

DEPARTMENT OF THE NAVY
FISCAL YEAR (FY) 2019
BUDGET ESTIMATES



JUSTIFICATION OF ESTIMATES
MARCH 2018

Addendum to Operation and Maintenance, Navy

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Department of the Navy
FY 2019 President's Budget Submission
Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Air Operations
Detail by Subactivity Group: Mission and Other Flight Operations

I. Description of Operations Financed:

Mission and Other Flight Operations include all Navy and Marine Corps Tactical Air (TACAIR) and Anti-Submarine Warfare forces, shore-based Fleet Air Support, and irregular warfare. Funding provides flying hours to maintain required levels of readiness enabling Navy and Marine Corps aviation forces to perform their primary missions as required in support of national objectives. In addition, the Flying Hour Support program provides funding for transportation and travel of equipment and squadron staff and personnel, aircrew training systems, commercial air services, and various information technology systems. These support accounts enable the training for and execution of primary missions.

The Navy measures aviation readiness using the Defense Readiness Reporting System Navy. Carrier Airwings (CVWs) maintain varied training and readiness (T&R) levels in accordance with the Optimized Fleet Response Training Plan (OFRTP) in order to provide adequately trained aircrews across a 36 month deployment cycle.

Marine Corps TACAIR readiness differs in approach and requires a steady readiness profile to be maintained in order to be prepared to rapidly and effectively deploy on short notice for operational plans or contingency operations. The Marine Corps Aviation Plan (AVPLAN) directs the T&R requirements and resources to attain readiness levels over a 12 month snapshot of a USMC 36 month squadron training cycle. The AVPLAN aligns with Department requirements by implementing a comprehensive, capabilities-based training system that provides mission skill-proficient crews and combat leaders to the Combatant Commanders.

The intent of FY 2019 funding is to execute the maximum executable requirements of deployed units and units training in preparation to deploy and of non-deployed units for sustainment and maintenance readiness levels.

II. Force Structure Summary:

In FY 2017, there are 9 active carrier air wings, 2,480 crews, and 1,972 tactical primary authorized aircraft

In FY 2018, there are 9 active carrier air wings, 2,473 crews, and 1,976 tactical primary authorized aircraft

In FY 2019, there are 9 active carrier air wings, 2,479 crews, and 2,007 tactical primary authorized aircraft

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III. Financial Summary (\$ in Thousands):

		FY 2018				
A. Sub-Activity Group Total	FY 2017	Budget	Congressional	Action	Current	FY 2019
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Mission and Other Flight Operations	5,172,512	5,544,165	0	0.00	5,544,165	5,372,399
	/1				/2	
 B. Reconciliation Summary						
				Change		Change
				FY 2018/2018		FY 2018/2019
BASE Funding				5,544,165		5,544,165
Congressional Adjustments (Distributed)				0		0
Congressional Adjustments (Undistributed)				0		0
Congressional Adjustments (General Provisions)				0		0
Adjustments to Meet Congressional Intent				0		0
Carryover				0		0
Subtotal Appropriation Amount				5,544,165		0
Overseas Contingency Operations and Disaster Supplemental Appropriations				412,710		0
Less: Overseas Contingency Operations and Disaster Supplemental Appropriations				-412,710		0
Fact-of-Life Changes (CY to CY)				0		0
FY 2018 Request for Additional Appropriations				0		0
Subtotal Baseline Funding				5,544,165		0
Reprogrammings				0		0
Price Change				0		-63,607
Functional Transfers				0		328
Program Changes				0		-108,487
Line Item Consolidation				0		0
Current Estimate				5,544,165		5,372,399

/1 Includes Overseas Contingency Operations Supplemental Funding

/2 Excludes FY 2018 Overseas Contingency Operations Supplemental Funding Request

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	<u>(\$ in Thousands)</u>	<u>Amount</u>	<u>Total</u>
C. Reconciliation of Increases and Decreases			
FY 2018 President's Budget Request			5,544,165
1) War-Related and Disaster Supplemental Appropriations			412,710
a) Title IX Overseas Contingency Operations Funding, FY 2018			412,710
i) PPBS Baseline - PB18	412,710		
2) Less: Overseas Contingency Operations and Disaster Supplemental Appropriations, and Reprogrammings			-412,710
FY 2018 Current Estimate			5,544,165
Price Change			-63,607
3) Transfers			328
a) Transfers In			328
i) Transfer from BA 1, Base Operating Support (BSS1) to BA 1, Mission and Other Flight Operations (1A1A) for proper alignment of the Electronic Key Management System (EKMS). (Baseline \$0; +4 civilian FTE)	328		
4) Program Increases			162,626
a) Program Increase in FY 2019			162,626
i) Increase of aircraft (+34 FA-18 E-F) and 5,251 flying hours. (Baseline: \$1,104,903)		42,968	
ii) Increase of aircraft (+12 P-8A) and 2,875 flying hours. (Baseline: \$228,360)		40,393	
iii) Increase of aircraft (+12 MV-22B) and 1,482 flying hours. (Baseline: \$521,556)		20,672	
iv) Increase of 649 flying hours for EA-18G. Increase also reflects higher cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance. Aircrafts decrease by 4. (Baseline: \$194,271)		16,027	
v) Increase in flying hour support programs including the commercial air transportation services, simulator support for pilot training, fleet Automated Data Processing (ADP), aviation and weapons simulators for Fleet fielded training systems supporting Aircrew Training Systems (ATS), range support efforts, transportation of material and equipment in support of exercises and deployments. Increase is cornerstone to successful deployments as their deployments are COCOM/PACOM driven and heavily dependent upon the support of flying hour support resources for travel and transportation. (Baseline: \$876,846)		11,064	
vi) Increase of aircraft (+17 F-35 B-C) and 2,105 flying hours. (Baseline: \$39,347)		8,083	
vii) Increase of 1,430 flying hours for UH-1Y. (Baseline: \$91,268)		7,830	
viii) Increase in E-2C due to higher cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance. Aircrafts decrease by 4 and flying hours decrease by 147. (Baseline: \$52,555)		6,345	
ix) Increase of 457 flying hours for AV-8B. (Baseline: \$163,009)		5,015	
x) Increase of aircraft (+30 AH-1Z) and 4,261 flying hours. (Baseline: \$57,079)		1,819	
xi) Increase in funding for Fleet Training Wholeness (FTW) to improve Navy's competitive advantage via high-end training including strike group training in a contested environment. In addition, provides initial integration of live range and training networks ships and aviation simulators to train using live-virtual constructive (LVC) capabilities in-port or at sea. (Baseline \$0)		1,000	

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(\$ in Thousands)

C. Reconciliation of Increases and Decreases

Amount **Total**

xii) Increase of 298 flying hours for CH-53K. (Baseline: \$0)	659	
xiii) Increase of 18 flying hours for KC-130J. (Baseline: \$70,457)	425	
xiv) Increase in civilian personnel funding due to one additional work day in FY 2019. (Baseline: \$68,446)	263	
xv) Increase in E-2D due to higher cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance. Flying hours decrease by 137. (Baseline: \$65,205)	63	

5) Program Decreases

-271,113

a) Program Decreases in FY 2019

-271,113

i) Updated personnel cost based on planned workforce reshaping. (Baseline: \$68,446)	-57	
ii) Reduction represents personnel decrease in support of Major Headquarters Activity Re-baseline efforts. (Baseline: \$68,446; -1 Civilian FTE)	-98	
iii) Decrease in Fleet Air Service Aircrafts due to lower cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance. Aircrafts increase by 28 and flying hours increase by 7,038. (Baseline: \$435,467)	-7,324	
iv) Decrease of 2,880 flying hours for MH-60 R/S. (Baseline: \$455,826)	-10,010	
v) Decrease of aircraft (-12 EA-6B) and 1,403 flying hours. (Baseline: \$25,810)	-12,452	
vi) Decrease of aircraft (-2 CH-53E) and 3,914 flying hours. (Baseline: \$452,409)	-21,485	
vii) Decrease of aircraft (-18 P-3C) and 3,519 flying hours. (Baseline: \$69,667)	-22,442	
viii) Decrease of aircraft (-24 AH-1W) and 3,956 flying hours. (Baseline: \$46,194)	-29,204	
ix) Decrease of aircraft (-38 FA-18 A-D) and 10,505 flying hours. (Baseline: \$593,931)	-74,384	
x) Savings due to increased contract and financial management oversight as a part of the Secretary's Defense Reform Initiative. (Baseline: \$93,657)	-93,657	

FY 2019 Budget Request

5,372,399

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IV. Performance Criteria and Evaluation Summary:

<u>PROGRAM DATA</u>	<u>FY 2017</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2018</u>	<u>FY 2019</u>
	<u>Budgeted</u>	<u>Actuals</u>	<u>Budgeted</u>	<u>Estimate</u>	<u>Estimate</u>
Total Active Inventory (TAI) (End of FY) ^{1/}	2,377	2,125	2,365	2,335	2,346
Fighter/Attack	976	871	947	882	874
Rotary Wing	993	913	1,000	1,030	1,039
Patrol/Warning	237	204	242	236	243
Other	171	137	176	187	190
Primary Aircraft Inventory (PAI) (End of FY) ^{1/}	2,007	1,737	1,976	1,991	2,007
Fighter/Attack	752	679	721	724	718
Rotary Wing	893	783	873	882	893
Patrol/Warning	198	156	211	204	213
Other	164	119	171	181	183
Backup Aircraft Inventory (BAI) (End of FY) ^{1/}	273	361	250	237	234
Fighter/Attack	149	190	133	113	112
Rotary Wing	89	130	86	93	94
Patrol/Warning	30	23	27	26	21
Other	5	18	4	5	7
Attrition/Reconstitution Reserve Aircraft Inventory (End of FY) ^{1/}	97	27	139	107	105
Fighter/Attack	75	2	93	45	44
Rotary Wing	11	0	41	55	52
Patrol/Warning	9	25	4	6	9
Other	2	0	1	1	0

^{1/}Data includes Aircrafts that are assigned to this SAG: Mission and Other Flight Operations

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	<u>FY 2017</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2018</u>	<u>FY 2019</u>
	<u>Enacted</u>	<u>Actuals</u>	<u>Budgeted</u>	<u>Estimate</u>	<u>Estimate</u>
Flying Hours	572,177	554,275	598,772	598,772	585,429
Percent Executed	n/a	97%	n/a	n/a	n/a
Flying Hours (\$000)	\$3,995,934	\$3,964,140	\$4,667,319	\$4,667,319	\$4,492,076
Title II to IX Congressional shift	-\$400,000	-\$400,000			
Base to Overseas Contingency Operations (OCO) Budget Transfer	-\$500,000	-\$500,000			
Title X OCO Funding, FY 2017	-\$290,543	-\$290,543			
Total Flying Hours (\$000)	\$2,805,391	\$2,773,597	\$4,667,319	\$4,667,319	\$4,492,076
Flying Hours Support Costs	\$786,538	\$797,353	\$876,846	\$876,846	\$880,323
Total 1A1A Base (\$000)	\$3,591,929	\$3,570,950	\$5,544,165	\$5,544,165	\$5,372,399
Percent Executed	n/a	99%	n/a	n/a	n/a
Cost Per Flying Hour	\$6,984	\$7,152	\$7,795	\$7,795	\$7,673
Tactical Fighter Wings	9	9	9	9	9
Crew Ratio (Average)	1.16	1.22	1.09	1.09	1.13
Fighters	1.27	1.10	1.06	1.06	1.03
Other	1.10	1.29	1.12	1.12	1.19
OPTEMPO (Hrs/Crew/Month)	19.5	18.9	17.1	17.1	19.7
Fighters	17.5	14.8	17.1	17.1	16.9
Other	20.8	21.7	17.1	17.1	21.7
Navy and Marine Corps Deployed Average T-rating	T-2.0	T-2.0	T-2.0	T-2.0	T-2.0

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<u>V. Personnel Summary:</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY 2019</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>32,953</u>	<u>32,961</u>	<u>33,501</u>	<u>540</u>
Officer	4,375	4,367	4,437	70
Enlisted	28,578	28,594	29,064	470
 <u>Reserve Drill Strength (E/S) (Total)</u>	 <u>109</u>	 <u>117</u>	 <u>118</u>	 <u>1</u>
Officer	23	23	24	1
Enlisted	86	94	94	0
 <u>Reservist on Full Time Active Duty (E/S) (Total)</u>	 <u>260</u>	 <u>261</u>	 <u>261</u>	 <u>0</u>
Officer	16	16	16	0
Enlisted	244	245	245	0
 <u>Active Military Average Strength (A/S) (Total)</u>	 <u>33,054</u>	 <u>32,957</u>	 <u>33,231</u>	 <u>274</u>
Officer	4,399	4,371	4,402	31
Enlisted	28,655	28,586	28,829	243
 <u>Reserve Drill Strength (A/S) (Total)</u>	 <u>142</u>	 <u>113</u>	 <u>118</u>	 <u>5</u>
Officer	38	23	24	1
Enlisted	104	90	94	4
 <u>Reservist on Full-Time Active Duty (A/S) (Total)</u>	 <u>275</u>	 <u>261</u>	 <u>261</u>	 <u>0</u>
Officer	31	16	16	0
Enlisted	244	245	245	0

