



NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

MBA PROFESSIONAL REPORT

**An Analysis of the Ticonderoga Class Guided
Missile Cruisers 1B1B Account**

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 December 2008**

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REPORT DOCUMENTATION PAGE			<i>Form Approved OMB No. 0704-0188</i>	
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington DC 20503.				
1. AGENCY USE ONLY (Leave blank)		2. REPORT DATE December 2008	3. REPORT TYPE AND DATES COVERED MBA Professional Report	
4. TITLE AND SUBTITLE An Analysis of the Ticonderoga Class Guided Missile Cruisers 1B1B Account			5. FUNDING NUMBERS	
6. AUTHOR(S) Brian M. Johnson, Martin L. Edmonds and Jeff A. Finlay				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval Postgraduate School Monterey, CA 93943-5000			8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING /MONITORING AGENCY NAME(S) AND ADDRESS(ES) COMMANDER NAVAL SURFACE FORCES			10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government.				
12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for public release; distribution is unlimited			12b. DISTRIBUTION CODE	
13. ABSTRACT (maximum 200 words) The purpose of this MBA Project is to review the current budgeting model and existing ship's Operating Target (OPTAR) data for fiscal year (FY) 2006 and 2007. The scope of analysis is limited to the Ticonderoga Class Cruiser (CG) 1B1B OPTAR other consumable (SO) account. The objective of this paper is to analyze the operating costs supporting the funding allocation method used by Commander, Naval Surface Force (CNSF) in support of his stakeholders and to identify and evaluate the underlying costs and cost drivers in relation to each cruiser's location in the Fleet Response Plan (FRP). An analysis was performed by fiscal year, expense element, federal supply group (FSG) and FRP phase to find outliers or anomalies with regard to ships expenditures. Additionally, an examination was done to identify expenditure differences between fleets within the cruiser class squadron (CG CLASSRON) and in an attempt to understand the spending disparity between Pacific (PAC) and Atlantic (LANT) Fleets.				
14. SUBJECT TERMS OPTAR, Consumable Funding, SO, Federal Supply Group, FSG, Funding Allocation, Fleet Response Plan, FRP, Expense Elements, Cruiser			15. NUMBER OF PAGES 151	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT Unclassified	18. SECURITY CLASSIFICATION OF THIS PAGE Unclassified	19. SECURITY CLASSIFICATION OF ABSTRACT Unclassified	20. LIMITATION OF ABSTRACT UU	

NSN 7540-01-280-5500

Standard Form 298 (Rev. 2-89)
Prescribed by ANSI Std. Z39-18

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**AN ANALYSIS OF THE TICONDEROGA CLASS GUIDED
MISSILE CRUISERS 1B1B ACCOUNT**

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Submitted in partial fulfillment of the requirements for the degree of

MASTER OF BUSINESS ADMINISTRATION

from the

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AN ANALYSIS OF THE TICONDEROGA CLASS GUIDED MISSILE CRUISERS 1B1B ACCOUNT

ABSTRACT

The purpose of this MBA Project is to review the current budgeting model and existing ships Operating Target (OPTAR) data for fiscal year (FY) 2006 and 2007. The scope of analysis is limited to the Ticonderoga Class Cruiser (CG) 1B1B OPTAR other consumable (SO) account. The objective of this paper is to analyze the operating costs supporting the funding allocation method used by Commander, Naval Surface Force (CNSF) in support of his stakeholders and to identify and evaluate the underlying costs and cost drivers in relation to each cruiser's location in the Fleet Response Plan (FRP). An analysis was performed by fiscal year, expense element, federal supply group (FSG) and FRP phase to find outliers or anomalies with regard to ships expenditures. Additionally, an examination was done to identify expenditure differences between fleets within the cruiser class squadron (CG CLASSRON) and in an attempt to understand the spending disparity between Pacific (PAC) and Atlantic (LANT) Fleets.

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LIST OF ACRONYMS

AG	Activity Group
ADAL	Authorized Dental Allowance List
AFMP	Annual Financial Management Plan
AMMAL	Authorized Medical Material Allowance List
APL	Allowance Parts Listing
APPN	Appropriation
BOR	Budget OPTAR Report
CG	Ticonderoga Class Guided Missile Cruiser
CLASSRON	Class Squadron
CNSF	Commander, Naval Surface Forces
CONUS	Continental United States
DFAS	Defense Finance and Accounting System
DNUW	Deployed Not Underway
DOD	Department of Defense
DUW	Deployed Underway
EIC	Equipment Identification Code
FC	Fund Code
FMB	Navy Office of Budget
FRP	Fleet Response Plan
FY	Fiscal Year
FYDP	Future Years Defense Plan

GAO	Government Accountability Office
GPRA	Government Performance and Results Act
GWOT	Global War on Terrorism
ISL	Integrated Stock Listing
LANTFLT	Atlantic Fleet
MFOM	Material Figure of Merit
NAVSEA	Naval Sea Systems Command
NDNU	Not Deployed Not Underway
NDU	Not Deployed Underway
NIIN	National Item Identification Number
OCONUS	Outside the Continental United States
O&M,N	Operations and Maintenance, Navy
O&M,NR	Operations and Maintenance, Navy Reserve
OPCON	Operational Control
OPMONTH	Operating Month
OPNAV	Office of the Chief of Naval Operations
OPTAR	Operating Target
OPTEMPO	Operation Tempo
OSD	Office of the Secretary of Defense
PACFLT	Pacific Fleet
SNSL	Stock Number Sequence Listing
SO	Other Consumable Cost Element
SR	Repair Parts Cost Element

STARS	Standard Accounting and Reporting System
SWE	Surface Warfare Enterprise
SX	TAD Cost Element
TAD	Temporary Additional Duty
TFR	Task Force Readiness
TYCOM	Type Commander

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ACKNOWLEDGMENTS

We would like to acknowledge and thank Ms. JoAnn Flavin, CAPT Brian Drapp and Ms. Julie Webb at Commander, Naval Surface Forces for all of the time and support given during the research and development of this MBA project. Also, we would like to recognize our project advisors Professor Kenneth Euske and Professor John Mutty. Their time, patience and guidance were invaluable during the MBA project process. Lastly, we would like to thank our families for their unwavering support and understanding during the last 18 months. Without them, the completion of this project would not have been possible.

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I. INTRODUCTION

A. BACKGROUND

In the Government Performance and Results Act (GPRA) of 1993, Congress stated that

- Waste and inefficiency in federal programs undermine the confidence of the American people in the Government and reduces the Federal Government's ability to address adequately vital public needs;
- Federal managers are seriously disadvantaged in their efforts to improve program efficiency and effectiveness, because of insufficient articulation of program goals and inadequate information on program performance; and
- Congressional policymaking, spending decisions and program oversight are seriously handicapped by insufficient attention to program performance and results (GPRA, 1993).

As operating costs increase and budgets become tighter, the forecasting and allocation of funds by Commander, Naval Surface Force (CNSF) and the Cruiser Class Squadron (CG CLASSRON) become ever more critical and require greater oversight in both budgeting and execution. The current funding allocation method is based on the Task Force Readiness (TFR) methodology and Fleet Response Plan (FRP), which utilize the average cost per month/per ship-class during a given operating cycle (basic, intermediate, sustainment, maintenance, or deployment). The budgetary controls, or assigned budget, placed on the ships by CNSF are based on the historical average of spending per ship-class, each ship's phase within the FRP cycle, and economic inflation rates (J. McGuire, CNSF, personal communication, January 15, 2008).

CNSF's current budgetary forecasting tool is ultimately driven by the average demands of the fund-administering activities (e.g., Ticonderoga Class Guided Missile Cruisers) as indicated by their location in the FRP. The current budget in execution was developed based on data from fiscal year (FY) 2006 and then adjusted for inflation. It

should be noted here that this baseline restricts the data available to build an accurate model and may or may not have provided an accurate description of a normal budget year (J. McGuire, CNSF, personal communication, January 15, 2008).

As implied above, the budgetary control system and allowancing of funds are independent of a ship's input. However, ships are required to submit an Annual Financial Management Plan (AFMP) to the CLASSRON and CNSF based on their grant. Per the Surface Force Supply Procedures (SURFSUP), "surface force units will develop the AFMP based on assigned Operating Target (OPTAR)" (COMNAVSURFLANT/COMNAVSURFPACINST 4400.1, 2006, p. 7-4). This financial reporting tool communicates how the ships will execute their annual grants by quarter, which items are to be centrally managed, and the elements of their phased replacement programs. While each ship is required to operate within the budgetary constraints as set forth collectively by CNSF and the CLASSRON, a ship's operational tempo (OPTEMPO) also has a major influence on the spending rates and it may inadvertently obligate less or more than was originally allocated for that quarter.

In the author's experience, this need to spend more than originally allocated usually results in a re-alignment of funds request to support ship's readiness. Depending upon where a ship is in the fiscal year, the funds will normally be re-aligned from the planned fourth quarter grant. It is also important to note, that depending on the ship's OPTEMPO and location in the FRP, this re-alignment can inevitably lead to ships entering into the fourth quarter with no available funding. Furthermore, this can easily occur whenever the ships fail to plan, report accurately or are just subject to increased costs due to unanticipated events. In such cases, both CNSF and the CLASSRON must be prepared to be fully capable of funding the remainder of the fiscal year.

1. Overview of Fund Appropriation and the Allocation Process

The mechanism by which CNSF receives its funding from Congress in support of its surface ships is the result of the Planning, Programming, Budgeting and Execution

System (PBBES) utilized in the Department of Defense (DoD). The focal point for CNSF in the budgeting process is the planning and subsequent execution phases of the PBBES system. However, before funds can be spent or executed, they first have to be appropriated and allocated. After Congress approves the appropriation act, the President signs it into law. Once signed into law and after the fiscal year begins, the appropriation act is then under the auspices of the Treasury Department. The Treasury Department then provides a Treasury Warrant to the Office of Management and Budget (OMB) that explains in detail the amount of funds appropriated and any restrictions imposed. Finally, this warrant allows funds to be apportioned by the OMB to the DoD (Potvin, 2007, p. 17).

Before fund apportionment to DoD, it must submit an apportionment request to spend the dollars appropriated by Congress. The apportionment approval to DoD from the OMB specifies the rate at which the funding can be obligated and drawn from the Treasury. To support the execution phase of PBBES and to guard against over-obligation and improve spending efficiency, fund apportionment is scheduled at certain times throughout the fiscal year; annual appropriations are apportioned on a quarterly basis while multi-year appropriations are apportioned annually (Potvin, 2008, p. 4).

In the DoD, “allotments are used to delegate to subordinate components of the department (e.g., Army, Navy, and Air Force) the authority to incur a specific amount of obligations” (Jones & McCaffery, 2008, p. 332). The Undersecretary of Defense, Comptroller (USD(C)), who performs this after receiving the apportionment, will allocate funds via allotment to the service components financial managers (FM). For the Navy, the FM is the Assistant Secretary of the Navy for Financial Management and Comptroller (ASN(FM&C)). The FM will further distribute funds to the Chief of Naval Operations (CNO) who is the Responsible Officer (RO). The RO then sub-divides the funding to the major claimant or Budget Submitting Offices (BSO). This sub-division is either classified as an Operating Budget for Operation and Maintenance (O&M) and Research, Development, Testing and Evaluation (RDT&E) or as an allotment for procurement appropriations (Potvin, 2007, p. 17).

For the purposes of this paper, the flow of O&M budget authority continues down to the major claimant, Commander, U.S. Pacific Fleet (COMPACFLT); to the sub-claimant or Type Commander (TYCOM), Commander, Naval Surface Forces (CNSF); to the CG CLASSRON; and finally to the fund administering activity or stakeholder. It should be noted that down to and at the CNSF level, all budgets and allotments are subject to the Anti-Deficiency Act, which prohibits “making obligations or expenditures in excess of an apportionment or reappropriation, or in excess of the amount permitted by agency regulations” (31 U.S.C. § 1517(a)). Figure 1 shows the flow of funds.

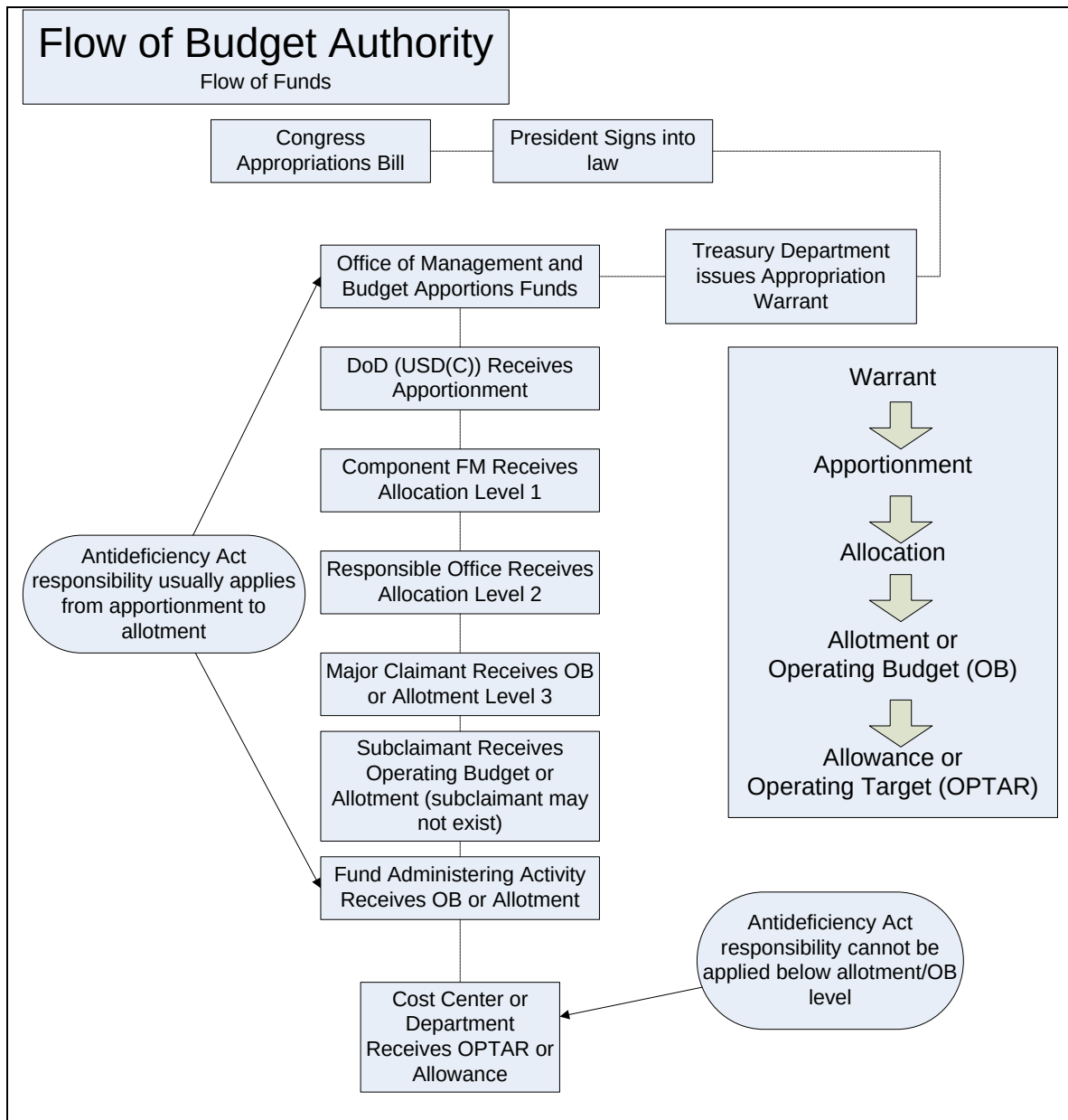


Figure 1. Example Flow of Funds (From: Practical Financial Management, p. 18)

The fund-administering activity (e.g., Ticonderoga-class Guided Missile Cruisers) then receives its operating budget or allowance from the TYCOM and CLASSRON in the form of a ship's Operating Target (OPTAR). Per the SURFSUP:

OPTAR's are established on the basis of historical requirements, obligation data, and available funding...Levels established are sufficient to support most requirements the ship's force can accomplish or has responsibility for funding including purchased services and equipment rental. The establishment of an OPTAR is authorization for the recipient to place obligations against TYCOM funds up to the amount of the OPTAR grant. This funding policy provides the greatest flexibility and predictability to the fund's managers at both the TYCOM and shipboard levels (COMNAVSURFLANT/COMNAVSURFPACINST 4400.1, 2006, p. 7-8).

One of several funding streams to the ship is the Mission and Other Ship Operation (1B1B) OPTAR (SO) account, which is the funding for administrative, routine housekeeping and general consumable items that include, but are not limited to: tools, office machines, life saving and personnel safety equipment (such as life jackets, self-contained breathing apparatus, and life lines), copier paper, toilet paper, trash bags, food service equipment, paint, line, logbooks, telephone charges, government service agency (GSA) or local base-owned vehicle rental, mooring lines, underway replenishment gear, lagging, battle lanterns, applicable medical and dental items, and port services such as tugs, pilots, brows, garbage removal, and water taxis. Per CNSF, SO funds will be obligated in the following order.

- Medical/dental supplies and services
- Damage control
- Life saving and personnel safety
- Required general use consumables
- Equipage, not included above, to fill allowance or replace surveyed equipage
- Self-help habitability improvement projects
(COMNAVSURFLANT/COMNAVSURFPACINST 4400.1, 2006, p. 7-4)

To ensure surface ships of the United States (U.S.) Navy are properly trained, maintained and crewed to support military operations with both U.S. military services and allied nations, it is the responsibility of financial managers to ensure the ships are utilizing their OPTAR budgets in the most efficient manner. As costs escalate and

defense budgets become more constrained with each successive year, predicting and efficiently allocating funds for CNSF's surface ships in support of assigned missions has become increasingly critical and requires greater accuracy both in budgeting and execution.

2. Budgetary Implications

The comptroller at CNSF faces significant budgetary challenges as she attempts to predict the future financial needs of the surface fleet and execute the financial plan in support of the Global War on Terrorism (GWOT), unrelated regional conflicts, and continued national defense efforts. A thorough understanding of the budgetary implications facing CNSF and the CLASSRON is a "must" in this rapidly changing environment.

CNSF's budgetary requirements are ultimately driven by the demands of its customers (fund administering activities) and their respective OPTEMPOs and/or schedules as determined by their mission orders within the FRP, which were "undertaken to achieve a more responsive and more readily deployable fleet, institutionalizes a new readiness approach intended to allow the Navy to deploy many assets quickly" (RAND, 2006, p. 2). Supporting the global war on terror (GWOT) and U.S. allies in other regional conflicts are only some of the fiscal challenges faced by CNSF in supporting military operations. Herein lie many demands that not only prove repeatedly unpredictable, but also act as barriers in predicting future funding requirements. Critical decisions must be made with regard to priorities and capabilities. This may mean sacrificing readiness and morale in support of surface fleet military operations (J. McGuire, CNSF, personal communication, March 13, 2008). Therefore, it is even more critical that ships use their limited funds in the most effective and efficient manner possible.

3. Current Model

The fund allocation methodology or algorithm CNSF currently uses in determining a ship's operating budget level is based primarily on two factors: 1) historical averages and 2) what phase of the deployment cycle the ship will be in for the majority of the month (J. McGuire, CNSF, personal communication, July 16, 2008). To forecast the funding levels for FY08, the current model brought forward the average monthly cost calculated during the FRP cycle per ship class using FY06 as a baseline and then factoring in the inflation rates of 2.5 percent and 2.4 percent for FY07 and FY08, respectively (CNSF, 2007, Annual Template).

Once the expected cost of operation per ship class for each month has been determined, these numbers are summed to derive the expected average cost of the ship's operations for the upcoming fiscal year. In CNSF's funding allocation model, this cost is referred to as the ship's "requirement," implying the amount a ship needs to support its mission during that period. Once the requirement has been set for each of the two categories of funds, other and repair, it is then multiplied by a percentage that CNSF refers to as "percent distro" (%DISTRO). This percentage is calculated differently for both types of funding as well as each ship class. In the case of the CNSF's Pacific forces, all ship classes receive 75 percent of their requirement of "other" money (SO). This is determined after funding is received from COMPACFLT. Multiplying the requirement by %DISTRO and rounding it to the nearest ten thousand gives the "control" amount. This is the amount of money that CNSF plans to fund over the course of the year (CNSF, 2007, Annual Template).

Figure 2 shows the equation that represents the algorithm used to derive the total control cost for CNSF CGs.

$$TC = F_{hull,color} \cdot R_{tot}$$

$$R_{tot} = \sum_{\text{all hulls}} [B_{hull} \cdot R_B + I_{hull} \cdot R_I + S_{hull} \cdot R_S + D_{hull} \cdot R_D + M_{hull} \cdot R_M]$$

where :

X_{hull} = Total months of condition "X" for given hull type (i.e. CG)

$F_{hull,color}$ = %DISTRO for each type of money (i.e. repair or other)

$F_{CG,other}$ = .75 for CG, other

R_X = Requirement for phase "X" for all hulls of this type

tot = Total (all phases combined)

B = Basic Training

I = Intermediate Training

S = Sustainment Training

D = Deployment

M = Maintenance

Figure 2. Total Control Cost Calculation (After: Data in the CNSF Annual Funding Allocation Template)

Figure 3 displays the predicted monthly costs per phase for FY08 and compares them to the control values for each month. When looking at Figure 3, one key item to note is that the control number (solid bar) is only about 75 percent of the requirement (which is comprised of the estimated costs of each phase).

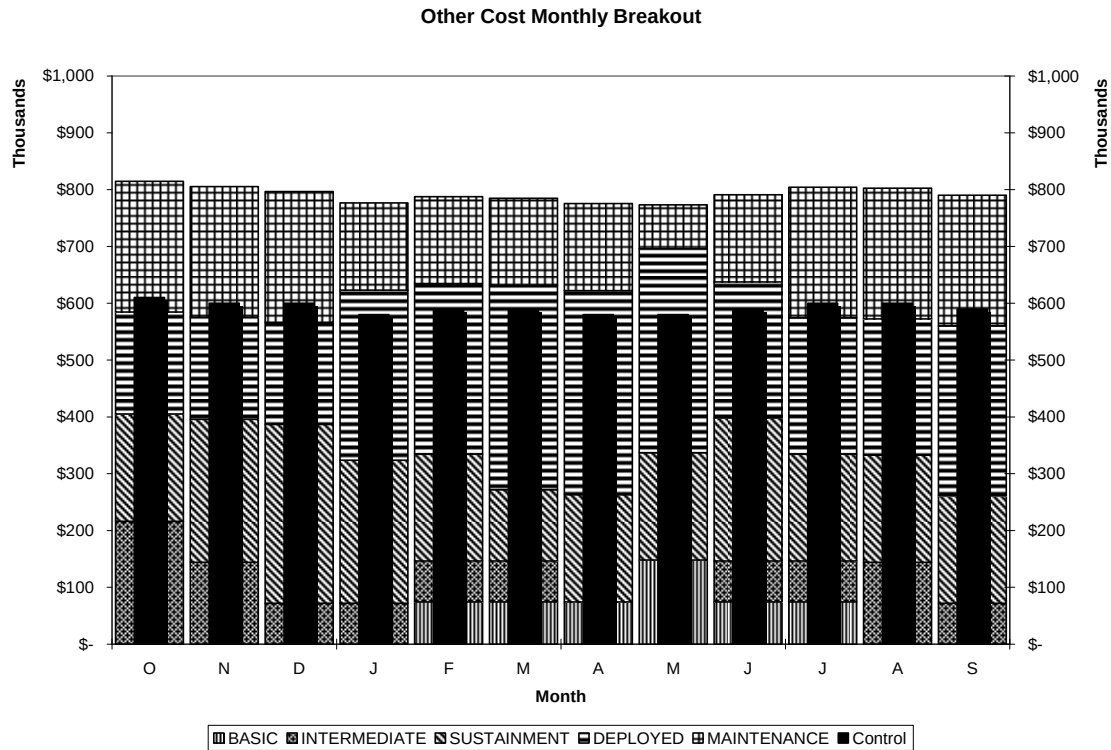


Figure 3. Monthly Other Costs (After: Data in the CNSF Annual Funding Allocation Template)

Figure 4 reflects a breakdown of data provided by CNSF in Table 3. Given that 54 of 144 ship-months (see Table 3 for more information on the FRP cycle breakdown) for FY08 are expected to occur in the deployment phase (this amounts to 37.5 percent of the operations schedule), it is not surprising that the largest portion of 1B1B (SO) funding for CGs is used during the deployment phase. Figure 3 predicts that ships in the deployment phase used about 34 percent of the requirement for FY08, with the sustainment phase consuming approximately 27 percent of those funds.

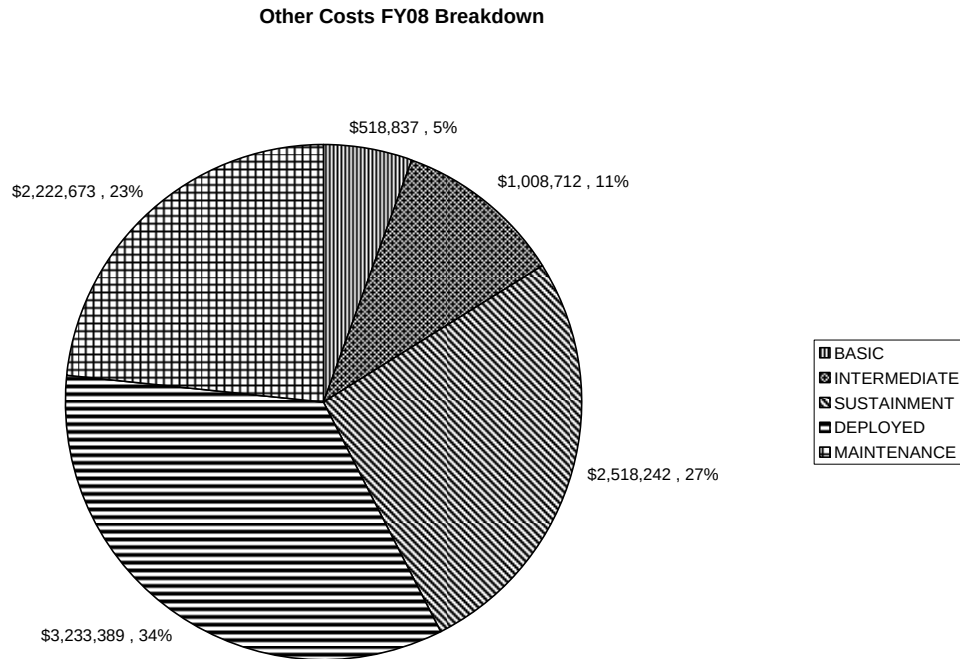


Figure 4. Relative Annual Other Costs (After: Data in the CNSF Annual Funding Allocation Template)

Table 1 and Table 2 reflect the change between the control or initial grant amount and the ships final grant over the course of FY06 and FY07. For both fiscal years, this plus-up was added in with the rest of the year's funding and as a result, the monthly averages for each phase went up. While the graphs for predicted monthly requirements for FY08 are relatively flat (see Figure 2), the same graphs for actual costs for FY06 would have had large jumps in September when CNSF identified additional funding and pushed it to the ships.

