

Defense Health Program
Fiscal Year (FY) 2007 Budget Estimates
Operation and Maintenance
Exhibit OP-5, Facilities Sustainment, Restoration and Modernization (Attachment 4)

I. Description of Operations Financed: Base Operations (BASOPS)/Communications refers to the resources dedicated to the operation and maintenance of Defense Health Program (DHP) facilities. The DHP's BASOPS provides for facilities and services at military medical activities supporting active duty combat forces, reserve and guard components, training, eligible beneficiaries.

Facility Restoration and Modernization - Resources required for facilities Restoration and Modernization. Restoration includes repair and replacement work to restore facilities damaged by lack of sustainment, excessive age, natural disaster, fire, accident, or other causes. Modernization includes alteration of facilities solely to implement new or higher standards (including regulatory changes), to accommodate new functions, or to replace building components that typically last more than 50 years (such as foundations and structural members).

Facility Sustainment - Resources required for maintenance and repair activities necessary to keep facilities in good working order. It includes regularly scheduled adjustments and inspections, preventive maintenance tasks, emergency response and service calls for minor repairs. Sustainment also includes major repairs or replacement of facility components (usually accomplished by contract) that are expected to occur periodically throughout the life cycle of facilities. This work includes regular roof replacement, refinishing of wall surfaces, repairing and replacement of heating and cooling systems, replacing tile and carpeting, etc.

II. Force Structure Summary:

	FY 2005	FY 2006	FY 2007
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Inpatient Facilities	70	70	70
Medical Clinics	409	409	409
Dental Clinics	417	417	417
Veterinary Clinics	259	259	259

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group

(\$ in Thousands)

	FY 2005	FY 2006			FY 2007
		Budget	Current		
	<u>Actual</u>	<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>
1. Facility Restoration/Modernization - CONUS	186,782	132,086	130,928	165,598	157,478
2. Facility Restoration/Modernization - OCONUS	207,025	51,480	50,966	50,966	26,739
3. Facility Sustainment - CONUS	270,770	274,707	271,968	271,168	290,736
4. Facility Sustainment - OCONUS	<u>18,771</u>	<u>49,152</u>	<u>48,660</u>	<u>48,660</u>	<u>51,201</u>
Total	683,348	507,425	502,522	536,392	526,154

B. Reconciliation Summary:

	Change	
	<u>FY 2006/2006</u>	<u>FY 2006/2007</u>
Baseline Funding	507,425	536,392
Congressional Adjustments (Distributed)	-4,903	n/a
Congressional Adjustments (Undistributed)	0	n/a
Adjustments to Meet Congressional Intent	0	n/a
Congressional Adjustments (General Provisions)	0	n/a
Subtotal Appropriated Amount	502,522	536,392
Fact-of-Life Changes	-17,200	n/a
Subtotal Baseline Funding	485,322	536,392
Anticipated Supplemental	51,070	0
Reprogrammings	0	n/a
Price Change	n/a	9,709
Functional Transfers	n/a	0
Program Changes	n/a	-19,947
Current Estimate	536,392	526,154

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	<u>Amount</u>	(\$ in Thousands)	<u>Totals</u>
C. <u>Reconciliation of Increases and Decreases:</u>			
FY 2006 President's Budget Request			507,425
1. Congressional Adjustments			-4,903
a. Distributed Adjustments		-4,903	
1) 1% Congressional Reduction	-4,903		
b. Undistributed Adjustments		0	
c. Adjustment to Meet Congressional Intent		0	
d. General Provisions		0	
FY 2006 Appropriated Amount			502,522
2. War-Related and Disaster Supplemental Appropriations			0
3. Fact-of-Life Changes			-17,200
a. Functional Transfers		0	
1) Transfers In	0		
2) Transfers Out	0		
b. Technical Adjustments		-17,200	
1) Increases			
2) Decreases			
a) Realigns funding from Facilities Restoration/Sustainment program element to Base Operations program element for proper budget execution.	-17,200		
c. Emergent Requirements		0	
1) Program Increases			
a) One-Time Costs	0		
b) Program Growth	0		
2) Program Reductions		0	
a) One-Time Costs	0		
b) Program Decreases	0		
Baseline Funding			485,322
4. Reprogrammings (Requiring 1415 Actions)			0
a. Increases	0		
b. Decreases	0		
Revised FY 2006 Estimate			485,322
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations, and Item 4, Reprogrammings			0
Normalizes Current Estimate for FY 2006			485,322

