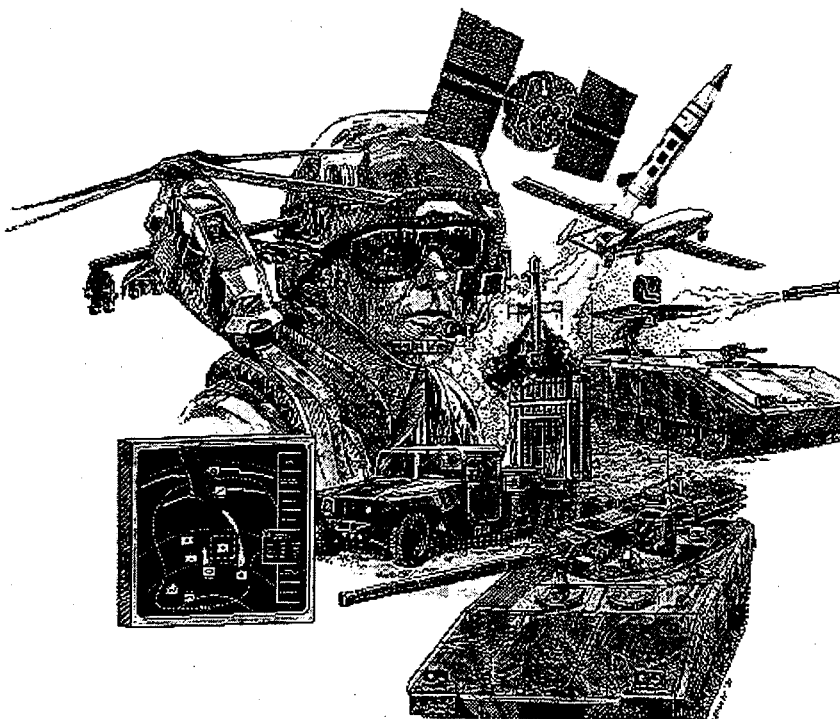


THE ARMY BUDGET

1997 President's Budget
Assistant Secretary of the Army for
Financial Management and Comptroller
March 1996

AMERICA'S ARMY:
"Force of Decision"



Changing to Meet the Challenges
of Today, Tomorrow and the
21st Century

DISTRIBUTION STATEMENT A

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The Army Budget

Preface

The Army Budget "Green Book" is prepared by the Army Budget Office, Office of the Assistant Secretary of the Army for Financial Management & Comptroller, Headquarters, Department of the Army, Washington, D.C. 20310-0109, commercial telephone number (703) 697-6241, DSN 227-6241. Its purpose is to provide the Army leadership, OSD and members of Congress and their staffs a reference to the Army's FY 1997 Budget Request (President's Budget) as submitted to Congress on March 18, 1996. It is not intended to be used as a substitute for the official budget submission. The following clarification of information in the "Green Book" is provided:

- The FY 1995 and prior year information represents actuals, and includes supplementals for contingency operations in Somalia, Bosnia, Southwest Asia, Operation DESERT STORM, Operation Restore Hope, and for Environmental Compliance and Restoration funding, unless stated otherwise on individual charts.
- The FY 1996 information represents the FY 1996 column of the FY 1997 President's Budget, which includes amounts appropriated (or expected to be appropriated in the case of the Supplemental) by Congress.
- The FY 1997 information represents the Army's request to Congress for the budget year.
- All dollar figures represent Total Obligation Authority (TOA) in current dollars, unless stated otherwise on individual charts.
- Number totals on some charts do not add due to rounding.
- Questions concerning the source or interpretation of the information in this booklet may be directed to Ms. Mary E. Luznar, Budget Formulation Division, Army Budget Office (SAFM-BUC-F), at Commercial (703) 697-6241 or DSN 227-6241.

Available electronically on the
World Wide Web.
ASA(FM) Homepage Address:
<http://134.11.192.15/>

FY 1997 ...

“...This budget balances the demands of recruiting high quality soldiers and preserving near-term readiness, while we prepare to provide for long-term modernization needs....The budget before you reflects today’s fiscal realities, and it also reflects the Army’s commitment to our nation. That commitment is to serve America proudly -- as the Army has for over 220 years -- and to ensure that our soldiers are trained, equipped, and fully prepared for the missions they are called upon to perform.”

*Togo D. West, Jr.
Secretary of the Army
March 1996*

“Inside the Army we have sought to keep things in balance. Our objective is to get the right balance between force structure, modernization, and Quality of Life....America’s Army is trained and ready today and is working hard to meet inevitable challenges of tomorrow and in the twenty-first century.”

*General Dennis J. Reimer
Chief of Staff, U.S. Army
March 1996*

The Army Budget

The Army Today 1

Strategic Force 5

Resource Overview 18

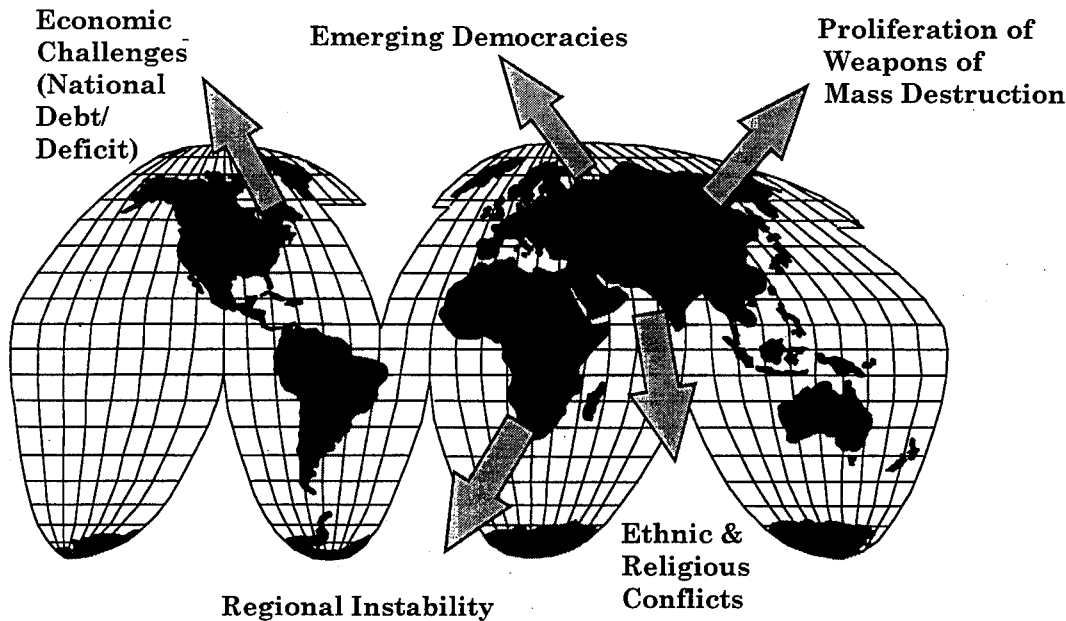
Appropriation Summaries 29

Special Interest Items 53

The New Strategic Environment... More Complex, More Diverse!

The Army Today

1



This security environment and the domestic support mission require a versatile, flexible, and responsive American Army for a broad range of sustained operations at home and abroad. In the last several years, America's Army has been the hub of Joint Operations and the Force of Decision. Since the end of the Cold War, the Army's unique capabilities and staying power have made it the "decisive force" in responding to regional conflicts. Likewise, our ability to respond rapidly with combat power and logistical support has made America's Army the force of necessity in responding to international crises.

The Nation depends on the Army for...

- WARFIGHTING
- DETERRENCE
- PEACETIME ENGAGEMENT
- DOMESTIC SUPPORT
- OVERSEAS PRESENCE
- CONFLICT PREVENTION
- PEACEKEEPING



And America's Army delivers!

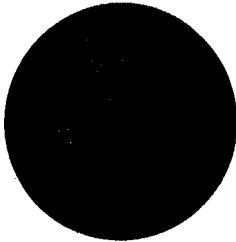
- IRAQ
- KOREA
- RWANDA
- FLORIDA, MISSOURI
- SINAI
- MACEDONIA
- BOSNIA

Increased Missions... *greater demands on soldiers and Army families.*



The Army Today

- On a typical day in the 1990s, the Army has 138,000 soldiers providing OVERSEAS PRESENCE for the United States. Over 40% of the Army's Fighting Forces are performing this essential mission RIGHT NOW!
- The average fighting soldier spends 138 DAYS away from home each year.
- The operational pace on organizations and equipment, and the personnel tempo for the Army's soldiers, is at an all-time high!



<u>Worldwide Deployments</u>		
<u>PERSONNEL</u>	<u>MISSIONS</u>	<u>COUNTRIES</u>
20,000	Operational Deployments	80
65,000	Overseas Presence - Europe	22
50,000	Overseas Presence - Pacific	8
<u>3,000</u>	Overseas Presence- Americas	11
138,000		

A Different Army...*greatly reduced since the end of the Cold War and Desert Storm.*

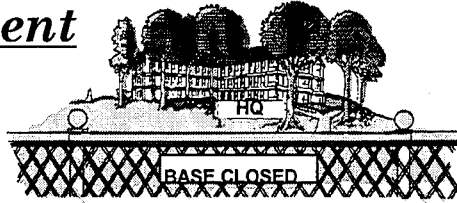
- We have transformed from a forward-based Army to a Power Projection Army, ready to deploy anywhere needed.
- We have gone from 18 Active Army Combat Divisions in 1989 to 10 in 1996. In that same time period, the Army lost 37% of its Active Combat Brigades and 25% of its Active Battalions. 110 Active Combat Battalions were removed from Europe in less than four years!

**Now More Important Than Ever...
*America's Community-Based Army.***



- Increased missions at home and abroad, combined with a reduced Active Army have led us to depend more heavily on the Army Reserve and National Guard.
- All soldiers--Active, Guard and Reserve--serve together as part of the Army Team.

Army infrastructure reductions...
a demonstrated commitment
to an affordable
21st Century Force!



The Army Today

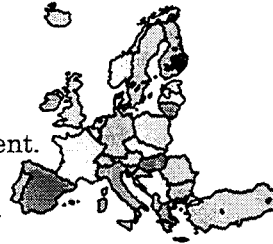
3

Large Reductions At Home...

- All BRAC rounds together have closed 112 and realigned 27 U.S. bases.

Rapid Reductions in Europe...

- Equal to closing 12 of the largest U.S. bases.
- Closing or downsizing 71% of installations.
- ALL nuclear and chemical weapons removed without incident.
- U.S. Army leaves Berlin, mission accomplished.
- Presence is smaller and no longer focused solely on Europe.



The Vision for the Future...
The Army of the 21st Century!!!

- More versatile, more agile, more lethal, and capable of *Decisive Victory*.
- An Information Age Force...Digitized!
- Investment in technology today is essential to producing the required capability tomorrow.

Constrained modernization investment will limit our ability to provide our 21st Century Soldier with the world's best equipment.



“We seek...stability in our budget and force structure so that we can meet today’s missions while preparing for the future.”

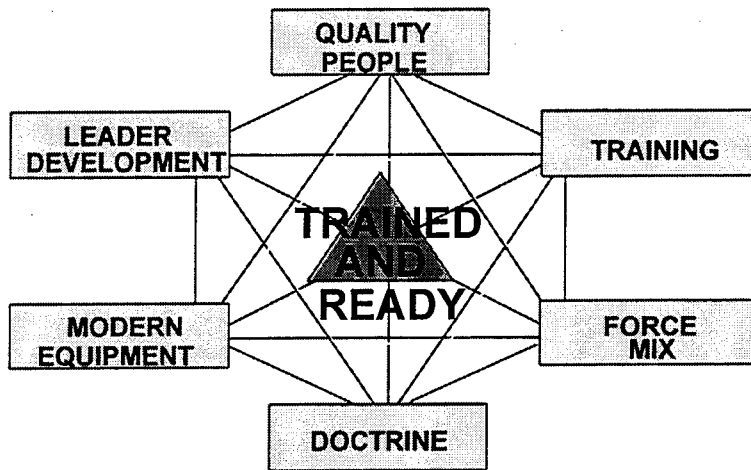
--Togo D. West, Jr.
Secretary of the Army

Two Challenges

4

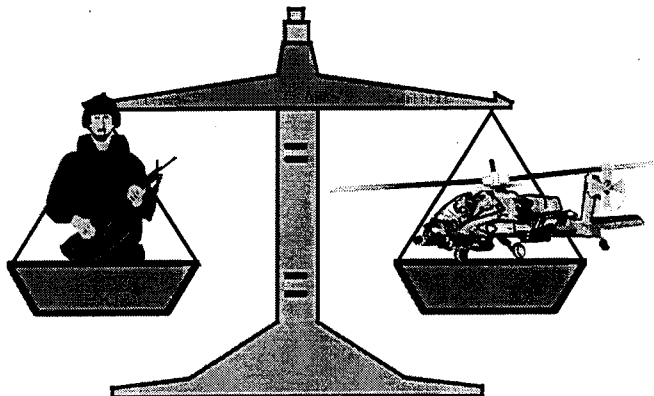
Readiness Challenge...

the Army must remain trained & ready to fight and win our nation’s wars!



Resource Challenge...

Balancing readiness and modernization requires adequate and stable resourcing.



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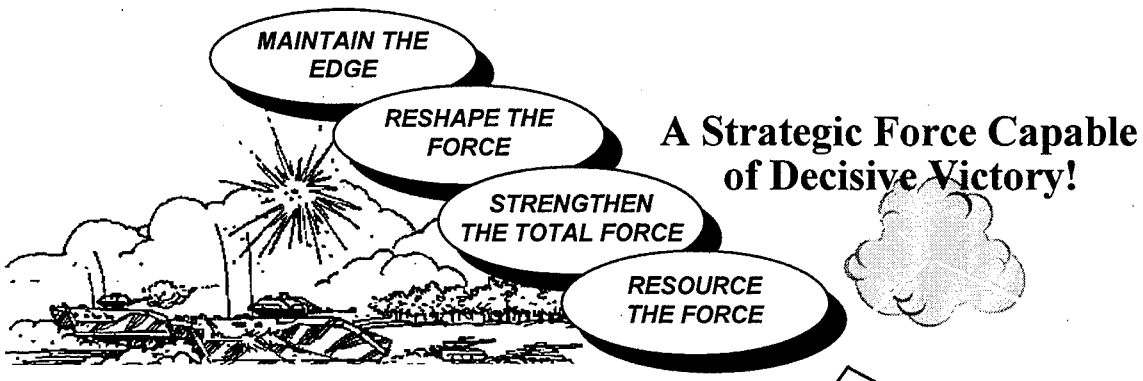
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Power Projection page 9

Active Component page 12

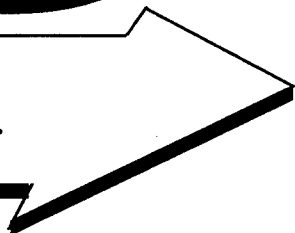
Civilian Component page 13

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America's Army

*A Total Force...Trained & Ready to Fight...
Serving the Nation at Home and Abroad...*

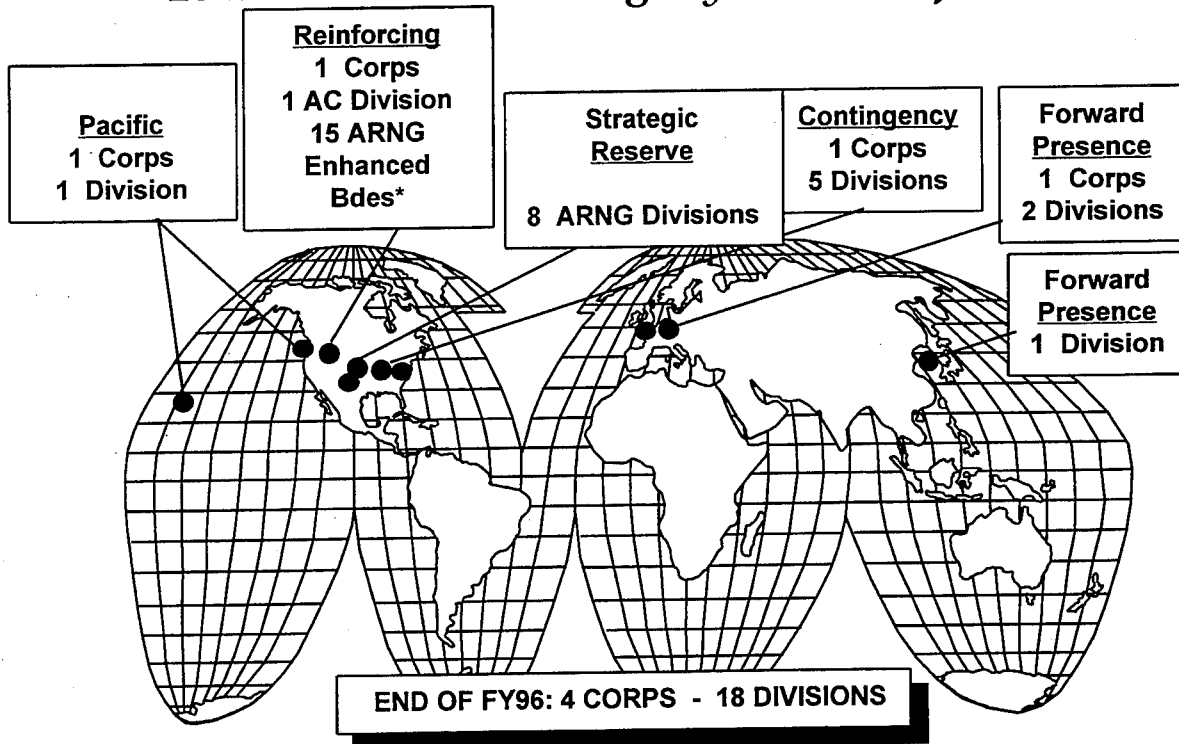




Combat Force Structure

6

18 Division Stationing by the End of FY96



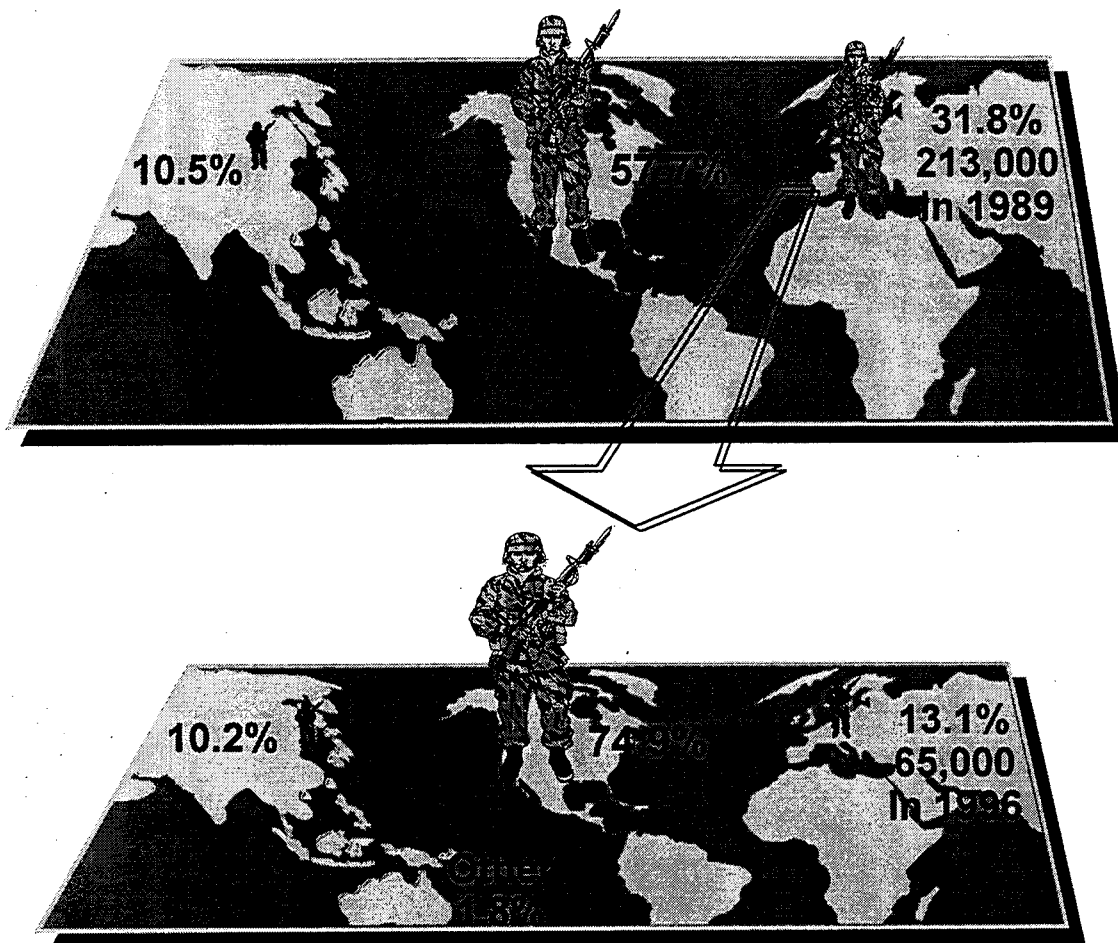
* Brigades in transition to enhanced status

110 Army Combat Battalions
removed from Europe...

...in less than 4 years!!!

Combat Force Structure

7



Your Army is significantly reshaped and smaller since the end of the Cold War and Desert Storm.

America's Active Army has changed!!!



From a *Forward-Deployed Army*...

Combat Force Structure

8

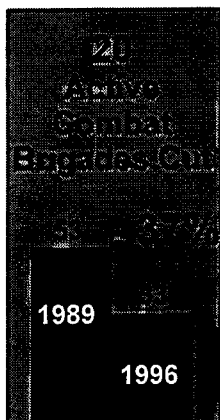
To a *Power Projection Army* based in the U.S.
... and ready to deploy anywhere needed!

