

Department of the Navy  
Operation and Maintenance, Marine Corps  
1A1A Operational Forces  
FY 2005 President's Budget Submission  
Exhibit OP-5

**I. Description of Operations Financed:**

The Operating Forces are considered the heart of the Marine Corps. They constitute the forward presence, crisis response and fighting power available to the Combatant Commanders. This sub-activity group provides for the operating forces that constitute the Marine Air-Ground Team and Marine security forces at naval installations and aboard Naval vessels. The funds finance training and routine operations; maintenance and repair of organic ground equipment; routine supplies, travel, per diem and emergency leave; automatic data processing and purchases; and replenishment and replacement of both unit and individual equipment. Financing is also provided for the movement of troops to participate in exercises either directed by higher authority or by the Commandant of the Marine Corps. About 65 percent of all active duty Marines are assigned to the operating forces.

**II. Force Structure Summary:**

This sub-activity group provides funding in support of the following:

a. Land Forces. Encompasses the ground portion of the Operating Forces and includes those forces in the three Marine Divisions, three Force Service Support Groups, and three Marine Aircraft Wings. The forces are located at installations on the East and West coasts of the United States, at bases in the Pacific Ocean, and aboard amphibious ships of the United States Navy. The specific missions of the Fleet Marine Forces are: (1) To serve with the fleets in the seizure or defense of naval bases and in land operations through the prosecution of a naval campaign; (2) To participate as directed by the Commandant of the Marine Corps in the development of doctrine, tactics, techniques, and equipment used by landing forces in amphibious operations; (3) To train and equip Marine forces for airborne operations as directed by the Commandant of the Marine Corps; (4) To train the maximum number of personnel to meet requirements for expansion during time of war; and (5) To perform such other duties as may be directed.

b. Naval Forces. Provide Marine forces for duty at sea and ashore for security aboard naval vessels and naval stations and provide forces from the Marine Air-Ground Team for participation in exercises as directed by the Joint Chiefs of Staff (JCS). The objectives of the Marine Corps in this area are to: (1) Ensure that highly qualified Marines are assigned to Naval security forces; (2) Provide Marine security forces for duty aboard Naval vessels; (3) Provide adequate material support for the unique requirements of Marine security forces; (4) Maintain Marine Air and Ground Forces at a state of readiness capable of participating in exercises as directed by the JCS; and (5) Provide material support to Marine forces and other allied forces participating in JCS exercises aboard or in the vicinity of Marine Corps installations.

c. Tactical Air Forces. Participate as the air component of the Fleet Marine Forces in the prosecution of a naval campaign. Tactical Air Forces are designed to provide fixed wing air support for Marine Corps ground forces. The concept of employment envisions formation of a Marine Air-Ground Task Force (MAGTF) specifically tailored to meet anticipated requirements of the assigned tactical objective, to include offensive air warfare, and command and control of aircraft and missiles. Inherent in these functions are the tasks which include close air support, interdiction, air superiority and air control. A collateral function of Marine Corps tactical air is to participate as an integral component of naval aviation in the execution of other Navy functions as the fleet commanders may direct.

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**III. Financial Summary (\$ in Thousands):**

**A. Sub-Activity Group Total**

	FY 2003	Budget	FY 2004	Current	FY 2005
	<u>Actuals</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
	2,076,950	588,653	595,067	570,456	633,914

**B. Reconciliation Summary**

	<b><u>Change</u></b>	<b><u>Change</u></b>
	<b><u>FY 2004/2004</u></b>	<b><u>FY 2004/2005</u></b>
Baseline Funding	588,653	570,456
Congressional Adjustments - Distributed	11,600	0
Congressional Adjustments – Undistributed	-3,459	0
Adjustments to Meet Congressional Intent	1,000	0
Congressional Adjustments - General Provisions	-2,727	0
Subtotal Appropriation Amount	595,067	0
Across-the-board Reduction (Rescission)	0	0
Emergency Supplemental Appropriations Act	847,424	0
Program Changes (Current Year to Current Year)	-6,767	0
Subtotal Baseline Funding	1,435,724	0
Less Emergency Supplemental Funding	-847,424	0
Reprogrammings	-17,844	0
Price Change	0	-11,923
Functional Transfers	0	32,354
Program Changes	0	43,027
Normalized Current Estimate	570,456	0
Current Estimate	0	633,914

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**C. Reconciliation of Increases and Decreases**