Table 1. Pacific Fleet CG Funding for FY06 and FY07 (From: CNSF Funding Allocation Data)

FY 2006					
SHIP NAME	SII	Requirement ALGORITHM	Control INITIAL GRANT	Actual FINAL GRANT	Difference DELTA
ANTIETAM	SO	783,000	454,000	1,039,300	585,300
BUNKER HILL	SO	758,000	439,000	1,060,000	621,000
CHANCELLORSVILLE	SO	657,000	365,000	676,000	311,000
CHOSIN	SO	776,000	461,000	892,900	431,900
COWPENS	SO	665,000	412,000	789,800	377,800
LAKE CHAMPLAIN	SO	811,000	443,000	876,700	433,700
LAKE ERIE	SO	644,000	349,000	683,000	334,000
MOBILE BAY	SO	636,000	313,000	712,000	399,000
PORT ROYAL	SO	792,000	491,000	1,007,300	516,300
PRINCETON	SO	686,000	425,000	1,127,000	702,000
SHILOH	SO	688,000	399,000	878,000	479,000
FY 2007					
SHIP NAME	SII	Requirement ALGORITHM	Control INITIAL GRANT	Actual FINAL GRANT	Difference DELTA
ANTIETAM	SO	847,000	720,000	1,085,000	365,000
BUNKER HILL	SO	784,000	668,000	916,100	248,100
CHANCELLORSVILLE	SO	803,000	564,000	1,292,000	728,000
CHOSIN	SO	831,000	708,000	1,167,400	459,400
COWPENS	SO	740,000	628,000	874,000	246,000
LAKE CHAMPLAIN	SO	740,000	440,000	883,700	443,700
LAKE ERIE	SO	777,000	660,000	1,024,200	364,200
MOBILE BAY	SO	657,000	460,000	795,700	335,700
PORT ROYAL	SO	715,000	500,000	983,900	483,900
PRINCETON	SO	810,000	688,000	1,282,800	594,800
SHILOH	SO	715,000	608,000	1,009,000	401,000

Table 2. Atlantic Fleet CG Funding for FY06 and FY07 (From: CNSF Funding Allocation Data)

		FY 2006			
SHIPNAME	SII	Requirement	Control	Actual	Difference
		ALGORITHM	INITIAL GRANT	FINAL GRANT	DELTA
ANZIO	SO	344,000	344,000	566,500	222,500
CAPE ST GEORGE	SO	348,000	464,000	628,400	164,400
GETTYSBURG	SO	404,000	407,000	434,400	27,400
HUE CITY	SO	392,000	392,000	566,628	174,628
LEYTE GULF	SO	468,000	468,000	840,079	372,079
MONTEREY	SO	392,000	392,000	695,000	303,000
NORMONDY	SO	408,000	428,000	596,900	168,900
PHILIPPINE SEA	SO	444,000	452,000	810,617	358,617
SAN JACITO	SO	468,000	468,000	530,700	62,700
VELLA GULF	SO	320,000	320,000	442,992	122,992
VICKSBURG	SO	320,000	320,000	664,371	344,371

		FY 2007			
SHIPNAME	SII	Requirement	Control	Actual	Difference
		ALGORITHM	INITIAL GRANT	FINAL GRANT	DELTA
ANZIO	SO	480,000	495,900	971,601	475,701
CAPE ST GEORGE	SO	312,000	296,000	731,627	435,627
GETTYSBURG	SO	432,000	555,000	1,031,493	476,493
HUE CITY	SO	408,000	334,000	859,971	525,971
LEYTE GULF	SO	360,000	310,200	644,392	334,192
MONTEREY	SO	504,000	520,000	976,263	456,263
NORMONDY	SO	492,000	649,000	1,287,747	638,747
PHILIPPINE SEA	SO	492,000	376,100	892,283	516,183
SAN JACITO	SO	384,000	548,000	795,150	247,150
VELLA GULF	SO	420,000	548,000	1,127,671	579,671
VICKSBURG	SO	336,000	484,800	118,201	(366,599)

The data selected from the CNSF model are used in Table 3 to illustrate the data captured by the current model. The top section shows the FRP schedule for the 12 CNSF Pacific CGs. Below that is the sum, by month, of CNSF CGs in each phase during each month of FY08. The bottom section of Table 3 shows the forecast cost of each phase for the 12 CGs, along with the sum (requirement) and the control value. These data, similar to those in Figure 4, show the shortfall between what each ship is expected to need for the year (the requirement) and what CNSF plans to fund (the control). For other funding, the percent DISTRO for CGs is 75 percent, so CNSF plans to fund 75 percent of each CG's requirement in FY08.

Table 3. Data from CNSF Funding Allocation Model (From: CNSF Annual Funding Allocation Template)

SHIP	CLASS/HULL	O	N	D	J	F	M	A	M	J	J	A	S
ANTIETAM	CG 54	M	M	M	M	B	B	B	B	I	I	I	S
BUNKER HILL	CG 52	S	S	S	S	M	M	M	M	M	M	M	M
CAPE ST GEORGE	CG 71	I	I	I	I	I	I	S	S	D	D	D	D
CHANCELLORSVILLE	CG 62	M	M	M	D	D	D	D	D	D	D	D	D
CHOSIN	CG 65	D	S	S	S	S	S	S	S	S	M	M	M
COWPENS	CG 63	D	D	D	D	D	D	D	D	M	M	M	D
LAKE CHAMPLAIN	CG 57	M	M	M	M	M	M	M	B	B	B	I	I
LAKE ERIE	CG 70	S	S	S	S	S	S	S	S	S	S	S	S
MOBILE BAY	CG 53	I	I	S	S	S	D	D	D	D	D	D	D
PORT ROYAL	CG 73	I	D	D	D	D	D	D	D	S	S	S	S
PRINCETON	CG 59	S	S	S	D	D	D	D	D	S	S	S	M
SHILOH	CG 67	D	D	D	D	D	D	D	D	D	D	D	D

BASIC	7	0	0	0	0	1	1	1	2	1	1	0	0
INTERMEDIATE	14	3	2	1	1	1	1	0	0	1	1	2	1
SUSTAINMENT	40	3	4	5	4	3	2	3	3	4	3	3	3
DEPLOYED	94	3	3	3	5	5	6	6	6	4	4	4	5
MAINTENANCE	29	3	3	3	2	2	2	2	1	2	3	3	3

SHIP	CLASS/HULL	BASIC	INTERMEDIATE	SUSTAINMENT	DEPLOYED	MAINTENANCE	REQUIREMENT	CONTROL
ANTIETAM	CG 54	\$296,478	\$216,153	\$62,956	\$0	\$306,576	\$882,163	\$660,000
BUNKER HILL	CG 52	\$0	\$0	\$251,824	\$0	\$613,151	\$864,975	\$650,000
CAPE ST GEORGE	CG 71	\$0	\$432,305	\$125,912	\$239,510	\$0	\$797,727	\$600,000
CHANCELLORSVILLE	CG 62	\$0	\$0	\$0	\$538,898	\$229,932	\$768,830	\$580,000
CHOSIN	CG 65	\$0	\$0	\$503,648	\$59,878	\$229,932	\$793,458	\$600,000
COWPENS	CG 63	\$0	\$0	\$0	\$538,898	\$229,932	\$768,830	\$580,000
LAKE CHAMPLAIN	CG 57	\$222,359	\$144,102	\$0	\$0	\$536,507	\$902,968	\$680,000
LAKE ERIE	CG 70	\$0	\$0	\$755,473	\$0	\$0	\$755,473	\$570,000
MOBILE BAY	CG 53	\$0	\$144,102	\$188,868	\$419,143	\$0	\$752,113	\$560,000
PORT ROYAL	CG 73	\$0	\$72,051	\$251,824	\$419,143	\$0	\$743,018	\$560,000
PRINCETON	CG 59	\$0	\$0	\$377,736	\$299,388	\$76,644	\$753,768	\$570,000
SHILOH	CG 67	\$0	\$0	\$0	\$718,531	\$0	\$718,531	\$540,000
FY06 FACTORS:							\$9,501,854	\$7,150,000

BASIC	7	\$70,617	\$68,646	\$59,981	\$57,048	\$73,022
INTERMEDIATE	14	FY07 2.5% Infl	FY07 2.5% Infl	FY07 2.5% Infl	FY07 2.5% Infl	FY07 2.5% Infl
SUSTAINMENT	40	\$72,382	\$70,362	\$61,481	\$58,474	\$74,848
DEPLOYED	54	FY08 2.4% Infl	FY08 2.4% Infl	FY08 2.4% Infl	FY08 2.4% Infl	FY08 2.4% Infl
MAINTENANCE	29	\$74,120	\$72,051	\$62,956	\$59,878	\$76,644

4. Analysis of Model

As shown in the current budgeting model (algorithm), the control provided by the BSO for SO (consumable) is 75 percent of the requirement generated from the average monthly ship costs. The remaining 25 percent shortfall can result in the deferral of needed ship level requirements. However, this shortfall is addressed with the BSO during the mid-year review. In FY07, the requirement, with documentation, was submitted to their BSO stating that:

Without full funding, the depth of materials to support Surface Warfare Enterprise Warships' safety, sanitation and medical readiness for assignments across the Fleet Response Plan (FRP) will be reduced. This reduction in ready service consumable materials impacts sustainability, quality of life and equipment/hull preservation. Units will continue to

obligate OPTAR funds to satisfy Damage Control, VBSS, foul weather gear, medical/dental, and safety requirements. The bill payer account, when these phased replacement items must be purchased, becomes paint and preservation, galley/laundry equipment and consumables, deck and underway replenishment equipment, test equipment and habitability upgrades. Shortfalls in these areas result in less than desirable risk for shipboard missions and will ultimately drive costs in repairs and/or premiums when the ship surges for operational missions. Neglecting habitability projects erodes morale and retention, resulting in the future degradation of readiness. A sailor determines if he/she wants to stay in the Navy based on past experience, not what “may” happen in the future. Promising future funding for habitability projects does not help today’s sailors serving our nation (Anderson, 2007).

Currently, the estimate provided by CNSF’s analysts and their utilization of average monthly cost per cycle appears to be an accurate forecasting method for current spending as ships will spend what they receive regardless of where they are in the FRP. This mentality creates an environment where “supply officers order more inventory than they think is necessary” (Jones & McCaffery, 2008, p. 359).

As the current model shows, the baseline was generated using data from FY06 and according to CNSF, 2006 was a “healthy” year financially (J. McGuire, CNSF, personal communication, March 13, 2008). Although it was a well-funded year from CNSF’s perspective, creating a baseline from a single year and then adjusting for inflation in subsequent years may not provide an accurate reflection of an average budget year. Additionally, when CNSF forecasts future funds, end-of-year funding is not predictable because much of this funding is on a case-by-case basis driven by unforeseen demands of the fleet. This year-end increase of funds does provide the surface ships with a means to procure their reported unfunded listing items in the budget report section to CNSF. As a result, the effects of end-of-year funding are both good and bad, as the money has to be spent during whatever FRP cycle the ship is in during that end-of-year period vice when it may be truly required (J. McGuire, CNSF, personal communication, March 13, 2008).

To capture the cost of operating and avoid funding shortfalls or limiting the ship's allowance to a percent of requirement, a model needs to be developed that identifies the cost-drivers supporting or required during each phase of the FRP cycle. This would enable real-time forecasting of the total costs required to operate. By providing a more accurate cost of operation, it would also allow for the identification of deficits per cycle, wasteful spending, and ways to find efficiency increases. Furthermore, it would close the accounting loop with CNSF by providing budget analysts with a cost breakdown on what and where the dollars were spent vice reporting a total general obligation of funds.

By identifying the cost-drivers, funding could be allocated to the ships via "resource" and "activity." The execution of this method could help to eliminate both wasteful and non-essential spending while simultaneously supporting a stable state of readiness and capability. Additionally, for CNSF, a cost-driver or managerial approach would allow for quantifiable inputs rather than estimates into the PBBES. As noted by Candreva:

If DoD leaders manage using managerial accounting, they begin to look at costs rather than expenditures and at the future rather than the past. The focus is on what it costs to provide a service, deliver a capability, or procure something, not just what was spent (Candreva, 2004, p. 11).

The incremental model perpetuates the "use it or lose it" mentality regardless of whether or not funds are being spent on items that enhance combat readiness. As Jones and McCaffery explain, "defense budget managers are faced with an incentive to spend as much as they can...they believe they must obligate their money fully before the end of the fiscal year or else lose the justification to ask for this funding in following years" (Jones & McCaffery, 2008, p. 358). As observed by Candreva, "the incentives in the appropriation process reward spending precisely what one is provided, not precisely what one needs" (Candreva, 2004, p. 10).

The current budgeting strategy and associated financial accounting control system does not produce the desired end-state of tying budget and execution efficiency into readiness nor does it allow leaders and financial managers to truly recognize the cost of

operating. The current framework only ensures maintaining and staying within legal bounds, thus not making it possible to capitalize fully on performance in an ever-changing political and foreign policy environment.

Many current budgeting and planning “solutions” do little more than simply automate the traditional spreadsheet-based budget. Whilst this may improve the efficiency of the process, saving time and cost, the opportunity is now available to generate value from the budgeting process (Barrett, 2005, p. 56).

B. RESEARCH DISCUSSION

CNSF’s current model tends to look horizontally for solutions that will maximize efficiency across platforms vice looking inward at OPTAR execution and outward at required funding levels within the FRP. By understanding the costs associated with operating at a determined performance level, CNSF will have the ability to use the current budget more effectively and efficiently and to increase forecasting accuracy.

Understanding costs and the ability to manage the activities that drive them is crucial to CNSF. In an environment of tight financial resources, it is important that financial managers understand and have the ability to control the flow of funds based on a measure of needed performance rather than an allowancing method based on an average accounting of what has happened in the past.

C. OBJECTIVE

The objective of this paper is to analyze the operating costs supporting the funding allocation method used by Commander, Naval Surface Force (CNSF) in support of his stakeholders and to identify and evaluate the underlying costs and cost drivers in relation to each cruiser’s location in the FRP cycle. The scope of analysis is limited to the Ticonderoga Class Cruiser (CG) ship’s Operating Target (OPTAR) other consumable (SO) funds.

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II. DATA COLLECTION AND METHODOLOGY

A. LITERATURE REVIEW

This study analyzes cost drivers in the 1B1B OPTAR budget account. Although several studies have been completed in the past to either more accurately predict OPTAR spending or analyze the correlation between operating costs and a ship's OPTEMPO, there has been limited success in finding a budgeting process in terms of allocation and predicting rates of expenditure. A review of historical data indicates disparities in operating costs throughout the fleet and that a more in-depth analysis of surface ships' consumable spending is required to understand ships' requirements.

In 1987, Williams used both a parametric and non-parametric statistical methodology in hopes of realizing a dependency relationship between fund obligation patterns and a ship's operating schedules. His research utilized two consecutive years of operating and OPTAR data from the FF-1052 and CG-27 ship classes. There was no significant relationship found between fund obligation patterns and operating schedules (Williams, 1987).

In 1988, Kuker and Hanson conducted a study on the relationship between surface ships OPTAR expenditures and their operating schedules. They constructed a model from ships Budget OPTAR Reports (BOR) and operating schedules to predict future spending. Kuker and Hanson's approach based its findings on 1987 data and produced relatively little explanatory reasoning (Kuker and Hanson, 1988).

In 1988, Catalano and Liao developed an OPTAR allocation model for West Coast combatant ships. The study used repair-parts costs as a dependent variable for each ship during overhaul and deployment phases and as explanatory variables during the pre-deployment phase. Catalano highlighted the degree or lack of effectiveness of previous studies, found that their findings were too complex for implementation and

concentrated on finding a more simplified solution. They concluded that the number of shipboard weapon systems might have a significant influence on an OPTAR forecasting model (Catalano, 1988).

In 1993, Ting used manpower data, materiel, maintenance and overhaul costs to build an operating and support (O&S) cost model to identify significant cost correlations. As a result, manpower was found to be the most critical factor in predicting O&S costs (Ting, 1993).

In 1999, Brandt performed a regression analysis for use in developing a parametric cost model to estimate O&S costs for non-nuclear ships more accurately. The average estimate was derived from using the ship's displacement, length and manpower as independent variables. The findings of this study showed a constant mean of O&S costs across all hulls per ship class and that the age of each ship was not a factor in driving O&S costs (Brandt, 1999).

In 2003, Gantt conducted an intensive research and analysis of the Navy's Ship Ops model for budgeting accuracy. He found minimal areas to improve in predicting repair-parts and OPTAR cost with regressions by using days underway as a data source (Gantt, 2003).

In 2007, Rysavy researched reasons for significant variations between OPTAR spending of fast attack submarines and their homeport locations. There were no findings of statistically significant interest between submarines and homeports nor did he find a significant difference in OPTAR spending with respect to OPTEMPO's. Rysavy's analysis did not indicate the strength of relationship between submarines' OPTAR spending and their OPTEMPO data; rather it only proved that a correlation existed between the two datasets (Rysavy, 2007).

In 2008, Mills, Warner and Rush conducted an analysis of the Ticonderoga Class Cruiser Operating Targets for both the Atlantic and Pacific Fleets. Their study focused on the underlying causes of the lower expenditure rates of Other Consumables (SO),

Repair (SR), and Administrative (SX) sub-accounts between east and west coast ships. Their analysis indicated that expenditure rates are not demand driven, but are affected by shipboard maintenance schedules (Mills et al., 2008).

B. DATA COLLECTION

This section provides an explanation of the source data gathered and discusses how the information is broken down for examination. For this analysis, it is important to understand the derivation of the archival data and the spending patterns in support of ship operations.

At the request of the CNSF comptroller, the Ticonderoga Class Cruisers 1B1B SO accounts were chosen for study. After the ships were identified, the expenditure and schedule data were collected for a two fiscal year period beginning with FY06.

1. Ship Class

The CG class consists of 22 active ships homeported in Norfolk, Mayport, San Diego, Pearl Harbor, and Yokosuka. Table 4 identifies each cruiser's homeport along with its respective Unit Identification Code (UIC).

Table 4. CG Homeports (From: CNSF)

SHIP	Homeport	CLASS/HULL	UIC
ANTIETAM	SAN DIEGO	CG 54	R21387
ANZIO	NORFOLK	CG 68	V21658
BUNKER HILL	SAN DIEGO	CG 52	R21345
CAPE ST GEORGE	SAN DIEGO	CG 71	R21828
CHANCELLORSVILLE	SAN DIEGO	CG 62	R21451
CHOSIN	PEARL HARBOR	CG 65	R21625
COWPENS	YOKOSUKA	CG 63	R21623
GETTYSBURG	MAYPORT	CG 64	V21624
HUE CITY	MAYPORT	CG 66	V21656
LAKE CHAMPLAIN	SAN DIEGO	CG 57	R21428
LAKE ERIE	PEARL HARBOR	CG 70	R21827
LEYTE GULF	NORFOLK	CG 55	V21388
MOBILE BAY	SAN DIEGO	CG 53	R21346
MONTEREY	NORFOLK	CG 61	V21450
NORMANDY	NORFOLK	CG 60	V21449
PHILIPPINE SEA	MAYPORT	CG 58	V21429
PORT ROYAL	PEARL HARBOR	CG 73	R21830
PRINCETON	SAN DIEGO	CG 59	R21447
SAN JACINTO	NORFOLK	CG 56	V21389
SHILOH	YOKOSUKA	CG 67	R21657
VELLA GULF	NORFOLK	CG 72	V21829
VICKSBURG	MAYPORT	CG 69	V21684

2. Fleet Response Plan (FRP)

Per the GAO,

FRP represents a change in the way the Navy manages its forces. The plan changes the manner in which the Navy maintains, trains, mans, and deploys its ships to allow a greater number of ships to surge on short notice while at the same time meeting forward- presence requirements. Four phases within the FRP cycle serve as the framework to more rapidly prepare and sustain the readiness of ships, aircraft, and personnel. The four FRP phases are (1) basic, or unit-level training; (2) integrated training; (3) sustainment (which may include one or more extended periods of deployment); and (4) maintenance. At the end of the basic phase, a unit is characterized as an “independent unit ready for tasking” and may be assigned independent operations in support of homeland security, counternarcotics missions, or assigned to provide disaster relief or humanitarian assistance. As the training progresses, the capabilities of the units increase accordingly as do the roles and missions assigned. Once the basic phase is completed and the integrated phase begins, training can be

tailored to meet a combatant commander's request for a specific capability, such as to support antipiracy operations, and the unit is characterized as "maritime security surge" capable. Upon completion of the integrated phase, a unit begins the sustainment phase and is characterized as "major combat operations surge" capable, meaning the unit is ready for operational employment, but is not necessarily able to lead combat force operations. Once a unit is certified through advanced integrated training and is fully capable of conducting all forward-deployed operations, it attains the status of "major combat operations ready." Routine deployments occur during the sustainment phase. Finally, ships spend time in maintenance phase, when major shipyard or depot-level repairs, upgrades, and modernization occur (GAO, 2008, p. 7).

Note that, while the GAO combines the sustainment and deployment phases, they are separate evolutions in the funding allocation model. This split is done to recognize the sustainment phase as a level of advanced training that focuses on mission execution and provides additional clarity with regard to readiness.

Table 5 and Table 6 provide a breakdown of ships' locations within the FRP (B=Basic, I=Intermediate, S=Sustainment, D=Deployed, M=Maintenance) for FY06 and FY07, respectively.

Table 5. FY06 FRP Breakdown (From: CNSF)

SHIP	O	N	D	J	F	M	A	M	J	J	A	S
ANTIETAM	S	S	S	M	M	M	B	B	I	I	I	I
ANZIO	S	S	S	S	S	S	S	S	S	S	S	S
BUNKER HILL	M	B	B	B	B	I	I	I	I	I	S	S
CAPE ST GEORGE	S	D	D	D	D	D	D	D	S	S	S	S
CHANCELLORSVILLE	D	D	D	D	D	D	D	D	D	D	D	D
CHOSIN	D	D	D	D	D	D	D	M	M	M	M	M
COWPENS	D	D	D	D	D	D	D	D	D	D	D	D
GETTYSBURG	D	D	D	D	D	D	S	S	M	M	M	M
HUE CITY	B	B	B	I	I	S	D	D	D	D	D	D
LAKE CHAMPLAIN	I	S	S	D	D	D	D	D	D	M	M	M
LAKE ERIE	I	I	I	I	I	I	I	I	M	M	M	M
LEYTE GULF	B	B	B	I	I	S	S	D	D	D	D	D
MOBILE BAY	I	S	S	S	S	D	D	D	D	D	D	S
MONTEREY	B	B	B	B	I	I	I	I	I	I	I	I
NORMANDY	B	B	M	M	M	B	B	I	I	I	I	I
PHILIPPINE SEA	I	I	I	I	I	I	I	S	D	D	D	D
PORT ROYAL	I	I	I	S	S	D	D	D	D	D	D	S
PRINCETON	D	S	S	S	S	S	M	M	M	M	B	B
SAN JACINTO	D	D	D	D	D	S	S	M	M	M	M	M
SHILOH	D	D	D	D	D	D	D	D	D	D	D	M
VELLA GULF	I	I	I	I	I	I	I	I	I	S	S	S
VICKSBURG	S	S	S	D	D	D	D	D	D	S	S	S

Table 6. FY07 FRP Breakdown (From: CNSF)

SHIP	O	N	D	J	F	M	A	M	J	J	A	S
ANTIETAM	I	I	I	D	D	D	D	D	D	S	S	S
ANZIO	D	D	D	D	D	D	D	S	S	S	M	M
BUNKER HILL	D	D	D	D	D	D	S	S	S	S	S	S
CAPE ST GEORGE	M	M	M	M	M	M	M	B	B	I	I	I
CHANCELLORSVILLE	B	M	M	M	M	M	M	M	M	M	B	B
CHOSIN	B	B	B	I	S	S	D	D	D	D	D	D
COWPENS	M	M	D	D	D	D	D	D	D	D	D	D
GETTYSBURG	M	M	B	B	B	I	I	I	S	D	D	D
HUE CITY	M	M	B	B	B	I	I	I	I	I	S	S
LAKE CHAMPLAIN	B	B	B	D	D	D	S	S	S	S	S	S
LAKE ERIE	M	M	B	B	B	B	I	S	D	D	D	S
LEYTE GULF	D	S	S	S	S	M	M	M	M	M	M	M
MOBILE BAY	S	S	S	M	M	M	M	B	B	B	I	I
MONTEREY	D	D	D	D	D	D	S	S	S	S	B	B
NORMANDY	I	I	S	S	S	S	D	D	D	D	D	D
PHILIPPINE SEA	D	D	S	M	M	M	M	M	M	M	B	B
PORT ROYAL	M	M	M	B	B	B	I	I	I	I	I	I
PRINCETON	B	B	I	I	S	S	D	D	D	D	D	D
SAN JACINTO	M	M	M	B	B	B	I	I	I	S	S	S
SHILOH	M	M	D	D	D	D	D	D	M	M	M	D
VELLA GULF	S	S	S	D	D	D	D	D	D	S	S	S
VICKSBURG	S	S	S	S	S	S	S	S	S	S	D	D

3. Standard Accounting and Reporting System Field Level (STARS-FL)

SO expenditure data were taken from the STARS-FL accounting system. STARS-FL “provides a means of tracking allocated funds from the time they are authorized through the life cycle of the appropriation at the field level” (DFAS, 2007, p. 1-2). To explain the cost drivers of the CG CLASSRON for FY06 and FY07, the authors extracted the expense elements (EE) and Federal Supply Classification (FSC).

a. Expense Elements

Table 7 provides the expense elements classified in the SO sub-account.

Table 7. SO Expense Element Code Descriptions (From: CNSF)

EXPENSE ELEMENT	DESCRIPTION
T	NSA CONSUMMABLES
T	HULL AND STRUCTURAL
T	MEDICAL/DENTAL
Q	SPEC STORAGE OF HOUSEHOLD GOODS
Q	OTHER PURCHASE SERVICES
Q	ADP,AIS, & IRM OTHER THAN EQUIP
Q	CHARTER AND HIRE
W	NSA EQUIPMENT/EQUIPMENT
W	ADP AND AIS EQUIPMENT
E	PASSENGER VEHICLE
F	TRANSPORTATION OF THINGS
N	COMMUNICATIONS
V	OTHER POL
Y	PRINT AND PUBLICATION

C. METHODOLOGY

This project focused on the SO sub-account and attempted to identify the cost drivers underlying cruiser ship operations by phase in the FRP and between fleets. Obligation data were first gathered for both fiscal years 2006 and 2007 from the STARS-FL database. The data included the National Stock Number (NSN), quantity, total cost, document number (UIC, date, and serial number), federal supply classification (FSC),

fund code, and expense element. Additionally, to compare ship expenditures by phase in the FRP, the authors obtained a FY06 and FY07 FRP schedule for the entire CG CLASSRON.

1. Total Expenditures by FRP Phase

For the analysis, the authors determined if there were differences in expenditures between ships in the same FRP phase. To do this, the authors calculated the total expenditures for each cruiser within each phase of the FRP in both FY06 and FY07. The authors then calculated the number of months each ship spent within each phase and derived a monthly average expenditure as well as a fleet average expenditure. This allowed for the computation and comparison of the percentage difference between the ships' monthly average and fleet average. The authors performed this procedure for all cruisers in all five FRP phases across both fiscal years.

2. Expense Elements Expenditures

To help understand the cost drivers associated with the cruiser fleet and between the Pacific (PAC) and Atlantic (LANT) Fleets during FY06 and FY07, the authors first analyzed the expense element classification for each expenditure extracted from STARS-FL. Table 7 lists the expense elements and their descriptions. This method consists of segregating the data by expense element, ship and each ship's location within the FRP. As was done with total expenditures, the authors calculated total expenditures by expense element for each cruiser within each phase of the FRP in both FY06 and FY07. The authors then calculated the number of months each ship spent within each phase and derived a monthly average expense element expenditure as well as a fleet average expenditure. This allowed for the computation and comparison of the percentage difference between the ships' monthly average and fleet average. The authors performed this procedure for all expense elements, for each cruiser in all five FRP phases across both fiscal years.

Finally, to explain further and provide a physical descriptor to the underlying expense element cost drivers, the authors investigated applicable national stock numbers (NSN), noun descriptions, or federal supply group (FSG). “An NSN is a 13 digit stock number assigned by the Defense Logistics Information Service (DLIS) to identify an item of material in the supply distribution system of the United States” (NAVSUP P-485 Volume 1, 1997, p. 2-11). The FSG is a subset of the federal supply classification, which per the Naval Supply Procedures (NAVSUP), “The Federal Supply Classification (FSC) is designed to permit the classification of all items of supply used by the Federal Government. Each item of supply will be included in one, and only one, FSC. The FSC is made up of 2 two digit numeric codes: the federal supply group and the federal supply class. The federal supply group identifies, by title, the commodity area covered by classes within the group” (NAVSUP P485 Volume 1, 1997, p. 2-7).

Table 8 is a list of the federal supply groups (FSG) and their descriptions.

Table 8. Federal Supply Group Classification (From: NAVSUP, p. 485)

FSG	Description
10	Weapons
11	Nuclear ordnance
12	Fire control equipment
13	Ammunition and explosives
14	Guided missiles
15	Aircraft and airframe structural components
16	Aircraft components and accessories
17	Aircraft launching, landing, and ground handling equipment
18	Space vehicles
19	Ships, small craft, pontoons, and floating docks
20	Ship and marine equipment
21	Unassigned
22	Railway equipment
23	Ground Effect vehicles, Motor vehicles, trailers, and cycles
24	Tractors
25	Vehicular equipment components
26	Tires and tubes
27	Unassigned
28	Engines, turbines, and components
29	Engine accessories
30	Mechanical power transmission equipment
31	Bearings

32	Woodworking machinery and equipment
33	Deleted
34	Metalworking machinery
35	Service and trade equipment
36	Special industry machinery
37	Agricultural machinery and equipment
38	Construction, mining, excavating, and highway maintenance equipment
39	Materials handling equipment
40	Rope, cable, chain, and fittings
41	Refrigeration, air conditioning and air circulating equipment
42	Fire fighting, rescue, and safety equipment
43	Pumps and compressors
44	Furnace, steam plant, and drying equipment, and nuclear reactors
45	Plumbing, heating, and sanitation equipment
46	Water purification and sewage treatment equipment
47	Pipe, tubing, hose, and fittings
48	Valves
49	Maintenance and repair shop equipment
50	Unassigned
51	Hand tools
52	Measuring tools
53	Hardware and abrasives
54	Prefabricated structures and scaffolding
55	Lumber, millwork, plywood, and veneer
56	Construction and building materials
57	Unassigned
58	Communication, detection and coherent radiation equipment
59	Electrical and electronic equipment components
60	Fiber optics, materials and components
61	Electric wire, and power and distribution equipment
62	Lighting fixtures and lamps
63	Alarm and signal security detection systems
64	Unassigned
65	Medical, dental, and veterinary equipment and supplies
66	Instruments and laboratory equipment
67	Photographic equipment
68	Chemicals and chemical products
69	Training aids and devices
70	General purpose automatic data processing equipment, software, supplies & support equipment
71	Furniture
72	Household and commercial furnishings and appliances
73	Food preparation and serving equipment
74	Office machines, data processing equipment and visible record equipment
75	Office supplies and devices
76	Books, maps, and other publications
77	Musical instruments, phonographs, and home-type radios

78	Recreational and athletic equipment
79	Cleaning equipment and supplies
80	Brushes, paints, sealers, and adhesives
81	Containers, packaging, and packing supplies
82	Unassigned
83	Textiles, leather, furs, apparel and shoe findings, tents and flags
84	Clothing, individual equipment and insignia
85	Toiletries
86	Unassigned
87	Agricultural supplies
88	Live animals
89	Subsistence
90	Unassigned
91	Fuels, lubricants, oils, and waxes
92	Unassigned
93	Nonmetallic fabricated materials
94	Nonmetallic crude material
95	Metal bars, sheets, and shapes
96	Ores, minerals, and their primary products
97	Unassigned
98	Unassigned
99	Miscellaneous

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III. CRUISER CLASSRON SHIP EXPENDITURE ANALYSIS

The primary objective of this project was to identify and evaluate the underlying costs and cost drivers in relation to a cruiser's location in the FRP cycle. An analysis was performed by fiscal year, expense element, FSG and FRP phase to find outliers or anomalies with regard to ships' expenditures. The ship outliers were determined by greatest positive difference from fleet mean and by their total spending in terms of absolute dollars spent during time in phase. The data were arrayed and the authors subjectively chose expenditure cut off points based on drops in expenditure dollar amounts. The authors noted that the some of the data indicated high dollar expenditure rates in October and September, the beginning and end of the fiscal year. Additionally, these high dollar value expenditures dated at the beginning of the fiscal year could generally be attributed to a single requisition utilized to fund multiple expenditures throughout the fiscal year.