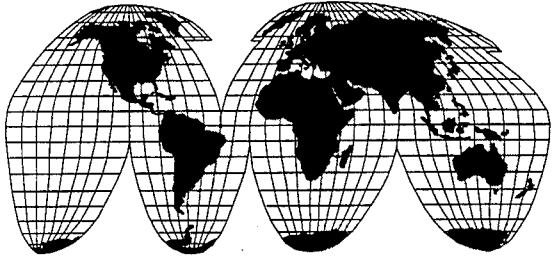
From 18 Active Army Combat Divisions in 1989:

1st ID (M)	7th ID (L)	82d ABN
2nd ID (M)	8th ID (M)	101st ABN (AA)
3rd ID (M)	9th ID (Mtr)	1st AD
4th ID (M)	10th MTN (L)	2nd AD
5th ID (M)	24th ID (M)	3d AD
6th ID (L)	25th ID (L)	1st CAV

To 10 Active Army Combat Divisions by End of 1996:

1st ID (M)	25th ID (L)
2nd ID (M)	82d ABN
3rd ID (M)	101st ABN (AA)
4th ID (M)	1st AD
10th MTN (L)	1st CAV





The Army Power Projection Capability for the Future

Power Projection

9

- A force with a full range of capabilities, able to deploy rapidly by air or sea.
- Modernized Army installations that enhance mobilization and deployment.
- State-of-the-art, integrated information management to plan and monitor power projection.
- Globally pre-positioned equipment and responsive war reserve support.
- Army power projection objectives:
 - *Provide a tailorable Corps of up to five Divisions with forcible entry capability.*
 - *Lead Brigade on the ground by C+4.*
 - *Lead Division on the ground by C+12.*
 - *Two armored/mechanized Divisions from CONUS by C+30.*
 - *A Five-Division Corps and COSCOM by C+75.*
 - *Sufficient supplies (prepositioned afloat) properly sequenced to arrive and sustain the force until establishment of lines of communication.*

UNITS	FY96*	DELTA	FY97*
ACTIVE			
Corps	<u>4</u>	<u>0</u>	<u>4</u>
Divisions	<u>10</u>	<u>0</u>	<u>10</u>
Mech/Armor	6	0	6
Lt/Abn/Aaslt	4	0	4
Sep Bdes**	<u>2</u>	<u>0</u>	<u>2</u>
Mech/Arm/ACR	1	0	1
Infantry/Light/LCR	1	0	1
ARNG			
Divisions	<u>8</u>	<u>0</u>	<u>8</u>
Mech/Armor	5	0	5
Infantry	2	0	2
Lt/Abn/Aaslt	1	0	1
Sep Bdes	<u>6</u>	<u>-3</u>	<u>3</u>
Mech/Arm/ACR	4	-3	1
Infantry	2	0	2
RO/RU Bdes	<u>0</u>	<u>0</u>	<u>0</u>
Mech/Arm	0	0	0
Infantry	0	0	0
Enhanced Bdes	<u>15</u>	<u>0</u>	<u>15</u>
Mech/Arm/ACR	8	0	8
Lt Infantry	7	0	7

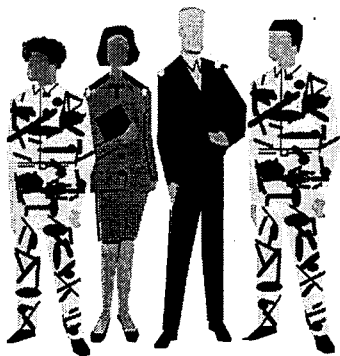
Summary of Combat Force Structure Changes

10

* Reflects status at year end

** Does not include 11th ACR
Brigade and 3rd Infantry Regt.

FY97	
CORPS	
I CORPS	
III CORPS	
V CORPS	
XVIII CORPS	
AC DIVISIONS	
2ND ID(M)	
25TH ID(L)	
1ST ID(M)	
4TH ID(M)	
3RD ID(M)	
1ST AD	
1ST CAV	
82ND ABN	
101ST ABN (AA)	
10TH MTN (L)	
RC DIVISIONS	
29 ID(L)	28 ID(M)
38 ID	35 ID
42 ID (M)	40 ID (M)
49 AD	34 ID



Military Personnel (Strength in 000s)

	FY95	FY96	FY97
Active Component	508.6	495.0	495.0
Officer	(82.5)	(81.3)	(80.3)
Enlisted	(422.1)	(409.7)	(410.7)
Cadet	(4.0)	(4.0)	(4.0)
Reserve Component	1003.5	973.6	934.8
Selected Reserve	616.2	603.0	581.8
USAR	(241.3)	(230.0)	(215.0)
ARNG	(374.9)	(373.0)	(366.8)
IRR-USAR	376.8	360.1	342.5
ING	10.5	10.5	10.5
Total Military	1512.1	1468.6	1429.8

The Total Army

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THE TOTAL ARMY FY97

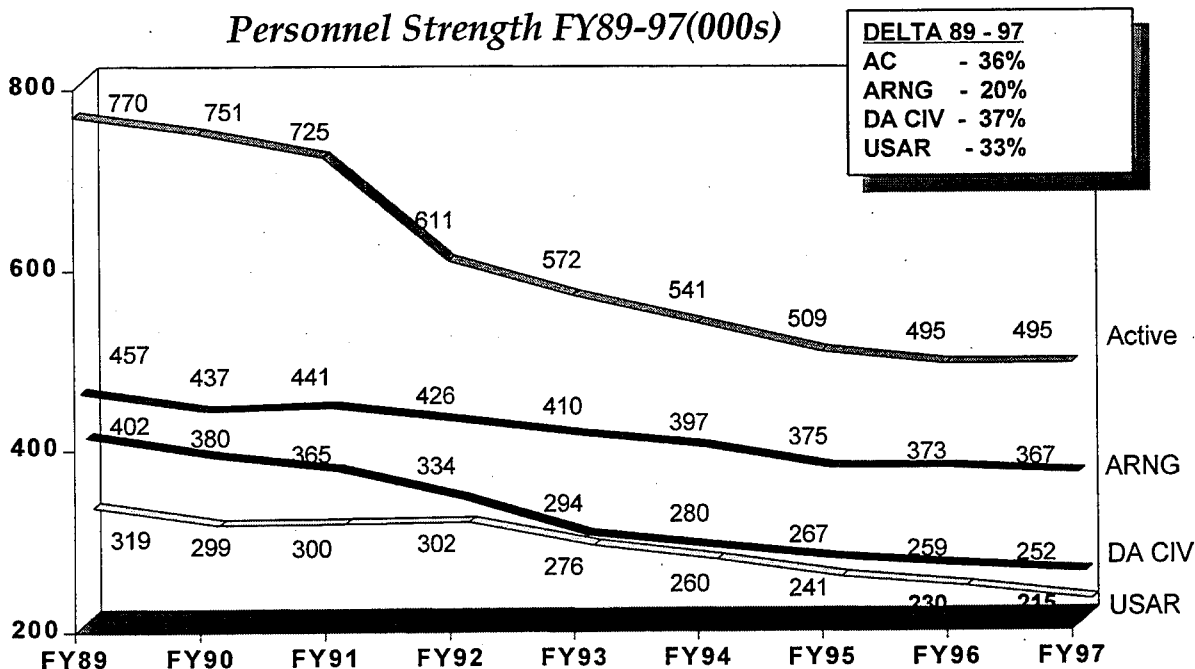
Missions of Army Forces (with Allies and Forces of other U.S. Services):

- Deter Aggression or Coercion against the U.S., its Allies, and National Interests abroad
- If Deterrence fails, Fight and Win across the Spectrum of Conflict anywhere
- Provide a full range of options to promote International Stability
- Support Domestic Civil Authority

To accomplish these missions, the Total Army consists of the following Components:

- **Active Component** Forms the Nucleus of the Initial Forces for Combat
- **Reserve Component** Reinforces/Augments Active Forces, Individual Replacements
- **Civilian Component** Provides Critical Support and Sustainment

Personnel Strength FY89-97(000s)



“Soldiers are our credentials.”

– General Dennis J. Reimer, Chief of Staff, U.S. Army



Active Component

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Training & Recruiting

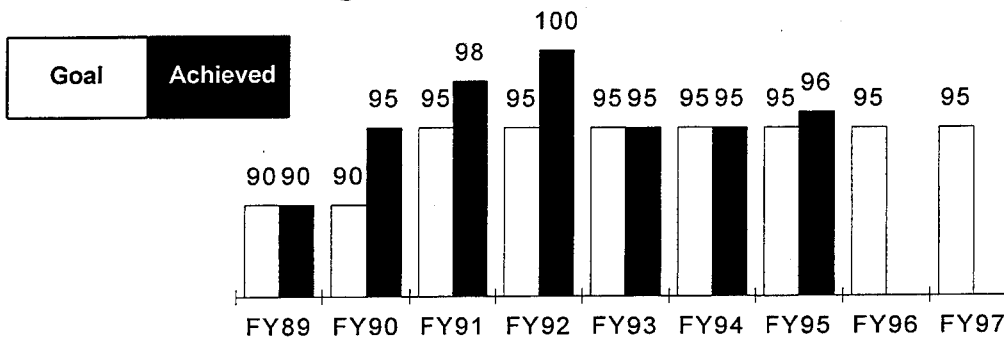
Individual	FY95	FY96	FY97
BA3 Mission (\$M)			
Accession *	190	196	212
Basic Skill *	925	910	942
Recruiting & Other *	505	539	562
Total Mission *	1,620	1,645	1,716

* Excludes Base Support

Institutional Training Workload (000's seats/year)

Active	35.5	40.7	44.6
USAR	5.0	7.1	6.6
ARNG	6.8	9.2	9.5

Percent High School Diploma Graduate (HSDG)



- FY89-90 HSDG Goal = 90%
- FY89-94 Based on Actual Accessions
- FY91-97 HSDG Goal = 95%
- FY96-97 Based on President's Budget

People are our most important resource and MUST be FIRST in our priorities!!!



“A quality civilian force
that embodies the best of
this great nation.”

– General Dennis J. Reimer,
Chief of Staff, U.S. Army

Civilian Component

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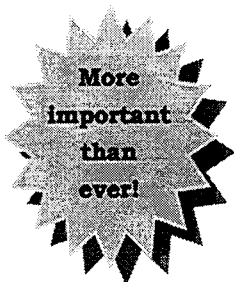
Civilian Manpower (000s)

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
OMA	145.8	141.2	137.8
RC	36.4	37.3	37.2
USAR (OMAR)	(10.6)	(11.2)	(11.1)
ARNG (OMNG)	(25.8)	(26.1)	(26.1)
RDTE	25.5	24.5	23.7
MCA	6.0	6.4	6.2
Family Housing	0.9	0.9	0.9
DBOF	28.9	29.1	27.6
Other	<u>0.1</u>	<u>0.1</u>	<u>(1.0)</u>
Total Direct Hire	243.6	239.5	232.4
OMA	21.9	19.1	18.4
MCA	0.2	0.1	0.2
Family Housing	0.5	0.4	0.4
DBOF	<u>0.4</u>	<u>0.3</u>	<u>0.3</u>
Total Indirect Hire	23.0	19.9	19.3
Total Civilians	266.6	259.4	251.7

America's Community Based Army...



Army Reserve becoming primarily *Support Forces*.



National Guard becoming *Balanced Combat Forces*.

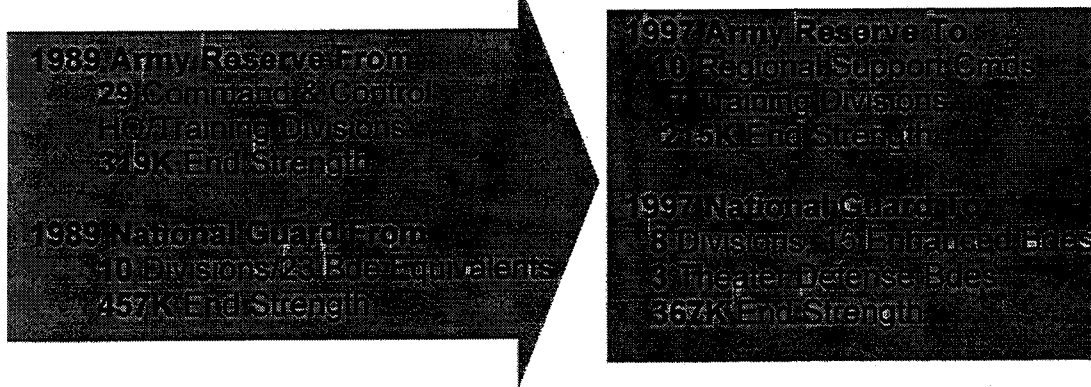
Reserve Component

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The roles of Army Reserve and National Guard are changing to leverage their core competencies.

- > Reshaping to meet Total Army requirements.
- > Essential for Army's short-notice operations.
- > Fully integrated into the Army's warplans.
- > More involved in Army's day-to-day missions.

At the same time, the Army Reserve and National Guard are downsizing by 26% from FY89-97.



Increased Army Reserve and National Guard readiness requirements are receiving more active Army training support.

Army Reserve and National Guard soldiers are an integral part of America's Army... demonstrating their commitment and capabilities every day at home and abroad.

United States Army Reserve (USAR)



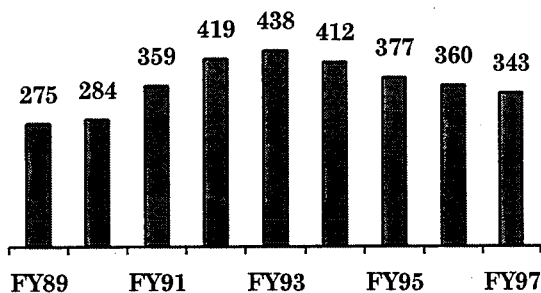
Reserve Component

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Highlights

	FY95	FY96	FY97
MANNING			
Military ES	241,300	230,000	215,000
Paid Drill Strength	217,365	207,925	195,450
Full-Time Support			
AGR	11,940	11,575	11,550
Mil Techs	6,680	6,623	6,799
DA Civilians	1,308	1,150	919
Active Component	808	1,199	997
IMA	11,995	10,500	8,000
IRR	376,790	360,136	342,536
TRAINING (Overseas Deployment)			
Units / Cells	2,072	1,496	1,496
Soldiers	22,176	16,314	16,314

Individual Ready Reserve (IRR)
Strength in 000s



EQUIPPING (\$M)

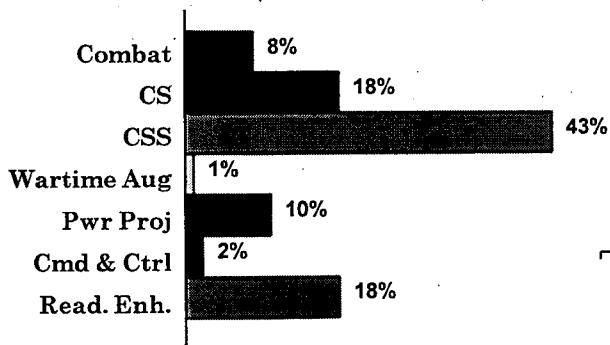
NG & Reserve Equip	133	90	*
Org Cloth & Equip (OCE)	11	9	5
OCE Backlog	253	267	292

FACILITIES (\$M)

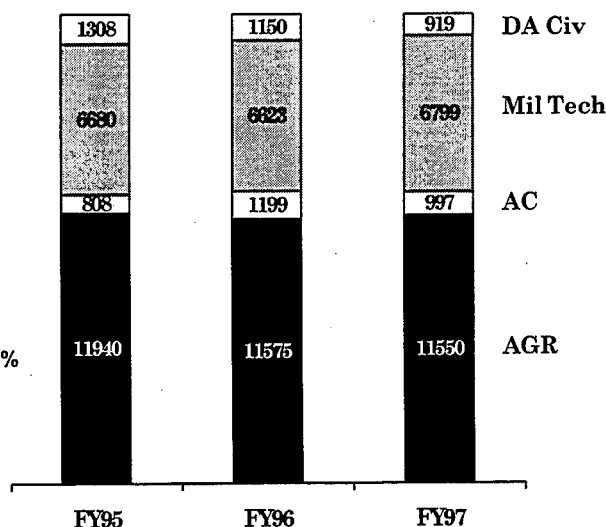
Backlog Maint & Repair	147	182	231
Funded Maint & Repair	95	63	51
Leases	29	33	32

*Neither programmed nor budgeted for -Congress determines annual appropriation from a total reqts list presented to them later in the year.

FY97 Force Structure: % of USAR Force (Authorizations):

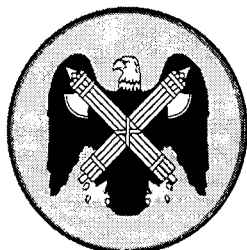


Army Reserve (USAR) Full Time Support (Strength)



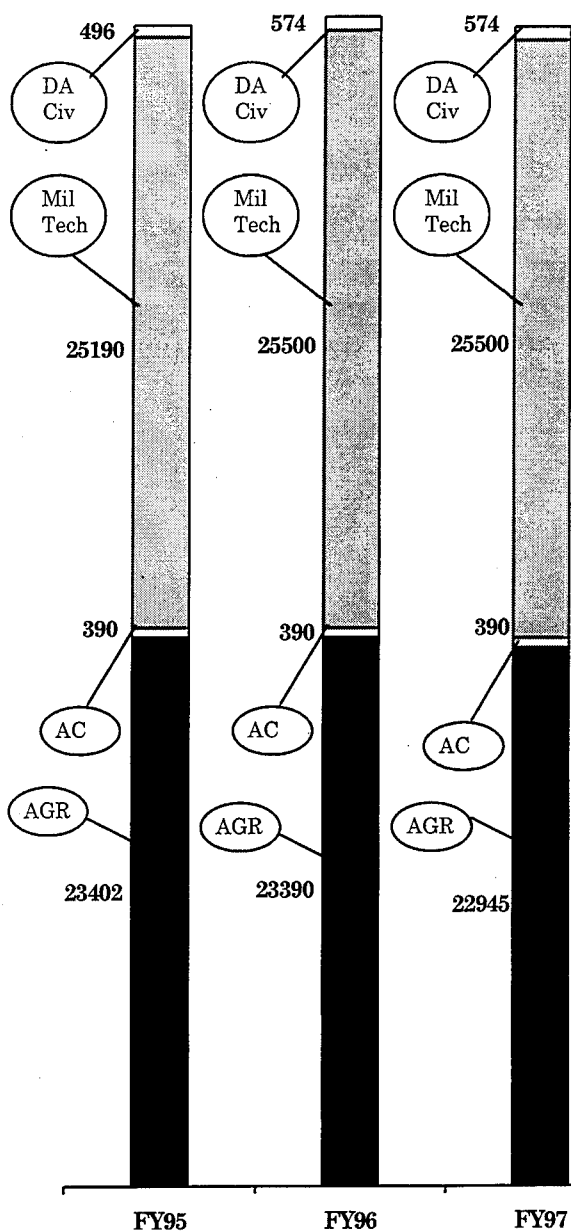
- NOTE: Full-time support includes all categories as defined in DODD 1206.18.
- USAR AC includes only those assigned to units, OCAR, and USARC.
- USAR MILTECH includes those assigned to SOCOM.
- USAR DA Civ excludes CONUSA HQ positions

Army National Guard (ARNG)



Reserve Component

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Highlights

COMBAT FORCE STRUCTURE

	FY95	FY96	FY97
Division	8	8	8
Separate Brigades	13	6	3
Enhanced Brigades	0	15	15
Armored Cav Regiment	1	0	0
Roundout/Roundup Bdes	7	0	0

MANNING

	FY95	FY96	FY97
Military ES	374,930	373,000	366,758
Paid Drill Strength	336,734	334,567	328,761

Full-Time Support

	FY95	FY96	FY97
AGR	23,402	23,390	22,945
Mil Techs	25,190	25,500	25,500
DA Civilians	496	574	574
Active Component	390	390	390
ING	10,507	10,507	10,507

TRAINING

	FY95	FY96	FY97
School & Special (\$M)	252	150	68
NTC Rotations (BNs)	0	2	2
Training Aids, Support & Services(\$M)	51.1	48.6	48.3

EQUIPPING

	FY95	FY96	FY97
Org Cloth & Equip (OCE) (\$M)	144.5	110.5	58.2
OCE Backlog (\$M)	278.4	301.5	387.5

Receipt of Key Equip (Qty)

	FY95	FY96	FY97
BFVS	208	509	0
ABRAMS TANKS	535	345	232
AH-64	0	10	10
UH-60	81	77	54
CH-47	5	23	0

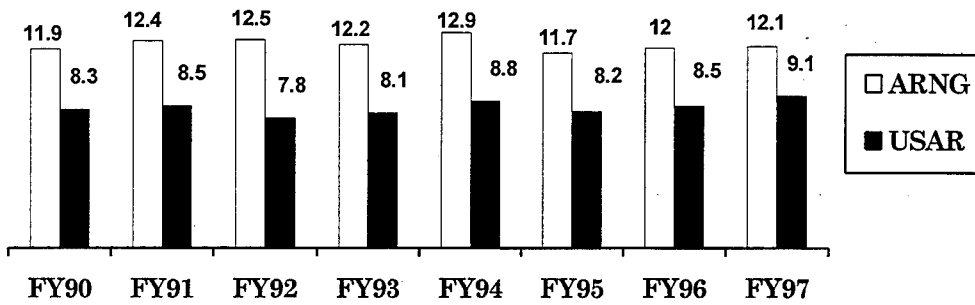
SUSTAINING

	FY95	FY96	FY97
Repair Parts / DLRs Backlog (\$M)	198.1	119.7	203.2

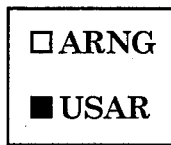
FACILITIES

	FY95	FY96	FY97
BMAR (OMNG) (\$M)	237.6	243.2	358.6
MILCON(MCNG)(\$M)	188.1	137.1	7.6
Real Property O&M	96	150.2	48
Constr Backlog (\$B)	3.0	3.0	3.0

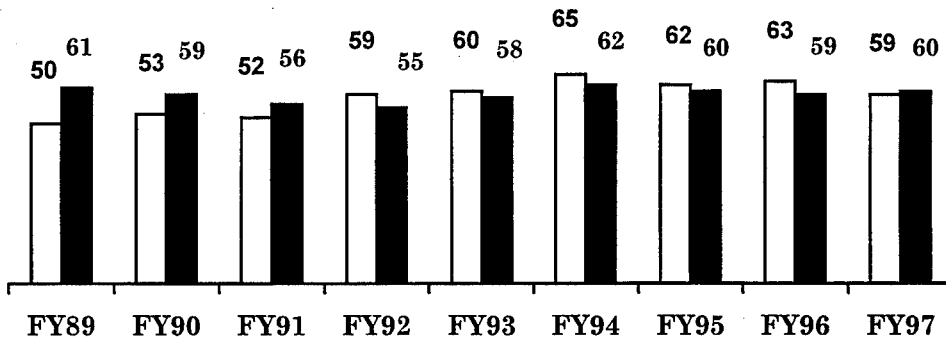
Reserve Component (RC) % Full Time Support



Reserve Component



Reserve Component:
Prior-Service Enlistments (%)



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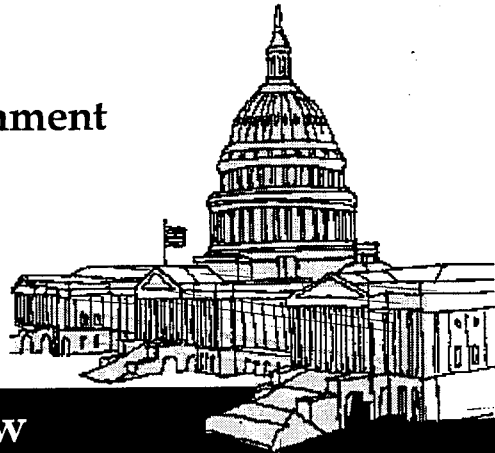
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TOA Trends page 25

Outlays page 26

Army TOA page 28

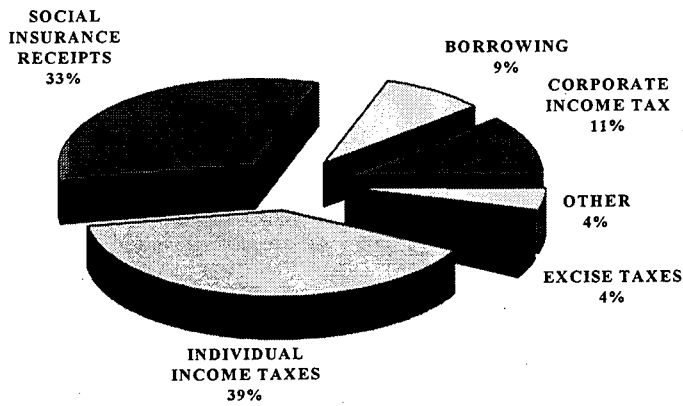
FY97 Federal Government Dollar Estimate...



