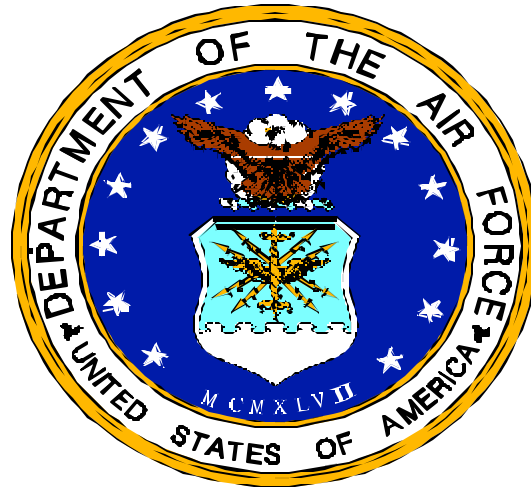


**DEPARTMENT OF THE  
AIR FORCE  
FY 2004/2005 BIENNIAL BUDGET ESTIMATES  
FEBRUARY 2003**



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**Military Personnel, Air Force  
Volume I - Active Forces (Budget Activities 1-6)**

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**MILITARY PERSONNEL, AIR FORCE  
ACTIVE FORCES  
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**SECTION 1**  
**SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM**  
**(Amount in Thousands)**

The Military Personnel, Air Force appropriation provides for pay, allowances, individual clothing, subsistence, and permanent change of station for Active, Reserve and National Guard personnel, as well as for travel and per diem for Reserve Component members performing training. For FY 2004 justification purposes, the Military Personnel, Air Force budget is presented in three volumes. Budget Activities 1-6 are presented as Volume I - Active Forces; Budget Activity 7 is presented as Volume II - Reserve Forces; and Budget Activity 8 is presented as Volume III - National Guard Forces.

The following is a funding summary of all three volumes:

|                                    | <u><b>FY 2002 Actual</b></u> | <u><b>FY 2003 Estimate</b></u> | <u><b>FY 2004 Estimate</b></u> | <u><b>FY 2005 Estimate</b></u> |
|------------------------------------|------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b><u>Direct Program</u></b>       |                              |                                |                                |                                |
| Pay and Allowances of Officers     | 6,991,008                    | 6,839,850                      | 7,204,291                      | 7,525,803                      |
| Pay and Allowances of Enlisted     | 13,081,348                   | 13,193,803                     | 14,029,285                     | 14,705,853                     |
| Pay and Allowances of Cadets       | 48,773                       | 49,821                         | 50,362                         | 51,398                         |
| Subsistence of Enlisted Personnel  | 962,841                      | 821,170                        | 836,164                        | 845,059                        |
| Permanent Change of Station Travel | 924,647                      | 975,149                        | 976,484                        | 898,422                        |
| Other Military Personnel Programs  | 70,971                       | 65,612                         | 64,418                         | 62,256                         |
| Reserve Forces                     |                              |                                | 1,331,888                      | 1,388,202                      |
| National Guard Forces              |                              |                                | 2,223,098                      | 2,325,791                      |
| <b>TOTAL DIRECT PROGRAM</b>        | <b>22,079,588</b>            | <b>21,945,405</b>              | <b>26,715,990</b>              | <b>27,802,784</b>              |
| <b><u>Reimbursable Program</u></b> |                              |                                |                                |                                |
| Pay and Allowances of Officers     | 93,634                       | 262,542                        | 256,955                        | 265,858                        |
| Pay and Allowances of Enlisted     | 69,390                       | 153,513                        | 96,771                         | 97,268                         |
| Subsistence of Enlisted Personnel  | 26,049                       | 26,500                         | 27,292                         | 28,114                         |
| Permanent Change of Station Travel | 1,363                        | 1,402                          | 1,433                          | 1,464                          |
| Air Force Reserves                 |                              |                                | 6,656                          | 6,756                          |
| National Guard Forces              |                              |                                | 26,000                         | 26,000                         |
| <b>TOTAL REIMBURSABLE PROGRAM</b>  | <b>190,436</b>               | <b>443,957</b>                 | <b>415,107</b>                 | <b>425,460</b>                 |

**SECTION 1**  
**SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM**  
(Amount in Thousands)

|                                    | <u><b>FY 2002 Actual</b></u> | <u><b>FY 2003 Estimate</b></u> | <u><b>FY 2004 Estimate</b></u> | <u><b>FY 2005 Estimate</b></u> |
|------------------------------------|------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b><u>Total Program</u></b>        |                              |                                |                                |                                |
| Pay and Allowances of Officers     | 7,084,642                    | 7,102,392                      | 7,461,246                      | 7,791,661                      |
| Pay and Allowances of Enlisted     | 13,150,738                   | 13,347,316                     | 14,126,056                     | 14,803,121                     |
| Pay and Allowances of Cadets       | 48,773                       | 49,821                         | 50,362                         | 51,398                         |
| Subsistence of Enlisted Personnel  | 988,890                      | 847,670                        | 863,456                        | 873,173                        |
| Permanent Change of Station Travel | 926,010                      | 976,551                        | 977,917                        | 899,886                        |
| Other Military Personnel Programs  | 70,971                       | 65,612                         | 64,418                         | 62,256                         |
| Reserve Forces                     |                              |                                | 1,331,888                      | 1,388,202                      |
| National Guard Forces              |                              |                                | 2,249,098                      | 2,351,791                      |
| <b>TOTAL PROGRAM</b>               | <b>22,270,024</b>            | <b>22,389,362</b>              | <b>27,124,441</b>              | <b>28,221,488</b>              |

**SECTION 1**  
**SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM**  
(Amount in Thousands)

The Military Personnel, Air Force appropriation provides for pay, allowances, individual clothing, subsistence, and permanent change of station for Active personnel. For FY 2004 justification purposes, the Military Personnel, Air Force Active is presented in Volume I

The following is a funding summary of Volume I:

|                                    | <u><b>FY 2002 Actual</b></u> | <u><b>FY 2003 Estimate</b></u> | <u><b>FY 2004 Estimate</b></u> | <u><b>FY 2005 Estimate</b></u> |
|------------------------------------|------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b><u>Direct Program</u></b>       |                              |                                |                                |                                |
| Pay and Allowances of Officers     | 6,991,008                    | 6,839,850                      | 7,204,291                      | 7,525,803                      |
| Pay and Allowances of Enlisted     | 13,081,348                   | 13,193,803                     | 14,029,285                     | 14,705,853                     |
| Pay and Allowances of Cadets       | 48,773                       | 49,821                         | 50,362                         | 51,398                         |
| Subsistence of Enlisted Personnel  | 962,841                      | 821,170                        | 836,164                        | 845,059                        |
| Permanent Change of Station Travel | 924,647                      | 975,149                        | 976,484                        | 898,422                        |
| Other Military Personnel Programs  | 70,971                       | 65,612                         | 64,418                         | 62,256                         |
| <b>TOTAL DIRECT PROGRAM</b>        | <b>22,079,588</b>            | <b>21,945,405</b>              | <b>23,161,004</b>              | <b>24,088,791</b>              |
| <b><u>Reimbursable Program</u></b> |                              |                                |                                |                                |
| Pay and Allowances of Officers     | 93,634                       | 262,542                        | 256,955                        | 265,858                        |
| Pay and Allowances of Enlisted     | 69,390                       | 153,513                        | 96,771                         | 97,268                         |
| Subsistence of Enlisted Personnel  | 26,049                       | 26,500                         | 27,292                         | 28,114                         |
| Permanent Change of Station Travel | 1,363                        | 1,402                          | 1,433                          | 1,464                          |
| <b>TOTAL REIMBURSABLE PROGRAM</b>  | <b>190,436</b>               | <b>443,957</b>                 | <b>382,451</b>                 | <b>392,704</b>                 |

**SECTION 1**  
**SUMMARY OF REQUIREMENTS BY BUDGET PROGRAM**  
(Amount in Thousands)

|                                    | <u><b>FY 2002 Actual</b></u> | <u><b>FY 2003 Estimate</b></u> | <u><b>FY 2004 Estimate</b></u> | <u><b>FY 2005 Estimate</b></u> |
|------------------------------------|------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b><u>Total Program</u></b>        |                              |                                |                                |                                |
| Pay and Allowances of Officers     | 7,084,642                    | 7,102,392                      | 7,461,246                      | 7,791,661                      |
| Pay and Allowances of Enlisted     | 13,150,738                   | 13,347,316                     | 14,126,056                     | 14,803,121                     |
| Pay and Allowances of Cadets       | 48,773                       | 49,821                         | 50,362                         | 51,398                         |
| Subsistence of Enlisted Personnel  | 988,890                      | 847,670                        | 863,456                        | 873,173                        |
| Permanent Change of Station Travel | 926,010                      | 976,551                        | 977,917                        | 899,886                        |
| Other Military Personnel Programs  | 70,971                       | 65,612                         | 64,418                         | 62,256                         |
| DERF (FY 2002 only)                | 502,000                      |                                |                                |                                |
| <b>TOTAL PROGRAM</b>               | <b>22,772,024</b>            | <b>22,389,362</b>              | <b>23,543,455</b>              | <b>24,481,495</b>              |

## **SECTION 2**

# **INTRODUCTORY STATEMENT**

## SECTION II INTRODUCTORY STATEMENT

The Military Personnel Appropriation, Air Force Active Forces, provides financial resources to compensate active military personnel. The tables contain budget data for pay and allowances of officers, enlisted, cadets, subsistence of enlisted personnel, permanent change of station (PCS) travel, and other military personnel costs. Retired pay accrual is contained in pay and allowances of officers and enlisted personnel. Unemployment compensation, social security benefits to surviving family members excluded under previous eligibility rules, and miscellaneous entitlements are under other military personnel costs. The budget activity structure and detailed justification demonstrate how the military personnel program is controlled by budget activity. It displays the inventory of officers, enlisted personnel, and cadets with associated workyears. This overview addresses programming actions that affect grade structure, promotions, gains and losses, flight status, subsistence, PCS travel and other related issues. During FY 2002, 3,512 officer and 24,197 enlisted workyears were funded for mobilized Air Reserve Component (ARC) personnel in support of Operations Noble Eagle and Enduring Freedom.



The Air Force has programmed a strength increase of 300 in FY 2004 and an additional 400 in FY05 over the FY 2003 level of 359,000. By the end of FY 2005 our military end strength will have declined by a total of 37% since FY 1989.

The Air Force is committed to meeting end strength goals. In FY 2002 the Air Force actuals were 9,451 over the authorized strength of 358,800. Most of the overstrength is caused by active duty STOP-LOSS implemented in Oct 2001 to support ENDURING FREEDOM and NOBLE EAGLE. Even with all the AFSCs being released from STOP LOSS on 1 Oct 2002--Air Force policy allows these individuals to remain on active duty for up to 150 days to complete processing and terminal leave. Therefore, the higher end strengths will continue through February 2003 and are reflected in the workyears stated for FY 2003.

We are meeting our recruiting goals due to a significant investment in recruiters as well as the use of the Enlistment Bonus to encourage the right number and kinds of recruits to enter the Air Force. We have programmed \$118M for FY 2003; \$101M for FY 2004 and 2005 for this program.





The Selective Reenlistment Bonus program is the key to retaining our highly trained enlisted personnel in the right skills. We have budgeted \$215M for FY 2003, \$197M for FY 2004 and \$260M for FY 2005 (this includes new and anniversary payments due to previous years reenlistees). We continue to reevaluate this program at least on a semi-annual basis to maximize its effectiveness.

For officers, the Air Force relies on Aviator Continuation Pay (ACP) to correct retention difficulties and reduce rated manning shortfalls. In FY 2004, we plan to continue to use ACP in conjunction with the Critical Skills Retention Bonus (CSRB). CSRBs are a key to retaining critical skills in the Air Force today. The FY01 National Defense Authorization Act (NDAA) included CSRBs to encourage individuals in critical skills to remain in the Air Force; the FY02 NDAA included CSRBs to encourage highly technical, highly marketable skills, i.e. scientists and

engineers (S&Es) to enter the Air Force as officers. Studies consistently show a shortfall of \$10K-\$12K in annual salary for military S&Es compared to their peers in the civilian sector. For the past decade, we have missed our accession targets for S&Es, with shortfalls as high as 200 officers a year. Without these funds, retention of critical skills will continue to decline and our ability to meet critical retention goals would be impacted, resulting in continued under manning and mission degradation.

### FISCAL YEAR 2002

**Program Levels.** The FY 2002 end strength is 368,251 with 401,077 workyears.

**Funding Levels.** FY 2002 actual obligations totaled \$22,270,024. This includes \$190,436 in earned reimbursements from the Working Capital Fund and non-Air Force activities where Air Force personnel are assigned. Reimbursements remained relatively stable with a minor decrease reflecting end strength reductions in reimbursable activities.

Officer retention, including pilots, increased in FY 2002. The long term pilot bonus take rate increased from 30% in FY 2001 to 46.8% in FY 2002. ACP program was basically unchanged in FY 2002 except that pilots could amend previous agreements with a minimum three-year commitment





**Baseline Budget Rates.** The Retired Pay Accrual normal cost percentage is 30.3% of basic pay. The average pay raise was 6.9% and inflation was .8%.

### **FISCAL YEARS 2003, 2004, and 2005**

**Program Levels.** The FY 2003 end strength is projected to be 359,000 with 367,443 workyears. The FY 2004 end strength is projected to be 359,300 with 362,624 workyears. FY05 end strength is projected to be 359,700 with 363,142 workyears. Workyear estimates reflect monthly gain and loss patterns and include man-days for Air Force Guard and Reserve support to active peacetime and contingency missions but does not include workyears associated with mobilization. FY 2000 NDAA changed the day on which the Air Force Academy end strength limitation of 4,000 cadets is measured. Title 10 Section 9342 was amended to measure cadet strength on the last day of the academic year (the day before graduation) rather than the last day of the fiscal year. The last day of the academic year is, May 28 for FY 2003, Jun 1 for FY 2004 and May 31 for FY 2005. Authorized cadet strength remains programmed at 4,000 each year, however cadet strength will exceed 4,000 at the end of each fiscal year.

**Funding Levels.** The FY 2003 budget estimate is \$22,389,362 to include \$443,957 in anticipated reimbursements. The FY 2004 budget estimate is \$22,543,455 to include \$382,451 in anticipated reimbursements. Reimbursement changes reflect strength changes in several defense wide activities and the Defense Health Program Medical accrual.

**Baseline Budget Rates.** The Retired Pay Accrual normal cost percentages for FY 2003 is 27.4%, and is 27.1% for FY 2004 and 27.0% for FY 2005 of basic pay. The pay raise for FY 2003 is 4.7% on average, and is 4.1% on average for FY 2004. Starting 1 January 2002, BAS changed to a monthly rate and will increase annually based on increases to the US Department of Agriculture food costs. The FY 2004 BAH rates include an average increase of 4.2% based upon the most recent housing survey data. In addition, the budget continues reducing the out-of-pocket housing costs of military members from 7.5% in FY 2003, 3.5% in FY04 and 0% in FY 2005.



**SECTION 3**

**SUMMARY TABLES**

**SECTION 3  
MILITARY PERSONNEL - AIR FORCE  
ACTIVE FORCES  
SUMMARY OF MILITARY PERSONNEL STRENGTH**

|                                    | <u>FY 2002 Actual</u> |                     | <u>FY 2003 Estimate</u> |                     | <u>FY 2004 Estimate</u> |                     | <u>FY 2005</u>   |
|------------------------------------|-----------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------|------------------|
|                                    | <u>Workyears</u>      | <u>End Strength</u> | <u>Workyears</u>        | <u>End Strength</u> | <u>Workyears</u>        | <u>End Strength</u> | <u>Workyears</u> |
| <b><u>Direct Program</u></b>       |                       |                     |                         |                     |                         |                     |                  |
| Officers                           | 75,114                | 71,144              | 70,830                  | 68,617              | 70,042                  | 68,644              | 70,612           |
| Enlisted                           | 318,407               | 289,592             | 289,214                 | 283,080             | 285,511                 | 283,873             | 285,747          |
| Cadets                             | 4,162                 | 4,158               | 4,052                   | 4,000               | 4,029                   | 4,000               | 4,021            |
| <b>TOTAL DIRECT PROGRAM</b>        | <b>397,683</b>        | <b>364,894</b>      | <b>364,096</b>          | <b>355,697</b>      | <b>359,582</b>          | <b>356,517</b>      | <b>360,380</b>   |
| <b><u>Reimbursable Program</u></b> |                       |                     |                         |                     |                         |                     |                  |
| Officers                           | 899                   | 888                 | 891                     | 883                 | 868                     | 856                 | 848              |
| Enlisted                           | 2,495                 | 2,469               | 2,456                   | 2,420               | 2,174                   | 1,927               | 1,914            |
| Cadets                             | 0                     | 0                   | 0                       | 0                   | 0                       | 0                   | 0                |
| <b>TOTAL REIMBURSABLE PROGRAM</b>  | <b>3,394</b>          | <b>3,357</b>        | <b>3,347</b>            | <b>3,303</b>        | <b>3,042</b>            | <b>2,783</b>        | <b>2,762</b>     |
| <b><u>Total Program</u></b>        |                       |                     |                         |                     |                         |                     |                  |
| Officers                           | 76,013                | 72,032              | 71,721                  | 69,500              | 70,910                  | 69,500              | 71,460           |
| Enlisted                           | 320,902               | 292,061             | 291,670                 | 285,500             | 287,685                 | 285,800             | 287,661          |
| Cadets                             | 4,162                 | 4,158               | 4,052                   | 4,000               | 4,029                   | 4,000               | 4,021            |
| <b>TOTAL PROGRAM</b>               | <b>401,077</b>        | <b>368,251</b>      | <b>367,443</b>          | <b>359,000</b>      | <b>362,624</b>          | <b>359,300</b>      | <b>363,142</b>   |

**SECTION 3  
MILITARY PERSONNEL - AIR FORCE  
ACTIVE FORCES  
SUMMARY OF MILITARY PERSONNEL STRENGTH**

**5 Estimate**  
**End Strength**

68,758  
284,198  
4,000

356,956

842  
1,902  
0

2,744

69,600  
286,100  
4,000

359,700

**END STRENGTH BY GRADE  
(TOTAL PROGRAM)**

|                                     | <u>FY 2002 Actual</u> |            | <u>FY 2003 Estimate</u> |            | <u>FY 2004 Estimate</u> |            | <u>FY 2005 Estimate</u> |            |
|-------------------------------------|-----------------------|------------|-------------------------|------------|-------------------------|------------|-------------------------|------------|
|                                     | Reimb                 |            | Reimb                   |            | Reimb                   |            | Reimb                   |            |
|                                     | Total                 | Included   | Total                   | Included   | Total                   | Included   | Total                   | Included   |
| <b><u>Commissioned Officers</u></b> |                       |            |                         |            |                         |            |                         |            |
| O-10 General                        | 13                    | 0          | 11                      | 0          | 12                      | 0          | 12                      | 0          |
| O-9 Lieutenant General              | 38                    | 0          | 36                      | 0          | 36                      | 0          | 36                      | 0          |
| O-8 Major General                   | 83                    | 0          | 87                      | 0          | 87                      | 0          | 87                      | 0          |
| O-7 Brigadier General               | 138                   | 0          | 139                     | 0          | 139                     | 0          | 139                     | 0          |
| O-6 Colonel                         | 3,760                 | 4          | 3,745                   | 3          | 3,739                   | 3          | 3,731                   | 3          |
| O-5 Lieutenant Colonel              | 10,609                | 55         | 10,203                  | 55         | 10,210                  | 53         | 10,229                  | 52         |
| O-4 Major                           | 15,542                | 203        | 15,266                  | 202        | 15,236                  | 196        | 15,257                  | 193        |
| O-3 Captain                         | 22,648                | 533        | 19,814                  | 530        | 19,328                  | 514        | 19,527                  | 506        |
| O-2 1st Lieutenant                  | 8,724                 | 31         | 9,474                   | 31         | 10,809                  | 30         | 11,155                  | 29         |
| O-1 2nd Lieutenant                  | 10,477                | 62         | 10,725                  | 62         | 9,904                   | 60         | 9,427                   | 59         |
| <b>Officer Subtotal</b>             | <b>72,032</b>         | <b>888</b> | <b>69,500</b>           | <b>883</b> | <b>69,500</b>           | <b>856</b> | <b>69,600</b>           | <b>842</b> |

**END STRENGTH BY GRADE  
(TOTAL PROGRAM)**

|                                  | <u>FY 2002 Actual</u> |                   | <u>FY 2003 Estimate</u> |                   | <u>FY 2004 Estimate</u> |                   | <u>FY 2005 Estimate</u> |                   |  |
|----------------------------------|-----------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|--|
|                                  | Total                 | Reimb<br>Included | Total                   | Reimb<br>Included | Total                   | Reimb<br>Included | Total                   | Reimb<br>Included |  |
| <b><u>Enlisted Personnel</u></b> |                       |                   |                         |                   |                         |                   |                         |                   |  |
| E-9 Chief Master Sergeant        | 2,922                 | 0                 | 2,855                   | 0                 | 2,858                   | 0                 | 2,861                   | 0                 |  |
| E-8 Senior Master Sergeant       | 5,769                 | 0                 | 5,710                   | 0                 | 5,716                   | 0                 | 5,722                   | 0                 |  |
| E-7 Master Sergeant              | 31,607                | 95                | 28,550                  | 93                | 28,580                  | 74                | 28,610                  | 73                |  |
| E-6 Technical Sergeant           | 44,846                | 290               | 45,680                  | 285               | 45,728                  | 227               | 45,776                  | 224               |  |
| E-5 Staff Sergeant               | 73,073                | 1,185             | 77,085                  | 1,161             | 77,166                  | 925               | 77,247                  | 913               |  |
| E-4 Senior Airman                | 51,371                | 472               | 57,100                  | 463               | 57,160                  | 368               | 57,220                  | 364               |  |
| E-3 Airman First Class           | 53,865                | 413               | 41,085                  | 405               | 41,157                  | 322               | 42,267                  | 318               |  |
| E-2 Airman                       | 12,916                | 5                 | 14,486                  | 4                 | 14,486                  | 4                 | 13,937                  | 3                 |  |
| E-1 Airman Basic                 | 15,692                | 9                 | 12,949                  | 9                 | 12,949                  | 7                 | 12,460                  | 7                 |  |
| <b>Enlisted Subtotal</b>         | <b>292,061</b>        | <b>2,469</b>      | <b>285,500</b>          | <b>2,420</b>      | <b>285,800</b>          | <b>1,927</b>      | <b>286,100</b>          | <b>1,902</b>      |  |
| <b><u>Cadets</u></b>             | <b>4,158</b>          | <b>0</b>          | <b>4,000</b>            | <b>0</b>          | <b>4,000</b>            | <b>0</b>          | <b>4,000</b>            | <b>0</b>          |  |
| <b>TOTAL END STRENGTH</b>        | <b>368,251</b>        | <b>3,357</b>      | <b>359,000</b>          | <b>3,303</b>      | <b>359,300</b>          | <b>2,783</b>      | <b>359,700</b>          | <b>2,744</b>      |  |

Note: USAF ACADEMY CADET STRENGTH LIMITATION OF 4,000 IS MEASURED ACCORDING TO TITLE 10, SECTION 9342 ON THE LAST DAY OF THE ACADEMIC YEAR (THE DAY BEFORE GRADUATION) NOT THE END OF THE FISCAL YEAR.

