	51	52
Ballistic Missile Submarines	14	14	14
Missile Submarines	4	4	4
Combat Logistics Ships	29	29	29
Support Ships	29	31	33
Total Battle Force Ships	279	289	299

Department of the Navy
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 Operation and Maintenance, Navy
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 Activity Group: Ship Operations
 Detail by Subactivity Group: Mission and Other Ship Operations

III. Financial Summary (\$ in Thousands):

		FY 2018				
A. Sub-Activity Group Total	FY 2017 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	FY 2019 Estimate
1. Mission and Other Ship Operations	1,115,908	855,453	0	0.00	871,453	942,960
	/1					

Summary of Operation	FY 2017	FY 2018	FY 2019
European Deterrence Initiative (EDI)	\$4,050	\$3,677	\$8,269
Operation FREEDOM'S SENTINEL (OFS)	\$1,111,858	\$851,776	\$922,690
Operation INHERENT RESOLVE (OIR)	\$0	\$16,000	\$12,000
Operation Totals	\$1,115,908	\$871,453	\$942,960

B. Reconciliation Summary

	Change FY 2018/2018	Change FY 2018/2019
OCO Funding	855,453	871,453
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	855,453	0
Baseline Appropriation	4,067,334	0
Less Baseline Funding	-4,067,334	0
Fact-of-Life Changes (CY to CY)	0	0
FY 2018 Request for Additional Appropriations	16,000	0
Subtotal OCO Funding	871,453	0
Reprogrammings	0	0
Price Change	0	4,232
Functional Transfers	0	0
Program Changes	0	67,275
Line Item Consolidation	0	0
Current Estimate	871,453	942,960

1/ Figure represent certified Cost of War actuals

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Mission and Other Ship Operations

(\$ in Thousands)

C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Total</u>
FY 2018 Budget OCO Request		855,453
1) Baseline Appropriations		4,067,334
a) Base Budget Funding	4,067,334	
FY 2018 Appropriated and Supplemental Funding		4,922,787
Revised FY 2018 Current Estimate		4,922,787
Less Baseline Funding		-4,067,334
2) FY 2018 Request for Additional Appropriations		16,000
FY 2018 Current Estimate		871,453
Price Change		4,232
3) Program Increases		72,251
a) Program Increase in FY 2019		72,251
i) Increase in ship distillate fuel consumption due to increase in barrels of fuel required in the support of operations in U.S. Central Command (CENTCOM). (Baseline \$140,235)	36,365	
ii) Increase in utilities funding supports operational schedule of two Amphibious Ready Groups (ARG), Forward Deployed Naval Forces (FDNF), Coastal Patrol Ships, and Mine Countermeasure Ships while operating in the U.S. Naval Forces Central Command (CENTOM) Area of Operation (AOR). (Baseline \$0)	18,968	
iii) Increase service requirements in Overseas Contingency Operations support for Consumables, Repair Parts and Administration (OPTAR). (Baseline \$627,790)	8,228	
iv) Increase in operational costs of partner nations to participate in multinational exercises as part of the European Deterrence Initiative (EDI). (Baseline \$3,677)	4,592	
v) Increase in funding for operational travel for the rotations of individual personnel to and from submarine crews, to provide deployment-specific training during deployment preparation, and to provide technical assistance to deployed submarine crews in the CENTCOM AOR. (Baseline \$11,947)	4,098	
4) Program Decreases		-4,976
a) Program Decreases in FY 2019		-4,976
i) Decrease in Temporary Additional Duty (TAD) travel through the use of electronic methods, primarily VTC, telephone conferencing and Direct Connect Online. (Baseline \$11,947)	-228	
ii) Decrease in Littoral Combat Ship Mission Module maintenance costs by performing required critical maintenance instead of scheduled preventative maintenance in order to maximize the number of deployable units available. (Baseline \$871,453)	-460	
iii) Decrease in support of Counter-Unmanned Aerial Systems (UAS) per Joint Rapid Acquisition Cell (JRAC) approved Joint Urgent Operational Needs (JUON). (Baseline \$16,000)	-4,288	

Department of the Navy
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Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

(\$ in Thousands)

C. Reconciliation of Increases and Decreases
FY 2019 OCO Budget Request

Amount **Total**
942,960

Department of the Navy
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 Operation and Maintenance, Navy
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 Detail by Subactivity Group: Mission and Other Ship Operations

IV. Performance Criteria and Evaluation Summary:

	<u>FY 2017 *</u>	<u>FY 2018</u>	<u>FY 2019</u>
OPTEMPO (Days Underway Per Quarter)			
Deployed	68	13	13
Non-Deployed	25	4	4
Ship Steaming Days Per Quarter			
Deployed	3,938	653	789
Non-Deployed	2,661	529	598
Barrels of Fossil Fuel Required (000)	8,209	1,295	1,543
Consumables/Repair Parts/Administration (% Funded)	100%	35%	34%
MSC Charter Inventory	50	2	2
Per Diem Days Chartered			
Full Operation Status	16,934	730	730
Reduced Operating Status	-	-	-

**FY 2017 portrays total program funding*

Department of the Navy
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 Detail by Subactivity Group: Mission and Other Ship Operations

V. Personnel Summary:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change FY 2018/FY 2019</u>
<u>Contractor FTEs (Total) *</u>	59	39	37	-2

* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Navy
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Activity Group: Ship Operations
Detail by Subactivity Group: Mission and Other Ship Operations

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

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	12,891	0	220	-1,164	11,947	0	215	-837	11,325
400 WCF Supplies									
401 DLA Energy (Fuel Products)	340,303	0	39,237	-239,305	140,235	0	-561	35,804	175,478
411 Army Managed Supplies and Materials	427	0	12	-403	36	0	0	1	37
412 Navy Managed Supplies and Materials	79,663	0	-238	-5,348	74,077	0	-271	4,202	78,008
414 Air Force Consolidated Sustainment AG	27	0	-2	-25	0	0	0	0	0
416 GSA Managed Supplies and Materials	41,235	0	701	9,250	51,186	0	922	-2,809	49,299
421 DLA Material Supply Chain (Clothing and Textiles)	5,177	0	7	205	5,389	0	-14	122	5,497
422 DLA Material Supply Chain (Medical)	3,390	0	0	-503	2,887	0	3	55	2,945
423 DLA Material Supply Chain (Subsistence)	26,567	0	-468	-26,099	0	0	0	0	0
424 DLA Material Supply Chain (Weapon Systems)	179,801	0	-3,182	664	177,283	0	-5,920	8,152	179,515
500 Stock Fund Equipment									
503 Navy Fund Equipment	201,408	0	-2,145	62,520	261,783	0	508	-5,201	257,090
506 DLA Material Supply Chain (Construction and Equipment)	689	0	23	2,811	3,523	0	-66	136	3,593
600 Other WCF Purchases (Excl Transportation)									
611 Naval Surface Warfare Center	0	0	0	1,251	1,251	0	7	-535	723
612 Naval Undersea Warfare Center	43	0	2	-33	12	0	0	0	12
620 Navy Transportation (Combat Logistics Force)	140,649	0	-1,909	-44,039	94,701	0	8,627	-3,577	99,751
624 Navy Transportation (Joint High Speed Vessels)	0	0	0	1,454	1,454	0	29	-560	923
625 Navy Transportation (Service Support)	0	0	0	7,273	7,273	0	145	-956	6,462
631 Naval Facilities Engineering and Expeditionary Warfare Center	335	0	-5	190	520	0	-39	-377	104
634 Navy Base Support (NAVFEC: Utilities and Sanitation)	2,539	0	-184	-2,355	0	0	0	14,395	14,395
635 Navy Base Support (NAVFEC: Other Support Services)	1,558	0	75	-1,633	0	0	0	0	0
700 Transportation									
706 AMC Channel Passenger	2,820	0	-45	-1,514	1,261	0	23	675	1,959
771 Commercial Transportation	560	0	10	459	1,029	0	18	4	1,051
900 Other Purchases									
913 Purchased Utilities (Non-Fund)	24,662	0	419	-25,081	0	0	0	4,573	4,573
914 Purchased Communications (Non-Fund)	347	0	6	898	1,251	0	21	2	1,274
915 Rents (Non-GSA)	7,445	0	127	-1,317	6,255	0	113	1,913	8,281

Department of the Navy
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 Detail by Subactivity Group: Mission and Other Ship Operations

Change from FY 2017 to FY 2018

Change from FY 2018 to FY 2019

Inflation Categories	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	FY 2019 Est.
920 Supplies and Materials (Non-Fund)	12,772	0	217	5,793	18,782	0	317	11,389	30,488
921 Printing and Reproduction	173	0	3	100	276	0	4	1	281
922 Equipment Maintenance By Contract	3,127	0	53	-3,180	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	11,643	0	198	-11,841	0	0	0	0	0
926 Other Overseas Purchases	240	0	4	6,061	6,305	0	103	-823	5,585
928 Ship Maintenance By Contract	1,067	0	18	-1,085	0	0	0	141	141
932 Management and Professional Support Services	896	0	15	-911	0	0	0	0	0
937 Locally Purchased Fuel (Non-Fund)	204	0	23	-227	0	0	0	0	0
984 Equipment Contracts	2,116	0	36	-2,152	0	0	0	302	302
987 Other Intra-Government Purchases	6,198	0	105	-4,156	2,147	0	38	761	2,946
989 Other Services	4,936	0	84	-4,430	590	0	10	322	922
TOTAL 1B1B Mission and Other Ship Operations	1,115,908	0	33,417	-277,872	871,453	0	4,232	67,275	942,960

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

I. Description of Operations Financed:

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

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

OCO funding finances 6% of the baseline requirement. In addition, OCO funds incremental reset costs to conduct maintenance that has been deferred due to ships' operating tempo (OPTEMPO) in the Central Command theater.

II. Force Structure Summary:

The Overseas Contingency Operations (OCO) funded Ship Maintenance program supports 1.5 Overhaul and 30 maintenance availabilities in FY 2017; 2 Overhauls and 45.5 maintenance availabilities in FY 2018; and 2 Overhauls and 20 maintenance availabilities in FY 2019.