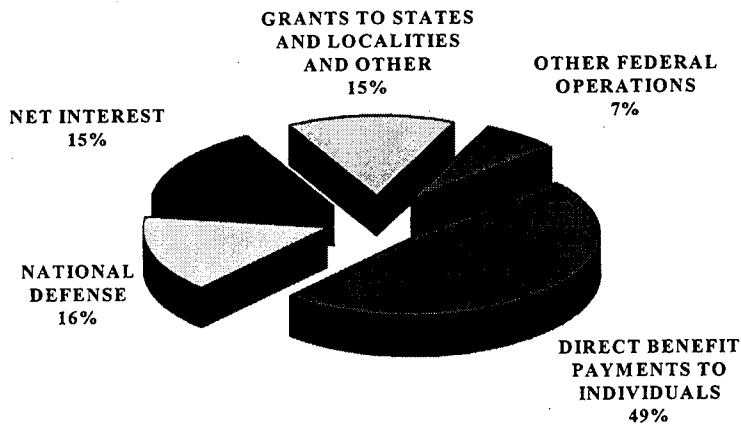
Budget Overview

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Where It Comes From.....



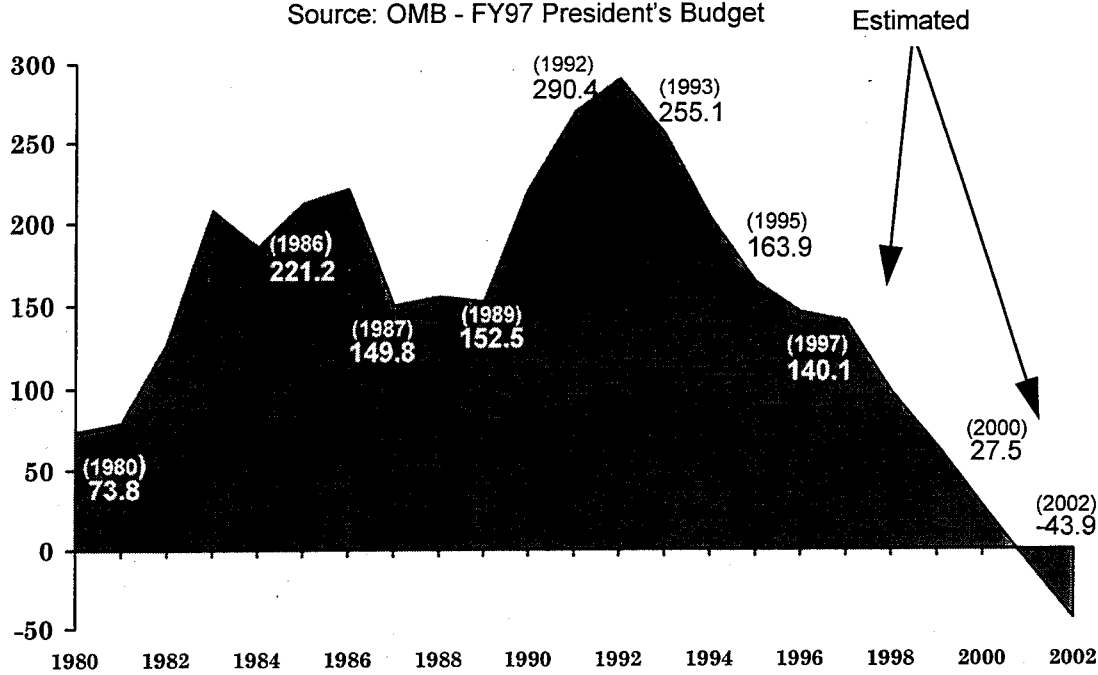
Where It Goes.....



(Undistributed Receipts = -2%)

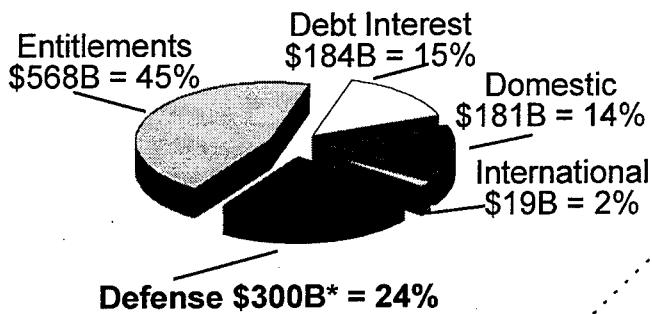
The Federal Deficit (Current \$B)

Source: OMB - FY97 President's Budget



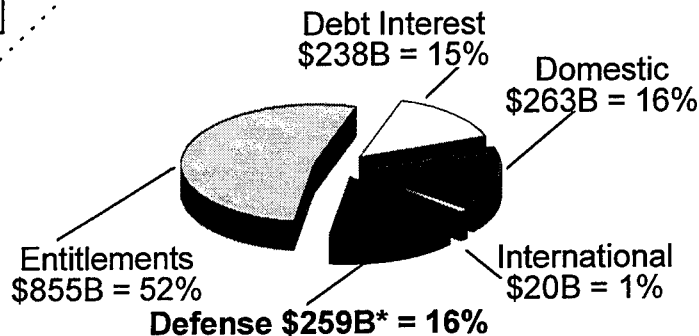
Budget Overview

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**FY97 Outlays
\$1.64 Trillion**

**FY90 Outlays
\$1.25 Trillion**



*Total National Defense



“Numbers Matter.”

--GEN Dennis J. Reimer
Chief of Staff, U.S. Army

Funding Profile

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The Army requested \$60.1 billion in Total Obligation Authority (TOA) for FY97. This level of funding ensures operating accounts are adequate to protect near-term readiness. To obtain maximum return on investment, the budget includes several “fast payback” opportunities that allow reinvestment by reducing the cost of doing business in the future.

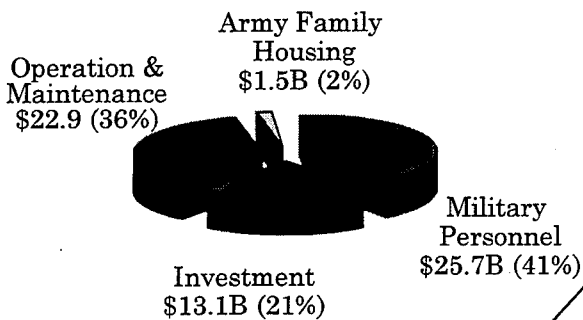
The FY97 budget provides an Army capable of accomplishing its near-term missions, while at the same time funding some critical modernization programs. This budget enables the Army to recruit and retain quality people, the Army’s most important resource, and to provide essential quality of life programs for soldiers and their families. It adequately funds support of fielded equipment and logistics items which are critical to near-term readiness. The Army has had to defer most facilities infrastructure revitalization requirements, relying on Maintenance and Repair to keep buildings and utilities functioning. The Army also accepted some risk in the modernization accounts because of the high cost of acquiring top-quality equipment. At the same time, critical modernization programs such as Comanche, Crusader, Longbow Apache, and the Family of Medium Tactical Vehicles (FMTV) continue to move forward.

Budget Summary (\$ in Billions)

<u>Current Dollars</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Total Obligation			
Authority (TOA)	64.0	63.1	60.1
Budget Authority (BA)	63.3	62.8	59.8
Outlays	63.2	62.1	61.2
Constant FY97 Dollars			
Total Obligation			
Authority (TOA)	67.2	64.7	60.1
Budget Authority (BA)	66.4	64.4	59.8
Outlays	66.3	63.8	61.2

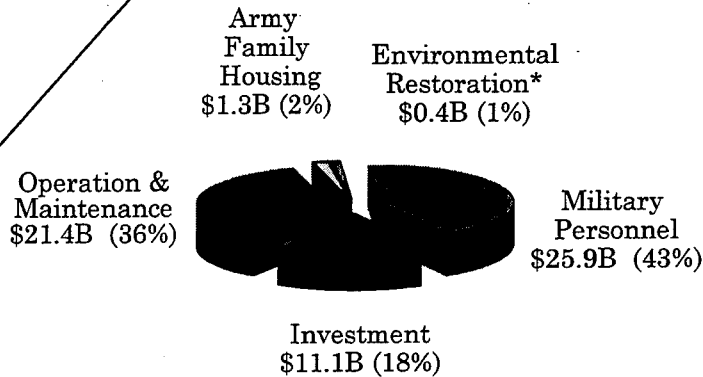
Funding Profile

FY96 TOA Funding Profile **\$63.1B**



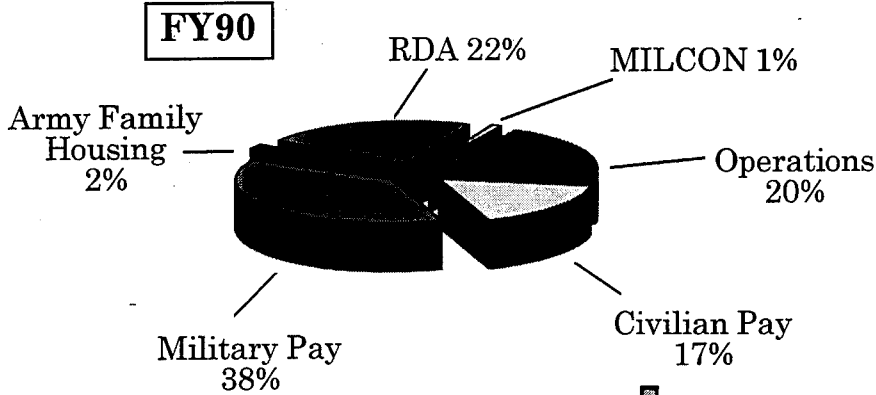
Current \$B

FY97 TOA Funding Profile **\$60.1B**



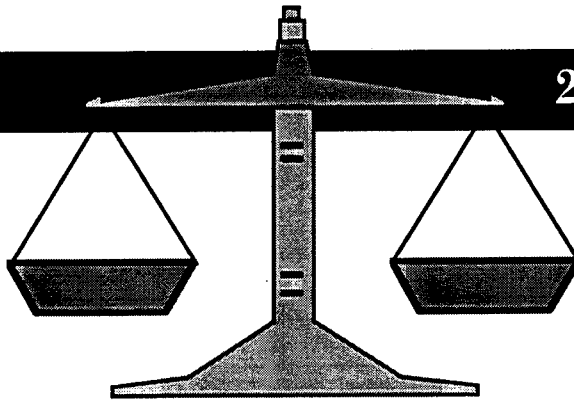
*DERA is an Army appropriation beginning in FY97

Army Program Balance (%)

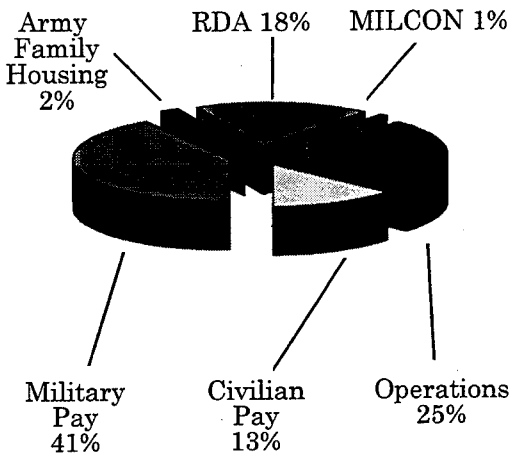


Program Balance

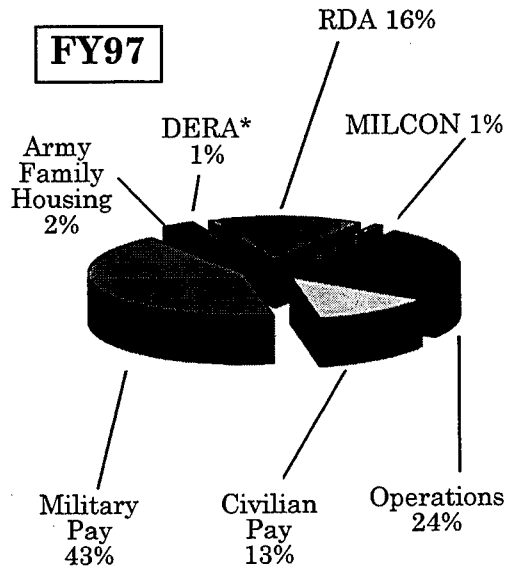
23



FY96



FY97



*Army appropriation beginning in FY97.

Army Budget Pay & Inflation Rates (%)

CATEGORY	FY95	FY96	FY97
Pay Raises (%)			
(Military)	2.6	2.4	3.0
(Civilian)	3.1*	2.0**	3.0
Price Escalation Indices (Outlays) (%)			
O&M Fuel	-12.4	5.6	1.3
Medical	4.7	4.5	5.2
All Other Purchases	1.9	2.0	2.2

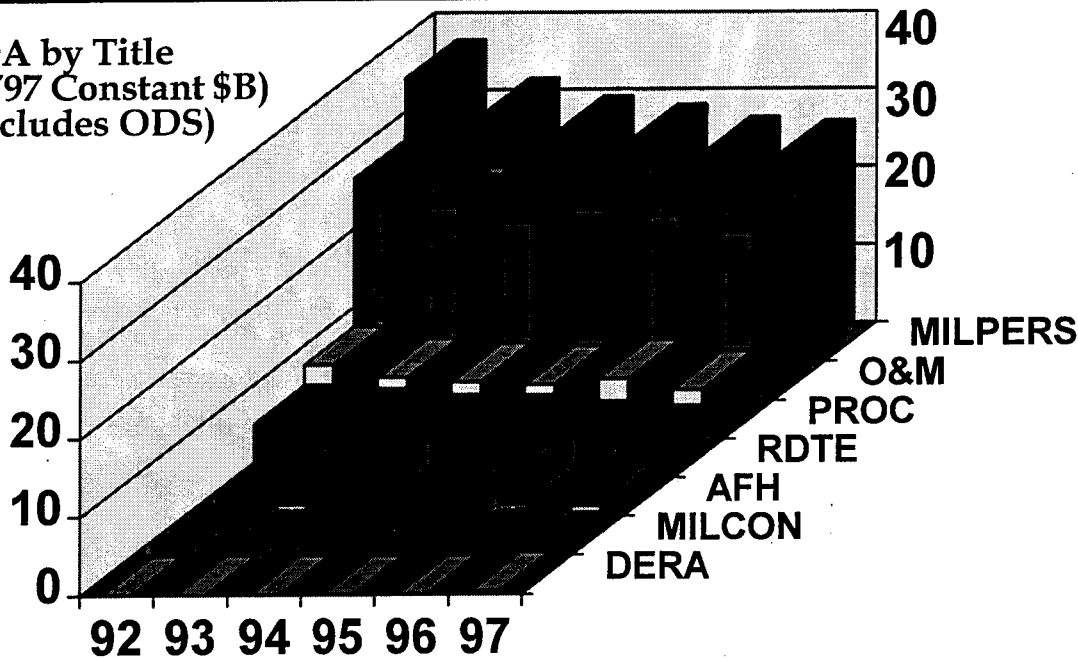
*Locality pay increase (Average increase for all civilians on General Schedule)

**FY96 pay raises average 2.5% for GS personnel receiving locality pay and 2.4% for WG personnel.

Pay, Inflation & Exchange Rates

24

TOA by Title
(FY97 Constant \$B)
(Excludes ODS)



Exchange Rates for Budgeting

	FY95	FY96	FY97
DM	1.72	1.57*/1.47**	1.45
YEN	108.33	100.37*/98.53**	105.85
WON	806.06	791.50*/776.34**	787.09

*For MILCON & Family Housing Accounts

**For O&M Accounts

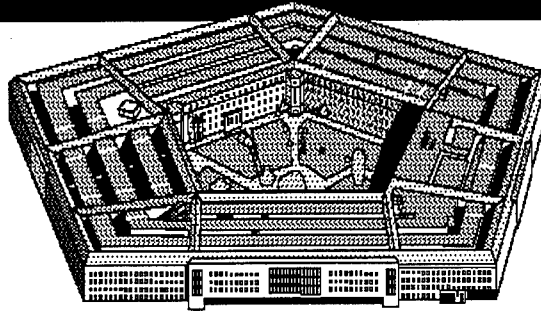
FY97 Defense Budget (TOA \$B)* Financial Summary/Service Share

DoD Component	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	
Department of the				
Army	67.2	64.8	60.1	
Share(%)	(25.2)	(24.8)	(24.6)	
Navy	82.5	78.7	74.2	
Share(%)	(31.0)	(30.2)	(30.4)	
Air Force	77.1	75.4	72.3	
Share(%)	(29.0)	(28.9)	(29.6)	
Def Agencies	39.5	42.1	37.5	
Share(%)	(14.8)	(16.1)	(15.4)	
Total DoD	266.3	260.9	244.0	

* in FY97
Constant
Dollars

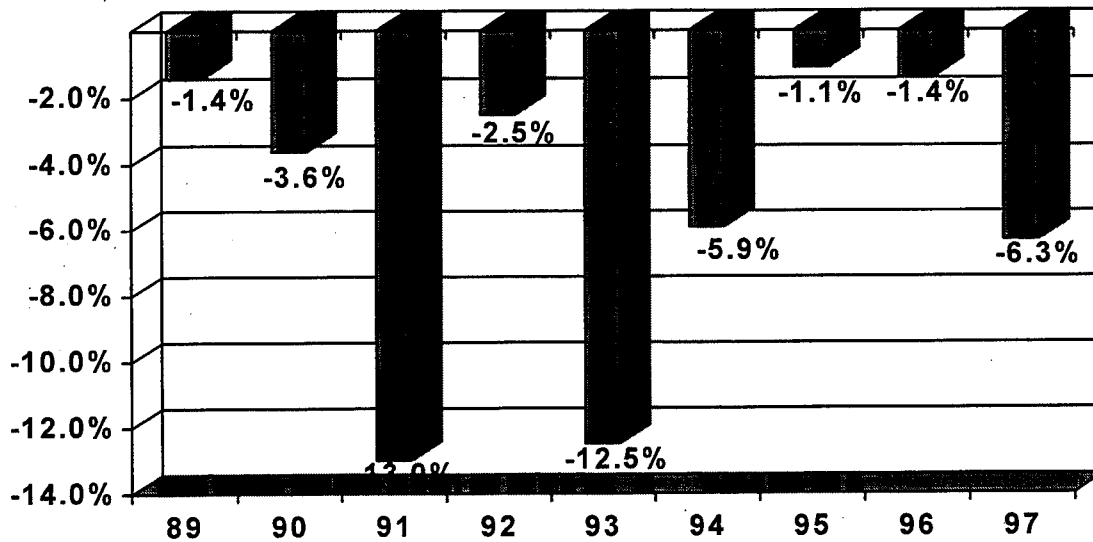
TOA Trends

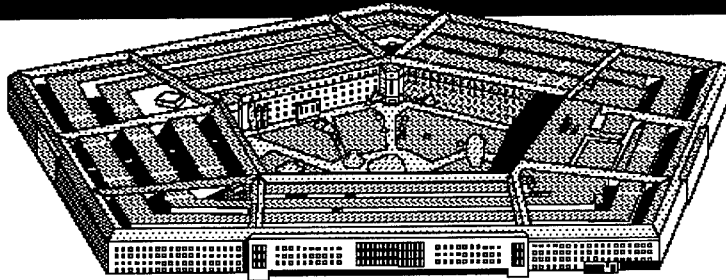
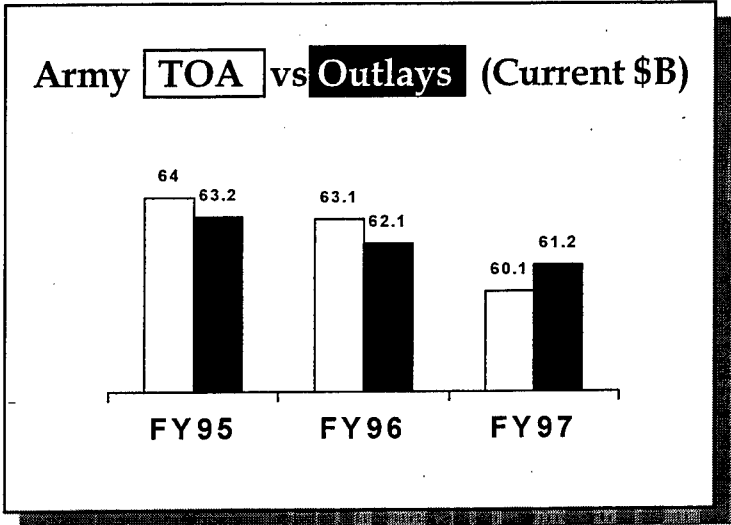
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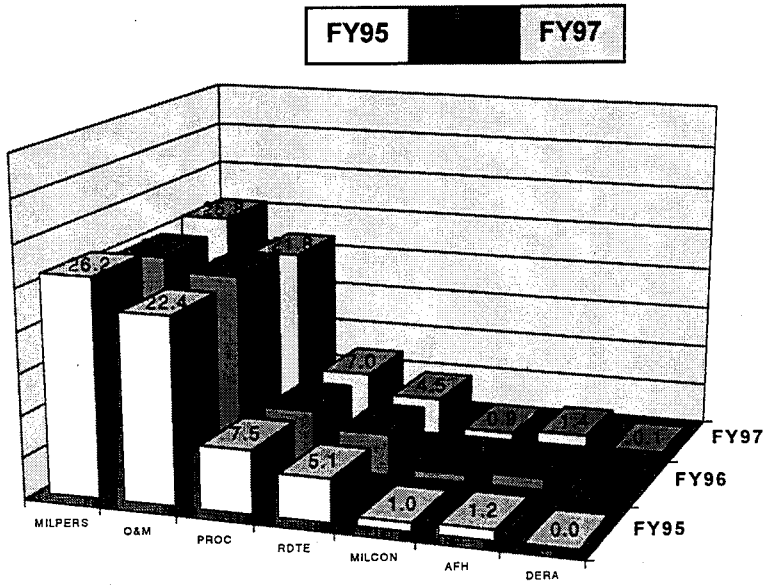
ARMY TOA TRENDS FY89-97

