



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

JUN 25 2002

The Honorable Bob Stump
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Pursuant to Section 483 of Title 10 U.S.C., enclosed is the "End-of-Year Report to Congress on Transfers from High Priority Readiness Appropriations for FY 2001." The enclosed report reflects all changes to the selected readiness activities from the President's Budget requested level with explanations of transfers that were not covered in prior justification material or reprogramming requests.

A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Ike Skelton
Ranking Member

COMMITTEE ON

BA

CHIEF

Section 483 of Title 10 U.S.C.
Semiannual Report to Congress on Transfers From High-Priority Readiness Appropriations - FY 2001 End-of-Year Report
(Dollars in Thousands)

Appropriation / Subactivity Group	FY 2001 President's Budget Request	Congressional Adjustments ¹	Across-the-Board Reductions	Emergency Supplemental (Incl. Transfers)	Contingency Transfers ²		Drug Interdiction Transfers ³	Foreign Currency Transfers	Other Inter-Approp & Omnibus Reprograms	Fact-of-Life Adjustments ⁴			FY 2001 Actual
					Transfer from OCOF	Intra-Approp Transfers				Functional Transfers	Technical Adjustments	Emergent Requirements	
Operation and Maintenance, Army													
Divisions	1,174,856	-11,722	-10,071	2,400	0	0	0	0	0	0	9,273	44,283	1,209,019
...	321,297	-2,847	-2,057	0	0	0	0	0	0	0	4,075	22,564	343,032
...	350,844	-3,482	-1,398	0	0	0	0	0	0	0	-1,698	61,108	405,374
...	503,390	-12,482	-4,221	0	0	0	0	0	0	0	-6,685	63,558	543,560
...	980,512	-22,393	-7,402	0	0	0	0	0	0	0	-14,704	-78,511	857,502
...	694,662	-33,756	0	50,000	0	0	0	0	0	0	0	6,669	717,575
...	2,698,913	-91,492	-8,192	196,352	0	0	0	13,500	-5,000	-5,136	-13,223	-157,835	2,627,887
...	916,378	-26,194	0	160,158	0	0	0	0	0	0	23	-38,661	1,011,704
Total	7,640,852	-204,368	-33,341	408,910	0	0	0	13,500	-5,000	-5,136	-22,936	-76,825	7,715,653
Operation and Maintenance, Navy													
Mission and Other Flight Operations	2,636,230	-44	-5,661	326,200	88,787	0	8,603	0	0	0	0	-610	3,053,505
Mission and Other Ship Operations	2,237,075	12,596	-4,670	562	35,139	0	781	0	0	87	0	56,198	2,337,748
Fleet Air Training	798,956	-1,390	-1,762	98,800	18,141	0	0	0	0	0	0	-12,300	900,445
Ship Operational Support and Training	539,919	-7,178	-395	0	0	0	0	0	0	0	0	-18,411	515,995
Aircraft Depot Maintenance	648,745	1,626	-1,430	97,000	22,761	0	0	0	0	0	0	-10,586	758,116
Ship Depot Maintenance	2,113,052	-10,971	-4,792	572,069	0	0	0	0	-10,500	0	0	-97,725	2,561,133
Operating Forces Base Support	2,151,215	-36,372	-4,592	75,211	302	0	638	-11,300	0	5,063	0	90,607	2,270,772
Operating Forces FSRM ²	866,050	-14,785	-1,789	131,633	0	0	0	0	0	-7,625	0	-80,871	892,613
Total	11,991,242	-56,518	-25,031	1,301,876	185,130	0	10,002	-11,300	-10,500	-2,475	0	-71,698	13,290,327
Operation and Maintenance, Marine Corps													
Operational Forces	420,702	51,387	-2,053	7,615	4,600	0	3,547	-339	0	-768	62	-3,737	481,016
Depot Maintenance	97,194	-5,006	0	22,000	0	0	0	0	0	0	0	4,266	118,454
Base Support	760,299	3,797	-1,378	50,792	0	0	4,732	247	3,585	0	24	-2,484	819,614
...	394,789	-1,243	-326	30,000	0	0	0	-1,469	0	0	431	-6,537	415,645
Total	1,672,984	48,935	-3,757	110,407	4,600	0	8,279	-1,561	3,585	-768	517	-8,492	1,834,729
Operation and Maintenance, Air Force													
Primary Combat Forces	2,363,665	-20,782	-1,514	51,384	46,413	0	0	0	13,680	0	0	232,058	2,684,904
Primary Combat Weapons	306,379	-5,904	-874	216	0	0	0	0	0	0	0	-15,135	284,882
Combat Enhancement Forces	205,101	-3,916	-611	9,756	5,438	0	0	0	6,300	0	0	17,583	239,651
Air Operations Training	774,341	-14,060	-1,336	22,639	0	0	0	0	0	0	0	65,986	847,570
Combat Communications	1,093,924	4,418	-1,999	6,841	74,266	0	5,407	0	-1,982	7,963	0	22,656	1,211,494
Air Operations Depot Maintenance	1,341,224	-30,042	-2,950	15,607	0	0	0	0	0	-7,963	0	22,023	1,337,899
Air Operations Base Support	1,849,247	-87,777	-6,017	139,601	399,127	0	0	8,100	19,737	0	0	-292,694	2,027,324
Air Operations FSRM ²	739,807	-28,465	-2,741	45,273	8,481	0	0	0	27,676	1,600	0	-28,239	763,392
Airlift Operations	1,653,084	-30,171	-2,112	157,925	127,127	0	391	0	0	0	0	117,875	2,024,119
Total	10,326,772	-216,699	-18,954	449,242	660,852	0	5,798	6,100	65,411	1,600	0	342,113	11,821,235

1. Includes distributed/undistributed/general provisions and technical adjustments to comply with congressional intent.
2. FSRM - Previously referred to as Real Property Maintenance.
3. The Army centrally executes BA-1 contingency operations and drug interdiction funds in Additional Activities subactivity group.
4. The following categories of fact-of-life funding adjustments were used in preparing this End-of-Year Readiness Transfer Report for FY 2001:
 - a) Emergent Requirements - Adjustments to funding requirements resulting from changes in policy, legal direction, or other unforeseen (e.g., operational readiness, health or safety, etc. related) events that occurred after the submission of the President's Budget.
 - b) Functional Transfers - Funding realignments to reflect a transfer of function, responsibility, or duty from one major command to another. These adjustments do not change the purpose for which the funds were appropriated.
 - c) Technical Adjustments - Accounting adjustments to properly align funding with the appropriate O&M subactivity group (SAG) where costs are actually accrued and executed. These adjustments do not change the purpose for which the funds were appropriated.

**End-of-Year Report to Congress on
Transfers from High Priority
Readiness Appropriations
For Fiscal Year 2001**



As required by section 483 of Title 10 U.S.C.

May 2002

Army

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Divisions

FY 2001 Budget Request (FY 2001 President's Budget Request)	1,174,856
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Congressional Adjustments (Distributed)

Military Gator		3,000
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Congressional Adjustments (General Provisions)

Section 8094: Foreign Currency Fluctuations		(14,722)
Section 8085: Working Capital Fund Balance/Rate Stabilization		(9,567)

Fact-of-Life Adjustments

		43,146
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The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following categories. These adjustments match the fact-of-life changes reported in the Rebaseline Report.

a) Emergent Requirements

42,667

Funds realigned from Base Operations Support in Budget Activity 1 (BA-1), Operating Forces, to various Operating Tempo (OPTEMPO) programs¹ to finance the increase in OPTEMPO costs for M1A2 Sustainment Enhancement Program (SEP) and AH-64D. This cost increase is driven by the higher than estimated demand for spare parts, consumables, and fuel. Previously, the operating and support costs for these new systems were based on acquisition engineering estimates. However, the execution data for these systems indicate higher than anticipated cost per mile, necessitating additional funding.

33,100

Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.

9,567

b) Technical Adjustments

479

Adjustment to realign ground OPTEMPO funds from Force Readiness Operations Support in BA-1, Operating Forces, to correct O-1 line for proper execution.

479

FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)²	1,206,280
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Across-the-Board Reductions (Section 1403 of P.L. 106-554)		(10,071)
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FY 2001 Midyear Funding Level (as of March 31, 2001)³	1,196,209
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FY 2001 Emergency Supplemental Appropriations Act (P.L. 107-20)

Title 1, Chapter 2- East Timor		2,400
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Fact-of-Life Adjustments

10,410

a) Emergent Requirements

1,616

Realignment to Facilities Sustainment, Restoration, and Modernization (FSRM) in BA-1, Operating Forces, to restation the 1st Armored Division from Bad Kreuznach, Germany, to Wiesbaden Army Air Field in Germany. As Army transitions to Limited Conversion Division (LCD) XXI, it is imperative that the transformation, restructuring and digitization of brigades and divisions result in cost-effective stationing of units. Funds were used to upgrade facilities in preparation for the restationing occupation.

(5,535)

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Divisions

Realignment to Base Support in BA-1, Operating Forces, to finance the mandated Information Technology (IT) salary rate increase for Computer Specialists, Computer Engineers, and Computer Scientists. The new rates became effective January 2001 and was applied automatically to all on-board and new-hire employees. (1,800)

Realignment to Corps Support Forces in BA-1, Operating Forces, to finance emergent direct/general support maintenance of tactical non-divisional equipment (\$-20,400) and continue its efforts for Command, Control, Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) improvements (such as expanded satellite bandwidth, Defense Red Switch Access, Secret Internet Protocol Router Network (SIPRNET)/Global Command and Control System (GCCS) expansion, and battlefield visualization technology) for Joint Forces Land Component Command and the Joint Task Force (\$-5,565). (25,965)

Realignment to Echelon Above Corps (EAC) Support Forces in BA-1, Operating Forces, to finance critical aviation and ground theater level maintenance. (35,750)

Realignment from Land Force Operations Support in BA-1, Operating Forces, to implement a new policy change for units to rail more modernized homestation armored vehicles to National Training Center (NTC) for use during training rotations and eliminate NTC's older, less capable M1 and M2 fleet of armored vehicles. 70,666

c) Technical Adjustments

Realignment from Land Forces Operations Support in BA-1, Operating Forces, to align Battle Command Training Center and Joint Readiness Training Center costs to the appropriate SAG based on changes in unit training plans. 8,794
8,794

FY 2001 Final Obligation	1,209,019
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1. The OPTEMPO funds are included in Divisions, Corps Combat Forces, Corps Support Forces, Echelon Above Corps Support Forces, and Land Forces Operations Support O-1 line items.
2. The congressional adjustments and the emergent requirements included in the FY 2001 base for reprogramming differ from the FY 2001 Rebaseline Report by the pro-rated congressional reduction for Working Capital Fund Balance/Rate Stabilization (Section 8085 of P.L. 106-259). In the Rebaseline Report, the entire reduction (\$-40,794) was reflected at the appropriation level (at the bottom of the report) as an undistributed congressional adjustment and then offset entirely by an anticipated reprogramming from the Defense Working Capital Fund (\$+40,794). This Midyear Readiness Transfer Report reflects these adjustments at the subactivity group level.
3. The FY 2001 midyear funding level does not match DD COMP (M) 1002 Report of March 2001 due to reprogrammings and other adjustments that were included in the Rebaseline Report but not included in the DD COMP (M) 1002 Report. The DD COMP (M) 1002 Report also includes cash management adjustments that temporarily reflect changes in funding distribution needed to execute ongoing missions pending approval of reprogramming actions.

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: CORPS Combat Forces

FY 2001 Budget Request (FY 2001 President's Budget Request)	321,297
Congressional Adjustments (General Provisions)	(2,847)
Section 8094: Foreign Currency Fluctuations	(790)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(2,057)
Fact-of-Life Adjustments	9,234
<p>The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following categories. These adjustments match the fact-of-life changes reported in the Rebaseline Report.</p>	
a) Emergent Requirements	<u>5,159</u>
Funds realigned from Base Support in BA 1, Operating Forces, to various OPTEMPO programs ¹ to finance the increase in OPTEMPO costs for M1A2 Sustainment Enhancement Program (SEP) and AH-64D. This cost increase is driven by the higher than estimated demand for spare parts, consumables, and fuel. Previously, the operating and support costs for these new systems were based on acquisition engineering estimates. However, the execution data for these systems indicate higher than anticipated cost per mile, necessitating additional funding.	3,102
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	2,057
b) Technical Adjustments	<u>4,075</u>
Adjustment to realign ground OPTEMPO funds from Echelon above Corps Forces and Land Forces Operations in BA-1, Operating Forces, to the correct O-1 line for proper execution.	8,100
Realignment to Management and Operational Headquarters in BA-1, Operating Forces, to realign civilian pay dollars for proper execution. Adjustment was required because funds had been erroneously aligned to incorrect O-1 line.	(4,025)
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)²	327,684
Across-the-Board Rescission (Section 1403, PL 106-554)	(2,057)
FY 2001 Midyear Funding Level (as of March 31, 2001)³	325,627
Fact-of-Life Adjustments	17,405
a) Emergent Requirements	<u>17,405</u>
Realignment from FSRM in BA-1, Operating Forces, to finance emergent OPTEMPO requirements for direct/general support maintenance of tactical non-divisional equipment.	13,296

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: CORPS Combat Forces

Realignment from FSRM in BA-1, Operating Forces, for National Training Center (NTC) to finance higher rotation costs associated with increased repair parts consumption. 4,109

FY 2001 Final Obligation

343,032

1. The OPTEMPO funds are included in Divisions, Corps Combat Forces, Corps Support Forces, Echelon Above Corps Support Forces, and Land Forces Operations Support O-1 line items.
2. The congressional adjustments and the emergent requirements included in the FY 2001 base for reprogramming differ from the FY 2001 Rebaseline Report by the pro-rated congressional reduction for Working Capital Fund Balance/Rate Stabilization (Section 8085 of P.L. 106-259). In the Rebaseline Report, the entire reduction (\$-40,794) was reflected at the appropriation level (at the bottom of the report) as an undistributed congressional adjustment and then offset entirely by an anticipated reprogramming from the Defense Working Capital Fund (\$+40,794). This Midyear Readiness Transfer Report reflects these adjustments at the subactivity group level.
3. The FY 2001 midyear funding level does not match DD COMP (M) 1002 Report of March 2001 due to reprogrammings and other adjustments that were included in the Rebaseline Report but not included in the DD COMP (M) 1002 Report. The DD COMP (M) 1002 Report also includes cash management adjustments that temporarily reflect changes in funding distribution needed to execute on-going missions pending approval of reprogramming actions.