**AVERAGE STRENGTH BY GRADE  
(TOTAL PROGRAM)**

|                                     | <u>FY 2002 Actual</u> |                   | <u>FY 2003 Estimate</u> |                   | <u>FY 2004 Estimate</u> |                   | <u>FY 20</u>   |
|-------------------------------------|-----------------------|-------------------|-------------------------|-------------------|-------------------------|-------------------|----------------|
|                                     | Total                 | Reimb<br>Included | Total                   | Reimb<br>Included | Total                   | Reimb<br>Included | Total          |
| <b><u>Commissioned Officers</u></b> |                       |                   |                         |                   |                         |                   |                |
| O-10 General                        | 12                    | 0                 | 12                      | 0                 | 12                      | 0                 | 12             |
| O-9 Lieutenant General              | 38                    | 0                 | 36                      | 0                 | 36                      | 0                 | 36             |
| O-8 Major General                   | 86                    | 1                 | 89                      | 1                 | 89                      | 1                 | 89             |
| O-7 Brigadier General               | 151                   | 2                 | 142                     | 2                 | 142                     | 2                 | 142            |
| O-6 Colonel                         | 3,935                 | 47                | 3,853                   | 48                | 3,940                   | 48                | 3,966          |
| O-5 Lieutenant Colonel              | 11,422                | 135               | 10,673                  | 133               | 10,560                  | 129               | 10,669         |
| O-4 Major                           | 18,018                | 213               | 15,882                  | 197               | 15,971                  | 196               | 16,091         |
| O-3 Captain                         | 23,511                | 278               | 21,660                  | 269               | 20,003                  | 245               | 19,808         |
| O-2 1st Lieutenant                  | 8,625                 | 102               | 9,251                   | 115               | 10,279                  | 126               | 11,432         |
| O-1 2nd Lieutenant                  | 10,215                | 121               | 10,123                  | 126               | 9,878                   | 121               | 9,215          |
| <b>Officer Subtotal</b>             | <b>76,013</b>         | <b>899</b>        | <b>71,721</b>           | <b>891</b>        | <b>70,910</b>           | <b>868</b>        | <b>71,460</b>  |
| <b><u>Enlisted Personnel</u></b>    |                       |                   |                         |                   |                         |                   |                |
| E-9 Chief Master Sergeant           | 3,449                 | 27                | 2,907                   | 24                | 2,875                   | 22                | 2,878          |
| E-8 Senior Master Sergeant          | 7,147                 | 56                | 5,865                   | 49                | 5,838                   | 44                | 5,844          |
| E-7 Master Sergeant                 | 36,569                | 284               | 30,079                  | 253               | 28,565                  | 216               | 28,595         |
| E-6 Technical Sergeant              | 53,141                | 413               | 45,263                  | 381               | 45,704                  | 345               | 45,752         |
| E-5 Staff Sergeant                  | 80,287                | 624               | 75,800                  | 639               | 77,126                  | 583               | 77,207         |
| E-4 Senior Airman                   | 59,414                | 462               | 56,947                  | 480               | 59,987                  | 453               | 60,050         |
| E-3 Airman First Class              | 53,489                | 416               | 48,986                  | 413               | 42,458                  | 321               | 42,678         |
| E-2 Airman                          | 11,598                | 90                | 11,646                  | 98                | 12,313                  | 93                | 12,080         |
| E-1 Airman Basic                    | 15,808                | 123               | 14,177                  | 119               | 12,819                  | 97                | 12,577         |
| <b>Enlisted Subtotal</b>            | <b>320,902</b>        | <b>2,495</b>      | <b>291,670</b>          | <b>2,456</b>      | <b>287,685</b>          | <b>2,174</b>      | <b>287,661</b> |
| <b><u>Cadets</u></b>                | <b>4,162</b>          | <b>0</b>          | <b>4,052</b>            | <b>0</b>          | <b>4,029</b>            | <b>0</b>          | <b>4,021</b>   |
| <b>TOTAL WORKYEARS</b>              | <b>401,077</b>        | <b>3,394</b>      | <b>367,443</b>          | <b>3,347</b>      | <b>362,624</b>          | <b>3,042</b>      | <b>363,142</b> |



AVERAGE STRENGTH BY GRADE  
(TOTAL PROGRAM)

105 Estimate

Reimb  
Included

0  
0  
1  
2  
47  
127  
191  
235  
136  
109  
848

19  
39  
190  
304  
514  
400  
284  
80  
84  
1,914

0  
2,762

**ACTIVE DUTY STRENGTHS BY MONTHS  
(IN THOUSANDS)**

|                            | FY 2002  |           |        |           | FY 2003  |          |        |         | FY 2004  |          |        |         | FY 2005  |          |        |         |
|----------------------------|----------|-----------|--------|-----------|----------|----------|--------|---------|----------|----------|--------|---------|----------|----------|--------|---------|
|                            | Officers | Enlisted  | Cadets | Total     | Officers | Enlisted | Cadets | Total   | Officers | Enlisted | Cadets | Total   | Officers | Enlisted | Cadets | Total   |
| September                  | 68,862   | 280,410   | 4,299  | 353,571   | 72,032   | 292,061  | 4,158  | 368,251 | 69,500   | 285,500  | 4,125  | 359,125 | 69,500   | 285,800  | 4,105  | 359,405 |
| October                    | 68,577   | 281,400   | 4,272  | 354,249   | 71,785   | 292,388  | 4,141  | 368,314 | 69,011   | 286,281  | 4,106  | 359,398 | 69,015   | 286,081  | 4,086  | 359,182 |
| November                   | 68,722   | 281,457   | 4,257  | 354,436   | 71,709   | 291,959  | 4,119  | 367,787 | 68,868   | 286,517  | 4,099  | 359,484 | 68,889   | 286,169  | 4,079  | 359,137 |
| December                   | 68,873   | 282,721   | 4,205  | 355,799   | 71,386   | 291,893  | 4,079  | 367,358 | 68,723   | 286,613  | 4,061  | 359,397 | 68,762   | 286,362  | 4,040  | 359,164 |
| January                    | 69,036   | 283,829   | 4,182  | 357,047   | 70,533   | 290,856  | 4,053  | 365,442 | 68,382   | 286,550  | 4,039  | 358,971 | 68,581   | 286,509  | 4,018  | 359,108 |
| February                   | 69,193   | 286,081   | 4,163  | 359,437   | 70,340   | 290,042  | 4,037  | 364,419 | 68,561   | 286,144  | 4,023  | 358,728 | 68,723   | 286,526  | 4,002  | 359,251 |
| March                      | 69,280   | 287,158   | 4,155  | 360,593   | 69,812   | 290,563  | 4,030  | 364,405 | 68,343   | 286,205  | 4,014  | 358,562 | 68,489   | 286,700  | 3,993  | 359,182 |
| April                      | 69,466   | 288,720   | 4,144  | 362,330   | 69,476   | 289,639  | 4,023  | 363,138 | 68,215   | 286,121  | 4,007  | 358,343 | 68,148   | 286,571  | 3,986  | 358,705 |
| May                        | 70,689   | 290,954   | 3,171  | 364,814   | 70,284   | 288,706  | 2,985  | 361,975 | 69,209   | 285,924  | 2,995  | 358,128 | 69,185   | 286,611  | 3,013  | 358,809 |
| June                       | 71,968   | 292,417   | 4,336  | 368,721   | 70,745   | 288,123  | 4,224  | 363,092 | 70,098   | 286,072  | 4,223  | 360,393 | 70,102   | 286,653  | 4,240  | 360,995 |
| July                       | 72,084   | 294,149   | 4,220  | 370,453   | 70,269   | 287,740  | 4,167  | 362,176 | 69,970   | 286,431  | 4,158  | 360,559 | 69,948   | 286,392  | 4,174  | 360,514 |
| August                     | 72,110   | 293,410   | 4,177  | 369,697   | 69,920   | 286,903  | 4,129  | 360,952 | 69,713   | 286,369  | 4,123  | 360,205 | 69,830   | 286,356  | 4,139  | 360,325 |
| September                  | 72,032   | 292,061   | 4,158  | 368,251   | 69,500   | 285,500  | 4,125  | 359,125 | 69,500   | 285,800  | 4,105  | 359,405 | 69,600   | 286,100  | 4,118  | 359,818 |
| Workyears                  | 76,013   | 320,902   | 4,162  | 401,077   | 71,721   | 291,670  | 4,052  | 367,443 | 70,910   | 287,685  | 4,029  | 362,624 | 71,460   | 287,661  | 4,021  | 363,142 |
| <b>MPA MAN-DAY PROGRAM</b> |          |           |        |           |          |          |        |         |          |          |        |         |          |          |        |         |
| MAN-DAY Workyears          | 6,041    | 33,519    | 0      | 39,560    | 1,800    | 5,400    | 0      | 7,200   | 1,800    | 5,000    | 0      | 6,800   | 1,800    | 5,000    | 0      | 6,800   |
| \$M                        | 590,840  | 1,611,392 | 0      | 2,202,232 | 184,300  | 271,801  | 0      | 456,101 | 191,881  | 261,986  | 0      | 453,867 | 198,405  | 270,893  | 0      | 469,298 |

NOTE: USAF Academy cadet strength limitation of 4,000 is measured according to title 10, section 9342 on the last day of the academic year (the day before graduation) not the end of the fiscal year.

\*FY2002 includes 3,512 officer and 24,197 enlisted workyears for mobilized Air Reserve Component personnel in support of ONE/OEF.

**GAINS AND LOSSES BY SOURCE AND TYPE  
OFFICERS**

|                                 | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|---------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| <b>Beginning Strength</b>       | 68,862                | 72,032                  | 69,500                  | 69,500                  |
| <b>Gains (By Source):</b>       |                       |                         |                         |                         |
| Service Academies               | 930                   | 1,005                   | 973                     | 935                     |
| ROTC                            | 2,518                 | 2,288                   | 2,588                   | 2,588                   |
| Health Professions Scholarships | 427                   | 400                     | 330                     | 332                     |
| Officer Training School         | 1,872                 | 1,700                   | 1,000                   | 1,000                   |
| Other                           | 1,444                 | 1,214                   | 979                     | 979                     |
| Gain Adjustment                 | 351                   | 0                       | 0                       | 0                       |
| <b>Total Gains</b>              | 7,542                 | 6,607                   | 5,870                   | 5,834                   |
| <b>Losses (By Type):</b>        |                       |                         |                         |                         |
| Voluntary Separation            | 2,403                 | 5,116                   | 2,377                   | 2,165                   |
| Retirement                      | 1,697                 | 3,292                   | 2,810                   | 2,900                   |
| Involuntary                     | 88                    | 440                     | 376                     | 363                     |
| With Pay                        | 80                    | 405                     | 348                     | 328                     |
| Without Pay                     | 8                     | 35                      | 28                      | 35                      |
| VSI/SSB                         | 0                     | 0                       | 0                       | 0                       |
| 15 Year Retirement              | 0                     | 0                       | 0                       | 0                       |
| Reduction in Force              | 0                     | 0                       | 0                       | 0                       |
| Other                           | 184                   | 291                     | 307                     | 306                     |
| Loss Adjustment                 | 0                     | 0                       | 0                       | 0                       |
| <b>Total Losses</b>             | 4,372                 | 9,139                   | 5,870                   | 5,734                   |
| <b>TOTAL</b>                    | 72,032                | 69,500                  | 69,500                  | 69,600                  |

**GAINS AND LOSSES BY SOURCE AND TYPE  
ENLISTED**

|                               | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|-------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| <b>Beginning Strength</b>     | 280,410               | 292,061                 | 285,500                 | 285,800                 |
| <b>Gains (By Source):</b>     |                       |                         |                         |                         |
| Non Prior Service Enlistments | 36,396                | 35,762                  | 36,000                  | 35,000                  |
| Male                          | 27,729                | 26,683                  | 26,640                  | 25,900                  |
| Female                        | 8,667                 | 9,079                   | 9,360                   | 9,100                   |
| Prior Service Enlistments     | 1,571                 | 1,238                   | 1,000                   | 600                     |
| Reenlistments                 | 44,759                | 39,859                  | 39,975                  | 40,090                  |
| Reserves                      | 50                    | 50                      | 50                      | 50                      |
| Officer Candidate Programs    | 1,227                 | 1,403                   | 825                     | 825                     |
| Other                         | 230                   | 229                     | 230                     | 230                     |
| Gain Adjustments              | 0                     | 0                       | 600                     | 300                     |
| <b>Total Gains</b>            | 84,233                | 78,541                  | 78,680                  | 77,095                  |
| <b>Losses (By Type):</b>      |                       |                         |                         |                         |
| ETS                           | 3,535                 | 19,046                  | 14,628                  | 12,774                  |
| Programmed Early Release      | 0                     | 0                       | 0                       | 0                       |
| VSI/SSB                       | 0                     | 0                       | 0                       | 0                       |
| 15 Year Retirement            | 0                     | 0                       | 0                       | 0                       |
| To Commissioned Officer       | 1,845                 | 1,700                   | 1,000                   | 1,000                   |
| Reenlistments                 | 44,759                | 39,859                  | 39,975                  | 40,090                  |
| Retirement                    | 9,981                 | 12,108                  | 10,332                  | 10,538                  |
| Attrition                     | 12,462                | 12,389                  | 12,445                  | 12,393                  |
| Other                         | 0                     | 0                       | 0                       | 0                       |
| Loss Adjustments              | 0                     | 0                       | 0                       | 0                       |
| <b>Total Losses</b>           | 72,582                | 85,102                  | 78,380                  | 76,795                  |
| <b>TOTAL</b>                  | 292,061               | 285,500                 | 285,800                 | 286,100                 |

**GAINS AND LOSSES BY SOURCE AND TYPE  
CADETS**

|                           | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|---------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| <b>Beginning Strength</b> | 4,299                 | 4,158                   | 4,125                   | 4,105                   |
| <b>Gains:</b>             | 1,224                 | 1,308                   | 1,293                   | 1,293                   |
| <b>Losses:</b>            | 1,365                 | 1,341                   | 1,313                   | 1,280                   |
| Graduates                 | 940                   | 1,015                   | 982                     | 942                     |
| Attrition                 | 425                   | 326                     | 331                     | 338                     |
| <b>TOTAL</b>              | 4,158                 | 4,125                   | 4,105                   | 4,118                   |

Note: USAF ACADEMY CADET STRENGTH LIMITATION OF 4,000 IS MEASURED ACCORDING TO TITLE 10, SECTION 9342 ON THE LAST DAY OF THE ACADEMIC YEAR (THE DAY BEFORE GRADUATION) NOT THE END OF THE FISCAL YEAR.

**GAINS AND LOSSES BY SOURCE AND TYPE  
CADETS**

**SUMMARY OF ENTITLEMENTS BY SUBACTIVITY**  
(Amount in Thousands)

|   | FY 2002 Actual |           |            | FY 2003 Estimate |           |            | FY 2004 Estimate |           |            | FY 2005 Estim: |           |
|---|----------------|-----------|------------|------------------|-----------|------------|------------------|-----------|------------|----------------|-----------|
|   | Officer        | Enlisted  | Total      | Officer          | Enlisted  | Total      | Officer          | Enlisted  | Total      | Officer        | Enlisted  |
| 1. Basic Pay  | 3,989,705      | 7,620,099 | 11,609,804 | 3,848,040        | 7,074,044 | 10,922,084 | 4,015,299        | 7,348,882 | 11,364,181 | 4,218,933      | 7,613,905 |
| 2. Retired Pay Accruals                             | 1,208,881      | 2,308,890 | 3,517,771  | 1,054,363        | 1,938,288 | 2,992,651  | 1,088,146        | 1,991,547 | 3,079,693  | 1,139,112      | 2,055,755 |
| 2a. DHP Accrual (over 65)                           | 0              | 0         | 0          | 310,579          | 1,262,234 | 1,572,813  | 324,881          | 1,317,958 | 1,642,839  | 346,119        | 1,402,396 |
| 3. Basic Allowance for Housing                      | 799,974        | 1,703,699 | 2,503,673  | 788,625          | 1,557,297 | 2,345,922  | 889,301          | 1,898,484 | 2,787,785  | 930,437        | 2,058,437 |
| a. With Dependents - Domestic                       | 545,869        | 1,111,802 | 1,657,671  | 540,223          | 993,575   | 1,533,798  | 610,120          | 1,305,984 | 1,916,104  | 639,806        | 1,446,812 |
| b. Without Dependents - Domestic                    | 180,245        | 401,425   | 581,670    | 177,424          | 347,562   | 524,986    | 196,803          | 362,411   | 559,214    | 204,913        | 375,963   |
| c. Substd Family Housing - Domestic                 | 0              | 0         | 0          | 0                | 0         | 0          | 0                | 0         | 0          | 0              | 0         |
| d. Partial - Domestic                               | 209            | 5,670     | 5,879      | 220              | 5,143     | 5,363      | 230              | 5,147     | 5,377      | 242            | 5,267     |
| e. With Dependents - Overseas                       | 49,504         | 112,148   | 161,652    | 49,000           | 157,631   | 206,631    | 58,941           | 173,334   | 232,275    | 61,448         | 178,056   |
| f. Without Dependents - Overseas                    | 24,147         | 72,654    | 96,801     | 21,758           | 53,386    | 75,144     | 23,207           | 51,608    | 74,815     | 24,028         | 52,339    |
| 4. Subsistence                                      | 151,418        | 988,890   | 1,140,308  | 143,514          | 847,670   | 991,184    | 144,656          | 863,456   | 1,008,112  | 149,852        | 873,173   |
| a. Basic Allowance for Subsistence                  | 151,418        | 798,416   | 949,834    | 143,514          | 699,687   | 843,201    | 144,656          | 713,180   | 857,836    | 149,852        | 722,326   |
| 1. Authorized to Mess Separately                    | 151,418        | 765,738   | 917,156    | 143,514          | 705,420   | 848,934    | 144,656          | 719,740   | 864,396    | 149,852        | 732,545   |
| 2. Leave Rations                                    | 0              | 3,711     | 3,711      | 0                | 0         | 0          | 0                | 0         | 0          | 0              | 0         |
| 3. Rations-In-Kind Not Available                    | 0              | 102,295   | 102,295    | 0                | 94,667    | 94,667     | 0                | 94,232    | 94,232     | 0              | 93,571    |
| 4. Augmentation for Separate Meals                  | 0              | 3,777     | 3,777      | 0                | 837       | 837        | 0                | 855       | 855        | 0              | 870       |
| 5. Partial BAS                                      | 0              | 3,305     | 3,305      | 0                | 0         | 0          | 0                | 0         | 0          | 0              | 0         |
| 6. Less Collections (Recoupment)                    | 0              | 80,410    | 80,410     | 0                | 101,237   | 101,237    | 0                | 101,647   | 101,647    | 0              | 104,660   |
| b. Subsistence-In-Kind                              | 0              | 190,307   | 190,307    | 0                | 146,806   | 146,806    | 0                | 149,061   | 149,061    | 0              | 149,593   |
| 1. Subsistence in Messes                            | 0              | 136,814   | 136,814    | 0                | 118,205   | 118,205    | 0                | 120,084   | 120,084    | 0              | 120,447   |
| 2. Special Rations                                  | 0              | 5,019     | 5,019      | 0                | 4,345     | 4,345      | 0                | 4,402     | 4,402      | 0              | 4,427     |
| 3. Operational Rations                              | 0              | 36,832    | 36,832     | 0                | 23,114    | 23,114     | 0                | 23,417    | 23,417     | 0              | 23,555    |
| 4. Augmentation Rations                             | 0              | 11,642    | 11,642     | 0                | 1,142     | 1,142      | 0                | 1,158     | 1,158      | 0              | 1,164     |
| c. Family Supplemental Subsistence Allowance        | 0              | 167       | 167        | 0                | 1,177     | 1,177      | 0                | 1,215     | 1,215      | 0              | 1,254     |
| 5. Incentive - Hazardous Duty - Aviation Career Pay | 290,545        | 33,691    | 324,236    | 300,140          | 32,546    | 332,686    | 309,672          | 33,086    | 342,758    | 308,398        | 33,581    |
| a. Flying Duty Pay                                  | 289,649        | 25,304    | 314,953    | 298,921          | 25,202    | 324,123    | 308,379          | 25,742    | 334,121    | 307,105        | 26,237    |
| 1. Aviation Career, Officers                        | 128,187        | 0         | 128,187    | 125,204          | 0         | 125,204    | 123,749          | 0         | 123,749    | 120,588        | 0         |
| 2. Crew Members, Enlisted                           | 0              | 2,009     | 2,009      | 0                | 1,652     | 1,652      | 0                | 1,652     | 1,652      | 0              | 1,652     |
| 3. Noncrew Member                                   | 1,056          | 140       | 1,196      | 1,115            | 720       | 1,835      | 1,115            | 720       | 1,835      | 1,115          | 720       |
| 4. Aviation Continuation Pay                        | 160,406        | 0         | 160,406    | 172,602          | 0         | 172,602    | 183,515          | 0         | 183,515    | 185,402        | 0         |
| 5. Career Enlisted Flyer Pay                        | 0              | 23,155    | 23,155     | 0                | 22,830    | 22,830     | 0                | 23,370    | 23,370     | 0              | 23,865    |
| b. Parachute Jumping Pay                            | 227            | 1,226     | 1,453      | 549              | 1,080     | 1,629      | 616              | 1,080     | 1,696      | 616            | 1,080     |
| c. Demolition Pay                                   | 151            | 2,707     | 2,858      | 79               | 2,700     | 2,779      | 81               | 2,700     | 2,781      | 81             | 2,700     |
| d. Other Pays                                       | 518            | 4,454     | 4,972      | 591              | 3,564     | 4,155      | 596              | 3,564     | 4,160      | 596            | 3,564     |
| 6. Special Pays                                     | 187,555        | 409,227   | 596,782    | 215,434          | 417,313   | 632,747    | 217,363          | 382,278   | 599,641    | 221,154        | 445,723   |
| a. Medical Pay                                      | 138,526        | 0         | 138,526    | 145,420          | 0         | 145,420    | 145,415          | 0         | 145,415    | 145,429        | 0         |
| b. Dental Pay                                       | 24,180         | 0         | 24,180     | 28,248           | 0         | 28,248     | 28,248           | 0         | 28,248     | 28,248         | 0         |
| c. Optometrists Pay                                 | 774            | 0         | 774        | 1,380            | 0         | 1,380      | 1,380            | 0         | 1,380      | 1,380          | 0         |
| d. Veterinarians Pay                                | 247            | 0         | 247        | 256              | 0         | 256        | 256              | 0         | 256        | 256            | 0         |
| e. Board Certified Pay Non-Physician                | 3,553          | 0         | 3,553      | 4,280            | 0         | 4,280      | 4,280            | 0         | 4,280      | 5,570          | 0         |
| f. Nurses Pay                                       | 4,534          | 0         | 4,534      | 4,969            | 0         | 4,969      | 4,969            | 0         | 4,969      | 4,969          | 0         |
| g. Sea and Foreign Duty, Total                      | 0              | 1,243     | 1,243      | 0                | 258       | 258        | 0                | 120       | 120        | 0              | 59        |
| 1. Sea Duty   | 0              | 5         | 5          | 0                | 4         | 4          | 0                | 4         | 4          | 0              | 4         |

