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**DEPARTMENT OF THE NAVY  
JUSTIFICATION OF ESTIMATES  
FY 1991 BUDGET ESTIMATES**

**AD-A219 527**



**SUBMITTED TO CONGRESS JANUARY 1990**

**PROCUREMENT**

**PROCUREMENT, MARINE CORPS**

**OTIC**  
DIRECTOR  
APR 21 1990  
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DEPARTMENT OF THE NAVY  
PROCUREMENT, MARINE CORPS

Justification of Estimates for FY 1991

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*Planned for Procurement Budget (Equipment)*  
*Planned Requirements follow (AW)*  
Financial Management  
STATEMENT "A" per Dianne Glaister  
Navy Budget Office/NCBG-2  
TELECON 3/21/90 VG



PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, ammunition, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including purchase of not to exceed (172) 194 passenger motor vehicles for replacement only; and expansion of public and private plants; including land necessary therefor, and such lands and interests therein, may be acquired and construction prosecuted thereon prior to approval of title; (\$1,213,334,000) \$782,100,000, to remain available for obligation until September 30, (1992) 1993 of which \$35,000,000 shall be available only for the Marine Corps Reserve.

Procurement, Marine Corps  
Program and Financing (in Thousands of dollars) SUMMARY

Identification code	17-1109-0-1-051	Budget Plan (amounts for PROCUREMENT actions programed)				Obligations	
		1989 actual	1990 est.	1991 est.	1989 actual	1990 est.	1991 est.
<b>Program by activities:</b>							
<b>Direct program:</b>							
00.0101	Ammunition	259,737	249,201	284,681	279,597	225,538	289,566
00.0201	Weapons and combat vehicles	220,283	398,995	45,454	179,690	366,997	90,763
00.0301	Guided missiles and equipment	338,133	11,055	16,255	324,714	19,453	18,341
00.0401	Communications and electronics equipment	268,539	249,564	218,667	278,274	285,334	228,109
00.0501	Support vehicles	27,763	22,551	34,127	21,264	43,623	32,464
00.0601	Engineer and other equipment	120,839	81,929	112,514	128,663	103,236	110,439
00.0701	Spares and repair parts	56,546	61,889	70,402	61,908	54,005	65,195
00.9101	Total direct program	1,291,840	1,075,184	782,100	1,274,110	1,098,186	834,877
01.0101	Reimbursable program	10,925	5,000	5,000	10,201	13,038	5,000
10.0001	Total	1,302,765	1,080,184	787,100	1,284,311	1,111,224	839,877
<b>Financing:</b>							
Offsetting collections from:							
11.0001	Federal funds(-)	-10,925	-5,000	-5,000	-10,482	-5,000	-5,000
13.0001	Trust funds(-)				-23		
14.0001	Non-Federal sources(-)				-280		
17.0001	Recovery of prior year obligations				-18,300		
21.4002	Unobligated balance available, start of year:				-219,083	-253,421	-222,381
21.4003	For completion of prior year budget plans	-1,500			-1,500		
21.4009	Available to finance new budget plans	-2,277					
22.4001	Reprogramming from/to prior year budget plan	3,700			3,700		
24.4002	Unobligated balance transferred to other accounts						
25.0001	Unobligated balance available, end of year:				253,421	222,381	169,604
	For completion of prior year budget plans	77			77		
39.0001	Budget authority	1,291,840	1,075,184	782,100	1,291,840	1,075,184	782,100
<b>Budget authority:</b>							
40.0001	Appropriation	1,297,265	1,213,792	782,100	1,297,265	1,213,792	782,100
40.0004	Reduction pursuant to P.L. 100-463	-425			-425		
40.0005	Reduction pursuant to P.L. 101-165		-458			-458	
41.0001	Transferred to other accounts(-)	-5,000	-138,150		-5,000	-138,150	
43.0001	Appropriation (adjusted)	1,291,840	1,075,184	782,100	1,291,840	1,075,184	782,100

Procurement, Marine Corps  
Program and Financing (in Thousands of dollars) SUMMARY