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	<u>Amount</u>	(\$ in Thousands)	<u>Totals</u>
C. Reconciliation of Increases and Decreases:			
6. Price Change			9,709
7. Functional Transfers			0
a. Transfers In	0		
b. Transfers Out	0		
8. Program Growth			31,124
a. Annualization of New FY 2006 Program		0	
b. One-Time FY 2007 Costs		4,992	
1) Reverse 1% Congressional Reduction	4,992		
c. Program Growth in FY 2007		26,132	
1) Realigns funding from In-House Care to Base Operations/Communications for partial restoral to Sustainment Restoration and Modernization (SRM) due to increased Resource Sharing shortfall in FY 2007.	1,919		
2) Realigns funding from In-House Care to Base Operations to meet DoD mandated facilities sustainment goals for Military Treatment Facilities.	10,108		
3) Reflects funding from Other Procurement to meet DoD mandated facilities sustainment goals for military health facilities.	1,633		
4) Realigns funding to other budget activity groups to reflect prior year execution.	3,294		
5) Realigns funding from In-House Care reduced requirements to Base Operating Support civilian pay shortfall compared to FY 2006.	8,362		
6) Reflects Foreign Currency Fluctuation.	816		
9. Program Decreases			0
a. One-Time FY 2007 Costs		0	
b. Annualization of New FY 2006 Decreases		0	
c. Program Decreases in FY 2007		0	
FY 2007 Budget Request			526,154

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IV. Performance Criteria and Evaluation Summary:

Funding Levels	FY 2005		FY 2006		FY2007
	<u>Budgeted</u>	<u>Actual</u>	<u>Budgeted</u>	<u>Estimate</u>	<u>Estimate</u>
Sustainment	313,943	289,541	323,859	319,828	341,937
Restoration and Modernization	178,626	393,807	183,566	216,564	184,217
Demolition	0	0	0	0	0
Total					
Department Sustainment Rate*	93.0%	94.7%	92.2%	91.0%	95.4%
*MILPERS not included					

V. Personnel Summary:

	FY 2005			FY 2006			FY 2007			Change
	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2006/2007</u>
<u>Active Military End Strength (E/S)</u>										
Officer	5	11	11	5	11	11	5	11	11	0
Enlisted	<u>5</u>	<u>10</u>	<u>9</u>	<u>5</u>	<u>10</u>	<u>9</u>	<u>5</u>	<u>10</u>	<u>9</u>	<u>-1</u>
Total Military	10	21	20	10	21	20	10	21	20	-1
<u>Civilian End Strength (Total)</u>										
US Direct Hire	444	300	301	444	300	301	444	300	301	1
Foreign National Direct Hire	<u>0</u>	<u>13</u>	<u>13</u>	<u>0</u>	<u>13</u>	<u>13</u>	<u>0</u>	<u>13</u>	<u>13</u>	<u>0</u>
Total Direct Hire	444	313	314	444	313	314	444	313	314	1
Foreign National Indirect Hire	<u>4</u>	<u>11</u>	<u>11</u>	<u>4</u>	<u>11</u>	<u>11</u>	<u>4</u>	<u>11</u>	<u>11</u>	<u>0</u>
Total Civilians	448	324	325	448	324	325	448	324	325	1
(Reimbursable Included Above - memo)	0	0	0	0	0	0	0	0	0	0
<u>Active Military Average Strength (A/S)</u>										
Officer	1	8	11	1	8	11	1	8	11	5
Enlisted	<u>1</u>	<u>8</u>	<u>8</u>	<u>1</u>	<u>8</u>	<u>8</u>	<u>1</u>	<u>8</u>	<u>8</u>	<u>5</u>
Total Military	1	6	16	1	6	16	1	6	16	10
<u>Civilian FTEs (Total)</u>										
US Direct Hire	443	300	302	443	300	302	443	300	302	2
Foreign National Direct Hire	<u>0</u>	<u>13</u>	<u>13</u>	<u>0</u>	<u>13</u>	<u>13</u>	<u>0</u>	<u>13</u>	<u>13</u>	<u>0</u>
Total Direct Hire	443	313	315	443	313	315	443	313	315	2
Foreign National Indirect Hire	<u>4</u>	<u>13</u>	<u>11</u>	<u>4</u>	<u>13</u>	<u>11</u>	<u>4</u>	<u>13</u>	<u>11</u>	<u>-2</u>
Total Civilians	447	326	326	447	326	326	447	326	326	0
(Reimbursable Included Above - memo)	0	0	0	0	0	0	0	0	0	0
Annual Civilian Workyear Cost (\$000's)	34,246	24,128	24,740	34,246	24,128	24,740	34,246	24,128	24,740	
Average Civilian Salary (\$000's)	76.613	74.012	75.890	76.613	74.012	75.890	76.613	74.012	75.890	

VII. OP 32 Line Items as Applicable (Dollars in Thousands): See OP-32 information included on the OP-5 Base Operations/Communications Exhibit.