**SUMMARY OF ENTITLEMENTS BY SUBACTIVITY**  
(Amount in Thousands)

|   | FY 2002 Actual |          |         | FY 2003 Estimate |          |         | FY 2004 Estimate |          |         | FY 2005 Estimate |          |
|---|----------------|----------|---------|------------------|----------|---------|------------------|----------|---------|------------------|----------|
|   | Officer        | Enlisted | Total   | Officer          | Enlisted | Total   | Officer          | Enlisted | Total   | Officer          | Enlisted |
| 2. Duty at Certain Places                         | 0              | 1,233    | 1,233   | 0                | 250      | 250     | 0                | 113      | 113     | 0                | 51       |
| 3. Overseas Extension Pay                         | 0              | 4        | 4       | 0                | 4        | 4       | 0                | 4        | 4       | 0                | 4        |
| h. Diving Duty Pay                                | 139            | 1,145    | 1,284   | 139              | 1,041    | 1,180   | 130              | 1,027    | 1,157   | 130              | 1,027    |
| i. Foreign Language Proficiency Pay               | 3,074          | 6,988    | 10,062  | 1,490            | 6,352    | 7,842   | 1,477            | 6,265    | 7,742   | 1,459            | 6,264    |
| j. Hostile Fire Pay                               | 8,543          | 44,615   | 53,158  | 3,294            | 40,550   | 43,844  | 3,656            | 39,996   | 43,652  | 4,583            | 39,992   |
| k. Responsibility Pay                             | 0              | 0        | 0       | 2,201            | 0        | 2,201   | 2,201            | 0        | 2,201   | 2,201            | 0        |
| l. Hardship Duty Pay                              | 938            | 6,357    | 7,295   | 885              | 5,779    | 6,664   | 875              | 5,700    | 6,575   | 882              | 5,699    |
| m. Judge Advocate Continuation Pay                | 3,047          | 0        | 3,047   | 3,972            | 0        | 3,972   | 5,576            | 0        | 5,576   | 5,647            | 0        |
| n. Reenlistment Bonus                             | 0              | 232,139  | 232,139 | 0                | 215,217  | 215,217 | 0                | 196,978  | 196,978 | 0                | 260,490  |
| 1. Selective                                      | 0              | 232,139  | 232,139 | 0                | 215,217  | 215,217 | 0                | 196,978  | 196,978 | 0                | 260,490  |
| o. Special Duty Assignment Pay                    | 0              | 25,890   | 25,890  | 0                | 26,006   | 26,006  | 0                | 28,929   | 28,929  | 0                | 28,929   |
| p. Enlistment Bonus                               | 0              | 89,250   | 89,250  | 0                | 118,810  | 118,810 | 0                | 101,263  | 101,263 | 0                | 101,263  |
| q. Other Special Pay                              | 0              | 1,600    | 1,600   | 18,900           | 3,300    | 22,200  | 18,900           | 2,000    | 20,900  | 20,400           | 2,000    |
| 7. Allowances                                     | 67,241         | 368,087  | 435,328 | 63,727           | 363,498  | 427,225 | 62,369           | 370,087  | 432,456 | 62,935           | 371,491  |
| a. Uniform or Clothing Allowances                 | 4,556          | 125,502  | 130,058 | 3,994            | 119,372  | 123,366 | 3,552            | 120,491  | 124,043 | 3,532            | 118,575  |
| 1. Initial Issue                                  | 3,048          | 45,502   | 48,550  | 2,673            | 44,890   | 47,563  | 2,378            | 45,079   | 47,457  | 2,365            | 43,484   |
| 1a. Military                                      | 3,017          | 43,279   | 46,296  | 2,643            | 42,852   | 45,495  | 2,348            | 43,040   | 45,388  | 2,334            | 41,415   |
| 1b. Civilian                                      | 31             | 2,223    | 2,254   | 30               | 2,038    | 2,068   | 30               | 2,039    | 2,069   | 31               | 2,069    |
| 2. Additional                                     | 1,508          | 0        | 1,508   | 1,321            | 0        | 1,321   | 1,174            | 0        | 1,174   | 1,167            | 0        |
| 3. Basic Maintenance                              | 0              | 18,431   | 18,431  | 0                | 18,177   | 18,177  | 0                | 18,597   | 18,597  | 0                | 17,777   |
| 4. Standard Maintenance                           | 0              | 59,371   | 59,371  | 0                | 54,295   | 54,295  | 0                | 54,787   | 54,787  | 0                | 55,268   |
| 5. Supplemental                                   | 0              | 2,198    | 2,198   | 0                | 2,010    | 2,010   | 0                | 2,028    | 2,028   | 0                | 2,046    |
| 6. Civilian Clothing Maintenance                  | 0              | 0        | 0       | 0                | 0        | 0       | 0                | 0        | 0       | 0                | 0        |
| b. Station Allowance Overseas                     | 57,251         | 214,591  | 271,842 | 54,588           | 218,659  | 273,247 | 53,682           | 224,343  | 278,025 | 54,171           | 227,559  |
| 1. Cost-of-Living                                 | 48,216         | 184,419  | 232,635 | 45,977           | 187,836  | 233,813 | 45,222           | 192,769  | 237,991 | 45,639           | 195,539  |
| 2. Moving-In Housing                              | 2,025          | 7,173    | 9,198   | 1,922            | 7,328    | 9,250   | 1,889            | 7,506    | 9,395   | 1,906            | 7,617    |
| 3. Temporary Lodging                              | 7,010          | 22,999   | 30,009  | 6,689            | 23,495   | 30,184  | 6,571            | 24,068   | 30,639  | 6,626            | 24,403   |
| c. Family Separation Allowance                    | 4,160          | 26,983   | 31,143  | 3,930            | 24,541   | 28,471  | 3,916            | 24,326   | 28,242  | 3,986            | 24,416   |
| 1. On PCS, No Government Quarters                 | 790            | 2,308    | 3,098   | 750              | 2,114    | 2,864   | 772              | 2,205    | 2,977   | 818              | 2,297    |
| 2. On PCS, Dependents Not Authorized              | 770            | 5,849    | 6,619   | 727              | 5,316    | 6,043   | 719              | 5,244    | 5,963   | 724              | 5,243    |
| 3. On TDY   | 2,600          | 18,826   | 21,426  | 2,453            | 17,111   | 19,564  | 2,425            | 16,877   | 19,302  | 2,444            | 16,876   |
| d. Personal Money Allowance, General Officers     | 47             | 0        | 47      | 48               | 0        | 48      | 47               | 0        | 47      | 47               | 0        |
| e. CONUS Cost of Living Allowance                 | 1,227          | 1,011    | 2,238   | 1,167            | 926      | 2,093   | 1,172            | 927      | 2,099   | 1,199            | 941      |
| 8. Separation Payments                            | 85,278         | 124,108  | 209,386 | 84,117           | 133,932  | 218,049 | 103,486          | 99,543   | 203,029 | 92,994           | 105,369  |
| a. Terminal Leave Pay                             | 12,162         | 22,392   | 34,554  | 18,875           | 32,687   | 51,562  | 14,167           | 30,060   | 44,227  | 14,697           | 30,082   |
| b. Severance Pay, Disability                      | 717            | 8,579    | 9,296   | 1,340            | 8,150    | 9,490   | 1,380            | 8,497    | 9,877   | 1,421            | 8,801    |
| c. Severance Pay, Non-Promotion                   | 3,915          | 0        | 3,915   | 23,998           | 0        | 23,998  | 20,980           | 0        | 20,980  | 20,259           | 0        |
| d. Severance Pay, Involuntary Half (5%)           | 84             | 2,283    | 2,367   | 86               | 2,030    | 2,116   | 89               | 2,099    | 2,188   | 92               | 2,170    |
| e. Severance Pay, Involuntary Full (10%)          | 321            | 2,333    | 2,654   | 1,756            | 6,527    | 8,283   | 1,808            | 6,749    | 8,557   | 1,863            | 6,978    |
| f. VSI Trust Fund                                 | 32,579         | 9,821    | 42,400  | 31,262           | 9,338    | 40,600  | 21,362           | 6,438    | 27,800  | 21,362           | 6,438    |
| g. \$30,000 Lump Sum Bonus                        | 35,500         | 78,700   | 114,200 | 6,800            | 75,200   | 82,000  | 43,700           | 45,700   | 89,400  | 33,300           | 50,900   |
| 9. Special Compensation - Combat-Related Disabled | 0              | 0        | 0       | 0                | 27,000   | 27,000  | 0                | 122,000  | 122,000 | 0                | 134,000  |
| 10. Social Security Tax Payment                   | 304,045        | 582,938  | 886,983 | 293,853          | 541,164  | 835,017 | 306,073          | 562,190  | 868,263 | 321,727          | 582,464  |
| 11. Permanent Change of Station Travel            | 311,375        | 614,635  | 926,010 | 339,795          | 636,756  | 976,551 | 326,416          | 651,501  | 977,917 | 302,455          | 597,431  |
| 12. Other Military Personnel Costs                | 10,655         | 60,316   | 70,971  | 9,778            | 55,834   | 65,612  | 9,732            | 54,686   | 64,418  | 9,715            | 52,541   |
| a. Apprehension of Deserters                      | 2              | 98       | 100     | 2                | 98       | 100     | 2                | 98       | 100     | 2                | 98       |



**SUMMARY OF ENTITLEMENTS BY SUBACTIVITY**  
(Amount in Thousands)

|   | FY 2002 Actual   |                   |                   | FY 2003 Estimate |                   |                   | FY 2004 Estimate |                   |                   | FY 2005 Estim:   |                   |
|---|------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
|   | Officer          | Enlisted          | Total             | Officer          | Enlisted          | Total             | Officer          | Enlisted          | Total             | Officer          | Enlisted          |
| b. USSD (MIA)                                 | 131              | 464               | 595               | 131              | 464               | 595               | 131              | 464               | 595               | 131              | 464               |
| c. Death Gratuities                           | 306              | 1,200             | 1,506             | 306              | 1,194             | 1,500             | 306              | 1,188             | 1,494             | 300              | 1,182             |
| d. Unemployment Compensation                  | 0                | 34,614            | 34,614            | 0                | 32,077            | 32,077            | 0                | 31,069            | 31,069            | 0                | 29,044            |
| e. Survivor Benefits                          | 1,243            | 2,149             | 3,392             | 1,205            | 2,083             | 3,288             | 1,171            | 2,007             | 3,178             | 1,160            | 1,956             |
| f. Education Benefits                         | 1,843            | 1,793             | 3,636             | 2,095            | 2,045             | 4,140             | 2,095            | 2,045             | 4,140             | 2,095            | 2,045             |
| g. Adoption Reimbursement                     | 500              | 300               | 800               | 500              | 300               | 800               | 500              | 300               | 800               | 500              | 300               |
| h. Special Compensation for Retirees          | 4,029            | 9,401             | 13,430            | 2,820            | 6,580             | 9,400             | 2,820            | 6,580             | 9,400             | 2,820            | 6,580             |
| i. Mass Transit                               | 2,601            | 8,325             | 10,926            | 2,719            | 8,381             | 11,100            | 2,707            | 8,323             | 11,030            | 2,707            | 8,260             |
| j. Partial Dislocation Allowance              | 0                | 1,972             | 1,972             | 0                | 2,612             | 2,612             | 0                | 2,612             | 2,612             | 0                | 2,612             |
| 13. Cadets                                    | 48,773           | 0                 | 48,773            | 49,821           | 0                 | 49,821            | 50,362           | 0                 | 50,362            | 51,398           | 0                 |
| <b>Military Personnel Appropriation Total</b> | <b>7,455,445</b> | <b>14,814,580</b> | <b>22,270,024</b> | <b>7,501,786</b> | <b>14,887,576</b> | <b>22,389,362</b> | <b>7,847,756</b> | <b>15,695,699</b> | <b>23,543,455</b> | <b>8,155,229</b> | <b>16,326,266</b> |
| 14. Less Reimbursables:                       | 104,801          | 85,636            | 190,436           | 264,545          | 179,412           | 443,957           | 224,087          | 158,364           | 382,451           | 229,650          | 163,054           |
| Retired Pay Accrual                           | 19,625           | 4,604             | 24,229            | 42,042           | 9,862             | 51,904            | 32,728           | 7,677             | 40,405            | 33,548           | 7,869             |
| Other   | 85,176           | 81,032            | 166,207           | 222,503          | 169,550           | 392,053           | 191,359          | 150,687           | 342,046           | 196,102          | 155,185           |
| <b>MILITARY PERSONNEL</b>                     |                  |                   |                   |                  |                   |                   |                  |                   |                   |                  |                   |
| <b>APPROPRIATION TOTAL-DIRECT</b>             | <b>7,350,644</b> | <b>14,728,944</b> | <b>22,079,588</b> | <b>7,237,241</b> | <b>14,708,164</b> | <b>21,945,405</b> | <b>7,623,669</b> | <b>15,537,335</b> | <b>23,161,004</b> | <b>7,925,579</b> | <b>16,163,212</b> |

**SUMMARY OF ENTITLEMENTS BY SUBACTIVITY**  
**(Amount in Thousands)**

| <u>ate</u>   |
|--------------|
| <b>Total</b> |
| 11,832,838   |
| 3,194,867    |
| 1,748,515    |
| 2,988,874    |
| 2,086,618    |
| 580,876      |
| 0            |
| 5,509        |
| 239,504      |
| 76,367       |
| 1,023,025    |
| 872,178      |
| 882,397      |
| 0            |
| 93,571       |
| 870          |
| 0            |
| 104,660      |
| 149,593      |
| 120,447      |
| 4,427        |
| 23,555       |
| 1,164        |
| 1,254        |
| 341,979      |
| 333,342      |
| 120,588      |
| 1,652        |
| 1,835        |
| 185,402      |
| 23,865       |
| 1,696        |
| 2,781        |
| 4,160        |
| 666,877      |
| 145,429      |
| 28,248       |
| 1,380        |
| 256          |
| 5,570        |
| 4,969        |
| 59           |
| 4            |

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(Amount in Thousands)

| <u>ate</u> | <u>Total</u> |
|------------|--------------|
|            | 51           |
|            | 4            |
|            | 1,157        |
|            | 7,723        |
|            | 44,575       |
|            | 2,201        |
|            | 6,581        |
|            | 5,647        |
|            | 260,490      |
|            | 260,490      |
|            | 28,929       |
|            | 101,263      |
|            | 22,400       |
|            | 434,426      |
|            | 122,107      |
|            | 45,849       |
|            | 43,749       |
|            | 2,100        |
|            | 1,167        |
|            | 17,777       |
|            | 55,268       |
|            | 2,046        |
|            | 0            |
|            | 281,730      |
|            | 241,178      |
|            | 9,523        |
|            | 31,029       |
|            | 28,402       |
|            | 3,115        |
|            | 5,967        |
|            | 19,320       |
|            | 47           |
|            | 2,140        |
|            | 198,363      |
|            | 44,779       |
|            | 10,222       |
|            | 20,259       |
|            | 2,262        |
|            | 8,841        |
|            | 27,800       |
|            | 84,200       |
|            | 134,000      |
|            | 904,191      |
|            | 899,886      |
|            | 62,256       |
|            | 100          |

SUMMARY OF ENTITLEMENTS BY SUBACTIVITY  
(Amount in Thousands)

| <u>ate</u> | <u>Total</u> |
|------------|--------------|
|            | 595          |
|            | 1,482        |
|            | 29,044       |
|            | 3,116        |
|            | 4,140        |
|            | 800          |
|            | 9,400        |
|            | 10,967       |
|            | 2,612        |
|            | 51,398       |
|            | 24,481,495   |
|            | 392,704      |
|            | 41,417       |
|            | 351,287      |
|            | 24,088,791   |

ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
MILITARY PERSONNEL - AIR FORCE  
FY 2003  
(Amount in Thousands)

|   | <u>FY 2003</u><br><u>PRESIDENT'S</u><br><u>BUDGET</u> | <u>CONGRESSIONAL</u><br><u>ACTIONS</u> | <u>AVAILABLE</u><br><u>APPROPRIATION</u> | <u>INTERNAL</u><br><u>REALIGNMENT/</u><br><u>REPROGRAMMING</u> | <u>SUBTOTAL</u>  | <u>OTHER PRICE/</u><br><u>PROGRAM</u><br><u>CHANGES</u> |
|---|---|--|--|--|------------------|---|
| <b><u>PAY AND ALLOWANCES OF OFFICERS</u></b>  |   |  |  |  |                  |   |
| Basic Pay                                     | 3,872,634   | 2,600                                  | 3,875,234                                | -27,194  | 3,848,040        | 0   |
| Retired Pay Accrual                           | 1,061,102   | 0                                      | 1,061,102                                | -6,739   | 1,054,363        | 0   |
| Defense Health Program Accrual                | 326,881   | -16,340                                | 310,541                                  | 38   | 310,579          | 0   |
| Incentive Pay                                 | 284,327   | -10,300                                | 274,027                                  | 26,113   | 300,140          | 0   |
| Special Pay                                   | 261,167   | -38,683                                | 222,484                                  | -7,002   | 215,482          | 0   |
| Basic Allowance for Housing                   | 778,898   | 0                                      | 778,898                                  | 9,727  | 788,625          | 0   |
| Basic Allowance for Subsistence               | 145,032   | 0                                      | 145,032                                  | -1,518   | 143,514          | 0   |
| Station Allowances Overseas                   | 48,617  | -5,800                                 | 41,442                                   | 11,771   | 54,588           | 0   |
| CONUS COLA                                    | 1,213   | 0                                      | 1,213                                    | -46  | 1,167            | 0   |
| Uniform Allowances                            | 3,810   | 0                                      | 3,810                                    | 184  | 3,994            | 0   |
| Family Separation Allowances                  | 4,534   | 0                                      | 4,534                                    | -604   | 3,930            | 0   |
| Separation Payments                           | 122,004   | -32,000                                | 90,004                                   | -5,887   | 84,117           | 0   |
| Social Security Tax - Employer's Contribution | 294,071   | 0                                      | 294,071                                  | -218   | 293,853          | 0   |
| <b>Total Obligations</b>                      | <b>7,204,290</b>                                      | <b>-100,523</b>                        | <b>7,102,392</b>                         | <b>-1,375.00</b>   | <b>7,102,392</b> | <b>0</b>  |
| <b>Less Reimbursements</b>                    | <b>262,542</b>  | <b>0</b>                               | <b>262,542</b>                           | <b>0</b>   | <b>262,542</b>   | <b>0</b>  |
| <b>TOTAL DIRECT OBLIGATIONS</b>               | <b>6,941,748</b>                                      | <b>-100,523</b>                        | <b>6,839,850</b>                         | <b>-1,375.00</b>   | <b>6,839,850</b> | <b>0</b>  |

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
MILITARY PERSONNEL - AIR FORCE  
FY 2003  
(Amount in Thousands)**

|   | <u>FY 2003<br/>PRESIDENT'S<br/>BUDGET</u> | <u>CONGRESSIONAL<br/>ACTIONS</u> | <u>AVAILABLE<br/>APPROPRIATION</u> | <u>INTERNAL<br/>REALIGNMENT/<br/>REPROGRAMMING</u> | <u>SUBTOTAL</u>   | <u>OTHER PRICE/<br/>PROGRAM<br/>CHANGES</u> |
|---|---|----------------------------------|------------------------------------|--|-------------------|---|
| <b><u>PAY AND ALLOWANCES OF ENLISTED</u></b>            |   |                                  |                                    |  |                   |   |
| Basic Pay   | 7,105,972                                 | 0                                | 7,105,972                          | -31,928  | 7,074,044         | 0   |
| Retired Pay Accrual                                     | 1,947,036                                 | 0                                | 1,947,036                          | -8,748   | 1,938,288         | 0   |
| Defense Health Program Accrual                          | 1,328,732                                 | -66,460                          | 1,262,272                          | -38  | 1,262,234         | 0   |
| Incentive Pay   | 33,250                                    | 0                                | 33,250                             | -704   | 32,546            | 0   |
| Special Pay   | 63,737                                    | -1,998                           | 61,739                             | -4,459   | 57,280            | 0   |
| Special Duty Assignment Pay                             | 25,727                                    | 0                                | 25,727                             | 279  | 26,006            | 0   |
| Reenlistment Bonus                                      | 222,137                                   | -5,000                           | 217,137                            | -1,920   | 215,217           | 0   |
| Enlistment Bonus  | 132,836                                   | 0                                | 132,836                            | -14,026  | 118,810           | 0   |
| Basic Allowance for Housing                             | 1,542,052                                 | 0                                | 1,542,052                          | 15,245   | 1,557,297         | 0   |
| Station Allowances Overseas                             | 204,941                                   | -23,200                          | 176,244                            | 36,918   | 218,659           | 0   |
| CONUS COLA  | 1,055                                     | 0                                | 1,055                              | -135   | 926               | 0   |
| Clothing Allowances                                     | 128,544                                   | 0                                | 128,544                            | -9,172   | 119,372           | 0   |
| Family Separation Allowances                            | 24,679                                    | 0                                | 24,679                             | -138   | 24,541            | 0   |
| Separation Payments                                     | 135,166                                   | -1,000                           | 134,166                            | -234   | 133,932           | 0   |
| Special Compensation Combat-Related                     | 0   | 0                                | 0                                  | 27,000   | 27,000            | 0   |
| Social Security Tax - Employer's Contribution           | 543,607                                   | 0                                | 543,607                            | -2,443   | 541,164           | 0   |
| <b>Total Obligations Pay and Allowances of Enlisted</b> | <b>13,439,471</b>                         | <b>-97,658</b>                   | <b>13,336,316</b>                  | <b>5,497</b>                                       | <b>13,347,316</b> | <b>0</b>                                    |
| <b>Less Reimbursements Enlisted</b>                     | <b>153,513</b>                            | <b>0</b>                         | <b>153,513</b>                     | <b>0</b>   | <b>153,513</b>    | <b>0</b>                                    |
| <b>Total Direct Obligations Enlisted</b>                | <b>13,285,958</b>                         | <b>-97,658</b>                   | <b>13,182,803</b>                  | <b>5,497</b>                                       | <b>13,193,803</b> | <b>0</b>                                    |
| <b><u>PAY AND ALLOWANCES OF CADETS</u></b>              |   |                                  |                                    |  |                   |   |
| Academy Cadets  | 49,821                                    | 0                                | 49,821                             | 0  | 49,821            | 0   |
| <b><u>SUBSISTENCE OF ENLISTED PERSONNEL</u></b>         |   |                                  |                                    |  |                   |   |
|   | 0   | 0                                | 0                                  | 0  | 0                 | 0   |
| Basic Allowance for Subsistence                         | 722,407                                   | 0                                | 722,407                            | -22,720  | 699,687           | 0   |
| Subsistence-In-Kind                                     | 124,086                                   | 0                                | 124,086                            | 22,720   | 146,806           | 0   |
| Family Supplemental Subsistence Allowance               | 1,177                                     | 0                                | 1,177                              | 0  | 1,177             | 0   |
| <b>Total Obligations Subsistence</b>                    | <b>847,670</b>                            | <b>0</b>                         | <b>847,670</b>                     | <b>0</b>   | <b>847,670</b>    | <b>0</b>                                    |
| <b>Less Reimbursements Subsistence</b>                  | <b>26,500</b>                             | <b>0</b>                         | <b>26,500</b>                      | <b>0</b>   | <b>26,500</b>     | <b>0</b>                                    |
| <b>Total Direct Obligations Subsistence</b>             | <b>821,170</b>                            | <b>0</b>                         | <b>821,170</b>                     | <b>0</b>   | <b>821,170</b>    | <b>0</b>                                    |

**ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
MILITARY PERSONNEL - AIR FORCE  
FY 2003  
(Amount in Thousands)**

|  | <u>FY 2003<br/>PRESIDENT'S<br/>BUDGET</u> | <u>CONGRESSIONAL<br/>ACTIONS</u> | <u>AVAILABLE<br/>APPROPRIATION</u> | <u>INTERNAL<br/>REALIGNMENT/<br/>REPROGRAMMING</u> | <u>SUBTOTAL</u>   | <u>OTHER PRICE/<br/>PROGRAM<br/>CHANGES</u> |
|--|---|----------------------------------|------------------------------------|--|-------------------|---|
| <b><u>PERMANENT CHANGE OF STATION TRAVEL</u></b> |   |                                  |                                    |  |                   |   |
| Accession Travel                                 | 95,779                                    | 0                                | 95,779                             | -10,999  | 84,780            | 0   |
| Training Travel                                  | 65,087                                    | 0                                | 65,087                             | 16,749   | 81,836            | 0   |
| Operating Travel                                 | 166,545                                   | 20                               | 166,565                            | -4,219   | 162,346           | 0   |
| Rotational Travel                                | 466,133                                   | 0                                | 466,133                            | -31,899  | 434,234           | 0   |
| Separation Travel                                | 120,933                                   | 0                                | 120,933                            | 23,843   | 144,776           | 0   |
| Travel of Organized Units                        | 6,614                                     | 0                                | 6,614                              | 58   | 6,672             | 0   |
| Nontemporary Storage                             | 25,446                                    | 0                                | 25,446                             | 1,504  | 26,950            | 0   |
| Temporary Lodging Expense                        | 42,226                                    | 0                                | 42,226                             | -7,269   | 34,957            | 0   |
| <b>Total Obligations PCS</b>                     | <b>988,763</b>                            | <b>20</b>                        | <b>988,783</b>                     | <b>-12,232</b>                                     | <b>976,551</b>    | <b>0</b>                                    |
| <b>Less Reimbursements PCS</b>                   | <b>1,402</b>                              | <b>0</b>                         | <b>1,402</b>                       | <b>0</b>   | <b>1,402</b>      | <b>0</b>                                    |
| <b>Total Direct Obligations PCS</b>              | <b>987,361</b>                            | <b>20</b>                        | <b>987,381</b>                     | <b>-12,232</b>                                     | <b>975,149</b>    | <b>0</b>                                    |
| <b><u>OTHER MILITARY PERSONNEL COSTS</u></b>     |   |                                  |                                    |  |                   |   |
| Apprehension Mil Deserters, Absentees, Prisoners | 100                                       | 0                                | 100                                | 0  | 100               | 0   |
| Interest on Uniformed Svcs Savings               | 595                                       | 0                                | 595                                | 0  | 595               | 0   |
| Death Gratuities                                 | 1,506                                     | 0                                | 1,506                              | -6   | 1,500             | 0   |
| Unemployment Compensation                        | 26,456                                    | -6,747                           | 19,709                             | 12,368   | 32,077            | 0   |
| Survivor Benefits                                | 3,290                                     | 0                                | 3,290                              | -2   | 3,288             | 0   |
| Education Benefits                               | 3,690                                     | 0                                | 3,690                              | 450  | 4,140             | 0   |
| Adoption Expenses                                | 800                                       | 0                                | 800                                | 0  | 800               | 0   |
| Special Compensation for Retirees                | 20,400                                    | 0                                | 20,400                             | -11,000  | 9,400             | 0   |
| Mass Transit                                     | 14,290                                    | 0                                | 14,290                             | -3,190   | 11,100            | 0   |
| Partial Dislocation Allowance                    | 0   | 0                                | 0                                  | 2,612  | 2,612             | 0   |
| <b>Total Direct Obligations Other</b>            | <b>71,127</b>                             | <b>-6,747</b>                    | <b>64,380</b>                      | <b>1,232</b>                                       | <b>65,612</b>     | <b>0</b>                                    |
| <b>TOTAL DIRECT OBLIGATIONS</b>                  | <b>22,157,185</b>                         | <b>-204,908</b>                  | <b>21,945,405</b>                  | <b>-6,872</b>                                      | <b>21,945,405</b> | <b>0</b>                                    |

ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
MILITARY PERSONNEL - AIR FORCE  
FY 2003  
(Amount in Thousands)

FY 2003  
COLUMN  
FY 2004  
REQUEST

3,848,040  
1,054,363  
310,579  
300,140  
215,482  
788,625  
143,514  
54,588  
1,167  
3,994  
3,930  
84,117  
293,853  
  
7,102,392  
262,542  
  
6,839,850



ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
MILITARY PERSONNEL - AIR FORCE  
FY 2003  
(Amount in Thousands)

FY 2003  
COLUMN  
FY 2004  
REQUEST

7,074,044  
1,938,288  
1,262,234  
32,546  
57,280  
26,006  
215,217  
118,810  
1,557,297  
218,659  
926  
119,372  
24,541  
133,932  
27,000  
541,164  
  
13,347,316  
153,513  
  
13,193,803  
  
49,821  
  
0  
699,687  
146,806  
1,177  
  
847,670  
26,500  
  
821,170

ANALYSIS OF APPROPRIATION CHANGES AND SUPPLEMENTAL REQUIREMENTS  
MILITARY PERSONNEL - AIR FORCE  
FY 2003  
(Amount in Thousands)

FY 2003  
COLUMN  
FY 2004  
REQUEST

84,780  
81,836  
162,346  
434,234  
144,776  
6,672  
26,950  
34,957  
  
976,551  
1,402  
  
975,149  
  
100  
595  
1,500  
32,077  
3,288  
4,140  
800  
9,400  
11,100  
2,612  
  
65,612  
  
21,945,405

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

**FY 2003 Direct Program** 21,945,405

**Increases:**

|  |          |
|--|----------|
| Basic Pay  | 442,419  |
| - 1 Jan 04 average pay raise of 4.1% effect on Basic Pay     | 339,320  |
| - Annualized 1 Jan 03 average pay raise of 4.7% on Basic Pay | 146,785  |
| - Changes in workyears/longevity for Basic Pay               | -43,686  |
| Basic Allowance for Housing (BAH)                            | 441,863  |
| - Change in workyears for Housing Allowance                  | 644,060  |
| - Changes in rates for Housing Allowance                     | -202,197 |
| Special Compensation for Combat-Related Disabled             | 95,000   |
| - Change in program  | 95,000   |
| Retired Pay Accrual  | 87,042   |
| - 1 Jan 04 average pay raise of 4.1% effect on RPA           | 91,876   |
| - Annualization of 1 Jan 03 average raise of 4.7 % on RPA    | 30,314   |
| - Change in workyears/longevity for RPA                      | -2,408   |
| - Change in RPA rate from 27.4% to 27.1%                     | -32,740  |
| Defense Health Program Accrual                               | 70,026   |
| - DHP Accrual (Over 65) program adjustments                  | 70,026   |
| Reimbursements   | 61,506   |
| - Change in reimbursements                                   | 61,506   |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

|   |        |        |
|---|--------|--------|
| Social Security (FICA)                              |        | 33,271 |
| - 1 Jan 04 average pay raise of 4.1% effect on FICA | 25,902 |        |
| - Annualization of 1 Jan 03 4.7% on FICA            | 8,547  |        |
| - Change in FICA Rates                              | 93     |        |
| - Change in workyears/longevity for FICA            | -1,271 |        |
| Basic Allowance for Subsistence                     |        | 14,830 |
| - 1 Jan 04 USDA Food Cost Index inflation of 2.5%   | 12,061 |        |
| - Annualization of 1 Jan 03 of .5%                  | 4,608  |        |
| - Rate Increase (\$5.75-\$5.90 per day) for Cadets  | 243    |        |
| - Change in workyear for BAS                        | -2,082 |        |
| Incentive Pay                                       |        | 10,072 |
| - Aviation Career Incentive Pay Rate Change         | 12,231 |        |
| - Changes in Workyears                              | -843   |        |
| - Changes in Aviation Continuation Pay              | -1,316 |        |
| Dislocation Allowance (DLA)                         |        | 6,192  |
| - Annualization of the FY 2003 pay raise            | 6,192  |        |
| Overseas Allowances                                 |        | 4,778  |
| - Change in rates for Overseas Allowance            | 3,045  |        |
| - Change in workyears for Overseas Allowance        | 1,733  |        |
| Special Duty Assignment Pay                         |        | 2,923  |
| - Change in rates for Special Duty Assignment Pay   | 2,923  |        |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

|  |       |                  |
|--|-------|------------------|
| Travel of Military Member and Family             |       | 2,710            |
| - Change in number of overall PCS moves          | 2,710 |                  |
| Subsistence-In-Kind (SIK)                        |       | 2,255            |
| - Increase for Inflation (1.5 percent)           | 2,231 |                  |
| - Increase in Prime vendor costs                 | 294   |                  |
| - Change in workyears for SIK                    | -270  |                  |
| Temporary Lodging Expense                        |       | 227              |
| - TLE rate increased                             | 227   |                  |
| Family Subsistence Supplemental Allowance (FSSA) |       | 38               |
| CONUS COLA                                       |       | 6                |
| - Change in rates for CONUS COLA                 | 71    |                  |
| - Change in workyears for CONUS COLA             | -65   |                  |
| <b>Total Increases</b>                           |       | <b>1,275,158</b> |
| <br><b><u>Decreases:</u></b>                     |       |                  |
| Death Gratuities                                 |       | -6               |
| - Decrease in number of claimants                | -6    |                  |
| Mass Transit                                     |       | -70              |
| - Decrease cost based on workyears               | -70   |                  |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

|   |          |        |
|---|----------|--------|
| Survivors' Benefit                                    |          | -110   |
| - Decrease based on Dept of VA estimates              | -110     |        |
| Family Separation Allowance                           |          | -229   |
| - 1 Jan 04 average pay raise of 4.1%                  | 92       |        |
| - Annualization of 1 Jan 03 average 4.7%              | 30       |        |
| - Change in workyears for FSA                         | -351     |        |
| Special Pay   |          | -243   |
| - Change in workyears for Special Pay                 | 105,295  |        |
| - Judge Advocate Pay Program increase                 | 459      |        |
| - Change in rates for Special Pay                     | -105,997 |        |
| Transportation of Privately-Owned Vehicles            |          | -974   |
| - Change in number of POV moves                       | -974     |        |
| Unemployment Compensation                             |          | -1,008 |
| - Decrease based on reduced number of separations     | -1,008   |        |
| Clothing Allowance                                    |          | 676    |
| - Change in rates for Clothing Allowance              | 1,781    |        |
| - Change in number of payments for Clothing Allowance | -1,105   |        |
| Trailer Allowance and Nontemporary Storage            |          | -1,904 |
| - Change in number of trailer movements               | -30      |        |
| - Change in Nontemporary Storage requirements         | -1,874   |        |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

|  |         |                   |
|--|---------|-------------------|
| Transp Household Goods (HHG)/Port Handling Charges | -4,885  |                   |
| - Change in Port Handling charges                  | 13      |                   |
| - Change in Transportation of Household goods      | -4,898  |                   |
| Separations  |         | -15,020           |
| - Changes to the \$30K Lump Sum Bonus Prgrm        | 7,400   |                   |
| - 1 Jan 04 average pay raise of 4.1%               | 2,561   |                   |
| - Annualization of 1 Jan 03 average 4.7%           | 845     |                   |
| - Change in LSTL payments                          | -9,632  |                   |
| - Change in involuntary separation payments        | -16,194 |                   |
| Enlistment Bonus                                   |         | -17,547           |
| - Change in payments for Enlistment Bonus          | -17,547 |                   |
| Selective Reenlistment Bonus                       |         | -18,239           |
| - Change in rates for SRBs                         | 14,286  |                   |
| - Change in payments for SRBs                      | -32,525 |                   |
| <b>Total Decreases</b>                             |         | <b>-59,559</b>    |
| <b>FY 2004 Direct Program</b>                      |         | <b>23,161,004</b> |

## **SECTION 4**

# **DETAIL OF MILITARY PERSONNEL ENTITLEMENTS**



# **PAY AND ALLOWANCES OF OFFICERS**

**ACTIVE FORCES  
SCHEDULE OF INCREASES AND DECREASES  
(Amount in Thousands)**

**1. Pay and Allowances of Officers**

**FY 2003 Direct Program** 6,839,850

**Increases:**

|  |         |
|--|---------|
| Basic Pay  | 167,259 |
| - 1 Jan 04 average pay raise of 4.1%                   | 119,787 |
| - Annualized 1 Jan 03 average pay raise of 4.7%        | 39,524  |
| - Changes in workyears/longevity for Basic Pay         | 7,948   |
| Basic Allowance for Housing (BAH)                      | 100,676 |
| - Changes in rates for Housing Allowance               | 97,730  |
| - Change in workyears for Housing Allowance            | 2,946   |
| Retired Pay Accrual                                    | 33,783  |
| - 1 Jan 04 average pay raise of 4.1%                   | 32,462  |
| - Annualization of 1 Jan 03 average pay raise of 4.7 % | 10,711  |
| - Change in workyears/longevity for RPA                | 2,178   |
| - Change in RPA rate from 27.4% to 27.1%               | -11,568 |
| Separations  | 19,369  |
| - Changes to the \$30K Lump Sum Bonus Prgrm            | 36,900  |
| - 1 Jan 04 average pay raise of 4.1%                   | 1,146   |
| - Annualization of 1 Jan 03 average pay raise of 4.7%  | 378     |
| - Change in LSTL payments                              | -5,414  |
| - Change in involuntary separation payments            | -13,641 |
| Defense Health Program Accrual                         | 14,302  |
| - DHP Accrual (Over 65) program adjustments            | 14,302  |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

|   |        |                    |
|---|--------|--------------------|
| Social Security (FICA)                                |        | 12,220             |
| - 1 Jan 04 average pay raise of 4.1%                  | 9,131  |                    |
| - Annualization of 1 Jan 03 average pay raise of 4.7% | 3,013  |                    |
| - Change in workyears/longevity for FICA              | 76     |                    |
| <br>Incentive Pay                                     |        | <br>9,532          |
| - Aviation Career Incentive Pay Rate Change           | 12,231 |                    |
| - Changes in Workyears                                | -1,383 |                    |
| - Changes in Aviation Continuation Pay                | -1,316 |                    |
| <br>Reimbursements                                    |        | <br>5,587          |
| - Change in reimbursements                            | 5,587  |                    |
| <br>Special Pay                                       |        | <br>1,928          |
| - Judge Advocate Pay Program increase                 | 459    |                    |
| - Change in rates for Special Pay                     | 7,764  |                    |
| - Change in workyears for Special Pay                 | -6,295 |                    |
| <br>Basic Allowance for Subsistence                   |        | <br>1,142          |
| - 1 Jan 04 USDA Food Cost Index inflation of 2.5%     | 2,662  |                    |
| - Change in workyears                                 | -1,697 |                    |
| - Annualization of 1 Jan 03 inflation of .5%          | 177    |                    |
| <br>CONUS COLA  |        | <br>5              |
| - Change in rates for CONUS COLA                      | 47     |                    |
| - Change in workyears for CONUS COLA                  | -42    |                    |
| <br><b>Total Increases</b>                            |        | <br><b>365,803</b> |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

**Decreases:**

|   |      |                  |
|---|------|------------------|
| Family Separation Allowance                           |      | -14              |
| - Change in workyears for FSA                         | -46  |                  |
| - 1 Jan 04 average pay raise of 4.1%                  | 24   |                  |
| - Annualization of 1 Jan 03 average pay raise of 4.7% | 8    |                  |
| Clothing Allowance                                    |      | -442             |
| - Change in payments for Clothing Allowance           | -442 |                  |
| Overseas Allowances                                   |      | -906             |
| - Change in rates for Overseas Allowance              | -151 |                  |
| - Change in workyears for Overseas Allowance          | -755 |                  |
| <b>Total Decreases</b>                                |      | <b>-1,362</b>    |
| <b>FY 2004 Direct Program</b>                         |      | <b>7,204,291</b> |

(Amount in Thousands)

PROJECT: BASIC PAY - OFFICERS

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**Part I - PURPOSE AND SCOPE**

Funds provide basic compensation for officers on active duty according to grade and length of service under provisions of 37 U.S.C.. 201, 203, 204, 205, and 1009.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Funding requirements include annualized pay raise of 4.6 percent, as well as, targeted raises ranging from 5 to 10 percent in FY 2002. Additionally, the budget includes average pay raises of 4.7 percent in FY 2003, and an average pay raise of 4.1 percent in FY 2004. Basic Pay of 0-7 to 0-10 is limited to Level III of the executive schedule. Basic pay for 0-6 and below is limited to Level V of the executive schedule.

FY 2002 beginning strength was 68,862 with an actual ending strength of 72,032 resulting in the utilization of 76,013 workyears.  
FY 2003 beginning strength will be 72,032 and ending with 69,500 using 71,721 workyears.  
FY 2004 beginning strength will be 69,500 and ending with 69,500 using 70,910 workyears.  
FY 2005 beginning strength will be 69,500 and ending with 69,600 using 71,460 workyears.

| Grade                  | FY 2002 Actual |              |                  | FY 2003 Estimate |              |                  | FY 2004 Estimate |              |                  | FY 2005 Estimate |              |
|------------------------|----------------|--------------|------------------|------------------|--------------|------------------|------------------|--------------|------------------|------------------|--------------|
|                        | Workyears      | Average Rate | Amount           | Workyears        | Average Rate | Amount           | Workyears        | Average Rate | Amount           | Workyears        | Average Rate |
| General                | 12             | 138,200      | 1,658            | 12               | 142,499      | 1,710            | 12               | 142,499      | 1,710            | 12               | 142,499      |
| Lt General             | 38             | 128,921      | 4,899            | 36               | 134,500      | 4,842            | 36               | 139,611      | 5,026            | 36               | 142,499      |
| Major General          | 86             | 116,814      | 10,046           | 89               | 121,854      | 10,845           | 89               | 126,483      | 11,257           | 89               | 130,856      |
| Brig General           | 151            | 103,563      | 15,638           | 142              | 108,092      | 15,349           | 142              | 112,190      | 15,931           | 142              | 116,074      |
| Colonel                | 3,935          | 87,685       | 345,040          | 3,853            | 89,882       | 346,315          | 3,940            | 94,825       | 373,611          | 3,966            | 98,733       |
| Lt Colonel             | 11,422         | 71,174       | 812,949          | 10,673           | 73,167       | 780,911          | 10,560           | 76,841       | 811,441          | 10,669           | 80,096       |
| Major                  | 18,018         | 59,863       | 1,078,612        | 15,882           | 61,353       | 974,408          | 15,971           | 65,102       | 1,039,744        | 16,091           | 68,169       |
| Captain                | 23,511         | 47,357       | 1,113,410        | 21,660           | 49,006       | 1,061,470        | 20,003           | 52,342       | 1,046,997        | 19,808           | 54,573       |
| 1st Lieutenant         | 8,625          | 37,052       | 319,574          | 9,251            | 38,338       | 354,665          | 10,279           | 39,822       | 409,330          | 11,432           | 41,168       |
| 2nd Lieutenant         | 10,215         | 28,182       | 287,879          | 10,123           | 29,391       | 297,525          | 9,878            | 30,396       | 300,252          | 9,215            | 31,397       |
| <b>TOTAL BASIC PAY</b> | <b>76,013</b>  |              | <b>3,989,705</b> | <b>71,721</b>    |              | <b>3,848,040</b> | <b>70,910</b>    |              | <b>4,015,299</b> | <b>71,460</b>    |              |

(Amount in Thousands)

PROJECT: BASIC PAY - OFFICERS

4,218,933  
4,015,299  
3,848,040  
3,989,705

Amount

1,710  
5,130  
11,646  
16,483  
391,575  
854,544  
1,096,907  
1,080,982  
470,633  
289,323  
4,218,933

(Amount in Thousands)

**PROJECT: RETIRED PAY ACCRUAL - OFFICERS**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provide for the Department of Defense's contribution to its Military Retirement Fund, in accordance with P.L.. 98-94, Section 925(a)(1), Title 10 U.S.C. 1466, as amended.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The budgetary estimates are derived as a product of:

- (a) The approved percentages are 30.3 percent for FY 2002, 27.4 percent for FY 2003, 27.1 percent for FY 2004, and 27.0 percent for FY 2005.
- (b) The total amount of basic pay expected to be paid during the fiscal year to officer members of the armed forces.

The computation of fund requirements is shown in the following table:

|                     | <u>FY 2002 Actual</u> |               | <u>FY 2003 Estimate</u> |               | <u>FY 2004 Estimate</u> |               | <u>FY 2005 Estimate</u> |               |
|---------------------|-----------------------|---------------|-------------------------|---------------|-------------------------|---------------|-------------------------|---------------|
|                     | <u>Basic Pay</u>      | <u>Amount</u> | <u>Basic Pay</u>        | <u>Amount</u> | <u>Basic Pay</u>        | <u>Amount</u> | <u>Basic Pay</u>        | <u>Amount</u> |
| Retired Pay Accrual | 3,989,705             | 1,208,881     | 3,848,040               | 1,054,363     | 4,015,299               | 1,088,146     | 4,218,933               | 1,139,112     |

(Amount in Thousands)

**PROJECT: RETIRED PAY ACCRUAL - OFFICERS**

1,139,112  
1,088,146  
1,054,363  
1,208,881



**PROJECT: DEFENSE HEALTH PROGRAM ACCRUAL  
(OVER 65) - OFFICERS**

(Amount in Thousands)

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 346,119 |
| FY 2004 Estimate | 324,881 |
| FY 2003 Estimate | 310,579 |
| FY 2002 Actual   | 0       |

**PART I - PURPOSE AND SCOPE**

These funds will be used to pay the healthcare accrual amount into the Department of Defense Medicare-eligible Retiree Health Care Fund for the future Medicare-eligible health care costs of current military personnel.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The budgetary estimates are derived as a product of the approved actuarial rate and the average strength:

|  | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|--|-----------------------|-------------------------|-------------------------|-------------------------|
| Defense Health Program Accrual (over 65) | 0                     | 310,579                 | 324,881                 | 346,119                 |

(Amount in Thousands)

PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - OFFICERS

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 308,398 |
| FY 2004 Estimate | 309,672 |
| FY 2003 Estimate | 300,140 |
| FY 2002 Actual   | 290,545 |

**PART I - PURPOSE AND SCOPE**

The purpose of Incentive Pay for Hazardous Duty is to help the Air Force attract and retain officer volunteers in duties requiring more than normal exposure to hazardous duties in peacetime.

Funds provide payment to officers under provisions of 37 U.S.C. 301 as follows:

- (1) Aviation Career Incentive Pay (ACIP) - Paid to regular and reserve officers who hold, or are in training leading to, an aeronautical rating or designation and who engage and remain in aviation service on a career basis. It is paid in fixed monthly amounts ranging from \$125 to \$840. The FY1998 National Defense Authorization Act (NDAA), modified in (Sec. 615), increased monthly rates for aviators with more than 14 years of service. The year groups as well as compensation were changed as a means to assist the Service in the retention of aviators. The FY1999 NDAA accelerated the rate increase from \$650 to \$840 for officers with more than 14 years but less than 22 years of aviation service.
- (2) The ACP program is a financial incentive to compliment non-monetary initiatives to improve flight officer retention. The FY 1998 NDAA, modified in (Sec. 616), allows bonus adjustment from \$12,000 to \$25,000 as an incentive to Aviation career officers who agree to remain on active duty through 14 years of active service. The FY2000 NDAA approves an enhancement to the ACP program, allowing payment through the grade of O-6 and through 25 years of service. Effective 1 Oct 99, the Air Force increased the annual payments to \$25,000. In FY 2001 the Air Force program authorizes up front payment options ranging from 20 to 50 percent (\$150,000 limit) to newly eligible pilots.
- (3) Non-Crew Member - Involves frequent and regular participation in aerial flights. Paid as an incentive for the performance of hazardous duty required by orders. It is paid to non-rated crewmembers and non-crew members (e.g., gunnery instructors, aerial photo personnel, and flight nurses) only when performing such duties in fixed monthly amounts of \$150. This amount was increased from \$110 to \$150 in the FY 1998 NDAA.
- (4) Parachute Jumping - Duties involve parachute jumping from an aircraft in aerial flight and performing the specified minimum jumps, payable at \$150 per month. Members, who perform duty involving parachute jumping at a high altitude with a low opening (HALO) as an essential part of duty, are entitled to pay at the monthly rate of \$225.
- (5) Experimental Stress - An unusually high level of physiological or other stress; specifically (a) duty inside a high (hyperbaric) or low pressure (altitude) chamber, (b) duty as a human acceleration/deceleration test subject, and (c) duty as a human test subject in thermal stress experiments. It is paid under specified conditions in a monthly amount of \$150.
- (6) Demolition - Explosive demolition as a primary duty including training for such duty. It is paid under specified conditions at a monthly rate of \$150.
- (7) Toxic Fuel Handlers - Duties in which personnel may be exposed to toxic fuels and propellants. This pay was initiated as a result of a number of casualties among personnel who work with hypergolic fuel, specifically hydrazine and nitrogen tetroxide. It is paid at a monthly rate of \$150.
- (8) Live/Hazardous Biological Organisms - Duty involving laboratory work utilizing live dangerous viruses or bacteria. Paid at a monthly rate of \$150.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Incentive pay is computed on the basis of the average number of officers in each category or aviation service/commission who are eligible for payment. Other incentive duty pay is computed at the statutory rate per workyear.