(Normalized for Supplementals, Rescissions and Transfers)

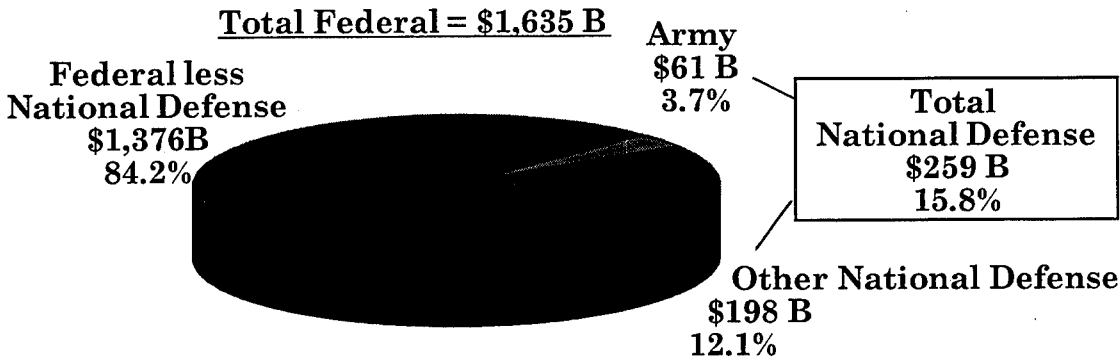




**Army Outlays
Fiscal Year Comparison (Current \$B)**

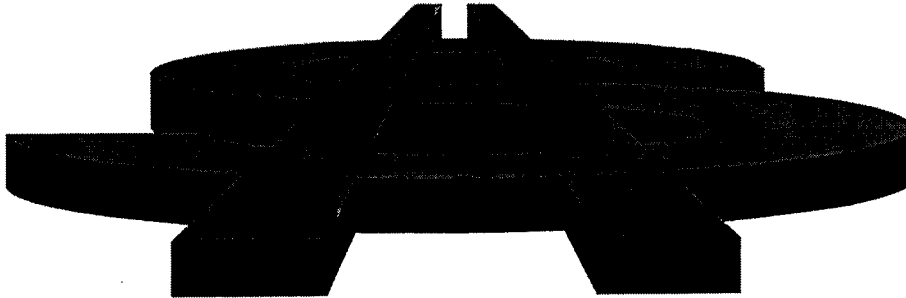


National Defense and Army Outlays as a Percentage of Total Federal Outlays..



Army FY97 Outlay Rates (As Percentage of TOA) by Year

Appropriation Category	Rates by Years					
	1	2	3	4	5	
Personnel						
Army	95	5				100%
National Guard	93	7				100%
Army Reserve	92	6	1			99%
Operation & Maintenance						
Army	75	20	3	1	1	100%
National Guard	79	17	1			97%
Army Reserve	70	24	3	1		98%
Aircraft	13	30	34	14	6	99%
Missiles	12	42	30	10	5	99%
WTCV	7	37	34	11	6	98%
Ammunition	35	20	24	0	11	96%
Other Procurement	17	38	19	14	7	98%
RDTE	57	34	5	2	1	100%
Military Construction						
Army	16	30	25	17	7	98%
National Guard	5	27	31	24	7	98%
Army Reserve	7	53	20	12	5	98%
BCA3	14	33	21	17	8	97%
BCA4	4	33	24	20	10	96%
Family Housing						
Operations	80	16	3	1		100%
Construction	3	12	37	24	12	93%



Fiscal Year 1997 Summary

<u>Appropriation (\$M)</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
<u>Military Personnel, Army</u>			
	21,007	20,300*	20,581
<u>Operation & Maintenance, Army</u>			
	19,534	19,336*	18,114
<u>National Board for Promotion of Rifle Practice</u>			
	3	0	0
<u>Procurement</u>			
Total	6,687	7,509*	6,319
Aircraft	(1,019)	(1,364)*	(971)
Missiles	(803)	(839)*	(766)
WTCV	(1,143)	(1,598)*	(1,102)
Ammunition	(1,112)	(1,031)*	(853)
Other Procurement	(2,610)	(2,677)*	(2,627)
<u>Research, Development, Test & Evaluation</u>			
	5,403	4,738*	4,321
<u>Military Construction, Army</u>			
	551	634	435
<u>DERA</u>			
	0	0	357
<u>Army Family Housing</u>			
Total	1,230	1,453	1,287
Operations	(1,059)	(1,336)	(1,212)
Construction	(171)	(117)	(75)
<u>Reserve Components</u>			
National Guard	6,070	5,812	5,458
NG Personnel, Army	(3,446)	(3,242)	(3,242)
O&M, ARNG	(2,436)	(2,433)*	(2,208)
MILCON, ARNG	(188)	(137)	(8)
Army Reserve	3,471	3,305	3,176
Res Personnel, Army	(2,174)	(2,122)	(2,044)
O&M, Army Res	(1,240)	(1,110)*	(1,084)
MILCON, Army Res	(57)	(73)	(48)
Total	63,956	63,087	60,050
Supplementals	(1,223.1)	(TBD)	(0)

Totals may not add due to rounding.

Army TOA

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* Includes requested and other contingency reprogrammings (2) as well as:

•Bosnia Supplemental
MPA 244,500
OMA 48,200
292,700

•Rescissions
ACFT 140.0
AMMO 47.2
OPA 5.8
RDTE 29.1
222.1

Appropriation Summaries

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Military Personnel (MILPERS) page 30

Operations & Maintenance (O&M) page 33

Procurement page 40

ACFT page 43
MSLS page 44
WTCV page 45
AMMO page 46
OPA page 47

Research, Development, Test & Evaluation (RDTE) page 48

Military Construction (MILCON) page 50

Army Family Housing (AFH) page 52

The Strength of the Army is America's
young men and women...

...***THE SOLDIER!***



Military Personnel (MILPERS)

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Fiscal resources are not alone in their decline - personnel strength levels, both military and civilian, are declining.

- *The budget provides a smaller, quality force of active and reserve component (AC/RC) forces. The Army will remain well-equipped, trained, and ready in FY97.*
- *The budget provides funding for a 2.4% pay raise in FY96 and a 3.0% pay raise in FY97.*
- *The active component strength will remain constant at 495,000 soldiers at the end of FY97 -- the same as the FY96 active duty end strength.*
- *The Army National Guard and the Army Reserve will be reduced and realigned to meet future force requirements. The Army National Guard end strength will be 366,758 in FY97, and the Army Reserve end strength will be 215,000.*

America's Soldiers...



**Committed
to the
Nation!**

MILPERS, Army

31

Military Personnel, Army (MPA) (\$M)

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Pay, Officer	5,782	5,729	5,841
Pay, Enlisted	13,027	12,283	12,455
Pay, Cadet	37	35	37
Subsistence	777	747	1,006
PCS Travel	1,113	1,061	1,032
Other MILPERS Costs	<u>271</u>	<u>200</u>	<u>209</u>
Subtotal	21,007	20,056	20,581
plus Supplemental:			
Bosnia		<u>244</u>	
Total Direct Prgm	<u>21,007</u>	<u>20,300</u>	<u>20,581</u>

National Guard Personnel, Army (\$M)

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Paid Drill Strength	1,699	1,682	1,703
School Training	164	118	48
Special Training	88	32	20
Admin/Spt	1,377	1,377	1,430
Education Benefits	16	33	41
Counterdrug Prgm	<u>102</u>	<u>*</u>	<u>*</u>
Total Direct Prgm	3,446	3,242	3,242
Retired Pay Accrual	<u>(388)</u>	<u>(351)</u>	<u>(352)</u>
Total (Less Retired Pay Accrual)	3,058	2,891	2,890

* Received in year of execution

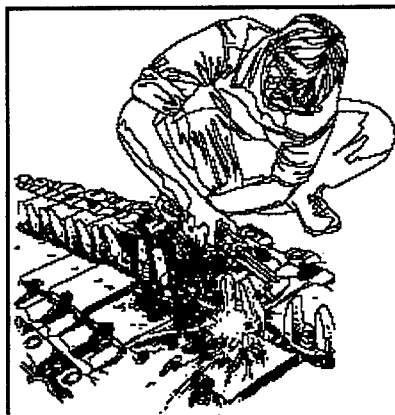
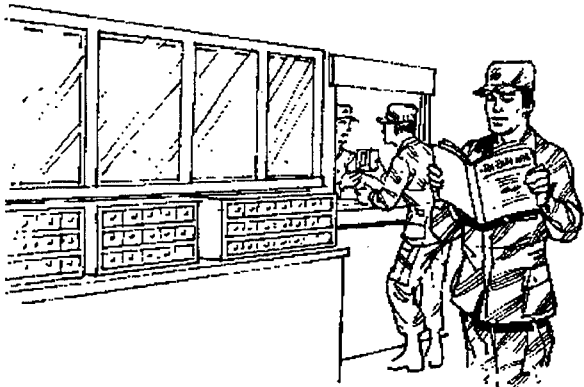


The Army Reserve and National Guard are integral parts of America's Army... demonstrating their commitment and capabilities every day at home and abroad!

Reserve Personnel, Army (\$M)

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Paid Drill Strength	1,050	1,035	1,020
IMA/Mob. Training	100	136	73
Admin/Spt (incl AGRs)	736	705	719
School Training	69	85	67
Special Training	111	51	50
Education Benefits	19	28	26
Other Training	<u>89</u>	<u>82</u>	<u>89</u>
Total Direct Prgm	2,174	2,122	2,044
Retired Pay Accrual	<u>(241)</u>	<u>(207)</u>	<u>(206)</u>
Total (Less Retired Pay Accrual)	1,933	1,915	1,838

The operational pace of organizations and equipment, and the personnel tempo for the Army's soldiers is at an all-time high!

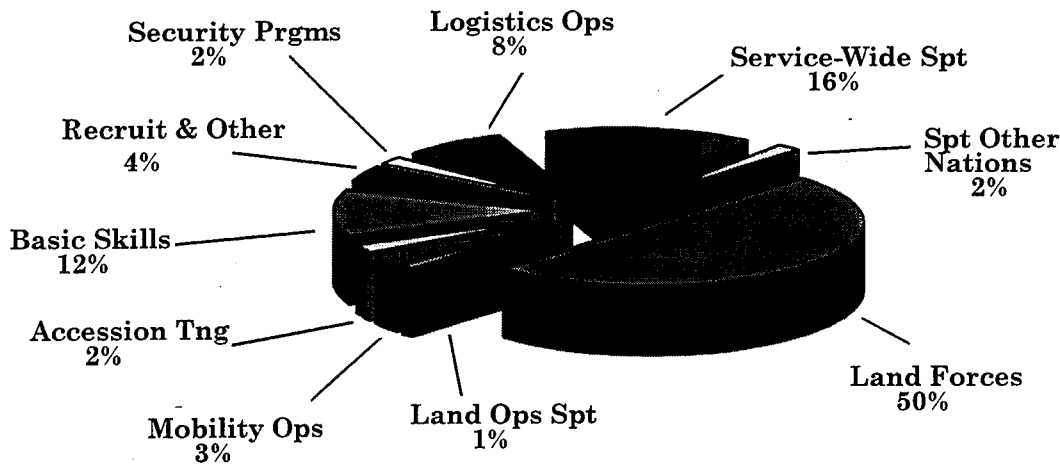


Operations & Maintenance (O&M)

33

Budget Display Categories

- **Budget Activity 1—Operating Forces:** Finances the day-to-day operations of the minimum essential force required to execute the Army's National Defense missions as directed by the National Military Strategy and detailed in Defense guidance and the Army Plan.
- **Budget Activity 2—Mobilization:** Supports the national military strategy of decreased reliance on forward deployed forces and increased reliance on a visible forward presence. Provides prepositioned supplies and equipment for emergency deployment worldwide. Displays costs for mobilization requirements as opposed to operating forces costs. (This is for OMA only. Eliminated for OMAR and OMNG.)
- **Budget Activity 3—Training & Recruiting:** Provides for institutional training and other selected training and training support activities. Challenging training, based upon realistic scenarios and readiness levels, prepares Army units for a variety of missions. (This is for OMA only. OMAR and OMNG funding is included in BA1.)
- **Budget Activity 4—Administration & Service-wide Activities:** Provides for administration, logistics, communications and other service-wide support functions to secure, equip, deploy, transport, sustain and support Army forces worldwide.



FY97 OMA Total \$18,114.5 M

Operations & Maintenance, Army (OMA) 34

The Operation and Maintenance budget maintains readiness objectives by funding air and ground operating tempo (OPTEMPO) and enhances the quality of training at the Combat Training Centers and at installations. The FY97 budget supports OPTEMPO of 800 miles per year for major combat systems and 14.5 flying hours per crew per month for the active force. The budget provides full funding for all known statutory and regulatory environmental requirements.

OMA by Budget Activity & Group (\$M)

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
BA 1 : Operating Forces			
Land Forces	9,437	10,264	8,978
Land Ops Spt	<u>361</u>	<u>250</u>	<u>270</u>
Total	9,798	10,514	9,249
BA 2 : Mobilization			
Mobility Ops	591	739	586
BA 3 : Training & Recruiting			
Accession Tng	305	314	334
Basic Skill & Advanced Tng	2,015	2,069	2,115
Recruiting & Other Tng & Ed	<u>658</u>	<u>695</u>	<u>720</u>
Total	2,977	3,078	3,170
BA 4 : Admin & Svc-Wide Activities			
Security Prgrms	385	355	364
Log Ops	1,752	1,560	1,480
Svc-Wide Spt	3,727	2,797	2,953
Spt of Other Nations	<u>302</u>	<u>295</u>	<u>313</u>
Total	6,166	5,006	5,110
*Grand Total	19,534	19,336	18,114

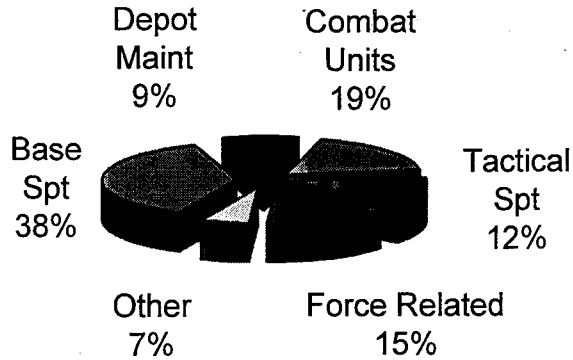
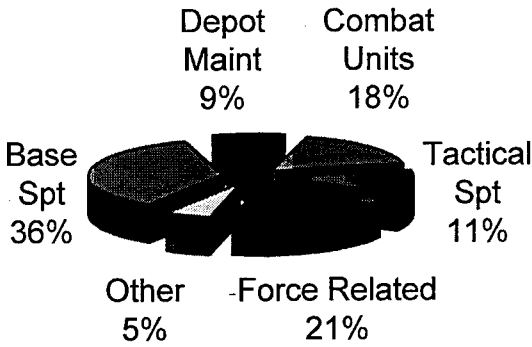
* Totals may not add due to rounding

OMA BA1 Operating Forces

FY96 Total \$10,514

(\$M)

FY97 Total \$9,249



OMA BA1 Operating Forces (\$M)

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Combat Units	1319	1866	1785
Tactical Support	1243	1169	1144
Theater Defense	198	170	151
Force Related Training	1865	2174	1411
Force Commo	59	88	65
JCS Exercises	52	54	55
Base Support	3699	3827	3522
Depot Maint	1002	915	845
Combat Development	239	196	207
Unified Cmds	122	54	64
Total Operating Forces	9,798	10,514	9,249

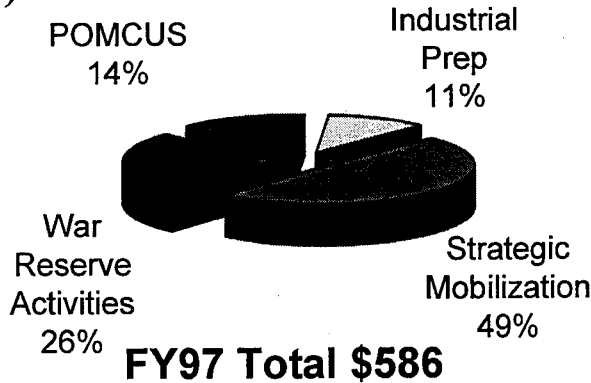
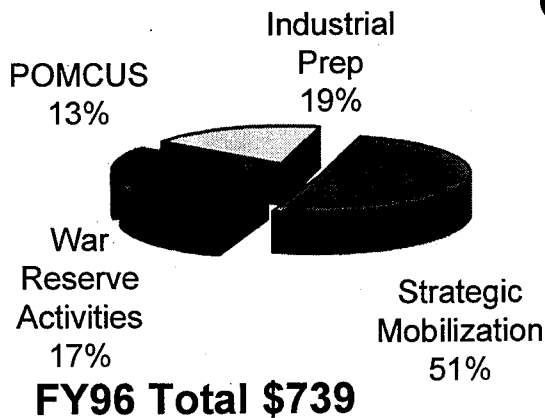
NOTE: Totals may not add due to rounding

BA 1&2

35

OMA BA2 Mobilization

(\$M)

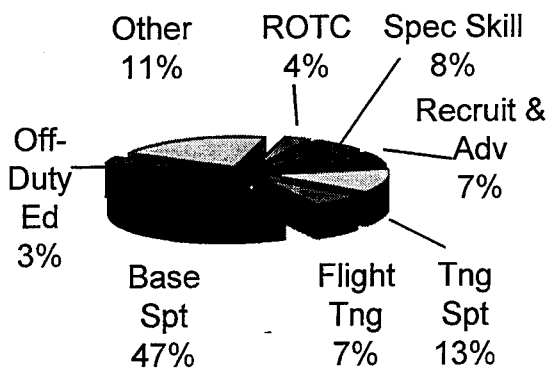


OMA BA2 (\$M)

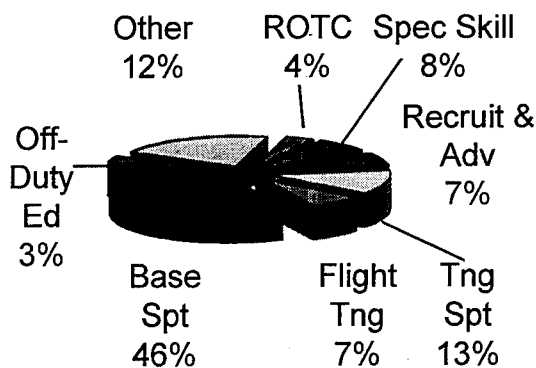
	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Strategic Mobilization	281	377	288
War Reserve Activities	102	125	151
Industrial Preparedness	91	139	65
POMCUS	116	97	82
Total	591	739	586

NOTE: Totals may not add due to rounding

BA3 Training & Recruiting (\$M)



FY96 Total \$3,078

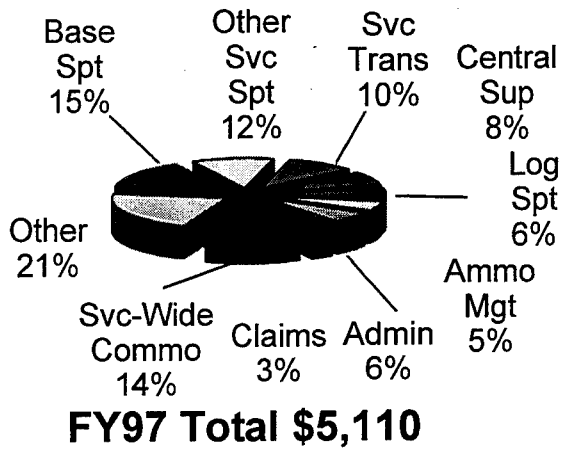
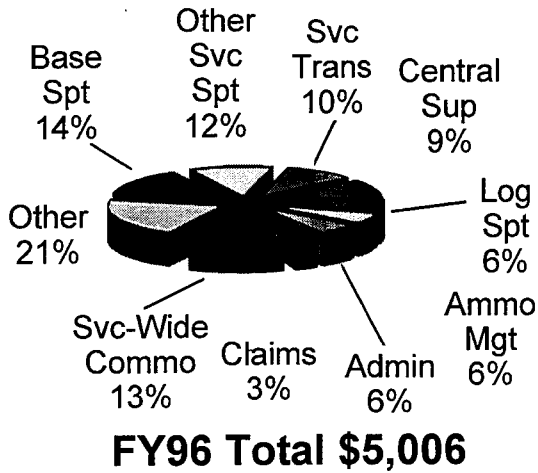


FY97 Total \$3,170

BA3 (\$M)	FY95	FY96	FY97
Officer Acq	54	58	61
Recruit Tng	11	12	13
One Station Unit Training	13	16	17
ROTC	113	110	121
Service Academy Base Spt	115	118	122
Specialized Skill Tng	215	233	242
Flight Tng	217	220	225
Professional Development Ed	71	66	68
Training Spt	422	390	405
Base Spt	1089	1159	1174
Recruit & Advertise	189	215	228
Examining	65	62	72
Off Duty/Voluntary Ed	100	104	102
Civ Ed & Tng	83	83	83
Junior ROTC	68	75	77
Base Spt Recruiting & Exam	<u>153</u>	<u>156</u>	<u>158</u>
Total *	2,977	3,078	3,170