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VI. <u>Personnel Summary (FTEs):</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY</u> <u>2019</u>
<u>Civilian FTEs (Total)</u>	789	830	833	3
DIRECT FUNDED	782	822	825	3
Direct Hire, U.S.	746	763	766	3
Direct Hire, Foreign National	0	4	4	0
Total Direct Hire	746	767	770	3
Indirect Hire, Foreign National	36	55	55	0
Average FTE Cost	89	90	90	1
REIMBURSABLE FUNDED	7	8	8	0
Direct Hire, U.S.	7	8	8	0
245979 Direct Hire, Foreign National	0	0	0	0
Total Direct Hire	7	8	8	0
Indirect Hire, Foreign National	0	0	0	0
MILITARY TECHNICIANS				
U.S. DIRECT HIRE	0	0	0	0
<u>Contractor FTEs (Total) *</u>	2,011	1,437	1,518	81

* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

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VII. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	60,486	0	1,180	718	62,384	0	318	427	63,129
103 Wage Board	5,703	0	111	248	6,062	0	31	9	6,102
104 Foreign National Direct Hire (FNDH)	0	0	0	40	40	0	0	0	40
107 Voluntary Separation Incentive Pay	40	0	0	-40	0	0	0	0	0
300 Travel									
308 Travel Of Persons	235,142	0	3,998	-23,777	215,363	0	3,876	7,571	226,810
400 WCF Supplies									
401 DLA Energy (Fuel Products)	912,723	0	105,235	23,020	1,040,978	0	-4,163	-11,786	1,025,029
412 Navy Managed Supplies & Materials	536,920	0	-6,602	-7,323	522,995	0	-61,087	-5,981	455,927
416 GSA Managed Supplies & Materials	3,564	0	61	8,870	12,495	0	225	-1,645	11,075
417 Local Purchase Managed Supplies & Materials	342	0	6	-48	300	0	5	360	665
421 DLA Material Supply Chain (Clothing and Textiles)	4,831	0	6	-138	4,699	0	-12	248	4,935
424 DLA Material Supply Chain (Weapon Systems)	452,472	0	-8,009	29,221	473,684	0	-5,400	57,898	526,182
500 Stock Fund Equipment									
503 Navy Fund Equipment	2,307,327	0	8,538	241,789	2,557,654	0	-6,394	-161,694	2,389,566
506 DLA Material Supply Chain (Construction and Equipment)	8,556	0	287	1,740	10,583	0	-199	-10,384	0
507 GSA Managed Equipment	289	0	5	-208	86	0	1	2	89
600 Other WCF Purchases (Excl Transportation)									
603 DLA Distribution	17	0	1	-18	0	0	0	0	0
610 Naval Air Warfare Center	97,293	0	2,597	84,274	184,164	0	1,639	-10,114	175,689
611 Naval Surface Warfare Center	7,287	0	104	-4,970	2,421	0	20	1,360	3,801
612 Naval Undersea Warfare Center	9,895	0	376	430	10,701	0	157	398	11,256
613 Naval Fleet Readiness Centers (Aviation)	194	0	-3	569	760	0	307	-1,067	0
614 Space & Naval Warfare Center	15,401	0	582	-4,164	11,819	0	111	-3,923	8,007
620 Navy Transportation (Combat Logistics Force)	23,818	0	616	8,263	32,697	0	663	28	33,388
630 Naval Research Laboratory	1,000	0	48	-1,048	0	0	0	0	0
631 Naval Facilities Engineering and Expeditionary Warfare Center	137	0	-2	-40	95	0	-7	7	95
633 DLA Document Services	84	0	-1	77	160	0	3	-7	156
635 Navy Base Support (NAVFEC: Other Support Services)	1,023	0	53	-358	718	0	-19	-197	502
647 DISA Enterprise Computing Centers	973	0	18	1,189	2,180	0	-131	830	2,879
671 DISN Subscription Services (DSS)	548	0	10	-558	0	0	0	0	0
677 DISA Telecommunications Services - Other	940	0	18	-958	0	0	0	0	0
700 Transportation									

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Change from FY 2017 to FY 2018

Change from FY 2018 to FY 2019

Inflation Categories	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	FY 2019 Est.
703 JCS Exercises	5,248	0	68	-234	5,082	0	-407	89	4,764
705 AMC Channel Cargo	17,571	0	-5,553	7,516	19,534	0	351	-1,419	18,466
771 Commercial Transportation	51,753	0	880	18,846	71,479	0	1,287	239	73,005
900 Other Purchases									
901 Foreign National Indirect Hire (FNIH)	210	0	4	249	463	0	2	7	472
913 Purchased Utilities (Non-Fund)	0	0	0	1	1	0	0	0	1
914 Purchased Communications (Non-Fund)	2,170	0	36	-1,694	512	0	9	235	756
915 Rents (Non-GSA)	3,552	0	60	-3,603	9	0	0	260	269
920 Supplies & Materials (Non-Fund)	37,678	46	641	-13,238	25,127	0	453	12,149	37,729
921 Printing & Reproduction	87	0	1	-81	7	0	0	0	7
922 Equipment Maintenance By Contract	268,013	0	4,556	-44,325	228,244	0	4,108	17,679	250,031
923 Facility Sustainment, Restoration, and Modernization by Contract	1,606	0	28	973	2,607	0	47	-269	2,385
925 Equipment Purchases (Non-Fund)	1,883	0	33	-1,256	660	0	12	47	719
926 Other Overseas Purchases	38	0	1	599	638	0	12	97	747
929 Aircraft Reworks by Contract	1,786	0	30	640	2,456	0	44	-357	2,143
932 Management & Professional Support Services	11,286	0	192	-10,303	1,175	0	21	3	1,199
933 Studies, Analysis, & evaluations	5,042	0	85	-4,930	197	0	4	-4	197
934 Engineering & Technical Services	9,949	0	169	-8,472	1,646	0	30	3	1,679
935 Training and Leadership Development	0	0	0	0	0	0	0	40	40
937 Locally Purchased Fuel (Non-Fund)	2,939	0	339	714	3,992	0	-16	2,732	6,708
987 Other Intra-Government Purchases	3,681	0	62	-915	2,828	0	51	-457	2,422
989 Other Services	43,363	0	737	-22,380	21,720	0	391	-2,301	19,810
990 IT Contract Support Services	17,652	0	301	-15,203	2,750	0	50	728	3,528
TOTAL 1A1A Mission and Other Flight Operations	5,172,512	46	111,903	259,704	5,544,165	0	-63,607	-108,159	5,372,399

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Detail by Subactivity Group: Fleet Air Training

I. Description of Operations Financed:

Fleet Air Training includes Fleet Replacement Squadrons (FRS) which train replacement aircrews for each Navy and Marine Corps type/model/series in weapons tactics, weapons delivery qualifications and carrier landing qualifications. These squadrons are located throughout the country. Student levels are established by authorized Tactical Air/Anti-Submarine Warfare force level requirements, aircrew personnel rotation rates, and the student output from the Undergraduate Pilot/Navy Flight Officer Training Program. Flight hours are provided for specialized schools such as the Naval Strike and Air Warfare Center (NSAWC) for adversary support. Fleet Air Training includes the material costs to support simulator maintenance.

Also included in Fleet Air Training is funding for Chief of Naval Air Training (CNATRA) flight training operations for undergraduate pilot and flight officer training and test pilot-transition training. Undergraduate pilot training spans fiscal years, the longest syllabus being the T-45 Goshawk pilot training, which is 87 weeks in duration. Flight Operations consist of fuel consumed, flight gear issued, parts and material support for organizational and intermediate maintenance, aviation depot level repairables, and contractor maintenance support of training aircraft. Flight hours for each fiscal year are calculated based upon the output required for each phase of the training which will result in completion of undergraduate pilot and flight officer training rates prescribed by the Chief of Naval Operations. Funds for flight support include academic training, contractor maintenance of training simulators, contract flight simulator instructors, consumable supplies, civilian salaries and operating costs for CNATRA headquarters and of the Training Air Wings.

Also included in Fleet Air Training is funding for Navy's Flight Demonstration Squadron (NFDS). The NFDS trains for and conducts aerial flight demonstrations across the United States as a recruiting tool and to increase public awareness of the U.S. Navy and other military departments.

II. Force Structure Summary:

There are 21 Fleet Replacement Squadrons, NFDS and the Naval Flight Training Program conducted by five training air wings (TW): (1) TW-1 at NAS Meridian, MS, (2) TW-2 at NAS Kingsville, TX, (3) TW-4 at NAS Corpus Christi, TX, (4) TW-5 at NAS Whiting Field, FL, and (5) TW-6 at NAS Pensacola, FL.

In addition, Fleet Air Training supports six (6) major programs:

1. Test Pilot School (TPS) – TPS program supports, on average, 41 aircraft, 167 aircraft maintenance man-years, 27 flight instructors, 12 academic instructors, 40 students, 6,870 average flight hours and 18 support personnel.
2. Fleet Electronic Warfare Systems Group (FEWSG) - FEWSG program competitively awards contracts to operate and maintain 2 CAECSP Gulfstream and ten CAS contractor furnished Learjet aircraft to simulate hostile electronic warfare environments during fleet training and battle group exercises.
3. Range Support (RS) - RS program provides logistics, configuration management, maintenance and operations support of ranges system and software support system at 20 Navy ranges.
4. Training Equipment Operations and Maintenance (TE) – Fleet Air Training supports simulator operations and maintenance of training systems/devices; executes initial Contractor Logistics Support (CLS) for all training devices/flight simulators; supports over 1330 aircrew/operators/maintenance trainers at over 50 sites; supports all In-Service Engineering Offices (ISEOs) for training systems; updates/manages over 200 Navy Training Plans.
5. Aerial Targets – Target Maintenance and Support supports 400 to 500 target presentations planned each year for fixed wing and rotary wing air-to-air and air-to-ground training and testing missions.
6. USMC Terminal Attack Controller Trainer (TACT) – TACT program competitively awards contracts for trainer aircraft operations for close air and offensive air support. It provides vendor owned, contracted air trainers to geographically dispersed training sites to augment live fleet training asset support with up to 1520 sorties that are operated by USMC attack pilots in support of Terminal Attack Controller Training and Readiness requirements.

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III. Financial Summary (\$ in Thousands):

	FY 2018					
A. <u>Sub-Activity Group Total</u>	FY 2017	Budget	Congressional	Action	Current	FY 2019
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Fleet Air Training	1,776,130	2,075,000	0	0.00	2,075,000	2,023,351
	/1				/2	

B. Reconciliation Summary

	<u>Change</u>	<u>Change</u>
	<u>FY 2018/2018</u>	<u>FY 2018/2019</u>
BASE Funding	2,075,000	2,075,000
Congressional Adjustments (Distributed)	0	0
Congressional Adjustments (Undistributed)	0	0
Congressional Adjustments (General Provisions)	0	0
Adjustments to Meet Congressional Intent	0	0
Carryover	0	0
Subtotal Appropriation Amount	2,075,000	0
Overseas Contingency Operations and Disaster Supplemental Appropriations	0	0
Less: Overseas Contingency Operations and Disaster Supplemental Appropriations	0	0
Fact-of-Life Changes (CY to CY)	0	0
FY 2018 Request for Additional Appropriations	0	0
Subtotal Baseline Funding	2,075,000	0
Reprogrammings	0	0
Price Change	0	-5,391
Functional Transfers	0	11
Program Changes	0	-46,269
Line Item Consolidation	0	0
Current Estimate	2,075,000	2,023,351

/1 Includes Overseas Contingency Operations Supplemental Funding

/2 Excludes FY 2018 Overseas Contingency Operations Supplemental Funding Request

Department of the Navy
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 Budget Activity: Operating Forces
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 Detail by Subactivity Group: Fleet Air Training

(\$ in Thousands)