Identification code	17-1109-0-1-051	1989 actual	1990 est.	1991 est.
Relation of obligations to outlays:				
71.0001	Obligations incurred, net	1,273,526	1,106,224	834,877
72.4001	Obligated balance, start of year	2,723,975	2,633,072	2,440,596
74.4001	Obligated balance, end of year	-2,633,072	-2,440,596	-2,121,173
77.0001	Adjustments in expired accounts (net)	-5,190		
78.0001	Adjustments in unexpired accounts	-18,300		
90.0001	Outlays	1,340,939	1,298,700	1,154,300

Procurement, Marine Corps  
Object Classification (in Thousands of dollars) SUMMARY

Identification code	17-1109-0-1-051	1989 actual	1990 est.	1991 est.
Direct obligations:				
126.001	Supplies and materials	405,162	368,919	394,989
131.001	Equipment	868,948	729,267	439,888
199.001	Total Direct obligations	1,274,110	1,098,186	834,877
Reimbursable obligations:				
231.001	Equipment	10,201	13,038	5,000
299.001	Total Reimbursable obligations	10,201	13,038	5,000
999.901	Total obligations	1,284,311	1,111,224	839,877

Procurement, Marine Corps  
Program and Financing (in Thousands of dollars) FISCAL YEAR 1987

Identification code	Budget Plan (amounts for PROCUREMENT actions programed)		Obligations	
	1989 actual	1990 est.	1989 actual	1990 est.
Program by activities:				
Direct program:				
00.0101			8,763	
00.0201			1,525	
00.0301			59	
00.0401			22,111	
00.0501			3,591	
00.0601			10,620	
00.0701			3,264	
00.9101			49,933	
01.0101			3,384	
10.0001			53,317	
Financing:				
Offsetting collections from:				
11.0001			523	
17.0001			-9,637	
21.4002			-46,479	
21.4003			-1,500	
21.4009			3,700	
22.4001			77	
25.0001				
39.0001				

Procurement, Marine Corps  
Program and Financing (in Thousands of dollars) FISCAL YEAR 1988

Identification code	17-1109-0-1-051	Budget Plan (amounts for PROCUREMENT actions programed)			Obligations	
		1989 actual	1990 est.	1991 est.	1989 actual	1990 est.
Program by activities:						
Direct program:						
00.0101					17,161	845
					1,279	2,178
00.0201					18	1
00.0301					63,048	36,218
00.0401					2,478	13,135
00.0501					22,911	14,535
00.0601					3,222	691
00.0701						
00.9101					110,117	67,603
01.0101					2	3,928
10.0001					110,119	71,531
Financing:						
Offsetting collections from:						
11.0001					-80	
13.0001					-23	
14.0001					-280	
17.0001					-8,663	
21.4002					-172,604	-71,531
24.4002					71,531	
39.0001						

Procurement, Marine Corps  
Program and Financing (in Thousands of dollars) FISCAL YEAR 1989

Identification code	17-1109-0-1-051	Budget Plan (amounts for PROCUREMENT actions programmed)			Obligations		
		1989 actual	1990 est.	1991 est.	1989 actual	1990 est.	1991 est.
<b>Program by activities:</b>							
<b>Direct program:</b>							
00.0101	Ammunition	259,137			253,673	5,000	1,064
00.0201	Weapons and combat vehicles	220,183			176,886	6,245	37,152
00.0301	Guided missiles and equipment	338,133			324,637	10,000	3,496
00.0401	Communications and electronics equipment	268,539			193,115	54,487	20,937
00.0501	Support vehicles	27,763			15,195	11,207	1,361
00.0601	Engineer and other equipment	120,839			95,132	18,562	7,145
00.0701	Spares and repair parts	56,546			55,422	1,124	
00.9101	Total direct program	1,291,840			1,114,060	106,625	71,155
01.0101	Reimbursable program	10,925			6,815	4,110	
10.0001	Total	1,302,765			1,120,875	110,735	71,155
<b>Financing:</b>							
Offsetting collections from:							
11.0001	Federal funds(-)	-10,925			-10,925		
21.4002	Unobligated balance available, start of year:						
	For completion of prior year budget plans						-71,155
24.4002	Unobligated balance available, end of year:						
	For completion of prior year budget plans				181,890	71,155	
39.0001	Budget authority	1,291,840			1,291,840		
<b>Budget authority:</b>							
40.0001	Appropriation	1,297,265			1,297,265		
40.0004	Reduction pursuant to P.L. 100-463	-425			-425		
41.0001	Transferred to other accounts(-)	-5,000			-5,000		
43.0001	Appropriation (adjusted)	1,291,840			1,291,840		