A. TOTAL EXPENDITURE ANALYSIS

1. Fiscal Year 2006 Total Ship Expenditures

Table 9 shows total expenditures per ship for FY06. While an Atlantic Fleet (LANTFLT) ship had the highest expenditure for 2006, the remaining four of the top five were Pacific Fleet (PACFLT) ships. Note the disparity between high and low expenditures (USS LEYTE GULF (highest) and USS VELLA GULF (lowest)) was \$596,970. The CG CLASSRON expenditures total for this fiscal year was \$16,369,863.

All tables in Chapter III are compiled from data contained in STARS - FL and provided by CNSF.

Table 9. 2006 Total Expenditures

Ship	UIC	FLEET	2006
LEYTE GULF	V21388	LANT	1,003,845.62
PRINCETON	R21447	PAC	1,001,952.52
BUNKER HILL	R21345	PAC	1,001,780.36
PORT ROYAL	R21830	PAC	980,116.78
ANTIETAM	R21387	PAC	954,950.64
PHILIPPINE SEA	V21429	LANT	943,340.01
SHILOH	R21657	PAC	861,888.58
CHOSIN	R21625	PAC	819,803.66
LAKE CHAMPLAIN	R21428	PAC	784,312.85
COWPENS	R21623	PAC	743,944.09
MONTEREY	V21450	LANT	742,026.10
LAKE ERIE	R21827	PAC	725,357.79
VICKSBURG	V21684	LANT	685,118.34
CHANCELLORSVILLE	R21451	PAC	673,809.00
NORMANDY	V21449	LANT	665,851.09
MOBILE BAY	R21346	PAC	655,863.34
ANZIO	V21658	LANT	614,332.29
HUE CITY	V21656	LANT	591,967.33
CAPE ST GEORGE	V21828	LANT	558,351.86
SAN JACINTO	V21389	LANT	515,043.81
GETTYSBURG	V21624	LANT	439,331.34
VELLA GULF	V21829	LANT	406,875.16
Total			16,369,862.56

2. Fiscal Year 2007 Total Ship Expenditures

Table 10 shows total expenditures per ship for FY07. Of the top five, PACFLT ships had the highest two expenditure rates while LANTFLT ships had the next three. The disparity between high and low expenditures (USS CHANCELLORSVILLE (highest) and USS LEYTE GULF (lowest)) was \$762,502. The CG CLASSRON expenditure total for this fiscal year was \$21,357,542.

Table 10. FY07 Total Expenditures

Ship	UIC	FLEET	2007
CHANCELLORSVILLE	R21451	PAC	1,409,872.99
PRINCETON	R21447	PAC	1,274,122.66
NORMANDY	V21449	LANT	1,237,040.00
VICKSBURG	V21684	LANT	1,127,364.16
VELLA GULF	V21829	LANT	1,083,086.84
CHOSIN	R21625	PAC	1,012,563.30
ANTIETAM	R21387	PAC	1,009,646.08
LAKE CHAMPLAIN	R21428	PAC	999,178.40
GETTYSBURG	V21624	LANT	996,900.30
PORT ROYAL	R21830	PAC	995,792.10
LAKE ERIE	R21827	PAC	969,214.74
MONTEREY	V21450	LANT	930,278.69
SHILOH	R21657	PAC	930,052.75
ANZIO	V21658	LANT	916,659.76
BUNKER HILL	R21345	PAC	897,250.66
HUE CITY	V21656	LANT	854,455.60
COWPENS	R21623	PAC	841,346.49
PHILIPPINE SEA	V21429	LANT	827,815.77
SAN JACINTO	V21389	LANT	816,709.38
CAPE ST GEORGE	V21828	LANT	793,899.24
MOBILE BAY	R21346	PAC	786,921.94
LEYTE GULF	V21388	LANT	647,371.14
Total			21,357,542.99

3. Fiscal Years 2006 and 2007 Total Ship Expenditures

Table 11 shows total expenditures per ship across both fiscal years. Of the top five ships across both fiscal years, PACFLT ships had the highest four expenditure rates while a LANTFLT ship was fifth. The disparities between fiscal years did not decrease across the two fiscal years as a result of balancing in the FRP schedules. The difference between the high and low expenditure ships (USS PRINCETON (highest) and USS SAN JACINTO (lowest)) was \$944,322. The CG CLASSRON expenditures total for the two fiscal years was \$37,727,406.

Chapter IV discusses disparities in expenditure rates between LANT and PAC fleet ships.

Table 11. FY06 and FY07 Total Expenditures

Ship	UIC	FLEET	2006	2007	TOTAL
PRINCETON	R21447	PAC	1,001,952.52	1,274,122.66	2,276,075.18
CHANCELLORSVILLE	R21451	PAC	673,809.00	1,409,872.99	2,083,681.99
PORT ROYAL	R21830	PAC	980,116.78	995,792.10	1,975,908.88
ANTIETAM	R21387	PAC	954,950.64	1,009,646.08	1,964,596.72
NORMANDY	V21449	LANT	665,851.09	1,237,040.00	1,902,891.09
BUNKER HILL	R21345	PAC	1,001,780.36	897,250.66	1,899,031.02
CHOSIN	R21625	PAC	819,803.66	1,012,563.30	1,832,366.96
VICKSBURG	V21684	LANT	685,118.34	1,127,364.16	1,812,482.50
SHILOH	R21657	PAC	861,888.58	930,052.75	1,791,941.33
LAKE CHAMPLAIN	R21428	PAC	784,312.85	999,178.40	1,783,491.25
PHILIPPINE SEA	V21429	LANT	943,340.01	827,815.77	1,771,155.78
LAKE ERIE	R21827	PAC	725,357.79	969,214.74	1,694,572.53
MONTEREY	V21450	LANT	742,026.10	930,278.69	1,672,304.79
LEYTE GULF	V21388	LANT	1,003,845.62	647,371.14	1,651,216.76
COWPENS	R21623	PAC	743,944.09	841,346.49	1,585,290.58
ANZIO	V21658	LANT	614,332.29	916,659.76	1,530,992.05
VELLA GULF	V21829	LANT	406,875.16	1,083,086.84	1,489,962.00
HUE CITY	V21656	LANT	591,967.33	854,455.60	1,446,422.93
MOBILE BAY	R21346	PAC	655,863.34	786,921.94	1,442,785.28
GETTYSBURG	V21624	LANT	439,331.34	996,900.30	1,436,231.64
CAPE ST GEORGE	V21828	LANT	558,351.86	793,899.24	1,352,251.10
SAN JACINTO	V21389	LANT	515,043.81	816,709.38	1,331,753.19
Total			16,369,862.56	21,357,542.99	37,727,405.55

B. EXPENSE ELEMENT

1. Fiscal Year 2006

The data in Table 12 show total expenditures by expense element in FY06. The table shows that expense elements T (NSA consumables, hull and structural, and medical/dental), Q (charter and hire, ADP and AIS other than equipment, and “other” purchase services), and W (NSA equipment, and ADP and AIS equipment) accounted for 92.6 percent of total expenditures. The largest expense element expenditures were in expense element T at 66.2 percent.

Table 12. 2006 Expenditures by Expense Element

2006	LANT	PAC	Total	Percent of Total
T	4,242,053.78	6,586,965.79	10,829,019.57	66.2%
Q	1,924,530.07	821,418.48	2,745,948.55	16.8%
W	328,170.77	1,237,194.12	1,565,364.89	9.6%
E	404,130.56	290,624.45	694,755.01	4.2%
V	190,207.34	98,063.14	288,270.48	1.8%
N	70,118.91	134,794.02	204,912.93	1.3%
Y	6,871.52	34,719.61	41,591.13	0.3%
2006 Total	7,166,082.95	9,203,779.61	16,369,862.56	100.0%

2. Fiscal Year 2007

The data in Table 13 show total expenditures by expense elements in FY07. As in FY06, the data show that expense elements T, Q, and W, totaling 92.7 percent, accounted for the majority of the expenditures. As in FY06, the largest expense element expenditures were in expense element T at 68.2 percent.

Table 13. 2007 Expenditures by Expense Element

2007	LANT	PAC	Total	Percent of Total
T	6,168,310.91	8,388,000.63	14,556,311.54	68.2%
Q	2,106,990.18	813,014.37	2,920,004.55	13.7%
W	1,192,094.08	1,118,405.65	2,310,499.73	10.8%
E	518,807.01	446,339.55	965,146.56	4.5%
N	35,782.07	228,767.19	264,549.26	1.2%
V	191,316.25	59,371.96	250,688.21	1.2%
Y	18,280.38	72,062.76	90,343.14	0.4%
2007 Total	10,231,580.88	11,125,962.11	21,357,542.99	100.0%

C. FLEET RESPONSE PLAN

1. Basic Training Phase

In FY06, there were seven ships in the basic training phase with expenditures totaling \$2,313,123 over 22 total months. The fleet's mean basic phase expenditures were \$105,141. In FY07, there were 13 ships in the basic training phase with expenditures totaling \$3,551,667 over 36 total months. The fleet's mean basic phase

expenditures were \$98,657. While both total expenditures and total months in phase increased from FY06 to FY07, the mean expenditure rate was lower in the basic phase for FY07. Table 14 and Table 15 show these results.

Table 14. 2006 Basic Training Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
LEYTE GULF	568,832.39	3	189,610.80	80.3%
NORMANDY	560,103.80	4	140,025.95	33.2%
MONTEREY	486,538.43	4	121,634.61	15.7%
HUE CITY	302,532.33	3	100,844.11	-4.1%
PRINCETON	209,806.65	2	104,903.33	-0.2%
ANTIETAM	116,902.09	2	58,451.05	-44.4%
BUNKER HILL	68,408.14	4	17,102.04	-83.7%
Total	2,313,123.83	22	105,141.99	

Table 15. 2007 Basic Training Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
CHANCELLORSVILLE	997,196.64	3	332,398.88	236.9%
PRINCETON	618,815.97	2	309,407.99	213.6%
CHOSIN	459,412.16	3	153,137.39	55.2%
LAKE CHAMPLAIN	437,472.56	3	145,824.19	47.8%
PHILIPPINE SEA	338,817.99	2	169,409.00	71.7%
MONTEREY	260,833.43	2	130,416.72	32.2%
LAKE ERIE	139,110.70	4	34,777.68	-64.7%
MOBILE BAY	134,459.92	3	44,819.97	-54.6%
PORT ROYAL	69,102.78	3	23,034.26	-76.7%
SAN JACINTO	43,431.03	3	14,477.01	-85.3%
GETTYSBURG	21,386.13	3	7,128.71	-92.8%
HUE CITY	20,776.12	3	6,925.37	-93.0%
CAPE ST GEORGE	10,852.47	2	5,426.24	-94.5%
Total	3,551,667.90	36	98,657.44	

2. Deployment Phase

In FY06, there were 15 ships in the deployment phase with expenditures totaling \$5,942,912 over 100 total months. The fleet's mean deployment phase expenditures were \$59,429. In FY07, there were 16 ships in the deployed phase with expenditures totaling \$6,683,826 over 80 total months. The fleet's mean deployed phase expenditures were \$83,547. Table 16 and Table 17 show these results.

Table 16. 2006 Deployed Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
PRINCETON	562,027.10	1	562,027.10	845.7%
CHOSIN	587,628.91	7	83,946.99	41.3%
SAN JACINTO	373,737.30	5	74,747.46	25.8%
GETTYSBURG	399,144.32	6	66,524.05	11.9%
SHILOH	705,751.30	11	64,159.21	8.0%
LEYTE GULF	312,447.20	5	62,489.44	5.1%
COWPENS	743,944.09	12	61,995.34	4.3%
CHANCELLORSVILLE	673,809.00	12	56,150.75	-5.5%
PORT ROYAL	314,451.79	6	52,408.63	-11.8%
PHILIPPINE SEA	189,698.78	4	47,424.70	-20.2%
LAKE CHAMPLAIN	280,024.06	6	46,670.68	-21.5%
CAPE ST GEORGE	242,281.57	7	34,611.65	-41.8%
HUE CITY	199,953.50	6	33,325.58	-43.9%
VICKSBURG	180,429.50	6	30,071.58	-49.4%
MOBILE BAY	177,584.39	6	29,597.40	-50.2%
Total	5,942,912.81	100	59,429.13	

Table 17. 2007 Deployed Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
LEYTE GULF	518,136.62	1	518,136.62	520.2%
VICKSBURG	527,794.10	2	263,897.05	215.9%
PHILIPPINE SEA	245,287.21	2	122,643.61	46.8%
ANZIO	730,949.69	7	104,421.38	25.0%
GETTYSBURG	300,648.46	3	100,216.15	20.0%
MONTEREY	590,121.74	6	98,353.62	17.7%
NORMANDY	495,076.17	6	82,512.70	-1.2%
CHOSIN	488,182.38	6	81,363.73	-2.6%
PRINCETON	485,013.13	6	80,835.52	-3.2%
BUNKER HILL	467,797.94	6	77,966.32	-6.7%
SHILOH	489,880.54	7	69,982.93	-16.2%
COWPENS	622,047.35	10	62,204.74	-25.5%
LAKE CHAMPLAIN	177,906.90	3	59,302.30	-29.0%
ANTIETAM	296,081.11	6	49,346.85	-40.9%
VELLA GULF	178,961.37	6	29,826.90	-64.3%
LAKE ERIE	69,941.67	3	23,313.89	-72.1%
Total	6,683,826.38	80	83,547.83	

3. Intermediate Training Phase

In FY06, there were 12 ships in the intermediate training phase with expenditures totaling \$3,434,523 over 55 total months. The fleet's intermediate phase expenditures

were \$62,445. In FY07, there were 11 ships in the intermediate training phase with expenditures totaling \$2,261,315 over 31 total months. The fleet's mean intermediate phase expenditures were \$72,945. Table 18 and Table 19 show these results.

Table 18. 2006 Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
MOBILE BAY	264,391.93	1	264,391.93	323.4%
LAKE CHAMPLAIN	262,010.80	1	262,010.80	319.6%
ANTIETAM	426,236.69	4	106,559.17	70.6%
PORT ROYAL	309,825.01	3	103,275.00	65.4%
PHILIPPINE SEA	701,081.96	7	100,154.57	60.4%
LAKE ERIE	497,262.69	8	62,157.84	-0.5%
VELLA GULF	375,389.77	9	41,709.97	-33.2%
HUE CITY	65,183.56	2	32,591.78	-47.8%
MONTEREY	255,487.67	8	31,935.96	-48.9%
BUNKER HILL	155,766.35	5	31,153.27	-50.1%
LEYTE GULF	47,995.80	2	23,997.90	-61.6%
NORMANDY	73,891.08	5	14,778.22	-76.3%
Total	3,434,523.31	55	62,445.88	

Table 19. 2007 Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
NORMANDY	663,951.20	2	331,975.60	355.1%
ANTIETAM	400,447.47	3	133,482.49	83.0%
CAPE ST GEORGE	320,849.89	3	106,949.96	46.6%
MOBILE BAY	191,739.96	2	95,869.98	31.4%
LAKE ERIE	75,214.17	1	75,214.17	3.1%
PORT ROYAL	330,165.12	6	55,027.52	-24.6%
PRINCETON	68,849.40	2	34,424.70	-52.8%
CHOSIN	24,976.34	1	24,976.34	-65.8%
HUE CITY	113,735.10	5	22,747.02	-68.8%
SAN JACINTO	44,790.84	3	14,930.28	-79.5%
GETTYSBURG	26,596.41	3	8,865.47	-87.8%
Total	2,261,315.90	31	72,945.67	

4. Maintenance Phase

In FY06, there were ten ships in the maintenance phase with expenditures totaling \$1,633,547 over 33 total months. The fleet's mean maintenance phase expenditures were \$49,501. In FY07, there were 13 ships in the maintenance phase with expenditures

totaling \$4,650,368 over 40 total months. The fleet's mean maintenance phase expenditures were \$86,117. In the period from FY06 to FY07, total expenditures realized a significant increase. Table 20 and Table 21 show these results.

Table 20. 2006 Maintenance Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
BUNKER HILL	466,022.38	1	466,022.38	841.4%
SHILOH	156,137.28	1	156,137.28	215.4%
LAKE CHAMPLAIN	206,981.09	3	68,993.70	39.4%
LAKE ERIE	228,095.10	4	57,023.78	15.2%
CHOSIN	232,174.75	5	46,434.95	-6.2%
ANTIETAM	73,223.06	3	24,407.69	-50.7%
SAN JACINTO	117,660.04	5	23,532.01	-52.5%
PRINCETON	92,477.53	4	23,119.38	-53.3%
NORMANDY	31,856.21	3	10,618.74	-78.5%
GETTYSBURG	28,920.12	4	7,230.03	-85.4%
Total	1,633,547.56	33	49,501.44	

Table 21. 2007 Maintenance Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
GETTYSBURG	618,013.57	2	309,006.79	258.8%
LAKE ERIE	462,243.04	2	231,121.52	168.4%
PORT ROYAL	596,524.20	3	198,841.40	130.9%
HUE CITY	391,388.80	2	195,694.40	127.2%
SAN JACINTO	493,693.91	3	164,564.64	91.1%
COWPENS	219,299.14	2	109,649.57	27.3%
SHILOH	440,172.21	5	88,034.44	2.2%
CAPE ST GEORGE	462,196.88	7	66,028.13	-23.33%
ANZIO	119,200.34	2	59,600.17	-30.8%
CHANCELLORSVILLE	412,676.35	9	45,852.93	-46.8%
PHILIPPINE SEA	231,814.79	7	33,116.40	-61.5%
MOBILE BAY	113,139.21	4	28,284.80	-67.2%
LEYTE GULF	90,005.58	7	12,857.94	-85.1%
Total	4,650,368.02	54	86,117.93	

5. Sustainment Phase

In FY06, there were 15 ships in the sustainment phase with expenditures totaling \$3,045,755 over 54 total months. The fleet's sustainment phase expenditures were

\$56,402. In FY07, there were 17 ships in the sustainment phase with expenditures totaling \$4,210,364 over 62 total months. The fleet's mean sustainment phase expenditures were \$67,909. Table 22 and Table 23 show these results.

Table 22. 2006 Sustainment Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
BUNKER HILL	311,583.49	2	155,791.75	176.2%
PORT ROYAL	355,839.98	3	118,613.33	110.3%
ANTIETAM	338,588.80	3	112,862.93	100.1%
VICKSBURG	504,688.84	6	84,114.81	49.1%
CAPE ST GEORGE	316,070.29	5	63,214.06	12.1%
PHILIPPINE SEA	52,559.27	1	52,559.27	-6.8%
ANZIO	614,332.29	12	51,194.36	-9.2%
MOBILE BAY	213,887.02	5	42,777.40	-24.2%
LEYTE GULF	74,570.23	2	37,285.12	-33.9%
PRINCETON	137,641.24	5	27,528.25	-51.2%
HUE CITY	24,297.94	1	24,297.94	-56.9%
LAKE CHAMPLAIN	35,296.90	2	17,648.45	-68.7%
SAN JACINTO	23,646.47	2	11,823.24	-79.0%
VELLA GULF	31,485.39	3	10,495.13	-81.4%
GETTYSBURG	11,266.90	2	5,633.45	-90.0%
Total	3,045,755.05	54	56,402.87	

Table 23. 2007 Sustainment Phase Expenditures

Ship	Total	Months in Phase	Monthly Mean	Percent Difference from Fleet Mean
HUE CITY	328,555.58	2	164,277.79	141.9%
VELLA GULF	904,125.47	6	150,687.58	121.9%
MOBILE BAY	347,582.85	3	115,860.95	70.6%
LAKE ERIE	222,705.16	2	111,352.58	64.0%
ANTIETAM	313,117.50	3	104,372.50	53.7%
SAN JACINTO	234,793.60	3	78,264.53	15.2%
BUNKER HILL	429,452.72	6	71,575.45	5.4%
LAKE CHAMPLAIN	383,798.94	6	63,966.49	-5.8%
VICKSBURG	599,570.06	10	59,957.01	-11.7%
PRINCETON	101,444.16	2	50,722.08	-25.3%
GETTYSBURG	30,255.73	1	30,255.73	-55.4%
ANZIO	66,509.73	3	22,169.91	-67.4%
CHOSIN	39,992.42	2	19,996.21	-70.6%
MONTEREY	79,323.52	4	19,830.88	-70.8%
NORMANDY	78,012.63	4	19,503.16	-71.3%
PHILIPPINE SEA	11,895.78	1	11,895.78	-82.5%
LEYTE GULF	39,228.94	4	9,807.24	-85.6%
Total	4,210,364.79	62	67,909.11	

D. EXPENDITURES BY EXPENSE ELEMENT AND PHASE

To understand the cost drivers associated with the cruiser fleet better, the data were further segregated by ship, expense element and each ship's location within the FRP. The Appendix shows this analysis.

The expenditure analysis used the absolute total and percent differences from the fleet mean to identify spending outliers or anomalies in spending. This approach lends itself to identifying high levels of spending on single or like expenditures of the same class of material. However, what was discovered is that a large portion of the expenditures could not be attributed to an FSC or FSG, and therefore, were classified as "other" by the authors.

The expenditures classified as "other" contain items for which the FSC and NIIN blocks were left blank or were filled with a written description of the expenditure item by the requisitioning ship. The "other" collective includes navy purchase card expenditures, public works services, vehicles, telephone and cell phone service, hazardous material service, miscellaneous items, and expenditures with no descriptions. Additionally, regardless of the ship's FRP phase, the results show that a high proportion of the single, large dollar amount, expenditures for every ship were dated at the beginning of the fiscal year.

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IV. PACIFIC AND ATLANTIC FLEET COMPARISON

This chapter analyzes expenditures with respect to each fleet excluding expenditures classified as “other.” Identifying expenditure differences between fleets within the CG CLASSRON was done in an attempt to understand the spending disparity between PAC and LANT Fleets. Removing expenditures classified as “other,” allowed examination of all remaining ship expenditures by expense element and FSG.

A. SIGNIFICANCE OF EXPENDITURE CLASSIFIED AS “OTHER”

When analyzing expenditures across all ships in the CG CLASSRON during FY06 and FY07, it was discovered that expenditures classified as “other” accounted for 67 percent and 60 percent, respectively of total expenditures. Additionally, the data show that the majority of large dollar expenditures were made at the beginning of the fiscal year. When expenditures classified as “other” were removed from the data set, there was a shift in the relative amount of total expenditures to the end of the fiscal year. Figure 5 through Figure 8 shows these results (note y-axis scale change between fiscal years).

All figures and tables in Chapter IV are compiled from data contained in STARS - FL and provided by CNSF.

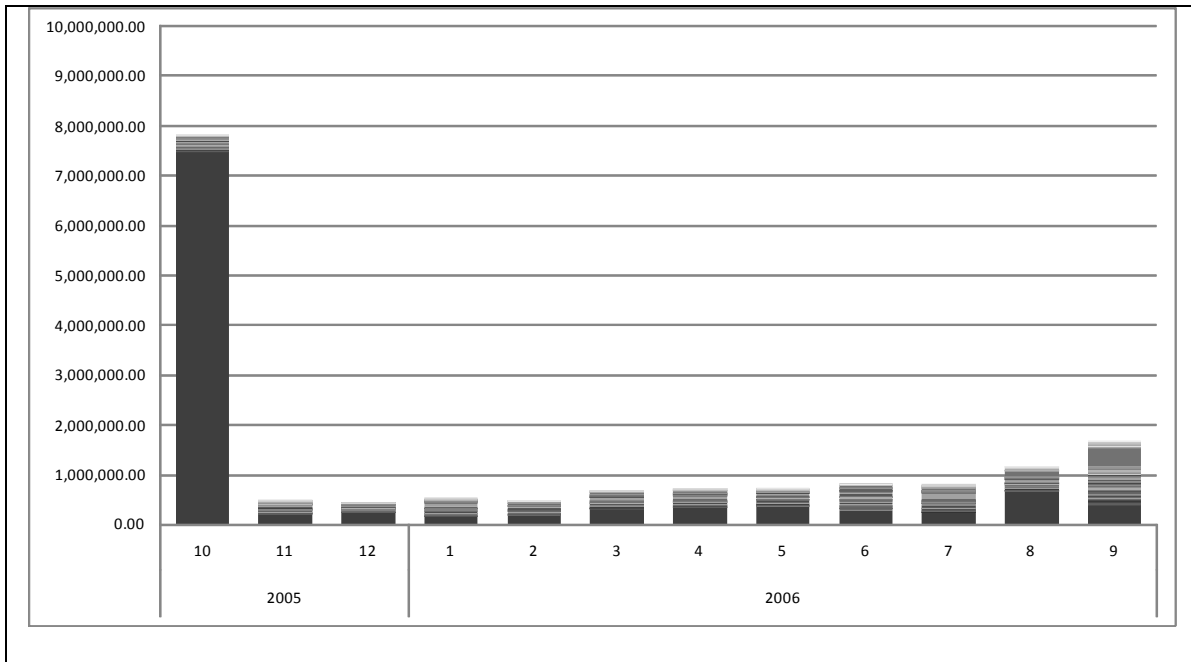


Figure 5. FY06 Monthly Expenditures Including “OTHER”

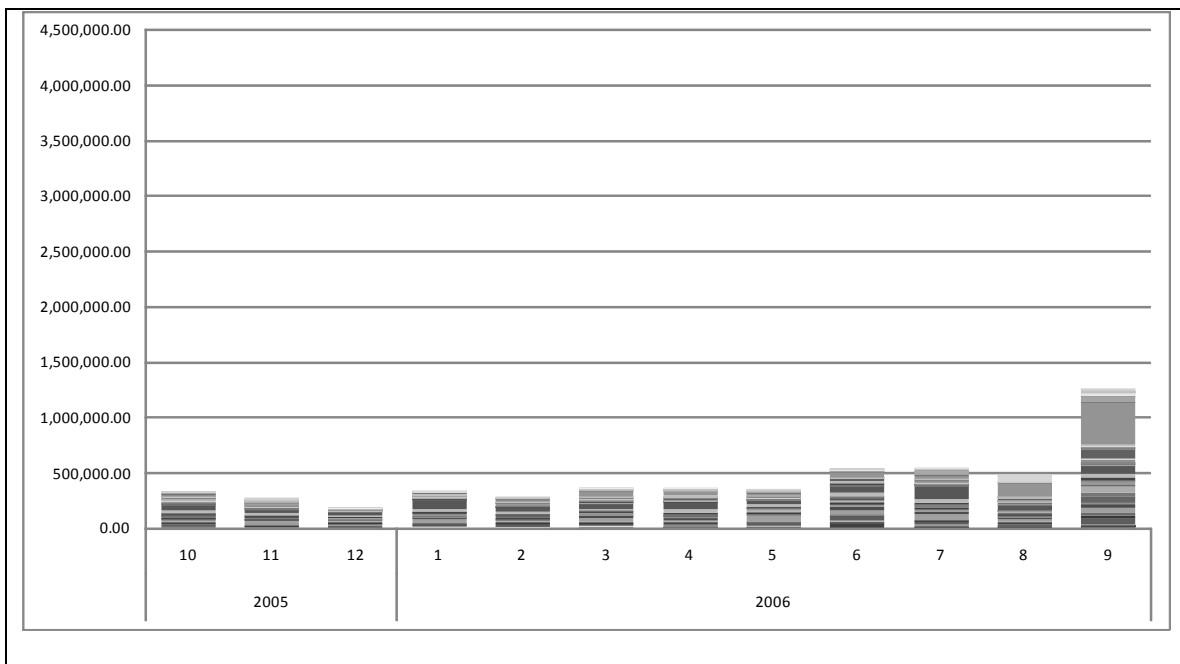


Figure 6. Monthly Expenditures Excluding “OTHER”