<u>Availability Type</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Overhauls (OH)	1.5	2	2
Selected Restricted Availabilities (SRA)	14.5	33	16
Surface Incremental Availabilities (SIA)	2	4	0
Planned Incremental Availabilities (PIA)	1	1	1.5
Phased Maintenance Availabilities (PMA)	8.5	5	0.5
Carrier Incremental Availabilities (CIA)	2.5	0.5	2
Service Craft Overhauls (SCO)	0	0	0
Non-Depot/Intermediate Maintenance	0	0	0

Department of the Navy
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 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

III. Financial Summary (\$ in Thousands):

	FY 2017 Actuals	FY 2018			Current Estimate	FY 2019 Estimate
		Budget Request	Congressional Amount	Action Percent		
A. Sub-Activity Group Total						
1. Ship Maintenance	2,138,431	2,483,179	0	0.00	2,483,179	1,022,647
	/1					

Summary of Operation	FY 2017	FY 2018	FY 2019
Operation FREEDOM'S SENTINEL (OFS)	\$2,138,431	\$2,483,179	\$2,332,751
Transfer from Overseas Contingency Operations Funding to Base Requirements	\$0	\$0	\$-1,310,104
Operation Totals	\$2,138,431	\$2,483,179	\$1,022,647

B. Reconciliation Summary

	Change FY 2018/2018	Change FY 2018/2019
OCO Funding	2,483,179	2,483,179
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	2,483,179	0
Baseline Appropriation	7,165,858	0
Less Baseline Funding	-7,165,858	0
Fact-of-Life Changes (CY to CY)	0	0
FY 2018 Request for Additional Appropriations	0	0
Subtotal OCO Funding	2,483,179	0
Reprogrammings	0	0
Price Change	0	44,333
Functional Transfers	0	0
Program Changes	0	-1,504,865
Line Item Consolidation	0	0
Current Estimate	2,483,179	1,022,647

1/ Figure represent certified Cost of War actuals

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

(\$ in Thousands)

C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Total</u>
FY 2018 Budget OCO Request		2,483,179
1) Baseline Appropriations		7,165,858
a) Base Budget Funding	7,165,858	
FY 2018 Appropriated and Supplemental Funding		9,649,037
Revised FY 2018 Current Estimate		9,649,037
Less Baseline Funding		-7,165,858
FY 2018 Current Estimate		2,483,179
Price Change		44,333
2) Program Increases		406,044
a) Program Increase in FY 2019		406,044
i) Increase in material and contract costs due change in scope and complexity of projected Continuous Maintenance (CM) events in FY 2019. (Baseline \$167,073)	106,213	
ii) Increase in Overhaul (OH) due to an increase in inductions from 2 in FY 2018 to 4 in FY 2019 and advanced planning for 1 FY 2021 induction.(Baseline \$197,972)	83,513	
iii) Increase represents a change in scope and complexity in Planned Incremental Availabilities (PIA) and advanced planning for 2 availabilities in FY 2019, 3 availabilities in FY 2020, and 3 availabilities in FY 2021. (Baseline \$95,270)	62,601	
iv) Increase in Carrier Incremental Availabilities (CIA) due to an increase in inductions from 0.5 in FY 2018 to 1 in FY 2019. (Baseline \$3,616)	42,690	
v) Increase reflects the transfer of projected 501-K17 gas turbine and shaft overhaul requirements for CGs; LM2500 SST gas turbine overhauls for the DDG 51; and Shaft overhauls for MCM Class ships from the base budget to the Overseas Contingency Operations budget. (Baseline: \$83,315K)	39,764	
vi) Increase reflects the transfer of depot maintenance shutdowns required to support MTS SAM RAYBURN (MTS 635) extended training operations from the base budget to the Overseas Contingency Operations budget. (Baseline: \$0)	34,741	
vii) Increase reflects the transfer of Planning Yard and LCS Mission Module Maintenance funding from the base budget to the Overseas Contingency Operations budget. (Baseline: \$0)	15,547	
viii) Increase in Service Craft Overhaul (SCO) due to an increase in inductions from 0 in FY 2018 to 2 in FY 2019. (Baseline \$0)	10,913	
ix) Increase in Non-depot workload required to support intermediate-level work packages, which includes material and contract costs for all submarines and surface ships, and mission modules for Littoral Combat Ships (LCS). (Baseline \$117,272)	9,640	
x) Increase reflects the transfer of LSD Maintenance from the base budget to the Overseas Contingency Operations budget. (Baseline: \$0)	422	

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

(\$ in Thousands)

C. Reconciliation of Increases and Decreases

3) Program Decreases

a) Program Decreases in FY 2019

	<u>Amount</u>	<u>Total</u>
i) Decrease in Emergent Restricted Availability/Technical Availability (ERATA) due to an increase in material and contract costs within the Surface Warfare Enterprise (SWE) and Naval Aviation Warfare Enterprise (NAE). (Baseline \$31,469)	-2,726	-1,910,909
ii) Decrease in Surface Incremental Availabilities (SIA) due to a decrease in inductions from 4 in FY 2018 to 1 in FY 2019. (Baseline \$43,162)	-43,848	-1,910,909
iii) Decrease in Miscellaneous Restricted Availability/Technical Availability (ORATA) due to a shift from Overseas Contingency Operations funding in FY 2018 to baseline funding in FY 2019 for Surface Warfare Enterprise (SWE), Naval Aviation Warfare Enterprise (NAE) and Undersea Warfare Enterprise (USE). (Baseline \$334,950)	-97,950	
iv) Decrease in Phased Maintenance Availabilities (PMA) due to a decrease in scope and complexity of 5 Amphibious Warfare hulls in FY 2018 to 7 Amphibious Warfare hulls in FY 2019. (Baseline \$456,314)	-149,301	
v) Decrease represents a change in scope and complexity of Selected Restricted Availabilities (SRA) from 33 inductions in FY 2018 to 35 FY 2019. (Baseline \$1,036,081)	-306,980	
vi) Decrease reflects the transfer of \$1,310,104 from the Overseas Contingency Operations budget to the Base budget in FY 2019. (Baseline \$1,310,104)	-1,310,104	

