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DEPARTMENT OF THE ARMY

AMENDED FY 1988/1989 BIENNIAL BUDGET

SUBMITTED TO CONGRESS FEBRUARY 1988

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OPERATION AND MAINTENANCE, ARMY

VOLUME I

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Operation and Maintenance, Army
Amended FY 1988/1989 Biennial Budget
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OPERATIONS AND MAINTENANCE, ARMY
PROGRAM AND FINANCING
(in thousands of dollars)

Identification Code 21-2020-0-1-051		1987 Actual	1988 Est	1989 Est
	PROGRAM BY ACTIVITIES:			
00.0201	General Purpose Forces	8,213,347	7,038,360	7,449,808
00.0301	Intelligence and Communications	1,420,822	1,389,225	1,414,409
00.0701	Central Supply and Maintenance	5,282,991	5,773,693	6,028,824
00.0801	Training, Medical, and Other General Personnel Activities	4,742,480	5,502,363	5,601,174
00.0901	Administration and Associated Activities	1,159,448	994,627	1,159,903
00.1001	Support of Other Nations	216,575	242,368	251,942
00.1101	Special Operations Forces		190,322	179,140
00.9101	Total Direct Program	21,035,663	21,130,958	22,085,200
01.0101	Reimbursable Program	3,292,963	2,838,784	2,956,877
10.0001	Total Obligations	24,328,626	23,969,742	25,042,077

The above amended data reflects changes to the budget estimate based on decisions made after publication of the Department of Defense Budget.

OPERATIONS AND MAINTENANCE, ARMY
OBJECT CLASSIFICATION
(in thousands of dollars)

Identification Code 21-2020-0-1-051		1987 Actual	1988 Est	1989 Est
	DIRECT OBLIGATIONS			
	PERSONNEL COMPENSATION:			
111.101	Full Time Permanent	4,237,321	4,420,633	4,466,825
111.301	Other Than Full Time Permanent	313,915	327,087	330,505
111.501	Other Personnel Compensation	202,061	208,146	210,321
111.901	Total Personnel Compensation	4,753,297	4,955,866	5,007,651
112.101	Personnel Benefits Civilian Personnel	769,289	902,286	937,027
113.001	Benefits for Former Personnel	38,608	36,945	38,217
121.001	Travel and Transportation of Persons	622,065	614,652	626,226
122.001	Transportation of Things	819,449	715,650	827,993
123.101	Standard Level User Charges	130,880	145,031	150,236
123.201	Rental Payments to Others	267,833	282,928	301,379
123.301	Communications, Utilities and Miscellaneous	705,939	691,122	715,725
124.001	Printing and Reporduction	76,883	85,118	97,256
	OTHER SERVICES			
125.001	Payments for Foreign National Indirect Hire Personnel	962,822	1,[illegible]3,179	1,314,567
125.002	Purchases from Industrial Funds	1,825,330	2,142,988	2,259,686
125.003	Contracts	6,715,261	5,429,156	5,639,887
125.004	Other	607,216	912,278	835,521
126.001	Supplies and Materials	2,403,655	2,645,182	2,973,766
131.001	Equipment	337,136	333,577	360,063
199.001	Total Direct Obligations	21,035,663	21,130,958	22,085,200

Identification code 21-2020-0-1-051		1987 actual	1988 est.	1989 est.
	Program by activities:			
	Direct program:			
00.0201	General purpose forces	8,213,347	7,038,360	7,449,808
00.0301	Intelligence and communications	1,420,822	1,389,225	1,414,409
00.0701	Central supply and maintenance	5,282,991	5,773,693	6,028,824
00.0801	Training, medical, and other general personnel activities	4,742,480	5,502,363	5,601,474
00.0901	Administration and associated activities	1,159,448	994,627	1,159,603
00.1001	Support of other nations	216,575	242,368	251,942
00.1101	Special Operations Forces		190,322	179,140
00.9101	Total direct program	21,035,663	21,130,958	22,085,200
01.0101	Reimbursable program	3,292,963	2,838,784	2,956,877
10.0001	Total obligations	24,328,626	23,969,742	25,042,077
	Financing:			
	Offsetting collections from:			
11.0001	Federal funds(-)	-3,009,506	-2,476,098	-2,617,121
13.0001	Trust funds(-)	-155,526	-237,010	-215,213
14.0001	Non-Federal sources(-)	-127,931	-125,676	-124,543
17.0001	Recovery of prior year obligations	-109,278		
22.4001	Unobligated balance transferred to other accounts	-840,933	-263,500	
22.4002	Portion applied to meet FCF in expired accts	385,000	124,100	
25.0001	Unobligated balance lapsing	7,858		
39.0001	Budget authority	20,478,310	20,991,558	22,085,200
	Budget authority:			
40.0001	Appropriation	20,181,625	20,853,205	22,085,200
41.0001	Transferred to other accounts(-)	-20,088	-51,342	
42.0001	Transferred from other accounts	316,773	189,695	
43.0001	Appropriation (adjusted)	20,478,310	20,991,558	22,085,200
	Relation of obligations to outlays:			
71.0001	Obligations incurred, net	21,035,663	21,130,958	22,085,200
72.4001	Obligated balance, start of year	6,354,310	7,578,396	7,695,554
74.4001	Obligated balance, end of year	-7,578,396	-7,695,554	-8,511,154
77.0001	Adjustments in expired accounts	266,114	-124,100	
78.0001	Adjustments in unexpired accounts	-109,278		
90.0001	Outlays	19,968,413	20,889,700	21,269,600

Identification code 21-2020-0-1-051		1987 actual	1988 est.	1989 est.
	Direct obligations:			
	Personnel compensation:			
111.101	Full-time permanent	4,237,321	4,188,634	4,261,440
111.301	Other than full-time permanent	313,915	310,095	315,485
111.501	Other personnel compensation	202,061	199,683	203,153
111.901	Total personnel compensation	4,753,297	4,698,412	4,780,078
112.101	Personnel Benefits: Civilian personnel	769,532	777,635	788,334
113.001	Benefits for former personnel	12,465	36,239	37,487
121.001	Travel and transportation of persons	629,837	567,901	609,000
122.001	Transportation of things	649,698	792,430	822,700
123.101	Standard level user charges	176,145	133,703	135,358
123.201	Rental payments to others	118,949	250,537	288,431
123.301	Communications, utilities, and miscellaneous	735,656	519,542	474,111
124.001	Printing and reproduction	61,640	86,356	91,384
	Other services:			
125.001	Payments to foreign national indirect hire personnel	962,822	1,365,011	1,426,712
125.002	Purchases from industrial funds	812,795	1,351,695	1,348,153
125.003	Contracts	8,045,028	7,436,122	8,099,440
125.004	Other	86,726	177,853	181,355
126.001	Supplies and materials	2,705,075	2,624,302	2,613,051
131.001	Equipment	503,214	313,220	389,606
132.001	Lands and structures	12,032		
141.001	Grants, subsidies, and contributions	416		
142.001	Insurance claims and indemnities	336		
199.001	Total Direct obligations	21,035,663	21,130,958	22,085,200
	Reimbursable obligations:			
	Personnel Compensation:			
211.101	Full-time permanent	436,388	431,421	438,919
211.301	Other than full-time permanent	17,827	17,629	17,936
211.501	Other personnel compensation	23,869	23,584	23,994
211.901	Total personnel compensation	478,084	472,634	480,849
212.101	Personnel Benefits: Civilian Personnel	62,497	73,262	74,505
213.001	Benefits for former personnel	243	706	730
221.001	Travel and transportation of persons	66,217	67,917	70,742
222.001	Transportation of things	18,141	32,295	33,639
223.101	Standard level user charges	42,888	91,802	95,621
223.201	Rental payments to others	49,385	137,409	153,885
223.301	Communications, utilities, and miscellaneous	619,420	405,222	411,319
224.001	Printing and reproduction	72,137	4,457	4,642
	Other services:			
225.001	Payments to foreign national indirect hire personnel	107,839	152,849	159,757
225.002	Purchases from industrial funds	1,016,200		
225.003	Contracts	140,802	737,206	780,581

Identification code 21-2020-0-1-051		1987 actual	1988 est.	1989 est.
225.004	Other	9,606		
226.001	Supplies and materials	489,543	630,523	656,752
231.001	Equipment	118,405	32,467	33,818
232.001	Lands and structures	847	35	36
241.001	Grants, subsidies, and contributions	109		
299.001	Total Reimbursable obligations	3,292,963	2,838,784	2,956,877
999.901	Total obligations	24,328,626	23,969,742	25,042,077

SUMMARY OF REQUIREMENTS BY SUBACTIVITY
OPERATION AND MAINTENANCE, ARMY

DU	BAG		FY 1987	FY 1988	FY 1989
		PROGRAM 2 - GENERAL PURPOSE FORCES			
003	UNC	Unified Commands	17,942	22,688	20,271
003	EUF	Europe Forces	1,073,958	1,076,065	1,139,182
003	PAF	Pacific Forces	268,629	259,876	293,929
003	SOF	South Forces	58,823	51,862	51,064
003	COF	CONUS Forces FORSCOM	854,714	776,311	816,090
003	OCF	Other CONUS Forces	523,824	550,042	575,625
003	JCS	JCS Exercises	86,090	92,678	90,575
003	CDA	Combat Development Act	378,750	312,726	290,881
003	FCF	Currency Fluctuation Act	560,349	0	0
003	TEM	Tactical Equipment Maint	346,248	332,366	390,999
056	BFO	BASEOPS CONUS Forces	822,271	672,061	686,114
056	RFO	BASEOPS (RPMA) CONUS Forces	809,282	665,272	716,864
056	BEU	BASEOPS (Europe)	696,945	652,056	675,583
056	REU	BASEOPS (RPMA) Europe	1,137,107	1,078,606	1,175,284
056	BPA	BASEOPS (Pacific)	262,724	251,229	262,288
056	RPA	BASEOPS (RPMA) Pacific	315,691	244,522	265,059
		TOTAL GENERAL PURPOSE FORCES	8,213,347	7,038,360	7,449,808
		PROGRAM 3 - INTELLIGENCE, COMMUNICATIONS AND OTHER ACTIVITIES			
		INTELLIGENCE	288,030	311,045	313,357
013	SIA	Sec and Invest Affairs	26,329	28,232	28,960
330	CCP	Cons Crypto Pgm	85,487	95,031	93,119
331	GDI	General Defense Intelligence	152,890	162,787	166,598
335	FCI	Foreign Counter Intelligence	14,169	16,345	16,650
330	BIN	BASEOPS	3,947	4,063	3,379
330	RIN	BASEOPS (RPMA)	5,208	4,587	4,651

SUMMARY OF REQUIREMENTS BY SUBACTIVITY
OPERATION AND MAINTENANCE, ARMY

			FY 1987	FY 1988	FY 1989
		COMMUNICATION	1,132,792	1,078,180	1,101,052
009	BIM	Base Information Mgmt	346,474	336,425	334,356
009	CMI	Cent Managed Infor	400,225	343,779	363,025
009	DCS	Def Commo Sys Support	186,080	235,064	241,225
009	CAC	Command & Control	55,416	51,007	50,939
009	TCL	Trf Cont, App, & Land (TRACALS)	30,408	0	0
350	CMS	Communications Security	20,507	21,000	21,561
009	TEM	Tactical Equipment Mnt	628	309	311
056	BCO	BASEOPS	48,412	46,547	51,857
056	RCO	BASEOPS (RPMA)	44,642	44,049	37,778
	TOTAL INTELLIGENCE/COMMUNICATIONS		1,420,822	1,389,225	1,414,409
		PROGRAM 7 - CENTRAL SUPPLY AND MAINTENANCE			
017	DMT	Other Depot Maintenance	1,331,654	1,417,863	1,709,248
017	MOD	Modernization	95,238	103,378	116,407
024	CSP	Supply Activities	1,279,150	1,256,877	1,152,650
017	MSA	Maintenance Support Activities	704,716	627,598	629,024
024	LSA	Logistics Support Activities	766,227	679,977	626,924
024	IFP	Trans Mgt & Overseas Port Unit	90,981	77,262	77,463
024	INP	Industrial Preparedness Opns	140,474	94,565	93,576
024	TRN	Transportation	662,495	576,247	695,253
024	RCM	Resale Commissaries	211,368	231,490	215,701
024	IFS	Industrial Fund & Stock Fund	-731,300	13,000	143,000
056	BCS	BASEOPS	251,305	260,800	285,425
056	RCS	BASEOPS (RPMA)	285,223	256,427	284,153
024	ERE	Environmental Restoration	195,460	178,209	0
	TOTAL CENTRAL SUPPLY AND MAINTENANCE		5,282,991	5,773,693	6,028,824

SUMMARY OF REQUIREMENTS BY SUBACTIVITY
OPERATION AND MAINTENANCE, ARMY

			FY 1987	FY 1988	FY 1989
		PROGRAM 8 - TRAINING, MEDICAL, AND OTHER GENERAL PERSONNEL ACTIVITIES			
		TRAINING	2,531,812	2,327,245	2,373,711
029	RTN	Recruit Training	11,413	9,298	9,336
029	OST	One Station Unit Training	28,345	30,543	32,745
029	OFA	Officer Acquisition	35,061	30,143	33,095
029	SRT	Senior ROTC	95,012	96,137	104,265
029	SPT	Specialized Training	247,005	228,814	233,440
029	FLT	Flight Training	150,130	149,679	150,320
029	PED	Professional Dev Education	55,662	54,507	57,727
029	TSP	Training Support	553,825	472,615	508,497
056	BTE	BASEOPS	716,612	695,555	696,136
056	RTE	BASEOPS (RPMA)	638,747	559,954	548,150
		MEDICAL	1,539,380	2,398,881	2,418,909
009	BIM	Base Information Management	3,531	3,790	3,790
041	RDF	Care in Reg Def Facilities	385,168	350,254	360,735
041	SHC	Station Hosp & Clinics	503,250	527,799	555,429
041	DCA	Dental Care Activities	65,056	72,673	71,547
041	NDF	Care in Non-Def Facilities	140,191	1,018,437	984,346
041	EDT	Ed & Trng - Health Care	61,879	60,123	62,106
041	CHC	Command Health Care	11,718	11,032	10,579
041	REM	Recruiting & Examining	23,840	22,385	22,000
041	OMA	Other Medical Activities	246,323	231,975	248,682
041	AVM	Audio-Visual Support	5,991	7,300	6,216
056	BMD	BASEOPS	33,292	32,115	32,697
056	RMD	BASEOPS (RPMA)	59,141	60,998	60,782
		OTHER GENERAL PURPOSE ACTIVITIES	671,288	776,237	808,554
033	REO	Recruiting and Examining	293,282	285,707	296,798
037	VEP	Veterans Educ Assist Program	67,375	104,056	103,225
037	OPA	Other Personnel Activities	39,343	36,679	37,267

SUMMARY OF REQUIREMENTS BY SUBACTIVITY
OPERATION AND MAINTENANCE, ARMY

			FY 1987	FY 1988	FY 1989
037	CED	Civilian Tng, Ed & Dev Program	109,205	97,404	103,248
037	JRT	Junior ROTC	29,812	28,451	28,452
037	ACE	Army Cont Educ Sys	117,700	99,361	107,539
037	AFR	Armed Forces Radio & TV	14,571	18,955	20,892
056	OPA	BASEOPS	0	105,624	111,133
	TOTAL PROGRAM 8		4,742,480	5,502,363	5,601,174
		PROGRAM 9 - ADMINISTRATION AND ASSOCIATED ACTIVITIES			
009	BIM	Base Information Management	3,333	9,196	10,764
044	DHS	Department HQ's Support	157,587	145,439	147,311
044	PUB	Public Affairs Activities	9,481	9,681	9,900
044	CIA	Criminal Investigation	28,415	25,554	26,511
044	SWS	Service-Wide Support	668,958	662,725	765,108
056	BAD	BASEOPS	253,698	112,080	130,796
056	RAD	BASEOPS (RPMA)	37,976	29,952	69,513
TOTAL ADMINISTRATIVE AND ASSOCIATED ACTIVITIES			1,159,448	994,627	1,159,903
		PROGRAM 10 - SUPPORT OF OTHER NATIONS			
052	IHQ	Internat Mil HQ's & Agencies	207,420	229,054	235,254
052	MSO	Misc Spt of Other Nations	9,155	13,314	16,688
	TOTAL SUPPORT OF OTHER NATIONS		216,575	242,368	251,942
		PROGRAM 11 - SPECIAL OPERATIONS FORCES			
010	SOF	Special Operations Forces	0	190,322	179,140
	TOTAL SPECIAL OPERATIONS FORCES		0	190,322	179,140
GRAND TOTAL, DIRECT PROGRAM, OPERATION AND MAINTENANCE, ARMY			21,035,663	21,130,958	22,085,200

Direct Hire Civilian Employment
Operation & Maintenance, Army
(Dollars in Thousands, Strengths in Whole Numbers)

Direct Hire Civilians	FY 1987 Actual			FY 1988 Estimate			FY 1989 Estimate		
	Average Strength	End Strength	$(000)	Average Strength	End Strength	$(000)	Average Strength	End Strength	$(000)
Full Time Permanent	174,545	178,527	5,114,020	180,005	180,552	5,528,606	187,580	186,961	5,815,543
Other	45,355	45,819	987,998	35,808	27,010	817,496	27,635	27,394	634,369
Total Direct Hire	219,900	224,346	6,102,018	215,813	207,562	6,346,102	215,215	214,355	6,449,912
Detail by Budget Activity									
General Purposes Forces	65,938	67,665	1,676,290	63,703	60,458	1,714,104	61,822	59,397	1,685,126
Intell & Communications	22,914	23,274	696,458	21,575	20,385	691,556	20,358	20,506	662,053
Central Supply & Maint	45,384	46,571	1,474,439	46,516	44,827	1,569,694	50,921	52,120	1,744,486
Tng, Medical & Other Pers Spt Activities	72,920	74,092	1,855,154	71,048	69,457	1,939,106	69,023	69,210	1,914,648
Admin & Assoc Acts	12,416	12,380	382,735	11,673	11,002	385,559	11,521	11,467	386,279
Support to Other Nations	328	364	16,942	770	884	30,211	967	1,054	38,899
Special Operations Forces	-	-	-	528	549	15,872	603	601	18,421
Total Direct Hire	219,900	224,346	6,102,018	215,813	207,562	6,346,102	215,215	214,355	6,449,912
PNSA & Benefits for Former Employees Included Above			(38,608)			(36,945)			(38,217)

EXHIBIT PB-31C

Indirect Hire Civilian Employment
Operation & Maintenance, Army
(Dollars in Thousands, Strengths in Whole Numbers)

Budget Activity	FY 1987 Actual			FY 1988 Estimate			FY 1989 Estimate		
	Average Strength	End Strength	$(000)	Average Strength	End Strength	$(000)	Average Strength	End Strength	$(000)
General Purposes Forces	44,762	45,364	826,143	44,042	44,508	1,005,739	43,580	45,650	1,071,55
Intell & Communications	2,761	2,557	54,025	2,593	2,609	63,021	2,789	2,646	73,326
Central Supply & Maint	7,241	7,699	144,395	7,782	7,874	190,392	7,642	7,593	194,635
Tng, Medical & Other Pers Activities	2,002	2,422	42,228	2,495	2,532	66,766	2,399	2,497	67,749
Admin & Assoc Act	140	158	3,865	165	170	5,852	164	170	6,130
Support to Other Nations	-	-	5	-	-	-	-	-	-
Total Indirect Hire	56,906	58,200	1,070,661	57,077	57,693	1,331,770	56,574	58,556	1,413,393
FNSA Included Above			(1,955)			(14,818)			(25,087)

EXHIBIT PB-31C

Personnel Summary
Operation & Maintenance, Army

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Estimate
Total Number of Permanent Positions	178,527	180,552	186,961
Total Compensable Workyears:			
Full Time Equivalent of Other Positions	219,900	215,813	215,215
Full Time Equivalent of Overtime & Holiday Hours	5,335	5,385	5,369
Average ES Salary	75,537	72,500	72,500
Average GS Grade	7.50	7.49	7.49
Average GS Salary	24,677	25,286	25,667
Average Salary of Ungraded Positions	18,886	19,628	19,581

EXHIBIT PB-31C

Operation and Maintenance, Army
Direct Hire
Other Personnel Compensation

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Estimate
Overtime & Holiday Pay	124,551	129,324	186,961
Sunday, Night, & Hazardous Differentials	31,427	30,062	30,175
Post Differentials	2,028	1,879	1,886
Other Premium Pay (Includes Firefighters)	67,924	62,002	62,236
Total	225,930	223,267	227,147

EXHIBIT PB-31C

APPROPRIATION: O & M
PROGRAM:

APPROPRIATION TOTAL LINES
COMPARISON OF FY 1987 AND FY 1988
(DOLLARS IN THOUSANDS)

RUN DATE: 03/23/88
RATE DATE: 03/12/88

LINE ITEM	LINE DESCRIPTION	FY 1987 PROGRAM	FOREIGN CURRENCY ADJUSTMENT	PRICE GROWTH PERCENT	PRICE GROWTH AMOUNT	PROGRAM GROWTH	FY 1988 PROGRAM
0101	EXECUTIVE, GENERAL, & SPECIAL SCHEDULE	4410895	0	4.55%	200523	187307	4798725
0103	WAGE BOARD	912251	0	4.36%	39819	-131390	820680
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	199714	0	5.69%	11366	-16039	195041
0105	SEPARATION LIABILITY (FNDH)	10203	0	0.04%	4	-1849	8358
0106	BENEFITS TO FORMER EMPLOYEES	3444	0	0.00%	0	-354	3090
0110	UNEMPLOYMENT COMPENSATION	25900	0	0.00%	0	0	25900
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	5562407	0	4.53%	251712	37675	5851794
0301	PER DIEM	305193	0	0.00%	0	-4202	300991
0302	OTHER TRAVEL COSTS	255893	0	3.70%	9467	-14059	251301
0303	MAC PASSENGER (IF)	60979	0	-1.49%	-911	2292	62360
0304	LEASED VEHICLES	0	0	0.00%	0	0	0
0399	TOTAL TRAVEL	622065	0	1.38%	8556	-15969	614652
0401	DFSC FUEL	367098	0	-16.00%	-58735	-13614	294749
0402	SERVICE STOCK FUND FUEL	0	0	0.00%	0	0	0
0411	ARMY MANAGED SUPPLIES AND MATERIALS	1344190	0	-7.00%	-94095	-93010	1157085
0414	AIR FORCE MANAGED SUPPLIES AND MATERIALS	457	0	-0.44%	-2	20	475
0415	DLA MANAGED SUPPLIES AND MATERIALS	463615	0	0.61%	2833	18105	484553
0416	GSA MANAGED SUPPLIES AND MATERIALS	261084	0	6.00%	15666	-553	276197
0417	LOCALLY PROCURED, STOCK FUND MNGD SUPP & MATS	0	0	0.00%	0	0	0
0491	STOCK FUND DIRECT REIMBURSEMENT: FUEL	-318047	0	-100.02%	318100	-44	9
0492	STOCK FUND DIRECT REIMBURSEMENT: NON-FUEL	-136491	0	-108.51%	148100	635	12244
0499	TOTAL STOCK FUND SUPPLIES AND MATERIAL PURCHASES	1981906	0	16.74%	331867	-88461	2225312

LINE ITEM	LINE DESCRIPTION	FY 1987 PROGRAM	FOREIGN CURRENCY ADJUSTMENT	PRICE GROWTH PERCENT	PRICE GROWTH AMOUNT	PROGRAM GROWTH	FY 1988 PROGRAM
0502	ARMY STOCK FUND EQUIPMENT	78813	0	-7.00%	-5517	318	73614
0505	AIR FORCE STOCK FUND EQUIPMENT	65	0	0.00%	0	1	66
0506	DLA STOCK FUND EQUIPMENT	102165	0	0.60%	610	1469	104244
0507	GSA MANAGED EQUIPMENT	45627	0	6.00%	2737	-13301	35063
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	226670	0	-0.96%	-2170	-11513	212987
0601	ARMAMENT COMMAND	198793	0	10.00%	19880	-43083	175590
0602	DEPOT MAINTENANCE ARMY (MAINTENANCE)	773926	0	-6.80%	-52627	122691	843990
0603	DEPOT MAINTENANCE ARMY (SUPPLY)	608443	0	5.30%	32247	-23989	616701
0604	MISSILE COMMAND	324078	0	-3.90%	-12639	-10675	300764
0654	AIRLIFT SERVICES: JCS EXERCISES	0	0	0.00%	0	0	0
0671	COMMUNICATION SERVICES	184873	0	3.60%	6657	1070	192600
0679	COST REIMBURSABLE PURCHASES	317	0	3.79%	12	14	343
0681	UNFINANCED (IF) PAY RAISE	0	0	0.00%	0	0	0
0691	IF REFUNDS AND PASS THROUGHS (NET)	-265100	0	-76.61%	203100	75000	13000
0699	TOTAL INDUSTRIAL FUND PURCHASES	1825330	0	10.77%	196630	121028	2142988
0701	MAC CARGO(IF)	124451	0	-13.60%	-16927	-4440	103084
0702	MAC SAAM (IF)	39576	0	-15.90%	-6294	-186	33096
0711	MSC CARGO(IF)	238749	0	-13.90%	-33186	-27251	178312
0721	MTMC (CONUS PORT HANDLING- IF)	94460	0	-10.80%	-10203	-1116	83141
0725	MTMC (OTHER - NON IF)	2000	0	0.00%	0	-2000	0
0731	COMMERCIAL AIR	55062	0	3.70%	2036	-488	56610
0741	COMMERCIAL SHIPS	8354	0	3.71%	310	1256	9920

LINE ITEM	LINE DESCRIPTION	FY 1987 PROGRAM	FOREIGN CURRENCY ADJUSTMENT	PRICE GROWTH PERCENT	PRICE GROWTH AMOUNT	PROGRAM GROWTH	FY 1988 PROGRAM
0751	COMMERCIAL LAND	209181	0	3.70%	7739	-9053	207867
0761	OTHER TRANSPORTATION	47616	0	3.69%	1758	-5754	43620
0799	TOTAL TRANSPORTATION COSTS	819449	0	-6.68%	-54767	-49032	715650
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	960824	173596	6.22%	70538	18403	1223361
0902	SEPARATION LIABILITY (FNIH)	1984	894	367.96%	10590	1079	14547
0912	STANDARD LEVEL USER CHARGES (GSA LEASES)	130880	0	13.60%	17800	-3649	145031
0913	PURCHASED UTILITIES (NON-IF)	409086	0	3.70%	15137	-8438	415785
0914	PURCHASED COMMUNICATIONS (NON-IF)	130335	0	3.70%	4822	-20793	114364
0915	RENTS	267833	0	3.70%	9912	5183	282928
0916	DISABILITY COMPENSATION	78777	0	0.00%	0	8872	87649
0917	POSTAL (U.S.P.S.)	87741	0	0.00%	0	-14417	73324
0920	SUPPLIES & MATERIALS (NON-STOCK FUND)	421749	0	3.70%	15603	-17482	419870
0921	PRINTING AND REPRODUCTION	76883	0	3.70%	2843	5392	85118
0922	EQUIPMENT MAINTENANCE BY CONTRACT	310887	0	3.70%	11510	-9579	312818
0923	FACILITY MAINTENANCE BY CONTRACT	927688	0	3.70%	34324	-247150	714862
0925	EQUIPMENT PURCHASES (NON-SF)	110466	0	3.70%	4090	6034	120590
0926	OTHER OVERSEAS PURCHASES	97060	0	3.70%	3589	-21295	79354
0928	SHIP MAINTENANCE BY CONTRACT	7451	0	3.72%	277	1000	8728
0929	AIRCRAFT REWORK BY CONTRACT	266538	0	3.70%	9862	-8923	267477
0930	OTHER DEPOT MAINTENANCE (NON-IF)	171692	21342	3.70%	7143	-17964	182213
0931	CONTRACT CONSULTANTS	319	0	3.76%	12	-56	275
0932	CONTRACT STUDIES AND ANALYSIS	19753	0	3.69%	729	-7892	12590

LINE ITEM	LINE DESCRIPTION	FY 1987 PROGRAM	FOREIGN CURRENCY ADJUSTMENT	PRICE GROWTH PERCENT	PRICE GROWTH AMOUNT	PROGRAM GROWTH	FY 1988 PROGRAM
0933	PROFESSIONAL & MANAGEMENT SERVICES BY CONTRACT	27784	0	3.71%	1031	-14657	14158
0934	CONTRACT ENGINEERING & TECHNICAL SERVICES	77388	0	3.70%	2862	-6284	73966
0989	OTHER CONTRACTS	4807502	205896	3.73%	187208	-1394317	3806289
0991	FOREIGN CURRENCY VARIANCE	560349	-560349	0.00%	0	0	0
0998	OTHER COSTS	46867	0	3.70%	1734	863677	912278
0999	TOTAL OTHER PURCHASES	9997836	-158621	4.18%	411616	-883256	9367575
9999	GRAND TOTAL	21035663	-158621	5.48%	1143444	-889528	21130958

APPROPRIATION: O & M
PROGRAM:

APPROPRIATION TOTAL LINES
COMPARISON OF FY 1988 AND FY 1989
(DOLLARS IN THOUSANDS)

RUN DATE: 03/23/88
RATE DATE: 03/12/88

LINE ITEM	LINE DESCRIPTION	FY 1988 PROGRAM	FOREIGN CURRENCY ADJUSTMENT	PRICE GROWTH PERCENT	PRICE GROWTH AMOUNT	PROGRAM GROWTH	FY 1989 PROGRAM
0101	EXECUTIVE, GENERAL, & SPECIAL SCHEDULE	4798725	0	1.50%	72096	72921	4943742
0103	WAGE BOARD	820680	0	0.91%	7469	-68599	759550
0104	FOREIGN NATIONAL DIRECT HIRE (FNDH)	195041	0	4.25%	8291	10927	214259
0105	SEPARATION LIABILITY (FNDH)	8358	0	0.00%	0	1317	9675
0106	BENEFITS TO FORMER EMPLOYEES	3090	0	0.00%	0	987	4077
0110	UNEMPLOYMENT COMPENSATION	25900	0	0.00%	0	0	25900
0199	TOTAL CIVILIAN PERSONNEL COMPENSATION	5851794	0	1.50%	87856	17553	5957203
0301	PER DIEM	300991	0	0.00%	0	5693	306684
0302	OTHER TRAVEL COSTS	251301	0	3.53%	8883	-4895	255289
0303	MAC PASSENGER (IF)	62360	0	5.28%	3290	-1397	64253
0304	LEASED VEHICLES	0	0	0.00%	0	0	0
0399	TOTAL TRAVEL	614652	0	1.98%	12173	-599	626226
0401	DFSC FUEL	294749	0	0.00%	1	37269	332019
0402	SERVICE STOCK FUND FUEL	0	0	0.00%	0	0	0
0411	ARMY MANAGED SUPPLIES AND MATERIALS	1157085	0	0.79%	9187	190834	1357106
0414	AIR FORCE MANAGED SUPPLIES AND MATERIALS	475	0	5.68%	27	69	571
0415	DLA MANAGED SUPPLIES AND MATERIALS	484553	0	2.53%	12271	42993	539817
0416	GSA MANAGED SUPPLIES AND MATERIALS	276197	0	3.96%	10937	-2357	284777
0417	LOCALLY PROCURED, STOCK FUND MNGD SUPP & MATS	0	0	0.00%	0	0	0
0491	STOCK FUND DIRECT REIMBURSEMENT: FUEL	9	0	0.00%	0	0	9
0492	STOCK FUND DIRECT REIMBURSEMENT: NON-FUEL	12244	0	0.00%	0	-129	12115
0499	TOTAL STOCK FUND SUPPLIES AND MATERIAL PURCHASES	2225312	0	1.46%	32423	268679	2526414

LINE ITEM	LINE DESCRIPTION	FY 1988 PROGRAM	FOREIGN CURRENCY ADJUSTMENT	PRICE GROWTH PERCENT	PRICE GROWTH AMOUNT	PROGRAM GROWTH	FY 1989 PROGRAM
0502	ARMY STOCK FUND EQUIPMENT	73614	0	0.79%	582	9338	83534
0505	AIR FORCE STOCK FUND EQUIPMENT	66	0	4.55%	3	1	70
0506	DLA STOCK FUND EQUIPMENT	104244	0	2.56%	2666	5366	112276
0507	GSA MANAGED EQUIPMENT	35063	0	4.00%	1401	2323	38787
0599	TOTAL STOCK FUND EQUIPMENT PURCHASES	212987	0	2.18%	4652	17028	234667
0601	ARMAMENT COMMAND	175590	0	3.60%	6320	-4085	177825
0602	DEPOT MAINTENANCE ARMY (MAINTENANCE)	843990	0	2.80%	23631	151894	1019515
0603	DEPOT MAINTENANCE ARMY (SUPPLY)	616701	0	7.30%	45019	-141709	520011
0604	MISSILE COMMAND	300764	0	-13.70%	-41206	-54581	204977
0654	AIRLIFT SERVICES: JCS EXERCISES	0	0	0.00%	0	0	0
0671	COMMUNICATION SERVICES	192600	0	5.00%	9630	-8222	194008
0679	COST REIMBURSABLE PURCHASES	343	0	3.79%	13	-6	350
0681	UNFINANCED (IF) PAY RAISE	0	0	0.00%	0	0	0
0691	IF REFUNDS AND PASS THROUGHS (NET)	13000	0	0.00%	130000	0	143000
0699	TOTAL INDUSTRIAL FUND PURCHASES	2142988	0	8.09%	173407	-56709	2259686
0701	MAC CARGO(IF)	103084	0	16.00%	16494	-682	118896
0702	MAC SAAM (IF)	33096	0	5.80%	1919	-2369	32646
0711	MSC CARGO(IF)	178312	0	50.00%	89157	-281	267188
0721	MTMC (CONUS PORT HANDLING- IF)	83141	0	7.90%	6568	-9037	80672
0725	MTMC (OTHER - NON IF)	0	0	0.00%	0	0	0
0731	COMMERCIAL AIR	56610	0	3.70%	2093	1298	60001
0741	COMMERCIAL SHIPS	9920	0	3.70%	367	-1818	8469

LINE ITEM	LINE DESCRIPTION	FY 1988 PROGRAM	FOREIGN CURRENCY ADJUSTMENT	PRICE GROWTH PERCENT	PRICE GROWTH AMOUNT	PROGRAM GROWTH	FY 1989 PROGRAM
0751	COMMERCIAL LAND	207867	0	3.70%	7690	-444	215113
0761	OTHER TRANSPORTATION	43620	0	3.69%	1610	-222	45008
0799	TOTAL TRANSPORTATION COSTS	715650	0	17.59%	125898	-13555	827993
0901	FOREIGN NATIONAL INDIRECT HIRE (FNIH)	1223361	0	7.09%	86793	-20674	1289480
0902	SEPARATION LIABILITY (FNIH)	14547	0	9.78%	1423	8385	24355
0912	STANDARD LEVEL USER CHARGES (GSA LEASES)	145031	0	6.14%	8900	-3695	150236
0913	PURCHASED UTILITIES (NON-IF)	415785	0	3.70%	15386	2368	433539
0914	PURCHASED COMMUNICATIONS (NON-IF)	114364	0	3.70%	4231	-3357	115238
0915	RENTS	282928	0	3.70%	10472	7979	301379
0916	DISABILITY COMPENSATION	87649	0	0.00%	0	3772	91421
0917	POSTAL (U.S.P.S.)	73324	0	0.00%	0	2203	75527
0920	SUPPLIES & MATERIALS (NON-STOCK FUND)	419870	0	3.70%	15542	11940	447352
0921	PRINTING AND REPRODUCTION	85118	0	3.70%	3149	8989	97256
0922	EQUIPMENT MAINTENANCE BY CONTRACT	312818	0	3.70%	11575	-1963	322430
0923	FACILITY MAINTENANCE BY CONTRACT	714862	0	3.70%	26449	83325	824636
0925	EQUIPMENT PURCHASES (NON-SF)	120590	0	3.70%	4463	343	125396
0926	OTHER OVERSEAS PURCHASES	79354	0	3.70%	2937	-374	81917
0928	SHIP MAINTENANCE BY CONTRACT	8728	0	3.71%	324	6818	15870
0929	AIRCRAFT REWORK BY CONTRACT	267477	0	3.70%	9898	76773	354148
0930	OTHER DEPOT MAINTENANCE (NON-IF)	182213	0	3.70%	6742	39531	228486
0931	CONTRACT CONSULTANTS	275	0	3.27%	9	-1	283
0932	CONTRACT STUDIES AND ANALYSIS	12590	0	3.71%	467	2005	15062

APPROPRIATION: O & M
PROGRAM:

APPROPRIATION TOTAL LINES
COMPARISON OF FY 1988 AND FY 1989
(DOLLARS IN THOUSANDS)

RUN DATE: 03/23/88
RATE DATE: 03/12/88

LINE ITEM	LINE DESCRIPTION	FY 1988 PROGRAM	FOREIGN CURRENCY ADJUSTMENT	PRICE GROWTH PERCENT	PRICE GROWTH AMOUNT	PROGRAM GROWTH	FY 1989 PROGRAM
0933	PROFESSIONAL & MANAGEMENT SERVICES BY CONTRACT	14158	0	3.71%	525	2749	17432
0934	CONTRACT ENGINEERING & TECHNICAL SERVICES	73965	0	3.70%	2736	-3591	73111
0989	OTHER CONTRACTS	3806289	0	3.74%	142525	-215878	3732936
0991	FOREIGN CURRENCY VARIANCE	0	0	0.00%	0	0	0
0998	OTHER COSTS	912278	0	8.47%	77314	-154071	835521
0999	TOTAL OTHER PURCHASES	9367575	0	4.61%	431860	-146424	9653011
9999	GRAND TOTAL	21130958	0	4.11%	868269	85973	22085200

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES

I. Narrative Description (O&M: $ in Thousands)

The Program 2 General Purpose Forces will support a force consisting of 18 active divisions, 6 separate brigades, 3 armored cavalry regiments, and one Ranger Regiment. Included in the Program 2 request are resources to support the continued phased activation of the 10th Mountain Division and 6th Infantry Division (Light). The 6th Division will focus on defense of critical sites in Alaska and the initial defense of the Aleutians, and was formed using the 172d Separate Infantry Brigade as a nucleus. These actions represent a continuation of the initiative begun in FY 1985 with the conversion of the 7th Infantry Division to the light design and initial unit activations in the 10th Mountain Division. Both the 10th Mountain Division and the 6th Infantry Division will be rounded out with Reserve Component brigades. The Army's light infantry initiative is aimed at modernizing our lighter forces, to counter the changing nature of the threat, within continued constraints on available resources (manpower, total obligational authority and strategic lift). Upon completion of the light infantry division activations and conversions, the Army will have enhanced its defensive posture in Alaska and the Aleutians and increased its overall deterrent posture as well as having significantly enhanced its capability to respond to the more likely contingencies at the lower end of the conflict spectrum. The heavy (armor and mechanized infantry) divisions continue conversion in FY 1989 to refined Army of Excellence unit designs; coincidentally, certain resources are shifted from Division to Corps to enhance flexibility of the Corps to influence tactical operations worldwide. Funding levels dictate that two active infantry battalions of the 6th Infantry Division not be activated as scheduled and a full Brigade from the 9th Motorized Division be cut from the active force structure. Additional reductions are made to aviation, headquarters and other active organizations.

The Program 2 (Mission) request includes resources to sustain the active combat forces, and related combat support and combat service support. The program provides for training support and initiatives to improve the material support in the field with the objective of enhancing the capability of the Army to deploy and conduct sustained combat operations. Resources also provide for combat development activities, Army costs associated with Joint Chiefs of Staff exercises and operations of the Unified Commands for which the Army is the administrative agent. The FY 1989 Program 2 (Mission) Budget supports an all-inclusive training strategy to expose all soldiers from the individual infantryman to the corps commander to a full-range of demanding training experiences with dedicated opposing forces and standardized feedbacks. These facilities include the National Training Center (NTC) at Fort Irwin, CA, the Combat Maneuver Training Center (CMTC) at Hohenfels, FRG, the Joint Readiness Training Center at Little Rock AFB, AR, and the Battle Command Training Program (BCTP) headquartered at Fort Leavenworth, KS.

PROGRAM: GENERAL PURPOSE FORCES

I. Narrative Description (O&M: $ in Thousands) (continued)

The Program 2 (Base Operations) request resources to support operation (less Real Property Maintenance Activities) at most installations in CONUS and all installations in Europe, Japan, Korea, and Hawaii funded by the Operation and Maintenance, Army Appropriation. Support provided includes: supply operations; maintenance of materiel; transportation services; laundry and dry cleaning operations; the Army Food Program; bachelor housing operations and furnishings; personnel, administration, and other resources essential to the Army's overall readiness posture. Funds in this submission meet the minimum essential requirements necessary to operate installations and directly support the Army's primary readiness objectives of manning, training, modernizing, and sustaining the force.

The Real Property Maintenance Activities (RPMA) provides support for General Purpose Forces and their supporting structure at 337 installations/locations in Europe, CONUS, and the Pacific. This includes increased combat service support of rapid deployment forces, support of force modernization, force structure changes and correction of security deficiencies.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES

II. FINANCIAL SUMMARY (O&M: $ in Thousands)

A. General Purpose Forces:

			FY 1988			FY 1989			
		FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
(1)	UNIFIED COMMANDS	17,942	23,587	22,706	22,688	22,131	-1,860	20,271	-2,417
(2)	EUROPE FORCES	1,073,958	1,229,415	1,144,026	1,076,065	1,356,942	-217,760	1,139,182	63,117
(3)	EUROPE - BASE OPNS (-)	696,946	743,242	637,777	652,056	821,715	-146,132	675,583	23,527
(4)	EUROPE - RPMA ACTIVITIES	1,137,107	1,183,692	1,128,955	1,078,606	1,296,887	-121,603	1,175,284	96,678
(5)	PACIFIC FORCES	268,629	291,183	263,075	259,876	334,032	-40,103	293,929	34,053
(6)	PACIFIC FORCES - BASE OPNS (-)	262,724	283,471	250,172	251,229	294,058	-31,770	262,288	11,059
(7)	PACIFIC FORCES - RPMA ACTIVITIES	315,691	264,340	245,720	244,522	267,213	-2,154	265,059	20,537
(8)	SOUTH FORCES	58,823	49,787	48,661	51,862	51,001	63	51,064	-798
(9)	CONUS FORCES - FORSCOM	854,714	939,539	873,375	776,311	1,013,192	-197,102	816,090	39,779
(10)	OTHER CONUS FORCES	523,824	624,403	575,162	550,042	636,309	-60,684	575,625	25,583
(11)	CONUS - BASE OPNS (-)	822,271	699,535	625,560	672,061	740,908	-54,794	686,114	14,053
(12)	CONUS - RPMA ACTIVITIES	809,282	750,398	696,836	665,272	819,466	-102,602	716,864	51,592
(13)	JCS EXERCISES	86,090	93,049	92,726	92,678	100,050	-9,475	90,575	-2,103
(14)	COMBAT DEVELOPMENT ACTIVITIES	378,750	309,417	293,027	312,726	314,007	-23,126	290,881	-21,845
(15)	CURRENCY FLUCTUATION	560,349							
(16)	TACTICAL EQUIPMENT MAINTENANCE	346,248	368,764	337,629	332,366	418,001	-27,002	390,999	58,633
	TOTAL PROGRAM	8,213,348	7,853,822	7,235,407	7,038,360	8,485,912	-1,036,104	7,449,808	411,448

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES

II. FINANCIAL SUMMARY (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 President's Budget Request		$ 7,853,822
Congressional Adjustments		
a. DLA Stock Fund Surcharge (Base: $396,041)	$ -46,741	
b. Stock Fund Policy (Base: $1,603,994)	$ -109,446	
c. Headquarters Operations (Base: $99,901)	$ -6,905	
d. Automatic Data Processing (Base: 203,712)	$ - 17,800	
e. Travel/Transportation (Base: $362,125)	$ -37,276	
f. Savings (Base: $0)	$ -18,322	
g. Force Modernization (Base: $264,643)	$ -40,447	
h. PCS Travel (Base: $2,000)	$ -2,100	
i. Contractor Support Services (Base: $5,009)	$ -6,761	
j. Japanese Defense Contribution (Base: $119,258)	$ -21,944	
k. Expense/Investment Criteria (Base: $12,245)	$ -1,916	
l. Student Dependent Travel (Base: $0)	$ -2,000	
m. Helicopter Flying Hours (Base: $127,364)	$ -11,000	
n. Workyear Pricing (Base: $1,657,690)	$ -21,689	
o. Non-Appropriated Fund Activities (Base: $330,308)	$ -24,837	
p. Base Operating Support (Base: $4,044,021)	$ -204,473	
q. Manpower Savings-Contracting Out (Base: $1,175,498)	$ -17,350	
r. Inflation Adjustment (Base: $82,886)	$ -27,408	
Total Congressional Adjustments		$ -618,415
FY 1988 Appropriated Amount		$ 7,235,407

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Functional Program Transfers

Inter Appropriation Transfer Out

a. Bureau of Land Management.....$ -1,342
OMB directed transfer of funds to the Bureau of Land Management to support management of fire control.

b. International Nuclear Force Treaty(INF).....$ -37,100
This transfer of resources to various Defense Agencies and other services will support the monitoring and verification requirements of the INF treaty.

Total Transfers Out.....$ -38,442

Intra Appropriation Transfers Out

a. Special Operations Forces.....$ -132,741
Transfer funds for establishment of new major program for Special Operating Forces from other Operation and Maintenance, Army Programs.

b. International Nuclear Force Treaty (INF).....$ -11,500
This transfer of resources to other Operations and Maintenance, Army Programs will support the monitoring and verification requirements of the INF treaty.

PROGRAM: GENERAL PURPOSE FORCES

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (CONT)

Functional Program Transfers

Intra Appropriation Transfers Out

c. CHAMPUS Reprograming.....$ -14,364
Transfers funds from Program 2 of the Operations and Maintenance, Army Appropriation to Program 8 Medical to support payment of medical/dental care claims of Army beneficiaries.

Total Transfers Out.....$ -158,605

Total Functional Program Transfers.....$ -197,047

PROGRAM: GENERAL PURPOSE FORCES

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Price Growth		
FY 1988 Civilian Personnel Pay Increase - 2 Percent	$ 31,186	
FY 1988 Civilian Health Benefits	$ 10,625	
Stock Fund - Fuel Rate Change	$ 27,202	
GSA Industrial Fund Rates	$ 22,611	
Private Sector Price Increase	$ 5,248	
Total Price Growth		$ 96,872
Program Decrease		
Absorption of Price Growth	$ -96,872	
In order to absorp the additional price growth reflected above, General Purpose Forces were required to make commensurate reductions in home station training, base operations support and real property maintenance		
Total Program Decreases		$ -96,872
FY 1988 Current Estimate		$ 7,038,360

PROGRAM: GENERAL PURPOSE FORCES

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Functional Program Transfers

Inter Appropriation Transfers In

a. Deep Space Surveillance.....$ 8,600
Transfers funds from Operations and Maintenance, Air Force, for support of CINCSPACE Deep Space Surveillance mission.

b. Nontactical Vehicles.....$ 5,454
Funds allow for the conversion of nontactical motor vehicle fleets to the General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based nontactical vehicle fleet to the IFMS by FY 1992.

Total Transfers In.....$ 14,054

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Inter Appropriation Transfers Out

Base Commercial Equipment.....$ -1,485
Transfers funding back to the Other Procurement, Army appropriation that represents the difference between the $25,000 limitation requested and the $15,000 limitation allowed by congress.

Total Transfers Out.....$ -1,485

Intra Appropriation Transfers Out

Defense Cooperation in Armaments.....$ -3,063
Transfers programmed resources to Program 10 to support increased NATO Armaments cooperation.

Total Transfers Out.....$ -3,063

Total Functional Program Transfers.....$-4,548

PROGRAM: GENERAL PURPOSE FORCES

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued)

Price Growth

Civilian Personnel Costs

a.	Civilian Salaries (Annualization)	$ 9,201
b.	Compensable Days - Two Days Less	$ -9,018
c.	FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 23,620
	Total Civilian Personnel	$ 23,803

Non-Personnel

a.	Stock Fund - Material	$ 23,724
b.	Commercial Transportation Rate	$ 5,962
c.	Industrial Fund	$ 1,994
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 35,167
e.	Indirect Hire Foreign National FY 1989 Pay Raise -Separation Allowance	$ 8,328
f.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 30,745
g.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise - Separation Allowance	$ -7,028
h.	Travel	$ 6,427
i.	Commercial Communications	$ 1,233
j.	Utilities	$ 10,654
k.	Rental From GSA	$ 68
l.	Private Sector	$ 76,939
	Total Non-Personnel	$194,213
	Total Price Growth	$ 218,016

PROGRAM: GENERAL PURPOSE FORCES

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Increases			
(1)	Unit Training/Operations	$ 100,138	
(2)	Maintenance/Logistical Support	$ 40,118	
(3)	Information Management-ADP	$ 4,461	
(4)	Combat Training Centers	$ 20,644	
(5)	Headquarters Operations	$ 38	
(6)	Force Structure	$ 150	
(7)	Real Property Maintenance	$ 96,641	
(8)	Base Operating Support	$ 8,235	
	Total Program Increases		$ 270,425
Program Decreases			
(1)	Force Modernization	$ -23,634	
(2)	Combat Development Activities	$ -27,983	
(3)	Other Force Structure	$ -4,451	
(4)	Light Division Initiatives	$ -10,958	
(5)	Low Intensity Operations	$ -380	
(6)	Flying Hours	$ -2,115	
(7)	25th ID to Light Design	$ -200	
(8)	Base Operations Support	$ -2,011	
(9)	POMCUS	$ -6,734	
(10)	Army Drug & Alcohol Prevention Control Program	$ -440	
(11)	Utilities Savings	$ -2,640	
(12)	Tactical Medical Support	$ -502	
(13)	JCS Exercises	$ -4,451	
	Total Program Decreases		$ -86,499
Total FY 1989 Budget Request			$ 7,449,808

PROGRAM: GENERAL PURPOSE FORCES
III. Performance Criteria and Evaluation

	FY 1987	FY 1988	FY 1989
Maneuver Battalions/Squadrons			
Armor	55	55	55
High-Tech Motorized Infantry	9	9	6
Light Infantry*	29	30	30
Standard Infantry**	8	8	8
Mechanized Infantry***	44	44	44
Air Assault Infantry	9	9	9
Airborne Infantry	10	10	10
Ranger	3	3	3
Armored Cavalry Squadrons****	19	19	19
Flying Hours			
Mission	731,949	685,191	739,607
Base Operations	33,987	39,205	3,600
Ground OPTEMPO	800	725	850
JCS Exercises	49	47	49

NOTES:
* Includes one Light Infantry (Airborne) Battalion - South Forces.
** Does not include School Support Battalion, Ft Benning, Georgia.
*** Does not include School Support Battalion, Ft Bliss, Texas.
**** Does not include School Support Battalion, Ft Knox, Kentucky.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES

IV. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	51,458	51,146	48,970	48,970	51,032	-907	50,125
Enlisted	460,079	461,017	448,865	448,865	461,038	-13,852	447,186
Total Military End Strength	511,537	512,163	497,835	497,835	512,070	-14,759	497,311
Civilian End Strength							
U.S. Direct Hire	55,714	53,208	48,849	48,849	52,523	-4,614	47,909
Foreign National Direct Hire	11,951	11,609	11,609	11,609	11,488	0	11,488
Foreign National Indirect Hire	45,364	46,672	44,508	44,508	47,814	-2,164	45,650
Total Civilian End Strength	113,029	111,489	104,966	104,966	111,825	-6,778	105,047
Military Workyears							
Officer	51,011	51,111	50,212	50,212	51,091	-1,542	49,549
Enlisted	456,674	459,383	454,473	454,473	461,030	-13,003	448,027
Total Military Workyears	507,685	510,494	504,685	504,685	512,121	-14,545	497,576
Civilian Workyears							
U.S. Direct Hire	53,973	54,607	53,083	53,083	53,509	-3,176	50,333
Foreign National Direct Hire	11,965	10,775	10,620	10,620	11,584	-95	11,489
Foreign National Indirect Hire	44,762	45,092	44,042	44,042	45,806	-2,226	43,580
Total Civilian Workyears	110,700	110,474	107,745	107,745	110,899	-5,497	105,402

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: UNIFIED COMMANDS

I. Narrative Description

This activity group provides for the operation of two unified command headquarters, United States European Command (USEUCOM) and United States Southern Command (USSOUTHCOM), for which the Army has been designated administrative agent. In addition, this activity group displays the military authorizations for Army personnel assigned to other Unified Commands e.g., Pacific Command, Readiness Command, and Atlantic Command.

II. Description of Operations Financed

Provides for costs incurred in the area of Headquarters Operations for Headquarters, European Command (EUCOM) and Headquarters, Southern Command (SOUTHCOM). Operating costs include pay of civilian personnel, consumable supplies, purchased services, travel and transportation of personnel, as well as other normal expenses.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: *UNIFIED COMMANDS*

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY88/89
Price Growth					507	101	608	608
USEUCOM	10,925	17,805	16,924	15,521	18,149	-5,653	12,496	-3,025
USSOUTHCOM	7,017	5,782	5,782	7,167	3,475	3,692	7,167	0
TOTALS	17,942	23,587	22,706	22,688	22,131	-1,860	20,271	-2,417

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: UNIFIED COMMANDS

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 22,688
Functional Program Transfers		
Intra Appropriation Transfers Out		
Defense Cooperation in Armaments.....$ -3,063		
Transfers program and resources to Program 10 to support increased NATO armaments cooperation.		
Total Transfers Out.....$ -3,063		
Total Functional Program Transfers.....$ -3,063		
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization).....$	18	
b. Compensable Days - Two Days Less.....$	-38	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent.....$	88	
Total Civilian Personnel.....$	68	

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: UNIFIED COMMANDS

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth

a.	Stock Fund - Material	$	20
b.	Commercial Transportation Rate	$	9
c.	Indirect Hire Foreign National FY 1989 Pay Raise	$	1
d.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	2
e.	Travel	$	65
f.	Utilities	$	1
g.	Private Sector	$	442
	Total Non-Personnel	$	540
	Total Price Growth		$ 608

Program Increases

Headquarters Operations (Base $22,688)	$	38

Base program provides resources to support operations of Headquarters, USEUCOM and USSOUTHCOM. The FY 89 increase supports treaty obligations under the Conference for Disarmament in Europe ($268) and is partially offset by one-time costs related to the Modern Aids to Planning Program ($-230).

Total Program Increases		$ 38
FY 1989 Budget Request		$ 20,271

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: UNIFIED COMMANDS

III. Financial Summary (O&M: $ in Thousands)

IV. Performance Criteria and Evaluation

None

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: UNIFIED COMMANDS

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	765	820	718	718	860	-129	731
Enlisted	694	743	684	684	763	-74	689
Total Military End Strength	1,459	1,563	1,402	1,402	1,623	-203	1,420
Civilian End Strength							
U.S. Direct Hire	240	185	188	188	185	3	188
Foreign National Direct Hire	6	0	0	0	0	0	0
Foreign National Indirect Hire	0	3	3	3	3	0	3
Total Civilian End Strength	246	188	191	191	188	3	191
Military Workyears							
Officer	939	792	742	742	840	-115	725
Enlisted	704	727	689	689	753	-66	687
Total Military Workyears	1,643	1,519	1,431	1,431	1,593	-181	1,412
Civilian Workyears							
U.S. Direct Hire	243	176	184	184	176	8	184
Foreign National Direct Hire	5	0	0	0	0	0	0
Foreign National Indirect Hire	1	3	3	3	3	0	3
Total Civilian Workyears	249	179	187	187	179	8	187

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: UNIFIED COMMANDS

V. Personnel Summary (Continued):

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 18 in FY 89 reflects additional support to Joint Activities and Unified Commands.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

I. Narrative Description

This activity group provides for operation and maintenance of division forces, special mission forces and theater support forces located in Europe for the purpose of reinforcing the United States commitment to NATO.

II. Description of Operations Financed

Resources support the operation of Headquarters, United States Army, Europe (USAREUR); the 7th Army Training Command; 2 Armored Divisions; 2 Mechanized Infantry Divisions; 2 Armored Cavalry Regiments; Forward Deployed Brigades of 1st Infantry Division and the 2d Armored Division; and the nondivisional combat units, combat support and combat service support units located throughout Europe. The request for training resources will permit units to attain and maintain combat readiness at levels consistent with mission priorities. Resources provide for the operator training and the recurring costs for new systems fielded and the maintenance associated with the redistribution of replaced systems. Major activities funded in this aggregation include the operation of Army aircraft; organizational maintenance to include maintenance of the Prepositioned Material Configured to Unit Sets (POMCUS) program; conduct of the Army Training and Evaluation Program; and conduct of readiness alerts and tests.

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY88/89
Price Growth					53,557	-24,010	29,547	29,547
Unit Training/Operations	839,130	935,073	889,012	856,676	948,027	-37,666	910,361	53,685
POMCUS	104,231	145,315	123,846	123,846	167,372	-50,260	117,112	-6,734
Maintenance/Logistical Support	36,303	84,029	69,835	49,835	130,246	-91,513	38,733	-11,102
Force Modernization	68,390	36,874	33,209	36,209	20,247	9,370	29,617	-6,592
Tactical Medical Support	24,372	19,400	19,400	2,099	25,367	-23,268	2,099	0
Combat Training Centers		7,224	7,224	7,400	10,626	1,087	11,713	4,313
Special Operations Forces	1,532	1,500	1,500	0	1,500	-1,500	0	0
TOTALS	1,073,958	1,229,415	1,144,026	1,076,065	1,356,942	-217,760	1,139,182	63,117

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 1,076,065
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 67	
b. Compensable Days - Two Days Less	$ -781	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 1,938	
Total Civilian Personnel		$ 1,224
Non-Personnel Price Growth		
a. Stock Fund - Material	$ 4,118	
b Commercial Transportation Rate	$ 1,665	
c. Indirect Hire Foreign National FY 1989 Pay Raise	$ 7,471	
d Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 6,862	
e Travel	$ 1,247	
f. Utilities	$ 1	
g. Private Sector	$ 6,959	
Total Non-Personnel		$ 28,323
Total Price Growth		$ 29,547

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increases

(1) Unit Training and Operations (Base: $856,676).....$ 53,685

Base resources support Garrison Operations, Unit Training, Flying Hours, Non-JCS Exercises, the conduct of the Army Training and Evaluation Program (ARTEP), and the costs of sustaining new equipment fielded in FY 1989 and prior. The FY 1989 budget increases the OPTEMPO of major combat vehicles from the FY 1988 level of 725 which was necessary to absorb Congressional reductions to 850 miles ($40,000). The Flying Hour Program is also increased from 14.5 hours in FY 1988 to 15.8 hours ($14,285). Intelligence related training is improved thru maintenance of critical language skills ($130) and Projects TROJAN/REDTRAIN ($-466). Resources also support changes in cost factors and revised distribution of recently fielded, modernized equipment ($12,815). Intelligence operations are improved through increased support at Echelons Above Corps and increased intelligence related aviation ($445). These improvements in Combat Readiness are self-financed thru reductions for support costs of displaced equipment ($-11,237), one-time savings resulting from reductions to the aviation structure ($-552), a workyear reduction to field operating agencies ($-469), a decrease in operating costs due to the anticipated deactivation of two Pershing II batteries ($-923), and reduced overseas workyears ($-343).

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increases (Continued)

(2) Combat Training Centers (CTC) (Base: $7,400).....$ 4,313
Supports the establishment of a Combat Maneuver Training Center at Hohenfels, FRG. This initiative will provide a collective training facility for the forward deployed maneuver battalions in USAREUR. In FY 1989, development of the instrumentation system and associated software will begin. That process will continue in FY 1989 leading toward full operational capability in FY 1991. The operational complex will be part of the triad of Tactical Training Centers which now consist of the National Training Center at Fort Irwin, CA, and the Joint Readiness Training Center at Little Rock AFB, AR.

Total Program Increases.....$ 57,998

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Decreases

(1) Maintenance/Logistical Support (Base: $49,835) .....$ -11,102
Base program provides resources for initiatives which support sustainability of the combat force during continuous land combat operations. An increase of $383 supports increased costs of operating the NORTHAG support structure at Reichel. Funding is independent of any purchase or lease arrangements. Approximately 850 overseas workyears supporting various maintenance and logistics functions are reduced ($-17,073). Increases also provide for the continued procurement of the Extended Cold Weather System and other soldier protection items such as the PASGT helmet and combat vehicle crewman uniform ($3,952). Combat sustainability is improved through increased support to the combat PLL/ASL program which provides units with essential repair parts, at organizational and direct support level, to support maintenance operations under combat conditions. Current repair parts stockage is based on peacetime demand data and not adequate to meet the increased consumption expected in combat. The funds help defray the cost of procuring the difference between current stocks and combat PLL/ASL requirements. Without these resources, units will not be able to maintain an acceptable level of operational availability of combat essential equipment under combat conditions ($ 2,191). Host Nation Support is reduced for one-time costs associated with activation of German Reserve Units ($-555).

(2) FY 1989 Force Modernization (Base $ 36,209).....$ -6,592
Provides mission operating funds to support the fielding of selected new or modernized equipment entering the active force inventory in FY 1989. (For details on specific systems, see "Intensively Managed Systems" section).

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Decreases

(3) Rapid Reinforcement of NATO/POMCUS (Base $123,846).....$ -6,734
Base program provides resources for annual costs associated with Prepositioned Material Configured to Unit Sets (POMCUS). Annual costs include contractual operating costs; salaries; and costs for maintenance, storage, supply, and replenishment of stock funded POMCUS items. The FY 1989 change is a result of a decrease of approximately 900 overseas civilian workyears ($-23,985) offset by the increase necessary to support new warehouses coming on line in FY 1989 as well as realignment of resources from the OCONUS Budget Activity ($17,251).

Total Program Decreases.....$ -24,428

Total FY 1989 Budget Request.....$ 1,139,182

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

IV. Performance Criteria and Evaluation

	FY 1987	FY 1988	FY 1989
Maneuver Battalions/Squadrons			
Armor	24	25	25
Standard Infantry	4	4	4
Mechanized Infantry	22	21	21
Airborne Infantry	1	1	1
Armored Cavalry Squadrons	10	10	10
Flying Hours	217,884	210,316	250,382
Ground OPTEMPO	800	725	850

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	16,536	16,748	16,250	16,250	16,750	-49	16,701
Enlisted	166,600	167,907	168,393	168,393	167,751	1,451	169,202
Total Military End Strength	183,136	184,655	184,643	184,643	184,501	1,402	185,903
Civilian End Strength							
U.S. Direct Hire	3,971	4,545	4,123	4,123	4,375	-353	4,022
Foreign National Direct Hire	180	124	145	145	123	30	153
Foreign National Indirect Hire	11,952	13,328	11,999	11,999	14,666	-2,686	11,980
Total Civilian End Strength	16,103	17,997	16,267	16,267	19,164	-3,009	16,155
Military Workyears							
Officer	16,700	16,752	16,393	16,393	16,749	-273	16,476
Enlisted	168,044	167,692	167,497	167,497	167,829	969	168,798
Total Military Workyears	184,744	184,444	183,890	183,890	184,578	696	185,274
Civilian Workyears							
U.S. Direct Hire	4,230	4,266	4,567	4,567	4,106	-80	4,026
Foreign National Direct Hire	131	124	121	121	123	24	147
Foreign National Indirect Hire	11,664	12,731	12,605	12,605	13,744	-2,203	11,541
Total Civilian Workyears	16,025	17,121	17,293	17,293	17,973	-2,259	15,714

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE FORCES

V. Personnel Summary (Continued):

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of (+1,260) in FY 89 reflects an increase in platoon leaders for divisional forces (+686); transfer of transportation manpower from other budget activities groups (+767); and other force structure adjustments (-193).

CIVILIAN

The net decrease of 112 in FY 89 is due to increases for POMCUS Support (+440) being offset by reductions in management headquarters (-66); administrative support (-181); and other reprogrammings (-305).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

I. Narrative Description: This budget activity provides for the operation and maintenance of installation type support, less real property maintenance activities, for general purpose forces and their supporting structure at 39 military communities in Europe which include 182 principal Army installations (excluding Berlin, which is funded by the Federal Republic of Germany). The FY 1989 request totals 675.6 million. Major program increases/ decreases contained in this request are as follows:

Program	FY 1989
Army Drug & Alcohol Program	-440
Base Operating Support	-2,011
Force Modernization	-80

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

II. Description of Operations Financed: Funds provide installation support in the following areas:

A. Administration: Finances all activities concerned with the headquarters command and administration of the installation; and other installation-wide activities not otherwise provided for, such as adjutant activities. Finances automated processing activities in support of Base Operations. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution centers print plants and printing and reproduction of publications.

B. Retail Supply Operations: Finances the operation of consolidated post supply. Includes the operation of self-service centers and clothing issue points and the office of the Director Logistics. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment: Finances Direct and General Support Maintenance of Support Systems such non-tactical vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings: Finances the purchase, control, moving, handling of housing furnishings for unaccompanied personnel officer quarters and bachelor enlisted quarters. Finances the operation and administration of all unaccompanied personnel housing.

E. Community and Morale Support Activities - Finances the development, staffing, equipping, administration and operation of installation libraries, soldier sports programs, Army Community Service and Child Development Services, Youth Programs and other CORE community/family programs.

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services: Finances the operation of local (installations) non-tactical motor transportation service to include government-owned vehicles. Finances operation of laundry and dry cleaning plants and contracting for such services where Army-owned plants are not operated in-house. Finances police services at installations to include military police operations, installation level confinement activities, physical security operation and operation of physical security equipment. Finances the management of training facilities, training aids, and mobilization support. Finances the management of security counterintelligence and planning functions at the installation.

G. Other Personnel Support: Finances operation and administration of food services, food preparation facilities and dining facilities. This function is performed by contractor, civilian personnel and military personnel. Finances chaplain activities, command information program, alcohol and drug abuse program and reenlistment activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

III. Financial Summary ($ in Thousands):

			FY 1988			FY 1989			
A.	Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
	Europe	696,945	743,242	637,777	652,056	821,715	-146,132	675,583	23,527

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 652,056
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 714	
b. Compensable Days - Two Days Less	$ -1,169	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 2,895	
Total Civilian Personnel Costs	$ 2,440	
Non-Personnel Price Growth		
a. Stock fund Material	$ 317	
b. Commercial Transportation Rate	$ 127	
c. Indirect Hire Foreign National FY 1989 Pay Raise	$ 11,218	
d. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 8,741	
e. Travel	$ 165	
f. Commercial Communications	$ 3	
g. Private Sector	$ 3,047	
Total Non-Personnel Price Increases	$ 23,618	
Total Price Growth		$ 26,058

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

III. Financial Summary ($ in Thousands) Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases		
a. Army Drug and Alcohol Prevention and Control Program (Base: $12,003)....$	-440	
Eliminates one time costs incurred for the Family Member Drug and Alcohol Assessment and Referral Program during FY 1988.		
b. Base Operation Support (Base: $409,169).....$	-2,011	
Reduces the level of spending for operating supplies and non-personnel and non-contractual related items of expenditure associated with installation base operating activities.		
c. Force Modernization (Base: $20,106).....$	-80	
Eliminates one-time base operating costs associated with the fielding of new and modernized equipment entering the Army inventory in FY 1989. (For details on specific systems, see "Intensively Managed Systems" section.)		
Total Program Decreases.....$		-2,531
FY 1989 Budget Request.....$		675,583

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	129,285	108,304	113,608
Military E/S	1,333	793	791
Civilian E/S	2,729	2,120	2,119
Total Personnel E/S	4,062	2,913	2,910
Number of Bases, Total	182	182	182
(O/S)	182	182	182
Population Served, Total E/S	266,897	267,408	268,820
(Military, E/S)	197,738	197,257	198,075
(Civilian, E/S)	69,159	70,151	70,745
Actions/Vouchers Processed (000)	328,194	330,583	332,000
No. ADP CPU's	495	495	495
B. Retail Supply Operations ($000)	41,508	39,612	41,363
Military E/S	345	106	106
Civilian E/S	1,775	1,629	1,560
Total Personnel E/S	2,120	1,735	1,666
Line Item Carried (000)	215	203	198
Receipts (000)	2,621	2,474	2,410
Issues (000)	3,698	3,491	3,401

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
C. Maintenance of Installation Equipment ($000)	43,704	32,976	36,519
Military E/S	276	9	9
Civilian E/S	1,618	1,641	1,648
Total Personnel E/S	1,894	1,650	1,657
Number of Work Orders	162,560	122,657	135,800
D. Bachelor Hsg Ops./Furn. ($000)	32,666	19,066	19,880
Military E/S	11	3	3
Civilian E/S	476	461	483
Total Personnel E/S	487	464	486
No. of Officer Quarters	3,267	3,267	3,267
No. of Enlisted Quarters	162,733	163,081	164,159
E. Morale, Welfare & Rec ($000)	135,316	122,629	124,540
Military E/S	253	20	18
Civilian E/S	3,895	3,567	3,720
Total Personnel E/S	4,148	3,587	3,738
Population Served, Total	530,710	527,984	530,635
(Military, E/S)	197,738	197,257	198,075
(Civilian/Dependents, E/S)	329,672	330,727	332,560

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
F. Other Base Services ($000)	195,214	201,930	208,350
Military E/S	2,602	1,316	1,314
Civilian E/S	8,003	7,035	6,667
Total Personnel E/S	10,605	8,351	7,981
Number of Motor Vehicles, Total	9,511	9,588	9,573
(Owned)	9,404	9,487	9,487
(Leased)	107	101	86
Number of Miles Driven (000)	160,563	160,563	160,450
G. Other Personnel Support ($000)	119,253	127,539	131,323
Military E/S	713	231	248
Civilian E/S	5,999	4,709	4,854
Total Personnel E/S	6,712	4,940	5,102
Population Served, Total	269,244	264,965	265,558
(Military, E/S)	199,084	197,690	198,944
(Civilian, E/S)	70,160	67,275	66,614
Meals Served (In Mandays) (000)	14,693	17,650	17,650

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actuals	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	630	569	453	453	565	-124	441
Enlisted	4,903	2,087	2,025	2,025	2,114	-66	2,048
Total Military	5,533	2,656	2,478	2,478	2,679	-190	2,489
Civilian End Strength							
U.S Direct Hire	10,368	8,220	7,848	7,848	8,301	-262	8,039
Foreign Nat. Direct Hire	373	482	554	554	440	65	505
Foreign Nat. Indirect Hire	13,754	13,293	12,760	12,760	13,241	-734	12,507
Total Civilian	24,495	21,995	21,162	21,162	21,982	-931	21,051
Total End Strength	30,028	24,651	23,640	23,640	24,661	-1,121	23,540

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

V. Personnel Summary (Continued):

Military

The increase of eleven in FY 1989 results from further Standard Installation Organization adjustments.

Civilian

The decrease of 111 in FY 1989 reflects further Standard Installation Organization adjustments.

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actuals	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	575	545	541	541	567	-120	447
Enlisted	3,984	2,391	3,464	3,464	2,101	-65	2,036
Total	4,559	2,936	4,005	4,005	2,668	-185	2,483
Civilian Workyears							
U.S. Direct Hire	8,882	8,032	7,963	7,963	8,237	-473	7,764
Foreign Nat. Direct Hire	411	470	475	475	432	19	451
Foreign Nat. Indirect Hire	12,885	12,802	12,802	12,802	12,688	-409	12,279
Total	22,178	21,304	21,240	21,240	21,357	-863	20,494

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity provides Real Property Maintenance Activities (RPMA) for general purpose forces and their supporting structure at 39 military communities in Europe which include 182 principal Army installations (excluding Berlin, which is funded by the Federal Republic of Germany). The FY 1989 request totals $1,175.3 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Real Property Maintenance	48,400
Utilities Savings	-1,001
Force Modernization	-672

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds provide Real Property Maintenance Activity support in the following areas:

A. Operation of Utilities - Finances procurement, production and distribution of utilities for Europe communities. Included are operating costs for Army owned heating and electrical generating plants, purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property - Finances maintenance and repair of buildings, structures, roads, railroads, grounds and utility systems at Europe communities. The FY 89 request will not cover the annual maintenance and repair requirements and the Backlog of Maintenance and Repair (BMAR) will increase approximately $190.7 million. This increase in backlog will result in degradation to utilities systems, unaccompanied personnel housing, and operational facilities. Migration in the amount of $10 million has been considered in estimating the BMAR.

C. Minor Construction - Finances the erection, installation or assembly of a new real property facility, or the addition or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support - Finances other facilities engineering services for Europe communities, such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation. Includes resources for Real Estate Administration and Construction Support in Europe.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

			FY 1988			FY 1989			
A.	Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
	EUROPE	1,137,107	1,183,692	1,128,955	1,078,606	1,296,887	-121,603	1,175,284	96,678

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 1,078,606
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 552	
b. Compensable Days-Two Less Days	$ -112	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 335	
Total Civilian Personnel Costs	$ 775	
Non-Personnel Price Growth		
a. Stock Fund Material	$ 59	
a. Commercial Transportation	$ 27	
c. Annualization of FY 88 Foreign National Indirect Hire Pay Raise	$ 9,311	
d. FY 89 Foreign National Indirect Hire Pay Raise	$ 11,249	
e. Travel	$ 24	
f. Commercial Communications	$ 7	
g. Utilities	$ 5,156	
h. Private Sector Price Increase	$ 23,343	
Total Non-Personnel Price Growth	$ 49,176	
Total Price Growth		$ 49,951

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Real Property Maintenance (RPM) (Base: $591,047).....$ 48,400
Real Property Maintenance funding has been reduced to levels far below the Annual Recurring Requirement (ARR) in recent years. This programmatic increase will partially close the gap but does not fully fund the ARR due to overall budget constraints. Consequently, there will be some deterioration of existing Army facilities with an associated degradation of living and working conditions at U.S. military installations. For example, many high priority projects to repair utilities systems, troop barracks, maintenance facilities, operational facilities, and more will, or necessity, be deferred. The Backlog of Maintenance and Repair (BMAR) will rise by $191 million in FY 1989.

Total Program Increase.....$ 48,400

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases		
a. Force Modernization Program (Base: $1,954)..... Reduces funds required to support the fielding of selected new of modernized equipment entering the active force in FY 1989. (For details on specific systems, see "Intensively Managed Systems" section).	$	-672
b. Utilities Savings (Base: $250,659)..... The Army has invested large sums in energy conservation devices and methods over the past several years. The Army energy plan projects a reduction in utilities consumption of 40% by FY 2000 from the level experienced in FY 1975. The combination of investments in technology and emphasis on conservation has reduced consumption levels. This downward adjustment reflects these savings.	$	-1,001
Total Program Decreases.....	$	-1,673
FY 1989 Budget Request.....	$	1,175,284

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987 Actuals*	FY 1988 Estimate**	FY 1989 Request**
A. Maintenance/Repair, Real Property, K ($000)	596,941	530,766	619,561
Military Personnel E/S	39	10	10
Civilian Personnel E/S	6,777	6,686	6,892
Total Personnel E/S	6,816	6,696	6,902
Annual M&R Requirements ($000)	586,555	737,800	762,300
Major Repair Projects ($000)	139,701	122,762	134,234
Backlog, Maintenance & Repair ($000)	522,200	855,620	1,046,285
Military Housing Floor Space (000 sq ft)	56,127	56,146	56,146
All Other Floor Space (000 sq ft)	128,021	128,101	128,120
B. Minor Construction, L ($000)	90,167	60,281	56,021
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	0	0
Total Personnel E/S	0	0	0
Number of Projects	600	622	566
C. Operation of Utilities, J ($000)	235,642	250,659	255,981
Military Personnel E/S	0	0	0
Civilian Personnel E/S	1,498	1,359	1,275
Total Personnel E/S	1,498	1,359	1,275
Electricity (MWH)	992,972	1,003,794	1,014,734
Heating (MBTU)	15,470,284	15,006,176	14,555,991
Water, Plants & Systems (000 gals)	7,120,587	7,155,600	7,185,537
Sewage & Waste Systems (000 gals)	6,828,185	6,877,266	6,920,246
Air Conditioning & Refrig (Tons)	14,743	14,743	14,743

*Costed @ DM 2.46 to $1: **Costed @ DM 2.06 to $1

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual *	FY 1988 Estimate**	FY 1989 Request**
D. Engineer Support, M ($000)	214,357	236,900	243,721
Military Personnel E/S	200	151	152
Civilian Personnel E/S	5,750	5,644	5,553
Total Personnel E/S	5,950	5,795	5,705
Fire Protection/Prevention, Rescue E/S	816	816	818
Custodial Services (000 sq ft)	25,040	25,200	25,400
Entomology Services (000 sq ft)	182,038	182,344	182,600
Refuse Collection/Disposal (000 cu yds)	4,976	5,008	5,030
Number of Real Estate Actions Completed	2,143	2,250	2,363
Number of Inspections Completed	0	0	0
Number of Lease Actions Completed	1,888	1,982	2,081
Number of Grant Actions Completed	0	0	0
Number of Disposal Actions Completed	255	268	281

*Costed @ DM 2.46 to $1: **Costed @ DM 2.06 to $1

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actuals	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	78	56	41	41	56	-15	41
Enlisted	161	117	120	120	117	4	121
Total Military	239	173	161	161	173	-11	162
Civilian End Strength							
U.S Direct Hire	803	651	603	603	635	-64	571
Foreign Nat. Direct Hire	314	351	351	351	351	1	352
Foreign Nat. Indirect Hire	12,908	13,076	12,735	12,735	12,943	-146	12,797
Total Civilian	14,025	14,078	13,689	13,689	13,929	-209	13,720
Total End Strength	14,264	14,251	13,850	13,850	14,102	-220	13,882

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

The increase of one in FY 1989 reflects realignments and reprogramming.

Civilian

The increase of 31 in FY 1989 is due to force structure changes.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: EUROPE REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actuals	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	66	56	59	59	56	-15	41
Enlisted	161	127	140	140	117	3	120
Total	227	183	199	199	173	-12	161
Civilian Workyears							
U.S. Direct Hire	842	646	604	604	635	-63	572
Foreign Nat. Direct Hire	350	351	321	321	351	-29	322
Foreign Nat. Indirect Hire	13,150	12,795	11,836	11,836	12,621	-1,016	11,605
Total	14,342	13,792	12,761	12,761	13,607	-1,108	12,499

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC FORCES

I. Narrative Description

This activity group provides for the operation and maintenance of two combat divisions in the Pacific (2d Infantry Division, Korea and the 25th Infantry Division, Hawaii), non-divisional combat units and other non-divisional forces stationed in the Pacific Theater. Additionally, provides funding associated with Headquarters, Eighth United States Army; Headquarters, United States Army, Japan; and Headquarters, United States Army Western Command.

II. Description of Operations Financed

Provides resources to support two Infantry Divisions and non-divisional units, combat support, and combat service support units located in the Pacific Theater. The request for training resources will permit units to attain and maintain combat readiness at levels consistent with mission priorities. These resources also provide for the recurring costs for new systems fielded, the operator training costs associated with these systems, and for maintenance associated with the redistribution of replaced systems. Funding also defrays operating costs which are properly chargeable to unit operations in the performance of assigned missions. Operating costs include organizational maintenance; sustainment training conducted by operating force units; conduct of the Army Training and Evaluation Program; conduct of directed readiness tests; and those one-time and recurring costs of supplies and equipment incurred solely as a result of reorganizations, conversions, activations, and inactivations of units.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC FORCES

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED REQUEST	CHANGE FY 88/88
Price Growth					10,035	144	10,179	10,179
Unit Training/Operation	211,905	217,466	198,565	172,315	239,400	-49,722	189,678	17,363
Maintenance/Logistical Support	52,487	66,630	57,446	57,446	77,491	-16,275	61,216	3,770
Light Division Initiatives	659	2,566	2,566	27,389	2,491	27,525	30,016	2,627
Force Modernization	796	1,403	1,380	1,380	1,497	-3	1,494	114
Special Operations Forces	2,782	3,118	3,118	0	3,118	-3,118		
Tactical Medical Support				1,346		1,346	1,346	
TOTALS	268,629	291,183	263,075	259,876	334,032	-40,103	293,929	34,053

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 259,876
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 1,201	
b. Compensable Days - Two Days Less	$ -166	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 478	
Total Civilian Personnel		$ 1,513
Non-Personnel Price Growth		
a. Stock Fund - Material	$ 3,201	
b. Commercial Transportation Rate	$ 411	
c. Indirect Hire Foreign National FY 1989 Pay Raise	$ 670	
d. Indirect Hire Foreign National FY 1989 Pay Raise - Separation Allowance	$ 581	
e. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 1,372	
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise - Separation Allowance	$ 171	
g. Travel	$ 363	
h. Utilities	$ 5	
i. Private Sector	$ 1,892	
Total Non-Personnel		$ 8,66[illegible]
Total Price Growth		$ 10,179

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Increases

(1) Unit Training and Operations (Base $172,315).....$ 17,363
Base resources support garrison operations, unit training, flying hours, non-JCS exercises, the conduct of the Army Training and Evaluation Program (ARTEP), and the costs of sustaining new equipment fielded in FY 1989 and prior. The FY 1989 budget increases the OPTEMPO of major combat vehicles from the FY 1988 level of 725, which was necessary to absorb Congressional reductions, to 850 miles ($9,080). The flying hour program is also increased from 14.5 hours in FY 1988 to 15.8 hours ($7,479). Intelligence related training is improved thru maintenance of critical language skills, the modernization of intelligence support systems, and subtraction of one-time costs ($761). Continues with the activations of a Medical Clearing Company and a Mechanized Smoke Company ($1,461). Resources also support changes in cost factors and revised distribution of recently fielded, modernized equipment ($625). These improvements in combat readiness are self-financed thru reductions for support costs of displaced equipment ($-240), one-time savings resulting from previous force structure decisions ($-1,030), and the current reductions to the aviation structure ($-773).

(2) Maintenance and Logistical Support (Base $57,446).....$ 3,770
Base program supports the sustainability of the combat force during peacetime and continuous land combat operations. Increases provide for continued procurement of the Extended Cold Weather Clothing System and other protective devices and clothing designed to improve the safety of the individual soldier ($582). Combat sustainability is improved through increased support to the combat PLL/ASL program which provides units with essential repair parts to support operations in combat ($1,138). Continues the initiative to improve the

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Increases (Continued)

security and handling of chemical munitions stored at Johnston Island. FY 1989 increase is required to pay the increased cost of contractor support for multi-shift operations in support of 105 millimeter demilitarization ($2,550). These minimum essential increases are offset by a reduction for the one-time transfer from MCA for upgrade of the joint command facility at Camp Tango, Korea ($-500).

(3) Light Infantry Division Initiatives (Base $27,389).....$ 2,627
Base resources support garrison operations, unit training, flying hours, non-JCS exercises, the conduct of the Army Training and Evaluation Program (ARTEP), the costs of sustaining new equipment fielded in FY 1989 and prior, and various force structure actions associated with the activations and conversions of the Army's light infantry divisions. Increases support battalion level training and unit exchanges with Pacific base countries ($2,702). The FY 1989 budget is decreased for one-time costs associated with the FY 1988 activation of a Military Police Company in the 25th Division (Light) ($-75).

(4) FY 1989 Force Modernization Program (Base $1,380).....$ 114
Provides mission operating funds to support the fielding of selected new or modernized equipment entering the active force inventory in FY 1989 or prior. (For details on specific systems, see "Intensively Managed Systems" section.)

Total Program Increases.....$ 23,874

FY 1989 Budget Request.....$ 293,929

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC FORCES

IV. Performance Criteria and Evaluation

	FY 1987	FY 1988	FY 1989
Maneuver Battalions/Squadrons			
Armor	2	2	2
Light Infantry	9	9	9
Standard Infantry	3	3	3
Mechanized Infantry	2	2	2
Flying Hours	82,095	87,445	94,069
Ground OPTEMPO	800	725	850

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC FORCES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	4,095	4,290	4,210	4,210	4,307	26	4,333
Enlisted	34,812	34,945	35,047	35,047	35,196	895	36,091
Total Military End Strength	38,907	39,235	39,257	39,257	39,503	921	40,424
Civilian End Strength							
U.S. Direct Hire	820	754	743	743	800	-64	736
Foreign National Direct Hire	1,344	1,119	1,143	1,143	1,096	17	1,113
Foreign National Indirect Hire	3,243	3,225	3,245	3,245	3,225	20	3,245
Total Civilian End Strength	5,407	5,098	5,131	5,131	5,121	-27	5,094
Military Workyears							
Officer	4,044	4,251	4,153	4,153	4,299	-27	4,272
Enlisted	34,555	34,838	34,930	34,930	35,071	498	35,569
Total Military Workyears	38,599	39,089	39,083	39,083	39,370	471	39,841
Civilian Workyears							
U.S. Direct Hire	944	714	701	701	798	-61	737
Foreign National Direct Hire	1,362	677	788	788	985	104	1,089
Foreign National Indirect Hire	3,192	3,171	3,181	3,181	3,161	20	3,181
Total Civilian Workyears	5,498	4,562	4,670	4,670	4,944	63	5,007

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC FORCES

V. Personnel Summary (Continued):

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 1,167 in FY 89 is for logistical support (+82); platoon leaders for divisional forces (+27); tactical support (+557); chemical demilitarization (+64); force related training (+73); and force structure adjustments (+411) offset by a management headquarters reduction (-47).

CIVILIAN

The decrease of 37 for FY 89 reflects management headquarters reductions (-50) offset by increases in support of logistics units (+13).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

I. Narrative Description: This budget activity provides for the operation and maintenance of installation type support, less real property maintenance activities, for general purpose forces and their supporting structure at 51 installations in the Pacific. The FY 1989 request totals $ 262.3 million. Major program increases/ decreases contained in this request are as follows:

Program	FY 1989
Base Operating Support	4,557
Flying Hour Program	-95

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

II. Description of Operations Financed - Funds provide installation support in the following areas:

A. Administration - Finances all activities concerned with the headquarters command and administration of the installation; and other installation-wide activities not otherwise provided for, such as adjutant activities. Finances automated processing activities in support of Base Operations. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution centers print plants and printing and reproduction of publications.

B. Retail Supply Operations - Finances the operation of consolidated post supply. Includes the operation of self-service centers and clothing issue points and the office of the Director Logistics. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment - Finances Direct and General Support Maintenance of Support Systems such as vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings - Finances the purchase, control, moving and handling of housing furnishings for unaccompanied personnel officer quarters and bachelor enlisted quarters. Finances the operation and administration of all unaccompanied personnel housing.

E. Community and Morale Support Activities - Finances the development, staffing, equipping, administration and operation of installation libraries, soldier sports programs, Army Community Service, and Child Development Services, Youth Program, and other CORE community/family programs.

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services - Finances the operation of local (installations) non-tactical motor transportation service to include government-owned vehicles. Finances operation of laundry and dry cleaning plants and contracting for such services where Army-owned plants are not operated in-house. Finances police services at 51 installations to include military police operations, installation level confinement activities, physical security operation and operation of physical security equipment. Finances the management of training facilities, training aids, range operations, and mobilization support. Finances the management of security counterintelligence and planning functions at the installation.

G. Other Personnel Support - Finances operation and administration of food services, food preparation facilities and dining facilities. This function is performed by contractor, civilian and military personnel. Finances chaplain activities. command information program, alcohol and drug abuse program and reenlistment activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

III. Financial Summary ($ in Thousands):

A. Subactivity Break	FY 1987	FY 1988			FY 1989			Change
		Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	FY 88/89
Pacific	262,724	283,471	250,172	251,229	294,058	-31,770	262,288	11,059

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Request		$ 251,229
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 1,654	
b. Compensable Days - Two Less Days	$ -411	
c. FY 89 Civilian Personnel Pay Raise - 2 Percent	$ 920	
Total Civilian Personnel Costs	$ 2,163	
Non-Personnel Price Growth		
a. Stock Fund Material	$ 1,006	
b. Commercial Transportation Rate	$ 160	
c. Indirect Hire Foreign National FY 1989 Pay Raise	$ 547	
d. Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$ 4,869	
e. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 448	
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise Separation Allowance	$ -4,504	
g. Travel	$ 156	
h. Private Sector Price Increase	$ 1,752	
Total Non-Personnel	$ 4,434	
Total Price Growth		$ 6,597

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Base Operating Support (Base: $208,010).....$ 4,557
Provides additional base operations costs for cyclical maintenance or replacement of installation equipment and vehicles in the active Army inventory; increased workloads in retail supply operations; enhanced automation in support of command and control system capability for the Combined Field Army and 2nd Infantry Division in Korea; and increased workload in food services support for maintaining the current garrison feeding standard necessary to support readiness and training goals.

Total Program Increases.....$ 4,557

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decrease

a. Flying Hour Program (Base: $586).....	$	-95
This represents a net reduction to the flying hour program caused by the reductions in size of some administrative helicopter units offset by the proposed air OPTEMPO going from a FY 88 level of 14.5 hours/crew/month to 15.8 hours/crew/month in FY 89.		
Total Program Decreases.....	$	-95
FY 1989 Budget Request.....	$	262,288

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	55,871	52,782	54,895
Military E/S	735	664	666
Civilian E/S	953	1,030	983
Total Personnel E/S	1,688	1,694	1,649
Number of Bases, Total	51	51	51
(CONUS)	0	0	0
(O/S)	51	51	51
Population Served, Total E/S	62,518	62,568	63,630
(Military, E/S)	43,016	42,886	44,085
(Civilian, E/S)	19,502	19,682	19,545
Actions/Vouchers Process (000)	98	99	101
No. ADP CPU's	16	16	16
B. Retail Supply Operations ($000)	48,040	45,488	48,352
Military E/S	394	256	251
Civilian E/S	1,407	1,504	1,487
Total Personnel E/S	1,801	1,760	1,738
Line Items Carried (000)	2,499	2,359	2,516
Receipts/Issues (000)	3,932	3,712	3,960

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
C. Maintenance of Installation Equipment ($000)	16,745	17,470	18,998
Military E/S	27	83	82
Civilian E/S	311	954	965
Total Personnel E/S	338	1,037	1,047
Number of Work Orders	103	108	117
D. Bachelor Hsg Ops./Furn. ($000)	7,994	8,317	8,431
Military E/S	25	27	27
Civilian E/S	111	108	115
Total Personnel E/S	136	135	142
No. of Officer Quarters	3,450	3,768	3,942
No. of Enlisted Quarters	48,750	52,638	53,482
E. Morale, Welfare & Rec ($000)	35,318	32,521	32,616
Military E/S	326	142	145
Civilian E/S	561	616	639
Total Personnel E/S	887	758	784
Population Served, Total	92,015	92,065	92,667
(Military, E/S)	43,016	42,886	43,635
(Civilian/Dependents, E/S)	48,999	49,179	49,032

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
F. Other Base Services ($000)	66,168	62,957	65,772
Military E/S	1,226	926	928
Civilian E/S	2,627	2,579	2,572
Total Personnel E/S	3,853	3,505	3,500
Number of Motor Vehicles, Total	2,757	2,757	2,757
(Owned)	1,910	1,910	1,910
(Leased)	847	847	847
Number of Miles Driven (000)	23,177	23,200	23,225
G Other Personnel Support ($000)	32,588	31,694	33,224
Military E/S	658	549	240
Civilian E/S	1,173	1,226	1,244
Total Personnel E/S	1,831	1,775	1,484
Population Served, Total	62,518	62,568	63,180
(Military, E/S)	43,016	42,886	43,635
(Civilian, E/S)	19,502	19,682	19,545
Meals Served (In Mandays) (000)	9,533	10,500	10,200

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	382	245	203	203	250	-59	191
Enlisted	3,009	2,216	2,444	2,444	2,229	-81	2,148
Total Military	3,391	2,461	2,647	2,647	2,479	-140	2,339
Civilian End Strength							
U.S. Direct Hire	2,042	1,931	2,056	2,056	1,900	191	2,091
Foreign Nat. Direct Hire	3,743	4,444	4,464	4,464	4,389	22	4,411
Foreign Nat. Indirect Hire	1,358	1,444	1,497	1,497	1,444	59	1,503
Total Civilian	7,143	7,819	8,017	8,017	7,733	272	8,005
Total End Strength	10,534	10,280	10,664	10,664	10,212	132	10,344

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

V. Personnel Summary (Continued):

Military

The decrease of 308 in FY 1989 reflects further realignments associated with the Standard Installation Organization concept.