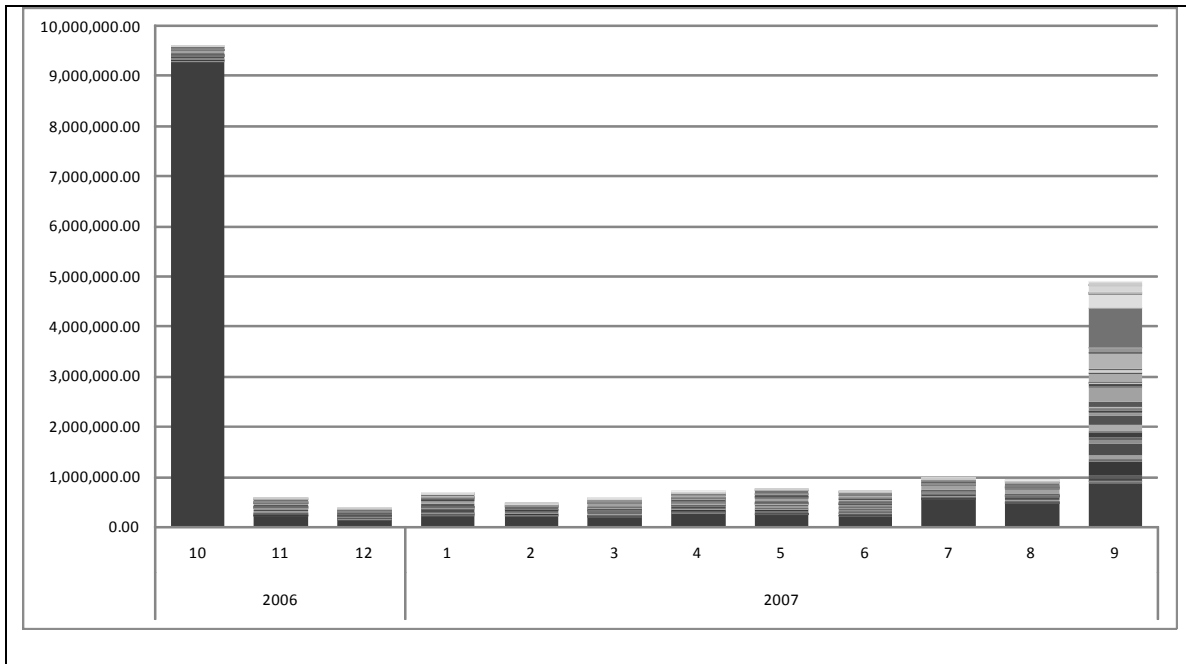


Figure 7. FY07 Monthly Expenditures Including “OTHER”

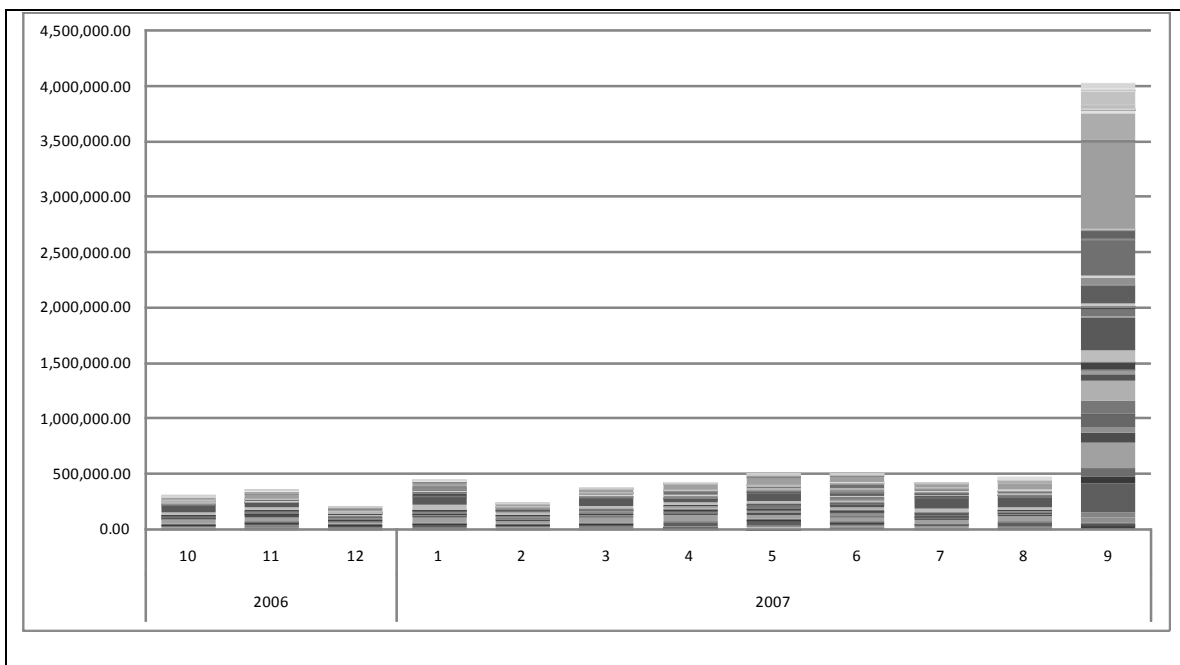


Figure 8. FY07 Monthly Expenditures Excluding “OTHER”

B. EXPENSE ELEMENT COMPARISON

To understand the expenditure patterns further, regardless of phase, and the underlying outliers and anomalies, the data set was separated into PAC and LANT fleets and analyzed. Figure 9 shows total expenditures, broken down by fleet, for each expense element across FY06 and FY07.

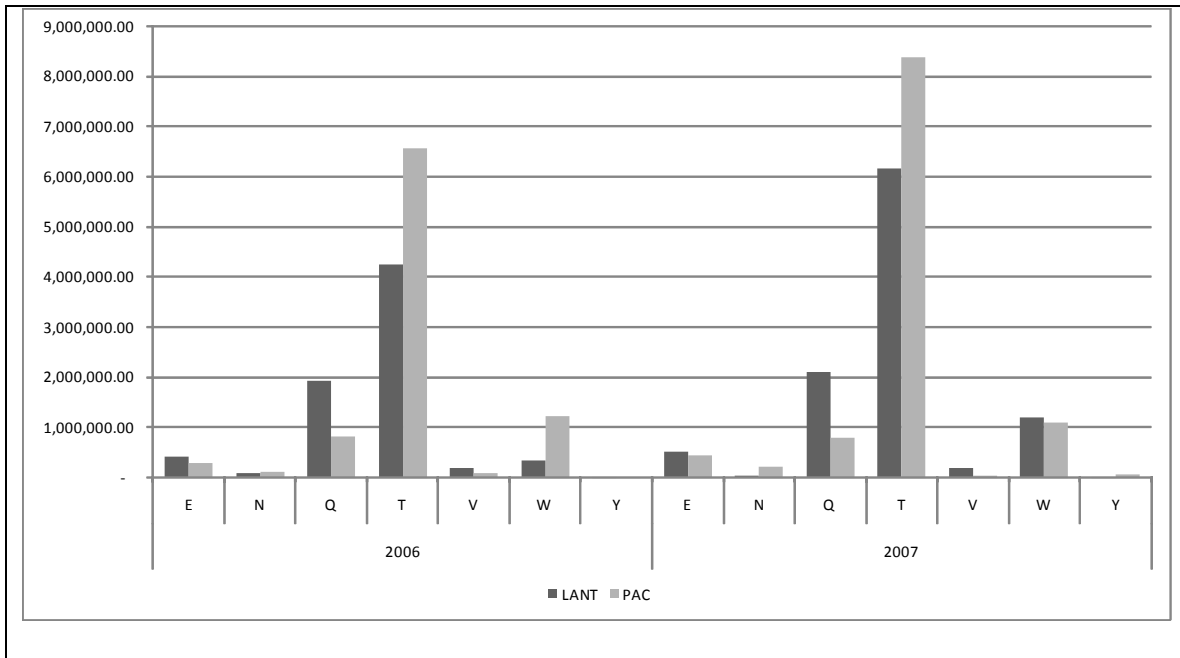


Figure 9. FY06 and FY07 Fleet Expenditures by Expense Element Including “OTHER”

Next, “other” expenditures were removed from the data set. Figure 10 shows the data from Figure 9 without the unclassified, or “other,” expenditures. Note that while expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) was the second largest by amount, it goes almost to zero when only looking at expenditures that can be attributed to an FSG (Figure 10). Expense element “T” (NSA consumables, hull and structural, and medical/dental) remains the largest expense element despite the loss of “other” expenditures.

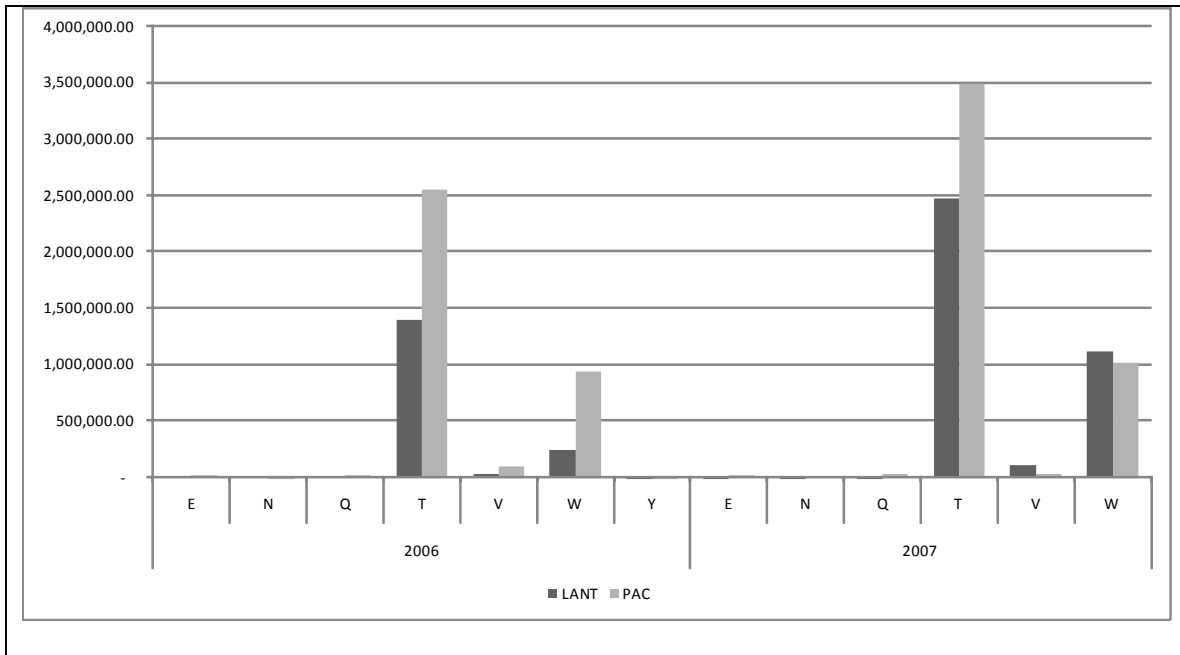


Figure 10. FY06 and FY07 Fleet Expenditures by Expense Element Excluding “OTHER”

C. FEDERAL SUPPLY GROUP EXPENDITURES

Due to the relative percentage of expenditures, excluding “other,” attributed to expense elements “T” (NSA consumables, hull and structural, and medical/dental) and “W” (NSA equipment, and ADP and AIS equipment), those two expense elements were chosen for further analysis. To identify the differences in fleet expenditure levels, the tables below reflect the top ten FSG’s contained in both expense elements for FY06 and FY07 across both fleets.

1. Expense Element “T”

a. Fiscal Year 2006

The data in Table 24 show the top ten expenditure FSGs during FY06 on expense element “T” (NSA consumables, hull and structural, and medical/dental) and

that PACFLT ships spend relatively more across all FSG's as compared to LANTFLT. The data in Table 25 show the top expenditures groups common to both fleets and their difference in spending.

Figure 11 shows the monthly expenditure rates for expense element "T" (NSA consumables, hull and structural, and medical/dental) in FY06. Additionally, approximately 12 percent of the expenditures for both fleets occurred on or after September 20, 2006.

Table 24. FY06 Expense Element "T"

	FSG	LANT	FSG	PAC	
	65	328,304.23	65	426,555.45	
	80	158,271.56	51	217,494.70	
	42	86,241.23	80	199,952.64	
	84	83,210.20	79	183,502.90	
	68	69,250.76	84	155,221.09	
	53	59,822.46	75	151,799.95	
	20	59,357.71	42	123,848.26	
	72	56,547.21	81	107,535.80	
	51	41,492.05	73	99,678.80	
	79	38,768.81	72	93,643.86	

Table 25. FY06 Expense Element "T" Common FSGs

	FSG	Description	LANT	PAC	Difference	
	65	Medical/Dental	328,304.23	426,555.45	98,251 (PAC)	
	80	Paint & Supplies	158,271.56	199,952.64	41,681 (PAC)	
	42	Firefighting Gear	86,241.23	123,848.26	37,607 (PAC)	
	84	Clothing	83,210.20	155,221.09	72,011 (PAC)	
	72	Furnishings	56,547.21	93,643.86	37,097 (PAC)	
	51	Hand Tools	41,492.05	217,494.70	176,003 (PAC)	
	79	Cleaning Gear	38,768.81	183,502.90	144,734 (PAC)	

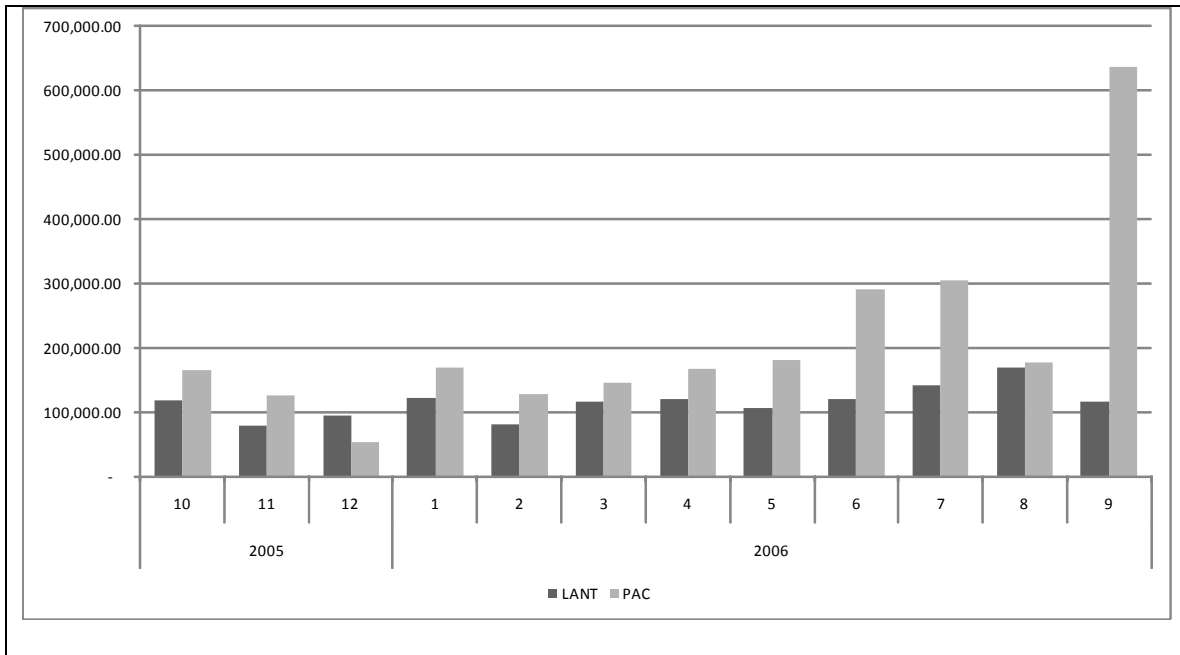


Figure 11. FY06 Expense Element “T” excluding “OTHER”

b. Fiscal Year 2007

The data in Table 26 show the top ten expenditure FSGs during FY07 in expense element “T” (NSA consumables, hull and structural, and medical/dental) and that PACFLT ships spend relatively more across all FSG’s as compared to LANTFLT. The data in Table 27 show the top expenditures groups common to both fleets and their difference in spending.

Figure 12 shows the monthly expenditure rates for expense element “T” (NSA consumables, hull and structural, and medical/dental) in FY07. Additionally, approximately 22.5 percent of the expenditures occurred on or after September 20, 2007.

Table 26. FY07 Expense Element “T”

	FSG	LANT	FSG	PAC
	65	357,305.87	65	523,829.21
	80	278,409.27	80	340,599.30
	51	234,718.60	51	338,430.29
	84	143,374.47	79	215,050.52
	42	136,841.68	84	209,282.55
	47	97,260.16	75	208,790.80
	68	90,980.94	42	185,389.18
	79	85,539.37	81	125,609.69
	73	80,058.35	53	113,845.79
	72	76,199.87	73	110,905.03

Table 27. FY07 Expense Element “T” Common FSGs

	FSG	Description	LANT	PAC	Difference
	65	Medical/Dental	357,305.87	523,829.21	166,523 (PAC)
	80	Paint & Supplies	278,409.27	340,599.30	62,190 (PAC)
	51	Hand Tools	234,718.60	338,430.29	103,712 (PAC)
	84	Clothing	143,374.47	209,282.55	65,908 (PAC)
	42	Firefighting Gear	136,841.68	185,389.18	48,548 (PAC)
	79	Cleaning Gear	85,539.37	215,050.52	129,511 (PAC)
	73	Food Svc. Equip.	80,058.35	110,905.03	30,847 (PAC)

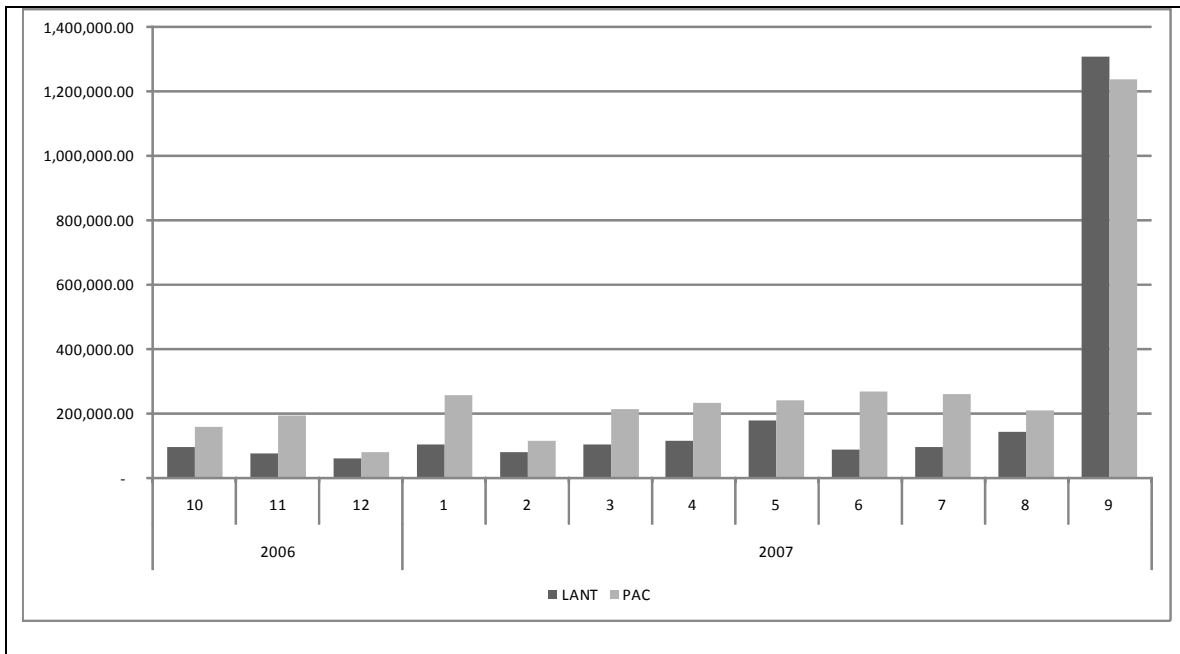


Figure 12. FY07 Expense Element “T” excluding “OTHER”

2. Expense Element “W”

a. Fiscal Year 2006

The data in Table 28 show the top ten expenditure FSGs during FY06 on expense element “W” (NSA equipment, and ADP and AIS equipment) and that PACFLT ships spend relatively more across all FSG’s as compared to LANTFLT. The data in Table 29 show the top expenditure groups common to both fleets and their difference in spending.

For FSG 42 (fire fighting, rescue, and safety equipment), the largest expenditure group, PACFLT spent a total of \$508,658, which comprised 85 percent of the total funds expended on the top ten FSG’s for both PAC and LANT during FY06. This amount accounted for over 54 percent of the total funds expended by PACFLT in expense element “W” (NSA equipment, and ADP and AIS equipment).

A further breakdown of the expenditures by PACFLT for FSG 42 shows that 62 percent (\$314,548) of the \$508,658 was spent in the last ten days of this fiscal year. Of the \$314,548, the PORT ROYAL spent \$219,327. A closer look at the PORT ROYAL’s expenditures shows that it had 18 expenditures totaling \$175,100 for a total quantity of 515 of NIINs 01-439-5937 and 01-116-9888, breathing apparatus, oxygen generating. Note that the expenditures on OBAs accounted for over 30 percent of PACFLT’s expenditures on FSG 42 in FY06.

Figure 13 shows the monthly expenditure rates for expense element “W” (NSA equipment, and ADP and AIS equipment) in FY06. Additionally, approximately 34 percent of the expenditures occurred on or after September 20, 2006.

Table 28. FY06 Expense Element “W”

	FSG	LANT	FSG	PAC
	42	89,010.84	42	508,658.10
	66	56,577.36	66	150,209.59
	84	34,248.89	40	80,276.82
	40	32,453.07	72	53,479.94
	71	8,660.74	99	44,192.40
	62	4,431.03	71	25,624.28
	58	3,990.02	73	22,824.69
	70	3,894.08	84	14,477.70
	72	3,053.97	62	8,882.31
	73	3,009.82	35	8,698.15

Table 29. FY06 Expense Element “W” Common FSGs

	FSG	Description	LANT	PAC	Difference
	42	Firefighting Gear	89,010.84	508,658.10	419,647 (PAC)
	66	Inst./Lab Equip.	56,577.36	150,209.59	93,632 (PAC)
	84	Clothing	34,248.89	14,477.70	19,771 (LANT)
	40	Rope and Chains	32,453.07	80,276.82	47,824 (PAC)
	71	Furniture	8,660.74	25,624.28	16,964 (PAC)
	62	Lighting Fixtures	4,431.03	8,882.31	4,451 (PAC)
	72	Furnishings	3,053.97	53,479.94	50,426 (PAC)
	73	Food Svc. Equip.	3,009.82	22,824.69	19,815 (PAC)

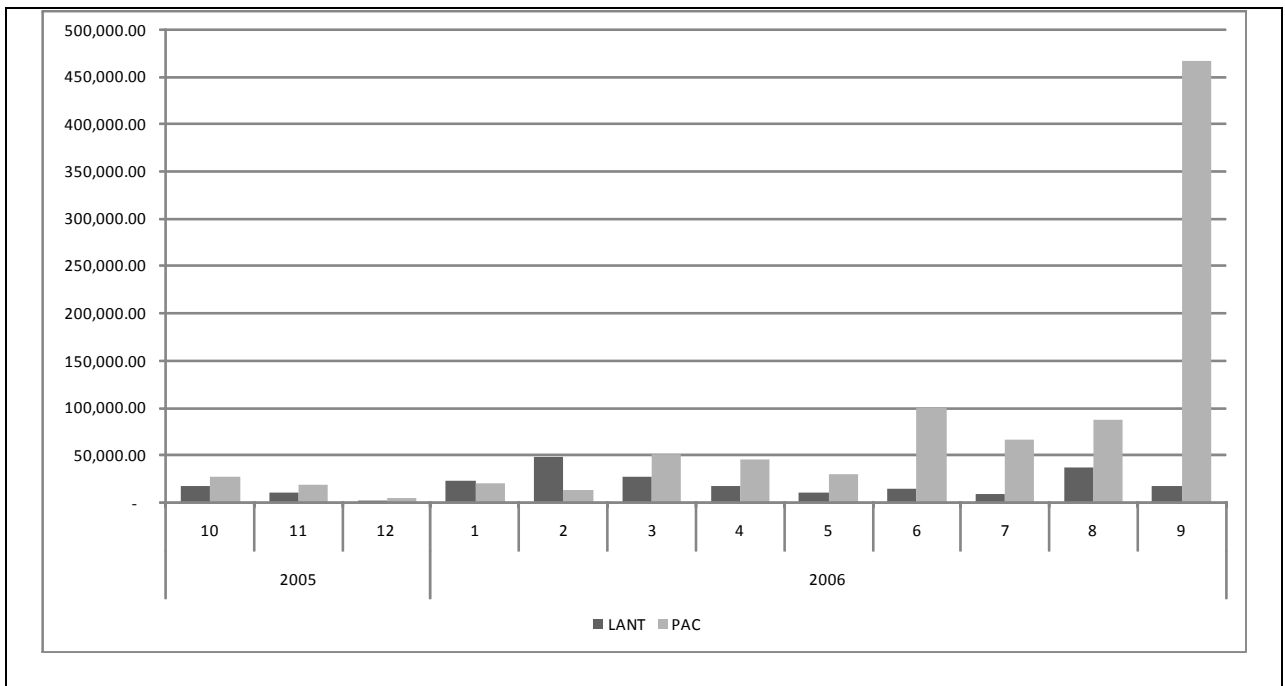


Figure 13. FY06 Expense Element “W” excluding “OTHER”

b. Fiscal Year 2007

The data in Table 30 show the top ten expenditure FSGs during FY07 on expense element “W” (NSA equipment, and ADP and AIS equipment) and that PACFLT ships spend relatively more across all FSG’s as compared to LANTFLT. The data in Table 31 show the top expenditures groups common to both fleets and their difference in spending.

Figure 14 shows the monthly expenditure rates for expense element “W” (NSA equipment, and ADP and AIS equipment) in FY07. The expenditures for the entire month of September for both LANT and PAC account for 66.5 percent (\$1,423,930 of \$2,141,399) of total expenditures for the year and that LANT spent \$330,166 more than PAC. Additionally, approximately 32 percent of the expenditures occurred on or after September 20, 2007.

Table 30. FY07 Expense Element “W”

FSG	LANT	FSG	PAC
42	500,053.47	42	387,754.63
40	143,510.27	66	153,999.84
72	111,132.08	58	117,484.56
84	95,334.49	40	107,168.40
66	88,974.89	71	72,509.29
58	84,213.09	84	55,193.26
73	24,578.19	72	36,740.98
71	20,214.24	62	22,673.45
62	12,520.45	74	16,492.57
75	9,679.02	73	16,242.18

Table 31. FY07 Expense Element “W” Common FSGs

FSG	Description	LANT	PAC	Difference
42	Firefighting Gear	500,053.47	387,754.63	112,299 (LANT)
40	Rope & Chains	143,510.27	107,168.40	36,342 (LANT)
72	Furnishings	111,132.08	36,740.98	74,391 (LANT)
84	Clothing	95,334.49	55,193.26	40,141 (LANT)
66	Inst./Lab Equip.	88,974.89	153,999.84	65,025 (PAC)
58	Communication	84,213.09	117,484.56	33,272 (PAC)
73	Food Svc. Equip.	24,578.19	16,242.18	8,336 (LANT)
71	Furniture	20,214.24	72,509.29	52,295 (PAC)
62	Lighting Fixtures	12,520.45	22,673.45	10,153 (PAC)

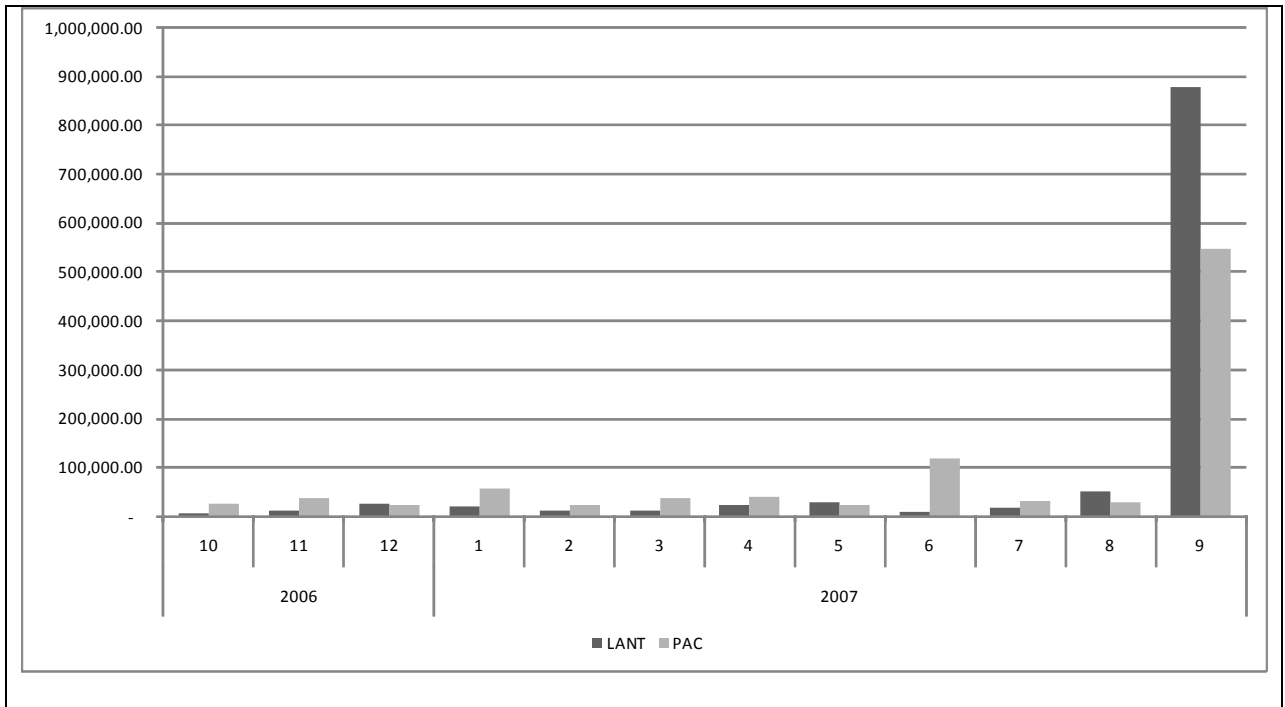


Figure 14. FY07 PAC Expense Element “W” excluding “OTHER”

The analysis in the chapter identified expenditure differences between LANT and PAC fleets within the CG CLASSRON. After removing expenditures classified as “other,” an examination was conducted into the disparities between fleets by FSG. Additionally, this process provided insight into what commodity groups had the highest expenditure rates.