FY 2019 OCO Budget Request

1,022,647

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

IV. Performance Criteria and Evaluation Summary:

Table I - Activity: Ship Depot Maintenance

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

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

	Prior Year (FY 2017)						President's Budget (FY 2018)					Budget Year (FY 2019)	
	Budget		Actual Inductions		Completions		Budget		Estimated Inductions		Carry-In	Budget	
	Qty	(\$ in K)	Qty	(\$ in K)	Prior Yr	Cur Yr	Qty	(\$ in K)	Qty	(\$ in K)	Qty	Qty	(\$ in K)
Overhauls (OH)	0	0	1.5	169,696	2.5	0	2	121,258	2	197,972	0	2	285,550
Selected Restricted Availabilities (SRA)	0	0	14.5	568,212	19.5	8.5	42	1,087,984	33	1,036,081	13.5	16	787,401
Surface Incremental Availabilities (SIA)	0	0	2	16,907	0	1	0	0	4	43,162	0	0	0
Planned Incremental Availabilities (PIA)	0	0	1	230,560	1.5	0	0	210,553	1	95,270	0	1.5	159,138
Planned Maintenance Availabilities (PMA)	0	0	8.5	450,488	6.5	3	6	458,558	5	456,314	1	0.5	315,060
Carrier Incremental Availabilities (CIA)	0	0	2.5	37,747	0	1.5	0	925	0.5	3,616	0.5	2	46,351
Service Craft Overhauls (SCO)	0	0	0	0	0	0	0	0	0	0	0	0	10,913
Emergent Repair (ERATA)	n/a	0	n/a	82,132	n/a	n/a	n/a	32,036	n/a	31,469	n/a	n/a	31,500
Miscellaneous RA/TA (ORATA)	n/a	0	n/a	188,361	n/a	n/a	n/a	272,212	n/a	334,950	n/a	n/a	284,067
Continuous Maintenance (CM)	n/a	0	n/a	136,309	n/a	n/a	n/a	178,270	n/a	167,073	n/a	n/a	282,247
Non-depot / Intermediate Maintenance	0	0	0	251,959	0	0	0	121,383	0	117,272	0		130,524
Congressional/Departmental Shift	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0	-1,310,104
TOTAL	0	0	30	2,132,371	30	14	50	2,483,179	45.5	2,483,179	15	n/a	1,022,647
				/1				/2					/3

1/Includes \$625,150 of OCO Reset
 2/Includes \$625,150 of OCO Reset
 3/Includes \$429,507 of OCO Reset

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

V. Personnel Summary:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change FY 2018/FY 2019</u>
<u>Contractor FTEs (Total) *</u>	8,816	11,310	4,414	-6,896

* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

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

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	24,026	0	469	-24,495	0	0	0	0	0
103 Wage Board	75,933	0	1,481	-77,414	0	0	0	0	0
300 Travel									
308 Travel Of Persons	24,915	0	423	-22,330	3,008	0	54	-1,769	1,293
400 WCF Supplies									
412 Navy Managed Supplies and Materials	115,703	0	-336	-22,271	93,096	0	-9	-56,344	36,743
416 GSA Managed Supplies and Materials	3,912	0	67	6,675	10,654	0	192	-5,968	4,878
424 DLA Material Supply Chain (Weapon Systems)	151,516	0	-2,681	-88,495	60,340	0	-1,757	-21,694	36,889
500 Stock Fund Equipment									
503 Navy Fund Equipment	25,406	0	-276	-20,457	4,673	0	-17	4,110	8,766
600 Other WCF Purchases (Excl Transportation)									
603 DLA Distribution	103	0	4	99	206	0	4	-146	64
610 Naval Air Warfare Center	3,429	0	91	-557	2,963	0	27	-2,126	864
611 Naval Surface Warfare Center	28,483	0	408	3,620	32,511	0	267	-25,177	7,601
612 Naval Undersea Warfare Center	2,763	0	105	-2,020	848	0	13	-595	266
613 Naval Fleet Readiness Centers (Aviation)	8,189	0	-105	26,793	34,877	0	7,036	-36,985	4,928
614 Space and Naval Warfare Center	6,755	0	256	165	7,176	0	68	-4,366	2,878
620 Navy Transportation (Combat Logistics Force)	2,650	0	0	-2,650	0	0	0	0	0
630 Naval Research Laboratory	75	0	4	-38	41	0	0	-41	0
631 Naval Facilities Engineering and Expeditionary Warfare Center	270	0	-4	-134	132	0	-10	55	177
633 DLA Document Services	16	0	0	-16	0	0	0	40	40
634 Navy Base Support (NAVFEC: Utilities and Sanitation)	698	0	23	-721	0	0	0	0	0
635 Navy Base Support (NAVFEC: Other Support Services)	2,371	0	114	-2,383	102	0	-3	-99	0
679 Cost Reimbursable Purchases	559	0	10	-569	0	0	0	0	0
700 Transportation									
771 Commercial Transportation	3,753	0	64	3,820	7,637	0	137	-7,482	292
900 Other Purchases									
913 Purchased Utilities (Non-Fund)	4	0	0	-4	0	0	0	0	0
914 Purchased Communications (Non-Fund)	346	0	6	475	827	0	13	-219	621
915 Rents (Non-GSA)	901	0	15	-916	0	0	0	0	0
920 Supplies and Materials (Non-Fund)	24,245	0	412	29,832	54,489	0	915	-38,350	17,054