Civilian

The net decrease of twelve in FY 1989 results from organizational realignments and reprogrammings.

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	362	257	292	292	248	-51	197
Enlisted	2,591	2,243	2,726	2,726	2,223	73	2,296
Total	2,953	2,500	3,018	3,018	2,471	22	2,493
Civilian Workyears							
U.S. Direct Hire	2,018	1,822	1,903	1,903	1,874	182	2,056
Foreign Nat. Direct Hire	3,775	3,918	3,813	3,813	4,435	-73	4,362
Foreign Nat. Indirect Hire	1,444	1,443	1,492	1,492	1,443	56	1,499
Total	7,237	7,183	7,208	7,208	7,752	165	7,917

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity provides Real Property Maintenance Activities (RPMA) support for General Purpose Forces and their supporting structure at 51 Army installations and activities in Pacific. The FY 1989 request totals $265 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Real Property Maintenance	14,589
Utilities Savings	-443
25th ID to Light Design	-200

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds requested will provide support in four functional areas of Real Property Maintenance Activities. These functional areas are:

A. Operation of Utilities - Finances procurement, production and distribution of utilities for 51 Pacific installations. Included are operating costs for Army owned heating and electrical generating plants, purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property - Finances maintenance and repair of buildings, structures, roads, grounds and utility systems at 51 installations. The FY 89 request will not cover the annual maintenance and repair requirements and the Backlog of Maintenance and Repair (BMAR) will increase by $20.9 million. This increase in backlog will result in degradation of utilities systems, unaccompanied personnel housing, and operational facilities. Migration in the amount of $5 million has been considered in the budget request in estimating the backlog of maintenance and repair.

C. Minor Construction - Finances the erection, installation or assembly of a new real property facility, or the addition or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support - Finances other facilities engineering services for Pacific installations, such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation, includes Construction Support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

			FY 1988			FY 1989			
A.	Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
	Pacific	315,691	264,340	245,720	244,522	267,213	-2,154	265,059	20,537

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 244,522
Price Growth		
Civilian Personnel Costs		
a. FY 88 Civilian Salaries (Annualization)	$ 577	
b. Compensable Days - Two Days Less	$ -205	
c. FY 89 Civilian Personnel Pay Raise - 2 Percent	$ 499	
Total Civilian Personnel Costs	$ 871	
Non-Personnel Price Growth		
a. Travel	$ 5	
b. Stock Fund Material	$ 762	
c. Indirect Hire Foreign National FY 89 Pay Raise	$ 332	
d. Indirect Hire Foreign National FY 89 Pay Raise Sep Allowance	$ 2,869	
e. Annualization of FY 88 Foreign National Indirect Hire Pay Raise	$ 271	
f. Annualization of FY 88 Foreign National Indirect Hire Pay Raise Sep Allowance	$ -2,682	
g. Utilities	$ 1,230	
h. Private Sector Price Increase (all other)	$ 2,933	
Total Non-Personnel Price Growth	$ 5,720	
Total Price Growth		$ 6,591

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Real Property Maintenance (Base: $130,734).....$ 14,589
Real Property Maintenance funding has been reduced to levels far below the Annual Recurring Requirement (ARR) in recent years. This programatic increase will partially close the gap but does not fully fund the ARR due to overall budget constraints. Consequently, there will be some deterioration of existing Army facilities with an associated degradation of living and working conditions at U.S. military installations. For example, many high priority projects to repair utilities systems, troop barracks, maintenance facilities, operational facilities, and more will, of necessity, be deferred. The Backlog of Maintenance and Repair (BMAR) will still rise by $20.1 million in FY 1989.

Total Program Increases.....$ 14,589

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

a. Utilities Savings - Energy Conservation (Base: $55,437).....$ -443
The Army has invested large sums in energy conservation devices and methods over the past several years. The Army energy plan projects a reduction in utilities consumption in its facilities of 40 percent by FY 2000 from the level experienced in FY 1975. The combination of investments in technology and emphasis on conservation has reduced consumption levels. This downward adjustment reflects these savings.

b. 25th Infantry Division to Light Design (Base: $200).....$ -200
Represents one-time cost initiatives accomplished in FY 88 associated with the conversion of the 25th Infantry Division to a Light Division Design.

Total Program Decreases.....$ -643

FY 1989 Budget Request.....$ 265,059

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Maintenance/Repair, Real Property, K ($000)	153,275	117,281	129,170
Military Personnel E/S	6	22	22
Civilian Personnel E/S	2,034	2,298	2,274
Total Personnel E/S	2,040	2,320	2,296
Annual M&R Requirements ($000)	127,851	140,300	144,700
Major Repair Projects ($000)	19,926	15,923	16,967
Backlog, Maintenance & Repair ($000)	27,353	49,385	70,293
Military Housing Floor Space (000 sq ft)	10,055	10,055	10,055
All Other Floor Space (000 sq ft)	33,330	33,384	33,384
B. Minor Construction, L ($000)	26,131	13,453	13,664
Military Personnel E/S	0	0	0
Civilian Personnel E/S	56	22	22
Total Personnel E/S	56	22	22
Number of Projects	523	279	253
C. Operation of Utilities, J ($000)	58,730	55,437	57,866
Military Personnel E/S	6	11	11
Civilian Personnel E/S	507	422	422
Total Personnel E/S	513	433	433
Electricity (MWH)	432,803	433,303	432,803
Heating (MBTU)	3,284,909	3,280,909	3,215,921
Water, Plants & Systems (000 gals)	5,841,890	5,841,890	5,841,890
Sewage & Waste Systems (000 gals)	3,700,164	3,800,000	3,800,000
Air Conditioning & Refrig (Tons)	35,074	35,574	35,574

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
D. Engineer Support, M ($000)	77,555	58,351	64,359
Military Personnel E/S	96	86	86
Civilian Personnel E/S	2,341	2,049	2,080
Total Personnel E/S	2,437	2,135	2,166
Fire Protection/Prevention, Rescue E/S	609	609	609
Custodial Services (000 sq ft)	5,637	5,437	5,497
Entomology Services (000 sq ft)	42,784	42,838	42,838
Refuse Collection/Disposal (000 cu yds)	633	633	633

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	21	19	15	15	19	-4	15
Enlisted	87	92	104	104	92	12	104
Total Military	108	111	119	119	111	8	119
Civilian End Strength							
U.S. Direct Hire	907	840	839	839	840	2	842
Foreign Natl Direct Hire	3,156	3,074	3,074	3,074	3,074	4	3,078
Foreign Natl Indirect Hire	875	886	878	878	886	-8	878
Total Civilian	4,938	4,800	4,791	4,791	4,800	-2	4,798
Total End Strength	5,046	4,911	4,910	4,910	4,911	6	4,917

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

No end strength change in FY 1989.

Civilian

An increase of seven reflects manning adjustments.

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: PACIFIC REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	20	19	18	18	19	-4	15
Enlisted	85	96	95	95	92	12	104
Total	105	115	113	113	111	8	119
Civilian Workyears							
U.S. Direct Hire	940	805	804	804	805	2	807
Foreign Nat. Direct Hire	3,159	2,945	2,947	2,947	2,953	6	2,959
Foreign Nat. Indirect Hire	879	891	883	883	891	-8	883
Total	4,978	4,641	4,634	4,634	4,649	0	4,649

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: SOUTH FORCES

I. Narrative Description

This activity group provides for the operation and maintenance of a special mission Infantry Brigade (Separate) and theater support forces located in Panama. These forces are positioned to defend the Panama Canal and enhance the United States' capability to train for and support low intensity operations/exercises in Latin America and provide environmental training to U.S. forces at the Jungle Operations Training Center.

II. Description of Operations Financed

Provides resources to support a special mission Infantry Brigade (Separate) and theater support forces located in Panama. Resources defray operating costs chargeable to unit operations in the performance of assigned missions to include the ability to conduct operations in a high probability, low intensity scenario along the lower end of the conflict spectrum. Major activities funded in this aggregation include operational and readiness training exercises, and assigned organizational maintenance. Additionally, funds provide for the operator training and recurring costs for new systems fielded.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: SOUTH FORCES

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY88/89
Price Growth					1,768	-761	1,007	1,007
Low Intensity Operations	33,193	32,764	32,764	33,748	29,003	4,365	33,368	-380
Unit Training/Operations	23,851	13,424	12,298	17,981	14,500	2,045	16,545	-1,436
Force Modernization	0	133	133	133	152	-8	144	11
Special Operations Forces	1,779	3,466	3,466	0	5,578	-5,578	0	0
TOTALS	58,823	49,787	48,661	51,862	51,001	63	51,064	-798

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: SOUTH FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 51,862
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 25	
b. Compensable Days - Two Days Less	$ -17	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 25	
Total Civilian Personnel		$ 33
Non-Personnel Price Growth		
a. Stock Fund - Material	$ 251	
b. Commercial Transportation Rate	$ 2	
c. Travel	$ 82	
d. Private Sector	$ 639	
Total Non-Personnel		$ 974
Total Price Growth		$ 1,007

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: SOUTH FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increases

FY 1989 Force Modernization (Base $133).....$ 11
Provides mission operating funds to support the fielding of selected new or modernized equipment entering the active force inventory in FY 1989. (For details on specific systems, see "Intensively Managed Systems" section.)

Total Program Increases.....$ 11

Program Decreases

(1) Unit Training and Operations (Base $ 17,981).....$ -1,436
Resources support garrison operations, unit training, flying hours, non-JCS exercises, the conduct of the Army Training and Evaluation Program (ARTEP), and the costs of sustaining new equipment fielded in FY 1989 and prior. The FY 1989 budget increases the OPTEMPO of major combat vehicles from the FY 1988 level of 725 which was necessary to absorb Congressional reductions to 850 miles ($110). Although the flying hour program is increased from 14.5 hours in FY 1988 to 15.8 hours, the resources to support flying hours for South Forces is reduced due to realignments between CONUS and South Forces ($-1,546).

(2) Low Intensity Operations (Base $33,748).....$ -380
Base resources support those unit operating costs which are related to training for the conduct of operations in high probability, low intensity scenario. Also resources the planning and preparation of training exercises in the Southern American Hemisphere and for logistical support between and during major exercises. Support provided includes supplies, maintenance contracts, food service, laundry,

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: SOUTH FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Decreases (Continued)

security of personnel and equipment and administrative support. FY 1989 change is the result of changes in costs associated with exercises in the region and administrative operations in Panama ($-380).

Total Program Decreases	$	-1,816
FY 1989 Budget Request	$	51,064

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: SOUTH FORCES

IV. Performance Criteria and Evaluation

	FY 1987	FY 1988	FY 1989
Maneuver Battalions/Squadrons			
Light Infantry	1	1	1
Standard Infantry	0	0	0
Light Infantry (Airborne)	1	1	1
Flying Hours	22,937	21,512	19,837
Ground OPTEMPO	800	725	850

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: SOUTH FORCES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	657	821	555	555	821	-190	631
Enlisted	4,473	5,316	4,138	4,138	5,355	-1,026	4,329
Total Military End Strength	5,130	6,137	4,693	4,693	6,176	-1,216	4,960
Civilian End Strength							
U.S. Direct Hire	23	11	88	88	11	77	88
Foreign National Direct Hire	14	7	0	0	7	-7	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian End Strength	37	18	88	88	18	70	88
Military Workyears							
Officer	639	819	606	606	821	-228	593
Enlisted	4,044	5,346	4,306	4,306	5,336	-1,102	4,234
Total Military Workyears	4,683	6,165	4,912	4,912	6,157	-1,330	4,827
Civilian Workyears							
U.S. Direct Hire	29	17	93	93	17	76	93
Foreign National Direct Hire	30	7	0	0	7	-7	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian Workyears	59	24	93	93	24	69	93

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: SOUTH FORCES

V. Personnel Summary (Continued):

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 267 in FY 89 supports intelligence increases (+24) and force structure increases (+243).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

I. Narrative Description

This activity group provides for operation of twelve combat divisions, three separate brigades, one Armored Cavalry Regiment, numerous nondivisional combat support and combat service support forces and related units engaged in air defense, special operations, support to other services, and special activities assigned to US Army Forces Command (FORSCOM). Includes resources formerly identified in the Budget Activity - Alaska Forces.

II. Description of Operations Financed

Provides resources to support two Armored Divisions, four Mechanized Infantry Divisions, three Light Infantry Divisions, one Motorized Division (MTZ), one Airborne Division, one Air Assault Division, one Air Combat Brigade, two Armored Brigades (Separate), one Mechanized Infantry Brigade (Separate), one Armored Cavalry Regiment, one Ranger Regiment, and the nondivisional combat units, combat support and combat service support units assigned to CONUS Forces - FORSCOM. The request for training resources will permit units to attain and maintain combat readiness at levels consistent with mission priorities. Provides resources for the operator training, the recurring operating costs for new systems fielded and the maintenance associated with redistribution of replaced systems. Major activities funded in this aggregration include the operating costs for sustainment training conducted by operating force units at home stations and at the cold weather and jungle environmental training centers; organizational maintenance; directed readiness tests and alerts; operation of Army aircraft; and conducting the Army Training and Evaluation Program.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY88/89
Price Growth					30,591	-12,285	18,306	18,306
Unit Training/Operations	58[illegible],037	656,171	613,684	519,030	683,975	-127,323	556,652	37,622
Combat Training Centers	9[illegible],727	98,102	84,393	84,393	104,652	-3,928	100,724	16,331
Maintenance/Logistical Support	5[illegible],405	47,696	43,369	48,203	85,425	-35,361	50,064	1,861
Light Division Initiatives	4[illegible],759	51,869	51,869	80,313	39,009	27,719	66,728	-13,585
Tactical Medical Support	2[illegible],127	16,056	8,056	6,928	1,379	5,549	6,928	0
Low Intensity Conflict	[illegible],742	11,218	11,218	11,218	11,218	0	11,218	0
Force Modernization	12,162	10,793	13,152	26,226	9,309	-2,354	6,955	-19,271
Base Commercial Equipment					0	-1,485	-1,485	-1,485
Special Operations Forces	44,755	47,634	47,634	0	47,634	-47,634	0	0
TOTALS	854,714	939,539	873,375	776,311	1,013,192	-197,102	816,090	39,779

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate.....$ 776,311

Functional Program Transfers

Inter-Appropriation Transfers Out:

Base Commercial Equipment.....$ -1,485
Transfer reflects an increase from the current five thousand dollars investment policy threshold to fifteen thousand dollars. Transfers funding back to Other Procurement, Army appropriation that represents the difference between the $25,000 limitation requested and the $15,000 limitation allowed by congress.

Total Functional Program Transfers Out.....$ -1,485

Price Growth

Civilian Personnel Costs

a. Civilian Salaries (Annualization).....$ -623
b. Compensable Days - Two Days Less.....$ -318
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent.....$ 1,557

Total Civilian Personnel.....$ 616

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth

a.	Stock Fund - Material	$ 6,948	
b.	Commercial Transportation Rate	$ 3,112	
c.	Travel	$ 2,947	
d.	Industrial Fund	$ 35	
e.	Private Sector	$ 4,648	
	Total Non-Personnel	$ 17,690	
	Total Price Growth		$ 18,306

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Increases

(1) Unit Training and Operations Base ($519,030).....$ 37,622
Base resources support garrison operations, unit training, flying hours, non-JCS exercises, the conduct of the Army Training and Evaluation Program (ARTEP), and the costs of sustaining new equipment fielded in FY 1989 and prior. The FY 1989 budget increases the OPTEMPO of major combat vehicles from the FY 1988 level of 725 which was necessary to absorb congressional reductions to 850 miles ($45,465). The flying hour program is also increased from 14.5 hours in FY 1988 to 15.8 hours ($12,575). Intelligence related training is improved thru maintenance of critical language skills ($130) and Projects TROJAN/ TENCAP ($200). Resources also support changes in cost factors and distribution of recently fielded, modernized equipment ($13,890). These improvements in combat readiness are self-financed thru reductions for support costs of displaced equipment ($-6,239), one-time savings resulting from previous force structure decisions ($-13,953), the current reductions to the aviation structure ($-4,619), a workyear reduction to field operating agencies ($-2,291) and the elimination of one brigade of the 9th Motorized Division ($-7,536).

(2) Maintenance and Logistical Support (Base $48,203).....$ 1,861
Base program supports the sustainability of the combat force during peacetime and continuous land combat operations. The budget supports international agreements for the prepositioning, maintenance and care of supplies which results in cost avoidance for related sealift and airlift requirements ($4,160). Increases also provide for continued procurement of the Extended Cold Weather Clothing System and other soldier protection items ($845). These minimum essential increases are in part self-financed through reductions for one-time costs of leasing Golden Knights Parachute Team aircraft ($-3,144).

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Increases

(3) Combat Training Centers (Base $ 84,393).....$ 16,331
Provides funding to support the rotation of 28 battalions to the National Training Center at Fort Irwin and thirteen battalions to the new Joint Readiness Training Center. The JRTC will provide Advanced Collective Training for non-mechanized, low intensity conflict task forces of the Active Army, Army National Guard and US Army Reserve using an opposing force (OPFOR) concept supported by austere instrumentation. With an operations group and OPFOR stationed at Little Rock Air Force Base, Arkansas, the majority of training will be conducted at Fort Chaffee, Arkansas, and additional sites that environmentally support unit war plans. The Battle Command Training Program will provide Like-Training for Division and Corps Commanders and Battle Staffs. A mobile concept, BCTP will train using available battle simulation centers - 12 exercises will be conducted ($16,331).

Total Program Increases.....$ 55,814

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Decreases

(1) Force Modernization (Base $ 26,226).....$ -19,271
Provides mission operating funds to support the fielding of selected new or modernized equipment entering the active force inventory in FY 1989. (For details on specific systems, see "Intensively Managed Systems" section.)

(2) Light Division Initiatives (Base $80,313).....$ -13,585
Base resources support garrison operations, unit training, flying hours, non-JCS exercises, the conduct of the Army Training and Evaluation Program (ARTEP), the costs of sustaining new equipment fielded in FY 1989 and prior, and various force structure actions associated with the activations and conversions of the Army's light infantry divisions. The FY 1989 budget supports the activation of Air Defense Artillery and Military Intelligence Battalions in the 10th Division (Mountain) and the subraction of one-time costs related to previous light design structure actions ($-9,617) as well as reductions related to not activating two infantry battalions of the 6th Infantry Division ($-3,968).

Total Program Decreases.....$ -32,856

FY 1989 Budget Request.....$ 816,090

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

IV. Performance Criteria and Evaluation

	FY 1987	FY 1988	FY 1989
Maneuver Battalions/Squadrons			
Armor	29	28	28
High Tech Motorized Infantry	9	9	6
Light Infantry	17	19	19
Standard Infantry	0	0	0
Mechanized Infantry	20	21	21
Air Assault Infantry	9	9	9
Airborne Infantry	9	9	9
Ranger	3	3	3
Armored Cavalry Squadrons	9	9	9
Flying Hours	409,033	351,003	369,752
Ground OPTEMPO	800	725	850

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	23,912	23,383	23,101	23,101	23,215	364	23,579
Enlisted	228,613	234,189	222,115	222,115	234,069	-15,170	218,899
Total Military End Strength	252,525	257,572	245,216	245,216	257,284	-14,806	242,478
Civilian End Strength							
U.S. Direct Hire	1,645	1,547	1,456	1,456	1,594	-18	1,576
Foreign National Direct Hire	0	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian End Strength	1,645	1,547	1,456	1,456	1,594	-18	1,576
Military Workyears							
Officer	22,753	23,427	23,507	23,507	23,299	41	23,340
Enlisted	226,894	233,107	225,364	225,364	234,129	-13,622	220,507
Total Military Workyears	249,647	256,534	248,871	248,871	257,428	-13,581	243,847
Civilian Workyears							
U.S. Direct Hire	1,708	1,502	1,508	1,508	1,592	-46	1,546
Foreign National Direct Hire	0	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian Workyears	1,708	1,502	1,508	1,508	1,592	-46	1,546

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS FORCES - FORSCOM

V. Personnel Summary

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The decrease of 2,738 reflects the addition of platoon leader positions (+925) offset by programmed overmanning of early deploying units and directed military overstrengths in FY 88 (-1,370); Warrant Officer overstructure reductions (-1,046); and organizational force structure reprogrammings (-1,247).

CIVILIAN

The net increase of 120 in FY 89 reflects increases in force modernization (+107) and other reprogramming (+13).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

I. Narrative Description

This activity group provides for the Program 2 Mission requirements of the Army Materiel Command (AMC) and other activities in CONUS, excluding those units assigned to US Army Forces Command. Provides a portion of the operating and support costs of ten Other CONUS Forces commands and activities.

II. Description of Operations Financed

Provides resources for the Army Materiel Command (AMC) support of Annual Service Practice missile firing, training aids requirements support at the National Training Center, Tactical Cryptological Support Activities, and Opposing Force (OPFOR) intelligence operations. Additionally, it provides resources to support the training and activities of the 1st Battalion, 3d Infantry (The Old Guard).

Also provides funds for the Army Materiel Command support of Force Modernization initiatives and spare and repair parts associated with the maintenance of training simulators and electronic warfare items.

Program 2 Mission information management funding is displayed in the Other CONUS Forces Activity Group and supports the information management and local communication requirements of all Program 2 Mission Activity Groups. Also includes the operation and maintenance of Army nontactical Defense Communication System (DCS) and non-DCS base (post, camp and station) communications, and equipment systems which provide local communications worldwide in support of training to installations/activities. It includes, support equipment, and the associated costs specifically identifiable and measurable to base level communications support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Price Growth					18,159	-687	17,472	17,472
Maintenance/Logistical Support	167,124	192,388	175,017	158,954	181,982	-17,008	164,974	6,020
Information Management	174,486	194,047	180,240	208,343	196,685	16,119	212,804	4,461
Force Modernization	68,020	89,200	72,264	72,264	81,746	-12,854	68,892	-3,372
Unit Training/Operations	43,715	39,149	39,149	46,303	33,459	5,748	39,207	-7,096
Tactical Medical Support	13,975	27,474	26,347	51,430	36,619	14,309	50,928	-502
Low Intensity Operations	7,418	7,418	7,418	12,748	7,418	5,330	12,748	0
Special Operations Forces	49,086	74,727	74,727	0	74,727	-74,727	0	0
POMCUS					5,514	-5,514	0	0
Deep Space Surveillance						8,600	8,600	8,600
TOTALS	523,824	624,403	575,162	550,042	636,309	-60,684	575,625	25,583

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate.....$ 550,042

Functional Program Transfers

Inter Appropriation Transfers In

Deep Space Surveillance.....$ 8,600
Transfers funds from Operations and Maintenance Air Force in order to support the performance of deep space surveillance at Kwajalein Atoll.

Total Functional Program Transfers In.....$ 8,600

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Price Growth

Civilian Personnel Costs

a.	Civilian Salaries (Annualization)	$ 494
b.	Compensable Days - Two Days Less	$ -262
c.	FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 349
	Total Civilian Personnel	$ 581

Non-Personnel Price Growth

a.	Stock Fund - Material	$ 2,696
b.	Commercial Transportation Rate	$ 58
c.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 183
d.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 166
e.	Travel	$ 102
f.	Commercial Communications	$ 1,221
g.	Utilities	$ 1
h.	Industrial Fund	$ 1,768
l.	Private Sector	$10,696
	Total Non-Personnel	$16,891
	Total Price Growth	$ 17,472

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increases

(1) Information Management Automation (Base $ 208,343).....$ 4,461

Base resources support the Information Management initiatives necessary for the Army to command, control, and support its forces. Resources provide for the operation and maintenance of mission data processing facilities, central design activities, project manager offices, and information management activities at various commands. FY 1989 increase provides for:

- o Unit Level Logistics System (ULLS) - ULLS is designed to assist soldiers at the company level by automating the requisition, receipt, storage and issue functions. It standardizes unit procedures, reduces error rates and excess stocks, and improves unit readiness. The FY 1989 increase supports fielding of the ULLS software ($499).

- o Signal source processors - The FY 1989 increase provides software maintenance to support the fielding of signal source processors for a classified project ($1,150).

- o Living Table of Organization and Equipment (TOE) - The program converts existing TOE's to Living TOE's which are used to determine how Army units are to be organized, manned and equipped. It also provides the mechanism for managing the integration of new equipment and personnel/skills into the force. Accurate, timely TOE documents are essential to the personnel, logistics, and financial information systems of the Army. The FY 1989 increase supports pay and benefits for additional personnel, purchase of software and hardware, and maintenance ($2,812).

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

III. Financial Summary (O&M: $ in Thousands)

Program Increase (Continued)

(2) Maintenance and Logistical Support (Base $158,954).....$ 6,020
Base program provides resources for initiatives which support sustainability of the combat force during continuous land combat operations. FY 1989 changes include a decrease for costs related to the procurement of individual clothing and equipment ($-4,938) and an increase in the costs associated with sustaining equipment fielded in FY 1988 and prior ($10,958).

Total Program Increases.....$ 10,481

Program Decreases

(1) Tactical Medical Support (Base $51,430).....$ -502
Base program provides continuation of medical unit upgrade initiatives to provide a wartime medical structure capable of supporting at least a 15-day evacuation policy. The FY 1989 budget reflects the FY 1988 consolidation of all DEPMEDS funding in the OCONUS Budget Activity. FY 1989 changes include an increase for the continued purchase and fielding of products used to pretreat and treat the individual soldier against chemical and biological threat agents ($225) and a decrease for one-time costs related to the procurement of hospital unit sets ($-727).

(2) Unit Training and Operations (Base $46,303) .....$ -7,096
FY 1989 adjustments include an increase for support of the Army Language Program ($282) and a net decrease for intelligence related training programs ($-1,406) as well as a realignment of funds to RPMA to provide for one-time maintenance and repair projects at Fort Belvoir which will transfer to the Military District of Washington in FY 1989 ($-5,972).

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Decreases (Continued)

(3) Force Modernization (Base $ 72,264)	$	-3,372
Provides mission operating funds to support the fielding of new or modernized equipment entering the active force inventory. (For details on specific systems see "Intensively Managed Systems" section.)		
Total Program Decreases	$	-10,970
FY 1989 Budget Request	$	575,625

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

IV. Personnel Criteria and Evaluation

	FY 1987	FY 1988	FY 1989
Maneuver Battalions/Squadrons			
Standard Infantry	1	1	1

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	418	751	594	594	751	-155	596
Enlisted	3,181	5,325	4,954	4,954	5,309	-610	4,699
Total Military End Strength	3,599	6,076	5,548	5,548	6,060	-765	5,295
Civilian End Strength							
U.S. Direct Hire	654	1,240	1,142	1,142	1,288	-100	1,188
Foreign National Direct Hire	50	106	69	69	106	-39	67
Foreign National Indirect Hire	93	234	206	206	223	-28	195
Total Civilian End Strength	797	1,580	1,417	1,417	1,617	-167	1,450
Military Workyears							
Officer	414	670	506	506	751	-156	595
Enlisted	3,018	4,366	4,068	4,068	5,317	-490	4,827
Total Military Workyears	3,432	5,036	4,574	4,574	6,068	-646	5,422
Civilian Workyears							
U.S. Direct Hire	761	1,239	1,196	1,196	1,310	-104	1,206
Foreign National Direct Hire	60	88	68	68	92	-21	71
Foreign National Indirect Hire	92	223	205	205	222	-27	195
Total Civilian Workyears	913	1,550	1,469	1,469	1,624	-152	1,472

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: OTHER CONUS FORCES

V. Personnel Summary

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The decrease of 253 in FY 89 reflects further force structure reprogrammings.

CIVILIANS

The increase of 33 in FY 89 is due to force modernization (+25) and reprogramming (+8).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

I. Narrative Description: This activity group provides for the operation and maintenance of installation support less Real Property Maintenance Activities, of 21 installations and 9 subinstallations and activities transferred from Operation and Maintenance Army Reserve (OMAR) in FY 1987. These installations and activities support general purpose forces and their ancillary structure in Forces Command. The FY 1989 request totals $686.1 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Functional Program Transfers (Non-Tactical Vehicles)	5,454
Base Operating Support	3,678
Flying Hour Program	-2,020
Force Modernization Fielding	-492
Force Structure Adjustments	-4,451

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

II. Description of Operations Financed - Funds provide installation support in the following areas:

A. Administration - Finances all activities concerned with the headquarters command and administration of the installation; and other installation-wide activities not otherwise provided for, such as adjutant, chaplain, public affairs and safety activities. Finances automated processing activities in support of Base Operations. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution and control centers, printing plants, and printing and reproduction of publications.

B. Retail Supply Operations - Finances the operation of consolidated post supply. Includes the operation of self-service centers and clothing issue points and the office of the Director Logistics. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment - Finances Direct and General Support Maintenance of Support Systems such as vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings - Finances the purchase, control, moving, handling of housing furnishings for unaccompanied personnel officer quarters and bachelor enlisted quarters. Finances the operation and administration of all unaccompanied personnel housing.

E. Community and Morale Support Activities - Finances the development, staffing, equipping, administration and operation of installation libraries, soldier sports programs, Army Community Service, Child Development Services, Youth Program, and other CORE community/family programs.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services - Finances the operation of local (installations) non-tactical motor transportation service to include government-owned vehicles and rented or leased commercially-owned vehicles. Finances operation of laundry and dry cleaning plants and contracting for such services where Army-owned plants are not operated in-house. Finances police services at 21 installations to include military police operations, installation level confinement activities, physical security operation and operation of physical security equipment. Finances the management of training facilities, training aids, range operations, and mobilization support. Finances the management of security counterintelligence and planning functions at the installation.

G. Other Personnel Support - Finances operation and administration of food service, food preparation facilities and dining facilities. This function is performed by contractor, civilian personnel and military personnel. Finances community affairs, command information program, alcohol and drug abuse program, military/civilian personnel activities, education activities and reenlistment activities.

H. Real Estate Leases - Finances the Army's General Service Administration furnished space outside the National Capital Region that is managed by the Corps of Engineers.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
A. Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
USA Forces Command	774,747	655,125	583,389	628,025	693,369	-55,925	637,444	9,419
USA Southern Command	47,524	44,410	42,171	44,036	47,539	1,131	48,670	4,634
TOTAL	822,271	699,535	625,560	672,061	740,908	-54,794	686,114	14,053

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 672,061
Program Transfers		
Inter Appropriation Transfers In		
Nontactical Vehicles	$ 5,454	
Funds allow for the conversion of nontactical motor vechicle fleets to the General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based nontactical vehicle fleet to the IFMS by FY 1992.		
Total Program Transfers		$ 5,454
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 3,276	
b. Compensable Days - Two Less Days	$ -3,151	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 8,201	
Total Civilian Personnel Costs	$ 8,326	

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Price Growth

Non-Personnel Price Growth			
a. Stock Fund-Material	$	809	
b. Commercial Transporation Rate	$	214	
c. Travel	$	320	
d. Private Sector Price Increase	$	2,112	
e. Commercial Communications	$	2	
f. Industrial Fund	$	33	
g. Rents From GSA	$	68	
Total Non-Personnel Price Increases	$	3,558	
Total Price Growth	$		11,884

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Base Operating Support (Base: $654,900).....	$	3,678
Funds provide for additional day-to-day maintenance of installation equipment, increased installation supply operations, and enhanced automation and food services support necessary to support increased readiness and training goals. These funds will be used on a contract basis to offset FY 89 manpower reductions.		
Total Program Increases.....	$	3,678

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

a.	Flying Hour Program (Base: $2,661)..... This represents reduction to the flying hour program caused by the reductions in size of some administrative helicopter units.	$ -2,020
b.	Force Modernization Fielding (Base: $ 1,407)..... Eliminates one-time base operating costs associated with the fielding of new and modernized equipment entering the active Army inventory in FY 1989. (For details on specific systems, see "Intensively Managed System" section.)	$ -492
c.	Force Structure Adjustments (Base: $28,962)..... This represents the savings achieved from the reduced level of base operating support consistent with force structure reductions. This reduction includes a brigade from the 9th Infantry Division, two battalions from the 6th Infantry Division and eliminating support headquarters throughout CONUS.	$ -4,451
	Total Program Decreases.....	$ -6,963
FY 1989 Budget Request.....		$ 686,114

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	234,152	161,541	164,832
Military E/S	3,833	1,961	1,918
Civilian E/S	4,549	3,636	2,514
Total Personnel E/S	8,382	5,597	4,432
Number of Bases, Total	21	21	21
(CONUS)	19	19	19
(O/S)	2	2	2
Population Served, Total E/S	544,174	541,172	540,101
(Military, E/S)	408,887	406,639	406,561
(Civilian, E/S)	135,287	134,533	133,540
No. ADP CPU's	56	61	61
Action/Vouchers Process	462	490	490
B. Retail Supply Operations ($000)	116,838	103,496	104,915
Military E/S	418	132	131
Civilian E/S	4,155	3,585	3,536
Total Personnel E/S	4,573	3,717	3,667
Line Items Carried (000)	636	565	593
Receipts/Issues (000)	5,459	4,844	5,085

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
C. Maintenance of Installation Equipment ($000)	61,414	52,336	54,221
Military E/S	230	241	262
Civilian E/S	1,716	1,430	1,401
Total Personnel E/S	1,946	1,671	1,663
Number of Work Orders	574	489	511
D. Bachelor Hsg Ops./Furn. ($000)	22,119	17,829	16,990
Military E/S	15	13	13
Civilian E/S	377	379	379
Total Personnel E/S	392	392	392
No. of Officer Quarters	10,631	10,631	10,631
No. of Enlisted Quarters	271,256	271,256	271,256
E. Morale, Welfare & Rec ($000)	86,190	59,467	63,042
Military E/S	1,063	557	499
Civilian E/S	2,063	2,008	2,053
Total Personnel E/S	3,126	2,565	2,552
Population Served, Total	1,543,401	1,541,153	1,540,078
(Military, E/S)	408,887	406,639	406,561
(Civilian/Dependents, E/S)	1,134,514	1,134,514	1,133,517

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
F. Other Base Services ($000)	164,195	148,852	151,019
Military E/S	5,182	3,456	3,456
Civilian E/S	4,496	3,945	4,000
Total Personnel E/S	9,678	7,401	7,456
Number of Motor Vehicles, Total	9,729	9,433	9,500
(Owned)	7,192	5,367	2,200
(Leased)	2,537	4,066	7,300
Number of Miles Driven (000)	84,704	82,125	82,710
G. Other Personnel Support ($000)	137,363	127,078	129,520
Military E/S	3,060	1,989	1,994
Civilian E/S	3,643	3,262	3,365
Total Personnel E/S	6,703	5,251	5,359
Population Served, Total	544,174	541,172	540,101
(Military, E/S)	408,887	406,639	406,561
(Civilian, E/S)	135,287	134,533	133,540
Meals Served (In Mandays) (000)	21,650	22,275	20,775
H. Real Estate Leases ($000)	0	1,462	1,575
Rents from GSA ($000)	0	1,459	1,571
Other Contractual Services ($000)	0	3	4
Non-GSA Leases ($000)	0	0	0
Total Square Feet (000)	0	288	284

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	1,898	1,178	695	695	1,179	-467	712
Enlisted	11,903	6,836	7,654	7,654	6,880	681	7,561
Total Military	13,801	8,014	8,349	8,349	8,059	214	8,273
Civilian End Strength							
U.S. Direct Hire	19,733	18,708	17,230	17,230	18,129	-1,896	16,233
Foreign Nat. Direct Hire	1,266	1,046	1,015	1,015	1,046	-31	1,015
Total Civilian	20,999	19,754	18,245	18,245	19,175	-1,927	17,248
Total End Strength	34,800	27,768	26,594	26,594	27,234	-1,713	25,521

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

V. Personnel Summary (Continued):

Military

The decrease of 76 in FY 1989 reflects further reprogramming for the Standard Installation Organization concept (58) and manning adjustments from other CONUS forces (18).

Civilian

The decrease of 997 in FY 1989 reflects force modernization reductions (-108) and further reprogramming for the Standard Installation Organization concept (-889).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	2,294	1,215	1,296	1,296	1,179	-476	703
Enlisted	11,028	7,136	9,778	9,778	6,858	749	7,607
Total	13,322	8,351	11,074	11,074	8,037	273	8,310
Civilian Workyears							
U.S. Direct Hire	18,005	21,020	19,951	19,951	19,914	-819	19,095
Foreign Nat. Direct Hire	1,143	1,196	1,144	1,144	1,196	-52	1,144
Total	19,148	22,216	21,095	21,095	21,110	-871	20,239

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity group provides Real Property Maintenance Activities (RPMA) for the General Purpose Forces and their supporting structure at 21 major military installations, including the Panama Defense Complex, currently in the subprogram base and 9 subinstallations and activities transferred from Operation Maintenance Army Reserve (OMAR) in FY 1987. These installations and activities support general purpose forces and their ancillary structure in Forces Command and USAPSO. The FY 1989 request totals $716.9 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Real Property Maintenance	33,652
Force Structure	150
Force Modernization Fielding	-80
Utilities Savings	-1,196

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds provide support in four functional areas of Real Property Maintenance Activities. These functional areas are:

A. Operation of Utilities - Finances procurement, production and distribution of utilities for FORSCOM/ USARSO installations. Included are operating costs for Army owned heating and electrical generating plants, purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property - Finances maintenance and repair of buildings, structures, roads, grounds, railroads and utility systems at FORSCOM/USARSO installations. The FY 89 request will not cover the annual maintenance and repair requirements, and the Backlog of Maintenance and Repair (BMAR) will increase by $52.2 million. Migration in the amount of $10 million has been considered in estimating the BMAR. This backlog will result in degradation to utilities systems, unaccompanied personnel housing, and operational facilities.

C. Minor Construction - Finances the erection, installation or assembly of a new real property facility, or the addition or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support - Finances other facilities engineering services such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation, includes construction support for FORSCOM/USARSO.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
A. Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
USA Forces Command	757,905	699,632	646,402	618,625	765,933	-99,207	666,726	48,101
USA Southern Command	51,377	50,866	50,434	46,647	53,533	-3,395	50,138	3,491
TOTAL	809,282	750,398	696,836	665,272	819,466	-102,602	716,864	51,592

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 665,272
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 2,170	
b. Compensable Days-Two Less Days	$ -1,326	
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent	$ 3,793	
Total Civilian Personnel Costs	$ 4,637	
Non-Personnel Price Growth		
a. Travel	$ 41	
b. Stock Fund Material	$ 1,581	
c. Commercial Transportation	$ 16	
d. Utilities	$ 4,259	
e. Industrial Fund	$ 53	
f. Private Sector Price Increase	$ 8,479	
Total Non-Personnel Price Growth	$ 14,429	
Total Price Growth		$ 19,066

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Real Property Maintenance (Base: $380,982).....$ 33,652
Real Property Maintenance funding has been reduced to levels far below the Annual Recurring Requirement (ARR) in recent years. This programmatic increase will partially close the gap but does not fully fund the ARR due to overall budget constraints. Consequently, there will be some deterioration of existing Army facilities with an associated degradation of living and working conditions at U.S. military installations. For example, many high priority projects to repair utilities systems, troop barracks, maintenance facilities, operational facilities, and more will, of necessity, be deferred. The Backlog of Maintenance and Repair (BMAR) will still rise by $52.2 million in FY 1989.

b. Force Structure Adjustments (Base: $27,460).....$ 150
This increase for the 10th Mountain Division at Ft Drum, NY, is partially offset by the savings associated with force structure reductions, which include a brigade from the 9th Infantry Division and two battalions from the 6th Infantry Division.

Total Program Increases.....$ 33,802

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

a. Force Modernization Fielding (Base: $488).....$ -80
A reduction in funds to support the fielding of selected new of modernized equipment entering the active inventory in FY 89. The decrease offsets one time RPMA costs in FY 88. (For details on specific systems, see "Intensively Managed System" section).

b. Utilities Savings - Energy Conservation (Base: $149,522).....$ -1,196
The Army has invested large sums in energy conservation devices and methods over the past several years. The Army energy plan projects a reduction in utilities consumption in its facilities of 40 percent by FY 2000 from the level experienced in FY 1975. The combination of investments in technology and emphasis on conservation has reduced consumption levels. This downward adjustment reflects these savings.

Total Program Decreases.....$ -1,276

FY 1989 Budget Request.....$ 716,864

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Maintenance/Repair, Real Property, K ($000)	414,693	340,482	369,388
Military Personnel E/S	28	4	4
Civilian Personnel E/S	5,481	3,540	3,540
Total Personnel E/S	5,509	3,544	3,544
Annual M&R Requirements ($000)	386,195	397,300	410,000
Major Repair Projects ($000)	62,054	54,153	56,122
Backlog, Maintenance & Repair ($000)	250,874	322,010	374,196
Military Housing Floor Space (000 sq ft)	69,198	69,776	70,976
All Other Floor Space (000 sq ft)	137,509	138,311	138,330
B. Minor Construction, L ($000)	64,712	40,500	39,748
Military Personnel E/S	0	0	0
Civilian Personnel E/S	2	12	12
Total Personnel E/S	2	12	12
Number of Projects	1,294	827	803
C. Operation of Utilities, J ($000)	156,425	149,522	163,449
Military Personnel E/S	4	9	9
Civilian Personnel E/S	427	626	626
Total Personnel E/S	431	635	635
Electricity (MWH)	1,424,552	1,450,583	1,461,773
Heating (MBTU)	14,959,394	14,856,206	14,759,082
Water, Plants & Systems (000 gals)	15,670,149	15,768,841	15,768,841
Sewage & Waste Systems (000 gals)	11,482,581	11,567,834	11,567,834
Air Conditioning & Refrig (Tons)	172,674	173,346	173,346

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
D. Engineer Support, M ($000)	173,452	134,768	144,279
Military Personnel E/S	149	48	43
Civilian Personnel E/S	3,384	3,575	3,575
Total Personnel E/S	3,533	3,623	3,618
Fire Protection/Prevention, Rescue E/S	828	828	828
Custodial Services (000 sq ft)	58,102	58,971	58,971
Entomology Services (000 sq ft)	184,345	186,291	186,291
Refuse Collection/Disposal (000 cu yds)	6,776	6,716	6,782

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	54	35	18	18	35	-17	18
Enlisted	127	23	43	43	33	5	38
Total Military	181	58	61	61	68	-12	56
Civilian End Strength							
U.S. Direct Hire	8,439	8,048	7,012	7,012	8,048	-1,036	7,012
Foreign Natl Direct Hire	855	802	741	741	802	-61	741
Total Civilian	9,294	8,850	7,753	7,753	8,850	-1,097	7,753
Total End Strength	9,475	8,908	7,814	7,814	8,918	-1,109	7,809

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

A decrease of five in FY 1989 reflects force structure realignments.

Civilian

There are no changes in FY 1989.

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CONUS REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	48	36	36	36	35	-17	18
Enlisted	123	31	85	85	28	13	41
Total	171	67	121	121	63	-4	59
Civilian Workyears							
U.S. Direct Hire	8,972	8,163	7,580	7,580	8,238	-1,031	7,207
Foreign Nat. Direct Hire	946	953	892	892	953	-61	892
Total	9,918	9,116	8,472	8,472	9,191	-1,092	8,099

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

I. Narrative Description

The Army participates in Joint Chiefs of Staff (JCS) exercises on a worldwide basis. The JCS Exercise Program consists of exercises directed by JCS or higher authority and those exercises recommended by the Unified and Specified Commands which are coordinated by the JCS.

II. Description of Operations Financed

Provides training for Army organizations in Joint and Combined Operations; prepares forces for the conduct of contingency operations; tests the effectiveness of airlift and sealift capable forces and plans; evaluates the reaction capability and readiness of selected units; fulfills treaty commitments; and provides a means to evaluate Joint tactics, techniques, procedures, and doctrine; and tests equipment which affects the capability of Army Component Forces to accomplish operational missions.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JCS EXERCISES

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Price Growth					3,096	-748	2,348	2,348
JCS Exercises	86,090	93,049	92,726	92,678	96,954	-8,727	88,227	-4,451
TOTALS	86,090	93,049	92,726	92,678	100,050	-9,475	90,575	-2,103

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 92,678
Price Growth		
Non-Personnel Price Growth		
a. Stock Fund - Material	$ 495	
b. Commercial Transportation Rate	$ 54	
c. Travel	$ 330	
d. Private Sector	$ 1,469	
Total Non-Personnel	$ 2,348	
Total Price Growth		$ 2,348

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Decreases

JCS Exercises (Base $92,678).....$ -4,451
Base resources provide for incremental costs for Army participation in the Joint Chiefs of Staff (JCS) Exercise Program, which consists of over 50 exercises each year. These exercises include joint and combined exercises that are sponsored by the Joint Chiefs of Staff, Commanders-in Chief, and the Services. FY 1989 decrease results from reduced scope and level of Army participation in selected JCS exercises.

Total Program Decreases.....$ -4,451

FY 1989 Budget Request.....$ 90,575

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

IV. Performance Criteria and Evaluation (O&M: $ in Thousands)

JCS Directed Exercises

	DURATION	FY - 1987	FY - 1988	FY - 1989	REMARKS
EUCOM Scheduled					
REFORGER	8 weeks	31,517	29,680	27,719	1
EUCOM TOTAL		31,517	29,680	27,719	
PACOM Scheduled					
COBRA GOLD	3 weeks	1,030	675	983	
KEEN EDGE	3 weeks	350	439	500	
TEAM SPIRIT	12 weeks	8,465	9,319	9,081	
PACOM TOTAL		9,845	10,433	10,564	
SOUTHCOM Scheduled					
AHUAS TARA	8 weeks	3,146	6,150	6,204	
FUERTES CAMINOS	15 weeks	8,327	8,758	8,200	
CABANAS	12 weeks	0	3,550	3,054	
KINDLE LIBERTY	4 weeks	650	0	2,342	
SOUTHCOM TOTAL		12,123	18,458	19,800	
CENTCOM Scheduled					
BRIGHT STAR 87, 89	11 weeks	9,817	4	9,676	1
IRON COBRA	2 weeks	8	8	10	
SHADOW HAWK	2 weeks	248	259	300	
CENTCOM TOTAL		10,073	271	9,986	

1 - CROSS FISCAL YEAR FUNDING

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

IV. Performance Criteria and Evaluation (O&M: $ in Thousands)

JCS Directed Exercises (Continued)

	DURATION	FY - 1987	FY - 1988	FY - 1989	REMARKS
FORSCOM Scheduled					
BORDER STAR	5 weeks	219	0	0	
BRIM FROST 87, 89	6 weeks	1,879	0	2,200	
FORSCOM TOTAL		2,098	0	2,200	
LANTCOM Scheduled					
NORTHERN VIKING 87, 89	2 weeks	86	0	223	
OCEAN VENTURE 88	4 weeks	0	1,733	2	1
SOLID SHIELD 87, 89	4 weeks	2,047	0	2,223	
UPWARD KEY 87, 89	2 weeks	41	76	81	1
LANTCOM TOTAL		2,174	1,809	2,529	
JCS Scheduled					
PATRIOT PRIDE 88	2 weeks	6	3,067	0	1
POSSE LEADER 90	2 weeks	0	0	421	
POWER SWEEP 87	2 weeks	2,655	0	0	
PROUD EAGLE 89	2 weeks	0	22	481	1
PROUD SCOUT 88	2 weeks	626	3,960	0	1
WINTEX 87, 89	3 weeks	3,671	67	3,938	1
JCS TOTAL		6,958	7,116	4,840	
JCS DIRECTED TOTAL		74,788	67,767	77,638	

1 - CROSS FISCAL YEAR FUNDING

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

IV. Performance Criteria and Evaluation (O&M: $ in Thousands)

JCS Coordinated Exercises

	DURATION	FY - 1987	FY - 1988	FY - 1989	REMARKS
EUCOM Scheduled					
ABLE ARCHER	2 weeks	568	562	401	
ACCORD EXPRESS 87	5 weeks	220	0	0	
AFERDOU	4 weeks	434	215	165	
ALLY EXPRESS 88	6 weeks	0	185	0	
ARDENT GROUND	3 weeks	57	47	35	
ARMANDA EXCHANGE 89	4 weeks	0	0	186	
ARROWHEAD EXPRESS 88	4 weeks	0	150	0	
AURORA EXPRESS 87	3 weeks	310	0	0	
AVENUE EXPRESS 89	5 weeks	0	0	234	
BEACON GLARE 88	2 weeks	0	1,045	0	
CENTRAL ENTERPRISE	3 weeks	10	10	10	
COLD FIRE	4 weeks	10	2	1	
COLD WINTER 87, 89	2 weeks	61	3	54	1
CRESTED EAGLE 88	2 weeks	50	1,343	24	1
HISPEX 87,89	3 weeks	110	171	71	1
DENSE CROP 88	2 weeks	0	160	10	1
DISPLAY DETERMINATION	7 weeks	943	2,616	1,038	1
ELLIPSE BRAVO	4 weeks	10	25	25	
FLINTLOCK	8 weeks	1,604	1,622	1,609	
SALTY BEE	4 weeks	10	10	10	
EUCOM TOTAL		4,397	8,166	3,873	

1 - CROSS FISCAL YEAR FUNDING

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

IV. Performance Criteria and Evaluation (O&M: $ in Thousands)

JCS Coordinated Exercises (Continued)

	DURATION	FY - 1987	FY - 1988	FY - 1989	REMARKS
CENTCOM Scheduled					
EAST HILLS 89	8 weeks	0	0	122	
EBONY WOODS 88	4 weeks	0	119	0	
ECHO RIDGE 87	8 weeks	140	0	0	
ELLIPSE FOXTROT	1 week	6	25	9	
GALLANT EAGLE 88	6 weeks	0	6,046	80	1
GALLANT KNIGHT 88	4 weeks	2	2,500	21	1
NEAR HILLS 89	4 weeks	0	0	122	
NEUTRAL GROUND 87	4 weeks	116	0	0	
NEW WAVE 88	4 weeks	0	100	0	
CENTCOM TOTAL		264	8,790	354	
FORSCOM Scheduled					
BOLD VENTURE 87	3 weeks	520	0	0	
BRAVE SHIELD 88	4 weeks	0	1,210	3	1
RENDEVOUS 87, 89	8 weeks	648	0	1,372	
FORSCOM TOTAL		1,168	1,210	1,375	
LANTCOM Scheduled					
ELLIPSE ALPHA	1 week	20	20	20	
LANTCOM TOTAL		20	20	20	

1 - CROSS FISCAL YEAR FUNDING

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

IV. Performance Criteria and Evaluation (O&M: $ in Thousands)

JCS Coordinated Exercises (Continued)

	DURATION	FY - 1987	FY - 1988	FY - 1989	REMARKS
PACOM Scheduled					
FOCUS CLEAR 88, 89	4 weeks	0	350	350	
BALIKATAN	4 weeks	280	608	688	
ELLIPSE CHARLIE	2 weeks	30	30	30	
FOAL EAGLE	3 weeks	755	716	805	
FORTRESS GALE 87	5 weeks	542	0	0	
FREQUENT STORM	4 weeks	200	325	400	
GONFALON 90	2 weeks	0	0	30	1
KANGAROO 89	6 weeks	0	30	155	1
PITCH BLACK	3 weeks	15	20	20	
SANDGROPPER 88	3 weeks	0	20	50	1
THERMAL GALE 88	4 weeks	0	465	0	
ULCHI-FOCUS LENS	3 weeks	1,406	1,410	1,688	
VECTOR SOUTH 88	5 weeks	0	38	10	1
TEMPO RAIN 88, 89	4 weeks	0	20	20	
DIAMOND DOLLAR 87	6 weeks	20	10	0	1
WESTWIND 89	3 weeks	0	0	90	
PACOM TOTAL		3,248	4,042	4,336	

1 - CROSS FISCAL YEAR FUNDING

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

IV. Performance Criteria and Evaluation (O&M: $ in Thousands)

JCS Coordinated Exercises (Continued)

	DURATION	FY - 1987	FY - 1988	FY - 1989	REMARKS
SOUTHCOM Scheduled					
BLUE HORIZON	2 weeks	30	50	50	
ELLIPSE ECHO	4 weeks	75	120	145	
FUERZAS UNDIAS SERIES		1,422	1,555	1,555	
SOUTHCOM TOTAL		1,527	1,725	1,750	
JCS Scheduled					
ELIGIBLE RECEIVER	6 weeks	0	326	300	
JCS TOTAL		0	326	300	
OTHER Scheduled					
LOGEX	2 weeks	670	625	724	
POSITIVE PRESENCE 87, 89	1 week	5	0	5	
COMPASS ROSE 88	1 week	0	5	0	
PREMIER TASK	1 week	3	2	200	
OTHER TOTAL		678	632	929	
JCS Coordinated TOTAL		11,302	24,911	12,937	
President's Budget TOTAL		86,090	92,678	90,575	

1 - CROSS FISCAL YEAR FUNDING

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	3	0	0	3	0	3	3
Enlisted	0	0	0	0	0	0	0
Total Military End Strength	3	0	3	3	0	3	3
Civilian End Strength							
U.S. Direct Hire	13	0	0	0	0	0	0
Foreign National Direct Hire	27	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian End Strength	40	0	0	0	0	0	0
Military Workyears							
Officer	2	0	3	3	0	3	3
Enlisted	0	0	0	0	0	0	0
Total Military Workyears	2	0	3	3	0	3	3
Civilian Workyears							
U.S. Direct Hire	29	0	0	0	0	0	0
Foreign National Direct Hire	42	0	0	0	0	0	0
Foreign National Indirect Hire	97	0	0	0	0	0	0
Total Civilian Workyears	168	0	0	0	0	0	0

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: JOINT CHIEFS OF STAFF EXERCISES

V. Personnel Summary

Narrative Explanation of Personnel End Strength Changes:

MILITARY

No end strength change in FY 89.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: COMBAT DEVELOPMENT ACTIVITIES

I. Narrative Description

This activity group provides for activities supporting experimentation, tests, projects, and evaluations necessary to develop and/or validate new doctrine, materiel and organization for the Army.

II. Description of Operations Financed

Provides the baseline operating costs (civilian salaries, contract support, travel and test instrumentation of activities) for Combat Development Activities and fulfills the Army's requirement to accomplish Force Development Testing and Operational Tests and Evaluations. Additionally, resources provide for the operation and maintenance associated with the use of threat simulators during testing and support of the Tactical Exploitation of National Capabilities (TENCAP) program. They also provide the funding for the operation of Combat Development Headquarters activities including the Operational Test and Evaluation Agency (OTEA), the Concepts Analysis Agency (CAA), TRADOC Systems Analysis Agency (TRASANA) and the Army Development and Employment Agency (ADEA). In FY 1989, ADEA will be reduced with a small cell remaining to ensure the interoperability of the Army's Tactical Command and Control System. Beginning in FY 1988 all ADEA resources are realigned from CONUS to this budget activity.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: COMBAT DEVELOPMENT ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED REQUEST	CHANGE FY 88/89
Price Growth					6,183	892	7,075	7,075
Force Modernization	48,183	41,005	35,711	44,989	46,518	-2,466	44,052	-937
Combat Dev Activities	322,697	262,242	251,146	260,785	255,136	-22,334	232,802	-27,983
Maintenance and Logistics	5,574	3,874	3,874	6,952	3,874	3,078	6,952	0
Special Operating Forces	2,296	2,296	2,296	0	2,296	-2,296	0	0
TOTALS	378,750	309,417	293,027	312,726	314,007	-23,126	290,881	-21,845

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: COMBAT DEVELOPMENT ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 312,726
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ -852	
b. Compensable Days - Two Days Less	$ -666	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 2,542	
Total Civilian Personnel		$ 1,024
Non-Personnel Price Growth		
a. Stock Fund - Material	$ 276	
b. Commercial Transportation Rate	$ 33	
c. Travel	$ 497	
d. Industrial Fund	$ 96	
e. Private Sector	$ 5,149	
Total Non-Personnel		$ 6,051
Total Price Growth		$ 7,075

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: COMBAT DEVELOPMENT ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Decreases

(1) Combat Development Activities (Base $260,785).....$ -27,983
Base resources support essential combat development, testing and doctrinal changes needed to ensure that organizational design, tactical concepts, and equipment keep pace with changing mission requirements. FY 1989 changes are the result of decreases in testing including the completion of the FY 1988 force on force evaluation of operations in a nuclear environment ($-4,336), a decrease in combat development workyears ($-3,647), and the reduction of the Army Development and Employment Agency (ADEA) ($-20,000).

(2) Force Modernization (Base: $44,989).....$ -937
Provides mission operating funds to support the fielding of selected new or modernized equipment entering the active force inventory in FY 1989. For details on specific systems, see "Intensively Managed Sytems" section.

Total Program Decreases.....$ -28,920

FY 1989 Budget Request.....$ 290,881

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: COMBAT DEVELOPMENT ACTIVITIES

IV. Performance Criteria and Evaluation

Number of Tests Conducted or Planned

	FY 1987	FY 1988	FY 1989
Training and Doctrine Command	95	80	78
Operational Test and Evaluation Agency	9	11	12

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: COMBAT DEVELOPMENT ACTIVITIES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1,987	2,221	2,109	2,109	2,214	-85	2,129
Enlisted	1,334	1,118	1,107	1,107	1,113	107	1,220
Total Military End Strength	3,321	3,339	3,216	3,216	3,327	22	3,349
Civilian End Strength							
U.S. Direct Hire	3,261	3,223	2,975	2,975	3,232	-267	2,965
Foreign National Direct Hire	0	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian End Strength	3,261	3,223	2,975	2,975	3,232	-267	2,965
Military Workyears							
Officer	2,064	2,262	2,048	2,048	2,218	-99	2,119
Enlisted	1,352	1,156	1,221	1,221	1,116	48	1,164
Total Military Workyears	3,416	3,418	3,269	3,269	3,334	-51	3,283
Civilian Workyears							
U.S. Direct Hire	3,469	3,021	3,083	3,083	3,005	-47	2,958
Foreign National Direct Hire	0	0	0	0	0	0	
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian Workyears	3,469	3,021	3,083	3,083	3,005	-47	2,958

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: COMBAT DEVELOPMENT ACTIVITIES

V. Personnel Summary (Continued):

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 133 in FY 89 reflects force modernization adjustments (+37) and test and evaluation activities (+96.)

CIVILIANS

The decrease of ten in FY 89 reflects management headquarters reductions (-18) offset by other reprogrammings (+8).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CURRENCY FLUCTUATION

I. Narrative Description

This activity group contains currency fluctuation changes which result from maintaining a fixed Major Command (MACOM) obligation rate and absorbing the difference between this rate and the actual exchange rate in a revolving fund managed by the Finance and Accounting Center.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: CURRENCY FLUCTUATION

II. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Currency Fluctuation	560,349							
TOTALS	560,349							

DEPARTMENT OF THE ARMY
JUSTIFICATION OF THE AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

I. Narrative Description:

This activity group provides for the Direct Support/General Support (DS/GS) maintenance of tactical equipment which includes tactical vehicles, construction equipment, information processing equipment, weapons armament, food service and field service equipment. Maintenance is performed by TDA installation maintenance organizations and all non-divisional TOE maintenance units.

II. Description of Operation Financed:

Finances DS/GS maintenance of tactical equipment. Additionally, it finances the pay and allowances of approximately 4500 associated civilian personnel.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF THE AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

III. Financial Summary ($ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Price Growth					8,764	2,563	11,327	11,327
Maintenance/Logistical Support	301,806	303,041	278,906	273,461	363,752	-50,722	313,030	39,569
Force Modernization	44,442	65,276	58,276	58,276	45,038	20,975	66,013	7,737
Combat Training Centers		447	447	629	447	182	629	0
TOTALS	346,248	368,764	337,629	332,366	418,001	-27,002	390,999	58,633

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

III. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 332,366
Price Growth		
Civilian Personnel		
a. Civilian Salaries (Annualization)	$ -72	
b. Compensable Days - Two Days Less	$ -396	
Total Civilian Personnel		$ -468
Non-Personnel Price Growth		
a. Stock Fund - Material	$ 1,185	
b. Commercial Transportation Rate	$ 74	
c. Indirect Hire Foreign National FY 1989 Pay Raise	$ 3,496	
d. Indirect Hire Foreign National FY 1989 Pay Raise - Separation Allowance	$ 9	
e. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 3,572	
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise - Separation Allowance	$ -13	
g. Travel	$ 83	
h. Industrial Fund	$ 9	
i. Utilities	$ 1	
j. Private Sector	$ 3,379	
Total Non-Personnel		$ 11,795
Total Price Growth		$ 11,327

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

III. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increases and Decreases

Program Increase

(1) Force Modernization Program (Base $58,276).....$ 7,737
Provides mission operating funds to support the fielding of selected new or modernized equipment entering the active force inventory. (For detail on specific systems see "Intensively Managed System" section).

(2) Maintenance and Logistics Support (Base $273,461).....$ 39,569
Base resources support the performance of direct and general support maintenance on tactical equipment and pays associated civilian personnel costs. The increasing age of the Army's medium tactical wheeled vehicle fleet requires increased and improved maintenance at levels above organizational in order to prolong vehicle life. The FY 1989 budget improves materiel readiness but finances only 75% of the General Support Repair Program in Europe and the Theater Army Repair Program in Forces Command. The increase will support the refurbishing of additional tactical vehicles, reduces the FY 1988 backlog of maintenance of tactical equipment in CONUS and the Pacific and supports increased density of previously fielded, modernized equipment ($47,628). Resources are also provided to support an OPTEMPO of 850 miles for major combat vehicles ($5,345). Increases are offset by decreases in the levels of civilian workyears ($-11,094) and savings from productivity and anticipated contracting ($-2,310).

Total Program Increases.....$ 47,306

Total FY 1989 Budget Request.....$ 390,999

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

IV. Performance Criteria and Evaluation

Maintenance of Material	FY 1987	FY 1988	FY 1989
Number of Items Repaired	190,482	176,321	201,369

DEPARTMENT OF THE ARMY
JUSTIFICATION OF THE AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	22	10	5	5	10	-6	4
Enlisted	182	103	37	37	17	20	37
Total Military End Strength	204	113	42	42	27	14	41
Civilian End Strength							
U.S. Direct Hire	2,795	3,305	2,546	2,546	3,185	-827	2,358
Foreign National Direct Hire	623	54	53	53	54	-1	53
Foreign National Indirect Hire	1,181	1,183	1,185	1,185	1,183	1,359	2,542
Total Civilian End Strength	4,599	4,542	3,784	3,784	4,422	531	4,953
Military Workyears							
Officer	91	10	14	14	10	-5	5
Enlisted	91	127	110	110	60	-23	37
Total Military Workyears	182	137	124	124	70	-28	42
Civilian Workyears							
U.S. Direct Hire	2,901	3,188	2,946	2,946	2,806	-724	2,082
Foreign National Direct Hire	551	42	51	51	53	-1	52
Foreign National Indirect Hire	1,358	1,033	1,035	1,035	1,033	1,361	2,394
Total Civilian Workyears	4,810	4,263	4,032	4,032	3,892	636	4,528

PROGRAM: GENERAL PURPOSE FORCES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

V. Personnel Summary

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The decrease of one in FY 89 reflects manpower reprogrammings.

CIVILIAN

The increase of 1,169 in FY 89 force modernization initiatives (+117) and reprogrammings for tactical equipment maintenance (+1,052) from other budget activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

I. Description of Operations Financed:

Program 3-Intelligence consists of Security and Investigative Activities (S&IA), the Consolidated Cryptologic Program (CCP), the General Defense Intelligence Program (GDIP), and the Foreign Counterintelligence Program (FCI). Also included are Base Operations and Real Property Maintenance Activities.

The S&IA supports combat readiness through operational security support to Army installations, activities and research and development efforts, provision of nonstandard administrative and technical support for Army counter-in-telligence, and conduct of unit refresher training of counterintelligence personnel. In addition, it provides resources for the operation of various activities of the Headquarters, US Army Intelligence and Security Command, Arlington Hall Station, Virginia.

The CCP, GDIP, and FCI are parts of the National Foreign Intelligence Program (NFIP), regulated pursuant to Executive Order 12333. The CCP is programmed under the managership of the Director, National Security Agency (NSA); the GDIP is programmed under the managership of the Director, Defense Intelligence Agency (DIA); and the FCI is programmed under the managership of the Counterintelligence and Investigative Programs Office (CIIPO), of the Deputy Under Secretary of Defense (Policy) (DUSD(P)).

The CCP, GDIP, and FCI budgets are fully documented and justified in classified submissions by the Director of Central Intelligence (DCI) which are available to properly cleared individuals upon request.

Base Operations (BASOPS) provides for the operation of Arlington Hall Station, VA to include all activities concerned with administration of the installation along with retail supply operations and maintenance of equipment. Funding is also provided for unaccompanied personnel housing operation, administration, and furnishings. Other personnel support includes operation of and administration of food services, as well as community and morale support activities. In addition, base operations finances the operation of installation motor transportation service, police service, and management of training facilities.

The Real Property Maintenance Activities (RPMA) budget provides support for the US Army Intelligence and Security Command (INSCOM) at Arlington Hall Station, VA. Areas supported by RPMA include operation of utilities, maintenance, and repair of real property, minor construction and engineer support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

II. Financial Summary (O&M: $ In Thousands):

		FY 1988			FY 1989			
A. Subactivity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Intelligence	278,875	311,672	309,871	302,395	320,858	-15,531	305,327	+2,932
Base Operations	3,947	4,089	4,089	4,063	3,515	- 136	3,379	- 684
Real Property Maintenance	5,208	6,587	4,587	4,587	4,648	+ 3	4,651	+ 64
Totals	288,030	322,348	318,547	311,045	329,021	-15,664	313,357	+2,312

PROGRAM: INTELLIGENCE

II. Financial Summary (O&M: $ In Thousands):

C. Reconciliation of Increases and Decreases:

FY 1988 President's Budget Request.....$ 322,348

Congressional Adjustments:

a. Automatic Data Processing.....$-2,472
b. Classified Programs.....$-7,556
c. DLA Stock Fund Surcharge.....$ -449
d. INSCOM Real Property Maintenance.....$-2,000
Total Congressional Adjustments.....$ -12,477

FY 1988 Appropriated Amount.....$ 309,871

Functional Program Transfers
Intra Appropriation Transfers In
a. Intermediate Nuclear Force Treaty (INF).....$ 1,200
This transfer of resources from other Operations and Maintenance, Army Programs will support the monitoring and verification requirements of the INF Treaty.

Total Transfers In.....$ 1,200

Intra Appropriation Transfers Out
a. CHAMPUS Reprogramming.....$ -26
Transfers funds from Program 3-I of the Operations and Maintenance, Army to Program 8 Medical to support payment of medical/dental care claims of Army beneficiaries.

Total Transfers Out.....$ -26

Total Functional Program Transfers.....$ 1,174

PROGRAM: INTELLIGENCE

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases:

Price Growth		
FY 1988 Civilian Personnel Pay Increase - 2 Percent	$ 1,715	
FY 1988 Civilian Health Benefits	$ 543	
Stock Fund - Fuel Rate Change	$ 344	
GSA Industrial Fund Rates	$ 85	
Private Sector Price Increase - 0.2 Percent	$ 315	
Total Price Growth		$ 3,002
Program Decreases		
a. Absorption of Price Growth. Intelligence Programs were decremented due to having to absorb price growth rate increase (See Classified Submission).	$ 3,002	
Total Program Decreases		$ 3,002
FY 1988 Current Estimate		$ 311,045

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases:

Functional Program Transfers

Inter Appropriation Transfers In

a. Non - Tactical Vehicle Lease Transfer.....$ 100
Transfers funds from Other Procurement, Army 2 appropriation to support the conversion of the Army's non-tactical vehicle fleet to General Services Administration's Interagency Fleet Management Systems (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based non-tactical vehicle fleet to the IFMS by 1992.
Total Transfers In.....$ 100

Intra Appropriation Transfers In

a. Intermediate Nuclear Force Treaty (INF).....$ 1,000
This transfer of resources from other Operation and Maintenance, Army Programs will support the monitoring and verification requirements of the INF treaty.
Total Transfers In.....$ 1,000

Price Growth

Civilian Personnel Costs

a. Civilian Salaries (Annualization).....$ 917
b. Compensable Days - Two Days Less.....$ -807
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent.....$ 1,688
Total Civilian Personnel.....$ 1,798

PROGRAM: INTELLIGENCE

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases:

Non-Personnel

a.	Stock Fund - Material	$ 77	
b.	Commercial Transportation Rate	$ 44	
c.	Industrial Fund	$ 0	
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 188	
e.	Indirect Hire Foreign National FY 1989 Pay Raise - Separation Allowance	$ 376	
f.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 82	
g.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise - Separation Allowance	$ -207	
h.	Travel	$ 205	
i.	Commercial Communications	$ 5	
j.	Utilities	$ 10	
	Total Non-Personnel		$ 780
	Total Price Growth		$ 2,578
Program Decreases (See Classified Submission for Intelligence Programs)			$ 1,366
	Total Program Decreases		$ 1,366
Total FY 1989 Budget Request			$ 313,357

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

III. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1524	1953	1925	1925	1954	-39	1886
Enlisted	7860	7770	7627	7627	7810	79	7706
Total Military End Strength	9384	9723	9549	9549	9764	40	9592
Civilian End							
U.S. Direct Hire	3022	3287	3227	3227	3319	+103	3330
Foreign National Direct Hire	119	110	110	110	110	0	110
Foreign National Indirect Hire	273	303	303	303	303	-1	302
Total Civilian End Strength	3414	3700	3640	3640	3732	+102	3742
Military Workyears							
Officer	1524	1954	1726	1726	1955	-45	1911
Enlisted	7860	7769	7741	7741	7809	-139	7670
Total Military Workyears	9384	9723	9467	9467	9764	-184	9501
Civilian Workyears							
U.S. Direct Hire	2888	3160	3209	3209	3187	+115	3324
Foreign National Direct Hire	170	107	107	107	107	0	107
Foreign National Indirect Hire	309	283	283	283	283	+6	282
Total Civilian Workyears	3367	3550	3599	3599	3577	+121	3713

PROGRAM: INTELLIGENCE

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 40 in FY 89 reflects management headquarters reductions (-61) and base operations force structure changes (-9), offset by increases in authorized intelligence programs (+110).

CIVILIAN

The increase of 102 in FY 89 supports authorized intelligence programs (+112) and change to the force structure for base operations (+9), offset by management headquarters reductions (-19).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

ACTIVITY GROUP: INTELLIGENCE PROGRAMS

I. Narrative Description: Sub-Program 3-Intelligence consists of Security and Investigative Activities (S&IA), the Consolidated Cryptologic Program (CCP), and the General Defense Intelligence Program (GDIP), and the Foreign Counterintelligence Program (FCI).

S&IA support combat readiness through operational security support to Army installations, activities and research and development efforts, provision of nonstandard administrative and technical support for Army counter-intelligence, and conduct of unit refresher training of counterintelligence personnel. In addition, it provides resources for the operation of various activities of the Headquarters, US Army Intelligence and Security Command, Arlington Hall Station, Virginia.

The CCP, GDIP, and FCI are parts of the National Foreign Intelligence Program (NFIP), regulated pursuant to Executive Order 12333. The CCP is programmed under the managership of the Director, National Security Agency (NSA); the GDIP is programmed under the managership of the Director, Defense Intelligence Agency (DIA); and the FCI is programmed under the managership of the Counterintelligence and Investigative Programs Office (CIIPO), of the Deputy Under Secretary of Defense (Policy) (DUSD(P)).

The CCP, GDIP, and FCI budgets are fully documented and justified in classified submissions to the Director of Central Intelligence (DCI) which are available to properly cleared individuals upon request.

II. Financial Summary (O&M: $ In Thousands):

		FY 1988			FY 1989			
A. Subactivity Break:	FY 1987	Budget Request	Approp	Current Estimate	Initial Change	Change	Amended Estimate	Change FY 88/89
Intelligence	278,375	311,672	309,871	302,395	320,858	-15,531	305,327	+2,932

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

ACTIVITY GROUP: INTELLIGENCE PROGRAMS

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 302,395
Functional Program Transfers		
Inter Appropriation Transfers In		
a. Non-Tactical Vehicle Lease Transfer	$ 100	
Transfers funds from Other Procurement, Army 2 appropriation to support the conversion of the Army's non-tactical vehicle fleet to General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based non-tactical vehicle fleet to the IFMS by 1992.		
Total Transfers In		$ 100
Intra Appropriation Transfers In		
a. Intermediate Nuclear Force Treaty (INF)	$ 1,000	
This transfer of resources from other Operation and Maintenance, Army Programs will support the monitoring and verification requirements of the INF treaty.		
Total Transfers In		$ 1,000
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 904	
b. Compensable Days - Two Days Less	$ -794	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 1,657	
Total Civilian Personnel	$ 1,767	

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

ACTIVITY GROUP: INTELLIGENCE PROGRAMS

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases:

Non-Personnel		
a. Stock Fund - Material	$	0
b. Commercial Transportation Rate	$	44
c. Indirect Hire Foreign National FY 1989 Pay Raise	$	188
d. Indirect Hire Foreign National FY 1989 Pay Raise - Separation Allowance	$	376
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	82
g. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise - Separation Allowance	$	-207
h. Travel	$	204
i. Commercial Communications	$	5
j. Utilities	$	10
Total Non-Personnel	$	702
Total Price Growth		$ 2,469
Program Decreases (See Classified Submission for Intelligence Programs)	$	637
Total Program Decreases		$ 637
Total FY 1989 Budget Request		$ 305,327

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

ACTIVITY GROUP: INTELLIGENCE PROGRAMS

IV. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1,509	1,936	1,908	1,908	1,937	-30	1,878
Enlisted	7,745	7,632	7,489	7,489	7,672	79	7,568
Total Military Workyears	9,254	9,568	9,397	9,397	9,609	49	9,446
Civilian End Strength							
U.S. Direct Hire	2918	3210	3150	3150	3242	+94	3244
Foreign National Direct Hire	119	110	110	110	110	0	110
Foreign National Indirect Hire	273	303	303	303	303	- 1	302
Total Civilian End Strength	3310	3623	3563	3563	3655	+93	3656
Military Workyears							
Officer	1509	1936	1913	1913	1937	-28	1885
Enlisted	7745	7632	7483	7483	7672	+98	7581
Total Military Workyears	9254	9568	9396	9396	9609	+70	9466
Civilian Workyears							
U.S. Direct Hire	2774	3160	3135	3135	3187	+106	3241
Foreign National Direct Hire	170	107	107	107	107	0	107
Foreign National Indirect Hire	309	283	283	283	283	-1	282
Total Civilian Workyears	3253	3550	3525	3525	3577	+105	3630

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE

ACTIVITY GROUP: INTELLIGENCE PROGRAMS

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 49 in FY 89 reflects management headquarters reductions (-61) offset by increases in authorized intelligence programs (+110).

CIVILIAN

The increase of 93 in FY 89 supports authorized intelligence programs (+112) offset by management headquarters reductions (-19).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

I. Narrative Description: This budget activity provides for the operation of installation-type support (less real property maintenance) at Arlington Hall Station, VA. The FY 1989 request totals $3.4 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Base Operating Support	-795

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed - Funds provide installation support in the following areas:

A. Administration - Finances all activities concerned with the headquarters command and administration of the installation; and other installation-wide activities not otherwise provided for, such as adjutant activities. Finances automated processing activities in support of Base Operations. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution centers, print plants and printing and reproduction of publications.

B. Retail Supply Operations - Finances the operation of consolidated post supply. Includes the operation of self-service centers and the office of the Director Logistics and purchasing. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment - Finances Direct and General Support Maintenance of Support Systems such non-tactical vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings - Finances the purchase, control, moving, handling of housing furnishings for unaccompanied personnel officer quarters and bachelor enlisted quarters. Finances the operation and administration of all unaccompanied personnel housing.

E. Community and Morale Support Activities - Finances the development, staffing, equipping, administering and operation of installation libraries, soldier sports programs, recreation activities and skill development centers, Army Community Service, Child Support Services, Youth Programs and other CORE community/family programs.

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services - Finances the operation of local (installations) non-tactical motor transportation service to include government-owned vehicles. Finances police services at Arlington Hall Station to include military police operations, installation level confinement activities, physical security operation and operation of physical security equipment. Finances the management of training facilities, training aids, range operations, and mobilization support. Finances the management of security counter-intelligence and planning functions at the installation.

G. Other Personnel Support - Finances operation and administration of food services, food preparation facilities and dining facilities. This function is performed by contractor and military personnel. Finances chaplain activities, command information program, alcohol and drug abuse program and reenlistment activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands):

A. Subactivity Break	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY 88/89
Arlington Hall Station	3,947	4,089	4,089	4,063	3,515	-136	3,379	-684

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Budget Estimate		$ 4,063
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 12	
b. Compensable Days - Two Day Less	$ -12	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 29	
Total Civilian Personnel Costs	$ 29	
Non-Personnel Price Growth		
a. Travel	$ 1	
b. Private Sector Price Increase	$ 81	
Total Non-Personnel Price Growth	$ 82	
Total Price Growth		$ 111

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decrease

Base Operating Support (Base: $3,703).....$ -795
Reduction provides for a decreased level of spending for travel, operating supplies, non-personnel and non-contractual related items of expenditure associated with installation base operations activities.

Total Progam Decrease.....$ -795

FY 1989 Budget Request.....$ 3,379

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	387	886	492
Military E/S	23	23	18
Civilian E/S	11	12	16
Total Personnel E/S	34	35	34
Number of Bases, Total	1	1	1
(CONUS)	1	1	1
Population Served, Total E/S	15,052	15,829	15,894
(Military, E/S)	12,822	13,628	13,693
(Civilian, E/S)	2,230	2,201	2,201
No. ADP CPU's	2	2	2
B. Retail Supply Operations ($000)	607	449	589
Military E/S	21	24	23
Civilian E/S	15	12	13
Total Personnel E/S	36	36	36
Line Items Carried (000)	3	1	1
Receipts (000)	34	11	15
Issues (000)	34	11	15

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
C. Maintenance of Installation Equipment ($000)	90	63	63
Military E/S	0	0	0
Civilian E/S	0	0	0
Total Personnel E/S	0	0	0
Number of Work Orders (000)	69	18	18
D. Bachelor Hsg Ops./Furn. ($000)	1	50	62
Military E/S	0	0	0
Civilian E/S	0	0	0
Total Personnel E/S	0	0	0
No. of Officer Quarters	48	48	48
No. of Enlisted Quarters	830	830	830
E. Morale, Welfare & Rec ($000)	642	666	500
Military E/S	3	5	5
Civilian E/S	16	19	19
Total Personnel E/S	19	24	24
Population Served, Total	36,464	38,588	38,761
(Military, E/S)	12,822	13,628	13,693
(Civilian/Dependents, E/S)	23,642	24,960	25,068

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
F. Other Base Services ($000)	587	791	581
Military E/S	60	78	78
Civilian E/S	15	7	8
Total Personnel E/S	75	85	86
Number of Motor Vehicles, Total	45	25	21
(Owned)	42	23	19
(Leased)	3	2	2
Number of Miles Driven (000)	276	150	127
G. Other Personnel Support ($000)	1,633	1,158	1,092
Military E/S	23	24	21
Civilian E/S	44	21	24
Total Personnel E/S	67	45	45
Population Served, Total	15,152	15,829	15,894
(Military, E/S)	12,822	13 628	13,693
(Civilian, E/S)	2,330	2,201	2,201
Meals Served (In Workdays) (000)	360	225	225

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	15	16	16	16	16	-9	7
Enlisted	115	138	138	138	138	0	138
Total Military	130	154	154	154	154	-9	145
Civilian End Strength							
U.S. Direct Hire	101	71	71	71	71	9	80
Total Civilian	101	71	71	71	71	9	80
Total End Strength	231	225	225	225	225	0	225

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Military

The decrease of nine in FY 1989 results from force structure reductions.

Civilian

The increase of nine in FY 1989 reflects force structure reprogrammings.

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	18	17	16	16	17	-6	11
Enlisted	134	137	126	126	137	1	138
Total	152	154	142	142	154	-5	149
Civilian Workyears							
U.S. Direct Hire	110	68	68	68	68	9	77
Total	110	68	68	68	68	9	77

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity provides Real Property Maintenance Activities (RPMA) support for the U.S. Army Intelligence and Security Command (INSCOM) at Arlington Hall Station, VA. The FY 1989 request totals $4.7 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Real Property Maintenance	-95

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds requested will provide support in four functional areas of Real Property Maintenance Activities. These functional areas are:

A. Operation of Utilities: Finances procurement, production and distribution of utilities for Arlington Hall Station. Included are purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property: Finances maintenance and repair of buildings, roads, strutures, grounds and utility systems in INSCOM.

C. Minor Construction: Finances the erection, installation or assembly of a new facility, or the addition, expansion, alteration or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support: Finances other facilities engineering services such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

A. Subactivity Break	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY 88/89
Arlington Hall Station	5,208	6,587	4,587	4,587	4,648	3	4,651	64

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increaseas/Decreases:

FY 1988 Current Estimate		$ 4,587
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 1	
b. Compensable Days-Two Days Less	$ -1	
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent	$ 2	
Total Civilian Personnel Costs	$ 2	
Non-Personnel Price Growth		
a. Private Sector Price Increase	$ 157	
Total Non-Personnel Price Growth	$ 157	
Total Price Growth		$ 159

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

Real Property Maintenance (Base: $2,876).....	$	-95
Reduced funding support based on plan to phase down normal maintenance and repair requirements in conjunction with move of Army activities from Arlington Hall Station.		
Total Program Decreases.....	$	-95
FY 1989 Budget Request.....	$	4,651

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Maintenance/Repair, Real Property, K ($000)	2,000	2,950	2,461
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	0	0
Total Personnel E/S	0	0	0
Annual M&R Requirements ($000)	2,000	2,950	2,461
Major Repair Projects ($000)	0	0	0
Backlog, Maintenance & Repair ($000)	0	0	0
Military Housing Floor Space (000 sq ft)	84	84	84
All Other Floor Space (000 sq ft)	812	812	812
B. Minor Construction, L ($000)	275	226	218
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	0	0
Total Personnel E/S	0	0	0
Number of Projects	5	5	2
C. Operation of Utilities, J ($000)	1,250	897	1,118
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	0	0
Total Personnel E/S	0	0	0
Electricity (MWH)	17,700	18,000	17,200
Heating (MBTU)	82,900	82,900	82,100
Water, Plants & Systems (000 gals)	54,000	54,000	53,000
Sewage & Waste Systems (000 gals)	42,000	42,000	42,000
Air Conditioning & Refrig (Tons)	2,900	2,900	2,900

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
D. Engineer Support, M ($000)	1,683	514	854
Military Personnel E/S	0	1	1
Civilian Personnel E/S	6	6	6
Total Personnel E/S	6	7	7
Fire Protection/Prevention, Rescue E/S			
Custodial Services (000 sq ft)	625	625	625
Entomology Services (000 sq ft)	896	896	896
Refuse Collection/Disposal (000 cu yds)	60	60	60

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	0	1	1	1	1	0	1
Enlisted	0	0	0	0	0	0	0
Total Military		1	1	1	1	0	1
Civilian End Strength							
U.S. Direct Hire	6	6	6	6	6	0	6
Total Civilian	6	6	6	6	6	0	6
Total End Strength	6	7	7	7	7	0	7

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

No end strength change in FY 1989.

Civilian

No end strength change in FY 1989.

PROGRAM: INTELLIGENCE
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	0	1	1	1	1	0	1
Enlisted							
Total	0	1	1	1	1	0	1
Civilian Workyears							
U.S. Direct Hire	5	6	6	6	6	0	6
Total	5	7	6	6	6	0	6

3C

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

I. Description of Operations Financed:

The Army communications, command and control, information services program provides for a wide range of information service related needs of the Major Army Commands (MACOMS); provides communications and automatic data processing support for the command and control requirements of the National Command Authority (NCA) and the Unified Commanders; fulfills tasking directed by the Office of the Secretary of Defense, Joint Chiefs of Staff, the Defense Communications Agency and the National Security Agency. Reliable, flexible and responsive information management services are essential elements of US Force Readiness. Major program objectives are to achieve management efficiencies through the process of centralized management of information equipment and manpower; maintain high quality performance of assigned Defense Communication System (DCS) missions; provide high quality voice and data transmission and processing facilities, and information management support activities in support of central software design.

The development of information systems is assigned to the Program Executive Offices in compliance with Packard Commission recommendations. The US Army Information Systems Command (USAISC), Ft Huachuca, Arizona operates and maintains Army information systems. USAISC Commanders are "dual hatted" i.e., they are assigned to both MACOM Commanders as well as the Commander, USAISC, to ensure responsive support to the mission requirements of the Army. At the same time MACOMs participate in information systems economy and discipline programs to insure information management resource consciousness within all elements of the command. The backbone of long haul communications is the Defense Communications System (DCS) administered by the Defense Communications Agency (DCA). The Army operates facilities of the DCS as assigned by DCA. DCS facilities operated by the Army include satellite ground terminals, automatic voice (AUTOVON) and automatic digital (AUTODIN) switching centers, microwave stations and tropospheric and high frequency radio stations. Engineering elements of USAISC perform numerous functions in support of the DCS and participate fully with DCA and other services in the accomplishment of priority projects. The major thrust in data communications is modernization and consolidation. The Army is placing significant emphasis on providing for the ever increasing information management requirements and increasing the efficiency of current computer operations. In addition, the Army is dedicated to supporting a major classified initiative, the Strategic C3 project. The program also supports Base Operations and Real Property Maintenance activities at Fort Huachuca, Arizona; and Fort Ritchie, Maryland. The FY 1989 Budget Request continues the Army commitment to the Reserve Component Automation System (RCAS) and the Supercomputer program.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary (O&M: $ in Thousands):

A. Activity Group	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY 88/89
Strategic Command and Control	55,416	58,970	51,043	51,007	65,480	-14,541	50,939	-68
Defense Communications System (DCS) Support	186,080	253,584	238,549	235,064	288,690	-47,465	241,225	+6,161
Base Information Management	346,474	370,402	337,240	336,425	399,917	-65,561	334,356	-2,069
Centrally Managed Information	400,225	387,093	342,421	343,779	436,630	-73,605	363,025	+19,246
Traffic Control, Approach, and Landing Systems (TRACALS)	30,408	-	-	-	-	-	-	-
Communications Security	20,507	26,098	21,257	21,000	26,667	-5,106	21,561	+561
Tactical Equipment Maintenance	628	312	309	309	315	-4	311	+2
Base Operations	48,412	52,330	46,581	46,547	54,159	-2,302	51,857	+5,310
Real Property Maintenance	44,642	46,422	44,273	44,049	47,509	-9,731	37,778	-6,271
Total Communications, Command and Control, Information Management	1,132,792	1,195,211	1,081,673	1,078,180	1,319,367	-218,315	1,101,052	+22,872

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

FY 1988 President's Budget Request		$ 1,195,211
Congressional Adjustments		
a. Command, Control, Communications (FY 1988 Base $ 1,198,211)	$	-38,500
b. Leased Communications (FY 1988 Base $ 182,250)	$	-20,000
c. Automatic Data Processing (FY 1988 Base $ 353,976)	$	-16,270
d. Workyear Pricing (FY 1988 Base $ 28,238)	$	-6,626
e. Travel/Transportation (FY 1988 Base $ 40,682)	$	-5,919
f. Civilian Personnel (FY 1988 Base $ 419,848)	$	-4,200
g. Headquarters Operations (FY 1988 Base $ 60,415)	$	-3,947
h. Contractor Support Services (FY 1988 Base $ 1,225)	$	-3,615
i. Inflation Adjustment (FY 1988 Base $ 22,550)	$	-3,288
j. Stock Fund Policy (FY 1988 Base $ 67,652)	$	-3,035
k. Base Operating Support (FY 1988 Base $ 48,412)	$	-2,745
l. Savings (FY 1988 Base $ 353,976)	$	-2,465
m. Manpower Savings-Contracting Out (FY 1988 Base $ 419,848)	$	-950
n. Non-Appropriated Fund Activities (FY 1988 Base $ 5,474)	$	-534
o. Force Modernization (FY 1988 Base $ 899)	$	-500
p. Expense/Investment Criteria (Base $ 1,124)	$	-741
q. DLA Stock Fund Surcharge (Base $ 11,879)	$	-203
Total Congressional Adjustments		$ -113,538
FY 1988 Appropriated Amount		$ 1,081,673

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Transfers		
Intra Appropriations Transfers In		
International Nuclear Force Treaty (INF)	$ 600	
This transfer of resources form other Operation and Maintenance, Army programs will support the monitoring and verification requirements of the INF treaty.		
Total Transfers In		$ 600
Intra Appropriation Transfers Out		
CHAMPUS Reprogramming	$ -4,093	
Transfers funds from Program 3 Communications of the Operation and Maintenance, Army appropriation to Program 8 Medical to support payment of medical/dental care claims of Army beneficiaries.		
Total Transfers Out		$ -4,093
Total Program Transfers		$ -3,493

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Price Growth

a.	FY 1988 Civilian Personnel Pay Increase - 2 Percent	$ 8,739
b.	Civilian Health Benefits	$ 3,449
c.	Private Sector Price Increase - 0.2 Percent	$ 821
d.	Stock Fund - Fuel Rate Change	$ 300
e.	DLA Stock Fund Refund	$ 265

Total Price Growth ..... $ 13,574

Program Decreases

a. Absorption of FY 1988 Civilian Personnel Pay Increase - 2 Percent ..... $ -8,739
Decrease support for management of information systems, installation and operations of communications systems worldwide, TEMPEST testing of COMSEC equipment, and operation of the WWMCCS network.

b. Absorption of Civilian Health Benefits ..... $ -3,449
Decrease support for management of information systems, installation and operations of communications systems worldwide, TEMPEST testing of COMSEC equipment, and operation of the WWMCCS network.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases (Continued)

c. Absorption of Private Sector Price Increase - 0.2 Percent.....$ -821
Decrease support for management of information systems, installation and operations of communications systems worldwide, TEMPEST testing of COMSEC equipment, and operation of the WWMCCS network.

d. Absorption of Stock Fund Fuel - Fuel Rate Adjustment.....$ -300
Decrease support for management of information systems and installation and operations of communications systems worldwide.

e. DLA Stock Fund Refund.....$ -265
Decrease support for management of information systems and installation and operations of communications systems worldwide.

Total Program Decreases.....$ -13,574

FY 1988 Current Estimate.....$ 1,078,180

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate.....$ 1,078,180

Program Transfers

Intra Appropriations Transfers In

Real Estate Leases.....$ 3,825
Transfers funds to support General Services Administration controlled real estate leases for the Army Printing and Publications Center, from Program 9 Administration and Associated Activities.

Total Transfers In.....$ 3,825

Intra Appropriation Transfers Out

a. Army Missile Command (MICOM) Production Overhead Costs.....$ -691
Transfer tc Program 7S Mission to support production overhead costs of U.S. Army Missle Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Intra Appropriation Transfers Out (Continued)

b. Vint Hill Farms Station.....$ -6,758
Transfers resources from Program 3 to Program 7 to reflect the transfer of Vint Hill Farms Station from Army Intelligence and Security Command (INSCOM) to Army Materiel Command (AMC). This transfer gives AMC responsibility for Vint Hill Farms Station where AMC activities constitute the largest presence.