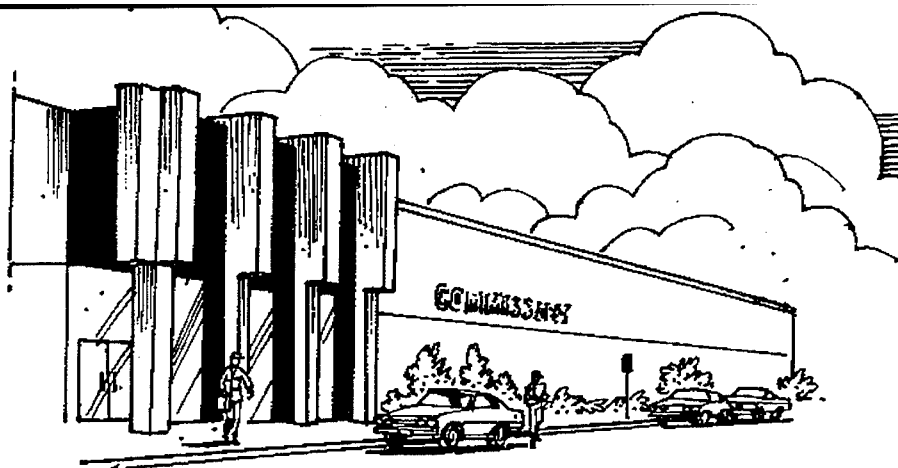
* Totals may not add due to rounding

•BA4 Administration & Service-Wide Activities (\$M)



<u>BA4 (\$M)</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Security Programs	385	355	364
Service-Wide Trans	474	506	516
Central Supply Acct	450	456	398
Log Spt Acct	431	297	308
Ammo Mgt	397	301	258
Administration	609	297	309
Service-Wide Commo	724	662	689
Manpower Mgt	74	136	158
Other Pers Spt	187	168	172
Other Svc Spt	529	591	597
Army Claims Acct	124	165	176
Real Estate Mgt	93	83	80
Base Spt	719	695	772
Defense Environ Restoration Acct	669	0	0
International HQs	274	262	274
Misc Spt of Other Nations	28	34	39
Total*	6,166	5,006	5,110

* Totals may not add due to rounding



OMA Base Support

<u>BASOPS (-) Functional Accts(\$M)</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
A Real Estate Leases	324.0	312.6	310.5
B Supply Operations	248.7	207.5	224.2
C Non-Tactical Equip Maint	116.2	145.0	119.9
D Transportation	184.3	172.2	157.6
E Laundry & Dry Cleaning Svc	18.0	16.7	14.2
F Army Food Svc Prgm	160.4	154.4	170.3
G Personnel Support	235.4	154.7	160.8
H Unaccompanied Personnel	80.2	59.9	83.9
J Utilities	542.7	596.5	636.4
M Engineering Support	647.5	548.0	578.9
N Administration	198.6	145.4	173.6
P Automation Services	146.6	88.4	93.6
Q Reserve Component Spt	5.1	13.4	13.7
S Morale, Welfare & Rec	178.9	175.2	186.1
T Preservation of Order	121.3	102.4	122.5
U Resource Mgt Opns	391.2	557.6	433.4
W Contract Svcs	100.3	81.5	95.9
Y Records Mgt	74.4	46.4	43.5

Total BASOPS (-)	3,773.8	3,577.8	3,619.0
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FAMILY	139.2	137.7	163.4
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Environmental Conservation	57.5	56.7	28.2
Pollution Prevention	29.5	26.5	42.1
Environmental Compliance	367.1	398.1	389.9

Total Environmental	454.1	481.3	460.2
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Real Property Maintenance			
K Maintenance & Repair	972.6	1,357.5	1,188.5
L Minor Construction	110.1	87.0	68.8

Total RPM	1082.7	1,444.5	1,257.3
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TOTAL BASOPS	5,449.8	5,641.3	5,499.9
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Audio -Visual	58.5	45.5	52.1
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Base Communications	267.0	267.7	196.4
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GRAND TOTAL- Base Spt	5,775.3	5,954.5	5,748.4
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NOTE: Base Operations totals include \$248.4 in FY95, \$253.4 in FY96, and \$274.3 in FY97 to pay the Army's Defense Finance & Accounting Service bill. Also includes costs for facilities being returned to Panamanian control (\$20.4 in FY95, \$42.3 in FY96 and \$39.4 in FY97.)



O&M, Army Reserve/National Guard

39

OMNG (\$M)

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
BA 1 : Operating Forces	2,249.7	2,253.6	2,055.6
BA 4 : Admin & Svc-Wide Activities	<u>186.6</u>	<u>179.2</u>	<u>152.9</u>
Total	2,436.3	2,432.8	2,208.5

OMAR (\$M)

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
BA 1 : Operating Forces	1,104.9	1,000.4	970.5
BA 4 : Admin & Svc-Wide Activities	<u>134.9</u>	<u>109.8</u>	<u>113.9</u>
Total	1,239.8	1,110.2	1,084.4

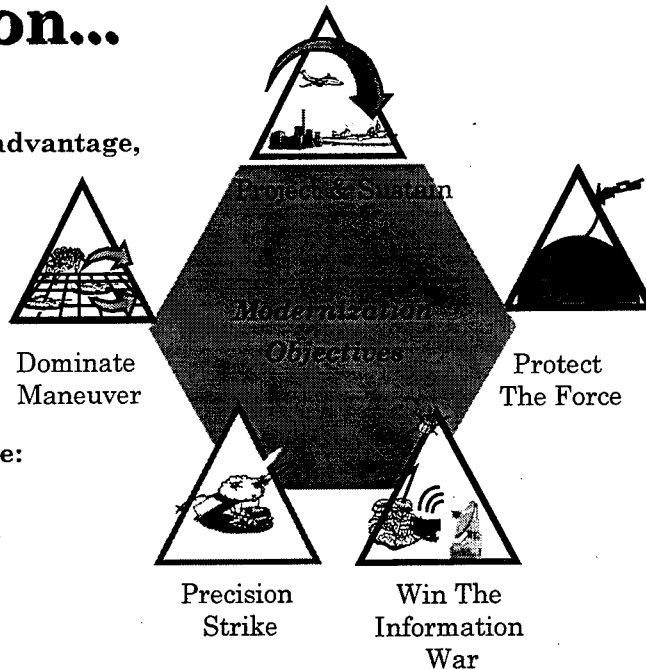
* BA2 - Mobilization was eliminated

** BA3 - Training & Recruiting was rolled up into BA1

Modernization...

The Army *must modernize* to maintain its technological advantage, preserve future readiness and ensure decisive victory. The Army is enhancing its warfighting capabilities across its five modernization objectives by leveraging information technology through digitization to achieve:

- ➔ Improved Versatility
- ➔ Enhanced Survivability
- ➔ Increased Tempo
- ➔ Greater Lethality



Procurement

40

The Army of the 21st Century is...



- ✓ Organized around information –
- ✓ More versatile and flexible....
- ✓ An Information Age Force... Digitized
- ✓ A Power Projection Force
- ✓ More agile, more lethal and...
fully capable of *Decisive Victory!*

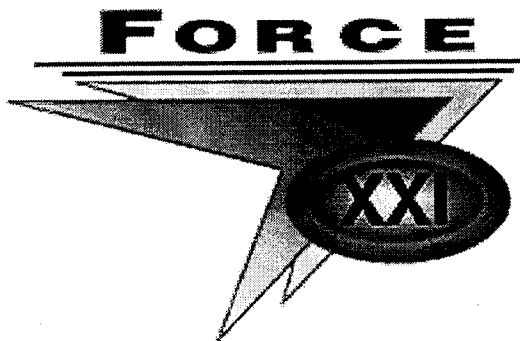
However...

Modernization resources have been severely constrained, requiring the Army to:

- > *Extend system fielding times*
- > *Defer modernization of the Total Force*
- > *Delay deploying the next generation of systems*

The Vision of the Future. . .

The Army of the 21st Century!



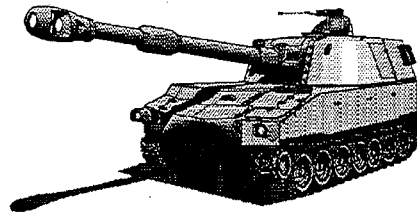
Force XXI is...

*“Integrating emerging technology for instant situational awareness. A degree of precision, speed, and shared knowledge heretofore unknown...allows us to support combat operations *more efficiently* improving our power projection capabilities. *Finding ways to exploit* advanced technology -- that is what Force XXI is all about.”*

**--General Dennis J. Reimer
U.S. Army Chief of Staff**

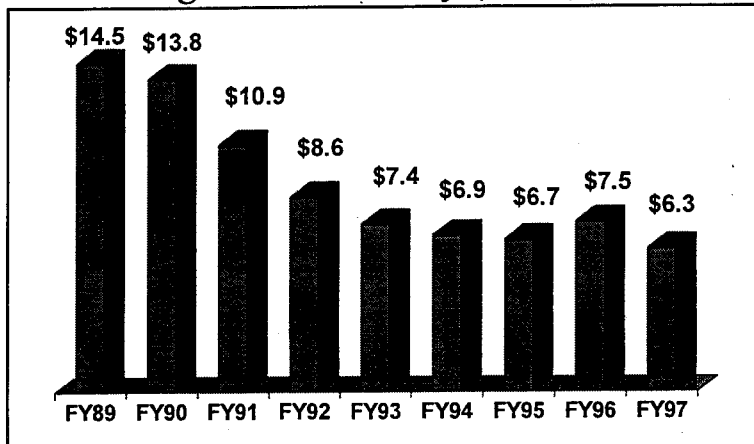
*We must invest in technology today to
produce the required capability tomorrow.*

The FY97 budget continues the upgrades to the Abrams tank and Bradley Fighting Vehicle which directly support the Army's initiative to digitize the battlefield. FY97 funding allows for the second year of procurement for Longbow Hellfire, ATACMS Block 1A, and the Extended Range MLRS Rocket. The FY97 budget supports modernization of the basic Apache to the Longbow Apache configuration armed with an improved Hellfire missile processing fire-and-forget capability and begins a new multi-year procurement of UH-60 Blackhawks. The FY97 budget affirms the Combat Service Support's need for improvements in its tactical transportation capability, continuing the multi-year procurement of three critical Combat Service Support needs: the High Mobility Multipurpose Wheeled Vehicle (HMMWV) and the Family of Medium Tactical Vehicles. The FY97 budget provides training ammunition and advanced 120mm tank rounds and supports a reduction of the backlog in ammunition demilitarization.

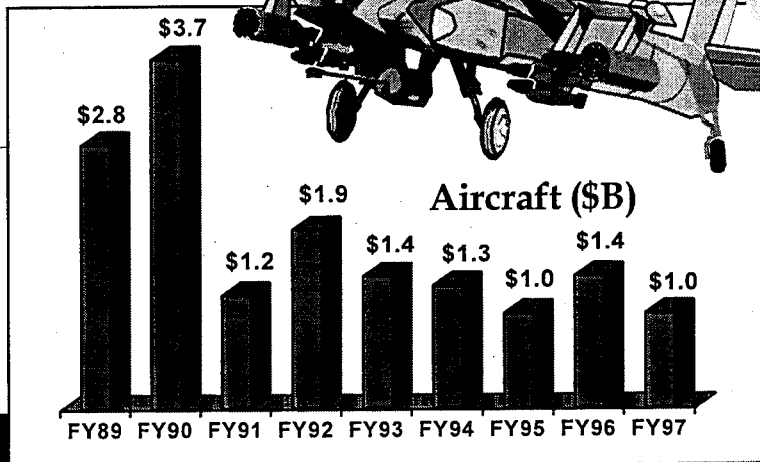
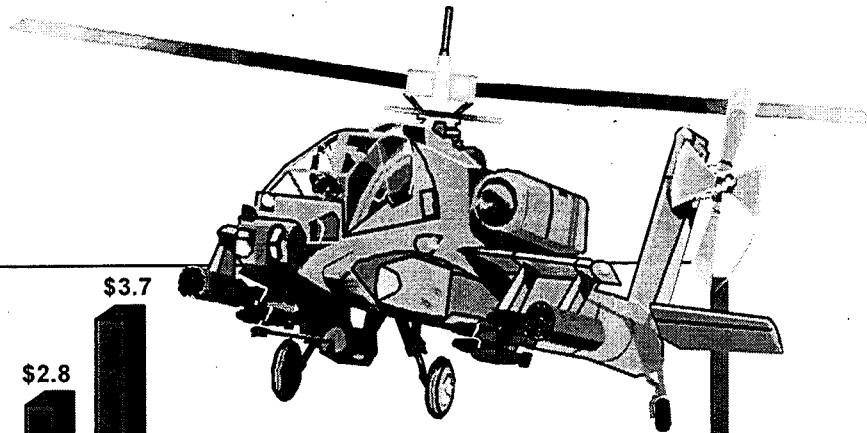


Procurement

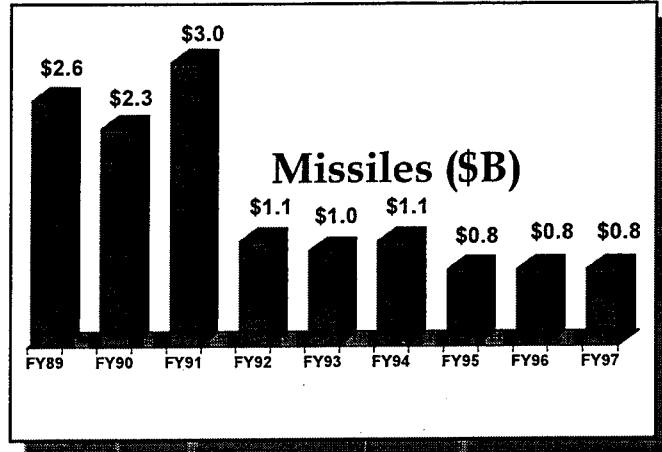
Total Obligation Authority (TOA)(CURRENT \$B)



<u>Appropriation (Current \$M)</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Aircraft	1,019	1,364	971
Missiles	803	839	766
Weapons & Tracked Combat Vehicles	1,143	1,598	1,102
Ammunition	1,112	1,031	853
Other Procurement	2,610	2,677	2,627
Total	\$6,687	\$7,509	\$6,319

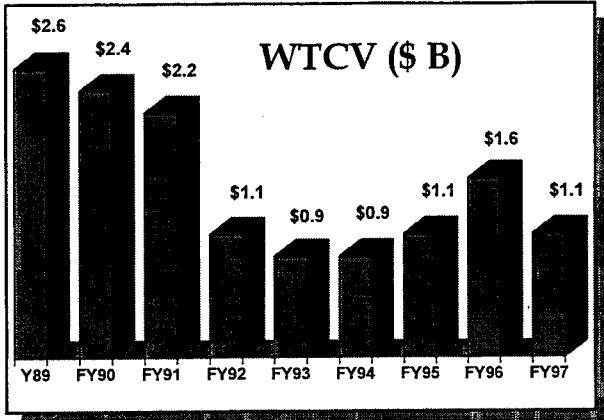
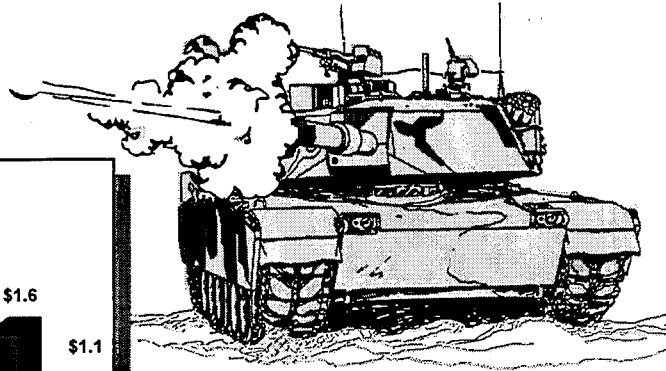


Aircraft	FY95		FY96		FY97	
	QTY	\$M	QTY	\$M	QTY	\$M
ARL		0		17.8		24.7
C-XX Aircraft	2	10.9		22.3		0
Guardrail Common Sensor		0		5.8		1.1
AH-64 Apache Helicopter		5.6		3.2		0
UH-60 Black Hawk	60	306.7	60	391.8	28	236.3
New Training Helicopter		0.5		0.4		0
Modifications						
Guardrail		0		56.2		30.6
AH-64		51.8		46.5		43.3
CH-47 Cargo Helicopter		12.2		13.6		7.8
Longbow Apache		117.0		417.7		379.5
UH-60		35.4		18.7		12.4
Kiowa Warrior		217.6		64.3		9.1
EH-60 Quickfix		38.9		36.9		13.9
Airborne Avionics		27.9		29.5		40.8
Aircraft Survivability Equip		8.7		4.1		4.8
Other Mods		18.7		13.1		10.4
Spares & Repair Parts		40.1		33.4		51.1
Support Equipment & Facilities						
Aircraft Survivability Equip		35.5		52.4		0.4
Avionics Support Equipment		30.1		21.5		7.4
Training Devices		14.0		36.1		7.3
Common Ground Equipment		25.4		29.6		24.9
Airborne Communications		8.9		24.8		48.1
Other Support Equipment		13.1		23.9		16.9
Total		\$1,019.0		\$1,363.6		\$970.8



	<u>FY95</u>		<u>FY96</u>		<u>FY97</u>	
Missiles	<u>QTY</u>	<u>Amt</u>	<u>QTY</u>	<u>Amt</u>	<u>QTY</u>	<u>Amt</u>
Patriot(MYP)		8.8		4.9		2.9
Avenger		17.7		30.5		12.6
Hellfire	1600	127.5	1102	239.5	2805	357.6
TOW 2	1541	36.7		12.0		13.6
MLRS Rockets (MYP)		25.9	1326	44.6	852	24.4
MLRS Launchers	20	141.6		95.1		38.0
ATACMS	148	112.6	120	121.3	97	92.8
Javelin	872	212.6	1010	200.9	1020	162.1
Modifications						
Patriot		26.0		6.8		11.5
Stinger		5.0		9.8		16.9
TOW		0		32.4		0
MLRS		29.3		17.5		6.4
Avenger Mods		10.7		0		0
Spares & Repair Parts		34.4		11.5		12.1
Support Equipment & Facilities						
Air Defense Targets		8.2		6.6		6.2
Production Base Support		3.6		3.5		3.5
Other		<u>1.8</u>		<u>2.6</u>		<u>5.7</u>
Total		\$802.6		\$839.5		\$766.3

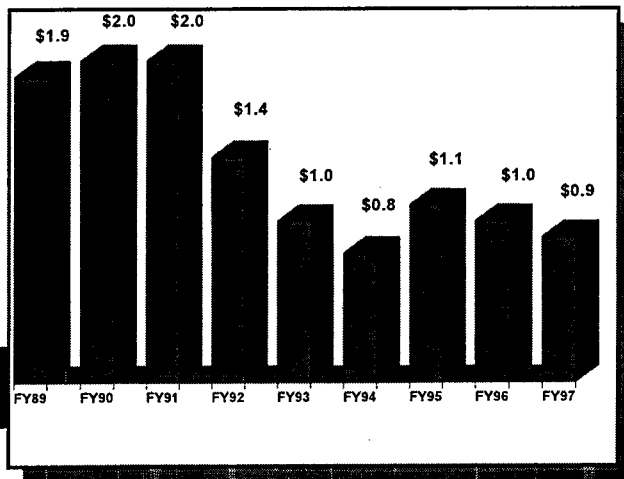
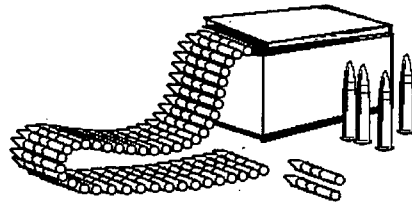
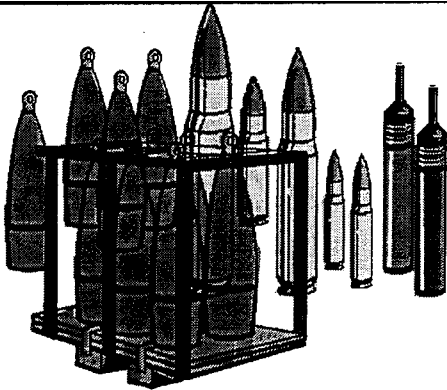
*Totals may not add due to rounding



Weapons & Tracked Combat Vehicles

45

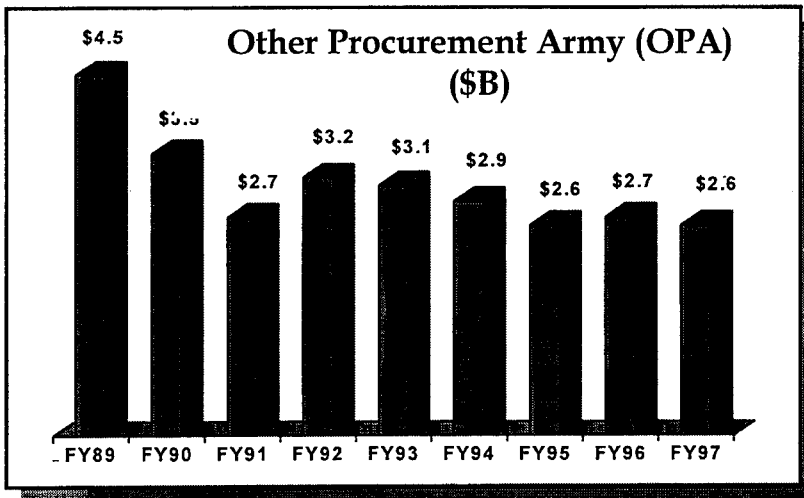
	<u>FY95</u>		<u>FY96</u>		<u>FY97</u>	
	<u>QTY</u>	<u>Amt</u>	<u>QTY</u>	<u>Amt</u>	<u>QTY</u>	<u>Amt</u>
Tracked Combat Vehicles						
Bradley Fighting Vehicle		14.0		0		0
Command and Control Vehicle		0		0	5	49.0
Field Artillery Ammo Spt Veh		0	38	42.6	24	34.4
M1 Abrams Tank Series		17.5		2.9		0
M1 Abrams Trailing Devices		16.8		6.1		12.6
Armored Gun Systems		0		142.8		0
Weapons & Other Combat Vehicles						
Machine Gun, 5.56mm (SAW)	8705	21.8	9577	27.6	4345	11.1
M16A2 Rifle	20473	9.9	27440	13.1	9982	5.6
Grenade Launcher, Auto 40mm	2100	33.4	2170	32.8	320	5.2
Mortar 120mm	110	13.5		2.9		0
Carbine XM4, 5.56mm	15892	11.1	9569	6.3	7704	5.6
Modifications						
Carrier, Mod		50.3		48.0		23.0
Bradley Base Sustainment		136.1		133.9		134.4
BFVS Mod		88.6		85.5		83.6
Howitzer, Med Sp Ft 155mm M109 Mod		226.9		291.9		75.0
FAASV PIP To Fleet		9.9		3.9		4.7
Heavy Assault Bridge		0		14.6		51.4
M1 Abrams Tank Mod		37.1		50.1		50.2
Abrams Upgrade Advance Proc		181.8		301.5		259.3
Abrams Upgrade Regular Proc		98.2		263.6		205.2
SAW Mods		4.4		0		0
Improved Recovery Vehicle		36.8		55.6		28.6
Support Equipment & Facilities						
Spares & Repair Parts		41.2		31.8		20.3
Production Base Support		24.7		11.2		13.6
Industrial Preparedness		6.7		5.3		5.1
Other		<u>62.1</u>		<u>23.6</u>		<u>24.1</u>
Total		\$1,142.8		\$1,597.6		1,102.0