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: CORPS Support Forces

FY 2001 Budget Request (FY 2001 President's Budget Request)	350,844
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Congressional Adjustments (General Provisions)

Section 8094: Foreign Currency Fluctuations	(2,084)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(1,398)

Fact-of-Life Adjustments

The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following categories. These adjustments match the fact-of-life changes reported in the Rebaseline Report.

a) Emergent Requirements

5,976

Funds realigned from Base Support in BA 1, Operating Forces, to various OPTEMPO programs¹ to finance the increase in OPTEMPO costs for M1A2 Sustainment Enhancement Program (SEP) and AH-64D. This cost increase is driven by the higher than estimated demand for spare parts, consumables, and fuel. Previously, the operating and support costs for these new systems were based on acquisition engineering estimates. However, the execution data for these systems indicate higher than anticipated cost per mile, necessitating additional funding.

4,578

Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.

1,398

b) Technical Adjustments

(6,466)

Adjustment to realign ground OPTEMPO funds from Land Forces Operations Support in BA-1, Operating Forces, for proper execution in the appropriate subactivity group where the program is executed.

334

Realignment to Management and Operational Headquarters in BA-1, Operating Forces, to realign civilian pay dollars for execution in the correct account where the costs are accrued.

(6,800)

FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)²	346,872
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Across-the-Board Rescission (Section 1403, PL 106-554)	(1,398)
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FY 2001 Midyear Funding Level (as of March 31, 2001)³	345,474
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Fact-of-Life Adjustments

59,900

a) Emergent Requirements

55,132

Realignment from Divisions (\$+20,400 thousand), Land Forces Operations Support (\$+16,364 thousand), and Facilities SRM (\$+12,803 thousand) within BA-1, Operating Forces, to finance emergent direct/general Support maintenance of tactical non-divisional equipment.

49,567

Realignment from Divisions in BA-1, Operating Forces, to continue its efforts for C4ISR improvements (such as expanded satellite bandwidth, Defense Red Switch Access, SIPRNET/GCCS expansion, and battlefield visualization technology) for Joint Forces Land Component Command and the Joint Task Force.

5,565

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: CORPS Support Forces

c) Technical Adjustments

	<u>4,768</u>
Realignment from Land Forces Operations Support in BA-1, Operating Forces, to align Battle Command Training Center and Joint Readiness Training Center costs to the appropriate O-1 line item based on changes in unit training plans.	4,768

FY 2001 Final Obligation	405,374
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1. The OPTEMPO funds are included in Divisions, Corps Combat Forces, Corps Support Forces, Echelon Above Corps Support Forces, and Land Forces Operations Support O-1 line items.
2. The congressional adjustments and the emergent requirements included in the FY 2001 base for reprogramming differ from the FY 2001 Rebaseline Report by the pro-rated congressional reduction for Working Capital Fund Balance/Rate Stabilization (Section 8085 of P.L. 106-259). In the Rebaseline Report, the entire reduction (\$-40,794) was reflected at the appropriation level (at the bottom of the report) as an undistributed congressional adjustment and then offset entirely by an anticipated reprogramming from the Defense Working Capital Fund (\$+40,794). This Midyear Readiness Transfer Report reflects these adjustments at the subactivity group level.
3. The FY 2001 midyear funding level does not match DD COMP (M) 1002 Report of March 2001 due to reprogrammings and other adjustments that were included in the Rebaseline Report but not included in the DD COMP (M) 1002 Report. The DD COMP (M) 1002 Report also includes cash management adjustments that temporarily reflect changes in funding distribution needed to execute on-going missions pending approval of reprogramming actions.

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Echelon Above CORPS Support Forces

FY 2001 Budget Request (FY 2001 President's Budget Request)	503,390
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Congressional Adjustments (General Provisions) (12,482)

Section 8094: Foreign Currency Fluctuations	(8,261)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(4,221)

Fact-of-Life Adjustments 9,550

The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following categories. These adjustments match the fact-of-life changes reported in the Rebaseline Report.

a) Emergent Requirements	<u>16,235</u>
Funds realigned from Base Support in BA 1, Operating Forces, to various OPTEMPO programs ¹ to finance the increase in OPTEMPO costs for M1A2 Sustainment Enhancement Program (SEP) and AH-64D. This cost increase is driven by the higher than estimated demand for spare parts, consumables, and fuel. Previously, the operating and support costs for these new systems were based on acquisition engineering estimates. However, the execution data for these systems indicate higher than anticipated cost per mile, necessitating additional funding.	12,014

Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.

b) Technical Adjustments	<u>(6,685)</u>
Realignment of ground OPTEMPO funds from Force Readiness Operations Support and to Corps Combat Forces in BA-1, Operating Forces, to align costs correctly into the appropriate O-1 line for proper execution.	(6,685)

FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)²	500,458
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Across-the-Board Rescission (Section 1403, PL 106-554) (4,221)

FY 2001 Midyear Funding Level (as of March 31, 2001)³	496,237
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Fact-of-Life Adjustments 47,323

a) Emergent Requirements	<u>47,323</u>
Realignment from Divisions in BA-1, Operating Forces, to finance critical aviation and ground theater level maintenance.	35,750

Realignment from FSRM in BA-1, Operating Forces, to stabilize the cash management position of the Army Working Capital Funds (AWCF) and to allow it to procure critical spares parts, and contribute to the Army's effort to reduce long lead time in the spares account.

**Operation and Maintenance, Army
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Echelon Above CORPS Support Forces

Realignment from FSRM in BA-1, Operating Forces, to finance higher than estimated OPTEMPO costs (i.e., higher demand for spare parts, consumables, and fuel) for M1A2 SEPs and AH-64Ds used by the U.S. Army Forces Command (FORSCOM) and U.S. Army Europe Command (USAREUR). 4,173

FY 2001 Final Obligation	543,560
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1. The OPTEMPO funds are included in Divisions, Corps Combat Forces, Corps Support Forces, Echelon Above Corps Support Forces, and Land Forces Operations Support O-1 line items.
2. The congressional adjustments and the emergent requirements included in the FY 2001 base for reprogramming differ from the FY 2001 Rebaseline Report by the pro-rated congressional reduction for Working Capital Fund Balance/Rate Stabilization (Section 8085 of P.L. 106-259). In the Rebaseline Report, the entire reduction (\$-40,794) was reflected at the appropriation level (at the bottom of the report) as an undistributed congressional adjustment and then offset entirely by an anticipated reprogramming from the Defense Working Capital Fund (\$+40,794). This Midyear Readiness Transfer Report reflects these adjustments at the subactivity group level.
3. The FY 2001 midyear funding level does not match DD COMP (M) 1002 Report of March 2001 due to reprogrammings and other adjustments that were included in the Rebaseline Report but not included in the DD COMP (M) 1002 Report. The DD COMP (M) 1002 Report also includes cash management adjustments that temporarily reflect changes in funding distribution needed to execute ongoing missions pending approval of reprogramming actions.

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Land Forces Operations Support

FY 2001 Budget Request (FY 2001 President's Budget Request)	980,512
Congressional Adjustments (General Provisions)	(22,393)
Section 8094: Foreign Currency Fluctuations	(14,991)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(7,402)
Fact-of-Life Adjustments	9,862
<p>The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following categories. These adjustments match the fact-of-life changes reported in the Rebaseline Report.</p>	
a) Emergent Requirements	<u>11,004</u>
Funds realigned from Base Support in BA 1, Operating Forces, to various OPTEMPO programs ¹ to finance the increase in OPTEMPO costs for M1A2 Sustainment Enhancement Program (SEP) and AH-64D. This cost increase is driven by the higher than estimated demand for spare parts, consumables, and fuel. Previously, the operating and support costs for these new systems were based on acquisition engineering estimates. However, the execution data for these systems indicate higher than anticipated cost per mile, necessitating additional funding.	602
<p>Funds realigned from Force Readiness Operations Support in BA-1, Operating Forces, to fund mission essential Interim Brigade Combat Team (IBCT) requirements in support of the Army's Transformation efforts.</p>	
<p>Realignment from Base Support in BA-1, Operating Forces, to offset shortfalls in civilian pay costs for Test, Measurement, and Diagnostic Equipment personnel.</p>	
<p>Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.</p>	
b) Technical Adjustments	<u>(1,142)</u>
Adjustment to realign ground OPTEMPO funds to Divisions, Corps Combat Forces, and Corps Support Forces in BA-1, Operating Forces, for proper execution (\$+2,200). This is offset by a realignment to Management and Operational Headquarters in BA-1, Operating Forces, to align civilian pay dollars to the correct O-1 line item (\$-1,058).	(1,142)
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)²	967,981
Across-the-Board Rescission (Section 1403, PL 106-554)	(7,402)
FY 2001 Midyear Funding Level (as of March 31, 2001)³	960,579
Fact-of-Life Adjustments	(103,077)
a) Emergent Requirements	<u>(89,515)</u>
Realignment to Divisions in BA-1, Operating Forces, to implement a policy change to require units to rail more modernized homestation armored vehicles to National Training Center (NTC) for use during training rotations and eliminate NTC's older, less capable M1 and M2 fleet of armored vehicles.	(70,666)

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Land Forces Operations Support

Realignment to Corps Support Forces in BA-1, Operating Forces, to finance emergent direct/general Support maintenance of tactical non-divisional equipment. (16,364)

(2,485)

Realignment to Land Forces Systems Readiness in BA-1, Operating Forces, to continue Integrated Training Area Management (ITAM) efforts in Europe to allow early intercession in the cycle of environmental disturbances caused by maneuvers on tracked vehicles. This action was necessary to comply with environmental compliance standards mandated by European Union's Flora, Fauna and Habitat (FFH) Act in training areas.

c) Technical Adjustments (13,562)
(13,562)

Realignment to Divisions (\$-8,794) and Corps Support Forces (\$-4,768) in BA-1, Operating Forces, to align Battle Command Training Center and Joint Readiness Training Center costs to the appropriate SAG based on changes in unit training plans. Units aligned funds to finance/fund training requirement based on cost incurred during training.

FY 2001 Final Obligation	857,502
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1. The OPTEMPO funds are included in Divisions, Corps Combat Forces, Corps Support Forces, Echelon Above Corps Support Forces, and Land Forces Operations Support O-1 line items.
2. The congressional adjustments and the emergent requirements included in the FY 2001 base for reprogramming differ from the FY 2001 Rebaseline Report by the pro-rated congressional reduction for Working Capital Fund Balance/Rate Stabilization (Section 8085 of P.L. 106-259). In the Rebaseline Report, the entire reduction (\$-40,794) was reflected at the appropriation level (at the bottom of the report) as an undistributed congressional adjustment and then offset entirely by an anticipated reprogramming from the Defense Working Capital Fund (\$+40,794). This Midyear Readiness Transfer Report reflects these adjustments at the subactivity group level.
3. The FY 2001 midyear funding level does not match DD COMP (M) 1002 Report of March 2001 due to reprogrammings and other adjustments that were included in the Rebaseline Report but not included in the DD COMP (M) 1002 Report. The DD COMP (M) 1002 Report also includes cash management adjustments that temporarily reflect changes in funding distribution needed to execute ongoing missions pending approval of reprogramming actions.

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Land Forces Depot Maintenance

FY 2001 Budget Request (FY 2001 President's Budget Request)	694,662
Congressional Adjustments (Distributed)	4,500
Auto Identification Technology	1,000
Logistical Technology	500
Depot Maintenance Apprenticeship Program	3,000
Congressional Adjustments (Undistributed)	(1,204)
Defense Joint Accounting System	(1,204)
Realignment to Meet Congressional Intent	7,500
Realignment from Land Forces Systems Readiness in BA-1, Operating Forces, to align depot maintenance funding for Heavy Expanded Mobility Tactical Truck (HEMTT) to the correct O-1 line item for proper execution.	7,500
Congressional Adjustments (General Provisions)	(44,552)
Section 8165: Headquarters Growth	(4,051)
Section 8164: Working Capital Fund Excess Carryover	(40,500)
Section 8094: Foreign Currency Fluctuations	(1)
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	660,906
FY 2000 Emergency Supplemental Carryover (P.L. 106-259, Title IX)	50,000
FY 2001 Midyear Funding Level (as of March 31, 2000)*	710,906
Fact-of-Life Adjustments	6,669
a) Emergent Requirements	<u>6,669</u>
Realignment from Facilities SRM in BA-1, Operating Forces, to mitigate operational missile reliability problems experienced by PATRIOT Advanced Capability (PAC)-2 and PATRIOT Guided Enhanced Missile+ (GEM+). GEM+ is an integral piece of a comprehensive PATRIOT Missile Program, which includes PAC-2 Recertification, GEM+ Conversion Program, continued PAC-3 missile procurement, and the PATRIOT Reliability Enhancement Program (PREP). This action was taken to meet near-term CINC readiness requirements in the Central Command Area of Operation.	6,669
FY 2001 Final Obligation	717,575

* FY 2001 midyear funding level does not match DD COMP (M) 1002 Report of March 2001 due to reprogrammings and other adjustments that were included in the Rebaseline Report but not included in the DD COMP (M) 1002 Report. The DD COMP (M) 1002 Report also includes cash management adjustments that temporarily reflect changes in funding distribution needed to execute ongoing missions pending approval of reprogramming actions.