(Amount in Thousands)

## PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - OFFICERS

|   | FY 2002 Actual |              |                | FY 2003 Estimate |              |                | FY 2004 Estimate |              |                | FY 2005 Estimate |              |                |
|---|----------------|--------------|----------------|------------------|--------------|----------------|------------------|--------------|----------------|------------------|--------------|----------------|
|   | Workyears      | Average Rate | Amount         | Workyears        | Average Rate | Amount         | Workyears        | Average Rate | Amount         | Workyears        | Average Rate | Amount         |
| Yrs Svc Grade                             |                |              |                |                  |              |                |                  |              |                |                  |              |                |
| Less than 2                               | 3,130          | 1,500        | 4,695          | 3,327            | 1,500        | 4,991          | 3,441            | 1,500        | 5,162          | 3,442            | 1,500        | 5,163          |
| 2 - 3                                     | 1,524          | 1,872        | 2,853          | 1,665            | 1,872        | 3,117          | 1,577            | 1,872        | 2,952          | 1,632            | 1,872        | 3,055          |
| 3 - 4                                     | 1,370          | 2,256        | 3,091          | 1,486            | 2,256        | 3,352          | 1,639            | 2,256        | 3,698          | 1,554            | 2,256        | 3,506          |
| 4 - 6                                     | 2,415          | 2,472        | 5,970          | 2,734            | 2,472        | 6,758          | 2,804            | 2,472        | 6,931          | 3,037            | 2,472        | 7,507          |
| 6 - 14                                    | 5,705          | 7,800        | 44,499         | 5,323            | 7,800        | 41,519         | 5,480            | 7,800        | 42,744         | 5,979            | 7,800        | 46,636         |
| 14 - 22                                   | 6,158          | 10,080       | 62,073         | 5,768            | 10,080       | 58,141         | 5,399            | 10,080       | 54,422         | 4,693            | 10,080       | 47,305         |
| 22 - 23                                   | 324            | 7,020        | 2,274          | 485              | 7,020        | 3,405          | 478              | 7,020        | 3,356          | 433              | 7,020        | 3,040          |
| 23 - 24                                   | 237            | 5,940        | 1,408          | 328              | 5,940        | 1,948          | 386              | 5,940        | 2,293          | 383              | 5,940        | 2,275          |
| 24 - 25                                   | 190            | 4,620        | 878            | 241              | 4,620        | 1,113          | 290              | 4,620        | 1,340          | 264              | 4,620        | 1,220          |
| Above 25                                  | 139            | 3,000        | 417            | 277              | 3,000        | 831            | 274              | 3,000        | 822            | 284              | 3,000        | 852            |
| B/G Less than 25                          | 12             | 2,400        | 29             | 12               | 2,400        | 29             | 12               | 2,400        | 29             | 12               | 2,400        | 29             |
| M/G Less than 25                          | 0              | 2,400        | 0              | 0                | 2,400        | 0              | 0                | 2,400        | 0              | 0                | 2,400        | 0              |
| <b>Subtotal Flying Duty Crew</b>          | <b>21,204</b>  | <b>0</b>     | <b>128,187</b> | <b>21,646</b>    | <b>0</b>     | <b>125,204</b> | <b>21,780</b>    | <b>0</b>     | <b>123,749</b> | <b>21,713</b>    | <b>0</b>     | <b>120,588</b> |
| <b>Noncrew Members</b>                    | <b>0</b>       | <b>0</b>     | <b>0</b>       | <b>0</b>         | <b>0</b>     | <b>0</b>       | <b>0</b>         | <b>0</b>     | <b>0</b>       | <b>0</b>         | <b>0</b>     | <b>0</b>       |
| Flying Duty Non-Crew                      | 87             | 1,800        | 157            | 120              | 1,800        | 216            | 120              | 1,800        | 216            | 120              | 1,800        | 216            |
| Flying Duty Non-Rated                     | 405            | 2,220        | 899            | 405              | 2,220        | 899            | 405              | 2,220        | 899            | 405              | 2,220        | 899            |
| <b>Subtotal Flying Duty Noncrew</b>       | <b>492</b>     | <b>0</b>     | <b>1,056</b>   | <b>525</b>       | <b>0</b>     | <b>1,115</b>   | <b>525</b>       | <b>0</b>     | <b>1,115</b>   | <b>525</b>       | <b>0</b>     | <b>1,115</b>   |
| <b>Aviation Continuation Pay</b>          |                |              |                |                  |              |                |                  |              |                |                  |              |                |
| Pilots                                    | 0              | 0            | 160,406        | 0                | 0            | 151,102        | 0                | 0            | 153,455        | 0                | 0            | 153,708        |
| Flight Officers                           | 0              | 0            | 0              | 0                | 0            | 21,500         | 0                | 0            | 30,060         | 0                | 0            | 31,694         |
| <b>Subtotal Aviation Continuation Pay</b> | <b>0</b>       | <b>0</b>     | <b>160,406</b> | <b>0</b>         | <b>0</b>     | <b>172,602</b> | <b>0</b>         | <b>0</b>     | <b>183,515</b> | <b>0</b>         | <b>0</b>     | <b>185,402</b> |
| <b>Parachute Jumping</b>                  | <b>126</b>     | <b>1,800</b> | <b>227</b>     | <b>305</b>       | <b>1,800</b> | <b>549</b>     | <b>342</b>       | <b>1,800</b> | <b>616</b>     | <b>342</b>       | <b>1,800</b> | <b>616</b>     |
| <b>Demolition Duty</b>                    | <b>84</b>      | <b>1,800</b> | <b>151</b>     | <b>44</b>        | <b>1,800</b> | <b>79</b>      | <b>45</b>        | <b>1,800</b> | <b>81</b>      | <b>45</b>        | <b>1,800</b> | <b>81</b>      |
| <b>Other Incentive Duty Pay</b>           |                |              |                |                  |              |                |                  |              |                |                  |              |                |
| Parachute HALO                            | 73             | 2,700        | 197            | 23               | 2,700        | 62             | 24               | 2,700        | 65             | 24               | 2,700        | 65             |
| Pressure Chamber Observer                 | 106            | 1,800        | 191            | 230              | 1,800        | 414            | 230              | 1,800        | 414            | 230              | 1,800        | 414            |
| Accel-Decel Subject                       | 44             | 1,800        | 79             | 24               | 1,800        | 43             | 25               | 1,800        | 45             | 25               | 1,800        | 45             |
| Thermal Stress                            | 2              | 1,800        | 4              | 1                | 1,800        | 2              | 1                | 1,800        | 2              | 1                | 1,800        | 2              |
| Toxic Fuel Handler                        | 25             | 1,800        | 45             | 38               | 1,800        | 68             | 38               | 1,800        | 68             | 38               | 1,800        | 68             |
| Live/Hazard Org                           | 1              | 1,800        | 2              | 1                | 1,800        | 2              | 1                | 1,800        | 2              | 1                | 1,800        | 2              |
| <b>Subtotal Other Incentive Duty Pay</b>  | <b>251</b>     | <b>0</b>     | <b>518</b>     | <b>317</b>       | <b>0</b>     | <b>591</b>     | <b>319</b>       | <b>0</b>     | <b>596</b>     | <b>319</b>       | <b>0</b>     | <b>596</b>     |
| <b>TOTAL INCENTIVE PAY</b>                | <b>22,157</b>  | <b>0</b>     | <b>290,545</b> | <b>22,837</b>    | <b>0</b>     | <b>300,140</b> | <b>23,011</b>    | <b>0</b>     | <b>309,672</b> | <b>22,944</b>    | <b>0</b>     | <b>308,398</b> |

PROJECT: SPECIAL PAY - OFFICERS

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provide for:

(1) Special pay for Health Professionals on active duty as physicians, dentists, veterinarians, and optometrists under provisions of 37 United States Code (U.S.C.) 302, 302a, 302b, and 303; the FY 1991 National Defense Authorization Act (P.L. 101-510); the Office of the Assistant Secretary of Defense (OASD), FY 1993 Multi-Year Special Pay (MSP) and Incentive Special Pay (ISP) - Action Memorandum, dated 1 Sep 92; DoD Directive 1340.13, "Special Pay for Medical Corps Officers" and DoD Directive 6000.2, "Minimum Terms of Service and Active Duty Obligations for Health Services Officers."

- a) Medical Variable Special - monthly pay authorized for all physicians based on years of creditable service. The total annual pay ranges from \$5,000 to \$12,000 except for O-7s and above who receive \$7,000 per year and interns who receive \$1,200 per year.
- b) Medical Board Certified - A monthly payment that varies with length of creditable service paid to physicians who become certified or recertified as having successfully met specified post-graduate education, training and experience requirements. The total annual pay ranges from \$2,500 to \$6,000 depending on years of service.
- c) Medical Additional Special - A lump sum annual payment for physicians not in internship or initial residency training who execute an agreement to remain on active duty for at least one year. Officers receive \$15,000 per year.
- d) Medical Incentive Special - Paid to qualified physicians in critical specialties who execute an agreement to remain on active duty for at least one year. Amount of pay is based on most critically short wartime specialties and years of experience. ISP under this program was revised by the above mentioned OASD Guidance.
- e) Multi-Year Special Pay - A program authorized in FY 1991 by P.L. 101-510 (as amended by the above mentioned 1 Sep 92 OASD memorandum) to be used in conjunction with existing ISP authority to enhance physician force management. MSP program replaced the Medical Officer Retention Bonus.
- f) Dental Variable Special - A monthly payment authorized for all dentists based on years of creditable service. Total annual pay ranges from \$3,000 to \$12,000 except for O-7s and above who receive \$1,000 per year.
- g) Dental Board Certified - A monthly payment that varies with length of creditable service paid to dentists who become certified or the equivalency as having successfully met specified post-graduate education, training, and experience requirements. The total annual pay ranges from \$2,500 - \$6,000 depending upon years of service.
- h) Dental Additional Special - A lump sum annual payment for dentists not in internship or residency training who execute an agreement to remain on active duty for at least one year. The FY 1998 NDAA increased payments from to \$6,000 to \$15,000 depending on years of service.
- i) Dental Accession Bonus - This is a subcategory of Dental Special Pay that was authorized in the FY 1997 National Defense Authorization Act, which allows for a new payment category of \$30,000. This is a one-time payment on the member's entry.
- j) Dental Multi-year Special Pay (MSP) - The FY 1998 NDAA authorized payments from \$3,000 to \$14,000 per year for dentists with more than eight years in service who accept long-term contracts to remain on active duty.
- k) Nurse Anesthetist Incentive Pay - Public Law (P.L.) 103-337, Section 612, the FY 1995 Authorization Act authorizes an ISP up to \$15,000 to all Certified Registered Nurse Anesthetists.
- l) Nurse Accession Bonus - An accession bonus of up to \$5,000 has been authorized by the FY 1990 Authorization Act.

(Amount in Thousands)

**PROJECT: SPECIAL PAY - OFFICERS**

- m) Nurse Board Certification Pay - The FY 1996 Authorization Act amends section 302C(D(1)) of Title 37 U.S.C. and authorizes payments ranging from \$2,000 to \$5,000 for Board Certified Pay for Non-Physician Health Care Providers.
  - n) Optometrists and Veterinarians - A special pay amount of \$100 per month has been authorized by 37 U.S.C., Sec. 302a and 303 respectively. The FY 2001 NDAA corrected this reference to include officers in the Biomedical Sciences Corps who hold a degree in veterinary medicine.
  - o) Biomedical Sciences Corps (BSC) officers - Authorized by P.L. 101-510 Title 37, annual payments are: under 10 years, \$2,000; 10-12 years, \$2,500; 12-14 years, \$3,000; 14-18 years, \$4,000; and over 18 years, \$5,000 for Non-Physician Health Care Providers.
  - p) Pharmacy Officers Special Pay - Authorized in the FY 2001 NDAA under the provision of Chapter 5 of title 37, United States Code, section 302i allows the Secretary of the military department concerned to pay eligible pharmacy officers, in the grade of O-6 and below, who are on active duty under a call or order for a period of at least one year. The rates vary from \$3,000 to \$8,000 per year, based upon years of creditable service and whether or not the officer is undergoing pharmacy internship training.
  - q) Pharmacy Accession Bonus - Authorized in the FY 2001 NDAA under the provision of Chapter 5 of title 37, United States Code, section 302j allows for payment of an accession bonus to individuals graduating from an accredited pharmacy school who execute an agreement to accept a commission and remain on active duty for at least four years. The maximum bonus may not exceed \$30,000.
- (2) Personal money allowances for certain general officers under provisions of 37 U.S.C. 414(a). The allowance is payable while an officer is serving in the grade of O-9 or above at annual rates of \$500 and \$2,200 for O-9s and O-10s respectively. Entitlement may also be based upon specific duty assignments as follows: (1) Chairman of the Joint Chiefs of Staff and Chief of Staff of the Air Force payable at \$4,000 per year in place of any other personal money allowance authorized and (2) Senior member of the Military Staff Committee of the United Nations payable at \$2,700 per year in addition to the other personal money allowance authorized.
- (3) Pararescue Diving Duty. The purpose of the special pay is to alleviate a critical manning shortage. The duty involves underwater rescue missions, recovery of space vehicles, detection and treatment of decompression sickness, and infiltration/exfiltration for land rescue in a combat environment. It is paid at the rate of \$150 per month.
- (4) Hostile Fire Duty. Paid to members who serve in designated areas subject to specific dangers. Paid at the rate of \$150 per month.
- (5) Foreign Language Proficiency Pay (Linguist). 37 U.S.C. 316 authorizes this special pay to all officers who are proficient in a second language and for whom DoD has a critical need for that language. The FY00 NDAA included a provision increasing the maximum Foreign Language Proficiency Pay from \$100 per month to \$300 per month.
- (6) Hardship Duty Location Pay (HDLP) - Payment to service members assigned to locations or duties designated by the Secretary of Defense as Quality of Life (QOL) hardship locations under the provisions of 37 United States Code 305. Payment is based on member's designated locations with rates ranging from \$50 to \$150 per month.
- (7) Judge Advocate Continuation pay. Authorized in the FY 2000 NDAA under the provisions of 37 U.S.C. 321 allows payment to eligible judge advocates who remain on active duty for a period of obligated service specified in the agreement. The amount paid to an officer under one or more agreements may not exceed \$60,000.
- (8) Critical Skills Retention Bonus - Authorized in the FY 2001 NDAA under the provisions of 37 U.S.C. 323 allows the payment of a retention bonus to an officer who is serving on active duty and is qualified in a designated critical military skill.
- (10) Responsibility Pay - An amount which varies by grade, payable to Officers, designated by the Service Secretary in positions of unusual responsibility and critical in nature.

(Amount in Thousands)

PROJECT: SPECIAL PAY - OFFICERS

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Variable Special Pay is based on cost factors derived from statutory rates and the average number of physicians and dentists programmed per year of credible service. Board Certified Pay and Incentive Special Pay (ISP) are based on the estimated number of physicians and dentists who qualify to receive these special pays multiplied by the statutory rates. The ISP and Multi-Year Special Pay (MSP) rates are based on the projected specialties needed. Additional Special pay is estimated from the expected number of physicians who will agree to remain on active duty for at least one additional year, times the applicable rate. Beginning in FY 1991, IAW the Defense Authorization Act, MSP was instituted as a force management tool. Eligible officers who signed up for MSP, which replaced Medical Officer Retention Bonus, are paid over a multi-year period. Special pay for dentists is based on longevity of programmed dentists times the applicable rates. Special pay for veterinarians and optometrists is computed by multiplying statutory rates by the number of people programmed in each specialty. Other special pays are computed by applying statutory or average rates to the average number of personnel programmed to be eligible.

Details of the computation are shown in the following tables:

**Medical Pay**

|                                       | <u>FY 2002 Actual</u> |             |               | <u>FY 2003 Estimate</u> |             |               | <u>FY 2004 Estimate</u> |             |               | <u>FY 2005 Estim</u> |             |
|---------------------------------------|-----------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|----------------------|-------------|
|                                       | <u>Number</u>         | <u>Rate</u> | <u>Amount</u> | <u>Number</u>           | <u>Rate</u> | <u>Amount</u> | <u>Number</u>           | <u>Rate</u> | <u>Amount</u> | <u>Number</u>        | <u>Rate</u> |
| <b><u>Physicians Pay</u></b>          |                       |             |               |                         |             |               |                         |             |               |                      |             |
| Variable Special Pay                  | 3,650                 | 7,814       | 28,521        | 3,795                   | 8,000       | 30,360        | 3,795                   | 8,000       | 30,360        | 3,795                | 8,000       |
| Physician Board Certification         | 2,324                 | 3,571       | 8,299         | 2,375                   | 3,600       | 8,550         | 2,375                   | 3,600       | 8,550         | 2,375                | 3,600       |
| Additional Special Pay                | 2,757                 | 15,000      | 41,355        | 2,950                   | 15,000      | 44,250        | 2,950                   | 15,000      | 44,250        | 2,950                | 15,000      |
| Incentive Special Pay                 | 2,607                 | 19,586      | 51,061        | 2,608                   | 19,390      | 50,569        | 2,532                   | 19,970      | 50,564        | 2,460                | 20,560      |
| Multi-Year Special Pay                | 894                   | 10,214      | 9,131         | 913                     | 12,600      | 11,504        | 913                     | 12,600      | 11,504        | 913                  | 12,600      |
| Diplomat Pay                          | 40                    | 3,972       | 159           | 47                      | 3,972       | 187           | 47                      | 3,972       | 187           | 47                   | 3,972       |
| <b>Subtotal Physicians Pay</b>        | 0                     | 0           | 138,526       | 0                       | 0           | 145,420       | 0                       | 0           | 145,415       | 0                    | 0           |
| <b><u>Veterinarians</u></b>           | 116                   | 1,200       | 139           | 80                      | 1,200       | 96            | 80                      | 1,200       | 96            | 80                   | 1,200       |
| <b><u>Vet Board Certification</u></b> | 27                    | 4,000       | 108           | 40                      | 4,000       | 160           | 40                      | 4,000       | 160           | 40                   | 4,000       |
| <b>Subtotal Medical Pay</b>           | 0                     | 0           | 138,773       | 0                       | 0           | 145,676       | 0                       | 0           | 145,671       | 0                    | 0           |
| <b><u>Dentist Pay</u></b>             |                       |             |               |                         |             |               |                         |             |               |                      |             |
| Dental Additional Pay                 | 968                   | 10,065      | 9,743         | 1,027                   | 11,480      | 11,790        | 1,027                   | 11,480      | 11,790        | 1,027                | 11,480      |
| Dental Variable Pay                   | 1,030                 | 7,081       | 7,293         | 1,069                   | 7,780       | 8,317         | 1,069                   | 7,780       | 8,317         | 1,069                | 7,780       |
| Board Certified Pay                   | 306                   | 5,350       | 1,637         | 338                     | 4,240       | 1,433         | 338                     | 4,240       | 1,433         | 338                  | 4,240       |
| Dental Accession Bonus                | 25                    | 30,000      | 750           | 30                      | 30,000      | 900           | 30                      | 30,000      | 900           | 30                   | 30,000      |
| Multi-Year Special Pay                | 446                   | 10,665      | 4,757         | 442                     | 13,140      | 5,808         | 442                     | 13,140      | 5,808         | 442                  | 13,140      |

(Amount in Thousands)

PROJECT: SPECIAL PAY - OFFICERS

|  | <u>FY 2002 Actual</u> |             |               | <u>FY 2003 Estimate</u> |             |               | <u>FY 2004 Estimate</u> |             |               | <u>FY 2005 Estim</u> |             |
|--|-----------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|----------------------|-------------|
|  | <u>Number</u>         | <u>Rate</u> | <u>Amount</u> | <u>Number</u>           | <u>Rate</u> | <u>Amount</u> | <u>Number</u>           | <u>Rate</u> | <u>Amount</u> | <u>Number</u>        | <u>Rate</u> |
| <b>Subtotal Dentist Pay</b>                        | 0                     | 0           | 24,180        | 0                       | 0           | 28,248        | 0                       | 0           | 28,248        | 0                    | 0           |
| <b><u>Optometrists</u></b>                         | 155                   | 1,200       | 186           | 250                     | 1,200       | 300           | 250                     | 1,200       | 300           | 250                  | 1,200       |
| <b><u>Optometry Retention</u></b>                  | 98                    | 6,000       | 588           | 180                     | 6,000       | 1,080         | 180                     | 6,000       | 1,080         | 180                  | 6,000       |
| <b><u>Biomedical Science</u></b>                   | 603                   | 3,000       | 1,809         | 610                     | 3,000       | 1,830         | 610                     | 3,000       | 1,830         | 610                  | 3,000       |
| <b><u>Pharmacy Accession</u></b>                   | 5                     | 10,000      | 50            | 21                      | 30,000      | 630           | 21                      | 30,000      | 630           | 64                   | 30,000      |
| <b><u>Pharmacy Officers Special Pay</u></b>        | 242                   | 7,000       | 1,694         | 260                     | 7,000       | 1,820         | 260                     | 7,000       | 1,820         | 260                  | 7,000       |
| <b><u>Nurses Bonus</u></b>                         |                       |             |               |                         |             |               |                         |             |               |                      |             |
| Nurses Accession Bonus                             | 161                   | 5,000       | 805           | 200                     | 5,000       | 1,000         | 200                     | 5,000       | 1,000         | 200                  | 5,000       |
| Certified Registered Nurse Anesthetists            | 169                   | 15,000      | 2,535         | 185                     | 15,000      | 2,775         | 185                     | 15,000      | 2,775         | 185                  | 15,000      |
| Nurse Board Certification                          | 398                   | 3,000       | 1,194         | 398                     | 3,000       | 1,194         | 398                     | 3,000       | 1,194         | 398                  | 3,000       |
| <b>Subtotal Nurses Bonus</b>                       | 0                     | 0           | 4,534         | 0                       | 0           | 4,969         | 0                       | 0           | 4,969         | 0                    | 0           |
| <b><u>Personal Allowance - General Officer</u></b> |                       |             |               |                         |             |               |                         |             |               |                      |             |
| CATEGORY   |                       |             |               |                         |             |               |                         |             |               |                      |             |
| Chairman, JCS                                      | 1                     | 4,000       | 4             | 1                       | 4,000       | 4             | 1                       | 4,000       | 4             | 1                    | 4,000       |
| Chief of Staff                                     | 1                     | 4,000       | 4             | 1                       | 4,000       | 4             | 1                       | 4,000       | 4             | 1                    | 4,000       |
| Sr Member of UN                                    | 0                     | 2,700       | 0             | 0                       | 2,700       | 0             | 0                       | 2,700       | 0             | 0                    | 2,700       |
| General  | 9                     | 2,200       | 20            | 10                      | 2,200       | 22            | 9                       | 2,200       | 20            | 9                    | 2,200       |
| Lieutenant General                                 | 37                    | 500         | 19            | 36                      | 500         | 18            | 37                      | 500         | 19            | 37                   | 500         |
| <b>Subtotal Personal Allowance*</b>                | 0                     | 0           | 47            | 0                       | 0           | 48            | 0                       | 0           | 47            | 0                    | 0           |
| <b><u>Hostile Fire Pay</u></b>                     | 4,746                 | 1,800       | 8,543         | 1,830                   | 1,800       | 3,294         | 2,031                   | 1,800       | 3,656         | 2,546                | 1,800       |
| <b><u>Diving Duty</u></b>                          | 77                    | 1,800       | 139           | 77                      | 1,800       | 139           | 72                      | 1,800       | 130           | 72                   | 1,800       |
| <b><u>Linguists</u></b>                            | 4,701                 | 654         | 3,074         | 2,279                   | 654         | 1,490         | 2,259                   | 654         | 1,477         | 2,231                | 654         |
| <b><u>JAG Bonus</u></b>                            | 243                   | 12,541      | 3,047         | 204                     | 19,473      | 3,972         | 261                     | 21,363      | 5,576         | 232                  | 24,342      |
| <b><u>Critical Skills Retention Bonus</u></b>      | 0                     | 0           | 0             | 1,890                   | 10,000      | 18,900        | 1,890                   | 10,000      | 18,900        | 2,040                | 10,000      |

(Amount in Thousands)

PROJECT: SPECIAL PAY - OFFICERS

|                                     | <u>FY 2002 Actual</u> |      |         | <u>FY 2003 Estimate</u> |       |         | <u>FY 2004 Estimate</u> |       |         | <u>FY 2005 Estim</u> |       |
|-------------------------------------|-----------------------|------|---------|-------------------------|-------|---------|-------------------------|-------|---------|----------------------|-------|
|                                     | Number                | Rate | Amount  | Number                  | Rate  | Amount  | Number                  | Rate  | Amount  | Number               | Rate  |
| <u>Commander Responsibility Pay</u> | 0                     | 0    | 0       | 1,876                   | 1,173 | 2,201   | 1,876                   | 1,173 | 2,201   | 1,876                | 1,173 |
| <u>Hardship Duty Location Pay</u>   | 1,323                 | 709  | 938     | 1,248                   | 709   | 885     | 1,234                   | 709   | 875     | 1,244                | 709   |
| <b>TOTAL SPECIAL PAY</b>            |                       |      | 187,602 |                         |       | 215,482 |                         |       | 217,410 |                      |       |

\*Special Pay Total includes General Officer Allowances



(Amount in Thousands)

**PROJECT: SPECIAL PAY - OFFICERS**

221,201  
217,410  
215,482  
187,602

**PROJECT: SPECIAL PAY - OFFICERS**

**(Amount in Thousands)**

(Amount in Thousands)

PROJECT: SPECIAL PAY - OFFICERS

**Rate**  
**Amount**

30,360  
8,550  
44,250  
50,578  
11,504  
187

145,429

96

160

145,685

11,790  
8,317  
1,433  
900  
5,808

(Amount in Thousands)

PROJECT: SPECIAL PAY - OFFICERS

Rate  
Amount

28,248

300

1,080

1,830

1,920

1,820

1,000

2,775

1,194

4,969

4

4

0

20

19

47

4,583

130

1,459

5,647

20,400

(Amount in Thousands)

PROJECT: SPECIAL PAY - OFFICERS

| <u>Rate</u> |
|-------------|
| Amount      |
| 2,201       |
| 882         |
| 221,201     |

(Amount in Thousands)

**PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - OFFICERS**

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 930,437 |
| FY 2004 Estimate | 889,301 |
| FY 2003 Estimate | 788,625 |
| FY 2002 Actual   | 799,974 |

**PART I - PURPOSE AND SCOPE**

In the FY 1998 National Defense Authorization Act, Congress approved the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ), variable housing allowance (VHA) and Overseas Housing Allowance (OHA). Payment to service members is authorized by revisions to 37 U. S. C. 403.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

BAH amounts in this submission reflect housing costs based on current rental market values resulting from the contractor data collection of actual housing costs rather than the previous member survey methodology. In addition, this budget includes the initiative to reduce median out-of-pocket housing costs for military members in FY 2002 from 15 percent to 11.3 percent, 7.5 percent in FY 2003, 3.5 percent in FY 2004, and 0 percent in FY 2005.