Procurement, Marine Corps  
Program and Financing (in Thousands of dollars) FISCAL YEAR 1990

Identification code	Budget Plan (amounts for PROCUREMENT actions programed)				Obligations		
	17-1109-0-1-051	1989 actual	1990 est.	1991 est.	1989 actual	1990 est.	1991 est.
Program by activities:							
Direct program:							
00.0101		249,201				219,693	19,510
00.0201	Ammunition	398,995				358,574	20,450
00.0301	Weapons and combat vehicles	11,055				9,452	940
00.0401	Guided missiles and equipment	249,564				194,629	36,349
00.0501	Communications and electronics equipment	22,551				19,281	1,917
00.0601	Support vehicles	81,929				70,139	6,964
00.0701	Engineer and other equipment	61,889				52,190	5,686
	Spares and repair parts						
00.9101	Total direct program	1,075,184				923,958	91,816
01.0101	Reimbursable program		5,000			5,000	
10.0001	Total	1,080,184				928,958	91,816
Financing:							
Offsetting collections from:							
11.0001	Federal funds(-)		-5,000			-5,000	
21.4002	Unobligated balance available, start of year:						
	For completion of prior year budget plans						-151,226
24.4002	Unobligated balance available, end of year:						
	For completion of prior year budget plans					151,226	59,410
39.0001	Budget authority	1,075,184				1,075,184	
Budget authority:							
40.0001	Appropriation	1,213,792				1,213,792	
40.0005	Reduction pursuant to P.L. 101-165	-458				-458	
41.0001	Transferred to other accounts(-)	-138,150				-138,150	
43.0001	Appropriation (adjusted)	1,075,184				1,075,184	

Procurement, Marine Corps  
Program and Financing (in Thousands of dollars) FISCAL YEAR 1991

Identification code	17-1109-0-1-051	Budget Plan (amounts for PROCUREMENT actions programed)			Obligations	
		1989 actual	1990 est.	1991 est.	1989 actual	1990 est.
Program by activities:						
Direct program:						
00.0101			284,681			268,992
	Ammunition		45,454			33,161
	Weapons and combat vehicles		16,255			13,905
	Guided missiles and equipment		218,667			170,823
	Communications and electronics equipment		34,127			29,186
	Support vehicles		112,514			96,330
	Engineer and other equipment		70,402			59,509
	Spares and repair parts					
00.9101	Total direct program		782,100			671,906
01.0101	Reimbursable program		5,000			5,000
10.0001	Total		787,100			676,906
Financing:						
Offsetting collections from:						
11.0001	Federal funds(-)		-5,000			-5,000
24.4002	Unobligated balance available, end of year: For completion of prior year budget plans					110,194
10.0001	Budget authority (Appropriation)		782,100			782,100

SUMMARY OF REQUIREMENTS  
(In Thousands of Dollars)

	FY1989 Actual	FY1990 Estimate	FY1991 Estimate
Ammunition	259,737	249,201	284,681
Weapons and Combat Vehicles	220,283	398,995	45,454
Guided Missiles and Equipment	338,133	11,055	16,255
Communications/Electronics Equip	268,539	249,564	218,667
Support Vehicles	27,763	22,551	34,127
Engineer and other Equip	120,839	81,929	112,514
Spares and Repair Parts	<u>56,546</u>	<u>61,889</u>	<u>70,402</u>
Total Direct Program	1,291,840	1,075,184	782,100
Reimbursable Program	<u>10,925</u>	<u>5,000</u>	<u>5,000</u>
Total Program Requirements	1,302,765	1,080,184	787,100

Budget Activity 1: Ammunition

(In Thousands of Dollars)  
FY 1991 Estimate \$284,681  
FY 1990 Estimate \$249,201  
FY 1989 Actual \$259,737

Purpose and Scope of Work

This activity provides for the Marine Corps' annual training needs and the acquisition of war reserve stocks for use in the event of mobilization. Munitions included in the request include tank, artillery, and mortar. Also included are requirements for small arms ammunition, pyrotechnic devices, and other ammunition items.