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Base Operations Support

FY 2001 Budget Request (FY 2001 President's Budget Request)	2,698,913
Congressional Adjustments (Distributed)	3,900
National Training Center Airhead	2,000
Security Improvement - National Training Center Heliport Fence	1,900
Congressional Adjustments (Undistributed)	225
Repairs at Fort Baker, CA	5,000
Defense Joint Accounting System	(4,775)
Realignments to Meet with Congressional Intent	20,091
Realignment of funds for Command, Control, Communications, and Computers (C4I) and Information Assurance (\$18,500) and Conservation /Ecosystem (\$2,000) from Unified Commands in BA-1, Operating Forces, and Other Service Support in BA-4, Administration and Servicewide Activities, respectively, to align congressional adjustments properly to where the programs are executed.	20,500
Realignment to Miscellaneous Support of Other Nations in BA-4, Administration and Servicewide Activities, to reflect the congressional adjustment for Administrative Growth in Europe in the correct O-1 line item.	(409)
Congressional Adjustments (General Provisions)	(115,708)
Section 8165: Headquarters Growth	(8,706)
Section 8094: Foreign Currency Fluctuations	(94,748)
Section 8163: Consulting and Advisory Services	(4,062)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(8,192)
Fact-of-Life Adjustments	(181,167)
The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following categories. These adjustments match the fact-of-life changes reported in the Rebaseline Report.	
a) Emergent Requirements	(162,808)
Funds realigned to OPTEMPO programs in Land Forces in BA-1, Operating Forces, to finance the increase in OPTEMPO costs for M1A2 Sustainment Enhancement Program (SEP) and AH-64D. This cost increase is driven by the higher than estimated demand for spare parts, consumables, and fuel. Previously, the operating and support costs for these new systems were based on acquisition engineering estimates. However, the execution data for these systems indicate higher than anticipated cost per mile, necessitating additional funding.	(64,300)
Realignment to Force Readiness Operations Support in BA-1, Operating Forces, to fund black berets and flashes in support of the Army Chief of Staff's directive to provide two/one beret and flash to each soldier.	(12,300)
Realignment to Land Forces Systems Readiness in BA-1, Operating Forces, to fund an increase in life-cycle contract support costs for fixed wings.	(10,600)

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Base Operations Support

Realignment to Facilities SRM in BA-1, Operating Forces, to fund an unanticipated increase in transition costs (Voluntary Early Retirement Authority (VERA)/Voluntary Separation Incentive Pay (VSIP)) for those civilian employees impacted by outsourcing/eliminating base support positions. This was necessary as a result of the A-76 process to develop the Most Efficient Organization (MEO). (11,600)

Realignment to Strategic Mobilization in BA-2, Mobilization, to fund Oman Lease and Army Prepositioned Stocks (APS) for ship cargo maintenance operations. (56,800)

Realignment to Recruiting and Advertising in BA-3, Training and Recruiting, due to the continued difficult challenges in recruiting.

Realignment to Other Personnel Support in BA-4, Administration and Servicewide Activities, to finance critical requirements for the Central Identification Laboratory-Hawaii (CILHI) and the responsibility to fund the transportation, preparation, and interment of remains, as well as notification and escort travel.

Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.

b) Functional Transfers

(5,136)

Resources transferred to Management and Operational Headquarters in BA-1, Operating Forces, to comply with the FY 2000 National Defense Authorization Act that mandated implementation of revised DoD Directive for major headquarters activity, which expanded the definition to include field operating agencies and direct reporting units that perform management headquarters functions. (1,600)

Funds realigned to Base Operations Support in BA-4, Administration and Servicewide Activities, for centralization of competitive sourcing study funding. (3,800)

Transfer from Base Operations Support (Academy only) in BA-3, Training and Recruiting, to align A-76 funding to Army Commands with the largest number of military positions under A-76 studies.

c) Technical Adjustments

(13,223)

Realignment of Force Protection/Anti-terrorism funds to Base Operations Support in BA-3, Training and Recruiting, and BA-4, Administration and Servicewide Activities, to align funds with base support funds where the costs are accrued. (1,545)

Realignment of pollution prevention funding from Base Operations Support in BA-4, Administration and Servicewide Activities, to the appropriate O-1 line item where the program is executed.

Realignment of funds to Army Claim Activities in BA-4, Administration and Servicewide Activities, for proper execution of German Accident Insurance costs in the appropriate O-1 line item. (6,200)

Realignment of funds from Unified Commands and Force Readiness Operations Support in BA-1, Operating Forces, to capture resources used for combating terrorism in the proper O-1 line item.

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Base Operations Support

Realignment of funds for civilian compensation to Management and Operational Headquarters in BA-1, Operating Forces, for proper execution. Adjustment is required because the funds had been aligned erroneously to an incorrect O-1 line item. (9,144)

FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)*	2,426,254
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FY 2001 Consolidated Appropriations (P.L. 106-554)	(5,692)
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Section 323: Fort Irwin National Training Center Expansion	2,500
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Section 1403 Across-the-Board Rescission	(8,192)
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Transfer from the Foreign Currency Fluctuation, Defense Account	13,500
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Other Reprogrammings/Transfers	(5,000)
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Transfer to the National Park Service (P.L. 106-259)	(5,000)
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FY 2001 Midyear Funding Level (as of March 31, 2001)**	2,429,062
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Emergency Supplemental (P.L. 107-20)	193,852
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Title 1, Chapter 2 - Funds were used to allow Commanders to operate, maintain, and support installations properly. The additional funds helped to eliminate immediate threats to quality of life for soldiers, civilian employees, and family members such as hiring freezes, release of term and temporary employees, reductions to curtail MWR activities and closure of dining facilities. Also financed base communication upgrades, improvements to family programs, and elimination of environmental notice of violation.	193,852
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Fact-of-Life Adjustments

a) Emergent Requirements	4,973
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Realignment from Divisions in BA-1, Operating Forces, to finance the mandated Information Technology (IT) salary rate increase for Computer Specialists, Computer Engineers, and Computer Scientists. The new rates became effective January 2001 and was applied automatically to all on-board and new-hire employees.	1,800
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Realignment from Facilities SRM in BA-1, Operating Forces, to fund unplanned increase in utility costs primarily in the Northeast and Northwest regions of the country.	3,173
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FY 2001 Final Obligation	2,627,887
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* The congressional adjustments and the emergent requirements included in the FY 2001 base for reprogramming differ from the FY 2001 Rebaseline Report by the pro-rated congressional reduction for Working Capital Fund Balance/Rate Stabilization (Section 8085 of P.L. 106-259). In the Rebaseline Report, the entire reduction (\$-40,794) was reflected at the appropriation level (at the bottom of the report) as an undistributed congressional adjustment and then offset entirely by an anticipated reprogramming from the Defense Working Capital Fund (\$+40,794). This Midyear Readiness Transfer Report reflects these adjustments at the subactivity group level.

** The FY 2001 midyear funding level does not match DD COMP (M) 1002 Report of March 2001 due to reprogrammings and other adjustments that were included in the Rebaseline Report but not included in the DD COMP (M) 1002 Report. The DD COMP (M) 1002 Report also includes cash management adjustments that temporarily reflect changes in funding distribution needed to execute ongoing missions pending approval of reprogramming actions.

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Facilities Sustainment, Restoration, and Modernization¹

FY 2001 Budget Request (FY 2001 President's Budget Request)	916,378
Congressional Adjustments (Distributed)	17,500
Fort Wainwright Utilidors	10,000
Fort Greely Runway	6,000
U.S. Army Alaska Power Plant Refurbishment	1,500
Congressional Adjustments (Undistributed)	(102)
Defense Joint Accounting System	(102)
Realignment to Meet/Comply with Congressional Intent	20,014
Realignment from Facilities, SRM in BA 2, Mobilization, and BA 4, Administration and Servicewide Activities, to fund real property maintenance at the approved levels (by Major Command).	20,014
Congressional Adjustments (General Provisions)	(63,606)
Section 8163: Consulting and Advisory Services	(5,937)
Section 8165: Headquarter Growth	(414)
Section 8094: Foreign Currency Fluctuations	(57,255)
Fact-of-Life Adjustments	11,573
The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following categories. These adjustments match the fact-of-life changes reported in the Rebaseline Report.	
a) Emergent Requirements	<u>11,550</u>
Realignment from Facilities Sustainment, Restoration and Modernization in BA 1, Operating Forces, to fund an unanticipated increase in transition costs (Voluntary Early Retirement Authority (VERA)/Voluntary Separation Incentive Pay (VSIP)) for those civilian employees impacted by outsourcing/eliminating base support positions. This was necessary as a result of the A-76 process to develop the most efficient organization.	11,550
b) Technical Adjustments	<u>23</u>
Realignment from Corps Support Forces and Management and Operational Headquarters in BA-1, Operating Forces, in order to align civilian pay and other related costs in the correct O-1 line item for proper execution.	23
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	901,757
Emergency Supplemental Carryover from Prior Years	81,510
FY 2001 Midyear Funding Level (as of March 31, 2001)²	983,267

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Facilities Sustainment, Restoration, and Modernization¹

Emergency Supplemental (P.L. 107-20) 78,648

Title 1, Chapter 2 - Increased funding to reduce the current backlog of maintenance and repair projects at various Army facilities. The additional funding was necessary to satisfy the most pressing requirements without having to divert scarce funds from readiness efforts. It helped to correct the current status that requires many installations to suspend preventive maintenance operations and conduct repairs only on an emergency basis due to lack of funds. 72,148

Section 1205 -- Storm damage at U.S. Army Forces Command (FORSCOM) installation in Washington; various Training and Doctrine (TRADOC) installations in Oklahoma, Texas, Missouri, Arizona, Alabama, and Georgia; and various AMC installations in Illinois, Oklahoma, Texas, Arkansas, and New Jersey. 6,500

Fact-of-Life Adjustments (50,211)

a) Emergent Requirements (50,211)

Realignment from Divisions in BA-1, Operating Forces, to restation the 1st Armored Division from Bad Kreuznach to Wiesbaden Army Air Field. As Army transitions to LCDXXI, it is imperative that the transformation, restructuring and digitization of brigades and divisions result in cost-effective stationing of units. 5,535

Realignment from Miscellaneous Activities in BA-1, Operating Forces, to fund critical repair/restoration projects. This emergent requirement was driven by lack of sustainment, excessive age, natural disaster, fire, accident, alteration of facilities solely to implement new or higher standards, accommodation of new functions, or replacement of building components that typically last more than 50 years. 37,130

(3,173)

Realignment to Base Support in BA-1, Operating Forces, to fund unanticipated increase in utility costs, as well as the increase in fixed Base Operations Support contracts costs.

Realignment to Corps Combat Forces (\$-13,296 thousand) and Corps Support Forces (\$-12,803 thousand) in BA-1, Operating Forces, to allow continued DS/GS maintenance efforts. (26,099)

(15,682)

Realignment to Depot Maintenance (\$-6,669 thousand) to mitigate operational missile reliability problems experienced by PATRIOT Advanced Capability (PAC)-2 and PATRIOT Guided Enhanced Missile+ (GEM+). GEM+ is an integral piece of a comprehensive PATRIOT Missile Program, which includes PAC-2 Recertification, GEM+ Conversion Program, continued PAC-3 missile procurement, and the PATRIOT Reliability Enhancement Program (PREP). This action was taken to meet near-term CINC readiness requirements. Also includes a realignment (\$-9,013 thousand) to Facilities Sustainment, Restoration & Modernization (Other Training) in BA-3, to support requirements (i.e. replacement of three water tanks, retrofit of Halon project and barrack repair).

Realignment to Force Readiness Operations Support in BA-1, Operating Forces, to fund military and civilian personnel costs properly, including (1) emergency leave travel for soldiers and their families deployed overseas; (2) payroll costs for European local nationals supporting our Echelon Above Corps units; and (3) Reserve Overseas Deployment Transportation (ODT), which provides medical, dental, veterinarian, legal, postal and chaplain support to military communities. (24,497)

Operation and Maintenance, Army
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Facilities Sustainment, Restoration, and Modernization¹

Funding reprogrammed to Force Readiness Operations Support in BA-1, Operating Forces, to support the efforts necessary for Information Assurance (IA) initiatives. This includes intrusion detection capability, biometrics, and other information assurance initiatives to avoid exposing the Army networks to a variety of security vulnerabilities. The IA program is a vital compliment to C4ISR integrating all operational, technical, and security disciplines needed to assure the availability, integrity, authentication, confidentiality, and non-repudiation of the war fighters' computer networks and data.	(7,743)
Realignment to Corps Combat Forces in BA-1, Operating Forces, for National Training Center (NTC) to finance higher rotation costs associated with higher than anticipated repair parts consumption.	(4,109)
Realignment to Echelon Above Corps Support Forces in BA-1, Operating Forces, to stabilize the cash management position of the Army Working Capital Funds (AWCF) and to allow it to procure critical spares parts, and contribute to the effort to reduce long lead time in the spares account.	(7,400)
Realignment to Echelon Above Corps Support Forces in BA-1, Operating Forces, to finance higher than estimated OPTEMPO costs (i.e., higher demand for spare parts, consumables, and fuel) for M1A2 SEPs and AH-64Ds used by FORSCOM and USAREUR.	(4,173)

FY 2001 Final Obligation	1,011,704
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1. SRM - Previously known as Real Property Maintenance
2. FY 2001 midyear funding level does not match DD COMP (M) 1002 Report of March 2001 due to reprogrammings and other adjustments that were included in the Rebaseline Report but not included in the DD COMP (M) 1002 Report. The DD COMP (M) 1002 Report also includes cash management adjustments that temporarily reflect changes in funding distribution needed to execute ongoing missions pending approval of reprogramming actions.