The computation of requirements is provided in the following tables:

(Amount in Thousands)

## PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - OFFICERS

**With Dependents**

| Grade                           | FY 2002 Actual |              |                | FY 2003 Estimate |              |                | FY 2004 Estimate |              |                | FY 2005 Estimate |              |
|---------------------------------|----------------|--------------|----------------|------------------|--------------|----------------|------------------|--------------|----------------|------------------|--------------|
|                                 | Workyears      | Average Rate | Amount         | Workyears        | Average Rate | Amount         | Workyears        | Average Rate | Amount         | Workyears        | Average Rate |
| General                         | 0              | 0            | 0              | 0                | 0            | 0              | 0                | 0            | 0              | 0                | 0            |
| Lt General                      | 4              | 26,014       | 104            | 4                | 28,136       | 113            | 5                | 29,374       | 147            | 5                | 30,461       |
| Major General                   | 19             | 20,292       | 386            | 19               | 21,948       | 417            | 22               | 22,914       | 504            | 22               | 23,762       |
| Brig General                    | 50             | 21,674       | 1,084          | 46               | 23,442       | 1,078          | 51               | 24,474       | 1,248          | 52               | 25,379       |
| Colonel                         | 2,378          | 19,168       | 45,582         | 2,305            | 20,732       | 47,787         | 2,588            | 21,644       | 56,015         | 2,617            | 22,445       |
| Lt Colonel                      | 7,949          | 17,302       | 137,534        | 7,366            | 18,714       | 137,847        | 7,988            | 19,537       | 156,062        | 8,103            | 20,260       |
| Major                           | 10,836         | 15,039       | 162,963        | 9,523            | 16,266       | 154,901        | 10,439           | 16,982       | 177,275        | 10,561           | 17,610       |
| Captain                         | 11,270         | 12,894       | 145,315        | 8,383            | 16,799       | 140,826        | 8,556            | 17,570       | 150,329        | 8,516            | 18,221       |
| 1st Lieutenant                  | 2,423          | 10,865       | 26,326         | 1,826            | 16,280       | 29,727         | 2,231            | 16,998       | 37,923         | 2,470            | 17,797       |
| 2nd Lieutenant                  | 2,556          | 10,397       | 26,575         | 1,362            | 20,211       | 27,527         | 1,452            | 21,086       | 30,617         | 1,371            | 21,734       |
| <b>Subtotal with Dependents</b> | <b>37,485</b>  | <b>0</b>     | <b>545,869</b> | <b>30,834</b>    | <b>0</b>     | <b>540,223</b> | <b>33,332</b>    | <b>0</b>     | <b>610,120</b> | <b>33,717</b>    | <b>0</b>     |

**Without Dependents - Full Allowance**

| Grade                          | FY 2002 Actual |              |                | FY 2003 Estimate |              |                | FY 2004 Estimate |              |                | FY 2005 Estimate |              |
|--------------------------------|----------------|--------------|----------------|------------------|--------------|----------------|------------------|--------------|----------------|------------------|--------------|
|                                | Workyears      | Average Rate | Amount         | Workyears        | Average Rate | Amount         | Workyears        | Average Rate | Amount         | Workyears        | Average Rate |
| General                        | 0              | 0            | 0              | 0                | 0            | 0              | 0                | 0            | 0              | 0                | 0            |
| Lt General                     | 0              | 0            | 0              | 0                | 0            | 0              | 0                | 0            | 0              | 0                | 0            |
| Major General                  | 2              | 20,084       | 40             | 2                | 21,723       | 43             | 2                | 22,679       | 45             | 2                | 23,518       |
| Brig General                   | 3              | 23,511       | 71             | 3                | 25,430       | 76             | 3                | 26,549       | 80             | 3                | 27,531       |
| Colonel                        | 266            | 14,635       | 3,893          | 249              | 15,829       | 3,941          | 272              | 16,526       | 4,495          | 272              | 17,137       |
| Lt Colonel                     | 1,031          | 13,140       | 13,547         | 921              | 14,213       | 13,090         | 974              | 14,838       | 14,452         | 978              | 15,387       |
| Major                          | 2,441          | 11,381       | 27,781         | 2,057            | 12,310       | 25,322         | 2,213            | 12,851       | 28,439         | 2,213            | 13,327       |
| Captain                        | 6,905          | 9,326        | 64,396         | 6,066            | 10,053       | 60,981         | 5,997            | 10,515       | 63,058         | 5,904            | 10,905       |
| 1st Lieutenant                 | 4,060          | 8,010        | 32,521         | 4,141            | 8,667        | 35,890         | 4,938            | 9,031        | 44,595         | 5,458            | 9,365        |
| 2nd Lieutenant                 | 5,008          | 7,587        | 37,996         | 4,662            | 8,169        | 38,081         | 4,897            | 8,503        | 41,639         | 4,538            | 8,833        |
| <b>Subtotal w/o Dependents</b> | <b>19,716</b>  | <b>0</b>     | <b>180,245</b> | <b>18,101</b>    | <b>0</b>     | <b>177,424</b> | <b>19,296</b>    | <b>0</b>     | <b>196,803</b> | <b>19,368</b>    | <b>0</b>     |

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - OFFICERS

**Without Dependents -  
Partial Allowance**

| <b>Grade</b>            | <b>FY 2002 Actual</b> |                     |               | <b>FY 2003 Estimate</b> |                     |               | <b>FY 2004 Estimate</b> |                     |               | <b>FY 2005 Estimate</b> |                     |
|-------------------------|-----------------------|---------------------|---------------|-------------------------|---------------------|---------------|-------------------------|---------------------|---------------|-------------------------|---------------------|
|                         | <b>Workyears</b>      | <b>Average Rate</b> | <b>Amount</b> | <b>Workyears</b>        | <b>Average Rate</b> | <b>Amount</b> | <b>Workyears</b>        | <b>Average Rate</b> | <b>Amount</b> | <b>Workyears</b>        | <b>Average Rate</b> |
| Colonel                 | 6                     | 480                 | 3             | 6                       | 519                 | 3             | 6                       | 542                 | 3             | 6                       | 562                 |
| Lt Colonel              | 19                    | 360                 | 7             | 18                      | 389                 | 7             | 18                      | 407                 | 7             | 18                      | 422                 |
| Major                   | 47                    | 360                 | 17            | 41                      | 389                 | 16            | 42                      | 407                 | 17            | 42                      | 422                 |
| Captain                 | 262                   | 237                 | 62            | 241                     | 261                 | 63            | 223                     | 274                 | 61            | 223                     | 283                 |
| 1st Lieutenant          | 198                   | 242                 | 48            | 212                     | 259                 | 55            | 236                     | 271                 | 64            | 264                     | 280                 |
| 2nd Lieutenant          | 600                   | 120                 | 72            | 584                     | 130                 | 76            | 571                     | 137                 | 78            | 538                     | 141                 |
| <b>Subtotal Partial</b> | <b>1,132</b>          | <b>0</b>            | <b>209</b>    | <b>1,102</b>            | <b>0</b>            | <b>220</b>    | <b>1,096</b>            | <b>0</b>            | <b>230</b>    | <b>1,091</b>            | <b>0</b>            |

**Inadequate Family Housing**

| <b>Grade</b>                | <b>FY 2002 Actual</b> |                     |                | <b>FY 2003 Estimate</b> |                     |                | <b>FY 2004 Estimate</b> |                     |                | <b>FY 2005 Estimate</b> |                     |
|-----------------------------|-----------------------|---------------------|----------------|-------------------------|---------------------|----------------|-------------------------|---------------------|----------------|-------------------------|---------------------|
|                             | <b>Workyears</b>      | <b>Average Rate</b> | <b>Amount</b>  | <b>Workyears</b>        | <b>Average Rate</b> | <b>Amount</b>  | <b>Workyears</b>        | <b>Average Rate</b> | <b>Amount</b>  | <b>Workyears</b>        | <b>Average Rate</b> |
| Colonel                     | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| Lt Colonel                  | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| Major                       | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| Captain                     | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| 1st Lieutenant              | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| 2nd Lieutenant              | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| <b>Subtotal Inadequate</b>  | <b>0</b>              | <b>0</b>            | <b>0</b>       | <b>0</b>                | <b>0</b>            | <b>0</b>       | <b>0</b>                | <b>0</b>            | <b>0</b>       | <b>0</b>                | <b>0</b>            |
| <b>TOTAL BAH - DOMESTIC</b> | <b>58,306</b>         | <b>0</b>            | <b>726,323</b> | <b>57,089</b>           | <b>0</b>            | <b>717,867</b> | <b>56,771</b>           | <b>0</b>            | <b>807,153</b> | <b>57,723</b>           | <b>0</b>            |



PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - OFFICERS

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - OFFICERS

(Amount in Thousands)

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Amount

0  
152  
523  
1,320  
58,739  
164,167  
185,979  
155,170  
43,959  
29,797  
  
639,806

---

Amount

0  
0  
47  
83  
4,661  
15,048  
29,493  
64,383  
51,114  
40,084  
  
204,913

PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - OFFICERS

(Amount in Thousands)

Amount

3  
8  
18  
63  
74  
76  
242

Amount

0  
0  
0  
0  
0  
0  
0  
844,961

(Amount in Thousands)

## PROJECT: BASIC ALLOWANCE FOR HOUSING (OVERSEAS) - OFFICERS

**With Dependents**

| <b>Grade</b>                    | <b>FY 2002 Actual</b> |                     |               | <b>FY 2003 Estimate</b> |                     |               | <b>FY 2004 Estimate</b> |                     |               | <b>FY 2005 Estimate</b> |                     |
|---------------------------------|-----------------------|---------------------|---------------|-------------------------|---------------------|---------------|-------------------------|---------------------|---------------|-------------------------|---------------------|
|                                 | <b>Workyears</b>      | <b>Average Rate</b> | <b>Amount</b> | <b>Workyears</b>        | <b>Average Rate</b> | <b>Amount</b> | <b>Workyears</b>        | <b>Average Rate</b> | <b>Amount</b> | <b>Workyears</b>        | <b>Average Rate</b> |
| General                         | 0                     | 0                   | 0             | 0                       | 0                   | 0             | 0                       | 0                   | 0             | 0                       | 0                   |
| Lt General                      | 0                     | 0                   | 0             | 0                       | 0                   | 0             | 0                       | 0                   | 0             | 0                       | 0                   |
| Major General                   | 0                     | 0                   | 0             | 0                       | 0                   | 0             | 0                       | 0                   | 0             | 0                       | 0                   |
| Brig General                    | 1                     | 18,949              | 19            | 1                       | 19,101              | 19            | 1                       | 19,387              | 19            | 1                       | 19,678              |
| Colonel                         | 116                   | 25,497              | 2,958         | 121                     | 25,701              | 3,110         | 149                     | 26,087              | 3,887         | 153                     | 26,478              |
| Lt Colonel                      | 453                   | 21,853              | 9,899         | 451                     | 22,028              | 9,935         | 537                     | 22,359              | 12,007        | 552                     | 22,694              |
| Major                           | 781                   | 20,181              | 15,761        | 737                     | 20,342              | 14,992        | 887                     | 20,647              | 18,314        | 909                     | 20,957              |
| Captain                         | 895                   | 18,441              | 16,505        | 866                     | 18,597              | 16,105        | 973                     | 18,868              | 18,359        | 982                     | 19,151              |
| 1st Lieutenant                  | 165                   | 17,921              | 2,957         | 187                     | 18,037              | 3,373         | 251                     | 18,335              | 4,602         | 285                     | 18,611              |
| 2nd Lieutenant                  | 82                    | 17,134              | 1,405         | 85                      | 17,247              | 1,466         | 100                     | 17,530              | 1,753         | 95                      | 17,789              |
| <b>Subtotal With Dependents</b> | <b>2,493</b>          | <b>0</b>            | <b>49,504</b> | <b>2,448</b>            | <b>0</b>            | <b>49,000</b> | <b>2,898</b>            | <b>0</b>            | <b>58,941</b> | <b>2,977</b>            | <b>0</b>            |

**Without Dependents**

| <b>Grade</b>                   | <b>FY 2002 Actual</b> |                     |                | <b>FY 2003 Estimate</b> |                     |                | <b>FY 2004 Estimate</b> |                     |                | <b>FY 2005 Estimate</b> |                     |
|--------------------------------|-----------------------|---------------------|----------------|-------------------------|---------------------|----------------|-------------------------|---------------------|----------------|-------------------------|---------------------|
|                                | <b>Workyears</b>      | <b>Average Rate</b> | <b>Amount</b>  | <b>Workyears</b>        | <b>Average Rate</b> | <b>Amount</b>  | <b>Workyears</b>        | <b>Average Rate</b> | <b>Amount</b>  | <b>Workyears</b>        | <b>Average Rate</b> |
| General                        | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| Lt General                     | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| Major General                  | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| Brig General                   | 0                     | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   | 0              | 0                       | 0                   |
| Colonel                        | 15                    | 22,618              | 339            | 14                      | 22,799              | 319            | 15                      | 23,141              | 347            | 15                      | 23,488              |
| Lt Colonel                     | 76                    | 16,382              | 1,245          | 67                      | 16,513              | 1,106          | 70                      | 16,760              | 1,173          | 71                      | 17,012              |
| Major                          | 247                   | 16,434              | 4,059          | 205                     | 16,565              | 3,396          | 219                     | 16,814              | 3,682          | 221                     | 17,066              |
| Captain                        | 758                   | 14,559              | 11,036         | 655                     | 14,673              | 9,611          | 643                     | 14,894              | 9,577          | 637                     | 15,119              |
| 1st Lieutenant                 | 348                   | 13,943              | 4,852          | 350                     | 14,049              | 4,917          | 413                     | 14,264              | 5,891          | 460                     | 14,478              |
| 2nd Lieutenant                 | 192                   | 13,625              | 2,616          | 175                     | 13,766              | 2,409          | 182                     | 13,940              | 2,537          | 170                     | 14,147              |
| <b>Subtotal w/o Dependents</b> | <b>1,636</b>          | <b>0</b>            | <b>24,147</b>  | <b>1,466</b>            | <b>0</b>            | <b>21,758</b>  | <b>1,542</b>            | <b>0</b>            | <b>23,207</b>  | <b>1,574</b>            | <b>0</b>            |
| <b>TOTAL BAH - OVERSEAS</b>    | <b>4,129</b>          | <b>0</b>            | <b>73,651</b>  | <b>4,106</b>            | <b>0</b>            | <b>70,758</b>  | <b>4,440</b>            | <b>0</b>            | <b>82,148</b>  | <b>4,551</b>            | <b>0</b>            |
| <b>GRAND TOTAL BAH</b>         | <b>62,435</b>         | <b>0</b>            | <b>799,974</b> | <b>61,195</b>           | <b>0</b>            | <b>788,625</b> | <b>61,211</b>           | <b>0</b>            | <b>889,301</b> | <b>62,274</b>           | <b>0</b>            |

**PROJECT: BASIC ALLOWANCE FOR HOUSING (OVERSEAS) - OFFICERS**

(Amount in Thousands)

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**Amount**

0  
0  
0  
20  
4,051  
12,527  
19,050  
18,806  
5,304  
1,690  
  
61,448

---

**Amount**

0  
0  
0  
0  
352  
1,208  
3,772  
9,631  
6,660  
2,405  
  
24,028  
  
85,476  
  
930,437

(Amount in Thousands)

**PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE - OFFICERS**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provide monthly subsistence allowance as authorized by 37 U.S.C. 402.

**PART II - JUSTIFICATION OF FUNDS RECEIVED**

Basic allowance for subsistence costs are computed by multiplying the statutory rate by the programmed officer workyears. BAS reform was implemented 1 Jan 1998 as a cost neutral effort to provide all eligible personnel with a BAS payment. This reform limits the growth of BAS to 1 percent per year in order to allow the department to make partial BAS payments with the remaining pay raise resources going to members receiving subsistence-in-kind (SIK) payments. The FY 2001 National Defense Authorization Act eliminated the BAS transition program and established, beginning 1 January 2002, the monthly rates for BAS would be indexed to increases in the U.S. Department of Agriculture Food Plan. The percent rate increase is 3.7 percent for FY 2002, 0.5 percent in FY 2003, and 2.5 percent in FY 2004 and FY 2005.

Details of the computation are provided in the following table:

|     | <u>FY 2002 Actual</u> |             |               | <u>FY 2003 Estimate</u> |             |               | <u>FY 2004 Estimate</u> |             |               | <u>FY 2005 Estima</u> |             |
|-----|-----------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|-----------------------|-------------|
|     | <u>Workyears</u>      | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>      | <u>Rate</u> |
| BAS | 76,013                | 1,992       | 151,418       | 71,721                  | 2,001       | 143,514       | 70,910                  | 2,040       | 144,656       | 71,460                | 2,097       |

(Amount in Thousands)

**PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE - OFFICERS**

149,852  
144,656  
143,514  
151,418

**ite**  

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**Amount**  
149,852

(Amount in Thousands)

PROJECT: STATION ALLOWANCE, OVERSEAS - OFFICERS

|                  |        |
|------------------|--------|
| FY 2005 Estimate | 54,171 |
| FY 2004 Estimate | 53,682 |
| FY 2003 Estimate | 54,588 |
| FY 2002 Actual   | 57,251 |

**PART I - PURPOSE AND SCOPE**

Funds provide payment of a per diem allowance to officers on duty outside the Continental United States. The station allowance considers all elements of the cost of living, including quarters, subsistence and other necessary incidental expenses as prescribed by the Joint Travel Regulation and authorized under the provisions of 37 U.S.C. 403 and 405.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

This allowance is authorized for the purpose of defraying the average excess costs experienced by service members. The Moving-In Housing Allowance is intended to offset initial costs such as rent deposits, electrical current transformers and other overseas unique initial housing costs. The Temporary Lodging Allowance covers the off-base housing (hotel) costs for military members permanently relocating in or out of an overseas location. The number of personnel entitled to an overseas station allowance is based, as directed in guidance, on historical data adjusted for known changes of each type of allowance.

Included in this budget submission are adjustments to the Foreign Currency Fluctuation rates as a result of improved rates in the NSIP as well as revised rates developed by the PDTATAC.

The workyears for Cost of Living, Moving-In and Temporary Lodging allowances are based on authorized overseas strengths for each fiscal year.



(Amount in Thousands)

PROJECT: STATION ALLOWANCE, OVERSEAS - OFFICERS

**Cost of Living**

|  | <u>FY 2002 Actual</u> |                     |               | <u>FY 2003 Estimate</u> |                     |               | <u>FY 2004 Estimate</u> |                     |               | <u>FY 2005 Estimate</u> |                     |               |
|--|-----------------------|---------------------|---------------|-------------------------|---------------------|---------------|-------------------------|---------------------|---------------|-------------------------|---------------------|---------------|
|  | <u>Workyears</u>      | <u>Average Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Average Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Average Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Average Rate</u> | <u>Amount</u> |
| <b>Grade</b>                             |                       |                     |               |                         |                     |               |                         |                     |               |                         |                     |               |
| General                                  | 3                     | 5,874               | 18            | 2                       | 5,921               | 12            | 2                       | 6,010               | 12            | 2                       | 6,100               | 12            |
| Lt. General                              | 6                     | 7,433               | 45            | 6                       | 7,493               | 45            | 6                       | 7,605               | 46            | 6                       | 7,719               | 46            |
| Major General                            | 12                    | 7,956               | 95            | 11                      | 8,020               | 88            | 11                      | 8,140               | 90            | 11                      | 8,262               | 91            |
| Brig. General                            | 20                    | 6,768               | 135           | 18                      | 6,822               | 123           | 18                      | 6,924               | 125           | 18                      | 7,028               | 127           |
| Colonel                                  | 511                   | 7,269               | 3,714         | 492                     | 7,328               | 3,605         | 477                     | 7,437               | 3,547         | 474                     | 7,549               | 3,578         |
| Lt Colonel                               | 1,310                 | 6,679               | 8,749         | 1,237                   | 6,732               | 8,327         | 1,199                   | 6,833               | 8,193         | 1,192                   | 6,936               | 8,268         |
| Major                                    | 2,129                 | 5,844               | 12,442        | 2,051                   | 5,890               | 12,080        | 1,987                   | 5,979               | 11,880        | 1,975                   | 6,068               | 11,984        |
| Captain                                  | 3,152                 | 5,293               | 16,684        | 3,119                   | 5,335               | 16,640        | 3,020                   | 5,415               | 16,353        | 3,004                   | 5,497               | 16,513        |
| 1st Lieutenant                           | 915                   | 4,573               | 4,184         | 655                     | 4,609               | 3,019         | 635                     | 4,679               | 2,971         | 631                     | 4,749               | 2,997         |
| 2nd Lieutenant                           | 555                   | 3,873               | 2,150         | 522                     | 3,904               | 2,038         | 506                     | 3,963               | 2,005         | 503                     | 4,022               | 2,023         |
| <b>Subtotal Cost of Living</b>           | <b>8,613</b>          |                     | <b>48,216</b> | <b>8,113</b>            |                     | <b>45,977</b> | <b>7,861</b>            |                     | <b>45,222</b> | <b>7,816</b>            |                     | <b>45,639</b> |
| <b>Temporary Lodging Allowance</b>       | <b>13,029</b>         | <b>538</b>          | <b>7,010</b>  | <b>12,341</b>           | <b>542</b>          | <b>6,689</b>  | <b>11,947</b>           | <b>550</b>          | <b>6,571</b>  | <b>11,875</b>           | <b>558</b>          | <b>6,626</b>  |
| <b>Moving-In Housing Allowance</b>       | <b>2,550</b>          | <b>794</b>          | <b>2,025</b>  | <b>2,402</b>            | <b>800</b>          | <b>1,922</b>  | <b>2,326</b>            | <b>812</b>          | <b>1,889</b>  | <b>2,313</b>            | <b>824</b>          | <b>1,906</b>  |
| <b>TOTAL STATION ALLOWANCES-OVERSEAS</b> | <b>24,192</b>         |                     | <b>57,251</b> | <b>22,856</b>           |                     | <b>54,588</b> | <b>22,134</b>           |                     | <b>53,682</b> | <b>22,004</b>           |                     | <b>54,171</b> |

(Amount in Thousands)

**PROJECT: CONUS COST OF LIVING ALLOWANCE  
(COLA) - OFFICERS**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

In the FY 1995 Defense Authorization Act, Congress approved a COLA payment to service members assigned to CONUS high cost areas.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

As part of the DoD Quality of Life Initiatives, high cost areas are grouped as Military Housing Areas (MHA) where the cost of goods and services exceeds 108 percent of the national cost of living average. Computation of program cost is the product of the number of members assigned to a designated high-cost area of CONUS, their grade and dependency status, and the percent by which an area's cost of non-housing goods and services exceeds 108 percent of the national cost of living average.