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

Change from FY 2017 to FY 2018

Change from FY 2018 to FY 2019

Inflation Categories	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	FY 2019 Est.
922 Equipment Maintenance By Contract	8,828	0	150	5,129	14,107	0	226	42,611	56,944
923 Facility Sustainment, Restoration, and Modernization by Contract	35	0	1	-36	0	0	0	49	49
925 Equipment Purchases (Non-Fund)	4,098	0	70	5,151	9,319	0	150	-4,912	4,557
928 Ship Maintenance By Contract	1,372,850	0	23,338	450,363	1,846,551	0	31,980	-1,219,118	659,413
930 Other Depot Maintenance (Non-Fund)	191,033	0	3,248	-1,091	193,190	0	3,262	-93,789	102,663
932 Management and Professional Support Services	0	0	0	3,573	3,573	0	64	-3,637	0
934 Engineering and Technical Services	131	0	2	-133	0	0	0	0	0
984 Equipment Contracts	2,968	0	50	3,036	6,054	0	109	-4,285	1,878
987 Other Intra-Government Purchases	51,378	0	873	43,739	95,990	0	1,597	-24,004	73,583
989 Other Services	89	0	2	724	815	0	15	-624	206
TOTAL 1B4B Ship Maintenance	2,138,431	0	28,284	316,464	2,483,179	0	44,333	-1,504,865	1,022,647

Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

I. Description of Operations Financed:

Funding provides for classified programs including statistical analysis on foreign military forces, weapons, targets and personnel; analysis of worldwide developments that affect U.S. security interests and personnel/equipment; assessments of military capabilities and actions; and forecasting future forces, weapons, plans, and intentions.

II. Force Structure Summary:

This subactivity group provides support for worldwide Navy intelligence operations.

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

III. Financial Summary (\$ in Thousands):

		FY 2018				
A. Sub-Activity Group Total	FY 2017	Budget	Congressional	Action	Current	FY 2019
1. Security Programs	Actuals	Request	Amount	Percent	Estimate	Estimate
	11,846	3,868	0	0.00	3,868	3,392
	/1					

Summary of Operation	FY 2017	FY 2018	FY 2019
Operation FREEDOM'S SENTINEL (OFS)	\$2,043	\$2,168	\$2,192
Operation INHERENT RESOLVE (OIR)	\$9,803	\$1,700	\$1,200
Operation Totals	\$11,846	\$3,868	\$3,392

B. Reconciliation Summary

	Change	Change
	<u>FY 2018/2018</u>	<u>FY 2018/2019</u>
OCO Funding	3,868	3,868
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	3,868	0
Baseline Appropriation	365,374	0
Less Baseline Funding	-365,374	0
Fact-of-Life Changes (CY to CY)	0	0
FY 2018 Request for Additional Appropriations	0	0
Subtotal OCO Funding	3,868	0
Reprogrammings	0	0
Price Change	0	317
Functional Transfers	0	0
Program Changes	0	-793
Line Item Consolidation	0	0
Current Estimate	3,868	3,392

1/ Figure represent certified Cost of War actuals

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2018 Budget OCO Request		3,868
1) Baseline Appropriations		365,374
a) Base Budget Funding	365,374	
FY 2018 Appropriated and Supplemental Funding		369,242
Revised FY 2018 Current Estimate		369,242
Less Baseline Funding		-365,374
FY 2018 Current Estimate		3,868
Price Change		317
2) Program Decreases		-793
a) Program Decreases in FY 2019		-793
i) This adjustment reflects a net decrease to classified programs. (Baseline \$3,868)	-793	
FY 2019 OCO Budget Request		3,392

Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

IV. Performance Criteria and Evaluation Summary:

Performance Criteria details are held at a higher classification.

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

V. Personnel Summary:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY 2019</u>
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Contractor FTEs (Total) *

	55	10	10	0
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* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

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

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	15	0	0	-15	0	0	0	0	0
900 Other Purchases									
914 Purchased Communications (Non-Fund)	323	0	5	-328	0	0	0	0	0
920 Supplies and Materials (Non-Fund)	209	0	3	1,240	1,452	0	58	92	1,602
922 Equipment Maintenance By Contract	2,366	0	40	-2,406	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	856	0	14	-224	646	0	12	-658	0
932 Management and Professional Support Services	302	0	5	443	750	0	188	-188	750
933 Studies, Analysis, and evaluations	1,511	0	26	-1,537	0	0	0	0	0
934 Engineering and Technical Services	5,710	0	98	-4,788	1,020	0	38	-18	1,040
987 Other Intra-Government Purchases	554	0	9	-563	0	0	0	0	0
TOTAL 4CBP Security Programs	11,846	0	200	-8,178	3,868	0	296	-772	3,392

Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

I. Description of Operations Financed:

This classified program provides funding for protecting installations, material, operations information and personnel from espionage, sabotage, terrorism, and other clandestine intelligence activities.