Navy

**Operation and Maintenance, Navy
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Mission and Other Flight Operations

FY 2001 Budget Request	2,636,230
Congressional Adjustments (General Provisions)	(44)
Sec. 8094: Foreign Currency Fluctuations (Favorable Rates)	(25)
Sec. 8165: Headquarters and Administration Activities	(19)
Fact-of-Life Adjustments	0
a) Emergent Requirements	<u>0</u>
<p>The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.</p>	
Increase in cost per hour for aviation depot level repairables (AVDLRs) and maintenance reflects execution experience in FY 2000. Funded from within this subactivity group (SAG).	396,302
Net increase of six tactical aircraft. Funded from within this SAG.	
Decrease of 123,757 hours for Tactical Air (TACAIR)/Antisubmarine Warfare (ASW) and 6,842 Fleet Air Support hours to offset increased flying hour costs within this SAG for AVDLRs.	(400,316)
Net adjustment due to change in the method of purchasing Information Technology (IT) services. Funding realigned to offset increased flying hour costs within this SAG.	(3,323)
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	2,636,186
Across-the-Board Reductions	(5,661)
Section 1403 of the FY 2001 Consolidated Appropriations Act (P.L. 106-554)	
Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingency Operations	35,673
Transfer from the Counter-Drug Account	8,203
Fact-of-Life Adjustments	(3,229)
a) Emergent Requirements	<u>(3,229)</u>
<p>The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.</p>	
Realign excess civilian personnel compensation to Base Support in Budget Activity (BA 1), Operating Forces, for higher priority programs.	(11)
Realign funding for Commercial helo support to Fleet Air Training (\$2,766) and Base Support (\$1,404) in BA 1, Operating Forces.	(4,170)

**Operation and Maintenance, Navy
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Mission and Other Flight Operations

Realign funding for U.S.S. TRUMAN Broadcast from Recruiting and Advertising in BA 3, Training and Recruiting. 130

Realign funding for consolidated Federal Employee Contribution Act bill to Base Support in BA 1, Operating Forces.

Realign funding for contingency operations in European theater from Real Property Maintenance in BA 1, Operating Forces. 874

FY 2001 Midyear Funding Level (as of March 31, 2001)	2,671,172
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Emergency Supplemental	326,200	326,200
Supplemental Appropriation Act, 2001 (P.L. 107-20) Title I, Chapter 2	326,200	

Transfer from the Overseas Contingency Operation Transfer Fund (OCOTF) for contingencies	53,114	53,114
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Transfer from the Counter-Drug Account		400
Project 3211 Fleet Support		

Fact-of-Life Adjustments		2,619
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a) Emergent Requirements	<u>2,619</u>	
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The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Realign funds to put Contractor Field Teams in place to support maintenance of F-14D aircraft due to the shortage in aviation mechanics from Fleet Air Training in BA 1, Operating Forces for proper execution.	7,721	
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Realign funds for increased Flying Hours requirements associated with Southern Watch from Aircraft Depot Maintenance in BA 1, Operating Forces for proper execution.	2,402	
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Realign funds for Counterdrug Operations support to Mission and Other Ship Operations (\$400) and Space Systems and Surveillance (\$339) in BA 1, Operating Forces, for proper execution.

Reduction in the Flying Hours Program reflecting under-execution.	(6,765)	
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FY 2001 Final Obligation	3,053,505
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Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Mission and Other Ship Operations

FY 2001 Budget Request	2,237,075
Congressional Adjustments (Undistributed)	12,779
Improved Shipboard Mattresses	13,000
Defense Joint Accounting System	(88)
Communications Program Growth	(133)
Congressional Adjustments (General Provisions)	(183)
Sec. 8094: Foreign Currency Fluctuations (Favorable Rates)	(84)
Sec. 8165: Headquarters and Administration Activities	(99)
Fact-of-Life Adjustments	(31,786)
a) Emergent Requirements	<u>(31,873)</u>
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.	
Net Increase in per diem (\$9,150) offset by a decrease in support costs (\$2,900) associated with transition of AOE-6 to the Military Sealift Command. The remaining increase is funded from within this subactivity group (SAG).	
	6,250
Realignment of embarked Carrier Group supply costs to Ship Operations. The increase is funded from within this SAG.	
	63
Realignment of funds from Commander, Navy Region Northwest to Commander Submarine Forces Pacific Fleet for Defense Automated Printing Service (DAPS) contract. The increase is funded from within this SAG.	
	43
Decrease attributed to lower estimated number of ship operating months. Funding realigned to: Ship Depot Operations Support (\$1,946) in Budget Activity (BA) 1, Operating Forces, for contractor preservation teams to enhance Ship readiness; Combat Support Forces (\$798) in BA 1, Operating Forces, to support Theater Joint C4I capabilities; Specialized Skill Training (\$3,559) in BA 3, Training and Recruiting, to support the Navy Personal Financial Management (PFM) program for enlisted accessions; Acquisition and Program Management (\$9,358) in BA 4, Administration and Servicewide Support, for readiness acceleration of database and local area network critical infrastructure support and fund validated prompt pay interest charges; realign funds to offset increased Per Diem costs within this SAG (\$3,452).	
	(19,113)
Defense Logistics Agency (DLA) pricing adjustment reflects lower than anticipated surcharge requirements. Funding realigned to: Ship Preposition and Surge (\$7,283) in BA 2, Mobilization, to fund the third MPF(E) ship, USNS Soderman; Ship Activations/Inactivations (\$6,552) in BA 2, Mobilization, to support enhanced Ship Disposal Project as proactive cost avoidance measures; and Specialized Skill Training (\$2,377) in BA 3, Training and Recruiting, to fully fund Temporary Duty Under Instruction (TEMDUINS).	
	(16,212)
Net adjustment due to change in the method of purchasing Information Technology (IT) services. Funding realigned to offset increased Per Diem costs within this SAG.	
	(1,356)
Decrease due to consolidation of payment to the Defense Information Systems Agency (DISA) for Tier One Communications cost. Funding realigned to offset increased Per Diem costs within this SAG.	
	(1,206)

Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Mission and Other Ship Operations

Decrease in travel associated with Joint Chief of Staff (JCS) exercises. Funding realigned to offset increased Per Diem costs within this SAG.

Realignment of Environmental Engineer from Western Hemisphere Group to Commander, Naval Region Southeast. Funding realigned to offset increased Per Diem costs within this SAG.

b) Functional Transfers

Commander, Anti-Submarine Warfare Forces, Pacific Fleet transferred from Combat Support Forces, BA 1, Operating Forces.

87
299

Transfer to Intermediate Maintenance, BA 1, Operating Forces, to correctly align travel funds from Commander, Naval Surface Forces, Pacific Fleet to Ship Intermediate Maintenance Activity, San Diego.

(212)

FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	2,217,885
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Across-the-Board Reductions

Section 1403 of the FY 2001 Consolidated Appropriations Act (P.L. 106-554)

(4,670) (4,670)

Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingency Operations

5,769

Transfer from the Counter-Drug Account

324

Fact-of-Life Adjustments

The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

(4,841)

a) Emergent Requirements

Increase support for Anti-Terrorism/Force Protection Enhancement realigned to Base Support BA 1, Operating Forces, for proper execution.

(4,841)
(5,000)

Realign funding for contingency operations in European theater from Real Property Maintenance BA 1, Operating Forces.

159

FY 2001 Midyear Funding Level (as of March 31, 2001)	2,214,467
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Emergency Supplemental

Supplemental Appropriation Act, 2001 (P.L. 107-20) Title I, Chapter 2

562 562

Transfer from the Overseas Contingency Operation Transfer Fund (OCOTF) for contingencies

29,370

Transfer from the Counter-Drug Account

437

Fact-of-Life Adjustments

a) Emergent Requirements

The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

92,912 92,912

**Operation and Maintenance, Navy
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Mission and Other Ship Operations

Realign funds from Base Support in BA 1, Operating Forces, for increased ship supplies and equipment caused by a decline in free issue parts received from decommissioning ships, plus higher than expected market utility rates.	46,818
Realign funds from Ship Intermediate Maintenance in BA 1, Operating Forces, for critical repair parts shortfall.	3,758
Realign funds from Cruise Missile (\$6,920), Fleet Ballistic Missile (\$16,287), In-Service Weapon Systems (\$2,256) and Weapons Maintenance (\$16,873) in BA 1, Operating Forces, for additional port costs caused by post COLE environment plus higher than budgeted deployed OPTEMPO.	42,336

FY 2001 Final Obligation	2,337,748
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Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Fleet Air Training

FY 2001 Budget Request	798,956
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Congressional Adjustments (Undistributed)

Civilian Personnel Underexecution	(78)
Defense Joint Accounting System	(198)
Communications Program Growth	(283)

Technical Corrections Required to Comply with Congressional Intent

Decreases for Acquisition Workforce (\$260) and Acquisition Management (\$520) realigned from Planning, Engineering and Design, Acquisition and Program Management and Air Systems Support in Budget Activity (BA) 4, Administration and Servicewide Activities, for proper execution.	(780)
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Congressional Adjustments (General Provisions)

Sec. 8093: Consulting and Advisory Services	(25)	(51)
Sec. 8165: Headquarters and Administration Activities	(26)	

FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	797,566
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Across-the-Board Reductions

Section 1403 of the FY 2001 Consolidated Appropriations Act (P.L. 106-554)	(1,762)	(1,762)
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Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingency Operations

Fact-of-Life Adjustments

a) Emergent Requirements	<u>3,027</u>
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The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Realign funding for Commercial helo support from Mission and Other Flight Operations in BA 1, Operating Forces.	2,766
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Realign funding for AV-8B contractor maintenance support from Intermediate Maintenance in BA 1, Operating Forces.	300
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Realign funding for consolidated Federal Employee Compensation Act bill to Base Support in BA 1, Operating Forces.	(87)
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Realign funding for increased training support from Space Systems and Surveillance in BA 1, Operating Forces.	52
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Realign funding for prior year cancelled accounts obligations to Cancelled Accounts in BA 4, Administration and Servicewide Activities.	(4)
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FY 2001 Midyear Funding Level (as of March 31, 2001)	801,311
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**Operation and Maintenance, Navy
(Dollars in Thousands)**

Budget Activity: Operating Forces
Subactivity Group: Fleet Air Training

Emergency Supplemental		98,800
Supplemental Appropriation Act, 2001 (P.L. 107-20) Title I, Chapter 2	98,800	
Transfer from the Overseas Contingency Operation Transfer Fund (OCOTF) for Contingency Operations		15,661
Fact-of-Life Adjustments		(15,327)
a) Emergent Requirements	<u>(15,327)</u>	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Realign funds for increased Flying Hour requirements associated with Southern Watch from Aircraft Depot Maintenance (\$107) and Base Support (\$293) in BA 1, Operating Forces, for proper execution.	400	
Realign funds to put Contractor Field Teams in place to support maintenance of F-14D aircraft due to the shortage in aviation mechanics to Mission and Other Flight Operations in BA 1, Operating Forces, for proper execution.	(7,721)	
Reduction in the number of pilots and Naval Flight Officers inducted into the pipeline from the Navy Training Command due to timing of the receipt of the Supplemental and cancellation of several training events, which caused under-execution of flight hours.	(5,106)	
Realign funds for Counterdrug Operations support to Equipment Maintenance in BA 1, Operating Forces, for proper execution.	(1,900)	
Realign funds for Missile Exercise support to Equipment Maintenance in BA 1, Operating Forces, for proper execution.	(1,000)	
FY 2001 Final Obligation		900,445

Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Ship Operational Support and Training

FY 2001 Budget Request	539,919
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Congressional Adjustments (Undistributed)		(2,566)
Civilian Personnel Underexecution	(1,797)	
Defense Joint Accounting System	(312)	
Communications Program Growth	(457)	

Technical Corrections Required to Comply with Congressional Intent		(1,867)
Decreases for Acquisition Workforce (\$622) and Acquisition Management (\$1,245) realigned from Planning, Engineering and Design, Acquisition and Program Management, and Air Systems Support in Budget Activity (BA) 4, Administration and Servicewide Activities, for proper execution.	(1,867)	

Congressional Adjustments (General Provisions)		(2,745)
Sec. 8093: Consulting and Advisory Services	(2,400)	
Sec. 8165: Headquarters and Administration Activities	(345)	

Fact-of-Life Adjustments		(6,541)
a) Emergent Requirements		

The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Realignment of ordnance support headquarters personnel to Naval Ordnance Safety and Security Agency. Funding realigned from within this subactivity group (SAG).

Reduction in utilities, Public Works Center (PWC) support, services and Physical Security at Atlantic Ordnance Command. Funds realigned to Combat Support Forces in BA 1, Operating Forces, for Theater Joint C4I support.	(3,424)	
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Decrease in support to integrate maintenance and modernization work packages for AEGIS availabilities at Planning Yards. Funds realigned to Combat Support Forces in BA 1, Operating Forces, for Theater Joint C4I support.	(2,719)	
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Net adjustment due to change in the method of purchasing Information Technology (IT) services. Funds realigned to Combat Support Forces in BA 1, Operating Forces, for Theater Joint C4I support.

FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	526,200
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Across-the-Board Reductions		(335)
Section 1403 of the FY 2001 Consolidated Appropriations Act (P.L. 106-554)	(335)	

Fact-of-Life Adjustments		(2,282)
a) Emergent Requirements		(2,282)

The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Excess civilian personnel compensation realigned to Base Support in BA 1, Operating Forces, for civilian personnel compensation costs in that SAG.	(64)	
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**Operation and Maintenance, Navy
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Ship Operational Support and Training

Realign funding for consolidated Federal Employee Compensation Act bill to Base Support (\$4,449) in BA 1, Operating Forces, and consolidated National Capital Region Transportation Subsidy bill to Administration (\$9) in BA 4, Administration and Servicewide Activities. (4,458)

Realign Ordnance Environmental Support Office from Base Support (\$1,386) in BA 1, Operating Forces, Insensitive Munitions Program from In-Service Weapon Systems (\$391) in BA 1, Operating Forces, and Ship Depot Operations Support (\$463) in BA 1, Operating Forces, to fund unbudgeted ordnance safety and security requirements. 2,240

FY 2001 Midyear Funding Level (as of March 31, 2001)	523,583
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Fact-of-Life Adjustments

a) Emergent Requirements	(7,588)	(7,588)
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The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Reduction in acoustic trials and ordnance handling costs reflecting under-execution.	(7,588)
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FY 2001 Final Obligation	515,995
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Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Aircraft Depot Maintenance

FY 2001 Budget Request	648,745
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Congressional Adjustments (Distributed)		
C-12 Spares Program	5,000	

Congressional Adjustments (General Provisions)		(3,374)
Sec. 8094: Foreign Currency Fluctuations (Favorable Rates)	(3,374)	

Fact-of-Life Adjustments

a) Emergent Requirements		<u>(893)</u>
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The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Decreased Component Rework associated with T-45 and F-405 engine repairs, container repairs, AN/ALQ repairs, special projects and the Joint Signal Intelligence Family (JSIF) program. Funding realigned to Combat Support Forces in Budget Activity (BA) 1, Operating Forces, to support Theater Joint C4I initiatives.		(759)
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Net adjustment due to change in the method of purchasing Information Technology (IT) services. Funding realigned to Combat Support Forces in BA 1, Operating Forces, to support Theater Joint C4I initiatives.		(134)
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FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	649,478
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Across-the-Board Reductions		(1,430)
Section 1403 of the FY 2001 Consolidated Appropriations Act (P.L. 106-554)	(1,430)	

Emergency Supplemental Carryover		20,000
Sec. 9001: Depot Level Maintenance and Repair (P.L. 106-259)	20,000	

Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingency Operations

Fact-of-Life Adjustments		(4,910)
a) Emergent Requirements		<u>(4,910)</u>

The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Realign Navy E-6A Airborne Nuclear Command and Control Aircraft (TACAMO) funding to Combat Communications in BA 1, Operating Forces, to lease Commercial 707-300 aircraft for proper execution.		(4,900)
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Realign funding for prior year cancelled accounts obligations to Cancelled Accounts in BA 4, Administration and Servicewide Activities.		(10)
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FY 2001 Midyear Funding Level (as of March 31, 2001)	671,900
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Emergency Supplemental		77,000
Supplemental Appropriation Act, 2001 (P.L. 107-20) Title I, Chapter 2	77,000	

**Operation and Maintenance, Navy
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Aircraft Depot Maintenance

Transfer from the Overseas Contingency Operation Transfer Fund (OCOTF) for contingencies		13,999
Fact-of-Life Adjustments		(4,783)
a) Emergent Requirements		<u>(4,783)</u>
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Realign funds for increased Flying Hour requirements associated with Southern Watch to Mission and Other Flight Operations (\$2,402) and Fleet air Training (\$107) in BA 1, Operating Forces, for proper execution.		(2,509)
Realign funds for the Depot Apprentice Program to Aircraft Depot Operations Support in BA 1, Operating Forces, for proper execution.		(2,200)
Realign funding for prior year cancelled accounts obligations to Cancelled Accounts in BA 4, Administration and Servicewide Activities.		
End-of-year execution adjustments to material purchases for the UH3H (\$45) and contractor award fee (\$5).		

FY 2001 Final Obligation		758,116
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Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Ship Depot Maintenance

FY 2001 Budget Request		2,113,052
Congressional Adjustments (Distributed)		32,000
Ship Depot Maintenance	32,000	
Congressional Adjustments (Undistributed)		(76)
Defense Joint Accounting System	(31)	
Communications Program Growth	(45)	
Technical Corrections Required to Comply with Congressional Intent		(32,000)
Increase for Amphibious Assault Ship (LHA) midlife alterations realigned to Ship Depot Operations Support Budget Activity (BA) 1, Operating Forces, for proper execution.	(32,000)	
Congressional Adjustments (General Provisions)		(10,895)
Sec. 8094: Foreign Currency Fluctuations (Favorable Rates)	(10,596)	
Sec. 8165: Headquarters and Administration Activities	(299)	
Fact-of-Life Adjustments		(14,913)
a) Emergent Requirements	<u>(14,913)</u>	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Decrease in funding for USS SAIPAN overhaul. Due to congressional increase for LHA Midlife alterations to be executed by Naval Sea Systems Command, requirement for certain Fleet repairs has been reduced. Funding realigned to Ship Depot Operations Support in BA 1, Operating Forces, for Contractor Preservation Teams to enhance ship readiness.	(11,233)	
Defense Logistics Agency (DLA) pricing surcharge not imposed as expected. Funding realigned to Ship Depot Operations Support in BA 1, Operating Forces, for Contractor Preservation Teams to enhance ship readiness.	(1,957)	
Net adjustment due to change in the method of purchasing Information Technology (IT) services. Funding realigned to Ship Depot Operations Support in BA 1, Operating Forces, for Contractor Preservation Teams to enhance ship readiness.	(22)	
Adjustment reflects a rebalancing of ship maintenance workload within subactivity groups to ensure requirements are aligned appropriately. Funding realigned to Ship Depot Operations Support in BA 1, Operating Forces, for Contractor Preservation Teams to enhance ship readiness.	(1,701)	
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)		2,087,168
Across-the-Board Reductions		(4,792)
Section 1403 of the FY 2001 Consolidated Appropriations Act (P.L. 106-554)	(4,792)	

Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Ship Depot Maintenance

Emergency Supplemental		329,869
a) Emergency Supplemental Carryover	<u>179,869</u>	
Sec. 110: Depot Level Maintenance and Repair (P.L. 106-246)	37,869	
Sec. 9001: Depot Level Maintenance (P.L. 106-259)	142,000	
b) Emergency Supplemental (New)	<u>150,000</u>	
Sec. 308: USS COLE (P.L. 106-554)	150,000	

Fact-of-Life Adjustments		1,886
a) Emergent Requirements		

The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Realignment from Weapons Maintenance support for Surface Anti-Submarine Warfare (ASW) Systems Maintenance, Submarine Acoustics, Submarine Acquisition, Mine Warfare, Theater Surface Combatants (\$1,146) in BA 1, Operating Forces; Combat Support Forces Ship Salvage Operations (\$303) in BA 1, Operating Forces; and Equipment Maintenance support for Airborne Mine Countermeasures program (\$551) in BA 1, Operating Forces, to fund emergent ship repairs.

Realign funding for prior year cancelled accounts obligations to Cancelled Accounts in BA 4, Administration and Servicewide Activities.		(114)
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FY 2001 Midyear Funding Level (as of March 31, 2001)		2,414,131
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Emergency Supplemental		242,200
Supplemental Appropriation Act, 2001 (P.L. 107-20) Title I, Chapter 2	200,000	
Supplemental Appropriation Act, 2001 (P.L. 107-20) Sec. 1203 Repair to U.S.S. COLE	42,200	

Other Approved Inter-Appropriation Transfer (Requiring 1415 Actions)		(10,500)
U.S.S. Cole Repair	(10,500)	

Fact-of-Life Adjustments		(84,698)
a) Emergent Requirements	<u>(84,698)</u>	

The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Increased funding for private sector surface requirements in San Diego. Funds realigned from within this subactivity group.

Increase in repair part funding for Critical Repair Part Shortfall. Funds realigned from within this subactivity group.		3,000
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Realign funds for the Marine Gas Turbine Engine Overhauls to Equipment Maintenance in BA 1, Operating Forces for proper execution.		(2,000)
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Unobligated balance reserved for anticipated cost increases.		(43,411)
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Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Ship Depot Maintenance

Adjustment reflects the end-of-year unobligate balance for work being performed on the U.S.S. COLE. By Section 308 of Public Law 106-554 funding for the U.S.S. COLE is available until expended. (47,287)

FY 2001 Final Obligation	2,561,133
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Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Base Support

FY 2001 Budget Request	2,151,215
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Congressional Adjustments (Distributed)

Partnership for Rapid Innovation Pilot Program	8,000	
Portal Crane Maintenance, Rota	3,500	
North Atlantic Treaty Organization (NATO) Administrative Cost Growth	(4,700)	

Congressional Adjustments (Undistributed)

Civilian Personnel Underexecution	(17,792)	(23,492)
Defense Joint Accounting System	(2,348)	
Communications Program Growth	(3,352)	

Technical Corrections Required to Comply with Congressional Intent

Decreases for Acquisition Workforce (\$185) and Acquisition Management (\$369) realigned to Planning, Engineering and Design, Acquisition and Program Management and Air Systems Support in Budget Activity (BA) 4, Administration and Servicewide Activities, for proper execution.	(554)	
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Congressional Adjustments (General Provisions)

Sec. 8094: Foreign Currency Fluctuation (Favorable Rates)	(14,580)	(19,126)
Sec. 8165: Headquarters and Administration Activities	(4,546)	

Fact-of-Life Adjustments

a) Emergent Requirements	<u>47,219</u>	52,282
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The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Realignment from Ship Depot Operations Support (\$720) in BA 1, Operating Forces, to properly align Federal Employee Compensation Act (FECA) funding. Funds also realigned (\$1,469) within this subactivity group (SAG).	2,189	
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Increase for temporary hires at Personnel Support Detachments (PSDs) to help maintain quality of service until the Navy Standard Integrated Personnel System (NSIPS) is operational. Funds realigned from within this SAG.	3,525	
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Increase in leased line charges by Defense Information Services Agency (DISA). Funds realigned from within this SAG.	1,182	
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Increased chartered tug requirement at Naval Station Roosevelt Roads. Funds realigned from within this SAG	816	
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Increase to Public Works Center for civilian salaries. Funds realigned from within this SAG.	6,654	
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Increase to fund eroded baseline for the installation core businesses including air operations, port operations, community support/quality of life, command support, facilities management, and public safety (C2 readiness condition for air operations, port operations, utilities and force protection; and C3 readiness condition for the remaining functions). Funding realigned from Facilities Sustainment, Restoration, and Modernization (\$46,499) in BA 1, Operating Forces, and (\$6,797) funded from within this SAG.	53,296	
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**Operation and Maintenance, Navy
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Base Support

Funds realigned within this SAG for overhaul of service craft. 3,595

Increase reflects funding necessary to adequately sustain base operations and hire full and part-time BOS personnel at NSA Bahrain. Funds realigned from within this SAG.

Increase reflects collateral equipment costs associated with furnishing transient quarters at NSA Bahrain. Funds realigned from within this SAG. 3,636

Realignment of security billets from various Navy Regions to reverse Installation Claimant Consolidation transfers to Fleet Industrial Supply Centers Jacksonville, Norfolk, Yokosuka, and San Diego. Funds realigned to higher priority programs within this SAG. (1,789)

Decrease in civilian end strength and workyears due to regionalization at Mid-Atlantic, Southeast and Northeast regions. Funds realigned to higher priority programs within this SAG. (9,305)

Net adjustment due to change in the method of purchasing Information Technology (IT) services. Funds realigned to higher priority programs within this SAG. (21,065)

b) Functional Transfers 5,063

Transfer from Facilities Sustainment, Restoration, and Modernization in BA 1, Operating Forces, due to functional consolidation at Navy Region Northwest for Fleet Industrial Supply Center regional logistics support. 7,625

Transfer of the EEO counseling and complaint management function of the Human Resources Service Center Pacific to Commander, Navy Region Hawaii from Civilian Manpower and Personnel Management in BA 4, Administration and Servicewide Activities.

Transfer pollution prevention function from Ship Intermediate Maintenance in BA 1 Operating Forces.

Realignment of base support for Armed Forces Staff College to Base Support in BA 3, Training and Recruiting. (1,620)

Transfer of Sub Base Kings Bay Crane Function to Trident Refit Facility Kings Bay Ship Intermediate Maintenance in BA 1, Operating Forces. (300)

Transfer the London Human Resources Office function to Human Resources Services Center Europe Civilian Manpower and Personnel Management in BA 4, Administration and Servicewide Activities.

Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Base Support

Transfer Base Communication Office function from NAS Oceana to Naval Telecommunications Center Servicewide Communications in BA 4, Administration and Servicewide Activities.

FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	2,167,125
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Across-the-Board Reductions	(4,592)
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Section 1403 of the FY 2001 Consolidated Appropriations Act (P.L. 106-554)	(4,592)
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Anticipated Reprogrammings/Transfers	(11,300)
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Transfer to the Foreign Currency Fluctuations, Defense Account	(11,300)
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Transfer from the Counter-Drug Account	638
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Fact-of-Life Adjustments	133,808
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a) Emergent Requirements	<u>133,808</u>
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The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Realign funds from Space Systems and Surveillance in BA 1, Operating Forces, to reflect delayed commissioning of USNS IMPECCABLE.