<b>1. FY 2004 President Budget Request.</b>	<b>588,653</b>
<b>2. Congressional Adjustment (Distributed).</b>	<b>11,600</b>
a) All Purpose Environmental Clothing System (APECS)	3,000
b) Marine Corps US-made Bayonets	3,000
c) Modular General Purpose Tent System	1,800
d) Chemical Biological Incident Response Force (CBIRF)	1,400
e) Mountain Cold Weather Clothing Equipment Program	1,400
f) Hydration on the Move System – Basic/Chem/Bio	1,000
<b>3. Congressional Adjustments (Undistributed).</b>	<b>-3,459</b>
a) Unobligated Balance	-2,926
b) Southwest Asia Contingency Operations	-533
<b>4. Adjustment to Meet Congressional Intent.</b>	<b>1,000</b>
a) Realignment from Field Logistics (1A2A) for Lightweight Maintenance Enclosure.	1,000
<b>5. Congressional Adjustment (General Provision).</b>	<b>-2,727</b>
a) Section 8094: Management Improvements	-67
c) Sec. 8126: Efficiencies/Revised Economic Assumptions	-2,660
<b>6. FY 2004 Appropriated Amount.</b>	<b>595,067</b>
<b>7. FY 2004 Emergency Supplemental Appropriations Act (P.L. 108-106).</b>	<b>847,424</b>
a) Supplemental funding for continuing operations in support of the Global War on Terrorism.	847,424
<b>8. Program Increases FY 2004 (Technical Adjustments).</b>	<b>120</b>
a) Technical adjustment between Operational Forces (1A1A) and Base Support (BSS1) for Tactical Training Evaluation Control Group (TTECG).	120

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<b>9. Program Decreases FY 2004 (Technical Adjustments).</b>	<b>-3,669</b>
a) Technical adjustment between Operational Forces (1A1A) and Base Support (BSS3) to properly reflect one civilian billet.	-79
b) Support for Marine Aviation Weapons and Tactics Squadron (MAWTS) moved from Operational Forces (1A1A) to Base Support (BSS3) to properly reflect execution of program.	-939
c) Technical Adjustment between Operating Forces (1A1A) and Field Logistics (1A2A) for the Defense Personnel Records Imaging System (DPRIS) and the Performance Evaluation System (PES) to reflect proper execution of those programs.	-2,651
<b>10. Program Increases FY 2004 (Emergent Requirements).</b>	<b>5,095</b>
a) Increase for Corrosion Prevention and Control Program (CPAC) based on requirements determined by the Operating Forces.	3,000
b) Stand up and sustainment costs for re-established Air and Naval Gunfire Liaison Company (ANGLICO) units.	629
c) Stand up and sustainment costs for 1st and 3rd Radio Battalions in California and Hawaii.	500
d) Funds the Commandant of the Marine Corps directed Combat Assessment Team to conduct tactical to operational assessments and analysis in order to prepare reports and documents regarding USMC participation in Operation Iraqi Freedom (OIF).	450
e) Stand up and sustainment costs for Marine Corps Strategic Command.	266
f) Funds contractor support to develop concepts and operational requirements for Seabasing and Maritime Prepositioning Force (Future) (MPF(F)).	250
<b>11. Program Decreases FY 2004 (Emergent Requirements).</b>	<b>-8,313</b>
a) Adjustment for the Joint Service Imagery Processing System (JSIPS). A portion of this funding (\$1,755) was transferred to Field Logistics (1A2A) and the remaining reduction was based on a reduced requirement for this system.	-2,713
b) Decrease to Management Reserve account to comply with Congressional direction.	-5,600
<b>12. Baseline Funding (subtotal).</b>	<b>1,435,724</b>
<b>13. Reprogramming (Requiring 1415 Actions) Decreases.</b>	<b>-17,844</b>
a) Anticipated reprogramming of Operations and Training Support to fund Reserve TRICARE.	-15,400
b) Anticipated reprogramming for Chairman Joint Chiefs of Staff Exercises to fund unified command plan changes.	-2,444
<b>14. Revised FY 2004 Current Estimate.</b>	<b>1,417,880</b>
<b>15. Less: Emergency Supplemental Funding.</b>	<b>-847,424</b>
a) Supplemental funding for continuing operations in support of the Global War on Terrorism.	-847,424
<b>16. Normalized Current Estimate for FY 2004.</b>	<b>570,456</b>

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<b>17. FY 2005 Price Change.</b>	<b>-11,923</b>
<b>18. FY 2005 Transfers In.</b>	<b>32,354</b>
a) Transfer from Operation and Maintenance Navy appropriation for Navy/Marine Corps Intranet (NMCI) seats supporting USMC Aviation units.	32,354
<b>19. Program Growth in FY 2005.</b>	<b>37,322</b>
a) Increase provides for full year of NMCI service. NMCI will be fully implemented during FY 2004.	26,174
b) Net increase for the Initial Issue program, including the family of field medical equipment, based on the mix of equipment being bought in FY 2005.	8,916
c) Increase to Corrosion Control Programs.	2,232
<b>20. One Time FY 2004 Costs.</b>	<b>15,329</b>
a) Restores funding to Operations and Training Support from anticipated FY 2004 reprogramming.	15,400
b) Civilian pay adjustment - extra work day.	-71
<b>21. Program Decrease in FY 2005.</b>	<b>-9,624</b>
a) Decrease in funding for Secondary Reparables based on requirements from the Operating Forces.	-1,306
b) Decrease in funding for the Marine Corps Combat Development Command (MCCDC). Mainly attributable to the removal of one-time FY 2004 costs associated with Joint Concept Development and Experiments for experimental product and training support.	-2,287
c) Decrease in annual training exercises and associated operations costs based on a decrease in the total number of exercises participated in and/or a decrease in the scope of certain exercises.	-6,031
<b>22. FY 2005 Budget Request.</b>	<b>633,914</b>