Details of the computations are shown below:

|            | <b>FY 2002 Actual</b> |             |               | <b>FY 2003 Estimate</b> |             |               | <b>FY 2004 Estimate</b> |             |               | <b>FY 2005 Estima</b> |             |
|------------|-----------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|-----------------------|-------------|
|            | <b>Workyears</b>      | <b>Rate</b> | <b>Amount</b> | <b>Workyears</b>        | <b>Rate</b> | <b>Amount</b> | <b>Workyears</b>        | <b>Rate</b> | <b>Amount</b> | <b>Workyears</b>      | <b>Rate</b> |
| CONUS COLA | 2,101                 | 584         | 1,227         | 1,982                   | 589         | 1,167         | 1,960                   | 598         | 1,172         | 1,975                 | 607         |

(Amount in Thousands)

**PROJECT: CONUS COST OF LIVING ALLOWANCE  
(COLA) - OFFICERS**

1,199  
1,172  
1,167  
1,227

**ite**  

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**Amount**  
1,199

**PROJECT: CLOTHING ALLOWANCES - OFFICERS**

(Amount in Thousands)

|                  |       |
|------------------|-------|
| FY 2005 Estimate | 3,532 |
| FY 2004 Estimate | 3,552 |
| FY 2003 Estimate | 3,994 |
| FY 2002 Actual   | 4,556 |

**PART I - PURPOSE AND SCOPE**

Funds provide an initial clothing allowance to officers upon commissioning and an additional allowance for purchase of required uniforms. Authorization for this allowance is under the provisions of 37 U.S.C. 415 and 416. Congress, in the FY 1988-1989 Defense Authorization Act, approved the payment of Civilian Clothing Allowance for Air Force Officers. Officers assigned at locations outside the United States who are required to wear civilian clothing in the performance of their duties and/or a TDY mission are entitled to receive this allowance.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Uniform allowances are determined by applying statutory rates to the programmed number of eligible officers. Starting 1 January 1985, the initial clothing allowance paid to all personnel commissioned or appointed as officers in the Regular or Reserve component is \$200 regardless of source of commission or previous enlisted status. Officers are also entitled to an additional active duty uniform allowance of \$100 to pay for additional uniforms required while they are on active duty for training. The FY 2001 Defense Authorization Act, approved an increase to the one-time initial uniform allowance paid to officers from \$200 to \$400, and the one-time additional uniform allowance paid to officers from \$100 to \$200. The number of payments for the Initial and Additional Allowances are based on the number of accessions programmed.

|                                  | <u>FY 2002 Actual</u> |      |        | <u>FY 2003 Estimate</u> |      |        | <u>FY 2004 Estimate</u> |      |        | <u>FY 2005 Estimate</u> |      |        |
|----------------------------------|-----------------------|------|--------|-------------------------|------|--------|-------------------------|------|--------|-------------------------|------|--------|
|                                  | Payments              | Rate | Amount | Payments                | Rate | Amount | Payments                | Rate | Amount | Payments                | Rate | Amount |
| Initial Allowances               | 7,542                 | 400  | 3,017  | 6,607                   | 400  | 2,643  | 5,870                   | 400  | 2,348  | 5,834                   | 400  | 2,334  |
| Additional Allowances            | 7,542                 | 200  | 1,508  | 6,607                   | 200  | 1,321  | 5,870                   | 200  | 1,174  | 5,834                   | 200  | 1,167  |
| Civilian Clothing                | 58                    | 541  | 31     | 55                      | 548  | 30     | 54                      | 556  | 30     | 55                      | 565  | 31     |
| <b>TOTAL CLOTHING ALLOWANCES</b> | 15,142                |      | 4,556  | 13,269                  |      | 3,994  | 11,794                  |      | 3,552  | 11,723                  |      | 3,532  |

(Amount in Thousands)

**PROJECT: FAMILY SEPARATION ALLOWANCES - OFFICERS**

|                  |       |
|------------------|-------|
| FY 2005 Estimate | 3,986 |
| FY 2004 Estimate | 3,916 |
| FY 2003 Estimate | 3,930 |
| FY 2002 Actual   | 4,160 |

**PART I - PURPOSE AND SCOPE**

Funds provide two types of family separation allowance (FSA I & II) payments, under the provisions of 37 U.S.C. 427, to officers with dependents to compensate for added expenses incurred because of forced separation from dependents:

- (1) Members are entitled to FSA I when travel of dependents to overseas duty station is not authorized and the member maintains two homes, one in Continental United States (CONUS) for his or her family and one overseas. FSA I is paid at the BAH II - without/dependent rate.
- (2) FSA II is payable when a member with dependents makes a permanent change of station move, or member is on temporary duty away from permanent duty station for 30 consecutive days or more either in CONUS or overseas, and the travel of dependents to member's duty station is not authorized, and dependents do not reside at or near the duty station. The FY 1998 National Defense Authorization Act increased the FSA payment from \$75 to \$100 for those members in TDY and PCS status.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Allowances for family separation payments are determined by multiplying the number of personnel eligible for each type of family separation allowance by the applicable statutory rate.

In FY2001 the incremental cost for military personnel contingency requirements in Bosnia and Southwest Asia was centrally managed as part of the Overseas Contingency Operations Transfer Fund (OCOTF). In FY 2002 funding requirements for Bosnia, Kosovo and Southwest Asia was transferred back to the Service's Military Personnel Appropriation. Additionally, funding was added in FY 2002 to support Balkan operations.

Details of the cost computation are provided in the following tables:

(Amount in Thousands)

PROJECT: FAMILY SEPARATION ALLOWANCES - OFFICERS

|   | <u>FY 2002 Actual</u> |             |               | <u>FY 2003 Estimate</u> |             |               | <u>FY 2004 Estimate</u> |             |               | <u>FY 2005 Estimate</u> |             |               |
|---|-----------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|
|   | <u>Workyears</u>      | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u> |
| <b><u>PCS Overseas with Dependents not Authorized and Maintain Two Homes</u></b>                        |                       |             |               |                         |             |               |                         |             |               |                         |             |               |
| <b><u>Grade</u></b>   |                       |             |               |                         |             |               |                         |             |               |                         |             |               |
| Colonel   | 3                     | 10,667      | 32            | 3                       | 11,126      | 33            | 3                       | 11,593      | 35            | 3                       | 12,080      | 36            |
| Lt Colonel  | 15                    | 10,272      | 154           | 14                      | 10,713      | 150           | 14                      | 11,163      | 156           | 14                      | 11,631      | 163           |
| Major   | 29                    | 9,517       | 276           | 25                      | 9,925       | 248           | 25                      | 10,342      | 259           | 25                      | 10,776      | 269           |
| Captain   | 33                    | 7,630       | 252           | 30                      | 7,958       | 239           | 28                      | 8,292       | 232           | 28                      | 8,640       | 242           |
| 1st Lieutenant  | 10                    | 6,053       | 61            | 11                      | 6,312       | 69            | 12                      | 6,576       | 79            | 14                      | 6,853       | 96            |
| 2nd Lieutenant  | 3                     | 5,099       | 15            | 2                       | 5,317       | 11            | 2                       | 5,540       | 11            | 2                       | 5,773       | 12            |
| <b>Subtotal</b>   | 93                    |             | 790           | 85                      |             | 750           | 84                      |             | 772           | 86                      |             | 818           |
| <b><u>PCS CONUS or Overseas with dependents not authorized</u></b>                                      |                       |             |               |                         |             |               |                         |             |               |                         |             |               |
|   | 642                   | 1,200       | 770           | 606                     | 1,200       | 727           | 599                     | 1,200       | 719           | 603                     | 1,200       | 724           |
| <b><u>TDY CONUS or Overseas for more than 30 days with dependents not residing near TDY station</u></b> |                       |             |               |                         |             |               |                         |             |               |                         |             |               |
|   | 2,167                 | 1,200       | 2,600         | 2,044                   | 1,200       | 2,453         | 2,021                   | 1,200       | 2,425         | 2,037                   | 1,200       | 2,444         |
| <b>TOTAL FAMILY SEPARATION ALLOWANCE</b>  | 2,902                 |             | 4,160         | 2,735                   |             | 3,930         | 2,704                   |             | 3,916         | 2,726                   |             | 3,986         |

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 92,994  |
| FY 2004 Estimate | 103,486 |
| FY 2003 Estimate | 84,117  |
| FY 2002 Actual   | 85,278  |

**PART I - PURPOSE AND SCOPE**

Funds provide:

- (1) Lump sum terminal leave payments to officers for unused accrued leave at time of discharge (under honorable conditions), retirement or death under provisions of 10 U.S.C. 701, and 37 U.S.C. 501.
- (2) Severance pay to officers who are involuntarily discharged or released from active duty, including severance pay to officers not eligible for retirement under any provision of law on the date of elimination by promotion list passover under provisions of 10 U. S .C. 637(a); disability severance pay paid to a member separated from the service for a physical disability under provisions of 10 U. S. C. 1212.
- (3) Voluntary Separation Incentive (VSI) - For payment of an annuity to officers voluntarily separating from active duty during the drawdown provisions of 10 U. S. C. 1175.
- (4) \$30,000 Lump Sum Bonus authorized in the FY 2000 National Defense Authorization Act (NDAA).

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Lump sum terminal leave payments are determined by multiplying the projected number of eligible for each applicable separation payment at rates based on past experience and adjusted for pay raises. For leave accumulated prior to 1 September 1976 and retained throughout the career, payments include basic pay, basic allowance for subsistence and basic allowance for quarters. For leave accumulated after 1 September 1976, to include lowering to the 1 September 1976 leave balance, the rate payable is basic pay only. Leave payments will not exceed the career total of 60 days.

Severance pays are determined by multiplying a member's basic pay rate for a specified number of months times years of service times a specific percent based on the separation criteria.

The FY 2000 NDAA provided for a \$30K Lump Sum Bonus provision to members within 180 days of completing 15 years of military service the option to accept a one-time \$30,000 lump sum bonus to remain under the reduced 40 percent "Redux" retirement plan. The FY 2002 NDAA authorized the option to

(Amount in Thousands)

PROJECT: SEPARATION PAYMENTS - OFFICERS

**Lump Sum Terminal Leave Payments**

| Grade                                   | FY 2002 Actual |      |               |        | FY 2003 Estimate |      |               |        | FY 2004 Estimate |      |                |        | FY 2005 Estimate |      |               |        |
|---|----------------|------|---------------|--------|------------------|------|---------------|--------|------------------|------|----------------|--------|------------------|------|---------------|--------|
|   | Payments       | Days | Average Rate  | Amount | Payments         | Days | Average Rate  | Amount | Payments         | Days | Average Rate   | Amount | Payments         | Days | Average Rate  | Amount |
| General                                 | 4              | 3    | 1,044         | 4      | 5                | 3    | 1,099         | 5      | 4                | 3    | 1,146          | 5      | 4                | 3    | 1,187         | 5      |
| Lt General                              | 33             | 16   | 5,646         | 186    | 41               | 17   | 6,303         | 258    | 34               | 16   | 6,246          | 212    | 35               | 16   | 6,414         | 224    |
| Major General                           | 46             | 20   | 6,294         | 290    | 56               | 20   | 6,624         | 371    | 47               | 20   | 6,906          | 325    | 49               | 20   | 7,153         | 350    |
| Brig General                            | 37             | 19   | 5,405         | 200    | 46               | 19   | 5,583         | 257    | 38               | 19   | 5,916          | 225    | 39               | 19   | 6,144         | 240    |
| Colonel                                 | 993            | 17   | 4,057         | 4,029  | 1,207            | 17   | 4,260         | 5,142  | 1,025            | 17   | 4,450          | 4,562  | 1,057            | 17   | 4,611         | 4,874  |
| Lt Colonel                              | 737            | 21   | 4,077         | 3,005  | 902              | 21   | 4,266         | 3,848  | 762              | 21   | 4,470          | 3,406  | 785              | 21   | 4,634         | 3,638  |
| Major                                   | 673            | 20   | 3,216         | 2,164  | 1,202            | 19   | 3,264         | 3,923  | 739              | 20   | 3,505          | 2,590  | 715              | 20   | 3,656         | 2,614  |
| Captain                                 | 1,002          | 16   | 2,122         | 2,126  | 2,151            | 16   | 2,194         | 4,718  | 1,141            | 16   | 2,319          | 2,646  | 1,062            | 16   | 2,412         | 2,562  |
| 1st Lieutenant                          | 54             | 21   | 2,137         | 115    | 114              | 21   | 2,239         | 255    | 61               | 22   | 2,343          | 143    | 57               | 22   | 2,429         | 138    |
| 2nd Lieutenant                          | 32             | 17   | 1,342         | 43     | 69               | 18   | 1,424         | 98     | 36               | 18   | 1,475          | 53     | 34               | 18   | 1,525         | 52     |
| <b>Subtotal Lump Sum Terminal Leave</b> | <b>3,611</b>   |      | <b>12,162</b> |        | <b>5,793</b>     |      | <b>18,875</b> |        | <b>3,887</b>     |      | <b>14,167</b>  |        | <b>3,837</b>     |      | <b>14,697</b> |        |
| <b>Separation Pay</b>                   |                |      |               |        |                  |      |               |        |                  |      |                |        |                  |      |               |        |
| Fail Promotion/Unfit                    | 70             | 0    | 55,932        | 3,915  | 377              | 0    | 63,654        | 23,998 | 320              | 0    | 65,564         | 20,980 | 300              | 0    | 67,531        | 20,259 |
| Disability                              | 17             | 0    | 42,151        | 717    | 25               | 0    | 53,588        | 1,340  | 25               | 0    | 55,196         | 1,380  | 25               | 0    | 56,852        | 1,421  |
| Severance Pay, Non Disability           | 0              | 0    | 0             | 0      | 0                | 0    | 0             | 0      | 0                | 0    | 0              | 0      | 0                | 0    | 0             | 0      |
| Invol-Half Pay 5%                       | 3              | 0    | 27,934        | 84     | 3                | 0    | 28,772        | 86     | 3                | 0    | 29,635         | 89     | 3                | 0    | 30,524        | 92     |
| Invol-Half Pay 10%                      | 7              | 0    | 45,878        | 321    | 25               | 0    | 70,223        | 1,756  | 25               | 0    | 72,330         | 1,808  | 25               | 0    | 74,500        | 1,863  |
| SSB                                     | 0              | 0    | 0             | 0      | 0                | 0    | 0             | 0      | 0                | 0    | 0              | 0      | 0                | 0    | 0             | 0      |
| VSI                                     | 0              | 0    | 0             | 0      | 0                | 0    | 0             | 0      | 0                | 0    | 0              | 0      | 0                | 0    | 0             | 0      |
| VSI Trust Fund                          | 0              | 0    | 0             | 32,579 | 0                | 0    | 0             | 31,262 | 0                | 0    | 0              | 21,362 | 0                | 0    | 0             | 21,362 |
| 15 Year Retirement                      | 0              | 0    | 0             | 0      | 0                | 0    | 0             | 0      | 0                | 0    | 0              | 0      | 0                | 0    | 0             | 0      |
| \$30K Lump Sum Bonus                    | 0              | 0    | 0             | 35,500 | 0                | 0    | 0             | 6,800  | 0                | 0    | 0              | 43,700 | 0                | 0    | 0             | 33,300 |
| <b>Subtotal Separation Pay</b>          | <b>97</b>      |      | <b>73,116</b> |        | <b>430</b>       |      | <b>65,242</b> |        | <b>373</b>       |      | <b>89,319</b>  |        | <b>353</b>       |      | <b>78,297</b> |        |
| <b>TOTAL SEPARATION PAYMENTS</b>        | <b>3,708</b>   |      | <b>85,278</b> |        | <b>6,223</b>     |      | <b>84,117</b> |        | <b>4,260</b>     |      | <b>103,486</b> |        | <b>4,190</b>     |      | <b>92,994</b> |        |



(Amount in Thousands)

**PROJECT: SOCIAL SECURITY TAX (EMPLOYER'S CONTRIBUTION) - OFFICERS**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds represent the Air Force contribution (as an employer) as required by the Federal Insurance Contribution Act (FICA) under provisions of 26 U.S.C. 3101 and 3111.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Social security costs are based on the percentage rate set by law on a member's salary for a calendar year. P.L. 98-21, "Social Security Amendment of 1983" dated 20 April 1983, established the tax rate while the maximum taxable income is determined by the Social Security Administration. The Old Age, Survivor and Disability Insurance (OASDI) rate set by statute is 6.2 percent and the Hospital Insurance (HI) is 1.45 percent. There is no wage cap on the 1.45 percent medical contribution. The government's contribution for Social Security is as follows:

- Calendar Year 2002 - 7.65% on First \$84,900 and 1.45% on the remainder
- Calendar Year 2003 - 7.65% on First \$89,100 and 1.45% on the remainder
- Calendar Year 2004 - 7.65% on First \$93,300 and 1.45% on the remainder
- Calendar Year 2005 - 7.65% on First \$97,200 and 1.45% on the remainder

|                 | <u>FY 2002 Actual</u> |             |               | <u>FY 2003 Estimate</u> |             |               | <u>FY 2004 Estimate</u> |             |               | <u>FY 2005 Estimate</u> |             |               |
|-----------------|-----------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|
|                 | <u>Basic Pay</u>      | <u>Rate</u> | <u>Amount</u> | <u>Basic Pay</u>        | <u>Rate</u> | <u>Amount</u> | <u>Basic Pay</u>        | <u>Rate</u> | <u>Amount</u> | <u>Basic Pay</u>        | <u>Rate</u> | <u>Amount</u> |
| Social Security | 3,989,705             | 7.65        | 304,045       | 3,848,040               | 7.65        | 293,853       | 4,015,299               | 7.65        | 306,073       | 4,218,933               | 7.65        | 321,727       |

(Amount in Thousands)

**PROJECT: SOCIAL SECURITY TAX (EMPLOYER'S CONTRIBUTION) - OFFICERS**

321,727

306,073

293,853

304,045

# **PAY AND ALLOWANCES OF ENLISTED**

**ACTIVE FORCES  
SCHEDULE OF INCREASES AND DECREASES  
(Amount in Thousands)**

**2. Pay and Allowances of Enlisted**

**FY 2003 DIRECT PROGRAM** 13,193,803

**Increases:**

|   |          |
|---|----------|
| Basic Allowance for Housing (BAH)                     | 341,187  |
| - Change in workyears for Housing Allowance           | -299,927 |
| - Changes in rates for Housing Allowance              | 641,114  |
| Basic Pay   | 274,838  |
| - 1 Jan 04 average pay raise of 4.1%                  | 219,237  |
| - Annualized 1 Jan 03 average pay raise of 4.7%       | 106,994  |
| - Changes in workyears/longevity for Basic Pay        | -51,393  |
| Special Compensation for Combat-Related Disabled      | 95,000   |
| - Change in program                                   | 95,000   |
| Reimbursements  | 56,742   |
| - Change in reimbursements                            | 56,742   |
| Defense Health Program                                | 55,724   |
| - DHP Accrual (Over 65) program adjustments           | 55,724   |
| Retired Pay Accrual                                   | 53,259   |
| - 1 Jan 04 average pay raise of 4.1%                  | 59,414   |
| - Annualization of 1 Jan 03 average pay raise of 4.7% | 19,603   |
| - Change in workyears/longevity                       | -4,586   |
| - Change in RPA rate from 27.4% to 27.1%              | -21,172  |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

|   |        |                |
|---|--------|----------------|
| Social Security (FICA)                                |        | 21,026         |
| - 1 Jan 04 average pay raise of 4.1%                  | 16,771 |                |
| - Annualization of 1 Jan 03 average pay raise of 4.7% | 5,534  |                |
| - Change in workyears/longevity                       | -1,279 |                |
| Overseas Station Allowances                           |        | 5,684          |
| - Change in rates for Overseas Allowance              | 3,196  |                |
| - Change in workyears for Overseas Allowance          | 2,488  |                |
| Special Duty Assignment Pay                           |        | 2,923          |
| - Change in rates for Special Duty Assignment Pay     | 2,923  |                |
| Clothing Allowance                                    |        | 1,119          |
| - Change in rates for Clothing Allowance              | 1,781  |                |
| - Change in payments for Clothing Allowance           | -662   |                |
| Incentive Pay   |        | 540            |
| - Change in workyears for CEFIP                       | 540    |                |
| CONUS COLA  |        | 1              |
| - Change in rates for CONUS COLA                      | 24     |                |
| - Change in workyears for CONUS COLA                  | -23    |                |
| <b>Total Increases</b>                                |        | <b>908,043</b> |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

**Decreases:**

|   |                   |
|---|-------------------|
| Separations   | -34,389           |
| - Changes to the \$30K Lump Sum Bonus Program         | -29,500           |
| - 1 Jan 04 average pay raise of 4.1%                  | 1,415             |
| - Change in LSTL payments                             | -4,218            |
| - Annualization of 1 Jan 03 average pay raise of 4.7% | 467               |
| - Change in involuntary separation payments           | -2,553            |
| Selective Reenlistment Bonus                          | -18,239           |
| - Change in rates for SRBs                            | 14,286            |
| - Change in payments for SRBs                         | -32,525           |
| Enlistment Bonus                                      | -17,547           |
| - Change in payments for Enlistment Bonus             | -17,547           |
| Special Pay   | -2,171            |
| - Change in rates for Special Pay                     | -113,761          |
| - Change in workyears for Special Pay                 | 111,590           |
| Family Separation Allowance                           | -215              |
| - 1 Jan 04 average pay raise of 4.1%                  | 68                |
| - Annualization of 1 Jan 03 average pay raise of 4.7% | 22                |
| - Change in workyears for FSA                         | -305              |
| <b>Total Decreases</b>                                | <b>-72,561</b>    |
| <b>FY 2004 DIRECT PROGRAM</b>                         | <b>14,029,285</b> |

(Amount in Thousands)

PROJECT: BASIC PAY - ENLISTED

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provide basic compensation of enlisted personnel on active duty, including length of service increments, under provision of 37 U.S.C. 201, 203, and 205.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Funding requirements include annualized pay raises of 6.9 percent in FY 2002 with additional targeting of 5-10 percent for certain enlisted grades; an average of 4.7 percent pay raise for FY 2003 an average of 4.1 for FY 2004 and 3.4 for FY 2005.