Realign funds from: Mission and Other Flight Operations (\$11), Mission and Other Ship Operations (\$11), Ship Operations Support and Training (\$64), Intermediate Maintenance (\$70), Ship Depot Operations Support (\$682), Warfare Tactics (\$9), Weapons Maintenance (\$7), Facilities Sustainment, Restoration and Modernization (\$17) in BA 1, Operating Forces; Ship Activations/Inactivations (\$1), in BA 2, Mobilization: Base Support (\$82) in BA 3, Training and Recruiting; and Administration (\$17), Planning, Engineering and Design (\$18) in BA 4, Administration and Servicewide Activities, to fund civilian personnel compensation costs.	989
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Realignment from Ship Depot Operations Support (\$562), Combat Communications (\$5,102), Electronic Warfare (\$569), Space Systems and Surveillance (\$1,836), Warfare Tactics (\$264), Operation Meteorology and Oceanography (\$3,389), Combat Support Forces (\$3,025), Equipment Maintenance (\$16,984), Depot Operations Support (\$39), Fleet Ballistic Missile (\$17,000), In-service Weapons Systems Support (\$2,159), and Weapons Maintenance (\$12,754), in BA 1, Operating Forces, to fund emergent Base Support requirements.	63,683
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Realign funding for consolidated Federal Employee Compensation Act bill from Mission and Other Flight Operations (\$52), Fleet Air Training (\$87), Ship Operational Support and Training (\$4,444), Intermediate Maintenance (\$1,813), Ship Depot Operations Support (\$6,439), Combat Communications (\$291), Space Systems and Surveillance (\$1), Warfare Tactics (\$13), Operation Meteorology and Oceanography (\$631), Combat Support Forces (\$1,694), Fleet Ballistic Missile (\$541), and Planning, Engineering and Design (\$2,228), in BA 1, Operating Forces, for proper execution.	18,234
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Increase support for Anti-Terrorism/Force Protection Enhancement realigned from Mission and Other Ship Operations in BA 1, Operating Forces, for proper execution.	5,000
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Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Base Support

Realign funding for Commercial helo support from Mission and Other Flight Operations in BA 1, Operating Forces.	1,404	
Facilities, Sustainment, Restoration, and Modernization program level reduced to fund higher priority Base Support functions.	44,078	
Realign Ordnance Environmental Support Office to Ship Operational Support and Training in BA 1, Operating Forces, for proper execution.	(1,386)	
FY 2001 Midyear Funding Level (as of March 31, 2001)		2,285,679
Emergency Supplemental		75,211
Supplemental Appropriation Act, 2001 (P.L. 107-20) Title I, Chapter 2	75,211	
Transfer from the Overseas Contingency Operation Transfer Fund (OCOTF) for contingencies		302
Fact-of-Life Adjustments		(90,420)
a) Emergent Requirements	<u>(90,420)</u>	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Realign funds for increased flight hours requirements associated with Southern Watch to Fleet Air Training in BA 1, Operating Forces.	(293)	
Realign funds for increased ship supplies and equipment and utilities to Mission and Other Ship Operations in BA 1, Operating Forces.	(46,818)	
Realign funding to support higher priority facility real property maintenance in the Atlantic Fleet area of responsibility to Facilities Sustainment, Restoration, and Modernization in BA 1, Operating Forces.	(15,323)	
Realign funding to support EHIME MARU cost to Combat Support Forces in BA 1, Operating Forces.	(15,700)	
Realign funds to Ship Prepositioning and Surge in BA 2, Mobilization, for federal employee compensation act requirements.	(14,200)	
Realign funding to support National Support Element host base support responsibilities in U.S. Navy Europe due to change in Financial Management Regulations from Facilities Sustainment, Restoration, and Modernization in BA 1, Operating Forces.	1,914	
FY 2001 Final Obligation		2,270,772

Operation and Maintenance, Navy
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Facilities Sustainment, Restoration, and Modernization (SRM)*

FY 2001 Budget Request	866,050
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Congressional Adjustments (Undistributed)

Civilian Personnel Underexecution	(59)
Defense Joint Accounting System	(10)
Communications Program Growth	(16)

Technical Corrections Required to Comply with Congressional Intent

Decreases for Acquisition Workforce (\$9) and Acquisition Management (\$17) realigned from Planning, Engineering and Design, Acquisition and Program Management and Air Systems Support in Budget Activity (BA) 4, Administration and Servicewide Activities, for proper execution.	(26)
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Congressional Adjustments (General Provisions)

Sec. 8094: Foreign Currency Fluctuation (Favorable Rates)	(14,437)	(14,674)
Sec. 8165: Headquarters and Administration Activities	(237)	

Fact-of-Life Adjustments

a) Emergent Requirements	<u>(46,499)</u>	(54,124)
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The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.

Increase for repair of facilities in Norfolk and Naples, and facilities personnel in Bahrain. Funded from within this subactivity group (SAG).	1,398
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Real Property Maintenance program level reduced to fund higher priority Base Support functions, BA 1, Operating Forces, and to fund repairs in Norfolk and Naples within this SAG.	(47,673)
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Defense Logistics Agency (DLA) pricing adjustment to reflect lower than anticipated surcharge requirements. Funds realigned to offset repairs in Norfolk and Naples and facilities personnel in Bahrain within this SAG.	(209)
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Net adjustment due to change in the method of purchasing Information Technology (IT) services. Funds realigned to offset repairs in Norfolk and Naples and facilities personnel in Bahrain within this SAG.	(15)
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b) Functional Transfers

Transfer to Base Support in BA 1, Operating Forces, due to functional consolidation at Navy Region Northwest for Fleet Industrial Supply Center regional logistics support.	<u>(7,625)</u>	(7,625)
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FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	797,141
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Across-the-Board Reductions

Section 1403 of the FY 2001 Consolidated Appropriations Act (P.L. 106-554)	(1,789)
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**Operation and Maintenance, Navy
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Facilities Sustainment, Restoration, and Modernization (SRM)*

Emergency Supplemental Carryover		70,000	70,000
Sec. 9001: Real Property Maintenance (P.L. 106-259)		70,000	
Fact-of-Life Adjustments			(44,095)
a) Emergent Requirements		<u>(44,095)</u>	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.			
Realign excess civilian personnel compensation to Base Support in BA 1, Operating Forces, for higher priority programs.		(17)	
Real Property Maintenance program level reduced to fund higher priority Base Support functions in BA 1, Operating Forces.		(44,078)	
FY 2001 Midyear Funding Level (as of March 31, 2001)			821,257
Emergency Supplemental			61,633
Supplemental Appropriation Act, 2001 (P.L. 107-20) Title I, Chapter 2		61,633	
Fact-of-Life Adjustments			9,723
a) Emergent Requirements		<u>9,723</u>	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.			
Realign funding to support National Support Element host base support responsibilities in U.S. Navy Europe due to change in Financial Management Regulations to Base Support (\$1,914) and Combat Support Forces (\$3,686) in BA 1, Operating Forces.		(5,600)	
Realign funding to support higher priority facility real property maintenance in the Atlantic Fleet area of responsibility from Base Support in BA 1, Operating Forces.		15,323	
FY 2001 Final Obligation			892,613

SRM - Previously known as Real Property Maintenance

Marine Corps

**Operation and Maintenance, Marine Corps
(Dollars in Thousands)**

Budget Activity: Operating Forces
Subactivity Group: Operational Forces

FY 2001 Budget Request (FY 2001 President's Budget Request)	420,702
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Congressional Adjustments (Distributed)		42,700
Initial Issue Gear	15,000	
Ultra lightweight Camouflage Net System (ULCANS)	10,000	
Light Weight Maintenance Enclosures	8,000	
Modular Command Post System	2,000	
Extended Cold Weather Clothing System (ECWCS)	4,000	
Joint Services Nuclear, Biological, and Chemical (NBC) Defense Equipment Surveillance	3,700	
Technical Corrections Required to Comply with Congressional Intent		9,000
Equipment Maintenance	5,000	
Corrosion Control	4,000	
Congressional Adjustments (General Provisions)		(313)
Section 8094: Foreign Currency Fluctuations (Favorable Rates)	(287)	
Section 8163: Consulting and Advisory Services	(26)	
Fact-of-Life Adjustments		996
a) Emergent Requirements		
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Decrease in temporary duty travel; cancellation of the Career Length Issue (CLI) program; and correction of the Defense Logistics Agency pricing.	(6,323)	
Oman lease costs in order to comply with the Oman Access Agreement	6,000	
New requirement for a CH-53 D Squadron to participate in the Unit Deployment Program		
Increased maintenance costs of the M1A1 tank gun tubes and tracks at the Marine Corps Combat Center.	425	
b) Functional Transfers		
Transfer to Base Support (Basic Skills and Advanced Training) in BA 3, Training and Recruiting, to support the move of the Office of Science and Innovation from Marine Corps Combat Development Command to the Marine Corps Training and Education Command.	(768)	
	(645)	
Transfer to Base Support (Basic Skills and Advanced Training) in BA 3, Training and Recruiting, to support the move of the Coalition and the Special Warfare Division from the Marine Corps Combat Development Command to the Marine Corps Training and Education Command.	(56)	
Realignment to Base Support in BA 1, Operating Forces, to transfer the Marine Corps Support Detachment in Yokosuka, Japan, from the Marine Forces Pacific, Camp Smith, Hawaii to Marine Bases, Japan.	(67)	

**Operation and Maintenance, Marine Corps
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Operational Forces

c) Technical Adjustments		<u>62</u>
	Realignment to Specialized Skills Training in BA 3, Recruiting and Training, to reflect proper execution of Low Density Depot Level reparables for the Marine Corps Electronics School.	(1,369)
	Realignment from Field Logistics to properly reflect the execution of the Smartwork program.	1,431
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)		473,085
	Across-the-Board-Rescission (P.L. 106-554)	(2,053)
	Transfer to the Foreign Currency Fluctuations, Defense Account	(339)
	FY 1999 Emergency Supplemental Carryover	1,091
	Morale, Welfare, and Recreation (MWR) /personnel support for contingency deployments.	1,091
	Transfer from the Counter-Drug Account	3,547
FY 2001 Midyear Funding Level (as of March 31, 2001)		475,331
	FY 2001 Supplemental Appropriations Act (P.L. 107-20)	7,600
	East Timor	2,600
	Strategic Lift in the Pacific	5,000
	Transfer from the Overseas Contingency Operation Transfer Fund (OCOTF) for contingencies	4,600
	Fact-of-Life Adjustments	(5,439)
	a) Emergent Requirements	
	The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.	
	Funds realigned to Facilities Sustainment, Restoration, and Modernization (FSRM) in BA 3, Basic Skills Recruiting, for necessary maintenance projects to sustain current inventory of facilities.	(3,437)
	Funds realigned to Base Support BA 1, Operational Forces, to cover increased costs associated with the stand up of the III Marine Expeditionary Force (MEF) Headquarters group, 3rd Intelligence Battalion and 3rd Reconnaissance Battalion. Funded equipment, supplies, training maintenance and increased base operation costs.	(2,002)
	FY 1999 Emergency Supplemental Carryover (Unobligated)	(1,076)
	Morale, Welfare, and Recreation (MWR) /personnel support for contingency deployments.	
FY 2001 Final Obligation		481,016

Operation and Maintenance, Marine Corps
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Depot Maintenance

FY 2001 Budget Request (FY 2001 President's Budget Request)	97,194
Congressional Adjustments (General Provisions)	(5,006)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(5,006)
Fact-of-Life Adjustments	5,006
a) Emergent Requirements	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.	
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	5,006
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)*	97,194
FY 2000 Emergency Supplemental (Division B of P.L. 106-246)	22,000
Section 110: Depot Level Maintenance and Repair	22,000
FY 2001 Midyear Funding Level (as of March 31, 2001)	119,194
Fact-of-Life Adjustments	(740)
a) Emergent Requirements	<u>(740)</u>
Funds realigned to FSRM in BA 1, Operating Forces, for necessary maintenance projects to sustain current inventory of facilities.	(740)
FY 2001 Final Obligation	118,454

The congressional adjustments and the emergent requirements included in the FY 2001 base for reprogramming differ from the FY 2001 Rebaseline Report by the pro-rated congressional reduction for Working Capital Fund Balance/Rate Stabilization (Section 8085 of P.L. 106-259). In the Rebaseline Report, the entire reduction (\$-40,794) was reflected at the appropriation level (at the bottom of the report) as an undistributed congressional adjustment and then offset entirely by an anticipated reprogramming from the Defense Working Capital Fund (\$+40,794). This Midyear Readiness Transfer Report reflects these adjustments at the subactivity group level.

**Operation and Maintenance, Marine Corps
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Base Support

FY 2001 Budget Request (FY 2001 President's Budget Request)	760,299
Congressional Adjustments (Distributed)	1,500
Urban Warfare Training	
Congressional Adjustments (Undistributed)	3,000
Civilian Personnel Separation	2,500
Reintemment of Remains	500
Congressional Adjustments (General Provisions)	(703)
Section 8094: Foreign Currency Fluctuations (Favorable Rates)	(670)
Section 8163: Consulting and Advisory Services	(33)
Fact-of-Life Adjustments	1,884
a) Emergent Requirements	
<p>The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.</p> <p>Realignment of savings from cancelled maintenance projects from Facilities Sustainment, Restoration, and Modernization (SRM), previously known as Real Property Maintenance (RPM), in BA 1, Operating Forces, to fund the recurring costs associated with the inter-service agreement between the Chemical Biological Incident Response Force and Naval Ordnance Station at Indian Head, MD.</p> <p>Realignment of anticipated savings from the Marine Corps Installation Reform program, funded within this Base Support, to finance the Garrison Mobile Equipment (GME) startup costs for the regionalization of the West Coast GME Operations. 1,170</p> <p>Realignment of anticipated savings from the Marine Corps Installation Reform program, funded within this Base Support, to finance the Environmental Impact Statement costs for the KC-130J and the MV-22. This adjustment is necessary to comply with the National Environmental Policy Act.</p> <p>Realignment from within this Base Support to finance the relocation of two F-18 squadrons from Cecil Field, Florida, to Beaufort, SC, using the savings from the correction of the Defense Logistics Agency pricing. 852</p> <p>Decrease in Base Support in BA 1, Operating Forces, to reflect changes in anticipated savings associated with the Marine Corps Installation Reform program, reduced temporary duty travel, and reduced Defense Logistics Agency prices. Funds realigned within this SAG. (3,717)</p>	
c) Technical Adjustments	804
Realignment from Base Support (Accession Training) in BA 3, Training and Recruiting, to centralize the child care funding for San Diego, CA, and Miramar, FL.	445
Realignment from Operational Forces in BA 1, Operating Forces, to align the funding appropriately for Marine Corps Support Detachment in Yokosuka, Japan, in order to reflect proper execution.	67
Realignment from Field Logistics in BA 1, Operating Forces, to reflect the execution of the Smartwork program properly.	3,269
Realignment from Facilities SRM in BA 1, Operating Forces, to align civilian personnel costs properly in the appropriate O-1 line item.	369

Operation and Maintenance, Marine Corps
(Dollars in Thousands)

Budget Activity: Operating Forces
Subactivity Group: Base Support

Realignment to Special Support to reflect the execution properly for the Marine Corps Community Services (MCCS) program.	(1,601)	
Realignment to Base Support (Basic Skills and Advanced Training) in BA 3, Training and Recruiting, to reflect the execution properly for the Marine Aviation Weapons Tactics Squadron One (MAWTS-1) program.	(1,745)	
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)		765,980
Across-the-Board-Rescission (P.L. 106-554)		(1,378)
FY 1999 Emergency Supplemental Carryover Morale, Welfare, and Recreation (MWR)/personnel support for contingency deployments.		1,823
FY 2001 Emergency Supplemental (Title IX of P.L. 106-259) National Environmental Protection Act documentation for study of crosswinds at heliport at 29 Palms, CA.		2,000
Transfer to the Foreign Currency Fluctuations, Defense Account		(792)
Transfer from the Counter-Drug Account		4,732
FY 2001 Midyear Funding Level (as of March 31, 2001)		772,365
FY 2001 Supplemental Appropriations Act (P.L. 107-20)		48,238
Utilities	31,838	
Force Protection	11,000	
California Electrical Demand Reduction	5,400	
Transfer from the Foreign Currency Fluctuations, Defense account for foreign currency rate adjustments.	1,039	1,039
Omnibus Reprogrammings		3,585
Increase in U.S. share of the base support costs in Japan due to changes in the Special Measures Agreement, which reduced the Japan's reimbursement to U.S. for utility costs.		
Increase in pay for General Schedule employees in information technology job series due to the approval of special salary rates by the Office of Personnel Management (effective Jan 1, 2001).		
Fact-of-Life Adjustments		(4,344)
a) Emergent Requirements	<u>(3,564)</u>	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Funds realigned to Facilities Sustainment, Restoration, and Modernization (SRM) in BA 1, Operational Forces, and BA 3, Training and Recruiting, for necessary maintenance projects to sustain current inventory of facilities.		
		(5,566)
Funds realigned from Operating Forces, BA 1, Operational Forces, to cover increased costs associated with the stand up of the III Marine Expeditionary Force (MEF) Headquarters group, 3rd Intelligence Battalion and 3rd Reconnaissance Battalion. Funded equipment, supplies, training maintenance and increased base operation costs.		