Justification of Funds

Congressional action on the FY 1990 budget request provided for an ammunition program of \$249.2 million, which will continue to buy towards requirements established in the Defense Guidance. The FY 1990 program funds the following: 5.56mm Ammo, \$14.2 million; 7.62mm Ammo, \$4.1 million; Linear Charges, \$2.6 million; .50 Cal Ammo, \$15.0 million; 40mm Ammo, \$22.5 million; 60mm Ammo, \$12.9 million; 81mm Ammo, \$16.3 million; 120mm Ammo, \$44.0 million; 155mm Ammo, \$48.6 million; Fuzes, \$5.3 million; 83mm Rocket (SMAW), \$28.4 million; Light Anti-Armor Weapon, \$10.6 million; Grenades, \$8.7 million; Ammo Modernization, \$11.1 million; and Items Less Than \$2.0 million, \$4.9 million.

The FY 1991 budget requests \$284.7 million to fund the following: 5.56mm Ammo, \$30.9 million; 7.62mm Ammo, \$8.3 million; Linear Charges, \$1.0 million; .50 Cal Ammo, \$19.5 million; 40mm Ammo, \$25.6 million; 60mm Ammo, \$19.4 million; 81mm Ammo, \$12.8 million; 120mm Ammo, \$60.6 million; 155mm Ammo, \$18.2 million; Fuzes, \$32.4 million; 83mm Rocket (SMAW), \$29.3 million; 9mm Ammo, \$3.8 million; Grenades, \$7.9 million; Ammo Modernization, \$11.7 million; and Items Less Than \$2 million, \$3.2 million.

Budget Activity 2: Weapons and Tracked Combat Vehicles

(In Thousands of Dollars)  
FY 1991 Estimate \$ 45,454  
FY 1990 Estimate \$398,995  
FY 1989 Actual \$220,283

Purpose and Scope of Work

This activity supports procurement of armored and amphibious vehicles, artillery pieces, and small arms weapons. It also supports acquisition of weapons and tracked combat vehicle associated equipment and modification kits.

Justification of Funds

Congressional action on the FY 1990 budget request provided \$399.0 million for Weapons and Tracked Combat Vehicles. The FY 1991 budget requests \$45.5 million. Each of the items contained in the FY 1990 program and FY 1991 request is summarized below:

AAV7A1 PIP - \$12.9 million was appropriated in FY 1990 and \$19.0 million is requested in FY 1991 to provide the AAV7A1 family of vehicles more reliable and serviceable components and to enhance the vehicles' operational combat survivability.

Mod Kits (Tracked Vehicles) - \$3.0 million was appropriated in FY 1990 and \$3.1 million is requested in FY 1991 for the procurement of modification kits for the product improvement of the Light Armored Vehicles.

M1A1 Tank - \$374.3 million was appropriated in FY 1990 for the procurement of 155 tanks. The purpose of this program is to replace the M60A1 tank with a more capable tank.

Items Less Than \$2 Million (Tracked Vehicles) - \$.8 million was appropriated in FY 1990 to fund the procurement of Light Armored Vehicle (LAV) M242's Engineering Change Proposals (ECPS) and M88A1 Organizational Tool Set. The FY 1991 budget request of \$.3 million funds the procurement of LAV M242's ECPS and laser filters.

Items Less Than \$2 Million (All Others) - \$2.6 million was appropriated in FY 1990 to fund the procurement of Rifle Team Equipment (\$.3), M203 40mm Grenade Launcher (\$1.2) and Explosive Ordnance Disposal Equipment (\$1.1). \$1.7 million in the FY 1991 budget will fund the procurement of Rifle Team Equipment (\$.2) and Explosive Ordnance Disposal Equipment (\$1.5).

M2 Machine Gun, .50 Cal, HB - The FY 1991 budget requests \$4.2 million to fund the procurement of 162 machine guns. These machine guns will replace maintenance losses and bring the M2 inventory back to 100%.

5.56mm Squad Automatic Weapon (SAW) - \$5.4 million in FY 1990 was appropriated for procurement of 1297 light machine guns.