V. CONCLUSION AND RECOMMENDATIONS

A. DISCUSSION AND CONCLUSIONS

1. Expenditures Classified as “Other”

PACFLT and LANTFLT expenditures classified as “other,” those expenditures that contain items where the federal supply classification (FSC) and national item identification number (NIIN) blocks were left blank or were filled by a written description of the expenditure item by the requisitioning ship, accounted for 67 and 61 percent of total expenditures in FY06 and FY07, respectively. Over 65 percent of “other” expenditures in the amount of \$7,211,787 in FY06 and over 70 percent of “other” in the amount of \$9,106,385 in FY07 were dated on either October 1 or 2.

Expenditures dated October 1 or 2 can generally be attributed to the establishment of beginning of the fiscal year continuing service accounts. These accounts are established in support of a “service in which invoices will be forwarded for payment on some type of scheduled or regular basis, usually monthly. Copier rental, telephone, and garbage removal services are all examples of continuing services requirements” (NAVSUP P485 Volume 2, 1997, p. G-47). These expenditures did not have FSC classifications. Therefore, they were untraceable to a specific type of commodity group because they were processed either via government purchase cards (GPC) or through non-national stock number (NSN) requisitions.

For detailed expenditure and fleet response plan (FRP) analysis, GPC buys and continuing service expenditures can mask the expense element classification of items and services purchased because items from any expense element can be procured with the GPC, but the GPC can only be assigned to a single expense element. Furthermore, GPC buys and continuing service expenditures can prevent the proper recording of when funds are expended because all GPC and continuing service procurements are attributed to a single document established and dated at the beginning of the fiscal year. Having these

large dollar GPC and continuing service expenditures recorded at the beginning of the fiscal year can skew the fund allocation model towards the FRP phase each ship was in at the beginning of the fiscal year. This is discussed in further detail.

2. Federal Supply Groups

PACFLT and LANTFLT expenditures for material and services that can be traced to a federal supply group (FSG) accounted for 36 percent of total expenditures in both FY06 and FY07. These expenditures were analyzed separately because the data set provided an ability to trace and identify what was purchased and when the purchase occurred.

The authors observed no monthly commodity group trends when examining expenditures by FSG. However, the research did present two findings:

- An average of 25 percent of these expenditures occurred during the last ten days of the fiscal year
- PAC and LANT fleets together spent approximately 40 percent of their total FSG related expenditures on the medical/dental (FSG 65), firefighting (FSG 42), paint and related supplies (FSG 80), and hand tools (FSG 51)

3. Fund Allocation Model

CNSF's current budget allocation model uses monthly averages to determine predicted average monthly requirements for each FRP phase. Given that most continuing service contracts and GPC accounts were assigned a single document number at the beginning of the fiscal year (even though the funds were actually expended over the entire year), an average of 43 percent of the ships' total funds were attributed to expenditures dated at the beginning of the fiscal year. This can influence the accuracy of the forecasted monthly operating cost.

It is the authors' conclusion that the model used to develop funding requirements would provide a more accurate estimate of funding required on a monthly basis if expenditures for continuing services and GPC were dated at the time funds were allocated (initially and subsequently) to the GPC or continuing service account as opposed to being applied to a single requisitioning document at the beginning of the fiscal year.

B. RECOMMENDATIONS

1. Descriptors for Non-NSN Procurements

To provide increased accuracy in budgeting and monitoring of non-NSN (other) procurements, especially with respect to initial funding, continuing services and GPC accounts, the authors recommend implementing a list of standardized terms for these transactions (e.g., "GPC initial funding," "vehicles," "telephone service"). Standardized terminology will assist CNSF and the CG CLASSRON in identifying common expenditures, providing oversight, and conducting analysis to better forecast funding allocation levels.

2. CNSF Funding Allocation Model

During the course of this study, the authors found that when expenditures classified as "other" were removed from the data set, there was a shift in the relative amount of total expenditures to the end of the fiscal year. To help ensure future funding allocation models are not skewed by the relatively large expenditures attributed to the beginning of the fiscal year (i.e., continuing services and GPC expenditures), the authors recommend that CNSF provide guidance requiring new document numbers be issued on a monthly or quarterly basis or whenever the ships increase funding to these accounts. Alternatively, the CG CLASSRON has stated that it may be possible to access the funding increase amendments to these accounts from the STARS-FL database. This will allow for a better representation of where and when dollars are spent. Given the

relatively large proportion of expenditures made on these types of accounts, the new document numbers will provide CNSF and the CG CLASSRON a better picture of ship expenditures by FRP phase and facilitate a more accurate allocation of funds by removing the beginning of the fiscal year skewing effect.

C. FOR FURTHER STUDY

A possible area of further research is GPC expenditures at the unit level. GPC purchases account for 36 percent of total expenditures and are attributed to a single document dated at the beginning of the fiscal year. This creates a challenge when trying to analyze GPC data extracted from STARS-FL because there is no visibility into the individual transactions (i.e., what was purchased and when). In order to determine on what and how the funds were actually spent over time would require a review of the individual ship's GPC log.

This research project did not evaluate FSG spending patterns in relation to the FRP. However, as previously mentioned, this study did find that an average of 25 percent of total expenditures traceable by FSG were dated at the end of the fiscal year. A possible area for further research would be to overlay each ship's FSG expenditures on the FRP to identify possible resource drivers by phase. This would provide some insight into how ships expend their funding, but the insight would be limited in usefulness by the fact that only 36 percent of SO funds were expended on items attributed to a FSG.

Another area that could be further developed is the procurement of material in accordance with the phase replacement and shelf-life programs. This study did identify that across both fiscal years, approximately 40 percent (5.5 million dollars) was being spent on firefighting (FSG 42), medical/dental (FSG 65), paint and supplies (FSG 80), and hand tools (FSG 51). Additionally, as was noted in Chapter IV, these expenditures are skewed toward the end of the fiscal year. A possible question to be addressed is if the ships are purchasing these materials in accordance with phase replacement and shelf-life guidance.

Finally, this study did not research continuing services anomalies by either homeport or fleet concerning expenditure rates. Disparities in spending across both fleets for routine services for communications, transportation, printing and other items were noticed. An area of further study could be the analysis, at the unit level, of whether there was a significantly higher expenditure rate in one fleet or homeport as opposed to another with regard to common services. For example, an analysis of cellular phone service might identify that a single ship homeported in San Diego is spending relatively more per year on cell phone service than another ship in the same homeport.

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APPENDIX. EXPENDITURES BY EXPENSE ELEMENT AND PHASE

A. EXPENSE ELEMENT “E”

1. Basic Training Phase

The data in Table 32 expenditures classified as expense element “E” (passenger vehicles) for ships in the basic phase of the FRP during FY06. Each of the ships had one expenditure for expense element “E” in the basic phase and they all occurred within the first two days of the fiscal year. This is consistent with the establishment of a fiscal year continuing services account. The NORMANDY had the highest total expenditure amount of \$56,396.

Table 32. 2006 Expense Element “E” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
NORMANDY	56,396.93	4	14,099.23	128.4%
HUE CITY	24,247.48	3	8,082.49	30.9%
LEYTE GULF	4,766.08	3	1,588.69	-74.3%
MONTEREY	1,008.00	4	252.00	-95.9%
Total	86,418.49	14	6,172.75	

The data in Table 33 show expenditures classified as expense element “E” (passenger vehicle) for ships in the basic training phase of the FRP during FY07. The CHANCELLORSVILLE had both the highest expenditure rate in terms of absolute dollars (\$33,064) and the highest percent difference from fleet mean (198.9 percent). There were a total of 52 expenditures and of these, five were over \$1,000: two expenditures totaling \$15,798 for “continuing services;” two expenditures totaling \$6,608 for vehicle continuing services; and one expenditure classified as “other” totaling \$3,010. The remaining 47 expenditures were assigned to NIIN 001487103 and totaled \$1,487.

The CHOSIN had the second highest in terms of absolute dollars (\$16,002) and the second highest in percent difference from fleet mean (44.6 percent). They had one expenditure for “initial funding” on October 1, 2006.

Table 33. 2007 Expense Element “E” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
CHANCELLORSVILLE	33,064.39	3	11,021.46	198.9%
CHOSIN	16,002.25	3	5,334.08	44.6%
PHILIPPINE SEA	8,960.00	2	4,480.00	21.5%
PRINCETON	8,800.00	2	4,400.00	19.3%
LAKE CHAMPLAIN	5,576.21	3	1,858.74	-49.6%
HUE CITY	4,609.87	3	1,536.62	-58.3%
MOBILE BAY	3,710.00	3	1,236.67	-66.5%
LAKE ERIE	4,100.00	4	1,025.00	-72.2%
Total	84,822.72	23	3,687.94	

2. Deployment Phase

The data in Table 34 show expenditures classified as expense element “E” (passenger vehicles) for ships in the deployment phase of the FRP during FY06. The PRINCETON, with the highest percent difference from the fleet mean (557.9 percent), had five expenditures for vehicles totaling \$27,493, one expenditure for fuel (\$143), and one expenditure for vehicle repair (\$1500).

The SAN JACINTO had the highest expenditure rate in this expense element in terms of absolute dollars (\$67,304). There were seven expenditures over \$4,000. The first expenditure for ships vehicles occurred on October 1, 2005 and totaled \$26,841, which is consistent with the establishment of a fiscal year continuing services account. The remaining expenditures occurred over the months in the deployment phase.

Table 34. 2006 Expense Element “E” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PRINCETON	29,136.89	1	29,136.89	557.9%
SAN JACINTO	67,304.38	5	13,460.88	203.9%
CAPE ST GEORGE	47,081.43	7	6,725.92	51.9%
LAKE CHAMPLAIN	35,835.73	6	5,972.62	34.9%
LEYTE GULF	28,701.34	5	5,740.27	29.6%
VICKSBURG	31,035.19	6	5,172.53	16.8%
CHOSIN	35,082.57	7	5,011.80	13.2%
HUE CITY	29,709.16	6	4,951.53	11.8%
CHANCELLORSVILLE	38,834.59	12	3,236.22	-26.9%
SHILOH	34,241.44	11	3,112.86	-29.7%
PORT ROYAL	16,062.10	6	2,677.02	-39.6%
GETTYSBURG	15,121.51	6	2,520.25	-43.1%
MOBILE BAY	13,430.49	6	2,238.42	-49.5%
COWPENS	16,980.10	12	1,415.01	-68.0%
PHILIPPINE SEA	4,317.76	4	1,079.44	-75.6%
Total	442,874.68	100	4,428.75	

The data in Table 35 show expenditures classified as expense element “E” (passenger vehicle) for ships in the deployment phase of the FRP during FY07. The PHILIPPINE SEA had the fourth highest expenditure rate in terms of absolute dollars (\$40,202) and the highest percent difference from fleet mean (230.6 percent). There were a total of four expenditures: one expenditure on October 2, 2006 in the amount of \$19,800 for one Public Works Center (PWC) vehicle; two expenditures totaling \$19,958 for buses; and one expenditure for \$441 for a van. The \$19,800, October 2 expenditure, was consistent with the establishment of a fiscal year continuing services account while the remaining appears to support a ship on deployment.

The CHOSIN had the next highest expenditure rate in terms of absolute dollars (\$57,406). They had 23 expenditures and of these, only three were over \$1,000: one expenditure in the amount of \$1,145 for a sedan; one expenditure in the amount of \$2,542 for a passenger vehicle; and an expenditure in the amount of \$6,512 for a passenger vehicle.

The COWPENS had the third highest expenditure rate in terms of absolute total (\$56,057). They had 23 expenditures and of these, nine were over \$1,000 and totaled \$38,688. All, based on their description in STARS-FL, supported port visit transportation (buses/vans).

Table 35. 2007 Expense Element “E” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PHILIPPINE SEA	40,202.43	2	20,101.22	230.6%
LEYTE GULF	14,828.77	1	14,828.77	143.9%
VICKSBURG	26,782.39	2	13,391.20	120.2%
CHOSIN	57,406.28	6	9,567.71	57.3%
MONTEREY	53,468.56	6	8,911.43	46.6%
LAKE CHAMPLAIN	25,573.55	3	8,524.52	40.2%
ANZIO	47,114.22	7	6,730.60	10.7%
BUNKER HILL	38,667.82	6	6,444.64	6.0%
LAKE ERIE	17,632.53	3	5,877.51	-3.3%
GETTYSBURG	17,080.00	3	5,693.33	-6.4%
COWPENS	56,057.50	10	5,605.75	-7.8%
NORMANDY	31,277.62	6	5,212.94	-14.3%
PRINCETON	29,999.40	6	4,999.90	-17.8%
ANTIETAM	22,929.00	6	3,821.50	-37.2%
SHILOH	6,605.64	7	943.66	-84.5%
VELLA GULF	839.00	6	139.83	-97.7%
Total	486,464.71	80	6,080.81	

3. Intermediate Phase

The data in Table 36 show expenditures classified as expense element “E” (passenger vehicles) for ships in the intermediate training phase of the FRP during FY06. The LAKE ERIE had both the highest expenditure rate in terms of absolute dollars (41,420.95) and the highest percent difference from mean (106.1 percent). There were two expenditures for vehicles: the first on October 1, 2005 for \$40,839, which was consistent with the establishment of a fiscal year continuing services account and the other for a vehicle rental in Kauai.

Table 36. 2006 Expense Element “E” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
LAKE ERIE	41,420.95	8	5,177.62	106.1%
PORT ROYAL	11,485.95	3	3,828.65	52.4%
VELLA GULF	30,810.20	9	3,423.36	36.3%
MOBILE BAY	2,902.95	1	2,902.95	15.6%
MONTEREY	10,711.00	8	1,338.88	-46.7%
BUNKER HILL	4,036.00	5	807.20	-67.9%
LEYTE GULF	909.76	2	454.88	-81.9%
NORMANDY	700.00	5	140.00	-94.4%
Total	102,976.81	41	2,511.63	

The data in Table 37 show expenditures classified as expense element “E” (passenger vehicle) for ships in the intermediate training phase of the FRP during FY07. The NORMANDY had both the highest expenditure rate in terms of absolute dollars (\$55,407) and the highest percent difference from fleet mean (677.1 percent). There was one expenditure for “vehicle” on October 1, 2006. This was consistent with the establishment of a fiscal year continuing services account.

Table 37. 2007 Expense Element “E” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
NORMANDY	55,407.03	2	27,703.52	677.1%
CHOSIN	3,402.00	1	3,402.00	-4.6%
CAPE ST GEORGE	9,007.00	3	3,002.33	-15.8%
GETTYSBURG	3,348.71	3	1,116.24	-68.7%
PORT ROYAL	4,918.64	6	819.77	-77.0%
ANTIETAM	2,417.60	3	805.87	-77.4%
HUE CITY	3,492.01	5	698.40	-80.4%
Total	81,992.99	23	3,564.91	

4. Maintenance Phase

The data in Table 38 show expenditures classified as expense element “E” (passenger vehicles) for ships in the maintenance phase of the FRP during FY06. The BUNKER HILL had both the highest expenditure rate in terms of absolute dollars (\$6,415) and the highest percent difference from mean (459 percent). There were two

expenditures for vehicles; one was on October 1, 2005 for \$1,418 (other) and the other was on October 3, 2005 for \$4,996 (passenger vehicle). These expenditures were consistent with the establishment of a fiscal year continuing services account.

Table 38. 2006 Expense Element “E” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
BUNKER HILL	6,415.82	1	6,415.82	459.0%
SAN JACINTO	3,059.00	5	611.80	-46.7%
PRINCETON	2,002.70	4	500.68	-56.4%
Total	11,477.52	10	1,147.75	

The data in Table 39 show expenditures classified as expense element “E” (Passenger Vehicle) for ships in the maintenance phase of the FRP in FY07. The CAPE ST GEORGE had the highest expenditure rate in terms of absolute dollars (\$74,555). This represents a single expenditure for “vehicle” on October 1, 2006. This was consistent with the establishment of a fiscal year continuing services account.

The LAKE ERIE had the second highest in terms of absolute dollars (\$51,398) and the highest percent difference from fleet mean (176.4 percent). They also had one expenditure for “vehicle” on October 1, 2006, which was consistent with the establishment of a fiscal year continuing services account.

Table 39. 2007 Expense Element “E” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
LAKE ERIE	51,398.28	2	25,699.14	176.4%
SAN JACINTO	42,593.24	3	14,197.75	52.7%
HUE CITY	23,851.99	2	11,926.00	28.3%
CAPE ST GEORGE	74,555.51	7	10,650.79	14.6%
PORT ROYAL	17,751.18	3	5,917.06	-36.4%
COWPENS	6,192.00	2	3,096.00	-66.7%
SHILOH	6,774.58	5	1,354.92	-85.4%
Total	223,116.78	24	9,296.53	

5. Sustainment Phase

The data in Table 40 show expenditures classified as expense element “E” (passenger vehicles) for ships in the sustainment phase of the FRP during FY06. The CAPE ST GEORGE had both the highest expenditure rate in terms of absolute dollars (\$6,415) and the highest percent difference from mean (411.7 percent), while the ANZIO had the second highest expenditure rate in term of absolute dollars (\$18,066). Both ships had one expenditure each for vehicles dated on October 1, 2005 and both ships’ transactions were consistent with the establishment of a fiscal year continuing services account. For the ANZIO, the percent difference from the fleet mean was skewed by the single expenditure across their 12 months in phase.

Table 40. 2006 Expense Element “E” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
CAPE ST GEORGE	25,259.78	3	8,419.93	411.7%
GETTYSBURG	3,639.53	2	1,819.77	10.6%
ANZIO	18,066.89	12	1,505.57	-8.5%
ANTIETAM	1,589.52	3	529.84	-67.8%
PORT ROYAL	922.49	3	307.50	-81.3%
VICKSBURG	1,285.14	6	214.19	-87.0%
BUNKER HILL	244.16	2	122.08	-92.6%
Total	51,007.51	31	1,645.40	

The data in Table 41 show expenditures classified as expense element “E” (passenger vehicle) for ships in the sustainment training phase of the FRP in FY07. The ANZIO had the second highest expenditure rate in terms of absolute dollars (\$16,644), but the highest percent difference from fleet mean (206.3 percent). There was one expenditure for “vehicle” on October 1, 2006. This was consistent with the establishment of a fiscal year continuing services account.

The VICKSBURG had the highest expenditure rate in terms of absolute dollars (\$22,559), but a lower percent difference from fleet mean due to spending ten months in phase. The ship had three expenditures and of these, one was over \$3,000. This was one

expenditure for “government vehicle” on October 1, 2006 in the amount of \$19,440 which was consistent with the establishment of a fiscal year continuing services account.

The VELLA GULF had the third highest total expenditure amount (\$15,331). There was one expenditure for “vehicles” on October 1, 2006. This was also consistent with the establishment of a fiscal year continuing services account.

Table 41. 2007 Expense Element “E” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
ANZIO	16,644.75	3	5,548.25	206.3%
LAKE ERIE	5,809.40	2	2,904.70	60.4%
ANTIETAM	8,580.40	3	2,860.13	57.9%
VELLA GULF	15,331.57	6	2,555.26	41.1%
HUE CITY	4,704.91	2	2,352.46	29.9%
VICKSBURG	22,558.97	10	2,255.90	24.6%
BUNKER HILL	8,807.00	6	1,467.83	-19.0%
MOBILE BAY	2,200.00	3	733.33	-59.5%
LEYTE GULF	1,746.88	4	436.72	-75.9%
LAKE CHAMPLAIN	1,963.90	6	327.32	-81.9%
MONTEREY	401.58	4	100.40	-94.5%
Total	88,749.36	49	1,811.21	

B. EXPENSE ELEMENT “N”

1. Basic Training Phase

The data in Table 42 show expenditures classified as expense element “N” (communications) for ships in the basic phase of the FRP during FY06. The HUE CITY had the only expenditure in this category. The total includes two expenditures recorded on October 1, 2005 for INMARSAT and iridium communication services, which was consistent with the establishment of a fiscal year continuing services accounts.

Table 42. 2006 Expense Element “N” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
HUE CITY	1,294.92	3	431.64	0.0%
Total	1,294.92	3	431.64	

The data in Table 43 show expenditures classified as expense element “N” (communications) for ships in the amount of \$12,200 for phone service; one expenditure in the amount of \$2,970 for iridium cell phone; and one in the amount of \$500 for INMARSAT service. The remaining expenditure was in the amount of \$3,232 for land line connection and was dated October 4, 2006. All were consistent with the establishment of a fiscal year continuing services account.

The CHANCELLORSVILLE had six expenditures and all were over \$1,000: three expenditures totaled \$20,907 and were for the establishment of FY07 continuing services; two expenditures totaling \$3,940 for telephones service; and one expenditure for port visit phones service in the amount of \$2,200.

Table 43. 2007 Expense Element “N” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PRINCETON	18,909.41	2	9,454.71	234.3%
CHANCELLORSVILLE	27,047.36	3	9,015.79	218.8%
CHOSIN	11,825.32	3	3,941.77	39.4%
LAKE CHAMPLAIN	6,945.05	3	2,315.02	-18.1%
MOBILE BAY	3,616.00	3	1,205.33	-57.4%
PHILIPPINE SEA	500.00	2	250.00	-91.2%
LAKE ERIE	979.40	4	244.85	-91.3%
MONTEREY	400.60	2	200.30	-92.9%
HUE CITY	480.00	3	160.00	-94.3%
Total	70,703.14	25	2,828.13	

2. Deployment Phase

The data in Table 44 show expenditures classified as expense element “N” (communications) for ships in the deployment phase of the FRP during FY06. The COWPENS had the highest expenditure rate in terms of absolute dollars (\$16,903).

The PRINCETON had the highest percent difference from fleet mean (1,068.5 percent), but this was due in part to spending only one month in phase. The PRINCETON, COWPENS, and CHANCELLORSVILLE each had a single expenditure with a high-dollar amount in the beginning of the fiscal year of \$10,171, \$6,630, and \$6,494 respectively, which was consistent with the establishment of a fiscal year continuing services accounts. The remaining expenditures for all ships were consistent with ships in the deployment phase of the FRP. Expenditures consist of airtime, cell phones, land lines, etc.

Table 44. 2006 Expense Element “N” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PRINCETON	12,184.01	1	12,184.01	1068.5%
LEYTE GULF	11,151.53	5	2,230.31	113.9%
CHOSIN	11,461.27	7	1,637.32	57.0%
SAN JACINTO	7,528.41	5	1,505.68	44.4%
COWPENS	16,903.10	12	1,408.59	35.1%
CHANCELLORSVILLE	10,863.89	12	905.32	-13.2%
CAPE ST GEORGE	5,451.22	7	778.75	-25.3%
VICKSBURG	4,613.96	6	768.99	-26.2%
GETTYSBURG	4,239.32	6	706.55	-32.2%
SHILOH	7,559.72	11	687.25	-34.1%
PHILIPPINE SEA	2,618.19	4	654.55	-37.2%
PORT ROYAL	3,700.59	6	616.77	-40.8%
LAKE CHAMPLAIN	2,926.57	6	487.76	-53.2%
HUE CITY	2,018.42	6	336.40	-67.7%
MOBILE BAY	1,049.94	6	174.99	-83.2%
Total	104,270.14	100	1,042.70	

The data in Table 45 show expenditures classified as expense element “N” (communications) for ships in the deployment phase of the FRP during FY07. The BUNKER HILL had both the highest expenditure rate in terms of absolute dollars (\$28,634) and the highest percent difference from mean (204.9 percent). There were a total of ten expenditures and of these, three were requisitioned on October 1, 2006: one expenditure in the amount of \$7,990 for phone service; one expenditure in the amount of \$6,377 for command cell phones; and one expenditure in the amount of \$4,200 for INMARSAT service. Additionally, there were four expenditures over \$1,000: one expenditure in the amount of \$2,055 for airtime charges; one expenditure in the amount of \$2,575 for land lines and mobile phones; one expenditure in the amount of \$2,047 for communications; and one expenditure in the amount of \$1,182 for mobile phones.

The NORMANDY had the second highest expenditure rate in terms of absolute dollars (\$13,506) with a total of fifteen expenditures. With one exception, all of these expenditures were for deployment cell phone services totaling \$13,500. The remaining expenditure was for NIIN 012673915 in the amount of \$6.

Table 45. 2007 Expense Element “N” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
BUNKER HILL	28,633.52	6	4,772.25	204.9%
VICKSBURG	4,908.92	2	2,454.46	56.8%
NORMANDY	13,506.70	6	2,251.12	43.8%
CHOSIN	12,766.44	6	2,127.74	35.9%
PRINCETON	9,952.60	6	1,658.77	6.0%
PHILIPPINE SEA	2,947.37	2	1,473.69	-5.9%
ANTIETAM	7,886.05	6	1,314.34	-16.0%
COWPENS	10,194.09	10	1,019.41	-34.9%
LAKE ERIE	2,833.36	3	944.45	-39.7%
ANZIO	5,760.00	7	822.86	-47.4%
LAKE CHAMPLAIN	1,792.52	3	597.51	-61.8%
MONTEREY	2,422.53	6	403.76	-74.2%
GETTYSBURG	1,062.06	3	354.02	-77.4%
LEYTE GULF	218.50	1	218.50	-86.0%
Total	104,884.66	67	1,565.44	

3. Intermediate Phase

The data in Table 46 show expenditures classified as expense element “N” (communications) for ships in the intermediate phase of the FRP during FY06. The MOBILE BAY had both the highest expenditure rate in terms of absolute dollars and the highest percent difference from fleet mean (1,067.2 percent). The difference rate was due in part to the high level of spending and have spent only one month in this phase.

The MOBILE BAY had a beginning of the fiscal year single expenditure for phones service (\$12,282). The PORT ROYAL had one expenditure for iridium phone service and INMARSAT (\$7,841) and the LAKE ERIE also had one expenditure for phone service (\$6,500), both occurring at the beginning of the fiscal year. Additionally, the BUNKER HILL had one expenditure for a VTC system that totaled \$6,500. The remaining expenditures for all of the above ships were for items such as airtime, cell phones, and land lines.

Table 46. 2006 Expense Element “N” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
MOBILE BAY	14,138.42	1	14,138.42	1067.2%
PORT ROYAL	8,011.30	3	2,670.43	120.5%
BUNKER HILL	6,913.00	5	1,382.60	14.1%
MONTEREY	10,564.37	8	1,320.55	9.0%
LEYTE GULF	1,986.57	2	993.29	-18.0%
LAKE ERIE	6,633.76	8	829.22	-31.5%
VELLA GULF	1,167.55	9	129.73	-89.3%
NORMANDY	250.00	5	50.00	-95.9%
Total	49,664.97	41	1,211.34	

The data in Table 47 show expenditures classified as expense element “N” (communications) for ships in the intermediate training phase of the FRP during FY07. The ANTIETAM had both the highest expenditure rate in terms of absolute dollars (\$9,867) and the highest percent difference from mean (329.4 percent). There were a total of two expenditures from this ship making up the above total and both were dated on

October 2, 2006 for telephone rental and INMARSAT service for the amounts of \$7,800 and \$2,067, respectively. These were consistent with the establishment of a fiscal year continuing service accounts.