Operation and Maintenance, Marine Corps
(Dollars in Thousands)

Budget Activity: Operating Forces

Subactivity Group: Base Support

c) Technical Adjustments

Realignment to Base Support in BA 3, Training and Recruiting, to reflect the execution of the Food Preparation & Services program properly. (780)
(264)

Realignment to Base Support in BA 3, Training and Recruiting, to reflect the execution of the Demand Reduction program properly. (516)

FY 1999 Emergency Supplemental Carryover (unobligated)

(1,269)

Morale, Welfare, and Recreation (MWR) /personnel support for contingency deployments.

FY 2001 Final Obligation

819,614

**Operation and Maintenance, Marine Corps
(Dollars in Thousands)**

Budget Activity: Operating Forces

Subactivity Group: Facilities Sustainment, Restoration, and Modernization (SRM)

(previously known as Real Property Maintenance (RPM))

FY 2001 Budget Request	394,789
Congressional Adjustments (General Provisions)	(1,243)
Sec. 8094: Foreign Currency Rates (Favorable Rates)	(1,243)
Fact-of-Life Adjustments	(7,051)
a) Emergent Requirements	<u>(7,482)</u>
<p>The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.</p> <p>Decrease in funded FSRM Projects at Marine Corps Bases worldwide. These funds were realigned to Base Support in BA 1, Operating Forces, and various other subactivity groups to finance emergent requirements.</p>	
c) Technical Adjustments	<u>431</u>
Realignment from Field Logistics in BA 4, Administration and Servicewide Activities, and Base Support in BA 1, Operational Forces, to reflect the execution of Smartwork program in the appropriate O-1 line item.	800
Realignment to Base Support in BA 1, Operational Forces, to align base support personnel in the appropriate O-1 line item.	(369)
FY 2001 Base for Reprogramming (as reflected in the Rebaseline Report)	386,495
Across-the-Board-Rescission (P.L. 106-554)	(326)
FY 2000 Emergency Supplemental (Division B of P.L. 106-246)	30,000
Transfer to the Foreign Currency Fluctuations, Defense account for foreign currency rate adjustments.	(1,469)
FY 2001 Midyear Funding Level (as of March 31, 2001)	414,700
Fact-of-Life Adjustments	945
a) Emergent Requirements	<u>945</u>
Realignment from Depot Maintenance (\$+740) and Base Support (\$+205) in BA 1, Operational Forces, to fund critical maintenance project.	945
FY 2001 Final Obligation	415,645

Air Force

**Operation and Maintenance, Air Force
(Dollars in Thousands)**

Budget Activity: Operating
Subactivity Group: Primary Combat Forces

FY 2001 Budget Request		2,363,665
Congressional Adjustments (Distributed)		36,900
B-52 Attrition Reserve	36,900	
Technical Corrections Required to Comply with Congressional Intent		(20,000)
Realign B-52 Attrition Reserve to Air Operations (Depot Maintenance)	(20,000)	
Congressional Adjustments (General Provisions)		(37,682)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(33,359)	
Section 8094: Foreign Currency Fluctuations (Favorable Rates)	(469)	
Section 8163: Consulting and Advisory Services	(940)	
Section 8165: Headquarters Growth	(2,914)	
Fact-of-Life Adjustments		195,086
Emergent Requirements	<u>195,086</u>	
<p>The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.</p>		
Realignment from Primary Combat Weapons, Combat Enhancement Forces, Combat Communications, Depot Maintenance, and Base Support in BA-1, Operating Forces, to fund the increase in flying hour costs that is based on the latest Air Force Cost Analysis Improvement Group (AFCAIG) factors. The most significant changes are in general support supplies and depot level reparable.	161,727	
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	33,359	
FY 2001 Base for Reprogramming		2,537,969
Across-the-Board Reductions (Section 1403 of P.L. 106-554)		(1,514)
Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingencies		46,413
FY 2001 Midyear Funding		2,582,868
Emergency Supplemental		51,384
Supplemental Appropriation Act, 2001 Title I, Chapter 2 (P.L. 107-20)	42,266	
Supplemental Appropriation Act, 2000 Title I, Chapter 1 (P.L. 106-246)	9,118	
Omnibus Reprogramming		13,680
Flying operations for increased contractor logistics support to the Flying Hour Program.	13,680	
Fact-of-Life Adjustments		36,972
<p>The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following.</p>		
a) Emergent Requirements		<u>36,972</u>
Before FY 2002, the Air Force budgeted for the acceleration of engine spare parts in the Flying Hour Program. In FY 2002, the Air Force programmed the requirements in the supply system. However, the funding to buy the parts from supply was not provided in the FY 2002 budget, thus requiring the realignment of funds from the Operating Forces Base Support subactivity group to buy the spare parts.	20,882	

**Operation and Maintenance, Air Force
(Dollars in Thousands)**

Budget Activity: Operating

Subactivity Group: Primary Combat Forces

Flying Hour Program: The Air Force experienced higher flying hour costs than budgeted in FY 2001 for this subactivity group. This amount was realigned from Primary Combat Weapons, Air Operations Training and Air Operations Base Support. 16,090

FY 2001 Final Obligation	2,684,904
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Operation and Maintenance, Air Force
(Dollars in Thousands)

Budget Activity: Operating

Subactivity Group: Primary Combat Weapons

FY 2001 Budget Request		306,379
Congressional Adjustments (Distributed)		500
Reverse Osmosis Desalinators	500	
Technical Corrections Required to Comply with Congressional Intent		(500)
Realign Reverse Osmosis Desalinators to Air Operations Base Support	(500)	
Congressional Adjustments (General Provisions)		(5,904)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(4,115)	
Section 8163: Consulting and Advisory Services	(537)	
Section 8165: Headquarters Growth	(1,252)	
Fact-of-Life Adjustments		(13,056)
Emergent Requirements	<u>(13,056)</u>	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Realignment to Primary Combat Forces due to the deferral of mission supplies and contractor support for strategic/tactical missiles, reduced civilian pay requirements based on updated actual workyear costs, and one-time realignment to fund the increase in flying hour costs based on the latest AFCAIG consumption factors. This one-time realignment is necessary to ensure continued aircrew readiness and safety of flight.	(17,171)	
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	4,115	
FY 2001 Base for Reprogramming		287,419
Across-the-Board Reductions (Section 1403 of P.L. 106-554)		(674)
FY 2001 Midyear Funding		286,745
Emergency Supplemental (P.L. 107-20)		216
Supplemental Appropriation Act, 2001 Title, Chapter 2	216	
Fact-of-Life Adjustments		(2,079)
The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following		
a) Emergent Requirements	<u>(2,079)</u>	
Flying Hour Program: The Air Force realigned funds to help fund higher than budgeted costs in the Flying Hour Program in the Primary Combat Forces subactivity group.	(2,079)	
FY 2001 Final Obligation		284,882

Operation and Maintenance, Air Force
(Dollars in Thousands)

Budget Activity: Operating
Subactivity Group: Combat Enhancement Forces

FY 2001 Budget Request		205,101
Congressional Adjustments (General Provisions)		
Section 8085: Working Capital Fund Balance/Rate Stabilization	(2,156)	(3,916)
Section 8163: Consulting and Advisory Services	(986)	
Section 8165: Headquarters Growth	(774)	
Fact-of-Life Adjustments		
Emergent Requirements		(66)
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Minor maintenance and purchase of some sustainment spares for the Compass Call program are deferred prior to the induction of four aircraft into programmed depot maintenance in FY 2002. Some tasks for the update of the Operational Flight program for selectively improved flagging techniques for the ALR-56 are deferred until FY 2002 based on reprioritized user requirements. Funding was realigned to Primary Combat Forces and Navigation/Weather Support in BA-1, Operating Forces.	(2,222)	
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	2,156	
FY 2001 Base for Reprogramming		201,119
Across-the-Board Reductions (Section 1403 of P.L. 106-554)		(611)
FY 2001 Midyear Funding		200,508
Emergency Supplemental		9,756
Supplemental Appropriation Act, 2001 Title, Chapter 2 (P.L. 107-20)	1,800	
Supplemental Appropriation Act, 2000 Title I, Chapter 1 (P.L. 106-246)	7,956	
Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingencies		5,438
Other Approved Inter-Appropriation Transfers (Requiring 1415 Actions)		6,300
Funding to lease transponders was originally budgeted in the RDT&E, AF appropriation. This reprogramming action transferred funds from RDT&E, Air Force appropriation, because leases supporting operations are properly funded in O&M appropriations.		
Fact-of-Life Adjustments		17,649
The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following		
a) Emergent Requirements	<u>17,649</u>	
The Air Force realigned funding from Operating Forces Base Support to fund higher priority requirements, such as Commercial SATCOM, additional CLS for the Predator, and Rivet Joint Operations.	17,649	
FY 2001 Final Obligation		239,651

Operation and Maintenance, Air Force
(Dollars in Thousands)

Budget Activity: Operating
Subactivity Group: Air Operations Training

FY 2001 Budget Request	774,341
Congressional Adjustments (General Provisions)	(14,060)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(10,814)
Section 8094: Foreign Currency Fluctuations (Favorable Rates)	(194)
Section 8163: Consulting and Advisory Services	(1,855)
Section 8165: Headquarters Growth	(1,197)
Fact-of-Life Adjustments	74,076
Emergent Requirements	<u>74,076</u>
<p>The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.</p>	
Realignment from Combat Communications, Air Operations Base Support, Global C3I and Early Warning, Space Operations Base Support, Flight Training (Budget Activity - 3 (BA-3), Training and Recruiting), and Logistics Operations Base Support (BA-4, Administration and Servicewide Activities) to fund the increase in flying hour costs based on the latest AFCAIG factors. The most significant changes have occurred in the costs of general support supplies and depot level reparable. This increase is partially offset by the reduction in civilian pay costs based on actual FY 2000 workyear costs and a reduction of 20 end strength.	63,262
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	10,814
FY 2001 Base for Reprogramming	834,357
Across-the-Board Reductions (Section 1403 of P.L. 106-554)	(1,336)
FY 2001 Midyear Funding	833,021
Emergency Supplemental	22,639
Supplemental Appropriation Act, 2001 Title I, Chapter 2 (P.L. 107-20)	22,639
Fact-of-Life Adjustments	(8,090)
<p>The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following</p>	
a) Emergent Requirements	<u>(8,090)</u>
Flying Hour costs in this subactivity group were below the budgeted level. The Air Force realigned the funding to the Primary Combat Forces subactivity group to pay for increased flying hour costs.	(12,800)
Increased costs to support flying operations for operational training resulted in the realignment of funds from the Operating Forces Base Support subactivity group.	4,710
FY 2001 Final Obligation	847,570

Operation and Maintenance, Air Force
(Dollars in Thousands)

Budget Activity: Operating
Subactivity Group: Combat Communications

FY 2001 Budget Request	1,093,924
Congressional Adjustments (Distributed)	2000
Battlelabs	4000
Communications - Other Contracts	(2000)
Congressional Adjustments (Undistributed)	15,144
Classified Program	15,144
Technical Corrections Required to Comply with Congressional Intent	10,000
Realignment of congressional adjustment for Theater Air Command and Control Simulation Facility (TACCSF) from Other Combat Operations Support program.	8,000
Realignment of congressional adjustment for Communications (Other Contracts) to Base Support in Air Operations.	2,000
Congressional Adjustments (General Provisions)	(22,726)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(13,290)
Section 8094: Foreign Currency Fluctuations (Favorable Rates)	(294)
Section 8163: Consulting and Advisory Services	(5,509)
Section 8165: Headquarters Growth	(3,633)
Fact-of-Life Adjustments	(19,709)
a) Emergent Requirements	<u>(27,672)</u>
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.	
Realignment to Primary Combat Forces to fund the increase in flying hour costs based on the latest AFCAIG consumption factors.	(29,021)
Decrease in contracts, supplies, and logistics support for Combat Communications to reflect one-time deferrals due to higher priority requirements in Air Operations Training	(11,941)
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	13,290
b) Functional Transfer	<u>7,963</u>
Transfer of depot software maintenance for JOINT STARS from Depot Maintenance to Contractor Logistics Support (CLS).	7,963
FY 2001 Base for Reprogramming	1,078,633
Across-the-Board Reductions (Section 1403 of P.L. 106-554)	(1,999)
Transfer from the Counter-Drug Account	5,407
FY 2001 Midyear Funding	1,082,041
Emergency Supplemental	
Supplemental Appropriation Act, 2001 Title, Chapter 2 (P.L. 107-20)	6,841
Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingencies	74,266

Operation and Maintenance, Air Force
(Dollars in Thousands)

Budget Activity: Operating

Subactivity Group: Combat Communications

Other Approved Inter-Appropriation Transfers (Requiring 1415 Actions)

(1,982)

Funding to lease transponders was originally budgeted in the RDT&E, AF appropriation. This reprogramming action transferred funds from RDT&E, Air Force appropriation, because leases supporting operations are properly funded in O&M appropriations.