C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Total</u>
FY 2018 President's Budget Request		2,075,000
FY 2018 Current Estimate		2,075,000
Price Change		-5,391
1) Transfers		11
a) Transfers In		11
i) Transfer from BA 3, Specialized Skill Training (3B1K) to BA 1, Fleet Air Training (1A2A) for intermediate level maintenance and repair of support equipment for the Naval Aviation Technical Training Command at NAS Pensacola. (Baseline: \$0)	11	
2) Program Increases		65,614
a) Program Increase in FY 2019		65,614
i) Increase of 11,183 training flying hours for training aircrafts (T-44C, T-45C, T-6, TC-12B and TH-57) at CNATRA. Aircrafts decrease by 36. (Baseline: \$556,278)	15,376	
ii) Increase of aircraft (+1 P-8A) and 1,526 training flying hours at Fleet Replacement Squadrons. (Baseline: \$46,774)	13,882	
iii) Increase due to higher cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance for C-2A at Fleet Replacement Squadrons. Training flying hours decrease by 40. (Baseline: \$13,819)	7,560	
iv) Increase of aircraft (+1 FA-18 E/F) and 2,166 training flying hours at Fleet Replacement Squadrons. (Baseline: \$293,783)	7,102	
v) Increase of 891 training flying hours for UH-1Y at Fleet Replacement Squadrons. (Baseline: \$15,245)	4,837	
vi) Increase of aircraft (+2 E-2D) and 329 training flying hours at Fleet Replacement Squadrons. (Baseline: \$42,978)	4,464	
vii) Increase of aircraft (+1 EA-18G) and 586 training flying hours at Fleet Replacement Squadrons. (Baseline: \$89,459)	3,833	
viii) Increase of 1,033 training flying hours for AH-1Z at Fleet Replacement Squadrons. (Baseline: \$12,357)	3,778	
ix) Increase due to higher cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance for CH-53E at Fleet Replacement Squadrons. Training flying hours decrease by 125. (Baseline: \$54,736)	2,893	
x) Increase in Fleet Electronic Warfare Systems Group (FEWSG) associated with fuel costs, Naval Aviation Depots (NAD) and Commercial Transportation requirements in support of Electronic Warfare Missions Fleet Training efforts. (Baseline: \$4,762)	615	
xi) Increase associated with various programs that fall within Fleet Air Training Support Cost including student pilot training service contracts, supplies and materials, equipment maintenance and purchased communications and transportation services for CNATRA. (Baseline: \$125,980)	525	
xii) Increase for the Navy Flight Demonstration Team (Blue Angels) reflects 137 additional flight hours and associated cost for fuel, aviation depot level repairable parts, equipment maintenance, consumable supplies and materials, travel and the purchase of services to support 46 aerial demonstrations and media flights. (Baseline: \$35,577)	450	
xiii) Increase in civilian personnel funding due to one additional work day in FY 2019. (Baseline: \$42,209)	163	
xiv) Increase in Range Support is associated with additional Naval Surface Warfare Center (NSWC) government support for radar systems. (Baseline: \$14,929)	129	

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 Detail by Subactivity Group: Fleet Air Training

(\$ in Thousands)

C. Reconciliation of Increases and Decreases

Amount **Total**

xv) Increase in USMC Terminal Attack Controller Trainer (TACT) is associated with Naval Aviation Depots (NAD) and Commercial Transportation Support. (Baseline: \$1,553) 7

3) Program Decreases

-111,883

a) Program Decreases in FY 2019

-111,883

- i) Decrease of aircraft (-3 HH-60H). Decrease also includes lower cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance for C-2A at Fleet Replacement Squadrons. Training flying hours increase by 4. (Baseline: \$1,472) -13
- ii) Updated personnel cost based on planned workforce reshaping. (Baseline \$42,209) -38
- iii) The Department of the Navy continues to implement more cost-effective management of its travel resources by simplifying travel policies and utilizing VTC capabilities. (Baseline: \$9,250) -871
- iv) Decrease due to lower cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance for T-34C, TAV-8B and TE-2C at Fleet Replacement Squadrons. Training flying hours increase by 12. (Baseline: \$31,281) -1,249
- v) Decrease of 236 training flying hours for F-16 A/B at Fleet Replacement Squadrons. (Baseline: \$29,729) -1,525
- vi) Decrease of aircraft (-2 E-2C) and 332 training flying hours at Fleet Replacement Squadrons. (Baseline: \$20,377) -1,890
- vii) Decrease in Aerial Targets Maintenance is associated with reduced Equipment Maintenance by contract due to reduced post production engineering support, repairs and logistics support and reduced Naval Surface Warfare Center support for the MK70 Booster certification. (Baseline: \$27,065) -1,898
- viii) Decrease of 208 training flying hours for AV-8B at Fleet Replacement Squadrons. Decrease also includes lower cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance. (Baseline: \$24,544) -2,435
- ix) Decrease of 32 training flying hours for MH-60 R/S at Fleet Replacement Squadrons. (Baseline: \$152,643) -2,677
- x) Decrease of 227 training flying hours for MV-22B at Fleet Replacement Squadrons. Decrease also includes lower cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance. (Baseline: \$51,685) -3,037
- xi) Decrease in Aerial Targets Maintenance due to reduced requirements in Depot Maintenance of the Subsonic Aerial Target (BQM-177A). Decrease also includes GQM-163A target quantity and decrease of live fire test requirements for JSF (AIM-120), DDG 1000 (ESSM/SM-2), LCS (SeaRAM), and CVN 78 (RAM). (Baseline: \$27,065) -3,501
- xii) Decrease of aircraft (-1 P-3C) and 914 training flying hours at Fleet Replacement Squadrons. (Baseline: \$13,051) -4,662
- xiii) Decrease in Test Pilot School is associated with reduction in flight and other support costs provided by Naval Test Pilot School to Naval Air Warfare Center (NAWC) required to maintain all aspects of aircraft maintenance and repairs as well as academic/flight instructor costs for the support of 40 students. (Baseline: \$46,984) -4,911
- xiv) Decrease of 636 training flying hours for AH-1W at Fleet Replacement Squadrons. Decrease also includes lower cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance. (Baseline: \$8,392) -5,002
- xv) Decrease in Training Equipment Maintenance is associated with reduction in equipment maintenance by contract costs due to changes in delivery schedules for new trainers requiring less Contractor Logistics Support (CLS). (Baseline: \$41,173) -5,287
- xvi) Decrease of 370 training flying hours for MH-53E at Fleet Replacement Squadrons. (Baseline: \$26,161) -5,865

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 Budget Activity: Operating Forces
 Activity Group: Air Operations
 Detail by Subactivity Group: Fleet Air Training

(\$ in Thousands)

C. Reconciliation of Increases and Decreases

Amount Total

xvii) Decrease of 1,263 training flying hours for F-35 B/C at Fleet Replacement Squadrons. Decrease also includes lower cost-per-hour projection of AVDLR, aircraft consumable repair parts and contract maintenance. Aircrafts increase by 7. (Baseline: \$41,252)	-6,829
xviii) Savings due to increased contract and financial management oversight as a part of the Secretary's Defense Reform Initiative. (Baseline: \$13,779)	-13,779
xix) Decrease of aircraft (-23 FA-18 B-D) and 5,498 training flying hours at Fleet Replacement Squadrons. (Baseline: \$250,555)	-46,414

FY 2019 Budget Request

2,023,351

Department of the Navy
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 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Air Operations
 Detail by Subactivity Group: Fleet Air Training

IV. Performance Criteria and Evaluation Summary:

<u>PROGRAM DATA</u>	<u>FY 2017</u> <u>Budgeted</u>	<u>FY 2017</u> <u>Actuals</u>	<u>FY 2018</u> <u>Budgeted</u>	<u>FY 2018</u> <u>Estimate</u>	<u>FY 2019</u> <u>Estimate</u>
Total Active Inventory (TAI) (End of FY) ^{1/}	1,293	1,395	1,317	1,299	1,276
Fighter/Attack	377	418	369	379	358
Rotary Wing	190	258	314	305	305
Patrol/Warning	44	34	37	37	37
Training	677	677	585	572	570
Other	5	8	12	6	6
Primary Aircraft Inventory (PAI) (End of FY) ^{1/}	1,077	1,139	1,107	1,096	1,077
Fighter/Attack	257	291	264	290	272
Rotary Wing	163	186	265	267	266
Patrol/Warning	34	33	35	35	35
Training	618	622	538	498	498
Other	5	7	5	6	6
Backup Aircraft Inventory (BAI) (End of FY) ^{1/}	148	205	128	112	117
Fighter/Attack	95	119	71	71	70
Rotary Wing	25	31	37	22	23
Patrol/Warning	9	1	1	1	1
Training	19	53	12	18	23
Other	0	1	7	0	0
Attrition/Reconstitution Reserve Aircraft Inventory (End of FY) ^{1/}	68	51	82	91	82
Fighter/Attack	25	8	34	18	16
Rotary Wing	2	41	12	16	16
Patrol/Warning	1	0	1	1	1
Training	40	2	35	56	49
Other	0	0	0	0	0

^{1/}Data includes Aircrafts that are assigned to this SAG: Fleet Air Training and Navy Flight Demonstration Squadron

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 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Air Operations
 Detail by Subactivity Group: Fleet Air Training

<u>CNATRA</u>	FY 2017 Enacted	FY 2017 Actuals	FY 2018 Budgeted	FY 2018 Estimate	FY 2019 Estimate
Undergraduate Pilot Training Flying Hours	239,906	219,437	231,244	231,244	240,398
Strike/Jet	81,105	56,443	79,059	79,059	80,762
Maritime	25,588	35,817	28,916	28,916	30,960
E2/C2	9,470	13,748	11,176	11,176	10,083
Helicopter	101,542	102,416	86,313	86,313	98,470
Tilt Rotor	22,201	11,013	25,780	25,780	20,123
Naval Flight Officer	19,008	18,923	19,408	19,408	20,103
Strike Fighter	12,279	11,713	13,824	13,824	14,057
Strike	0	0	0	0	0
Airborne Data Systems (ATDS)	2,601	2,271	2,158	2,158	2,218
Navigator	4,128	4,939	3,426	3,426	3,828
Total CNATRA Flying Hours	258,914	238,360	250,652	250,652	260,501
Total CNATRA (\$000)	\$487,116	\$463,843	\$556,280	\$556,280	\$576,500
<u>FRS</u>					
Flying Hours	153,439	125,989	139,746	139,746	134,513
Flying Hours (\$000)	\$1,143,796	\$1,054,830	\$1,220,292	\$1,220,292	\$1,164,536
<u>Navy Flight Demonstration Squadron</u>					
Flying Hours	0	0	3,008	3,008	3,130
Flying Hours (\$000)	\$0	\$0	\$35,577	\$35,577	\$30,492
<u>Other Major Programs</u>	\$98,588	\$98,367	\$136,466	\$136,466	\$123,330
Test Pilot School	\$28,822	\$33,880	\$46,984	\$46,984	\$42,387
Fleet Electronic Warfare Systems Group (FEWSG)	\$4,939	\$4,872	\$4,762	\$4,762	\$5,445
Range Support	\$8,487	\$10,089	\$14,929	\$14,929	\$15,266
Training Equipment Operations and Maintenance Support	\$42,697	\$35,828	\$41,173	\$41,173	\$36,502
Aerial Targets Maintenance Support	\$13,643	\$13,698	\$27,065	\$27,065	\$22,142
JTAC Training AC			1,553	1,553	1,588
Fleet Air Training Support Cost (\$000)	\$104,997	\$159,090	\$126,385	\$126,385	\$128,493
<u>Total Fleet Air Training (\$000)</u>	\$1,834,497	\$1,776,130	\$2,075,000	\$2,075,000	\$2,023,351

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 Activity Group: Air Operations
 Detail by Subactivity Group: Fleet Air Training

Direct Flight Training	FY 2017			FY 2018			FY 2019		
	INPUT	OUTPUT	LOAD	INPUT	OUTPUT	LOAD	INPUT	OUTPUT	LOAD
Undergraduate Pilot Training									
Active-USN									
Strike/Jet	69	53	185	215	180	298	193	163	274
Maritime	186	143	154	154	134	143	143	126	134
E2/C2	74	57	120	49	40	65	52	45	73
E-6A	22	17	18	22	19	20	22	19	20
Helicopter	368	283	385	368	306	383	366	313	377
Other-USMC									
Strike/Jet	61	51	130	96	80	132	89	75	126
Maritime	33	28	29	28	24	26	34	30	32
Helicopter	160	135	172	167	139	174	160	137	165
Tilt Rotor	102	86	118	100	88	110	104	93	116
Totals	1,075	853	1,311	1,199	1,010	1,351	1,163	1,001	1,317
Naval Flight Officer									
Active-USN									
Strike Fighter	80	50	103	108	89	103	100	83	103
Strike	0	0	0	0	0	0	0	0	0
Airborne Data Systems (ATDS)	43	27	32	51	48	34	50	42	42
Navigator	131	82	70	109	104	71	110	100	68
Other-USMC									
Strike Fighter	17	6	22	23	19	22	17	14	17
Strike	0	0	0	0	0	0	0	0	0
Totals	271	165	227	291	260	230	277	239	230
Other Flight Training									
Active-All	0	0	0	975	975	25	975	975	25
Reserve	0	0	0	0	0	0	0	0	0