Total Transfers Out.....$ -7,449

Total Program Transfers.....$ -3,624

Price Growth

Civilian Personnel Costs

a. Civilian Salaries (Annualization).....$ 963
b. Compensable Days - Two Days Less.....$ -3,470
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent.....$ 8,284

Total Civilian Personnel Costs.....$ 5,777

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Non-Personnel Price Growth

a. Utilities	$	177
b. Stock Fund-Material	$	1,472
c. Commercial Transportation Rate	$	86
d. Industrial Fund	$	6,533
e. Indirect Hire Foreign National FY 1989 Pay Raise	$	2,397
f. Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$	763
g. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	2,046
h. Annualization of FY 1988 Indirect Hire Foreign National Separation Allowance	$	-669
i. Travel	$	563
j. Commercial Communications	$	242
k. Private Sector	$	13,172
l. Rents From GSA	$	1
Total Non-Personnel Price Growth	$	26,783
Total Price Growth	$	32,560

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

II. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Increases		
a. Classified Program	$ 24,918	
b. TROJAN	$ 4,496	
c. Supercomputer	$ 3,718	
d. US Central Command	$ 1,818	
e. Support for the Joint Deployment System	$ 549	
f. Base Operating Support	$ 304	
Total Program Increases		$ 35,803
Program Decreases		
a. Force Modernization	$ -285	
b. Korean Flood Damage	$ -2,800	
c. Base Information Support Workyear Reduction	$ -8,620	
d. Standard Army Multi-command Management Information System (STAMMIS) Maintenance and Modification	$-16,690	
e. Defense Communications System Loss in Buying Power	$ -4,663	
f. Reserve Component Automation System	$ -575	
g. Expense Investment Criteria	$ -120	
h. Army WWMCCS Information System	$ -2,078	
i. Enduring Forces C3	$ -400	
j. Logistics Management and Maintenance	$ -409	
k. Maintenance Support	$ -8	
l. Oahu Telephone System Installation	$ -3,700	
m. Army Staff 2% Field Operating Activities Reduction	$ -736	
n. Real Property Maintenance	$ -783	
Total Program Decreases		$ -41,867
FY 1989 Budget Request		$ 1,101,052

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES

III. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	2,005	2,016	1,740	1,740	2,016	-196	1,820
Enlisted	20,255	17,210	16,946	16,946	17,063	+326	17,389
Total Military End Strength	22,260	19,226	18,686	18,686	19,079	-130	19,209
Civilian End Strength							
U.S. Direct Hire	19,101	16,868	16,068	16,068	16,883	-796	16,087
Foreign National Direct Hire	1,032	980	980	980	978	0	979
Foreign National Indirect Hire	2,284	2,306	2,306	2,306	2,344	0	2,344
Total Civilian End Strength	22,417	20,154	19,354	19,354	20,206	-796	19,410
Military Workyears							
Officer	2,355	2,090	1,874	1,874	2,017	-235	1,782
Enlisted	20,760	18,346	18,602	18,602	17,138	+31	17,169
Total Military Workyears	23,115	20,436	20,476	20,476	19,155	-204	18,951
Civilian Workyears							
U.S. Direct Hire	18,737	17,118	17,268	17,268	17,147	-1,212	15,935
Foreign National Direct Hire	1,119	991	991	991	990	+2	992
Foreign National Indirect Hire	2,452	2,292	2,310	2,310	2,339	+168	2,507
Total Civilian Workyears	22,308	20,401	20,569	20,569	20,476	-1,042	19,434

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

I. Narrative Description:

The Strategic Command and Control activity group provides resources in support of the Worldwide Military Command and Control System (WWMCCS), the Minimum Essential Emergency Communications Network, the Alternate National Military Command Center, and the National Military Command System. The mission of WWMCCS is to support the National Command Authorities and the Department of Defense in planning, directing, coordinating and controlling the operations of military forces. The WWMCCS consists of command and control subsystems which enable the National Command Authority, the Chairman of the Joint Chiefs of Staff, and commanders at appropriate subordinate levels to monitor, direct and control the worldwide disposition and operations of the US Military Forces. WWMCCS-ADP facilities provide the necessary information collection and processing capabilities, procedures, decision aids and displays to support effectively the Command decision process. The goal is to achieve an integrated information management system with geographically dispersed but mutually supportive components.

II. Description of Operations Financed:

A. WWMCCS Automatic Data Processing (ADP). Includes on-going costs related to the operation and maintenance of the eight Army WWMCCS sites. These operations financed include costs incurred in day-to-day operations, salaries/benefits of civilian personnel, training, maintenance of ADP equipment, consumable and other supplies, travel, and contractual support for systems analysts and field engineer maintenance.

B. Army WWMCCS Information System (AWIS). AWIS is a multi-year, multi-appropriation, joint modernization program which provides for the replacement of current WWMCCS-ADP hardware and software with state-of-the-art technology in compliance with US House of Representatives reports 96-916 and 97-333. To ensure the smooth transition from WWMCCS-ADP to AWIS, the Army in FY 1984 established a Project Management Office (PMO) for development and implementation of AWIS at the eight Army sites. The PMO provides for planning, design, development, implementation, and maintenance in direct support of modernization to the Army WWMCCS Information System (AWIS). In compliance with Packard Commission recommendations, the AWIS PMO is now managed by the Program Executive Office.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

II. Description of Operations Financed (Continued):

C. Minimum Essential Emergency Communications Network (MEECN). Provides for operation and maintenance of low frequency, high survival means of communication.

D. Alternate National Military Command Center (ANMCC). Provides for operation and maintenance of the ANMCC and collocated communication facilities under Army management. Includes lease costs of communication electronics circuits and equipment.

E. National Military Command System (NMCS). Provides for operation and maintenance of communications and electronics facilities support of National Command Authorities who direct the Army Forces through the military chain of command. Includes lease costs of communication and electronics circuits and equipment, and the WWMCCS Selected Architecture Program.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
A. Subactivity Breakout:								
1. WWMCCS-ADP	23,376	24,422	22,498	22,462	25,159	-1,905	23,254	+792
2. Army WWMCCS Information System (AWIS)	23,226	21,312	18,718	18,718	27,096	-9,223	17,873	-845
3. Minimum Essential Emergency Communications System	152	241	154	154	248	-86	162	+8
4. Alternate National Military Command Center	4,807	6,452	6,046	6,046	6,239	-420	5,819	-227
5. National Military Command System	3,855	6,543	3,627	3,627	6,738	-2,907	3,831	+204
Total Activity Group	55,416	58,970	51,043	51,007	65,480	-14,541	50,939	-68

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 51,007
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 40	
b. Compensable Days - Two Days Less	$ -61	
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent	$ 128	
Total Civilian Personnel Costs		$ 117
Non-Personnel Price Growth		
a. Private Sector	$1,353	
b. Industrial Fund	$ 339	
c. Stock Fund-Material	$ 30	
d. Travel	$ 18	
e. Commercial Transportation Rate	$ 4	
Total Non-Personnel Price Growth	$1,744	
Total Price Growth		$ 1,861

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Increases

Support for the Joint Deployment System (JDS) (FY 1988 Base $1,518).....$ 549

Additional resources are required by the Military Traffic Management Command (MTMC) and by US Forces Command (FORSCOM) to develop the wartime command and control system application software which feeds through the Worldwide Military Command and Control System (WWMCCS) into the Joint Deployment System (JDS). The Joint Chiefs of Staff have directed that the JDS be used as the single source for deployment data during crisis planning and execution. FY 1988 resources provide for software development for site unique interfaces to the JDS at FORSCOM. FY 1989 resources provide for continued software development, funding for direct-funded FORSCOM civilians and partial year funding for Army industrially-funded civilian personnel at MTMC who provide functional and technical data base management. FY 1989 resources also provide for hardware upgrades, partial year funding of equipment maintenance, and contractual training.

Total Program Increases.....$ 549

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases

a. Army WWMCCS Information System (AWIS) (FY 1988 Base $18,718).....$ -2,078
WIS is a joint modernization program which provides for the replacement of current WWMCCS-ADP hardware and software with state-of-the-art technology. Operation and Maintenance, Army (OMA) resources provide for contractual support emphasizing planning issues and development methodologies critical to the AWIS. This support includes contractual support for AWIS program planning and analysis, system engineering, and transition engineering, support for definition of command and control information requirements, and support for the ADA software prototype. OMA funds also provide pay and allowances for civilian personnel, travel, and supplies and materials for AWIS Project Management Office; and equipment maintenance for Common User Subsystem equipment procured with Other Procurement, Army (OPA) funds. Decreased OMA funds in FY 1989 provide reduced contractual support for definition of management information systems interface requirements.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases (Continued)

b. Enduring Forces C3 (FY 1988 Base $1,100).....$ -400
FY 1988 and FY 1989 funding provides for High Electro-magnetic Pulse protection for the Alternate National Military Command Center (ANMCC). *Further information is available at the appropriate classification levels.*

Total Program Decreases.....$-2,478

FY 1989 Budget Request.....$50,939

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

IV. Performance Criteria and Evaluation:	FY 1987	FY 1988	FY 1989
WWMCCS-ADP Sites	8	8	8
WWMCCS-ADP Terminals	415	415	415
AWIS Terminals	578	584	644
Fixed Minimum Essential Emergency Communication Network (MEECN) Facilities	4	4	4
Transportable MEECN Facilities	4	4	4

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	177	77	80	80	77	+7	84
Enlisted	594	527	509	509	527	-5	522
Total Military	771	604	589	589	604	+2	606
Civilian End Strength							
U.S. Direct Hire	207	224	218	218	224	-4	220
Total Civilian End Strength	207	224	218	218	224	-4	220
Military Workyears							
Officer	143	77	129	129	77	+5	82
Enlisted	554	520	552	552	527	-11	516
Total Military Workyears	697	597	681	681	604	-6	598
Civilian Workyears							
U.S. Direct Hire	204	216	213	213	221	-5	216
Total Civilian Workyears	204	216	213	213	221	-5	216

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: STRATEGIC COMMAND AND CONTROL

V. Personnel Summary:

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 17 in FY 1989 is associated with force structure changes.

CIVILIAN

The increase of two in FY 1989 is associated with WWMCCS ADP support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

I. Narrative Description:

The Defense Communications System Support activity group provides for communications which are part of the Defense Communications System (DCS). The DCS includes long haul communications, satellite communications ground environment; and engineering and installation activities supporting the DCS. The DCS is under the purview of the Defense Communications Agency (DCA).

II. Description of Operations Financed:

A. Long Haul Communications (DCS). Finances facilities and functions assigned to the US Army which constitute a portion of the Department of Defense-wide DCS. The DCS long haul communications include such activities as the Defense Commercial Telecommunications Network (DCTN), the Automatic Digital Network (AUTODIN), the Defense Switched Network/Automatic Voice Network (DSN/AUTOVON), the Defense Data Network (DDN), and the Defense Automatic Secure Voice Communications (AUTOSEVOCOM).

B. Satellite Communications Ground Environment. Finances the Defense Satellite Communications System (DSCS) ground terminals assigned to the US Army for operation and maintenance, engineering and installation in support of DSCS operations, that portion of the US Army Satellite Communications Agency (USASATCOMA) supporting operation of the DSCS, and the Direct Communications Link (DCL).

C. Inter-Service/Agency Automated Message Processing Exchange. Financed for a short time a planned joint supported standardized automated telecommunications capability for critical narrative and record data message communications services required by widely dispersed DOD elements; and a highly advanced multilevel security capability for consolidating intelligence and general message systems.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

III. Financial Summary ($ In Thousands):

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
A. Subactivity Breakout:								
1. Long Haul Communications (DCS)	157,202	210,69[illegible]	198,027	194,568	232,820	-36,031	196,789	+2,221
2. Satellite Communications Ground Environment	28,871	42,885	40,522	40,496	47,929	-3,493	44,436	+3,940
3. Inter-Service/Agency Automated Message Processing Exchange	7	-	-	-	7,941	-7,941	-	-
Total Activity Group	186,080	253,584	238,549	235,064	288,690	-47,465	241,225	+6,161

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

III. Financial Summary ($ In Thousands):

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 235,064
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 333	
b. Compensable Days - Two Days Less	$ -106	
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent	$ 316	
Total Civilian Personnel Costs		$ 543
Non-Personnel Price Growth		
a. Stock Fund-Material	$ 473	
b. Commercial Transportation Rate	$ 13	
c. Private Sector	$ 3,093	
d. Travel	$ 149	
e. Utilities	$ 6	
f. Indirect Hire Foreign National FY 1989 Pay Raise	$ 133	
g. Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$ 142	
h. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 76	
i. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise-Separation Allowance	$ -114	
j. Industrial Fund	$ 5,015	
Total Non-Personnel Price Growth		$ 8,985
Total Price Growth		$ 9,528

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Increases

a. TROJAN (FY 1988 Base $9,504).....$ 4,496

The Army needs to enhance tactical Signal Intelligence/Electronic Warfare (SIGINT/EW) individual training, language capability, technical proficiency, unit readiness, and personnel retention. The most effective means of accomplishing this is to conduct operations against real world threat in signal environments. It is impractical and politically impossible to deploy all SIGINT/EW units to international border sites and access points to continuously perform these operations. TROJAN provides live foreign target signals from strategic access sites to soldiers in garrison. Current TROJAN communications system is comprised of point-to-point, low speed circuit leases between remote border locations scattered around the world and SIGINT/EW facilities in the United States where targeted information is received in real-time for interpretation and analysis. FY 1988 resources initiate the upgrade of this system to a highly reliable, high speed system of leased transmission and switching networks. The FY 1989 funding increase reflects the expansion of this upgraded system to additional users.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Increases (Continued)

b. US Central Command (FY 1988 Base $3,182).....$ 1,818
The US Central Command (USCENTCOM) was established by Presidential Directive on 1 January 1983. Operation and maintenance resources in FY 1988 and FY 1989 provide equipment maintenance and contractor support for operations and training requirements for the communications equipment being procured in FY 1985-1991 for the USCENTCOM requirement. The equipment types required include circuit switches, message switches, multichannel radios, communications terminals and multichannel satellite ground terminals. Following equipment installation, long haul leased communications circuits will be required to support major command connectivity. Further information concerning the positioning and utilization of communications circuits and equipment for USCENTCOM is available at the appropriate classification levels.

Total Program Increases.....$ 6,314

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases

a. Oahu Telephone System (OTS) Installation (FY 1988 Base $3,700).....$ -3,700

OTS is a Defense Communications Agency (DCA) managed program that will be jointly funded by the Army, Navy, Marine Corps and Air Force. OTS is scheduled for implementation in FY 1988 to replace the current system which is inadequate for the growing demands of both command and control and administrative users. The OTS will provide total telephone service, including all resources necessary to provide administration, operations and maintenance facilities, and network management for all military and selected civilian government installations on the island of Oahu, Hawaii. The OTS will also have a modular architecture with an expansion capability to meet future needs on Oahu. FY 1988 Operation and Maintenance, Army (OMA) funds are required for engineering and installation of the system and payment for the vendor's investment in replacing switches and selected transmission media. The FY 1989 funding requirements decrease as the FY 1988 one-time costs are completed.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases (Continued)

b. Force Modernization (FY 1988 Base $759).....$ -285

The Force Modernization Program provides high quality command and control and administrative networks for use in echelons above corps (EAC) using mobile, ruggedized communications systems and equipment. The systems provide radio capabilities to transmit voice and record traffic, switching equipment to route signals to the intended recipients and terminal equipment to convert the electronic signals into usable voice or written information or convert voice or written input into signal traffic. Typically these systems provide communications for the major headquarters and organizations in the EAC and also the linkages from these locations to the combat forces and from the Theater of Operations to CONUS. The decrease to FY 1988 resources provides for a decrease in fielding of TRITAC Block III Equipment, M939 Truck Equipment, and Army Modernization Information Memorandum Standard Form System and an increase in fielding of High Mobility Multi-Purpose Wheeled Vehicle Equipment, Range Modernization (Remotely Engaged Target System), and Single Channel Ground and Airborne Radio System. For details on specific systems, see "Intensively Managed Systems" section.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases (Continued)

c. Korean Flood Damage (FY 1988 Base $1,000).....$ -1,000
Provides for the restoral of communications support in Korea resulting from the 1987 flood. The FY 1989 funding decreases as the FY 1988 one-time costs are completed. Further information is available at appropriate classification levels upon request.

d. Army Staff 2% Field Operating Activities Reduction (FY 1988 Base $2,988)...$ -33
Reduces manpower in Army Staff Field Operating Activities to permit reprogramming of spaces to MACOM mission activities.

e. Defense Communications System (DCS) Loss in Buying Power (FY 1988 Base $235,064).....$ -4,663
Because of constrained resource levels, support to DCS programs remains funded at FY 1988 levels. When price growth is displayed separately in this activity group, a decrease in program purchasing ability results. This lessening of purchasing ability will be felt equally by all programs funded in this activity group.

Total Program Decreases.....$ -9,681

FY 1989 Budget Request.....$ 241,225

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

IV. *Performance Criteria and Evaluation:*

	FY 1987	FY 1988	FY 1989
Defense Satellite Communications System Ground Terminals	112	128	138
Defense Satellite Communications System Operation Centers	4	4	4

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	425	477	435	435	473	+3	476
Enlisted	8,229	7,750	7,710	7,710	7,691	+479	8,170
Total Military End Strength	8,654	8,227	8,145	8,145	8,164	+482	8,646
Civilian End Strength							
U.S. Direct Hire	518	497	509	509	488	+12	500
Foreign National Direct Hire	278	294	294	294	294		294
Foreign National Indirect Hire	48	214	224	224	214	+10	224
Total Civilian End Strength	844	1,005	1,027	1,027	996	+22	1,018
Military Workyears							
Officer	490	495	430	430	475	-19	456
Enlisted	8,778	7,927	7,970	7,970	7,721	+219	7,940
Total Military Workyears	9,268	8,422	8,400	8,400	8,196	+200	8,396
Civilian Workyears							
U.S. Direct Hire	541	477	483	483	469	+12	481
Foreign National Direct Hire	282	294	294	294	294		294
Foreign National Indirect Hire	151	214	224	224	214	+10	224
Total Civilian Workyears	974	985	1,001	1,001	977	+22	999

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: DEFENSE COMMUNICATIONS SYSTEM SUPPORT

V. Personnel Summary:

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 501 in FY 1989 reflects long haul communications for strategic initiatives (+421); other communication improvements (+80).

CIVILIAN

The decrease of nine in FY 1989 results from organizational realignments and reprogrammings.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE INFORMATION MANAGEMENT

I. Narrative Description:

The Base Information Management activity group provides for local information management support at Army installations worldwide. Information management support consists primarily of local leased communications, operation and maintenance of telephone centers and long distance toll calls. This activity group also includes operation of regional data centers, data processing facilities, records management, printing and publications and visual information support at the installation level.

II. Description of Operations Financed:

A. Base Communications. Provides local communications at Army installations worldwide. Local communications consists primarily of the operation and maintenance of telephone centers, telecommunications centers, and leased local communications including long distance tolls.

B. Regional Data Centers. Provides for the operation of the Army's regional data centers.

C. Data Processing Facilities. Provides for analysis, design, programing, and operation and maintenance of computer systems in support of mission data processing facilities at the Army installation level.

D. Records Management. Provides support activities and management concerned with the creation, transmission, maintenance, use, presentation and disposition of records.

E. Printing. Provides printing, publications and reproduction support at the Army installation level.

F. Visual Information. Provides for visual information support at Army installations and the Army Audio-Visual Center, Washington DC. Includes still photography, motion picture production and documentation, graphic arts, and supporting aids and devices.

G. Installation Level Program Management. Provides resources required for the management of information systems or projects and finances staff supervision at the Army installation level.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE INFORMATION MANAGEMENT

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
A. Subactivity Breakout:								
1. Base Communications	225,885	201,054	174,859	175,331	226,045	-52,391	173,654	-1,677
2. Regional Data Centers	64,330	70,149	64,745	64,465	71,572	-7,090	64,482	+17
3. Data Processing Facilities	9,672	13,905	11,829	11,006	15,669	-5,256	10,413	-593
4. Records Management	161	18,350	17,893	17,890	18,803	-926	17,877	-13
5. Printing	30	1,898	221	221	2,063	-1,667	396	+175
6. Audio-Visual Activities	10,247	12,711	12,255	12,253	13,057	-875	12,182	-71
7. Installation Level Program Management	36,150	52,335	55,438	55,259	52,708	+2,644	55,352	+93
Total Activity Group	346,474	370,402	337,240	336,425	399,917	-65,561	334,356	-2,069

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE INFORMATION MANAGEMENT

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 336,425
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 321	
b. Compensable Days - Two Days Less	$-1,707	
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent	$ 3,696	
Total Civilian Personnel Costs		$ 2,310
Non-Personnel Price Growth		
a. Stock Fund-Material	$ 241	
b. Commercial Transportation Rate	$ 15	
c. Private Sector	$ 2,788	
d. Travel	$ 60	
e. Commercial Communications	$ 184	
f. Industrial Fund	$ 9	
g. Indirect Hire Foreign National FY 1989 Pay Raise	$ 1,780	
h. Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$ 564	
i. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 1,524	
j. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise Separation Allowance	$ -498	
Total Non-Personnel Price Growth		$ 6,667
Total Price Growth		$ 8,977

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE INFORMATION MANAGEMENT

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases

a. Base Information Support Workyear Reduction (FY 88 Base $216,582).....$ -8,620

At the garrison or installation level, the United States Army Information Systems Command (USAISC) provides information management support for the five information management disciplines: telecommunications, automation, records management, visual information, and printing. This support is provided by personnel who are assigned to USAISC. The cost of operating this mission area is split between this budget major force program and reimbursements received from every other major force program. Since the dollar reduction is found in this budget activity, the mission impact is found in those areas direct funded to USAISC: the Director of Information Management staff, telecommunications centers, and the basic post telephone dial central offices. A reduction of this magnitude will result in a reduction to the hours of operation of telecommunications centers (very few will continue 24 hour operations; some will close), telephone operators will also reduce hours of operation, so will installers and trouble shooters. The information management staffs that provide critical assistance to installation users in terms of everything from planning new acquisitions, consolidating maintenance contracts, funding and correcting waste and abuse, providing property accountability, customer problem solving, resource management and all other management functions will be reduced. These staffs are already very lean and important management practices will either not get done or get done in a less timely manner.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE INFORMATION MANAGEMENT

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases (Continued)

b. Korean Flood Damage (FY 1988 Base $1,800).....$ -1,800
Provides for the restoral of communications support in Korea resulting from the 1987 flood. The FY 1989 funding decreases as the FY 1988 one-time costs are completed. Further information is available at appropriate classification levels upon request.

c. Army Staff 2% Field Operating Activities Reduction (FY 1988 Base $55,910).....$ -626
Reduces manpower in Army Staff Field Operating activities to permit reprogramming of spaces to MACOM mission activities.

Total Program Decreases.....$ -11,046

FY 1989 Budget Request.....$ 334,356

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE INFORMATION MANAGEMENT

IV. Performance Criteria and Evaluation:	FY 1987	FY 1988	FY 1989
Telephone Exchanges	294	294	294
Regional Data Centers	5	5	5

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE INFORMATION MANAGEMENT

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	475	397	339	339	398	-43	355
Enlisted	4,585	5,020	4,573	4,573	4,941	-569	4,372
Total Military End Strength	4,860	5,417	4,912	4,912	5,339	-612	4,727
Civilian End Strength							
U.S. Direct Hire	10,823	8,415	8,025	8,025	8,448	-534	7,914
Foreign National Direct Hire	635	599	598	598	598	-4	594
Foreign National Indirect Hire	1,173	1,476	1,402	1,402	1,510	-79	1,431
Total Civilian End Strength	12,631	10,490	10,025	10,025	10,556	-617	9,939
Military Workyears							
Officer	193	375	307	307	398	-51	347
Enlisted	3,137	4,887	4,579	4,579	4,981	-508	4,473
Total Military Workyears	3,330	5,262	4,886	4,886	5,379	-599	4,820
Civilian Workyears							
U.S. Direct Hire	10,398	8,648	8,789	8,789	8,664	-974	7,690
Foreign National Direct Hire	726	610	609	609	610	-2	608
Foreign National Indirect Hire	1,067	1,475	1,418	1,418	1,528	+83	1,611
Total Civilian Workyears	12,191	10,733	10,816	10,816	10,802	-893	9,909

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE INFORMATION MANAGEMENT

V. Personnel Summary:

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The decrease of 185 in FY 1989 realigns data processing resources.

CIVILIAN

The decrease of 86 in FY 1989 results from realignments and reprogramming in information management activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

I. Narrative Description:

The Centrally Managed Information activity group provides for centralized information management activities in support of the total Army and for information management support at major Army command levels worldwide. Centralized information management activities include those for central software design, Program Executive Offices, Army management headquarters, long haul communication (non-DCS), and the Information Systems Selection Acquisition Agency.

II. Description of Operations Financed:

A. Information Program Management. Provides resources required for the management of information systems or projects under the Program Executive Office in compliance with Packard Commission recommendations, finances staff supervision at major Army command levels, and the operation and maintenance of computer systems in support of mission data processing facilities.

B. Information Systems Selection Acquisition Activities. Finances the operation of the US Army Information Systems Selection Acquisition Agency (ISSAA).

C. Information Management-Central Software Design Activities. Provides resources for the operation of organizations, or segments thereof, responsible for the design, coding, testing, documenting and subsequently maintaining/modifying computer operating or applications programs developed for use by the Army.

D. National Science Center for Communications and Electronics. Provides resources in support of planning, designing, developing, leasing, operation and maintenance of the National Science Center for Communications and Electronics.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

II. Description of Operations Financed:

E. Army Management Headquarters. Provides resources for Headquarters, US Army Information Systems Command (USAISC), Fort Huachuca, Arizona; the US Army Management System Support Agency (USAMSSA), Washington, DC; the US Army Research Development and Acquisition Information Systems Agency (USARDAISA), Radford, VA; the Information Management Support Agency (IMSA), Washington, DC; and that portion of Headquarters, US Army Intelligence and Security Command (INSCOM) performing communications security (COMSEC) management functions.

F. Long Haul Communications (Non-DCS). Provides for the ACS communications and electronics services, networks, and equipment systems provided within the Army-owned or leased non-tactical facilities. These facilities are essential components of Army long haul communications but are not specifically identified as part of the Defense Communications System (DCS).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
A. Subactivity Breakout:								
1. Information Program Management	112,909	104,922	77,005	76,029	112,330	-35,543	76,787	+758
2. Information Systems Selection Acquisition Activities	6,192	4,560	4,499	4,483	4,679	-276	4,403	-80
3. Information Management-Central Software Design Activities	96,109	101,675	106,130	106,130	122,639	-20,502	102,137	-3,993
4. National Science Center for Communications and Electronics	2,239	2,339	2,294	2,247	2,305	-43	2,262	+15
5. Army Management Headquarters	54,878	55,528	50,930	50,806	56,169	-5,616	50,553	-253
6. Long Haul Communications (Non-DCS)	127,898	118,069	102,663	104,084	138,508	-11,625	126,883	+22,799
Total Activity Group	400,225	387,093	342,421	343,779	436,630	-73,605	363,025	+19,246

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 343,779
Program Transfers		
Intra Appropriation Transfers In		
Army Missile Command (MICOM) Production Overhead Costs: Transfer to Program 7S Mission to support production overhead costs of US Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.	$ -691	
Total Transfers In	$ -691	
Total Program Transfers		$ -691
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 166	
b. Compensable Days - Two Days less	$ -1,279	
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent	$ 3,233	
Total Civilian Personnel Costs		$ 2,120

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Non-Personnel Price Growth

a. Stock Fund-Material	$	542
b. Commercial Transportation Rate	$	50
c. Industrial Fund	$	372
d. Indirect Hire Foreign National FY 1989 Pay Raise	$	484
e. Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$	57
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	446
g. Annualization of FY 1988 Indirect Hire Foreign National Raise Separation Allowance	$	-57
h. Travel	$	310
i. Commercial Communications	$	58
j. Private Sector	$	4,376
k. Utilities	$	5
Total Non-Personnel Price Growth	$	6,643
Total Price Growth	$	8,763

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Increases

a. Classified Program (FY 1988 Base $40,106).....$ 24,918
Resources provide funding for implementation and operation of classified programs. Further information on individual programs is available at appropriate classification levels upon request.

b. Supercomputers (FY 1988 Base $1,742).....$ 3,718
The Army has invested in supercomputers in order to provide more responsive analyses, improve weapons designs, and reduce costly testing. Major benefits to the Army are expected in high energy laser development, vulnerability analysis, wargaming, and battlefield assessments. A contract will be awarded in FY 1988 for the establishment of a Joint Army/Academic Supercomputer Center. This center will provide expert support to Army scientists, engineers and analysts in using supercomputers to solve complex mission critical problems. The FY 1988 Operations and Maintenance, Army (OMA) funding supports the activities of the Supercomputer Project Management Office which include civilian salaries, administration, travel, and contractual support. The increase funding in FY 1989 is required for software conversion, limited facilities modification, contractual support for communications assessments and operating costs associated with the establishment of the Joint Army/Academic Center.

Total Program Increases.....$ 28,636

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases

a. Standard Army Multi-command Management Information System (STAMMIS) Maintenance and Modification (FY 1988 Base $106,130).....$ -16,690

This initiative provides contractual support for software modification, documentation, programing, testing and management of STAMMIS financial, personnel, logistical and engineering systems currently in operation. System modification and maintenance is required to keep operational systems current and to provide timely response to change requirements generated by changes in Army policy, regulatory guidance and technology upgrades. In FY 1989 resources are required to continue design and programming efforts, as well as provide for contract support necessary to meet verification, validation and mandatory testing requirements. These independent verification and validation procedures are executed in parallel with the software development activities to identify problems and discrepancies which must be corrected to ensure software reliability. Decreased funding in FY 1989 result from a decrease in the total number of system modifications to be performed in FY 1989.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases (Continued)

b. Reserve Component Automation System (FY 1988 Base $26,000).....$ -575

The Reserve Component Automation System (RCAS) is an independent automated, Army Management Information System that will enable the Army to mobilize the Reserve Component more efficiently and effectively under any level of mobilization category and enhance the Army's mobilization process. RCAS will provide commanders and functional managers in the mobilization management structure accurate, timely and readily accessible information for peacetime command and control, readiness and mobilization planning, execution and support of deployment. Operation and Maintenance, Army resources provide for two aspects of the RCAS, Mobilization Command and Control (MOBC2) and Unit Administration. MOBC2 is the development of application software that supports mobilization information requirements throughout the U.S. Army Reserve, Army National Guard and U.S. Army Forces Command. Unit Administration facilitates the collection of information as well as support local end user management activities. FY 1988 and FY 1989 resources provide for RCAS project management, continued definition and design of MOBC2 application software and independent verification and validation of software fielded systems to the Reserve Component.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases (Continued)

c. Expense Investment Criteria (FY 1988 Base $120).....$ -120
In FY 1988 resources were transferred from the Other Procurement, Army appropriation to reflect an increase from the current five thousand dollars investment policy threshold to fifteen thousand dollars. This change in policy will alleviate budget execution problems associated with fluctuations in equipment unit price and uneconomical lease versus buy decisions. This transfer results from a study conducted by the Assistant Secretary of Defense (Comptroller) as requested by the House Armed Services Committee to provide greater efficiency and responsiveness. No resources were provided in FY 1989 for the change in the investment policy threshold.

d. Army Staff 2% Field Operating Activities Reduction (FY 1988 Base $ 6,883).....$ -77
Reduces manpower in Army Staff Field Operating activities to permit reprogramming of spaces to MACOM mission activities.

Total Program Decrease.....$ -17,462

FY 1989 Budget Request.....$ 363,025

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

IV. Performance Criteria and Evaluation:	FY 1987	FY 1988	FY 1989
High Frequency Radio Facilities	197	197	197
Army Management Headquarters	4	4	4

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	794	904	785	785	907	-103	804
Enlisted	3,698	2,847	3,111	3,111	2,831	+427	3,258
Total Military End Strength	4,492	3,751	3,896	3,896	3,738	+324	4,062
Civilian End Strength							
U.S. Direct Hire	5,531	6,031	5,621	5,621	6,012	-268	5,744
Foreign National Direct Hire	92	78	79	79	78	+4	82
Foreign National Indirect Hire	945	616	680	680	620	+69	689
Total Civilian End Strength	6,568	6,725	6,380	6,380	6,710	-195	6,515
Military Workyears							
Officer	829	873	790	790	906	-111	795
Enlisted	4,783	2,719	3,405	3,405	2,839	+346	3,185
Total Military Workyears	5,612	3,592	4,195	4,195	3,745	+235	3,980
Civilian Workyears							
U.S. Direct Hire	5,412	5,955	5,948	5,948	5,965	-243	5,722
Foreign National Direct Hire	89	77	78	78	77	+4	81
Foreign National Indirect Hire	1,099	603	668	668	595	+77	672
Total Civilian Workyears	6,600	6,635	6,694	6,694	6,637	-162	6,475

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: CENTRALLY MANAGED INFORMATION

V. Personnel Summary:

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 166 in FY 1989 reflects increase in strategic communications (+25) and further information management realignments (+145) offset by reductions in management headquarters (-4).

CIVILIAN

The increase of 135 in FY 1989 reflects information management systems realignments.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TRAFFIC CONTROL, APPROACH AND LANDING SYSTEMS (TRACALS)

I. Narrative Description:

The air traffic control and landing systems activity group provided resources to support normal recurring operating costs necessary to support the Army Aviation Program and to accomplish the tactical and non-tactical air traffic control mission worldwide. The objectives were to achieve management and operational efficiencies through the process of standardization of communication equipment and navigation aids and the centralized management of manpower and financial resources.

II. Description of Operations Financed:

A. Air Traffic Control-Tactical. Provided for support of all Army Tactical Air Traffic Control/Ground Control Approach Radar System Activities. The activity emphasized mobilization and support of the Army's tactical mission. Included control of aircraft on the ground and in the airspace adjacent to the tactical location; operation of navigational facilities; ground control approach radar system; inspection tests, and organizational maintenance of the air traffic control equipment and systems; maintaining navigational maps, charts, and statistics pertaining to air traffic control matters, flight plans, and weather and safety advisories.

B. Air Traffic Control Standardization/Improvement. The Standardization/Improvement Program was an ongoing program providing for the correction of Air Traffic Control deficiencies resulting from outdated and inadequate communications equipment and navigational aids. Provided for cost of site preparation, bill of materials, and installation materials for standardization and improvement projects at worldwide locations in support of air traffic control communications systems.

C. Fixed Base Air Traffic Control Support. Provided support for all Army fixed base air traffic control operations, and for the Aeronautical Service Office, which is the Department of Army representative to the Department of Defense, inter-agency, and international aviation activities. Included control of aircraft on the ground and in the airspace adjacent to the installation; organizational maintenance of the air traffic control equipment and systems; maintaining navigational maps, charts, and statistics pertaining to air traffic control matters, flight plans, and weather and safety advisories.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TRAFFIC CONTROL, APPROACH AND LANDING SYSTEMS (TRACALS)

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
A. Subactivity Breakout:								
1. Air Traffic Control - Tactical	3,941	-	-	-	-	-	-	-
2. Air Traffic Control - Standardization Improvement Program	1,09[illegible]	-	-	-	-	-	-	-
3. Fixed Base Air Traffic Control Support	25,376	-	-	-	-	-	-	-
Total Activity Group	30,408	-	-	-	-	-	-	-

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TRAFFIC CONTROL, APPROACH AND LANDING SYSTEMS (TRACALS)

IV. Performance Criteria and Evaluation:

	FY 1987	FY 1988	FY 1989
Airfields and Heliports Controlled (with ATC equip)	87	-	-
Advisory Airfields and Heliports Uncontrolled (with ATC equip)	22	-	-
Advisory Facilities (Range Controls, Flight Coordination Centers, etc with ATC equip)	37	-	-
Ground Control Approach Systems (Radar)	41	-	-
Army Radar Approach Controls (Automated)	5	-	-
Instrument Landing Systems	9	-	-
Terminal VHF OMNI Ranges (NAVAIDS)	31	-	-
Nondirectional Beacons (NAVAIDS)	117	-	-
Tactical Nondirectional Beacons (TRN-30)	189	-	-
Tactical Control Towers (TSQ-70/70A)	26	-	-
Tactical Flight Operation Center/Coordination (TSQ-61B)	45	-	-
Tactical Man-portable Control Towers (AN-TSQ-97)	63	-	-
Tactical Control Towers (AN/TSW-7A0	33	-	-
Tactical Ground Control Approach Facilities (TSQ-71B)	55	-	-

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TRAFFIC CONTROL, APPROACH AND LANDING SYSTEMS (TRACALS)

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	167						
Enlisted	1,789						
Total Military End Strength	1,956						
Civilian End Strength							
U.S. Direct Hire	385						
Foreign National Direct Hire	19						
Foreign National Indirect Hire	118						
Total Civilian End Strength	522						
Military Workyears							
Officer	342						
Enlisted	2,110						
Total Military Workyears	2,452						
Civilian Workyears							
U.S. Direct Hire	392						
Foreign National Direct Hire	22						
Foreign National Indirect Hire	135						
Total Civilian Workyears	549						

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: COMMUNICATIONS SECURITY (COMSEC)

I. Narrative Description:

The Communications Security (COMSEC) effort is aimed at denying hostile forces the ability to derive national security related information from classified and unclassified communications, as well as preventing the enemy from disrupting such communications. COMSEC activities are required to protect telecommunications, acoustic and optical emissions, and other non-communications related emissions. The Operation and Maintenance appropriation provides resources for the Army's Signal Security program to include TEMPEST* testing; crypto facility inspections; monitoring and analyses; and COMSEC logistical support in CONUS and overseas. The logistical support includes inventory depot control, storage, issue, and maintenance and ancillary items.

II. Description of Operations Financed:

Resources provide for the pay of civilian personnel, travel and temporary duty expenses of civilian and military personnel performing TEMPEST and other COMSEC functions, operation and maintenance expenses such as repair parts, supplies, materials, and equipment replacement. Activity areas include:

A. US Army Materiel Command (AMC): Army COMSEC logistics is managed by the US Army COMSEC Logistic Activity (CLSA) at Fort Huachuca, Arizona. CSLA is concerned with the requirements determination, distribution and disposal of COMSEC material, parts cataloging, modification procedures and operation of the Army Central Office of Record for COMSEC material. Organizational elements of the CSLA contain the COMSEC National Inventory Control Point (NICP) and the COMSEC National Maintenance Point (NMP). The COMSEC storage and maintenance facility is located at Lexington Blue Grass Depot Activity (LBDA), Lexington, Kentucky. This wholesale support funds for NICP operations, NMP operations, and the Army industrially-funded depot activities of receipt, issue, storage, and overhaul of COMSEC equipment.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: COMMUNICATIONS SECURITY (COMSEC)

II. Description of Operations Financed (Continued):

B. US Army Information Systems Command (USAISC): Overseas logistical support consists of Theater COMSEC Logistic Support Centers (TCLSC) which support theater Army commands and combine the functions of a theater inventory control center and a theater depot; COMSEC Logistic Support Centers (CLSC) which support a field Army or equivalent force; and COMSEC Logistic Support Units (CLSU) which provide maintenance support to lower echelons. These units perform the function of receipt, storage, and issue of COMSEC inventory management stock control, direct and general support maintenance on COMSEC equipment, and operating a direct exchange activity for the repair and replacement of printed wiring assemblies and repairable modules.

C. US Army Intelligence Security Command and Information Management Support Agency: The Army Intelligence and Security Command (INSCOM) evaluates the vulnerability of operational facilities and provides technical TEMPEST guidance to the facility commanders. INSCOM maintains a TEMPEST testing laboratory and field test teams. The TEMPEST test laboratory, located at Vint Hill Farms Station, Virginia, performs controlled environment TEMPEST tests on off-the-shelf commercial information processing equipment used by the Army and provides technical support to the field teams. Each field team tests operational facilities within its area. The goal of the Army is to provide a TEMPEST test of all Army telecommunications facilities every three years. The Information Management Support Agency (IMSA) is a field operating agency of Headquarters, Department of the Army (HQDA). IMSA formulates and recommends to HQDA policy and guidance on Army information management issues encompassing systems security.

* TEMPEST is not an acronym but is the term used by the National Security Agency for compromising emanations from equipment such as reproduction equipment.

DEPARTMENT OF THE ARMY
JUSTIF'CATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: COMMUNICATIONS SECURITY (COMSEC)

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
A. Subactivity Breakout:								
1. Logistic Management and Maintenance Facility	17,989	22,112	18,614	18,377	22,219	-3,747	18,472	+95
2. Overseas Logistical Support	710	1,546	783	783	1,970	-758	1,212	+429
3. TEMPEST and Related Activities	1,808	2,440	1,860	1,840	2,478	-601	1,877	+37
Total Activity Group	20,507	26,098	21,257	21,000	26,667	-5,106	21,561	+561

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: COMMUNICATIONS SECURITY (COMSEC)

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 21,000
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 27	
b. Compensable Days - Two Days Less	$ -63	
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent	$ 148	
Total Civilian Personnel Costs	$ 112	
Non-Personnel Price Growth		
a. Industrial Fund	$ 798	
b. Private Sector	$ 29	
c. Travel	$ 16	
d. Stock Fund-Material	$ 13	
e. Commercial Transportation Rate	$ 2	
Total Non-Personnel Price Growth	$ 858	
Total Price Growth		$ 970

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: COMMUNICATIONS SECURITY (COMSEC)

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases

Logistics Management and Maintenance (FY 1988 Base $18,377).....$ -409

Army COMSEC logistics is managed by the US Army COMSEC Logistics Activity (CSLA) at Fort Huachuca, Arizona. CSLA is concerned with requirements determination, distribution and disposal of COMSEC material, parts cataloging, modification procedures and operation of the Army Central Office of Record for COMSEC material. Organizational elements of the CSLA contain the COMSEC National Inventory Control Point (NICP) and the COMSEC National Maintenance Point (NMP). The COMSEC storage and maintenance facility is located at Lexington Blue Grass Depot Activity (LBDA), Lexington, Kentucky. This wholesale support funds for NICP operations, and the Army industrially funded depot activities of receipt, issue, storage and overhaul of COMSEC equipment. Decreased funding requirements in FY 1989 result from efficiencies in the receipt, issue, storage and overhaul of COMSEC equipment.

Total Program Decreases.....$ -409

FY 1989 Budget Request.....$ 21,561

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: COMMUNICATIONS SECURITY (COMSEC)

IV. Performance Criteria and Evaluation:	FY 1987	FY 1988	FY 1989
A Supply and Maintenance			
Requisition Line Items Filled	556,084	542,419	466,881
Line Items Managed	18,765	19,609	19,401
Major End Items Overhauled	26,421	28,031	28,040
Secondary End Items Overhauled	28,473	27,570	27,023
Printed Wiring Assembly (PWA)/Printed Circuitboard (PCB) Repaired	12,122	12,319	12,411
Modification Work Orders (MWO) Applied	632	638	643
Other Items Overhauled	37,152	35,992	21,626
Direct Exchange (DX) Transactions Processed	17,959	18,187	18,692
B. Crypto Facilities Inspections	2,911	3,289	3,321
C. Crypto Facilities Approval	933	933	933
D. TEMPEST Inspections	1,048	1,048	1,048
E. TEMPEST Tests	414	437	440

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: COMMUNICATIONS SECURITY (COMSEC)

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	56	75	64	64	75	-10	65
Enlisted	379	420	405	405	420	+7	427
Total Military End Strength	435	495	469	469	495	-3	492
Civilian End Strength							
U.S. Direct Hire	238	264	260	260	264	-4	260
Total Civilian End Strength	238	264	260	260	264	-4	260
Military Workyears							
Officers	66	76	60	60	75	-10	65
Enlisted	410	435	392	392	420	-4	416
Total Military Workyears	476	511	452	452	495	-14	481
Civilian Workyears							
U.S. Direct Hire	245	263	263	263	263	-3	260
Total Civilian Workyears	245	263	263	263	263	-3	260

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: COMMUNICATIONS SECURITY (COMSEC)

V. Personnel Summary:

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 23 in FY 1989 supports communications security increases.

CIVILIAN

No end strength changes in FY 1989.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATION, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

I. Narrative Description:

This activity group provides for the Direct Support/General Support (DS/GS) maintenance of Table of Organization and Equipment (TOE) tactical equipment which includes tactical vehicles, construction equipment, information processing equipment, weapons armament, food service, and field service equipment.

II. Description of Operations Financed:

Finances Director of Logistics maintenance contracts, General Services Administration (GSA) and Defense Logistics Agency (DLA) supplies and civilian personnel costs required to provide tactical equipment maintenance support to the 11th Signal Brigade which has the mission to provide command post communications facilities for a major Army headquarters of a joint task force.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATION, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
A. Subactivity Breakout:								
Tactical Equipment	628	312	309	309	315	-4	311	+2
Total Activity Group	628	312	309	309	315	-4	311	+2

PROGRAM: COMMUNICATION, COMMAND AND CONTROL, INFORMATION SERVICES ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 309
Price Growth		
Civilian Personnel Costs		
Civilian Salaries (Annualization)	$ -1	
Total Civilian Personnel Costs	$ -1	
Non-Personnel Price Growth		
Private Sector	$ 11	
Total Non-Personnel Price Growth	$ 11	
Total Price Growth		$ 10

PROGRAM: COMMUNICATION, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases

Program Decreases

Maintenance Support (FY 1988 Base $309).....$ -8
Decrease provides for reduced levels of spending for administrative support and operating supplies.

Total Program Decreases.....$ -8

FY 1989 Budget Request.....$ 311

PROGRAM: COMMUNICATION, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

IV. Performance Criteria and Evaluation:	FY 1987	FY 1988	FY 1989
Number of Work Orders	1,546	1,546	1,546

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate
Military End Strength							
Enlisted	1	2	1	1	2	-1	1
Total Military End Strength	1	2	1	1	2	-1	1
Civilian End Strength							
U.S. Direct Hire	1	1	1	1	1	-	1
Total Civilian End Strength	1	1	1	1	1	-	1
Military Workyears							
Enlisted	1	2	1	1	2	-1	1
Total Military Workyears	1	2	1	1	2	-1	1
Civilian Workyears							
U. S. Direct Hire	-	1	1	1	1	-	1
Total Civilian Workyears	-	1	1	1	1	-	1

PROGRAM: COMMUNICATION, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: TACTICAL EQUIPMENT MAINTENANCE

V. Personnel Summary:

Narrative Explanation of Personnel End Strength Changes:

MILITARY

No end strength changes in FY 1989.

CIVILIAN

No end strength changes in FY 1989.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

I. Narrative Description: This budget activity provides resources to support Base Operations for the U.S. Army Information System Command (ISC) at Fort Huachuca, Arizona and Fort Ritchie, MD. The FY 1989 request totals $51.8 million. Major areas of program increases/decreases contained in this request are as follows:

Program	FY 1989
Base Operating Support	304

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed: Funds provide installation support in the following areas:

A. Administration: Finances all activities concerned with the headquarters command and administration of the installation; and other installation-wide activities not otherwise provided for, such as adjutant activities. Finances automated processing activities in support of Base Operations. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution centers print plants and printing and reproduction of publications.

B. Retail Supply Operations: Finances the operation of consolidated post supply. Includes the operation of self-service centers and clothing issue points and the office of the Director Logistics. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment: Finances Direct and General Support Maintenance of Support Systems such non-tactical vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings: Finances the purchase, control, moving, handling of housing furnishings for unaccompanied personnel officer quarters and bachelor enlisted quarters. Finances the operation and administration of all unaccompanied personnel housing.

E. Community and Morale Support Activities: Finances the development, staffing, equipping, administering and operation of installation libraries, soldier sports programs, Army Community Service, Child Development Services, Youth Program and other CORE community/family programs.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services: Finances the operation of local (installation) non-tactical motor transportation services to include government-owned vehicles. Finances operation of laundry and dry cleaning plants and contracting for such services where Army-owned plants are not operated in-house. Finances police services to include military police operations, installation level confinement activities, physical security operation and operation of physical security equipment. Finances the management of training facilities, training aids, range operations, and mobilization support. Finances the management of security counterintelligence and planning functions at the installation.

G. Other Personnel Support: Finances operation and administration of food services, food preparation facilities and dining facilities. This function is performed by contractor and military personnel. Finances chaplain activities, command information program, alcohol and drug abuse program and reenlistment activities.

H. Real Estate Leases: Finances the Army's General Service Administration-furnished space outside the National Capital Region that is managed by the Corps of Engineers.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands):

A. Subactivity Break	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY 88/89
Information Systems Command	43,899	52,330	46,581	46,547	54,159	-2,302	51,857	5,310
Vint Hill Farms Station	4,513	0	0	0	0	0	0	0
TOTAL	48,412	52,330	46,581	46,547	54,159	-2,302	51,857	5,310

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 46,547
Functional Program Transfers		
Intra Appropriation Transfers In		
Real Estate Leases	$ 3,825	
Transfers funds to support General Services Administration controlled real estate leases for the Army Printing and Publications Center, from Program 9 Administration and Associated Activities.		
Total Transfers In	$ 3,825	
Total Functional Programs		$ 3,825
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 54	
b. Compensable Days - Two Days Less	$ -180	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 545	
Total Civilian Personnel Costs	$ 419	

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Growth (Continued):

Non-Personnel Price Growth			
a.	Stock Fund Material	$ 107	
b.	Commercial Transporation Rate	$ 2	
c.	Travel	$ 9	
d.	Private Sector Price Increase	$ 643	
e.	Rents from GSA	$ 1	
	Total Non-Personnel Price Growth	$ 762	
	Total Price Growth		$ 1,181

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

Base Operating Support (Base: $46,547).....$ 304
Provides funds for general base operations functions required to support the vastly expanded mission of the Information Systems Command related to assuming many new responsibilities under the Information Mission Area (IMA).

Total Program Increases.....$ 304

FY 1989 Budget Request.....$ 51,857

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	15,346	17,095	17,899
Military E/S	242	168	164
Civilian E/S	440	391	396
Total Personnel E/S	682	559	560
Number of Bases, Total	3	3	2
(CONUS)	3	3	2
Population Served, Total E/S	41,558	41,492	42,104
(Military, E/S)	20,278	18,724	19,238
(Civilian, E/S)	21,280	22,768	22,866
Actions/Vouchers Processed (000)	44	44	45
No. ADP CPU's	3	3	3
B. Retail Supply Operations ($000)	6,180	5,752	5,924
Military E/S	47	13	13
Civilian E/S	179	133	133
Total Personnel E/S	226	146	146
Line Items Carried (000)	41	49	51
Receipts (000)	109	131	136
Issues (000)	148	178	185

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
C. Maintenance of Installation Equipment ($000)	5,684	5,449	5,568
Military E/S	7	5	5
Civilian E/S	27	23	23
Total Personnel E/S	34	28	28
Number of Work Orders	25,383	24,895	25,439
D. Bachelor Hsg Ops./Furn. ($000)	860	733	747
Military E/S	5	5	5
Civilian E/S	14	16	16
Total Personnel E/S	19	21	21
No. of Officer Quarters	310	310	351
No. of Enlisted Quarters	3,003	3,003	3,413
E. Morale, Welfare & Rec ($000)	5,747	4,188	4,437
Military E/S	126	51	51
Civilian E/S	103	122	126
Total Personnel E/S	229	173	177
Population Served, Total	75,422	72,761	74,231
(Military, E/S)	20,278	18,724	19,238
(Civilian/Dependents, E/S)	55,144	54,037	54,993

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
F. Other Base Services ($000)	7,087	7,393	7,400
Military E/S	487	298	299
Civilian E/S	161	161	162
Total Personnel E/S	648	459	461
Number of Motor Vehicles, Total	584	589	579
(Owned)	559	510	500
(Leased)	25	25	25
Number of Miles Driven (000)	5,529	5,060	4,960
G. Other Personnel Support ($000)	7,508	5,917	6,037
Military E/S	168	126	129
Civilian E/S	203	155	159
Total Personnel E/S	371	281	288
Population Served, Total	41,558	41,492	42,104
(Military, E/S)	20,278	18,724	19,238
(Civilian, E/S)	21,280	22,768	22,866
Meals Served (In Mandays) (000)	323	370	370
H. Real Estate Leases ($000)	0	20	3,845
Rents from GSA	0	20	3,665
Other Contractural Services	0	0	180
Non-GSA Leases	0	0	0
Total Square Feet (000)	0	3	929

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	108	83	37	37	83	-48	35
Enlisted	974	636	629	629	643	-12	631
Total Military	1,082	719	666	666	726	-60	666
Civilian End Strength							
U.S. Direct Hire	1,119	994	992	992	1,004	2	1,006
Foreign Nat. Direct Hire	8	9	9	9	9	0	9
Total Civilian	1,127	1,003	1,001	1,001	1,013	2	1,015
Total End Strength	2,209	1,722	1,667	1,667	1,739	-58	1,681

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Military

No end strength change in FY 1989.

Civilian

The increase of 14 in FY 1989 is for general installation support.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	130	91	72	72	83	-47	36
Enlisted	1,001	685	801	801	640	-10	630
Total	1,131	776	873	873	723	-57	666
Civilian Workyears							
U.S. Direct Hire	1,174	1,124	1,137	1,137	1,130	1	1,131
Foreign National Direct Hire	0	10	10	10	9	0	9
Total	1,174	1,134	1,147	1,147	1,139	1	1,140

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity provides Real Property Maintenance Activities (RPMA) support for the U.S. Army Information Systems Command (ISC) at Fort Huachuca, Arizona and Fort Ritchie, Maryland. The 1989 request totals $37.8 million. Major program incresases/decreases contained in this request are as follows:

Program	FY 1989
Real Property Maintenance	-783

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: ARMY REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds requested will provide support in four functional areas of Real Property Maintenance Activities. These functional areas are:

A. Operation of Utilities: Finances procurement, production and distribution of utilities at Information Management installations. Included are purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property: Finances maintenance and repair of buildings, structures, roads, grounds and utility systems at Information Management installations. The FY 1989 request does not cover Annual Maintenance and Repair Requirements, and Backlog of Maintenance and Repair (BMAR) will increase by $0.9 million. This increase in backlog will result in degradation to utilities systems, maintenance and production facilities, and operational facilities.

C. Minor Construction: Finances the erection, installation or assembly of a new facility, or the addition, expansion, alteration or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support: Finances other facilities engineering services such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: ARMY REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

			FY 1988			FY 1989			
A. Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Information Systems Command	37,045	39,482	37,515	37,291	40,291	-2,513	37,778	487
Vint Hill Farms	7,597	6,940	6,758	6,758	7,218	-7,218	0	-6,758
TOTAL	44,642	46,422	44,273	44,049	47,509	-9,731	37,778	-6,271

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 44,049
Functional Program Transfers		
Intra Appropriation Transfers Out		
Vint Hill Farms Station	$ -6,758	
Transfers resources from Program 3 to Program 7 to reflect the transfer of Vint Hill Farms Station from Army Intelligence and Security Command (INSCOM) to Army Materiel Command (AMC). This transfer gives AMC responsibility for Vint Hill Farms Station where AMC activities constitute the largest presence.		
Total Transfers Out	$ -6,758	
Total Functional Programs		$ -6,758
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 23	
b. Compensable Days-Two Less Days	$ -84	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 218	
Total Civilian Personnel Costs	$ 157	

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Price Growth (Continued):

Non-Personnel Price Growth			
a. Travel	$	1	
b. Stock Fund Material	$	66	
c. Utilities	$	167	
d. Private Sector Price Increase	$	879	
Total Non-Personnel Price Growth	$	1,113	
Total Price Growth			$ 1,270

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases		
Real Property Maintenance (RPM) (Base: $26,275).....	$	-783
Real Property Maintenance funding has been reduced to levels far below the Annual Recurring Requirement (ARR) in recent years. Consequently, there will be some deterioration of existing Army facilities with an associated degradation of living and working conditions at U.S. military installations. For example, many high priority projects to repair utilities systems, troop barracks, maintenance facilities, operational facilities, and more will, for necessity be deferred. The Backlog and Maintenance and Repair (BMAR) will still rise by $.9 million in FY 1989.		
Total Program Decrease.....	$	-783
FY 1989 Budget Request.....	$	37,778

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Maintenance/Repair, Real Property, K ($000)	24,085	23,935	20,213
Military Personnel E/S	0	0	0
Civilian Personnel E/S	31	172	172
Total Personnel E/S	31	172	172
Annual M&R Requirements ($000)	20,396	23,914	20,770
Major Repair Projects ($000)	9,824	5,385	5,364
Backlog, Maintenance & Repair ($000)	4,913	5,191	6,096
Military Housing Floor Space (000 sq ft)	1,420	1,420	1,260
All Other Floor Space (000 sq ft)	5,565	5,691	5,070
B. Minor Construction, L ($000)	3,824	2,340	1,966
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	0	0
Total Personnel E/S	0	0	0
Number of Projects	22	17	11
C. Operation of Utilities, J ($000)	8,833	9,192	8,063
Military Personnel E/S	0	0	0
Civilian Personnel E/S	27	50	50
Total Personnel E/S	27	50	50
Electricity (MWH)	107,529	114,756	102,302
Heating (MBTU)	354,990	347,890	298,717
Water, Plants & Systems (000 gals)	697,974	704,954	582,316
Sewage & Waste Systems (000 gals)	589,039	600,819	501,638
Air Conditioning & Refrig (Tons)	11,125	12,250	12,248

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
D. Engineer Support, M ($000)	7,900	8,582	7,536
Military Personnel E/S	9	8	9
Civilian Personnel E/S	221	220	220
Total Personnel E/S	230	228	229
Fire Protection/Prevention, Rescue E/S	51	51	38
Custodial Services (000 sq ft)	3,199	3,199	2,793
Entomology Services (000 sq ft)	6,461	6,461	5,656
Refuse Collection/Disposal (000 cu yds)	288	318	204

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	3	3	0	0	3	-2	1
Enlisted	6	8	8	8	8	0	8
Total Military	9	11	8	8	11	-2	9
Civilian End Strength							
U.S. Direct Hire	279	442	442	442	442	0	442
Total Civilian	279	442	442	442	442	0	442
Total End Strength	288	453	450	450	453	-2	451

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

The increase of one in FY 1989 reflects manning adjustments.

Civilian

No end strength in FY 1989.

PROGRAM: COMMUNICATIONS, COMMAND AND CONTROL, INFORMATION SERVICES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	3	3	2	2	3	-2	1
Enlisted	12	8	7	7	8	0	8
Total	15	11	9	9	11	-2	9
Civilian Workyears							
U.S. Direct Hire	371	434	434	434	434	0	434
Total	371	434	434	434	434	0	434

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PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

I. Description of Operations Financed

This program finances the Army's wholesale logistics system which is comprised of Depot Maintenance, Central Supply and Transportation, as well as related Base Operations, Real Property Maintenance and Environmental Restoration activities. The total request for FY 1989 is $6.0 billion.

The Depot Materiel Maintenance and Support Activities budget request represents an overall $257.1 million program increase from FY 1988 to FY 1989. This level supports funding of 87% Depot Materiel Maintenance and Equipment Modernization of requirements in FY 1989, but still leaves $268.2 million of the program unfinanced. Repair of secondary items and support to new Force Modernization systems have received the highest priority. Within Maintenance Support Activities, New Equipment Training and other support to fielding and sustaining new Force Modernization systems continues to be the highest priority. Depot Maintenance activity groups are:

- Depot Materiel Maintenance consists of the overhaul, repair, and renovation of unserviceable but repairable material for issue to troops in the field. This program returns "like new" equipment to the field at a cost which is far less than the procurement value.

- Equipment modernization consists of the modification or conversion of existing materiel to increase combat effectiveness, safety, reliability and/or maintainability.

- Maintenance Support Activities provide maintenance program planning, integrated logistics support, training, maintenance engineering services, and publications to all levels of the Army maintenance system.

The FY 1988 current estimate for Central Supply functions (excluding Environmental Restoration) represents, in real terms, a $376 million decrease from FY 1987, while FY 1989 reflects a further decrease of $198 million over FY 1988. Within these constraints the highest priority requirements have been financed; nevertheless, constrained funding has caused all budget activities to be supported at less than satisfactory levels. Details are provided in the accompanying activity groups.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

I. Description of Operations Financed (Continued):

- Supply Activities and Logistics Support Activities provide for the shipping, receipt, storage, issue, and management of supplies and equipment. Also included are the negotiation and administration of contracts for procurement of Army weapons systems and their fielding support.

- Transportation workload support includes movement of materiel from the manufacturer and Army depots to Army users worldwide.

- Transportation Management and Overseas Port Units provides for support of Army missions overseas through port terminal facilities. This activity also includes worldwide traffic management and management of the Defense Freight Railway Interchange Fleet.

- Industrial Preparedness Operations provide for maintenance of laidaway equipment and facilities plus planning for Government and private sector production surge requirements during emergencies.

- Resale Commissaries provide for soldier support through the operation and management of stores.

- Environmental Restoration funding provides for the restoration of the natural environment on real property currently controlled by the Department of the Army and at properties formerly controlled by the Department of Defense.

- Base Operations funding provides for installation support functions at 49 locations in CONUS. Costs associated with retail supply operations, below-depot maintenance of materiel, personnel support, unaccompanied personnel housing operations/furnishings, morale, welfare and recreation, General Service Administration furnished leased space outside the National Capital Region that is managed by the Corps of Engineers, and other common support functions are included in this budget activity.

- Real Property Maintenance Activities funding provides for facility support at 49 locations in CONUS. Support includes operation of utilities, maintenance and repair of real property, minor construction and other facilities engineering services such as fire protection, custodial services, etc.

- Industrial Fund and Stock Fund Support is not an operational program. The budget display reflects financial adjustments between appropriated customer programs and the Defense and Army Stock Funds and the Services' Industrial Funds. These adjustments provide for additional reimbursement to or refunds/transfers from the Industrial and Stock Funds.

The following is a list of principal activities funded by this program:

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

Principal Central Supply and Maintenance Locations

ALABAMA

Anniston Army Depot
Missile Materiel Readiness Command
Huntsville Engineer Division

ARIZONA

Navajo Army Depot Activity

ARKANSAS

Pine Bluff Arsenal

CALIFORNIA

Sacramento Army Depot
Sharpe Army Depot
Sierra Army Depot
South Pacific Engineer Division

COLORADO

Pueblo Depot Activity
Rocky Mountain Arsenal

GEORGIA

South Atlantic Engineer Division

HAWAII

Pacific Ocean Engineer District

ILLINOIS

Savanna Army Depot Activity
Rock Island Arsenal
Armament, Munitions and Chemical Command

INDIANA

Newport Army Ammunition Plant
Crane Army Ammunition Activity

KENTUCKY

U.S. Army Materiel Readiness Support Activity
Lexington Blue-Grass Depot Activity

MARYLAND

Edgewood Arsenal Procurement Office

Test and Evaluation Command
Harry Diamond Lab Procurement Office

MASSACHUSETTS

Natick Research & Development Command Procurement Office

MICHIGAN

U.S. Army Tank-Automative Command

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

Principal Central Supply and Maintenance Locations

MISSISSIPPI

Lower Mississippi Engineer Division
Mississippi Army Ammunition Plant

MISSOURI

Troop Support Command
Aviation Systems Command

NEBRASKA

Missouri River Engineer Division

NEVADA

Hawthorne Army Ammunition Plant

NEW JERSEY

Communications-Electronics Materiel Readiness Command
Communications-Electronics Accountable Supply Distribution Center

NEW MEXICO

Fort Wingate Depot Activity

NEW YORK

Seneca Army Depot
Watervliet Arsenal Procurement Office
North Atlantic Engineer Division

OHIO

Ravenna Army Ammunition Plant

OKLAHOMA

McAlester Ammunition Plant

OREGON

North Pacific Engineer Division
Umatilla Depot Activity

PENNSYLVANIA

Depot Systems Command
Letterkenny Army Depot
New Cumberland Army Depot
Scranton Army Ammunition Plant

TENNESSEE

Milan Army Ammunition Plant

TEXAS

Corpus Christi Army Depot
Lone Star Army Ammunition Plant
Red River Army Depot
Southwestern Engineer Division

UTAH

Tooele Army Depot

VIRGINIA

Washington Procurement Division
Mobility Equipment Research & Development Command Procurement
Electronic Materiel Readiness Activity Procurement Office
Radford Army Ammunition Plant

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Activity Groups:	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY88/89
Supply Activities	1,279,150	1,400,625	1,343,073	1,256,877	1,442,270	-289,620	1,152,650	-104,227
Logistics Support Activities	766,227	764,252	708,600	679,977	788,469	-161,545	626,924	-53,053
Trans Mgt and Overseas Port Units	90,931	78,350	79,017	77,262	80,180	-2,717	77,463	201
Industrial Preparedness Operations	140,474	116,023	109,198	94,565	118,049	-24,473	93,576	-989
Transportation	662,495	635,255	629,527	576,247	654,064	41,189	695,253	119,006
Resale Commissaries	211,368	234,258	227,321	231,490	239,883	-24,182	215,701	-15,789
Modernization	95,238	116,798	116,798	103,378	124,269	-7,862	116,407	13,029
Other Depot Maintenance	1,331,654	1,431,469	1,537,975	1,417,863	1,574,944	134,304	1,709,248	291,385
Maintenance Support Activities	704,716	650,176	627,598	627,598	658,836	-29,812	629,024	1,426
Real Property Maintenance Activities	285,223	257,350	253,650	256,427	272,117	12,036	284,153	27,726
Base Operations	251,305	258,874	246,160	260,800	257,194	28,231	285,425	24,625
Environmental Restoration	195,460	19,107	0	178,209	24,526	-24,526	0	-178,209
Sub-total (Approved Program)	6,014,291	5,962,537	5,878,917	5,760,693	6,234,801	-348,977	5,885,824	125,131
Industrial Fund & Stock Fund Support	-731,300	-218,800	-234,700	13,000	-74,500	217,500	143,000	130,000
Total	5,282,991	5,743,737	5,644,217	5,773,693	6,160,301	-131,477	6,028,824	255,131

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

FY 1988 President's Budget Request		$ 5,743,737
Congressional Adjustments:		
a. Automatic Data Processing	$ -22,318	
b. Asset Capitalization Program	$ -23,800	
c. Base Operating Support	$ -11,560	
d. Civilian Personnel (Base: $1,350,846)	$ -23,800	
e. Contractor Support Services (Base: $72,691)	$ -11,364	
f. Depot Maintenance (Base: $1,431,500)	$ 150,000	
g. DLA Stock Fund Surcharge (Base: $4,868)	$ -12,868	
h. Expense/Investment Criteria (Base: $4,187)	$ -2	
i. Force Modernization (Base: $131,352)	$ -23,523	
j. Headquarters Operations (Base: $116,005)	$ -11,917	
k. Inflation Adjustments	$ -12,110	
l. Inventory Accountability (Base: $25,800)	$ 9,400	
m. Japanese Defense Contribution	$ -364	
n. Manpower Savings/Contracting Out (Base: $1,350,846)	$ -4,950	
o. Nonappropriated Fund Activities	$ -1,562	
p. Savings	$ -10,196	
q. Stock Fund Policy (Base: $9,948)	$ -4,573	
r. Supply Operations (Base: $863,214)	$ -21,009	
s. Technology Test Bed (Base: $5,800)	$ -5,800	
t. Transportation/Travel (Base: $657,674)	$ -16,593	
u. Workyear Pricing (Base: $1,350,846)	$ -40,611	
Total Congressional Adjustments		$ -99,520
FY 1988 Appropriated Amount		$ 5,644,217

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M; $ in Thousands)

B. Reconciliation of Increases and Decreases

Functional Program Transfers

Inter Appropriation Transfers In

a. Environmental Restoration.....$ 178,209
Transfer of funding from DOD to support execution of the Army portion of the environmental restoration program.

b. Asset Capitalization.....$ 15,900
Transfer of resources from the Army Industrial Fund (AIF) to partially offset Congressional reduction to OMA for the Asset Capitalization Program/ overhead of the AIF. This transfer is consistent with Congressional direction.

c. Stock Fund.....$ 78,500
Transfer of resources from the Army Stock Fund to partially offset the budgeted OMA reduction to be refunded by the Defense Stock Fund ($122.9 million). The cash position of the Defense Stock Fund did not permit a refund and the Army was directed to transfer these resources from its own stock fund as a partial restoration. The net result is a programatic reduction to Program 7S of $44.4 million.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Functional Program Transfers

d. Industrial Fund.....$ 45,000
Transfer of resources from the Army Industrial Fund to partially offset the budgeted OMA reductions to be refunded by the AIF ($65.2 million) and the Military Airlift Service Command ($9 million). The cash position of the Military Traffic Management Command (MTMC) did not permit a refund (now a transfer) of $20.2 million and the Military Airlift Service Command was unable to refund $9 million to Program 7S; resulting programatic reduction to Program 7S was $29.2 million.

Total Transfers In.....$ 317,609

Intra Appropriation Transfers In

a. Intermediate Range Nuclear Tready (INF).....$ 9,500
Resources transferred from Program 2, Real Property Maintenance Activities, to support monitoring and verification requirements of the INF Treaty.

Total Transfers In.....$ 9,500

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Functional Program Transfers

Inter Appropriation Transfer Out

a. Transfer to Office of CHAMPUS.....$ -12,900
Transfers funds to Operation and Maintenance Defense Agencies appropriation to finance Fiscal Intermediary operations which support contractors who process and pay the adjudicated medical and dental care claims.

Total Transfers Out.....$ -12,900

Intra Appropriation Transfers Out

a. Productivity Improvement Fund (PIF) Functional Reprograming.....$ -15,408
Transfer to Program 95 to correctly align Productivity Improvement Funding for execution.

b. Special Operations Forces.....$ -32,435
Transfers funds for establishment of new major Program 11 for Special Operations Forces from other Operation and Maintenance, Army programs.

c. CHAMPUS Reprograming.....$ -107,276
Transfers funds from Program 7 of the Operation and Maintenance, Army appropriation to Program 8 Medical to support payment of medical/dental care claims of Army beneficiaries.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Functional Program Transfers

Intra Appropriation Transfers Out

d. Drug Abuse Counseling Program.....$ -2,354
Transfers funds from Program 7 to Program 9 to support the Drug Abuse Counseling Program.

e. Financial Management Information System (FINMIS).....$ -13,760
Transfers funds from Program 7 to Program 9 to bring the Financial Information Management Systems into compliance with Comptroller General Standards and the Federal Manager's Financial Integrity Act of 1982.

f. NATO Support Reprograming.....$ -13,500
Transfers funds from Program 7 to Program 10 to reflect realignment of resources for NATO support. Funds will allow the Army to continue U.S. contributions to NATO at the FY 1987 level.

Total Transfers Out.. .....$ -184,733

Total Functional Program Transfers.....$ 129,476

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Price Growth		
a. FY 1988 Civilian Personnel Pay Increase - 2 Percent	$	23,659
b. FY 1988 Civilian Health Benefits	$	8,787
c. Stock Fund - Fuel Rate Change	$	689
d. GSA Rates	$	89
e. Private Sector Price Increase - 0.2 Percent	$	5,730
f. MAC Industrial Fund loss of refund	$	9,000
g. MTMC Industrial Fund loss of refund	$	20,200
h. DLA Stock Fund loss of refund	$	44,400
i. FY 1988 Unfinanced AIF Pay Raise	$	21,700
j. Communications Services Industrial Fund Passthrough	$	13,000
Total Price Growth	$	147,254
Program Decreases		
a. Absorption of MAC Industrial Fund Rates Increase	$	-9,000
b. Absorption of MTMC Industrial Fund Rates Increase	$	-20,200
c. DLA Stock Fund Refund	$	-44,400
d. Absorption of FY 1988 Civilian Personnel Pay Increase - 2 Percent	$	-23,659

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Program Decreases

e.	Absorption of FY 1988 AIF Civilian Pay Raise	$ -21,700
f.	Absorption of Stock Fund - Fuel Rate Adjustment	$ -689
g.	Absorption of GSA Industrial Fund Rates	$ -89
h.	Absorption of Private Sector Price Increase - 0.2 Percent	$ -5,730
i.	Absorption of Civilian Health Benefits	$ -8,787
j.	Absorption of Passthrough for Communications Services Industrial Fund	$ -13,000
	Total Program Decreases	$ -147,254

Absorption of the above price growth changes have resulted in further programatic decreases to all Central Supply and Maintenance Budget Activities. The result is further degradation to Supply Depot Operations, including delays in receipt and issue activities and increasing backlogs in central procurement actions; lowered funding for Transportation causes delays or cancellations of shipments for war reserves, ammunition buildup and POMCUS. Base Operations and Real Property Maintenance Activities' support, already far below FY 1987 actual levels, is further deteriorated.

FY 1988 Current Estimate ..... $ 5,773,693

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		**$ 5,773,693**
Functional Program Transfers		
Inter Appropriation Transfers In		
a. Non-Tactical Vehicle Lease Transfer	$ 5,571	
Transfers funds from Other Procurement, Army 2 appropriation to support the conversion of the Army's non-tactical vehicle fleet to General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based non-tactical vehicle fleet to the IFMS by 1992.		
b. Army Missile Command (MICOM) Production Overhead Costs	$ 8,585	
Transfer from RDT&E appropriation to support production overhead costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.		
c. Army Missile Command (MICOM) Base Operations Overhead Costs	$ 11,415	
Transfer from RDT&E appropriation to support Base Operations costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.		

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Functional Program Transfers

Inter Appropriation Transfers In

d. Army Missile Command (MICOM) Base Operations Overhead Costs.....$ 38,272
Transfer from Procurement appropriation to support Base Operations costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.

e. Military Sealift Command Rate Structure Transfer from Navy.....$ 99,900
Transfers funds from Navy Industrial Fund to support increase in rate structure for Military Sealift Command (MSC). Increased rates are caused by increased costs of shipping. This does not buy additional program.

f. Military Airlift Command Rate Structure.....$ 24,900
Transfers funds from Operation and Maintenance, Air Force to support increased costs of shipping overseas via the Military Airlift Command and support from the Air Force Industrial Funds.

Total Transfers In.....$ 188,643

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Functional Program Transfers

Intra Appropriation Transfers In

a. Army Missile Command (MICOM) Production Overhead Costs.....$ 2,460
Tranfers from the following OMA subprograms to support production overhead costs of U.S. Army Missile Command ($ 000):

From Program 3 Communications	$ 691
Program 8 Training	1,468
Program 8 Medical	259
Program 8 Other	42

These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of the above MICOM customers.

b. Vint Hill Farms Station.....$ 6,758
Transfers resources from Program 3 Communications (BOS) to Program 7S Central Supply to reflect the transfer of Vint Hill Farms Station from Army Intelligence and Security Command to Army Materiel Command.

c. Agency Realignment.....$ 4,555
Transfers funds to support the Construction Engineering Research Laboratory (CERL) and the Army Research Office (ARO) from Program 9, Administration and Associated Activities.

Total Transfers In.....$ 13,773

Total Program Transfers.....$ 202,416

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Price Growth

Civilian Personnel Costs

a.	Civilian Salaries (Annualization)	$ 12,175	
b.	Compensable Days-Two Days Less	$ -10,932	
c.	FY 1989 Civilian Personnel Pay Increase	$ 27,066	
	Total Civilian Personnel		$ 28,309

Non-Personnel

a.	Stock Fund-Materiel	$ 1,058
b.	Commercial Transportation Rates	$ 6,770
c.	Industrial Fund	$ 35,591
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 6,502
e.	Indirect Hire Foreign National FY 1989 Pay Raise Separation Allowance	$ 1,545
f.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 5,176
g.	Annualization of FY 1988 Indirect Hire Foreign National Separation Allowance	$ -1,761
h.	Travel	$ 1,056
i.	Commercial Communications	$ 403
j.	Private Sector	$ 47,709
k.	Utilities	$ 229

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

l.	Industrial Fund Passthrough....	$ 130,000	
m.	Standard Level User Charge	$ 1,747	
	Total Non-Personnel		$ 236,025
	Total Price Growth		$ 264,334
Program Increases			
a.	OPTEMPO (Base: $639,200)	$ 62,000	
b.	Support to Modernization Conversion (Base: $103,378)	$ 9,563	
c.	Equipment Overhaul and Repair (Base: $788,663)	$ 192,803	
d.	Real Property Maintenance (Base: $53,554)	$ 8,477	
e.	Hazardous Waste Disposal Operations (Base: $21,067)	$ 2,968	
	Total Program Increases		$ 275,811
Program Decreases			
a.	Depot Support Storage Operations (Base: $91,609)	$ -60,600	
b.	Excess Materiel Depot Reprocessing & Redistribution (Base: $24,500)	$ -20,500	
c.	Supply Management & Central Procurement Operations (Base: $286,035)	$ -32,152	
d.	Europe Storage Operations (Base: $124,584)	$ -22,600	
e.	Ammunition Buildup Storage Operations, Europe (Base: $18,900)	$ -14,600	
f.	Conventional Ammo Demiliterization (Base: $21,318)	$ -15,111	

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

g.	Production Engineering (Base: $34,311)	$	-13,000
h.	Other Logistical Automation Systems (Base: $64,637)	$	-7,694
i.	Defense Standardization (Base: $24,813)	$	-1,806
j.	Audio Visual Support (Base: $9,569)	$	-950
k.	Management HQ Activities (Base: $175,116)	$	-22,500
l.	Project Managers (Base: $109,138)	$	-10,000
m.	Studies and Systems Development.(Base: $4,200)	$	-3,573
n.	Industrial Base Management (Base: $38,946)	$	-4,024
o.	Prepositioned War Reserve Materiel Stocks (Base: $13,388)	$	-6,180
p.	Prepositioned Materiel Configured to Unit Sets (POMCUS) (Base: $14,412)	$	-9,317
q.	Commissary Operations (Base: $213,255)	$	-20,860
r.	Support to Fielded Systems (Base: $597,313)	$	-6,332
s.	Force Modernization Program (Base: $30,285)	$	-981
t.	Utilities Savings (Base: $24,178)	$	-193
u.	Base Operations Support (Base: $233,964)	$	-31,314
v.	Community and Morale, Welfare and REcreation (Base: $12,838)	$	-1,103
w.	Initial Issue Furnishings (Base: $13,998)	$	-3,831
x.	Environmental Restoration (Base: $178,209)	$	-178,209
	Total Program Decreases	$	-487,430
Total FY 1989 Budget Request		$	6,028,824

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officers	1,617	1,929	1,874	1,874	2,185	-40	2,145
Enlisted	5,373	5,589	5,259	5,259	6,821	-288	6,533
Total Military End Strength	6,990	7,518	7,133	7,133	9,006	-328	8,678
Civilian End Strength							
US Direct Hire	45,454	44,852	43,668	43,668	51,905	-950	50,955
Foreign National Direct Hire	1,117	1,159	1,159	1,159	1,165	0	1,165
Foreign National Indirect Hire	7,699	7,952	7,874	7,874	7,671	-78	7,593
Total Civilian End Strength	54,270	53,963	52,701	52,701	60,741	-1,028	59,713
Military Workyears							
Officers	1,643	1,926	1,767	1,767	2,111	-52	2,059
Enlisted	5,349	5,666	5,343	5,343	6,697	-329	6,368
Total Military Workyears	6,992	7,592	7,110	7,110	8,808	-381	8,427
Civilian Workyears							
US Direct Hire	44,124	45,740	45,128	45,128	52,645	-2,832	49,813
Foreign National Direct Hire	1,260	1,150	1,388	1,388	1,182	-74	1,108
Foreign National Indirect Hire	7,241	7,836	7,782	7,782	7,675	-33	7,642
Total Civilian Workyears	52,625	54,726	54,298	54,298	61,502	-2,939	58,563

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

I. Description of Operations Financed

This activity's request of $1,153 million in FY 1989 provides for Supply Depot Operations, Supply Management Operations and Central Procurement operations which support the equipping, deploying and sustaining of Army and other service forces worldwide. This budget request reflects decreases in real program growth of $120 million in FY 1988 and $148.3 million in FY 1989. The Army's consious decision to maintain level of funding for training and OPTEMPO and then fund other programs within constrained resources has resulted in large decreases in supply operations.

Wholesale supply operations face record workloads following the large scale build-up and modernization efforts and increased Depot Maintenance Program over the past several years. The expanding number and complexity of end items, repair parts, ammunition, and other equipment have presented the central supply system with the problem of having to accomplish rising receipt, issue and storage requirements within severely constrained resourcing. The emphasis of this budget request is to meet the highest priority receipt and issue workload requiring deferral of important storage support requirements. These storage functions are funded at less than 35% of requirements in FY 1988 and approximately 10% in FY 1989. Efforts to improve the state of inventory accountability throughout the supply system are severely curtailed in FY 1988 and FY 1989. Caring for supplies in storage and reprocessing of reusable excess materiel are desirable both operationally and economically; however these requirements cannot be accomplished fully within current funding levels.

Supply Operations functions contribute to the total logistics effort worldwide and improve readiness and responsiveness for forces in the field. Specific functions included are:

a. Supply Depot Operations ($682.7 million). Supply depots perform the full range of wholesale supply operations functions with special emphasis on timely receiving and shipping to ensure that materiel required by field units and depot maintenance activities is available in the quantity and condition required.

b. Supply Management Operations ($185 million). Provide for the maintenance of up-to-date inventory control records which accurately show the availability, condition and location of all items for which the Army has responsibility. Included in these operations are: receipt and processing of requisitions in a timely manner, and the maintenance of the Army's part of the Federal Catalog System which involves the preparation and submission of pertinent data for new items entering the system as well as the publication of new/revised catalogs which are the official media for dissemination of supply data to the field.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

c. Central Procurement Activities ($285 million). Obtain the supplies, materiel, and equipment needed by the Army from commercial sources. In the Continental United States (CONUS) there are twenty Army activities performing central procurement functions and in Europe there are nine Army central procurement offices. These activities include processing procurement actions, preparing and issuing solicitation documents, evaluating bids and proposals, conducting contract negotiations and awards, executing contract modifications, conducting surveillance of contractor performance, performing quality assurance functions from initial procurement planning through close out of the contract file, and conducting cost/price analyses and "should cost" studies.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

II. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY88/89
Supply Depot Operations	750,662	863,214	842,133	776,686	895,531	-212,843	682,688	-93,998
Supply Management Activities	220,701	219,226	203,165	194,156	225,527	-40,542	184,985	-9,171
Central Procurement Operations	307,787	318,185	297,775	286,035	321,212	-36,235	284,977	-1,058
Total	1,279,150	1,400,625	1,343,073	1,256,877	1,442,270	-289,620	1,152,650	-104,227

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

II. Financial Summary (O&M: $ in thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 1,256,877
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 2,778	
b. Compensable Days-Two Days Less	$ -3,157	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 8,171	
Total Civilian Personnel		$ 7,792

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth

b.	Stock Fund-Materiel	$	41
c.	Commercial Transportation Rates	$	62
d.	Industrial Fund Transportation Rates	$	1
e.	Industrial Fund	$	28,643
f.	Indirect Hire Foreign National FY 1989 Pay Raise	$	4,261
g.	Indirect Hire Foreign National FY 1989 Pay Raise Separation Allowance	$	602
h.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	3,214
i.	Annualization of FY 1988 Indirect Hire Foreign National Separation Allowance	$	-883
j.	Travel	$	173
k.	Commercial Communications	$	7
l.	Private Sector	$	2,307
m.	Utilities	$	5
	Total Non-Personnel Price Growth	$	38,433
	Total Price Growth	$	46,225

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases.

Program Decreases:

a. Depot Storage Support Operations.(Base: $91,609).....$ 60,600
Reduction forces depots to further degrade important storage functions including Care of Supplies in Storage (COSIS), physical inventory accountability operations and rewarehousing, in order to execute receipt and issue workload in support of the Depot Maintenance Program and forces in the field. Postponement of physical inventories and COSIS drives up the long-term supply costs, diminishes the ability to process requisitions in a timely manner, allows deterioration of supplies and results in increased order ship-time. Ultimately, increased back orders for general supplies and ammunition will degrade operational readiness rates of field units and availability of supplies in the event of surge requirements.

b. Excess Materiel Depot Reprocessing and Redistribution.(Base: $24.500).....$ -20,500
This reduction constrains the ability of depots and the European redistribution facility to fully process and redistribute materiel returns causing a growing backlog and failure to return usable materiel back into the supply system. Over 870 thousand lines of materiel returns are expected from field units in FY 1988 and FY 1989. Inability to return these items into the supply pipeline not only creates a growing "iron mountain" at the depots but decreases supply availability and increases procurement requirements which are unfunded.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

c. Supply Management and Central Procurement Operations.(Base: $286,035).....$ -32,152
This reduction diminishes the ability of the National Inventory Control Points to effectively process requisitions and to manage inventory requirements adding to an already extensive backlog of 72 thousand procurement actions at end of FY 1987. This procurement backlog will grow by 33% in FY 1988 and over 56% in FY 1989 to nearly 112 thousand procurement actions by yearend FY 1989. The inability to fully process procurement actions requirements degrades long-term supply availability. Contract quality assurance and oversight of contractors will also be reduced.

d. Europe Storage Operations (Base: $124,584).....$ -22,600
Halts the contractual effort to maintain forward storage sites in USAREUR which provides storage, preservation, inventory and security of supplies required in support of forward corps. These greatly enhance the readiness of our most forward deployed troops by positioning resources directly with the fighting units. This reduction also delays the ability to fill NATO infrastruture warehousing which also impacts readiness in Europe.

e. Ammunition Buildup Storage Operations, Europe (Base: $18,900).....$ -14,600
Reduces resources to handle, manage and maintain additional ammunition tonnage in Europe, preventing USAREUR from reaching planned stockage levels and resulting in reduced war fighting capability at the very time that this capability is becoming critical.

Total Decreases.....$ -150,452

FY 1989 Budget Request.....$ 1,152,650

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

III. Performance Criteria and Evaluation.

TITLE	FY 1987 Actuals	FY 1988 Estimates	FY 1989 Estimates
Supply Depots			
Line Items Received (000)	3,047	2,844	3,091
Line Items Shipped (000)	7,570	7,564	7,816
Tons of Cargo Handled (000)	2,864	2,838	2,810
COSIS Ammunition Processed/Inspected	184	103	31
COSIS General Supplies Processed/Inspected	178	100	29
Depot Inventory	5,988	4,954	1,978
Supply Management			
End Items & Secondary Items Managed (000)	436	436	436
Line Items Requisitioned (000)	4,462	4,305	4,431
Central Procurement			
Total Procurement Actions processed (000)	141	127	126
Contracts Awarded:			
Under $25,000	107.4	107.4	107.4
$25,000 and Over	21.8	21.8	21.8

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officers	298	454	431	431	478	-10	468
Enlisted	511	927	845	845	934	-35	899
Total Military End Strength	809	1,381	1,276	1,276	1,412	-45	1,367
Civilian End Strength							
US Direct Hire	13,330	13,523	13,034	13,034	15,401	-489	14,912
Foreign National Direct Hire	507	486	486	486	476	0	476
Foreign National Indirect Hire	4,925	5,235	5,235	5,235	4,838	0	4,838
Total Civilian End Strength	18,762	19,244	18,755	18,755	20,715	-489	20,226
Military Workyears							
Officers	298	455	364	364	466	-16	450
Enlisted	511	956	678	678	931	-59	872
Total Military Workyears	809	1,411	1,042	1,042	1,397	-75	1,322
Civilian Workyears							
US Direct Hire	12,687	13,297	13,167	13,167	15,176	-958	14,218
Foreign National Direct Hire	523	484	483	483	492	-23	469
Foreign National Indirect Hire	4,575	5,106	5,100	5,100	4,831	44	4,875
Total Civilian Workyears	17,785	18,887	18,760	18,750	20,499	-937	19,562

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: SUPPLY OPERATIONS

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 91 in FY 89 reflects further adjustments in supply depots (+44); inventory control (+31); and procurement operations (+16).

CIVILIAN

The net increase of 1,471 in FY 89 is associated with supply depot operations (-388); inventory control point (+38); procurement operations (-2); and the planned conversion of Army Missile Command from industrial fund operation to appropriated fund operations (+1,823). Due to the postponement of decapitalization of the Army Missile Command until FY 1990, action is underway to restore this manpower to the Army Industrial Fund.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

I. Description of Operations Financed

This activity's budget request of $626.9 million in FY 1989 provides for a variety of logistics support functions which support the equipping, deploying and sustaining of Army and other Service forces worldwide.

The Logistics Support Program declines by $86 million in FY 1988 and an additional $53 million in FY 1989 and reflects the Army's conscious effort to accomplish its highest priority readiness related missions, and then fund other programs within constrained resources. The major decreases to this program in FY 1989 include a reduction to Management Headquarters Activities of $22.5 million, Conventional Ammunition Demilitarization of $15 million, and Production Engineering of $13 million. This program also includes $7.0 million in price growth.

Logistics Support functions contribute to the total logistics effort worldwide and improve readiness and responsiveness to the forces in the field. Special functions included are:

a. Logistics Administrative Support ($95.4 million): Project Management for non-ADP logistics systems obtains its sole source of Operation and Maintenance, Army (OMA) funding in this activity group. The OMA funding of a Project Manager Activity begins when a system transitions from the research and development phase into production and fielding. The systems selected for intensive project management are those of great complexity and criticality to the Army's mission. Also included in this program are the HQ, Troop Support Agency, the Logistics Evaluation Agency, the U.S. Army Contracting Support Agency, the Army Materiel Systems Analysis Agency, Test and Evaluation Command, and the Product Assurance Test and Fielding Activity.

b. Audiovisual and Teleconferencing Support Activities ($9.3 million): Provides for still and motion picture photography to include optical instrumentation, television and audio recording, production and documentation, graphic illustration, library aids and devices, audiovisual support center operations and teleconferencing support for the U.S. Army Materiel Command mission.

c. Troop Issue Subsistence Activities ($27.6 million): Provides for requisitioning, receiving, storing, issuing, and selling of subsistence items to authorized appropriated and non-appropriated fund dining facilities, officer and enlisted clubs, medical facilities, and Reserve and National Guard organizations.

d. Management Headquarters ($144.7 million): Provides the technical direction and management of the total wholesale supply and maintenance system.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

e. Logistics Support Activities ($157.4 million): Includes production engineering for stock fund and procurement items, the Army Defense Standardization Program, conventional ammunition demilitarization, printing of logistics forms and publications, and other attendant central supply functions.

f. Information Management ($152.7 million): Provides for costs incurred in the administration and management of Deputy Chief of Staff for Information Management (DCSIM) elements and for the Director of Information Management (DOIM) staff elements; provides for analysis, design, programing, operations and maintenance of computer systems to provide automation support, and associated personnel, equipment, and all other costs in support of mission data processing facilities; provides resources for management of information systems or projects for which a Program or Project Manager has been formally appointed by the Senior Functional Policy official (normally the Assistant Secretary of the Army); and provides resources for the operation of an organization, or segments thereof, which is responsible for designing, coding, testing, documenting and subsequently maintaining/modifying computer operations or applications programs for MACOM or Army-wide use.

g. Local Communications ($39.9 million): Provides for local phone service, long distance, local dedicated circuits, autovon and FTS communications.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY88/89
Logistics Admin Support	129,839	114,006	113,582	113,938	114,922	-19,510	95,412	-18,526
Audiovisual Support	9,543	12,180	12,180	9,569	12,357	-3,100	9,257	-312
Troop Issue Subsistence	29,022	30,128	29,795	29,078	31,097	-3,515	27,582	-1,496
Management Headquarters	209,740	192,966	173,789	175,116	194,017	-49,293	144,724	-30,392
Logistics Support Activities	177,330	196,612	173,989	158,644	200,251	-42,875	157,376	-1,268
Information Management	158,405	167,717	154,622	153,072	182,127	-29,408	152,719	-353
Local Communications	52,348	50,643	50,643	40,560	53,698	-13,844	39,854	-706
Total Activity Group	766,227	764,252	708,600	679,977	788,469	-161,545	626,924	-53,053

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

II. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 679,977
Functional Program Transfers		
Inter Appropriation Transfers In		
a. Army Missile Command (MICOM) Production Overhead Costs	$ 8,585	
Transfer from RDTE appropriation to support production overhead costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directives. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.		
Total Transfers In	$ 8,585	
Intra Appropriation Transfers In		
a. Army Missile Command (MICOM) Production Overhead Costs	$ 2,460	
Transfer from the following programs to support production overhead costs of U.S. Army Missile Command:		
P3C $ 691		
P8T $1,468		
P8M $ 259		
P80 $ 42		
These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.		
Total Transfer In	$ 2,460	
Total Functional Program Transfers		$ 11,045

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Price Growth			
Civilian Personnel Costs			
a. Civilian Salaries (Annualization)	$	1,908	
b. Compensable Two Days Less	$	-2,974	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$	7,329	
Total Civilian Personnel	$		6,263
Non-Personnel Price Growth			
a. Stock Fund-Materiel	$	76	
b. Commercial Transportation Rates	$	37	
c. Industrial Fund	$	-5,574	
d. Indirect Hire Foreign National FY 1989 Pay Raise	$	323	
e. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	303	
f. Annualization of FY 1988 Indirect Hire Foreign National Separation Allowance	$	-7	
g. Travel	$	224	
h. Commercial Communications	$	361	
i. Private Sector	$	4,957	
Total Non-Personnel.Price Growth	$		700
Total Price Growth	$		6,963

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

II. Financial Summary (O&M: $ in Thousands:

Program Decreases:

a. Conventional Ammunition Demilitarization (Base: $21,318).....$ -15,111
Funding at this level will increase the stockpile of ammunition awaiting demilitarization by 13,000 short tons in FY 1989. The growing stockpile occupies valuable storage space and utilizes scarce resources for inventory and inspection. Further, as EPA standards become more stringent requiring closed-pit detonation, costs to demilitarize will increase dramatically.

b. Production Engineering (Base: $34,311).....$ -13,000
Reduced funding results in decreased production engineering to provide technical data packages, special dies and tooling, computer modeling, manpower studies and engineering change proposals. This will increase Operations and Support (O&S) costs throughout the life cycle.

c. Other Logistical Automation Systems (Base: $64,637).....$ -7,694
This reduction delays efforts to upgrade various logistical automated software systems causing organizations to continue to use outdated and more costly automation systems for a longer period of time.

d. Defense Standardization (Base: $2[illegible],813).....$ -1,806
The Standardization Program provides commonality of stocked items among the Services. This reduction results in inability to update specifications and in the proliferation of non-standard items into the Army inventory. In addition, this reduction results in increased need for procurement and stockage of service-unique items.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

Program Decreases (Continued):

e. Audiovisual Support (Base: $9,569).....$ -950
Reduces support to audiovisual production projects in FY 1989, including motion picture and television productions.

f. Management Headquarters Activities (Base: $175,116).....$ -22,500
This budget program provides resources for the U.S. Army Materiel Command and its subordinate mid-management and staff support activity functions. Organizations funded provide technical control and direction of the wholesale supply and maintenance systems including storage, distribution, depot level maintenance, demilitarization, disposal, project managers, maintenance of the industrial base, and procurement operations. These organizations perform command managerial functions, including development and implementation of new or improved systems, civilian and military manpower management, employee safety programs, inspector general activities and technical surveillance of Army logistics operations worldwide. There are 591 workyears associated with this decrease.

g. Project Managers (Base: $109,138)..... $ -10,000
This reduction results in the decline of fielding support of new and existing systems with a resulting decrease in system readiness and capability. This decrease equates to 200 workyears.