Ammunition

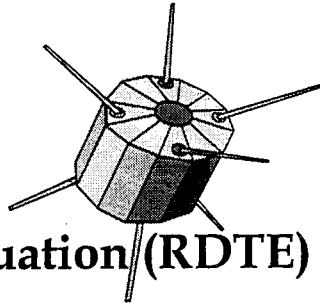
46

Ammunition (\$M)	FY95		FY96		FY97	
	Qty	Amt	Qty	Amt	Qty	Amt
Small Arms	208		222		119	
Mortars	70		117		110	
Tank	234		199		248	
Artillery	105		103		89	
Rockets	107		27		27	
Miscellaneous	21		15		20	
Other	62		96		41	
Mines/Countermines	49		47		21	
Production Base Support	256		205		178	
TOTAL		\$1,112		\$1,031		\$853
Training/War Reserve Breakout (\$M)						
Training	437		458		409	
War Reserve	404		355		250	
Non-Hardware	15		13		17	
Miscellaneous	10		0		0	
Production Base	246		205		177	
TOTAL		\$1,112		\$1,031		\$853

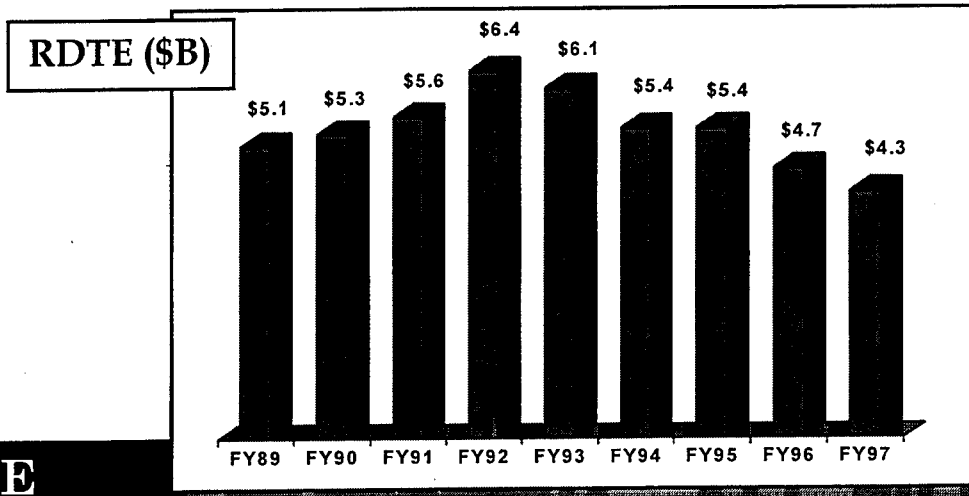


	FY95		FY96		FY97	
Tactical & SPT Vehicles (\$M)	<u>Qty</u>	<u>Amt</u>	<u>Qty</u>	<u>Amt</u>	<u>Qty</u>	<u>Amt</u>
Wheeled Vehicle (HMMWV)	1352	117.7	1586	125.6	1126	96.8
Family of Med Tactical Veh	3352	370.2	977	144.1	1603	233.1
Family of Hvy Tactical Veh		15.6	283	122.5	196	163.3
All Other Vehicles and Trailers		63.7		48.4		28.3
Communications & Electronics Equip						
Joint Communications		1.8		2.2		2.9
Satellite Communications		161.9		232.5		217.6
MSE Mod		33.3		14.2		9.8
C3 System		16.6		26.0		48.3
Combat Communications		422.9		484.8		402.3
Intel Communications		0		0		3.8
Information Security		13.9		10.8		10.7
Long Haul Communications		5.6		21.3		11.2
Base Communications		63.5		110.8		108.1
Elect Equip--NFIP		33.9		27.0		15.3
Elect Equip--TIARA		202.3		243.6		187.9
Elect Equip--Electronic Warfare (EW)		2.0		2.5		1.6
Elect Equip--Tactical Surv		178.8		194.0		202.0
Elect Equip--Tactical C2		72.2		161.4		165.3
Elect Equip--Automation (RCAS & ADPE)		230.6		209.2		209.0
Elect Equip--Audio Visual Sys (A/V)		6.9		7.4		2.5
Elect Equip--Test Meas & Diag Equip		74.2		63.9		20.8
Elect Equip--Support		17.0		2.4		1.8
Other Support Equipment						
Smoke Generators		0		17.4		27.5
Chem Def Equip		76.4		*		*
Bridging Equipment		0		3.7		4.3
Engineer Equip (Non-Construct)		16.2		1.0		1.0
Combat Service Spt Equipment		30.4		21.0		22.4
Petroleum Equipment		16.7		8.9		6.4
Water Equipment		5.4		8.7		3.0
Medical Equipment		19.2		13.8		15.9
Maintenance Equipment		4.8		3.1		3.0
Construction Equipment		9.9		20.4		20.5
Rail Float Containerization Equip		17.5		17.4		41.4
Generators		25.8		13.3		13.2
Materiel Handling Equipment		4.1		27.3		18.6
Training Equipment		140.1		124.9		183.2
Other Support Equipment		139.1		58.0		63.0
Initial Spares						
Tactical Support Vehicles		0		1.0		0.1
Communications and Electronics		0		80.4		60.5
Other Support		0		2.0		1.0
TOTAL		\$2,610.2		\$2,676.9		\$2,627.4

* Transferred to OSD



Research, Development, Test & Evaluation (RDTE)



RDTE

48

The Army RDTE Program sustains a level of funding for a strong Science and Technology Base which reflects the need to maintain technological superiority. Funding is included in the FY97 budget for continuing the development of the JSTARS, Comanche, BAT, CRUSADER, and SADARM programs. Operational Systems Development funds are budgeted to continue the Combat Vehicle Improvement Program and for Horizontal Battlefield Digitization, which is the application of common technologies across multiple systems through an integrated and seamless battlefield architecture. There are no major new initiatives.

By Budget Activities (Current \$M)	FY95	FY96	FY97
1. Basic Research	214	187	204
2. Applied Research	599	446	448
3. Advanced Technology Dev	747	585	449
4. Dem / Val	446	460	485
5. Eng Manufacturing Dev	1,563	1,157	1,064
6. Management Support	1,273	1,173	1,029
7. Operational Systems Dev	561	730	642
Total	\$5,403	\$4,738	\$4,321

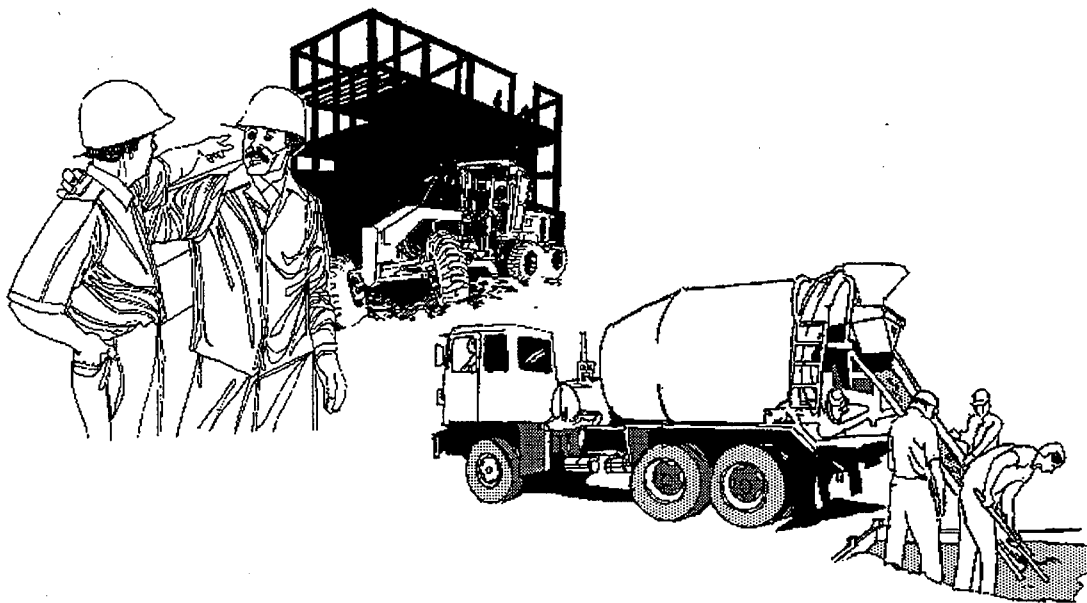
Research, Development, Test & Evaluation (\$M)

Technology Base	FY95	FY96	FY97
BA1. Basic Research	214	187	204
BA2. Applied Research	599	446	448
Subtotal	<u>813</u>	<u>633</u>	<u>652</u>
BA3. Advanced Tech Development			
Logistics	16	38	23
Medical	233*	93*	12
Aviation	51	55	41
Weapons & Munitions	31	27	20
Cbt Veh & Auto	60	27	31
MSL/Rocket	67	116	90
Landmine Warfare	20	24	15
Night Vision	32	33	33
Military HIV Research	28*	3	3
Air Def/Precision Strike Tech Demo	40	37	40
Other	<u>169</u>	<u>132</u>	<u>141</u>
Subtotal	<u>747</u>	<u>585</u>	<u>449</u>
* Includes Congressional Adds			
BA4. Demonstration & Validation			
Landmine Warfare & Barrier	23	32	16
Armored System Mod-Adv Dev	169	187	259*
Soldier Spt & Survivability	12	8*	7*
Aviation - Adv Dev	16	14	8
CSSCS Eval and Analysis	18	14	13
Medical Systems-Adv Dev	15	10	10
Other	<u>193</u>	<u>195</u>	<u>172</u>
Subtotal	<u>446</u>	<u>460</u>	<u>485</u>
*Programs Restructured			
BA5. Engineering & Manufacturing Dev			
Comanche	475	291	289
Electronic Warfare Development	91	63	69
Landmine Warfare	30	30	18
Night Vision	41	39	34
Armored System Mod-Eng Dev	61	39	7
Non-System Tng Devices-Eng Dev	48	51	43
BAT	115	195	180
Combat ID	20	22	17
LONGBOW	170	23	6
Other	<u>512</u>	<u>404</u>	<u>401</u>
Subtotal	<u>1,563</u>	<u>1,157</u>	<u>1,064</u>
BA6. RDTE Management Spt			
Major Test & Evaluation	49	65	42
Army Test Ranges/Facilities	153	143	133
Army Kwajalein Atoll	157	144	137
Support of Operation Testing	31	45	51
Programwide Activities	94	62	61
Environmental Compliance	50	64	54
Maintenance & Repair-RPM	79	93	66
Base Operations	294	311	217
Other	<u>366</u>	<u>246</u>	<u>268</u>
Subtotal	<u>1,273</u>	<u>1,173</u>	<u>1,029</u>
BA7. Operational Systems Development			
Cbt Vehicles Improvement Prgm	107	209	198
Horizontal Battlefield Digitization	85	99	110
MLRS PIP	58	71	64
Other MSL PIP	62	64	6
SATCOM Ground Environment	69	54	41
Other	<u>180</u>	<u>233</u>	<u>223</u>
Subtotal	<u>561</u>	<u>730</u>	<u>642</u>
Total	\$5,403	\$4,738	\$4,321



The Military Construction budget continues to focus on facilities that upgrade the capabilities of Army installations as power projection platforms. New facilities include modern barracks, computerized training simulators, strategic mobility infrastructure, and an overseas prepositioning site. The Family Housing budget includes the construction and revitalization of housing as well as the operation and maintenance of 137,000 Army family housing units world wide.

By Facility Categories (\$M)	FY95	FY96	FY97
Operation & Training	93	125	54
Maintenance & Production	74	37	0
Research & Development	7	5	0
Supply & Administration	15	57	64
Troop Housing/Community Support	284	323	232
Utilities/Real Estate	39	34	36
Minor Construction	12	9	5
Planning & Design	66	44	44
Foreign Currency Fluctuation	5	0	0
General Reduction/Rescission	-44	0	0
Total	551	634	435
<u>Region/Program</u>			
United States	471	498	289
Foreign Currency (All Overseas)	5	0	0
Korea	35	35	30
SW Asia	0	48	64
Kwajalein	6	0	0
Europe	0	0	3
Minor Construction	12	9	5
Planning & Design	66	44	44
General Reduction/Rescission	-44	0	0
Total	551	634	435



MILCON, ARNG and USAR

51

MILCON, Army National Guard

(\$M)	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Major Construction	177.0	124.4	0.0
Unspecified Minor Construction	5.2	5.3	5.5
Planning & Design	<u>5.9</u>	<u>7.4</u>	<u>2.1</u>
TOTAL	188.1	137.1	7.6 *

*Additional \$7M MILCON projects authorized to use prior year funds

MILCON, Army Reserve

(\$M)	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Major Construction	49.5	67.3	45.0
Minor Construction	2.7	1.7	0.0
Planning & Design	<u>5.2</u>	<u>3.7</u>	<u>3.5</u>
TOTAL	57.4	72.7	48.5

Army Family Housing (\$M)	FY95	FY96	FY97
New/Replace Construction	114	66	38
Improvement	50	49	34
Planning & Design	6	2	3
Foreign Currency Expend.	0	0	-0
Subtotal AFH Construction	170	117	75
Operations	182	188	189
Utilities	267	271	270
Maintenance	350	632	526
Leasing	215	244	227
Foreign Currency Expend.	45	TBD	TBD
Subtotal AFH Operation	1,059	1,336	1,212
Total AFH	1,229	1,453	1,287

NOTE: Army Family Housing Construction dollars for fiscal years 95-97 are for replacement of uneconomically repairable units and do not increase the housing inventory. Totals may not add due to rounding.



AFH

52

Army Family Housing New Construction	Units	(\$M)
FY95		
Fort Carson, CO	145	16.5
Fort Stewart, GA*	248	10.6
Schofield Barracks, HI	190	26.0
Natick Research Dev Eng Ctr, MA	35	4.2
U.S. Military Academy	56	8.0
Fort Bliss, TX	215	21.4
Fort Sam Houston, TX	100	10.0
Fort Richardson, AK	72	5.0
Fort Riley, KS	126	12.6
Total	1187	114.3
FY96		
U.S. Military Academy	119	16.5
Fort Lewis, WA	84	10.8
Fort Knox, KY	150	19.0
Fort Lee, VA	135	19.5
Total	488	65.8
FY97		
Schofield Barracks, HI	54	10.0
Fort Bragg, NC	88	9.8
Fort Hood, TX	140	18.5
Total	282	38.3
* 120 Units with \$9.7M Savings		

Special Interest Items

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International Commitments page 54

Wartime Host Nation Support page 55

BRAC page 58

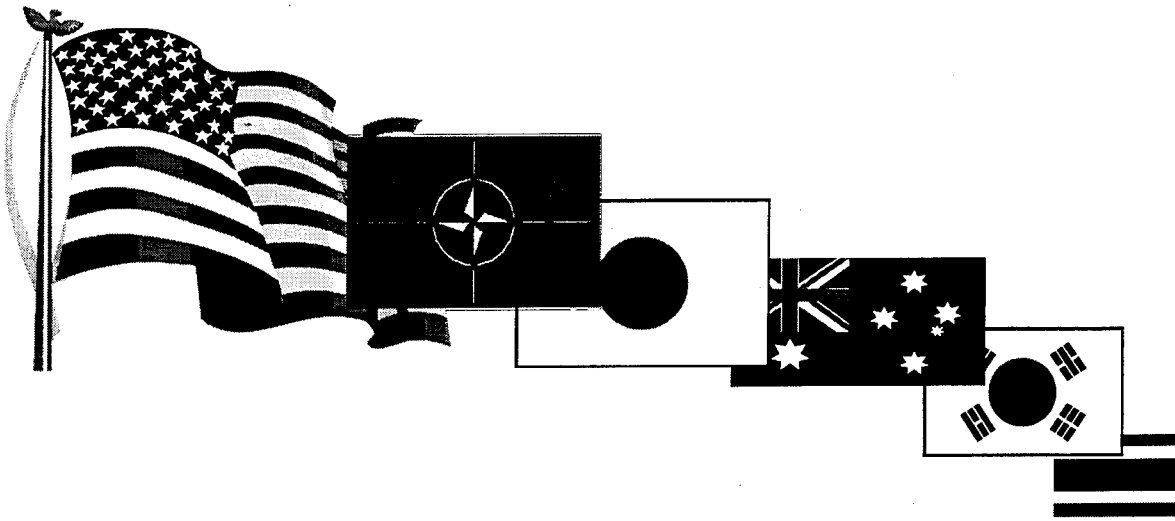
OCIE page 64

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Other page 68



ALLIANCE RELATIONSHIP

- 1949 North Atlantic Treaty Organization (NATO) 16 Nations
- 1947 Inter-American Treaty of Reciprocal Defense (RIO Pact) 29 Nations
- 1951 Australia - New Zealand - United States (ANZUS) - 3 Nations*
- 1951 Mutual Defense Treaty between United States and the Republic of Philippines
- 1954 Mutual Defense Treaty between United States and the Republic of Korea
- 1954 Southeast Asia Collective Defense Treaty (Manila Pact) **
- 1960 Treaty of Mutual Cooperation and Security between United States and Japan

• New Zealand suspended since 1986

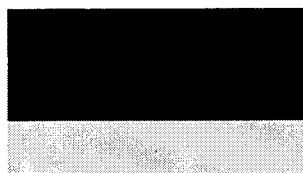
** Constitutes the basis of U.S. commitment to Thailand

*Wartime Host Nation Support (WHNS)
and
Logistics Civil Augmentation Program (LOGCAP)*

Bridging combat support and combat service support shortfall by acquiring extensive assets and capabilities from foreign governments and the global corporate world, respectively.



**U.S. / Germany
Agreement
(WHNS)**



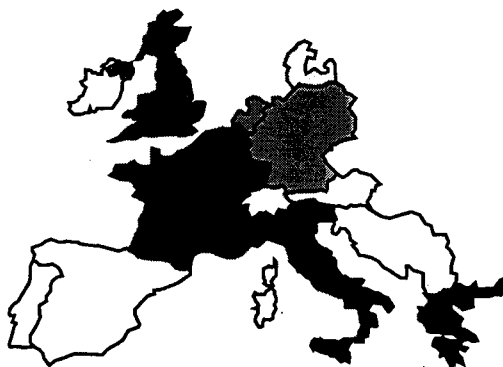
- General and Military Implementing Technical Agreement (MITA) signed 15 April 1982 and 13 June 1986, respectively.
- MITA revised to reflect force structure changes in Europe.
- As revised, provides 44 German reserve units (29.5K personnel) from 39 locations in support of USAREUR.
- All units activated: transportation, ammunition, POL, signal, casualty evacuation, engineer, security.
- Fills CS/CSS force structure requirements to support reinforcement of the Central Region.

**U.S. Army Pacific
(USARPAC)
WHNS**



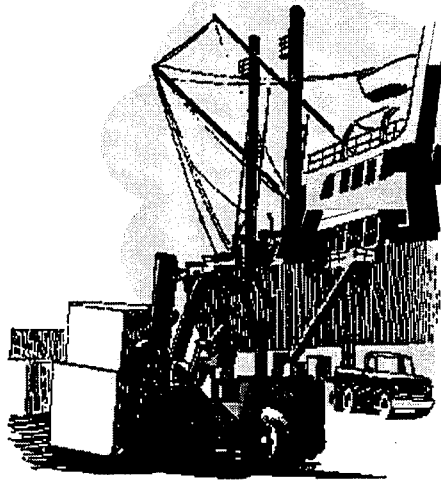
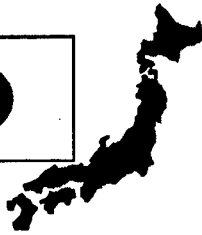
- Friendly Allied Nations Support (FANS) maintains CS/CSS capabilities data on 43 Pacific nations which may be requested to support the U.S. Army in the Pacific during crisis and war. Most functional support areas are covered by FANS.
- USPACOM Contingency Acquisition Program (P-CAP) identifies prime contractors and other commercial resources, which are located in the Pacific, and may be contracted in crisis and war to support U.S. forces. USARPAC is the executive agent for P-CAP.
- FANS and P-CAP are very adaptable for conversion to formal WHNS agreements and Logistics Civil Augmentation Program contracting, respectively.

**European Command
WHNS**



- WHNS agreements: Belgium, Netherlands, Luxembourg, United Kingdom, Denmark, Canada, Norway, Italy, Germany, Turkey, Israel and British Forces in Germany. Initial draft agreements have been made with Tunisia, Portugal, Spain and Greece.
- Much support from civil sectors in nearly every CS/CSS area. More advanced lines of communication are in Denmark, UK, Benelux and Germany.

Japan WHNS

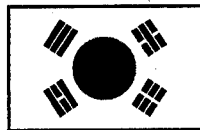


- Consists of two programs:
 - Contingency Mutual Support (CMS): Provides WHNS to U.S. forces for the internal defense of Japan, to include its territorial waters and airspace.
 - Facilitative Assistance (FA): Provides WHNS to U.S. forces which are involved in contingencies outside of Japan.
- Informally planned for U.S. Army support in most CS/CSS areas.

WHNS

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Korea WHNS

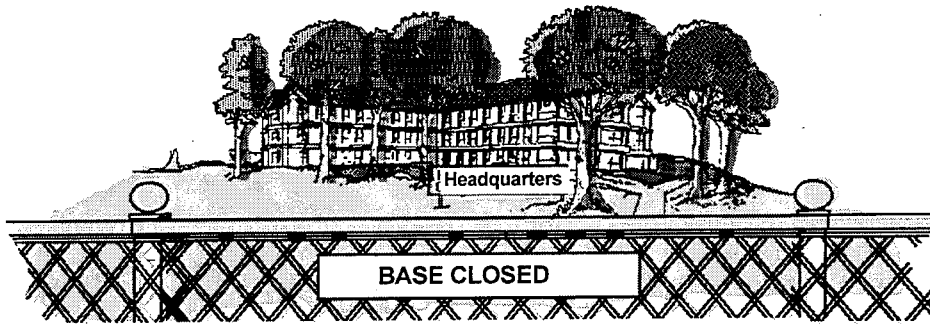


- U.S. Korea WHNS umbrella agreement was signed on 21 November 1991. First such agreement in the Pacific.
- Provides much paramilitary and civil support in most CS/CSS functional areas. Korean augmentation to the U.S. Army and Korean Service Corps provides extensive personnel support in peace and war.