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 Activity Group: Air Operations

Detail by Subactivity Group: Fleet Air Training

Other-All	0	0	0	0	0	0	0	0	0
Totals	0	0	0	975	975	25	975	975	25

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 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Air Operations
 Detail by Subactivity Group: Fleet Air Training

<u>V. Personnel Summary:</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY 2019</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>8,057</u>	<u>8,910</u>	<u>8,332</u>	<u>-578</u>
Officer	3,522	3,549	3,432	-117
Enlisted	4,535	5,361	4,900	-461
 <u>Reserve Drill Strength (E/S) (Total)</u>	 <u>239</u>	 <u>163</u>	 <u>163</u>	 <u>0</u>
Officer	76	30	30	0
Enlisted	163	133	133	0
 <u>Reservist on Full Time Active Duty (E/S) (Total)</u>	 <u>20</u>	 <u>10</u>	 <u>11</u>	 <u>1</u>
Officer	8	3	4	1
Enlisted	12	7	7	0
 <u>Active Military Average Strength (A/S) (Total)</u>	 <u>7,930</u>	 <u>8,484</u>	 <u>8,622</u>	 <u>138</u>
Officer	3,387	3,536	3,491	-45
Enlisted	4,543	4,948	5,131	183
 <u>Reserve Drill Strength (A/S) (Total)</u>	 <u>242</u>	 <u>201</u>	 <u>163</u>	 <u>-38</u>
Officer	67	53	30	-23
Enlisted	175	148	133	-15
 <u>Reservist on Full-Time Active Duty (A/S) (Total)</u>	 <u>112</u>	 <u>16</u>	 <u>11</u>	 <u>-5</u>
Officer	8	6	4	-2
Enlisted	104	10	7	-3

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 Operation and Maintenance, Navy
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 Activity Group: Air Operations
 Detail by Subactivity Group: Fleet Air Training

<u>VI. Personnel Summary (FTEs):</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY</u> <u>2019</u>
<u>Civilian FTEs (Total)</u>	515	564	564	0
DIRECT FUNDED	515	564	564	0
Direct Hire, U.S.	515	564	564	0
Direct Hire, Foreign National	0	0	0	0
Total Direct Hire	515	564	564	0
Indirect Hire, Foreign National	0	0	0	0
Average FTE Cost	74	75	75	1
REIMBURSABLE FUNDED	0	0	0	0
Direct Hire, U.S.	0	0	0	0
Direct Hire, Foreign National	0	0	0	0
Total Direct Hire	0	0	0	0
Indirect Hire, Foreign National	0	0	0	0
MILITARY TECHNICIANS				
U.S. DIRECT HIRE	0	0	0	0
<u>Contractor FTEs (Total) *</u>	4,182	4,219	4,118	-101

* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

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 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Air Operations
 Detail by Subactivity Group: Fleet Air Training

VII. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	38,109	0	742	3,358	42,209	0	216	125	42,550
300 Travel									
308 Travel Of Persons	4,607	0	78	4,565	9,250	0	166	-871	8,545
400 WCF Supplies									
401 DLA Energy (Fuel Products)	277,702	0	32,019	83,651	393,372	0	-1,573	-24,237	367,562
412 Navy Managed Supplies & Materials	126,633	0	-1,557	19,921	144,997	0	-16,937	7,097	135,157
421 DLA Material Supply Chain (Clothing and Textiles)	1,539	0	2	4,071	5,612	0	-15	-1,729	3,868
424 DLA Material Supply Chain (Weapon Systems)	77,459	0	-1,371	17,579	93,667	0	-1,068	-9,747	82,852
500 Stock Fund Equipment									
503 Navy Fund Equipment	437,016	0	1,617	86,486	525,119	0	-1,314	9,147	532,952
507 GSA Managed Equipment	509	0	9	-518	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
601 Army Industrial Operations	29	0	0	0	29	0	0	0	29
610 Naval Air Warfare Center	49,754	0	1,328	16,536	67,618	0	602	-5,138	63,082
611 Naval Surface Warfare Center	1,178	0	16	469	1,663	0	14	466	2,143
612 Naval Undersea Warfare Center	6,265	0	238	179	6,682	0	99	-41	6,740
613 Naval Fleet Readiness Centers (Aviation)	939	0	-53	-76	810	0	327	-262	875
614 Space & Naval Warfare Center	0	0	0	185	185	0	2	-2	185
633 DLA Document Services	340	0	-4	159	495	0	9	-71	433
700 Transportation									
771 Commercial Transportation	3,322	0	56	829	4,207	0	76	785	5,068
900 Other Purchases									
914 Purchased Communications (Non-Fund)	134	0	3	160	297	0	5	-94	208
915 Rents (Non-GSA)	63	0	1	-64	0	0	0	0	0
920 Supplies & Materials (Non-Fund)	596	0	10	8,135	8,741	0	157	-4,434	4,464
921 Printing & Reproduction	45	0	1	-46	0	0	0	0	0
922 Equipment Maintenance By Contract	734,076	0	12,478	3,138	749,692	0	13,495	-13,554	749,633
923 Facility Sustainment, Restoration, and Modernization by Contract	160	0	3	-163	0	0	0	0	0
930 Other Depot Maintenance (Non-Fund)	4,597	0	78	4,384	9,059	0	163	-3,513	5,709
932 Management & Professional Support Services	5,076	0	86	-3,806	1,356	0	24	-5	1,375
933 Studies, Analysis, & evaluations	346	0	6	-352	0	0	0	0	0
934 Engineering & Technical Services	656	0	11	1	668	0	12	0	680
936 Training and Leadership Development (Other contracts)	59	0	1	-60	0	0	0	0	0

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 Activity Group: Air Operations
 Detail by Subactivity Group: Fleet Air Training

Change from FY 2017 to FY 2018

Change from FY 2018 to FY 2019

Inflation Categories	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	FY 2019 Est.
937 Locally Purchased Fuel (Non-Fund)	1,034	0	119	-349	804	0	-3	34	835
987 Other Intra-Government Purchases	2,847	0	48	-1,523	1,372	0	24	-73	1,323
989 Other Services	585	0	10	6,155	6,750	0	122	-111	6,761
990 IT Contract Support Services	455	0	8	-117	346	0	6	-30	322
TOTAL 1A2A Fleet Air Training	1,776,130	0	45,983	252,887	2,075,000	0	-5,391	-46,258	2,023,351

Department of the Navy
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 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Mission and Other Ship Operations

I. Description of Operations Financed:

This sub-activity group provides resources for all aspects of ship operations required to continuously deploy combat ready warships and supporting forces in support of national objectives. Programs supported include operating tempo (OPTEMPO), fleet and unit training, operational support such as command and control, pier side support and port services, organizational maintenance, and associated administrative and other support. Costs consist of distillate fuel to support the OPTEMPO of 45 underway days per quarter for deployed Fleet forces and 20 underway days per quarter for non-deployed forces; temporary assigned duty (TAD) for shipboard and afloat staff personnel, organizational level repairs, supplies and equipment (S&E) Operating Target (OPTAR); utilities costs; nuclear propulsion fuel consumption and processing costs; and charter of units through the Military Sealift Command (MSC).

II. Force Structure Summary:

Ship Type	FY 2017	FY 2018	FY 2019
Aircraft Carrier	11	11	11
Surface Combatant	109	117	123
Amphibious Ships	32	32	33
Nuclear Attack Submarines	51	51	52
Ballistic Missile Submarines	14	14	14
Missile Submarines	4	4	4
Combat Logistics Ships	29	29	29
Support Ships	29	31	33
Total Battle Force Ships	279	289	299

Department of the Navy
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 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Mission and Other Ship Operations

III. Financial Summary (\$ in Thousands):

		FY 2018				
	FY 2017	Budget	Congressional	Action	Current	FY 2019
	Actuals	Request	Amount	Percent	Estimate	Estimate
A. Sub-Activity Group Total						
1. Mission and Other Ship Operations	4,792,709	4,067,334	0	0.00	4,067,334	4,439,566
	/1				/2	
B. Reconciliation Summary						
				Change		Change
				FY 2018/2018		FY 2018/2019
BASE Funding				4,067,334		4,067,334
Congressional Adjustments (Distributed)				0		0
Congressional Adjustments (Undistributed)				0		0
Congressional Adjustments (General Provisions)				0		0
Adjustments to Meet Congressional Intent				0		0
Carryover				0		0
Subtotal Appropriation Amount				4,067,334		0
Overseas Contingency Operations and Disaster Supplemental Appropriations				855,453		0
Less: Overseas Contingency Operations and Disaster Supplemental Appropriations				-855,453		0
Fact-of-Life Changes (CY to CY)				0		0
FY 2018 Request for Additional Appropriations				0		0
Subtotal Baseline Funding				4,067,334		0
Reprogrammings				0		0
Price Change				0		203,551
Functional Transfers				0		-2,184
Program Changes				0		170,865
Line Item Consolidation				0		0
Current Estimate				4,067,334		4,439,566

/1 Includes Overseas Contingency Operations Supplemental Funding

/2 Excludes FY 2018 Overseas Contingency Operations Supplemental Funding Request

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	<u>(\$ in Thousands)</u>	<u>Amount</u>	<u>Total</u>
C. <u>Reconciliation of Increases and Decreases</u>			
FY 2018 President's Budget Request			4,067,334
1) War-Related and Disaster Supplemental Appropriations			855,453
a) Title IX Overseas Contingency Operations Funding, FY 2018			855,453
i) PPBS Baseline - PB18	855,453		
2) Less: Overseas Contingency Operations and Disaster Supplemental Appropriations, and Reprogrammings			-855,453
FY 2018 Current Estimate			4,067,334
Price Change			203,551
3) Transfers			-2,184
a) Transfers Out			-2,184
i) Transfer to BA 1, Ship Operational Support and Training (1B2B) from Mission and Other Ship Operations (1B1B) for proper execution of the Torpedo Weapons Retriever (TWR) Vessels. (Baseline \$2,184)	-2,184		
4) Program Increases			248,660
a) Program Increase in FY 2019			248,660
i) Increase in repair parts supporting organizational maintenance, consumable supplies, administrative and training costs in support of updated ship deployment and training schedules. (Baseline \$4,067,334)	105,117		
ii) Increase represents additional ship distillate fuel consumption in support of ship deployment and training schedules. (Baseline \$774,186)	38,403		
iii) Increase for additional 254 Full Operating Status (FOS) per diem days for USNS Burlington (EPF 10) and 197 FOS per diem days due to new ship delivery of USNS Puerto Rico (EPF 11). (Baseline \$177,847)	25,744		
iv) Increase in funding to support the re-introduction of the USS GETTYSBURG and the USS TORTUGA back into the active fleet. (Baseline \$4,067,334)	23,258		
v) Increase for pre-delivery costs and 187 per diem Full Operating Status (FOS) days due to new ship delivery of the T-ESB 5. (Baseline \$258,198)	20,970		
vi) Increase in utility consumption while ships are in port based on updated ship deployment and training schedules outlined in the Optimized Fleet Response Plan. (Baseline \$274,199)	14,807		
vii) Increase supports an additional 151 per diem Full Operating Status (FOS) days for USNS Hershel "Woody" Williams (T-ESB 4). (Baseline \$258,198)	11,749		
viii) Increase for afloat anti-terrorism/force protection for ships in non-navy and foreign ports based on ship deployment and training schedules outlined in the Optimized Fleet Response Plan. (Baseline \$4,067,334)	3,690		
ix) Increase in response to recent Navy surface force incidents, this budget requests more than \$70 million (all appropriations) in additional resources to enhance surface fleet equipment and training. (Baseline \$0)	2,500		
x) Increase for pre-delivery costs for the new ships T-ATS 1 and T-ATS 2. (Baseline \$258,198)	2,422		
5) Program Decreases			-77,795