Total Program Decreases.....$ 71,061

FY 1989 Budget Request.....$ 626,924

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

III. Performance Criteria and Evaluation.

	FY 1987 Actuals	FY 1988 Estimates	FY 1989 Estimates
TITLE			
Conventional (Short Tons)	41,326	25,600	6,700
Tech Data Pkgs Processed	118,625	105,250	97,400
Engineering Change Proposals	6,728	6,380	5,925
No. of Project Manager Offices (PMO)	56	55	55
(No. of PMOs Established)	0	0	0
(No. of PMOs Disestablished)	0	1	0
Audiovisual Production Projects			
Motion Pictures	26	25	23
Television	231	227	219
Sound	438	425	405
Multi-Media	472	436	398
Displays/Devices	1,722	1,650	1,600
Troop Issue Subsistence Dollar Vol. of Sales (Thousands)	341,500	334,700	327,800

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officers	744	816	830	830	905	39	944
Enlisted	599	423	330	330	430	-80	350
Total Military End Strength	1,343	1,239	1,160	1,160	1,335	-41	1,294
Civilian End Strength							
US Direct Hire	12,038	12,097	11,584	11,584	13,446	-511	12,935
Foreign National Direct Hire	38	58	191	191	58	133	191
Foreign National Indirect Hire	429	424	422	422	452	1	453
Total Civilian End Strength	12,505	12,579	12,197	12,197	13,956	-377	13,579
Military Workyears							
Officers	744	815	787	787	859	28	887
Enlisted	599	440	464	464	428	-88	340
Total Military Workyears	1,343	1,255	1,251	1,251	1,287	-60	1,227
Civilian Workyears							
US Direct Hire	11,435	12,545	12,171	12,171	13,615	-1,672	11,943
Foreign National Direct Hire	41	50	109	109	57	82	139
Foreign National Indirect Hire	359	426	419	419	452	-40	412
Total Civilian Workyears	11,835	13,021	12,699	12,699	14,124	-1,630	12,494

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: LOGISTICS SUPPORT ACTIVITIES

IV. Personnel Summary (Continued):

Narrative Explanation of Changes:

MILITARY

The increase in FY 1989 reflects the planned transfer of the U.S. Army Missile Command (MICOM) from the Industrial Fund (107) and Other Logistics Realignments (27)

CIVILIAN

The net increase of 1,382 end strength reflects the planned decapitalization of MICOM (+1,347), additional support for logistics operational functions (+626) offset by a reduction in Management Headquarters resources (-591). In addition, workyears have been adjusted to achieve additional economies

Due to postponement of the planned decapitalization of MICOM until FY 1990, MICOM personnel resources will be restored to the Industrial Fund during FY 1989.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION MANAGEMENT AND OVERSEAS PORT UNITS

I. Description of Operations Financed

This activity's budget request of $77.5 million in FY 1989 provides for overseas port operations, the Defense Freight Railway Interchange Fleet (DFRIF), and the transportation management functions and operations at the Military Traffic Management Command (MTMC). The FY 1988 program reflects a decrease for the extension of the Army Industrial Fund to the European ports ($-17.9 million).

Overseas Port Operations ($36.0 million in FY 1989) include stevedore and local traffic management services and related administration, documentation, data processing, temporary storage, and cargo handling materiel. This includes non-reimbursable services for all Department of Defense and other designated agencies located in the overseas theater. Overseas ports are located in Japan, Okinawa, Korea, Hawaii, and Alaska.

The Defense Freight Railway Interchange Fleet (DFRIF) ($2.0 million in FY 1989) is a fleet of general and special purpose rail cars numbering more than 2,900 managed by the Military Traffic Management Command. These rail cars are used commerically in peacetime and are required for mobilization.

Military Traffic Management ($39.5 million in FY 1989) provides for traffic management functions essential for the economical and efficient routing and booking of total defense cargo.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION MANAGEMENT AND OVERSEAS PORT UNITS

II. Financial Summary (O&M: $ in Thousands):

		FY 1988			FY 1989			
A. Subactivity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY88/89
Overseas Port Operations	45,724	35,795	36,172	35,834	37,771	-1,783	35,988	+154
Defense Freight Railway Interchange Fleet (DFRIF)	2,045	3,088	2,400	2,400	2,003	-3	2,000	-400
Traffic Management	43,212	39,467	40,445	39,028	40,406	-931	39,475	+447
TOTALS	90,981	78,350	79,017	77,262	80,180	-2,717	77,463	+201

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION MANAGEMENT AND OVERSEAS PORT UNITS

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 77,262
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 130	
b. Compensable Days-Two Days Less	$ -41	
c. FY 1989 Pay Raise	$ 215	
Total Civilian Personnel		$ 304

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION MANAGEMENT AND OVERSEAS PORT UNITS

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth

a.	Stock Fund Materiel	$	7
b.	Commercial Transportation Rates	$	15
c.	Indirect Hire Foreign National FY 1989 Pay Raise	$	891
d.	Indirect Hire Foreign National FY 1989 Pay Raise Separation Allowance	$	574
e.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	440
f.	Annualization of FY 1988 Indirect Hire Foreign National Separation Allowance	$	-710
g.	Travel	$	3
h.	Commercial Communications	$	1
i.	Purchased Utilities	$	1
j.	Private Sector	$	562
k.	Industrial Fund Transportation Rate	$	1,686
	Total Non-Personnel Price Growth	$	3,470
	Total Price Growth	$	3,774

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION MANAGEMENT AND OVERSEAS PORT UNITS

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decreases:

a. Studies and System Development.(Base: $4,200).....$ -3,573
This decrease will defer programmed studies and systems development initiatives in the areas of transportation management such as deployment, federal highway studies and transportation analysis.

Total Program Decreases.....$ -3,573

FY 1989 Budget Request.....$ 77,463

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION MANAGEMENT AND OVERSEAS PORT UNITS

III. Performance Criteria and Evaluation.

	FY 1987 Actuals		FY 1988 Estimates		FY 1989 Estimates	
Title	Units	$(000)	Units*	$(000)	Units	$(000)
Overseas Port Units (MT)	4,879,000	27,095	1,834,870	11,945	1,834,870	12,385
4th Transportation Command		18,629		23,889		24,037
Defense Freight Railway Interchange Fleet		2,045		2,400		2,000
Traffic Management		43,212		39,028		39,041

* Increase in unit cost is due to foreign currency fluctuation in FY 1988.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION MANAGEMENT AND OVERSEAS PORT UNITS

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officers	272	317	311	311	317	-18	299
Enlisted	3,277	3,153	3,148	3,148	3,149	77	3,226
Total Military End Strength	3,549	3,470	3,459	3,459	3,466	59	3,525
Civilian End Strength							
US Direct Hire	193	477	471	471	477	-27	450
Foreign National Direct Hire	86	74	81	81	74	7	81
Foreign National Indirect Hire	1,230	1,062	986	986	1,062	-79	983
Total Civilian End Strength	1,509	1,613	1,538	1,538	1,613	-99	1,514
Military Workyears							
Officers	272	319	292	292	317	-12	305
Enlisted	3,277	3,245	3,212	3,212	3,151	36	3,187
Total Military Workyears	3,549	3,564	3,504	3,504	3,468	24	3492
Civilian Workyears							
US Direct Hire	185	468	462	462	467	-26	441
Foreign National Direct Hire	81	74	81	81	74	7	81
Foreign National Indirect Hire	1,272	1,049	1,008	1,008	1,037	-117	920
Total Civilian Workyears	1,538	1,591	1,551	1,551	1,578	-136	1,442

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION MANAGEMENT AND OVERSEAS PORT OPERATIONS

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 66 in FY 1989 reflects transportation realignments in overseas units.

CIVILIAN

The decrease of 24 in FY 89 reflects transportation realignments in overseas units.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

I. Description of Operations Financed

This activity's budget request of $93.6 million in FY 1989 finances the maintenance of the inactive reserve industrial base and the development and implementation of plans to expand and enhance production capability to support national security objectives. A responsive, capable and flexible industrial base requires a level of funding sufficient to: maintain active and inactive government owned production facilities and equipment in a ready condition; preclude deterioration of Government-Owned Contractor-Operated (GOCO) and Government-Owned Government-Operated (GOGO) plants and equipment; and provide adequate planning with civilian industry to meet wartime emergency production requirements. The FY 1989 level is comprised of $3.0 million in price growth and $-4.0 million program growth compared to FY 1988.

This program provides for retention and maintenance of laidaway production capacity, industrial preparedness planning for mobilization, surge, sustainability, and management of the production base support and manufacturing technology programs:

a. Reserve industrial Plants ($39.9 million): Supports the retention, maintenance and protection of the government-owned, inactive plants and inactive lines of active plants which are needed to assure emergency production capacity for mission essential materiel. Includes plant administration, surveillance inspection, protection, and maintenance and repair of buildings, grounds, railroads, integral equipment, and utilities.

b. Reserve Industrial Equipment ($16.5 million): Supports the maintenance, protection, repair, and rebuild of government-owned plant equipment packages including: industrial plant equipment, other plant equipment, special tooling and special test equipment. These plant equipment packages are maintained in anticipation of future production and mobilization requirements of ammunition, weapons, combat vehicles, missiles, aircraft, tactical vehicles, communications and electronic commodities.

c. Industrial Base Management ($37.2 million): Funds in-house and contractual planning efforts encompassing activities such as the development of emergency production requirements for critical materiel; planning of production program for selected critical items and industrial sources (government-owned and private); programing of industrial operations to assure an adequate, timely supply of essential materiels; planning and programing of manpower requirements; management of technical data; operation of priority planning and allocation systems; and supervision and project management of the production base support program.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

The decreases to this program in FY 1988/1989 represent the Army's conscious, deliberate effort to accomplish the highest priority readiness related missions, and then fund other programs within constrained resources. Given today's readiness requirements, and austere funding environment, the Army is unable to finance the Industrial Preparedness Operations (IPO) Program at the desired level. The constrained funding of the FY 1989 IPO program necessitates the elimination of all maintenance of laidaway industrial equipment at 24 Government-Owned Contractor-Operated (GOCO) plants and minimal maintenance of laidaway equipment at five Government-Owned Government-Operated plants. Additionally, no rehabilitation of Plant Equipment Packages will be accomplished in the FY 1989 program. Reductions to the overall 7S program have resulted in critical funding shortages within the IPO program, preventing the required "high state" of readiness at the reserve industrial plants. The backlog of annual maintenance continues to increase with an estimated response time required for mobilization of approximately 390 days. Planning with industry for mobilization and emergency production will be sustained in FY 1989 in order to provide the least-risk capability for handling critical surge requirements. The FY 1989 program reflects a level of funding consistent with FY 1988. The Army recognizes the importance of the Industrial Preparedness Program and will attempt to fund it in the future commensurate with industrial base requirements.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

II. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY88/89
Reserve Industrial Plants	82,099	59,632	52,807	39,254	60,524	-20,606	39,918	664
Reserve Industrial Equipment	14,881	16,365	16,365	16,365	16,379	115	16,494	129
Industrial Base Management	43,494	40,026	40,026	38,946	41,146	-3,982	37,164	-1,782
TOTALS	140,474	116,023	109,198	94,565	118,049	-24,473	93,576	-989

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate			$ 94,565
Price Growth			
Civilian Personnel Costs			
a. Civilian Salaries (Annualization)	$ 173		
b. Compensable Days-Two Days Less	$ -184		
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 381		
Total Civilian Personnel		$ 370	
Non-Personnel Price Growth			
a. Stock Fund-Materiel	$ 1		
b. Commercial Transportation Rates	$ 1		
c. Industrial Fund	$ 661		
d. Travel	$ 35		
e. Purchased Utilities	$ 3		
f. Private Sector	$ 1,964		
Total Non-Personnel Price Growth		$ 2,665	
Total Price Growth			$ 3,035

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decreases:

a. Industrial Base Management.(Base: $38,946).....$ -4,024
Deletes funds for Ammunition Plant Equipment Package assessments and other condition assessments for production of 105MM, 155MM, and 60MM ammunition. Reduction of funds delays critical development of surge and mobilization networks to support planning agreements and identification of critical timeframes for receipt of materiel.

Total Program Decreases.....$ -4,024

FY 1989 Budget Request.....$ 93,576

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

III. Performance Criteria and Evaluation.

a. Maintenance of Reserve Plants - Production lines or areas requiring reactivation time of:

(1) Less than 90 days (high state of readiness)
(2) 90 to 180 days (medium state of readiness); or
(3) greater than 180 days (low state of readiness).

	FY 88 Number of Lines or Areas					FY 89 Number of Lines or Areas			
	High	Medium	Low	Total		High	Medium	Low	Total
Required	144	212	49	402*	Required	147	206	50	403*
Maintained	26	22	0	48	Maintained	26	22	0	48

* The number of production lines required/maintained for FY 1989 are reflected above. For FY 1989, approximately 94% of resources provided will finance storage and retention costs for the 403 production lines.

b. Maintenance and storage of Reserve Equipment:

	Number of Locations	Number Pieces of Equipment Retained*	Number Rehabilitated	Replacement Cost
FY 88	39	303,292	0	$1.698 billion
FY 89	36	299,885	0	$1.673 billion

*For the FY 1989 program, resources provided will finance only the storage and retention costs to support equipment retained. Condition assessments, rehabilitation, and maintenance of the Plant Equipment Packages must be deferred to FY 1990.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

III. Performance Criteria and Evaluation.

c. Industrial Base Management - Management and technical activities required for current and planned production capability: measurement standards outlined below represent the numerous tasks and workyears involved in accounting for the Army's planning and management of the Industrial Base. Only those transactions requiring the use of resources (funding and workyears) are utilized as a measurement for evaluating the performance criteria of industrial base management.

Method of Measurement:

	Number of Actions Completed/Processed FY 1987	Number of Actions Completed/Processed FY 1988	Number of Actions Completed/Processed FY 1989
(1)	5,730	5,200	4,500
(2)	7,894	7,500	6,900
(3)	5,320	5,050	5,000
(4)	59,500	54,700	51,050

(1) Management and Planning with reserve plants and private industry for emergency production requirements.
(2) Administration of Production Base Support Projects.
(3) Management of equipment, data, and plants required for mobilization.
(4) Industrial Base Administration and Supervision.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officers	19	19	19	19	19	0	19
Enlisted	0	0	0	0	0	0	0
Total Military End Strength	19	19	19	19	19	0	19
Civilian End Strength							
US Direct Hire	649	656	639	639	684	-17	667
Foreign National Direct Hire	0	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian End Strength	649	656	639	639	684	-17	667
Military Workyears							
Officers	19	19	19	19	19	0	19
Enlisted	0	0	0	0	0	0	0
Total Military Workyears	19	19	19	19	19	0	19
Civilian Workyears							
US Direct Hire	607	663	646	646	684	-17	667
Foreign National Direct Hire	0	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian Workyears	607	663	646	646	684	-17	667

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL PREPAREDNESS OPERATIONS

IV. Personnel Summary (Continued):

Narrative Explanation of Changes:

MILITARY

No end strength change in FY 1989.

CIVILIAN

The increase of 28 in FY 1989 results from the planned conversion of Army Missile Command (MICOM) from Industrial Fund Operation to Appropriated Fund Operation. Due to postponement of the decapitalization of MICOM until FY 1990 this manpower will be restored to the Army Industrial Fund during FY 1989.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION

I. Description of Operations financed

This activity's request of $695.3 million in FY 1989 provides for the movement of materiel to Army forces worldwide for sustaining, deploying, and Force Modernization. The FY 1989 program reflects the extension of the Army Industrial Fund to the European ports ($17.9) and reflects a decrease of $-57.6 million in real program growth. The decrease in transportation in FY 1988/1989 represents the Army's conscious decision to maintain level of funding for training and OPTEMPO and then fund other programs within constrained resources. While the Army is unable to fund transportation costs at the desired level, shipments of the most essential cargo will be maintained. This level of funding requires cut backs in the transportation of POMCUS, Prepositioned War Reserve Stocks, and Ammunition Buildup in Europe and Korea impacting war fighting capability and not meeting strategic lift requirements in time of war. The FY 1989 request reflects an increase of $125 million transferred from other Services to accommodate the increased industrial fund rates and an additional program decrease of $15.6 million.

This activity consists of First Destination Transportation and Second Destination Transportation.

a. First Destination Transportation ($52.6 million in FY 1989) funds the movement of materiel produced in government-owned, contractor-operated plants, or purchased from commercial vendors, to depot storage, U.S. ports or using units. When this materiel is transported directly from point of purchase to any destination in the continental United States, the entire movement is funded from First Destination Transportation.

b. After receipt from place of procurement, transportation to using units is provided by Second Destination Transportation ($642.7 million in FY 1989) which funds the worldwide movement of Army supplies and equipment by civilian and military air and surface modes. It provides for the transshipment of cargo through Army industrially funded ports. This activity also funds the transportation of Army civilian employees and their dependents on permanent change of station; the movement of mail, subsistence and other fact of life necessities. The costs of charter, rental or lease of transportation movement equipment and services not available on a government tariff basis are also included.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION

II. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY88/89
First Destination Transportation	47,331	56,757	56 675	50,675	58,031	-5,481	52,550	1,875
Second Destination Transportation	615,164	578,498	572,852	525,572	596,033	46,670	642,703	117,131
TOTALS	662,495	635,255	629,527	576,247	654,064	41,189	695,253	119,006

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 576,247
Program Transfers		
Inter Appropriation Transfers in		
a. Military Sealift Command Rate Structure Transfer from Navy. Transfers funds from Navy Industrial Fund to support increase in rate structure for Military Sealift Command (MSC). Increased rates are caused by increased costs of shipping.	$ 99,900	
b. Military Airlift Command Rate Structure. Transfers funds from Operation and Maintenance, Air Force to support increased costs of shipping overseas via the Military Airlift Command and support from the Air Force Industrial Funds.	$ 24,900	
Total Transfer In		$ 124,800

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION

II. Financial Summary (O&M: $ in Thousands:

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth

a. Stock Fund-Materiel	$	13
b. Commercial Transportation Rates	$	6,093
c. Industrial Fund	$	2,941
d. Travel	$	118
e. Private Sector	$	538

Memo Entry

Industrial Fund Transportation Rates ..... $ 124,800
Funds for this increase in transportation rates were transferred from other Services.

Total Non-Personnel Price Growth ..... $ 9,703

Total Price Growth ..... $ 9,703

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decreases:

a. Prepositioned War Reserve Materiel Stocks (Base: $13,388).....$ -6,180
Further reduces transportation of major and secondary items destined for storage sites in Europe. Represents a 46 percent decrease in planned shipments.

b. Prepositioned Materiel Configured to Unit Sets (POMCUS) (Base: $14,412)....$ -9,317
Further reduces the transportation of equipment to fill existing shortages in POMCUS units. Represents a 30 percent decrease in the planned shipments.

Total Program Decreases.....$ -15,497

FY 1989 Budget Request.....$ 695,253

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION

III. Performance Criteria and Evaluation.

	FY 1987		FY 1988		FY 1989	
	Units	$(000)	Units	$(000)	Units	$(000)
First Destination Transportation by Mode of Shipment:						
Commercial Surface (ST)	450,489	47,331	465,110	50,675	465,110	52,550
Second Destination Transportation by Mode of Shipment:						
Military Airlift Command						
Regular Channel (ST)	82,428	121,969	78,821	100,770	78,611	116,581
SAAM (MSN)	178	23,803	160	17,388	160	17,921
Military Sealift Command						
Regular Routes (MT)	3,469,950	238,618	3,008,905	178,153	3,005,940	266,965
Military Traffic Management Command						
Port Handling (MT)	3,485,000	49,366	5,235,500	52,932	5,238,650	57,148
Commercial						
Air (ST)	36,945	47,178	36,926	48,898	37,654	51,707
Surface (ST)	1,685,559	107,859	1,588,320	105,397	1,600,800	110,156
Other		26,371		22,034		22,225
TOTAL		662,495		576,247		695,253

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: TRANSPORTATION

III. Performance Criteria and Evaluation.

	FY 1987		FY 1988		FY 1989	
	Units	$(000)	Units	$(000)	Units	$(000)
Second Destination Transportation by Selected Commodity						
Cargo (ST)	1,761,348	208,392	1,661,483	187,949	1,674,481	207,306
(MT)	5,027,440	165,145	6,458,898	132,103	6,459,080	175,641
(MSN)	178	23,803	160	17,388	160	17,921
Commissaries (ST)	432	844	432	729	432	846
(MT)	446,000	37,539	446,000	32,321	446,000	48,482
Base Exchanges (ST)	10,000	14,797	9,000	11,506	9,000	13,347
(MT)	1,370,000	76,003	1,228,000	58,656	1,228,000	87,984
Subsistence (ST)	117	299	117	258	117	300
(MT)	111,510	9,297	111,510	8,005	111,510	12,007
Overseas Mail (ST)	33,035	52,674	33,035	54,623	33,035	56,644
Other		26,371		22,034		22,225
Total		615,164		525,572		642,703

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: RESALE COMMISSARIES

I. Description of Operations Financed

This activity's budget request of $215.7 million in FY 1989 provides for the centralized management and operation of resale commissary stores serving U.S. Forces and their dependents worldwide. Adequate resourcing of resale commissary operations is essential to troop morale, their quality of life and helps attract and retain the quality of personnel required to adequately man the force in support of Army readiness. The FY 1989 level is comprised of $5.1 million price growth and $20.9 million programatic decrease growth compared to FY 1988.

Commissary Operations ($196.8 million): Provides for operation of commissary stores which supply meat, produce, groceries, and household supplies on a retail sales basis to authorized commisssary customers world-wide. Funds are used for payment of personnel costs, travel, and training.

Administration ($18.9 million): Provides for the operation of USA Troop Support Agency, Directorate of Commissary Operations and its subordinate regions; includes funds for payment of civilian personnel, utilities and required travel to effect command, control and efficiency of operations of widely dispersed commissary activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: RESALE COMMISSARIES

II. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY88/89
Operations	192,979	212,132	205,486	213,255	217,337	-20,578	196,759	-16,496
Management	18,389	22,126	21,835	18,235	22,546	-3,604	18,942	707
TOTALS	211,368	234,258	227,321	231,490	239,883	-24,182	215,701	-15,789

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: RESALE COMMISSARIES

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 231,490
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 105	
b. Compensable Days-Two Days Less	$ -1,199	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 3,013	
Total Civilian Personnel		$ 1,919
Non-Personnel Price Growth		
a. Indirect Hire Foreign National FY 1989 Pay Raise	$ 848	
b. Indirect Hire Foreign National FY 1989 Pay Raise Separation Allowance	$ 330	
c. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 975	
d. Annualization of FY 1988 Indirect Hire Foreign National Separation Allowance	$ -162	
e. Travel	$ 21	
f. Private Sector	$ 1,140	
Total Non-Personnel.Price Growth		$ 3,152
Total Price Growth		$ 5,071

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: RESALE COMMISSARIES

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decreases:

a. Commissary Operations (Base: $213,255).....$ -20,860
Base resources provide funding to support personnel costs required for operation of commissary stores worldwide. This decrease will result in the closure of four stores and reduce hours of operation at 112 stores world wide from an average of 44.4 hours/week to 40.0 hours/week.

Total Program Decreases.....$ -20,860

FY 1989 Budget Request.....$ 215,701

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: RESALE COMMISSARIES

III. Performance Criteria and Evaluation.

TITLE	FY 1987 Actuals	FY 1988 Estimates	FY 1989 Estimates
Number of Stores:			
Domestic Stores	77	77	74
Foreign Stores	100	101	99
Total	177	178	173
Gross Yearly Sales: ($ in Millions)			
Domestic Stores	1284.9	1360.9	1368.5
Foreign Stores	448.1	463.9	478.3
Total	1,733.0	1,824.8	1,846.8
Appropriated Fund Support:			
Operations & Maintenance ($ in Thousands)			
Civilian Pay - USDH	176,630	181,552	161,290
Civilian Pay - FNDH	3,141	4,361	3,861
Civilian Pay - FNIH	19,753	28,327	29,200
Non-Personnel Costs (Excl. cost of transportation to overseas stores)	11,844	17,250	21,350
Subtotal	211,368	231,490	215,701
Cost of Transportation:			
First Destination Transportation	3,533	4,431	4,540
Second Destination Transportation	38,383	33,050	49,328
Total Operations & Maintenance Fund Support	253,284	268,971	269,569

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: RESALE COMMISSARIES

IV. Personnel Summary (Continued):

Narrative Explanation of Changes:

FY 1987: DOMESTIC STORES CLOSED: Ft. Bliss, TX
FOREIGN STORES OPENED: Camp Carroll, Korea

FY 1988: FOREIGN STORE OPENING: Camp Humphries, Korea

FY 1989 DOMESTIC STORES CLOSED: Stewart Army Sub-Post, U.S. Military Academy; Oakland, CA; Fitzsimons, CO
FOREIGN STORE CLOSED: Neckarsulm, Herzo Base, West Germany

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: RESALE COMMISSARIES

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officers	21	21	22	22	21	1	22
Enlisted	154	171	142	142	171	-29	142
Total Military End Strength	175	192	164	164	192	-28	164
Civilian End Strength							
US Direct Hire	7,919	7,502	7,385	7,385	7,502	-117	7,385
Foreign National Direct Hire	482	535	395	395	534	-140	394
Foreign National Indirect Hire	1,114	1,231	1,231	1,231	1,231	0	1,231
Total Civilian End Strength	9,515	9,268	9,011	9,011	9,267	-257	9,010
Military Workyears							
Officers	21	21	22	22	21	1	22
Enlisted	154	171	148	148	171	-29	142
Total Military Workyears	175	192	170	170	192	-28	164
Civilian Workyears							
US Direct Hire	7,861	7,628	7,624	7,624	7,697	-147	7,550
Foreign National Direct Hire	605	536	709	709	536	-140	396
Foreign National Indirect Hire	1,034	1,255	1,255	1,255	1,255	0	1,255
Total Civilian Workyears	9,500	9,419	9,588	9,588	9,488	-287	9,201

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: RESALE COMMISSARIES

Narrative Explantion of Personnel End Strength Changes:

MILITARY

No end strength change in FY 1989

CIVILIAN

The decrease of one in FY 1989 results from force structure reductions.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL FUND AND STOCK FUND SUPPORT

I. Description of Operations Financed

This program reflects funding to reimburse DOD industrial funds and stock funds for costs not recovered through customer rates. In the original FY 1988/1989 President's Budget, refunds from industrial and stock funds were also reflected. These budgeted refunds are no longer shown in this schedule but have been shown as tranfers where resources were actually available to repay OMA for the budgeted reduction. (Because the Defense Stock Fund, Military Airlift Command and Military Traffic Management Command were unable to provide their refunds, OMA Program 7S (Mission) was forced to take programatic decreases totaling $73.6 million.)

DOD industrial funds and stock funds operate under a rate stabilization policy established by the Secretary of Defense. Financial resources requested in various appropriated fund customer programs reflect the impact of approved stabilized rates. Changes to established rates are disruptive to both customer program and industrial fund and stock fund operations. The Department executes its programs at established stabilized rates with additional reimbursement to or transfers from industrial funds and stock funds, as appropriate.

FY 1987 reflects refunds of $466.2 million from the Stock Fund and $367.5 million from the Industrial Fund. These amounts are offset by a $102.4 million reimbursement (passthrough) for the FY 1987 Army Industrial Fund (AIF) retained earnings and Federal Employee Retirement System (FERS).

A Congressionally directed $75.0 million refund from excess industrial fund profits is included to fund depot maintenance requirements for communications-electronic (C-E) equipment in FY 1987. These funds were applied to Other Depot Maintenance.

The FY 1988 estimate reflects a passthrough to the Communications Services Industrial Fund (CSIF) of $13.0 million to recoup prior year losses; the FY 1989 estimate reflects passthroughs to the Army Industrial Fund (AIF) of $143.0 million to recoup prior year losses and restore financial stability to the AIF.

The Congressional authorization and appropriation committees are familiar with the price stabilization policy and are aware that DOD will continue to execute programs at stabilized published rates and make adjustments for results of industrially funded and stock funded operations through this budget activity group and through transfers from revolving funds reflected in other budget activity groups.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL FUND AND STOCK FUND SUPPORT

II. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY88/89
1. Stock Fund Refunds:								
a. Fuel	318,100							
b. Non-fuel	-148,100							
c. Stock Fund Cash		-122,900	-122,900					
2. Industrial Refunds:								
a. Military Sealift Cmd	-129,900							
b. Military Airlift Cmd	-35,200	-9,000	-9,000		-9,000	9,000		
c. Military Traffic Management Cmd	-18,000							
d. Depot Maintenance	-75,000							
e. Asset Capitalization	-35,000		-15,900					
f. AIF Productivity	-23,000							
g. NIF Profits	-40,400							
h. Inflation Reestimate	-11,000							
i. AIF Profits		-65,200	-65,200					
3. IF Passthroughs:								
a. Communications Services Indus Fund				13,000				-13,000
b. FY 1986 Retained Earnings	78,400							
c. Federal Employee Ret System	24,000							
d. FY 1988 Unfin Payraise		-21,700	-21,700					
e. FY 1989 Unfin Payraise					-32,100	32,100		
f. Annualized FY 1988 Unfin Payraise					-33,400	33,400		
g. AIF Prior Year Losses						143,000	143,000	143,000
Total Activity Group	-731,300	-218,800	-234,700	13,000	-74,500	217,500	143,000	130,000

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATE FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: INDUSTRIAL FUND AND STOCK FUND SUPPORT

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 13,000
Price Growth		
Non-Personnel Price Growth		
a. Communications Services Industrial Fund	$ -13,000	
b. AIF Prior Year Losses	$ 143,000	
Total Non-Personnel Price Growth	$ 130,000	
Total Price Growth		$ 130,000
FY 1989 Budget Request		$ 143,000

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

I. Narrative Description: This budget activity provides for operating and maintaining Army Installations, less real property maintenance activities, associated with Central Supply and Maintenance activities at 49 installations/locations in CONUS. The FY 1989 Amended Request totals $285.4 million. Major program increase/decreases contained in this request are as follows:

Program	FY 1989
Functional Transfers	55,210
Base Operations Support	-32,417
Initial Issue Furnishings	-3,831

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed - Funds provide installation support in the following areas:

A. Administration - Finances activities concerned with the Installation Commander/Garrison Commander/Chief of Staff; and other installation-wide activities not otherwise provided for, such as Headquarters Commandant, Inspector General, Staff Judge Advocate, Chaplain, Equal Employment Opportunity and Internal Review. Finances Office, Director/Chief of Information Management and for all base operations automation activities, to include office automation. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution centers print plants and printing and reproduction of publications.

B. Retail Supply Operations - Finances the operation of consolidated post supply. Includes the operation of self-service centers, POL resale points and the office of the Director Logistics. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment - Finances Direct and General Support Maintenance of Support Systems such as vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings - Finances the purchase, control, moving, handling of housing furnishings and centrally manage the Initial Issue furnishing associated with MCA construction for unaccompanied personnel officer quarters and unaccompanied personnel enlisted quarters. Finances the operation and administration of all unacccompanied personnel housing.

E. Community and Morale Support Activities - Finances the development, staffing, equipping, administering and operation of installation libraries, soldier sports programs, Army Community Service, Child Development Services, Youth Program, and other CORE community/family programs.

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services - Finances the operation of local (installations) non-tactical motor transportation service to include government-owned vehicles and rented or leased commercially owned vehicles, finances operation of rail equipment used for intra-installation transportation. Finances operation of laundry and dry cleaning plants and contracting for such services where Army-owned plants are not operated in-house. Finances Director/Chief Provost Marshal police services at 49 installations to include military police operations, installation level confinement activities, physical security operation and operation of physical security equipment. Finances the Office of the Director and man-agement of training facilities, training aids, range operations, and mobilization support. Finances Office of the Director/Chief of Staff and management of security counterintelligence and planning functions at the installation.

G. Other Personnel Support - Provides for the management of service equipment and decor items supporting MCA projects. Finances operation and administration of food services and food preparation facilities and dining facilities. This function is performed by contractor and military personnel. Finances Director/Chief Personnel and Community Affairs, command information program, alcohol and drug abuse program, military/civilian personnel activities and reenlistment activities.

H. Real Estate Leases - Finances the Army's General Service Administration - furnished space outside the National Capital Region that is managed by the Corps of Engineers.

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
A. Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Central Supply Activities	251,305	258,874	246,160	260,800	257,194	28,231	285,425	24,625

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 260,800
Program Transfers		
Inter Appropriation Transfers In:		
a. Army Missile Command (MICOM) Base Operations Overhead Costs. Transfer from Procurement Appropriations to support Base Operations costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD direction. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.	$ 34,900	
b. Army Missile Command (MICOM) Base Operations Appropriation. Transfer from RDTE Appropriation to support Base Operations costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD direction. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.	$ 10,184	
c. Nontactical Vehicles. Funds allow for the conversion of nontactical motor vehicle fleets to the General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based nontactical vehicle fleet to the IFMS by FY 1992.	$ 5,571	

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Intra Appropriation Transfer In:		
a. Agency Realignment. Transfers funds to support the Construction Engineering Research Laboratory, (CERL) Chanpaign, IL, and the Army Research Office, (ARO) Triangle Park, NC. from Program 9, Administration and Associated Activities.	$ 4,555	
Total Program Transfers		$ 55,210
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 1,920	
b. Compensable Days - Two Days Less	$ -850	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 2,085	
Total Civilian Personnel Costs	$ 3,155	
Non-Personnel Price Growth		
a. Stock Fund Material	$ 12	
b. Commercial Transporation Rate	$ 383	
c. Industrial Fund	$ -1,496	
d. Travel (OTHER)	$ 20	
e. Private Sector	$ 1,799	
f. Utilities	$ 43	
g. Standard Level User Charge	$ 1,747	
Total Non-Personnel Price Growth	$ 2,508	
Total Price Growth		$ 5,663

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

a. Base Operations Support (Base: $233,964).....$ -32,417
Reductions represents a decreased level of spending in base operations Administration; Retail Supply Operations; Other Base Services and Other Personnel Support for travel, operating supplies, one time costs and non-personnel and non-contractual related items of expenditure associated with installation base operations.

b. Initial Issue Furnishings (Base: $13,998).....$ -3,831
Funding reflects a decrease for the procurement of furnishing for Unaccompanied Personnel Quarters/Barracks associated with MCA construction/renovation projects.

Total Program Decreases.....$ -36,248

FY 1989 Budget Request.....$ 285,425

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	98,764	92,806	99,998
Military E/S	156	138	139
Civilian E/S	1,821	1,469	2,323
Total Personnel E/S	1,977	1,607	2,462
Number of Bases, Total (CONUS)	48	49	49
Population Served, Total E/S	118,030	114,223	115,912
(Military, E/S)	9,452	8,959	8,967
(Civilian, E/S)	108,578	105,264	106,945
Actions/Vouchers Processed (000)	52,148	52,182	49,122
No. ADP CPU's	30	30	30
B. Retail Supply Operations ($000)	36,280	36,110	42,518
Military E/S	8	4	7
Civilian E/S	347	315	397
Total Personnel E/S	355	319	404
Line Items Carried (000)	28	28	28
Receipts (000)	935	944	1,068
Issues (000)	400	404	457

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
C. Maintenance of Installation Equipment ($000)	6,683	2,992	4,998
Military E/S	0	0	0
Civilian E/S	12	7	76
Total Personnel E/S	12	7	76
Number of Work Orders	28	12	21
D. Unaccompanied Personnel Hsg Ops./Furn. ($000)	11,204	14,532	10,721
Military E/S	0	1	1
Civilian E/S	5	5	11
Total Personnel E/S	5	6	12
No. of Officer Quarters	1,160	1,160	1,160
No. of Enlisted Quarters	14,075	14,075	14,075
E. Morale, Welfare & Rec ($000)	24,828	12,838	12,937
Military E/S	64	49	43
Civilian E/S	58	205	276
Total Personnel E/S	122	254	319
Population Served, Total	81,000	77,955	115,912
(Military, E/S)	9,452	8,959	8,967
(Civilian/Dependents, E/S)	71,548	68,996	106,945

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
F. Other Base Services ($000)	34,050	27,556	34,799
Military E/S	59	77	278
Civilian E/S	365	360	620
Total Personnel E/S	424	437	898
Number of Motor Vehicles, Total	778	837	1,443
(Owned)	739	734	409
(Leased)	39	94	1,034
Number of Miles Driven (000)	6,787	7,300	4,020
G. Other Personnel Support ($000)	39,496	33,962	37,900
Military E/S	57	38	49
Civilian E/S	532	397	588
Total Personnel E/S	589	435	637
Population Served, Total	118,030	114,223	115,912
(Military, E/S)	9,452	8,959	8,967
(Civilian, E/S)	108,578	105,264	106,945
Meals Served (In Mandays) (000)	1,095	2,670	2,670
H. Real Estate Leases ($000)	0	40,004	41,554
Rents from GSA ($000)	0	37,576	39,046
Other Contractual Services ($000)	0	2,428	2,508
Non-GSA Leases ($000)	0	0	0
Total Square Foot (000)	0	5,261	5,314

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	68	68	31	31	100	-36	64
Enlisted	276	337	276	276	579	-126	453
Total Military	344	405	307	307	679	-162	517
Civilian End Strength							
U.S. Direct Hire	3,140	2,946	2,758	2,758	4,309	-18	4,291
Total Civilian	3,140	2,946	2,758	2,758	4,309	-18	4,291
Total End Strength	3,484	3,351	3,065	3,065	4,988	-180	4,808

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Military

The increase of 210 reflects transfer of industrial funded activities into operation and maintenance (+274) offset by decreases for force structure adjustments (-64).

Civilian

The increase of 1,533 in FY 1989 reflects the conversion of Army Missile Command from industrial fund operation to appropriated fund operation (+1,218) and general support to installations (+315).

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	82	63	49	49	84	-36	48
Enlisted	285	275	276	276	458	-94	364
Total	367	338	325	325	542	-130	412
Civilian Workyears							
U.S. Direct Hire	3,353	3,406	3,152	3,152	4,567	-41	4,526
Total	3,353	3,406	3,152	3,152	4,567	-41	4,526

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity provides Real Property Maintenance Activities (RPMA) support for 45 major US Army Materiel Command (AMC) installations and 3 major Military Traffic Management Command (MTMC) installations, and US Army Corps of Engineers (USACE) activities associated with Central Supply and Maintenance Activities. The FY 1989 amended request totals $284.2 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Functional Program Transfers	11,361
Hazardous Waste Disposal Operations	2,968
Real Property Maintenance	8,477
Utilities Savings-Energy Conservation	-193

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds requested will provide support in four functional areas of Real Property Maintenance Activities. These functional areas are:

A. Operation of Utilities - Finances procurement, production and distribution of utilities for AMC and MTMC installations. Included are purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property - Finances maintenance and repair of buildings, structures, roads, railroads, grounds and utility systems at the 49 installations/locations. The Maintenance and Repair (BMAR) will increase $19.8 million. This increase in backlog will result in degradation to utilities systems, maintenance and production facilities, and operational facilities. Migration in the amount of $5 million has been considered in estimating the BMAR.

C. Minor Construction - Finances the erection, installation or assembly of a new real property facility, or the addition, alteration or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support - Finances other facilities engineering services such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation. Includes resources for Real Estate Administration, Construction Support, and other development and management assistance provided by USACE to Army installations worldwide.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

			FY 1988			FY 1989			
A.	Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
	Central Supply Activities	285,223	257,350	253,650	256,427	272,117	12,036	284,153	27,726

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 256,427
Program Transfers		
Inter Appropriation Transfers In:		
a. Army Missile Command (MICOM) Base Operations Overhead Costs. Transfer from Procurement Appropriations to support Base Operations costs of U.S. Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD direction. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.	$	3,372
b. Army Missile Command (MICOM) Base Operations Appropriation. Transfer from RDTE Appropriation to support Base Operations costs of U.S. Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD direction. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.	$	1,231
Intra Appropriation Transfers In:		
Vint Hill Farms Station. Transfer resources from Program 3 Communication to Program 7 Central Supply to reflect the transfer of Vint Hill Farms Station from Army Intelligence and Security Command (INSCOM) to Army Materiel Command (AMC).	$	6,758
Total Program Transfers	$	11,361

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Price Growth

Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$	454
b. Compensable Days-Two Less Days	$	-571
c. FY 89 Civilian Personnel Pay Raise - 2 Percent	$	1,374
Total Civilian Personnel Costs	$	1,257
Non-Personnel		
a. Travel	$	132
b. Stock Fund Material	$	40
c. Industrial Fund Purchase	$	-587
d. Commercial Transportation Rate	$	119
e. Utilities	$	175
f. Communications	$	32
g. Private Sector Price Increase	$	3,945
Total Non-Personnel	$	3,856
Total Price Growth	$	5,113

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

I. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Hazardous Waste Disposal Operations (Base: $21,067).....$ 2,968
Finances the higher cost of commercial hazardous waste disposal. Increases are due to: more timely disposal actions, precluding stockpiling; safety improvements in collecting, transporting, processing, and disposing; increased requirements for sampling/analysis and record keeping/reporting; other compliance with revised state and federal regulations. The Army is implementing measures to reduce the generation of Hazardous Waste and the cost avoidance is included in the budget request.

b. Real Property Maintenance (Base: $53,554).....$ 8,477
Real Property Maintenance funding has been reduced to levels far below the Annual Recurring Requirement (ARR) in recent years. This programmatic increase will partially close the gap but does not fully fund the ARR due to overall budget constraints. Consequently, there will be some deterioration of existing Army facilities with an associated degradation of living and working conditions at U.S. military installations. For example, many high priority projects to repair utilities systems, troop barracks, maintenance facilities, operational facilities, and more will, of necessity, be deferred. The Backlog of Maintenance and Repair (BMAR) will still rise by $19.8 million in FY 1989.

Total Program Increases.....$ 11,445

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

a. Utilities Savings - Energy Conservation (Base: $24,178).....$ -193
The Army has invested large sums in energy conservation devices and methods over the past several years. The Army energy plan projects a reduction in utilities consumption in its facilities of 40 percent by FY 2000 from the level experienced in FY 1975. The combination of investments in technology and emphasis on conservation has reduced consumption levels. This downward adjustment reflects these savings.

Total Program Decreases.....$ -193

FY 1989 Budget Request.....$ 284,153

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Maintenance/Repair, Real Property, K ($000)	84,845	47,299	59,463
Military Personnel E/S	0	0	0
Civilian Personnel E/S	46	34	70
Total Personnel E/S	46	34	70
Annual M&R Requirements ($000)	59,988	72,362	75,186
Major Repair Projects ($000)	30,261	20,941	23,630
Backlog, Maintenance & Repair ($000)	31,298	58,941	78,738
Military Housing Floor Space (000 sq ft)	3,681	3,681	3,841
All Other Floor Space (000 sq ft)	59,288	58,102	58,747
B. Minor construction, L ($000)	10,557	6,255	3,574
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	2	11
Total Personnel E/S	0	2	11
Number of Projects	201	69	79
C. Operation of Utilities, J ($000)	25,624	24,178	27,021
Military Personnel E/S	0	0	0
Civilian Personnel E/S	9	12	12
Total Personnel E/S	9	12	12
Electricity (MWH)	580,395	533,967	539,183
Heating (MBTU)	3,499,631	3,429,638	3,434,408
Water, Plants & Systems (000 gals)	5,599,419	5,487,431	5,589,681
Sewage & Waste Systems (000 gals)	1,396,662	1,368,729	1,467,075
Air Conditioning & Refrig (Tons)	16,742	16,407	16,081

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
D. Engineer Support, M ($000)	164,197	178,695	194,095
Military Personnel E/S	265	224	226
Civilian Personnel E/S	2,387	2,192	2,321
Total Personnel E/S	2,652	2,416	2,547
Fire Protection/Prevention, Rescue E/S	230	230	243
Custodial Services (000 sq ft)	10,902	10,793	11,199
Entomology Services (000 sq ft)	41,030	40,642	41,447
Refuse Collection/Disposal (000 cu yds)	1,639	1,623	1,737
Number of Real Estate Actions Completed	41,050	40,800	41,050
Number of Inspections Completed	13,700	13,950	13,450
Number of Lease Actions Completed	9,450	8,950	9,200
Number of Grant Actions Completed	1,750	1,750	1,750
Number of Disposal Actions Completed	500	2,500	2,500

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	57	54	50	50	54	-2	52
Enlisted	208	175	174	174	175	-1	174
Total Military	265	229	224	224	229	-3	226
Civilian End Strength							
U.S. Direct Hire	2,439	2,083	2,240	2,240	2,193	221	2,414
Total Civilian	2,442	2,083	2,240	2,240	2,193	221	2,414
Total End Strength	2,707	2,312	2,464	2,464	2,422	218	2,640

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

The increase of two in FY 1989 reflects manning adjustments.

Civilian

The increase of 174 in FY 1989 reflects changes in military construction support (-12) offset by conversion of Army Missile Command from industrial fund operation (+120) and Standard Installation Organization realignments from other budget activity groups (+66).

PROGRAM: CENTRAL SUPPLY ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	69	54	54	54	54	-3	51
Enlisted	175	176	191	191	175	-1	174
Total	244	230	245	245	229	-4	225
Civilian Workyears							
U.S. Direct Hire	2,504	2,141	2,298	2,298	2,248	221	2,469
Foreign Nat. Direct Hire	3						
Total	2,507	2,141	2,298	2,298	2,248	221	2,469

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MODERNIZATION

I. Description of Operations Financed

The equipment Modernization Program provides for the modification or conversion of materiel already in the Army inventory. Modification is the application of changes to materiel which do not greatly alter the basic characteristics of the item in terms of mission, performance, or capability. Conversion is the application of changes so extensive as to alter an item's basic characteristics in terms of mission, performance or capability and results in a new nomenclature of the items.

The Modernization program request for FY 1989 is $116.4 million. This funding level represents a programmatic increase of $9.6 million in FY 1989. The largest single effort in this program is the M60 conversion program. The Army is committed to converting M60A1 tanks to M60A3 tanks and transferring the upgraded tanks to the Reserve Components. The modernization of missile systems such as the HAWK and Chaparral account for approximately forty percent of the missile program. These upgrades consist of increasing capability by enhancing their target acquisition capability and by improving reliability of the Chaparral's hydraulic system. These funding levels represent a conscious effort to fund this program at a level commensurate with constrained funding and availability of kits, parts, and workload capability.

DEPARTMENT OF THE ARMY
JUSTIFICATON OF AMENDED BUDGET ESTIMATES FOR FY 1988 89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MODERNIZATION

II. Financial Summary (O&M: $ in Thousands):

		FY 1988			FY 1989			
A. Subactivity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY88/89
Aircraft	38,847	26,398	26,398	19,838	33,186	-7,272	25,914	6,076
Combat Vehicles	29,000	42,308	42,308	39,490	44,264	-5,833	38,431	-1,059
Missiles	16,402	36,041	36,041	18,312	38,347	-15,763	22,584	4,272
Other	10,989	12,051	12,051	25,738	8,472	21,006	29,478	3,740
Totals	95,238	116,798	116,798	103,378	124,269	-7,862	116,407	13,029

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MODERNIZATION

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 103,378
Non-Personnel Price Growth		
a. Industrial Fund	$ 1,116	
b. Private Sector	$ 2,350	
Total Non-Personnel Price Growth	$ 3,466	
Total Price Growth		$ 3,466
Program Increases		
a. Support to Modification Conversion Program (Base: $103,378)	$ 9,563	
Provides for an increase in modification conversion funding primarily for aircraft, missile systems, and tactical vehicles, offset by a slight decrease in combat vehicles. Examples of increases are a series of modifications to increase the capability and reliability of the CHAPARRAL and HAWK missile systems, Night Vision goggles for the CH-47 helicpoter, wire strike protection for the AH-64, modifications to extend the service life of the LCM-8 ship by 20 years, and Roll Bar Protection for the M151 jeep.		
Total Program Increases		$ 9,563
FY 1989 Budget Request		$ 116,407

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MODERNIZATION

III. Performance Criteria and Evaluation.

TITLE	FY 1987 Actuals	FY 1988 Estimates	FY 1989 Estimates
Selected Systems being Modernized			
UH-60			
Cockpit Night Vision Capability			
Global Positioning System	504	73	0
AH-1S Main Rotor Flap Control	0	10	15
UH-1 Improved Particle Separator	0	0	763
CH-54 Upgrade Avionics	0	0	300
CH47 Night Vision Goggles Expanded	0	0	97
AH-64 Wire Strike Protection	0	120	192
	0	0	162
M151 Jeep Roll Bar Protection			
MLRS	781	8,900	10,458
PERSHING II	282	388	146
HAWK	83	83	542
CHAPARRAL	1,203	1,801	2,049
Night Firing Capability			
Pneumatic System	2	130	144
	2	130	144
M60A1/A3 Conversions			
Bradley Fighting Vehicle System Rotor Pi	2,731	1,320	1,768
LCM-8	0	404	0
	0	0	45

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: OTHER DEPOT MAINTENANCE

I. Description of Operations Financed

The Other Depot Maintenance Program constitutes the bulk of depot maintenance and finances the overhaul and depot level repair of major and secondary items, renovation of conventional ammunition, and the calibration of test, measurement, and diagnostic equipment. Returns from depot maintenance and new procurement are the only sources of serviceable equipment for the Army's supply system. Depot maintenance returns generally cost approximately one-third, are available sooner, and are an attractive alternative to new procurement in terms of supporting Army readiness.

The Other Depot Maintenance Program request for FY 1989 is $1,709.2 million. This funding level represents a programmatic increase of $254.8 million in FY 1989. This results in 89 percent of requirements being funded in FY 1989. The funding in support of Force Modernization systems continues to increase as the fielded density increases thus driving increases in the amount of secondaries being overhauled. Additionally, the previously fielded Force Modernization end items are beginning to be overhauled. Also, the fielded density of non-Force Modernization systems is not decreasing significantly as these systems are either being retained in the Active Army or transferred to the Reserve Components. The M60 tank and UH1 helicopter are being displaced by the M1 tank and UH60 helicopter, respectively, but are not experiencing significant decreasing fielded densities. For example, although the FY 1989 fleet of M60 tanks is located primarily in the Reserve Components, the overhaul of secondary items remains an OMA responsibility and the transfer to the Reserve Components is frequently preceded by an overhaul or repair of the fleet in conjunction with its conversion to the M60A3 Tank.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 198[illegible]89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: OTHER DEPOT MAINTENANCE

II. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY88/89
Aircraft	415,499	522,155	542,835	512,497	565,789	39,375	605,164	92,667
Combat Vehicles	383,[illegible]	435,976	444,547	381,074	486,577	13,393	499,970	118,896
Missiles	169,904	121,165	173,772	165,301	152,630	44,971	197,601	32,300
Other	363,149	352,173	376,821	358,991	369,948	36,565	406,513	47,522
Totals	1,331,654	1,431,469	1,537,975	1,417,863	1,574,944	134,304	1,709,248	291,385

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: OTHER DEPOT MAINTENANCE

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 1,417,863
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 736	
b. Compensable Days-Two Days Less	$ -173	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 898	
Total Civilian Personnel		$ 1,461

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: OTHER DEPOT MAINTENANCE

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth

a.	Stock Fund-Materiel	$ 794	
d.	Commercial Transportation Rates	$ 6	
c.	Industrial Fund	$ 16,879	
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 179	
e.	Indirect Hire Foreign National FY 1989 Pay Raise Separation Allowance	$ 39	
f.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 244	
g.	Annualization of FY 1988 Indirect Hire Foreign National Separation Allowance	$ 1	
h.	Travel	$ 9	
i.	Purchased Utilities	$ 2	
j.	Private Sector	$ 16,968	
	Total Non-Personnel		$ 35,121
	Total Price Growth		$ 36,582

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: OTHER DEPOT MAINTENANCE

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Increases		
a. OPTEMPO (Base: $639,200)	$	62,000
Resources to support projected Army OPTEMPO (850 miles) and Flying Hour Program (15.8 hr/cr), objective for FY 1990.		
b. Equipment Overhaul and Repair (Base: $788,663)	$	192,803
Provides for increases in the overhaul and repair of end items and secondaries such as the UH-60A BLACKHAWK, OH-58 and CH47D helicopters; the Bradley Fighting Vehicle System (BFVS); M113A1/A2 Armored Personnel Carriers; and the Patriot, MLRS, and Stinger missiles.		
Total Program Increases	$	254,803
FY 1989 Budget Request	$	1,709,248

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: OTHER DEPOT MAINTENANCE

III. Performance Criteria and Evaluation.

TITLE	INDICATOR	FY 1987 Actuals	FY 1988 Estimates	FY 1989 Estimates
AH-1S	End Items	49	53	53
CH-47D	End Items	0	18	23
UH-60A BLACKHAWK	End Items	2	19	22
OV-1/RV-1	End Items	20	25	25
AH-64	Engines	6	25	30
M113A1/A2 APC	End Items	664	1,310	1,547
M901A1 TOW	End Items	12	21	17
BFVS	End Items	7	5	8
M1 TANK	End Items	2	4	4
M577A1/A2 CMD Post	End Items	154	339	237
PATRIOT	Dollars*	17 529	28,109	37,737
MLRS	Dollars*	10,654	11,448	13,932
STINGER	Dollars*	2,076	2,965	5,060
CHAPARRAL	Dollars*	12,026	24,319	17,728
HEMTT	Engines	0	0	52
M60 7.62MM Machine Gun	End Items	2,903	2,758	2,708

* Indicators above equal dollars (in thousands) supporting major and secondary items being worked; quantities are not available.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: OTHER DEPOT MAINTENANCE

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officers	5	6	6	6	65	0	65
Enlisted	9	10	10	10	936	-24	912
Total Military End Strength	14	16	16	16	1,001	-24	977
Civilian End Strength							
US Direct Hire	70	119	119	119	1,131	0	1,131
Foreign National Direct Hire	0	6	6	6	23	0	23
Foreign National Indirect Hire	1	0	0	0	88	0	88
Total Civilian End Strength	71	125	125	125	1,242	0	1,242
Military Workyears							
Officers	5	6	6	6	65	0	65
Enlisted	9	10	10	10	936	-24	912
Total Military Workyears	14	16	16	16	1,001	-24	977
Civilian Workyears							
US Direct Hire	99	119	119	119	1,131	0	1,131
Foreign National Direct Hire	0	6	6	6	23	0	23
Foreign National Indirect Hire	1	0	0	0	100	80	180
Total Civilian Workyears	100	125	125	125	1,254	80	1,334

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: OTHER DEPOT MAINTENANCE

IV. Personnel Summary (Continued):

Narrative Explanation of Changes:

MILITARY

Net increase of 961 end strength reflects the planned transfer of the U.S. Army Missile Command (MICOM) from the Industrial Fund (+985) and force structure realignment (-24).

CIVILIAN

Transfer of MICOM from the Industrial Fund (1,117 end strength and 1,209 workyears).

Due to the postponement of the MICOM decapitalization until FY 1990, personnel resources will be restored to the Industrial Fund during FY 1989.

DEPARTMENT OF THE ARMY
JUSTIFICATON OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MAINTENANCE SUPPORT ACTIVITIES

I. Description of Operations Financed

Maintenance Support Activities focus primarily on supporting readiness of the field forces. The program is critical to the fielding of new systems and equipment; provides engineering support before, during, and after deployment; provides the nucleus for maintenance of new equipment training for units receiving equipment; responsible for revision and update of publications, technical manuals; and provides for Department of the Army civilian and contractor technical assistance required to support equipment when fielded.

Maintenance Support Activities start with the concept phase - provisioning, validation of technical and maintenance procedures, maintenance supportability concepts and fielding plans - and this support continues after completion of system production. At this time, Maintenance Support Activities assume full responsibility for all hardware and software design support, development of provisioning plans, updating equipment publications, and the maintenance of the technical data packages to support the continuing procurement of repair parts. These functions, in support of systems already in the hands of Army users, comprise the largest portions of Maintenance Support Activities.

The Maintenance Support Activities request is $629.0 million for FY 1989. This funding represents a decreasing program when inflation is considered. It is a function of constrained resources and represents a prudent risk to the sustainment of the Army's readiness.

Resources of this program are determined by the number of different systems in use rather than the equipment densities within systems. The program drivers are weapon systems deployment, older systems still in the field, and system complexity. New system fieldings are continuing, thereby increasing the number of different systems fielded and the density of equipment since the vast majority of the older systems are being retained in either the active Army or the Reserve Components. The Bradley Fighting Vehicle (BFVS) is an example of the increasing complexity of the new systems. It requires 1,400 organizational maintenance tasks versus 742 for the M113A2 personnel carrier. A new and technologically complex item of equipment will not improve combat effectiveness unless it is maintained. A system cannot be properly maintained unless the personnel in the field and the depots are provided the proper training and technical assistance, updated technical manuals, bulletins and repair standards and the review and implementation of suggested or required improvements.

Funding in the amount of $5.3 million in FY 1989 is included for partial funding of Single Manager for Conventional Ammunition (SMCA) in this activity.

DEPARTMENT OF THE ARMY
JUSTIFICATON OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MAINTENANCE SUPPORT ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY88/89
Maintenance Program and Planning Support	117,459	112,476	110,609	110,609	114,242	-5,994	108,248	-2,361
Maintenance Engineering and Technical Services	420,841	399,680	399,061	399,061	409,574	-1,554	408,020	8,959
Maintenance Publications	63,682	74,420	60,867	60,867	76,520	-18,633	57,887	-2,980
Maintenance Technical Training	102,734	63,600	57,061	57,061	58,500	-3,631	54,869	-2,192
Totals	704,716	650,176	627,598	627,598	658,836	-29,812	629,024	1,426

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MAINTENANCE SUPPORT ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 627,598
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 3,971	
b. Compensable Days-Two Days Less	$ -1,783	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 3,600	
Total Civilian Personnel		$ 5,788
Non-Personnel Price Growth		
a. Stock Fund-Materiel	$ 74	
b. Commercial Transportation Rates	$ 54	
c. Industrial Fund	$ -8,679	
d. Travel	$ 321	
e. Commercial Communications	$ 2	
f. Private Sector	$ 11,179	
Total Non-Personnel.Price Growth		$ 2,951
Total Price Growth		$ 8,739

DEPARTMENT OF THE ARMY
JUSTIFICATON OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MAINTENANCE SUPPORT ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decreases

a. Force Modernization Program (Base: $30,285).....$ -981
Reduction in funds that support the fielding of selected new or modernized equipment entering the active force inventory in FY 1989. This encompasses the new equipment training program. (For details on specific systems, see "Intensively Managed Systems" sections.)

b. Support to Fielded Systems (Base: $597,313).....$ -6,332
Reflects a reduction to funding support for non-Force Modernization New Equipment Training (NET), number of publications available for reissue to system users in the field, and funding for maintenance programing and planning support. This reduction is partially offset by increases for maintenance engineering and technical services, such as equipment improvement reports, quality deficiency reports, product improvement proposals, etc.

Total Program Decreases.....$ -7,313

FY 1989 Budget Request.....$ 629,024

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MAINTENANCE SUPPORT ACTIVITIES

III. Performance Criteria and Evaluation.

TITLE	Units	FY 1987 Actuals	FY 1988 Estimates	FY 1989 Estimates
Provisioning - Initial	Lines	679,670	676,647	666,593
Program Work Directives (PWD)	Number	35,475	22,449	22,823
Engineering Change Proposals (ECP)	Number	37,144	35,305	36,130
Quality Deficiency Reports (QDR)	Number	23,993	26,204	26,096
Product Improvement Proposals (PIP)	Number	242	228	230
Sample Data Collections (SDC)	Number	246	246	242
Equipment Improvement Reports (EIR)	Number	7,474	6,884	6,664
Pages of Technical Publications Updated	Pages	669,815	639,871	634,198
New Equipment Training Plans	Number	887	947	918

DEPARTMENT OF THE ARMY
JUSTIFICATON OF AMENDED BUDGET ESTIMATES FOR FY 1988/89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MAINTENANCE SUPPORT ACTIVITIES

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officers	121	169	169	169	221	-14	207
Enlisted	339	393	334	334	447	-70	377
Total Military End Strength	460	562	503	503	668	-84	584
Civilian End Strength							
US Direct Hire	5,584	5,380	5,369	5,369	6,693	8	6,701
Foreign National Direct Hire	1	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian End Strength	5,585	5,380	5,369	5,369	6,693	8	6,701
Military Workyears							
Officers	121	169	169	169	221	-14	207
Enlisted	339	393	364	364	447	-70	377
Total Military Workyears	460	562	533	533	668	-84	584
Civilian Workyears							
US Direct Hire	5,307	5,404	5,420	5,420	6,991	-192	6,799
Foreign National Direct Hire	7	0	0	0	0		0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian Workyears	5,314	5,404	5,420	5,420	6,991	-192	6,799

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: MAINTENANCE SUPPORT ACTIVITIES

Narrative explanation of Personnel Changes:

CIVILIAN

The net increase of 1,332 end strength reflects the transfer of U.S. Army Missile Command (MICOM) personnel from the Industrial Fund to direct appropriation (+1,306) and transfer of functions under the Goldwater/Nichols DOD Reorganization Act (+26); Workyear adjustments: MICOM (+1,353) end DOD Reorganization Act (+26). Due to the postponement of the MICOM decapitalization until FY 1990, these manpower resources will be restored to the Industria Fund.

MILITARY

Transfer of MICOM from Industrial Fund (+106); Force Structure realignments (-25).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: ENVIRONMENTAL RESTORATION

I. Narrative Description: This activity provides for identification of environmental contamination and appropriate remedial actions on Army installations and adjacent areas. It also resources identification and remedial actions to clean up contamination on property formerly owned by the Department of Defense for which the Department is responsible. Budget request for the Army Environmental Restoration program is included in the Environmental Restoration, Defense transfer appropriation. Funds are transferred to the Army during the year of execution.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: ENVIRONMENTAL RESTORATION

II. Description of Operations Financed - Funds provide support in the following areas: Funds provide for surveys to identify environmental contamination resulting from past practices; investigation of the source, extent, and impact of contamination; design and implementation of remedial actions. Funds also support investments to reduce the generation of hazardous wastes.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: ENVIRONMENTAL RESTORATION

III. Financial Summary ($ in Thousands):

A. Subactivity Break	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY 88/89
Environmental Restoration	195,460	19,[illegible]07	0	173,209	24,526	-24,526	0	-178,209

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: ENVIRONMENTAL RESTORATION

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 178,209
Program Decrease	$ -178,209	

Funding for Environmental Restoration is requested in the Environmental Restoration Defense transfer appropriation. Funds will be transferred to the Army during the year of execution.

FY 1989 Budget Request	$ 0

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: ENVIRONMENTAL RESTORATION

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength	12	5	5	5	5	0	5
Officer							
Enlisted							
Total Military	12	5	5	5	5	0	5
Civilian End Strength							
U.S. Direct Hire	92	69	69	69	69	0	69
Foreign Natl Direct Hire							
Foreign Natl Indirect Hire							
Total Civilian	92	69	69	69	69	0	69

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: ENVIRONMENTAL RESTORATION

V. Personnel Summary (Continued):

Military

No change.

Civilian

No change.

PROGRAM: CENTRAL SUPPLY AND MAINTENANCE
ACTIVITY GROUP: ENVIRONMENTAL RESTORATION

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer							
Enlisted	12	8	8	5	5	0	5
Total Military	12	8	8	5	5	0	5
Civilian Workyears							
U.S. Direct Hire	86	67	67	69	69	0	69
Total Civilian	86	67	67	69	69	0	69

PROGRAM: TRAINING

I. Description of Operations Financed

Program 8-Training provides for the operation and maintenance of the United States Army's school system and other selected training and training support activities. The training establishment must be capable of fulfilling the individual peacetime and mobilization training requirements of both the Active and Reserve Components of the Army; civilian employees of the Department of the Army and other government agencies; selected members of other services; and, individual members of the military services of other nations. This training is accomplished at Army training centers and schools, Department of Defense and Joint Service schools and colleges, civilian colleges and universities and schools of other nations. Additionally, this budget program provides resources for the Senior Reserve Officers' Training Corps (ROTC) program which is conducted at colleges and universities throughout the United States. Program 8-Training also provides for the development, improvement and distribution of instructional material; the development of new training technology, and training assistance to units and their assigned personnel.

The major objectives of this Army budget program are:

To provide initial entry training with demanding standards designed to produce confident, disciplined and toughened soldiers capable of performing as contributing members of their assigned units.

To provide the skill and functional training necessary to develop the individual soldier skills required by the Army.

To provide Army sponsored training for selected Department of Army civilians, members of other services, other Department of Defense agencies and selected local, state and national governments.

PROGRAM: TRAINING

I. Description of Operations Financed (Continued):

To develop new training technology and implement coordinated training initiatives needed to enhance the individual soldier's skill and proficiency in a more efficient and cost effective individual training program in the Army.

To provide a complete program of training materials to be exported from the various Army schools to train the individual soldier in the units.

Program 8-Training provides resources for the operation and maintenance of eight Army Training Centers, 30 Army schools and colleges, and six Department of Defense and Joint Service schools and colleges. This budget program also supports four Reserve Officers' Training Corps (ROTC) regional headquarters and 318 Senior ROTC detachments located on college and university campuses throughout the United States, Puerto Rico, Guam, and the Virgin Islands. Program 8-Training supports Army unique training provided to members of other services; Department of Defense and other Federal Agencies; selected local, state and national governments; and members of the armed forces of other nations.

The training institutions for which this budget program provides the operation and maintenance funds are:

U.S. Army Centers

Ft. Dix, NJ
Ft. Jackson, SC
Ft. Knox, KY
Ft. McClellan, AL
Ft. Sill, OK
Ft. Leonard Wood, MO
Ft. Bliss, TX
Ft. Benning, GA

PROGRAM: TRAINING

I. Description of Operations Financed (Continued):

U.S. Army Schools and Colleges

Air Defense School	Ft. Bliss, TX
Armor School	Ft. Knox, KY
Army Logistics Management Center	Ft. Lee, VA
Army Management Engineering Training Agency	Rock Island, IL
Army War College	Carlisle Barracks, PA
Aviation School	Ft. Rucker, AL
Chaplain Center and School	Ft. Monmouth, NJ
Chemical School	Ft. McClellan, AL
Command and General Staff College	Ft. Leavenworth, KS
Engineer School	Ft. Belvoir, VA
Facility Engineering Support Agency	Ft. Belvoir, VA
Field Artillery School	Ft. Sill, OK
Infantry School	Ft. Benning, GA
Institute for Administration	Ft. Benjamin Harrison, IN
Institute for Military Assistance	Ft. Bragg, NC
Intelligence Center and School	Ft. Huachuca, AZ
Intelligence School	Ft. Devens, MA
Intern Training Center	Ft. Texarkana, TX
Judge Advocate General School	Charlottesville, VA
Military Police School	Ft. McClellan, AL
National Match Pistol and Rifle Maintenance Center	Rock Island, IL
Missile and Munitions Center and School	Redstone Arsenal, AL
Ordnance Center and School	Aberdeen Proving Ground, MD

PROGRAM: TRAINING

I. Description of Operations Financed (Continued):

Organizational Effectiveness Training Center.....Ft. Ord, CA
Quartermaster School.....Ft. Lee, VA
Sergeants Major Academy.....Ft. Bliss, TX
Signal School.....Ft. Gordon, GA
U.S. Army Transportation and Aviation Logistics Schools .....FT. Eustis, VA
U.S. Military Academy.....West Point, NY
U.S. Military Academy Preparatory School.....Ft. Monmouth, NJ

Department of Defense/Joint Services Schools and Colleges

Defense Ammunition School.....Savanna, IL
Defense Information School.....Ft. Benjamin Harrison, IN
Defense Language Institute Foreign Language Center.....Presidio of Monterey, CA
Defense Systems Management College.....Ft. Belvoir, VA
Joint Military Packaging Training College.....Aberdeen Proving Ground, MD
National Defense University.....Ft. McNair, Washington, DC
- National War College.....Ft. McNair, Washington, DC
- Industrial College of the Armed Forces.....Ft. McNair, Washington, DC
- Department of Defense Computer Institute.....Ft. McNair, Washington, DC
- Institute for National Strategic Studies.....Ft. McNair, Washington, DC
- Institute of Higher Defense Studies.....Ft. McNair, Washington, DC

PROGRAM: TRAINING

I. Description of Operations Financed (Continued):

The development and improvement of training technology and the distribution of instructional programs are financed by this budget program. Program 8-Training also provides training assistance to Active and Reserve Component units and their assigned personnel outside the training establishment. This assistance includes the procurement and distribution of certain training aids and devices, audio-visual instructional materials, and training publications for Army-wide and DOD-wide use.

The FY 1989 request for Program 8 Training (Mission) totals $1,129,425 a net increase of $57,689 over FY 1989. Of this amount $36,264, is related to program growth. These resources provide for the Force Modernization program, reserve component training, and a decrease of 251 training loads. Funding for Force Modernization will provide for the initial provisioning of equipment used in training, operator and maintenance training, training manuals and source material, and recurring costs associated with systems already fielded.

The Program 8 Training (Base Operations) request provides for the operation and maintenance of installation support, less real property maintenance activities, for the Army Training Base at 18 installation/locations in CONUS. Support provided includes: supply operations; maintenance of materiel; transportation services; laundry and dry cleaning services; Army Food Service Program; bachelor housing operations and furnishings; personnel, administration; automation activities; community and morale activities; and preservation of order.

The Real Property Maintenance Activities (RPMA) provides support for 18 Army installations in the Army's Training Base, including the US Army Military Academy. This support includes; operation of utilities; maintenance of real property; minor construction; and other engineering support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

A. Activity Group

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Recruit Training	11,413	9,266	9,266	9,298	8,928	408	9,336	38
One Station Unit Training	28,345	31,412	30,366	30,543	33,567	-822	32,745	2,202
Officer Acquisition	35,061	32,873	30,209	30,143	35,837	-2,742	33,095	2,952
Senior ROTC	95,012	97,795	96,137	96,137	105,340	-1,075	104,265	8,128
Specialized Training	247,005	270,433	259,664	228,814	272,074	-38,634	233,440	4,626
Flight Training	150,130	166,305	158,613	149,679	168,325	-18,005	150,320	641
Professional Dev. Educ.	55,662	57,019	55,716	54,507	62,981	-5,254	57,727	3,220
Training Support	553,825	551,742	488,005	472,615	603,174	-94,677	508,497	35,882
Base Operations (-)	716,612	750,027	687,261	695,555	791,043	-94,907	696,136	581
RPMA	638,747	600,218	555,792	559,954	627,697	-79,547	548,150	-11,804
TOTAL PROGRAM	2,531,812	2,567,090	2,371,029	2,327,245	2,708,966	-335,255	2,373,711	46,466

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increase and Decreases

FY 1988 President's Budget Request	$ 2,567,090
Congressional Adjustments:	
a. Automatic Data Processing (Base: $93,666)	$ -8,724
b. Base Operating Support (Base: $1,355,359)	$ -45,349
c. Contractor Support Services (Base: $1,019)	$ -1,531
d. DLA Stock Fund Surcharge (Base: $50,837)	$ -9,264
e. Expenses/Investment Criteria (Base: $7,763)	$ -5,003
f. Force Modernization (Base: $41,396)	$ -2,830
g. Headquarters Operations (Base: $38,360)	$ -2,093
h. Inflation Adjustment (Base: $27,839)	$ -7,242
i. Manpower Savings-Contracting Out (Base: $565,081)	$ -20,150
j. Non-Appropriated Fund Activities (Base: $76,202)	$ -6,287
k. Overseas Labor Contracts - ADP System (Base: $385,794)	$ -6,087
l. Stock Fund Policy (Base: $185,789)	$ -11,331
m. Training/Professional Development (Base: $57,019)	$ -11,278
n. Training Support (Base: $551,742)	$ -30,000
o. Travel/Transportation (Base: $151,175)	$ -14,058
p. Work Year Pricing (Base: $1,029,516)	$ -14,834
Total Congressional Adjustments	$-196,061
FY 1988 Appropriated Amount	$ 2,371,029

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increase and Decreases

Functional Program Transfers

Intra Appropriation Transfers In:

Intermediate Nuclear Forces.....$ 200
This transfer of resources from other Operations and Maintenance, Army Programs will support the monitoring and verification requirements of the INF treaty.

Total Transfers In.....$ 200

Intra Appropriation Transfers Out:

a. Special Operating Forces.....$ -13,644
Transfer funds for establishment of new major Program 11 for Special Operations Forces from other Operations and Maintenance, Army programs.

b. Champus Reprograming.....$ -28,613
Transfers fund from Program 8-Training of the Operations and Maintenance, Army appropriation to Program 8 Medical to support payment of medical/dental care claims of Army beneficiaries.

c. Realignment of Army Base Operations Funds .....$ -1,727
Transfer of resources to Program 8 Medical for support to Fitzsimmon Army Hospital

Total Transfer Out.....$ -43,984

Total Functional Program Transfers.....$ -43,784

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increase and Decreases

Price Growth

a.	FY 1988 Civilian Pay Personnel Pay Increase - 2 Percent	$ 15,697
b.	FY 1988 Civilian Health Benefits	$ 7,218
c.	Stock Fund - Fuel Rate Change	$ 5,165
d.	GSA Industrial Fund Rates	$ 12,081
e.	Private Sector Price Increase	$ 4,489
	Total Price Growth	$ 44,650

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increase and Decreases

Program Decreases

a. Absorption of FY 1988 Civilian Personnel Pay Increase - 2 Percent.....$-15,697
To absorb FY 1988 Civilian Personnel Pay Raise would result in a decrease in funds available for contracting base operations support, real property maintenance and other non-recurring costs which ultimately impact on the quality of training provided to soldiers.

b. Absorption of FY 1988 Civilian Health Benefits.....$ -7,218
To absorb FY 1988 Civilian Health Benefits would result in a decrease in funds available for contracting base operations, support, real property maintenance and other non-recurring costs which ultimately impact on the quality of training provided to soldier.

c. Absorption of Stock Fund - Fuel Rate Change.....$ -5,165
The absorption of these funds would result in a decrease in funds available for contracting base operations support, real property maintenance and other non-recurring costs which ultimately impact on the quality of training provided to soldier.

d. Absorption of GSA Industrial Fund Rates.....$-12,081
The absorption of these funds would result in a decrease in funds available for contracting suppport and other non-recurring costs which ultimately impact on the quality of training provided to soldier.

e. Absorption of Private Sector Price Increase.....$ -4,489
The absorption of these funds would result in decrease in funds available for contracting support and other non-recurring costs which ultimately impact on the quality of training provided to soldier.

Total Program Decreases.....$ -44,650

FY 1988 Current Estimate.....$ 2,327,245

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increase and Decreases (Continued):

FY 1988 Current Estimate		$ 2,327,245
Functional Program Transfers		
Inter Appropriation Transfer IN		
Non Tactical Vehicles	$ 3,321	
Total Transfer In		$ 3,321
Intra Appropriation Transfers Out		
a. Army Missile Command (MICOM) Production Overhead Costs	$ -1,468	
b. Ft. Belvoir Transfer	$ -58,395	
Total Transfer Out		$-59,863
Total Functional Program Transfer		$ -56,542

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increase and Decreases (Continued):

Price Growth

Civilian Personnel Costs

a. Civilian Salary (Annualization)	$	2,201
b. Compensable Days - 2 Days Less	$	-6,115
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$	16,363
Total Civilian Personnel Costs		$ 12,449

Non-Personnel Price Growth

a. Stock Fund Material	$	5,538
b. Commercial Transportation Rate	$	162
c. Industrial Fund	$	861
d. Travel	$	1,407
e. Commercial Communications	$	489
f. Rents from GSA	$	27
g. Utilities	$	3,482
h. Private Sector	$	28,576
Total Non-Personnel Price Growth		$ 40,542

Total Price Growth $ 52,991

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increases and Decreases (Cont):

Program Increases

a.	Cadet Training	$	400
b.	Corps Sustainment	$	856
c.	Academy Modernization	$	1,246
d.	Artillery School Contract	$	2,443
e.	Operating Cost Adjustment	$	780
f.	National Defense University (NDU)	$	1,258
g.	ROTC Scholarship	$	4,449
h.	Skill Development Program	$	3,747
i.	Army Material Command	$	1,837
j.	National Training Center (NTC)	$	596
k.	Joint Readiness Training Center (JRTC)	$	114
l.	Force Modernization	$	8,846
m.	Army Training Evaluation Program (ARTEP)	$	5,000
n.	Interactive Video Disc Courseware	$	4,290
o.	Automated Instructional Management Program (AIMS)	$	2,716
p.	Multiple Integrated Laser Engagement Systems (MILES)	$	5,547
q.	Training Devices	$	1,567
r.	Training Division Mobilization Army Training Center	$	1,992
s.	Training Loads	$	1,110
t.	Base Operating Support	$	7,385
u.	Real Estate Leases	$	223
v.	Engineer Training Relocation	$	349
w.	Real Property Maintenance	$	4,504
	Total Program Increases	$	61,255

PROGRAM: TRAINING

II. Financial Summary (O&M $ in Thousands)

B. Reconciliation of Increases and Decreases (Cont):

Program Decreases

a.	Flight Training	$ -3,410
b.	Flying Hours	$ -766
c.	Reserve Component Action Plan	$ -49
d.	RCTC Operations	$ -468
e.	Force Structure	$ -1,842
f.	Productivity Savings	$ -2,945
g.	Training Loads	$ -732
h.	Utilities Savings - Energy Conservation	$ -1,026
	Total Program Decreases	$ -11,238
FY 1989 Budget Request		$ 2,373,711

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	20,583	22,643	21,954	21,954	22,413	-1,637	20,776
(Students)	(9,017)	(10,859)	(11,388)	(11,388)	(10,677)	(-649)	(10,028)
Enlisted	99,417	93,976	92,933	92,933	95,098	-6,373	88,725
(Students)	(3,449)	(5,171)	(5,254)	(5,254)	(4,699)	(414)	(5,113)
(Trainees)	(51,571)	(47,832)	(47,839)	(47,839)	(49,395)	(-4,817)	(44,578)
Cadets	4,441	4,550	4,450	4,450	4,550	-100	4,450
Total Military End Strength	124,441	121,169	119,337	119,337	122,061	-8,110	113,951
Civilian End							
US Direct Hire	37,548	37,080	34,919	34,919	36,915	-2,676	34,239
Total Civilian End Strength	37,548	37,080	34,919	34,919	36,915	-2,676	34,239
Military Workyears							
Officer	20,712	22,889	20,612	20,612	22,527	-1,160	21,367
(Students)	(9,420)	(10,966)	(9,544)	(9,544)	(10,767)	(-58)	(10,709)
Enlisted	99,690	98,554	96,180	96,180	98,855	-8,022	90,833
(Students)	(3,836)	(4,413)	(4,353)	(4,353)	(4,934)	(251)	(5,185)
(Trainees)	(52,353)	(48,737)	(49,706)	(49,706)	(48,615)	(-2,406)	(46,209)
Cadets	4,238	4,320	4,172	4,172	4,320	-115	4,205
Total Military Workyears	124,640	125,763	120,964	120,964	125,702	-9,297	116,405
Civilian Workyears							
US Direct Hire	37,239	37,251	36,097	36,097	37,246	-2,931	34,315
Total Civilian Workyears	37,239	37,251	36,097	36,097	37,246	-2,931	34,315

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: RECRUIT TRAINING

I. Narrative Description

This activity group provides for the operation and support of Army Training Centers where Basic Training (BT) is conducted. Recruit Training is the eight week introductory and combat survival skill training given to enlisted personnel upon their initial entry into military service or to prior service personnel in need of refresher training. This training provides an orderly transition from civilian to military life, motivation to become a dedicated and productive member of the Army, and the basic combat survival skills required of all service members. This activity group also supports the training of personnel attending ROTC Basic Summer Camp at the Army Training Center, Ft. Knox, KY.

Training input is programed based upon the approved Army Manpower Program, the Army National Guard and U.S. Army Reserve Active Duty for Training Program, and the requirements reflected in the Army Program for Individual Training (ARPRINT).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: RECRUIT TRAINING

II. Description of Operations Financed

Costs charged to this account include civilian pay and benefits, trainee support, resident instruction, local preparation of training aids and training literature, consumer procurement of supplies and equipment, and contractual services. Also included are temporary duty (travel and per diem) for staff and faculty trips, and organizational clothing and equipment issued for use during the training period.

These associated costs are a combination of fixed, semi-fixed and variable costs. Fixed costs related to items such as minimum level of staffing, equipment and communications will be incurred as long as these functions are performed. Semi-fixed costs within certain ranges are not directly influenced by changes in training loads. Changes above or below these ranges necessitate the addition or deletion of items such as personnel staffing, equipment and communications. Variable costs in this account are determined by annual increases or decreases in training workload requirements. The FY 1989 resources support a training workload requirement of 20,802 an increase of 2275 over the FY 1988 requirement of 19,5C2. FY 1989 funding resources are based on a 95 percent workload.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: RECRUIT TRAINING

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 1988/1989
Recruit Training	11,413	9,266	9,266	9,298	8,928	408	9,336	38
Total Activity Group	11,413	9,266	9,266	9,298	8,928	408	9,336	38

PROGRAM TRAINING
ACTIVITY GROUP: RECRUIT TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

FY 1988 Current Estimate		$ 9,298
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 11	
b. Compensable Days - Two Days Less	$ -17	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 38	
Total Civilian Personnel		$ 32
Non-Personnel		
a. Stock Fund - Materiel	$ 108	
b. Travel	$ 4	
c. Private Sector	$ 10	
Total Non-Personnel		$ 122
Total Price Growth		$ 154

PROGRAM TRAINING
ACTIVITY GROUP: RECRUIT TRAINING

III. Financial Summary (O&M: $ in Thousands)

C. Reconciliation of Increases and Decreases (Continued):

Program Increases

Recruit Training Workload (Base: $5,729).....$ 343
Recruit Training workload increases from 19,502 in FY88 to 21,897 in FY 1989. Funding is provided for 95% of this FY 1989 training workload or 20,802 for an increase of 1300. (1300 training workloads x 264 variable cost factor = $343,200).

Total Program Increases.....$ 343

Program Decreases

Force Structure Reductions (Base: $8,897).....$ -459
Decreases reflect lower mission costs associated with the reduction in active force structure. Two active infantry battalions of the 6th Infantry Division will not be activated as scheduled and a full Brigade from the 9th Motorized Division will be cut from the active force structure.

Total Program Decreases.....$ -459

FY 1989 Budget Request.....$ 9,336

PROGRAM: TRAINING
ACTIVITY GROUP: RECRUIT TRAINING

IV. Performance Criteria and Evaluation

Installation	FY 87 a/		FY 88 a/		FY 89 a/	
	Input	Load b/	Input	Load b/	Input	Load b/
Ft Dix, NJ	30,550	4,556	32,401	4,508	32,000	4,453
Ft Knox, KY	13,025	1,819	13,065	1,882	16,266	2,376
Ft Jackson, SC	41,425	5,991	40,009	6,155	43,000	6,615
Ft Leonard Wood, MO	24,515	3,726	20,452	3,193	25,000	3,902
Ft Benning, GA	622	36	0	0	0	0
Ft Sill, OK	8,331	1,237	7,500	1,167	10,000	1,557
Ft Bliss, TX	7,207	984	7,500	1,175	9,500	1,488
Ft McClellan, AL	8,234	1,169	7,500	1,166	9,500	1,480
Ft Bragg/80th Div c/	0	0	800	128	0	0
Ft Polk/95th Div c/	619	94	0	0	0	0
Ft Lewis/104th Div c/	0	0	800	128	80	13
Ft Ord/91st Div c/	0	0	0	0	80	13
Lackland AFB	200	34	0	0	0	0
TOTAL	134,728	19,646	130,027	19,502	145,426	21,897
ACTIVE ARMY	80,460	11,693	84,880	12,709	79,642	12,095
ARMY NAT GUARD	27,369	4,042	24,749	3,726	32,831	4,960
ARMY RESERVE	26,899	3,911	20,398	3,067	32,953	4,842

a/ Input includes male and female Basic Training (BT) and Basic Summer Camp input for ROTC cadets.
b/ Training loads are the equivalent of student/trainee man years for a full fiscal year.
c/ 76th, 80th, 91st, 95th and 104th USAR Training Divisions will conduct this training at their mobilization sites.

NOTE: Totals may not add due to rounding.

PROGRAM: TRAINING
ACTIVITY GROUP: RECRUIT TRAINING

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	591	537	535	535	537	-2	535
Enlisted	19,968	16,785	16,707	16,707	17,154	-1,210	15,944
(Trainees)	(15,392)	(13,165)	(13,100)	(13,100)	(13,534)	(-1,197)	(12,337)
Total Military End Strength	20,559	17,322	17,242	17,242	17,691	-1,212	16,479
Civilian End Strength							
U.S. Direct Hire	157	139	132	132	139	-7	132
Total Civilian End Strength	157	139	132	132	139	-7	132
Military Workyears							
Officer	559	527	563	537	563	-2	535
Enlisted	20,089	17,632	18,338	18,338	16,969	-643	16,326
(Trainees)	(15,826)	13,978	(14,246)	(14,246)	(13,349)	(-1,273)	(12,719)
Total Military Workyears	20,648	18,159	18,901	18,901	17,506	-645	16,861
Civilian Workyears							
U.S. Direct Hire	137	130	136	136	132	-1	131
Total Civilian Workyears	137	130	136	136	132	-1	131

PROGRAM: TRAINING
ACTIVITY GROUP: RECRUIT TRAINING

V. Personnel Summary (Continued):

MILITARY

There are no end strength changes for FY 89.

CIVILIAN

There are no end strength changes for FY 89.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: ONE STATION UNIT TRAINING (OSUT)

I. Narrative Description

This activity group provides for the operation and support of initial entry training under the One Station Unit Training (OSUT) concept. OSUT combines Recruit Training and Initial Skill Training (Enlisted) in combat arms and certain combat support skills into a single course conducted by a single training unit under one cadre group for the entire period of training. OSUT requires less training time than the separate Recruit Training and Initial Skill Training (Enlisted) courses it replaced; in FY88/89 the Recruit Training/Initial Skill Training (Enlisted) combination average about 17 weeks, while the shorter OSUT courses will average 14 weeks.

Training input is programed based on the Approved Army Manpower Program, and the Army National Guard and US Army Reserve Active Duty for Training Program, and the requirements as reflected in the Army Program for Individual Training (ARPRINT).

PROGRAM: TRAINING
ACTIVITY GROUP: ONE STATION UNIT TRAINING (OSUT)

II. Description of Operations Financed

Costs charged to this account include civilian pay and benefits, trainee support, resident instruction, local preparation of training aids and training literature, consumer procurement of supplies and equipment, and contractual services. Also included are temporary duty (travel and per diem) for staff and faculty trips, and organizational clothing and equipment issued for use during the training period.

These associated costs are a combination of fixed, semi-fixed and variable costs. Fixed costs related to items such as minimum level of staffing, equipment and communications will be incurred as long as these functions are performed. Semi-fixed costs within certain ranges are not directly influenced by changes in training loads. Changes above or below these ranges necessitate the addition or deletion of items such as personnel scaffing, equipment and communications. Variable costs are determined by increases or decreases in training workload requirements. The FY 1989 resources support a training workload requirement of 14,550 a decrease of 1,659 over the FY 1988 requirement of 16,209. FY 1989 funding resources are based on a 95 percent workload.

PROGRAM: TRAINING
ACTIVITY GROUP: ONE STATION UNIT TRAINING

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
One Station Unit Training	28,345	31,412	30,366	30,543	33,567	-822	32,745	2,202
Total Activity Group	28,345	31,412	30,366	30,543	33,567	-822	32,745	2,202

PROGRAM: TRAINING
ACTIVITY GROUP: ONE STATION UNIT TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 30,543
Price Growth		
Civilian Personnel Cost		
a. Civilian Salaries (Annualization)	$ 56	
b. Compensable Days-Two Days Less	$ -100	
c. FY 1989 Civilian Personnel Pay Increase - ? Percent	$ 165	
Total Civilian Personnel		$ 121
Non-Personnel Cost		
a. Stock Fund - Material	$ 290	
d. Travel	$ 8	
c. Private Sector	$ 72	
Total Non-Personnel		$ 370
Total Price Growth		$ 491

PROGRAM: TRAINING
ACTIVITY GROUP: ONE STATION UNIT TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases/Decreases :

Program Increases:

Artillery School Contract (Base: 0).....$ 2,443
Funds a new contract for Firefinder Radar/PlA training at the US Army Artillery School, Fort Sill, OK. Training for Skill Level 1 soldiers must be provided under this contract as the Artillery School is unable to provide the number of personnel with the requisite expertise to adequately meet instructor requirements. Contractor is essential for MOS qualification on this fielded Force Modernization System.

Total Program Increase.....$ 2,443

Program Decreases:

Training Workload (Base: $11,003).....$ -732
Training workload decreases from 16,209 in FY 1988 to 15,316 in FY 1989. Funding is provided for 95% of this FY 1989 training workload or 14,550 for a decrease of 1,659. (-1,659 training workload x $458 variable cost factor/load = $731,619).

