

**DEPARTMENT OF THE NAVY
FAMILY HOUSING - 2005 BUDGET ESTIMATES
JUSTIFICATION
MARINE CORPS**

OPERATING EXPENSES

APPROPRIATED	REQUEST
<u>FY 2004</u>	<u>FY 2005</u>
\$143,968,000	\$140,094,000

MANAGEMENT

<u>FY 2004</u>	<u>FY 2005</u>
\$13,137	\$13,741

Reconciliation of Increases and Decreases

		<u>(Dollars in Thousands)</u>
1.	FY 2004 President's Budget Request	13,137
2.	FY 2004 Appropriated Amount	13,137
3.	FY 2004 Current Estimate	13,137
4.	Pricing Adjustments	406
a.	Civilian Personnel Compensation	392
b.	Inflation	14
5.	Program Decreases	(115)
a.	Inventory reduction	(35)
c.	Environmental Impact Study	(80)
6.	Program Increases	313
a.	Inventory increase	142
b.	Environmental Assessments	171
7.	FY 2005 President's Budget Request	13,741

RATIONALE FOR CHANGES IN THE MANAGEMENT ACCOUNT.

The Management Account funding adjustments reflect pricing and program increases associated with new and existing units. Funding provides direct and indirect expenses in managing the family housing program such as personnel payroll, pay increases, housing referral services, community liaison, training and travel, support of the Navy and Marine Corps Intranet (NMCI) and the maintenance and support of the Marine Corps Automated System (MCHAS), environmental compliance studies, and housing market analyses. Pricing and program adjustments in FY 2005 reflect administrative costs driven by the adjustments in square footage for units on and off line. These ancillary costs increased for support to base offices outside family housing for purchasing, contracting, regional automated service centers, field headquarters offices and the Facilities Management Departments, vehicle leasing and ADP support. Program adjustments reflect reduced costs associated with units off line, demolished or privatized.