Table 47. 2007 Expense Element “N” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
ANTIETAM	9,867.24	3	3,289.08	329.4%
LAKE ERIE	1,806.30	1	1,806.30	135.8%
CAPE ST GEORGE	983.57	3	327.86	-57.2%
HUE CITY	1,081.25	5	216.25	-71.8%
PORT ROYAL	49.66	6	8.28	-98.9%
Total	13,788.02	18	766.00	

4. Maintenance Phase

The data in Table 48 show expenditures classified as expense element “N” (communications) for ships in the maintenance phase of the FRP during FY06. The BUNKER HILL had both the highest expenditure rates in terms of absolute dollars (\$10,372) and the highest percent difference from fleet mean (511.4 percent). They had three expenditures in the beginning of the fiscal year totaling \$10,236. They were classified as “other,” telephones service, and communications and cell phones for \$5,873, \$2,429, and \$1,935, respectively.

Table 48. 2006 Expense Element “N” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
BUNKER HILL	10,372.22	1	10,372.22	511.4%
LAKE CHAMPLAIN	5,889.62	3	1,963.21	15.7%
SHILOH	1,900.00	1	1,900.00	12.0%
PRINCETON	4,569.87	4	1,142.47	-32.7%
SAN JACINTO	1,019.04	5	203.81	-88.0%
Total	23,750.75	14	1,696.48	

The data in Table 49 show expenditures classified as expense element “N” (communications) for ships in the maintenance phase of the FRP during FY07. The PORT ROYAL had both the highest expenditure rate in terms of absolute dollars (\$16,640) and the highest percent difference from mean (249.7 percent). There were a total of two expenditures and both were requisitioned on October 1, 2006: one expenditure in the amount of \$11,406 for phone service; and one expenditure in the amount of \$5,233 for iridium phone service. Both were consistent with the establishment of a fiscal year continuing services account.

The SHILOH had the second highest in terms of absolute dollars (\$14,540) with six expenditures and of these, four were dated on October 1, 2006 and account of 86 percent of the total; one expenditure in the amount of \$6,100 for telephone services; one expenditure in the amount of \$5,461 for PWC communications; one expenditure for \$500 for INMARSAT service and one expenditure in the amount of \$500 for plain old telephone service (POTS) and defense switched network (DSN). All were consistent with the establishment of a fiscal year continuing services account.

The COWPENS had the third highest expenditure rate in terms of absolute dollars (\$9,416) and had a total of three expenditures dated October 1, 2006: two expenditures totaling \$7,319 for telephones service; and one expenditure for \$2,097 for enhanced mobile satellite service (EMSS). All were consistent with the establishment of a fiscal year continuing services account.

Table 49. 2007 Expense Element “N” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PORT ROYAL	16,640.61	3	5,546.87	249.7%
COWPENS	9,416.78	2	4,708.39	196.9%
LAKE ERIE	6,957.79	2	3,478.90	119.4%
SHILOH	14,540.31	5	2,908.06	83.4%
SAN JACINTO	665.25	3	221.75	-86.0%
CAPE ST GEORGE	576.17	7	82.31	-94.8%
CHANCELLORSVILLE	367.99	9	40.89	-97.4%
Total	49,164.90	31	1,585.96	

5. Sustainment Phase

The data in Table 50 show expenditures classified as expense element “N” (communications) for ships in the sustainment phase of the FRP during FY06. The VICKSBURG had the highest expenditure rates in terms of absolute dollars (\$9,000) and the third highest percent difference from fleet mean (67.7 percent).

The VICKSBURG had three expenditures in the beginning of the fiscal year totaling \$9,000: one in the amount of \$5,000 for cell phones; one in the amount of \$3,000 for telephones; and one in the amount of \$1,000 for INMARSAT. These transactions were consistent with the establishment of fiscal year continuing services accounts.

Table 50. 2006 Expense Element “N” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PHILIPPINE SEA	5,350.41	1	5,350.41	498.3%
ANTIETAM	5,067.90	3	1,689.30	88.9%
VICKSBURG	9,000.00	6	1,500.00	67.7%
PRINCETON	4,600.00	5	920.00	2.9%
ANZIO	1,865.00	12	155.42	-82.6%
BUNKER HILL	48.84	2	24.42	-97.3%
Total	25,932.15	29	894.21	

The data in Table 51 show expenditures classified as expense element “N” (communications) for ships in the sustainment training phase of the FRP during FY07. The MOBILE BAY had both the highest expenditure rate in terms of absolute dollars (\$13,251) and the highest percent difference from fleet mean (477.4 percent). On the other end of the spectrum, the VICKSBURG, which spent ten months in this phase, had the lowest expenditure rate in terms of absolute dollars (\$87) and the highest negative percent difference from the fleet mean (-98.9 percent).

The MOBILE BAY had three expenditures all dated October 1, 2006: one in the amount of \$8,529 for phone services; one in the amount of \$4,499 for telephone services; and one was in the amount of \$222 for INMARSAT.

The VICKSBURG had one expenditure of \$86.72 for INMARSAT service.

Table 51. 2007 Expense Element “N” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
MOBILE BAY	13,251.46	3	4,417.15	477.4%
LAKE CHAMPLAIN	7,182.91	6	1,197.15	56.5%
ANTIETAM	2,286.96	3	762.32	-0.3%
BUNKER HILL	2,463.32	6	410.55	-46.3%
LAKE ERIE	554.74	2	277.37	-63.7%
MONTEREY	182.43	4	45.61	-94.0%
VICKSBURG	86.72	10	8.67	-98.9%
Total	26,008.54	34	764.96	

C. EXPENSE ELEMENT “Q”

1. Basic Training Phase

The data in Table 52 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the basic phase of the FRP during FY06. The LEYTE GULF had both the highest expenditure rates in terms of absolute dollars (\$498,163) and the highest percent difference from fleet mean (279.7 percent).

The LEYTE GULF had four expenditures dated October 1, 2005 totaling \$498,164: one in the amount of \$415,258 classified as “other” purchase card; two for \$78,243; and one was in the amount of \$4,662 for an oil boom rental.

Table 52. 2006 Expense Element “Q” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
LEYTE GULF	498,163.71	3	166,054.57	279.7%
MONTEREY	85,536.38	4	21,384.10	-51.1%
NORMANDY	76,662.19	4	19,165.55	-56.2%
HUE CITY	38,244.30	3	12,748.10	-70.9%
ANTIETAM	1,171.25	2	585.63	-98.7%
Total	699,777.83	16	43,736.11	

The data in Table 53 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the basic training phase of the FRP during FY07. The CANCELLORSVILLE had both the highest expenditure rate in terms of absolute dollars (\$166,666) and the highest percent difference from fleet mean (411.4 percent).

The CHANCELLORSVILLE had 21 expenditures over its three months in phase and of these, 11 were over \$1,000: 12 expenditures totaling \$100,626 were labeled as “one-time buy” (the largest was \$79,282); one expenditure for \$25,922 for port visit (PVST); two totaling \$27,200 for FY07 continuing services dated October 1, 2006; two totaling \$9,144 for Close in Weapons System (CIWS) protection; and one expenditure in the amount \$3,380 for PVST.

Table 53. 2007 Expense Element “Q” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
CHANCELLORSVILLE	166,665.76	3	55,555.25	411.4%
PHILIPPINE SEA	46,604.78	2	23,302.39	114.5%
MONTEREY	35,511.00	2	17,755.50	63.4%
CHOSIN	15,229.19	3	5,076.40	-53.3%
PRINCETON	8,000.00	2	4,000.00	-63.2%
LAKE CHAMPLAIN	11,222.25	3	3,740.75	-65.6%
MOBILE BAY	8,303.90	3	2,767.97	-74.5%
HUE CITY	7,285.70	3	2,428.57	-77.6%
GETTYSBURG	5,172.00	3	1,724.00	-84.1%
LAKE ERIE	175.00	4	43.75	-99.6%
Total	304,169.58	28	10,863.20	

2. Deployment Phase

The data in Table 54 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the deployment phase of the FRP during FY06. The CHOSIN had both the highest expenditure rates in terms of absolute dollars (\$404,749) and the highest percent difference from fleet mean (457.2 percent) with seven months in phase. The LEYTE

GULF had both the second highest expenditure rate in terms of absolute dollars (\$153,783) and the second highest percent difference from fleet mean (196.4 percent) with only five months in phase as well. These two ships accounted for 54 percent of the total expenditures.

The CHOSIN had 50 total expenditures totaling \$404,794 and of these, 17 were individual expenditures over \$1,000: two totaling \$278,869 were recorded on October 1, 2005 and classified as “other” purchase card; one in the amount of \$37,230 recorded on October 1, 2005 for CHRIMP/HAZMAT; one in the amount of \$18,085 recorded in the beginning of the fiscal year for transportation; one for \$15,652 for material handling equipment totaling: four totaling \$15,749 for PWC man-lift and JLG rental; one in the amount \$8,000 for telephone service; one in the amount of \$6,855 for copy/printing service; one in the amount of \$5,206 classified as “other” procurement: one in the amount of \$2,930 recorded on October 1, 2005 for bulk mail; one in the amount of \$2,122 for crane and rigging; one in the amount of \$2,100 for a paint float; one in the amount of \$1,479 for a Furuno Radar; and one was in the amount \$1,138 for local purchases. The expenditures data October 1 were consistent with the establishment of a beginning of the fiscal year continuing service account.

The LEYTE GULF had 12 expenditures totaling \$153,783 and of these, ten were individual expenditures over \$800; eight totaling \$149,222 classified as “other;” one in the amount of \$2,950 for a JLG rental; and one was in the amount of \$1,576 for a vehicle rental. Again, the vehicle rental could be categorized in a different expense element (i.e., expense element “E” passenger vehicle).

Table 54. 2006 Expense Element “Q” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
CHOSIN	404,749.24	7	57,821.32	457.2%
LEYTE GULF	153,783.26	5	30,756.65	196.4%
PRINCETON	17,180.88	1	17,180.88	65.6%
HUE CITY	73,819.27	6	12,303.21	18.6%
PHILIPPINE SEA	46,125.14	4	11,531.29	11.1%
PORT ROYAL	57,455.52	6	9,575.92	-7.7%
SAN JACINTO	44,613.55	5	8,922.71	-14.0%
GETTYSBURG	43,592.39	6	7,265.40	-30.0%
COWPENS	72,935.07	12	6,077.92	-41.4%
CAPE ST GEORGE	40,184.26	7	5,740.61	-44.7%
MOBILE BAY	18,326.24	6	3,054.37	-70.6%
LAKE CHAMPLAIN	15,325.92	6	2,554.32	-75.4%
CHANCELLORSVILLE	28,627.56	12	2,385.63	-77.0%
VICKSBURG	9,451.99	6	1,575.33	-84.8%
SHILOH	11,521.47	11	1,047.41	-89.9%
Total	1,037,691.76	100	10,376.92	

The data in Table 55 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the deployment phase of the FRP during FY07. The GETTYSBURG had the highest expenditure rates in terms of absolute dollars (\$140,051) and the second highest percent difference from fleet mean (460.3 percent) with having spent three months in phase. In terms of percent difference from fleet mean, the LEYTE GULF was also significantly higher than the fleet average at 607.3 percent during its one month in phase.

The GETTYSBURG had five expenditures during its two months in phase and of these, one was over \$1,000. This single expenditure, dated September 28, 2007, totaled \$138,635 and was classified as habitability. This was consistent with an end of the fiscal year spending dump.

The LEYTE GULF had four expenditures, dated October 1, 2007, which totaled \$58,627: one in the amount of \$27,687 for a pickup truck, one in the amount of \$23,727 for crane and JLG rental, one in the amount of \$6,954 for oil boom rental, and one was in the amount of \$617 for JLG service. The expenditures were consistent with the establishment of fiscal year continuing service accounts.

Table 55. 2007 Expense Element “Q” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
LEYTE GULF	58,627.96	1	58,627.96	603.7%
GETTYSBURG	140,050.69	3	46,683.56	460.3%
PHILIPPINE SEA	37,961.07	2	18,980.54	127.8%
SHILOH	87,770.93	7	12,538.70	50.5%
MONTEREY	72,665.79	6	12,110.97	45.4%
NORMANDY	68,010.70	6	11,335.12	36.0%
ANTIETAM	41,729.74	6	6,954.96	-16.5%
CHOSIN	37,359.13	6	6,226.52	-25.3%
ANZIO	40,745.72	7	5,820.82	-30.1%
LAKE CHAMPLAIN	13,773.49	3	4,591.16	-44.9%
COWPENS	30,793.61	10	3,079.36	-63.0%
BUNKER HILL	17,452.50	6	2,908.75	-65.1%
PRINCETON	8,465.00	6	1,410.83	-83.1%
LAKE ERIE	4,057.95	3	1,352.65	-83.8%
VELLA GULF	6,800.00	6	1,133.33	-86.4%
VICKSBURG	274.34	2	137.17	-98.4%
Total	666,538.62	80	8,331.73	

3. Intermediate Phase

The data in Table 56 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the intermediate training phase of the FRP during FY06. The PHILIPPINE SEA had both the highest expenditure rate in terms of absolute dollars (\$140,664) and the highest percent difference from fleet mean (303.9 percent) with seven months in phase.

The PHILIPPINE SEA had 22 expenditures totaling \$140,664 and of these, 15 were over \$800; one in the amount of \$39,115 for crane/man-lift services, one in the amount of \$30,113 for Visit, Board, Search, and Seizure (VBSS) gear; two totaling \$21,620 for vehicle service and rental; one in the amount of \$16,214 for Wardroom refurbishment; one in the amount of \$9,322 for portable sanitation; one in the amount of \$5,720 to Fisher Scientific; one in the amount of \$5,400 to W&D Shipworks; three totaling \$5,856 for telephones service, one in the amount of \$2,469 for galley and laundry equipment; one in the amount of \$1,345 classified as “other” reimbursement; and one in the amount of \$1,000 for a print request.

Table 56. 2006 Expense Element “Q” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PHILIPPINE SEA	140,664.01	7	20,094.86	303.9%
LAKE CHAMPLAIN	18,763.04	1	18,763.04	277.1%
HUE CITY	13,791.34	2	6,895.67	38.6%
MOBILE BAY	6,031.16	1	6,031.16	21.2%
PORT ROYAL	17,822.87	3	5,940.96	19.4%
ANTIETAM	17,222.10	4	4,305.53	-13.5%
NORMANDY	19,942.00	5	3,988.40	-19.8%
VELLA GULF	15,799.46	9	1,755.50	-64.7%
MONTEREY	12,678.65	8	1,584.83	-68.1%
BUNKER HILL	4,846.07	5	969.21	-80.5%
LAKE ERIE	4,986.85	8	623.36	-87.5%
LEYTE GULF	1,102.80	2	551.40	-88.9%
Total	273,650.35	55	4,975.46	

The data in Table 57 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the intermediate training phase of the FRP during FY07. The NORMANDY had both the highest expenditure rates in terms of absolute dollars (\$26,252) and the highest percent difference from fleet mean (574.6 percent) while in phase for only one month.

The NORMANDY had three expenditures totaling \$26,251: one in the amount of \$13,229 for crane service; one in the amount of \$6,753 for JLG (aerial work platform) rental; and one in the amount of \$6,268 for oil boom rental. All expenditures occurred on October 1, 2006 and were consistent with the establishment of a fiscal year continuing service accounts.

With the lowest expenditure rate, the CAPE ST GEORGE had two expenditures totaling \$307: one in the amount of \$177 for cell phones and one in the amount of \$130 for vehicles.

Table 57. 2007 Expense Element “Q” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
NORMANDY	26,251.71	2	13,125.86	666.5%
HUE CITY	6,157.47	5	1,231.49	-28.1%
PORT ROYAL	5,866.00	6	977.67	-42.9%
GETTYSBURG	1,567.76	3	522.59	-69.5%
SAN JACINTO	1,557.89	3	519.30	-69.7%
ANTIETAM	1,101.00	3	367.00	-78.6%
CAPE ST GEORGE	307.25	3	102.42	-94.0%
Total	42,809.08	25	1,712.36	

4. Maintenance Phase

The data in Table 58 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the maintenance phase of the FRP during FY06. The LAKE CHAMPLAIN had both the highest expenditure rate in terms of absolute dollars (\$97,447) and the highest percent difference from fleet mean (514.5 percent) with three months in phase.

The LAKE CHAMPLAIN had five expenditures totaling \$97,448: three totaling \$93,764 for Fleet Industrial Supply Center (FISC) contracts, one in the amount of \$2,878 for emergency services, and one was in the amount of \$805 for PWC vehicle rental. Depending on type of vehicle rental, this expenditure could have been categorized as expense element “E” as a passenger vehicle.

Table 58. 2006 Expense Element “Q” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
LAKE CHAMPLAIN	97,447.68	3	32,482.56	514.5%
BUNKER HILL	4,848.70	1	4,848.70	-8.3%
SHILOH	4,250.00	1	4,250.00	-19.6%
GETTYSBURG	7,087.00	4	1,771.75	-66.5%
CHOSIN	7,137.33	5	1,427.47	-73.0%
SAN JACINTO	571.50	5	114.30	-97.8%
PRINCETON	234.99	4	58.75	-98.9%
Total	121,577.20	23	5,285.97	

The data in Table 59 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the maintenance phase of the FRP during FY07. The GETTYSBURG had both the highest expenditure rates in terms of absolute dollars (\$570,046) and the highest percent difference from fleet mean (1,465.2 percent) during their two months in phase.

The GETTYSBURG had four expenditures totaling \$570,045, all of which occurred on October 1, 2006: one in the amount of \$522,020 for purchase card; one in the amount of \$30,330 for crane JLG; one in the amount of \$16,986 for vehicle rental; and one was in the amount of \$708 for OMBUDSMAN. These expenditures were consistent with the establishment of a fiscal year continuing service accounts.

Table 59. 2007 Expense Element “Q” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
GETTYSBURG	570,045.67	2	285,022.84	1465.2%
ANZIO	60,492.55	2	30,246.28	66.1%
PORT ROYAL	71,835.33	3	23,945.11	31.5%
COWPENS	30,270.20	2	15,135.10	-16.9%
SAN JACINTO	43,103.61	3	14,367.87	-21.1%
SHILOH	69,636.23	5	13,927.25	-23.5%
HUE CITY	23,459.04	2	11,729.52	-35.6%
CAPE ST GEORGE	69,777.50	7	9,968.21	-45.3%
PHILIPPINE SEA	36,107.02	7	5,158.15	-71.7%
LEYTE GULF	21,922.09	7	3,131.73	-82.8%
LAKE ERIE	2,600.00	2	1,300.00	-92.9%
CHANCELLORSVILLE	1,618.43	9	179.83	-99.0%
MOBILE BAY	668.00	4	167.00	-99.1%
Total	1,001,535.67	55	18,209.74	

5. Sustainment Phase

The data in Table 60 show expenditures classified as expense element “Q” (charter and hire) for ships in the sustainment training phase of the FRP during FY06. The ANZIO had both the highest expenditure rate in terms of absolute dollars (\$482,795) and the highest percent difference from fleet mean (195.2 percent).

The ANZIO had four expenditures on October 1, 2005; three totaled \$101,675 for in-port services and one was in the amount of \$378,961 for “other” purchase card. These expenditures were consistent with the establishment of a fiscal year continuing service accounts.

Table 60. 2006 Expense Element “Q” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
ANZIO	482,794.69	12	40,232.89	195.2%
CAPE ST GEORGE	54,055.91	5	10,811.18	-20.7%
VICKSBURG	60,585.81	6	10,097.64	-25.9%
BUNKER HILL	6,227.53	2	3,113.77	-77.2%
SAN JACINTO	5,280.46	2	2,640.23	-80.6%
LAKE CHAMPLAIN	2,894.08	2	1,447.04	-89.4%
PRINCETON	675.96	5	135.19	-99.0%
PORT ROYAL	270.00	3	90.00	-99.3%
ANTIETAM	199.68	3	66.56	-99.5%
MOBILE BAY	267.29	5	53.46	-99.6%
Total	613,251.41	45	13,627.81	

The data in Table 61 show expenditures classified as expense element “Q” (charter and hire, ADP and AIS other than equipment, and “other” purchase services) for ships in the sustainment training phase of the FRP during FY07. The VELLA GULF had both the highest expenditure rates in terms of absolute dollars (\$593,579) and the highest percent difference from fleet mean (545.6 percent) while having spent six months in phase.

The VELLA GULF had six expenditures totaling \$593,579: one in the amount of \$528,817 for purchase card; one in the amount of \$33,200 for classroom rehabilitation; one in the amount of \$10,774 for crane service; one in the amount of \$10,500 for change of command; one in the amount of \$6,207 for JLG; and one was in the amount of \$4,080 for fuel boom rental. All but the classroom rehabilitation and the change of command were dated October 1, 2007 and were consistent with the establishment of a fiscal year continuing service accounts.

The HUE CITY, with the third highest expenditure rate in terms of absolute dollars had two expenditures in one month totaling \$58,885: one in the amount of \$50,791 for habitability and one in the amount of \$8,094 for hydrostatic testing.

Table 61. 2007 Expense Element “Q” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
VELLA GULF	593,579.34	6	98,929.89	545.0%
ANTIETAM	104,638.16	3	34,879.39	127.4%
HUE CITY	58,885.80	2	29,442.90	92.0%
PHILIPPINE SEA	8,365.00	1	8,365.00	-45.5%
ANZIO	18,774.05	3	6,258.02	-59.2%
BUNKER HILL	37,378.57	6	6,229.76	-59.4%
MOBILE BAY	14,850.12	3	4,950.04	-67.7%
VICKSBURG	30,144.88	10	3,014.49	-80.3%
LAKE CHAMPLAIN	17,913.34	6	2,985.56	-80.5%
MONTEREY	10,278.14	4	2,569.54	-83.2%
SAN JACINTO	5,318.26	3	1,772.75	-88.4%
CHOSIN	3,140.54	2	1,570.27	-89.8%
LEYTE GULF	1,107.54	4	276.89	-98.2%
LAKE ERIE	500.00	2	250.00	-98.4%
NORMANDY	77.86	4	19.47	-99.9%
Total	904,951.60	59	15,338.16	

D. EXPENSE ELEMENT “T”

1. Basic Training Phase

The data in Table 62 show expenditures classified as expense element “T” (NSA consumables, hull and structural, and medical/dental) for ships in the basic training phase of the FRP during FY06. The NORMANDY had both the highest expenditure rate in terms of absolute dollars (\$418,135) and the highest percent difference from fleet mean (64.5 percent).

The NORMANDY had 69 expenditures making up the above total. Of these, six were over \$1,000: one in the amount of \$386,814 for purchase card (October 1, 2005); one in the amount of \$12,599 for chemicals and chemical products (FSG 68); two totaling \$7,796 for medical and dental (FSG 65); one in the amount of \$1,843 for grey paint; and one was in the amount of \$1,214 for containers, packaging and packing supplies (FSG 81). The purchase card expenditure was consistent with the establishment of a fiscal year continuing service account.

Table 62. 2006 Expense Element “T” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
NORMANDY	418,135.16	4	104,533.79	64.5%
MONTEREY	385,479.31	4	96,369.83	51.6%
PRINCETON	176,915.38	2	88,457.69	39.2%
HUE CITY	235,865.82	3	78,621.94	23.7%
ANTIETAM	88,849.08	2	44,424.54	-30.1%
BUNKER HILL	65,195.32	4	16,298.83	-74.4%
LEYTE GULF	27,961.13	3	9,320.38	-85.3%
Total	1,398,401.20	22	63,563.69	

The data in Table 63 show expenditures classified as expense element “T” (NSA Consumables, Hull and Structural, and Medical/Dental) for ships in the basic training phase of the FRP during FY07. The CHANCELLORSVILLE, which spent three months in phase, had the highest expenditure rates in terms of absolute dollars (\$582,372) while the PRINCETON showed the highest percent difference from fleet mean (279.9 percent).

The PRINCETON had 238 expenditures totaling \$582,372, nine of which were over \$1,000: one in the amount of \$538,949 for purchase card (October 2, 2006); one in the amount of \$5,040 for hardware and abrasives (FSG 53); one in the amount of \$2,115 for “other;” one in the amount \$1,445 for brushes, paints, sealers, and adhesives (FSG 80); three expenditures in the amount of \$4,099 for NIIN 01-252-1928 and were recorded between the dates of October 3, 2006 and November 27, 2006; one in the amount of \$1,035 for aircraft components and accessories (FSG 16); and one was in the amount of \$1,018 for hand tools (FSG 51).

The CHANCELLORSVILLE had 375 expenditures totaling \$744,512 and of these, seven were over \$5,000 totaling \$602,902: one in the amount of \$524,023 for purchase card (October 1, 2006); four totaling \$63,288 for medical, dental, and veterinary equipment and supplies (FSG 65); and two totaling \$15,591 for brushes, paints, sealers, and adhesives (FSG 80).

The LAKE CHAMPLAIN had 252 expenditures totaling \$401,418 and of these, four were over \$800 and totaled \$375,819: one in the amount of \$369,820 for purchase card (October 1, 2006); one in the amount of \$3,374 for medical, dental, and veterinary equipment and supplies (FSG 65); and two totaling \$2,625 for Hand tools (FSG 51 – NIIN 01-526-3295).

Table 63. 2007 Expense Element “T” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PRINCETON	582,371.96	2	291,185.98	279.9%
CHANCELLORSVILLE	744,512.11	3	248,170.70	223.8%
LAKE CHAMPLAIN	401,418.14	3	133,806.05	74.6%
CHOSIN	397,388.61	3	132,462.87	72.8%
PHILIPPINE SEA	186,010.54	2	93,005.27	21.3%
MONTEREY	118,987.09	2	59,493.55	-22.4%
LAKE ERIE	116,522.34	4	29,130.59	-62.0%
MOBILE BAY	86,845.32	3	28,948.44	-62.2%
PORT ROYAL	63,070.49	3	21,023.50	-72.6%
SAN JACINTO	30,309.96	3	10,103.32	-86.8%
CAPE ST GEORGE	10,080.16	2	5,040.08	-93.4%
GETTYSBURG	14,452.57	3	4,817.52	-93.7%
HUE CITY	7,570.30	3	2,523.43	-96.7%
Total	2,759,539.59	36	76,653.88	

2. Deployment Phase

The data in Table 64 show expenditures classified as expense element “T” (NSA consumables, hull and structural, and medical/dental) for ships in the deployment phase of the FRP during FY06. The SHILOH had the highest expenditure rate in terms of absolute dollars (\$576,097) with eleven months in phase, while the PRINCETON with the second highest in terms of absolute dollars (\$502,472) had the highest percent difference from fleet mean (1,242.4 percent) due to spending one month in phase.

The PRINCETON had a total of 95 expenditures making up the above total and of these, seven were over \$1,000: one in the amount of \$461,013 for “purchase card other” (October 1, 2005); one for \$20,494 for miscellaneous reception; one in the amount of \$3,567 for containers, packaging and packing supplies (FSG 81); two totaling \$3,227 for

books, maps and other publications (FSG 76); one in the amount of \$1,177 for textiles, leather, furs, apparel and shoe findings, tents and flags (FSG 83); and one was in the amount of \$1,054 for hand tools (FSG 51).

The SHILOH had a total of 559 expenditures and of these, three were over \$5,000 which makes up 84 percent of the above total: one in the amount of \$472,265 for “Purchase Card Other” (October 1, 2005); one in the amount of \$6,121 for household and commercial furnishings and appliances (FSG 72); and one in the amount of \$5,320 for “other” Pacific Maritime. The purchase card expenditures were consistent with the establishment of a fiscal year continuing service account.

Table 64. 2006 Expense Element “T” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PRINCETON	502,472.32	1	502,472.32	1242.4%
GETTYSBURG	314,809.45	6	52,468.24	40.2%
SHILOH	576,097.38	11	52,372.49	39.9%
SAN JACINTO	244,963.95	5	48,992.79	30.9%
CHANCELLORSVILLE	491,624.19	12	40,968.68	9.4%
COWPENS	458,185.19	12	38,182.10	2.0%
PHILIPPINE SEA	128,764.79	4	32,191.20	-14.0%
LAKE CHAMPLAIN	166,812.64	6	27,802.11	-25.7%
PORT ROYAL	163,924.06	6	27,320.68	-27.0%
LEYTE GULF	116,870.14	5	23,374.03	-37.6%
MOBILE BAY	134,823.22	6	22,470.54	-40.0%
CAPE ST GEORGE	127,420.71	7	18,202.96	-51.4%
VICKSBURG	105,328.27	6	17,554.71	-53.1%
CHOSIN	122,405.81	7	17,486.54	-53.3%
HUE CITY	88,715.57	6	14,785.93	-60.5%
Total	3,743,217.69	100	37,432.18	

The data in Table 65 show expenditures classified as expense element “T” (NSA Consumables, Hull and Structural, and Medical/Dental) for ships in the deployment phase of the FRP during FY07. The ANZIO had the highest expenditure rates in terms of absolute dollars (\$624,333), which were spread over seven months in this phase, while the LEYTE GULF showed the highest percent difference from fleet mean (683.7 percent) and only spent one month in phase.

The ANZIO had 419 expenditures totaling \$624,333 and of these, two were over \$4,000 and totaled \$505,895 (81 percent of total expenditures); one in the amount of \$501,711 for purchase card (October 1, 2006), and one in the amount of \$4,184 for “other” (ANZIO’s coins).