Total Program Decrease.....$ -732

FY 1989 Budget Request.....$ 32,745

PROGRAM: TRAINING
ACTIVITY GROUP: ONE STATION UNIT TRAINING (OSUT) a/

IV. Performance Criteria and Evaluation

Installation	FY 87 b/ Input	FY 87 b/ Load c/	FY 88 b/ Input	FY 88 b/ Load c/	FY 89 b/ Input	FY 89 b/ Load c/
Ft Knox, KY	6,948	1,671	9,228	2,227	9,062	2,260
Ft Jackson, SC	949	228	0	0	0	0
Ft Leonard Wood, MO	7,537	1,690	8,017	1,763	9,183	2,012
Ft Benning, GA	30,444	5,660	30,485	7,003	27,482	6,307
Ft Sill, OK	10,194	2,421	11,046	2,732	9,821	2,417
Ft McClellan, AL	6,623	1,808	7,858	2,434	7,509	2,320
TOTAL c/d/	62,695	13,478	66,634	16,209	63,057	15,316
ACTIVE ARMY	36,280	8,099	39,877	10,513	36,051	9,556
ARMY NAT GUARD	20,271	4,154	20,389	4,441	19,905	4,356
ARMY RESERVE	6,144	1,225	6,368	1,255	7,101	1,404

a/ One Station Unit Training (OSUT) combines Initial Entry and skill training into one course.
b/ Training loads are the equivalent of student/trainee man years for a full fiscal year.
c/ Figures do not include requirements for the IRR Direct Enlistment Program.
d/ Totals may not add due to rounding.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: ONE STATION UNIT TRAINING (OSUT)

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	578	737	730	730	737	-11	726
Enlisted	19,859	19,628	19,482	19,482	20,332	-1,247	19,085
(Trainees)	(13,786)	(12,965)	(12,817)	(12,817)	(13,669)	(-1,190)	(12,479)
Total Military End Strength	20,437	20,365	20,212	20,212	21,069	-1,258	19,811
Civilian End Strength							
U.S. Direct Hire	585	701	684	684	701	-33	668
Total Civilian End Strength	585	701	684	684	701	-33	668
Military Workyears							
Officer	760	719	654	654	737	-9	728
Enlisted	20,025	19,802	19,671	19,671	19,980	-696	19,284
(Trainees)	(13,694)	(13,114)	(13,302)	(13,302)	(13,317)	(-669)	(12,648)
Total Military Workyears	20,785	20,521	20,325	20,325	20,717	-705	20,012
Civilian Workyears							
U.S. Direct Hire	564	650	690	690	651	12	663
Total Civilian Workyears	564	650	690	690	651	12	663

PROGRAM: TRAINING
ACTIVITY GROUP: ONE STATION UNIT TRAINING (OSUT)

V. Personnel Summary (Continued):

MILITARY

The decrease of 63 non-trainee end strength in FY 89 reflects reduction in training center operations.

CIVILIAN

The decrease of 16 U.S. Direct Hire End Strength in FY 89 reflects reductions in training center operations.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: OFFICER ACQUISITION

I. Narrative Description

This activity group provides for the operation and support of the United States Military Academy (USMA), the United States Military Academy Preparatory School (USMAPS) and the Branch Immaterial Officer Candidate Course (BIOCC).

With an average enrollment of 4,400 cadets, the US Military Academy's curriculum is oriented primarily toward academics during the school year and intensive military training during the summer months. Each July approximately 1,400 new cadets are trained and equipped to enter the Corps of Cadets, bringing the USMA up to its authorized strength. The four-year course of instruction, which results in a Bachelor of Science degree, is designed to produce career-oriented officers for the Army.

The US Army Military Academy Preparatory School located at Ft. Monmouth, NJ, has an average student enrollment of 270 cadet-candidates. The school curriculum is designed to assist selected members of the Armed Forces to qualify academically, physically, and militarily for entrance into USMA. The 10-month curriculum concentrates on mathematics, English, and physical development. Most graduates of USMAPS will receive appointments to the USMA.

The Branch Immaterial Officer Candidate Course trains selected enlisted and warrant officer personnel to serve as commissioned officers in units of the Active and Reserve Components. With an average load of approximately 300, this 14-week course commissions officers in all of the OPMD accession specialties. Management of the program is accomplished by the US Army Training and Doctrine Command (TRADOC) through the Officer Candidate School located at Fort Benning, GA. Officer Candidate School (OCS) produces officers to support accession requirements not met by ROTC, USMA or direct commission programs. OCS provides an avenue for upward mobility and superior enlisted members, has the capability to quickly produce officers and rapidly expand to meet increased officer demands.

PROGRAM: TRAINING
ACTIVITY GROUP: OFFICER ACQUISITION

II. Description of Operations Financed

Funds support the resident instruction programs, administration, civilian personnel pay and allowances, cadet/candidate support, school preparation of training aids and training literature, temporary duty (travel and per diem), cadet/candidate field trips, general supplies and equipment, contractual services, library and museum support and sales stores for the US Military Academy, the US Military Academy Prep School, and the Branch Immaterial Officer Candidate Course.

PROGRAM: TRAINING
ACTIVITY GROUP: OFFICER ACQUISITION

III. Financial Summary ($ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Service Academy	34,971	32,597	29,933	29,868	35,496	-2,742	32,754	2,886
Officer Candidate School (OCS) Branch Immaterial	90	276	276	275	341	-0-	341	66
Total Activity Group	35,061	32,873	30,209	30,143	35,837	-2,742	33,095	2,952

ACTIVITY GROUP: OFFICER ACQUISITION

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases :

FY 1988 Current Estimates		$ 30,143
Price Growth		
Civilian Personnel Cost		
a. Civilian Salaries - Annualization	$ 70	
b. Compensable Days-Two Days Less	$ -131	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 327	
Total Civilian Personnel		$ 266
Non-Personnel		
a. Stock Fund - Material	$ 70	
b. Travel	$ 60	
c. Private Sector	$ 54	
Total Non-Personnel		$ 184
Total Price Growth		$ 450

PROGRAM: TRAINING
ACTIVITY GROUP: OFFICER ACQUISITION

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increases

a. Academic Modernization (Base: $0).....$ 1,246
Provides funds necessary to complement the MCA program at USMA. Provides for the movement of academic disciplines from buildings before the renovation begins and into the facilities upon completion. Additionally, funds purchase of laboratory equipment necessary to outfit the renovated facilities to make them fully functional and to replace obsolete/worn out equipment in other cadet laboratories.

b. USMA Cadet Training Programs (Base: $2,615).....$ 400
Provides funds for two programs: the Summer Augmentation Program and the Cadet Advanced Training Program. These programs provide critical training development and enhance individual leadership techniques that each cadet needs to graduate. Increases have resulted in these programs because of transportation and billeting costs albeit the programs have remained at current levels.

PROGRAM: TRAINING
ACTIVITY GROUP: OFFICER ACQUISITION

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increases (Cont)

c. Corps Sustainment (Base: $4,700).....$ 856
Provides funds for fundamental cadet support at USMA. Increases in Commercial Activities contracts represents Department of Labor wage determination revisions, employee fringe adjustments, and increases related to contractor-union negotiations. In a highly competitive market that is a recent phenomenon of the surrounding area, Department of Labor wage scale increases indicate that contract costs will continue to rise. Included in this issue are the barracks and classroom furnishings intended to replace current unrepairable items and to implement a life cycle management program. The furnishings program currently relies on migratory funding at year end to replace the furnishings in the worst condition.

Total Program Increases.....$ 2,502

Total FY 1989 Budget Request.....$ 33,095

PROGRAM: TRAINING
ACTIVITY GROUP: OFFICER ACQUISITION

IV. Performance Criteria and Evaluation

United States Military Academy (USMA) Enrollment (By Academic Year (AY))

	AY 86/87 Actual		AY 87/88 (Est)		AY 88/89 (Est)	
Beginning Strength	3,317	(12)	3,205	(16)	3,167	(23)
Entries	1,330	(8)	1,359	(10)	1,325	(10)
Attritions	407	(0)	388	(0)	382	(0)
Graduates	1,035	(4)	1,099	(3)	1,023	(5)
End Strength	3,205	(16)	3,167	(23)	3,087	(28)
Average Cadet Strength	4,319		4,300		4,300	
Preparatory School Load	270		270		270	

Officer Candidate School

	FY87 Actual		FY88 (Est)		FY89 (Est)	
	Input	Load	Input	Load	Input	Load
	1,195	299	850	211	950	236

1/ Numbers in parentheses represent foreign cadets

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: OFFICER ACQUISITION

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	741	700	706	706	700	11	711
Enlisted	586	742	755	755	738	14	752
(Students)	(540)	(615)	(615)	(615)	(611)	(0)	(611)
Cadets	4,441	4,550	4,450	4,450	4,550	-100	4,450
Total Military End Strength	5,768	5,992	5,911	5,911	5,988	-75	5,913
Civilian End Strength							
U.S. Direct Hire	838	865	865	865	865	0	865
Total Civilian End Strength	838	865	865	865	865	0	865
Military Workyears							
Officer	737	697	724	724	700	9	709
Enlisted	645	699	671	671	740	14	754
(Students)	(539)	(577)	(578)	(578)	(613)	(0)	(613)
Cadets	4,238	4,320	4,172	4,172	4,320	-115	4,205
Total Military Workyears	5,620	5,716	5,567	5,567	5,760	-92	5,668
Civilian Workyears							
U.S. Direct Hire	846	828	832	832	828	0	828
Total Civilian Workyears	846	828	832	832	828	0	828

PROGRAM: TRAINING
ACTIVITY GROUP: OFFICER ACQUISITION

V. Personnel Summary (Continued);

MILITARY

The increase of six non student/cadet end strength for FY 89 supports the U.S. Military Academy (+4) and other training activities (+2).

CIVILIAN

There are no end strength changes for FY 89.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICERS' TRAINING CORPS (ROTC)

I. Narrative Description

This activity group provides for the operation of the Army Senior Reserve Officers' Training Corps (ROTC) program. The objective of ROTC is to attract, motivate and prepare selected college students with potential to serve as commissioned officers in the Regular Army, Army National Guard or US Army Reserve. Management of the program is accomplished by the US Army ROTC Cadet Command (USAROTCCC), through four ROTC regional headquarters and 317 ROTC detachments, 102 extension centers and over 1260 cross-enrolled college campuses. The program consists of a two-year basic course or six-week basic camp, at Ft. Knox, KY and a two-year advanced course for students from over 1600 colleges throughout the United States and its territories. Normally between their junior and senior years, ROTC cadets attend an advanced camp where they receive military training under field conditions. After successful completion of the program, the cadets are commissioned as second lieutenants.

PROGRAM: TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICERS' TRAINING CORPS (ROTC)

II. Description of Operations Financed

Funds provide for support of on-campus operations and training, scholarships for selected students, summer camp operations, and the operation of the four ROTC regional headquarters and Headquarters USAROTCCC. On-campus support requires funds for civilian pay and allowances; temporary duty (travel and per diem); and the purchase and transportation of organizational clothing and equipment, textbooks, reference publications, and supplies. Scholarship funds provide for tuition costs, academic texts and laboratory fees for the 12,000 students who are awarded or continued on scholarships each year. Summer camp funds provide for the temporary hire of civilian personnel and the temporary duty (travel and per diem) of Active Army cadre for the camps. ROTC Headquarters funds pay for civilian pay and allowances, TDY costs, and operating supplies and equipment.

PROGRAM: TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICERS' TRAINING CORPS

III. Financial Summary ($ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Senior ROTC Scholarships	59,691	65,632	65,632	59,400	70,751	-5,481	65,270	5,870
Senior ROTC Operations	35,321	32,163	30,505	36,737	34,589	4,406	38,995	2,258
Total Activity Group	95,012	97,795	96,137	96,137	105,340	-1,075	104,265	8,128

PROGRAM TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICERS' TRAINING CORPS

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 96,137
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 64	
b. Compensable Days - Two Days Less	$ -105	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 272	
Total Civilian Personnel		$ 231
Non-Personnel		
a. Stock Fund - Material	$ 143	
b. Commercial Transportation	$ 6	
c. Travel	$ 122	
d. Private Sector	$ 3,645	
Total Non-Personnel		$ 3,916
Total Price Growth		$ 4,147

PROGRAM TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICERS' TRAINING CORPS

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Program Increases

ROTC Scholarships Program (Base: $ 59,400).....$ 4,449
Program growth supports the increase in tuition, fees and books over and above the normal inflation. No additional scholarships above the 12,000 authorized are provided by this increase. It is projected the tuition for universities and colleges will grow by approximately eight percent which exceeds the OMB inflation rate by approximately four percent. Continued underfunding has resulted in the program being significantly under resourced in FY 1989. The increase will partially offset this deficit.

Total Program Increases.....$ 4,449

Program Decreases

ROTC Operations (Base: $32,163).....$ -468
Decrease results from the consolidation of ROTC programs at smaller universities and colleges. Additionally, travel and other overhead costs of the program will be reduced.

Total Program Decreases.....$ -468

FY 1989 Budget Estimate.....$104,265

PROGRAM: TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICER TRAINING CORPS (ROTC)

IV. Performance Criteria and Evaluation

	FY87 (Actual)			FY88 (Estimate)			FY89 (Estimate)		
	Begin	Average	End	Begin	Average	End	Begin	Average	End
Total SROTC Enrollments	65,316	61,749	58,190	63,006	60,022	67,038	64,161	60,953	57,742
MS I	30,741	28,629	26,517	27,704	26,180	24,657	29,222	27,469	25,715
MS II	13,615	13,092	12,571	14,045	13,624	13,202	13,830	13,359	12,887
Basic Course	44,356	41,721	39,008	41,749	39,804	37,859	43,052	40,828	38,602
MS III	11,544	10,645	9,748	11,466	10,721	9,975	11,505	11,683	9,861
MS IV	9,416	9,383	9,354	9,791	9,497	9,204	9,604	9,442	9,279
Adv Course	20,960	20,028	19,102	21,257	20,218	19,179	21,109	20,125	19,140
Scholarship Students	11,403	11,212	11,026	10,610	10,329	10,053	12,000	11,686	11,374
MS I	1,147	1,047	947	719	690	661	750	720	690
MS II	2,488	2,402	2,317	2,312	2,254	2,196	2,575	2,510	2,446
Basic Course	3,635	3,449	3,264	3,031	2,944	2,857	3,325	3,230	3,136
MS III	3,811	3,727	3,644	3,954	3,853	3,754	4,664	4,546	4,429
MS IV	3,957	4,036	4,118	3,625	3,532	3,442	4,011	3,910	3,809
Adv Course	7,768	7,763	7,762	7,579	7,385	7,196	8,675	8,456	8,238

PROGRAM: TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICER TRAINING CORPS (ROTC)

IV. Performance Criteria and Evaluation

	FY87 (Actual)			FY88 (Estimate)			FY89 (Estimate)		
	Begin	Average	End	Begin	Average	End	Begin	Average	End
Non Scholarship Students	53,913	50,537	47,164	52,396	49,693	46,985	52,161	49,267	46,368
MSI	29,594	37,582	25,570	26,985	25,490	23,996	28,472	26,749	25,025
MS II	11,127	10,690	10,254	11,733	11,370	11,006	11,255	10,849	10,441
Basic Course	40,721	38,272	35,824	33,718	36,860	35,002	39,727	37,598	35,466
MS III	7,733	6,918	6,104	7,512	6,868	6,221	6,841	6,137	5,432
MS IV	5,459	5,347	5,236	6,166	5,965	5,762	5,593	5,632	5,470
Adv Course	13,192	12,265	11,340	13,678	12,833	11,983	12,434	11,669	10,902

PROGRAM: TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICER TRAINING CORPS (ROTC)

IV. Performance Criteria and Evaluation

	FY87 (Actual)			FY88 (Estimate)			FY89 (Estimate)		
	Begin	Average	End	Begin	Average	End	Begin	Average	End
ROTC Production									
Commissioned	7,967			8,000			8,000		
ROTC Camp	13,669	13,669	13,669	14,942	14,530	14,121	15,293	14,872	14,453
Basic Camp	3,186	3,186	3,186	3,280	3,132	2,985	3,370	3,218	3,067
Advanced Camp	8,342	8,342	8,342	8,832	8,611	8,390	9,020	8,794	8,569
Nursing Camp	250	250	250	255	252	250	228	226	223
Ranger Camp	75	75	75	75	74	73	75	74	73
CTLT	1,816	1,816	1,816	2,500	2,461	2,423	2,600	2,560	2,521

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICER TRAINING CORPS (ROTC)

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	1,609	1,862	1,739	1,739	1,862	-123	1,739
Enlisted	1,215	1,268	1,268	1,268	1,268	0	1,268
Total Military End Strength	2,824	3,130	3,007	3,007	3,130	-123	3,007
Civilian End Strength							
U.S. Direct Hire	808	813	758	758	813	-55	758
Total Civilian End Strength	808	813	758	758	813	-55	758
Military Workyears							
Officer	1,894	1,865	1,674	1,674	1,862	-123	1,739
Enlisted	1,340	1,275	1,242	1,242	1,268	0	1,268
Total Military Workyears	3,234	3,140	2,916	2,916	3,130	-123	3,007
Civilian Workyears							
U.S. Direct Hire	815	755	791	791	755	-6	749
Total Civilian Workyears	815	755	791	791	755	-6	749

PROGRAM: TRAINING
ACTIVITY GROUP: SENIOR RESERVE OFFICERS' TRAINING CORPS (ROTC)

V. Personnel Summary (Continued):

MILITARY

There are no end strength change for FY 89.

CIVILIAN

There are no end strength changes for FY 89.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

I. Narrative Description

This activity group provides for the operation and support of the Army's training centers and schools that conduct specialized skill training. Specialized Training programs provide officer and enlisted personnel with the skills and knowledge needed to perform specific jobs. Many duty positions in the Army structure have been analyzed to determine the skills necessary to insure that the job is done properly and efficiently. Specialized Training imparts these required skills to the proper number of individuals annually so that each position vacancy in the structure can be filled promptly with a qualified replacement. This grouping also includes training at the Defense Information School and Defense Language Institute Foreign Language Center. Resident Specialized Training includes initial, progression and functional training for both officer and enlisted members. Army Specialized Training can be best described in the following five categories.

Initial Skill Training (Enlisted). This includes all formal training normally given immediately following Recruit Training and leading to the award of a military occupational specialty (MOS) at the lowest level. One Station Unit Training (OSUT) satisfies this purpose but, since it combines skill training with recruit training in a single course, it is treated separately in its own activity group.

Skill Progression Training (Enlisted). This category of training is received by enlisted members subsequent to initial skill training. Through this training the student gains the knowledge to perform at a higher skill level or in a supervisory position. This category includes training under the Non-commissioned Officer Education System at the mid and lower non-commissioned officer levels.

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

I. Narrative Description (Continued)

Initial Skill Training (Officer). This training is oriented toward the specific type duty the newly commissioned officer will be performing at the first duty assignment. With minor exceptions, all newly commissioned officers attend officer basic courses at their branch schools. These courses are generally 16-19 weeks in length, including the expansion of Officer Basic Courses.

Skill Progression Training (Officer). In general, this training is aimed at officers with several years of practical experience and provides the knowledge needed to assume more advanced responsibilities. The advanced courses are structured to prepare the officer students for battalion and brigade staff duties in addition to command responsibilities at the company and battery level. Officer Skill Progression Training also includes on-going improvements in officer education and training to include the Combined Arms and Services Staff School.

Functional Training. This covers all other subject areas and cuts across the spectrum of military occupational specialties by providing additional required skills without changing the officer or enlisted member's primary MOS. Included in this category are airborne, ranger and special forces qualification courses.

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

II. Description of Operations Financed

Costs charged to this account include civilian pay and benefits, trainee support, resident instruction, local preparation of training aids and training literature, consumer procurement of supplies and equipment, and contractual service. Also included are temporary duty (travel and per diem) for staff and faculty trips, and organizational clothing and equipment issued for use during the training period.

These associated costs are a combination of fixed, semi-fixed and variable costs. Fixed costs related to items such as minimum level of staffing, equipment and communications will be incurred as long as these functions are performed. Semi-fixed costs within certain ranges are not directly influenced by changes in training loads. Changes above or below these ranges necessitate the addition or deletion of items such as personnel staffing, equipment and communications. Program increases include manpower issues, Equipping the Force, and qualitative improvements and expansion of NCO and officer courses. Variable costs in this account are determined by annual increases or decreases in training workload requirements. The FY 1989 resources support a training workload requirement of 60,031, a decrease of 297 over the FY 1988 requirement of 60,328. FY 1989 funding resources are based on a 95 per cent workload.

ACTIVITY GROUP: SPECIALIZED TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate.....$ 228,814

Functional Program Transfers

Intra Appropriation Transfer Out:

Army Missile Command (MICOM) Productions Overhead Costs.....$ -1,468
Transfer to Program 7S Mission to support production overhead costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.

Total Transfer Out.....$ -1,468

Total Functional Program Transfer.....$ -1,468

ACTIVITY GROUP: SPECIALIZED TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Price Growth			
Civilian Personnel Costs			
a. Civilian Salaries (Annualization)	$	388	
b. Compensable Days - Two Days Less	$	-886	
c. FY 1989 Civilian Personnel Pay Increase -2 Percent	$	2,425	
Total Civilian Personnel			$ 1,927
Non-Personnel			
a. Stock Fund - Material	$	632	
b. Commercial Transportation	$	28	
c. Industrial Fund	$	345	
d. Travel	$	151	
e. Private Sector	$	684	
Total Non-Personnel			$ 1,840
Total Price Growth			$ 3,767

ACTIVITY GROUP: SPECIALIZED TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Program Increase

a. Skill Development Program (Base: $0).....$ 3,747
Increased resources support the training and skill development of soldiers within the educational system. Funds support required improvements in existing courses at entry and advanced levels.

b. Training Workload (Base:$ 41,279).....$ 12
Specialized Training workload increases 60,799 in FY 1988 to 64,014 in FY 1989. Funding is provided for 95% of this FY 1989 workload or 60,813 for a increase of 14. (14 loads x $863 cost factor = $12,082).

Total Program Increase.....$ 3,759

Program Decreases

a. Reserve Component Action Plan (Base: $10,836).....$ -49
Program provides resources to improve Reserve Component NCO, Warrant officer and officer training. Reduction of funds is associated with one-time costs to upgrade Army National Guard classrooms and maintenance bays at FT. McCoy.

ACTIVITY GROUP: SPECIALIZED TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

Program Decreases (Cont)

b. Force Structure Reductions (Base: $5,400).....$ -1,383
Decreases reflect lower mission costs associated with the reduction in active force structure. Two active infantry battalions of the 6th Infantry Division will not be activated as scheduled and a full Brigade from the 9th Motorized Division will be cut from the active force structure.

Total Program Decreases.....$ -1,432

FY 1989 Budget Request.....$ 233,440

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

IV. Performance Criteria and Evaluation

Combat Arms Activities	FY 87 a/ Input b/	FY 87 a/ Load c/	FY 88 a/ Input b/	FY 88 a/ Load c/	FY 89 a/ Input b/	FY 89 a/ Load c/
Air Defense School Ft Bliss, TX	2,946	729	4,091	1,372	4,284	1,337
Armor School Ft Knox, KY	9,346	1,696	12,474	2,023	12,553	2,077
Aviation School Ft Rucker, AL	5,830	1,096	7,470	1,406	7,858	1,476
Field Artillery School Ft Sill, OK	15,924	2,943	17,783	3,099	18,034	3,303
Infantry School Ft Benning, GA	36,291	3,243	38,876	3,604	39,666	3,672
Institute for Mil Asst Ft Bragg, NC	5,474	704	10,129	1,327	15,593	1,799
Drill Sergeant Schools/ Cadre Training Course	4,615	500	5,195	612	5,458	655
Non-commissioned Officer Academies (TRADOC Only)	9,093	742	7,652	641	7,515	628

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

IV. Performance Criteria and Evaluation (Continued):

US Army Training Centers	FY 87 a/ Input b/	FY 87 a/ Load c/	FY 88 a/ Input b/	FY 88 a/ Load c/	FY 89 a/ Input b/	FY 89 a/ Load c/
Ft Dix, NJ	8,562	1,269	16,353	2,021	17,597	2,605
Ft Knox, KY	765	132	771	138	989	175
Ft Jackson, SC	17,922	3,024	16,713	2,967	19,249	3,758
Ft Leonard Wood, MO	12,122	1,847	13,149	2,077	14,925	2,432
Ft Benning, GA	531	90	1,154	217	1,543	266
Ft Sill, OK	1,536	178	1,972	228	1,663	194
Ft Bliss, TX	1,610	201	3,700	558	4,199	658
Ft McClellan, AL	432	75	723	127	1,010	178
Subtotal	132,999	18,469	158,205	22,418	172,136	25,213

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

IV. Performance Criteria and Evaluation (Continued):

Technical Training Activities	FY 87 a/ Input b/	FY 87 a/ Load c/	FY 88 a/ Input b/	FY 88 a/ Load c/	FY 89 a/ Input b/	FY 89 a/ Load c/
Army Chemical School Ft McClellan, AL	3,971	983	5,605	1,444	5,784	1,583
Engineer School Ft Belvoir, VA	6,995	1,460	7,590	1,623	6,994	1,541
Engineer School Ft Leonardwood, MO	24	2	502	86	817	154
Ordnance School Aberdeen Proving Gd, MD	11,864	2,887	14,909	3,726	13,983	3,629
Missile & Munitions School Redstone Arsenal, AL	5,478	1,086	6,675	1,517	6,735	1,524
Quartermaster School, Ft Lee, VA	26,143	4,374	30,040	4,902	29,523	4,873
Signal School Ft Gordon, GA	24,891	6,035	29,922	7,232	31,870	7,706
Transportation Center and School (Includes Avn Log School) Ft. Eustis, VA	11,798	2,315	13,512	2,800	13,781	2,881
US Army Intelligence School Ft Devens, MA	2,623	695	4,497	1,398	5,519	1,705

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

IV. Performance Criteria and Evaluation (Continued):

Technical Training Activities	FY 87 a/ Input b/	FY 87 a/ Load c/	FY 88 a/ Input b/	FY 88 a/ Load c/	FY 89 a/ Input b/	FY 89 a/ Load c/
Army Intelligence Center and School Ft Huachuca, AZ	4,776	939	7,020	1,591	6,797	1,560
National Match Pistol & Rifle Maint Ctr, Rock Island, IL	39	3	59	5	39	3
Facilities Eng Supt Agcy Ft Belvoir, VA	54	41	445	67	438	67
Army Logistics Mgt Ctr Ft Lee, VA	33,213	1,142	27,190	1,042	27,144	1,033
Joint Mil Packaging Trng Ctr Aberdeen Proving Gd, MD	3,238	71	3,279	80	3,279	80
Army Mgt Eng Trng Agcy Rock Island, IL	15,329	232	12,443	205	12,200	207
AMC Ammunition School Savanna, IL	6,091	196	7,251	317	7,619	316
Intern Training Center Texarkana, TX	374	294	374	306	374	306

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

IV. Performance Criteria and Evaluation (Continued):

Technical Training Activities	FY 87 a/ Input b/	FY 87 a/ Load c/	FY 88 a/ Input b/	FY 88 a/ Load c/	FY 89 a/ Input b/	FY 89 a/ Load c/
US Army Sergeants Major Academy Ft Bliss, TX	945	151	1,599	229	1,764	242
SUBTOTAL	157,846	22,906	172,912	28,570	174,660	29,410
Administrative Service Schools and Other Training						
Computer Science School Ft Benjamin Harrison, IN	1,310	250	1,701	327	1,701	327
Physical Fitness School Ft Benjamin Harrison, IN	1,131	74	1,281	85	1,288	87
Finance School Ft Benjamin Harrison, IN	3,413	264	4,699	362	4,854	385
Recruit/Retain School Ft Benjamin Harrison, IN	5,042	413	7,438	604	7,491	621
Adjutant General School Ft Benjamin Harrison, IN	11,041	1,387	12,493	1,678	11,656	1,693
Defense Information School Ft Benjamin Harrison, IN	1,948	226	2,522	293	2,481	291

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

IV. Performance Criteria and Evaluation (Continued):

Administrative Service Schools and Other Training	FY 87 a/ Input b/	FY 87 a/ Load c/	FY 88 a/ Input b/	FY 88 a/ Load c/	FY 89 a/ Input b/	FY 89 a/ Load c/
Chaplain School Ft Monmouth, NJ	1,553	183	1,444	175	1,793	193
Military Police School Ft McClellan, AL	6,521	701	8,126	869	8,296	926
Polygraph Institute Ft McClellan, AL	101	25	193	33	193	32
Combined Arms Center Ft Leavenworth, KS	5,988	777	6,672	841	6,669	809
Defense Language Institute Presidio of Monterey, CA	4,298	2,197	6,243	4,184	5,581	3,679
Foreign Service Institute Wash, DC	147	58	251	162	296	188
Judge Advocate General School Charlottesville, VA	3,357	144	3,059	198	3,209	160
SUBTOTAL	45,850	6,699	56,122	9,811	55,508	9,391
TOTAL	336,695	48,072	387,239	60,799	402,304	64,014

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

IV. Performance Criteria and Evaluation (Continued):

Administrative Service Schools and Other Training	FY 87 a/ Input b/	FY 87 a/ Load c/	FY 88 a/ Input b/	FY 88 a/ Load c/	FY 89 a/ Input b/	FY 89 a/ Load c/
Active Army	193,945	30,860	209,651	36,088	222,313	38,657
Army National Guard	35,695	6,461	49,008	9,056	48,854	9,216
Army Reserve	29,989	5,124	39,688	7,167	42,673	7,388
Other	77,066	5,627	88,892	8,488	88,464	8,753

a/ Based on program data decrement by latest accession manpower data.

b/ Training loads are the equivalent of student/trainee manyears for a full fiscal year.

NOTE: Defense Mapping School has been excluded.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	9,068	10,654	10,964	10,964	10,504	-994	9,510
(Students)	(6,279)	(8,059)	(8,588)	(8,558)	(7,919)	(-649)	(7,270)
Enlisted	40,604	39,417	38,914	38,914	39,533	-3,650	35,883
(Students)	(2,436)	(3,674)	(3,810)	(3,810)	(3,269)	(414)	(3,683)
(Trainees)	(22,393)	(21,702)	(21,922)	(21,922)	(22,192)	(-2,430)	(19,762)
Total Military End Strength	49,672	50,071	49,878	49,878	50,037	-4,644	45,393
Civilian End Strength							
U.S. Direct Hire	5,855	5,038	4,429	4,429	5,053	-628	4,425
Total Civilian End Strength	5,855	5,038	4,429	4,429	5,053	-628	4,425
Military Workyears							
Officer	8,626	10,706	9,358	9,358	10,579	-342	10,237
(Student)	(6,677)	(8,003)	(6,775)	(6,775)	(7,989)	(-60)	(7,929)
Enlisted	41,788	39,282	39,760	39,760	39,474	-2,075	37,399
(Students)	(2,813)	(3,159)	(3,123)	(3,123)	(3,471)	(276)	(3,747)
(Trainees)	(22,833)	(21,645)	(22,158)	(22,158)	(21,947)	(-1,105)	(20,842)
Total Military Workyears	50,414	49,988	49,118	49,118	50,053	-2,417	47,636
Civilian Workyears							
U.S. Direct Hire	5,803	5,547	4,896	4,896	5,414	-849	4,565
Total Civilian Workyears	5,803	5,547	4,896	4,896	5,414	-849	4,565

PROGRAM: TRAINING
ACTIVITY GROUP: SPECIALIZED TRAINING

V. Personnel Summary (Continued):

MILITARY

The net decrease of 880 non-student/trainee end strength in FY 89 reflects reductions in general skills training (-981) offset by increases in crypto/sigint skill training (+101).

CIVILIAN

The decrease of four U.S. Direct Hire End Strength for FY 89 is for general skills training.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: FLIGHT TRAINING

I. Narrative Description

This activity group provides for the operation and support of the Flight Training programs conducted at the US Army Aviation Center (USAAVNC), Ft. Rucker, Alabama. The courses included in the Army's Flight Training programs are categorized as either Undergraduate or other Flight Training. Undergraduate Helicopter Pilot Training qualifies both commissioned and warrant officer aviation students to perform duties and assume the responsibilities of Army pilots. Training through flying and use of flight simulators is augmented by flight-related ground training and officer development training to prepare the student for the responsibilities of a junior officer. Other Flight Training includes courses for instructor pilots, instrument flight examiner, gunnery and specific pilot qualification courses in various aircraft. Most Other Flight Training courses are of short duration, two to seven weeks.

PROGRAM: TRAINING
ACTIVITY GROUP: FLIGHT TRAINING

II. Description of Operations Financed

Costs charged to this activity group include student support, school preparation of training aids and training literature for resident and non-resident instruction, supplies and equipment, contractual services, civilian pay and allowances, maintenance of the aviation school libraries, and the training required to develop and maintain instructor proficiency. Also included are charges for temporary duty (travel and per diem) for staff, faculty and student trips in conjunction with the school curriculum; aircraft POL; and the operation of the aviation school airfields and airfield equipment.

Fixed, semi-fixed and variable costs are charged to this activity group. Fixed costs related to minimum staffing levels, equipment and communications support will be incurred as long as the USAAVNC remains in operation. Semi-fixed costs within certain predetermined ranges are not directly influenced by changes in instructor and support staffing, equipment and communication levels. The variable costs in this activity group are determined by annual increases and decreases in aviator training workload requirements. The FY 1989 resources support a training workload requirement of 1,865 an increase of 94 over the FY 1988 requirement of 1,771. FY 1989 funding resources are based on a 95 percent workload.

There are additional costs of training Army aviators and maintenance personnel on the new aircraft being introduced into the flight training program; e.g., CH 47D Chinook and AH-64 Apache.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: FLIGHT TRAINING

III. Financial Summary ($ in Thousands)

A. SUB-ACTIVITY BREAKOUT

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 1988/1989
Under Graduate Pilot Training (UPT)	81,501	55,726	55,726	54,726	69,110	-133	68,977	14,251
Other Flight Training	68,629	110,579	102,887	94,953	99,215	-17,872	81,343	-13,610
Total Activity Group	150,130	166,305	158,613	149,679	168,325	-18,005	150,320	641

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM TRAINING
ACTIVITY GROUP: FLIGHT TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases

FY 1988 Current Estimate		$ 149,679
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 33	
b. Compensable Days - Two Day Less	$ -63	
c. FY 1989 Civilian Personnel Pay Increases - 2 Percent	$ 196	
Total Civilian Personnel		$ 166
Non-Personnel		
a. Stock Fund - Material	$ 357	
b. Commercial Transportation	$ 1	
c. Travel	$ 8	
d. Private Sector	$ 3,172	
Total Non-Personnel		$ 3,538
Total Price Growth		$ 3,704

PROGRAM TRAINING
ACTIVITY GROUP: FLIGHT TRAINING

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases (Continued):

Program Increase

Training Workload (Base: $ 16,635).....$ 755
Total training workloads increase from 1,771 in FY 1988 to 1,963 in FY 1989. Funding is provided for 95% of the FY 1989 training workload or 1,865 for a increase of 94 workloads. (94 training load x $8,028 cost factor = $ 754,632).

Total Program Increase.....$ 755

Program Decreases

a. Flight Training (Base: $ 61,445).....$-3,410
Aviation training reduction is directly related to reduced contract maintenance requirements on older training aircraft and commercial activities savings; offset by increased training on more expensive, modernized equipment.

b. Flying Hour Program (Base: $62,372).....$ -408
Decrease reflects impact of eliminating OH-58 and UH-1 utility aircraft from active component. Aircraft are being retired from administrative support role, resulting in a reduction to administrative flying hours.

Total Program Decrease.....$ - 3,818

FY 1989 Budget Request.....$ 150,320

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: FLIGHT TRAINING

IV. Performance Criteria and Evaluation

	FY87 1/		FY88 2/		FY89 2/	
	Output	Load	Output	Load	Output	Load
US Undergraduate Helicopter	1,377	1,158	1,404	1,177	1,632	1,249
Other Flight	3,409	476	2,904	481	3,573	597
Total US	4,786	1,634	4,308	1,658	5,205	1,846
Non-US Undergraduate Helicopter	108	65	110	82	122	82
Other Flight	131	15	233	31	234	35
Total Non US	239	80	343	113	356	117
Total	5,025	1,714	4,651	1,771	5,561	1,963

NOTE: Non - U.S. training loads are reimbursable requirements.

1/ Actual Load

2/ Estimated Load

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: FLIGHT TRAINING

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	1,380	1,471	1,236	1,236	1,444	14	1,458
(Student)	(445)	(483)	(483)	(483)	(496)	0	(496)
Enlisted	766	938	886	886	880	20	900
(Students)	(311)	(567)	(514)	(514)	(509)	0	(509)
Total Military End Strength	2,146	2,409	2,122	2,122	2,324	34	2,358
Civilian End Strength							
U.S. Direct Hire	472	437	397	397	437	-40	397
Total Civilian End Strength	472	437	397	397	437	-40	397
Military Workyears							
Officer	1,391	1,525	1,308	1,308	1,457	-109	1,348
(Students)	(445)	(494)	(464)	(464)	(489)	(1)	(490)
Enlisted	788	837	827	827	909	-15	894
(Students)	(321)	(439)	(413)	(413)	(538)	(-26)	(512)
Total Military Workyears	2,179	2,362	2,135	2,135	2,366	-124	2,242
Civilian Workyears							
U.S. Direct Hire	564	450	414	414	456	-63	393
Total Civilian Workyears	564	450	414	414	456	-63	393

PROGRAM: TRAINING
ACTIVITY GROUP: FLIGHT TRAINING

V. Personnel Summary (Continued):

MILITARY

The net increase of 228 non student end strength in FY 89 results from realignments of manpower due to FY 87-88 officer reductions.

CIVILIAN

There are no end strength changes in FY 89.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

I. Narrative Description

This activity group provides for professional development education for selected military and civilian personnel of the Department of the Army, Department of Defense and other federal agencies to prepare them to perform the increasingly complex tasks which become their responsibilities as they progress in their military or government careers. Professional development education is conducted at military and civilian institutions in the United States as well as at military schools of other nations. Included in this activity group is the Army Sergeants Major Academy. Otherwise the Professional Development Education programs are for officers or selected government civilians.

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

II. Description of Operations Financed

This activity group provides for the operation and support of the Army War College, Command and General Staff College, the Army Sergeants Major Academy and Department of Defense sponsored schools for which the Army has executive agent responsibility. Also provided are the tuition and fees for the Advanced Civil Schooling program and tuition, fees and temporary duty (travel and per diem) for Army officers attending foreign military schools. The intermediate and senior service colleges included in this activity group are as follows :

Intermediate Service Schools

US Army Command and General Staff College (USAC&GSC), Ft. Leavenworth, Kansas (Base: $8,329). An Army college providing intermediate level military education to officers of the Active and Reserve Components world-wide, to prepare them for duty as field grade commanders and principal staff officers at brigade and higher echelons. It also provides students with a firm foundation for continued professional growth.

Defense Systems Management College (DSMC), Ft. Belvoir, Virginia (Base: $8,814). A Department of Defense college (the Army is executive agent for administration) which provides a curriculum uniquely designed to further the professional development of selected military officers of all services and civilian personnel in the field of program management and defense systems acquisition management.

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

II. Description of Operations Financed (Continued)

Senior Service Colleges

US Army War College (AWC), Carlisle, Pennsylvania (Base: $7,766) An Army college which provides senior level education in the art and science of land warfare; performs strategic studies on the nature and use of the US Army during peace and war; and formulates strategic concepts in order to assist in achieving US national objectives.

National Defense University (NDU), Ft. McNair, Washington, DC (Base: $13,162) A joint institution (the Army is executive agent for administration) under the direction of the Joint Chiefs of Staff chartered to insure excellence in professional military education in the essential elements of national security and their interrelationships. The National Defense University prepares selected personnel of the Department of Defense, the Department of State, and other agencies of the federal government for senior policy making positions, high level command and staff, and responsibilities for planning national security. Provides education in information research management for senior and intermediate level executive users of information systems in DOD. Conducts research and provides consulting services on information technology.

National War College (NWC). A joint college providing senior level courses of study and associated research on national security policy. Emphasis is on its formulation and future directions in order to prepare selected personnel of the Department of Defense, the Department of State, and other US Government departments and agencies for high level joint and combined policy making positions, command and staff, and functions in the planning and implementation of national strategy.

Industrial College of the Armed Forces (ICAF). A joint college providing senior level courses of study and associated research in the management of resources in the interest of national security. The course prepares selected military officers and senior career civilian officials for positions of high trust in the Federal Government.

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

II. Description of Operations Financed (Continued)

Senior Service Colleges

Department of Defense Computer Institute (DODCI). A joint service activity which provides professional education in various aspects of information Resource Management (IRM). Through resident, special, and on-site courses, senior level executives are provided the opportunity to enhance their understanding of those areas of current management concern which are directly related to IRM and automated information processing technology.

Institute for National Strategic Studies (INSS). The institute coordinates all research activities at NDU and is the focal point for preparation of policy analyses for the use of senior decision makers in the DoD and other executives agencies. INSS consists of a management element, the Strategic Concepts Development Center (SCDC), the Mobilization Concepts Development Center (MCDC), the War Gaming and Simulation Center (WGSC), and the Research and Publications Directorate (RPD).

Institute of Higher Defense Studies (IHDS). The Institute conducts three major programs; Capstone, the International Fellows Program, and starting in 1987, the NATO Staff Officers Orientation Course. The Capstone course is a professional military education program for general and flag officers (and selectees) which provides them the opportunity to enhance their understanding of the key elements influencing joint and combined operations. The IFP is a one-year program for selected senior foreign officers which integrates them into selected portions of the curricula of the NWC and the ICAF and provides them an opportunity to experience life in the United States. The NSOOC is a joint two-week course designed to familarize officers selected for a NATO assignment with that unique joint military climate.

Senior Enlisted Leadership Training

US Army Sergeants Major Academy (USASMA), Ft. Bliss, Texas (Base: $2,970). An Army institution which provides a program of study to prepare selected senior noncommissioned officers for positions of greater responsibility throughout the defense establishment. The objectives are to improve the students' analytical abilities, orient them on national and international affairs, improve communication skills, and prepare them for duty as the senior enlisted advisor to the commander and staff.

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Professional Military Education	44,551	44,273	42,970	41,566	46,512	-4,254	42,258	692
Other Professional	11,111	12,746	12,746	12,941	16,469	-1,000	15,469	2,528
Total Activity Group	55,662	57,019	55,716	54,507	62,981	-5,254	57,727	3,220

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 54,507
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 65	
b. Compensable Days - Two Days Less	$ -182	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 443	
Total Civilian Personnel		$ 326
Non-Personnel Costs		
a. Stock Fund -Material	$ 47	
b. Commercial Transportation	$ 2	
c. Travel	$ 95	
d. Private Sector	$ 712	
Total Non-Personnel		$ 856
Total Price Growth		$ 1,182

PROGRAM TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases :

Program Increases

a. National Defense University (Base: $14,848).....$1,258
Increased funding in FY89 supports JCS/OSD directed programmatic increases to include four CAPSTONE Courses (General Officers), NATO Staff Officers Orientation Course, the integration of Joint and Combined Operations into the National War College and the Industrial College of the Armed Forces core curricula.

b. Operating Costs Adjustment (Base: $21,970).....$ 780
Resources required to fund increased operating costs at Command and General Staff College and Army War College to include computer automation upgrade, contractual services, and mandated Joint Professional Military Education tracks.

Total Program Increases.....$ 2,038

FY 1989 Budget Request.....$ 57,727

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

IV. Performance Criteria and Evaluation

Professional Military Schools	FY87[a] INPUT	FY87[a] LOAD [b]	FY88[a] INPUT	FY88[a] LOAD [b]	FY89[a] INPUT	FY89[a] LOAD [b]
Command & General Staff College Ft Leavenworth, KS	2,652	857	3,242	860	3,089	870
Army War College Carlisle Bks, PA	855	252	1,023	286	1,023	286
Defense System Management College Ft Belvoir, VA	3,536	291	3,786	266	4,042	317
National War College Ft McNair, Washington, DC	173	139	160	128	160	128
Industrial College of the Armed Forces Ft McNair, Washington, DC	226	186	210	173	210	174
Defense Computer Institute Naval Yard, Washington, DC	3,484	390	3,600	403	3,600	403
US Army Sergeants Major Course Ft Bliss, TX	513	222	928	406	928	405
Institute of Higher Defense Studies Ft McNair, Washington, DC	92	27	128	37	128	37
Training at Schools of Other Nations	47	44	48	44	48	44
TOTAL	11,578	2,408	13,125	2,603	13,228	2,664

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

IV. Performance Criteria and Evaluation

Professional Military Schools	FY87[a] INPUT	FY87[a] LOAD [b]	FY88[a] INPUT	FY88[a] LOAD [b]	FY89[a] INPUT	FY89[a] LOAD [b]
Active Army	3,305	1,245	3,822	1,374	3,841	1,382
Army National Guard	414	54	468	68	453	64
Army Reserve	709	62	765	75	700	71
Other	7,150	1,047	8,070	1,086	8,234	1,147

[a] Based on program data decremented by latest accession manpower data.

[b] Training loads are the equivalent of student/trainee manyears for a full fiscal year.

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

IV. Performance Criteria and Evaluation (Continued):

	FY 87		FY 88		FY 89	
	NO	Cost	NO	Cost	NO	Cost
Long Courses - Continued Training						
Fully Funded	1,153	5,180	1,184	5,992	1,127	6,484
Graduate	1,003	5,015	1,012	5,768	1,012	6,274
Undergraduate	57	165	70	224	60	209
Not Fully Funded						
Graduate Degree Completion	93	0	102	0	55	0
Long Courses - New Training						
Fully Funded Total	757	2,329	743	2,522	745	2,908
Graduate	526	2,209	555	2,414	560	2,800
Undergraduate	57	120	43	108	40	108
Not Fully Funded						
Graduate Degree Completion	174	0	145	0	145	0

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

IV. Performance Criteria and Evaluation (Continued):

	FY 87		FY 88		FY 89	
	NO	Cost	NO	Cost	NO	Cost
Short Course Training						
Fully Funded	1,300	1,144	1,400	1,386	1,400	1,470
Senior Service College/Misc Prog.						
Not Fully Funded	231	601	256	922	271	1,003
TOTALS:						
Fully Funded	2,943	8,653	3,080	9,900	3,072	10,862
Not Fully Funded	498	601	503	922	471	1,003
GRAND TOTAL	3,441	9,254	3,583	10,822	3,543	11,865

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	2,634	2,785	2,771	2,771	2,732	11	2,743
(Student)	(2,293)	(2,317)	(2,317)	(2,317)	(2,262)	0	(2,262)
Enlisted	495	571	544	544	566	-16	550
(Students)	(162)	(315)	(315)	(315)	(310)	0	(310)
Total Military End Strength	3,129	3,356	3,315	3,315	3,298	-5	3,293
Civilian End Strength							
U.S. Direct Hire	736	818	771	771	824	-47	777
Total Civilian End Strength	736	818	771	771	824	-47	777
Military Workyears							
Officer	2,582	2,937	2,703	2,703	2,570	188	2,758
(Students)	(2,298)	(2,469)	(2,305)	(2,305)	(2,289)	(1)	(2,290)
Enlisted	425	490	520	520	568	-20	548
(Students)	(163)	(238)	(239)	(239)	(312)	(1)	(313)
Total Military Workyears	3,007	3,427	3,223	3,223	3,138	168	3,306
Civilian Workyears							
U.S. Direct Hire	781	999	782	782	1,025	-256	769
Total Civilian Workyears	781	999	782	782	1,025	-256	769

PROGRAM: TRAINING
ACTIVITY GROUP: PROFESSIONAL DEVELOPMENT EDUCATION

V. Personnel Summary (Continued):

MILITARY

The increase of 38 non student end strength in FY 89 is associated with reprogrammings within training resources.

CIVILIAN

The net increase of six U.S. Direct Hire End Strength in FY 89 support the Defense Systemss Management college.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

I. Narrative Description

This activity group includes the categories of training resources that support individual training conducted at the Army's training centers and schools, and individual training conducted at Active and Reserve Component Units and the development of training materials used Army-wide. Also included in this activity group are the resources required to operate the Headquarters, US Army Training and Doctrine Command (TRADOC), the TRADOC Installation Training and Audio-Visual Support Centers, to support temporary duty (travel and per diem) for training, and to evaluate training effectiveness, and to provide training developments, audio visual support, and training support to MACOMS, Training Centers and Schools (TCS), and Defense activities.

II. Description of Operations Financed

Support of the Training Establishment. Training evaluation activities and student temporary duty (travel and per diem) costs for military personnel attending Army, DOD or schools of other services and nations, as well as civilian institutions.

Training Developments. The process of design, development, and validation of Army training materials. Army training development employs the System Approach to Training (SAT) methodology which involves needs analysis, detailed task analysis, the design of appropriate training strategies and techniques to address the identified requirements, development of appropriate instruction, validation, testing and feedback in order to verify the effectiveness of the training package, and finally, the implementation of a complete performance-oriented training program. This account supports all Army approved resident and nonresident training programs including Soldiers Manuals (SM), Extension Training Materials (ETM), Army Training and Evaluation Programs (ARTEP), Job Books, How-to-Fight Manuals, and other training manuals and circulars. The introduction of new weapon systems and equipment into the Army inventory, recent major changes in the Army's divisional structure, and the resultant changes in tactical employment concepts have increased the requirements placed upon the Army's training development community.

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

II. Description of Operations Financed (Continued)

Visual Information Activities (Training). Management, administration and operation of dedicated, regional, MACOM, and service-wide visual information activities. Provides visual information services and production to include in-house or contract operations pertaining to still and motion picture photography; television and audio recording; audiovisual production; replication and distribution (library activities; presentation system; graphic arts; visually based multi-media materials; and the fabrication, storage, loan/issue and organizational maintenance of visual information products and equipment, displays; in support of assigned missions). Includes civilian personnel hire, temporary duty travel, contractual services, and procurement of supplies, materials, and expense items of equipment. Includes TRADOC schools and centers, AMC, NDU,, ICAF, AWC, USMA, CGSC, NWC, and USAAVC for support of Army-wide training audiovisual product production, replication and distribution.

Management Headquarters. The operation of Headquarters, US Army Training and Doctrine Command (TRADOC) at Fort Monroe, Virginia.

Information Management Activity (Training). The Information Management Area (IMA) concept is the integration of management and resources for the administration of a total architecture reaching from the foxhole to the sustaining base of operation. The Training Support Activity Group resources instructional and administrative automation activities which are in support of the P81 training mission. These activities encompass the following functions: the administration and management of DCSIM staff elements, the analysis, design, programming, operation and maintenance of mission data processing facilities, the management of program/product, project manager responsibilities, and the operation of organizations or segments thereof, for central software design activities.

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

II. Description of Operations Financed (Continued)

Training Support to Units. Training assistance to units and their personnel outside the training establishment. This program includes procurement of some end items and distribution of training devices and training publications for Army and Service-wide use and programs such as the Army-wide Aviation Standardization Program, Mobile Training Teams, and New Equipment Training Teams.

Base Communications. Operation and Maintenance of Army nontactical Defense Communication System (DCS) and non-DCS base (post, camp and station) communications, and equipment systems which provide local communications worldwide in support of training to installations/activities. It includes support equipment, and the associated costs specifically identifiable and measurable to base level communications support.

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout

		FY 1988			FY 1989			
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE	CHANGE FY 88/89
Support of the Training Establishment	152,329	161,591	146,937	147,969	179,340	-12,198	167,142	19,173
Training Developments	150,024	143,254	113,094	99,714	167,143	-66,567	100,576	862
Visual Information Activities (Training)	36,796	43,230	43,223	43,035	43,846	-920	42,926	-109
Management Headquarters	43,459	38,360	36,267	36,267	39,948	-428	39,520	3,253
Information Management	42,319	25,053	19,853	19,558	28,035	-1,212	26,823	7,265
Training Support to Units	100,411	119,615	109,457	102,836	122,428	-14,902	107,526	4,690
Base Communications	28,487	20,639	19,174	23,236	22,434	1,550	23,984	748
Total Activity Group	553,825	551,742	488,005	472,615	603,174	-94,677	508,497	35,882

PROGRAM TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 472,615
Functional Program Transfers		
Intra Appropriation Transfer Out:		
Ft. Belvoir Transfer	$ -717	
Transfer of resources from TRADOC to MDW, Program 9 for support of Ft. Belvoir.		
Total Transfer Out	$ -717	
Total Functional Program Transfer		$ -717

PROGRAM TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Price Growth

Civilian Personnel Cost		
a. Civilian Salaries (Annualization)	$	535
b. Compensable Days - Two Days Less	$	-1,347
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$	3,433
Total Civilian Personnel		$ 2,621
Non-Personnel		
a. Stock Fund - Material	$	311
b. Commercial Transportation	$	30
c. Industrial Fund	$	526
d. Travel	$	786
e. Commercial Communications	$	489
f. Private Sector	$	2,767
Total Non-Personnel		$ 4,909
Total Price Growth		$ 7,530

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

III. Financial Summary ($ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increases

a. FY 1989 Force Modernization Program (Base: $40,712).....$ 8,355
Provides mission operating funds to support the fielding of selected new or modernized equipment entering the active force inventory. (For details on specific systems, see "Intensively Managed Systems" section).

b. The Automated Instructional Management System (Base: $5,121).....$ 2,716
The increase allows completion of the Automated Instructional Management System (AIMS). AIMS is an essential school management tool which provides on-line academic data on students and instructors. The system tracks student enrollment and graduation; evaluates student and course effectiveness; and provides a scheduling capability for instructors, classrooms, equipment, and transportation. The increase also permits conversion of the system to government ownership. This increase is offset by savings achieved through greater efficiencies gained by reducing or eliminating uneconomical contracts and leases.

c. USAR Training Division Mobilization Army Training Center (Base: $2,110)....$ 1,992
Increase is required to support full scale implementation of the USAR Training Division Mobilization Army Training Center exercise plan, and funds live fire training at four FORSCOM installations where Army Training Centers (ATCs) are established at mobilization. The program will move from conducting of Basic Training only to conducting of a full cycle of MOS qualification training with USAR trainers conducting Field Artillery One Station Unit Training at Fort Hood, TX.

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

III. Financial Summary ($ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increases (Cont):

Only when USAR Training Divisions consistently train a significant portion of the annual summer peak load can the program become cost effective, resulting in transportation savings and active component manpower reductions at existing TRADOC ATCs.

d. Army Material Command Training (Base: $0).....$ 1,837
Resources fund 50 civilians beginning in 1988 to support new/expanded courses at three AMC schools in procurement, ammo certification, hazardous materials packaging, and satellite education. Of the 50 spaces, 19 are related to procurement training, 2 for the expansion of ammunition handling courses, 3 for the support of new courses for preparing hazardous materials for packaging and movement, and 26 for satellite education network and courses in Quality Control, Productivity and Reliability, Robotics, Computer Learning, and MANTECH.

e. Army Training Evaluation Program (ARTEP) (Base: $0).....$ 5,000
Resources needed for ARTEP training developments to procure current mission training plans and drills to improve units combat integrated battle procedures.

f. Interactive Video Disc Courseware (Base:$ 0).....$ 4,290
Resources required to develop instructional material for the Army Electronic Information Delivery System (EIDS). Program scheduled for FY 1989 will improve training effectiveness through increased application of training technology.

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

III. Financial Summary ($ in Thousands)

C. Reconciliation of Increases and Decreases

Program Increases (Cont):

g. MILES TASC Support (Base: $ 0)..... ..$ 5,547
Resources need to support Multiple Integrated Laser Engagement Systems (MILES) training in tactical units. Expanded outfitting of TO&E units has resulted in increased costs for issue, turn in and maintenance of this critical training equipment.

h. Training Devices (Base: $0).....$ 1,567
Resources contractor logistics support for training devices. To include the Electronic Warfare Operator Simulator, the Morse Mission Trainer, and the Combined Artillery Aviation Simulator.

j. Joint Readiness Training Center (Base: $10,900).....$ 114
JRTC will provide Advanced Collective Training for non-mechanized, low intensity conflict task forces of the Active Army, Army National Guard and U.S. Army Reserve using an opposing force concept supported by austere instrumentation. With an operations group and OPFOR stationed at Little Rock Air Force Base, Arkansas, the majority of training will be conducted at Ft Chaffee, AR, and additional sites that environmentally support unit war plans.

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

III. Financial Summary ($ in Thousands)

C. Reconciliation of Increases and Decreases

Program Increases (Cont):

k. National Training Center (Base: $25,078).....$ 596
Resources are associated with increased costs for contract maintenance on the NTC instrumentation system and manpower support to NTC operations group.

Total Program Increases.....$ 32,014

Program Decreases

Army Staff 2% Field Operating (FOA) Reduction (Base: $9,069).....$ -2,945
Reduces manpower in Army Staff Field Operating activities to permit re-programing of spaces to MACOM mission activities.

Total Program Decrease.....$ -2,945

FY 1989 Budget Request.....$ 508,497

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	BUDGET REQUEST	APPROP	CURRENT ESTIMATE	INITIAL ESTIMATE	CHANGE	AMENDED ESTIMATE
Military End Strength							
Officer	2,468	2,566	2,443	2,443	2,566	-19	2.547
Enlisted	7,838	7,387	7,253	7,253	7,387	-34	7,353
Total Military End Strength	10,306	9,953	9,696	9,696	9,953	-53	9,900
Civilian End Strength							
U.S. Direct Hire	6,357	6,888	6,555	6,555	6,677	-350	6,327
Total Civilian End Strength	6,357	6,888	6,555	6,555	6,777	-350	6,327
Military Workyears							
Officer	2,557	2,570	2,456	2,456	2,566	-71	2,495
Enlisted	7,106	7,363	7,546	7,546	7,387	-84	7,303
Total Military Workyears	9,663	9,933	10,002	10,002	9,953	-155	9,798
Civilian Workyears							
U.S. Direct Hire	5,917	6,408	6,742	6,742	6,496	-194	6,302
Total Civilian Workyears	5,917	6,408	6,742	6,742	6,496	-194	6,302

PROGRAM: TRAINING
ACTIVITY GROUP: TRAINING SUPPORT

V. Personnel Summary (Continued):

MILITARY

The net increase of 204 end strength in FY 89 is associated with support of training establishments +47); training developments (+46); Battle Command Training Program (+92); force modernization (+42); offset by reductions in management headquarters (-23).

CIVILIAN

The net decrease of 228 U.S. Direct Hire End Strength in FY 89 is due to reduction in training establishments (-27) and training developments (-188); management headquarters reductions (-54); and an increase in unit training support (+41).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

I. Narrative Description: This budget activity provides for the operation and maintenance of installation support, less real property maintenance, for the Army Training Base at 17 installations/locations in the continental United States (CONUS). In FY 1989 command of Fort Belvoir, VA. transfers from the U.S. Army Training and Doctrine Command (TRADOC) to the Military District of Washington (Program 9, Administration and Associated Activities). The FY 1989 request totals $696.1 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Functional Program Transfers	-22,056
Flying Hour Program	-358
Force Modernization Fielding	50
Base Operating Support	7,385
Real Estate Leases	223

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed: Funds provide installation support in the following areas:

A. Administration: Finances all activities concerned with the headquarters command and administration of the installation; and other installation-wide activities not otherwise provided for, such as adjutant activities. Finances automated processing activities in support of Base Operations. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution centers, print plants and printing and reproduction of publications.

B. Retail Supply Operations: Finances the operation of consolidated post supply. Includes the operation of self-service centers and clothing issue points and the office of the Director of Logistics. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment: Finances Direct and General Support Maintenance of Support Systems such non-tactical vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings: Finances the purchase, control, moving, and handling of housing furnishings for unaccompanied personnel officer quarters and bachelor enlisted quarters. Finances the operation and administration of all unaccompanied personnel housing.

E. Community and Morale Support Activities: Finances the development, staffing, equipping, administering and operation of installation libraries, soldier sports programs, Army Community Service, Child Development Services, Youth Programs and other CORE community/family programs.

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services: Finances the operation of local (installation) non-tactical motor transportation service to include government-owned vehicles and rented or leased commercially-owned vehicles. Finances operation of rail equipment used for intra-installation transportation. Finances operation of laundry and dry cleaning plants and contracting for such services where Army-owned plants are not operated in-house. Finances police services at 17 installations to include military police operations, installation level confinement activities, physical security operations and operation of physical security equipment. Finances the management of training facilities, training aids, range operations, and mobilization support. Finances the management of security counterintelligence and planning functions at the installation. Finances administrative support for Reserve Component units and ROTC personnel participating in inactive duty training, annual training or mobilization exercises at the installation.

G. Other Personnel Support: Finances operation and administration of food services, food preparation facilities and dining facilities. Finances chaplain activities, command information programs, alcohol and drug abuse program, military/civilian personnel activities, reenlistment activities, and safety programs.

H. Real Estate Leases: Finances the Army's General Service Administration-furnished space outside the National Capital Region that is managed by the Corps of Engineers.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands):

			FY 1988			FY 1989			
A.	Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
	U.S. Army Training & Doctrine Command	691,404	721,095	661,206	669,221	762,550	-92,301	670,249	1,028
	U.S. Army Military Academy	25,208	28,932	26,055	26,334	28,493	-2,606	25,887	-447
	Total	716,612	750,027	687,261	695,555	791,043	-94,907	696,136	581

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 695,555
Program Transfers		
Inter Appropriation Transfers In:		
a. Non-Tactical Vehicles. Transfers funds from Other Procurement, Army 2 appropriation to support the conversion of nontactical motor vehicle fleet to the General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the Continental United States (CONUS) based nontactical vehicle fleet to the IFMS by FY 1992.	$ 3,321	
Total Transfers In	$ 3,321	
Intra Appropriation Transfers Out:		
a. Ft Belvoir Transfer. Transfer funds to Program 9, Administation and Associated Activities, to support the transfer of Ft Belvoir from the U.S. Army Training and Doctrine Command (TRADOC) to the Military District of Washington (MDW). Also transfers 164 military end strength, 485 civilian end strength and 478 civilian work years.	$ -25,377	
Total Transfers Out	$ -25,377	
Total Program Transfers		$ -22,056

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Price Growth

Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$	725
b. Compensable Days - Two Days Less	$	-2,371
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$	6,122
Total Civilian Personnel Costs	$	4,476
Non-Personnel Price Growth		
a. Stock Fund Material	$	1,809
b. Commercial Transporation Rate	$	90
c. Industrial Fund	$	-10
d. Travel	$	160
e. Private Sector Price Increase	$	8,785
f. Rents from GSA	$	27
Total Non-Personnel Price Growth	$	10,861
Total Price Growth	$	15,337

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Base Operating Support (Base: $666,554).....$ 7,385
Funds provide for additional support for readiness and training by providing day-to-day maintenance of installation equipment and installation supply operations. Also provides for enhanced readiness and soldier morale by providing additional funding for replacement of deteriorated unaccompanied housing personnel furnishings and operations of Army food services. The fiscal year 1988 level of funding severely constricted or reduced funding for these activities causing delays in systematic replacement of furnishings and maintenance of installation equipment. Included in this increase are Standard Installation Organization realignments increasing military end strength by 8, civilian end strength by 51 and civilian work years by 189. Despite this funding increase, military personnel may have to be diverted from other activities to perform minimum essential base operations workload. Increased contractor support is anticipated.

b. Force Modernization (Base: $386).....$ 50
Funds initial base Operations Costs associated with the fielding of new and modernized equipment. (For details on specific systems, see "Intensively Managed Systems" section).

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases (Continued):		
c. Real Estate Leases (Base: $594)..... Funds an additional 17,000 square feet of leased space for the Armored Family of Vehicles Task Force, an organization chartered by the Army Chief of Staff.	$ 223	
Total Program Increases.....		$ 7,658
Program Decreases		
a. Flying Hour Program (Base: $5,965)..... Funding change is due to adjustments to the flying hour program.	$ -358	
Total Program Decreases.....		$ -358
FY 1989 Budget Request.....		$ 696,136

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	197,177	183,836	177,254
Military E/S	2,244	1,889	1,830
Civilian E/S	3,813	3,815	3,684
Total Personnel E/S	6,057	5,704	5,514
Number of Bases, Total	18	18	17
(CONUS)	18	18	17
Population Served, Total E/S	305,226	305,226	289,960
(Military, E/S)	205,019	205,019	201,753
(Civilian, E/S)	100,207	100,207	88,207
Actions/Vouchers Process (000)	35,221	35,221	37,147
No. ADP CPU's	62	62	54
B. Retail Supply Operations ($000)	84,121	78,807	82,357
Military E/S	157	77	82
Civilian E/S	2,841	2,726	2,575
Total Personnel E/S	2,998	2,803	2,657
Line Item Carried	64	59	65
Receipts/Issues (000)	11,067	10,181	11,079

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
C. Maintenance of Installation Equipment ($000)	45,999	43,854	49,251
Military E/S	118	119	117
Civilian E/S	912	732	599
Total Personnel E/S	1,030	851	716
Number of Work Orders	183,613	175,051	196,594
D. Bachelor Hsg Ops./Furn. ($000)	27,056	24,797	26,202
Military E/S	11	6	6
Civilian E/S	230	234	228
Total Personnel E/S	241	240	234
No. of Officer Quarters	9,000	9,000	8,477
No. of Enlisted Quarters	196,390	197,742	194,743
E. Morale, Welfare & Rec ($000)	46,214	38,758	37,209
Military E/S	964	814	815
Civilian E/S	1,345	1,418	1,400
Total Personnel E/S	2,309	2,232	2,215
Population Served, Total	985,728	985,728	970,462
(Military, E/S)	278,437	278,437	275,171
(Civilian/Dependents, E/S)	707,291	707,291	695,291

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
F. Other Base Services ($000)	134,610	141,422	135,841
Military E/S	3,497	3,292	3,281
Civilian E/S	3,250	3,310	3,383
Total Personnel E/S	6,747	6,602	6,664
Number of Motor Vehicles, Total	8,952	8,841	8,574
(Owned)	5,197	2,732	183
(Leased)	3,755	6,109	8,391
Number of Miles Driven (000)	59,147	58,414	57,980
G. Other Personnel Support ($000)	181,435	183,487	187,178
Military E/S	2,378	1,615	1,525
Civilian E/S	3,093	2,637	2,569
Total Personnel E/S	5,471	4,252	4,094
Population Served, Total	985,728	985,728	970,462
(Military, E/S)	278,437	278,437	275,171
(Civilian, E/S)	707,291	707,291	695,291
Meals Served (In Mandays) (000)	26,100	26,850	26,850
H. Real Estate Leases ($000)	0	594	844
Rents from GSA ($000)	0	590	840
Other Contractual Services ($000)	0	4	4
Non-GSA Leases ($000)	0	0	0
Total Square Footage (000)	0	55	70

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	1,473	1,295	808	808	1,295	-510	785
Enlisted	7,896	7,165	7,004	7,004	7,165	-294	6,871
Total Military	9,369	8,460	7,812	7,812	8,460	-804	7,656
Civilian End Strength							
U.S. Direct Hire	15,484	14,964	14,872	14,872	14,964	-526	14,438
Total Civilian	15,484	14,964	14,872	14,872	14,964	-526	14,438
Total End Strength	24,853	23,424	22,684	22,684	23,424	-1,330	22,094

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Military

The net decrease of 156 in FY 1989 results from the transfer of command of Ft Belvoir, VA from the U.S. Army Training and Doctrine command to the Military District of Washington (-164) and further reprogramming of manpower with the Standard Installation Organization concept (+8).

Civilian

The net decrease of 434 in FY 1989 results from the transfer of command of Ft Belvoir, VA from the U.S. Training and Doctrine command to the Military District of Washington (-485) and further reprogramming of manpower with the Standard Installation Organization concept (+51).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	1,565	1,307	1,140	1,140	1,295	-499	796
Enlisted	7,305	6,779	7,450	7,450	7,165	-228	6,937
Total	8,870	8,086	8,590	8,590	8,460	-727	7,733
Civilian Workyears							
U.S. Direct Hire	15,083	14,969	14,760	14,760	14,974	-503	14,471
Total	15,083	14,969	14,760	14,760	14,974	-503	14,471

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity provides Real Property Maintenance Activities (RPMA) support for the Army Training Base and their support structure at 16 military installations in the U.S. Army Training and Doctrine Command (TRADOC) plus the U.S. Army Military Academy (West Point). In FY 1989 command of Ft. Belvoir, VA, transfers from TRADOC to the Military District of Washington (Program 9, Administration and Associated Activities). The FY 1989 request totals $548.2 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Functional Program Transfers	-32,301
Engineer Training Relocation	349
Force Modernization Fielding	441
Real Property Maintenance	4,505
Utilities Savings	-1,026

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds provide Real Property Maintenance Activity support for 16 U.S. Army Training and Doctrine Command (TRADOC) installations plus the U.S. Army Military Academy (West Point) in the following areas:

A. Operation of Utilities: Finances procurement and distribution of utilities for the Army training base at a total of 17 installations/locations in the Continental United States (CONUS). Included are purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property: Finances maintenance and repair of buildings, structures, roads, railroads, grounds and utility systems at CONUS training installations. The FY 1989 request does not cover annual maintenance and repair requirements, and the BMAR will increase by $63.5 million. This increase in backlog will result in degradation to utilities systems, unaccompanied personnel housing, and operational facilities. Migration in the amount of $10.0 million has been considered in estimating the BMAR.

C. Minor Construction: Finances the erection, installation or assembly of a new real property facility, or the addition, expansion, alteration or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support: Finances other facilities engineering services for training installations, such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation. Includes Construction Support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

			FY 1988			FY 1989			
A.	Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
	U.S. Army Training & Doctrine Command	588,745	555,354	512,503	516,665	581,493	-80,773	500,720	-15,945
	U.S. Army Military Academy	50,002	44,864	43,289	43,289	46,204	1,226	47,430	4,141
	Total	638,747	600,218	555,792	559,954	627,697	-79,547	548,150	-11,804

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 559,954
Program Transfers		
Intra Appropriation Tranfers Out:		
a. Ft Belvoir Transfer. Transfer funds to Program 9, Administration and Associated Activities, to support the transfer of Ft Belvoir from the Training and Doctrine Command to the Military District of Washington. Also transfers one military end strength, 29 civilian end strength and 28 civilian work years.	$ -32,301	
Total Transfers Out	$ -32,301	
Total Program Transfers		$ -32,301
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 254	
b. Compensable Days - Two Less Days	$ -913	
c. FY 1989 Civilian Personnel Pay Raise - 2 Percent	$ 2,942	
Total Civilian Personnel Costs	$ 2,283	

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Price Growth (Continued):

Non-Personnel Price Growth		
a. Travel	$ 13	
b. Stock Fund Material	$ 1,771	
c. Commercial Transportation	$ 5	
d. Utilities	$ 3,482	
e. Private Sector Price Increase	$ 8,675	
Total Non-Personnel Price Growth	$ 13,946	
Total Price Growth		$ 16,229

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Engineer Training Relocation (Base: $2,015).....$ 349
Funds provide Real Property Maintenance Activities (RPMA) support for moving the Engineer School from Fort Belvoir to Fort Leonard Wood.

b. Force Modernization Fielding (Base: $684).....$ 441
Increase in Real Property Maintenance Activities (RPMA) funds to support the fielding of selected new or modernized equipment entering the active inventory in FY 1989. (see "Intensively Managed Systems" section).

c. Real Property Maintenance (RPM) (Base: $328,663).....$ 4,504
Real Property Maintenance funding has been reduced to levels far below the Annual Recurring Requirement (ARR) in recent years. This programmatic increase will partially close the gap but does not fully fund the ARR due to overall budget constraints. Consequently, there will be some deterioration of existing Army facilities with an associated degradation of living and working conditions at U.S. military installations. For example, many high priority projects to repair utilities systems, troop barracks, maintenance facilities, operational facilities, and more will, of necessity, be deferred. The Backlog of Maintenance and Repair (BMAR) will rise by $63.5 million in FY 1989.

Total Program Increases.....$ 5,294

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

a. Utilities Savings - Energy Conservation (Base: $128,219).....$ -1,026
The Army has invested large sums in energy conservation devices and methods over the past several years. The Army energy plan projects a reduction in utilities consumption in its facilities of 40 percent by FY 2000 from the level experienced in FY 1975. The combination of investments in technology and emphasis on conservation has reduced consumption levels. This downward adjustment reflects these savings.

Total Program Decrease.....$ -1,026

FY 1989 Budget Request.....$ 548,150

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Maintenance/Repair, Real Property, K ($000)	319,402	296,530	289,993
Military Personnel E/S	65	45	44
Civilian Personnel E/S	3,036	2,074	2,052
Total Personnel E/S	3,101	2,119	2,096
Annual M&R Requirements ($000)	326,502	346,684	343,872
Major Repair Projects ($000)	130,160	110,115	86,644
Backlog, Maintenance & Repair ($000)	230,864	293,487	357,029
Military Housing Floor Space (000 sq ft)	48,227	49,191	49,038
All Other Floor Space (000 sq ft)	86,421	87,285	82,966
B. Minor Construction, L ($000)	52,185	32,133	23,094
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	0	0
Total Personnel E/S	0	0	0
Number of Projects	4,077	1,973	1,804
C. Operation of Utilities, J ($000)	129,546	128,219	129,374
Military Personnel E/S	0	0	0
Civilian Personnel E/S	441	332	339
Total Personnel E/S	441	332	339
Electricity (MWH)	1,199,507	1,181,167	991,827
Heating (MBTU)	9,612,932	9,812,673	9,084,593
Water, Plants & Systems (000 gals)	14,655,917	14,592,228	13,647,566
Sewage & Waste Systems (000 gals)	10,268,766	10,063,391	9,469,617
Air Conditioning & Refrig (Tons)	208,024	203,864	190,438

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
D. Engineer Support, M ($000)	137,614	103,072	105,689
Military Personnel E/S	166	97	97
Civilian Personnel E/S	2,779	3,050	3,061
Total Personnel E/S	2,945	3,147	3,158
Fire Protection/Prevention, Rescue E/S	752	752	706
Custodial Services (000 sq ft)	20,687	20,997	19,423
Entomology Services (000 sq ft)	134,075	136,086	128,864
Refuse Collection/Disposal (000 cu yds)	5,269	5,248	4,482

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	41	36	22	22	36	-14	22
Enlisted	190	75	120	120	75	44	119
Total Military	231	111	142	142	111	30	141
Civilian End Strength							
U.S. Direct Hire	6,256	6,417	5,456	5,456	6,442	-990	5,452
Total Civilian	6,256	6,417	5,456	5,456	6,442	-990	5,452
Total End Strength	6,487	6,528	5,598	5,598	6,553	-960	5,593

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

The decrease of one in FY 1989 results from the transfer of command of Ft Belvoir from the U.S. Army Training and Doctrine Command to the Military District of Washington.

Civilian

The net decrease of four in FY 1989 results from the transfer of command of Ft Belvoir from the U.S. Army Training and Doctrine Command to the Military District of Washington (-29) and also due to reprograming and realignments (+25).

PROGRAM: TRAINING
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	41	36	32	32	36	-14	22
Enlisted	179	75	155	155	75	45	120
Total	220	111	187	187	111	31	142
Civilian Workyears							
U.S. Direct Hire	6,729	6,515	6,054	6,054	6,515	-1,071	5,444
Total	6,729	6,515	6,054	6,054	6,515	-1,071	5,444

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS

I. Description of Operations Financed

This program provides health services in support of the United States Army. Major objectives of the program are to: maintain physically and mentally fit soldiers; assure timely availability of trained health manpower to deploy in support of Army combat, contingency and mobilization plans; provide hospitalization capabilities in the combat zone, the communications zone, and Continental United States for casualties evacuated from a combat zone; provide health services for dependents of soldiers, retired members and dependents, survivors of deceased soldiers, and other eligible beneficiaries both in the Army direct care system and through payments for the Army's portion of CHAMPUS; and provide a major incentive for soldiers and health professionals to select military service as a career.

Objectives are accomplished by operating a wide range of health programs and services. Involved are the sciences of preventive and curative medicine, dental, and veterinary services. These services are delivered through such activities as medical centers, Army community hospitals, and outpatient clinics. Supportive of the Direct Health Care System is the Medical Training Program. Graduate Medical Education programs based primarily in medical centers develop the needed specialists, foster professional excellence and attract health professionals to a military career. Care and treatment of eligible beneficiaries where and when available is a beneficial by-product of these training missions. The Academy of Health Sciences located at Fort Sam Houston, Texas provides systematic progressive education programs for Army Medical Department officers, enlisted personnel for both active and Reserve Components, and civilian employees in the field of health sciences. Other supportive activities to the Direct Care System include various medical laboratories and agencies, as well as programs such as medical and pre-accession drug and alcohol testing at the Military Entrance Processing Stations.

The mission funds requested for FY 1989 are $2,325.4 million, a net increase in FY 1989 of $19.6 million above the FY 1988 estimate. The request supports increased operating costs, and limited improvements in maintenance of quality patient care through the alleviation of some staffing shortfalls within the Army Medical Enhancement Program, and improved access to care.

MEDICAL PROGRAMS

ription of Operations Financed

primary health care function is delivered through the operation of 49 hospitals plus numerous s
ries and health clinics. These facilities will support 2.2 million patient days of hospitaliza
lion clinic visits, and 21.2 million dental procedures. In addition, 1.02 million patient days
ization and 156.3 thousand clinic visits will be obtained from other sources, primarily from fa
by the Veterans Administration contractor operated facilities formerly under the auspices of t
ervice, and CHAMPUS.

PROGRAM: MEDICAL PROGRAMS

I. Description of Operations Financed (continued)

Army Hospitals

Walter Reed US Army Health Services Region

Walter Reed US Army Medical Center, Washington, D.C.
Ireland US Army Community Hospital, Fort Knox, KY
Cutler US Army Community Hospital, Fort Devens, MA
Hawley US Army Community Hospital, Fort Benjamin Harrison, IN
Patterson US Army Community Hospital, Fort Monmouth, NJ
William Keller US Army Community Hospital, West Point, NY
DeWitt US Army Community Hospital, Fort Belvoir, VA
Kenner US Army Community Hospital, Fort Lee, VA
Kimbrough US Army Community Hospital, Fort George Meade, MD
Womack US Army Community Hospital, Fort Bragg, NC
McDonald US Army Community Hospital, Fort Eustis, VA
Walson US Army Community Hospital, Fort Dix, NJ

D.D. Eisenhower US Army Health Services Region

D.D. Eisenhower US Army Medical Center, Fort Gordon, GA
Lyster US Army Community Hospital, Fort Rucker, AL
Martin US Army Community Hospital, Fort Benning, GA
Moncrief US Army Community Hospital, Fort Jackson, SC
Noble US Army Community Hospital, Fort McClellan, AL
Fox US Army Community Hospital, Redstone Arsenal, AL
Blanchfield US Army Community Hospital, Fort Campbell, KY
US Army Community Hospital, Fort Stewart, GA
Bayne-Jones Community Hospital, Fort Polk, LA

PROGRAM: MEDICAL PROGRAMS

I. Description of Operations Financed (continued)

Army Hospitals

Beaumont US Army Health Services Region

William Beaumont US Army Medical Center, El Paso, TX
Raymond W. Bliss US Army Community Hospital, Fort Huachuca, AZ
Darnell US Army Community Hospital, Fort Hood, TX
Reynolds US Army Community Hospital, Fort Sill, OK

Letterman US Army Health Services Region

Letterman US Army Medical Center, Presidio of San Francisco, CA
Hays US Army Community Hospital, Fort Ord, CA
Weed US Army Community Hospital, Fort Irwin, CA

Fitzsimons US Army Health Services Region

Fitzsimons US Army Medical Center, Denver, CO
General Leonard Wood US Army Community Hospital, Fort Leonard Wood, MO
Irwin US Army Community Hospital, Fort Riley, KS
Munson US Army Community Hospital, Fort Leavenworth, KS
Donald W. Evans, Jr. US Army Community Hospital, Fort Carson, CO

PROGRAM: MEDICAL PROGRAMS

I. Description of Operations Financed (continued)

Army Hospitals

Tripler US Army Health Services Region

Tripler US Army Medical Center, HI

Panama US Army Health Services Region

Gorgas US Army Hospital

Madigan US Army Health Services Region

Madigan US Army Medical Center, Tacoma, WA
Bassett US Army Community Hospital, Fort Wainwright, AK

Europe

Germany (9 Hospitals)
Belgium (1 Hospital)
Italy (1 Hospital)

Korea (1 Hospital)

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: SUB-PROGRAM SUMMARY

II. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Medical Programs:	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
1. Care in Regional Defense Facilities	385,168	364,600	354,530	350,254	393,318	-32,583	360,735	10,481
2. Station Hospitals and Medical Clinics	503,250	535,261	525,812	527,799	603,840	-48,411	555,429	27,630
3. Dental Care Activities	65,056	76,715	75,802	72,673	80,241	-8,694	71,547	-1,126
4. Care in Non-Defense Facilities	140,191	880,187	825,287	1,018,437	904,063	80,283	984,346	-34,091
5. Education and Training Health Care	61,879	63,426	60,828	60,123	64,506	-2,400	62,106	1,983
6. Command Health Care	11,718	12,022	11,032	11,032	12,069	-1,490	10,579	-453
7. Examining Activities	23,840	27,018	26,759	22,385	27,569	-5,569	22,000	-385
8. Other Medical Activities	249,854	264,885	247,618	235,765	295,521	-43,049	252,472	16,707
9. Audio-Visual Support	5,991	7,300	7,300	7,300	7,486	-1,270	6,216	-1,084
10. BASOPS (-)	33,293	35,977	32,125	32,115	36,507	-3,810	32,697	582
11. Real Property Maintenance	59,141	61,061	59,526	60,998	61,927	-1,145	60,782	-216
TOTAL PROGRAM	1,539,381	2,328,452	2,226,619	2,398,881	2,487,047	-68,138	2,418,909	20,028

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: SUB-PROGRAM SUMMARY

II. Financial Summary (O&M: $ in Thousands)

C. Reconciliation of Increases and Decreases

FY 1988 President's Budget Request		$ 2,328,452
Congressional Adjustments		
a. Automatic Data Processing (Base: $ 76,058)	$ -3,616	
b. Base Operations Support (Base: $ 92,433)	$ -2,977	
c. Contractor Support Services (Base: $ 3 318)	$ -712	
d. DLA Stock Fund Surcharge Base: $ 121,974)	$ -380	
e. Expense/Investment Criteria (Base: $ 1,368)	$ -1,368	
f. Headquarters Operations (Base: $ 12,022)	$ -856	
g. Inflation Adjustments (Base: $ 9,862)	$ -3,671	
h. Japanese Defense Contribution (Base: $ 15,620)	$ -248	
i. Manpower Savings-Contracting Out (Base: $ 641,002)	$ -8,000	
j. Medical (Base: $ 2,328,452)	$ -63,300	
k. Health Promotion (Base: $ 3,000)	$ -1,200	
l. AIDS Education (Base: $ 31,400)	$ 3,000	
m. Non-Appropriated Fund Activities (Base: $ 2,070)	$ -269	
n. Savings (Base: $ 1,136,039)	$ -2,417	
o. Stock Fund Policy (Base: $ 297,268)	$ -1,151	
p. Travel/Transportation (Base: $ 46,256)	$ -4,127	
q. Workyear Pricing (Base: $ 641,002)	$ -10,541	
Total Congressional Adjustments		$ -101,833
FY 1988 Appropriated Amount		$ 2,226,619

PROGRAM: MEDICAL PROGRAMS

II. Financial Summary (O&M: $ in Thousands)

C. Reconciliation of Increases and Decreases

FY 1988 Appropriated Amount		$ 2,226,619
Functional Program Transfers		
Intra-Appropriation Transfer In		
a. CHAMPUS Reprograming	$ 170,535	
Transfers funds from other programs within Operations and Maintenance, Army to support payment of Medical/Dental care claims of Army beneficiaries.		
b. Base Operations Support	$ 1,727	
Transfers resources from Program 8 Other to Program 8 Medical to provide funds for upgrade of medical facilities.		
Total Transfers In	$ 172,262	
Total Functional Program Transfers		$ 172,262

PROGRAM: MEDICAL PROGRAMS

II. Financial Summary (O&M: $ in Thousands)

C. Reconciliation of Increases and Decreases

Price Growth		
a. FY 1988 Civilian Personnel Pay Increase - 2 Percent	$	10,543
b. FY 1988 Civilian Health Benefits	$	5,208
Program Decreases		
a. Absorption of FY 1988 Civilian Personnel Pay Increase - 2 percent. Decrease of support for management and operation of military medical facilities worldwide, command health care, and other medical support activities.	$	-10,543
b. Absorption of Civilian Health Benefits. Decrease in support for management and operation of military medical facilities worldwide, command health care, and other medical support activities.	$	-5,208
FY 1988 Current Estimate	$	2,398,881
Functional Program Transfers		
Inter Appropriation Transfers In		
a. CHAMPUS Fiscal Intermediary (FI) Operations. Transfers the CHAMPUS Fiscal Intermediary (FI) Operations requirements from the Operation and Maintenance, Defense appropriation to the Operations and Maintenance appropriations of the Services. These funds support contractors who adjudicate, process, and pay CHAMPUS claims.	$	24,800

PROGRAM: MEDICAL PROGRAMS

II. Financial Summary (O&M: $ in Thousands)

C. Reconciliation of Increases and Decreases

Functional Program Transfers (continued)

Intra Appropriation Transfers In

a. CHAMPUS Beneficiary Claims.....$ 23,900
Transfers funds from other Operation and Maintenance, Army Programs to support projected CHAMPUS claims.

b. Non-Tactical Vehicles.....$ 22
Funds allow for the conversion of nontactical motor vehicle fleets to the General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based nontactical vehicle fleet to the IFMS by FY 1992.

Total Transfers In.....$ 48,722

Intra Appropriation Transfers Out

a. Army Missile Command (MICOM) Production Overhead Costs.....$ -259
Transfer to Program /S Mission to support overhead costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.

Total Transfers Out.....$ -259

Total Functional Program Transfers.....$ 48,463

PROGRAM: MEDICAL PROGRAMS

II. Financial Summary (O&M: $ in Thousands)

C. Reconciliation of Increases and Decreases

Price Growth

Civilian Personnel Costs

a.	Civilian Salaries (Annualization)	$ 2,837	
b.	Compensable Days - Two Days Less	$ -4,495	
c.	FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 10,306	
	Total Civilian Personnel Costs		$ 8,648

Non-Personnel

a.	Stock Fund - Material	$ 4,113	
b.	Commercial Transportation Rate	$ 54	
c.	Industrial Fund	$ 37	
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 2,043	
e.	Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowances	$ 191	
f.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 1,832	
g.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise - Separation Allowance	$ -162	
h.	Travel	$ 440	
i.	Commercial Communications	$ 117	
j.	Utilities	$ 474	
k.	Rents from GSA	$ 7	
l.	Private Sector	$ 93,081	
	Total Non-Personnel Price Growth		$ 102,227
	Total Price Growth		$ 110,875

PROGRAM: MEDICAL PROGRAMS

II. Financial Summary (O&M: $ in Thousands)

C. Reconciliation of Increases and Decreases

Program Increases			
a.	Pharmacy Technology	$ 7,964	
b.	Family Practice Clinics	$ 3,691	
c.	Surgical Enhancements	$ 1,643	
d.	Mammography Examinations	$ 3,000	
e.	Ancillary Support	$ 3,150	
f.	Uniformed Services Treatment Facilities	$ 4,620	
g.	Supplemental Care	$ 289	
h.	Combat Casualty Care Course	$ 3,000	
i.	Pre-Accession Drug Testing	$ 17,200	
	Total Program Increases		$ 44,557
Program Decreases			
a.	Operational Support	$ -7,312	
b.	CHAMPUS FY 1987 Carryover	$ -61,000	
c.	CHAMPUS - Diagnosis Related Groups (DRG)	$ -49,300	
d.	CHAMPUS Beneficiary Claims	$ -58,642	
e.	Headquarters Reduction	$ -552	
f.	AIDS (HIV-III) Education	$ -3,000	
g.	Hospital Information Management Systems	$ -2,142	
h.	Base Operating Support	$ -22	
i.	Real Property Maintenance (RPM)	$ -1,897	
	Total Program Decreases		$ -183,867
Total FY 1989 Budget Request			$ 2,418,909

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: SUB-PROGRAM SUMMARY

III. Personnel Summary

	FY 1987 Actual		FY 1988 Estimate		FY 1989 Request	
	Military End Strength	Civilian End Strength	Military End Strength	Civilian End Strength	Military End Strength	Civilian End Strength
Care in Regional Defense Facilities	9,547	7,811	9,534	6,693	9,550	6,698
Station Hospitals, Medical Clinics	15,817	12,689	15,091	11,978	15,165	12,467
Dental Care Activities	3,493	2,485	3,767	2,828	3,683	2,542
Care in Non-Defense Facilities						
Education & Training Health Care	7,870	609	7,629	581	7,806	583
Command Health Care	207	299	197	324	177	297
Examining Activities	360	304	160	503	160	505
Other Medical Activities	5,290	4,769	5,191	4,440	5,243	4,447
Audio-Visual	18	118	16	125	16	138
Base Operations Support	251	1,034	195	1,052	196	1,079
Real Property Maintenance Activities	4	627	1	640	1	640
Total End Strength	42,857	30,745	41,781	29,164	41,997	29,396

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: SUB-PROGRAM SUMMARY

IV. Personnel Summary

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
Military End Strength			
Officer	12,671	12,802	12,844
Enlisted	24,179	23,174	23,182
Officer Students	2,255	2,373	2,437
Enlisted Students	3,752	3,432	3,534
Total Military End Strength	42,857	41,781	41,997
Civilian End Strength			
US Direct Hire	27,562	25,768	26,032
Foreign National Direct Hire	905	1,003	1,011
Foreign National Indirect Hire	2,278	2,391	2,353
Total Civilian End Strength	30,745	29,164	29,396
Military Workyears			
Officer	12,519	12,725	12,832
Enlisted	23,352	23,559	23,184
Officer Students	2,325	2,314	2,405
Enlisted Students	3,584	3,592	3,483
Total Military Workyears	41,780	42,190	41,904
Civilian Workyears			
US Direct Hire	26,857	25,501	25,955
Foreign National Direct Hire	883	905	920
Foreign National Indirect Hire	1,881	2,357	2,260
Total Civilian Workyears	29,621	28,763	29,135

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN REGIONAL DEFENSE FACILITIES

I. Narrative Description (Statement of Requirements and Mission)

This program provides for medical services in the United States through the operation of specified medical centers as shown on pages 84-2 through 84-4 and the provision of specialty services; includes emergency and routine medical services; preventive and prophylactic measures for disease prevention; medical examinations and sick call service. Excludes the provision of medical and dental services by station hospitals, medical clinics, and dental clinics.