MK 19 40mm Machine Gun - The FY 1991 budget requests \$17.2 million to procure 1181 machine guns. This system will substantially increase the organic fire capability of all Marine combat and combat support units.

Budget Activity 3: Guided Missiles and Equipment

(In Thousands of Dollars)  
FY 1991 Estimate \$ 16,255  
FY 1990 Estimate \$ 11,055  
FY 1989 Actual \$338,133

Purpose and Scope of Work

This activity supports procurement of surface-to-air guided missiles, surface-to-air anti-tank guided missiles, and related ground support equipment. Funds requested are required to support continuing efforts to enhance the air defense and anti-tank/assault capabilities of Marine Corps ground forces. The Department of the Army is the contracting agency for the HAWK Modification Kits and TOW missiles.

Justification of Funds

Congressional action on the FY 1990 budget request provided \$11.1 million for Guided Missiles and Equipment. The FY 1991 budget requests \$16.3 million. The items contained in the FY 1990 program and FY 1991 request are summarized below:

HAWK Modifications - Congressional action on the FY 1990 budget request provided \$1.1 million to support product improvements which significantly enhance reliability, maintainability, improve countermeasure capability, and modify automatic test equipment and test program sets for the HAWK anti-aircraft missile. The FY 1991 budget requests \$5.9 million.

TOW-2 Missile System - Congressional action on the FY 1990 budget request provided \$10.0 million for 577 TOW-2B heavy assault anti-tank missiles. The FY 1991 budget request of \$10.1 million will procure 662 TOW-2B missiles.

Modification Kits - The FY 1991 budget requests \$.3 to fund installation costs for modification kits.

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Budget Activity 4: Communication and Electronics Equipment

(In Thousands of Dollars)  
FY 1991 Estimate \$218,667  
FY 1990 Estimate \$249,564  
FY 1989 Actual \$268,539

Purpose and Scope of Work

This activity supports acquisition of communications and electronic systems essential to the conduct of modern amphibious warfare and other low to mid intensity combat operations. Programs involved include tactical radios and equipment, telephone and teletype equipment, command and control systems, radars and radar equipment, intelligence/communications equipment, repair and test equipment, and modification kits.

Justification of Funds

Congressional action on the FY 1990 budget request provided \$249.6 million for the following telecommunications equipment: \$4.3 million for manpack radios and equipment; \$42.5 million for vehicle mounted radios and equipment; \$48.0 million for the Unit Level Circuit Switch; \$7.7 million for Tactical Communications Center equipment; \$3.6 million for Digital Communications Terminals; \$3.3 million for sweep generators; and \$12.4 million for test equipment, modification kits and items costing less than \$2 million.

The Fiscal Year 1990 program for non-telecommunications equipment includes the following: \$23.6 million for the Position Location Reporting System; \$54.1 million for Tactical Air Operations Modules; \$2.4 million for the Lightweight Early Warning Detection Device (LEWDD); \$9.2 million for intelligence related support equipment, modification kits and other intelligence items costing less than \$2 million; \$20.0 million for automatic data processing equipment; and \$18.6 million for test, analysis, maintenance and calibration equipment, modification kits and items costing less than \$2 million.

The Fiscal Year 1991 budget request totals \$218.7 million and includes the following telecommunications equipment: \$2.3 million for manpack radios and equipment; \$56.0 million for vehicle mounted radios and equipment; \$32.9 million for the Unit Level Circuit Switch; \$7.4 million for Tactical Communication Center (TCC) equipment; \$9.6 million for Digital Communications Terminals; \$3.3 million for sweep generators; and \$17.4 million for test equipment, modification kits and items costing less than \$2 million.

The Fiscal Year 1991 budget request for non-telecommunications equipment includes the following: \$47.4 million for Tactical Air Operations Modules; \$6.6 million for the Lightweight Early Warning Detection Device (LEWDD); \$9.3 million for intelligence related support equipment and modification kits; \$11.5 million for automatic data processing equipment; and \$14.7 million for test, analysis, maintenance and calibration equipment, modification kits and items costing less than \$2 million.