Theater Air Command and Control Simulation Facility Reprogramming Action: Funds for the modernization of the MH-53J/M simulator were transferred to the Procurement, Defense-Wide appropriation for proper execution of the funds to purchase the upgrade for the US Special Operations Command.

Fact-of-Life Adjustments

50,328

The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following.

a) Emergent Requirements

50,328

Contingency funding transferred from the OCOTF was insufficient to meet the actual expenditures; therefore, contingency funds were realigned from Operating Forces Base Support to fund the requirements.

33,967

Funding realigned from the Operating Forces Facilities Sustainment, Restoration, and Modernization subactivity group to support increased requirements for the U-2 and the RC-135 contractor logistics support.

16,361

FY 2001 Final Obligation

1,211,494

**Operation and Maintenance, Air Force,
(Dollars in Thousands)**

Budget Activity: Operating

Subactivity Group: Depot Maintenance

FY 2001 Budget Request	1,341,224
Technical Corrections Required to Comply with Congressional Intent	20,000
Realign Congressional add for B-52 Attrition Reserve from Primary Combat Forces	20,000
Congressional Adjustments (General Provisions)	(50,042)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(19,242)
Section 8164: Excess Funded Carry-over	(30,800)
Fact-of-Life Adjustments	3,305
a) Emergent Requirements	<u>11,268</u>
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.	
Realignment to Primary Combat Forces in BA-1, Operating Forces, to fund program management administration and direct mission support for the Tactical AIM and AGM Missile Programs (\$-4,456) and fewer TF-33 engine overhauls (\$-3,581) due to improve.	(7,974)
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	19,242
b) Functional Transfers	<u>(7,963)</u>
Transfer of depot software maintenance for JOINT STARS to Contractor Logistics Support (CLS) funded in Combat Communications.	
FY 2001 Base for Reprogramming	1,314,487
Across-the-Board Reductions (Section 1403 of P.L. 106-554)	(2,950)
FY 2001 Midyear Funding	1,311,537
Emergency Supplemental	15,607
Supplemental Appropriation Act, 2001 Title I, Chapter 2 (P.L. 107-20)	15,607
Fact-of-Life Adjustments	10,755
The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following	
a) Emergent Requirements	<u>10,755</u>
Air Force Special Operations depot maintenance requirements increased above the budgeted amount. The Air Force realigned funding from the Operating Forces Base Support subactivity group to pay for additional engine overhauls, structural maintenance, and software maintenance.	10,755
FY 2001 Final Obligation	1,337,899

Operation and Maintenance, Air Force
(Dollars in Thousands)

Budget Activity: Operating
Subactivity Group: Base Support

FY 2001 Budget Request		1,849,247
Congressional Adjustments (Undistributed)		(2,000)
Travel Reduction (P.L. 106-259)	(2,000)	
Technical Corrections Required to Comply with Congressional Intent		
Realign Reverse Osmosis Desalinators from Air Operations, Primary Combat Forces, to Base Support.	500	
Realign Hickam Air Force Base Alternative Fuel Vehicle Program from Facilities, Sustainment, Restoration, and Modernization (SRM) (previously known as Real Property Maintenance (RPM)) funded in BA 4, Administration and Servicewide Activities.	1,000	
Realign congressional adjustment for Communications (Other Contracts) from Combat Communications in BA-1, Operating	(2,000)	
Congressional Adjustments (General Provisions)		(85,277)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(22,914)	
Section 8094: Foreign Currency Fluctuations (Favorable Rates)	(54,993)	
Section 8163: Consulting and Advisory Services	(3,025)	
Section 8165: Headquarters Growth	(4,345)	
Fact-of-Life Adjustments		(86,234)
Emergent Requirements	(86,234)	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Realignment to the Primary Combat Forces and the Air Operations Training to fund the increase in flying hour costs based on the latest AFCAIG consumption factors. This increase in the Flying Hour program was partially funded using the savings associated with repricing of civilian pay based on the actual FY 2000 workyear costs.	(109,148)	
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	22,914	
FY 2001 Base for Reprogramming		1,675,236
Across-the-Board Reductions (Section 1403 of P.L. 106-554)		(6,017)
Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingencies		98,000
Transfer from the Foreign Currency Fluctuations, Defense Account for Foreign Currency Losses		6,100
FY 2001 Midyear Funding		1,773,319
Emergency Supplemental		139,601
Supplemental Appropriation Act, 2001 Title I, Chapter 2 (P.L. 107-20)	138,808	
Supplemental Appropriation Act, 2000 Title I, Chapter 1 (P.L. 106-246)	348	
Supplemental Appropriation Act	445	
Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingencies		301,127
Other Approved Inter-Appropriation Transfers (Requiring 1415 Actions)		(728)
Transfer to the Operation and Maintenance, Air Force Reserve appropriation for Air Force Reserve California electrical demand reduction projects. The funds were incorrectly appropriated in the O&M, Air Force appropriation.	(728)	
Omnibus Reprogramming		20,465
Increased utilities costs	10,000	
Base support contract price increases	10,465	
Fact-of-Life Adjustments		(206,460)
The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following		
a) Emergent Requirements		(206,460)
Funding transferred from the OCOTF to this subactivity group was excess to the actual requirement		(99,747)

**Operation and Maintenance, Air Force
(Dollars in Thousands)**

Budget Activity: Operating
Subactivity Group: Base Support

and was realigned to Combat Communications, Management/Operational Headquarters (Combat Air Forces and CINC headquarters), and other subactivities to fund contingency operations.

Flying Hour Program: The Air Force realigned funds to pay for unanticipated cost increases in the Flying Hour Program in the Primary Combat Forces subactivity group.

The Air Force realigned funding to Combat Enhancement Forces to fund higher priority requirements, such as Commercial Reprogramming, additional CLS for the Predator, and Rivet Joint Operations. (17,649)

Increased costs in support of flying operations at our training bases resulted in a realignment of funds to the Air Operations Training subactivity group.

Realigned funding to Primary Combat forces for general support supplies previously funded within the flying hour program. Internal AF programming changes removed the budgeting of these requirements from the cost per flying hour rates, yet requirement was not budgeted via another means. (20,882)

Funding was realigned to Operating Forces Depot Maintenance to fund Air Force Special Operations requirements increases above budgeted amounts. Funding supported additional engine overhauls, structural maintenance, and software maintenance. (10,755)

Realigned funding to Global C3I and Early Warning to fund must-pay North American Air Defense Modernization (NAADM) requirement as necessitated by the Memorandum of Understanding with Canada. (15,000)

Realigned funding to Other Combat Operations to fund Global Command and Control System, Powerscene, Anti-Terrorism and other combat operation requirements. (23,298)

Realigned funds to Management/Operational Headquarters to fund Quadrennial Defense Review and Cooperative Defense Initiative requirements. (7,800)

Realigned funds to Logistics Operations to support high priority readiness requirements. (5,408)

FY 2001 Final Obligation	2,027,324
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**Operation and Maintenance, Air Force
(Dollars in Thousands)**

Budget Activity: Operating

Subactivity Group: Facilities Sustainment, Restoration, and Modernization (SRM) (previously known as Real Property Maintenance (RPM))

FY 2001 Budget Request	739,807
Congressional Adjustments (Distributed)	3,300
Keesler Air Force Base - Weatherproofing	2,800
MacDill Air Force Base - Ambient Temperature Cure Glass	500
Congressional Adjustments (Undistributed)	
Elmendorf Air Force Base Transportation Infrastructure	10,000
Technical Corrections Required to Comply with Congressional Intent	6,700
Keesler Air Force Base - Weatherproofing	(2,800)
Eielson Air Force Base (Utilidors) - Funding	10,000
MacDill Air Force Base (Ambient Temperature Glass) - Realigned to SRM in BA 2, Mobilization.	(500)
Congressional Adjustments (General Provisions)	(48,465)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(10,433)
Section 8094: Foreign Currency Fluctuations (Favorable Rates)	(24,666)
Section 8107: Elmendorf Railroad Transfer to Department of Transportation	(10,000)
Section 8163: Consulting and Advisory Services	(730)
Section 8165: Headquarters Growth	(2,636)
Fact-of-Life Adjustments	
a) Emergent Requirements	<u>34,955</u>
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.	
Realignment from Mobility Operations Real Property Maintenance and Base Support (BA-2, Mobilization) and Logistics Operations Real Property Maintenance (BA-4, Administration and Servicewide Activities) to finance the increase in civilian pay costs based on an updated assessment of actual workyear costs in FY 2000 and additional contract support requirements for the Air Force power production services necessary to alleviate critical manpower shortages.	24,522
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	10,433
b) Functional Transfers	<u>1,600</u>
Transfer of Expeditionary Air Force Contract Support from SRM in BA 2, Mobilization, to provide power production services in Southwest Asia.	1,600
FY 2001 Base for Reprogramming	747,897
Across-the-Board Reductions (Section 1403 of P.L. 106-554)	(2,741)
FY 2001 Midyear Funding	745,156
Emergency Supplemental	45,273
Supplemental Appropriation Act, 2001 Title I, Chapter 2 (P.L. 107-20)	7,839
Supplemental Appropriation Act, 2000 Title I, Chapter 1 (P.L. 106-246)	37,434
Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingencies	8,481
Omnibus Reprogramming	
Funds provided for increased prices for base facility maintenance contracts.	27,676
Fact-of-Life Adjustments	(63,194)
The O&M fact-of-life changes are programmatic, intra-appropriation adjustments	

**Operation and Maintenance, Air Force
(Dollars in Thousands)**

Budget Activity: Operating

Subactivity Group: Facilities Sustainment, Restoration, and Modernization (SRM) (previously known as Real Property Maintenance (RPM))

The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following

a) Emergent Requirements

(63,194)

Funding was budgeted to procure shelters for Diego Garcia; however, it was determined MILCON funds should be used. Funds were realigned for high priority requirements in Tactical Intelligence and Special Activities subactivity.

(5,000)

Realigned funding to Combat Communications to support increased U-2 and RC-135 CLS requirements.

(16,361)

The Air Force constrained spending on Facilities Sustainment, Restoration, and Modernization (FSRM) projects in order to fund higher priority requirements in Space Operations FSRM, Space Operations Base Support, and Management/Operational Headquarters subactivity groups.

(41,833)

FY 2001 Final Obligation

763,392

**Operation and Maintenance, Air Force
(Dollars in Thousands)**

Budget Activity: Mobilization

Subactivity Group: Airlift Operations

FY 2001 Budget Request		1,653,084
Congressional Adjustments (Distributed)		3,500
Pacific Air Force (PACAF) Airlift Support	3,500	
Congressional Adjustments (General Provisions)		(33,671)
Section 8085: Working Capital Fund Balance/Rate Stabilization	(23,480)	
Section 8094: Foreign Currency Fluctuations (Favorable Rates)	(1,171)	
Section 8163: Consulting and Advisory Services	(1,906)	
Section 8165: Headquarters Growth	(7,114)	
Fact-of-Life Adjustments		43,272
Emergent Requirements	<u>43,272</u>	
The sources to fund each of the emergent requirements in this report are identified based on a reasonable allocation of independent reductions, rather than on specific decisions to reduce funds for one program in order to increase funds for another.		
Realignment from the Mobility Operations Base Support in BA 2, Mobilization, to fund the increase in flying hour costs based on the latest AFCAIG factors (\$+14,441). The most significant changes are in general support supplies and depot level reparable. In addition, this increase also funds the increase in civilian pay costs based on an updated assessment of actual workyear costs in FY 2000 (\$+10,531). Finally, these increases were reduced by one-time deferrals of some mission support activities such as equipment and supply purchases, equipment maintenance and repair of non-flying Depot Level Repairables (\$-5,180).	19,792	
Anticipated transfer from the Defense Working Capital Fund for working capital fund cash balance and rate stabilization adjustments.	23,480	
FY 2001 Base for Reprogramming		1,666,185
Across-the-Board Reductions (Section 1403 of P.L. 106-554)		(2,112)
Transfer from the Counter-Drug Account		281
FY 2001 Midyear Funding		1,664,354
Emergency Supplemental		157,925
Supplemental Appropriation Act, 2001 Title I, Chapter 2 (P.L. 107-20)	157,925	
Transfer from the Overseas Contingency Operations Transfer Fund (OCOTF) for Contingencies		127,127
Transfer from the Counter-Drug Account		110
Fact-of-Life Adjustments		74,603
The O&M fact-of-life changes are programmatic, intra-appropriation adjustments made by DoD Components to address significant, unforeseen operational readiness issues within the following		
a) Emergent Requirements	<u>74,603</u>	
Directed airlift in support of the national command authorities resulted in increases above the budgeted program. Funds realigned from Mobilization Base Support to fund this requirement.	5,522	
Contingency funding transferred from the OCOTF was insufficient to meet the actual expenditures; therefore, contingency funds were realigned from Mobilization Base Support to fund the requirements.	69,081	
FY 2001 Final Obligation		2,024,119