Logistics Civil Augmentation Program (LOGCAP)

- DA ODCSLOG is proponent and U.S. Army Corps of Engineers provides program management.
- Provides civilian contracts in peacetime to meet U.S. Army wartime and contingency support requirements, worldwide, through the advanced identification and planned acquisition of global corporate assets.
- A force multiplier which provides rapid, flexible support to augment multi-functional CS/CSS units.

Base Realignment & Closure (BRAC)

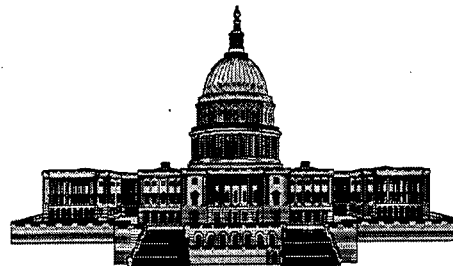


Closing military facilities is a challenging process. Every installation recommended for closure or realignment has enjoyed a proud history and has offered a priceless service to our nation. These installations also have become an integral part of their local communities.

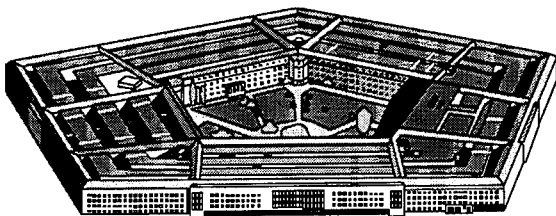
BRAC

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The undeniable fact remains, however, that U.S. military requirements have been altered fundamentally. The end of the Cold War, combined with the growing urgency to reduce the Federal budget deficit, compels the United States to realign its military forces.



Congress enacted the Defense Base Closure and Realignment Act of 1990 (Public Law 101-510), as amended in order to reduce the number of military installations in the United States.



What follows is a list of bases affected and a financial summary for each BRAC round.

BRAC-I
FINANCIAL SUMMARY (\$000)
Costs and Savings

	<u>FY90</u>	<u>FY91</u>	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>	<u>TOTAL</u>
Military Construction	121,776	138,067	182,944	127,148	12,830	0	582,765
Family Housing	0	51	490	0	0	0	541
Construction	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Operations	(0)	(51)	(490)	(0)	(0)	(0)	(541)
Environment	0	162,688	187,613	99,887	0	92,325	542,513
Operation & Maint	40,437	85,712	37,865	33,765	0	0	197,779
Mil Pers - PCS	0	0	0	0	0	0	0
Other	8,925	15,413	3,383	12,745	0	0	40,466
Total One-Time Costs	171,138	401,931	412,295	273,545	12,830	92,325	1,364,064
Revenue (Land Sales)	(4,337)	(4,159)	(40,597)	(14,680)	(0)	(4,725)	(68,498)
Budget Request	166,801	397,772	371,698	258,865	12,830	87,600	1,295,566
Fund Outside Acct	16,741	94	1,947	1,507	22,734	0	43,023
Savings	10,218	34,777	56,301	119,787	240,317	259,611	721,011
Net Implement. Cost	173,324	363,089	317,344	140,585	(204,753)	(172,011)	617,758

BRAC - I

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CLOSURES (77):

- Housing Sites (53)
- Alabama AAP, AL
- AMTL, MA
- Bennett ANG, CO
- Cameron Station, VA
- Cape St. George, FL
- Coosa River Storage, AL
- DMA Herndon, VA
- Fort DesMoines, IA
- Fort Douglas, UT
- Fort Sheridan, IL
- Fort Wingate, NM
- Hamilton AAF, CA
- Indiana AAP, IN
- Jefferson Proving Ground, IN
- Kapalama, HI
- Lexington Depot, KY
- Navajo Depot, AZ
- New Orleans MOT, LA
- Nike Aberdeen, MD
- Nike Kansas City 30, MO
- Presidio SF, CA
- Pontiac Storage, MI
- Tacony Warehouse, PA
- USARC Gaithersburg, MD

LOSING FUNCTIONS/PERSONNEL (13):

- Fort Belvoir, VA
- Fort Benjamin Harrison, IN
- Fort Bliss, TX
- Fort Devens, MA
- Fort Monmouth, NJ
- Fort Dix, NJ
- Fort Holabird, MD
- Fort Huachuca, AZ
- Fort Jackson, SC
- Fort Leonard Wood, MO
- Fort Meade, MD
- Pueblo Army Depot, CO
- Umatilla Depot Activity, OR

GAINING FUNCTIONS/PERSONNEL (48):

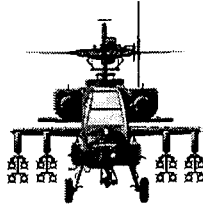
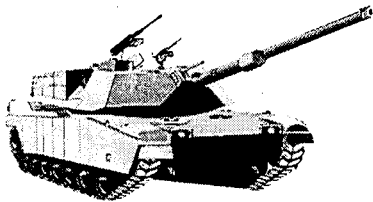
- Fort Leonard Wood, MO
- Fort Devens, MA
- Fort Monmouth, NJ
- Tobyhanna Depot, PA
- Detroit Arsenal, MI
- Red River Army Depot, TX
- Schofield Barracks, HI
- Fort McNair, DC
- Walter Reed AMC, DC
- Fort Gordon, GA
- Sacramento AD, CA
- Fort Sill, OK
- Harry Diamond Labs, MD
- Savanna Army Depot, KY
- Hawthorne AAP, NV
- Fort Indiantown Gap, PA
- Fort Jackson, SC
- Fort Huachuca, AZ
- Fort Lee, VA
- Redstone Arsenal, AL
- Picatinny Arsenal, NJ
- Anniston Depot, AL
- Fort Lewis, WA
- Fort McCoy, WI
- Fort Bragg, NC
- Fort Drum, NY
- Fort Leavenworth, KS
- Fort Shafter, HI
- White Sands Missile Range, NM
- Bluegrass Army Depot, KY
- Aberdeen Proving Ground, MD
- Fort A.P. Hill, VA
- Fort Benjamin Harrison, IN
- Fort Belvoir, VA
- Fort Detrick, MD
- Letterkenny Depot, PA
- Yuma Proving Ground, AZ
- Sierra Army Depot, CA
- Fort Myer, VA
- Oakland Army Base, CA
- Fitzsimons AMC, CO
- Los Alamitos AFRC, CA
- Fort Knox, KY
- Fort Benning, GA
- Fort Campbell, KY
- Camp Parks, CA
- Fort Irwin, CA
- Natick RDEC, MA

BRAC II

Other CONUS (not commission-directed or mandated by public law):

Tank Production Facilities:

- Partial Inactivation of Detroit Army Tank Plant (FY91)
- Partial Inactivation of Lima Army Tank Plant (thru FY95)



Ammunition Plants:

- Kansas AAP (Nov FY95)
- Indiana AAP (FY95)
- Longhorn AAP (Apr FY97)
- Louisiana AAP (Apr FY95)
- Mississippi AAP (FY92)
- Scranton AAP (Mar FY96)
- Sunflower AAP (Apr FY94)

BRAC - II

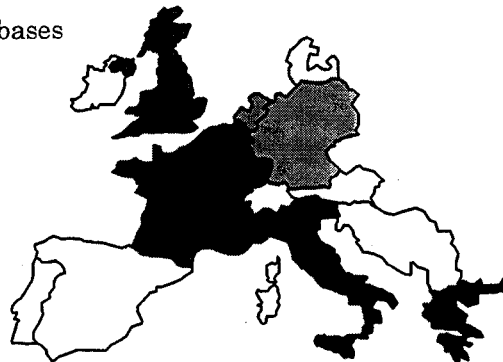
60

OCONUS (not commission-directed or mandated by public law):

- Europe 97% complete--equivalent to 12 large U.S. bases
- Korea 86% complete
- Panama 30% complete--governed by treaty

Announced Base Closures:

BELGIUM	3
FRANCE	21
GERMANY	571
GREECE	4
ITALY	4
NETHERLANDS	6
UNITED KINGDOM	5
TURKEY	6
KOREA	29
PANAMA	<u>13</u>
TOTAL	662



BRAC 91
FINANCIAL SUMMARY (\$000)
Costs and Savings

	<u>FY92</u>	<u>FY93</u>	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>TOTAL</u>
Military Construction	23,600	136,479	254,884	96,559	22,851	0	534,373
Family Housing	0	934	338	0	135	0	1,407
Construction	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Operations	(0)	(934)	(338)	(0)	(135)	(0)	(1,407)
Environment	35,650	54,446	69,525	50,501	124,920	0	335,042
Operation & Maint	50	149,996	63,773	27,928	211,972	0	453,719
Mil Pers - PCS	0	0	0	0	0	0	0
Other	0	18,945	5,481	3,610	50,848	0	78,884
Total One-Time Costs	59,300	360,800	394,001	178,598	410,726	0	1,403,425
Revenue (Land Sales)	(0)	(0)	(57)	(163)	(37,278)	(0)	(37,498)
Budget Request	59,300	360,800	393,944	178,435	373,448	0	1,365,927
Fund Outside Acct	56,469	11,908	21,167	2,878	2,316	2,300	97,038
Savings	55,068	105,463	198,934	241,312	276,599	303,825	1,181,201
Net Implement. Cost	60,701	267,245	216,177	(59,999)	99,165	(301,525)	281,764

BRAC 91

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CLOSURES (5):

- Fort Benjamin Harrison, IN
- Fort Devens, MA
- Fort Ord, CA
- HDL, Woodbridge, VA
- Sacramento Army Depot, CA

LOSING FUNCTIONS/PERSONNEL (21):

- Armstrong Lab, Brooks AFB, TX
- Army Research, Alexandria, VA
- AVSCOM, St. Louis, MO
- Fort Belvoir, VA
- Fort Chaffee, AR
- Fort Detrick MD
- Fort Lewis, WA
- Fort Monmouth, NJ
- Fort Sheridan, IL
- GVPBAR, Warren, MI
- HDL, Adelphi, MD
- Letterkenny Army Depot, PA
- Lexington Army Depot, KY
- Little Rock AFB, AR
- Presidio of San Francisco, CA
- Rock Island Arsenal, IL
- TROSCOM, St. Louis, MO
- US Army Inst of Dental Res, DC
- US Army Med Res Lab, Ft Rucker, AL
- Walter Reed Inst of Research, DC
- White Sands MR, NM

GAINING FUNCTIONS/PERSONNEL (25):

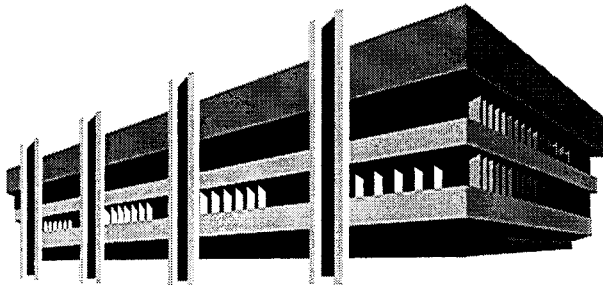
- Fort Polk, LA
- Adelphi, MD
- Rock Island Arsenal, IL
- Great Lakes Naval Basin, IL
- Fort Hunter Liggett, CA
- Fort Hood, TX
- Aberdeen Proving Ground, MD
- Fort Sam Houston, TX
- Wright-Patterson AFB, OH
- Presidio of Monterey, CA
- Fort Knox, KY
- Picatinny Arsenal, NJ
- Fort Irwin, CA
- Fort Lewis, WA
- Los Alamitos, CA
- Fort Shafter, HI
- Fort McClellan, AL
- NASA-Lewis Res Ctr, Cleveland, OH
- USA Inst of Envir Med, Natick MA
- NASA-Langley Res Ctr, Hampton, VA
- Naval Med Res Inst, Bethesda, MD
- Fort Carson, CO
- Brooks AFB, TX
- Fort Drum, NY
- Redstone Arsenal, AL

BRAC 93
FINANCIAL SUMMARY (\$000)
Costs and Savings

	<u>FY94</u>	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>TOTAL</u>
Military Construction	12,300	63,403	16,116	4,700	2,716	0	99,235
Family Housing	0	0	0	0	0	0	0
Construction	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Operations	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Environment	9,807	15,161	11,502	21,629	19,421	0	77,520
Operation & Maint	11,884	46,199	88,665	270	1,163	0	148,181
Mil Pers - PCS	0	0	0	0	0	0	0
Other	<u>2,416</u>	<u>6,308</u>	<u>7,197</u>	<u>41</u>	<u>0</u>	<u>0</u>	<u>15,962</u>
Total One-Time Costs	36,407	131,071	123,480	26,640	23,300	0	340,898
Revenue (Land Sales)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Budget Request	36,407	131,071	123,480	26,640	23,300	0	340,898
Fund Outside Acct	11,073	3,182	0	1,859	2,222	0	18,336
(FY94 incl 2,387 fr FY93)							
Savings	10,896	(1,596)	20,320	48,529	61,016	67,727	206,892
Net Implement. Cost	36,584	135,849	103,160	(20,030)	(35,494)	(67,727)	152,342

BRAC 93

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CLOSURES (1):

- Vint Hill Farms Station, VA

LOSING FUNCTIONS/PERSONNEL (4):

- Fort Belvoir, VA
- Fort Monmouth, NJ
- Letterkenny Army Depot, PA
- Tooele Army Depot, UT

GAINING FUNCTIONS/PERSONNEL (5):

- Detroit Arsenal, MI
- Fort Jackson, SC
- Fort Monmouth, NJ
- Letterkenny Army Depot, PA
- Tobyhanna Army Depot, PA

BRAC 95
FINANCIAL SUMMARY (\$000)
Costs and Savings

	<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>TOTAL</u>
Military Construction	82,718	239,640	158,660	0	0	0	481,018
Family Housing	0	1,624	2,180	8,964	8,072	2,373	23,213
Construction	(0)	(430)	(0)	(0)	(0)	(0)	(430)
Operations	(0)	(1,194)	(2,180)	(8,964)	(8,072)	(2,373)	(22,783)
Environment	45,536	70,357	176,094	228,489	219,035	144,449	883,960
Operation & Maint	47,649	70,311	88,582	220,834	160,433	56,070	643,879
Mil Pers - PCS	0	0	0	0	0	0	0
Other	6,097	17,072	12,877	12,513	8,660	11,308	68,527
Total One-Time Costs	182,000	399,004	438,393	470,800	396,200	214,200	2,100,597
Revenue (Land Sales)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Budget Request	182,000	399,004	438,393	470,800	396,200	214,200	2,100,597
Fund Outside Acct	15,452	0	0	0	0	0	15,452
Savings	19,238	16,589	195,721	255,360	347,487	363,578	1,197,973
Net Implement. Cost	178,214	382,415	242,672	215,440	48,713	(149,378)	918,076

BRAC 95

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CLOSURES (29):

- Army Conc. Analysis Agency, MD
- Aviation & Troop Cmd, MO
- Pubs Dist Ctr Baltimore, MD
- Bayonne MOT, NY
- Bellmore Logistics Activity, NY
- Big Coppet Key, FL
- Branch USDB (Lampoc), CA
- Camp Bonneville, WA
- Camp Kilmer, NJ
- Camp Pedericktown, NJ
- East Fort Baker, CA
- Fitzsimons AMC, CO
- Fort Chaffee, AR
- Fort Holabird, MD
- Fort Indiantown Gap, PA
- Fort McClellan, AL
- Fort Missoula, MT
- Fort Pickett, VA
- Fort Ritchie, MD
- Fort Totten, NY
- Hingham Cohasset, MA
- Info Sys Software Cmd, VA
- Oakland Army Base, CA
- Rec Center #2, NC
- Rio Vista, USAREC, CA
- Savanna Army Depot, IL
- Seneca Army Depot, NY
- Stratford Army Engine Plant, CT
- Sudbury Annex, MA

LOSING FUNCTIONS/PERSONNEL (11):

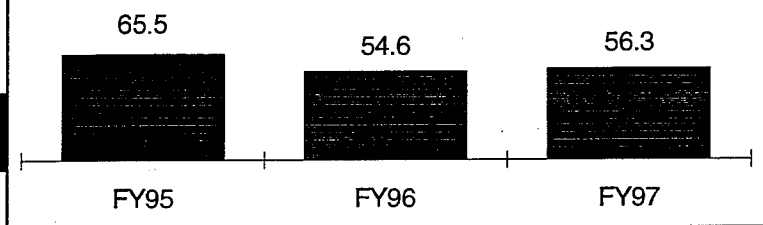
- Detroit Arsenal, MI
- Fort Buchanan, Puerto Rico
- Fort Dix, NJ
- Fort Greely, AK
- Fort Hunter Liggett, CA
- Fort Meade, MD
- Kelly Support Center, PA
- Kenner Army Hospital (Ft Lee, VA)
- Letterkenny Army Depot, PA
- Red River Army Depot, TX
- Sierra Army Depot, CA

GAINING FUNCTIONS/PERSONNEL (19):

- Aberdeen Proving Ground (Tri-Service Project Alliance)
- Aniston Army Depot, AL
- Camp Parks Reserve Forces Training Area, CA
- Detroit Arsenal, MI
- Fort Belvoir, VA
- Fort Bliss, TX
- Fort Detrick, MD
- Fort Huachuca, AZ
- Fort Jackson, SC
- Fort Leonard Wood, MO
- Fort Meade, MD
- Fort Monmouth, NJ
- Fort Sam Houston, TX
- Fort Wainwright, AK
- McAlester Army Ammo Plant, OK
- Natick Res, Dev, Eng Ctr, MA
- Redstone Arsenal, AL
- Tobyhanna Army Depot, PA
- US Army Publication Ctr, St. Louis, MO



**Organizational Clothing &
Individual Equipment (OCIE)
(\$M)**



OCIE

64

- FY97 modernization program centrally funds/fields initial issue of improved and modernized clothing and individual equipment for the Active and Reserve Components. Modernized OCIE is a force multiplier which supports the soldier system and enhances soldier survivability, performance and comfort.
- Items programmed for procurement:
 - Advanced Combat Vehicle Crewman Helmet
 - Ballistic Laser Protective Spectacle/Special Protective Eyewear Cylindrical System
 - Soldier Fighting Cover
 - Modular Sleep Bag
 - Improved Rain Suit
- The Army's goal is to enhance soldier survivability on the modern battlefield by:
 - Lightening the load of the individual soldier
 - Providing state-of-the-art Weather Resistant and Ballistic Protective Clothing and Individual Equipment.

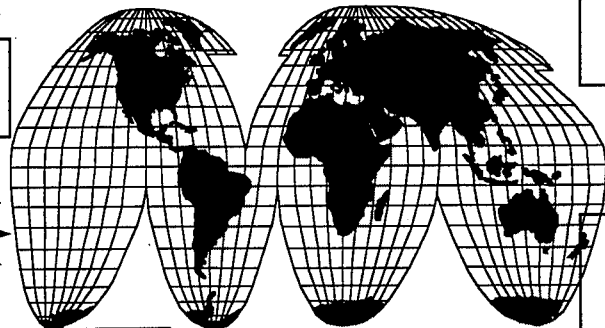
Army War Reserve Program Power Projection Logistics

AWR-2 Europe
2 Bde Sets (2x1)-BeNeLux
1 Bde Set (2x2)-Italy
1 FA Bn Set (155 SP)-Norway
Sustainment & OPROJs
WRSA-Israel (ammo)

AWR-4 Pacific
1 Bde Set (2x1)-Korea
Sustainment
OPROJs-Korea/Japan
WRSA-Korea (equip/ammo)
WRSA-Thailand (ammo)

AWR-1 CONUS
Sustainment
OPROJ

**Supports 2
MRCs**



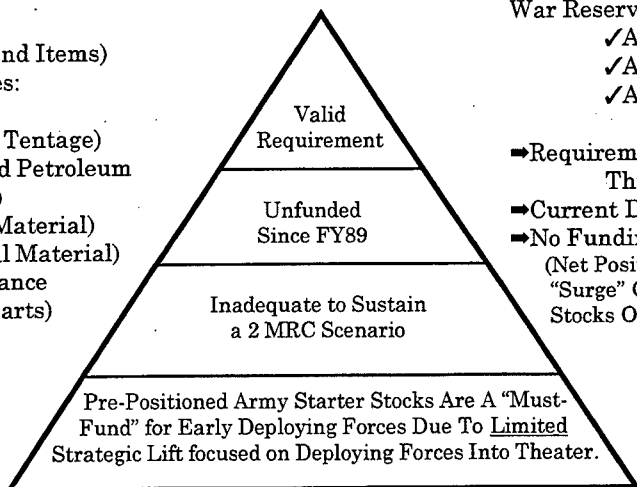
AWR-3 Afloat
14 Ships Indian/ Pac Oceans
(Grows to 16 Ships)
1 Bde Set (2x2)
Port & CSS Corps Unit Sets
30 DOS Corps Sustain, OPROJs

7 Prepo Bde Sets + Proposed 1 (Location TBD)
(2x1=2 Armor Bn + 1 Mech Bn)
Operational Projects (OPROJ)
Sustainment Class I-IX
War Reserve Spt for Allies (WRSA)

AWR-5 SWA
1 Bde Set (2x1)-Kuwait
1 Mech Bn TF-Qatar
{Grows to 1 Bde Set (2x1) Qatar (98)
& Div Base -Qatar (00)}
Proposed 1 Bde Set (2x1)-Ashore(TBD)

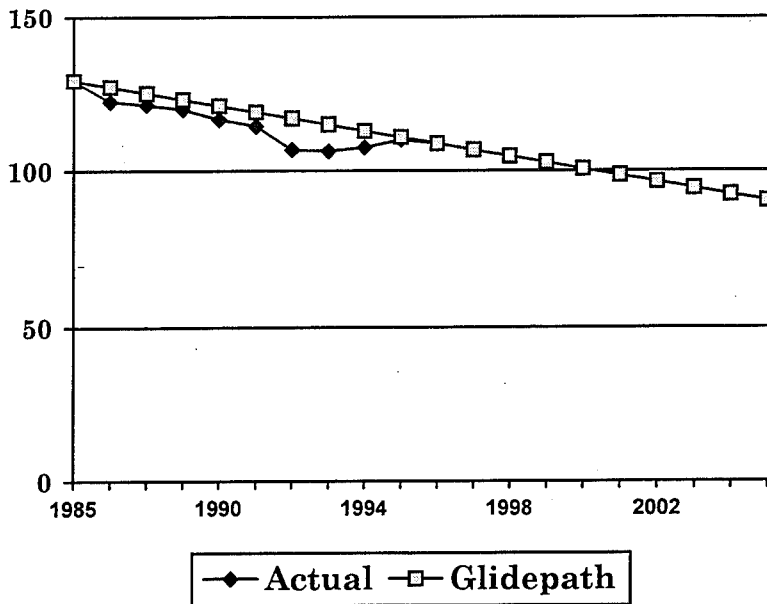
Funding Army War Reserve WR Secondary Item (WRSI) Requirements : Must Happen to Make Strategic Stockpiles a Reality "NOT JUST A CONCEPT"

- **WRSI: What Are They?**
- All Classes of Supply Less:
 - ✓ IIIB (Fuel)
 - ✓ V (Ammo)
 - ✓ VII (Major End Items)
- WRSI=Supply Classes:
 - ✓ I (Rations)
 - ✓ II (Clothing, Tentage)
 - ✓ III (Packaged Petroleum Products)
 - ✓ IV (Barrier Material)
 - ✓ VIII (Medical Material)
 - ✓ IX (Maintenance Repair Parts)

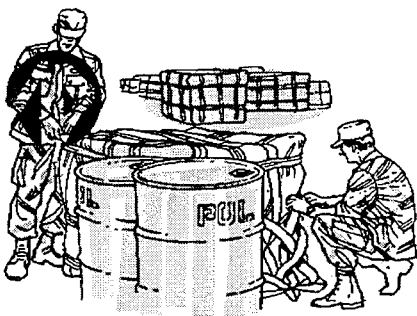


- **Successful Funding and Fill of WRSI is Key to All Three Army War Reserve Areas:**
 - ✓ AWRS - Sustainment
 - ✓ AWROP - Op Projects
 - ✓ AWRPS - Brigade Sets (ASL/PLLs)
- Requirements Computed Through AWRAP
- Current Deficit = \$2.4B
- No Funding Since FY89
(Net Position After Industrial Base "Surge" Capability and Peacetime Stocks On-Hand Were Subtracted.)