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		<u>(\$ in Thousands)</u>	
C. <u>Reconciliation of Increases and Decreases</u>		<u>Amount</u>	<u>Total</u>
a) Program Decreases in FY 2019			-77,795
i) Decrease due to reduction in amount of nuclear fuel consumption from active nuclear powered carriers and submarines. (Baseline \$8,322)		-32	
ii) Decrease due to the removal of pre-delivery costs in FY 2018 for EPF 10 and EPF 11. (Baseline \$177,847)		-1,152	
iii) Decrease for proper execution of the Enhanced Mobile Satellite Services (Iridium) program. (Baseline \$2,155)		-2,155	
iv) Decrease for the removal of pre-delivery costs for T-ESB 4. (Baseline \$258,198)		-2,463	
v) Decreased in LCS Class Support, Surface Warfare (SUW) Mission Package (MP) maintenance costs by performing required critical maintenance instead of scheduled preventative maintenance in order to maximize the number of deployable units available. (Baseline \$4,067,334)		-2,612	
vi) The Department of the Navy continues to implement more cost-effective management of its travel resources by simplifying travel policies and utilizing VTC capabilities. (Baseline \$32,468)		-4,551	
vii) Decrease due to completion of the return of spent nuclear fuel at the Idaho Nuclear Technology and Engineering Complex (INTEC) project for fuel canisters currently stored at the INTEC. (Baseline \$189,166)		-10,867	
viii) Savings due to increased contract and financial management oversight as a part of the Secretary's Defense Reform Initiative. (Baseline \$17,510)		-17,510	
ix) Decrease for employment and support of Adaptive Force Packages (AFPs) on Auxiliary Platforms. (Baseline \$177,847)		-36,453	
FY 2019 Budget Request			4,439,566

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IV. Performance Criteria and Evaluation Summary:

	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Ship Years Supported	234	242	250
OPTEMPO (Days Underway Per Quarter)			
Deployed	68	45	45
Non-Deployed	25	20	20
Ship Steaming Days Per Quarter			
Deployed	3,938	3,393	3,535
Non-Deployed	2,661	2,286	2,287
Barrels of Fossil Fuel Required (000)	8,209	7,282	7,691
Reimbursements to Department of Energy (DOE) (\$000)	175,848	189,166	181,718
Nuclear Material Consumption (\$000)	8,791	8,322	8,440
Consumables/Repair Parts/Administration (% OPTAR Funded)	100%	65%	66%
MSC Charter Inventory	50	50	52
Per Diem Days Chartered			
Full Operation Status	16,934	17,115	17,904
Reduced Operating Status	-	-	-

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<u>V. Personnel Summary:</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change FY 2018/FY 2019</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>101,449</u>	<u>106,059</u>	<u>109,152</u>	<u>3,093</u>
Officer	10,198	10,501	10,789	288
Enlisted	91,251	95,558	98,363	2,805
<u>Reserve Drill Strength (E/S) (Total)</u>	<u>567</u>	<u>629</u>	<u>971</u>	<u>342</u>
Officer	193	203	222	19
Enlisted	374	426	749	323
<u>Reservist on Full Time Active Duty (E/S) (Total)</u>	<u>555</u>	<u>552</u>	<u>565</u>	<u>13</u>
Officer	58	58	61	3
Enlisted	497	494	504	10
<u>Active Military Average Strength (A/S) (Total)</u>	<u>101,940</u>	<u>103,755</u>	<u>107,606</u>	<u>3,851</u>
Officer	9,922	10,350	10,645	295
Enlisted	92,018	93,405	96,961	3,556
<u>Reserve Drill Strength (A/S) (Total)</u>	<u>818</u>	<u>598</u>	<u>801</u>	<u>203</u>
Officer	210	198	213	15
Enlisted	608	400	588	188
<u>Reservist on Full-Time Active Duty (A/S) (Total)</u>	<u>545</u>	<u>554</u>	<u>559</u>	<u>5</u>
Officer	54	58	60	2
Enlisted	491	496	499	3

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VI. <u>Personnel Summary (FTEs):</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY</u> <u>2019</u>
<u>Civilian FTEs (Total)</u>	0	0	0	0
DIRECT FUNDED	0	0	0	0
Direct Hire, U.S.	0	0	0	0
Direct Hire, Foreign National	0	0	0	0
Total Direct Hire	0	0	0	0
Indirect Hire, Foreign National	0	0	0	0
Average FTE Cost	0	0	0	0
REIMBURSABLE FUNDED	0	0	0	0
Direct Hire, U.S.	0	0	0	0
Direct Hire, Foreign National	0	0	0	0
Total Direct Hire	0	0	0	0
Indirect Hire, Foreign National	0	0	0	0
MILITARY TECHNICIANS				
U.S. DIRECT HIRE	0	0	0	0
<u>Contractor FTEs (Total) *</u>	602	379	391	12

* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

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VII. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
300 Travel									
308 Travel Of Persons	81,038	7	1,381	-49,958	32,468	0	583	156	33,207
400 WCF Supplies									
401 DLA Energy (Fuel Products)	789,574	0	91,037	-106,425	774,186	0	-3,098	38,962	810,050
411 Army Managed Supplies & Materials	2,260	0	64	-1,810	514	0	2	8	524
412 Navy Managed Supplies & Materials	196,545	0	-642	-102,893	93,010	0	-573	12,522	104,959
414 Air Force Consolidated Sustainment AG	58	0	-4	-41	13	0	0	0	13
416 GSA Managed Supplies & Materials	87,649	0	1,489	27,701	116,839	0	2,103	36,392	155,334
417 Local Purchase Managed Supplies & Materials	2,722	0	46	-345	2,423	0	44	4	2,471
421 DLA Material Supply Chain (Clothing and Textiles)	8,086	0	11	-4,438	3,659	0	-10	306	3,955
422 DLA Material Supply Chain (Medical)	19,229	0	-1	-11,944	7,284	0	9	-3,910	3,383
423 DLA Material Supply Chain (Subsistence)	96,827	0	-1,704	-95,123	0	0	0	0	0
424 DLA Material Supply Chain (Weapon Systems)	422,595	0	-7,479	-118,510	296,606	0	-3,381	18,651	311,876
500 Stock Fund Equipment									
503 Navy Fund Equipment	466,676	0	-5,009	-80,785	380,883	0	4,021	501	385,405
506 DLA Material Supply Chain (Construction and Equipment)	12,683	0	425	5,188	18,296	0	-344	6,162	24,114
507 GSA Managed Equipment	3,615	0	61	-1,774	1,902	0	34	145	2,081
600 Other WCF Purchases (Excl Transportation)									
603 DLA Distribution	1,409	0	58	-1,467	0	0	0	0	0
610 Naval Air Warfare Center	2,623	0	70	249	2,942	0	26	961	3,929
611 Naval Surface Warfare Center	18,577	0	266	-9,238	9,605	0	79	-501	9,183
612 Naval Undersea Warfare Center	9,190	0	350	-2,731	6,809	0	100	1,569	8,478
614 Space & Naval Warfare Center	5,807	0	220	-2,249	3,778	0	36	1,163	4,977
620 Navy Transportation (Combat Logistics Force)	1,321,811	0	-49,660	-73,958	1,198,193	0	105,186	-1,161	1,302,218
623 Navy Transportation (Special Mission Ships)	6,066	0	2,875	0	8,941	0	-87	-2,230	6,624
624 Navy Transportation (Joint High Speed Vessels)	182,654	0	-38,576	33,769	177,847	0	55,801	-12,109	221,539
625 Navy Transportation (Service Support)	293,138	0	17,485	-52,425	258,198	0	43,974	32,674	334,846
630 Naval Research Laboratory	20	0	1	-21	0	0	0	0	0
631 Naval Facilities Engineering and Expeditionary Warfare Center	703	0	-11	4,531	5,223	0	-390	1,437	6,270
633 DLA Document Services	6,991	0	-92	-6,386	513	0	10	168	691
634 Navy Base Support (NAVFEC: Utilities & Sanitation)	194,775	0	2,266	54,242	251,283	0	-7,650	8,108	251,741
635 Navy Base Support (NAVFEC: Other Support Services)	10,818	0	549	-1,939	9,428	0	-223	-1,819	7,386
647 DISA Enterprise Computing Centers	1,511	0	28	-1,304	235	0	-14	21	242

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Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
671 DISN Subscription Services (DSS)	225	0	4	-229	0	0	0	0	0
677 DISA Telecommunications Services - Other	76	0	1	-77	0	0	0	0	0
679 Cost Reimbursable Purchases	8,170	0	139	-7,659	650	0	12	-463	199
700 Transportation									
705 AMC Channel Cargo	0	0	0	464	464	0	8	130	602
706 AMC Channel Passenger	2,820	0	-45	-2,775	0	0	0	0	0
720 DSC Pounds Delivered	5	0	0	-3	2	0	0	-2	0
771 Commercial Transportation	8,366	0	143	-3,307	5,202	0	94	-430	4,866
900 Other Purchases									
912 Rental Payments to GSA (SLUC)	14	0	0	-14	0	0	0	0	0
913 Purchased Utilities (Non-Fund)	43,622	0	742	-21,448	22,916	0	412	6,699	30,027
914 Purchased Communications (Non-Fund)	5,676	0	96	1,910	7,682	0	139	-644	7,177
915 Rents (Non-GSA)	23,632	0	402	-7,310	16,724	0	301	1,151	18,176
920 Supplies & Materials (Non-Fund)	66,893	-5	1,137	3,231	71,256	0	1,283	31,126	103,665
921 Printing & Reproduction	1,076	0	18	-352	742	0	13	152	907
922 Equipment Maintenance By Contract	57,185	0	972	-18,599	39,558	0	711	-720	39,549
923 Facility Sustainment, Restoration, and Modernization by Contract	1,319	0	22	358	1,699	0	31	3	1,733
924 Pharmaceutical Drugs	17	0	1	-18	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	189,596	0	3,223	-190,875	1,944	0	35	148,130	150,109
926 Other Overseas Purchases	384	0	7	15,539	15,930	0	287	4,962	21,179
928 Ship Maintenance By Contract	1,412	0	24	-1,436	0	0	0	0	0
932 Management & Professional Support Services	2,690	0	45	-2,700	35	0	1	-1	35
933 Studies, Analysis, & evaluations	2,349	0	40	-1,915	474	0	9	-483	0
934 Engineering & Technical Services	756	0	13	-769	0	0	0	0	0
936 Training and Leadership Development (Other contracts)	4,376	0	74	-4,450	0	0	0	0	0
937 Locally Purchased Fuel (Non-Fund)	204	0	23	-227	0	0	0	0	0
957 Land and Structures	1,321	0	22	-1,343	0	0	0	0	0
984 Equipment Contracts	2,116	0	36	-2,152	0	0	0	0	0
987 Other Intra-Government Purchases	86,957	0	1,479	121,961	210,397	0	3,786	-157,461	56,722
989 Other Services	32,672	0	556	-28,500	4,728	0	85	-1,402	3,411
990 IT Contract Support Services	3,130	0	53	2,670	5,853	0	106	-246	5,713
TOTAL 1B1B Mission and Other Ship Operations	4,792,709	2	24,731	-750,109	4,067,334	0	203,551	168,681	4,439,566

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I. Description of Operations Financed:

Financing within this program supports maintenance ranging from Overhauls (OH) to Restricted Technical Availabilities (RA/TA) performed at Naval Shipyards (public) or private shipyards. Ship overhauls restore the ship, including all operating systems that affect safety or combat capability, to established performance standards. This includes the correction of all discrepancies found during pre-overhaul tests and inspections or developed from maintenance history analysis. RA/TA repairs include selected restricted availabilities (SRA), phased maintenance availabilities (PMA), emergent repairs, service craft overhauls (SCO), repairs during post-shakedown of new units, interim dry docking, battery renewals and various miscellaneous type repairs.

Non-depot/Intermediate Maintenance supports fleet maintenance performed by Navy personnel and civilians on tenders, repair ships, aircraft carriers, Intermediate Maintenance Facilities (IMFs), Regional Maintenance Centers (RMCs), Trident Refit Facilities (TRFs) and Naval Submarine Support Facility (NSSF) New London. The Regional Maintenance Centers provide in-service engineering and technical support and oversight of private sector depot-level maintenance and modernization in fleet concentration areas. The Trident Refit Facilities provide industrial support for incremental overhaul and repair of Trident submarines and for the overhaul of equipment in the Trident Planned Equipment Replacement (TRIPER) Program. Naval Submarine Support Facility (NSSF) New London provides intermediate level maintenance, ordnance, and supply support to nuclear attack submarines, support vessels and service craft.

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II. Force Structure Summary:

The total Ship Maintenance program supports 4 Overhauls and 54 maintenance availabilities in FY 2017, 5 Overhauls and 67 maintenance availabilities in FY 2018 and 5 Overhauls and 52 maintenance availabilities in FY 2019.