II. Description of Operations Financed

Resource requirements are based on health care operations in terms of inpatient and outpatient care taking into consideration health care demand experience, change in the beneficiary population and the number of available health professionals. The development of medical workload is based on inpatient and outpatient experience for the most current twelve month period, a trend analysis over a period of years, planning guidance for anticipated changes in major troop deployment, the nature of the Army population, and other pertinent factors such as physical facilities and health professional capabilities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN REGIONAL DEFENSE FACILITIES

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-Activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
Patient Care	385,168	364,600	354,530	350,254	393,318	-32,583	360,735	10,481

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN REGIONAL DEFENSE FACILITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate			$ 350,254
Program Transfers			
Price Growth			
Civilian Personnel Costs			
a. Civilian Salaries (Annualization)	$ 201		
b. Compensable Days - Two Days Less	$ -1,118		
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 2,882		
Total Civilian Personnel Costs		$ 1,965	
Non-Personnel Price Growth			
a. Stock Fund - Material	$ 1,768		
b. Commercial Transportation Rate	$ 6		
c. Travel	$ 11		
d. Private Sector	$ 2,832		
Total Non-Personnel Price Growth		$ 4,617	
Total Price Growth			$ 6,582

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN REGIONAL DEFENSE FACILITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Increases		
Pharmacy Technology	$ 3,899	
Increase provides funding for immunization of the force against hepatitis B, for new pharmaceutical preparations as they are developed, and for increased cost of vaccines for the newly legislated injury-related compensation fund.		
Total Program Increases		$ 3,899
FY 1989 Amended Budget Request		$ 360,735

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN REGIONAL DEFENSE FACILITIES

IV. Performance Criteria and Evaluation

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
Daily Average Number of Occupied Beds	2722	2720	2752
Daily Average Number of Hospital Admissions	370.1	368.2	370.2
Daily Average Number of Births	30.2	30.1	30.2
Daily Average Number of Clinic Visits	16,432	16,318	16,393
Daily Average Number of MCCU's	11,651.9	11,598.4	11,673.9

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN REGIONAL DEFENSE FACILITIES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	4,309	4,356	4,349	4,349	4,363	17	4,380
Enlisted	5,238	5,160	5,185	5,185	5,145	25	5,170
Total Military End Strength	9,547	9,516	9,534	9,534	9,508	42	9,550
Civilian End Strength							
U.S. Direct Hire	7,811	6,675	6,693	6,693	6,675	23	6,698
Total Civilian End Strength	7,811	6,675	6,693	6,693	6,675	23	6,698
Military Workyears							
Officer	4,259	4,338	4,329	4,329	4,360	5	4,365
Enlisted	5,232	5,200	5,212	5,212	5,513	-335	5,178
Total Military Workyears	9,491	9,538	9,541	9,541	9,873	-330	9,543
Civilian Workyears							
U.S. Direct Hire	7,808	7,552	6,479	6,479	7,710	-1,060	6,650
Total Civilian Workyears	7,808	7,552	6,479	6,479	7,710	-1,060	6,650

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN REGIONAL DEFENSE FACILITIES

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 16 in FY 89 reflects reprograming of medical resources for specialty care.

CIVILIAN

The increase of five in FY 89 reflects increases in specialty care.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN STATION HOSPITALS AND MEDICAL CLINICS

I. Narrative Description (Statement of Requirements and Mission)

This program provides inpatient and outpatient medical services through the worldwide operation of community hospitals, medical clinics and the provisions of specialty service. This includes emergency and routine medical services, preventive and prophylactic measures for disease prevention, medical examination and sick call service. Excludes the provision of medical and dental services by units organic to Operations Forces Units (e.g., the Medical Battalion of a Division), medical or dental units operating in an active combat zone; medical centers and dental clinics.

II. Description of Operations Financed:

Resource requirements are based on health care operations in terms of inpatient and clinical care taking into consideration health care demand experience, change in the beneficiary population and the available number of health professionals. The development of medical workload is based on inpatient and outpatient experience for the most current twelve month period, a trend analysis over a period of years, planning guidance for anticipated changes in major troop deployment, the nature of the Army population and other pertinent factors such as physical facilities and health professional capabilities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN STATION HOSPITALS AND MEDICAL CLINICS

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-Activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
Patient Care	503,250	535,261	525,812	527,799	603,840	-48,411	555,429	27,630

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN STATION HOSPITALS AND MEDICAL CLINICS

III. Financial Summary (OMA $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate			$ 527,799
Price Growth			
a. Civilian Salaries (Annualization)	$ 2,031		
b. Compensable Days - Two Days Less	$ -1,797		
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 3,761		
Total Civilian Personnel Costs		$ 3,995	
Non-Personnel			
a. Stock Fund - Material	$ 1,746		
b. Commercial Transportation Rate	$ 3		
c. Indirect Hire Foreign National FY 1989 Pay Raise	$ 1,329		
d. Indirect Hire Foreign National FY 1989 Pay.Raise-Separation Allowance	$ 103		
e. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 1,195		
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise-Separation Allowance	$ -85		
g. Travel	$ 15		
h. Private Sector	$ 3,780		
Total Non-Personnel Price Growth		$ 8,086	
Total Price Growth			$ 12,081

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN STATION HOSPITALS AND MEDICAL CLINICS

III. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Increases

a. Family Practice Clinics.....$ 3,691
Provides resources for the manning (military physician, civilian ancillary support) to fully implement the Chief of Staff, Army approved plan to transition from General Medical Officer patient treatment to the family practice model.

b. Surgical Enhancements.....$ 1,643
Provides resources to support enhanced surgery and increased surgical capability. Funds will reduce surgical backlog and decrease the number of patients evaluated.

c. Mammography Examinations .....$ 3,000
Provides funds for contract personnel, maintenance and operation of 50 additional mammogram machines worldwide. Provides early detection, diagnostic and screening capability for breast cancer.

d. Ancillary Support.....$ 3,150
Provides funds for staffing increases to rectify medical support shortfalls in specialty clinics and services in both CONUS and in overseas locations. This will increase the in-patient and out-patient care capability, and improve physician productivity.

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN STATION HOSPITALS AND MEDICAL CLINICS

III. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Increases (continued)		
e. Pharmacy Technology. Increase provides funding for immunization of the force against hepatitis B, for new pharmaceutical preparations as they are developed, for increased cost of vaccines for the newly legislated injury-related compensation fund, and for increased emphasis on mandatory immunization of health care workers.	$ 4,065	
Total Program Increases		$ 15,549
FY 1989 Budget Request		$ 555,429

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN STATION HOSPITALS AND MEDICAL CLINICS

IV. Performance Criteria and Evaluation

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
Daily Average Number of Occupied Beds	3,324	3,323	3,361
Daily Average Number of Hospital Admissions	740.8	737.1	741.1
Daily Average Number of Births	84.4	84.1	84.4
Daily Average Number of Clinic Visits	42,159	41,892	42,082
Daily Average Number of MCCU's	24,223.7	24,102.6	24,239.6

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN STATION HOSPITALS AND MEDICAL CLINICS

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	4,979	4,919	4,912	4,912	4,977	23	5,000
Enlisted	10,838	9,904	10,179	10,179	9,910	255	10,165
Total Military End Strength	15,817	14,823	15,091	15,091	14,887	278	15,165
Civilian End Strength							
US Direct Hire	10,762	10,579	9,817	9,817	10,819	-570	10,249
Foreign National Direct Hire	702	805	808	808	806	1	807
Foreign National Indirect Hire	1,221	1,256	1,353	1,353	1,216	195	1,411
Total Civilian End Strength	12,685	12,640	11,978	11,978	12,841	-374	12,467
Military Workyears							
Officer	4,760	4,667	4,946	4,946	4,948	8	4,956
Enlisted	10,252	9,869	10,509	10,509	9,907	265	10,172
Total Military Workyears	15,012	14,536	15,455	15,455	14,855	273	15,128
Civilian Workyears							
US Direct Hire	10,206	10,325	9,902	9,902	10,699	-411	10,288
Foreign National Direct Hire	687	806	755	755	806	-46	760
Foreign National Indirect Hire	1,065	1,239	1,287	1,287	1,236	97	1,333
Total Civilian Workyears	11,958	12,370	11,944	11,944	12,741	-360	12,381

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN STATION HOSPITALS AND MEDICAL CLINICS

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 74 in FY 89 supports medical family practice (+37); and force structure realignments (+37).

CIVILIAN

The increase of 489 in FY 89 is due to family practice support (+190); realignment from dental care activities to station hospitals (+272); and force structure reprogamming and realignments (+27).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: DENTAL CARE ACTIVITIES

I. Narrative Description (Statement of Requirements and Mission)

This program provides dental services to authorized personnel in fixed dental clinics and dental laboratories. Excludes the provision of dental services by units organic to Operating Forces Units, dental units operating in an active combat zone, and oral surgery functions integral to hospitals that primarily support inpatients.

II. Description of Operations Financed

Resource requirements are based on comprehensive dental care for eligible beneficiaries through the operation of hospital departments of dentistry, installation dental clinics, installation dental laboratories, and Regional Dental Activities. Requirements take into consideration dental demand experience, change in the beneficiary population, and the available number of dental personnel. Workload is based on experience for the most current twelve month period, a trend analysis over a period of years, planning guidance for anticipated changes in major troop deployments, the nature of the Army population, and other pertinent factors such as physical facilities capabilities and health professional capabilities.

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
Dental Care Activities	65,056	76,715	75,802	72,673	80,241	-8,694	71,547	-1,126

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY PROGRAM: DENTAL CARE ACTIVITIES

III. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of FY 1988 Increases and Decreases:

FY 1988 Current Estimate		$ 72,673
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 50	
b. Compensable Days - Two Days Less	$ -300	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 458	
Total Civilian Personnel Costs		$ 208
Non-Personnel Price Growth		
a. Stock Fund Material	$ 95	
b. Indirect Hire Foreign National FY 1989 Pay Raise	$ 296	
c. Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$ 26	
d. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 309	
e. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ -19	
f. Travel	$ 4	
g. Utilities	$ 2	
h. Private Sector	$ 173	
Total Non-Personnel Price Growth		$ 886
Total Price Growth		$ 1,094

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY PROGRAM: DENTAL CARE ACTIVITIES

III. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of FY 1988 Increases and Decreases:

Program Decrease

a. Operational Support.....$ -2,220
Decrease in funding requirements resulting from organizational realignments of support personnel to station hospitals and other medical activities. Decrease was partially offset by an increase in contract dentists.

Total Program Decrease.....$ -2,220

FY 1989 Budget Request.....$ 71,547

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: DENTAL CARE ACTIVITIES

IV. *Performance Criteria and Evaluation*

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
Daily Average Number of Dental Procedures	53,641	56,843	57,958
Daily Average Number of Composite Laboratory Values (Installation)	12,823	16,256	16,256
Daily Average Number of Composite Laboratory Values (Area)	8,366	10,728	10,728

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: DENTAL CARE ACTIVITIES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1,281	1,402	1,438	1,438	1,359	-9	1,350
Enlisted	2,212	2,341	2,329	2,329	2,341	-8	2,333
Total Military End Strength	3,493	3,743	3,767	3,767	3,700	-17	3,683
Civilian End Strength							
U.S. Direct Hire	2,118	2,350	2,350	2,350	2,349	-231	2,118
Foreign National Direct Hire	33	27	27	27	27	0	27
Foreign National Indirect Hire	334	451	451	451	451	-54	397
Total Civilian End Strength	2,485	2,828	2,828	2,828	2,827	-285	2,542
Military Workyears							
Officer	1,390	1,415	1,360	1,360	1,380	14	1,394
Enlisted	2,251	2,339	2,270	2,270	2,341	-10	2,331
Total Military Workyears	3,641	3,754	3,630	3,630	3,721	4	3,725
Civilian Workyears							
U.S. Direct Hire	1,810	2,364	2,307	2,307	2,349	-250	2,099
Foreign National Direct Hire	31	27	27	27	27	0	27
Foreign National Indirect Hire	201	393	424	424	451	-81	370
Total Civilian Workyears	2,042	2,784	2,758	2,758	2,827	-331	2,496

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: DENTAL CARE ACTIVITIES

V. Personnel Summary

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The decrease of 84 in FY 89 reflects change in dental clinics and dental laboratories.

CIVILIAN

The decrease of 286 in FY 89 reflects reprogramming and organizational realignments to station hospitals and other medical activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN NON-DEFENSE FACILITIES

I. Narrative Description (Statement of Requirements and Mission)

This program provides authorized medical and dental care of Army beneficiaries, including members of the Army reserve components in non-defense facilities and by civilian doctors and dentists in civilian facilities; physical examinations of Army Reserve personnel pursuant to Public Law 82-476; emergency care provided from civilian medical treatment facilities to active duty members, and services provided by the private sector which supplement the capability of the military treatment facility.

II. Description of Operations Financed

Resource requirements are developed on the basis of workload, rates and experience. Charges for subsistence which are collected locally from the individual or charged directly to the applicable appropriation are excluded. Included in this program are both inpatient and outpatient care for Army beneficiaries under the CHAMPUS Program and in Veterans Administration and contractor operated facilities formerly under the auspices of the Public Health Service, PL 97-99. Funding in this element also supports emergency medical and dental care of activty duty Army personnel and members of the Reserve Components; and physical examinations of Army Reserve personnel.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN NON-DEFENSE FACILITIES

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Request	FY 1989 Change	FY 1989 Amended Estimate	Change FY 88/89
Non-Defense Care (Less CHAMPUS, USTF)	79,826	100,487	100,487	101,037	118,113	-11,189	106,926	5,789
Uniform Services Treatment Facilities*	60,365	46,200	46,200	46,200	11,550*	39,270*	50,820*	4,620
CHAMPUS	-	733,500	678,600	871,200	774,400	27,500	801,900	-69,300
CHAMPUS Fiscal Intermediary Costs	-	-	-	-	-	24,800	24,800	24,800
TOTAL	140,191	880,187	825,287	1,018,437	904,063	80,283	984,346	-34,091

* USTF is budgeted for a full year in FY 1989. Public Law 97-99 reinstituted the former Public Health Service (PHS) facilities as sources of medical care for eligible beneficiaries in FY 1982. The authorizing law expires on 31 December 1988. If it is not extended, the patient workload will shift to CHAMPUS, which will correspondingly, require the additional USTF funds for the workload increase.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FORT FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN NON-DEFENSE FACILITIES

III. *Financial Summary ($ in Thousands):*

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 1,018,437
Program Transfers		
Inter Appropriation Transfers In:		
CHAMPUS Fiscal Intermediary (FI) Operations. Transfers the CHAMPUS Fiscal Intermediary (FI) operations requirements from the Operation and Maintenance, Defense appropriation to the Operation and Maintenance appropriations of the Services. These funds support contractors who adjudicate, process, and pay CHAMPUS Claims.	$ 24,800	
Intra Appropriation Transfers In:		
CHAMPUS Beneficiary Claims. Transfers funds from other Operation and Maintenance, Army Programs to support projected CHAMPUS claims.	$ 23,900	
Total Transfers In	$ 48,700	
Total Program Transfers		$ 48,700

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1899
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN NON-DEFENSE FACILITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth		
a. Private Sector	$ 81,242	
Total Non-Personnel Price Growth	$ 81,242	
Total Price Growth		$ 81,242
Program Increases		
a. Uniformed Services Treatment Facilities. Public Law 97-99 reinstituted selected former Public Health Services facilities as a source of care for Army beneficiaries. This request provides for a full year of Uniformed Services Treatment Facilities reimbursements for care of Army beneficiaries consistent with the terms of the agreements between Office, Secretary of Defense and the individual facilities.	$ 4,620	
b. Supplemental Care. Provides resources for supplemental care to pay for direct health care services required for patient management but available only from a civilian source.	$ 289	
Total Program Increases		$ 4,909

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN NON-DEFENSE FACILITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decreases

a. CHAMPUS FY 1987 Carryover.....$ -61,000
During FY 1987 CHAMPUS payments were stopped nearly a month before the close of the fiscal year because of funding shortfall. The residual FY 1987 bills were carried over into FY 1988. In effect, thirteen months of claims were paid during FY 1988. Decreased funding in FY 1989 results from completion of this one-time requirement.

b. CHAMPUS Diagnosis Related Groups (DRGs).....$ -49,300
The CHAMPUS program has adopted a new reimbursement methodology based on Diagnosis Related Groups (DRGs). The DRG payment method is expected to yield Army savings of $98.7 million in FY 1989. Decrease in funds required for FY 1989 reflects increased savings over FY 1988 DRG savings level of $44.2 million.

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN NON-DEFENSE FACILITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decreases (continued)

c. CHAMPUS Beneficiary Claims .....$ -58,642
Resources fund projected costs of CHAMPUS-related medicaL and dental workload for Army beneficiaries. Decreased funding in FY 1989 results from a one-time FY 1988 requi·e-ment for CHAMPUS Reform Initiative buy-out costs, and savings resulting from revised dental enrollments. With this decrease, FY 1989 funding for CHAMPUS beneficiary claims in this submission total $801.9 million.

Total Program Decreases.....$ -168,942

FY 1989 Amended Budget Request.....$ 984,346

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN NON-DEFENSE FACILITIES

IV. Performance Criteria and Evaluation

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
Veterans Administration			
Inpatient Days	23,360	23,424	23,360
Outpatient Visits	17,300	17,347	17,300
Uniformed Services Treatment Facilities			
Inpatient Days	44,165	44,286	44,165
CHAMPUS			
Inpatient Days	853,380	955,992	953,380
Outpatient Days	139,082	161,606	178,490

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: CARE IN NON-DEFENSE FACILITIES

V. PERSONNEL SUMMARY:

Not applicable

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EDUCATION AND TRAINING

I. Narrative Description (Statement of Requirements and Mission)

This program provides for the training of Army Medical Department (AMEDD) personnel through training programs in Army medical facilities, schools of other federal agencies, and in civilian institutions. These programs have as their objective the development of technically and professionally qualified officers, enlisted personnel, and civilians required to staff Army Medical Department units worldwide and provide trained health manpower to respond to wartime contingency requirements. The level of instruction which must be provided varies from the basic principle of emergency medical care to post-graduate training in professional medical specialties.

II. Description of Operations Financed

Resources provide for tuition and other education expenses (school supplies, microscope rental, text books, etc.) incurred by the participants in the Armed Forces Health Professions Scholarship Program. The Army is currently authorized 1240 students in the Health Professions Scholarship Program. Students are enrolled in the disciplines of Medicine, Psychology and Optometry as authorized by Public Law 92-246. Resources are provided for other Army scholarship and subsidy programs and the use of consultants in health facilities.

Students input into training programs is based on authorized military strengths, anticipated accessions into the Army, past retention rates, and adjustments to compensate for attrition.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EDUCATION AND TRAINING

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-Activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
Health Professions Scholarship Program	14,785	14,554	14,554	14,554	14,501	0	14,501	-53
Education and Training	47,096	48,872	46,274	45,569	50,005	-2,400	47,605	2,036
Total Activity Group	61,881	63,426	60,828	60,123	64,506	-2,400	62,106	1,983

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EDUCATION AND TRAINING

III. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of FY 1988 Increases and Decreases:

FY 1988 Current Estimate		$ 60,123
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 173	
b. Compensable Days - Two Days Less	$ -95	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 76	
Total Civilian Personnel Costs		$ 154
Non-Personnel Price Growth		
a. Stock Fund Materiel	$ 63	
b. Private Sector	$ 1,520	
c. Travel	$ 177	
d. Indirect Hire Foreign National FY 1989 Pay Raise	$ 1	
Total Non-Personnel Price Growth		$ 1,761
Total Price Growth		$ 1,915

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EDUCATION AND TRAINING

III. Financial Summary (O&M: $ in Thousands): (continued)

B. Reconciliation of FY 1989 Increases and Decreases: (continued)

Program Increases		
a. Combat Casualty Care Course. Provides funds to support expansion of the joint-Service Combat Casualty Care Course from 17 to 19 classes per year and from 142 to 150 students per class. Expansion was directed by the House Report 100-58 on the Defense Authorization Bill for FY 1988.	$ 3,000	
Total Program Increases		$ 3,000
Program Decreases		
a. Operational Support. Provides for operational support of educational facilities. Decrease results from reduction in level of contractual support.	$ -2,932	
Total Program Decreases		$ -2,932
FY 1989 Budget Request		$ 62,106

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EDUCATION AND TRAINING

IV. Performance Criteria and Evaluation

	FY 1987	FY 1988	FY 1989
Health Professions Scholarship Program			
Average Daily Student Load (ADSL)	1,237	1,236	1,239
Civilian Institutions			
Long Courses - ADSL	248	237	245
Short Courses - Input	6,588	6,801	6,854
Army Medical Department Facilities/ Other Federal Facilities			
Numbered Courses - ADSL	6,128	6,153	6,193
Short Courses - Input	9,477	10,983	11,002

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EDUCATION AND TRAINING

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	489	478	477	477	478	6	484
Enlisted	1,374	1,347	1,347	1,347	1,347	4	1,351
Officer Students	2,303	2,423	2,423	2,423	2,437		2,437
Enlisted Students and Trainees	3,752	3,432	3,432	3,432	3,534		3,534
Total Military End Strength	7,918	7,680	7,679	7,679	7,796	10	7,806
Civilian End Stength							
U.S. Direct Hire	609	579	579	579	579	3	582
Foreign National Indirect Hire	0	2	2	2	2	-1	1
Total Civilian End Strength	609	581	581	581	581	2	583
Military Workyears							
Officer	480	478	483	483	478	3	481
Enlisted	1,369	1,357	1,361	1,361	1,347	2	1,349
Officer Students	2,325	2,418	2,314	2,314	2,430	-25	2,405
Enlisted Students and Trainees	3,584	3,592	3,592	3,592	3,483	0	3,483
Total Military Workyears	7,758	7,845	7,750	7,750	7,738	-20	7,718
Civilian Workyears							
U.S. Direct Hire	603	594	565	565	579	-4	575
Foreign National Indirect Hire	0	2	2	2	2	-1	1
Total Civilian Workyears	603	596	567	567	581	-5	576

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EDUCATION AND TRAINING

V. Personnel Summary (Continued)

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 11 in FY 89 reflects increased support for Army Medical Department personnel training.

CIVILIAN

The increase of two (2) in FY 89 reflects increased support for Army Medical Department personnel training.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: COMMAND HEALTH CARE

I. Narrative Description (Statement of Requirements and Mission)

This program provides for the continued operation of the Headquarters of the United States Army Health Services Command, Fort Sam Houston, Texas which directs and supervises the delivery of all health care services in CONUS, Alaska, Hawaii, Panama; and headquarters elements of the US Army Medical Materiel Agency, Fort Detrick, Maryland; and US Army Medical Research and Development Command, Ft Detrick, Maryland.

II. Description of Operations Financed:

Resource requirements reflect the cost of operating health care management activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: COMMAND HEALTH CARE

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-Activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
Command Health Care	11,718	12,022	11,032	11,032	10,579	-0-	10,579	-453

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: COMMAND HEALTH CARE

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate			$ 11,032
Price Growth			
Civilian Personnel Costs			
a. Civilian Salaries (Annualization)	$ 87		
b. Compensable Days - Two Days Less	$ -59		
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 44		
Total Civilian Personnel Costs		$ 72	
Non-Personnel			
a. Stock Fund - Material	$ 3		
b. Commercial Transportation Rate	$ 1		
c. Industrial Fund	$ 12		
d. Private Sector	$ 11		
Total Non-Personnel Price Growth		$ 27	
Total Price Growth			$ 99

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: COMMAND HEALTH CARE

III. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decrease

a. Headquarters Reduction.....$ -552
This program provides for operational support required for headquarters activities within the Health Services Command and its subordinate activities. FY 1989 funding reflects civilian salary and operational support decreases resulting from a reduction of 20 military spaces and 27 civilian spaces.

Total Program Decrease	$	-552
FY 1989 Budget Request	$	10,579

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: COMMAND HEALTH CARE

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	144	146	146	146	146	-16	130
Enlisted	63	51	51	51	51	-4	47
Total Military End Strength	207	197	197	197	197	-20	177
Civilian End Strength							
U.S. Direct Hire	299	324	324	324	324	-27	297
Total Civilian End Strength	299	324	324	324	324	-27	297
Military Workyears							
Officer	145	146	146	146	146	0	146
Enlisted	58	51	52	52	51	4	55
Total Military Workyears	203	197	198	198	197	+4	201
Civilian Workyears							
U.S. Direct Hire	295	324	319	319	324	-32	292
Total Civilian Workyears	295	324	319	319	324	-32	292

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: COMMAND HEALTH CARE

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The decrease of 20 in FY 89 reflects reductions in management headquarters.

CIVILIAN

The decrease of 27 in FY 89 reflects reductions in management headquarters.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EXAMINING ACTIVITIES

I. Narrative Description (Statement of Requirements and Mission)

Provides for operation of the medical activities in the Military Entrance Processing Stations (MEPS), to examine applicants and determine their medical qualifications for enlistment in the United States Armed Forces in accordance with eligibility standards established by the Service concerned.

II. Description of Operations Financed

Resource requirements are based on the number of individual medical examinations performed for the Military Entrance Processing Stations.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EXAMINING ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

A. Sub-Activity Breakout	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Request	FY 1989 Change	FY 1989 Amended Estimate	Change FY 88/89
Examinations	23,840	27,018	26,759	22,385	27,569	-5,569	22,000	-385

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EXAMINING ACTIVITIES

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 22,385
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 136	
b. Compensable Days - Two Days Less	$ -89	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 159	
Total Civilian Personnel Costs	$ 206	
Non-Personnel Price Growth		
a. Stock Fund Material	$ 47	
b. Private Sector	$ 259	
c. Travel	$ 2	
Total Non-Personnel Price Growth	$ 308	
Total Price Growth		$ 514

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EXAMINING ACTIVITIES

III. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decrease		
Operational Support	$	-899
Decrease results from policy change that requires a chest X-ray for applicants only under certain medical conditions. Formerly chest X-rays were required for all applicants. Savings result from economies primarily in contracting and film stockage, partially offset by anticipated workload increases.		
Total Program Decrease	$	-899
FY 1989 Amended Budget Request	$	22,000

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITIY GROUP: EXAMINING ACTIVITIES

IV. Performance Criteria and Evaluation

		FY 1987 Actual	FY 1988 Current Estimate	FY 1989 Estimate
Medical Examinations:	Army	340,500	353,600	363,400
	Navy	148,900	152,400	160,500
	Air Force	100,400	112,200	119,800
	Marine Corps	69,900	67,300	62,800
	Coast Guard	4,700	3,000	3,000
Total		664,300	688,500	709,500
Accessions		443,800	443,700	455,400
Medical Exam Per Accession		1.50	1.55	1.56

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EXAMINING ACTIVITIES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	7	8	8	8	8	-	8
Enlisted	353	152	152	152	152	-	152
Total Military End Strength	360	160	160	160	160	-	160
Civilian End Strength							
U.S. Direct Hire	304	335	503	503	336	169	505
Total Civilian End Strength	304	335	503	503	336	169	505
Military Workyears							
Officer	8	8	8	8	8	-	8
Enlisted	253	152	152	152	152	-	152
Total Military Workyears	261	160	160	160	160	-	160
Civilian Workyears							
U.S. Direct Hire	318	297	447	447	336	159	495
Total Civilian Workyears	318	297	447	447	336	159	495

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: EXAMINING ACTIVITIES

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

No end strength change for FY 89.

CIVILIAN

The increase of two for FY 89 supports medical recruiting and examining.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

I. Narrative Description (Statement of Requirements and Mission)

This program provides for other related or ancillary medical activities that are not part of the direct medical care system, or professional training of medical personnel.

II. Description of Operations Financed

Resources are provided for:

- Specific health related programs and for the performance of those portions of military mission other than direct care or medical training.
- Army medical laboratories which serve as reference and consulting laboratories to medical treatment facilities of the Armed Forces, within a prescribed area.
- Optical fabrication and repair requirements to include fabrication of spectacles and optical assemblies, conduct training in the construction, installation, repair and general maintenance of optical equipment.
- Patient and attendant travel.
- Medical materiel activities which provide technical, logistical, and maintenance support for worldwide medical supply missions.
- Medical support of the Army Drug/Alcohol Program, less patient care associated with this program.
- Medical support of the Family and Child Advocacy Program.
- Operation of Tri-Service Defense Agencies (Armed Forces Institute of Pathology, Defense Medical Materiel Board, etc).
- Administration, management and support required of Information Mission Area elements in Program 8M.
- Administration, management and laboratory expenses required for Pre-Accession Alcohol and Drug Testing.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
1. Other Medical	183,659	194,338	182,230	169,838	210,931	-26,374	184,557	14,719
2. Communication, Command and Control	3,531	2,890	2,790	3,790	2,982	808	3,790	0
3. Information Management Activities	62,664	67,657	62,598	62,137	81,608	-17,483	64,125	1,988
Total Activity Group	249,854	264,885	247,618	235,765	295,521	-43,049	252,472	16,707

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 235,765
Program Transfers		
Intra Appropriation Transfers Out:		
a. Army Missile Command (MICOM) Production Overhead Costs. Transfer to Program 7S Mission to support production overhead costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.	$ -259	
Total Transfers Out	$ -259	
Total Program Transfers		$ -259
Price Growth		
a. Civilian Salaries (Annualization)	$ 19	
b. Compensable Days - Two Days Less	$ -706	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 2,086	
Total Civilian Personnel Costs		$ 1,399

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth

a.	Stock Fund - Material	$ 322	
b.	Commercial Transportation Rate	$ 39	
c.	Industrial Fund	$ 37	
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 417	
e.	Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$ 62	
f.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 328	
g.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise - Separation Allowance	$ -58	
h.	Travel	$ 213	
i.	Commercial Communications	$ 117	
j.	Utilities	$ 3	
k.	Private Sector	$ 2,029	
	Total Non-Personnel Price Growth		$ 3,509
	Total Price Growth		$ 4,908

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Increase

a. Pre-Accession Drug Testing (Base $3,000).....$ 17,200
Section 978 of Title 10, U.S. Code, as amended by the National Authorization Act for FY 88/89, requires all persons to undergo testing for drug, chemical, and alcohol use and dependency before they become members of the Armed Forces, in Reserve, National Guard, or Active status. The Army performs pre-enlistment testing for all individuals processing through Military Entrance Processing Stations, medical treatment facilities and other contract physical locations. These resources provide for administration and laboratory expenses for the testing procedures.

Total Program Increase.....$ 17,200

Program Decreases

a. AIDS (HIV-III) Education (Base $17,579).....$ -3,000
Reduction reflects congressional directed purchase in FY 1988 of interactive video disc aids education package which will not be repeated in FY 1989.

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands)

B. Reconciliation of Increases and Decreases:

Program Decreases (Continued)

b. Hospital Information Management Systems (Base $32,659).....$ -2,142
This program supports the operation and maintenance of information management systems for Army medical department, the deployment of DOD-directed systems, and operation and maintenance of existing hospital information systems. Decrease in FY 1989 results from reduced level of support provided for currently operational Tri-Service Management Information Systems to include the Automated Cardiac Catheterization Laboratory System at Tripler Army Medical Center, the Automated Inventory Distribution System, Food Service System and Medical Record Tracing System at Walter Reed Army Medical Center. The decrease also reflects slowed implementation of the DOD Composite Health Care Systems project in FY 1989. The decrease in this budget activity was partially offset by a net increase of 7 civilian personnel.

Total Program Decreases.....$ -5,142

FY 1989 Budget Request.....$ 252,472

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

IV. Performance Criteria and Evaluation

Not applicable

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1,412	1,429	1,455	1,455	1,434	40	1,474
Enlisted	3,878	3,707	3,736	3,736	3,756	13	3 769
Total Military End Strength	5,290	5,136	5,191	5,191	5,190	53	5,243
Civilian End Strength							
U.S. Direct Hire	3,880	3,325	3,685	3,685	3,312	414	3 726
Foreign National Direct Hire	166	165	168	168	174	3	177
Foreign National Indirect Hire	723	755	587	587	755	-211	544
Total Civilian End Strength	4,769	4,245	4,440	4,440	4,241	206	4,447
Military Workyears							
Officer	1,428	1,431	1,434	1,434	1,432	33	1,465
Enlisted	3,727	3,736	3,807	3,807	3,733	19	3,752
Total Military Workyears	5,155	5,167	5,241	5,241	5,165	52	5,217
Civilian Workyears							
U.S. Direct Hire	3,908	3,154	3,627	3,627	3,319	371	3,690
Foreign National Direct Hire	164	166	123	123	170	-37	133
Foreign National Indirect Hire	615	743	644	644	755	-199	556
Total Civilian Workyears	4,687	4,063	4,394	4,394	4,244	135	4,379

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: OTHER MEDICAL ACTIVITIES

V. Personnel Summary

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 52 in FY 89 reflects increases in overseas medical support (+32) and realignments within medical activities (+20).

CIVILIAN

The net increase of 7 in FY 89 reflects increased force structure support and organizational realignments (+28) and information management reprograming (-21).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: AUDIO-VISUAL SUPPORT

I. Narrative Description (Statement of Requirements and Mission)

This program provides for the operation of audio-visual activities in the support of health care operations.

II. Description of Operations Financed

Resources provide for services such as still photo, motion picture, television and audio recording, production and documentation, graphic arts, audio-visual library, presentation facilities management, and audio-visual aids and devices which support each medical installation or activity. Provides for audio-visual mission unique and support equipment, necessary facilities, and associated costs.

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Subactivity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Audio-Visual Support	5,991	7,300	7,300	7,300	7,486	-1,270	6,216	-1,084

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: AUDIO-VISUAL SUPPORT

III. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 7,300
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 66	
b. Compensable Days - Two Days Less	$ -26	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 29	
Total Civilian Personnel Costs		$ 69
Non-Personnel		
a. Stock Fund - Material	$ 13	
b. Commercial Transportation Rate	$ 1	
c. Private Sector	$ 94	
Total Non-Personnel Price Growth		$ 108
Total Price Growth		$ 177

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: AUDIO-VISUAL SUPPORT

III. Financial Summary (O&M: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decrease		
a. Operational Support. Provides operational support to audio-visual facilities. Decrease reflects reduced level of purchased health care documentary films, equipment, and supplies. Decrease is partially offset by increase of 13 support personnel for in-house audio-visual functions.	$	-1,261
Total Program Decrease	$	-1,261
FY 1989 Budget Request	$	6,216

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: AUDIO-VISUAL SUPPORT

IV. Performance Criteria and Evaluation

Not applicable

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: AUDIO-VISUAL SUPPORT

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1	0	1	1	0	1	1
Enlisted	17	2	15	15	2	13	15
Total Military End Strength	18	2	16	16	2	14	16
Civilian End Strength							
U.S. Direct Hire	118	59	125	125	67	71	138
Total Civilian End Strength	118	59	125	125	67	71	138
Military Workyears							
Officer	1	1	1	1	0	1	1
Enlisted	22	8	16	16	2	13	15
Total Military Workyears	23	9	17	17	2	14	16
Civilian Workyears							
U.S. Direct Hire	119	93	125	125	63	73	136
Total Civilian Workyears	119	93	125	125	63	73	136

PROGRAM: MEDICAL PROGRAMS
ACTIVITY GROUP: AUDIO-VISUAL SUPPORT

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

No end strength change in FY 89.

CIVILIAN

The increase of 13 in FY 89 reflects support to mission activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

I. Narrative Description: This budget activity provides for the Operation and Maintenance of installation type support, less real property maintenance activities, at the three Health Services Command (HSC) installations; Walter Reed Army Medical Center, Washington, DC, Fitzsimons Army Medical Center, Denver, CO, and Fort Detrick, MD. The FY 1989 request totals $32.7 million in 1989. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Base Operating Support	-22

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed - Funds provide installation support in the following areas:

A. Administration - Finances all activities concerned with the headquarters command and administration of the installation; and other installation-wide activities not otherwise provided for, such as adjutant activities. Finances automated processing activities in support of Base Operations. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution centers print plants and printing and reproduction of publications.

B. Retail Supply Operations - Finances the operation of consolidated post supply. Includes the operation of self-service centers and the office of the Director Logistics. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment - Finances Direct and General Support Maintenance of Support Systems such non-tactical vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings - Finances the purchase, control, moving, handling of housing furnishings for unaccompanied personnel officer quarters and bachelor enlisted quarters. Finances the operation and administration of all unaccompanied personnel housing.

E. Community and Morale Support Activities - Finances the development, staffing, equipping, administering and operation of installation libraries, soldier sports programs, Army Community Service, Child Development Services, Youth Programs and other CORE community/family programs.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services - Finances the operation of local (installations) non-tactical motor transportation service to include government-owned vehicles. Finances operation of laundry and dry cleaning plants and contracting for such services where Army-owned plants are not operated in-house. Finances police services at 3 installations to include military police operations, installation level confinement activities, physical security operation and operation of physical security equipment. Finances the management of training facilities, training aids, and mobilization support. Finances the management of security counterintelligence and planning functions at the installation.

G. Other Personnel Support - Finances operation and administration of food services, food preparation facilities and dining facilities. This function is performed by contractor and military personnel. Finances chaplain activities, command information program, alcohol and drug abuse program and reenlistment activities.

H. Real Estate Leases - Finances the Army's General Service Administration furnished space outside the National Capital Region that is managed by the Corps of Engineers.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands)

			FY 1988			FY 1989			
A.	Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
	Health Services Command	33,292	35,977	32,125	32,115	36,507	-3,810	32,697	582

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Budget Request		$ 32,115
Program Transfers		
Inter Appropriation Transfer In:		
Non-Tactical Vehicles	$ 22	
Funds allow for the conversion of nontactical motor vehicle fleets to the General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based nontactical vehicle fleet to the IFMS by FY 1992.		
Total Transfers In		$ 22
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 74	
b. Compensable Days - Two Days Less	$ -185	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 478	
Total Civilian Personnel Costs	$ 367	

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Price Growth (Continued):

Non-Personnel Price Growth		
a. Stock Fund Material	$	16
b. Commercial Transporation Rate	$	4
c. Travel	$	6
d. Private Sector Price Increase	$	182
e. Rents from GSA	$	7
Total Non-Personnel Price Growth	$	215
Total Price Growth	$	582

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

Base Operating Support (Base: $32,115). Decrease provides for a reduced level of spending for travel, operating supplies, and non-personnel and non-contractual related items of expenditues associated with installation base operating activities.	$ -22	
Total Program Decreases		$ -22
FY 1989 Budget Request		$ 32,697

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	11,110	11,624	11,925
Military E/	86	59	59
Civilian E/S	276	322	321
Total Personnel E/S	362	381	380
Number of Bases, Total	3	3	3
(CONUS)	3	3	3
Population Served, Total E/S	52,757	50,622	50,572
(Military, E/S)	28,046	27,424	27,409
(Civilian, E/S)	24,711	23,198	23,163
Actions/Vouchers Processed (000)	12	12	13
No. ADP CPU's	4	4	4
B. Retail Supply Operations ($000)	3,898	4,277	4,286
Military E/S	36	32	33
Civilian E/S	175	188	205
Total Personnel E/S	211	220	238
Line Item Carried	15	17	17
Receipts (000)	115	130	129
Issues (000)	130	146	145

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1986 Actual	FY 1987 Estimate	FY 1988 Request
C. Maintenance of Installation Equipment ($000)	2,381	2,776	2,789
Military E/S	15	15	15
Civilian E/S	37	29	29
Total Personnel E/S	52	44	44
Number of Work Orders (000)	23	26	26
D. Bachelor Hsg Ops./Furn. ($000)	365	581	600
Military E/S	1	1	1
Civilian E/S	18	25	25
Total Personnel E/S	19	26	26
No. of Officer Quarters	286	286	286
No. of Enlisted Quarters	1,890	1,890	1,890
E. Community and Moral : Support Activities ($000)	2,913	2,086	2,270
Military E/S	13	11	11
Civilian E/S	85	88	99
Total Personnel E/S	98	99	110
Population Served, Total	99,594	96,420	96,345
(Military, E/S)	28,046	27,424	27,409
(Civilian/Dependents, E/S)	71,548	68,996	68,936

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1986 Actual	FY 1987 Estimate	FY 1988 Request
F. Other Base Services ($000)	8,450	8,822	8,831
Military E/S	47	41	41
Civilian E/S	275	303	303
Total Personnel E/S	322	344	344
Number of Motor Vehicles, Total	401	129	136
(Owned)	401	129	136
Number of Miles Driven (000)	2,300	2,380	2,400
G. Other Personnel Support ($000)	4,175	1,759	1,674
Military E/S	53	36	36
Civilian E/S	168	97	97
Total Personnel E/S	221	133	133
Population Served, Total	52,757	50,622	50,572
(Military, E/S)	28,046	27,424	27,409
(Civilian, E/S)	24,711	23,198	23,163
Meals Served (In Mandays) (000)	9	9	9
H. Real Estate Leases ($000)	0	160	172
Rents from GSA ($000)	0	160	172
Other Contractual Services ($000)	0	0	0
Non-GSA Leases ($000)	0	0	0
Total Square Feet (000)	0	16	17

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	46	42	16	16	42	-25	17
Enlisted	205	180	179	179	180	-1	179
Total Military	251	222	195	195	222	-26	196
Civilian End Strength							
U.S. Direct Hire	1,034	1,058	1,052	1,052	1,074	5	1,079
Total Civilian	1,034	1,058	1,052	1,052	1,074	5	1,079
Total End Strength	1,285	1,280	1,247	1,247	1,296	-21	1,275

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Military

The increase of one in FY 1989 reflects manpower adjustments.

Civilian

The increase of 27 in FY 1989 results from installation supply operations (+17) and personnel support (+10).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	44	44	31	31	42	-26	16
Enlisted	187	181	192	192	180	-1	179
Total	231	225	223	223	222	-27	195
Civilian Workyears							
U.S. Direct Hire	1,044	1,099	1,053	1,053	1,118	-29	1,089
Total	1,044	1,099	1,053	1,053	1,118	-29	1,089

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity provides Real Property Maintenance Activities (RPMA) support for the three Health Services Command (HSC) installations: Walter Reed Army Medical Center, Washington, DC, Fitzsimons Army Medical Center, Denver, CO and Fort Detrick, Maryland. The FY 1989 request totals $60.7 million. Major program increases/decreases contained in this request are as follows:

Program	FY 1989
Real Property Maintenance	-1,897

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds requested will provide support in four functional areas of Real Property Maintenance Activities. These functional areas are:

A. Operation of Utilities - Finances procurement and distribution of utilities for three HSC installations. Included are purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property - Finances maintenance and repair of buildings, structures, roads, railroads, grounds and utility systems at HSC installations. The FY 1989 request does not cover annual maintenance and repair requirements, and the BMAR will increase by $10.9 million. This backlog will result in degradation to hospitals, utilities systems and operational facilities.

C. Minor Construction - Finances the erection, installation or assembly of a new facility, or the addition, expansion, alteration or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support - Finances other facilities engineering services such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation. Includes construction support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

A. Subactivity Break	FY 1987	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate	Change FY 88/89
Health Services Command	59,141	61,061	59,526	60,998	61,927	-1,145	60,782	-216

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increaseas/Decreases:

FY 1988 Current Estimate		$ 60,998
Price Growth		
Civilian Personnel Costs		
a. Compensable Days-Two Less Days	$ -120	
b. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 333	
Total Civilian Personnel Costs	$ 213	
Non-Personnel Price Growth		
a. Stock Fund Material	$ 40	
b. Utilities	$ 469	
c. Private Sector Price Increase	$ 959	
Total Non-Personnel Price Growth	$ 1,468	
Total Price Growth		$ 1,681

PROGRAM: MEDICAL
ACTIVITY GROUP: ARMY REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increaseas/Decreases (Continued):

Program Decreases

Real Property Maintenance (RPM) (Base: $2",622).....$ -1,897
Real Property Maintenance funding continues to be reduced to levels far below the Annual Recurring Requirement (ARR) in recent years. Consequently, there will be some deterioration of existing Army facilities with an associated degradation of living and working conditions at U.S. military installations. For example, many high priority projects to repair utilities systems, troop barracks, maintenance facilities, operational facilities, and more will, of necessity, be deferred. The Backlog of Maintenance and Repair (BMAR) will still rise by $10.9 million in FY 1989.

Total Program Decreases.....$ -1,897

FY 1989 Budget Request.....$ 60,782

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Maintenance/Repair, Real Property, K ($000)	31,929	25,027	24,221
Military Personnel E/S	0	0	0
Civilian Personnel E/S	570	297	297
Total Personnel E/S	570	297	297
Annual M&R Requirements ($000)	31,929	29,991	30,407
Major Repair Projects ($000)	8,455	7,051	7,287
Backlog, Maintenance & Repair ($000)	12,179	17,959	28,859
Military Housing Floor Space (000 sq ft)	1,016	1,016	1,016
All Other Floor Space (000 sq ft)	9,325	9,325	9,325
B. Minor Construction, L ($000)	3,806	2,595	2,683
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	23	23
Total Personnel E/S	0	23	23
Number of Projects	87	52	68
C. Operation of Utilities, J ($000)	14,496	21,331	22,056
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	86	86
Total Personnel E/S	0	86	86
Electricity (MWH)	220,476	291,028	296,849
Heating (MBTU)	1,492,757	1,970,439	2,009,848
Water, Plants & Systems (000 gals)	885,162	1,168,414	1,191,782
Sewage & Waste Systems (000 gals)	649,835	857,782	874,938
Air Conditioning & Refrig (Tons)	13,605	17,959	18,318

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
D. Engineer Support, M ($000)	8,910	12,045	11,822
Military Personnel E/S	4	1	1
Civilian Personnel E/S	57	234	234
Total Personnel E/S	61	235	235
Fire Protection/Prevention, Rescue E/S	46	46	46
Custodial Services (000 sq ft)	1,765	1,765	1,765
Entomology Services (000 sq ft)	7,534	7,729	7,729
Refuse Collection/Disposal (000 cu yds)	320	395	402

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	3	4	0	0	4	-4	0
Enlisted	1	1	1	1	1	0	1
Total Military	4	5	1	1	5	-4	1
Civilian End Strength							
U.S. Direct Hire	627	640	640	640	640	0	640
Total Civilian	627	640	640	640	640	0	640
Total End Strength	631	645	641	641	645	-4	641

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

No end strength change in FY 1989.

Civilian

No end strength change in FY 1989.

PROGRAM: MEDICAL
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	4	4	2	2	4	-4	0
Enlisted	1	1	1	1	1	0	1
Total	5	5	3	3	5	-4	1
Civilian Workyears							
U.S. Direct Hire	795	641	641	641	641	0	641
Total	795	641	641	641	641	0	641

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

SUMMARY INTRODUCTION

Program 8-Other funds Active Army recruiting, advertising and examining activities; operation of reception stations; welfare and morale activities; disposition of remains; operation of the US Army Disciplinary Barracks; Chaplains specialized activities; Civilian Training, Education and Development Program; the Army Continuing Education System (learning centers, counselors, and tuition assistance for military personnel); Veterans Educational Assistance Program; and the Junior ROTC program. The United States Military Entrance Processing Command (USMEPCOM), the Armed Forces Professional Entertainment Program Overseas (AFPEO) and the Armed Forces Radio and Television Service (AFRTS) are three programs for which the Army is the DOD Executive Agent and are included in this sub-program.

The FY 1989 budget estimate for 8-Other General Personnel Activities is $808.6 million, a net program increase of $32.3 million, including $23.0 million for non-personnel price growth, over the FY 1988 estimate of $776.2 million.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

I. Description of Operations Financed:

A. Recruiting and Examining:

1. Recruiting: Provides staffing and funds for the US Army Recruiting Command (USAREC) organized with a headquarters and five Brigade Recruiting Commands, 56 Battalion Recruiting Commands and over 2,000 recruiting stations throughout the United States. Recruiting costs include those items essential to the operation of USAREC in accomplishing the recruiting mission. This support includes meals, lodging and travel of applicants; recruiter expenses; travel and per diem; civilian pay; vehicle operation and maintenance; supplies and equipment; maintenance of equipment; training of civilians; recruiter aides; operation of the Recruiting Support Command and ADP support.

2. Advertising: This program funds all active Army advertising programs designed to support the procurement and retention of Army enlisted and officer personnel. United States Military Academy advertising is directed at potential cadets through the printing of posters and pamphlets and the production of films. Reserve Officer Training Corps (ROTC) advertising is directed at potential ROTC cadets. Provides advertising support to the Chief of Chaplains office in the effort toward denominational balance. Funds provide local, regional and national advertising in support of rising enrollment demands.

3. Examining: Provides funds for the U.S. Military Entrance Processing Command which consists of a headquarters, three sector headquarters, 68 Military Entrance Processing Stations (MEPS) and two substations. The examining mission is to aptitudinally qualify and administratively process individuals for the Armed Services. The Armed Forces Vocational Aptitude Battery (ASVAB) is administered for both the production and student testing programs by MEPS and Office of Personnel Management (OPM) testers. The production tests are administred within the MEPS, contract facilities, and at about 900 Mobile Examining Team sites. The student tests are administered in high schools and other educational institutions. Funds also provide ADP capability for USMEPCOM and Selective Service System jointly operated computer system. USMEPCOM is a joint service organization for which the Army is the DOD Executive Agent and provides 60 percent of the military staff and the entire civilian staff. The other services contribute military personnel based on a pro-rata basis of total accession workloads.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

I. Description of Operations Financed: (Continued)

B. Other Personnel Activities: Provides for disposition of remains; morale and welfare programs; religious leadership and self-development programs; confinement and rehabilitation of post trial military prisoners; specialized chaplain activities; centralized book procurement; operation of reception stations at Army Basic Training Centers to process incoming personnel; and other personnel related activities which support the Army mission.

C. Armed Forces Radio and Television Service (AFRTS): Resources provide for operation of 582 AFRTS studio and transmitter facilities overseas and management of 107 Mini-TV sites for service personnel at remote locations. Army AFRTS are located in Germany, Italy, Panama, Korea, Kwajalein Missile Range and Johnston Atoll.

D. Civilian Training, Education and Development (CTED) Program: Provides resources for the training, education and development of Army civilian employees in professional, scientific, administrative and technical career fields. The major components of the CTED are: (1) Intern Program; (2) Long-Term Training Program; (3) Executive and Managerial Development Program; and (4) Facility Engineering Apprenticeship Program. Included in these components are manpower spaces and fiscal resources necessary to cover: (a) salaries and related benefits, (tuition, books, fees, programed instructional materials, and related expenses); (b) travel and per diem of students/participants while in or enroute to and from training, educational or developmental assignments (including interns and long-term training participants); and, (c) costs associated with the administration of the program. Interns are hired to meet critical staffing needs in mission related occupations unique to the Department of the Army and are trained to successfully perform at the journeyman level.

E. Junior Reserve Officer Training Corps (JROTC): Funding supports operation of 896 authorized JROTC units. This program is designed to foster good citizenship, patriotism, self-reliance, leadership, and appreciation of the role of the US Army in support of national objectives. Resources provide for partial pay of military instructors and for unit operating supplies and equipment.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

I. Description of Operation Financed: (Continued)

F. Army Continuing Education System (ACES): Resources for the Army Continuing Education System provide active component soldiers with educational opportunities similar to those available to all Americans. These are provided through a world-wide network of Army Education Centers which provide on-duty instruction in those basic academic skills needed to enable soldiers to perform Army jobs successfully and to support retention and career development. Off-duty high school completion programs and collegiate programs are available worldwide and soldiers are supported financially through tuition assistance. Funds provide for 100 percent of tuition for high school completion, 75 percent to 90 percent for off-duty courses taken from accredited schools, operation of education centers which include counseling, testing and related administrative functions.

G. The Veterans Educational Assistance Program (VEAP): Funding is provided to support contractual obligations for educational incentive to enlistees as authorized by PL 94-502 and PL 96-342. Basic VEAP replaced the Vietnam Era GI Bill which terminated 31 December 1976. All service members, regardless of rank, who signed contracts 1 January 1977 through 30 June 1985, are eligible to participate in Basic VEAP. Service members' contributions are matched 2:1 by the Army. On 1 January 1979, the Army began testing the recruiting effects of offering additional "kickers" (up to $6,000) to high school diploma graduates in the upper test score categories. During FY 1981, an educational test program was implemented to measure effects of enhanced "kickers" (up to $12,000); a tuition-stipend program similar to the old GI Bill; and a non-contributory VEAP with "kickers" option. In FY 1982, the Army implemented the Ultra VEAP Program (Army College Fund) nationwide. This program mirrored the FY 1981 test cell and the maximum "kicker" was increased to $18,000 during FY 1985.

H. Base Operations: This Budget Activity provides for all direct costs associated with commercial real estate leases and General Services Administration (GSA) managed leases for the Department of Defense Recruiting Program and Military Entrance Processing Command (MEPCOM) beginning in FY 1988. This Budget Activity is created in order to comply with the Army's charge-back policy, which places funding and associated responsibilities with the user commands/agencies. The Corps of Engineers has been delegated responsibility for managing, acquiring and paying for space required by the DoD Recruiting Services, while MEPCOM will reimburse the Corps for space and services acquired by the Corps for MEPCOM.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

A. Activity Group:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 1988/ FY 1989
Recruiting and Examining	293,282	304,228	289,207	285,707	314,234	-17,436	296,798	11,091
Other Personnel Activities	39,343	38,998	36,895	36,679	42,068	-4,801	37,267	588
Armed Forces Radio and Television Service	14,571	20,792	19,955	18,955	22,709	-1,817	20,892	1,937
Civilian Training, Education and Development Program	109,205	125,401	99,704	97,404	133,171	-29,923	103,248	5,844
Junior ROTC	29,819	30,494	29,151	28,451	32,426	-3,974	28,452	1
Army Continuing Education System	117,700	126,516	101,661	99,361	138,177	-30,638	107,539	8,178
Veterans Educational Assistance Program	67,3[illegible]	104,426	104,056	104,056	87,330	15,895	103,225	-831
Base Operations	0	109,200	105,624	105,624	115,321	-4,188	111,133	5,509
Total Program	671,268	860,055	786,253	776,237	885,436	-76,882	808,554	32,317

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases:

FY 1988 President's Budget Request		$ 860,055
Congressional Adjustments		
a. Inflation (Base $ 34,195)	$ - 4,011	
b. DLA Surcharge (Base $ 3,574)	$ - 671	
c. HQ Operations (Base $ 20,047)	$ - 623	
d. Travel/Transportation (Base $ 65,092)	$ - 3,250	
e. Automatic Data Processing (Base 28,616)	$ - 3,800	
f. Education (Base $ 251,917)	$ - 8,661	
g. Savings (Base $225,815)	$ - 2,721	
h. Contract Support Services (Base $ 2,857)	$ - 2,065	
i. Stock Fund Policy (Base $ 24,780)	$ - 1,941	
j. Recruiting and Advertising (Base $ 212,502)	$ - 7,200	
k. Japanese Defense Contribution (Base $ 890)	$ - 288	
l. Other Personnel Activities (Base $ 750,855)	$ -35,000	
m. Work Year Repricing (Base $225,815)	$ - 3,571	
Total Congressional Adjustments		$ -73,802
FY 1988 Appropriated Amount		$ 786,253
Price Growth		
a. FY 1988 Civilian Pay Increase-2 Percent	$ 3,500	
b. FY 1988 Civilian Health Benefits	$ 1,681	
Total Price Growth		$ 5,181

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases (Continued):

Functional Program Transfers

Intra Appropriation Transfers Out

a. Special Operations Forces.....$ - 16
Transfer funds for establishment of new major Program 11 for Special Operations Forces from other Operations and Maintenance, Army Programs.

b. CHAMPUS Reprograming.....$ -10,000
Transfers funds from Program 8 Other of the Operations and Maintenance, Army appropriation to Program 8 Medical to support payment of medical/dental care claims of Army beneficiaries.

Total Transfers Out.....$ -10,016

Total Functional Program Transfers.....$ -10,016

Program Increases

c. Mandatory Applicant Drug Testing.....$ 1,400
Defense Authorization Act amended Section 977 of Title 10, US Code to require all persons to undergo testing for drug, chemical and alcohol use and dependency before they become members of the armed forces. These resources are required for contract civilian support at the 70 Military Entrance Processing Stations.

Total Program Increases.....$ 1,400

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases (Continued)

Program Decreases

a.	Absorption of FY 1988 Civilian Personnel Pay Increase-2 Percent	$ -3,500
b.	Absorption of FY 1988 Civilian Health Benefits	$ -1,681
c.	Junior Reserve Officer Training Corp. Delayed printing and distribution of the Program of Instruction. Program to be slowly phased in over the next three years.	$ -502
d.	Disposition of Remains. Withdrawal of resources predicated on actual obligations incurred in FY 1987.	$ -242
e.	US Army Correctional Activity. Resources withdrawn based on scale back of number of prisoners incarcerated.	$ -656
	Total Decreases	$ -6,581

FY 1988 Current Estimate $ 776,237

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

FY 1988 Current Estimate		$ 776,237
Functional Program Transfers:		
Intra Appropriation Transfer In:		
Transfer from Program 95. Realign resources and manpower for the OSA Central I.D. Laboratory, Hawaii and USA Mortuary, Oakland, CA.	$ 907	
Total Transfer In		$ 907
Intra Appropriation Transfer Out:		
Army Missile Command (MICOM) Producation Overhead Costs. Transfer to Program 7S Mission to support production overhead costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.	$ -42	
Total Transfer Out		$ -42
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 932	
b. Compensable Days - Two Days Less	$ -1,398	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 3,614	
Total Civilian Personnel Costs	$ 3,148	

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Non-Personnel Price Growth

a.	Stock Fund Material	$ 466
b.	Commercial Transportation	$ 164
c.	Travel	$ 1,413
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 135
e.	Indirect Hire Foreign National FY 1989 Pay Raise - Separation Allowance	$ 23
f.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 117
g.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise- Separation Allowance	$ -18
h.	Private Sector Price Increase	$ 14,312

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

i.	Industrial Fund Repricing	$	-35
j.	Rents from GSA	$	3,856
k.	Utilities	$	106
l.	Private Sector Price Increase	$	2,479
	Total Non-Personnel Price Growth	$	23,018
	Total Price Growth	$	26,166

Program Increases

a.	CTED Intern Program	$	1,728
b.	Civilian Long Term Training Program	$	1,229
c.	AFRTS Equipment Installation	$	1,030
d.	AFRTS Security Guards	$	250
e.	Executive Development	$	859
f.	Drug and Alcohol Testing Program	$	1,400
g.	Lansing MEPS	$	433
h.	OPM Rate Increase	$	2,200
i.	Post Secondary Education	$	3,519
j.	Secondary Education Program	$	2,064
k.	Armed Services ASVAB Student Workbook	$	1,700
l.	USMEPCOM Interactive Resource System	$	1,046
	Total Program Increases	$	17,458

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

II. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Program Decreases			
a.	VEAP Matching and Kicker Requirements	$ -4,681	
b.	Active Army Advertising	$ -4,226	
c.	JROTC Software	$ -150	
d.	Real Estate Leasing	$ -932	
e.	JROTC Supplies and Equipment	$ -871	
f.	Disposition of Remains	$ -480	
g.	US Army Correctional Activity	$ -832	
	Total Program Decreases		$ -12,172
FY 1989 Budget Request			$ 808,554

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

IV. Personnel Summary:

		FY 1988			FY 1989		
	FY1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1,044	1,059	1,064	1,064	1,051	31	1,082
Enlisted	10,122	10,167	10,159	10,159	10,167	-5	10,162
Total Military	11,166	11,226	11,223	11,223	11,218	26	11,244
Civilian End Strength							
US Direct Hire	7,990	8,677	7,681	7,681	8,838	-996	7,842
Foreign National Direct Hire	85	86	86	86	86	0	86
Foreign National Indirect Hire	144	139	139	139	144	0	144
Total Civilian	8,219	8,902	7,906	7,906	9,068	-996	8,072
Military Workyears							
Officer	1,082	1,056	1,054	1,054	1,055	18	1,073
Enlisted	10,612	10,149	10,141	10,141	10,167	-6	10,161
Total Military Workyears	11,694	11,205	11,195	11,195	11,222	12	11,234
Civilian Workyears							
US Direct Hire	7,838	8,552	8,500	8,500	8,699	-943	7,756
Foreign National Direct Hire	91	89	81	81	92	-15	77
Foreign National Indirect Hire	121	138	138	138	143	-4	139
Total Civilian Workyears	8,050	8,779	8,719	8,719	8,934	-962	7,972

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES

V. Outyear Data:	FY 1990	FY 1991	FY 1992	FY 1993
O&M ($ Thousands)	$688,844	$704,753	$736,980	$761,287
Military End Strength	11,218	11,218	11,218	
Civilian End Strength	9,168	9,168	9,168	

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

I. Narrative Description (Statement of Requirements and Mission):

Provides funding to recruit sufficient manpower to sustain the Active Army and manage USAR recruiting. USAR recruiting support costs are provided in the OMAR Appropriation. This funding request is directly related to the Active Army recruiting requirement and to the size of the recruiting work force. Recruiting costs funded in this activity include meals, lodging and travel for applicants and recruiters; vehicles; supplies; professional development of recruiters; and all other incidental expenses necessary to support the Active Army recruiting force. The demand for high quality personnel has received a great amount of emphasis. This demand will continue for the foreseeable future. The Army's goals for FY 1989 are at least 90 percent high school graduates, 63 percent test category I-IIIA, and no more than 10 percent test category IV accessions. Quality requirements in the rapidly diminishing market of eligibles has driven the necessity for innovative incentives and methods of attracting and accessing quality recruits with the particular qualifications needed to man sophisticated, modern systems. By placing a special emphasis on the high school graduate market, readily trained prospects, who are also more retainable, are recruited. This results in increased force readiness and decreased first-term attrition. The Army cannot afford to sacrifice quality for quantity in its recruiting strategy. Manning the force is the foremost issue in maintaining a combat-ready posture; our forces must be trained and alert for any contingency. Accordingly, recruiting resources are vital in attracting sufficient numbers of high caliber personnel to perform in critical skills.

Requested advertising funds finance the use of mass media advertising and publicity for persuasively communicating reasons for enlistment to young people and their adult influencers. Advertising overcomes the reluctance of many well qualified prospects to seriously consider Army service by high frequency repetition of salient information packaged in ways calculated to compel attention. Because of the seriousness of the enlistment decision, the strength of ingrained attitudinal barriers and the availability of competitive opportunities offered in the civilian job market, advertising must be funded at a level to achieve high frequency exposure on a continuous basis to individuals beginning in the mid-teens and extending through prime enlistment ages. The advertising must be directed to the best qualified prospects through the most effective use of media and by featuring the most appropriate benefits. The display of opportunities for personal growth through experience in challenging situations and offer of help in pursuing long range occupational goals through Army technical training and money for college provide the strongest motivation to our best prospects. By providing contact

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

I. Narrative Description: (Continued)

opportunities with interested prospects for recruiters and increasing applications for enrollments into the Army ROTC program and the United States Military Academy, advertising performs an essential task in accomplishing the accession mission.

The Army, as DOD Executive Agent, provides funding and civilian personnel resources for the operation of the United States Military Entrance Processing Command (USMEPCOM). This joint service command aptitudinally qualifies individuals for and administratively processes individuals into all of the armed services. During mobilization, the command processes persons called to active duty from the individual ready reserve as well as conscripts inducted via the Selective Service System (SSS). USMEPCOM is organized with a command headquarters, three sector headquarters, sixty-eight Military Entrance Processing Stations (MEPS) and two substations. One of the key functions is the administration of the Armed Forces Vocational Aptitude Battery (ASVAB) for the purpose of qualifying applicants for enlistment or induction (production testing) into the Armed Services and the testing of civilian school populations (student testing) for subsequent guidance counseling and prospect identification. These tests are conducted by MEPS personnel and Office of Personnel Management (OPM) test examiners. Test sessions are conducted in the MEPS, at over 900 Mobile Examining Team sites (such as armories and reserve centers) throughout CONUS, and in schools both in CONUS and OCONUS. Funds are also provided within this activity to support the ADP requirements of USMEPCOM and the SSS at their shared Joint Computer Center (JCC). This facility supports a network for automated information exchange among the MEPS/the headquarters elements of USMEPCOM and the SSS/subordinate headquarters. Because of this relationship, peacetime administration is enhanced while mobilization preparedness is maintained. The Army provides all funds and civilian staffing for MEPCOM operations along with approximately 49 percent of the military staffing. The other military components contribute military personnel on a pro-rata basis, based on workload.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

II. Description of Operations Financed:

A. Recruiting and Examining

1. Recruiting: Provides staffing and funds for the US Army Recruiting Command (USAREC) organized with a headquarters and five Brigade Recruiting Commands, 56 Battalion Recruiting Commands and over 2,000 recruiting stations throughout the United States. Recruiting costs include those items essential to the operation of USAREC in accomplishing the recruiting mission. This support includes meals, lodging and travel of applicants; recruiter expenses; travel and per diem; civilian pay; vehicle operation and maintenance; supplies and equipment; maintenance of equipment; training of civilians; recruiter aides; operation of the Recruiting Support Command and ADP support.

2. Civilian Pay: Provides funds to pay civilians who work at all levels within the USAREC structure. They perform administrative and logistical functions in support of the recruiting mission.

3. Recruiter Support: Provides funds to support the recruiting mission. These funds are used for vehicle support; applicant meals, lodging and travel; ADP support; printing; supplies; recruiter expense allowance; and other incidental expenses associated with recruiting.

B. Advertising: The program funds all Active Army advertising programs designed to support the procurement and retention of Army enlisted and officer personnel. United States Military Academy advertising is directed at potential cadets through the printing of posters and pamphlets and the production of films. ROTC advertising is directed at potential ROTC cadets. Enlisted advertising encourages persons to consider Army service after high school as a stepping stone to college or a civilian vocation.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

II. Description of Operations Financed: (Continued)

1. USAREC: Creates awareness of Active Army enlistment opportunities for young people, primarily in the 17-24 year old age bracket. Funds advertising distribution and media, including television, radio, magazines, newspapers and direct mail to convey the recruiting message to the audience and their influencers.

2. ROTC: Emphasizes leadership and management experience, physical and intellectual challenges, financial assistance, scholarship opportunities and prestige of serving as an Army officer. Promotes service in Active and Reserve Components. Supports expansion of ROTC Programs on college campuses with special emphasis on attracting cadets within particular academic disciplines. This program is being increased to attract and retain more cadets. The ROTC program has not been meeting its production mission, and these resources are required to increase the media mix and media reach.

3. USMA: Emphasizes benefits of quality education leading to the award of a college degree combined with opportunity to earn a commission as a second lieutenant.

C. Examining: Provides funds for the support and operation of Headquarters, US Military Entrance Processing Command (USMEPCOM), three sector headquarters and 68 Military Entrance Processing Stations (MEPS) essential to process personnel entering the armed services; the direct administration of MEPS operations; operating the central test agency which administers the Armed Services Vocational Aptitude Battery (ASVAB) for both the production and student (High School) testing programs; and Mobile Examining Teams (MET) operating under MEPS direction. The Office of Personnel Management (OPM) examiners will continue to administer the ASVAB in urban and rural areas. Funds also provide ADP capability for USMEPCOM and Selective Service System.

1. MEPS Operations (excludes medical costs displayed in Program 8-M): Operate 68 Military Entrance Processing Stations responsible for the processing of applicants and registrants and the preparation of initial reports and records relating to enlistees and inductees. Includes costs of civilian salaries, supplies, equipment, administration, travel, per diem, civilian training, facilities and vehicle support.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

II. Description of Operations Financed: (Continued)

2. Production ASVAB Testing: Provides for the administration of production ASVAB and classification testing at the MEPS and MET Sites operated by Office of Personnel Management and assigned military testers. These tests determine aptitude qualification of applicants for all services. Funds are also provided for compensation to OPM for MEPS sponsored special training sessions.

3. Student ASVAB Testing: Provides for the administration of student ASVAB testing to include testing at high schools, vocational schools, junior colleges and similar educational facilities. Tests are administered by OPM and MEPS personnel. Also provides for information materials distributed to students and educators.

4. Headquarters Activities: Provides for the resources associated with programs and activities administered centrally to support MEPS in the processing of applicants into the Armed Services, to include operation of HQ USMEPCOM and three sector headquarters (civilian salaries, supplies, equipment, administration, travel, per diem, civilian training, facilities and vehicle support).

5. Joint Computer Center: Provides for all automation activities of the Joint Computer Center, which supports the joint requirements of USMEPCOM and the Selective Service System. Includes studies and services; lease of computer hardware; system and facility maintenance; systems software lease, production, and maintenance; supplies; and civilian personnel costs.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

III. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 1988/ FY 1989
Recruiting Activities	123,731	125,367	114,698	114,698	130,816	-14,329	116,487	1,789
Advertising Activities	80,564	87,135	85,221	82,221	81,687	- 396	81,291	- 930
Examining Activities	59,487	64,791	62,353	61,853	73,983	- 2,711	71,272	9,419
Local Communications	29,500	26,935	26,935	26,935	27,748	0	27,748	813
Total Activity Group	293,282	304,228	289,207	285,707	314,234	-17,436	296,798	11,091

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

FY 1988 Current Estimate		$ 285,707
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 228	
b. Compensable Days - Two Days Less	$ -367	
c. FY1989 Civilian Personnel Pay Increase-2 Percent	$ 893	
Total Civilian Personnel Costs	$ 754	
Non-Personnel Price Growth		
a. Stock Fund Material	$ 63	
b. Commercial Transportation	$ 27	
c. Travel	$ 1,168	
d. Private Sector Price Increase	$ 6,526	
Total Non-Personnel Price Growth	$ 7,784	
Total Price Growth		$ 8,538

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Program Increases

a. Drug and Alcohol Testing Program (Base $1,400).....$ 1,400
This program is the result of a Congressional Directive contained in FY 88 Defense Authorization Bill requiring the Services to conduct a testing program for drug, chemical and alcohol use and dependency for any individual prior to entry into the Armed Forces, beginning 1 Jun 88. FY 89 funds provides for civilian personnel and shipment of specimens.

b. OPM Rate Increase (Base $6,545).....$ 2,200
Office of Personnel Managment (OPM) testers conduct aptitude tests (Armed Services Vocational Aptitude Battery) to applicants for the Armed Services and to students in high schools and other educational institutions. Full Army National Guard processing began at the Military Entrance Stations 1 Dec 85 and, in addition, aptitude tests for Navy, Marine Corps and Air Force are projected to increase in FY 1989 by 24,000 over FY 1986. OPM projects cost of a test session increase from $85 in FY 1986 to $100 in FY 1989.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

c. Lansing MEPS (Base $361)..... A new MEPS is being established at Lansing, Michigan. Increased funding is required in FY 89 because the MEPS will be operational for a full year.	$	433
d. Armed Services Vocational Aptitude Battery (ASVAB) Student Workbook (Base$0)..... An ASVAB Student Workbook is distributed to each student who takes an ASVAB test. The workbook helps the student interpret the test scores.	$	1,700
e. USMEPCOM Interactive Resource System (MIRS) (Base $0)..... MIRS is a commandwide interactive system designed to provide the interaction operation of Military Entrance Processing Reporting System, Information Center Capability Command Information System, electronic mail/document transfer, and automated office functions with all capabilities accessible at all levels of Command.	$	1,046
Total Program Increases.....	$	6,779

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Program Decreases		
Active Army Advertising (Base $82,221).....	$ -4,226	
Decrease in the advertising program is a result of DoD Advertising Mix Test to achieve a 25-percent reduction from the FY 1986 base by FY 1990.		
Total Program Decreases.....	$	-4,226
FY 1989 Budget Request.....	$	296,798

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

IV. Performance Criteria and Evaluation Summary:

	FY87			FY88			FY89		
	Total	I-IIIA	HSDG	Total	I-IIIA	HSDG	Total	I-IIIA	HSDG
A. Recruiting (ELIM IV)									
Contracts (000s)									
Non-Prior Service Males	99.1	64.4	90.7	93.8	59.7	86.8	103.2	66.4	92.6
Non-Prior Service Females	15.5	10.6	15.5	12.4	8.8	12.4	15.0	10.5	15.0
Total Non-Prior Service	114.6			106.2			118.2		
Prior Service	11.9			10.0			10.0		
Total	126.5	75.0	106.2	116.2	68.5	99.2	128.2	76.9	107.6
Accessions (000s)									
Non-Prior Service Males	104.2	69.1	93.5	94.8	60.0	83.5	103.2	65.0	92.3
Non-Prior Service Females	16.3	11.3	16.3	14.9	10.2	14.9	15.0	9.7	15.0
Total Non-Prior Service	120.5			109.7			118.2		
Prior Service	12.5			10.2			10.0		
Total	133.0	80.4	109.8	119.9	70.2	98.4	128.2	74.7	107.3
Delayed Entry Program (as of 1 Oct FY88)	46.3			39.9			36.2		

NOTE: Totals may not add due to rounding.

DATA SOURCE: FY88-89 Elim Alt D9380 for accessions
USAREC PAE for net contracts for FY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

IV. Performance Criteria and Evaluation Summary:

B. Examining (# in 000)

Aptitude Testing Workload	FY 1987	FY 1988	FY 1989
Army	518.9	530.7	540.0
Navy	187.3	252.4	251.0
Air Force	135.8	113.2	132.8
Marines	82.1	76.1	75.0
Coast Guard	14.5	12.5	12.5
Total	988.6	984.8	1011.3
Medical Testing Workload			
Army	340.4	330.3	336.1
Navy	148.9	177.5	173.5
Air Force	100.4	80.0	95.6
Marines	69.9	62.7	62.0
Coast Guard	4.7	3.0	3.0
Total	664.3	653.5	670.1
Aptitude Testing (Students)	1105.8	1100.0	1100.0

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	883	887	887	887	879	10	889
Enlisted	8,331	8,377	8,378	8,378	8,377	4	8,381
Total Military	9,214	9,264	9,265	9,265	9,256	14	9,270
Civilian End Strength							
US Direct Hire	2,306	2,383	2,400	2,400	2,389	17	2,406
Total Civilian	2,306	2,383	2,400	2,400	2,389	17	2,406
Military Workyears							
Officer	884	860	885	885	883	5	888
Enlisted	8,627	8,354	8,355	8,355	8,377	3	8,380
Total Military Workyears	9,511	9,214	9,240	9,240	9,260	8	9,268
Civilian Workyears							
US Direct Hire	2,372	2,365	2,380	2,380	2,362	30	2,392
Total Civilian Workyears	2,372	2,365	2,380	2,380	2,362	30	2,392

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: RECRUITING AND EXAMINING

V. Personnel Summary: (Continued)

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of five in FY 89 is related to Army recruiting initiatives.

CIVILIAN

The increase of six in FY 89 is in support of examining activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

I. Narrative Description (Statement of Requirements and Mission):

This budget activity provides for disposition of remains, morale support programs, religious leadership and self-development programs, confinement and rehabilitation of post trial military prisoners, specialized chaplain activities, centralized book procurement, operation of reception stations at Army Basic Training Centers to process incoming personnel and other personnel related activities which support the Army mission.

II. Description of Operations Financed:

A. Disposition of Remains: Provides for recovery, transportation, preparation and disposition of remains of DOD military (and certain civilian) personnel and their dependents. Funds will also support the transportation of remains of military retirees dying in military hospitals as authorized by Public Law 98-94.

B. US Army Disciplinary Barracks (USDB) and US Army Correctional Activity (USACA): Provides resources for administration and operation of the USDB, Fort Leavenworth, KS and USACA, Fort Riley, KS. USDB is the third tier of the three tier Army correctional system and confines prisoners with sentences over two years. USACA is the second tier and confines prisoners with sentences of four months to two years. Both confinement facilities maintain custody, control and discipline of prisoners. Each facility also provides correctional treatment programs, vocational training opportunities, civilian and military education and constructive employment.

C. Chaplains Activities: Provides funds for programs such as Family Life Ministry, Minority/Multi-Cultural Ministries, ethics and personal effectiveness training, innovative worship opportunities in an environment of changing life styles, moral leadership training, analysis and development of programs to meet the needs of female soldiers, lay leadership development, refurbishment and replacement of unserviceable chapel

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

II. Description of Operations Financed (Continued):

items, clinical pastoral education, a program of parish development, religious education, and religious retreats, training programs at installations for military personnel, their dependents and authorized DOD civilians, chaplains and chapel activities specialists. Provides funds for ecclesiastical relations with official representatives of American religious organizations since the Army is completely dependent upon civilian religious bodies of all faiths, denominations and sects to supply qualified clergy to serve as Army Chaplains. Travel funds will assist the Army Chaplaincy in its efforts to eliminate the shortage in Roman Catholic and minority chaplains which currently exists. Funding also provides for initial issue of chaplains' kits; honoraria fees to professional resource speakers; and continuation of "Family Life" centers which improve the quality of life within the military community. Activities include premarital counseling and education, marriage enrichment workshops, communication skills development seminars, personal growth seminars, parent-child relationship classes, marriage and family counseling, group counseling and individual counseling.

D. Other Activities: Provides funds for centralized procurement of library books for 278 libraries operated Army-wide. Provides paperbound book kits for issue monthly to isolated units, hospitals, confinement centers, and other personnel not having access to a library. Provides start-up costs for libraries entering the Federal Library and Information Network for online cataloguing and interlibrary loan. Books purchased support education programs, current events, special interest issues such as leadership, alcohol and substance abuse, physical fitness, family issues and military topics, as well as leisure reading for military and family members. Provides support of Army, Armed Forces, national and international sports competitions. Conducts sports programs in team and individual sports. Provides resources for Armed Forces Professional Entertainment and USO celebrity shows for soldiers overseas, talent contests and other miscellaneous personnel activities.

E. Reception Stations: Provides funds for operation of reception stations at Army Basic Training Centers to process incoming personnel including station equipment, civilian pay, organizational supplies and other variable costs related to individual processing.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			Change
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate	FY 1988/ FY 1989
Disposition of Remains	6,263	7,640	6,807	6,807	7,723	-919	6,804	-3
US Army Disciplinary Barracks	9,120	10,259	9,603	9,603	10,274	-754	9,520	-83
US Army Correctional Activity								
Chaplains Activities	2,040	2,059	2,049	2,049	2,101	-78	2,023	-26
Other Activities	8,655	6,551	6,530	6,530	6,803	-161	6,642	112
Reception Stations	13,265	12,489	11,906	11,690	15,167	-2,889	12,278	588
Total Activity Group	39,343	38,998	36,895	36,679	42,068	-4,801	37,267	588

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

FY 1988 Current Estimate		$ 36,679
Functional Program Transfers In:		
Intra Appropriation Transfers In:		
a. Transfer from Program 95	$ 907	
Realign resources and manpower for the OSA Central I.D. Laboratory, Hawaii and USA Mortuary, Oakland, CA.		
Total Transfers In		$ 907
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 49	
b. Compensable Days - Two Days Less	$ -72	
c. FY 1989 Civilian Personnel Pay Increase-2 Percent	$ 185	
Total Civilian Personnel Costs	$ 162	

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Non-Personnel Price Growth

a.	Stock Fund Material	$ 300	
b.	Commercial Transportation	$ 7	
c.	Travel	$ 101	
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 8	
e.	Annualization of Indirect Hire Foreign National FY 1988 Pay Raise	$ 9	
f.	Private Sector Price Increase	$ 399	
g.	Industrial Fund Repricing	$ 7	
	Total Non-Personnel Price Growth	$ 831	
	Total Price Growth		$ 993

Program Decreases

a. Disposition of Remains (Base $6,807) ..... $ -480
Withdrawal of resources predicated on actual obligations incurred FY 1987 and projected workload in FY 1988.

b. US Army Correctional Activity (Base $4,314) ..... $ -832
Resources withdrawn based on scale back of number of prisoners incarcerated.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Total Program Decreases	$	-1,312
FY 1989 Budget Request	$	37,267

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987	FY 1988	FY 1989
Remains Processed	1,938	2,035	1,978
US Disciplinary Barracks/ USA Correctional Activity (prisoners)	2,150	2,200	2,200
Welfare and Morale Services:			
Entertainment Units	66	66	66
Number of performances	1,870	1,870	1,870
Purchase of books (1,000's)			
Clothbound	70	78	78
Paperbound	417	425	409

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY1987	FY1988	FY1989
Reception Station Processing (enlistees on 000's)			
Males	180.6	167.6	192.2
Females	28.0	26.7	28.6
Total	208.6	194.3	220.8
(Active Army NPS Males)	100.2	106.6	101.1
(Active Army NPS Females)	16.6	14.9	14.6
(Total)	116.8	121.5	115.8
(Army National Guard NPS Males)	44.5	31.2	49.7
(Army National Guard NPS Females)	3.2	3.9	3.0
(Total)	47.7	35.1	52.7
(US Army Reserve NPS Males)	25.9	19.9	31.5
(US Army Reserve NPS Females)	7.1	6.8	9.9
(Total)	33.0	26.7	41.4
(Active Army Prior Service Males)	10.0	9.9	9.9
(Active Army Prior Service Females)	1.1	1.1	1.1
(Total)	11.1	11.0	11.0

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	149	160	162	162	160	2	162
Enlisted	1,398	1,390	1,418	1,418	1,390	28	1418
Total Military	1,547	1,550	1,580	1,580	1,550	30	1580
Civilian End Strength							
US Direct Hire	510	523	429	429	530	-105	425
Foreign National Direct Hire	9	11	19	19	11	8	19
Foreign National Indirect Hire	5	5	6	6	10	4	14
Total Civilian	524	539	454	454	551	-93	458
Military Workyears							
Officer	155	159	156	156	160	2	162
Enlisted	1,394	1,393	1,408	1,408	1,390	28	1418
Total Military Workyears	1,549	1,552	1,564	1,564	1,550	30	1580

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

V. Personnel Summary: (Continued)

		FY 1988			FY 1989		
Civilian Workyears	FY1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
US Direct Hire	472	504	494	494	511	-54	457
Foreign National Direct Hire	11	16	8	8	17	-7	10
Foreign National Indirect Hire	5	5	5	5	10	1	11
Total Civilian Workyears	488	525	507	507	538	-60	478

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: OTHER PERSONNEL ACTIVITIES

V. Personnel Summary: (Continued)

Narrative Explanation of Personnel End Strength Changes:

MILITARY

No end strength change in FY 89.

CIVILIAN

The increase of four in FY 89 relects transfer of spaces for OSA Central ID Lab in Hawaii.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

I. Narrative Description (Statement of Requirements and Mission):

This budget activity provides the resources necessary to support Armed Forces Radio and Television Service (AFRTS) operations outside the Continental United States. Functions performed include: (1) the production and presenting radio and television command information announcements, news, sports, public affairs and entertainment programing; and (2) operating, maintaining, and funding of radio/TV program production facilities and distribution systems.

II. Description of Operations Financed:

Provides for the manning, operation and maintenance of 582 AFRTS studio and transmitters and management of 107 mini-TV sites. This service includes presenting essential command information and emergency announcements, as well as news, sports, and entertainment television and radio programs for over 600,000 U.S. military and civilian personnel and their families stationed overseas. The operations financed includes U. S. civilian personnel salaries and benefits, local national personnel, TDY and PCS costs, rentals for new and wire services, mini-TV costs, leased communication costs (including satellites), organizational maintenance (including contract services), equipment, material, supplies, services (including contract services) and leased facilities and furnishings. These funds include operation of the Army portion of the DOD Satellite Network (SATNET) which provides "real-time" news, information and public affairs programing to AFRTS networks in Germany, Italy, Panama and South Korea, Kwajalein Missile Range, Honduras and Johnston Atoll. Commanders world-wide have identified SATNET as the single most important morale booster in their commands. Expansion of the SATNET system is planned for six isolated Army locations in Turkey has begun. Radio and television service now reaches areas where servicemembers have not previously enjoyed the benefits of AFRTS. In October 1986, the American Forces Network Europe (AFNE) began the transition from a microwave to a satellite distribution system. The AFNE radio and television signal will be transmitted to a satellite from a location near Frankfurt and downlinked to over 500 locations throughout Germany, Belgium and the Netherlands. The audience will be expanded to include mini-TV and remote sites not previously receiving the AFNE signal. During FY 1987, ABS initiated an alternative program service at the Southern Command Network (SCN) in Panama. This service provides additional news, sports, entertainment and information to U.S. forces in Panama, increase exposure to DOD/DA command information topics and improve the quality-of-life in the U.S. SOUTHCOM.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

III. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 1989/ FY 1988
Armed Forces Radio and Television Service	14,571	20,792	19,995	18,955	22,709	-1,817	20,892	1,937
Total Activity Group	14,571	20,792	19,995	18,955	22,709	-1,817	20,892	1,937

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

FY 1988 Current Estimate		$ 18,955
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 8	
b. Compensable Days - Two Days Less	$ -15	
c. FY1989 Civilian Personnel Pay Increases-2 Percent	$ 29	
Total Civilian Personnel Costs	$ 22	
Non-Personnel Price Growth		
a. Stock Fund Material	$ 9	
b. Commercial Transportation	$ 5	
c. Travel	$ 7	
d. Indirect Hire Foreign National FY 1989 Pay Raise	$ 53	
e. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 63	
f. Private Sector Price Increase	$ 483	
g. Industrial Fund Repricing	$ 15	
Total Non-Personnel Price Growth	$ 635	
Total Price Growth		$ 657

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Program Increases

a. Equipment Installation (Base $0).....$ 1,030
Equipment installation costs to support the Europe-wide American Forces Network, Europe television and radio distribution system expansion by Army and Department of Defense.

b. Security Guards (Base $0).....$ 250
Increase is contract costs for security requirements in Europe. Due to continual threat environment of terrorism and vandalism, increased security measures are required. Contract is for salaries, for full-time security guards.

Total Program Increases.....$ 1,280

FY 1989 Budget Request.....$ 20,892

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

IV. Performance Criteria and Evaluation

A. Outlets	FY 1987	FY 1988	FY 1989
AFRTS Broadcast Facilities	441	582	723
AFRTS Mini-TV Sites	137	107	47
Total AFRTS Outlets	578	689	770

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

IV. Performance Criteria and Evaluation: (Continued)

B. Audience Served

	Army	Navy	Marines	Air Force	Other	Total
Military	250,480	6,162	1,164	63,657	-0-	321,463
DOD Civilians	26,000	779	-0-	3,610	8,315	38,704
Military Civilian Dependents	202,848	6,739	513	64,942	-0-	275,042
DOD Civilian Dependents	16,516	703	-0-	1,875	447	19,541
Total	495,844	14,383	1,677	134,084	8,762	654,750

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	8	8	7	7	8	-1	7
Enlisted	315	315	279	279	315	-36	279
Total Military	323	323	286	286	323	-37	286
Civilian End Strength							
US Direct Hire	73	73	77	77	73	4	77
Foreign National Direct Hire	31	31	23	23	31	-8	23
Foreign National Indirect Hire	65	65	65	65	65	0	65
Total Civilian	169	169	165	165	169	-4	165

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

V. Personnel Summary: (Continued)

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military Workyears							
Officer	8	8	8	8	8	-1	7
Enlisted	315	315	297	297	315	-36	279
Total Military Workyears	323	323	305	305	323	-37	286
Civilian Workyears							
US Direct Hire	86	72	74	74	72	4	76
Foreign National Direct Hire	34	31	29	29	31	-8	23
Foreign National Indirect Hire	45	64	64	64	64	0	64
Total Civilian Workyears	165	167	167	167	167	-4	163

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMED FORCES RADIO AND TELEVISION SERVICE (AFRTS)

V. Personnel Summary: (Continued)

Narrative Explanation of Personnel End Strength Changes:

MILITARY

No end strength change FY 89.

CIVILIAN

No end strength change FY 89.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

I. Narrative Description (Statement of Requirements and Mission):

Provides resources for the training, education and development of Army civilian employees in professional, scientific, administrative and technical career fields. The training is specifically designed to develop entry level interns into a cadre of future managers, to train new personnel to immediately assume key positions, to improve the executive and managerial capabilities of the current workforce and to develop apprentices for specialized facility engineering positions. The major components of the CTED program are: (1) Intern Program; (2) Long-Term Training and Development Program; (3) Executive and Managerial Development Program; and, (4) Facility Engineering Apprenticeship Program (FEAP). Funds provide for salaries, related benefits and supporting costs necessary to cover: (a) tuition, books, fees, programed instructional materials and related expenses; (b) travel and per diem of student/participants while enroute or in training, educational, or developmental assignments including intern travel and per diem during intern training period; (c) transportation and/or storage of household goods for participants in long-term training, education, and/or developmental assignments which are in excess of 120 calendar days (including interns, apprentices and career program fellows); and (d) administrative costs associated with the administration and management of these programs. The CTED Program is essential to assure a "pipeline" of competent employees who are abreast of new developments in technology and who have full understanding of the current knowledge, skills, and abilities required to meet the Army's current and future civilian staffing needs at both the journeyworker and managerial levels.

II. Description of Operations Financed:

A. Intern Program: This program provides for salaries/benefits, travel and training of interns for placement into highly specialized occupations which are not available through normal labor market sources. Those selected for this highly competitive program are normally hired at the GS5/7 level. Interns undergo an intensive structured 2-year program comprising both on-the-job and formal classroom training at the end of which they will be fully prepared to perform successfully at the journeyworker level. Interns are required to sign a mobility agreement so they can be placed where Army's needs dictate.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

II. Description of Operations Financed (Continued):

B. Long Term Training: This program provides for salaries/benefits, tuition and travel of carefully selected employees to receive training and development to assure knowledges and skills of employees in executive and managerial leadership positions within the Army; and to receive functional training essential to maintain currency with the state-of-the-art in engineering, science, and specialized technology skills. This training is provided at various military colleges and civilian colleges and universities, and developmental assignments in the public and private sectors.

C. Executive and Management Development Program: This program provides minimum support required for a variety of intensive short-term courses for new managers, high potential managers, and incumbent executives and managers who require updating in managerial skills and knowledge. The Executive and Management Development Program is critical in developing a cadre of highly qualified employees to fill vacancies in the executive/managerial ranks that are created by retirements, transfers, and deaths.

D. Facility Engineering Apprenticeship Program (FEAP): This program provides for salaries/benefits, travel and training of apprentices for specialized wage grade facility engineer positions. Individuals selected for this program are progressively promoted as they acquire the requisite knowledge and skills for the area to which they are assigned.

E. Administration: Provides salaries/benefits for civilians and necessary supplies and equipment to manage the programs described above.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

III. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 1988/ FY 1989
Career Program Interns	87,248	100,144	82,318	78,766	106,145	-22,978	83,167	4,401
Facility Engineering Apprenticeship Program	3,202	5,392	3,275	3,275	5,876	-3,246	2,630	-645
Executive & Management Development Training	8,373	9,425	3,671	2,595	10,264	-6,809	3,455	860
Administration	1,380	1,497	1,497	2,200	1,618	582	2,200	0
Long-Term Training	9,002	8,943	8,943	10,568	9,268	2,528	11,796	1,228
Total Activity Group	109,205	125,401	99,704	97,404	133,171	-29,923	103,248	5,844

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989

OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

FY 1988 Current Estimate		$ 97,404
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (annualization)	$ 508	
b. Compensable Days - Two Days Less	$ -718	
c. FY1989 Civilian Personnel Pay Increase-2 Percent	$ 1,876	
Total Civilian Personnel Costs	$ 1,666	
Non-Personnel Price Growth		
a. Commercial Transportation	$ 101	
b. Travel	$ 94	
c. Private Sector Price Increase	$ 152	
d. Industrial Fund Repricing	$ 15	
Total Non-Personnel Price Growth	$ 362	
Total Price Growth		$ 2,028

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Program Increases

a. Civilian Career Intern Program (Base $ 78,766).....$ 1,728

This increase will partial restore needed training for 1,728 interns ($1,728 x $1,000). Although these resources are not representative of the FY 1987 training level, they do provide additional training to assure progression of the current Interns to the journeyman level and they provide an incentive for new interns who are vitally needed to replace the aging workforce.

b. Civilian Long-Term Training Program (Base $ 10,568).....$ 1,229

This increase allows 20 new long term training starts. It will provide academic, technical and professional training that is necessary to maintain Army's participation in senior service schools and other quota academic programs. This program provides training for the future civilian leaders of the Army.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

c. Executive Development (Base $ 2,595).....	$ 859	
The increase in funds will be utilized for professional development training for 573 instances of short-term Executive Management and Leadership Training (573 instances x $1,500).		
Total Program Increases.....		$ 3,816
FY 1989 Budget Request.....		$ 103,248

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

IV. Performance Criteria and Evaluation:

	FY1987	FY1988	FY1989
Facility Engineering Apprenticeship Program (FEAP) (Workyears)	143	135	110
Career Program Interns (Workyears)	3280	2971	3197
Short-Term Executive Management and Leadership Training (instances of training)	5582	1730	2303
Administration (Workyears)	28	50	50
Long Term Training Program (Workyears)	189	117	137

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	0	0	0	4	0	20	20
Total Military	0	0	0	4	0	20	20
Civilian End Strength							
US Direct Hire	3,763	4,418	3,691	3,691	4,562	-727	3835
Total Civilian	3,763	4,418	3,691	3,691	4,562	-727	3835
Military Workyears							
Officer	0	0	0	2	0	12	12
Total Military Workyears	0	0	0	2	0	12	12
Civilian Workyears							
US Direct Hire	3,642	4,335	4,328	4,328	4,476	-727	3749
Total Civilian Workyears	3,642	4,335	4,328	4,328	4,476	-727	3749

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: CIVILIAN TRAINING, EDUCATION AND DEVELOPMENT (CTED) PROGRAM

V. Personnel Summary: (Continued)

Narrative Explanation of Personnel End Strength Changes:

MILITARY

The increase of 16 in FY 89 reflects increased support in professional development training for Army civilians key management areas.