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**IV. Performance Criteria and Evaluation Summary:**

**Activity:** Operating Forces

**Activity Goal:** The purpose of Operating Forces Operation and Maintenance programs is to provide training and equipment maintenance funds to Marine Corps Force Commanders so they can provide combat ready forces to the Combatant Commanders.

**Description of Activity:** The Marine Corps Land Forces program encompasses the ground portion of the USMC Total Force and includes those forces in the four Marine Divisions, four Force Service Support Groups, and four Marine Aircraft Wings. The forces are located at installations throughout the United States, at bases in the Pacific Ocean, and aboard amphibious ships of the United States Navy.

**MEASURES**

Combat Ready Day-Equipment and Training: This measure represents one Status Of Resources & Training System (SORTS) reportable unit reporting an equipment rating of R1 or R2 and a training rating of T1 or T2 for one day.

	<u>FY 2003</u> <u>Budgeted</u>	<u>FY 2003</u> <u>Actual</u>	<u>FY 2004</u> <u>Budgeted</u>	<u>FY 2004</u> <u>Estimate</u>	<u>FY 2005</u> <u>Estimate</u>
<b>Funds Allocated to Training and Equipment Maintenance (\$000)</b>	n/a	\$430,328	n/a	\$423,166	\$419,052
<b>Combat REady Days-Equipment and Training (CRED-ET)</b>	n/a	118,522	n/a	118,800	118,800
<b>Cost Per CRED-ET (\$000)</b>	n/a	\$3.631	n/a	\$3.562	\$3.527
<b>Total Possible CRED-ETs</b>	n/a	134,640	n/a	135,000	135,000
<b>% Achieved</b>	n/a	88.0%	n/a	88.0%	88.0%

Variance Reporting: Describe all variances in quantities and dollars from the original PB submission for both the Prior Year and the Current Year. In addition to the explanation as to the reasons for the variances, this area should also be used to discuss how the variances contributed to/hindered achievement of the activity goal.

**Explanation of Performance Variances:**

**Prior Year:** This is the first attempt to link USMC readiness efforts to Operations and Maintenance fiscal resources. The resulting values are simply the reported output. Performance trends can not be assessed until actual data is studied from year to year.

**Current Year:** Estimated results for current year were derived by assuming that USMC units could maintain an 88% Combat Ready level and that total possible CRED-ETs remained consistent with prior year (135,000). Funding is reported as budgeted (\$423,166K), yielding a cost per CRED-ET of \$3,562. Given the absence of a baseline CRED-ET, the ability to infer out-year variance is difficult. As CRED-ET data is collected and refined, the measure will provide greater predictive capability.

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**V. Personnel Summary:**

	<b>FY 2003</b>	<b>FY 2004</b>	<b>Change</b>	<b>FY 2005</b>
<b>End Strength</b>	<b>ES</b>	<b>ES</b>	<b>FY 2004 to</b>	<b>ES</b>
			<b>FY 2005</b>	
Direct Hire, U.S.	242	272	-1	271
TOTAL CIVPERS	242	272	-1	271
Enlisted (USMC)	97,989	98,349	375	98,724
Officers (USMC)	8,417	8,435	15	8,450
TOTAL MILPERS	106,406	106,784	390	107,174
	<b>FY 2003</b>	<b>FY 2004</b>	<b>Change</b>	<b>FY 2005</b>
<b>Workyears</b>	<b>WY</b>	<b>WY</b>	<b>FY 2004 to</b>	<b>WY</b>
			<b>FY 2005</b>	
Direct Hire, U.S.	269	269	-1	268
TOTAL CIVPERS	269	269	-1	268
Enlisted (USMC)	97,989	98,349	375	98,724
Officers (USMC)	8,417	8,435	15	8,450
TOTAL MILPERS	106,406	106,784	390	107,174

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**VI. Summary of Price and Program Growth (OP-32):**