Budget Activity 5: Support Vehicles

(In Thousands of Dollars)  
FY 1991 Estimate \$ 34,127  
FY 1990 Estimate \$ 22,551  
FY 1989 Actual \$ 27,763

Purpose and Scope of Work

This activity supports procurement of commercial passenger and cargo vehicles required to support Marine Corps facilities' operations and tactical vehicles required by deployable operational and support forces. Included in the category of commercial passenger and cargo vehicles are: sedans, station wagons, and buses; general and special purpose heavy and light trucks; fire-fighting, refuse collection, and tanker trucks; and various types of trailers. Tactical vehicles procured under this activity consist of military designed prime movers and general purpose vehicles equipped for support of combat operations.

Justification of Funds

Congressional action on the FY 1990 request provided \$22.6 million for the following: \$3.4 million for 172 commercial passenger carrying vehicles; \$13.0 million for commercial cargo vehicles; \$2.6 million for 5-ton trucks; \$2.9 million for modification kits; and \$.7 million for items costing less than \$2 million.

The Fiscal Year 1991 budget request totals \$34.1 million and consists of the following: \$3.8 million for 194 commercial passenger carrying vehicles; \$13.1 million for commercial cargo vehicles; \$4.9 million for maintenance trucks; \$2.1 million for all types of trailers; \$9.0 million for modification kits; and \$1.2 million for items costing less than \$2 million.

**Budget Activity 6: Engineering and Other Equipment**

(In Thousands of Dollars)  
FY 1991 Estimate \$112,514  
FY 1990 Estimate \$ 81,929  
FY 1989 Actual \$120,839

**Purpose and Scope of Work**

This activity provides for acquisition of combat and service support requirements for earth-moving construction, material handling equipment, power generating and environmental control equipment, fuel dispensing systems, special training devices, and equipment to support Marine Corps facilities.

**Justification of Funds**

Congressional action on the FY 1990 request provided \$81.9 million for the following programs: \$.1 million for environmental control equipment; \$1.1 million for the lightweight rough terrain crane; \$.5 million for assorted power equipment; \$4.0 million for command support equipment; \$.2 million for amphibious raid equipment; \$10.6 million for productivity investment projects; \$.3 million for physical security equipment; \$4.5 million for garrison mobile engineer equipment; \$2.5 million for warehouse modernization equipment; \$2.4 million for material handling equipment; \$3.1 million for dry chemical fire extinguishers; \$5.0 million for training devices; \$13.8 million for the shelter family, which consists of small rigid and knockdown shelters, joining corridors, and complexing kits that provide environment protection in support of operations worldwide; \$12.2 million for the container family, which will replace locally assembled, prefabricated wooden mount out boxes and flat and box pallets; \$3.8 million for essential minor programs costing less than \$2 million; \$5.9 million to fund the installation of modernization equipment and \$8.6 million for installation of prior year equipment; and \$3.4 million for industrial/depot maintenance requirements under the Asset Capitalization Program (ACP).

The Fiscal Year 1991 budget request totals \$112.5 million for the following programs: \$3.1 million for environmental control equipment; \$2.4 million for amphibious assault fuel systems; \$3.8 million for topographic/survey equipment; \$11.1 million for assorted power equipment; \$4.0 million for command support equipment; \$.2 million for amphibious raid equipment; \$16.3 million for productivity investment projects; \$.3 million for physical security equipment; \$5.5 million for garrison mobile engineer equipment; \$3.0 million for warehouse modernization equipment; \$2.2 million for material handling equipment; \$10.9

million first destination transportation; \$3.6 million for lightweight decontamination systems; \$2.1 million for dry chemical fire extinguishers; \$3.7 million for training devices; \$15.3 million for the shelter family; \$15.5 million for the container family; \$4.2 million for essential modification kits and minor programs costing less than \$2 million; and \$5.2 million for industrial/depot maintenance requirements.

Budget Activity 7: Spares and Repair Parts

(In Thousands of Dollars)  
FY 1991 Estimate \$ 70,402  
FY 1990 Estimate \$ 61,889  
FY 1989 Actual \$ 56,546

Purpose and Scope of Work

These funds are required for procurement of depot repairable spares and repair parts essential for the continued support of end items (replenishment spares), and for initial allowance (initial spares) of peculiar depot spares and repair parts to support new equipment/systems being introduced into the Marine Corps.