CIVILIAN

The increase of 144 in FY 89 results in support of enhanced training for interns, long-term training and executive development.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC)

I. Narrative Description (Statement of Requirements and Mission):

The objectives of the Army Junior Reserve Officer Training Corps (JROTC) program are to acquaint secondary school students with the technical requirements of the modern age, to develop leadership, to develop informed and responsible citizens, to strengthen character, to promote an understanding of the basic elements and requirements for national security, and to develop an interest in the military services as a possible career.

II. Description of Operations Financed:

JROTC (OMA) funds are expended for the government's share (50 percent) of salary expenses for over 2,300 retired military employed as ROTC instructors in 860+ secondary schools in CONUS and OCONUS and for unit operations, supplies and equipment. Purchase of JROTC Cadet uniforms is funded in the Reserve Personnel Army appropriation.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC)

III. Financial Summary (O&M: $ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 1988/ FY 1989
Instructor Salaries	23,551	23,940	23,029	22,476	24,832	-2,355	22,477	1
Institutional Operations and Training Activities	6,261	6,554	6,122	5,975	7,594	-1,619	5,975	0
Total Activity Group	29,812	30,494	29,151	28,451	32,426	-3,974	28,452	1

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC)

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

FY 1988 Current Estimate		$ 28,451
Price Growth		
Non-Personnel Price Growth		
a. Stock Fund Material	$ 58	
b. Travel	$ 14	
c. Private Sector Price Increase	$ 949	
d. Industrial Fund Repricing	$ 1	
Total Non-Personnel Price Growth	$	
Total Price Growth		$ 1,022

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC)

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Program Decreases

a.	Software for ROTC Mission Management System (Base $150) Removal of one time costs to purchase software to run JROTC programs on the ROTC Mission Management System (ROTCMMS)	$	-150
b.	Supplies and Equipment (Base $25,648) Reduced level of support based on delayed delivery of program of instruction.	$	-871
	Total Program Decreases	$	-1,021
FY 1989 Budget Request		$	28,452

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC)

IV. Performance Criteria and Evaluation:

	FY 1987	FY 1988	FY 1989
Number of Junior ROTC Units Authorized	896	896	896
Average Cadet Enrollment	135,461	135,625	138,291
Number of Retired Military Instructors Authorized *	2,187	2,236	2,254

* Each school which hosts a JROTC unit is authorized a minimum of one retired commissioned officer and one retired NCO. One additional NCO is authorized for a unit per each 100 additional enrolled JROTC students starting with 200 students, i.e., a school with 400 enrolled JROTC students is authorized 1 officer and 4 NCOs. The host school must pay at least the difference between the instructor's retired pay and the pay and allowances (less special and hazardous duty pay) the instructor would receive if ordered to active duty at that location. The Army then reimburses the school half the difference between the retired and active duty pay. Only retirees who are certified to be JROTC instructors by the Army ROTC Cadet Command may be hired by a host school. Certified instructors are hired and sign a personal contract with the school concerned, not with the Army.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC)

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	2	2	2	2	2	0	2
Enlisted	59	63	63	63	63	0	63
Total Military End Strength	61	65	65	65	65	0	65
Military Workyears							
Officer	2	2	2	2	2	0	2
Enlisted	63	64	61	61	64	-1	63
Total Military Workyears	65	66	63	63	66	-1	65

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: JUNIOR RESERVE OFFICER TRAINING CORPS (JROTC)

Narrative Explanation of Personnel End Strength Changes:

MILITARY

No end strength change in FY 1989.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

I. Narrative Description (Statement of Requirements and Mission):

ACES programs further Army readiness, retention and morale by improving individual professionalism and military skill proficiency. This program also provides the resources necessary to enable soldiers to fulfill their aspirations for educational growth through on-duty remedial and off-duty voluntary programs. ACES strives for closer coordination/integration with federal and state educational systems and with programs of the Veterans Administration. ACES is integrated primarily with recruiting, retention and training but supports all other aspects of Army personnel management. Advertised educational opportunities attract quality Army personnel and supplement individual enhancement programs, thereby improving professionalism and contributing to the Army readiness goal. ACES programs also improve the soldiers' quality of life in support of the Army human goal.

II. Descriptions of Operations Financed:

A. Secondary Education Program: Secondary programs include Basic Skills Education, Career Soldier Education, English as Second Language and the High School Completion Program. The Basic Skills Education Program (BSEP) is delivered in two phases. BSEP I is the commander's remedial program provided in the training base for soldier trainees who need basic competencies necessary to complete Advanced Individual Training successfully. BSEP II provides soldiers in grades E1 through E5 job-related academic competencies necessary for proficiency in military duties. The Career Soldier Education Program (CSEP) is designed for more senior erlisted personnel and is also delivered in two phases. CSEP I is the commander's education program for those personnel scheduled to attend courses in the Army's Noncommissioned Officer Education System but found to have academic deficiencies which would preclude them from successfully completing the course of instruction. CSEP II is the commander's program for NCO's who show specific educational deficiencies which prevent them from being qualified to successfully continue their military careers. English as Second Language provides instruction in English for non-native speaking soldiers. The High School Completion Program provides off-duty hours instruction to enable soldiers to earn a high school diploma or pass state high school equivalency examinations. The High School Completion Program is fully funded and no cost to the soldier. FY 1988 projections indicate that there remain more than 25,000 non-high school graduates Army-wide. Costs associated with secondary education programs include instructional costs, workyear costs associated with testing, counseling and administration, costs of supplies and equipment and costs of ADP support including computer based or computer managed instruction.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

II. Description of Operations Financed: (Continued)

B. Postsecondary Education Programs: These include all collegiate-level programs. They include associate, baccalaureate and graduate study conducted off-duty both on and off Army installations. These are supported by tuition assistance (TA) of either 75 or 90 percent. The Army's tuition assistance provides financial assistance to soldiers, aiding career and professional development and achievement of individual educational objectives and skill development. Through tuition assistance, Army attracts enlistees and ensures that recruiting promises are honored Army-wide. In-service TA is reflected as a line item in the Total Military Compensation Presentation prepared annually at Congress' direction and provided to all soldiers. Costs associated with postsecondary education programs include not only tuition assistance but also workyear costs associated with testing, counseling and administration of the programs, supplies and equipment necessary for program operation and ADP support including computer based instruction. This category also includes tuition reimbursement for independent study (correspondence) courses taken by soldiers through the Defense Activity for Non-traditional Education Support (DANTES).

C. Management: This category provides funding for management of the Army Continuing Education System. There are presently 386 Education Centers staffed with 1,208 full time personnel. Management costs include supervisory salaries, supplies and equipment not associated with education program operation and costs for travel and professional development and PCS of staff.

D. Army Learning Centers: An Army Learning Center (ALC) is a facility dedicated as a delivery point for individualized or small group multi-media instruction. This category integrates existing Learning Center functions which have separately furnished services to support military training, education opportunities or civilian employee training and development. This Army initiative provides commanders the training and educational support resources to meet validated training development and educational needs. It also provides a standardized managerial method for operations and fiscal control.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

III. Financial Summary (O&M): $ in Thousands)

A. Subactivity Group:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 1988/ FY 1989
Secondary Education Program	38,431	38,424	29,762	27,699	40,608	-10,345	30,263	2,564
Postsecondary Education Program	63,479	71,828	55,635	55,398	80,818	-20,293	60,525	5,127
Management	15,790	16,264	16,264	16,264	16,751	0	16,751	487
Total Activity Group	117,700	126,516	101,661	99,361	138,177	-30,638	107,539	8,178

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

FY 1988 Current Estimate		$ 99,361
Intra Appropriation Transfer Out		
Army Missile Command (MICOM) Production Overhead Costs. Transfer to Program 7S Mission to support production overhead costs of U.S. Army Missile Command. These overhead costs are being reduced from customer rates in accordance with OSD directive. This functional transfer will neither increase nor decrease purchasing power of MICOM customers.	$ -42	
Total Transfer Out		$ -42
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 139	
b. Compensable Days - Two Days Less	$ -226	
c. FY 1989 Civilian Personnel Pay Increase-2 Percent	$ 631	
Total Civilian Personnel Costs	$ 544	

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Non-Personnel Price Growth

a.	Stock Fund Material	$ 36	
b.	Commercial Transportation	$ 24	
c.	Travel	$ 29	
d.	Indirect Hire Foreign National FY 1989 Pay Raise	$ 74	
e.	Indirect Hire Foreign National FY 1989 Pay Raise - Separation Allowance	$ 23	
f.	Annualization of FY 1988 Indirect Hire Foreign National Pay	$ 45	
g.	Annualization of FY 1988 Indirect Hire Foreign National Pay Raise-Raise Separation Allowance	$ -18	
h.	Private Sector Price Increase	$ 1,953	
i.	Industrial Fund Repricing	$ -73	
	Total Non-Personnel Price Growth	$ 2,093	
	Total Price Growth		$ 2,637

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

III. Financial Summary (O&M: $ in Thousands):

C. Reconciliation of Increases and Decreases: (Continued)

Program Increases

a. Secondary Education Program (Base $27,699).....$ 2,064
Provides additional Basic Skills instruction in accordance with stated needs of Army field commanders. Instruction facilitates OJT and is targeted specifically at individual job-related academic skill/knowledge prerequisites. Includes instructional (contract) cost, supplies, equipment and technology to deliver this instruction.

b. Post Secondary Education Program (Base $55,398).....$ 3,519
These resources are not adequate to restore this program to the desired 90 percent participation rate. Funds will accomodate individual soldier demands to participate in post secondary educational opportunities consistent with increasing previous educational attainment of soldiers, professional development patterns, and personnel readiness.

Total Program Increases.....$ 5,583

FY 1989 Budget Request.....$ 107,539

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

IV. Performance Criteria and Evaluation:

	FY 1987	FY 1988	FY 1989
Secondary Education Program	409,840	203,381	330,670
Postsecondary Education Program	218,653	137,153	166,867
ACES Enrollments, Total	628,493	340,534	499,537
Other Enrollments	185,955	195,012	195,012
Enrollments, Total	814,448	535,546	694,549

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

V. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	2	2	2	2	2	0	2
Enlisted	19	22	21	21	22	-1	21
Total Military	21	24	23	23	24	-1	23
Civilian End Strength							
US Direct Hire	1338	1280	1084	1084	1284	-185	1099
Foreign National Direct Hire	45	44	44	44	44	0	44
Foreign National Indirect Hire	74	69	68	68	69	-4	65
Total Civilian	1457	1393	1196	1196	1397	-189	1208
Military Workyears							
Officer	3	2	2	2	2	0	2
Enlisted	18	22	20	20	22	-1	21
Total Military Workyears	21	24	22	22	24	-1	23

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

V. Personnel Summary (Continued)

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp Amount	Current Estimate	Initial Estimate	Change	Amended Estimate
Civilian Workyears							
US Direct Hire	1266	1276	1224	1224	1278	-196	1082
Foreign National Direct Hire	46	42	44	44	44	0	44
Foreign National Indirect Hire	71	69	69	69	69	-5	64
Total Civilian Workyears	1383	1387	1337	1337	1391	-201	1190

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: ARMY CONTINUING EDUCATION SYSTEM (ACES)

V. Personnel Summary: (Continued)

Narrative Explanation of Personnel End Strength Changes:

MILITARY

No end strength change in FY 89.

CIVILIAN

The increase of twelve in FY 89 is due to off-duty voluntary education support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: VETERANS EDUCATIONAL ASSISTANCE PROGRAM (VEAP)

I. Narrative Description (Statement of Requirements and Mission):

The Veterans Educational Assistance Program (VEAP) as authorized by PL 94-502 and PL 96-342 provides funds to support contract obligations for educational incentives from 1 January 1977 through 30 June 1985. Basic VEAP replaced the Vietnam Era GI Bill which terminated 31 December 1976. All service members, regardless of rank, who signed contracts 1 January 1977 through 30 June 1985 are eligible to participate in Basic VEAP. Service members contributions are matched 2:1 by the Army. On 1 January 1979, the Army began testing the recruiting effects of offering additional "kickers" (up to $6,000) to high school diploma graduates in the upper test score categories. During FY 1981, an educational test program was implemented to measure effects of enhanced "kickers" (up to $12,000); a tuition-stipend program similar to the old GI Bill; and a non-contributory VEAP with "kickers" option. In FY 1982, the Army implemented the Ultra VEAP Program (Army College Fund) nationwide. This program mirrored the FY 1981 test cell and the maximum "kicker" was increased to $18,300 during FY 1985. Effective 1 July 1985, because of the new All Volunteer Educational Assistance Program (GI Bill), no new enrollments are authorized in this program. Funding requirements will continue to grow as prior year cohorts leave the Army and draw benefits.

II. Description of Operations Financed:

Veterans Educational Assistance Program: The Army is obligated by law (PL 94-502) to match service members' contributions 2:1 (up to $5,400 per person). Multiple cohorts from January 1977 through 30 June 1985 are included in programed resources.

a. The Army is also contractually obligated to contribute additional educational benefits (VEAP "Kickers") to qualified individuals who enlisted from January 1979 to 1 October 1981. Amounts vary from $2,000 to $12,000 depending on year and geographical location of Military Entrance Processing Station through which individual processed.

b. Under the Army College Fund the Army is also contractually obligated to contribute up to $18,300 for individuals signing contracts during FY 1982 through 30 June 1985. A two-year enlistee may receive up to $8,000 and a four-year enlistee may receive up to $18,300. Total benefits that may be used are the 2:1 matching contribution, the Army College Fund kickers and the soldier's contribution.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: VETERANS EDUCATIONAL ASSISTANCE PROGRAM (VEAP)

II. Description of Operations Financed (Continued):

c. The Educational Assistance Test Program: Obligates the Army to provide funds for enlistees who signed contracts during FY 1981 for the tuition-stipend program (up to $3,900 per year of service); the noncontributory VEAP program (up to $8,100); Loan Repayment Program which offers repayment of certain federally insured loans for individuals enlisting for this option. Loan repayment was suspended in FY 1982 and reinstated in FY 1983.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: VETERANS EDUCATIONAL ASSISTANCE PROGRAM (VEAP)

III. Financial Summary ($ in Thousands):

A. Subactivity Breakout

		FY 1988			FY 1989			
Veterans Educational Assistance Program	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 1988/ FY 1989
a. Matching	40,367	45,186	45,186	45,186	38,534	4,921	43,455	-1,731
b. Bonus Kickers	14,744	46,240	45,870	45,870	35,796	10,974	46,770	900
c. Test Programs	12,264	13,000	13,000	13,000	13,000	0	13,000	0
(1) Tuition Stipend (VA)	(2,702)	(2,700)	(2,700)	(2,700)	(2,500)	(2,500)	(2,500)	(-200)
Cash Out (Army)	(284)	(45)	(45)	(45)	(0)	(0)	(0)	(-45)
(2) Loan Repayment (Army)	(8,790)	(9,853)	(9,853)	(9,853)	(10,124)	(10,124)	(10,124)	(271)
(3) Non-Contributory VEAP (VA)	(485)	(402)	(402)	(402)	(376)	(376)	(376)	(-26)
TOTAL	67,375	104,426	104,056	104,056	87,330	15,895	103,225	-831

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: VETERANS EDUCATIONAL ASSISTANCE PROGRAM (VEAP)

III. Financial Summary ($ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 104,056
Price Growth		
Non-Personnel Price Growth		
Private Sector Price Increase	$ 3,850	
Total Price Growth		$ 3,850
Program Decreases		
VEAP Matching and Kicker Requirements (Base $104,056)	$ -4,681	
VEAP funding is required to cover "must-pay" contractual obligations on the part of the Army, offered as an incentive to enlist from 1 January 1977 until 30 June 1985. The first major impact on the use of these funds was felt in FY 1985 with corresponding growth in FY 1986 and FY 1987. Funding is required for multiple accession cohorts who are eligible to separate and use educational benefits which include "kickers" ($2,000 to $18,300). Approximately eight percent of the VEAP eligibles will use their benefits while in service.		
Total Program Decreases		$ -4,681
FY 1989 Budget Request		$ 103,225

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

I. Narrative Description: This Budget Activity provides for all direct costs associated with commercial real estate leases and General Services Administration (GSA) managed leases for the Department of Defense Recruiting Program and Military Entrance Processing Command (MEPCOM) beginning in FY 1988. This Budget Activity is created in order to comply with the Army's charge-back policy, which places funding and associated responsibilities with the user commands/agencies. The Corps of Engineers has been delegated responsibility for managing, acquiring and paying for space required by the DOD Recruiting Services, while MEPCOM will reimburse the Corps for space and services acquired by the Corps for MEPCOM. The FY 1989 request totals $111.1 million.

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed - Funds provide support in the following areas:

A. GSA - Outside National Capital Region - Finances the GSA-furnished space outside the National Capital Region that is managed by the Corps of Engineers.

B. Non-GSA Leases - Finances the direct cost of commercial leased space for which the Corps of Engineers is the Executive Agent.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
A. Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Military Entrance Processing Command Leases	0	20,580	19,600	19,600	21,375	-302	21,073	1,473
Recruiting Leases	0	88,620	86,024	86,024	93,946	-3,886	90,060	4,036
Total Activity Group	0	109,200	105,624	105,624	115,321	-4,188	111,133	5,509

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 105,624
Price Growth		
Non-Personnel		
a. Rents from GSA	$ 3,856	
b. Utilities	$ 106	
c. Private Sector Price Increase	$ 2,479	
Total Non-Personnel		$ 6,441
Total Price Growth		$ 6,441

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

Real Estate Leasing Requirements (base: $105,624).....	$ -932	
Improved space management and reduced recruiting workload will reduce the requirement for leased space in the recruiting program.		
Total Program Decreases.....		$ -932
FY 1989 Budget Request.....		$ 111,133

PROGRAM: OTHER GENERAL PERSONNEL ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Real Estate Leases ($000)	0	105,624	111,133
Rents from GSA ($000)	0	35,738	37,726
Other Contractual Services ($000)	0	11,608	11,911
Non-GSA Leases ($000)	0	58,278	61,496
Total Square Feet (000)	0	11,039	10,875

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

I. Description of Operations Financed:

The Administration and Associated Activities Program finances the Department of the Army Headquarters, Personnel Administration, Public Affairs, Criminal Investigation, Audiovisual Support, and a variety of world-wide support activities. Several functions and activities are funded in this program because the efforts benefit Department of Defense (DOD) or the Army as a whole, or are better managed through consolidation in one area. This program is the Army's administrative management account which covers a wide range of activities necessary to effectively manage military and civilian personnel, logistics, financial resources, and various fiscal functions required by Public Law or DOD direction.

A. Mission Activities:

Approximately 50% of the funds requested for the mission budget activity groups are required to pay personnel or to support regulatory or statutory activities. Some of the Army's obligations under Public Law include payments to the Federal Employee Disability Compensation Fund for civilian employee injury and death benefit costs; the US Postal Service for US Army official mail; the State Department for the US Army's portion of the foreign affairs administrative support costs, Overseas Banking, and for payment of non-contractual claims against the Department of the Army. Some of the organizations and the regulatory/statutory services for which funds are being requested are:

1. The Armed Forces Courier Stations which provide secure and expeditious handling of classified material;

2. The Institute of Heraldry which provides official seals and other distinctive insignia for the US Government;

3. The DOD Wage Fixing Authority which executes authorized wage fixing policy for DOD;

4. The Per Diem Travel and Transportation Allowance Committee which prescribes uniform regulations for travel and transportation allowances for uniformed and civilian personnel of DOD;

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

I. Description of Operations Financed (Continued):

5. The Armed Services Board of Contract Appeals which administers contractual disputes in accordance with the disputes clause in all DOD procurement contracts;

6. The DOD Explosives Safety Board which provides impartial and objective advice on ammunition and explosives;

7. The US Army Nuclear Agency which supervises the nuclear and chemical surety program;

8. The US Army Claims Service Agency which ensures settlement of claims for personal property; and payments for non-contractual claims.

9. Defense Supply Service which provides contract procurement services for headquarters elements of the Army and other headquarters elements of the Department of Defense;

10. Personnel and Employment Service which provides civilian personnel support functions for Department of of the Army agencies and those joint DOD agencies assigned to the Secretary of the Army for administration and support.

B. Base Operations:

1. Base Operations funding provides for operation and maintenance of installation type support, less real property maintenance activities, for the Military District of Washington (MDW). In FY 1988 this budget activity also provides operation and maintenance support for the Army Research Office, Triangle Park, NC, and the Construction Engineering Research Laboratory, Champaign, IL. In FY 1989, these activities are properly realigned to the Central Supply and Maintenance Activity group. Beginning in FY 1989, this activity group includes Fort Belvoir, VA, which is realigned from the Training Activity group. Base Operations includes headquarters administration, supply operations, equipment maintenance, unaccompanied personnel housing administration and furnishings, morale support activities, personnel support, and other base services.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

It also includes real estateleases for space furnished by the General Services Administration outside the National Capitol Region (NCR) managed by the Corps of Engineers, and GSA leased space in the NCR managed by the Office of the Secretary of the Army.

2. The Real Property Maintenance Activity (RPMA) portion of Base Operations provides engineering support for MDW. Beginning in FY 1989, this activity group includes Fort Belvoir, VA, which is realigned from the Training Activity group. RPMA Includes utilities, maintenance and repair of real property, minor construction, and other engineering support such as fire protection, custodial services, pest control refuse collection and disposal, and master planning.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

A. Activity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Department Headquarters Support	157,587	155,261	148,796	145,439	164,195	-16,884	147,311	1,872
Public Affairs Activities	9,481	10,352	10,007	9,681	10,527	-627	9,900	219
Criminal Investigation Activities	28,415	27,933	26,230	25,554	28,265	-1,754	26,511	957
Service-Wide Support	672,291	667,221	634,572	671,921	690,287	85,585	775,872	103,951
Base Operations	253,698	126,405	119,711	112,080	128,035	2,761	130,796	18,716
RPMA	37,976	30,916	29,952	29,952	37,713	31,800	69,513	39,561
TOTAL	1,159,448	1,018,088	969,268	994,627	1,059,022	100,881	1,159,903	165,276

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

FY 1988 President's Budget Request		$ 1,018,088
Congressional Adjustments:		
a. Base Operating Support (Base: $253,698)	$ - 4,196	
b. Contractor Support Services (Base: $2,480)	$ - 508	
c. DLA Stock Fund Surcharge (Base: $4,500)	$ - 2,143	
d. Expense/Investment Criteria (Base: $11,301)	$ - 5,970	
e. Headquarters Operation (Base: $155,261)	$ - 6,159	
f. Inflation Adjustment (Base: $13,457)	$ - 3,452	
g. Japanese Defense Contribution (Base: $613)	$ - 61	
h. Manpower Savings-Contracting Out (Base: $339,755)	$ - 600	
i. Non-Appropriated Fund Activities (Base: $3,765)	$ - 511	
j. Overseas Banking (Base: $11,900)	$ - 12,300	
k. Savings (Base: $217,041)	$ - 892	
l. Stock Fund Policy (Base: $17,323)	$ - 2,087	
m. Travel/Transportation (Base: $32,276)	$ - 5,240	
n. Workyear Pricing (Base: $339,755)	$ - 4,701	
Total Congressional Adjustments		$ -48,820
FY 1988 Appropriation Amount		$ 969,268

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases (Continued):

Program Transfers

Inter Appropriation Transfers In:

a. OSD PIF Functional Reprograming.....$ 15,408
Transfer of Productivity Improvement funding to correctly align for execution.

b. Drug Abuse Counseling Program.....$ 2,354
Transfers funds from Program 7 to Program 9 to support the Drug Abuse Counseling Program.

c. Financial Management Information System (FINMIS).....$ 13,760
Transfers funds from Program 7 Depot Maintenance to Program 9 to bring the financial information management systems into compliance with Comptroller General Standards and the Federal Manager's Financial Integrity Act of 1982.

Total Transfers In.....$ 31,522

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases (Continued):

Intra Appropriation Transfers Out:			
a. CHAMPUS Reprograming. Transfers funds from Program 9 of the Operations and Maintenance, Army appropriation to Program 8 Medical to support payment of medical/dental care claims of Army beneficiaries.	$ -6,163		
Total Transfers Out		$ -6,163	
Total Program Transfers			$ 25,359
Price Growth			
Civilian Personnel Costs:			
a. FY 1988 Civilian Personnel Pay Increase - 2 Percent	$ 5,830		
b. FY 1988 Civilian Health Benefits	$ 2,152		
c. Stock Fund-Fuel Rate Change	$ 344		
d. GSA Industrial Fund Rates	$ 118		
Total Civilian Personnel Costs		$ 8,444	
Total Price Growth			$ 8,444

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands)

C. Reconciliation of Increases and Decreases

Program Decreases

a. Absorption of FY 1988 Civilian Personnel Pay Increase - 2 Percent.....$ -5,830
Absorbing the FY 1988 Civilian Personnel Increase results in a decrease in funds available for contracting support, operating supplies, and equipment purchases ultimately impacting the quality and timeliness of services.

b. Absorption of Civilian Health Benefits.....$ -2,152
Absorbing the FY 1988 Civilian Health Benefits results in a decrease in funds available for contracting support, operating supplies, and equipment purchases ultimately impacting the quality and timeliness of services.

c. Absorption of Stock Fund-Fuel Rate Adjustment.....$ -344
Absorbing the Stock Fund-Fuel Rate Adjustment results in a decrease in funds available for contracting support, operating supplies, and equipment purchases ultimately impacting the quality and timeliness of services.

d. Absorption of GSA Industrial Fund Rates.....$ -118
Absorbing the GSA Industrial Fund Rates results in a decrease in funds available for contracting support, operating supplies, and equipment purchases ultimately impacting the quality and timeliness of services.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases

Total Program Decreases		$ -8,444
FY 1988 Current Estimate		$ 994,627

Inter Appropriation Transfers In:

a. Non-Tactical Vehicle Lease Transfer..... $ 2,042
Transfers funds from Other Procurement, Army 2 appropriation to support the conversion of the Army's non-tactical vehicle fleet to General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based non-tactical vehicle fleet to the IFMS by 1992.

b. Claims, Defense Appropriation Transfer..... $ 119,900
Transfers funding to settle claims brought against the Department of the Army from the Claims, Defense Appropriation.

Intra Appropriation Transfers In:

a. Productivity Improvement Program..... $ 4,320
Transfers funds from Program 7 to Program 9 to support the Productivity Improvement Program.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases

b. Fort Belvoir Transfer.....$ 57,678
Transfers funds from Program 8 Training Activities, to support the transfer of Fort Belvoir from the Training and Doctrine Command to the Military District of Washington (MDW). Includes support for 28 end strengths and 28 workyears.

c. Functional Realignment.....$ 5,972
Transfers funds from Program 2 (Mission) to support realignment of missions and functions at Fort Belvoir.

Total Transfers In.....$ 189,912

Program Transfers

Inter Appropriation Transfers Out:

a. Base Commercial Equipment.....$ -5,500
Transfers funding back to the Other Procurement, Army an appropriation that represents the difference between the $25,000 limitation requested and the $15,000 limitation allowed by Congress.

Intra Appropriation Transfers Out:

a. USA Central ID Laboratory.....$ -907
Transfers to Program 8 Other from Program 9 to realign resources for the USA Central ID Laboratory, Hawaii, and USA Mortuary, Oakland, California.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases

b. Agency Realignment. Transfers funds to support the Construction Engineering Research Laboratory, Champaign, IL, and the Army Research Office, Triangle Park, NC, to Program 7, Central Supply and Maintenance Activities.	$ -4,555	
c. Real Estate Leases. Transfers funds to Program 3, Communications to support General Services Administration controlled real estate leases for the Army Printing and Publications Center.	$ -3,825	
Total Transfers Out		$ -14,787
Total Program Transfers		$ 175,125

Price Growth

Civilian Personnel Costs

a. Civilian Salaries (Annualization)	$ 1,285	
b. Compensable Days - Two Days Less	$ -2,487	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 5,958	
Total Civilian Personnel Costs		$ 4,756

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases

Non-Personnel			
a. Stock Fund - Material	$	154	
b. Commercial Transportation Rate	$	69	
c. Industrial Fund	$	25	
d. Indirect Hire Foreign National FY 1989 Pay Raise	$	201	
e. Indirect Hire Foreign National FY 1989 Pay Raise - Separation Allowance	$	49	
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	162	
g. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise Separation Allowance	$	-61	
h. Travel	$	597	
i. Commercial Communications	$	633	
j. Utilities	$	237	
k. Private Sector	$	13,613	
l. Rents from GSA	$	3,097	
Total Non-Personnel	$		18,776
Total Price Growth	$		23,532
Program Increases			
a. Disability Compensation	$	3,772	
b. Facilities M&R	$	140	
Total Program Increases	$		3,912

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

II. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases

Program Decreases

a.	Army Staff 2% Field Operation (FOA) Reduction	$	-3,480
b.	Productivity Improvement Program	$	-12,517
c.	Personnel Activities	$	-521
d.	Public Affairs Support	$	-44
e.	Military Table of Organization Equipment (MTOE) Conversion	$	-309
f.	Tactical Army Combat Service Support Computer System (TACCS)	$	-5,452
g.	Automatic Data Processing Equipment (ADPE) Leases	$	-6,542
h.	Workload Reduction	$	-4,240
i.	Operation Support Costs	$	-1,095
j.	Real Estate Leases	$	-1,769
k.	Base Operations	$	-1,324
	Total Program Decreases	$	-37,293
FY 1989 Budget Request		$	1,159,903

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES

III. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	3,730	3,926	3,567	3,567	3,917	-348	3,569
Enlisted	2,948	3,034	2,901	2,901	3,024	38	3,062
Total Military End Strength	6,678	6,960	6,468	6,468	6,941	-310	6,631
Civilian End Strength							
U.S. Direct Hire	12,312	11,730	10,934	10,934	11,726	-327	11,399
Foreign National Direct Hire	68	68	68	68	68	0	68
Foreign National Indirect Hire	158	170	170	170	170	0	170
Total Civilian End Strength	12,538	11,968	11,172	11,172	11,964	-327	11,637
Military Workyears							
Officer	4,063	3,936	3,647	3,647	3,922	-354	3,568
Enlisted	3,216	2,969	2,923	2,923	2,898	84	2,982
Total Military Workyears	7,279	6,905	6,570	6,570	6,820	-270	6,550
Civilian Workyears							
U.S. Direct Hire	12,338	11,744	11,607	11,607	11,707	-252	11,455
Foreign National Direct Hire	78	65	66	66	65	1	66
Foreign National Indirect Hire	140	165	165	165	165	-1	164
Total Civilian Workyears	12,556	11,974	11,838	11,838	11,937	-252	11,685

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: DEPARTMENT HEADQUARTERS SUPPORT

I. Narrative Description (Statement of Requirements and Mission):

This activity group includes the operating costs for the Department of the Army executive management offices located in the Washington, DC area and engaged in the formulation of plans, policies, programs, resource allocation and the supervision and direction of subordinate offices, agencies and commands. Included is civilian personnel compensation for the Offices of the Secretary of the Army and Army Staff, Office of the Chief of Engineers, and the Military District of Washington.

II. Description of Operations Financed:

Office of the Secretary of the Army (OSA) provides for the day-to-day operations of the Offices of the Secretary of the Army, Under Secretary of the Army and the six assistant secretaries: Civil Works, Financial Management, Manpower and Reserve Affairs, Research, Development and Acquisition, Installations and Logistics, and Director of Information System for Command, Control, Communication and Computers (DISC4). Also provides support to the Office of the General Counsel; Office of the Chief, Legislative Liaison; Office of the Administrative Assistant, Offices of the Inspector General, Auditor General, and Management Office.

Army Staff (ARSTAF) provides for the day-to-day operations of the Office, Chief of Staff and the General Staff Agencies of the Deputy Chief of Staff for Personnel, Deputy Chief of Staff for Operations and Plans, Deputy Chief of Staff for Logistics, and the Assistant Chief of Staff for Intelligence. Also provides support to the Judge Advocate General, Chief of Chaplains, Surgeon General, and Chief of Engineers.

Military District of Washington (MDW) provides for the day-to-day operations of MDW which has the mission to provide support to the Department of the Army in the National Capitol Region.

Office, Chief of Engineers (OCE) provides for the pay and support of the headquarters element of OCE.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: DEPARTMENT HEADQUARTERS SUPPORT

III. Financial Summary ($ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Office, Secretary of the Army	141,280	138,410	133,167	130,301	147,275	-15,017	132,258	1,957
Military District of Washington	5,949	3,981	3,525	3,152	3,999	-1,216	2,783	-369
Office, Chief of Engineers	10,358	12,870	12,104	11,986	12,921	-651	12,270	284
Total	157,587	155,261	148,796	145,439	164,195	-16,884	147,311	1,872

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: DEPARTMENT HEADQUARTERS SUPPORT

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases (Continued):

FY 1988 Current Estimate			$ 145,439
Price Growth			
Civilian Personnel Costs			
a. Civilian Salaries (Annualization)	$ 146		
b. Compensable Days - Two Days Less	$ -513		
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 1,298		
Total Civilian Personnel Costs		$ 931	
Non-Personnel			
a. Stock Fund-Material	$ 22		
b. Commercial Transportation Rate	$ 5		
c. Travel	$ 112		
d. Commercial Communications	$ 189		
e. Private Sector	$ 1,708		
Total Non-Personnel		$ 2,036	
Total Price Growth			$ 2,967

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: DEPARTMENT HEADQUARTERS SUPPORT

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases (Continued):

Program Decreases

Operational Support Costs	$	-1,095
Reduction provides for a decreased level of spending for Headquarters support and operating supplies and other contracts.		
Total Program Decreases	$	-1,09[illegible]
FY 1989 Budget Request	$	147,311

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: DEPARTMENT HEADQUARTERS SUPPORT

IV. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1,359	1,366	1,356	1,356	1,366	-98	1,268
Enlisted	163	161	162	162	161	-15	146
Total Military End Strength	1,522	1,527	1,518	1,518	1,527	-113	1,414
Civilian End Strength							
U.S. Direct Hire	2,038	2,211	2,203	2,203	2,211	-345	1,866
Foreign National Direct Hire	0	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian End Strength	2,038	2,211	2,203	2,203	2,211	-345	1,866
Military Workyears							
Officer	1,475	1,366	1,357	1,357	1,366	-54	1,312
Enlisted	189	161	162	162	161	-7	154
Total Military Workyears	1,664	1,527	1,519	1,519	1,527	-61	1,466
Civilian Workyears							
U.S. Direct Hire	2,105	2,171	2,163	2,163	2,171	-344	1,827
Foreign National Direct Hire	0	0	0	0	0	0	0
Foreign National Indirect Hire	0	0	0	0	0	0	0
Total Civilian Workyears	2,105	2,171	2,163	2,163	2,171	-344	1,827

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: DEPARTMENT HEADQUARTERS SUPPORT

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The decrease of 104 in FY 89 reflects management headquarters reductions.

CIVILIAN

The decrease of 337 in FY 89 reflects management headquarters reductions.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: PUBLIC AFFAIRS

I. Narrative Description (Statement of Requirements and Mission):

This activity group provides support for all public information and community relations activities at Army installations world-wide. Public information includes all functions and activities which are performed primarily for the purpose of providing official information about the military departments and defense agencies to the public and public media, such as press, radio and television, magazines and books, motion pictures, or other outlets. Public information products are generated in response to requests for information and initiatives of the Department of Defense to fulfill its obligation of informing the public within the bounds of security.

Community relations includes all functions and activities which are performed primarily for the purpose of contributing to good relations between the military departments and defense agencies and all segments of the civilian population at home and abroad.

II. Description of Operations Financed:

Included are civilian compensation and personnel support costs and the incremental costs of tours associated with the operations of the Army Public Affairs Program.

Funding supports public affairs at the management headquarters level under the direction of the following Army commands ($000):

	FY 1988	FY 1989
- Office, Secretary of the Army	160	161
- US Army Materiel Command	780	784
- US Army Japan	231	239
- Eighth US Army	230	231
- US Army Information Systems Command	198	203

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: PUBLIC AFFAIRS

II. Description of Operations Financed (Continued):

	FY 1988	FY 1989
- US Army Europe and Seventh Army	385	391
- US Army Military District of Washington	342	380
- US Army Forces Command	383	384
- US Army Training and Doctrine Command	164	164
- US Army Health Services Command	83	84
- US Army Western Command	193	194
Total MGT HQ Operations	3,149	3,215

It also supports public affairs at the installation level under the direction of the following Army commands ($000):

- Eighth US Army	2	6
- US Army Information Systems Command	213	226
- US Army Europe and Seventh Army	2,859	2,985
- US Army Materiel Command	413	393
- US European Command	15	15
- US Military Academy	187	189
- Office, Secretary of the Army	140	140
- US Army Training and Doctrine Command	1,004	987
- US Army Health Services Command	157	159
- US Army Forces Command	1,126	1,156
- US Army Japan	247	255
- US Army Western Command	5	7
- US Army Southern Command	164	167
Total Field Operations	6,532	6,685

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: PUBLIC AFFAIRS

III. Financial Summary ($ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Management Headquarters Level	3,409	3,274	3,149	3,149	3,299	-84	3,215	66
Installation Level Operations	6,072	7,078	6,858	6,532	7,228	-543	6,685	153
Total	9,481	10,352	10,007	9,681	10,527	-627	9,900	219

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: PUBLIC AFFAIRS

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 9,681
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 5	
b. Compensable Days - Two Days Less	$ -29	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 76	
Total Civilian Personnel Costs		$ 52
Non-Personnel Price Growth		
a. Stock Fund-Material	$ 5	
b. Commercial Transportation Rate	$ 1	
c. Industrial Fund	$ 25	
d. Indirect Hire Foreign National FY 1989 Pay Raise	$ 58	
e. Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$ 24	
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$ 43	
g. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise Separation Allowance	$ -28	

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: PUBLIC AFFAIRS

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

h. Travel	$	5	
i. Private Sector	$	78	
Total Non-Personnel	$		211
Total Price Growth	$		263
Program Decreases			
Public Affairs Support	$	-44	
Decrease operating cost for Public Affairs activities in Eight U.S. Army.			
Total Program Decreases	$		-44
FY 1989 Budget Request	$		9,900

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: PUBLIC AFFAIRS

IV. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	38	38	37	37	38	-1	37
Enlisted	73	72	72	72	72	0	72
Total Military End Strength	111	110	109	109	110	-1	109
Civilian End Strength							
U.S. Direct Hire	147	152	145	145	152	-6	146
Foreign National Direct Hire	3	3	3	3	3	0	3
Foreign National Indirect Hire	47	47	47	47	47	0	47
Total Civilian End Strength	197	202	195	195	202	-6	196
Military Workyears							
Officer	34	38	37	37	38	-1	37
Enlisted	60	74	72	72	72	0	72
Total Military Workyears	94	112	109	109	110	-1	109
Civilian Workyears							
U.S. Direct Hire	175	152	146	146	152	-9	143
Foreign National Direct Hire	3	2	3	3	2	1	3
Foreign National Indirect Hire	7	47	47	47	47	-1	46
Total Civilian Workyears	185	201	196	196	201	-9	192

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: PUBLIC AFFAIRS

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

No end strength change in FY 89.

CIVILIAN

The increase of one in FY 89 reflects manpower adjustments.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: CRIMINAL INVESTIGATION ACTIVITIES

I. Narrative Description (Statement of Requirements and Mission):

This activity group supports the operation of the Headquarters, US Army Criminal Investigation Command (USACIDC) and its world-wide activities. The estimate includes civilian personnel compensation and other costs such as supplies, equipment, travel and contractual services.

II. Description of Operations Financed:

The primary mission of USACIDC involves the detection, investigation and reporting of crime, support of the Army Crime Prevention Program and providing protective service support to DOD and Department of the Army officials. Criminal Investigation Activities include the following:

A. Drug Operations - These operations identify and apprehend high level traffickers of controlled substances to prevent illegal drugs from reaching US Forces. This vital drug suppression program seeks to prevent the occurrence of multiple criminal offenses through the elimination of the source of drugs.

B. White Collar Crime Operations - These operations identify and apprehend criminals who defraud the US Government. This vital program is essential to the Army's fraud and waste prevention program.

C. Crime Prevention Surveys - Surveys examine all aspects of management, property and fiscal accountability in which malfeasance may occur, as well as criminal activities, either engaged in or directed against Army personnel which may affect group health, discipline and welfare, both on and off military installations.

D. Investigations - Investigations cover crimes against persons and property.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: CRIMINAL INVESTIGATION ACTIVITIES

II. Description of Operations Financed (Continued):

E. Criminal Information Program - This program involves the collection, collation, analysis and dissemination of information regarding criminal suspects. In addition to assisting in crime solving, this program has a major goal of crime prevention. This activity finances the collection -- through informants, other agents, military police, outside police, outside police agencies, unit commanders, IG Inspections etc. -- of information which identifies criminal suspects for targeting in an effort to terminate their illegal activities or crime conducive conditions which justify initiation of a crime survey or other preventive action.

F. Criminal Laboratories - Laboratories examine various types of evidence gathered during investigation from field elements. Three crime laboratories support not only USACIDC but all DOD agencies world-wide.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: CRIMINAL INVESTIGATION ACTIVITIES

III. Financial Summary ($ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Headquarters Operation	6,894	1,385	1,194	1,194	1,349	-191	1,158	-36
Field Operation	21,521	26,548	25,036	24,360	26,916	-1,563	25,353	993
Total	28,415	27,933	26,230	25,554	28,265	-1,754	26,511	957

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: CRIMINAL INVESTIGATION ACTIVITIES

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 25,554
Program Transfers		
Inter Appropriation Transfers In:		
a. Non-Tactical Vehicle Lease Transfer. Transfers funds from Other Procurement, Army 2 appropriation to support the conversion of the Army's non-tactical vehicle fleet to General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based non-tactical vehicle fleet to the IFMS by 1992.	$ 603	
Total Transfers In	$ 603	
Total Program Transfers		$ 603

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: CRIMINAL INVESTIGATION ACTIVITIES

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

Price Growth

Civilian Personnel Costs

a. Civilian Salaries (Annualization)	$	107
b. Compensable Days - Two Days Less	$	-77
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$	154
Total Civilian Personnel	$	184

Non-Personnel Price Growth

a. Stock Fund-Fuel	$	14
b. Commercial Transportation Rate	$	4
c. Indirect Hire Foreign National FY 1989 Pay Raise	$	135
d. Indirect Hire Foreign National FY 1989 Pay Raise-Separation Allowance	$	25
e. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	110
f. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise-Separation Allowance	$	-33
g. Travel	$	75

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: CRIMINAL INVESTIGATION ACTIVITIES

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

h. Private Sector	$ 149	
Total Non-Personnel	$ 479	
Total Price Growth		$ 663
Program Decreases		
Military Table of Organization Equipment (MTOE) Conversion Base ($2,256)	$ -309	
Start-up fund requirements for TOE items of equipment to supply units converting from TDO to MTOE organization were greater in FY88 than the follow on equipping and equipment maintenance requirement in FY 89.		
Total Program Decreases		$ -309
FY 1989 Budget Request		$ 26,511

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: CRIMINAL INVESTIGATION ACTIVITIES

IV. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	730	792	730	730	792	-62	730
Enlisted	777	777	831	831	777	60	837
Total Military End Strength	1,507	1,569	1,561	1,561	1,569	-2	1,567
Civilian End Strength							
U.S. Direct Hire	412	440	440	440	440	-5	435
Foreign National Direct Hire	61	62	62	62	62	0	62
Foreign National Indirect Hire	104	115	115	115	115	-1	114
Total Civilian End Strength	577	617	617	617	617	-6	611
Military Workyears							
Officer	723	792	730	730	792	-62	730
Enlisted	807	777	804	804	777	57	834
Total Military Workyears	1,530	1,569	1,534	1,534	1,569	-5	1,564
Civilian Workyears							
U.S. Direct Hire	369	435	435	435	429	-5	424
Foreign National Direct Hire	70	60	60	60	60	0	60
Foreign National Indirect Hire	86	110	110	110	110	-1	109
Total Civilian Workyears	525	605	605	605	599	-6	593

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: CRIMINAL INVESTIGATION ACTIVITIES

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of six in FY 89 reflects a management headquarters reduction (-1) offset by miscellaneous manpower adjustments.

CIVILIAN

The decrease of six in FY 89 reflects a management headquarters reduction (-1) and other manpower realignments (-5).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

I. Narrative Description (Statement of Requirements and Mission):

This activity group provides a variety of world-wide support functions that are necessary to enable the Army to comply with provisions of Public Laws or DOD Directives. Several functions and activities are funded in this activity group because the effort benefits DOD or the Army as a whole or are better managed through consolidation in one area, i.e., disability compensation, overseas banking, etc.

Some of the Army's obligations under Public Law include payment to the Federal Employee Disability Compensation Fund for civilian employee injury and death benefits; payment to the US Postal Service for US Army official (indicia) mail; payment to the State Department for the US Army's portion of the Foreign Affairs Administrative Support costs; and support for Overseas Banking, and for payment of non-contractual claims against the Department of the Army. Some of the organizations and the regulatory/statutory services for which funds are being requested are:

A. The Armed Forces Courier Stations provide secure and expeditious handling of classified material.

B. The Institute of Heraldry provides official seals and other distinctive insignia for the US Government.

C. The DOD Wage Fixing Authority executes authorized wage fixing policy for DOD.

D. The Per Diem Travel and Transportation Allowance Committee prescribes uniform regulations for travel and transportation allowances for uniformed and civilian personnel of DOD.

E. The Armed Services Board of Contract Appeals administers contractual disputes in accordance with the disputes clause in all DOD procurement contracts.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

I. Narrative Description (Statement of Requirements and Mission) (Continued):

F. The DOD Explosives Safety Board provides impartial and objective advice on ammunition and explosives, including chemical and biological operations, storage and siting. Particular regard is given to safety of life and property inside and outside of DOD installations.

G. The US Army Nuclear Agency supervises the nuclear and chemical surety program.

H. The US Army Claims Service Agency ensures efficient and timely settlement of claims for personal property and non-contractual claims.

I. The Defense Supply Service, Washington, DC, which provides contract procurement services for headquarters elements of the Army and Department of Defense.

J. US Army Military Personnel Center (MILPERCEN) - The primary mission of MILPERCEN is to execute and recommend military personnel policies, systems, and programs; to operate all Department of the Army selection and promotion boards; and to develop procedures applicable to military personnel management, to include personnel information systems.

K. US Army Civilian Personnel Center (CIVPERCEN) - CIVPERCEN evaluates the effectiveness of civilian personnel management; administers and provides guidance on Army's civilian career programs; plans, develops, executes and evaluates the Army-wide program for the design and maintenance of civilian personnel management information systems; and provides interpretation of the application of laws, executive orders and regulations pertaining to civilian personnel management.

L. HQDA Audiovisual Staff Element - Functioning as the DA Central Audiovisual Management Office - (1) Exercises general staff supervision of audiovisual activities of the Army. (2) Formulates plans, policy, and programs for communicative technology, photographs, television, graphic arts, audio and fabrication of visual aids, displays and devices. (3) Exercises general staff supervision of the Department of the Army Audiovisual Production and Distribution Program and other audiovisual instructional and training materials.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

I. Narratie Description (Statement of Requirements and Mission) (Continued):

M. The Audiovisual Activities of Criminal Investigation Command provides still photographic and graphic art support for investigations, presentation of evidence before courts, and forensic operations including the recording, processing and production of audiovisual materials. It also provides for the preparation of audiovisual materials in support of training, information, and management purposes.

II. Description of Operations Financed:

This activity group supports 45 service-wide administrative and other field activities and functions administered by Headquarters, Department of Army. Included are civilian personnel compensation and personnel support costs such as travel, supplies, equipment and contractual services. The major cost areas for this activity group are as follows:

	FY 1988	FY 1989
- Mail (Indicia) and Postage Meters (R)	24,691	24,691
- Printing and Reproduction (NR)	23,152	26,065
- Army Finance and Accounting Center (NR)	124,048	103,302
- Disability Compensation (R)	87,649	91,421
- Overseas Banking (R)	12,300	12,300
- Corps of Engineers (NR)	36,292	38,651
- Office, Secretary of the Army (NR)	269,998	272,339
- Claims (R)	0	119,900
- Other (NR)	93,797	87,203
TOTAL	671,927	775,872

NR - Non Regulatory
R - Regulatory

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

III. Financial Summary ($ in Thousands):

A. Subactivity Breakout:

		FY 1988			FY 1989			
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Regulatory	133,492	124,240	112,340	112,340	128,412	119,900	248,312	135,972
Non-Regulatory	538,799	542,981	529,700	559,581	561,875	-34,315	527,560	-32,021
TOTAL	672,291	667,221	642,040	671,921	690,287	85,585	775,872	103,951

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate.....$ 671,921

Program Transfers

Inter Appropriation Transfers In:

a. Non-Tactical Vehicle Lease Transfer.....$ 1,439
Transfers funds from Other Procurement, Army 2 appropriation to support the conversion of the Army's non-tactical vehicle fleet to General Services Administration's Interagency Fleet Management System (IFMS). In compliance with Public Law 99-272, the Army plans to convert the CONUS based non-tactical vehicle fleet to the IFMS by 1992.

b. Claims, Defense Appropriation Transfer.....$ 119,900
Transfers funding to settle claims brought against the Department of the Army from the Claims, Defense Appropriation.

Intra Appropriation Transfers In:

a. Productivity Improvement Program (Base: $15,408).....$ 4,320
Transfers funds from Program 7 to Program 9 to support the Productivity Improvement Program.

Total Transfers In.....$ 125,659

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

Program Transfers

Inter Appropriation Transfers Out:

a. Base Commercial Equipment.....$ -5,500
Transfers funding back to the Other Procurement, Army appropriation that represents the difference between $25,000 limitation requested and the $15,000 limitation allowed by Congress.

Intra Appropriation Transfers Out:

a. USA Central ID Laboratory.....$ -907
Transfers to Program 8 Other from Program 9 to realign resources for the USA Central ID Laboratory, Hawaii, and USA Mortuary, Oakland, California.

Total Transfers Out.....$ -6,407

Total Program Transfers.....$ 119,252

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

Price Growth			
Civilian Personnel Costs			
a. Civilian Salaries (Annualization)	$	241	
b. Compensable Days - Two Days Less	$	-1,574	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$	3,864	
Total Civilian Personnel Costs	$		2,531
Non-Personnel			
a. Stock Fund-Material	$	53	
b. Commercial Transportation Rate	$	54	
c. Indirect Hire Foreign National FY 1989 Pay Raise	$	8	
d. Annualization of FY 1988 Indirect Hire Foreign National Pay Raise	$	9	
e. Travel	$	371	
f. Commercial Communications	$	444	
g. Utilities	$	1	
h. Private Sector	$	10,208	
Total Non-Personnel	$		11,148
Total Price Growth	$		13,679

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

Program Increases

a. Disability Compensation (Base $87,649).....$ 3,772
Provides for reimbursement to the Department of Labor for actual costs of compensation and medical attention to Department of Army employees to be incurred during Department of the Labor fiscal year to end 30 Jun 87. Since this is an unknown factor at this time and no change has been made to PL 94-273 which governs budgeting for these expenditures, the amount requested is an average of prior year's increases.

Total Program Increases.....$ 3,772

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

Program Decreases

a. Tactical Army Combat Service Support Computer System (TACCS) (Base: $9,031).....$ -5,452
Provides base operating funds to support the fielding of the TACCS to the active and reserve component personnel units. TACCS will be fielded to the bulk of the personnel units in FY88. The remaining units will receive TACCS in FY 1989 and 1990.

b. Automatic Data Processing Equipment (ADPE) Leases (Base: $0).....$ -6,542
Decrease is associated with Congressional requirement to procure Automatic Data Processing Equipment by direct purchase rather than lease.

c. Military Construction, Army.....$ -3,480
Reduces manpower in Army Staff Field Operating activities to permit reprograming of spaces to MACOM mission activities.

d. Personnel Activities.....$ -521
Transfer from Program 9 to Operation and Maintenance, Army Reserve for the Reserve Personnel Activities which were transferred to Office of the Chief of the Army Reserve in FY 1985.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

III. Financial Summary ($ in Thousands):

C. Reconciliation of Increases and Decreases:

e. Workload Reduction.....$ -4,240
Decreased level of effort is directly associated with reduction of 236 workyears and reduced operating supplies, equipment purchases, printing reproduction, travel and other contract in Service-Wide support activities.

f. Productivity Investment Program (PIF) (Base: $15,408).....$ -12,517
A decrement to PIF will result in substantial loss of dollar benefits to the Army. Constrained resources clearly demonstrate that improved mission capability will only be affordable through productivity gains. These programs provide a mechanism to pursue these productivity initiatives, to obtain modern equipment and produce a more ready force. The funds are necessary to meet the President's goal of increasing productivity by 20 percent by 1992 (Executive Order 12552).

Total Program Decreases.....$ -32,752

FY 1989 Budget Request.....$ 775,872

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

Summary of Claims Obligations by Major Category

Category	Actual FY 1987	Estimate FY 1988	($ in thousands) FY 1989 Initial Estimate	Change	Amended Estimate
Personnel Claims					
Military & Civilian Personnel	48,261	54,691	64,510	-8,510	56,000
Marine Casualty	0	0	0	0	0
Repayment of Erroneous Collections	1,242	1,470	1,544	0	1,544
Correction of Military Records	4,917	12,774	5,512	+488	6,000
Total Personnel Claims	54,420	68,935	71,566	-8,022	63,544
Tort Claims					
Federal Tort	1,749	1,954	2,594	-594	2,000
Foreign (Individuals)	875	635	2,030	-530	1,500
Foreign (NATO-SOFA Reimb)	29,318	67,546	53,810	-7,084	46,726
Noncombat Activities	4,707	5,953	5,044	+956	6,000
Compromise Settlements	0	0	0	0	0
Nonscope of Employment	38	45	40	0	40
Industrial Security	0	0	0	0	0
Total Tort Claims	36,687	76,133	63,518	-7,252	56,266
Admiralty Claims	71	30	15	0	15
Other Misc Claims (Post Office)	102	116	43	+73	116
Total Obligations	91,280	145,214	135,142	-15,201	119,941
Less Refunds and Repayments	8,461				
Obligations Against Appropriation	82,819				

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

Summary of Number of Claims by Major Category

Category	Actual FY 1987	Estimate FY 1988	($ in thousands) FY 1989 Initial Estimate	Change	Amended Estimate
Personnel Claims					
Military & Civilian Personnel	87,607	102,151	131,384	-36,505	94,879
Marine Casualty	0	0	0	0	0
Repayment of Erroneous Collections	9,083	11,459	11,688	0	11,688
Correction of Military Records	5,484	8,807	8,786	-3,389	5,397
Total Personnel Claims	102,174	122,417	151,858	-39,894	111,964
Tort Claims					
Federal Tort	2,362	2,701	2,755	0	2,755
Foreign (Individuals)	601	570	1,001	0	1,001
Foreign (NATO-SOFA Reimb)	20,325	50,000	65,174	-35,174	30,000
Noncombat Activities	3,763	5,070	5,171	0	5,171
Compromise Settlements	0	0	0	0	0
Nonscope of Employment	72	74	75	0	75
Industrial Security	0	0	0	0	0
Total Tort Claims	27,123	58,415	74,176	-35,174	39,002
Admiralty Claims	50	5	4	0	4
Other Misc Claims (Post Office)	31	20	21	0	21
Total Number of Claims	129,378	180,857	226,059	-75,068	150,991

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

III. Personnel Summary:

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	1,440	1,575	1,344	1,344	1,566	-164	1,402
Enlisted	908	1,042	898	898	1,034	-124	910
Total Military End Strength	2,348	2,617	2,242	2,242	2,600	-288	2,312
Civilian End Strength							
U.S. Direct Hire	8,610	7,762	7,128	7,128	7,758	-293	7,465
Foreign National Direct Hire	4	3	3	3	3	0	3
Foreign National Indirect Hire	7	8	8	8	8	1	9
Total Civilian End Strength	8,621	7,773	7,139	7,139	7,769	-292	7,477
Military Workyears							
Officer	1,663	1,582	1,392	1,392	1,571	-198	1,373
Enlisted	1,148	1,001	903	903	1,038	-134	904
Total Military Workyears	2,811	2,583	2,295	2,295	2,609	-332	2,277
Civilian Workyears							
U.S. Direct Hire	8,649	7,728	7,753	7,753	7,723	-207	7,516
Foreign National Direct Hire	5	3	3	3	3	0	3
Foreign National Indirect Hire	7	8	8	8	8	1	9
Total Civilian Workyears	8,661	7,739	7,764	7,764	7,734	-206	7,528

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: SERVICE-WIDE SUPPORT

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 70 in FY 89 reflects an increase in contract support (+10); other miscellaneous manpower adjustments (+38); military personnel administrative support (+13); community and family support (+2); and manning adjustments (+7).

CIVILIAN

The increase of 338 in FY 89 results from information management systems realignments (+268); increased contracting support (+20); support to joint activities (+14); military personnel administrative support (+13); community and family support (+4); and other manning realignments (+19).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

I. Narrative Description: This budget activity provides for the operation and maintenance of installation type support, less real property maintenance activities, for the Military District of Washington (MDW). In FY 1988, this budget activity also provides operation and maintenance support for the Army Research Office, Triangle Park, NC, and the Construction Engineering Research Laboratory, Champaign, IL. In FY 1989, these activities are properly realigned to the Central Supply and Maintenance Activity group. Beginning in FY 1989, this activity group includes Fort Belvoir, VA, which is realigned from the Training Activity group. Base Operations includes headquarters administration, supply operations, equipment maintenance, unaccompanied personnel housing administration and furnishings, morale support activities, personnel support, and other base services. It also includes real estate leases for space furnished by the General Services Administration outside the National Capitol Region (NCR) managed by the Corps of Engineers, and GSA leased space in the NCR managed by the Office of the Secretary of the Army. The FY 1989 request totals $60.3 million. Major areas of program change in this request are as follows:

Program	FY 1989
Functional Program Transfers	16,997
Real Estate Leases	-1,769
Base Operating Support	-1,324

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed - Funds provide installation support in the following areas:

A. Administration - Finances all activities concerned with the headquarters command and administration of the installation; and other installation-wide activities not otherwise provided for, such as adjutant activities. Finances automated processing activities in support of Base Operations. Finances the administration of all resource management functions such as Finance and Accounting, Programing and Budgeting, Management Analysis, Productivity Analysis, Commercial Activities and Efficiency Review Programs. Finances the operation of records management, records holding areas, mail distribution centers print plants and printing and reproduction of publications.

B. Retail Supply Operations - Finances the operation of consolidated post supply. Includes the operation of self-service centers and clothing issue points and the office of the Director of Logistics. Finances the administration of contracts and purchases for the installation. Included are functions such as preparation of performance work statements, quality assurance and the contract audit tracking program.

C. Maintenance of Installation Equipment - Finances Direct and General Support Maintenance of Support Systems such non-tactical vehicles and installation equipment.

D. Unaccompanied Personnel Housing Operation, Administration, and Furnishings - Finances the purchase, control, moving, handling of housing furnishings for unaccompanied personnel officer quarters and bachelor enlisted quarters. Finances the operation and administration of all unaccompanied personnel housing.

E. Community and Morale Support Activities - Finances the development, staffing, equipping, administering and operation of installation libraries, soldier sports programs, Army Community Service, Child Development Services, Youth Program, and other CORE community/family programs.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

II. Description of Operations Financed (Continued):

F. Other Base Services - Finances the operation of local (installations) non-tactical motor transportation service to include government-owned vehicles. Finances operation of laundry and dry cleaning plants and contracting for such services where Army-owned plants are not operated in-house. Finances police services at 4 installations to include military police operations, installation level confinement activities, physical security operation and operation of physical security equipment. Finances the management of training facilities, training aids, and mobilization support. Finances the management of security counterintelligence and planning functions at the installation.

G. Other Personnel Support - Finances operation and administration of food services, food preparation facilities and dining facilities. This function is performed by contractor and military personnel. Finances chaplain activities, command information program, alcohol and drug abuse program and reenlistment activities.

H. Real Estate Leases - Finances the Army's General Service Administration (GSA) furnished space outside the National Capitol Region (NCR), managed by the Corps of Engineers; and GSA furnished space in the NCR managed by the Ofice of the Secretary of the Army.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands):

		FY 1988			FY 1989			
A. Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
Military District of Washington	45,344	48,040	45,127	39,631	49,049	11,766	60,815	21,184
Real Estate Leases	208,354	78,365	74,584	72,449	78,986	-9,005	69,981	-2,468
Total	253,698	126,405	119,711	112,080	128,035	2,761	130,796	18,716

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases:

FY 1988 Current Estimate		$ 112,080
Program Transfers		
Intra Appropriation Transfers In:		
a. Ft Belvoir Transfer. Transfer funds from Program 8 Training Activities, to support the transfer of Ft Belvoir from the Training and Doctrine Command to the Military District of Washington (MDW). Includes support for 485 civilian end strength and 478 work years.	$ 25,377	
Total Transfer In	$ 25,377	
Intra Appropriation Transfers Out:		
a. Agency Realignment. Transfers funds to support the Construction Engineering Research Laboratory, Champaign, IL, and the Army Research Office, Triangle Park, NC, to Program 7, Central Supply and Maintenance Activities.	$ -4,555	
b. Real Estate Leases. Transfers funds to Program 3, Communications to support General Services Administration controlled real estate leases for the Army Printing and Publications Center.	$ -3,825	
Total Transfers Out	$ -8,380	
Total Program Transfers		$ 16,997

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Price Growth

Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$	738
b. Compensable Days - Two Days Less	$	-288
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$	564
Total Civilian Personnel Costs	$	1,014
Non-Personnel Price Growth		
a. Rents from GSA	$	3,097
b. Stock Fund Material	$	60
c. Travel	$	34
d. Private Sector Price Increase	$	573
e. Commercial Transportation	$	5
f. Utilities	$	29
Total Non-Personnel Price Growth	$	3,798
Total Price Growth	$	4,812

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Decreases

a. Real Estate Leases (Base: $72,449).....$ -1,769
Improved space management, and economies in additional services, will reduce the requirement for leased space and associated rents and service charges, to conform to funding constraints.

b. Base Operating Support (Base: $39,631).....$ -1,324
Decrease reflects a reduced level of spending for travel, supplies, and contractural requirements associated with installation base operating activities, including reduced appropriated fund support to morale, welfare and recreation revenue generators.

Total Program Decreases.....$ -3,093

FY 1989 Budget Request.....$ 130,796

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation:

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Administration ($000)	11,482	11,754	18,627
Military E/S	280	225	278
Civilian E/S	324	341	488
Total Personnel E/S	604	566	766
Number of Bases, Total (CONUS)	3	3	4
Population Served, Total E/S	4,018	3,711	7,819
(Military, E/S)	2,742	2,592	6,053
(Civilian, E/S)	1,276	1,119	1,766
Actions/Vouchers Processed (000)	134	146	183
No. ADP CPU's	40	40	48
B. Retail Supply Operations (000)	2,722	3,037	6,552
Military E/S	18	20	22
Civilian E/S	94	119	231
Total Personnel E/S	112	139	253
Line Items Carried (000)	4	4	8
Receipts/Issues (000)	237	249	523

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
C. Maintenance of Installation Equipment ($000)	3,248	3,261	3,955
Military E/S	20	18	18
Civilian E/S	75	91	116
Total Personnel E/S	95	109	134
Number of Work Orders (000)	13	13	16
D. Bachelor Hsg Ops./Furn. ($000)	1512	1172	1930
Military E/S	0	0	0
Civilian E/S	0	0	9
Total Personnel E/S	0	0	9
No. of Officer Quarters	52	52	625
No. of Enlisted Quarters	2,526	2,526	5,703
E. Morale, Welfare & Rec ($000)	3,233	2,722	4,712
Military E/S	33	18	18
Civilian E/S	43	47	119
Total Personnel E/S	76	65	137
Population Served, Total	8,597	8,040	23,846
(Military, E/S)	2,742	2,592	6,053
(Civilian/Dependents, E/S)	5,855	5,448	17,793

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

IV. Performance Criteria and Evaluation (Continued):

Title	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
F. Other Base Services ($000)	14,607	9,579	12,034
Military E/S	641	571	662
Civilian E/S	388	205	254
Total Personnel E/S	1,029	776	916
Number of Motor Vehicles, Total	425	218	518
(Owned)	400	205	503
(Leased)	25	13	15
Number of Miles Driven (000)	3,260	1,674	1,920
G. Other Personnel Support ($000)	8,540	8,106	13,005
Military E/S	198	186	230
Civilian E/S	195	211	237
Total Personnel E/S	393	397	467
Population Served, Total	4,018	3,711	7,819
(Military, E/S)	2,742	2,592	6,053
(Civilian, E/S)	1,276	1,119	1,766
Meals Served (In Mandays) (000)	295	295	295
H. Real Estate Leases ($000)	208,354	72,449	69,981
Rents from GSA ($000)	125,780	66,606	64,305
Other Contractural Services ($000)	30,105	5,843	5,676
Non-GSA Leases ($000)	52,469	0	0
Total Square Feet (000)	21,019	6,686	5,629

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength							
Officer	163	155	100	100	155	-23	132
Enlisted	1,027	982	938	938	980	116	1,096
Total Military	1,190	1,137	1,038	1,038	1,135	93	1,228
Civilian End Strength							
U.S. Direct Hire	1,119	1,161	1,014	1,014	1,161	293	1,454
Total Civilian	1,119	1,161	1,014	1,014	1,161	293	1,454
Total End Strength	2,309	2,298	2,052	2,052	2,296	386	2,682

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Military

An increase of 164 in FY 1989 results from the transfer of Ft Belvoir from the Training and Doctrine Command to the Military District of Washington. An additional increase of 26 in FY 1989 results from further Standard Installation Organization realignments.

Civilian

An increase of 485 in FY 1989 results from the transfer of Ft Belvoir from the Training and Doctrine Command to the Military District of Washington. This was partially offset by a decrease of 45 in other personnel support.

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: BASE OPERATIONS

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears							
Officer	168	158	131	131	155	-39	116
Enlisted	1,012	956	982	982	981	36	1,017
Total	1,180	1,114	1,113	1,113	1,136	-3	1,133
Civilian Workyears							
U.S. Direct Hire	1,076	1,254	1,106	1,106	1,228	285	1,513
Total	1,076	1,254	1,106	1,106	1,228	285	1,513

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

I. Narrative Description: This budget activity provides Real Property Maintenance Activities (RPMA) support for the Military District of Washington (MDW). Beginning in FY 1989, this activity group includes Fort Belvoir, VA, which is realigned from the Training and Education Activity group. RPMA includes utilities, maintenance and repair of real property, minor construction, and engineer support such as fire protection, custodial services, pest control, refuse collection and disposal, and master planning. The FY 1989 request totals $69.5 million. Major areas of program change in this request are as follows:

Program	FY 1989
Functional Program Transfers	38,273
Real Property Maintenance	140

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

II. Description of Operations Financed: Funds requested will provide support in four functional areas of Real Property Maintenance Activities. These functional areas are:

A. Operation of Utilities - Finances procurement and distribution of utilities for MDW. Included are purchased utilities (i.e., heat, electricity, water and sewerage), operation of water plants and distribution systems, and sewage and waste systems.

B. Maintenance and Repair of Real Property - Finances maintenance and repair of buildings, structures, roads, grounds and utility systems for MDW. The FY 89 request does not cover Annual Maintenance and Repair Requirements, and Backlog of Maintenance and Repair (BMAR) will increase by $7.3 million. This increase will result in degradation to utilities systems, unaccompanied personnel housing and operational facilities.

C. Minor Construction - Finances the erection, installation or assembly of a new real property facility, or the addition, expansion, alteration or conversion of an existing real property facility when project costs do not exceed $200 thousand.

D. Engineer Support - Finances other facilities engineering services such as fire protection, custodial services, pest control, refuse collection and disposal, snow removal and ice alleviation. Includes construction support.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands):

			FY 1988			FY 1989			
A.	Subactivity Break	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
	Military District of Washington	37,976	30,916	29,952	29,952	37,713	31,800	69,513	39,561

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increaseas/Decreases:

FY 1988 Current Estimate		$ 29,952
Intra Appropriation Transfers In:		
a. Ft Belvoir Transfer. Transfer funds from Program 8 Training Activities, to support the transfer of Ft Belvoir from the Training and Doctrine Command to the Military District of Washington (MDW). Includes support for 29 end strength and 28 work years.	$ 32,301	
b. Functional Realignment. Transfer funds from Program 2 (Mission) to support realignment of missions and functions at Ft Belvoir.	$ 5,972	
Total Transfers In	$ 38,273	
Total Program Transfers		$ 38,273

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increaseas/Decreases (Continued):

Price Growth

Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 48	
b. Compensable Days - Two Less Days	$ -6	
c. FY 89 Civilian Personnel Pay Raise - 2 Percent	$ 2	
Total Civilian Personnel Costs	$ 44	
Non-Personnel Price Growth		
a. Utilities	$ 207	
b. Private Sector Price Increase	$ 897	
Total Non-Personnel Price Growth	$ 1,104	
Total Price Growth		$ 1,148

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

III. Financial Summary ($ in Thousands) (Continued):

B. Reconciliation of Increases/Decreases (Continued):

Program Increases

a. Real Property Maintenance (RPM) (Base: $18,515).....$ 140
Real Property Maintenance funding has been reduced to levels far below the Annual Recurring Requirement (ARR) in recent years. This programmatic increase will partially close the gap but does not fully fund the ARR due to overall budget constraints. Consequently, there will be some deterioration of existing Army facilities with an associated degradation of living and working conditions at U.S. military installations. For example, many high priority projects to repair utilities systems, troop barracks, maintenance facilities, operational facilities, and more will, of necessity, be deferred. The Backlog of Maintenance and Repair (BMAR) will still rise by $7.3 million in FY 1989.

Total Program Increases.....$ 140

FY 1989 Budget Request.....$ 69,513

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation:

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
A. Maintenance/Repair, Real Property, K ($000)	23,228	16,651	36,913
Military Personnel E/S	0	0	0
Civilian Personnel E/S	4	0	0
Total Personnel E/S	4	0	0
Annual M&R Requirements ($000)	23,228	23,038	36,798
Major Repair Projects ($000)	6,108	2,199	8,583
Backlog, Maintenance & Repair ($000)	0	6,387	13,715
Military Housing Floor Space (000 sq ft)	944	944	2,080
All Other Floor Space (000 sq ft)	3,136	3,136	8,328
B. Minor Construction, L ($000)	1,689	1,864	3,532
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	0	0
Total Personnel E/S	0	0	0
Number of Projects	23	27	49
C. Operation of Utilities, J ($000)	5,699	5,599	13,262
Military Personnel E/S	0	0	0
Civilian Personnel E/S	0	0	0
Total Personnel E/S	0	0	0
Electricity (MWH)	70,000	70,000	245,517
Heating (MBTU)	203,091	178,601	1,010,428
Water, Plants & Systems (000 gals)	333,913	333,913	1,278,575
Sewage & Waste Systems (000 gals)	285,185	285,185	878,959
Air Conditioning & Refrig (Tons)	11,723	11,723	25,149

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

IV. Performance Criteria and Evaluation (Continued):

	FY 1987 Actual	FY 1988 Estimate	FY 1989 Request
D. Engineer Support, M ($000)	7,360	5,838	15,806
Military Personnel E/S	0	0	1
Civilian Personnel E/S	0	4	33
Total Personnel E/S	0	4	34
Fire Protection/Prevention, Rescue E/S	22	22	68
Custodial Services (000 sq ft)	1,339	1,339	3,247
Entomology Services (000 sq ft)	4,080	4,080	13,343
Refuse Collection/Disposal (000 cu yds)	177	177	923

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary:

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military End Strength Enlisted	0	0	0	0	0	1	1
Total Military	0	0	0	0	0	1	1
Civilian End Strength U.S. Direct Hire	4	4	4	4	4	29	33
Total Civilian	4	4	4	4	4	29	33
Total End Strength	4	4	4	4	4	30	34

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Military

The increase of one in FY 1989 results from the transfer of Ft Belvoir from the Training and Doctrine Command to the Military District of Washington.

Civilian

The increase of 29 in FY 1989 results from the transfer of Ft Belvoir from the Training and Doctrine Command to the Military District of Washington.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988-89
OPERATION AND MAINTENANCE, ARMY

PROGRAM: ADMINISTRATION AND ASSOCIATED ACTIVITIES
ACTIVITY GROUP: REAL PROPERTY MAINTENANCE ACTIVITIES

V. Personnel Summary (Continued):

Title	FY 1987 Actual	FY 1988 Budget Request	FY 1988 Approp	FY 1988 Current Estimate	FY 1989 Initial Estimate	FY 1989 Change	FY 1989 Amended Estimate
Military Workyears Enlisted	0	0	0	0	0	1	1
Total	0	0	0	0	0	1	1
Civilian Workyears U.S. Direct Hire	4	4	4	4	4	28	32
Total	4	4	4	4	4	28	32

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS

I. Description of Operations Financed

Program 10, Support to Other Nations, provides resources to fulfill Army responsibilities for US financial contributions to international activities for which the Army has been designated the Department of Defense Executive Agent; to support US personnel assigned to international organizations; to fund programs which further Army to Army Cooperation with allied and friendly nations; and to support authorized US Army Activities. Authority for such Army Activities is contained in the Foreign Assistance Act of 1961 as amended, 10 USC 1050, and pertinent Executive Orders and Department of Defense directives.

The activities financed by Program 10 - Support to Other Nations resources include:

- Financial contributions to international organizations (includes NATO Military Budget, NATO Airborne Early Warning and Control System (AEW&CS) operating and support costs, Central European Operating Agency (CEOA), LIVE OAK (a classified project), and the Combined Forces Command (CFC) Korea.

- Travel, per diem, supplies and equipment for US personnel assigned to international organizations and expenses associated with Non-Military Assistance Program (MAP) activities of Military Assistance, Advisory Group (MAAGs), Missions and Military Groups, Army to Army cooperation with allied/friendly nations, and other DoD directed missions.

- Civilian pay for US civilian personnel assigned to international activities.

- Miscellaneous expenses of US programs such as contracts, utilities, communications, printing and reproduction.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS

II. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-Activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
International Military Headquarters and Agencies	207,420	218,637	216,354	229,054	231,235	4,019	235,254	6,200
Miscellaneous Support	9,155	12,954	12,514	13,314	13,263	3,263	16,688	3,374
Service Support to Military Assistance and Foreign Military Sales Program	0	0	0	0	0	0	0	0
Total	216,575	231,591	228,868	242,368	244,498	7,444	251,942	9,574

PROGRAM: SUPPORT TO OTHER NATIONS

II. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 President's Budget Request		$ 231,591
Congressional Adjustments:		
a. DLA Stock Fund Surcharge (Base: $231)	$ -95	
b. Inflation Adjustment (Base: $7,592)	$ -1,218	
c. Savings (Base: $201,972)	$ -200	
d. Stock Fund Policy (Base: $1,822)	$ -46	
e. Travel/Transportation (Base: $5,448)	$ -837	
f. Workyear Pricing (Base: $16,148)	$ -327	
Total Congressional Adjustments		$ -2,723
FY 1988 Appropriation Amount		$ 228,868
Functional Program Transfers		
Intra Appropriation Transfers In:		
NATO Support Reprograming	$ 13,500	
Transfers funds from Program 7 Depot Maintenance accounts to Program 10 to reflect realignment of resources for NATO support. Funds will allow the Army to continue U.S. contributions to NATO at the FY 1987 level.		
Total Transfers In	$ 13,500	
Total Functional Program Transfer		$ 13,500

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS

II. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Price Growth

a. FY 1988 Civilian Personnel Pay Increase - 2 Percent.....$ 572
b. Civilian Health Benefits.....$ 116
c. Private Sector Price Increase - 0.2 percent.....$ 697

Program Decreases

a. Absorption of FY 1988 Civilian Personnel Pay Increase - 2 percent.....$ -572
Reduces funds available for Army to fulfill its DoD Executive Agent responsibilities to US international commitments.

b. Absorption of Civilian Health Benefits.....$ -116
Reduces funds available for Army to fulfill its DoD Executive Agent responsibilities to US international commitments.

c. Absorption of Private Sector Price Increase - 0.2 Percent.....$ -697
Reduces funds available for Army to fulfill its DoD Executive Agent responsibilities to US international commitments.

Total Program Decreases.....$ 0

FY 1988 Current Estimate.....$ 242,368

PROGRAM: SUPPORT TO OTHER NATIONS

II. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 242,368
Functional Program Transfers		
Intra Appropriation Transfers In		
Defense Cooperation in Armaments	$ 3,063	
Transfers Program and resources from Program 2 Mission to Program 10 to support NATO armaments cooperation.		
Total Transfers In	$ 3,063	
Total Functional Program Transfers		$ 3,063
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 468	
b. Compensable Days - Two Days Less	$ -233	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 634	
Total Civilian Personnel	$ 869	

PROGRAM: SUPPORT TO OTHER NATIONS

II. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth

a. Stock Fund - Material	$	31
b. Commercial Transportation Rate	$	10
c. Travel	$	65
d. Commercial Communications	$	38
e. Private Sector	$	5,482
f. Utilities	$	16
Total Non-Personnel	$	5,642
Total Price Growth		$ 6,511
Total FY 1989 Budget Request		$ 251,942

PROGRAM: SUPPORT TO OTHER NATIONS

III. Performance Criteria and Evaluation Summary

There are no established performance evaluation factors for this program.

Indicators:

(1) US Contributors to international military organizations for which the Army is the DoD executive agent.

(2) Support to US elements of International military headquarters or organizations.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	840	999	990	990	1,005	-11	994
Enlisted	1,904	2,671	2,684	2,684	2,645	15	2,660
Total Military End Strength	2,741	3,670	3,674	3,674	3,650	4	3,654
Civilian End Strength							
U.S. Direct Hire	302	818	815	815	988	-3	985
Foreign Nat. Direct Hire	62	69	69	69	69		69
Foreign Nat. Indirect Hire							
Total Civilian End Strength	364	887	884	884	1,057	-3	1,054
Military Workyears							
Officer	1,039	1,020	964	964	1,022	-37	985
Enlisted	2,281	2,679	2,328	2,328	2,658	3	2,661
Total Military Workyears	3,320	3,699	3,292	3,292	3,680	-34	3,646
Civilian Workyears							
U.S. Direct Hire	293	821	711	711	956	-48	908
Foreign Nat. Direct Hire	35	59	59	59	59		59
Total Civilian Workyears	328	880	770	770	1,015	-48	967

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

I. Narrative Description

This activity group, International Military Headquarters and Agencies, includes resources which permit the payment of US financial contributions to International Military Organizations and provides support for US personnel assigned to positions in international military headquarters. Personnel and funds are provided to meet estimated US obligations to the North Atlantic Treaty Organization (NATO), and the Combined Forces Command (CFC) Korea.

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

II. Description of Operations Financed

Financial Contribution to NATO. The Army has been designated as the DoD Executive Agent for payment of various US financial contributions to NATO. Those included in this program package are the US share of the NATO Military Budget, the US share of the NATO Airborne Early Warning and Control System (AEW&CS) operating and support costs, the US share of the Central European Operating Agency Budget, and LIVE OAK which is a classified NATO project.

The NATO Military Budget includes funds necessary to finance day-to-day operational costs of the NATO International Military Staff and subordinate NATO Military Commands and Agencies. Each command and agency submits its annual budget to the NATO Military Budget Committee for review and approval. The Military Budget Committee whose membership includes representatives from all member nations screens, adjusts if necessary, and recommends an approved operating budget to the North Atlantic Council/Defense Planning Committee (NAC/DPC) for ambassador level approval. Upon NAC/DPC approval of the budget, member nations are assessed contributions based on agreed cost sharing formulas.

Activities covered by the Military Budget are financed in terms of either fourteen or fifteen nation participation. This is due to nonparticipation by France in many of the military projects of NATO. The US contribution is 25% for fifteen nation projects and 30.16% for fourteen nation projects. Each nation's percentage is fixed and therefore the annual US requirement is a function of the total NATO cost of its military commands and agencies plus the impact of inflation and currency fluctuations.

Member nation contributions are requested three times annually during the NATO budget year through a process known as a "Call-Up of Funds." These calls are made in terms of the NATO Accounting Unit (NAU), a budgetary device which adjusts national currency fluctuations in terms of the Belgian Franc, the currency used for NATO budgeting processes.

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

II. Description of Operations Financed (Continued)

Due to the extensive Military Budget Committee screening process and the NATO fiscal year running concurrent with the calendar year, the FY 1989 NATO budget will not be finalized until late in calendar year 1988. Therefore, the requirement for the 1989 US contribution is developed based on the latest Long Range Financial Forecast (March 1987).

NATO Airborne Early Warning and Control System (AEW&CS). Prior to FY 1985, the NATO AEW&CS program's primary focus was acquisition. The execution agent for the acquisition phase of the NATO AEW&CS program is the US Air Force. Beginning in FY 1985, funding and budgeting responsibility for operating and support costs for the NATO AEW&CS program was transferred from the Air Force to the Army. Costs include: operation and maintenance of aircraft, facility maintenance, program administration, communication, and the Force Commander's Headquarters Operations. Activities covered by the NATO AEW&CS system are financed in terms of either twelve or thirteen nations participation. The United Kingdom, which also provides in-kind mission support, participates in the NATO AEW&CS program only in the funding of the Force Commander's Headquarters. The US contribution is 32.6% for thirteen nation expenditures and 41.5% for twelve nation expenditures.

Central European Operating Agency (CEOA) Contribution. As the DoD appointed Executive Agency for NATO contributions, the Army is also responsible for the annual CEOA contribution. CEOA is the central coordinating and controlling body of the Central European Pipeline System (CEPS) and serves as the fiscal agency for the pipeline. Based on a standing cost-sharing agreement among the eight member nations, expenses for maintenance and operation of the system over and above revenues collected for movement and storage of fuels are funded by the member nations.

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

II. Description of Operations Financed (Continued)

LIVE OAK is a classified international project to which the US contributes annually based on a set costing sharing formula.

International Military Headquarters (IMH) Support (NATO). IMH funds provide support of US elements of the NATO International Military Headquarters and subordinate commands. There are over twenty US elements and activities located throughout the NATO geographical area. Due to US law, the US pays civilian salaries of US personnel who are employed as NATO employees. Credit is received for these salaries as an offset to the NATO Military Budget contribution. Travel costs associated with NATO missions are funded in the NATO Military Budget, but US personnel receive the US per diem rates. Additionally, travel for US missions (annual physicals, US military training, military justice, etc.) are funded within this category.

US Support to United Nations Command/Combined Forces Command (UNC/CFC) Korea. Funds within this activity provide support for Armistice Activities as set forth in the Armistic Agreement of July 27, 1953; Administrative and logistical support for US personnel assigned to the UNC/CFC Korea; and US participation in UNC/CFC activities.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-Activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate	Change FY 88/89
NATO Military Budget Contribution	109,379	112,825	111,118	122,660	120,629	4,270	124,899	2,239
NATO Airborne Early Warning and Control System (AEW&CS) Control	71,398	78,507	78,507	79,665	82,412		82,412	2,747
Central European Operating Agency (CEOA) Contribution	6,631	7,014	7,014	7,014	7,239		7,239	225
NATO International Military Headquarters Support	12,336	11,890	11,730	11,730	12,271		12,271	541
United Nations Command Combined Forces Command (UNC/CFC)	7,676	8,401	7,985	7,985	8,684	-251	8,433	448
Total Activity Group	207,420	218,637	216,354	229,054	231,235	4,019	235,254	6,200

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

III. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 229,054
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 451	
b. Compensable Days - Two Days Less	$ -231	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 628	
Total Civilian Personnel Costs	$ 848	
Non-Personnel Price Growth		
a. Stock Fund - Material	$ 17	
b. Commercial Transportation Rate	$ 10	
c. Travel	$ 36	
d. Commercial Communications	$ 33	
e. Private Sector	$ 5,241	
f. Utilities	$ 15	
Total Non-Personnel	$ 5,352	
Total Price Growth		$ 6,200
Total FY 1989 Budget Request		$ 235,254

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

IV. Performance Criteria and Evaluation

There are no established performance evaluation factors for this activity group.

Indicators:

(1) US Contributions to international military organizations for which the Army is the DoD executive agent.

(2) Support to US elements of international military headquartes or organizations.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	556	655	664	664	655	-12	643
Enlisted	1,783	2,492	2,496	2,496	2,492	4	2,496
Total Military End Strength	2,339	3,147	3,140	3,140	3,147	-8	3,139
Civilian End Strength							
U.S. Direct Hire	248	232	229	229	232	-3	229
Foreign Nat. Direct Hire	25	27	27	27	27		27
Total Civilian End Strength	273	259	256	256	259	-3	256
Military Workyear							
Officer	639	656	600	600	655	-11	644
Enlisted	2,065	2,491	2,140	2,140	2,492	4	2,496
Total Military Workyears	2,704	3,147	2,740	2,740	3,147	-7	3,140
Civilian Workyears							
U.S. Direct Hire	238	234	231	231	234	-3	231
Foreign Nat. Direct Hire	25	27	27	27	27		27
Total Civilian Workyears	263	261	258	258	261	-3	258

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: INTERNATIONAL MILITARY HEADQUARTERS AND AGENCIES

V. Personnel Summary (Continued)

Narrative Explanation of Personnel End Strength Changes:

Military

The decrease of one in FY 89 is associated with management headquarters reductions.

Civilian

No end strength changes in FY 89.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

I. Narrative Description

The resources provided in this activity group satisfy the Army's responsibility for administrative and logistical support of Non-Military Assistance Program (MAP) activities performed by Military Assistance Advisory Groups (MAAGs), Missions and Military Groups; US participation on international military boards and commissions; US participation in the United States Truce Supervision Organization (UNTSO); Army to Army cooperation program, other personnel exchange programs, technology transfer functions, and DoD directed missions in support of other nations when US national security interests are affected.

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

II. Description of Operations Financed

Non-Military Assistance Program (MAP) support of Military Assistance Advisory Groups (MAAGs), Missions and Military Groups (Europe) funds are required to support Army to Army cooperation with allied and friendly nations in Europe as well as support of US Army personnel assigned to and non-security assistance functions performed by MAAGs in Spain and Turkey. Primary cost areas include travel for non-MAP activities, travel, salaries, and a percentage share of contract expenses for administrative expenses of Joint United States Military Mission for Aid Turkey (JUSMMAT).

Resources to support Latin American Cooperation activities as authorized by 10 USC 1050. Included are programs for officer and student visits and exchanges; translation and priting of documents to include publication of the Latin American editions fo the Military Review; joint US-Mexican defense activities; participation in the Inter-American Defense Board and College and other Army to Army cooperation projects aimed at improvement of relations with Latin American Armies. Cost areas include: travel and per diem, civilian salaries; printing and reproduction; and contributions to Latin American international military organizations.

United Nations Truce Supervision Organization (UNTSO). Funds for supplies and equipment and travel by US personnel assigned to or responsible for UNTSO.

Pacific Armies Cooperation Programs. Initiatives developed to improve cooperation and exchanges between US Army and Pacific Armies aimed at expanding US interest wioth Pacific nations to include Australia, New Zealand, Japan and other allied/friendly nations. Expenses are largely for supplies and travel.

Personnel Exchange Program (PEP). The Personnel Exchange Program provides for an exchange of personnel with armies of other countries. Personnel participating in this program are assigned to authorized positions in US organizations with duty stations ina foreign Army. Each position has a reciprocal position within the other Army. The exchanges permit not only a sharing of experience, professional knowledge and doctrine/training of respective armies, but also permit the development of continuing military relationships with present and potential foreign leaders. Expenses are largely for supplies and travel.

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

II. Description of Operations Financed (Continued)

Technology Transfer Functions. Provides necessary resources to Army agencies involved in the international programs arena pertaining to provision and/or restriction of state-of-the-art technologies to foreign governments. Specific programs include development of technology assessments and foreign disclosure plans pertaining to major Army weapons and battlefield support systems; review and evaluation of requests for munitions cases from foreign governments; analysis of allied strategic trade cases pertaining to release of critical technology and classified military information; negotiation of technical exchange projects, data exchange agreements. Science and technology sharing agreements as well as Army Rationalization, Standardization, and Interoperability (RSI) initiatives that involve release of sensitive or classified military information to foreign governments. Additionally, resources provide funding for Army participation in international and joint US evaluation activities such as technology sharing steering committees and critical technologies review working groups.

Other DoD Directive Missions. Provides funds for travel in conjunction with Army missions directed by DoD, usually on a short notice and highly classified. These missions are directed by the highest levels of government and done in response to situations which affect US national security interests. Also included is funding for humanitarian and civic assistance. The authority for the Department of Defense to provide humanitarian and civic assistance is contained in Title 10 US Code, Sections 403(a)(b).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

III. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-Activity Breakout	FY 1987	BUDGET REQUEST	APPROP	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/89
Non-MAP Support	2,268	2,389	2,277	2,277	2,485	2,896	5,381	3,104
Latin American Cooperation	2,409	2,104	2,078	2,878	2,146	756	2,898	20
United Nations Truce Supervision Organization	57	59	59	59	61		61	2
Pacific Armies	354	368	368	368	380		380	12
Personnel Exchange Program	259	269	269	269	278		278	9
Technology Transfer Functions	1,409	1,548	1,500	1,500	1,598	-50	1,548	48
DoD Missions	2,399	6,127	5,963	5,963	6,315	-173	6,142	179
Total Activity Group	9,155	12,954	12,514	13,314	13,263	3,345	16,688	3,374

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

II. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 Current Estimate		$ 13,314
Functional Program Transfers		
Intra Appropriation Transfer In:		
Defense Cooperation In Armaments	$ 3,063	
Transfers Program and resources from Program 2 Mission to Program 10 to support NATO armaments cooperation.		
Total Transfers In	$ 3,063	
Total Functional Program Transfers		$ 3,063
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 17	
b. Compensable Days - Two Days Less	$ -2	
c. FY 1989 Civilian Personnel Pay Increase - 2 Percent	$ 6	
Total Civilian Personnel	$ 21	

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

II. Financial Summary (OMA: $ in Thousands):

B. Reconciliation of Increases and Decreases:

Non-Personnel Price Growth		
a. Stock Fund - Material	$ 14	
b. Commercial Communications	$ 29	
c. Private Sector	$ 5	
d. Utilities	$ 241	
e. Travel	$ 1	
Total Non-Personnel	$ 290	
Total Price Growth		$ 311
FY 1989 Budget Request		$ 16,688

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

IV. Performance Criteria and Evaluation

There are no established performance evaluation factors for this budget activity group.

Indicators

(1) Non-MAP activity at MAAGs, Missions and Military Groups.

(2) Army-to-Army cooperation with allied Nations.

(3) Other DoD directed missions in support of US national security interests.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

V. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	17	18	19	19	18	1	19
Enlisted	12	17	17	17	17		17
Total Military End Strength	29	35	36	36	35	1	36
Civilian End Strength							
U.S. Direct Hire	42	9	11	11	9	4	13
Foreign Nat. Direct Hire	10	13	13	13	13		13
Foreign Nat. Indirect Hire							
Total Civilian End Strength	52	22	24	24	22	4	26
Military Workyear							
Officer	27	18	18	18	18		18
Enlisted	24	17	17	17	17		17
Total Military Workyears	51	35	35	35	35		35
Civilian Workyears							
U.S. Direct Hire	37	9	10	10	9	1	10
Foreign Nat. Direct Hire	10	12	12	12	12		12
Total Civilian Workyears	47	21	22	22	21	1	22

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: MISCELLANEOUS SUPPORT TO OTHER NATIONS

V. Personnel Summary (Continued)

Narrative Explanation of Personnel End Strength Changes:

Military

No end strength changes in FY 89.