II. Force Structure Summary:

This subactivity group provides support for worldwide Navy intelligence operations.

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

III. Financial Summary (\$ in Thousands):

A. <u>Sub-Activity Group Total</u>	FY 2018					FY 2019 Estimate
	FY 2017 Actuals	Budget Request	Congressional Amount	Action Percent	Current Estimate	
1. Security Programs	8,625 /1	6,228	0	0.00	6,228	10,124

Summary of Operation	FY 2017	FY 2018	FY 2019
Operation FREEDOM'S SENTINEL (OFS)	\$2,245	\$6,228	\$10,124
Operation INHERENT RESOLVE (OIR)	\$6,380	\$0	\$0
Operation Totals	\$8,625	\$6,228	\$10,124

B. Reconciliation Summary

	Change FY 2018/2018	Change FY 2018/2019
OCO Funding	6,228	6,228
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	6,228	0
Baseline Appropriation	132,128	0
Less Baseline Funding	-132,128	0
Fact-of-Life Changes (CY to CY)	0	0
FY 2018 Request for Additional Appropriations	0	0
Subtotal OCO Funding	6,228	0
Reprogrammings	0	0
Price Change	0	321
Functional Transfers	0	0
Program Changes	0	3,575
Line Item Consolidation	0	0
Current Estimate	6,228	10,124

1/ Figure represent certified Cost of War actuals

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

	<u>(\$ in Thousands)</u>	
	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>		
FY 2018 Budget OCO Request		6,228
1) Baseline Appropriations		132,128
a) Base Budget Funding	132,128	
FY 2018 Appropriated and Supplemental Funding		138,356
Revised FY 2018 Current Estimate		138,356
Less Baseline Funding		-132,128
FY 2018 Current Estimate		6,228
Price Change		321
2) Program Increases		3,575
a) Program Increase in FY 2019		3,575
i) Details for this program are held at a higher classification (Baseline \$6,228).	3,575	
FY 2019 OCO Budget Request		10,124

Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

IV. Performance Criteria and Evaluation Summary:

Performance Criteria details are held at a higher classification.

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

V. Personnel Summary:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY 2019</u>
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<u>Contractor FTEs (Total) *</u>	42	13	9	-4
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* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

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

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	156	0	3	-159	0	0	50	-50	0
300 Travel									
308 Travel Of Persons	1,026	0	17	-1,043	0	0	0	306	306
900 Other Purchases									
925 Equipment Purchases (Non-Fund)	0	0	0	0	0	0	0	306	306
987 Other Intra-Government Purchases	0	0	0	3,938	3,938	0	230	3,694	7,862
989 Other Services	3,982	0	68	-1,760	2,290	0	41	-681	1,650
990 IT Contract Support Services	3,461	0	59	-3,520	0	0	0	0	0
TOTAL 4CCP Security Programs	8,625	0	147	-2,544	6,228	0	321	3,575	10,124

Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Marine Corps
Budget Activity: Operating Forces
Activity Group: Expeditionary Forces
Detail by Subactivity Group: Field Logistics

I. Description of Operations Financed:

This sub-activity group supports multiple deployed weapons systems, equipment, warfighting capabilities and logistical systems and support. The systems and associated support and sustainment provide force support and protection, intelligence and battlespace awareness, information warfare, and logistics.

Force Support and Protection: Includes Marine Air-Ground Task Force (MAGTF) capabilities required to conduct and support offensive and defensive mounted and dismounted maneuver and provides capabilities that preserve the effectiveness and survivability of the force so the commander can apply maximum combat power.

Intelligence and Battlespace Awareness: Includes systems that facilitate understanding of the operational environment, enemy, terrain, and civil considerations.

Information Warfare: Includes the use and management of information and communication technology in pursuit of a competitive advantage over an opponent to include electronic warfare, cyberwarfare, information assurance, and attack and defense of computer network operations, social network analysis, decision analysis and the human aspects of command and control.

Logistics: Includes systems that enable the movement and sustainment of forces, maintenance of equipment, and functional services associated with and provided through Combat Service Support.

OCO funding finances a portion of the baseline requirement.

II. Force Structure Summary:

This sub-activity group provides resources necessary for weapon systems management and logistical support required to meet the operational needs of the Marine Corps to support in Operations Freedom's Sentinel and Operation Inherent Resolve as well as any other contingency operation. The resources are managed at U.S. Marine Corps Logistics Command, U.S. Marine Corps Systems Command, Marine Corps Combat Development Command, and Headquarters Marine Corps.