Availability Type	FY 2017	FY 2018	FY 2019
Overhauls (OH)	4	5	5
Selected Restricted Availabilities (SRA)	36	51	38
Surface Incremental Availabilities (SIA)	2	4	1
Planned Incremental Availabilities (PIA)	2	2	2
Phased Maintenance Availabilities (PMA)	10	5	7
Carrier Incremental Availabilities (CIA)	3	4	2
Service Craft Overhauls (SCO)	1	0	2
Non-Depot/Intermediate Maintenance*	0	1	0

The base funded Ship Maintenance program supports 2.5 Overhauls and 25.5 maintenance availabilities in FY 2017, 3 Overhauls and 23.5 maintenance availabilities in FY 2018 and **3 Overhauls and 32 maintenance availabilities** in FY 2019.

Availability Type	FY 2017	FY 2018	FY 2019
Overhauls (OH)	2.5	3	3
Selected Restricted Availabilities (SRA)	21.5	18	22
Surface Incremental Availabilities (SIA)	0	0	1
Planned Incremental Availabilities (PIA)	1	1	0.5
Phased Maintenance Availabilities (PMA)	1.5	0	6.5
Carrier Incremental Availabilities (CIA)	0.5	3.5	0
Service Craft Overhauls (SCO)	1	0	2
Non-Depot/Intermediate Maintenance*	0	1	0

*includes Major Maintenance Period (MMP)

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III. Financial Summary (\$ in Thousands):

		FY 2018				
A. Sub-Activity Group Total	FY 2017	Budget	Congressional	Action	Current	FY 2019
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Ship Maintenance	8,748,755	7,165,858	0	0.00	7,845,358	8,751,526
	/1				/2	
 B. Reconciliation Summary						
				Change		Change
				<u>FY 2018/2018</u>		<u>FY 2018/2019</u>
BASE Funding				7,165,858		7,845,358
Congressional Adjustments (Distributed)				0		0
Congressional Adjustments (Undistributed)				0		0
Congressional Adjustments (General Provisions)				0		0
Adjustments to Meet Congressional Intent				0		0
Carryover				0		0
Subtotal Appropriation Amount				7,165,858		0
Overseas Contingency Operations and Disaster Supplemental Appropriations				2,483,179		0
Less: Overseas Contingency Operations and Disaster Supplemental Appropriations				-2,483,179		0
Fact-of-Life Changes (CY to CY)				0		0
FY 2018 Request for Additional Appropriations				679,500		0
Subtotal Baseline Funding				7,845,358		0
Reprogrammings				0		0
Price Change				0		78,951
Functional Transfers				0		-16,041
Program Changes				0		843,258
Line Item Consolidation				0		0
Current Estimate				7,845,358		8,751,526

/1 Includes Overseas Contingency Operations Supplemental Funding

/2 Excludes FY 2018 Overseas Contingency Operations Supplemental Funding Request

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C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Total</u>
FY 2018 President's Budget Request		7,165,858
1) War-Related and Disaster Supplemental Appropriations		2,483,179
a) Title IX Overseas Contingency Operations Funding, FY 2018		2,483,179
i) PPBS Baseline - PB18	2,483,179	
2) Less: Overseas Contingency Operations and Disaster Supplemental Appropriations, and Reprogrammings		-2,483,179
3) FY 2018 Request for Additional Appropriations		679,500
FY 2018 Current Estimate		7,845,358
Price Change		78,951
4) Transfers		-16,041
a) Transfers In		4,080
i) Transfer from BA 1, Base Operations Support (BSS1) to BA 1, Ship Maintenance (1B4B) to properly align funding for crane, heavy trucking services supporting fleet waterfront requirements at Submarine Base New London (NL). (Baseline \$0)	2,730	
ii) Transfer from BA 4, Acquisition, Logistics and Oversight (4B3N) to BA 1, Ship Maintenance (1B4B) to re-align contracting functions at Puget Naval Shipyard and Intermediate Maintenance Facility (PSNS and IMF). (Baseline \$0; +11 FTE)	1,241	
iii) Transfer from BA 1, Base Operating Support (BSS1) to BA 1, Ship Maintenance (1B4B) to properly align funding for Oil Spill Response functions at Naval Base Kitsap. (Baseline \$0; +1 FTE)	109	
b) Transfers Out		-20,121
i) Transfer from BA 1, Ship Maintenance (1B4B) to BA1, Combat Communications and Electronic Warfare (1C1C) for proper execution of the Enhanced Mobile Satellite Services (Iridium) program. (Baseline: \$262)	-262	
ii) Transfer from BA 1, Ship Maintenance (1B4B) to BA 1, Weapons Maintenance (1D4D) to properly fund Navy Submarine Torpedo Facility (NSTF) Yorktown Full-Time Equivalents (FTE) and associated operational costs. (Baseline \$881; -6 FTE)	-881	
iii) Transfer to BA 1, Ship Operational Support and Training (1B2B) from BA 1, Ship Maintenance (1B4B) to properly align funding for network on-site representative (NOSR) (Force IT). (Baseline \$4,772)	-4,772	
iv) Transfer to BA 1, Combat Support Forces (1C6C) from BA 1, Ship Maintenance (1B4B) to support correct alignment of Type Desks. (Baseline \$4,851; -37 FTE)	-4,851	
v) Transfer from BA 1, Ship Maintenance (1B4B) (\$9,355 and 33 FTE) and BA 1, Combat Support Forces (1C6C) (\$332 and 2 FTE) to BA 1, Ship Operational Support and Training (1B2B) to properly align the Submarine Forces Emergency Command Center (ECC). (Baseline \$0; +35 civilian FTE)	-9,355	
5) Program Increases		2,412,109
a) Program Increase in FY 2019		2,412,109
i) Increase reflects the transfer of \$1,310,104 from the Overseas Contingency Operations budget to the Base budget in FY 2019. (Baseline \$0)	1,310,104	
ii) Increase in material, labor, and contract costs in Miscellaneous Restricted Availability/Technical Availability (ORATA) for	321,184	

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(\$ in Thousands)

C. Reconciliation of Increases and Decreases

Amount Total

Undersea Warfare Enterprise (USE) and Naval Aviation Warfare Enterprise (NAE) including a shift in funding from OCO in FY 2018 to baseline in FY 2019. (Baseline \$1,267,762)	260,169	
iii) Increase in Overhaul (OH) resulting primarily from an increase in material and contracting cost for the induction of USS BOISE in FY19 coupled with advanced planning for 5 public and 1 private availability inducting in FY20. (Baseline \$926,348) (+437 FTE)	148,656	
iv) Increase in scope and complexity of Phased Maintenance Availabilities (PMA) from no inductions in FY 2018, with 2 carrying in from FY 2017, to 2.5 inductions in FY 2019 with 3 carrying in from FY 2018. (Baseline \$26,655; +133 civilian FTE)	128,372	
v) Increase in Planned Incremental Availabilities (PIA) to support the inductions of USS GEORGE H. W. BUSH (CVN-77) and USS CARL VINSON (CVN-70) in FY 2019 and the Naval Shipyard capacity investment to reduce maintenance backlog. (Baseline \$773,758; +2,104 FTE)	98,070	
vi) Increase in Non-depot/Intermediate Maintenance due to a increase in scheduled non-depot workload in support of intermediate-level maintenance work packages and funding to support missions modules for Littoral Combat Ships. (Baseline \$1,433,123; +277 FTE)	69,756	
vii) Increase in material, labor, and contract costs in Miscellaneous Restricted Availability/Technical Availability (ORATA) due to changes in scope and complexity attributed to afloat maintenance support, battery renewals, calibration, commercial industrial services, engineering support services, non-skid quality control and Port Engineers. (Baseline \$1,267,762; +63 FTE)	29,628	
viii) Increase in material and contract costs for Continuous Maintenance (CM) due to an increase in projected Continuous Maintenance Availabilities. (Baseline \$354,080; + 4 FTE)	26,712	
ix) Increase in Service Craft Overhaul (SCO) due to one additional induction in FY 2019. (Baseline \$380)	13,848	
x) Increase in civilian personnel funding due to one additional work day in FY 2019. (Baseline \$3,590,209)	4,958	
xi) Increase reflects additional depot maintenance shutdowns required to support MTS SAM RAYBURN (MTS 635) extended training operations. Depot maintenance shutdowns historically occur on a trimester basis. (Baseline: \$354,080)	652	
xii) Increase in Surface Incremental Availabilities (SIA) for advanced planning and materials for 1 FY 2020 induction funded in FY 2019. (Baseline \$0)		
6) Program Decreases		-1,568,851
a) One-Time FY 2018 Costs		-679,608
i) One-time decrease in Ship Maintenance due to the One-Time FY 2018 increase included in the FY 2018 Request for Additional Appropriations for hurricane related costs. (Baseline \$6108)	-6,108	
ii) One-time decrease in Ship Maintenance due to the One-Time FY 2018 increase included in the FY 2018 Request for Additional Appropriations for emergent repairs to USS FITGERALD (DDG-62) and USS JOHN S MCCAIN (DDG-56) . (Baseline \$673,500)	-673,500	
b) Program Decreases in FY 2019		-889,243

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Operation and Maintenance, Navy
Budget Activity: Operating Forces
Activity Group: Ship Operations
Detail by Subactivity Group: Ship Maintenance

(\$ in Thousands)

C. Reconciliation of Increases and Decreases

	<u>Amount</u>	<u>Total</u>
i) Decrease in personnel and support costs related to Department of Defense-wide twenty five percent reduction in Major Headquarters Activities (MHA). (Baseline: \$7,845,358; -2 FTE)	-1,107	
ii) Decrease in material, contract costs, and mandays for Emergent Restricted Availability/Technical Availabilities (ERATA) due to a projected decrease in Undersea Warfare Enterprise (USE) and Naval Aviation Warfare Enterprise (NAE) Voyage Repairs in FY 2019. (Baseline \$853,805; -35 FTE)	-4,973	
iii) Decrease in Carrier Incremental Availabilities (CIA) due to a decrease from 3.5 inductions in FY 2018 to 1 induction in FY 2019. (Baseline \$19,177; -50 FTE)	-5,336	
iv) Decrease in Continuous Maintenance (CM) civilian personnel cost due to Regional Maintenance Center (RMC) support mandays decrease at NNSY (Baseline \$354,080) (-184 FTE)	-18,533	
v) Decrease reflects the transfer of depot maintenance shutdowns required to support MTS SAM RAYBURN (MTS 635) extended training operations from the base budget to the Overseas Contingency Operations budget. The funding is requested in the Department's FY 2019 Overseas Contingency Operations Budget request. (Baseline: \$354,080)	-34,741	
vi) Decrease in Miscellaneous RA/TA primarily due to reduction of mandays for Other Productive Work (OPW) at Norfolk Naval Shipyard (NNSY) supporting Virginia Class knowledge sharing, nuclear process shop, and surge capacity. (Baseline \$1,267,762; -451 FTE)	-45,426	
vii) Decrease in Reimbursable Overhead due to a decrease in scheduled reimbursable work at the four public Naval Shipyards. (Baseline \$585,354; -26 FTE)	-51,661	
viii) Savings due to increased contract and financial management oversight as a part of the Secretary's Defense Reform Initiative. (Baseline \$58,845)	-58,845	
ix) Decrease in funding for Selected Restricted Availabilities (SRA) due to decrease of inductions from 18 in FY 2018 to 3.5 in FY 2019. (Baseline \$1,604,976)	-124,854	
x) Decrease reflects the transfer of LSD Maintenance, LCS Class Support, LCS Mission Module Maintenance, engine and shaft repair requirements, from the base budget to the Overseas Contingency Operations budget. The funding is requested in the Department's FY 2019 Overseas Contingency Operations Budget request (Baseline: \$135,062)	-128,734	
xi) Decrease in Planned Incremental Availabilities (PIA) due to the majority of advanced planning and material for USS GEORGE H. W. BUSH procured in FY 2018. (Baseline \$773,758)	-150,953	
xii) Decrease in maintenance funding for the Ticonderoga-Class Cruiser and Dock Landing Ships that will undergo the CG/LSD Modernization Plan. (Baseline \$1,604,976)	-264,080	

FY 2019 Budget Request

8,751,526

Department of the Navy
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 Operation and Maintenance, Navy
 Budget Activity: Operating Forces
 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

IV. Performance Criteria and Evaluation Summary:

Table I - Activity: Ship Depot Maintenance

Activity Goal: To provide maintenance necessary to sustain the operational readiness of combat forces, to ensure the safe and efficient operation of weapon systems, to renovate assets (recapitalization), and to ensure equipment is at or above full mission requirements.

Description of Activity: Depot Maintenance programs fund the overhaul, repair, and maintenance of ships. Depot Maintenance is performed at both public (DoD) and private (contractor) facilities.