The LEYTE GULF had 54 expenditures totaling \$443,847 and of these, five were over \$1,000 and totaled \$434,235 (98 percent of total expenditures): one in the amount of \$418,746 for purchase card (October 1, 2006); one in the amount of \$10,420 for 2190 lube oil; one in the amount of \$2,679 for brushes, paints, sealers, and adhesives (FSG 80); one in the amount of \$1,331 for chemicals and chemical products (FSG 68); and in the amount of \$1,047 for containers, packaging, and packing supplies (FSG 81).

The VICKSBURG, with the second highest percent difference from fleet mean (126.7 percent) had 340 expenditures totaling \$256,796 and of these, five were over \$5,000 totaling \$65,313: one in the amount of \$23,184 for engines, turbines, and components (FSG 28); two in the amount of \$29,198 for medical, dental, and veterinary equipment and supplies (FSG 65); one in the amount of \$7,205 for pipe, tubing, hose, and fittings (FSG 47); one in the amount of \$5,724 for general purpose automatic data processing equipment (including firmware), software, supplies and support equipment (FSG 70).

Table 65. 2007 Expense Element “T” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
LEYTE GULF	443,846.93	1	443,846.93	683.7%
VICKSBURG	256,795.97	2	128,397.99	126.7%
ANZIO	624,333.00	7	89,190.43	57.5%
PHILIPPINE SEA	157,131.09	2	78,565.54	38.7%
MONTEREY	425,239.42	6	70,873.24	25.1%
BUNKER HILL	370,712.55	6	61,785.43	9.1%
NORMANDY	298,045.55	6	49,674.26	-12.3%
SHILOH	347,066.57	7	49,580.94	-12.5%
PRINCETON	290,069.93	6	48,344.99	-14.6%
CHOSIN	289,725.31	6	48,287.55	-14.7%
COWPENS	435,450.76	10	43,545.08	-23.1%
LAKE CHAMPLAIN	107,146.88	3	35,715.63	-36.9%
GETTYSBURG	98,625.97	3	32,875.32	-41.9%
ANTIETAM	194,794.70	6	32,465.78	-42.7%
VELLA GULF	158,270.98	6	26,378.50	-53.4%
LAKE ERIE	33,338.15	3	11,112.72	-80.4%
Total	4,530,593.76	80	56,632.42	

3. Intermediate Training Phase

The data in Table 66 show expenditures classified as expense element “T” (NSA consumables, hull and structural, and medical/dental) for ships in the intermediate training phase of the FRP during FY06. The LAKE CHAMPLAIN and MOBILE BAY had the highest percent differences from fleet mean of 389.6 percent and 380.6 percent, respectively, but their high percent differences was largely due to the fact that they only spent one month in phase. On the other hand, the PHILIPPINE SEA had the highest expenditure rates in terms of absolute dollars (\$528,592) with having spent seven months in phase and ultimately resulted in a monthly mean of 54.9 percent above the fleet mean.

The LAKE CHAMPLAIN had a total of 123 expenditures and of these, only one was over \$5,000, which occurred on October 1, 2005 in the amount of \$220,032 for purchase card “other.” The MOBILE BAY had a total of 138 expenditures and of these,

three were over \$5,000: two totaling \$202,808 for purchase card CSSG and purchase card “other” (on October 1, 2005) and one in the amount of \$5,640 for medical and dental (FSG 65).

The PHILIPPINE SEA had a total of 532 expenditures and of these, eight were over \$5,000: one in the amount of \$343,509 for purchase card (October, 1 2005); one in the amount of \$14,988 for hardware and abrasives (FSG 53); one in the amount of \$14,599 for shipboard furnishings “other;” one in the amount of \$12,629 for OPS deck hardware; one in the amount of \$9,011 for epoxy seal coating; one in the amount of \$7,391 for Food Service Division; one in the amount of \$6,500 for household and commercial furnishings and appliances (FSG 72); and one was in the amount of \$5,188 for medical and dental (FSG 65). However, the number of months in phase is what influenced the PHILIPPINE SEA’s total expenditure rate, and consequently, their relatively low percent difference from the fleet mean (54.9 percent).

Table 66. 2006 Expense Element “T” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
LAKE CHAMPLAIN	238,723.60	1	238,723.60	389.6%
MOBILE BAY	234,351.00	1	234,351.00	380.6%
PORT ROYAL	260,774.31	3	86,924.77	78.3%
PHILIPPINE SEA	528,592.24	7	75,513.18	54.9%
ANTIETAM	254,833.06	4	63,708.27	30.7%
LAKE ERIE	423,525.96	8	52,940.75	8.6%
VELLA GULF	316,596.44	9	35,177.38	-27.9%
BUNKER HILL	133,161.64	5	26,632.33	-45.4%
MONTEREY	179,748.30	8	22,468.54	-53.9%
HUE CITY	44,604.55	2	22,302.28	-54.3%
LEYTE GULF	19,544.39	2	9,772.20	-80.0%
NORMANDY	47,320.87	5	9,464.17	-80.6%
Total	2,681,776.36	55	48,759.57	

The data in Table 67 show expenditures classified as expense element “T” (NSA Consumables, Hull and Structural, and Medical/Dental) for ships in the intermediate

training phase of the FRP during FY07. The NORMANDY had both the highest expenditure rates in terms of absolute dollars (\$571,929) and the highest percent difference from fleet mean (382.7 percent) having spent two months in phase.

The NORMANDY had 14 expenditures totaling \$571,930 and of these, three were over \$2,000 totaling \$567,236 (99 percent of total expenditures): one in the amount of \$556,798 for purchase card (October 1, 2006), one in the amount of \$5,625 for patches, and one in the amount of \$4,812 for medical, dental, and veterinary equipment and supplies (FSG 65).

The ANTIETAM, with both the second highest expenditure rates in terms of absolute dollars (\$332,625) and the second highest percent difference from fleet mean (87.2 percent), had 759 expenditures for \$322,625 and of these, two were over \$5,000 totaling \$189,810: one in the amount of \$165,746 for purchase card (October 2, 2006); and one in the amount \$24,065 for medical, dental, and veterinary equipment and supplies (FSG 65).

Table 67. 2007 Expense Element “T” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
NORMANDY	571,929.58	2	285,964.79	382.7%
ANTIETAM	332,624.93	3	110,874.98	87.2%
CAPE ST GEORGE	262,095.41	3	87,365.14	47.5%
MOBILE BAY	142,136.06	2	71,068.03	20.0%
LAKE ERIE	70,643.29	1	70,643.29	19.3%
PORT ROYAL	261,053.81	6	43,508.97	-26.6%
PRINCETON	44,140.02	2	22,070.01	-62.7%
CHOSIN	18,658.46	1	18,658.46	-68.5%
HUE CITY	78,322.24	5	15,664.45	-73.6%
SAN JACINTO	38,193.44	3	12,731.15	-78.5%
GETTYSBURG	16,555.81	3	5,518.60	-90.7%
Total	1,836,353.05	31	59,237.20	

4. Maintenance Phase

The data in Table 68 show expenditures classified as expense element “T” (NSA consumables, hull and structural, and medical/dental) for ships in the maintenance phase

of FRP during FY06. The BUNKER HILL had both the highest expenditure rate in terms of absolute dollars (\$443,519) and the highest percent difference from fleet mean (1,053.1 percent).

The BUNKER HILL had 27 total expenditures and of these, only two were over \$5,000, but they account for 99 percent of the total expenditures. There is one purchase card transaction in the amount of \$429,351 on October 2, 2005 and one expenditure in the amount of \$8,518 for “Day Wireless.”

The SHILOH had the next highest in term of percent difference from fleet mean and was also in the maintenance phase for one month. Its time in phase was in conjunction with the end of the fiscal year. Additionally, there were 394 total expenditures and of these, 380 fell between September 28 and 30 of 2006 (the last three days of FY06). The total of these expenditures was \$128,674, which accounts for 91 percent of total expenditures. Also, there were 12 expenditures (\$46,058) for the NEX Depot. Additionally, these 380 expenditures appear to represent the obligation of end-of-year funding.

Table 68. 2006 Expense Element “T” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
BUNKER HILL	443,519.84	1	443,519.84	1053.1%
SHILOH	141,624.53	1	141,624.53	268.2%
LAKE ERIE	206,876.65	4	51,719.16	34.5%
CHOSIN	145,673.05	5	29,134.61	-24.3%
LAKE CHAMPLAIN	87,215.53	3	29,071.84	-24.4%
ANTIETAM	68,548.28	3	22,849.43	-40.6%
PRINCETON	79,009.24	4	19,752.31	-48.6%
SAN JACINTO	66,541.32	5	13,308.26	-65.4%
NORMANDY	14,992.74	3	4,997.58	-87.0%
GETTYSBURG	15,294.93	4	3,823.73	-90.1%
Total	1,269,296.11	33	38,463.52	

The data in Table 69 show expenditures classified as expense element “T” (NSA Consumables, Hull and Structural, and Medical/Dental) for ships in the maintenance phase of the FRP during FY07. The PORT ROYAL had the highest expenditure rates in

terms of absolute dollars (\$472,384), spread over a three month period, and the LAKE ERIE showed the highest percent difference from fleet mean (252.6 percent) while having spent two months in phase.

The LAKE ERIE had 105 expenditures for \$388,722 and of these, five were over \$2,000 and totaled \$352,622 (98 percent of total expenditures): one in the amount of \$320,662 for purchase card (October 1, 2006); one in the amount of \$23,456 for HAZMAT (October 1, 2006); two totaling \$5,973 for “various;” and one in the amount of \$2,530 for medical, dental, and veterinary equipment and supplies (FSG 65). Forty-seven of the LAKE ERIE’s 105 expenditures are classified as various and account for \$27,946.

The HUE CITY had 64 expenditures totaling \$339,170 and of these, four were over \$1,000 totaling \$334,162 (99 percent of total expenditures): one in the amount of \$321,106 for continuing services (October 1, 2006); one in the amount of \$6,000 for purchase card (October 1, 2006); one in the amount of \$5,111 for fire fighting, rescue, and safety equipment (FSG 42); and one in the amount of \$1,946 for medical, dental, and veterinary equipment and supplies (FSG 65).

The PORT ROYAL had 114 expenditures totaling \$472,384 and of these, two were over \$5,000 totaling \$423,865: one in the amount of \$411,985 for purchase card (October 1, 2006), and one in the amount of 11,880 for Amerisource. Additionally, there are 45 expenditures totaling \$29,765 that are listed as “GSA.”

Table 69. 2007 Expense Element “T” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
LAKE ERIE	388,721.53	2	194,360.77	252.6%
HUE CITY	339,170.43	2	169,585.22	207.7%
PORT ROYAL	472,384.41	3	157,461.47	185.7%
SAN JACINTO	399,507.79	3	133,169.26	141.6%
COWPENS	153,317.93	2	76,658.97	39.1%
SHILOH	326,675.65	5	65,335.13	18.5%
CAPE ST GEORGE	291,536.20	7	41,648.03	-24.4%
CHANCELLORSVILLE	305,237.95	9	33,915.33	-38.5%
MOBILE BAY	106,820.81	4	26,705.20	-51.6%
PHILIPPINE SEA	151,734.65	7	21,676.38	-60.7%
ANZIO	30,557.37	2	15,278.69	-72.3%
LEYTE GULF	55,549.80	7	7,935.69	-85.6%
GETTYSBURG	10,499.74	2	5,249.87	-90.5%
Total	3,031,714.26	55	55,122.08	

5. Sustainment Phase

The data in Table 70 show expenditures classified as expense element “T” (NSA consumables, hull and structural, and medical/dental) for ships in the sustainment phase of FRP during FY06. The VICKSBURG had the highest expenditure rates in terms of absolute dollars (\$391,418) and the BUNKER HILL and the ANTIETAM had the highest amounts in percent difference from mean at 267.7 percent and 224.8 percent, respectively.

The VICKSBURG had the highest expenditure rate in terms of absolute dollars in the amount of \$391,418 while in phase for six months. Its percent difference from fleet mean (102.9 percent) was significantly lower than the highs mentioned above, but this is due to their time spent in phase. The expenditure of interest was one purchase card transaction on October 1, 2005 for \$251,687 classified as “other.” Additionally, there were four “other” transactions over \$5,000: one in the amount of \$151,687 classified as “Other;” one in the amount of \$67,193 for SPO; one in the amount \$23,979 for CPO Mess Rehab; and one in the amount of \$7,050 for a Pilot Ladder.

The BUNKER HILL had a total of 752 expenditures totaling \$236,457 while in phase for two months. Its expenditure breakdown consisted of four over \$5,000: one in the amount of \$39,043 for eight radios; one in the amount of \$21,970 for Bullard LT fire helmets; one in the amount of \$7,048 for office supplies and devices (FSG 75); and one was in the amount of \$6,048 for aircraft components and accessories (FSG 16).

The ANTIETAM had a total of 290 expenditures totaling \$313,303 while in phase for three months. Its expenditure breakdown consisted of two over \$5,000; one in the amount of \$267,182 for a purchase card transaction on October 1, 2005 and one in the amount of \$6,250 clothing, individual equipment and insignia (FSG 84).

Table 70. 2006 Expense Element “T” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
BUNKER HILL	236,457.34	2	118,228.67	267.7%
ANTIETAM	313,303.90	3	104,434.63	224.8%
VICKSBURG	391,418.30	6	65,236.38	102.9%
CAPE ST GEORGE	221,612.66	5	44,322.53	37.8%
PHILIPPINE SEA	40,149.88	1	40,149.88	24.9%
PORT ROYAL	117,932.61	3	39,310.87	22.3%
MOBILE BAY	150,385.95	5	30,077.19	-6.5%
HUE CITY	19,897.72	1	19,897.72	-38.1%
LAKE CHAMPLAIN	30,753.78	2	15,376.89	-52.2%
PRINCETON	72,990.93	5	14,598.19	-54.6%
LEYTE GULF	19,995.89	2	9,997.95	-68.9%
VELLA GULF	24,372.82	3	8,124.27	-74.7%
SAN JACINTO	15,317.01	2	7,658.51	-76.2%
ANZIO	74,657.00	12	6,221.42	-80.7%
GETTYSBURG	7,082.42	2	3,541.21	-89.0%
Total	1,736,328.21	54	32,154.23	

The data in Table 71 show expenditures classified as expense element “T” (NSA Consumables, Hull and Structural, and Medical/Dental) for ships in the sustainment phase of the FRP during FY07. The VICKSBURG had the highest expenditure rates in terms of absolute dollars (\$487,570), spending ten months in phase, while the MOBILE BAY showed the highest percent difference from fleet mean (168.7 percent) while having spent only three months in phase.

The VICKSBURG had 505 expenditures and of these, five were over \$2,000 and totaled \$400,545 (82 percent of total expenditures): one in the amount of \$387,772 for purchase card (October 1, 2006); one in the amount of \$4,023 for construction and building materials (FSG 56); one expenditure in the amount of \$3,742 for brushes, paints, sealers, and adhesives (FSG 80); and two expenditures totaling \$5,008 for measuring tools (FSG 52).

The MOBILE BAY had 239 expenditures totaling \$311,846 and of these, three were over \$4,000 and totaled \$273,782 (88 percent of total expenditures): one in the amount of \$219,648 for purchase card (October 1, 2006); one in the amount of \$49,155 for CCSG9 purchase card (October 1, 2006); and one in the amount of \$4,979 for S-3 transfer.

Table 71. 2007 Expense Element “T” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
MOBILE BAY	311,845.51	3	103,948.50	168.7%
HUE CITY	151,091.26	2	75,545.63	95.3%
LAKE ERIE	127,822.85	2	63,911.43	65.2%
ANTIETAM	161,574.98	3	53,858.33	39.2%
SAN JACINTO	160,224.38	3	53,408.13	38.1%
BUNKER HILL	316,642.58	6	52,773.76	36.4%
VICKSBURG	487,569.98	10	48,757.00	26.1%
PRINCETON	94,217.68	2	47,108.84	21.8%
LAKE CHAMPLAIN	262,145.54	6	43,690.92	13.0%
GETTYSBURG	22,633.17	1	22,633.17	-41.5%
VELLA GULF	128,287.96	6	21,381.33	-44.7%
CHOSIN	30,902.82	2	15,451.41	-60.1%
NORMANDY	58,903.00	4	14,725.75	-61.9%
MONTEREY	38,458.47	4	9,614.62	-75.1%
LEYTE GULF	30,335.43	4	7,583.86	-80.4%
ANZIO	11,924.49	3	3,974.83	-89.7%
PHILIPPINE SEA	3,530.78	1	3,530.78	-90.9%
Total	2,398,110.88	62	38,679.21	

E. EXPENSE ELEMENT “V”

1. Basic Training Phase

The data in Table 72 show expenditures classified as expense element “V” (Other POL) for ships in the basic training phase of the FRP during FY06. The MONTEREY had both the highest expenditure rate in terms of absolute dollars (\$11,582) and the highest percent difference from fleet mean (165.9 percent) while spending four months in phase. There were a total of three expenditures making up the above total and only one was over \$100, which was in the amount of \$11,501 and classified as “other.”

Table 72. 2006 Expense Element “V” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
MONTEREY	11,582.74	4	2,895.69	165.9%
NORMANDY	8,739.15	4	2,184.79	100.7%
LEYTE GULF	592.73	3	197.58	-81.9%
HUE CITY	414.51	3	138.17	-87.3%
BUNKER HILL	340.62	4	85.16	-92.2%
PRINCETON	107.17	2	53.59	-95.1%
Total	21,776.92	20	1,088.85	

The data in Table 73 show expenditures classified as expense element “V” (Other POL) for ships in the basic training phase of the FRP during FY07. The MONTEREY had both the highest expenditure rates in terms of absolute dollars (\$2,753) and the highest percent difference from fleet mean (195.3 percent) while having spent only one month in phase.

The MONTEREY had three expenditures totaling \$2,753 and all were for fuels, lubricants, oils, and waxes (FSG 91).

Table 73. 2007 Expense Element “V” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
MONTEREY	2,753.62	2	1,376.81	195.3%
PHILIPPINE SEA	2,216.88	2	1,108.44	137.8%
CHANCELLORSVILLE	2,600.86	3	866.95	86.0%
LAKE CHAMPLAIN	1,765.06	3	588.35	26.2%
GETTYSBURG	728.18	3	242.73	-47.9%
SAN JACINTO	607.39	3	202.46	-56.6%
PRINCETON	159.24	2	79.62	-82.9%
LAKE ERIE	265.00	4	66.25	-85.8%
CAPE ST GEORGE	92.36	2	46.18	-90.1%
Total	11,188.59	24	466.19	

2. Deployment Phase

The data in Table 74 show expenditures classified as expense element “V” (Other POL) for ships in the deployment phase of the FRP during FY06. The GETTYSBURG had both the highest expenditure rate in terms of absolute dollars (\$13,630) and the highest percent difference from fleet mean (329.2 percent). There were a total of 15 expenditures making up the above total and three were over \$3,000: one in the amount of \$3,051 for “Voyager Gas” bought via purchase card on October 1, 2005; one in the amount of \$4,409 classified as “other;” and one was in the amount of \$5,326 classified as “other.”

The CAPE ST GEORGE had the next highest numbers in terms of total dollar expenditure amount (\$10,736) and percent difference from fleet mean (189.8 percent). This ship had a total of seven expenditures making up the above total. All were under \$1,000 with the exception of a purchase for 1,600 gallons of lube oil for \$9,808.

Table 74. 2006 Expense Element “V” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
GETTYSBURG	13,630.82	6	2,271.80	329.2%
CAPE ST GEORGE	10,736.48	7	1,533.78	189.8%
LAKE CHAMPLAIN	7,295.48	6	1,215.91	129.7%
SAN JACINTO	2,376.95	5	475.39	-10.2%
MOBILE BAY	2,630.10	6	438.35	-17.2%
PORT ROYAL	1,912.03	6	318.67	-39.8%
COWPENS	3,508.50	12	292.38	-44.8%
VICKSBURG	1,741.34	6	290.22	-45.2%
CHANCELLORSVILLE	3,298.32	12	274.86	-48.1%
SHILOH	2,923.54	11	265.78	-49.8%
LEYTE GULF	1,328.03	5	265.61	-49.8%
PHILIPPINE SEA	796.70	4	199.18	-62.4%
PRINCETON	125.55	1	125.55	-76.3%
HUE CITY	573.46	6	95.58	-81.9%
CHOSIN	54.60	7	7.80	-98.5%
Total	52,931.90	100	529.32	

The data in Table 75 show expenditures classified as expense element “V” (Other POL) for ships in the deployment phase of the FRP during FY07. The COWPENS had the highest expenditure rates in terms of absolute dollars (\$5,274) and spent ten months in phase, while the VICKSBURG had the highest percent difference from fleet mean (366.5 percent) with having spent only two month in phase.

The GETTYSBURG had one expenditure for \$5,040 for fuels, lubricants, oils, and waxes (FSG 91).

The COWPENS had seven expenditures for \$5,274 and of these, six totaling \$5,234 and were listed as fuels, lubricants, oils, and waxes (FSG 91). The remaining expenditure was in the amount of \$40 for electrical and electronic components (FSG 59).

The VICKSBURG had 13 expenditures totaling \$4,571 and they were all fuels, lubricants, oils, and waxes (FSG 91).

Table 75. 2007 Expense Element “V” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
VICKSBURG	4,570.95	2	2,285.48	366.5%
GETTYSBURG	5,040.00	3	1,680.00	242.9%
LAKE CHAMPLAIN	4,917.05	3	1,639.02	234.5%
MONTEREY	4,588.59	6	764.77	56.1%
BUNKER HILL	4,362.25	6	727.04	48.4%
COWPENS	5,273.89	10	527.39	7.6%
LEYTE GULF	436.41	1	436.41	-10.9%
NORMANDY	2,381.93	6	396.99	-19.0%
ANZIO	1,795.22	7	256.46	-47.7%
PRINCETON	1,456.73	6	242.79	-50.4%
PHILIPPINE SEA	416.52	2	208.26	-57.5%
ANTIETAM	464.42	6	77.40	-84.2%
SHILOH	379.35	7	54.19	-88.9%
LAKE ERIE	95.20	3	31.73	-93.5%
CHOSIN	76.62	6	12.77	-97.4%
Total	36,255.13	74	489.93	

3. Intermediate Training Phase

The data in Table 76 show expenditures classified as expense element “V” (Other POL) for ships in the intermediate training phase of the FRP during FY06. The PHILIPPINE SEA had both the highest expenditure rate in terms of absolute dollars (\$24,024) and the highest percent difference from fleet mean (156.8 percent) with seven months in phase. There were a total of 50 expenditures making up the above total and all were under \$1,000 with the exception of two classified as “other” for a combined total of \$20,760.

The MONTEREY had the next highest total expenditure amount (\$21,407) and percent difference from mean (100.2 percent). There were a total of 40 expenditures and all were under \$1,000 except for two classified as “other” for a combined total of \$18,215.

Table 76. 2006 Expense Element “V” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PHILIPPINE SEA	24,024.38	7	3,432.05	156.8%
MONTEREY	21,407.08	8	2,675.89	100.2%
HUE CITY	2,297.86	2	1,148.93	-14.0%
LEYTE GULF	859.88	1	859.88	-35.7%
MOBILE BAY	627.90	1	627.90	-53.0%
ANTIETAM	1,660.37	4	415.09	-68.9%
VELLA GULF	2,962.05	9	329.12	-75.4%
BUNKER HILL	1,210.02	5	242.00	-81.9%
NORMANDY	1,079.22	5	215.84	-83.8%
Total	56,128.76	42	1,336.40	

The data in Table 77 show expenditures classified as expense element “V” (Other POL) for ships in the intermediate training phase of the FRP during FY07. The PORT ROYAL had both the highest expenditure rates in terms of absolute dollars (\$27,977) and the highest percent difference from fleet mean (176.7 percent) while having spent six months in phase.

The PORT ROYAL had 40 expenditures totaling \$27,977: one in the amount of \$18,333 for lube oil and 39 totaling \$9,644 for fuels, lubricants, oils, and waxes (FSG 91).

Table 77. 2007 Expense Element “V” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PORT ROYAL	27,977.32	6	4,662.89	176.7%
LAKE ERIE	1,325.49	1	1,325.49	-21.3%
PRINCETON	2,028.35	2	1,014.18	-39.8%
HUE CITY	3,445.94	5	689.19	-59.1%
ANTIETAM	1,485.70	3	495.23	-70.6%
GETTYSBURG	599.44	3	199.81	-88.1%
MOBILE BAY	205.73	2	102.87	-93.9%
Total	37,067.97	22	1,684.91	

4. Maintenance Phase

The data in Table 78 show expenditures classified as expense element “V” (Other POL) for ships in the maintenance phase of the FRP during FY06. The BUNKER HILL had the highest percent difference from mean (205.3 percent) and this was largely due to both the range of total dollars expended by all ships and the fact that the BUNKER HILL was in phase for only one month. There were a total of 21 expenditures totaling \$865 and of these, 17 were listed under the National Item Identification Number (NIIN) 00-148-7103 and all were for fuels, lubricants, oils, and waxes (FSG 91) during the month of October 2006.

The GETTYSBURG had the highest total dollar amount expended (\$1,818), but was in phase for four months and this drew down the percent difference from fleet mean (60.3 percent). However, there were a total of 19 expenditures under \$1,000 and they were all listed as “other.”

Table 78. 2006 Expense Element “V” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
BUNKER HILL	865.80	1	865.80	205.3%
LAKE CHAMPLAIN	1,516.28	3	505.43	78.2%
GETTYSBURG	1,818.86	4	454.72	60.3%
SHILOH	334.43	1	334.43	17.9%
PRINCETON	1,207.34	4	301.84	6.4%
NORMANDY	200.52	3	66.84	-76.4%
CHOSIN	12.69	5	2.54	-99.1%
Total	5,955.92	21	283.62	

The data in Table 79 show expenditures classified as expense element “V” (Other POL) for ships in the maintenance phase of the FRP during FY07. The GETTYSBURG had the highest expenditure rates in terms of absolute dollars \$28,953 during two months in this phase and the CAPE ST GEORGE had the highest percent difference from fleet mean (635.9 percent) while having spent only one month in phase.

The CAPE ST GEORGE had one expenditure for \$25,515 for “other.”

The GETTYSBURG had four expenditures totaling \$28,953: one in the amount of \$18,409 for lube oil and three totaling \$10,545 classified as “other.”

Table 79. 2007 Expense Element “V” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
GETTYSBURG	28,953.36	2	14,476.68	642.3%
CAPE ST GEORGE	25,514.60	7	3,644.94	86.9%
SAN JACINTO	4,993.16	3	1,664.39	-14.7%
ANZIO	514.32	2	257.16	-86.8%
PHILIPPINE SEA	1,663.81	7	237.69	-87.8%
HUE CITY	340.44	2	170.22	-91.3%
MOBILE BAY	243.90	4	60.98	-96.9%
SHILOH	181.91	5	36.38	-98.1%
Total	62,405.50	32	1,950.17	

5. Sustainment Phase

The data in Table 80 show expenditures classified as expense element “V” (Other POL) for ships in the sustainment phase of the FRP during FY06. The PRINCETON had both the highest expenditure rate in terms of absolute dollars (\$51,780) and the highest percent difference from mean (228.2 percent). There were a total of 10 expenditures and all were under \$1,000 with the exception of two. These two were listed under the NIIN 003726915 (4000 gallons) — lube oil for amounts \$24,741 and \$24,489.

The ANZIO had the third highest expenditure rate in terms of absolute dollars (\$21,476) and was in phase for 10 months with a negative percent difference from fleet mean (-43.3 percent). This ship had a total of 46 expenditures and all were listed with either various NIIN’s or classified as “other” and were under the amount of \$1,000. There was one listed as “other” in the amount of \$14,925. This highlights the fact that there is no evidence of a pattern in spending during this phase.

Table 80. 2006 Expense Element “V” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PRINCETON	51,780.76	5	10,356.15	228.2%
LEYTE GULF	14,572.73	2	7,286.37	130.9%
VICKSBURG	28,730.51	6	4,788.42	51.7%
MOBILE BAY	15,460.42	5	3,092.08	-2.0%
HUE CITY	2,952.13	1	2,952.13	-6.5%
CAPE ST GEORGE	11,784.51	5	2,356.90	-25.3%
ANZIO	21,476.29	12	1,789.69	-43.3%
PHILIPPINE SEA	1,451.46	1	1,451.46	-54.0%
SAN JACINTO	1,532.00	2	766.00	-75.7%
LAKE CHAMPLAIN	658.72	2	329.36	-89.6%
GETTYSBURG	544.95	2	272.48	-91.4%
BUNKER HILL	373.20	2	186.60	-94.1%
ANTIETAM	159.30	3	53.10	-98.3%
Total	151,476.98	48	3,155.77	

The data in Table 81 show expenditures classified as expense element “V” (Other POL) for ships in the sustainment phase of the FRP during FY07. The VICKSBURG had the highest expenditure rates in terms of absolute dollars (\$26,830) during 10 months in phase and the GETTYSBURG had the highest percent difference from fleet mean (289.3 percent) while having spent only one month in phase.