Justification of Funds

Congressional action on the FY 1990 budget request provided \$61.9 million and consists of \$26.1 million for initial spares and \$35.8 million for replenishment spares. The FY 1991 budget request totals \$70.4 million and consists of \$26.0 million for initial spares and \$44.4 million for replenishment spares. The following list is provided:

	(Dollars in Millions)	
<u>Initial Spares</u>	<u>FY 1990</u>	<u>FY 1991</u>
Weapons and Tracked Combat Vehicles	\$ 10.2	\$ 1.7
Missiles	0.0	2.0
Communication/Electronic Equipment	14.0	19.3
Support Vehicles	.2	1.5
Engineering Equipment	<u>1.7</u>	<u>1.5</u>
Subtotal	\$ 26.1	\$ 26.0
<u>Replenishment Spares</u>	<u>35.8</u>	<u>44.4</u>
Total	\$ 61.9	\$ 70.4

COMPARISON OF 1989 PROGRAM REQUIREMENTS AS REFLECTED IN THE REVISED FY 1990/1991 BUDGET  
WITH FY 1989 PROGRAM REQUIREMENTS AS SHOWN IN FY 1991 PRESIDENT'S BUDGET

SUMMARY OF REQUIREMENTS (In Thousands of Dollars)

	Total Program Requirements Per Revised FY1990/1991 Budget	Total Program Requirements Per 1991	Increase (+) or Decrease (-)
Ammunition	267,094	259,737	-7,357
Weapons and Combat Vehicles	220,296	220,283	-13
Guided Missiles and Equipment	335,749	338,133	+2,384
Communications and Electronics Equip	266,130	268,539	+2,409
Support Vehicles	22,670	27,763	+5,093
Engineer and Other Equip	123,715	120,839	-2,876
Spares and Repair Parts	56,186	56,546	+360
Total Fiscal Year Program	<u>1,291,840</u>	<u>1,291,840</u>	-

EXPLANATION BY BUDGET ACTIVITY

Ammunition (\$-7.4 million)

The net decrease reflects a below threshold reprogramming to the Logistics Vehicle System (\$5.1 million) and Telephone System (\$2.3 million) from the light anti-armor weapon (AT-4).

Weapons & Combat Vehicles

Minor repricing adjustment.

Guided Missiles and Equipment (\$2.4 million)

The net increase is related to the purchase of IFF ground support equipment for the HAWK.

Communications & Electronics Equipment (\$2.4 million)

The net increase is related to the accelerated procurement of additional tactical air operations modules components.

Support Vehicles (\$5.1 million)

The increase is related to the purchase of lifting fixtures for the logistics vehicle system.

Engineering and Other Equipment (\$-2.9 million)

The net decrease is primarily related to minor reprogramming from the container program due to a reduction in program requirements.

Spares and Repair Parts (\$.3 million)

The net increase reflects minor changes in requirements for initial spares for communications and electronics equipment.

COMPARISON OF 1990 PROGRAM REQUIREMENTS AS REFLECTED IN THE REVISED FY 1990/1991 BUDGET  
WITH FY 1990 PROGRAM REQUIREMENTS AS SHOWN IN FY 1991 PRESIDENT'S BUDGET

(SUMMARY OF REQUIREMENTS (In Thousands of Dollars))

	Total Program Requirements Per The Revised FY1990/1991 Budget	Total Program Requirements Per 1991 Budget	Increase (+) or Decrease (-)
Ammunition	222,401	249,201	+26,800
Weapons and Combat Vehicles	543,224	398,995	-144,224
Guided Missiles and Equipment	11,055	11,055	-
Communications and Electronics Equip	271,001	249,564	-21,437
Support Vehicles	23,202	22,551	-651
Engineer and Other Equipment	64,079	81,929	+17,850
Spares and Repair Parts	61,838	61,889	+51
Total Fiscal Year Program	1,196,800	1,075,184	-121,616

EXPLANATION BY BUDGET ACTIVITY

Ammunition (\$+2.6 million)

The change to the ammunition account reflects a general Congressional increase of \$25 million applied to nine items and other minor reprogramming of \$1.8 million.