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Marine Corps
 Budget Activity: Operating Forces
 Activity Group: Expeditionary Forces
 Detail by Subactivity Group: Field Logistics

III. Financial Summary (\$ in Thousands):

		FY 2018				
A. Sub-Activity Group Total	FY 2017	Budget	Congressional	Action	Current	FY 2019
1. Field Logistics	Actuals	Request	Amount	Percent	Estimate	Estimate
	268,619	242,150	0	0.00	256,536	212,691
	/1					

Summary of Operation	FY 2017	FY 2018	FY 2019
Operation FREEDOM'S SENTINEL (OFS)	\$253,405	\$221,109	\$183,616
Operation INHERENT RESOLVE (OIR)	\$15,214	\$35,427	\$29,075
Operation Totals	\$268,619	\$256,536	\$212,691

B. Reconciliation Summary

	Change FY 2018/2018	Change FY 2018/2019
OCO Funding	242,150	256,536
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	242,150	0
Baseline Appropriation	1,065,090	0
Less Baseline Funding	-1,065,090	0
Fact-of-Life Changes (CY to CY)	0	0
FY 2018 Request for Additional Appropriations	14,386	0
Subtotal OCO Funding	256,536	0
Reprogrammings	0	0
Price Change	0	2,206
Functional Transfers	0	0
Program Changes	0	-46,051
Line Item Consolidation	0	0
Current Estimate	256,536	212,691

1/ Figure represent certified Cost of War actuals

Department of the Navy
 FY 2019 President's Budget Submission
 Operation and Maintenance, Marine Corps
 Budget Activity: Operating Forces
 Activity Group: Expeditionary Forces
 Detail by Subactivity Group: Field Logistics

(\$ in Thousands)

C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Total</u>
FY 2018 Budget OCO Request		242,150
1) Baseline Appropriations		1,065,090
a) Base Budget Funding	1,065,090	
FY 2018 Appropriated and Supplemental Funding		1,307,240
Revised FY 2018 Current Estimate		1,307,240
Less Baseline Funding		-1,065,090
2) FY 2018 Request for Additional Appropriations		14,386
FY 2018 Current Estimate		256,536
Price Change		2,206
3) Program Increases		39,014
a) Program Increase in FY 2019		39,014
i) Logistics. Increase funding for Coordinated Secondary Reparable Management and reconstitution to maintain readiness due to increased operation tempo, increased rates by Defense Logistics Agency, support the Distribution Management Programs, and the Enterprise Ground Equipment Management. A portion of this increase supports the right-sizing of the USMC equipment set as a result of the Marine Corps Equipment Optimization Planning (EOP) effort with Item Unique Identification IUID data plates, MAGTF Logistics Support Systems, Staff Operations and Support - US Marine Corps Logistics Command (LOGCOM), and an increase to the Supply Management Programs to restore the gear on hand inventory for deployed Marines. (Baseline \$140,653)	14,683	
ii) Information Warfare. Increase USMC Counter Radio-Controlled Improvised Explosive Device (RCIED) Electronic Warfare (CREW) systems in direct support to provide Field Service Support (FSR) individuals in theatre to train, validate system operation, repair, store, and maintain CREW dismounted and mounted systems. Increase funding for Public Affairs, Systems (PAS), Marine Civil Information Management Systems (MARCIMS), and other combat support. (Baseline \$52,609)	12,244	
iii) Information Warfare. Increase establishes a requirement for the Expeditionary Forensics and Exploitation program to provide tactical and operational level forensic technical exploitation capabilities to the Marine expeditionary units (MEUs) and Special Purpose Marine Air-Ground Task Forces (SPMAGTFs). This program will provide the Marine Corps with the ability to exploit evidence at sensitive sites, process latent fingerprints from weapons, crime scenes, and items of interest, link individuals to locations and events facilitating their targeting and/or prosecution and denying them freedom of movement, thereby protecting forces, facilities, and assets. (Baseline \$52,609)	4,800	
iv) Intelligence and Battlespace Awareness. Increase supports field service representatives, logistics actions, information assurance efforts, maintenance, and training support for Ground-Based Operational Surveillance Systems deployed to	3,717	

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(\$ in Thousands)

C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Total</u>
contingency operations in support of Operation Inherent Resolve, Operation Freedom's Sentinel, and other expeditionary operations conducted by U.S. Marine Corps Forces Central Command and other Operational Forces. (Baseline \$61,270)		
v) Logistics. Increase supports the Consolidated Storage Program (CSP) and the associated Care of Supplies in Storage Program. Funding will provide Contract Logistics Support (CLS) to operate Individual Issue Facilities (IIFs) and Unit Issue Facilities (UIFs) in the CSP network. Work includes the management of the consolidated issue, recovery, storage, requisition and maintenance of Infantry Combat Equipment (ICE), Chemical, Biological, Radiological and Nuclear Defense (CBRN-D) Equipment, Special Training Allowance Pool (STAP) Equipment and Soft-Walled Shelters and Camouflage Netting (SWS and CN) for Marine Corps organizations and individual Marines around the world. (Baseline \$140,653)	3,528	
vi) Civilian Personnel. Increase reflects estimate for costs of temporary hires and premium pay associated with OCO workload requirements. (Baseline \$2,800)	42	
4) Program Decreases		-85,065
a) Program Decreases in FY 2019		-85,065
i) Force Support and Protection. Decrease reflects a reduction in the Light Armored Vehicle (LAV) Modification and Sustainment and the Anti-Armor Weapon System-Heavy (AAWS-H) programs. (Baseline \$2,004)	-1,021	
ii) Information Warfare. Reduction in the OCO funding requirement for satellite bandwidth and technical services for the Network on the Move (NOTM) variants being used in a forward deployed environment and as a part of the SPMAGTF Crisis Response mission. (Baseline \$52,609)	-4,802	
iii) Information Warfare. Decrease reflects a reduction in contract and IT support for the MAGTF Command and Control Systems and the Public Affairs Systems. (Baseline \$52,609)	-8,205	
iv) Logistics. Decrease in the contracted support for enterprise logistics information systems that provide direct support to overseas contingency operations. Support includes capabilities like: cross reference lists of authorized maintenance publications to facilitate the repair of equipment during crucial contingency operations; determination of War Reserves Materiel Requirements for contingency operations; and Master Work Schedule plans to support the scheduling of assets for repairs to include Reconstitution and Reset efforts. (Baseline \$140,653)	-13,142	
v) Logistics. Decrease in logistics and support required for the Mine Resistant Ambush Protected (MRAP) as well as the completion of the previously funded emergency egress kits and other operationally required modifications of the equipment used in theater. (Baseline \$140,653)	-21,891	
vi) Intelligence and Battlespace Awareness. Decrease reflects the RQ-21 Blackjack requirement no longer being funded with Operation and Maintenance, Marine Corps. (Baseline \$61,270)	-36,004	
FY 2019 OCO Budget Request		212,691