	<b>FY-03 Program Total</b>	<b>FY-04 Price Growth</b>	<b>FY-04 Program Growth</b>	<b>FY-04 Program Total</b>	<b>FY-05 Price Growth</b>	<b>FY-05 Program Growth</b>	<b>FY-05 Program Total</b>
1A1A							
01 Civilian Personnel Compensation							
0101 Exec Gen & Spec Schedules	21,015	712	0	21,727	332	-81	21,978
0111 Disability Compensation	2	0	22	24	0	0	24
TOTAL 01 Civilian Personnel Compensation	21,017	712	22	21,751	332	-81	22,002
03 Travel							
0308 Travel of Persons	194,163	2,524	-126,102	70,585	988	0	71,573
TOTAL 03 Travel	194,163	2,524	-126,102	70,585	988	0	71,573
04 WCF Supplies & Materials Purchases							
0401 DFSC Fuel	116,041	5,056	-93,549	27,548	2,167	0	29,715
0411 Army Managed Purchases	137,878	6,205	-111,304	32,779	-492	0	32,287
0412 Navy Managed Purchases	11,196	-2,049	-7,066	2,081	123	0	2,204
0414 Air Force Managed Purchases	48,546	3,787	-40,428	11,905	-238	0	11,667
0415 DLA Managed Purchases	345,409	-10,017	-259,119	76,273	686	0	76,959
0416 GSA Managed Supplies and Materials	3,358	44	-2,627	775	11	0	786
0417 Local Proc DoD Managed Supp & Materials	19,130	249	-14,962	4,417	62	0	4,479
TOTAL 04 WCF Supplies & Materials Purchases	681,558	3,275	-529,055	155,778	2,319	0	158,097
05 STOCK FUND EQUIPMENT							
0502 Army WCF Equipment	7,972	359	709	9,040	-136	0	8,904
0503 Navy WCF Equipment	429	-79	31	381	22	0	403
0506 DLA WCF Equipment	9,133	-265	756	9,624	87	0	9,711
0507 GSA Managed Equipment	7,060	92	1,639	8,791	123	0	8,914
TOTAL 05 STOCK FUND EQUIPMENT	24,594	107	3,135	27,836	96	0	27,932

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**VI. Summary of Price and Program Growth (OP-32):**

	<b>FY-03 Program Total</b>	<b>FY-04 Price Growth</b>	<b>FY-04 Program Growth</b>	<b>FY-04 Program Total</b>	<b>FY-05 Price Growth</b>	<b>FY-05 Program Growth</b>	<b>FY-05 Program Total</b>
06 Other WCF Purchases (Excl Transportation)							
0611 Naval Surface Warfare Center	2,956	27	-2,617	366	4	0	370
0635 Naval Public Works Ctr (Other)	1,384	-15	-1,201	168	4	0	172
0640 Depot Maintenance Marine Corps	285	21	-268	38	-1	0	37
TOTAL 06 Other WCF Purchases (Excl Transportation)	4,625	33	-4,086	572	7	0	579
07 Transportation							
0703 JCS Exercise Program	16,224	-211	12,773	28,786	-17,962	0	10,824
0705 AMC Channel Cargo	493	8	400	901	16	0	917
0771 Commercial Transportation	12,094	157	9,816	22,067	309	0	22,376
TOTAL 07 Transportation	28,811	-46	22,989	51,754	-17,637	0	34,117
09 OTHER PURCHASES							
0912 Standard Level User Charges (GSA Leases)	37	0	271	308	4	0	312
0913 PURCH UTIL (Non WCF)	5	0	44	49	1	0	50
0914 Purchased Communications (Non WCF)	16,107	1	85,530	101,638	5	58,528	160,171
0915 Rents	1,447	19	10,470	11,936	167	0	12,103
0917 Postal Services (USPS)	5	0	44	49	1	0	50
0920 Supplies & Materials (Non WCF)	664,217	8,635	-623,723	49,129	688	28,696	78,513
0921 Printing and Reproduction	2,376	31	-630	1,777	25	0	1,802
0922 Equip Maintenance by Contract	389,591	5,065	-370,675	23,981	336	0	24,317
0923 FAC maint by contract	289	4	-266	27	0	0	27
0925 Equipment Purchases	3,919	51	11,600	15,570	218	-11,762	4,026
0926 Other Overseas Purchases	2,333	30	-2,142	221	3	0	224
0932 Mgt & Prof Support Services	773	10	79	862	12	0	874

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0934 Engineering & Tech Svcs	1,000	13	-40	973	14	0	987
0987 Other Intragovernmental Purchases	4,839	63	-1,165	3,737	52	0	3,789
0989 Other Contracts	31,060	404	62	31,526	441	0	31,967
0998 Other Costs	4,184	52	-3,839	397	5	0	402
TOTAL 09 OTHER PURCHASES	1,122,182	14,378	-894,380	242,180	1,972	75,462	319,614
Total 1A1A Operational Forces	2,076,950	20,983	-1,527,477	570,456	-11,923	75,381	633,914