The VICKSBURG had 71 expenditures and of these, two were over \$1,000 and totaled \$17,610; one expenditure in the amount of \$16,156 classified as “other” and one expenditure in the amount of \$1,454 for fuels, lubricants, oils and waxes (FSG 91).

The MONTEREY had three expenditures totaling \$24,761 and the largest totaled \$24,600 (99.3 percent of total expenditures) and was classified as “other.”

The ANZIO had five expenditures totaling \$17,967 and they were all for fuels, lubricants, oils, and waxes (FSG 91). The largest of these was for \$16,857 (NIIN 013687075).

The GETTYSBURG had five expenditures totaling \$7,623 and the largest expenditure was in the amount of \$7,023 for lube oil.

Table 81. 2007 Expense Element “V” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
GETTYSBURG	7,622.56	1	7,622.56	289.3%
MONTEREY	24,760.56	4	6,190.14	216.2%
ANZIO	17,967.44	3	5,989.15	205.9%
SAN JACINTO	13,353.45	3	4,451.15	127.3%
VICKSBURG	26,829.83	10	2,682.98	37.0%
HUE CITY	5,091.80	2	2,545.90	30.0%
NORMANDY	3,798.75	4	949.69	-51.5%
MOBILE BAY	1,218.66	3	406.22	-79.3%
LAKE CHAMPLAIN	2,012.03	6	335.34	-82.9%
PRINCETON	386.52	2	193.26	-90.1%
ANTIETAM	390.08	3	130.03	-93.4%
LEYTE GULF	238.74	4	59.69	-97.0%
BUNKER HILL	78.00	6	13.00	-99.3%
LAKE ERIE	22.60	2	11.30	-99.4%
Total	103,771.02	53	1,957.94	

F. EXPENSE ELEMENT “W”

1. Basic Training Phase

The data in Table 82 show expenditures classified as expense element “W” (NSA equipment, and ADP and AIS equipment) for ships in the basic training phase of the FRP during FY06. The PRINCETON had both the second highest expenditure rate in terms of absolute dollars (\$32,775) behind the LEYTE GULF (\$37,349) and the highest percent difference from mean (249.7 percent).

The PRINCETON had 28 total expenditures and of these, nine were over \$1,000: five expenditures totaling \$17,103 for fire fighting, rescue and safety equipment (FSG 42); two expenditures totaling \$4,948 for furniture (FSG 71); one expenditure in the amount of \$1,425 for instruments and laboratory equipment (FSG 66); and one expenditure in the amount of \$1,237 for clothing, individual equipment and insignia (FSG 84).

The LEYTE GULF had a total of six expenditures and of these, four were over \$1,000: one expenditure in the amount of \$27,075 for force protection; one expenditure in the amount of \$4,223 for clothing, individual equipment and insignia (FSG 84); and two expenditures totaling \$5,385 for instruments and laboratory equipment (FSG 66).

Table 82. 2006 Expense Element “W” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PRINCETON	32,775.58	2	16,387.79	249.7%
ANTIETAM	26,881.76	2	13,440.88	186.8%
LEYTE GULF	37,348.74	3	12,449.58	165.6%
BUNKER HILL	2,872.20	4	718.05	-84.7%
MONTEREY	2,099.37	4	524.84	-88.8%
HUE CITY	959.43	3	319.81	-93.2%
NORMANDY	170.37	4	42.59	-99.1%
Total	103,107.45	22	4,686.70	

The data in Table 83 show expenditures classified as expense element “W” (NSA Equipment, ADP and AIS Equipment) for ships in the basic training phase of the FRP during FY07. The MONTEREY had both the highest expenditure rates in terms of absolute dollars (\$100,585) and the highest percent difference from fleet mean (490.2 percent) while having spent two months in phase.

The MONTEREY had 21 expenditures totaling \$46,201 and of these, six were over \$1,000 and totaled \$41,447: two expenditures totaling \$33,444 for fire fighting, rescue, and safety equipment (FSG 42); two totaling \$5,582 for rope, cable, chain, and fittings (FSG 40); one in the amount of \$1,350 for instruments and laboratory equipment (FSG 66); and one in the amount of \$1,071 for household and commercial furnishings and appliances (FSG 72).

The PHILIPPINE SEA had 25 expenditures totaling \$94,526 and of these, seven were over \$2,000 totaling \$83,153: six totaling \$81,108 for fire fighting, rescue, and safety equipment (FSG 42) and one in the amount of \$2,045 for rope, cable, chain, and fittings (FSG 40).

Table 83. 2007 Expense Element “W” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
MONTEREY	100,584.72	2	50,292.36	490.0%
PHILIPPINE SEA	94,525.79	2	47,262.90	454.5%
MOBILE BAY	31,984.70	3	10,661.57	25.1%
CHANCELLORSVILLE	23,306.16	3	7,768.72	-8.9%
LAKE ERIE	17,068.96	4	4,267.24	-49.9%
SAN JACINTO	12,513.68	3	4,171.23	-51.1%
LAKE CHAMPLAIN	10,545.85	3	3,515.28	-58.8%
CHOSIN	7,260.19	3	2,420.06	-71.6%
PORT ROYAL	6,032.29	3	2,010.76	-76.4%
GETTYSBURG	1,033.38	3	344.46	-96.0%
CAPE ST GEORGE	609.88	2	304.94	-96.4%
PRINCETON	575.36	2	287.68	-96.6%
HUE CITY	830.25	3	276.75	-96.8%
Total	306,871.21	36	8,524.20	

2. Deployment Phase

The data in Table 84 show expenditures classified as expense element “W” (NSA equipment, and ADP and AIS equipment) for ships in the deployment phase of the FRP during FY06. The COWPENS had both the highest expenditure rate in terms of absolute dollars (\$162,933) and the highest percent difference from mean (150.0 percent). They had a total of 44 expenditures and of these, 14 were over \$5,000: two expenditures totaling \$30,214 for fire fighting, rescue and safety equipment (FSG 42); 12 copiers purchased for the amount of \$20,592; three theater seats in the amount of \$13,200; 14 speakers in the amount of \$10,506; nine TV’s in the amount of \$1,748; three projectors in the amount of \$5,175; a quantity of 42 of NIIN 009321353 in the amount of \$20,177 for instruments and laboratory equipment (FSG 66); a quantity of four of NIIN 013391571 in the amount of \$13,700 for rope, cable, chain and fittings (FSG 40); a quantity of 50 dozen of NIIN 011684473 in the amount of \$5,233 for household and commercial furnishings and appliances (FSG 72). The ship was in phase for a total of nine months. However, the copiers, TV’s, theater seats, and speakers were purchased in late August, which coincides with end of fiscal year spending.

Table 84. 2006 Expense Element “W” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
COWPENS	162,933.08	12	13,577.76	150.0%
PORT ROYAL	70,647.49	6	11,774.58	116.8%
LAKE CHAMPLAIN	51,827.72	6	8,637.95	59.1%
CHANCELLORSVILLE	94,955.15	12	7,912.93	45.7%
SHILOH	73,407.75	11	6,673.43	22.9%
VICKSBURG	28,258.75	6	4,709.79	-13.3%
CHOSIN	13,875.42	7	1,982.20	-63.5%
PHILIPPINE SEA	7,076.20	4	1,769.05	-67.4%
CAPE ST GEORGE	11,407.47	7	1,629.64	-70.0%
SAN JACINTO	6,950.06	5	1,390.01	-74.4%
GETTYSBURG	7,750.83	6	1,291.81	-76.2%
MOBILE BAY	7,324.40	6	1,220.73	-77.5%
PRINCETON	927.45	1	927.45	-82.9%
HUE CITY	5,117.62	6	852.94	-84.3%
LEYTE GULF	612.90	5	122.58	-97.7%
Total	543,072.29	100	5,430.72	

The data in Table 85 show expenditures classified as expense element “W” (NSA equipment and ADP and AIS equipment) for ships in the deployment phase of the FRP during FY07. The VICKSBURG had both the highest expenditure rates in terms of absolute dollars (\$234,461) and the highest percent difference from fleet mean (1,002.5 percent) while having spent two months in phase.

The VICKSBURG had 58 expenditures and of these, 14 were over \$5,000 and totaled \$178,069 (76 percent of total expenditures): two totaling \$49,688 for NIIN 014980279; two totaling \$41,467 for NIIN 013387007; four totaling \$37,859 for fire fighting, rescue; and safety equipment (FSG 42); four totaling \$29,851 for clothing, individual equipment and insignia (FSG 84); one in the amount of \$11,015 for construction and building materials (FSG 56); and one in the amount of \$8,190 for general purpose ADP equipment (including firmware), software, supplies and support equipment (FSG 70).

The CHOSIN, with the second highest difference from fleet mean (231.3 percent) had 14 expenditures totaling \$88,065. The largest single expenditure totaled \$54,384 for communication, detection and coherent radiation equipment (FSG 58).

Table 85. 2007 Expense Element “W” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
VICKSBURG	234,461.53	2	117,230.77	1002.5%
PRINCETON	145,069.47	6	24,178.25	127.4%
CHOSIN	88,064.61	6	14,677.44	38.0%
NORMANDY	80,892.67	6	13,482.11	26.8%
GETTYSBURG	38,789.74	3	12,929.91	21.6%
COWPENS	84,277.50	10	8,427.75	-20.7%
LAKE CHAMPLAIN	24,703.41	3	8,234.47	-22.6%
SHILOH	48,058.05	7	6,865.44	-35.4%
MONTEREY	31,736.85	6	5,289.48	-50.3%
ANTIETAM	28,277.20	6	4,712.87	-55.7%
LAKE ERIE	11,984.48	3	3,994.83	-62.4%
VELLA GULF	13,051.39	6	2,175.23	-79.5%
ANZIO	11,201.53	7	1,600.22	-85.0%
BUNKER HILL	7,969.30	6	1,328.22	-87.5%
PHILIPPINE SEA	1,915.30	2	957.65	-91.0%
LEYTE GULF	178.05	1	178.05	-98.3%
Total	850,631.08	80	10,632.89	

3. Intermediate Training Phase

The data in Table 86 show expenditures classified as expense element “W” (NSA equipment, and ADP and AIS equipment) for ships in the intermediate training phase of the FRP during FY06. The ANTIETAM had both the highest expenditure rate in terms of absolute dollars (\$152,521) and the highest percent difference from mean (738.8 percent) while in phase for four months. There were a total of 57 expenditures and of these, five were over \$5,000: VBSS Gear for the amount of \$45,966; a quantity of 22 of NIIN 014496416 in the amount of \$39,037 for miscellaneous (FSG 99); three expenditures for NIIN 014872932 totaling \$24,366 for fire fighting, rescue and safety equipment (FSG 42).

Table 86. 2006 Expense Element “W” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
ANTIETAM	152,521.16	4	38,130.29	738.8%
LEYTE GULF	23,592.40	2	11,796.20	159.5%
MOBILE BAY	6,340.50	1	6,340.50	39.5%
LAKE CHAMPLAIN	4,524.16	1	4,524.16	-0.5%
HUE CITY	4,489.81	2	2,244.91	-50.6%
MONTEREY	15,929.25	8	1,991.16	-56.2%
LAKE ERIE	12,532.12	8	1,566.52	-65.5%
PORT ROYAL	4,036.89	3	1,345.63	-70.4%
BUNKER HILL	5,599.62	5	1,119.92	-75.4%
PHILIPPINE SEA	7,801.33	7	1,114.48	-75.5%
NORMANDY	4,598.99	5	919.80	-79.8%
VELLA GULF	8,054.07	9	894.90	-80.3%
Total	250,020.30	55	4,545.82	

The data in Table 87 show expenditures classified as expense element “W” (NSA Equipment, ADP and AIS Equipment) for ships in the intermediate training phase of the FRP during FY07. The MOBILE BAY had both the highest expenditure rates in terms of absolute dollars (\$49,398) and the highest percent difference from fleet mean (211.6 percent) while having spent two months in phase.

The MOBILE BAY had 38 expenditures totaling \$49,398 and of these, nine were over \$1,000: one in the amount of \$18,128 for communication, detection and coherent radiation equipment (FSG 58); three totaling \$13,877 for instruments and laboratory equipment (FSG 66); four in the amount of \$5,589 for furniture (FSG 71); and one in the amount of \$2,982 for fire fighting, rescue, and safety equipment (FG 42).

The ANTIETAM had 35 expenditure totaling \$49,446. Of those, 12 were over \$1,000 totaling \$35,245: four totaling \$18,175 for instruments and laboratory equipment (FSG 66); three totaling \$9,391 for clothing, individual equipment and insignia (FSG 84); three totaling \$5,428 for fire fighting, rescue, and safety equipment (FG 42); one in the amount of \$1,283 for rope, cable, chain, and fittings (FSG 40); and one in the amount of \$1,018 for food preparation and serving equipment (FSG 73).

The CAPE ST GEORGE had 48 expenditures totaling \$48,456 and of these, 13 were over \$1,000 and total \$27,119: seven expenditures totaling \$16,954 for fire fighting, rescue and safety equipment (FSG 42); three totaling \$6,106 for rope, cables, chains and fittings (FSG 40); one expenditure in the amount of \$1,470 for clothing, individual equipment, and insignia (FSG 84); and two expenditures totaling \$2,590 for food preparation and food serving equipment (FSG 73).

Table 87. 2007 Expense Element “W” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
MOBILE BAY	49,398.17	2	24,699.09	211.6%
ANTIETAM	49,446.30	3	16,482.10	107.9%
CAPE ST GEORGE	48,456.66	3	16,152.22	103.8%
PRINCETON	22,681.03	2	11,340.52	43.1%
NORMANDY	10,308.00	2	5,154.00	-35.0%
PORT ROYAL	30,299.69	6	5,049.95	-36.3%
HUE CITY	21,236.19	5	4,247.24	-46.4%
CHOSIN	2,915.88	1	2,915.88	-63.2%
SAN JACINTO	5,039.51	3	1,679.84	-78.8%
GETTYSBURG	4,524.69	3	1,508.23	-81.0%
LAKE ERIE	1,439.09	1	1,439.09	-81.8%
Total	245,745.21	31	7,927.26	

4. Maintenance Phase

The data in Table 88 show expenditures classified as expense element “W” (NSA equipment, and ADP and AIS equipment) for ships in the maintenance phase of the FRP during FY06. The CHOSIN had both the highest expenditure rate in terms of absolute dollars (\$79,352) and the highest percent difference from fleet mean (152 percent).

The CHOSIN had 20 total expenditures and of these, five were over \$5,000: a software purchase in the amount of \$31,957; one expenditure in the amount of \$11,371 for fire fighting, rescue and safety (FSG 42); two expenditures for steam kettles in the amount of \$11,012; an expenditure for a refrigerator in the amount of \$6,230; and one expenditure for “other” in the amount of \$5,411. These purchases were consistent with typical maintenance phase requirements.

The SAN JACINTO had the next highest in terms of absolute dollars (\$46,469) and percent difference from fleet mean (47.6 percent). They had 23 expenditures and of these, eleven were over \$2,000: seven expenditures totaling \$23,784 for fire fighting, rescue and safety equipment (FSG 42); two expenditures totaling \$5,598 for instruments and laboratory equipment (FSG 66); one expenditure for \$2,413 for clothing, individual equipment and insignia (FSG 84); and one expenditure in the amount of \$2,250 for communication, detection and coherent radiation equipment (FSG 58).

Table 88. 2006 Expense Element “W” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
CHOSIN	79,351.68	5	15,870.34	152.0%
SAN JACINTO	46,469.18	5	9,293.84	47.6%
SHILOH	8,028.32	1	8,028.32	27.5%
NORMANDY	16,662.95	3	5,554.32	-11.8%
LAKE ERIE	21,218.45	4	5,304.61	-15.8%
LAKE CHAMPLAIN	14,911.98	3	4,970.66	-21.1%
ANTIETAM	4,674.78	3	1,558.26	-75.3%
PRINCETON	5,453.39	4	1,363.35	-78.3%
GETTYSBURG	4,719.33	4	1,179.83	-81.3%
Total	201,490.06	32	6,296.56	

The data in Table 89 show expenditures classified as expense element “W” (NSA Equipment, ADP and AIS Equipment) for ships in the maintenance phase of the FRP during FY07. The CHANCELLORVILLE had the highest expenditure rates in terms of absolute dollars (\$105,452), but spent nine month in phase, thereby driving down their percent difference from fleet mean (183.0 percent). The ANZIO had the highest percent difference from fleet mean (223.7 percent) while having spent only two month in this phase.

The CHANCELLORSVILLE had 43 expenditures and of these, 11 were over \$1,000 for a total of \$92,333 (88 percent of total expenditures): one expenditure in the amount of \$41,910 for communication, detection and coherent radiation equipment (FSG 58); six totaling \$40,901 for fire fighting, rescue, and safety equipment (FG 42); one in the amount of \$4,570 for and commercial furnishings and appliances (FSG 72); one in

the amount of \$2,610 for clothing, individual equipment and insignia (FSG 84); one in the amount of \$1,241 for lighting fixtures and lamps (FSG 62); and one in the amount of \$1,102 for rope, cable, chain, and fittings (FSG 40).

The ANZIO had five expenditures totaling \$27,636: one expenditure in the amount of \$26,583 for household and commercial furnishings and appliances (FSG 72 – NIIN 014980279) dated September 28, 2007; and four totaling \$1,053 for fire fighting, rescue, and safety equipment (FG 42). The September 28 expenditure was consistent with an end of fiscal year spending dump.

Table 89. 2007 Expense Element “W” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
ANZIO	27,636.10	2	13,818.05	233.7%
CHANCELLORSVILLE	105,451.98	9	11,716.89	183.0%
PHILIPPINE SEA	41,687.31	7	5,955.33	43.8%
LAKE ERIE	8,565.44	2	4,282.72	3.4%
GETTYSBURG	8,514.80	2	4,257.40	2.8%
PORT ROYAL	9,806.00	3	3,268.67	-21.1%
HUE CITY	4,566.90	2	2,283.45	-44.9%
LEYTE GULF	12,533.69	7	1,790.53	-56.8%
MOBILE BAY	5,406.50	4	1,351.63	-67.4%
SAN JACINTO	2,830.86	3	943.62	-77.2%
COWPENS	277.98	2	138.99	-96.6%
SHILOH	226.98	5	45.40	-98.9%
CAPE ST GEORGE	236.90	7	33.84	-99.2%
Total	227,741.44	55	4,140.75	

5. Sustainment Phase

The data in Table 90 show expenditures classified as expense element “W” (NSA equipment, and ADP and AIS equipment) for ships in the sustainment phase of the FRP during FY06. The PORT ROYAL had both the highest expenditure rate in terms of absolute dollars (\$236,714) and the highest percent difference from fleet mean (777.3 percent). There were a total of 35 expenditures and of these, 28 totaled \$211,793 for fire fighting, rescue and safety equipment (FSG 42). Also of note, 15 of the expenditures

were assigned to the NIIN 014395937 (qty 445ea) for a total amount of \$151,300. Additionally, these NIIN's were requisitioned between the dates of September 22 and 28 of 2005, which coincides with end of year spending.

The BUNKER HILL was the next highest in terms of absolute dollars. They had 28 expenditures and of these, four were over \$5,000: two expenditures totaling \$31,149 for fire fighting, rescue and safety equipment (FSG 42); one expenditure totaling \$13,700 for rope, cable, chain and fittings (FSG 40); and one expenditure in the amount of \$5,765 for instruments and laboratory equipment (FSG 66).

The LEYTE GULF was the second highest in terms of percent difference from fleet mean, but only spent one month in phase. The only expenditure of note was a purchase of flotation vests, which totaled \$29,137.

Table 90. 2006 Expense Element "W" Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PORT ROYAL	236,714.88	3	78,904.96	777.3%
BUNKER HILL	68,232.42	2	34,116.21	279.3%
LEYTE GULF	40,001.61	2	20,000.81	122.4%
MOBILE BAY	47,773.36	5	9,554.67	6.2%
ANTIETAM	18,268.50	3	6,089.50	-32.3%
PHILIPPINE SEA	5,607.52	1	5,607.52	-37.7%
VELLA GULF	7,112.57	3	2,370.86	-73.6%
VICKSBURG	13,585.08	6	2,264.18	-74.8%
PRINCETON	7,593.59	5	1,518.72	-83.1%
HUE CITY	1,448.09	1	1,448.09	-83.9%
ANZIO	15,472.42	12	1,289.37	-85.7%
SAN JACINTO	1,517.00	2	758.50	-91.6%
CAPE ST GEORGE	3,357.43	5	671.49	-92.5%
LAKE CHAMPLAIN	990.32	2	495.16	-94.5%
Total	467,674.79	52	8,993.75	

The data in Table 91 show expenditures classified as expense element "W" (NSA equipment, ADP and AIS equipment) for ships in the sustainment phase of the FRP during FY07. The VELLA GULF had the highest expenditure rates in terms of absolute

dollars (\$166,926) with six months spent in phase and the HUE CITY has the highest percent difference from fleet mean (380.3 percent) while having spent two months in phase.

The VELLA GULF had 28 expenditures and of these, six were over \$5,000: three totaling \$105,601 for fire fighting, rescue, and safety equipment (FG 42); one in the amount of \$27,376 for mooring lines; one in the amount of \$7,360 for clothing, individual equipment and insignia (FSG 84); and one in the amount of \$5,830 for household and commercial furnishings and appliances (FSG 72).

The LAKE ERIE had 29 expenditures totaling \$87,996 and of these, 16 were over 1,000 and totaled \$82,710 (94 percent of total expenditures): 12 totaling \$76,360 for fire fighting, rescue, and safety equipment (FG 42); three totaling \$4,792 for rope, cable, chain, and fittings (FSG 40); and one in the amount of \$1,558 for furniture (FSG 71).

The HUE CITY had 40 expenditures totaling \$108,782 and of these, three were over \$5,000 and totaled \$76,919 for fire fighting, rescue, and safety equipment (FG 42).

Table 91. 2007 Expense Element “W” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
HUE CITY	108,781.81	2	54,390.91	380.3%
LAKE ERIE	87,995.57	2	43,997.79	288.5%
VELLA GULF	166,926.60	6	27,821.10	145.7%
SAN JACINTO	55,897.51	3	18,632.50	64.5%
LAKE CHAMPLAIN	92,581.22	6	15,430.20	36.2%
ANTIETAM	35,646.92	3	11,882.31	4.9%
BUNKER HILL	64,083.25	6	10,680.54	-5.7%
PRINCETON	6,839.96	2	3,419.98	-69.8%
VICKSBURG	32,379.68	10	3,237.97	-71.4%
CHOSIN	5,949.06	2	2,974.53	-73.7%
NORMANDY	8,030.98	4	2,007.75	-82.3%
LEYTE GULF	5,800.35	4	1,450.09	-87.2%
MOBILE BAY	4,217.10	3	1,405.70	-87.6%
MONTEREY	3,181.78	4	795.45	-93.0%
ANZIO	1,199.00	3	399.67	-96.5%
Total	679,510.79	60	11,325.18	

G. EXPENSE ELEMENT “Y”

1. Basic Training Phase

The data in Table 92 show expenditures classified as expense element “Y” (Print and Publication) for ships in the basic training phase of the FRP during FY06. The HUE CITY had both the highest expenditure rate in terms of absolute dollars (\$1,505) and the highest percent difference from mean (92.5 percent). This ship had one expenditure for printing services on October 1, 2005. This was consistent with the establishment of a fiscal year continuing services account.

Table 92. 2006 Expense Element “Y” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
HUE CITY	1,505.87	3	501.96	92.5%
MONTEREY	832.63	4	208.16	-20.2%
PRINCETON	8.52	2	4.26	-98.4%
Total	2,347.02	9	260.78	

The data in Table 93 show expenditures classified as expense element “Y” (Printing and Publication) for ships in the basic training phase of the FRP during FY07. The CHOSIN had both the highest expenditure rates in terms of absolute dollars (\$11,707) and the highest percent difference from fleet mean (90.0 percent) while having spent only one month in phase. The CHOSIN had one expenditure in the amount of \$11,707 for initial funding dated October 1, 2006. This was consistent with the establishment of a fiscal year continuing service account.

Table 93. 2007 Expense Element “Y” Basic Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
CHOSIN	11,706.60	3	3,902.20	90.0%
MONTEREY	2,596.40	2	1,298.20	-36.8%
CAPE ST GEORGE	70.07	2	35.04	-98.3%
Total	14,373.07	7	2,053.30	

2. Deployment Phase

The data in Table 94 show expenditures classified as expense element “Y” (Print and Publication) for ships in the deployment phase of the FRP during FY06. The COWPENS had both the highest expenditure rate in terms of absolute dollars (\$12,499) and the highest percent difference from fleet mean (65.7 percent). This ship had one expenditure for printing services on October 1, 2005. This was consistent with the establishment of a fiscal year continuing services account.

Table 94. 2006 Expense Element “Y” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
COWPENS	12,499.05	12	1,041.59	65.7%
CHANCELLORSVILLE	5,605.30	12	467.11	-25.7%
PORT ROYAL	750.00	6	125.00	-80.1%
Total	18,854.35	30	628.48	

The data in Table 95 show expenditures classified as expense element “Y” (Printing and Publication) for ships in the deployment phase of the FRP during FY07. The PHILIPPINE SEA had both the highest expenditure rates in terms of absolute dollars the highest percent difference from fleet mean (290.1 percent) while having spent two months in phase. They had one expenditure for \$4,713 for printing service dated October 2, 2006, which was consistent with the establishment of a fiscal year continuing service account.

Table 95. 2007 Expense Element “Y” Deployment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PHILIPPINE SEA	4,713.43	2	2,356.72	290.1%
CHOSIN	2,783.99	6	464.00	-23.2%
NORMANDY	961.00	6	160.17	-73.5%
Total	8,458.42	14	604.17	

3. Intermediate Training Phase

The data in Table 96 show expenditures classified as expense element “Y” (Print and Publication) for ships in the intermediate training phase of the FRP during FY06. The LAKE ERIE had the highest expenditure rate in terms of absolute dollars (\$8,163) and the second highest percent difference from fleet mean (-4.5 percent). This ship had one expenditure for printing services on October 1, 2005. This was consistent with the establishment of a fiscal year continuing services account.

Table 96. 2006 Expense Element “Y” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
PORT ROYAL	7,693.69	3	2,564.56	140.0%
LAKE ERIE	8,163.05	8	1,020.38	-4.5%
MONTEREY	4,449.02	8	556.13	-48.0%
Total	20,305.76	19	1,068.72	

The data in Table 97 show expenditures classified as expense element “Y” (Printing and Publication) for ships in the intermediate training phase of the FRP during FY07. The ANTIETAM had both the highest expenditure rates in terms of absolute dollars (\$3,505) the highest percent difference from fleet mean (64.1 percent) while having spent only one month in this phase. They had one expenditure in the amount of \$3,505 for EWSW certificates.

Table 97. 2007 Expense Element “Y” Intermediate Training Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
ANTIETAM	3,504.70	3	1,168.23	64.1%
NORMANDY	54.88	2	27.44	-96.1%
Total	3,559.58	5	711.92	

4. Maintenance Phase

During FY06, there were no expenditures classified as expense element “Y” by ships that were in the maintenance phase.

The data in Table 98 show expenditures classified as expense element “Y” (Printing and Publication) for ships in the maintenance phase of the FRP during FY07. The SHILOH had the highest expenditure rates in terms of absolute dollars (\$22,137) and the second highest percent difference from fleet mean (53.8 percent) while having spent five months in phase. They had two expenditures and both were dated October 1, 2006. The remaining ships, with the exception of the PHILIPPINE SEA, had single expenditures for printing services and were also dated October 1, 2006. These were consistent with the establishment of a fiscal year continuing service accounts.

Table 98. 2007 Expense Element “Y” Maintenance Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
COWPENS	19,824.25	2	9,912.13	244.4%
SHILOH	22,136.55	5	4,427.31	53.8%
PORT ROYAL	8,106.67	3	2,702.22	-6.1%
LAKE ERIE	4,000.00	2	2,000.00	-30.5%
PHILIPPINE SEA	622.00	7	88.86	-96.9%
Total	54,689.47	19	2,878.39	

5. Sustainment Phase

The data in Table 99 show an expenditure classified as expense element “Y” (Print and Publication) for only one ship the sustainment training phase of the FRP during FY06. The VICKSBURG had one expenditure in the amount of \$84.00.

Table 99. 2006 Expense Element “Y” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
VICKSBURG	84.00	6	14.00	0.0%
Total	84.00	6	14.00	

The data in Table 100 show expenditures classified as expense element “Y” (Printing and Publication) for ships in the sustainment phase of the FRP during FY07. The NORMANDY had both the highest expenditure rates in terms of absolute dollars (\$7,202) and the highest percent difference from fleet mean (55.5 percent) while having spent four months in phase. Both ships expenditures were for printing services.

Table 100. 2007 Expense Element “Y” Sustainment Phase Expenditures

Ship	Total	Months in Phase	Mean Per Month	Percent Difference from Fleet Mean
NORMANDY	7,202.04	4	1,800.51	55.5%
MONTEREY	2,060.56	4	515.14	-55.5%
Total	9,262.60	8	1,157.83	

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