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IV. Performance Criteria and Evaluation Summary:

Force Support and Protection: MAGTF capabilities required to conduct and support offensive and defensive mounted and dismounted maneuver and provides capabilities that preserve the effectiveness and survivability of the force so the commander can apply maximum combat power.

Intelligence and Battlespace Awareness: Systems that facilitate understanding of the operational environment, enemy, terrain, and civil considerations.

Information Warfare: Systems/equipment that support the use and management of information and communication technology in pursuit of a competitive advantage over an opponent to include electronic warfare, cyberwarfare, information assurance, and attack and defense of computer network operations, social network analysis, decision analysis and the human aspects of command and control.

Logistics: Systems that enable the movement sustainment of forces, maintenance of equipment, and functional services associated with and provided through Combat Service Support.

Program Groups (\$ in K)	FY2017	FY2018	FY2019
Force Support and Protection	12,236	2,004	1,000
Intelligence and Battlespace Awareness	59,266	61,270	23,262
Information Warfare	33,589	52,609	63,351
Logistics*	163,528	140,653	125,078
Total	268,619	256,536	212,691

* Includes Civilian Personnel

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V. Personnel Summary:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY 2019</u>
<u>Contractor FTEs (Total) *</u>	1,037	984	781	-203

* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

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

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	87	0	2	-89	0	0	0	0	0
103 Wage Board	0	0	0	2,800	2,800	0	14	42	2,856
300 Travel									
308 Travel Of Persons	448	0	7	-55	400	0	7	-57	350
400 WCF Supplies									
411 Army Managed Supplies and Materials	16,330	0	464	-2,198	14,596	0	55	-1,855	12,796
413 Marine Corps Supply	20,817	0	416	-2,626	18,607	0	-1,760	-534	16,313
416 GSA Managed Supplies and Materials	474	0	8	-58	424	0	8	-61	371
417 Local Purchase Managed Supplies and Materials	2,258	0	38	-278	2,018	0	36	-285	1,769
500 Stock Fund Equipment									
506 DLA Material Supply Chain (Construction and Equipment)	1,352	0	45	-188	1,209	0	-23	-126	1,060
600 Other WCF Purchases (Excl Transportation)									
601 Army Industrial Operations	59	0	0	-6	53	0	-1	-5	47
611 Naval Surface Warfare Center	3,312	0	48	-400	2,960	0	24	-389	2,595
614 Space and Naval Warfare Center	1,640	0	62	-236	1,466	0	14	-195	1,285
640 Marine Corps Depot Maintenance	298	0	-2	-30	266	0	21	-54	233
679 Cost Reimbursable Purchases	20,741	0	353	-2,556	18,538	0	334	-2,620	16,252
900 Other Purchases									
914 Purchased Communications (Non-Fund)	447	0	7	-55	399	0	7	-56	350
920 Supplies and Materials (Non-Fund)	134	0	2	-16	120	0	2	-17	105
922 Equipment Maintenance By Contract	11,534	0	197	-1,422	10,309	0	186	-2,378	8,117
925 Equipment Purchases (Non-Fund)	7,962	0	135	-981	7,116	0	128	-1,650	5,594
930 Other Depot Maintenance (Non-Fund)	9,534	0	162	-1,175	8,521	0	153	-1,204	7,470
932 Management and Professional Support Services	82,110	0	1,396	3,602	87,108	0	1,568	-18,797	69,879
933 Studies, Analysis, and evaluations	1,822	0	31	-225	1,628	0	29	-230	1,427
934 Engineering and Technical Services	15,841	0	269	-1,951	14,159	0	255	-2,001	12,413
984 Equipment Contracts	11	0	0	-1	10	0	0	-1	9
987 Other Intra-Government Purchases	7,282	0	124	-897	6,509	0	117	-919	5,707
989 Other Services	307	0	5	-37	275	0	5	-39	241
990 IT Contract Support Services	63,819	0	1,085	-7,859	57,045	0	1,027	-12,620	45,452

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Change from FY 2017 to FY 2018

Change from FY 2018 to FY 2019

Inflation Categories	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	FY 2019 Est.
TOTAL 1A2A Field Logistics	268,619	0	4,854	-16,937	256,536	0	2,206	-46,051	212,691