Civilian

The increase of two in FY 89 reflects manpower realignments.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: SERVICE SUPPORT TO MILITARY ASSISTANCE AND FOREIGN MILITARY SALES PROGRAM

I. Narrative Description

No direct funds are associated with this activity group. Personnel accounted for in this group perform duties associated with the Security Assistance program, i.e., Foreign Military Sales (FMS) or Military Assistance Program (MAP) and the Army is reimbursed for their salaries. Assignment of personnel and the duties they perform are directed and controlled in the Office of the Secretary of Defense.

II. Description of Operations Financed

Personnel in this aggregation are engaged in foreign military sales activities or assigned to military assistance groups, military missions or military groups worldwide. The difference in end strength and workyears shown for military and civilian personnel in this activity group results from FMS cases in which workyears are reported but end strength is not required as cases are manned by personnel on temporary duty.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: SERVICE SUPPORT TO MILITARY ASSISTANCE AND FOREIGN MILITARY SALES PROGRAM

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer	267	326	327	327	332		332
Enlisted	106	162	171	171	136	11	147
Total Military End Strength	373	488	498	498	468	11	479
Civilian End Strength							
U.S. Direct Hire	12	577	575	575	747	-4	743
Foreign Nat. Direct Hire	27	29	29	29	29		29
Total Civilian End Strength	39	606	604	604	776	-4	772
Military Workyear							
Officer	373	346	346	346	349	-26	323
Enlisted	192	171	171	171	149	-1	148
Total Military Workyears	565	517	517	517	498	-27	471
Civilian Workyears							
U.S. Direct Hire	18	578	470	470	713	-46	667
Foreign Nat. Direct Hire	0	20	20	20	20		20
Total Civilian Workyears	18	598	490	490	733	-46	687

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SUPPORT TO OTHER NATIONS
ACTIVITY GROUP: SERVICE SUPPORT TO MILITARY ASSISTANCE AND FOREIGN MILITARY SALES PROGRAM

IV. Personnel Summary (Continued)

Narrative Explanation of Personnel and Strength Changes:

MILITARY

The decrease of 19 in FY 89 reflects foreign military sales support reductions.

CIVILIAN

The increase of 168 in FY 89 reflects increase support for Foreign Military Sales (+23); and the conversion of Army Missile Command from industrial fund operation to appropriated fund operation (+145).

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SPECIAL OPERATIONS FORCES

I. Description of Operations Financed

The Operation and Maintenance, Army program for Special Operations Forces provides resources to support Special Operations Forces. These forces are sized, structured, equipped, trained, and supported to conduct special operations and to meet national and theater requirements in peace, crisis, and war, across the entire conflict spectrum. The dedicated Army Special Operations Forces include Special Forces, Psychological Operations units, Civil Affairs units, Ranger and Special Operations Aviation.

This program includes resources to operate, maintain and support all activities of the organizations and agencies comprising the Special Operations Forces. It includes directly identifiable mission and support costs; resources required for new or improved capabilities and force structure expansion; operation and maintenance, personnel and equipment required for special operations schools and doctrinal development activities; activities associated with demonstrating technology for application to special operations requirements; and operation, maintenance and personnel resourcing of the service component command headquarters activities.

In FY 1989, the program provides force structure changes including conversion of active component Table of Equipment to Army of Excellence designs; activation of the Special Operations Aviation Battalion Headquarters and Headquarters Company; activation of a Special Operations Aviation Company; activation of two active component Chemical Reconnaissance Detachments; and augmentation of the Special Warfare Center staffing.

A classified annex provides detailed justification for the Special Operations Forces. It is submitted annually to the appropriate congressional committees.

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SPECIAL OPERATIONS FORCES

II. Financial Summary (O&M: $ in Thousands)

		FY 1988			FY 1989			
A. Sub-Activity Breakout	FY 1987	Budget Request	Approp	Current Estimate	Initial Request	Change	Amended Estimate	Change FY 88/
Special Operations Forces	-	-	-	190,322	-	-	179,140	-11,18
Total	-	-	-	190,322	-	-	179,140	-11,18

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SPECIAL OPERATIONS FORCES

II. Financial Summary (OMA $ in Thousands):

B. Reconciliation of Increases and Decreases:

FY 1988 President's Budget Request	$	0
FY 1988 Appropriation Amount	$	0

Program Transfers

Intra Appropriation Transfers In:

a. Special Operations Forces ..... $ 178,836
Transfer of funds from other programs within the Operation and Maintenance, Army Programs for establishment of new Major Force Program 11, Special Operations Forces.

PROGRAM: SPECIAL OPERATIONS FORCES

II. Financial Summary (OMA $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Transfers (continued)		
Inter Appropriation Transfers In:		
b. Special Operations Forces	$ 11,486	
Transfer of funds from Missiles Procurement, Army appropriation to the Operation and Maintenance, Army appropriation's Major Force Program 11 for the urgent war-fighting requirements of the Commander in Chief, US Special Operations Command.		
Total Transfers In	$ 190,322	
Total Functional Program Transfers		$ 190,322
FY 1988 Current Estimate		$ 190,322
Price Growth		
Civilian Personnel Costs		
a. Civilian Salaries (Annualization)	$ 464	
b. Compensable Days - Two Days Less	$ -114	
Total Civilian Personnel Costs	$ 350	

PROGRAM: SPECIAL OPERATIONS FORCES

II. Financial Summary (OMA $ in Thousands):

B. Reconciliation of Increases and Decreases:

Price Growth (continued)

Non-Personnel Price Growth

a. Travel/Transportation	$	213
b. Rents	$	295
c. Supplies & Materials (Non-Stock Fund)	$	658
d. Printing & Reproduction	$	28
e. Equipment Purchases (Non-SF)	$	219
Total Non-Personnel	$	1,413
Total Price Growth	$	1,763

Program Decrease

a. Special Operations Forces War-Fighting Requirements.....$-11,486
FY 1988 funds were for the urgent war-fighting requirements of the Commander in Chief, US Special Operations Command. Decrease in FY 1989 funding results from completion of one-time requirement.

PROGRAM: SPECIAL OPERATIONS FORCES

II. Financial Summary (OMA $ in Thousands):

B. Reconciliation of Increases and Decreases:

Program Decrease (continued)

b. Unit Training and Support.....$ -1,459
These resources provide for garrison operations, unit training, and flying hour program. Decrease for FY 1989 funding results from reduced flying hour program.

Total Program Decreases.....$ -12,945

FY 1989 Budget Request.....$ 179,140

DEPARTMENT OF THE ARMY
JUSTIFICATION OF AMENDED ESTIMATES FOR FY 1988/1989
OPERATION AND MAINTENANCE, ARMY

PROGRAM: SPECIAL OPERATIONS FORCES

IV. Personnel Summary

		FY 1988			FY 1989		
	FY 1987	Budget Request	Approp	Current Estimate	Initial Estimate	Change	Amended Estimate
Military End Strength							
Officer				2,302			2,279
Enlisted				9,699			10,351
Total Military End Strength				12,001			12,630
Civilian End Strength							
U.S. Direct Hire				549			601
Total Civilian End Strength				549			601
Military Workyears							
Officer				2,290			2,328
Enlisted				10,025			10,689
Total Military Workyears				12,315			13,017
Civilian Workyears							
U.S. Direct Hire				528			603
Total Civilian Workyears				528			603

PROGRAM: SPECIAL OPERATIONS FORCES

IV. Personnel Summary (Continued):

NARRATIVE EXPLANATION OF PERSONNEL END STRENGTH CHANGES:

MILITARY

The increase of 629 in FY 1989 force structure increase (+465) and training increase (+167).

CIVILIAN

The increase of 75 in FY 1989 support professional development training for SOF.

ARMY INDUSTRIAL FUND
OVERVIEW

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HOW INDUSTRIAL FUNDS OPERATE

Industrial funds operate under the provisions of Section 2208, Title 10 U.S.C. These provisions authorize the Secretary of Defense to establish working capital funds for industrial-type and commercial-type activities providing common services within the Department of Defense. Each industrial fund activity has a charter defining the scope of operations to be performed at that activity. These charters are required to be approved by the Assistant Secretary of Defense (Comptroller) prior to the commencement of operations.

The Department currently has five industrial funds - Army, Navy, Marine Corps, Air Force and Defense. Each industrial fund is administered and managed by their respective Service or Defense Agency. Within each industrial fund, individual activities which perform similar functions are organized into activity groups. A management agency or command is designated to provide general direction and exercise oversight responsibilities for those activities within the group. Authority to incur costs, however, is vested with managers at each activity.

The Department's industrial fund activities are anticipated to receive customer orders totaling approximately $23.4 billion in both FY 1988 and FY 1989. Approximately 98% of these orders are anticipated to come from Department of Defense activities. Other federal, state and local government agencies, as well as other parties, may purchase goods or services where appropriate and authorized by law. Functions performed by the Department's industrial fund activities include depot maintenance (ship, aircraft, combat vehicle, and other depot maintenance efforts); transportation services (airlift, sealift and traffic management); base services (real property maintenance, data services, printing and publications, communications, and other services); as well as other functions.

Army's industrial fund activities are anticipated to receive customer orders totaling approximately $3.0 billion in FY 1988 and $2.7 billion in FY 1989.

Industrial fund activities receive their initial working capital through an appropriation or a transfer of resources from existing appropriations of funds. Industrial fund activities use these resources to initially finance the costs of goods and services provided to their customers. Subsequently, the industrial fund activities are reimbursed by their customers for the goods or services provided. Workload at industrial fund activities is generated by customer order (requests for goods or services). Customer orders constitute obligations of the ordering activity, and create a contractual (buyer-seller) relationship between the industrial fund activity and the customer.

Customer rates are established on a fiscal year basis. These rates are established at levels intended to recover costs plus applicable surcharges, if any, necessary to provide working capital to ensure continued operation of the fund. Once established, rates are stabilized (held constant) for the applicable fiscal year. This "stabilized rate" policy serves to protect

appropriated fund customers from unforeseen inflationary pressures as well as other cost uncertainties. In turn, this policy, also reduces disruptive fluctuations in planned industrial fund workload levels and thereby permits more effective utilization of industrial fund resources.

Industrial funds operate on a break-even basis over the long term. Profits, when they occur, are disseminated through transfers. Similarly, losses are recouped through the collection of a payment (called a passthrough) equal to such losses. Transferring prior years' profits or collecting prior years' losses outside of the industrial fund rate structure permits rates to more nearly reflect anticipated costs and avoids distortions which might otherwise occur.

Estimated workloads, costs, manpower requirements, and customer rates for industrial fund activities are initially developed by local managers at each industrial fund activity. These estimates are reviewed and consolidated by the management agency or command responsible for the direction and oversight of the activity group. These consolidated estimates are then reviewed by the respective Service and the Office of the Secretary of Defense prior to submission of the Congress.

Congressional oversight of industrial funds is exercised both directly and indirectly. The Congressional authorization and appropriation process permits the Congress to adjust the resource levels and programs of industrial fund customers. It also provides the Congress an opportunity to direct transfers or passthroughs between appropriated funds and applicable industrial fund activities. The Congress may also exercise oversight control by placing ceilings or limits on certain resources or types of expenses, or through the establishment or prohibition of policies or practices. These latter actions should be carefully considered so as not to unduly conflict with the desired business-like approach or to reduce the flexibility of industrial fund managers to respond to changes in workload, technology, or other market-related conditions.

The operation of activities under the industrial fund concept promotes a business-like approach to accomplishing certain complex and necessary Defense efforts. Cost accounting systems offer an effective means for identifying specific costs and thereby enhancing the capabilities of industrial fund managers and their customers to make more cost-effective decisions. Operations under the industrial fund concept results in a flexible system maximizing the use of financial, manpower, and other resources required to efficiently respond to fluctuations in workload. The operation of industrial fund activities also permits consuming activities (customers) to budget for end products or services required rather than the component parts or efforts necessary to achieve those end products or services.

APPROVED FY 1989 ARMY INDUSTRIAL FUND RATE CHANGES
(Change is From Approved FY 1988 Rate)

DoD policy provides for industrial fund rates to be established at estimated cost plus surcharge for the Asset Capitalization Program. Establishing rates which approximate costs aids individual programs managers (customers) in making cost effective program decisions. Such decisions may involve selecting among alternative goods or services, selecting from competititve sources that provide similar goods or services, or selecting whether to purchase a new item or to repair an existing one.

Customer rates are established for each fiscal year. Once established, these rates are stabilized (held constant) for the entire applicable fiscal year. This "stabilized rate" policy serves to protect appropriated fund customers from unforeseen inflationary increases as well as other cost uncertainties. This policy better assures customers that they will not have to make program adjustments in order to pay for potentially higher than anticipated prices. In turn, this policy also reduces disruptive fluctuations in planned industrial fund workload levels and thereby permits more effective utilization of industrial fund resources.

Approved FY 1989 rates changes are:

	Percent Change FY 1989
Armament Command	+3.6
Depot Command:	
Depot Operations	+2.8
Other Operations	+7.3
Military Traffic Management Command	+7.9
Missile Command	*

* This activity will operate on a cost reimbursable basis in FY 1989. Customers will be charged actual costs rather than a stabilized rate. The change between amounts charged in FY 1988 and those to be charged in FY 1989 is estimated to be -13.7%.

Department of the Army
Army Industrial Fund
Summary of Refunds (-), Transfers (-), and Passthroughs (+)
($ in Millions)

	FY 1987	FY 1988	FY 1989
Total Net Refunds, Transfers, and Passthroughs:			
Armaments Command	23.0	3.1	12.7
Depot System Command	-89.0	-70.9	62.4
Military Traffic Management Command	-55.3	-1.3	15.0
Missile Command	25.8	8.2	52.9
Total	-95.5	-60.9	143.0
Federal Employee Retirement System Related Passthroughs:			
Armaments Command	6.2	-	-
Depot System Command	10.7	-	-
Military Traffic Management Command	1.0	-	-
Missile Command	6.1	-	-
Total	24.0	-	-
Asset Capitalization Program Related Transfers:			
Armaments Command	-	-6.5	-
Depot System Command	-	-8.1	-
Military Traffic Management Command	-	-1.3	-
Missile Command	-	-	-
Total	-	-15.9	-
Retained Earnings:			
Armaments Command	16.8	9.6	12.7
Depot System Command	-99.7	-62.8	62.4
Military Traffic Management Command	-56.3	-	15.0
Missile Command	19.7	8.2	52.9
Total	-119.5	-45.0	143.0

Department of the Army
Army Industrial Fund
Summary of Operations

Industrial Fund Activity Group Operations. The Army Industrial Fund consists of four activity groups: the Armament Munitions and Chemical Command, the Aviation Systems Command, the Missile Command, and the Military Traffic Management Command.

The Army Industrial Fund continues to stress a goal of increasing productivity by $90.0 million per year. Productivity improvements are measured on a year in terms of lower costs per unit of output. The Asset Capitalization Program (ACP) continues to be an effective means of achieving productivity gains through the acquisition of new and more efficient equipment.

Department of the Army
Army Industrial Fund
Summary of Operations

Summary of Financial Operations:

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Revenue *	3,205.6	3,290.4	3,290.6
Cost of Goods and Services Sold *	3,190.0	3,321.1	3,290.6
Revenue Less Costs	15.6	-30.7	-
ACP Surcharge	2.6	-3.8	-
Refunds and Passthroughs (Net)	-95.5	-	-
Net Operating Results	-77.3	-34.5	-
Prior Year and Other Adjustments	13.8	-	-
Transfers and Passthroughs (Net)	-	-60.9	143.0
Accumulated Operating Results	-50.0	-145.4	-2.4

* Includes amounts of $118.6 million in FY 1989 paid from DoD Military Personnel appropriations. These amounts are included for illustrative purpose only. Actual revenue, costs, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid from Military Personnel appropriations.

Department of the Army
Army Industrial Plant
Summary of Operations

Department of the Army
Army Industrial Fund
Summary of Operations

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Surcharge	Net Operating Results
1. FY 1988 Estimate in FY 1988 President's Budget	2,704.2	2,965.3	2,965.3	-65.2
2. Congressional Adjustments:				
a. ACP Surcharges	-	-	-15.9	15.9
b. Overhead	-	-	-7.9	7.9
c. Inflation Assumption	-	-	-23.7	23.7
3. Estimated Impact in FY 1988 of Actual FY 1987 Experience:	208.1	328.4	383.7	-55.3
4. Pricing Adjustments:				
a. Revised General Inflation	-	-	2.2	-2.2
b. Revised Fuel Prices	-	-	1.5	-1.5
c. Redstone Arsenal Base Operations Contract	-	-	23.1	-23.1
5. Productivity Initiatives and Other Efficiencies:	-	-	-	-
6. Program Changes:				
Armaments Command	-37.6	-	-	-
Depot System Command	-	-	-	-
Missile Command	-	-9.9	-9.9	-
Military Traffic Management Command	6.6	6.6	6.6	-
7. Other Changes in:				
a. Waiver of REfunds	20.2	-	-	20.2
b. Change in Policy Relative to Transfers/Passthroughs	45.0	-	-	45.0
c. Other Reestimates	43.6	-	-.1	.1
8. FY 1988 Current Estimate	2,990.1	3,290.4	3,324.9	-34.5

Department of the Army
Army Industrial Fund
Summary of Operations

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Surcharge	Net Operating Results
8. FY 1988 Current Estimate	2,990.1	3,290.4	3,324.9	-34.5
9. Pricing Adjustments:				
a. Pay Raise				
(1) FY 1989 Pay Raise	25.8	25.8	25.8	-
(2) Annualization of FY 1988 Pay Raise	8.6	8.6	8.6	-
b. Stock Fund - Fuel	.8	.8	.8	-
c. Stock Fund - Nonfuel	13.4	13.4	13.4	-
d. Purchases From Other Industrial Funds	7.2	7.2	7.2	-
e. General Inflation	42.7	42.7	42.7	-
f. Foreign National IH	.8	.8	.8	-
g. Military Personnel - Notional Amounts		118.6	118.6	-
h. Other	- 39.7	-39.7	-39.7	-
10. Productivity Initiatives and Other Efficiencies:				
Armaments Command	-21.2	-21.2	-21.2	-
Depot System Command	-52.0	-52.0	-52.0	-
Missile Command	-10.2	-10.2	-10.2	-
Military Traffic Management Command	-6.2	-6.2	-6.2	-
11. Program Changes:				
Armaments Command	-23.7	-17.8	-17.8	-
Depot System Command	-91.5	-67.3	-67.3	-
Missile Command	-3.7	-3.7	-3.7	-
Military Traffic Management Command	-25.5	-25.5	-25.5	-
12. Other Changes in:				
a. Depreciation Expenses	15.7	15.7	15.7	-
b. ACP Surcharges	-3.8	-3.8	-3.8	-
c. To Preclude Repeat of FY 1988 Operating Loss (Rates)	34.5	34.5	-	34.5
d. Direct Fund Contracts	-20.5	-20.5	-20.5	-
e. Other	-96.1	-	-	-
13. FY 1989 Current Estimate	2,745.5	3,290.6	3,290.6	-

Department of the Army
Army Industrial Fund
Summary of Operations

Summary of New Customer Orders:

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Army Appropriations and Funds:			
Operation and Maintenance	1,962.0	2,071.5	1,992.9
RDT&E	144.6	134.2	96.0
Procurement	403.3	323.3	245.4
Stock Funds	66.0	60.3	60.7
Other Army Customers	240.0	208.2	174.8
Other DoD Customers	200.3	179.1	159.6
Non-DoD Customers	16.8	13.5	16.1
Total All Customers	3,033.0	2,990.1	2,745.5

Summary of Personnel Resources:

	FY 1987	FY 1988	FY 1989
Civilian Personnel:			
End Strength:	55,848	54,757	54,203
Armaments Command	7,782	6,972	7,200
Depot System Command	36,046	37,050	36,037
Military Traffic Management Command	2,936	2,631	2,636
Missile Command	9,084	8,104	8,330
Workyears:	57,851	54,911	54,055
Armaments Command	8,221	6,946	7,109
Depot System Command	37,340	36,740	36,093
Military Traffic Management Command	2,982	2,586	2,636
Missile Command	9,308	8,639	8,217
Military Personnel:			
End Strength:	2,852	3,145	3,084
Armaments Command	69	120	113
Depot System Command	1,437	1,153	1,114
Military Traffic Management Command	292	351	353
Missile Command	1,054	1,521	1,504
Workyears:	3,147	3,000	3,084
Armaments Command	96	95	113
Depot System Command	1,327	1,295	1,114
Military Traffic Management Command	354	322	353
Missile Command	1,370	1,288	1,504

Department of the Army
Army Industrial Fund
Summary of Operations

Summary of Purchases of Capital Assets:

	(Obligations, Dollars in Millions) FY 1987	FY 1988	FY 1989
Equipment:			
Available Amounts, Beginning of the Year	40.0	22.7	-
New Program Amounts	55.8	74.1	73.1
Total Available Program	95.8	96.8	73.1
Less Purchases of Equipment	73.1	96.8	73.1
Available Amounts, End of the Year	22.7	-	-
Unspecified Minor Construction Projects	9.8	10.0	11.0
Management Information Systems	3.4	-	-
Fast Payback	1.9	-	-
Total Purchases of Capital Assets (Obligations)	88.2	106.8	84.1
Total New Program For Capital Assets	69.0	84.1	84.1
(Total Outlays)	(152.3)	(135.0)	(124.9)
Financing of New Program Amounts for Capital Assets	63.8	84.1	84.1
Amounts Financed By:			
Depreciation	63.8	80.3	84.1
Surcharge	-	3.8	-

Department of the Army
Army Industrial Fund
Program and Financing Summary

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Fund Balance (Unobligated Balance Available) Start of Year	1,406.0	1,147.1	747.3
New Customer Orders:			
Federal Funds	3,006.6	2,961.2	2,716.6
Trust Funds	15.0	17.5	17.5
Non-Federal Funds	11.4	11.4	11.4
Total New Customer Orders	3,033.0	2,990.1	2,745.5
Obligations:			
Armaments Command	559.0	591.8	525.6
Depot System Command	1,931.3	1,933.3	1,833.0
Military Traffic Management Command	246.1	245.3	214.5
Missile Command	586.4	558.6	432.9
Total Obligations	3,322.8	3,329.0	3,006.0
Unobligated Balance Tranferred to Operation and Maintenance, Appropriations:	4.8	60.9	-
Recovery of Prior Year Obligations	35.7	-	-
Fund Balance (Unobligated Balance Available) End of Year	1,147.1	747.3	486.8

Department of the Army
Army Industrial Fund
Statement of Financial Condition

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Assets:			
Selected Assets:			
Cash *	251.4	99.4	190.9
Accounts Receivable	188.7	147.8	155.1
Advance Made	7.0	6.6	7.3
Inventories	255.0	234.1	230.3
Other Assets	.5	1.3	1.3
Capital Property (Net)	1,961.4	2,142.6	2,270.7
Total Assets	2,664.0	2,631.8	2,855.6
Liabilities:			
Selected Liabilities:			
Accounts Payable	158.6	136.6	135.0
Accrued Liabilities	165.1	136.9	134.8
Advances Received	.7	.7	.7
Unfunded Liabilities	48.1	48.1	47.8
Other Liabilities	26.6	30.7	32.4
Total Liabilities	399.1	353.0	350.7
Government Equity:			
Appropriations/Reappropriations	127.4	127.4	127.4
Paid-in Capital (Assets Capitalized Less Liabilities Assumed)	1,821.3	1,945.5	2,028.6
Earnings Used for Operations	366.2	351.3	351.3
Accumulated Operating Results	-50.0	-145.4	-2.4
Total Government Equity	2,264.9	2,278.8	2,504.9
Total Liabilities and Equity	2,664.0	2,631.8	2,855.6
* Includes Cash:			
Available for Operations	9.6	-53.3	79.0
Required for ACP Program	180.9	152.7	111.9
Required for Transfers	60.9	-	-

Department of the Army
Army Industrial Fund
Statement of Revenue and Expense

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Revenue *	3,205.6	3,290.4	3,290.6
Expenses:			
Salaries and Wages			
Military Personnel *			118.6
Civilian Personnel	1,722.4	1,722.3	1,661.6
Materials, Supplies and Parts	656.1	745.2	721.9
Fuel	20.8	15.2	16.0
Depreciation	63.8	80.3	96.0
Contractual Services	580.6	647.6	616.5
Other Expenses	121.0	115.4	62.7
Subtotal, Cost of Goods and Services Produced	3,164.7	3,326.0	3,293.3
Work in process:			
Beginning of the Year (+)	264.7	239.4	244.3
End of the Year (-)	239.4	244.3	247.0
Cost of Goods and Services Sold	3,190.0	3,321.1	3,290.6
Revenue Less Expenses	15.6	-30.7	-
ACP Surcharge (-)	-2.6	3.8	-
Revenue Less Expense; and Surcharge	18.2	-34.5	-
Refunds & Passthroughs (Net)	-95.5	-	-
Net Operating Results	-77.3	-34.5	-

* Includes amounts of $118.6 million in FY 1989 paid from DoD Military Personnel appropriations. These amounts are included for illustrative purposes only. Actual revenue, cost, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid from Military Personnel appropriations.

Department of the Army
Army Industrial Fund
Analysis of Changes in Government Equity

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Appropriations/Reappropriations:			
Opening Balance	132.2	127.4	127.4
Transactions:			
Transfer for Coal Research	-4.8	-	-
Closing Balance	127.4	127.4	127.4
Paid-in Capital:			
Opening Balance	1,739.5	1,821.3	1,945.5
Transactions:			
Assets and liabilities capitalized and decapitalized	81.8	124.1	83.1
Closing Balance	1,821.3	1,945.5	2,028.6
Earnings Used for Operations:			
Opening Balance	383.2	366.2	351.3
Transactions:			
ACP Surcharge	-2.6	-3.8	-
Other Adjustments	-14.4	-11.1	-
Closing Balance	366.2	351.3	351.3
Accumulated Operating Results:			
Opening Balance	-.7	-50.0	-145.4
Transactions:			
Net Operating Results	-77.3	-34.5	-
Prior Year and Other Adjustments	28.0	-	-
Transfers to O&M, Army	-	-60.9	-
Passthroughs from O&M Army	-	-	143.0
Closing Balance	-50.0	-145.4	-2.4
Total Government Equity End of the Year	2,264.9	2,278.8	2,504.9

Department of the Army
Army Industrial Fund
U.S. Army Armament, Munitions and Chemical Command

Activity Group Functions: The Armament, Munitions and Chemical Command (AMCCOM) industrial fund activities provide designated support to the command's material development, procurement, readiness, and management mission. Assigned functions include logistics (material readiness) management including follow on procurement, production, maintenance, engineering and integrated logistics support management; in addition, engineering in support of production, industrial management, value engineering, configuration management, international logistics, tools and equipment engineering, product assurance, transportation and traffic management for assigned systems/material. AMCCOM also executes the mission of the Single Manager for Conventional Ammunition (SMCA) for the Department of Defense, and directs and controls assigned installations and activities.

Activity Group Composition:

Activities	Location
Pine Bluff Arsenal	Pine Bluff, Arkansas
Rock Island Arsenal	Rock Island, Illinois
Watervliet Arsenal	Watervliet, New York
Crane Army Ammunition Activity	Crane, Indiana
McAlester Army Ammunition Plant	McAlester, Oklahoma

Budget Highlights: In FY 1988 this command projects an increase in both revenue and cost over amounts estimated in the initial FY 1988/FY 1989 Presidents Budget. This increase results from additional direct materials included in items manufactured, and the delivery of customer furnished equipment. The increase in revenue and related costs will result in completion of multi-year carryover orders, timely delivery of items to customers, and a reduction in funded carryover. Both FY 1988 and FY 1989 customer order are expected to decline due to decreases in customer appropriations. FY 1989 revenue and cost are projected to decline due to the decrease in customer orders.

The Army Armament, Munitions and Chemical Command has an aggressive program to increase productivity in an atmosphere of a declining workforce and constrained funding. This Command recognizes that increased automation and modernization has the greatest potential for achieving additional efficiencies, and that the Asset Capitalization Program (ACP) has the greatest potential for realizing a high rate of productivity return. The Army Armament, Munitions and Chemical Command has developed a program of ACP purchases that will better insure that productivity increases will continue to be realized in FY 1988/FY 1989.

Other productivity initiatives such as value engineering, methods and standards, incentive awards, quality circles, management production efficiencies, and contracted services (when economical) have been undertaken by this Command to enable quality products and services to be provided, and to lower costs ultimately charged to the Department's customers.

Department of the Army
Army Industrial Fund
U.S. Army Armament, Munitions and Chemical Command

Summary of Financial Operations:

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Revenue *	485.4	590.4	574.6
Cost of Goods and Services Sold *	493.3	586.1	574.6
Revenue Less Costs	-7.9	4.3	-
ACP Surcharge	-	-1.4	-
Refunds and Passthroughs (Net)	23.0	-	-
Net Operating Results	15.1	2.9	-
Prior Year and Other Adjustments	-1.1	-	-
Transfers and Passthroughs (Net)	-	3.1	12.7
Accumulated Operating Results	-19.4	-13.4	-.7

* Includes amounts of $5.2 million in FY 1989 paid from DoD Military Personnel appropriations. These amounts are included for illustrative purpose only. Actual revenue, costs, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid from Military Personnel appropriations.

Department of the Army
Army Industrial Fund
U.S. Army Armament, Munitions and Chemical Command

Summary of Changes in Operations:

	(Dollars in Millions) FY 1987 Estimate	FY 1987 Actual	Variance
Revenue	503.8	485.4	-18.4
Cost of Goods & Services Sold	500.9	493.3	-7.6
Revenue Less Costs	2.9	-7.9	-10.8
ACP Surcharge	-	-	-
Refund & Passthroughs (Net)	20.9	23.0	2.1
Net Operating Results	23.8	15.1	-8.7

Decreased revenue and cost amounts and the related impact on Net Operating Results were caused by delays in the delivery of components and a related shift of direct labor to indirect labor at some of the installations.

The variance in refunds and passthroughs was due to repricing FERS requirements.

Summary of Changes in Operations (Continued):

(Dollars in Millions)

	Customer Orders	Revenue	Cost & Sur-Charge	Net Operating Results
1. FY 1988 Estimate in FY 1988 President's Budget	499.5	550.1	550.1	9.6
2. Congressional Adjustments:				
a. ACP Surcharges	-		-6.5	6.5
b. Overhead	-	-	-1.5	1.5
c. Inflation Assumption	-	-	-4.4	4.4
3. Estimated Impact in FY 1988 of Actual FY 1987 Experience	-	40.3	49.2	-8.9
4. Pricing Adjustments:				
a. Revised General Inflation	-	-	.5	.5
b. Revised Fuel Prices	-	-	.1	-.1
5. Productivity Initiatives and Other Efficiencies:	-	-	-	-
6. Program Changes:				
a. Changes in Customer Orders	-37.6	-	-	-
7. Other Changes in:				
a. Change in Policy Relative to Transfers/Passthroughs	-9.6	-	-	-9.6
b. Other Reestimates	-5.9	-	-	-
8. FY 1988 Current Estimates	446.4	590.4	587.5	2.9

Department of the Army
Army Industrial Fund
U.S. Army Armament, Munitions and Chemical Command

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Surcharge	Net Operating Results
8. FY 1988 Current Estimate	446.4	590.4	587.5	2.9
9. Pricing Adjustments:				
a. Pay Raise				
(1) FY 1989 Pay Raise	3.7	3.7	3.7	-
(2) Annualization of FY 1988 Pay Raise	1.2	1.2	1.2	-
b. Stock Fund - Fuel	.1	.1	.1	-
c. Stock Fund - Nonfuel	1.0	1.0	1.0	-
d. Purchases From Other Industrial Funds	.7	.7	.7	-
e. General Inflation	10.2	10.2	10.2	-
f. Military Personnel - Notional Amounts *	-	5.2	5.2	-
10. Productivity Initiatives and Other Efficiencies:				
a. ACP	-8.9	-8.9	-8.9	-
b. Overhead Reduction	-12.3	-12.3	-12.3	-
11. Program Changes:				
a. Changes in Customer Orders	-23.7	-17.8	-17.8	-
12. Other Changes in:				
a. Depreciation Expenses	5.4	5.4	5.4	-
b. ACP Surcharges	-1.4	-1.4	-1.4	-
c. To Preclude Repeat of FY 1988 Operating Gain (Rates)	-2.9	-2.9	-	-2.9
13. FY 1989 Current Estimate	419.5	574.6	574.6	-

* Military Personnel amounts are included for illustrative purposes only. Actual revenue, cost, and rates, as well as amounts reflected in DOD customer accounts, exclude amounts paid from Military Personnel appropriations.

The Asset Capitalization Program surcharge has been reduced to zero resulting in a decrease of $1.4 million to customer orders, revenue, and cost/surcharge. Customer rates have been established to recover current year cost and have been adjusted to preclude repeating the operating gain projected for FY 1988.

Department of the Army
Army Industrial Fund
U.S. Army Armament, Munitions and Chemical Command

Summary of Workload Indicators:

	FY 1987	FY 1988	FY 1989
Weapons/Components Manufactured (Units)	61.5	68.9	72.0
Ammunition Manufactured (Rounds)	5,018.3	5,159.1	3,116.9
Ammunition Renovation (Rounds)	562.7	83.3	78.2
Ammunition Demilitarization (Rounds)	1,451.5	271.8	30.0
Other (Units)	16.6	18.8	19.8

Summary of New Customer Orders:

(Dollars in Millions)

	FY 1987	FY 1988	FY 1989
Army Appropriations and Funds:			
Operation and Maintenance	156.5	123.4	130.9
RDT&E	10.9	12.9	11.6
Procurement	190.0	149.7	133.9
Stock Funds	33.0	37.7	37.9
Other Army Customers	167.8	113.7	98.4
Other DoD Customers	5.9	8.3	6.1
Non-DoD Customers	.4	.7	.7
Total All Customers	564.5	446.4	419.5

Summary of Personnel Resources:

	FY 1987	FY 1988	FY 1989
Civilian Personnel:			
End Strength:	7,782	6,972	7,200
Workyears	8,221	6,946	7,109
Military Personnel:			
End Strength:	69	120	113
Workyears:	96	95	113

Department of the Army
Army Industrial Fund
U.S. Army Armament, Munitions and Chemical Command

Summary of Purchases of Capital Assets:

	(Obligations, Dollars in Millions) FY 1987	FY 1988	FY 1989
Equipment:			
Available Amounts, Beginning of the Year	5.1	-	-
New Program Amounts	18.1	25.8	32.2
Total Available Program	23.2	25.8	32.2
Less Purchases of Equipment	23.2	25.8	32.2
Available Amounts, End of the Year	-	-	-
Unspecified Minor Construction Projects	2.0	3.9	3.8
Management Information Systems	-	-	-
Total Purchases of Capital Assets (Obligations)	25.2	29.7	36.0
Total New Program for Capital Assets	20.1	29.7	36.0
(Total Outlays)	(35.0)	(42.6)	(38.9)
Financing of New Program Amounts for Capital Assets	20.1	29.7	36.0
Amounts Financed By:			
Depreciation	20.1	28.3	36.0
Surcharge	-	1.4	-

Department of the Army
Army Industrial Fund
U.S. Army Depot System Command

Activity Group Functions: The depot facilities activity group performs depot maintenance and depot supply operations. Depot maintenance includes the overhaul, rebuild, conversion, renovation, modification, repair, inspect and test, manufacture, fabrication, and reclamation of materiel, as well as maintenance support services. Depot supply operations include the receipt, storage, issue and shipment of stocks, and stock control.

Activity Group Composition:

Activities	Location
Depots:	
Anniston Army Depot	Anniston, Alabama
Corpus Christi Army Depot	Corpus Christi, Texas
Letterkenny Army Depot	Chambersburg, Pennsylvania
Lexington Blue Grass Army Depot	Lexington, Kentucky
New Cumberland Army Depot	New Cumberland, Pennsylvania
Red River Army Depot	Texarkana, Texas
Sacramento Army Depot	Sacramento, California
Seneca Army Depot	Romulus, New York
Sharp Army Depot	Lathrop, California
Sierra Army Depot	Herlong, California
Tobyhanna Army Depot	Tobyhanna, Pennsylvania
Tooele Army Depot	Tooele, Utah
Depot Activities:	
Fort Wingate Depot Activity	Gallup, New Mexico
Pubelo Depot Activity	Pueblo, Colorado
Savanna Depot Activity	Savanna, Illinois
Umatilla Depot Activity	Hermiston, Oregon
Navajo Depot Activity	Bellemont, Arizona

Budget Highlights: Maintenance orders increase $50.0 million in FY 1988 and decrease $30.8 million in FY 1989 with commensurate changes in workyears and revenue and costs; supply orders increase $64.7 in FY 1988 and decrease $93.1 in FY 1989. Due to general Congressional budgetary constraints the depot supply operation is inadequately resourced. Because of the Congressional constraints, customers cannot purchase the level of service desired. Productivity efficiencies are provided in FY 1988 and FY 1989 through reduction of work measurement standards. Individual prices are based on these standards to ensure that estimated productivity savings are passed on to customers.

Department of the Army
Army Industrial Fund
U.S. Army Depot System Command

Summary of Operations:

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Revenue *	1,939.2	1,941.0	1,882.8
Cost of Goods and Services Sold *	1,918.5	1,933.1	1,882.8
Revenue Less Costs	20.7	7.9	-
ACP Surcharge	-	-1.5	-
Refunds and Passthroughs (Net)	-89.0	-	-
Net Operating Results	-68.3	6.4	-
Prior Year and Other Adjustments	13.7	-	-
Transfers and Passthroughs (Net)	-	-70.9	62.4
Accumulated Operating Results	1.1	-63.4	-1.0

* Includes amounts of $41.5 million in FY 1989 paid from DoD Military Personnel appropriations. These amounts are included for illustrative purpose only. Actual revenue, costs, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid from Military Personnel appropriations.

Department of the Army
Army Industrial Fund
U.S. Army Depot System Command

Summary of Changes in Operations:

	(Dollars in Millions) FY 1987 Estimate	FY 1987 Actual	Variance
Revenue	1,764.0	1,939.2	175.2
Cost of Goods & Services Sold	1,673.8	1,918.5	244.7
Revenue Less Costs	90.2	20.7	-69.5
ACP Surcharge	-	-	-
Refund & Passthroughs (Net)	-83.0	-89.0	-6.0
Net Operating Results	7.2	-68.3	-75.5

Actual FY 1987 revenues and costs exceeded FY 1987 projections due, primarily, to understatement of workload projections and an assumption of a more favorable cost environment than actually materialized.

The variance in refunds and passthroughs was due to repricing the FERS requirement.

Department of the Army
Army Industrial Fund
U.S. Army Depot System Command

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Sur-Charge	Net Operating Results
1. FY 1988 Estimate in FY 1988 President's Budget	1,677.6	1,756.5	1,756.5	-62.8
2. Congressional Adjustments:				
a. ACP Surchage	-	-	-8.1	8.1
b. Overhead	-	-	-4.9	4.9
c. Inflation Assumption	-	-	-14.6	14.6
3. Estimated Impact in FY 1988 of Actual FY 1987 Experience	122.9	184.5	203.7	-19.2
4. Pricing Adjustments:				
a. Revised General Inflation	-	-	1.0	-1.0
b. Revised Fuel Prices	-	-	1.0	-1.0
5. Productivity Initiatives and Other Efficiencies	-	-	-	-
6. Program Changes:				
a. Changes in Customer Workload	-	-	-	-
7. Other Changes in:				
a. Change in Policy Relative to Transfers/Passthroughs	62.8	-	-	62.8
b. Other Reestimates	-38.6	-	-	-
8. FY 1988 Current Estimates	1,824.7	1,941.0	1,934.6	6.4

Department of the Army
Army Industrial Fund
U.S. Army Depot System Command

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Surcharge	Net Operating Results
8. FY 1988 Current Estimate	1,824.7	1,941.0	1,934.6	6.4
9. Pricing Adjustments:				
a. Pay Raise				
(1) FY 1989 Pay Raise	16.2	16.2	16.2	-
(2) Annualization of FY 1988 Pay Raise	5.4	5.4	5.4	-
b. Stock Fund - Fuel	.5	.5	.5	-
c. Stock Fund - Nonfuel	11.5	11.5	11.5	-
d. Purchases From Other IF	6.5	6.5	6.5	-
e. General Inflation	19.3	19.3	19.3	-
f. Military Personnel - Notional Amounts *	-	41.5	41.5	-
g. Other	-40.6	-40.6	-40.6	-
10. Productivity Initiatives and Other Efficiencies:				
a. ACP	-8.0	-8.0	-8.0	-
b. Overhead Reduction	-40.3	-40.3	-40.3	-
c. Other	-3.7	-3.7	-3.7	-
11. Program Changes:				
a. Changes in Customer Workload	-91.5	-67.3	-67.3	-
12. Other Changes in:				
a. Depreciation Expenses	8.7	8.7	8.7	-
b. ACP Surcharges	-1.5	-1.5	-1.5	-
c. To Preclude Repeat of FY 1988 Operating Gain (Rates)	-6.4	-6.4		-6.4
13. FY 1989 Current Estimate	1,700.8	1,882.8	1,882.8	-

* Military Personnel amounts are included for illustrative purposes only. Actual revenue, cost, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid to Military Personnel appropriation.

The Asset Capitalization Program surcharge has been reduced to zero resulting in a decrease of $1.5 million to customer orders, revenue, and cost/surcharge.

Customer rates have been established to recover current year cost and have been adjusted to preclude repeating the operating gain projected for FY 1988.

Department of the Army
Army Industrial Fund
U.S. Army Depot System Command

Summary of Workload Indicators:

	FY 1987	FY 1988	FY 1989
Depot Maintenance (Units in Thousands)			
Aircraft	75.0	88.7	87.3
Automative	21.0	28.8	28.6
Combat Vehicle	260.0	217.9	193.0
Communications Electronics	90.2	97.3	92.8
Missile	35.8	32.5	31.4
Other	125.2	149.8	162.4
Supply			
Receipts - Ammunition (short tons)	257.8	248.4	246.0
Receipts - General Supplies (line items)	2,474.7	2,396.2	2,425.3
Issues - Ammunition (short tons)	212.7	229.7	218.5
Issues - General Supplies (line items)	7,147.8	6,797.5	6,977.5

Summary of New Customer Orders:

	(Dollars in Millions)		
	FY 1987	FY 1988	FY 1989
Army Appropriations and Funds:			
Operation and Maintenance	1,391.9	1,546.0	1,463.5
RDT&E	12.9	10.0	8.9
Procurement	146.7	112.6	98.0
Stock Funds	33.0	22.6	22.8
Other Army Customers	36.6	52.6	37.6
Other DoD Customers	84.0	78.7	66.0
Non-DoD Customers	4.9	2.2	4.0
Total All Customers	1,710.0	1,824.7	1,700.8

Summary of Personnel Resources:

	FY 1987	FY 1988	FY 1989
Civilian Personnel:			
End Strength:	36,046	37,050	36,037
Workyears	37,340	36,740	36,093
Military Personnel:			
End Strength:	1,437	1,153	1,114
Workyears:	1,327	1,295	1,114

Department of the Army
Army Industrial Fund
U.S. Army Depot System Command

Summary of Purchases of Capital Assets:

	(Obligations, Dollars in Millions) FY 1987	FY 1988	FY 1989
Equipment:			
Available Amounts, Beginning of the Year	30.9	20.0	-
New Program Amounts	23.5	32.4	38.8
Total Available Program	54.4	52.4	38.8
Less Purchases of Equipment	34.4	52.4	38.8
Available Amounts, End of the Year	20.0	-	-
Unspecified Minor Construction Projects	5.8	3.5	6.5
Management Information Systems	-	-	-
Fast Payback	1.9	-	-
Total Purchases of Capital Assets (Obligations)	42.1	55.9	45.3
Total New Program for Capital Assets	29.3	35.9	45.3
(Total Outlays)	(87.1)	(57.3)	(74.3)
Financing of New Program Amounts for Capital Assets	29.3	35.9	45.3
Amounts Financed By:			
Depreciation	29.3	34.4	45.3
Surcharge	-	1.5	-

Department of theArmy
Army Industrial Fund
U.S. Army Depot System Command

Summary of Depot and Supply & Other Operations: Depot System Command is comprosed of two independent but related operations with separate customer rates. A brief description and summary of these operations is contained below.

- Depot Operations: Includes inspection, test, repair, modification, overhaul rencvation of ammunition, reclamation and resuild of parts, assemblies, subassemblies, components, and basic or end items, the emergency manufacture of parts when otherwise not attainable, and provision of technical assistance to other activities and intermediate maintenance organizations. Estimated revenues and costs are shown below:

	(Dollars in Millions)		
	FY 1987	FY 1988	FY 1989
Revenue	1,221.9	1,208.4	1,173.1
Cost of Goods and Services Sold	1,207.4	1,199.0	1,173.1
Revenue Less Costs	14.5	9.4	-
ACP and Other Surcharges	-	1.5	-
Refunds and Passthroughs (Net)	-79.6	-	-
Net Operating Results	-65.1	7.9	-

- Supply & Other Operations: Supply operations include receipt, storage, issue, rewarehousing, preservation, packing and packaging, set assembly, and shipment of stocks. Other operations include ammunition surveillance, calibration of equipment, quality control in maintenance and supply, and base operations support. Estimated revenues and costs are shown below:

	(Dollars in Millions)		
	FY 1987	FY 1988	FY 1989
Revenue	717.3	732.6	709.7
Cost of Goods and Services Sold	711.1	734.1	709.7
Revenue Less Costs	6.2	-1.5	-
Refunds and Passthroughs (Net)	-9.4	-	-
Net Operating Results	-3.2	-1.5	-

Department of the Army
Army Industrial Fund
U.S. Army Missile Command

Activity Group Functions: The Missile Command activity group performs testing, engineering and design, procurement, management of production and follow-up production, secondary item procurement, supply operations, maintenance management, new equipment training, target flight services, and product assurance for assigned missile systems and related projects.

Activity Group Composition:

Activities	Location
U.S. Army Missile Command	Redstone Arsenal, Alabama

Budget Highlights: The Army Missile Command (MICOM) was scheduled to transition from Army Industrial Fund operation to an appropriated fund operation in FY 1989. The transition has been delayed to FY 1990 to accommodate implementation of system changes. Operating procedures however, will approximate those of appropriated fund procedures in FY 1989. As a result, new customer orders decline both in FY 1988 and FY 1989 to permit reduction of funded carryover amounts. In addition, the appropriation mix in FY 1989 reflects directed OSD guidance that overhead be funded from the O&M Army Appropriation in FY 1989 and all remaining work be accomplished on a cost reimbursable basis. MICOM continues to take advantage of ongoing productivity initiatives, especially automation, to accomplish the increasing workload with decreasing resources. MICOM is excluded from participation in the Asset Capitalization Program in FY 1989.

Summary of Operations:

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Revenue *	548.0	521.5	600.3
Cost of Goods and Services Sold *	557.6	561.3	600.3
Revenue Less Costs	-9.6	-39.8	-
ACP Surcharge	2.6	-.6	-
Refunds and Passthroughs (Net)	25.8	-	-
Net Operating Results	18.8	-40.4	-
Prior Year and Other Adjustments	3.6	-	-
Transfers and Passthroughs (Net)	-	8.2	52.9
Accumulated Operating Results	-21.1	-53.3	-.4

* Includes amounts of $55.9 million in FY 1989 paid from DoD Military Personnel appropriations. These amounts are included for illustrative purpose only. Actual revenue, costs, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid from Military Personnel appropriations.

Summary of Changes in Operations:

	(Dollars in Millions) FY 1987 Estimate	FY 1987 Actual	Variance
Revenue	491.4	548.0	56.6
Cost of Goods & Services Sold	480.9	557.6	76.7
Revenue Less Costs	10.5	-9.6	-20.1
ACP Surcharge	-	2.6	2.6
Refund & Passthroughs (Net)	24.7	25.8	1.1
Inventory Adjustments	-	-	-
Net Operating Results	35.2	18.8	-16.4

Actual FY 1987 revenues and costs exceeded FY 1987 projections. This was due primarily to an understatement of workload projections and the assumption of a more favorable cost environment than actually materialized. The latter factor also contributed to a Net Operating Results below projection.

The variance in refunds and passthroughs was due to repricing of the FERS requirement.

The contra surcharge recorded in FY 1987 resulted from a prior year adjustment.

Department of the Army
Army Industrial Fund
U.S. Army Missile Command

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Sur-Charge	Net Operating Results
1. FY 1988 Estimate in FY 1988 President's Budget	343.2	474.8	474.8	8.2
2. Congressional Adjustments:				
a. ACP Surcharges	-	-	-	
b. Overhead	-	-	-1.1	1.1
c. Inflation Assumption	-	-	-3.4	3.4
d. Refund Cancellation	-	-	-	-
3. Estimated Impact in FY 1988 of Actual FY 1987 Experience	56.6	56.6	77.9	-21.3
4. Pricing Adjustments:				
a. Revised General Inflation	-	-	.4	-.4
b. Revised Fuel Prices			.1	-.1
c. Restone Arsenal Base Operations Contract	-	-	23.1	-23.1
5. Productivity Initiatives and Other Efficiencies	-	-	-	-
6. Program Changes:				
a. Changes in Customer Workload	-	-9.9	-9.9	-
7. Other Changes in:				
a. Change in Policy Relative to Transfers/Passthroughs	-8.2			-8.2
b. Other Reestimates	89.9	-	-	-
8. FY 1988 Current Estimate	481.5	521.5	561.9	-40.4

Department of the Army
Army Industrial Fund
U.S. Army Missile Command

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Surcharge	Net Operating Results
8. FY 1988 Current Estimate	481.5	521.5	561.9	-40.4
9. Pricing Adjustments:				
a. Pay Raise				
(1) FY 1989 Pay Raise	4.7	4.7	4.7	-
(2) Annualization of FY 1988 Pay Raise	1.6	1.6	1.6	-
b. Stock Fund - Fuel	.1	.1	.1	-
c. Stock Fund - Nonfuel	.9	.9	.9	-
d. General Inflation	7.9	7.9	7.9	-
e. Foreign National IH	.2	.2	.2	-
f. Military Personnel - Notional Amounts *	-	55.9	55.9	-
g. Other	.9	.9	.9	-
10. Productivity Initiatives and Other Efficiencies:				
a. ACP	-.8	-.8	-.8	-
b. Overhead Reduction	-9.4	-9.4	-9.4	-
11. Program Changes:				
a.Changes in Customer Workload	-3.7	-3.7	-3.7	-
12. Other Changes in:				
a. Depreciation Expenses	1.2	1.2	1.2	-
b. ACP Surcharges	-.6	-.6	-.6	-
c. To preclude Repeat of FY 1988 Operating Loss (Rates)	40.4	40.4	-	40.4
d. Direct Fund Contracts	-20.5	-20.5	-20.5	-
e. Other	-95.8	-	-	-
13. FY 1989 Current Estimate	408.6	600.3	600.3	-

* Military Personnel amounts are included for illustrative purposes only. Actual revenue, cost, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid from Military Personnel appropiations.

During FY 1989 the Army Missile Command will accomplish accounting and reporting requirements as an industrial fund but will bill customers for actual costs rather than bill on a stabilized rate basis. Customer orders were reduced $95.8 million, to defer to FY 1990 funding for customer orders for that portion of work which will not be completed in FY 1989.

Department of the Army
Army Industrial Fund
U.S. Army Missile Command

Summary of Workload Indicators:

	FY 1987	FY 1988	FY 1989
Workyears	9,308	8,639	8,407

Summary of New Customer Orders:

	(Dollars in Millions)		
	FY 1987	FY 1988	FY 1989
Army Appropriations and Funds:			
Operation and Maintenance	327.5	257.1	276.8
RDT&E	120.5	111.1	75.3
Procurement	66.6	61.0	13.5
Stock Funds	-	-	-
Other Army Customers	20.9	27.4	24.5
Other DoD Customers	21.0	22.3	15.9
Non-DoD Customers	4.8	2.6	2.6
Total All Customers	561.3	481.5	408.6

Summary of Personnel Resources:

	FY 1987	FY 1988	FY 1989
Civilian Personnel:			
End Strength:	9,084	8,104	8,330
Workyears	9,308	8,639	8,407
Military Personnel:			
End Strength:	1,054	1,521	1,504
Workyears:	1,370	1,288	1,504

Since the submission of the original FY 1988/1989 Army budget, a decision has been made to postpone the conversion of the Army's Missile Command (MICOM) until FY 1990. Accordingly, MICOM civilian end strength (8,330) and workyears (8,407) are displayed in both the Army's Industrial Fund budget submission and the customer appropriation's budget submissions. The dollars for civilian pay are displayed, as is customary, in the Industrial Fund budget and in the customer appropriation budgets as funding to be reimbursed to the industrial fund account.

Department of the Army
Army Industrial Fund
U.S. Army Missile Command

Summary of Purchases of Capital Assets:

	(Obligations, Dollars in Millions) FY 1987	FY 1988	FY 1989
Equipment:			
Available Amounts, Beginning of the Year	2.4	2.2	-
New Program Amounts	13.2	13.8	-
Total Available Program	15.6	16.0	-
Less Purchases of Equipment	13.4	16.0	-
Available Amounts, End of the Year	2.2	-	-
Unspecified Minor Construction Projects	1.6	1.5	-
Management Information Systems	3.4	-	-
Total Purchases of Capital Assets (Obligations)	18.4	17.5	-
Total New Program for Capital Assets	18.2	15.3	-
(Total Outlays)	(25.3)	(29.2)	(9.0)
Financing of New Program Amounts for Capital Assets	9.4	15.3	-
Amounts Financed By:			
Depreciation	9.4	14.7	-
Surcharge	-	.6	-

Department of the Army
Army Industrial Fund
U.S. Army Military Traffic Management Command

Activity Group Functions: The Military Traffic Management Command (MTMC) is a DOD Transportation Operating Agency, organized as an Army major command and jointly staffed by all Services. MTMC is the DOD single manager for traffic management.

Activity Group Composition:

Activities	Location
MTMC Eastern Area	Bayonne, New Jersey
MTMC Western Area	Oakland, California
MTMC Transportation Terminal Command, Europe	Rotterdam, Netherlands
MTMC Transportation Engineering Agency	Fort Eustis, Virginia
MTMC Field Operating Agency	Falls Church, Virginia

Budget Highlights: The Military Traffic Management Command will face reduced workload requirements in FY 1989. As a result, both revenues and costs are expected to decline more than $20 million over FY 1988 levels. To meet the challenge of a more financially austere environment, the Military Traffic Management Command will continue its on-going efforts to increase productivity and reduce costs to its customers. Productivity improvements are anticipated in the areas of overseas expansion and ocean terminal operations. Accomplishment of these improvements will be aided by the use of more efficient equipment and improved facilities purchased through the Asset Capitalization Program.

The extension of industrial fund operations to the Military Traffic Management Command's European ports was successfully completed at the start of FY 1988. As a result, preparation will start in FY 1989 to extend industrial fund operations to the Military Traffic Management Command's Far East port operations in FY 1990. Like its European counterpart, this conversion will enhance the capability of the Military Traffic Management Command to more effectively relate costs to the services provided to various components of the Department of Defense.

FY 1989 billing rates have been established at levels equal to costs. No Asset Capitalization Program surcharge is programmed for FY 1989.

Department of the Army
Army Industrial Fund
U.S. Army Military Traffic Management Command

Summary of Operations:

	(Dollars in Millions) FY 1987	FY 1988	FY 1989
Revenue *	233.0	237.5	232.9
Cost of Goods and Services Sold *	220.6	240.6	232.9
Revenue Less Costs	12.4	-3.1	-
ACP Surcharge	-	.3	-
Refunds and Passthroughs (Net)	-55.3	-	-
Net Operating Results	-42.9	-3.4	-
Prior Year and Other Adjustments	-2.4	-	-
Transfers and Passthroughs (Net)	-	-1.3	15.0
Accumulated Operating Results	-10.6	-15.3	-.3

* Includes amounts of $16.0 million in FY 1989 paid from DoD Military Personnel appropriations. These amounts are included for illustrative purposes only. Actual revenue, cost, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid from Military Personnel appropriations.

Department of the Army
Army Industrial Fund
U.S. Army Military Traffic Management Command

Summary of Changes in Operations:

	(Dollars in Millions) FY 1987 Estimate	FY 1987 Actual	Variance
Revenue	209.6	233.0	23.4
Cost of Goods & Services Sold	170.6	220.6	50.0
Revenue Less Costs	39.0	12.4	-26.6
ACP Surcharge	-	-	-
Refund & Passthroughs (Net)	-55.3	-55.3	-
Net Operating Results	-16.3	-42.9	-26.6

Actual FY 1987 revenues and costs exceeded FY 1987 projections due, primarily, to the receipt and processing of substantial amounts of unprogrammed cargo workload and an assumption of a more favorable cost environment than actually materialized. This latter factor when combined with the scheduled cash refund of $55.3 million resulted in an increased net operating loss.

Department of the Army
Army Industrial Fund
U.S. Army Military Traffic Management Command

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Sur-charge	Net Operating Results
1. FY 1988 Estimate in FY 1988 President's Budget	183.9	183.9	183.9	-20.2
2. Congressional Adjustments:				
a. ACP Surcharges	-	-	-1.3	1.3
b. Overhead	-	-	-.4	.4
c. Inflation Assumption	-	-	-1.3	1.3
3. Estimated Impact in FY 1988 of Actual FY 1987 Experience	28.6	47.0	52.9	-5.9
4. Pricing Adjustments:				
a. Revised General Inflation	-	-	.3	-.3
b. Revised Fuel Prices			.3	-.3
5. Productivity Initiatives and Other Efficiencies	-	-	-	-
6. Program Changes:				
a. Changes in Customer Workload	6.6	6.6	6.6	-
7. Other Changes in:				
a. Refund Cancellation	20.2	-	-	20.2
b. Other Reestimates	-1.8	-	-.1	.1
8. FY 1988 Current Estimates	237.5	237.5	240.9	-3.4

Department of the Army
Army Industrial Fund
U.S. Army Military Traffic Management Command

Summary of Changes in Operations (Continued):

	(Dollars in Millions)			
	Customer Orders	Revenue	Cost & Surcharge	Net Operating Results
8. FY 1988 Current Estimate	237.5	237.5	240.9	-3.4
9. Pricing Adjustments:				
a. Pay Raise				
(1) FY 1989 Pay Raise	1.2	1.2	1.2	-
(2) Annualization of FY 1988 Pay Raise(s)	.4	.4	.4	-
b. Stock Fund - Fuel	.1	.1	.1	-
c. General Inflation	5.3	5.3	5.3	-
d. Foreign National Indirect Hire	.6	.6	.6	-
e. Military Personnel - Notional Amounts*	-	16.0	16.0	-
f. Other				
10. Productivity Initiatives and Other Efficiencies:				
a. ACP	-.5	-.5	-.5	-
b. Overhead Reduction	-3.1	-3.1	-3.1	-
c. Other	-2.6	-2.6	-2.6	-
11. Program Changes:				
a. Changes in Customer Workload	-25.5	-25.5	-25.5	-
12. Other Changes in:				
a. Depreciation Expenses	.4	.4	.4	-
b. ACP Surcharges	-.3	-.3	-.3	-
c. To Preclude Repeat of FY 1988 Operating Loss (Rates)	3.4	3.4	-	3.4
d. Other	-.3	-	-	-
13. FY 1989 Current Estimate	216.6	232.9	232.9	-

* Military Personnel amounts are included for illustrative purposes only. Actual revenue, cost, and rates, as well as amounts reflected in DoD customer accounts, exclude amounts paid from Military Personnel appropriations.

Summary of Changes in Operations (Continued):

Productivity initiatives are expected to decrease costs by $6.2 million. Replacement of aging capital assets under the ACP program are anticipated to reduce operating cots by $.5 million. Extension of the AIF to Europe is expected to continue to result in management improvements which will reduce operating cots. Finally, continued competition in the shipping and stevedoring industries is expected to reduce contract stevedore costs by $2.6 million.

Customer workload, primarily in the area of ocean terminal operations, is anticipated to decline in FY 1989 with a resulting decrease in customer orders, revenue, and costs. Miscellaneous changes are in labor, consultants, other contracts, travel and the commodity/facility mix.

The ACP surcharge has been reduced to zero resulting in a decrease of $.3 million to customer orders, revenues, and cost/surcharge. Billing rates have been established to recover costs and adjusted to preclude the operating loss projected for FY 1988.

Summary of Workload Indicators:

	FY 1987	FY 1988	FY 1989
Measurement Tons of Cargo	9.2	11.4	10.1

Summary of New Customer Orders:

	(Dollars in Millions)		
	FY 1987	FY 1988	FY 1989
Army Appropriations and Funds:			
Operation and Maintenance	65.0	145.0	121.7
RDT&E	.3	.2	.2
Other Army Customers	14.7	14.5	14.3
Other DoD Customers	89.4	69.8	71.6
Non-DoD Customers	6.7	8.0	8.8
Total All Customers	176.1	237.5	216.6

Summary of Personnel Resources:

	FY 1987	FY 1988	FY 1989
Civilian Personnel:			
End Strength:	2,936	2,631	2,636
Workyears	2,982	2,586	2,636
Military Personnel:			
End Strength:	292	351	353
Workyears:	354	322	353

Department of the Army
Army Industrial Fund
U.S. Army Military Traffic Management Command

Summary of Purchases of Capital Assets:

	(Obligations, Dollars in Millions) FY 1987	FY 1988	FY 1989
Equipment:			
Available Amounts, Beginning of the Year	1.6	.5	-
New Program Amounts	1.0	2.1	2.1
Total Available Program	2.6	2.6	2.1
Less Purchases of Equipment	2.1	2.6	2.1
Available Amounts, End of the Year	.5	-	-
Unspecified Minor Construction Projects	.4	1.1	.7
Management Information Systems			
Total Purchases of Capital Assets (Obligations)	2.5	3.7	2.8
Total New Program for Capital Assets	1.4	3.2	2.8
(Total Outlays)	(4.9)	(5.9)	(2.7)
Financing of New Program Amounts for Capital Assets	1.4	3.2	2.8
Amounts Financed By:			
Depreciation	1.4	2.9	2.8
Surcharge	-	.3	-

DEPARTMENT OF THE ARMY
ARMY INDUSTRIAL FUND
INDUSTRIAL FUND ASSET CAPITALIZATION PROGRAM
FY 1989 PRESIDENT'S BUDGET
(Dollars in Millions)

Line Number	Item Description	FY 19 PY		FY 19 CY 1988		FY 19BY 1989	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
1	Equipment ($1 Million or more)			7	30.4	12	24.3
2	Modernization Initiatives (Memo)			(1)	(8.1)		
3	New/Expanded Techniques/ Capabilities/capacities						
4	CAD/CAM Systems			6	2.1	1	2.3
5	Major ADP Systems			6	6.3	14	16.2
6	Equipment (less than $1 million)			472	31.6	372	26.6
7	Miror Construction			97	9.9	117	10.3
8	Management Info Equip- ment/Systems ($1 million or more)					1	1.9
9	Management Info Equip- ment/Systems (less $1 million)			43	3.8	38	2.5
TOTAL					84.1		84.1

IF EXHIBIT ACP-1

DEPARTMENT OF THE ARMY
AMCCOM INDUSTRIAL FUND
INDUSTRIAL FUND ASSET CAPITALIZATION PROGRAM
FY 1989 PRESIDENT'S BUDGET
(Dollars in Millions)

Line Number	Item Description	FY 19 PY		FY 19 CY 1988		FY 19BY 1989	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
1	Equipment ($1 million or more)			(2)	(3.7)	(9)	(2.6)
1A	Robotic Welding System			1	1.7		
1B	Shop Floor Control Syste			1	2.0		
1C	Lathe, Bar, Universal					7	1.4
1D	Profile Milling Machine					2	1.2
2	Modernization Initiatives						
2 (Memo)	Rearm (Large Forging Hammer Cell)			1	8.1		
3	Increased Capability			0	0	0	0
4	CAD/CAM System.			(4)	(.5)		
4A	CAD System Workstation			3	.1		
4B	CAD/CAM System			1	.4		
5	Major ADP Systems			1	2.0	1	3.3
6	Other Equip Purch (less than $1 million)			251	17.5	348	24.5
7	Minor Construction Projects			33	3.8	60	3.1
8	Management Info Equip-ment/Systems ($1 million or more)				0		0
9	Management Info Equip-ment/Systems (less than $1 million)			31	2.2	38	2.5
TOTAL					29.7		36.0

IF EXHIBIT ACP-1

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION
FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity
Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description
Line 1A Robotic Welding System

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equip Over 5K				1	1666.2	1666.2			

Narrative Justification:

Provides a robotic welding system with automatic material handling and clamping, electric preheat and conveyor system as a result of MMT project.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description: Line 1B Shop Floor Control System

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equip Over 5K				1	1978.0	1978.0			

Narrative Justification:

To provide an integrated system to generate optimal production schedules, provide shop floor interaction for the receipt of instructions and reporting of completed work, and track status of components as well as shop activity. Will reduce work-in-process inventory, improve product quality, reduce shop congestion, improve and balance shop schedules, effectively utilizing manufacturing resources and improve the ability to monitor status of shop parts, labor and equipment.

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description: Line 1C Lathe, Bar, Universal

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equip Over 5K							7	208.3	1458.3

Narrative Justification:

These machines will replace seven machines manufactured between 1941 and 1951. The machines to be replaced have been in service since arrival at the Installation. Replacement is necessary due to the age, design, and worn condition of the machines.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description: Line 1D Profile Milling Machine

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equip Over 5K							2	622.0	1244.0

Narrative Justification:

This machine will augment vertical capacity from 24" to 36" and accommodate 120mm breech rings.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund - AMCCOM Group

C. ACP-1 Line No. & Item Description: Line 4A CAD System Workstation

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
ADP Equip				3	26.8	80.0			

Narrative Justification:

This requirement is part of the planned CAD System purchased with FY 85 ACP funds. The current CAD System will be utilized by six tool designers. The system consists of one complete work station and another work station with limited capabilities. Funding requested for FY 88 will provide a second completed work station. This will increase the utilization of the CAD System and the savings realized.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description: Line 4B CAD/CAM System

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
ADP Equip				1	370.0	370.0			

Narrative Justification:

Required for Master Plan Requirements and to comply with AR 210-20.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION
FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity
Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description
Line 5 Major ADP Systems (SIFS)

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
ADP Equip				1	2000	2000.0	1	3280.0	3280.0

Narrative Justification:

Development of an AMCCOM standard system has been directed by HQ, AMC.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description: Line 6 Other Equip Purch Under $1M

	FY 19PY			FY 19 88			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equip Over 5K				251	-	17610.0	348		24450.0

Narrative Justification:

Machinery will replace aged and worn equipment.

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description: Line 7 Minor Constr, Rehab Projects

	FY 19PY			FY 19 88			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Alt, Mod, Rehab				33	-	3840.0	60		3080.0

Narrative Justification:

Projects will modernize, repair, or rehabilitate buildings requiring attention.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 89 PRES BUDGET

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund - AMCCOM Activity Group

C. ACP-1 Line No. & Item Description: Line 9 Other Mgmt Info Equip/Sys

	FY 19PY			FY 19 88			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
ADP Equip				31	-	2200.0	38		2540.0

Narrative Justification:

Additional ADP equipment will be used to enhance management of the shop floor, as well as, enhance reporting and data collection efforts.

IF EXHIBIT ACP-2

DEPARTMENT OF THE ARMY
DESCOM INDUSTRIAL FUND
INDUSTRIAL FUND ASSET CAPITALIZATION PROGRAM
FY 1989 PRESIDENT'S BUDGET
(Dollars in Millions)

Line Number	Item Description	FY 19 PY		FY 19 CY 1988		FY 19BY 1989	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
1	Equipment ($1 million or more)			(4)	(25.2)	(3)	(21.7)
1A	ASRS Plus (CCAD)			1	16.2		
1B	ASRS Upgrade (LEAD)			1	3.7		
1C	CARC Paint System (SAAD)			1	4.1		
1D	Voice Privacy Radio Sys (TEAD)			1	1.2		
1E	Laser Vane Cutting Equip (CCAD)					1	1.9
1F	Automated Storage and Retrieval Sys (ASRS Plus) TEAD					1	16.0
1G	Consolidated Maint Project (TEAD)					1	3.8
2	Modernization Initiatives				0		0
3	Increased Capability				0		0

IF EXHIBIT ACP-1

DEPARTMENT OF THE ARMY
DESCOM INDUSTRIAL FUND
INDUSTRIAL FUND ASSET CAPITALIZATION PROGRAM
FY 1989 PRESIDENT'S BUDGET
(Dollars in Millions)

Line Number	Item Description	FY 19 PY		FY 19 CY 1988		FY 19BY 1989	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
4	CAD/CAM Systems			(2)	(1.6)	(1)	(2.3)
4A	CAD/CAM Sys Expansion (CCAD)			1	1.4		
4B	Computer Aided Engr Sys (LBAD)			1	0.2		
4C	Computer Aided Engr Sys (TOAD)					1	2.3
5	Major ADP Systems					(13)	(12.9)
5A	SDS Mod (depots)					9	10.2
5B	Obsolete Disk (depots)					4	2.7
6	Other Equip Purch (less than $1 million)			96	4.0		
7	Minor Construction Projects			27	3.5	47	6.5
8	Management Info Systems ($1 million or more)					1	1.9

IF EXHIBIT ACP-1

DEPARTMENT OF THE ARMY
DESCOM — INDUSTRIAL FUND
INDUSTRIAL FUND ASSET CAPITALIZATION PROGRAM
FY 1989 PRESIDENT'S BUDGET
(Dollars in Millions)

Line Number	Item Description	FY 19 PY		FY 19 CY 1988		FY 19BY 1989	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
9	Management Info Systems (less than $1 million)			12	1.6		

EXHIBIT ACP-1

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Corpus Christi Army Depot (CCAD)

C. ACP-1 Line No. & Item Description: 1A- Automated Storage Retrieval System Plus (ASRS Plus)

	FY 19PY			FY 19 88			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)				1	16,200.0	16,700.0			
Maintenance Contract (AIF)				1	300.0				
Construction Facility				1	200.0				
Engineer Project (FEP)									

Narrative Justification:

Present Astors System is approaching the end of its useful life. Continued use of the Astors will result in increasingly poor reliability, maintainability, and service. Specific areas of concern include the ability to obtain replacement parts for an obsolete computer, programming time on an obsolete language to corporate even minor changes, piece-at-a time replacement of relay circuitry with solid state, and increasing down time due to reliability.

Installation of the ASRS Plus System will provide: 1) Increase storage capacity to meet CCAD directorate of maintenance needs; 2) Improve response time to requests for material by utilizing state-of-the-art storage and retrieval systems with an automated guided vehicle delivery system; 3) Additional available production space through storage of 80% of items currently stored in prodution areas in the ASRS Plus; 4) Total control of material accountability, material information, and report generation.

This ASRS Plus supports all rotary wing aircraft overhauled at CCAD.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Letterkenny Army Depot (LEAD)

C. ACP-1 Line No. & Item Description: B - Automated Storage Retrieval System Plus (ASRS Plus)

ELEMENTS OF COST	FY 19PY			FY 19 88			FY 19BY		
	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)				1	3,700.0	4,100.0			
Shipping/Transport/ Installation/Furniture/				1	200.0				
Construction (AIF)									
Design Engineering/ Facility Modification/ Construction (FEP)				1	200.0				

Narrative Justification:

The present Automated Storage and Retrieval System (ASRS) has been experiencing an increase in downtime and maintenance costs due to the design and age of its control system. The control system is the interface between the ASRS computer and the electro-mechanical storage recovery vehicles which physically place (and retrieve) pallets of material as designated by the ASRS computer control system. This upgrade will replace the present control system with the current generation of controllers. This will ensure a constant source of repair parts necessary to maintain the integrity of the automated system. The equipment modification required is an integral part of the upgrade project and is being undertaken to enhance the efficiency of the new ASRS equipment.

This total upgrade will be compatible and a integral part of the proposed ASRS Plus system for building 350 in the FY90/91 timeframe.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Sacramento Army Depot (SAAD)

C. ACP-1 Line No & Item Description: 1C - Chemical Agent Resistent Coating (CARC) Paint System

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)				1	4,100.0	4,100.0			

Narrative Justification:

The department of Army Logistics Support (Pentagon) mandated that all AMC Depots apply CARC or have CARC painting capability by 1 Oct 85. Due to ever increasing environment constraints regulated by State and Federal Authorities in the state of California, SAAD is unable to support this mandate with existing equipment. SAAD is currently in non-compliance with California state regulatory requirements for environmental pollution. A $25K fine per day will be imposed on SAAD if "Good Faith" action is not taken immediately to ensure corrective action and compliance with regulatory requirements. By pursuing this project, SAAD is currently acting in "Good Faith"

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Tooele Army Depot (TEAD)

C. ACP-1 Line No. & Item Description: 1D - Voice Privacy Radios

	FY 19PY			FY 1988			FY 198Y		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)				1	1,200.0	1,200.0			

Narrative Justification:
This initiative will maintain the current level of operations and provide encrypted radio voice transmissions in accordance with AR 530-2. It will permit U.S. Government activities to retain control of sensitive functional information and prevent the misinterpretation of government activities by the media and deters release of information to potentially unfriendly governments. The benefits will result from reduced, maintenance costs and reduce downtime for equipment requiring repair, intangible benefits will result from increased efficiency in both support operations and reduced response times from police, fire, and special teams, and provide privacy protection in sensitive function areas.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Corpus Christi Army Depot (CCAD)

C. ACP-1 Line No. & Item Description: 1E - Laser Vane Cutting Equipment

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)							1	1,900.0	2,200.0
Installation (AIF)								100.0	
Construction (FEP)								200.0	

Narrative Justification:

The laser vane removal system will replace the time consuming process of electro discharge machining (EDM) damaged vanes from turbine engine nozzles will a faster, more efficient method of reclamation through laser cutting. Presently, turbine nozzles having in excess of seven damaged vanes are condemned because the EDM processing time prevents the repair from being economically feasible. Thus, special alloyed parts, which are repairable are being scrapped because of economic constraints. The laser can process all 42 vanes on one nozzle in approximately one-half of the time it takes to remove only seven vanes from a nozzle with the EDM process. The project will increase productivity, efficiency, and competitiveness of CCAD by allowing previously condemned parts to be used. Also, a reduction in procurement of costly replacement parts will minimize work stoppage due to part shortages if more turbine engine nozzles are reclaimed with the project.

The laser vane removal MM&T project has been designated as a command initiative by DESCOM, and if the project is not funded, the Army will have to continue to scrap expensive turbine engine nozzles.

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Tooele Army Depot (TEAD)

C. ACP-1 Line No. & Item Description: 1F - Automated Storage and Retrieval System Plus (ASRS Plus)

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)							1		16,000.0

Narrative Justification:

An Automated Storage and Retrieval System Plus will pick up, store, and deliver parts and assemblies to meet production priorities, and will be interfaced with the consolidated maintenance facility (CMF) systems. The CMF system will keep track of parts quantity status and locations, and will instruct the ASRS through the MSFs to pick up or deliver a part.

Installation of the ASRS Plus System will provide:

1) Increased storage capacity.

2) Improved response time to requests for materials.

3) Additional available production space.

4) Total control of material accountability, material inventories, material information, and report generation.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Tooele Army Depot (TEAD)

C. ACP-1 Line No. & Item Description: K - Consolidated Maintenance Project

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)							1		3,800.0

Narrative Justification:

The primary goal of the Consolidated Maintenance Project will be to consolidate information systems functions to improve productivity and efficiency. The applications within the consolidated maintenance will be used interactively with terminals and data input devices located where needed. Information handling will be improved and streamlined. Information will be more accurate, more timely, and easily retrievable.

The mission of the consolidated maintenance facility is the rebuild of engines and transmissions which is now being accomplished in diverse locations at TEAD. The combining of these shops and functions within one building increases the requirement and feasibility of a management system to schedule the functions down to the workstation level. This finite scheduling which is now accomplished for similar functions within private industry manufacturing companies will increase the productivity and effectiveness of the facility. The installation of a new system is the key to this project, and without it we will be accomplishing the same basic workload, with the same bottlenecks and problems.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Corpus Christi Army Depot (CCAD)

C. ACP-1 Line No. & Item Description: 4A- CAD/CAM System Expansion

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)				1	1,400.0	1,400.0			

Narrative Justification:

This expansion of the CAD/CAM system will eliminate less than optimum utilization of highly trained engineers, technicians, and NC programmers. The current system supports eight graphic/design stations, but there are eight NC programmers, fifteen technicians and twelve engineers trained on the system. Using the CAD/CAM system gives a 3 to 1 productivity increase for design/drafting and 10 to 1 increase for NC tape preparation. This project shows a payback period of 3.5 years and a saving-to-investment ratio of 1.95 years. If not procurred, facilities engineering personnel will continue to use manual means of producing design drawings and will continue to be backloaded if current drafting methods are used If not funded savings shown will not be realized as well as the anticipated increase in productivity.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Lexington-Blue Grass Army Depot (LBAD)

C. ACP-1 Line No. & Item Description: 4B - Computer Aided Engr (CAE) System

	FY 19PY			FY 1988			FY 198Y		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)				1	200.0	200.0			

Narrative Justification:

Presently, the Engineering Branch has no design/drafting/engineering automation capacity. Its information processing activity is restricted to the manual efforts of personnel who are performing repetitious, redundant, meticulous detail work not characteristic of modern engineering facilities.

The computer aided engineering (CAE) system will enable the Engineering Branch to improve productivity without increasing manpower. With this equipment, design cost and turn-around time van both be dramatically reduced. Consequently, schedule and work output commitments will be met or exceeded.

With this system, many of the tedious and time-consuming jobs will be automated, thereby freeing personnel for more serious technical work.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Tobyhanna Army Depot (TOAD)

C. ACP-1 Line No. & Item Description: 4C - Computer Aided Engineering (CAE) System

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)							1		2,300.0

Narrative Justification:

The CAE System will eliminate much of the tedious and time-consuming paperwork involved in the design of vans, shelters, and sites. For example, with library files on a disc, it will be unnecessary to redraw each and every part for every facility. In addition, changes within a facility will be very easy to make. Using the new system, electrical and printed circuit board schematics will be routed automatically. The numerical control (NC) programmers, engineers, and draftsmen will all be able to use the same data base thereby eliminating excessive duplication of effort. Finally, finite element analysis capabilities will lessen calculation time and enable improved mechanical designs.

A CAE System should significantly speed up throughput within the Production Engineering Division, particularly in the design of communications, electronics facilities, and printed circuit boards. By providing workstations in all areas and a common database which all users could access, duplication of effort would be eliminated and productivity would be increase. Capabilities such as finite elements analysis, and automatic circuit placement and routing would also enable faster creation of better engineering designs.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / 9 Depots

C. ACP-1 Line No. & Item Description: 5A - Standard Depot System Modernization (SDS Mod)

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)							9		10,200.0

Narrative Justification:

The SDS was designed in 1966 and is based on automated principles used in that period. The SDS is a very large inter-related system consisting of approximately 2500 programs and 3.6 million lines of source code. The SDS is the basic automation system used to manage the U.S. Army Materiel Command (USAMC)/U.S. Army Depot System Command (DESCOM) CONUS and OCONUS depots.

Key deficiencies associated with the system are: input is extremely labor intensive; voluminous hardcopy reports are pushed on the user; extensive training is required by functional personnel to use the system; and errors are discovered after the fact. Current Automated Data Processing Equipment (ADPE) is inadequate to cost effectively support the mission and is characterized by these deficiencies: the central processing units (CPUs) are not sized to be able to run maintenance shop floor system (MSFS) and SDS or Area Oriented Depot Modernization (AOD Mod) and SDS on a single CPU: front end communication processors are an obsolete single vendor product that are out of production; prevents Defense Data Network (DDN) connectivity, and not capable of accepting additional terminal users. Executive software used to operate SDS is no longer enhanced by the vendor. New customers cannot be added unless the system is modernized.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / 4 Depots

C. ACP-1 Line No. & Item Description: 5B - Obsolete Disk Replacement

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)							4		2,700.0

Narrative Justification:

The aged disk system will continue to erode and degrade user service. Additional missions and expanded workloads cannot be accomodated. Operating economies cannot be realized. Most existing disks are no longer in vendor production. Repair/replacement parts are not available. Needed repair parts are cannibalized from salvaged units. Enhancemant to upgradethe existing units is not possible. Information management will not be able to provide effective service and will lose creditability.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Various Depots

C. ACP-1 Line No. & Item Description: 6 - Other Equipment Purchases costing Under $1 Million Each

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)				96		4,000.0			

Narrative Justification:

This equipment is mission essential used mainly for maintenance and basic operations and is required in order to:

(1) Meet production schedules
(2) Provide cost effectiveness
(3) Comply with Safety/OSHP/EPA requirements
(4) Comply with Security Regulations
(5) Provide accuracy
(6) Increase reliability

Examples are Test Equipment, MHE, Lathes, Grinders, Milling Machines, Generators, etc.

Impact if not recieved:

(1) Reduction in mission capacity
(2) Failure to meet present and future workload requirements
(3) Increased manhour expenditure
(4) Inability to meet production schedules
(5) Downtime/unable to obtain repair parts
(6) Inaccuracy

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / various Depots

C. ACP-1 Line No. & Item Description: 7 - Minor Construction Projects

	FY 19PY			FY 19CY			FY 19 89		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Construction (FEP)				27		3,500.0	47		6,500.0

Narrative Justification:

Construction in support of Depot operations. Projects deemed essential to meeting mission requirements and environmental regulations in support of all DESCOM operations (ie Supply, Maintenance, Safety etc).

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Sacramento Army Depot (SAAD)

C. ACP-1 Line No. & Item Description: 8 - Automated Document Imagery Management System

	FY 19PY			FY 19CY			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)							1		1,900.0

Narrative Justification:

Acquisition of an automated advance image system and configuration environment is required for mission support and will become an integral and essential component of SAADs depot-wide workplace automation system. It will support all SAAD organizational elements, including tenant activities and satellite depots (SHAD, SIAD) serviced by the Directorate Western Region Personnel, employing advanced imaging technology for conversion of paper documents into electronic images, will reduce administrative lead time, improve productivity, effectiveness, and control of SAAD operation, through elimination of hand processing of hard copy documents.

If the requirement is not satisfied, enormous cost of time and money will continue to be spent managing SAADs paper process. Without a contemporary solution to control the proliferation and reduce the avalanche of paper, the situation can only get worse. Office automation cannot be fully realized until the gap has been filled between automated distributive processing and document image processing systems. The evidence is conclusive. Traditional methods of managing paper documents is not a cost effective way to do modern business. Storage and retrieval of paper and film material is slow, cumbersome, labor intensive, and error-prone. Frequently used hard copy documents become misplaced, soiled, and deteriorated.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund / DESCOM / Various Depots

C. ACP-1 Line No. & Item Description: 9 - Other Management Information Equipment Costing Under $1 Million Each

	FY 19PY			FY 1988			FY 19BY		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Equipment (ACP)				12		1,600.0			

Narrative Justification:

Consolidated items represent a variety of modernization/replacement information management systems and individual stand-alone items. This state-of-the-art equipment is mission essential and provides to the depot system the following:

(1) Increased reliability
(2) Manhour savings
(3) Energy savings
(4) Increased accuracy
(5) Cost avoidance
(6) Increased productivity

Examples are Information Resource Management System, various micro and mini computer systems and computer related equipment.

Impact if not recieved:

(1) Reduction in mission capacity
(2) Downtime/unable to obtain repair parts
(3) Increased manhour expenditure
(4) Inaccuracy
(5) Delays in time-critual requirements

IF EXHIBIT ACP-2

DEPARTMENT OF THE ARMY
MICOM INDUSTRIAL FUND
INDUSTRIAL FUND ASSET CAPITALIZATION PROGRAM
FY 1989 PRESIDENT'S BUDGET
(Dollars in Millions)

Line Number	Item Description	FY 19 PY		FY 19 CY 1988		FY 19BY 1989	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
1	Equipment ($1 million or more)			(1)	(1.5)		
1A	Fiber Optics Network			1	1.5		
2	Modernization Initiatives			0	0		
3	Increased Capacity			0	0		
4	CAD/CAM Systems			0	0		
5	Major ADP Systems			(4)	(3.1)		
5A	Scientific Computer			1	2.1		
5B	Vax Computer Upgrade			1	.6		
5C	Sperry 5000/80 System			2	.4		
6	Other Equip Purch (less than $1 million)			123	9.2		
7	Minor Construction Projects			25	1.5		

IF EXHIBIT ACP-1

DEPARTMENT OF THE ARMY
MICOM INDUSTRIAL FUND
INDUSTRIAL FUND ASSET CAPITALIZATION PROGRAM
FY 1989 PRESIDENT'S BUDGET
(Dollars in Millions)

Line Number	Item Description	FY 19 PY		FY 19 CY 1988		FY 19BY 1989	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
8	Management Info Equipment/Systems ($1 million or more)			0	0		
9	Management Info Equipment/Systems (less than $1 million)			0	0		

IF EXHIBIT ACP-1

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: U.S. ARMY MISSILE FACILITIES ACTIVITY GROUP

C. ACP-1 Line No. & Item Description: 1A - Fiber Optics Network

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
3120 - Automation Capital Equip				1	1,500.0	1,500.0			

Narrative Justification:

To replace current outdated, overloaded communication network. Purchase will allow heavily concentrated, high speed communications between MICOM organizations and the mainframe business computers in the Information Management Directorate. Implementation of the Integrated Procurement System will place an additional burden on an already overloaded system.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: U.S. ARMY MISSILE FACILITIES ACTIVITY GROUP

C. ACP-1 Line No. & Item Description: 5A - Scientific Computer

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
3120 - Automation Capital Equip				1	2,100.0	2,100.0			

Narrative Justification:

The present scientific mainframe computer is obsolete, has inadequate capacity for today's requirements, and costs approximately $12,000 per month more to maintain than the proposed replacement. Scientific and engineering computing requirements cannot be satisfied with the current computer because of insufficient central memory.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: U.S. ARMY MISSILE FACILITIES ACTIVITY GROUP

C. ACP-1 Line No & Item Description: 5B - VAX Computer Upgrade

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
3120 - Automation Capital Equip				1	600.0	600.0			

Narrative Justification

Required to provide the capability to 1) analyze, study and resolve the system and network issues in interoperability and command, control, communications and intelligence on single channel encryption activity; 2) access the tactical software performance and related software development support environment for several projects; and 3) perform independent software testing projects.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: U.S. ARMY MISSILE FACILITIES ACTIVITY GROUP

C. ACP-1 Line No. & Item Description: 5C - Sperry 5000/80 Computer System

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
3120 - Automation Capital Equip				2	200.0	400.0			

Narrative Justification:

Required for completion of office automation and integrated procurement system requirements in MICOM's Missile Logistic Center. The integrated procurement system is a higher headquarters directed initiative.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: U.S. ARMY MISSILE FACILITIES ACTIVITY GROUP

C. ACP-1 Line No. & Item Description: 6 - All Other ACP Equipment less than $1M

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
				123		9,200.0			

Narrative Justification:

Equipment required for continuation of replacement and upgrade of outdated or unserviceable equipment in the Research, Development, and Engineering Center. Also includes some items of data processing peripheral equipment and equipment required to be provided the base operations support activity for replacement of equipment.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY89 Pres Budget

B. Industrial Fund / Activity Group / Activity: U.S. ARMY MISSILE FACILITIES ACTIVITY GROUP

C. ACP-1 Line No. & Item Description: 7 - Minor Construction Projects

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
3200 - Land Structures				25		1,500.0			

Narrative Justification:

Minor construction projects required for mission accomplishment and post operations. Projects include: (1) new buildings, additions, and alterations - 12, (2) paving and road projects - 6, (3) vehicle wash unit -1, (4) sediment drying beds - 1, (5) equipment shed - 1, (6) gate house - 1, (7) steam line construction, (8) construct and modify test stand - 2.

IF EXHIBIT ACP-2

DEPARTMENT OF THE ARMY
MTMC INDUSTRIAL FUND
INDUSTRIAL FUND ASSET CAPITALIZATION PROGRAM
FY 1989 PRESIDENT'S BUDGET
(Dollars in Millions)

Line Number	Item Description	FY 19 PY		FY 19 CY 1988		FY 19BY 1989	
		Quantity	Total Cost	Quantity	Total Cost	Quantity	Total Cost
1	Equipment ($1 million or more)						
2	Modernization Initiatives						
3	Increased Capability						
4	CAD/CAM Systems						
5	Major ADP Systems			(1)	(1.2)		
5A	Database Computer			1	1.2		
6	Other Equip Purch (less than $1 million)			32	.9	24	2.1
7	Minor Construction Projects			12	1.1	10	.7
8	Management Info Equipment/System($1 million or more)						
9	Management Info Equipment/Systems (less $1 million)						

IF EXHIBIT ACP-1

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 1989 President's Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund/Military Traffic Managment Command

C. ACP-1 Line No. & Item Description: 5A Database Computer

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Database Computer				1	1,200.0	1,200.0			

Narrative Justification:

The Database computer is required to meet system requirements that cannot be met by the existing WWMCCS computer system. MTMC currently has a myriad of systems that independently perform the various automation/ data processing requirements. The database machine will allow MTMC to integrate the various systems thereby enhancing the overall ability to meet current and long term objectives.

MTMC's mission as DOD traffic manager and ocean terminal operator rely heavily on the various automated systems. As increasing pressure to automate and manage resources more effectively continues, the Database computer will aid in meeting MTMC's near-term requirements and long term objectives.

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION
FY 1989 President's Budge

B. Industrial Fund / Activity Group / Activity
Army Industrial Fund/Military Traffic Management Command

C. ACP-1 Line No. & Item Description
6 Other Equipment Purchases Costing Under $1M Each

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Other Equipment Purchases Costing Under $1M Each				32	Various	900.0	24	Various	2,100.0

Narrative Justification:

MTMC's Other Equipment Purchases are comprised of two major types of equipment, ADP related items and material handling equipment. The objective of the ACP purchases in this area is to replace aging equipment and modernize ADP capabilities in order to insure mission accomplishment and enhance productivity wherever possible.

The major portion of MTMC's equipment purchases are for ADP equipment. This ADP equipment is needed to upgrade current equipment, allow for expansion of capabilities to effectively meet future management requirements, and replace malfunctioning and or obsolete items such as decolators and computer printers.

In order to effectively perform its ocean terminal missions, MTMC must replace material handling and related equipment that has reached the end of its useful life, is obsolete, or outdated. Examples of items scheduled for procurement include forklifts and loading ramps.

IF EXHIBIT ACP-2

ASSET CAPITALIZATION PROGRAM JUSTIFICATION SHEET
(Dollars in Thousands)

A. BUDGET SUBMISSION: FY 1989 President's Budget

B. Industrial Fund / Activity Group / Activity: Army Industrial Fund/Military Traffic Management Command

C. ACP-1 Line No. & Item Description: 7 Minor Construction Projects

	FY 1987			FY 1988			FY 1989		
ELEMENTS OF COST	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost	Quantity	Unit cost	Total Cost
Minor Construction Projects				12	Various	1,100.0	10	Various	700.0

Narrative Justification:

The objective of MTMC's Minor Construction Program is to improve aging port structures and construction of new facilities that fall within the minor construction limitation. Since most of MTMC's port facilities are at least 30-40 years old, the ability of those facilities to meet current operational requirements cannot be met without completion of these projects. In order to meet new or expanded missions, MTMC must construct new facilities or substantially improve those already existing. In addition to purely operational requirements, some projects are necessary in order to comply with various environmental regulations or insure the safety of MTMC's workforce.

IF EXHIBIT ACP-2