



Memorandum

October 15, 2003

SUBJECT: Availability of Army funds without immediate supplemental appropriations**FROM:** Stephen Daggett
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Foreign Affairs, Defense, and Trade Division

This memo is in response to multiple congressional requests for an assessment of how long the Department of Defense will be able to finance ongoing operations in Iraq, Afghanistan, and elsewhere, along with regular day-to-day operations, in the absence of immediate supplemental appropriations from Congress. The service most affected by the pace of operations in Iraq and elsewhere is the Army. Of the \$65,560.0 million that the Administration requested in FY2004 supplemental appropriations on September 17, \$39,199.9 million is for the Army, \$13,686.0 million for the Air Force, \$7,041.0 million for Defense-Wide activities, \$3,209.8 million for the Navy, and \$2,423.3 million for the Marine Corps. In the absence of supplemental appropriations, the Army, which has the greatest need, would run out of available money first.

A rough way to calculate how soon the Army will run out of money is (1) to determine how much the Army needs per month both from regular FY2004 appropriations and from FY2004 supplemental appropriations; and (2) to determine how many months of operations at that pace the Army can finance with available regular FY2004 funding. The attached table calculates how many months regular FY2004 appropriations for Military Personnel, Army and for Operation and Maintenance, Army should suffice. Available military personnel funding should last roughly through the end of May and into the beginning of June. Available operation and maintenance funding should last roughly through the end of March and into the beginning of April.

This assumes that Army funding requirements will be roughly stable over the course of fiscal year. Also, it does not take account of additional unobligated funds that remain available from FY2003 supplemental appropriations. To finance operations without supplemental appropriations, the Army would have to be exempted from normal apportionment requirements, in which the Office of Management and Budget allocates funds to agencies over time to ensure that adequate funds remain available through the fiscal year.

If CRS can be of any further assistance, please call Stephen Daggett at 707-7642.

Availability of Army Funding Without Immediate Supplemental Appropriations

(amounts in millions of dollars)

	(1)	(2)	(3)	(4)	(5)	(6)
	Regular FY04 Appropriations (Available)	Supplemental Request	Total Needed (1) + (2)	Total Needed Per month (3) ÷ 12	Months of Funding Available (1) ÷ (4)	Month Available Funding Will Run Out
Military Personnel	\$28,247.7	\$12,858.9	\$41,106.6	\$3,425.6	8.2	Early June
Operation & Maintenance	\$25,029.3	\$24,190.5	\$49,219.8	\$4,101.7	6.1	Early April
Total	\$53,277.0	\$37,049.4	\$90,326.4	\$7,527.2	7.1	Early May