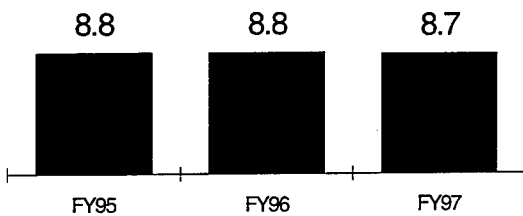
Army Facility Energy Consumption FY1985-2005 (kBtu/SF)



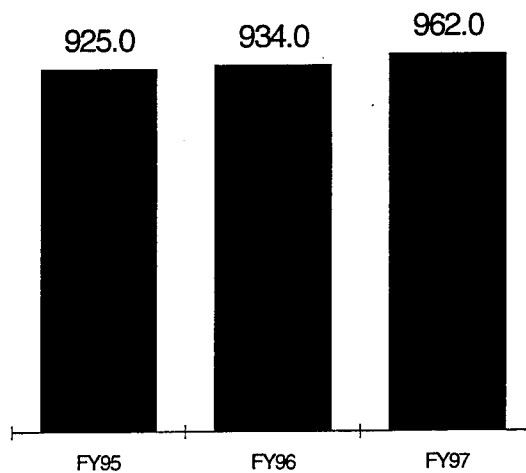
Energy Consumption



Army POL Consumption (Millions of Barrels)



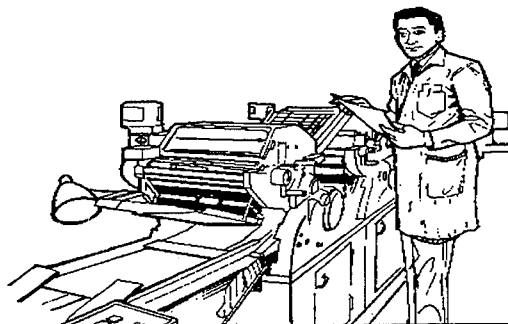
Army Energy Costs (\$M)



DOD DBOF-Funded Activities

- Supply Management *
- Depot Maintenance*
- Information Services*
- Commissary Operations
- Printing & Publications
- Transportation
- Financial Operations
- Distribution Depots
- Research & Development (Navy)
- Industrial Plant Equipment Services
- Defense Reutilization & Marketing Service (DRMS)

* Army Businesses



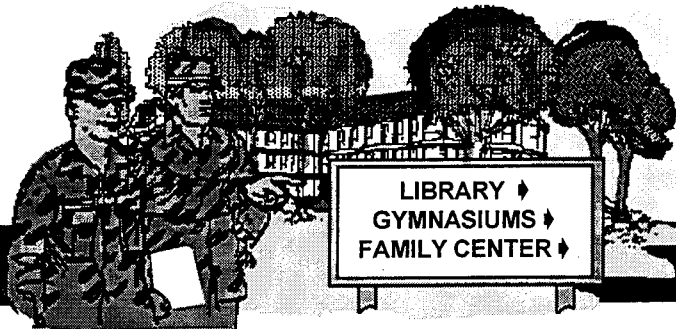
Overview of Army DBOF Businesses

BUSINESS AREA	FY97 \$M		CIV ES	MIL ES
	COSTS	REVENUES		
Supply Management	8,719.3	8,569.6	3,846	15
Depot Maint-Other	1,596.3	1,660.9	14,941	121
Depot Maint-Ordnance	528.1	529.6	5,462	24
Information Services	137.7	137.7	847	267

Army Community/Soldier Support (\$M)

OMA	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Community/Soldier Support Base e.g., Libraries, Rec Ctr, Sports Programs, Gymnasiums	152.2	154.2	160.3
Army Community Services e.g., Info & Referral/Fam Mbr Employment, Exceptional Fam Mbr, Consumer Affairs/Fin Plng, Relocation Assistance	39.2	44.4	48.1
Child Development Services e.g., Family & Ctr Based Care, Supplemental Options	111.2	101.5	117.2
Youth Services e.g., Youth Dev, Physical Fitness & Sports, School Age/Latch Key)	27.5	21.0	23.7
OMA Total	330.1	321.1	349.3
MCA			
Phys Fit Trng Centers, Rec Ctr, Libraries Number of Projects	10.7 (2)	0.0 (0)	0.0 (0)
Child Development Centers Number of Projects	0.0 (0)	16.8 (3)	0.0 (0)
MCA Total	10.7	16.8	0.0

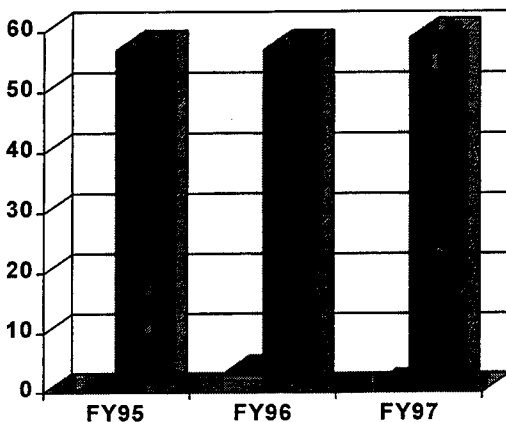
OTHER



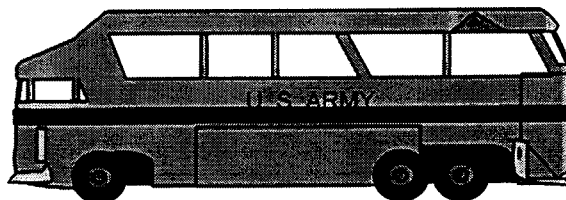
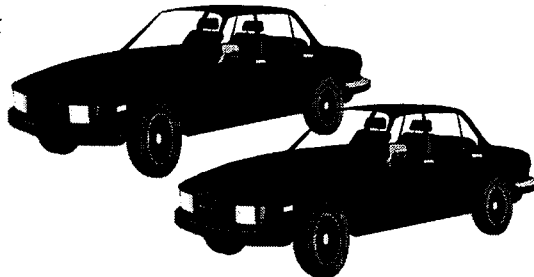
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Nontactical Vehicle (NTV) Fleet

\$M (OPA Funding)



Procurement Funded
 Replacement Requirement

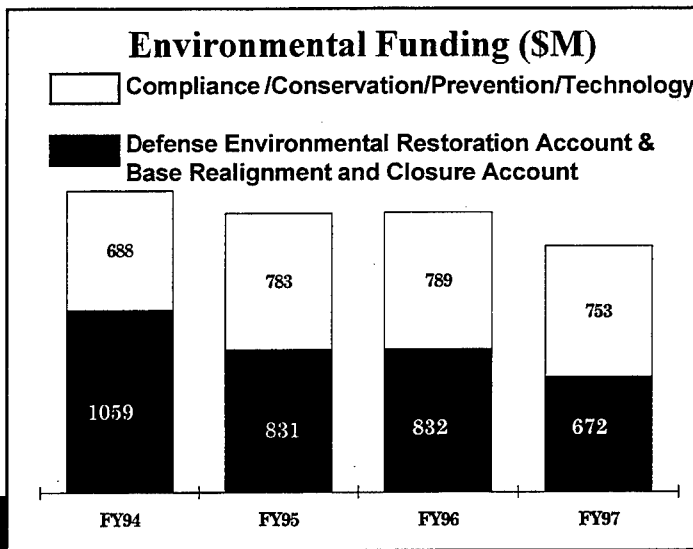


Nuclear, Biological, Chemical (NBC) Mission Area Program (\$M)

- In FY96, OSD created the Joint NBC Defense Program which combines all Service NBC Defense funds into a single Defense program.

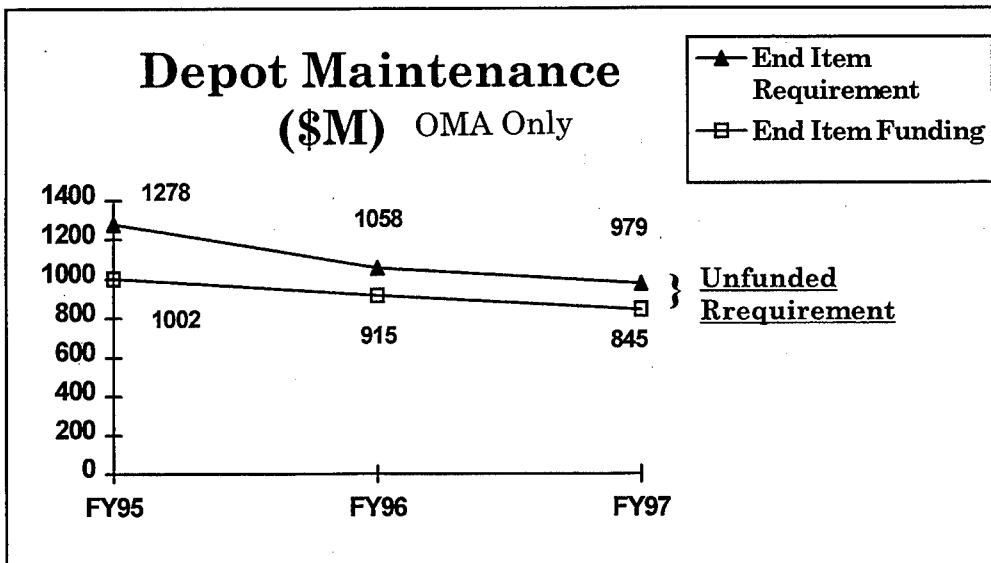
- Smoke & Obscurants remains within Army program. Funding buys a first-time multi-spectral large area smoke capacity for FP1 units and improved large area visual smoke systems for FP2-4.

	<u>FY95</u>	<u>FY96</u>	<u>FY97</u>
Smoke & Obscurants	22	27	36
Total	22	27	36



OTHER

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ACRONYMS & DEFINITIONS

Acronyms and terms used throughout this booklet are defined below:

AA/Aaslt	Air Assault
AAF	Army Airfield
AAP	Army Ammunition Plant
ABN	Airborne
AC	Active Component
Acct	Account
Acq	Acquisition
ACFT	Aircraft Procurement, Army
ACR	Armored Cavalry Regiment
AD	Armored Division
Admin	Administration
ADPE	Advanced Data Processing Equipment

Acronyms & Definitions

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Adv	Advanced; also, Advertising
AFB	Air Force Base
AFH	Army Family Housing
AFHC	Army Family Housing Construction
AFHO	Army Family Housing Operations
AH-64	Apache Attack Helicopter
AGR	Active Guard and Reserve
AMC	Army Materiel Command; also Army Medical Center
AMMO	Ammunition Procurement, Army; also, Ammunition
AMT	Amount
AMTL	Army Materiel Technology Laboratory, Watertown, Massachusetts
ANG	Army National Guard
ANZUS	Australia, New Zealand, United States
APPN	Appropriation
ARL	Airborne Reconnaissance Low
Armor/Arm	Armored
ARNG	Army National Guard
ASL	Authorized Stockage List
ATACMS	Army Tactical Missile System
Aug	Augmentee
AUTH	Authorization
Auto	Automatic
AV	Audio/Visual
AVSCOM	Aviation Systems Command, St. Louis, Missouri
AWR	Army War Reserve
AWRAP	Army War Reserves Automated Programs

BA	Budget Authority: The authority provided by law to enter into obligations which will result in immediate or future outlays of funds; also, Budget Activity
BASOPS	Base Operations
BAT	Brilliant Anti-Armor Submunition
BCA3/BCA4	Base Realignment & Closure, Army
BDE	Brigade
BFVS	Bradley Fighting Vehicle System
BMAR	Backlog of Maintenance and Repair
BN	Battalion
BRAC	Base Realignment and Closure
C+	__ days after the start of an operation
C-XX	Medium-Range Fixed Wing Aircraft
C2	Command and Control
C3	Command, Control and Communications
CAV	Cavalry
CBT	Combat
CH-47	Chinook Cargo Helicopter
CIV	Civilian
Cloth	Clothing
Cmd	Command
CMS	Contingency Mutual Support
Commo	Communications

Acronyms & Definitions

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Conc	Concepts
Constant Dollars	A dollar value adjusted for changes in prices, stated in terms of a base year.
Constr	Construction
CONUS	Continental United States
CONUSA	Continental U.S. Army
COSCOM	Corps Support Command
CS	Combat Support
CSS	Combat Service Support
CSSCS	Combat Service Support Control System
CTC	Combat Training Center
Ctr	Center
Ctrl	Control
Current Dollars	The dollar value of a good or service in terms of prices current at the time the good or service is sold.
DA	Department of the Army
DBOF	Defense Business Operations Fund
DEF	Defense
Dem, Demo	Demonstration
DEM/VAL	Demonstration & Validation
DERA	Defense Environmental Restoration Account
Dev	Development
Diag	Diagnostic
Dist	Distribution
DIV	Division
DLRs	Depot Level Repairables
DM	Deutsche Mark--German unit of currency
DMA	Defense Mapping Agency
DoD/DOD	Department of Defense

DODD	Department of Defense Directive
DOS	Days of Supply
DRMS	Defense Reutilization and Marketing Service
Ed	Education
EH-60	Quickfix
Elect	Electronic(s)
Eng	Engineering
ENL	Enlisted
Envir	Environmental
Equip	Equipment
ES	End Strength
Eval	Evaluation
EW	Electronic Warfare
Expend	Expenditure(s)
FA	Facilitative Assistance; also, Field Artillery
FAASV	Field Artillery Ammunition Support Vehicle
FAASV PIP	Field Artillery Ammunition Support Vehicle, Product Improvement Program
Fam	Family
FANS	Friendly Allied Nations Support
Fin	Financial
Fit	Fitness
FMTV	Family of Medium Tactical Vehicles
FHTV	Family of Heavy Tactical Vehicles

Acronyms & Definitions

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FP	Force Package
FT	Fort; also Full Time
FY	Fiscal Year—a yearly accounting period that is not related to the calendar year. By law, the U.S. Government FY 1997 accounting period extends from 1 October 1996 to 30 September 1997.
GS	General Schedule
GVPBAR	Ground Vehicle Propulsion Basic and Applied Research, Warren, Michigan
HDL	Harry Diamond Laboratories
HIV	Human Immunodeficiency Virus
HMMWV	High Mobility Multipurpose Wheeled Vehicle
HQDA	Headquarters, Department of the Army
HQ	Headquarters
IAW	In Accordance With
ID	Infantry Division; also, Identification
ID(L)/(MED)	Infantry Division(Light)/(Medium)
ID(Mtr)/(Mech)	Infantry Division(Motorized)/(Mechanized)
IMA	Individual Mobilization Augmentee
Implement	Implementation
Improv	Improvement
Incl	Includes, Including
ING	Inactive National Guard
Inst	Institute
Intel	Intelligence
IRR	Individual Ready Reserve
JAVELIN	AAWS-M, Anti-Armor Weapon System-- Medium
JCS	Joint Chiefs of Staff

KBtu	Thousands of British Thermal Units
LCR	Light Cavalry Regiment
LOG	Logistics
LOGCAP	Logistics Civil Augmentation Program
LT	Light
M&R	Maintenance and Repair
MAINT	Maintenance
Mbr	Member
MCA	Military Construction, Army
MCAR	Military Construction, Army Reserve
MCNG	Military Construction, Army National Guard
Meas	Measurement
Mech	Mechanized
Med	Medical, Medicine
MGMT	Management
MIL	Military
MILCON	Military Construction
MILPERS	Military Personnel
MIL TECH	Military Technician
Misc	Miscellaneous
MITA	Military Implementing Technical Agreement
MLRS	Multiple Launch Rocket System
MM	Millimeter
MOB	Mobilization

Acronyms & Definitions

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MODs	Modifications
MOT	Military Ocean Terminal
MPA	Military Personnel, Army
MR	Missile Range
MRC	Major Regional Contingency
MSE	Mobile Subscriber Equipment
MSL	Missile
MSLS	Missile Procurement, Army
MTN(L)	Mountain (Light)
MYP	Multiyear Procurement
NASA	National Aeronautics and Space Administration
NATO	North Atlantic Treaty Organization
NBC	Nuclear, Biological and Chemical
NBPRP	National Board for the Promotion of Rifle Practice
NFIP	National Foreign Intelligence Program
NG	National Guard
NGPA	National Guard Personnel, Army
NTC	National Training Center
NTV	Non-Tactical Vehicle
Obligations	Amounts or orders placed, contracts awarded, services rendered, or other commitments registered in official accounting records during a given period.
OCAR	Office of the Chief, Army Reserve
OCE	Organization Clothing and Equipment
OCIE	Organizational Clothing and Individual Equipment
OCONUS	Outside Continental United States (includes Alaska and Hawaii)

ODCSLOG	Office of the Deputy Chief of Staff, Army, for Logistics
ODS	Operation DESERT STORM
OMA	Operations and Maintenance, Army
OMAR	Operations and Maintenance, Army Reserve
OMNG	Operations and Maintenance, Army National Guard
OPA	Other Procurement, Army
OPROJS	Operational Projects
Ops	Operations
OPTEMPO	Operating Tempo
OSD	Office of the Secretary of Defense
OTSG	Office of The Surgeon General
Outlays	Checks issued, interest accrued on the public debt, and other payments, net of refunds and reimbursements.
O&M	Operations and Maintenance
PBD	Program Budget Decision
P-CAP	U.S. Pacific Command Contingency Acquisition Program
PCS	Permanent Change of Station
PERS	Personnel
Phys	Physical
PIP	Product Improvement Program

Acronyms & Definitions

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PL	Public Law
PLL	Prescribed Load List
Plng	Planning
PLS	Palletized Load System
POL	Petroleum, Oil and Lubricants
POMCUS	Prepositioning of Materiel Configured to Unit Sets
Prep	Preparedness
Prgm	Program
Proc	Procurement
Pubs	Publications
Pwr Proj	Power Projection
PY	Prior Year--the fiscal year preceding the year in which the budget is currently being executed; the last completed fiscal year.
QTY	Quantity
RC	Reserve Component (USAR & ARNG)
RCAS	Reserve Component Automation System
RDA	Research, Development, and Acquisition (includes Procurement and RDTE)
RDEC	Research, Development and Engineering Center, Natick, Massachusetts
RDTE	Research, Development, Test and Evaluation
Read. Enh.	Readiness Enhancement
Rec	Recreation
Recon	Reconnaissance
Regt	Regiment
Reqt	Requirement
Res	Reserve; also, Research
RIO Pact	Inter-American Treaty of Reciprocal Defense
RO/RU	Roundout/Roundup

ROTC	Reserve Officers Training Corps
RPA	Reserve Personnel, Army
RPM	Real Property Maintenance
RPMA	Real Property Maintenance Activities
SADARM	Sense and Destroy Armor
SATCOM	Satellite Communications
SAW	Squad Automatic Weapon
SEP BDES	Separate Brigades
SF	Square Foot
SOCOM	Special Operations Command
Spec	Specialized
SPT/SUP	Support
Sup	Supply
Surv	Surveillance; also, Survivability, Survival
Svc	Service
Sys	System
Tact	Tactical
TBtu	Trillions of British Thermal Units
Tech	Technology, Technological
TIARA	Tactical Intelligence and Related Activities
TNG	Training

Acronyms & Definitions

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TOA	Total Obligational Authority--the sum of all direct budget authority granted (or requested) from the Congress in a given year, amounts authorized to be credited to a specific fund, and unobligated balances of budget authority from previous years which remain available for obligation.
TOW	Tube-Launched, Optically-Sighted, Wire-Guided
Trans	Transport, Transportation
TROSCOM	Troop Support Command
UH-60	Blackhawk helicopter
U.K.	United Kingdom
USAR	U.S. Army Reserve
USARC	U.S. Army Reserve Command; also U.S. Army Reserve Center
USAREC	U.S. Army Recruiting Command
USAREUR	U.S. Army Europe
USARPAC	U.S. Army Pacific
USDB	U.S. Disciplinary Barracks
USPACOM	United States Pacific Command
Veh	Vehicle
WG	Wage Grade
WHNS	Wartime Host Nation Support
WON	Won--South Korean unit of currency
WRSA	War Reserve Support for Allies
WRSI	War Reserve Secondary Items
WTCV	Weapons and Tracked Combat Vehicles
YEN	Yen--Japanese unit of currency
\$B	Billions of Dollars
\$M	Millions of Dollars