	Prior Year (FY 2017)						President's Budget (FY 2018)					Budget Year (FY 2019)	
	Budget		Actual Inductions		Completions		Budget		Estimated Inductions		Carry-In	Budget	
	Qty	(\$ in K)	Qty	(\$ in K)	Prior Yr	Cur Yr	Qty	(\$ in K)	Qty	(\$ in K)	Qty	Qty	(\$ in K)
Overhauls	4	1,246,290	5	1,338,677	6	0	3.0	1,005,268	3.0	926,348	6.0	3	1,175,748
Selected Restricted Availabilities (SRA)	41	1,767,440	37	1,864,147	34	19	12.0	1,216,756	18.0	1,604,976	9.0	22	1,239,996
Surface Incremental Availabilities (SIA)	0	0	2	24,122	0	2	2.0	0	0.0	0	0.0	1	638
Planned Incremental Availabilities (PIA)	2	600,212	2	627,530	4	0	0.0	600,727	1.0	773,758	2.0	0.5	752,756
Planned Maintenance Availabilities (PMA)	10	514,300	11	561,129	16	6	2.0	16,203	0.0	26,655	2.0	6.5	172,082
Carrier Incremental Availabilities (CIA)	3	64,098	4	46,778	0	4	2.0	100,518	3.5	19,117	0.5	0	13,674
Service Craft Overhauls (SCO)	1	34,236	1	21,481	0	0	0.0	396	0.0	380	0.0	2	27,095
Emergent Repair (ERATA)	n/a	242,746	n/a	244,699	n/a	n/a	n/a	184,738	n/a	853,805	n/a	n/a	172,513
Miscellaneous RA/TA (ORATA)	n/a	1,566,794	n/a	1,396,052	n/a	n/a	n/a	1,495,699	n/a	1,267,762	n/a	n/a	1,506,087
Continuous Maintenance (CM)	n/a	633,578	n/a	508,423	n/a	n/a	n/a	401,628	n/a	354,080	n/a	n/a	338,117
Reimbursable Overhead	n/a	491,733	n/a	481,558	n/a	n/a	n/a	547,128	n/a	585,354	n/a	n/a	539,042
Non-depot / Intermediate Maintenance	0	1,597,736	0	1,634,159	1	0	0.0	1,600,402	1.0	1,433,123	0.0	0	1,503,674
Congressional/Departmental Shift	n/a	0	n/a	0	n/a	n/a	n/a	0.0	n/a	0	n/a	n/a	1,310,104
TOTAL	61	8,759,163	58	8,748,755	59	31	21.0	7,169,463	26.5	7,845,358	19.5	35	8,751,526

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IV. Performance Criteria and Evaluation Summary Table 2 :

Activity: Non-depot / Intermediate Level Maintenance

Activity Goal: The Intermediate Maintenance program supports intermediate maintenance performed by Navy personnel and civilians on tenders, repair ships, aircraft carriers, at Regional Maintenance Centers (RMCs), Trident Refit Facilities (TRFs), and at the Naval Submarine Support Facility (NSSF) New London.

Description of Activity: The intermediate level maintenance program funds the pay of civilian personnel, materials and day-to-day operations at the RMCs, Trident Refit Facilities, and the Naval Submarine Support Facility. The RMCs perform intermediate maintenance on ships and submarines assigned to the port. The Trident Refit Facilities provide industrial support for incremental overhaul and repair of Trident submarines and for the overhaul of equipment in the Trident Planned Equipment Replacement (TRIPER) Program. Naval Submarine Support Facility (NSSF) New London provides intermediate level maintenance, ordnance, and supply support to nuclear attack submarines, support vessels and service craft.

	<u>Prior Year (FY 2017)</u>		<u>President's Budget (FY 2018)</u>		<u>Budget Year (FY 2019)</u>
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Budget</u>
	<u>(\$ in K)</u>	<u>(\$ in K)</u>	<u>(\$ in K)</u>	<u>(\$ in K)</u>	<u>(\$ in K)</u>
Labor	848,874	830,732	921,928	794,611	1,121,785
Material	425,479	657,919	678,474	638,512	381,889
TOTAL	1,274,353	1,488,651	1,600,402	1,433,123	1,503,674
	<u>W/Y</u>		<u>W/Y</u>		<u>W/Y</u>
Civilian on board (Work Years (W/Y))	8,769	7,952	9,027	7,794	8,020
Qty Homeported Ships Maintained	236	243.5	232.5	252	249.5

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<u>V. Personnel Summary:</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY 2019</u>
<u>Active Military End Strength (E/S) (Total)</u>	<u>4,657</u>	<u>4,761</u>	<u>4,755</u>	<u>-6</u>
Officer	290	290	287	-3
Enlisted	4,367	4,471	4,488	-3
 <u>Reserve Drill Strength (E/S) (Total)</u>	 <u>2</u>	 <u>2</u>	 <u>0</u>	 <u>-2</u>
Officer	0	0	0	0
Enlisted	2	2	0	-2
 <u>Reservist on Full Time Active Duty (E/S) (Total)</u>	 <u>14</u>	 <u>14</u>	 <u>14</u>	 <u>0</u>
Officer	0	0	0	0
Enlisted	14	14	14	0
 <u>Active Military Average Strength (A/S) (Total)</u>	 <u>4,651</u>	 <u>4,709</u>	 <u>4,759</u>	 <u>50</u>
Officer	290	290	289	-1
Enlisted	4,361	4,419	4,470	51
 <u>Reserve Drill Strength (A/S) (Total)</u>	 <u>2</u>	 <u>2</u>	 <u>1</u>	 <u>-1</u>
Officer	0	0	0	0
Enlisted	2	2	1	-1
 <u>Reservist on Full-Time Active Duty (A/S) (Total)</u>	 <u>14</u>	 <u>14</u>	 <u>14</u>	 <u>0</u>
Officer	0	0	0	0
Enlisted	14	14	14	0

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 Activity Group: Ship Operations
 Detail by Subactivity Group: Ship Maintenance

<u>VI. Personnel Summary (FTEs):</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change</u> <u>FY 2018/FY</u> <u>2019</u>
<u>Civilian FTEs (Total)</u>	<u>41,213</u>	<u>42,830</u>	<u>43,579</u>	<u>749</u>
DIRECT FUNDED	35,717	36,381	37,183	802
Direct Hire, U.S.	33,285	33,870	34,666	796
Direct Hire, Foreign National	14	7	13	6
Total Direct Hire	33,299	33,877	34,679	802
Indirect Hire, Foreign National	2,418	2,504	2,504	0
Average FTE Cost	105	106	107	1
REIMBURSABLE FUNDED	5,496	6,449	6,396	-53
Direct Hire, U.S.	5,366	6,319	6,266	-53
Direct Hire, Foreign National	0	0	0	0
Total Direct Hire	5,366	6,319	6,266	-53
Indirect Hire, Foreign National	130	130	130	0
 MILITARY TECHNICIANS				
U.S. DIRECT HIRE	0	0	0	0
 <u>Contractor FTEs (Total) *</u>	19,386	14,541	17,004	2,463

* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

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 Operation and Maintenance, Navy
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 Activity Group: Ship Operations
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VII. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	1,811,009	0	35,315	149,064	1,995,388	0	10,177	58,357	2,063,922
103 Wage Board	1,686,852	0	32,893	-124,924	1,594,821	0	8,133	41,370	1,644,324
104 Foreign National Direct Hire (FNDH)	698	0	14	-453	259	0	1	303	563
107 Voluntary Separation Incentive Pay	0	0	0	112	112	0	0	2	114
121 PCS Benefits	1,291	0	0	4,985	6,276	0	0	294	6,570
300 Travel									
308 Travel Of Persons	100,547	0	1,708	-47,967	54,288	0	976	15,615	70,879
400 WCF Supplies									
401 DLA Energy (Fuel Products)	1,407	0	162	201	1,770	0	-7	74	1,837
411 Army Managed Supplies & Materials	135	0	4	-53	86	0	0	97	183
412 Navy Managed Supplies & Materials	242,537	265	-707	-87,826	154,269	30	1,703	75,417	231,419
416 GSA Managed Supplies & Materials	22,436	0	382	-5,578	17,240	0	310	15,716	33,266
417 Local Purchase Managed Supplies & Materials	43	0	1	-44	0	0	0	0	0
424 DLA Material Supply Chain (Weapon Systems)	368,457	0	-6,521	-90,840	271,096	0	-3,090	12,043	280,049
500 Stock Fund Equipment									
503 Navy Fund Equipment	75,094	0	-664	-63,407	11,023	0	123	37,181	48,327
506 DLA Material Supply Chain (Construction and Equipment)	38,898	0	1,303	-40,052	149	0	-3	18,813	18,959
507 GSA Managed Equipment	93	0	2	15	110	0	2	-5	107
600 Other WCF Purchases (Excl Transportation)									
601 Army Industrial Operations	44	0	0	-44	0	0	0	0	0
603 DLA Distribution	20,891	0	866	3,448	25,205	0	504	3,063	28,772
610 Naval Air Warfare Center	12,337	0	328	-4,623	8,042	0	72	19,933	28,047
611 Naval Surface Warfare Center	152,230	0	2,177	-37,148	117,259	0	964	60,529	178,752
612 Naval Undersea Warfare Center	35,644	0	1,354	-18,125	18,873	0	278	12,702	31,853
613 Naval Fleet Readiness Centers (Aviation)	25,936	0	48	-10,652	15,332	0	2,268	34,542	52,142
614 Space & Naval Warfare Center	25,117	0	951	-15,359	10,709	0	101	8,161	18,971
620 Navy Transportation (Combat Logistics Force)	3,482	0	0	-3,482	0	0	0	0	0
625 Navy Transportation (Service Support)	527	0	0	837	1,364	0	0	89	1,453
630 Naval Research Laboratory	121	0	6	-127	0	0	0	0	0
631 Naval Facilities Engineering and Expeditionary Warfare Center	19,267	0	-289	7,010	25,988	0	-1,936	1,238	25,290
633 DLA Document Services	779	0	-10	1,058	1,827	0	34	1,181	3,042
634 Navy Base Support (NAVFEC: Utilities & Sanitation)	43,744	0	1,465	6,605	51,814	0	-2,610	10,541	59,745

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Operation and Maintenance, Navy
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Change from FY 2017 to FY 2018

Change from FY 2018 to FY 2019

Inflation Categories	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	FY 2019 Est.
635 Navy Base Support (NAVFEC: Other Support Services)	23,509	0	1,147	-3,177	21,479	0	-371	-123	20,985
640 Marine Corps Depot Maintenance	0	0	0	0	0	0	0	1,324	1,324
647 DISA Enterprise Computing Centers	2,194	0	42	-2,236	0	0	0	1	1
671 DISN Subscription Services (DSS)	375	0	7	-247	135	0	2	-4	133
677 DISA Telecommunications Services - Other	0	0	0	10	10	0	0	0	10
679 Cost Reimbursable Purchases	33,743	0	574	-12,110	22,207	0	400	-293	22,314
700 Transportation									
714 MSC Pol Tankership	10	0	0	-10	0	0	0	0	0
771 Commercial Transportation	27,143	132	462	-10,380	17,357	0	312	10,175	27,844
900 Other Purchases									
901 Foreign National Indirect Hire (FNIH)	35,487	0	692	13,371	49,550	0	253	-1,933	47,870
912 Rental Payments to GSA (SLUC)	20	0	0	-20	0	0	0	0	0
913 Purchased Utilities (Non-Fund)	31,806	0	541	-445	31,902	0	574	-11,861	20,615
914 Purchased Communications (Non-Fund)	28,874	0	490	-17,215	12,149	0	219	2,774	15,142
915 Rents (Non-GSA)	21,008	0	356	-3,014	18,350	0	331	10,630	29,311
920 Supplies & Materials (Non-Fund)	129,798	180	2,206	-37,905	94,279	0	1,697	42,390	138,366
921 Printing & Reproduction	2,236	0	38	-1,193	1,081	0	19	21	1,121
922 Equipment Maintenance By Contract	80,246	185	1,365	37,834	119,630	0	2,154	12,398	134,182
923 Facility Sustainment, Restoration, and Modernization by Contract	29,273	0	498	-979	28,792	0	518	-5,789	23,521
925 Equipment Purchases (Non-Fund)	48,250	148	821	57,187	106,406	0	1,915	12,104	120,425
926 Other Overseas Purchases	30	0	1	-31	0	0	0	0	0
928 Ship Maintenance By Contract	2,817,445	12,004	47,896	-624,550	2,252,795	0	40,550	323,744	2,617,089
930 Other Depot Maintenance (Non-Fund)	444,373	442	7,555	-254,056	198,314	0	3,570	124,431	326,315
932 Management & Professional Support Services	2,896	0	50	8,467	11,413	0	205	-10,859	759
934 Engineering & Technical Services	26,496	0	450	-22,041	4,905	0	89	-4,226	768
935 Training and Leadership Development	47	0	1	-48	0	0	0	0	0
936 Training and Leadership Development (Other contracts)	3,296	0	56	-1,351	2,001	0	36	534	2,571
957 Land and Structures	3,888	0	66	-3,954	0	0	0	0	0
964 Subsistence and Support of Persons	4	0	0	-4	0	0	0	0	0
984 Equipment Contracts	3,130	0	53	-3,183	0	0	0	2,377	2,377
985 Research and Development Contracts	480	0	0	-480	0	0	0	0	0
987 Other Intra-Government Purchases	210,696	319	3,582	227,459	442,056	0	7,956	-130,020	319,992
989 Other Services	34,904	0	595	-11,807	23,692	0	428	3,014	27,134
990 IT Contract Support Services	17,482	0	297	-14,224	3,555	0	64	19,152	22,771
TOTAL 1B4B Ship Maintenance	8,748,755	13,675	140,629	-1,057,701	7,845,358	30	78,921	827,217	8,751,526

Department of the Navy
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Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

I. Description of Operations Financed:

Funding provides for classified programs including statistical analysis on foreign military forces, weapons, targets and personnel; analysis of worldwide developments that affect U.S. security interests and personnel/equipment; assessments of military capabilities and actions; and forecasting future forces, weapons, plans, and intentions.