Weapons and Combat Vehicles (\$-144.2 million)

Congressional action on the FY 1990 budget request resulted in reductions of \$15 million to the M1A1 tank current year program, a \$9 million reduction to M1A1 for advance procurement due to contract savings, and \$1.9 million for the cancellation of the MK-19 machine gun due to production problems. Also, due to cancellation of the FY 1991 Marine Corps M1A1 program, related advance procurement funds of \$111.3 million is to be transferred to other appropriations to finance other FY 1991 DoD requirements and \$7 million from the M1A1 will be utilized to finance a planned DD-1415 reprogramming action for communications and electronics equipment.

Guided Missiles and Equipment  
Minor repricing adjustment.

Communications and Electronics Equipment (\$-21.4 million)

The net decrease is primarily due to a decision to terminate Marine Corps procurement of the position location and reporting system. The last procurement was in FY 1990.

Support Vehicles (\$-.6 million)

The decrease is related to the cancellation of trailers for \$2.1 million offset by a below threshold reprogramming of \$1.5 million into commercial vehicles.

Engineering and Other Equipment (\$+17.8 million)

The increase is due to Congressional adjustments for modernization of equipment \$5.9 million, installation of modernization equipment \$8.5 million and industrial/depot maintenance equipment \$3.4 million.

Spares and Repair Parts (\$+.1 million)

The net increase is for minor adjustments for replenishment spares.

COMPARISON OF 1989 FINANCING AS REFLECTED IN REVISED FY 1990/1991 BUDGET  
 WITH FY 1989 FINANCING AS SHOWN IN FY 1991 PRESIDENT'S BUDGET

(In Thousands of Dollars)

	Financing Revised FY90/91 Budget	Financing Per FY 1991 Budget	Increase (+) or Decrease (-)
Program Requirements (Total)	1,296,340	1,302,765	+6,425
Program Requirements (Service account)	1,291,840	1,291,840	-
Program Requirements (Reimbursable)	4,500	10,925	+6,425
Less: Anticipated Reimbursements	4,500	10,925	+6,425
Appropriation	1,297,265	1,297,265	-
Reduction pursuant to P.L. 100-463	-425	-425	-
Transferred to other accounts(-)	-5,000	-5,000	-
Appropriation (Adjusted)	1,291,840	1,291,840	-

Explanation of Changes in Financing

The FY 1989 program has changed since the presentation of the FY 1990 budget as noted below:

1. Program Requirement. There has been an increase of..... \$+6,425  
 Service Account..... \$ -  
 Reimbursable..... \$+6,425

2. The program requirements change reflects a revised estimate of anticipated reimbursable collections.

COMPARISON OF 1990 FINANCING AS REFLECTED IN THE REVISED 1990/1991 BUDGET  
WITH FY 1990 FINANCING AS SHOWN IN FY 1991 PRESIDENTS'S BUDGET

(In Thousands of Dollars)

	Financing Per Revised FY90/91 Budget	Financing Per FY 1991 Budget	Increase (+) or Decrease (-)
Program Requirement (Total)	1,201,800	1,080,184	-121,616
Program Requirement (Service Account)	1,196,800	1,075,184	-121,616
Program Requirement (Reimbursable)	5,000	5,000	-
<u>Less:</u>			
Anticipated reimbursements	5,000	5,000	-
Appropriation	<u>1,196,800</u>	<u>1,213,792</u>	<u>+16,992</u>
Reduction pursuant to P.L. 101-165	-	-458	-458
Transferred to other accounts	-	-138,150	-138,150
Appropriation adjusted	<u>1,196,800</u>	<u>1,075,184</u>	<u>-121,616</u>

Explanation of Changes in Financing

The FY 1990 program has changed since the presentation of the FY 1990 budget as noted below:

1. Program requirements. There has been an increase of \$16,992 which reflects the approved appropriation rather than the amount requested for the Service Account offset by planned transfers of \$-138,150, from M1-A1 tank advance procurement (\$-111,300) and from the Position Location Reporting System (PLRS) (\$-26,850), to other appropriations, and decreases associated with contractor travel (\$-303) and consultant services (\$-155).