II. Force Structure Summary:

This sub-activity group provides support for worldwide Navy intelligence operations.

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 Detail by Subactivity Group: Security Programs

III. Financial Summary (\$ in Thousands):

		<u>FY 2018</u>				
A. <u>Sub-Activity Group Total</u>	FY 2017	Budget	Congressional	Action	Current	FY 2019
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Security Programs	354,632	365,374	0	0.00	365,374	386,461
	/1				/2	
 B. <u>Reconciliation Summary</u>						
				<u>Change</u>		<u>Change</u>
				<u>FY 2018/2018</u>		<u>FY 2018/2019</u>
BASE Funding				365,374		365,374
Congressional Adjustments (Distributed)				0		0
Congressional Adjustments (Undistributed)				0		0
Congressional Adjustments (General Provisions)				0		0
Adjustments to Meet Congressional Intent				0		0
Carryover				0		0
Subtotal Appropriation Amount				365,374		0
Overseas Contingency Operations and Disaster Supplemental Appropriations				3,868		0
Less: Overseas Contingency Operations and Disaster Supplemental Appropriations				-3,868		0
Fact-of-Life Changes (CY to CY)				0		0
FY 2018 Request for Additional Appropriations				0		0
Subtotal Baseline Funding				365,374		0
Reprogrammings				0		0
Price Change				0		3,991
Functional Transfers				0		0
Program Changes				0		17,096
Line Item Consolidation				0		0
Current Estimate				365,374		<b style="color: red;">386,461

/1 Includes Overseas Contingency Operations Supplemental Funding

/2 Excludes FY 2018 Overseas Contingency Operations Supplemental Funding Request

Department of the Navy
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 Operation and Maintenance, Navy
 Budget Activity: Administration and Servicewide Activities
 Activity Group: Investigations And Security Programs
 Detail by Subactivity Group: Security Programs

(\$ in Thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2018 President's Budget Request		365,374
1) War-Related and Disaster Supplemental Appropriations		3,868
a) Title IX Overseas Contingency Operations Funding, FY 2018		3,868
i) PPBS Baseline - PB18	3,868	
2) Less: Overseas Contingency Operations and Disaster Supplemental Appropriations, and Reprogrammings		-3,868
FY 2018 Current Estimate		365,374
Price Change		3,991
3) Program Increases		17,096
a) Program Increase in FY 2019		17,096
i) This adjustment reflects a net increase to classified programs. (Baseline \$365,374; +39 civilian FTE)	17,096	
FY 2019 Budget Request		386,461

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Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

IV. Performance Criteria and Evaluation Summary:

Details held at a higher classification.

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V. Personnel Summary:

<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Change FY 2018/FY 2019</u>
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Personnel information identified in this subactivity group is classified

Contractor FTEs (Total) *

563	546	594	48
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* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

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Operation and Maintenance, Navy
Budget Activity: Administration and Servicewide Activities
Activity Group: Investigations And Security Programs
Detail by Subactivity Group: Security Programs

VII. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	169,119	0	3,298	9,098	181,515	0	924	10,717	193,156
103 Wage Board	252	0	5	-99	158	0	1	0	159
106 Benefits to Former Employees	227	0	0	-227	0	0	0	0	0
121 PCS Benefits	174	0	0	-174	0	0	0	0	0
300 Travel									
308 Travel Of Persons	8,718	0	148	-510	8,356	0	150	10	8,516
400 WCF Supplies									
416 GSA Managed Supplies & Materials	71	0	1	3	75	0	1	0	76
417 Local Purchase Managed Supplies & Materials	7	0	0	-7	0	0	0	0	0
421 DLA Material Supply Chain (Clothing and Textiles)	54	0	0	-54	0	0	0	0	0
424 DLA Material Supply Chain (Weapon Systems)	1,586	0	-28	-409	1,149	0	-13	45	1,181
500 Stock Fund Equipment									
508 DLA Material Supply Chain (Industrial hardware)	4	0	0	-4	0	0	0	0	0
600 Other WCF Purchases (Excl Transportation)									
603 DLA Distribution	1	0	0	-1	0	0	0	0	0
611 Naval Surface Warfare Center	9,926	0	142	1,567	11,635	0	95	205	11,935
612 Naval Undersea Warfare Center	957	0	36	68	1,061	0	16	0	1,077
630 Naval Research Laboratory	0	0	0	68	68	0	0	1	69
671 DISN Subscription Services (DSS)	12,000	0	228	15	12,243	0	144	463	12,850
679 Cost Reimbursable Purchases	0	0	0	33,727	33,727	0	607	-34,334	0
700 Transportation									
771 Commercial Transportation	222	0	3	0	225	0	4	0	229
900 Other Purchases									
914 Purchased Communications (Non-Fund)	5,815	0	99	-637	5,277	0	95	11	5,383
915 Rents (Non-GSA)	100	0	1	4	105	0	2	0	107
920 Supplies & Materials (Non-Fund)	4,121	0	69	-890	3,300	0	59	-199	3,160
922 Equipment Maintenance By Contract	9,370	0	159	161	9,690	0	174	20	9,884
923 Facility Sustainment, Restoration, and Modernization by Contract	1,700	0	29	-129	1,600	0	29	3	1,632
925 Equipment Purchases (Non-Fund)	6,703	0	113	-1,817	4,999	0	90	10	5,099
932 Management & Professional Support Services	21,510	0	365	671	22,546	0	407	8,003	30,956
933 Studies, Analysis, & evaluations	15,141	0	257	110	15,508	0	280	930	16,718
934 Engineering & Technical Services	48,048	0	818	-3,934	44,932	0	809	84	45,825
957 Land and Structures	109	0	2	197	308	0	6	0	314

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 Detail by Subactivity Group: Security Programs

Change from FY 2017 to FY 2018

Change from FY 2018 to FY 2019

Inflation Categories	FY 2017	For	Price	Prog	FY	For	Price	Prog	FY
	Actuals	Curr	Growth	Growth	2018	Curr	Growth	Growth	2019
					Est.				Est.
984 Equipment Contracts	22	0	0	-22	0	0	0	0	0
985 Research and Development Contracts	710	0	0	30	740	0	0	15	755
987 Other Intra-Government Purchases	33,296	0	566	-32,868	994	0	18	31,103	32,115
989 Other Services	4,669	0	80	204	4,953	0	89	9	5,051
990 IT Contract Support Services	0	0	0	210	210	0	4	0	214
TOTAL 4CBP Security Programs	354,632	0	6,391	4,351	365,374	0	3,991	17,096	386,461

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Detail by Subactivity Group: Security Programs

I. Description of Operations Financed:

This classified program provides funding for protecting installations, material, operations information and personnel from espionage, sabotage, terrorism, and other clandestine intelligence activities.

II. Force Structure Summary:

This sub-activity group provides support for worldwide Navy intelligence operations.

Department of the Navy
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 Detail by Subactivity Group: Security Programs

III. Financial Summary (\$ in Thousands):

		FY 2018				
A. Sub-Activity Group Total	FY 2017	Budget	Congressional	Action	Current	FY 2019
	Actuals	Request	Amount	Percent	Estimate	Estimate
1. Security Programs	128,976	132,128	0	0.00	132,128	139,538
	/1				/2	
 B. Reconciliation Summary						
				Change		Change
				<u>FY 2018/2018</u>		<u>FY 2018/2019</u>
BASE Funding				132,128		132,128
Congressional Adjustments (Distributed)				0		0
Congressional Adjustments (Undistributed)				0		0
Congressional Adjustments (General Provisions)				0		0
Adjustments to Meet Congressional Intent				0		0
Carryover				0		0
Subtotal Appropriation Amount				132,128		0
Overseas Contingency Operations and Disaster Supplemental Appropriations				6,228		0
Less: Overseas Contingency Operations and Disaster Supplemental Appropriations				-6,228		0
Fact-of-Life Changes (CY to CY)				0		0
FY 2018 Request for Additional Appropriations				0		0
Subtotal Baseline Funding				132,128		0
Reprogrammings				0		0
Price Change				0		1,088
Functional Transfers				0		0
Program Changes				0		6,322
Line Item Consolidation				0		0
Current Estimate				132,128		139,538

/1 Includes Overseas Contingency Operations Supplemental Funding

/2 Excludes FY 2018 Overseas Contingency Operations Supplemental Funding Request

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 Operation and Maintenance, Navy
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(\$ in Thousands)

<u>C. Reconciliation of Increases and Decreases</u>	<u>Amount</u>	<u>Total</u>
FY 2018 President's Budget Request		132,128
1) War-Related and Disaster Supplemental Appropriations		6,228
a) Title IX Overseas Contingency Operations Funding, FY 2018		6,228
i) PPBS Baseline - PB18	6,228	
2) Less: Overseas Contingency Operations and Disaster Supplemental Appropriations, and Reprogrammings		-6,228
FY 2018 Current Estimate		132,128
Price Change		1,088
3) Program Increases		6,322
a) Program Increase in FY 2019		6,322
i) This adjustment reflects a net Increase to classified programs. (Baseline \$132,128)	6,322	
FY 2019 Budget Request		139,538

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IV. Performance Criteria and Evaluation Summary:

Details held at a higher classification.

Department of the Navy
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V. Personnel Summary:

FY 2017

FY 2018

FY 2019

Change
FY 2018/FY 2019

Personnel information identified in this subactivity group is classified.

Contractor FTEs (Total) *

122

0

0

0

* Contract Full Time Equivalents (FTEs) displayed in this budget, in accordance with Section 803 of Public Law 111-84, are derived using approved OSD AT&L calculation methodologies. They do not represent an actual depiction of the contract workforce, as the Navy continues to increase the fidelity of its contract inventory.

Department of the Navy
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 Operation and Maintenance, Navy
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VII. OP-32 Line Items as Applicable (Dollars in Thousands)

Inflation Categories	Change from FY 2017 to FY 2018				Change from FY 2018 to FY 2019				FY 2019 Est.
	FY 2017 Actuals	For Curr	Price Growth	Prog Growth	FY 2018 Est.	For Curr	Price Growth	Prog Growth	
100 Civilian Personnel Compensation									
101 Executive, General and Special Schedules	90,901	0	1,771	2,880	95,552	0	487	492	96,531
121 PCS Benefits	2,490	0	0	739	3,229	0	0	-633	2,596
300 Travel									
308 Travel Of Persons	4,915	0	84	2,410	7,409	0	133	-425	7,117
700 Transportation									
771 Commercial Transportation	1,108	0	19	479	1,606	0	29	-28	1,607
900 Other Purchases									
914 Purchased Communications (Non-Fund)	100	0	2	-102	0	0	0	0	0
915 Rents (Non-GSA)	2,982	0	51	-3,033	0	0	0	0	0
920 Supplies & Materials (Non-Fund)	5	0	0	694	699	0	13	-10	702
921 Printing & Reproduction	22	0	0	-22	0	0	0	0	0
925 Equipment Purchases (Non-Fund)	2,406	0	41	318	2,765	0	50	-91	2,724
987 Other Intra-Government Purchases	2,313	0	39	18,516	20,868	0	376	7,017	28,261
989 Other Services	14,943	0	254	-15,197	0	0	0	0	0
990 IT Contract Support Services	6,791	0	116	-6,907	0	0	0	0	0
TOTAL 4CCP Security Programs	128,976	0	2,377	775	132,128	0	1,088	6,322	139,538

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