FY 2002 beginning strength was 280,410 with an actual ending strength of 292,061 resulting in the utilization of 320,902 workyears.  
FY2003 beginning strength will be 292,061 and ending with 285,500 using 291,670 workyears.  
FY2004 beginning strength will be 285,500 and ending with 285,800 using 287,685 workyears.  
FY2005 beginning strength will be 285,800 and ending with 286,100 using 287,661 workyears.

| <u>Grade</u>           | <u>FY 2002 Actual</u> |                     |                  | <u>FY 2003 Estimate</u> |                     |                  | <u>FY 2004 Estimate</u> |                     |                  | <u>FY 2005 Estimate</u> |                     |
|------------------------|-----------------------|---------------------|------------------|-------------------------|---------------------|------------------|-------------------------|---------------------|------------------|-------------------------|---------------------|
|                        | <u>Workyears</u>      | <u>Average Rate</u> | <u>Amount</u>    | <u>Workyears</u>        | <u>Average Rate</u> | <u>Amount</u>    | <u>Workyears</u>        | <u>Average Rate</u> | <u>Amount</u>    | <u>Workyears</u>        | <u>Average Rate</u> |
| Chief Master Sergeant  | 3,449                 | 50,202              | 173,147          | 2,907                   | 53,814              | 156,437          | 2,875                   | 57,030              | 163,961          | 2,878                   | 59,335              |
| Senior Master Sergeant | 7,147                 | 41,411              | 295,964          | 5,865                   | 43,728              | 256,465          | 5,838                   | 46,028              | 268,711          | 5,844                   | 47,812              |
| Master Sergeant        | 36,569                | 35,562              | 1,300,467        | 30,079                  | 37,170              | 1,118,036        | 28,565                  | 39,132              | 1,117,806        | 28,595                  | 40,626              |
| Technical Sergeant     | 53,141                | 29,863              | 1,586,950        | 45,263                  | 30,753              | 1,391,973        | 45,704                  | 32,208              | 1,472,034        | 45,752                  | 33,403              |
| Staff Sergeant         | 80,287                | 23,892              | 1,918,217        | 75,800                  | 24,615              | 1,865,817        | 77,126                  | 25,992              | 2,004,659        | 77,207                  | 26,837              |
| Senior Airman          | 59,414                | 19,192              | 1,140,273        | 56,947                  | 19,691              | 1,121,343        | 59,987                  | 20,539              | 1,232,073        | 60,050                  | 21,269              |
| Airman First Class     | 53,489                | 15,766              | 843,308          | 48,986                  | 16,451              | 805,869          | 42,458                  | 17,143              | 727,857          | 42,678                  | 17,768              |
| Airman                 | 11,598                | 14,661              | 170,038          | 11,646                  | 15,328              | 178,510          | 12,313                  | 15,853              | 195,198          | 12,080                  | 16,384              |
| Airman Basic           | 15,808                | 12,129              | 191,735          | 14,177                  | 12,668              | 179,594          | 12,819                  | 12,995              | 166,583          | 12,577                  | 13,385              |
| <b>TOTAL BASIC PAY</b> | <b>320,902</b>        |                     | <b>7,620,099</b> | <b>291,670</b>          |                     | <b>7,074,044</b> | <b>287,685</b>          |                     | <b>7,348,882</b> | <b>287,661</b>          |                     |

(Amount in Thousands)

PROJECT: BASIC PAY - ENLISTED

7,613,905  
7,348,882  
7,074,044  
7,620,099

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**Amount**

170,766  
279,413  
1,161,700  
1,528,254  
2,072,004  
1,277,203  
758,303  
197,919  
168,343  
7,613,905



(Amount in Thousands)

PROJECT: RETIRED PAY ACCRUAL - ENLISTED

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provide for the Department of Defense's contribution to the Military Retirement Fund, under provisions of 10 U.S.C. 1466. Retired pay accrual amounts are approved rates based on the latest economic assumptions, i.e., interest salary and cost-of-living adjustments.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The budgetary estimates are derived as a product of:

- (a) Retired Pay Accrual Normal Cost Percentage (NCP) approved by the Board of Actuaries.
- (b) The approved percentages are 30.3 percent for FY 2002, 27.4 percent for FY 2003, 27.1 percent for FY 2004, and 27.0 percent for FY 2005.

The computation of fund requirements is shown in the following table:

|                     | <u>FY 2002 Actual</u> |               | <u>FY 2003 Estimate</u> |               | <u>FY 2004 Estimate</u> |               | <u>FY 2005 Estimate</u> |
|---------------------|-----------------------|---------------|-------------------------|---------------|-------------------------|---------------|-------------------------|
|                     | <u>Basic Pay</u>      | <u>Amount</u> | <u>Basic Pay</u>        | <u>Amount</u> | <u>Basic Pay</u>        | <u>Amount</u> | <u>Basic Pay</u>        |
| Retired Pay Accrual | 7,620,099             | 2,308,890     | 7,074,044               | 1,938,288     | 7,348,882               | 1,991,547     | 7,613,905               |

(Amount in Thousands)

PROJECT: RETIRED PAY ACCRUAL - ENLISTED

2,055,755  
1,991,547  
1,938,288  
2,308,890

2005.

**Estimate**  

---

**Amount**  
2,055,755

(AMOUNT IN THOUSANDS)

PROJECT: DEFENSE HEALTH PROGRAM ACCRUAL  
(OVER 65) - ENLISTED

|                  |           |
|------------------|-----------|
| FY 2005 Estimate | 1,402,396 |
| FY 2004 Estimate | 1,317,958 |
| FY 2003 Estimate | 1,262,234 |
| FY 2002 Actual   | 0         |

**PART I - PURPOSE AND SCOPE**

The funds will be used to pay the health care accrual amount into the Department of Defense Medicare-eligible Retiree Health Care Fund for the future Medicare-eligible health care costs for current military personnel.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The budgetary estimates are derived as a product of the approved actuarial rate and the average strength.

|   | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|---|-----------------------|-------------------------|-------------------------|-------------------------|
| Defense Health<br>Program Accrual (over 65) | 0                     | 1,262,234               | 1,317,958               | 1,402,396               |

PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - ENLISTED

|                  |        |
|------------------|--------|
| FY 2005 Estimate | 33,581 |
| FY 2004 Estimate | 33,086 |
| FY 2003 Estimate | 32,546 |
| FY 2002 Actual   | 33,691 |

**PART I - PURPOSE AND SCOPE**

The purpose of Incentive Pay for Hazardous Duty is to help the Air Force attract and retain enlisted volunteers in duties requiring more than normal exposure to hazardous duties in peacetime. The FY 1998 NDAA increased the minimum monthly incentive pay to \$150 per month.

Funds provide payment to enlisted personnel under provisions of 37 United States Code 301 as follows:

- (1) Crew Member - A member who is required by competent orders to participate frequently and regularly in aerial flights. Minimum monthly flight requirements must be attained in order to qualify for this pay. Depending on rank the amounts range from \$150 to \$240 per month.
- (2) Non-Crew Member - Involves frequent and regular participation in aerial flights. Enlisted personnel non-crew members are classified as "operational support flyers." They are required to perform critical in-flight duties (such as maintenance) that cannot be performed by an assigned crew member. This amount was increased from \$110 to \$150 in the FY 1998 NDAA.
- (3) Parachute Jumping - Incentive pay for hazardous duty to induce volunteer enlisted personnel to enter into and remain in duty involving parachute jumping from an aircraft in aerial flight. Members, who perform duty involving parachute jumping at a high altitude with a low opening (HALO) as an essential part of duty, are entitled to pay at the monthly rate of \$225.
- (4) Demolition - Explosive demolition as a primary duty including training for such duty. Paid to members who demolish, by the use of explosives, underwater objects, obstacles or explosives, or who recover and render harmless, by disarming or demolition, explosives which have failed to function as intended or which become a potential hazard. It is paid under specified conditions at a monthly rate of \$150.
- (5) Experimental Stress - Duties involving an unusually high level of physiological or other stress; specifically (a) duty inside a high (hyperbaric) or low pressure (altitude) chamber, (b) duty as a human test subject in thermal stress experiments, and (c) duty as human acceleration/deceleration test subject. Paid at a monthly rate of \$150.
- (6) Toxic Fuel Handlers - Duties in which personnel may be exposed to toxic fuels and propellants. This pay was initiated because of hazards among personnel who work with hypergolic fuel, specifically hydrazine and nitrogen tetroxide. It is paid at a monthly rate of \$150.
- (7) Live/Hazardous Biological Organisms - Duties in which members may be exposed to toxic pesticides or to various hazardous viruses and biological organisms and paid at a monthly rate of \$150.
- (8) Career Enlisted Flyer Incentive Pay (CEFIP) - Incentive pay to compensate career enlisted aircrew members and is based on years of aviation service rather than solely on rank. The CEFIP rates: \$150 a month for aviation service less than 4 years (which is the current minimum HDIP rate), over 4 years aviation service \$225, over 8 years aviation service \$350, and \$400 for over 14 years of aviation service. Effective FY 2001, Airborne linguists, RC-135 Airborne Maintenance personnel and flight mechanics were converted to aviator AFSCs and are authorized CEFIP which

(Amount in Thousands)

**PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - ENLISTED**

decreased the flying crew members receiving incentive pay for hazardous duty.

(9) Other hazardous duty required by order and authorized under the provisions of 37 United States Code 301.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Incentive duty pay is computed on the basis of the average number of enlisted in each pay grade who are eligible for payment. Average pay rates for flying duty crew members are those prescribed by law, based on average years of service by pay grade. All other hazardous duty pay is computed at the statutory rate per workyear. The computation of fund requirements is provided in the following tables:

**Flying Duty Crew Members**

| <b><u>Grade</u></b>              | <b><u>FY 2002 Actual</u></b> |                    |                      | <b><u>FY 2003 Estimate</u></b> |                    |                      | <b><u>FY 2004 Estimate</u></b> |                    |                      | <b><u>FY 2005 Estimate</u></b> |                    |                      |
|----------------------------------|------------------------------|--------------------|----------------------|--------------------------------|--------------------|----------------------|--------------------------------|--------------------|----------------------|--------------------------------|--------------------|----------------------|
|                                  | <b><u>Workyears</u></b>      | <b><u>Rate</u></b> | <b><u>Amount</u></b> | <b><u>Workyears</u></b>        | <b><u>Rate</u></b> | <b><u>Amount</u></b> | <b><u>Workyears</u></b>        | <b><u>Rate</u></b> | <b><u>Amount</u></b> | <b><u>Workyears</u></b>        | <b><u>Rate</u></b> | <b><u>Amount</u></b> |
| Chief Master Sergeant            | 5                            | 2,880              | 14                   | 5                              | 2,880              | 14                   | 5                              | 2,880              | 14                   | 5                              | 2,880              | 14                   |
| Senior Master Sergeant           | 20                           | 2,880              | 58                   | 20                             | 2,880              | 58                   | 20                             | 2,880              | 58                   | 20                             | 2,880              | 58                   |
| Master Sergeant                  | 128                          | 2,880              | 369                  | 128                            | 2,880              | 369                  | 128                            | 2,880              | 369                  | 128                            | 2,880              | 369                  |
| Technical Sergeant               | 159                          | 2,580              | 410                  | 159                            | 2,580              | 410                  | 159                            | 2,580              | 410                  | 159                            | 2,580              | 410                  |
| Staff Sergeant                   | 296                          | 2,280              | 675                  | 296                            | 2,280              | 675                  | 296                            | 2,280              | 675                  | 296                            | 2,280              | 675                  |
| Senior Airman                    | 162                          | 1,980              | 321                  | 57                             | 1,980              | 113                  | 57                             | 1,980              | 113                  | 57                             | 1,980              | 113                  |
| Airman First Class               | 64                           | 1,800              | 115                  | 7                              | 1,800              | 13                   | 7                              | 1,800              | 13                   | 7                              | 1,800              | 13                   |
| Airman                           | 19                           | 1,800              | 34                   | 0                              | 1,800              | 0                    | 0                              | 1,800              | 0                    | 0                              | 1,800              | 0                    |
| Airman Basic                     | 7                            | 1,800              | 13                   | 0                              | 1,800              | 0                    | 0                              | 1,800              | 0                    | 0                              | 1,800              | 0                    |
| <b>Subtotal Flying Duty Crew</b> | <b>860</b>                   |                    | <b>2,009</b>         | <b>672</b>                     |                    | <b>1,652</b>         | <b>672</b>                     |                    | <b>1,652</b>         | <b>672</b>                     |                    | <b>1,652</b>         |

(Amount in Thousands)

PROJECT: INCENTIVE PAY FOR HAZARDOUS DUTY - ENLISTED

|   | <u>FY 2002 Actual</u> |             |               | <u>FY 2003 Estimate</u> |             |               | <u>FY 2004 Estimate</u> |             |               | <u>FY 2005 Estimate</u> |             |               |
|---|-----------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|-------------------------|-------------|---------------|
|   | <u>Workyears</u>      | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u> |
| <b><u>Non-Fly Crew Members</u></b>                | 78                    | 1,800       | 140           | 400                     | 1,800       | 720           | 400                     | 1,800       | 720           | 400                     | 1,800       | 720           |
| <b><u>Career Enlisted Flyer Incentive Pay</u></b> |                       |             |               |                         |             |               |                         |             |               |                         |             |               |
| Years of Service                                  |                       |             |               |                         |             |               |                         |             |               |                         |             |               |
| Less than 4 Yrs Avn Svc                           | 2,500                 | 1,800       | 4,500         | 2,700                   | 1,800       | 4,860         | 2,800                   | 1,800       | 5,040         | 3,000                   | 1,800       | 5,400         |
| More than 4 Yrs Avn Svc                           | 1,707                 | 2,700       | 4,609         | 1,500                   | 2,700       | 4,050         | 1,550                   | 2,700       | 4,185         | 1,600                   | 2,700       | 4,320         |
| More than 8 Yrs Avn Svc                           | 1,558                 | 4,200       | 6,544         | 1,600                   | 4,200       | 6,720         | 1,625                   | 4,200       | 6,825         | 1,625                   | 4,200       | 6,825         |
| More than 14 Yrs Avn Svc                          | 1,563                 | 4,800       | 7,502         | 1,500                   | 4,800       | 7,200         | 1,525                   | 4,800       | 7,320         | 1,525                   | 4,800       | 7,320         |
| Career Enlisted Flyer Incentive Pay               | 7,328                 |             | 23,155        | 7,300                   |             | 22,830        | 7,500                   |             | 23,370        | 7,750                   |             | 23,865        |
| <b>Subtotal Flying Duty Pay</b>                   | 8,266                 |             | 25,304        | 8,372                   |             | 25,202        | 8,572                   |             | 25,742        | 8,822                   |             | 26,237        |
| <b><u>Parachute Jumping</u></b>                   | 681                   | 1,800       | 1,226         | 600                     | 1,800       | 1,080         | 600                     | 1,800       | 1,080         | 600                     | 1,800       | 1,080         |
| <b><u>Demolition</u></b>                          | 1,504                 | 1,800       | 2,707         | 1,500                   | 1,800       | 2,700         | 1,500                   | 1,800       | 2,700         | 1,500                   | 1,800       | 2,700         |
| <b><u>Other Incentive Duty Pay</u></b>            |                       |             |               |                         |             |               |                         |             |               |                         |             |               |
| Experimental Stress                               | 820                   | 1,800       | 1,476         | 400                     | 1,800       | 720           | 400                     | 1,800       | 720           | 400                     | 1,800       | 720           |
| Toxic Fuel Handler                                | 740                   | 1,800       | 1,332         | 770                     | 1,800       | 1,386         | 770                     | 1,800       | 1,386         | 770                     | 1,800       | 1,386         |
| Hazardous Bio Org                                 | 64                    | 1,800       | 115           | 60                      | 1,800       | 108           | 60                      | 1,800       | 108           | 60                      | 1,800       | 108           |
| Parachute HALO                                    | 567                   | 2,700       | 1,531         | 500                     | 2,700       | 1,350         | 500                     | 2,700       | 1,350         | 500                     | 2,700       | 1,350         |
| <b>Subtotal Other Incentive Duty Pay</b>          | 2,191                 |             | 4,454         | 1,730                   |             | 3,564         | 1,730                   |             | 3,564         | 1,730                   |             | 3,564         |
| <b>TOTAL INCENTIVE PAY</b>                        | 12,642                |             | 33,691        | 12,202                  |             | 32,546        | 12,402                  |             | 33,086        | 12,652                  |             | 33,581        |

PROJECT: SPECIAL PAY - ENLISTED

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provide special pay to enlisted personnel for sea duty or duty outside the 48 contiguous states and the District of Columbia as designated by the Secretary of Defense under the provisions of 37 U.S.C. 305 and 305a; for duty subject to hostile fire under the provisions of 37 U.S.C.310; and for special pay for enlisted members extending duty at designated locations overseas under the provisions of 37 U.S.C. 314.

(1) Duty at Certain Places Pay - Payment to certain enlisted personnel for purposes of morale and in recognition of the greater than normal hardship experienced at designated locations outside the 48 contiguous states and the District of Columbia. Payment is based on grade with rates ranging from \$8 to \$22.50 per month. All areas that were receiving CPP will continue to receive it until 31 December 2001. All members arriving in CPP areas prior to 1 Jan 02 will receive CPP until they PCS.

(2) Hardship Duty Location Pay (HDLP) - Effective 1 January 2001, enlisted personnel assigned to locations or duties designated by the Secretary of Defense as hardship under the provisions of 37 United States Code 305 receive HDLP. Payment is based on member's designated locations with rates ranging from \$50 to \$150 per month.

(3) Overseas Tour Extension Incentive Pay (OTEIP) - Purpose is to induce enlisted personnel in certain specified "critical skill" classifications to extend their tours for the convenience of the government. Some military specialties are imbalanced, in that, there are many more positions overseas than in the United States. This results in members being reassigned overseas after less than two years in the United States. This is a career irritant that has resulted in many voluntary separations from the service. A financial incentive for extending tours of duty overseas helps alleviate these problems as well as conserve permanent change of station (PCS) funds. The OTEIP rate changed effective 1 Oct 98 paying members a \$2,000 lump sum instead of the previous \$80 per month.

(4) Diving Duty Pay - Authorized for enlisted members of the Air Force under the provisions of 37 U. S. C. 34. The specific amount to be paid is determined by the Secretary of the Air Force. Although the maximum amount authorized by law is \$300/month for enlisted personnel, the amounts paid by the Air Force is either \$110 or \$150 per month based on divers' skill levels, responsibility, hazard, and need for the incentive. Air Force enlisted members engaged in diving duties fall into two career fields: pararescue and diving duty basic. Changes in the DoD Pay Manual have authorized members to receive pay when they start training. Pararescue divers conduct day/night underwater rescue operations; recover space vehicles; detect and treat decompression sickness, diving accidents/injuries; infiltrate and exfiltrate for land rescue in a combat environment and deploy to sea via parachute, helicopter, surface or subsurface vessel. Combat control team members, who receive the diving duty-basic scuba pay, conduct infiltration and exfiltration to establish and manage air landing/off-load areas ashore. They enter water from either surface vessel, parachute or helicopter drop.

(5) Hostile Fire Pay - Paid at a monthly rate of \$150 to members who serve in designated areas subject to specific dangers.

(6) Foreign Language Proficiency Pay (FLPP) - Authorized in 37 U. S. C. 316 for enlisted members who have been certified as proficient in a foreign language identified by the Secretary of Defense who is: (a) qualified in a military specialty requiring such proficiency; (b)

(Amount in Thousands)

**PROJECT: SPECIAL PAY - ENLISTED**

received training to develop such proficiency; (c) assigned to military duties requiring such a proficiency; or (d) is proficient in a language for which DoD has a critical need. The pay, ranging between \$50 and \$100 a month, is based on proficiency skill levels. The FY 2000 NDAA increased the maximum rate for career linguists from \$100 to \$300 a month.

(7) College Loan Repayment Program - Authorized by P. L. 99-145, Section 2171 this recruiting initiative is designed to attract the college bound/post college drop out population. Maximum amount per recruit will not exceed \$10K.

(8) Montgomery GI Bill (MGIB) Transferability - Authorized in the National Defense Authorization Act (NDAA) for Fiscal Year 2002, Section 654 of Public Law 107-107 is a test program. The purpose of the test is to enhance recruitment and retention of service members with critical military skills. Under Service Secretary's sole discretion, those with critical military skills may transfer up to one half (18 months) of MGIB entitlement to one or more dependents. The military members transferring benefits must have served six years and agree to serve another four.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Amounts are computed by applying statutory or average rates to the average numbers of personnel programmed to be eligible. These areas support the national defense mission and include continuing efforts such as Southwest Asia and Bosnia contingencies. In FY 2001, the incremental cost for military personnel contingency requirements in Bosnia and Southeast Asia were centrally managed as part of the Overseas Contingency Operations Transfer Fund (OCOTF) instead of the military personnel appropriation. Beginning in FY 2002, the funding requirements for Bosnia, Kosovo and Southeast Asia were transferred back to the Service's Military Personnel Appropriation.

Details of the cost computation are provided in the following tables:



(Amount in Thousands)

## PROJECT: SPECIAL PAY - ENLISTED

|  | FY 2002 Actual |       |        | FY 2003 Estimate |       |        | FY 2004 Estimate |       |        | FY 2005 Estima |       |
|--|----------------|-------|--------|------------------|-------|--------|------------------|-------|--------|----------------|-------|
|  | Workyears      | Rate  | Amount | Workyears        | Rate  | Amount | Workyears        | Rate  | Amount | Workyears      | Rate  |
| <b><u>Sea and Foreign Duty-Total</u></b>       |                |       |        |                  |       |        |                  |       |        |                |       |
| <b><u>Sea Duty</u></b>                         | 4              | 1,200 | 5      | 3                | 1,200 | 4      | 3                | 1,200 | 4      | 3              | 1,200 |
| <b><u>Duty at Certain Places</u></b>           |                |       |        |                  |       |        |                  |       |        |                |       |
| <b><u>Grade</u></b>                            |                |       |        |                  |       |        |                  |       |        |                |       |
| Chief Master Sergeant                          | 1,761          | 270   | 475    | 357              | 270   | 96     | 160              | 270   | 43     | 72             | 270   |
| Senior Master Sergeant                         | 64             | 270   | 17     | 13               | 270   | 4      | 6                | 270   | 2      | 3              | 270   |
| Master Sergeant                                | 354            | 270   | 96     | 72               | 270   | 19     | 32               | 270   | 9      | 15             | 270   |
| Technical Sergeant                             | 552            | 240   | 132    | 112              | 240   | 27     | 50               | 240   | 12     | 23             | 240   |
| Staff Sergeant                                 | 1,249          | 192   | 240    | 253              | 192   | 49     | 114              | 192   | 22     | 51             | 192   |
| Senior Airman                                  | 1,162          | 156   | 181    | 235              | 156   | 37     | 106              | 156   | 17     | 48             | 156   |
| Airman First Class                             | 796            | 108   | 86     | 161              | 108   | 17     | 73               | 108   | 8      | 33             | 108   |
| Airman   | 51             | 96    | 5      | 10               | 96    | 1      | 5                | 96    | 0      | 2              | 96    |
| Airman Basic                                   | 8              | 96    | 1      | 2                | 96    | 0      | 1                | 96    | 0      | 0              | 96    |
| <b>Subtotal Duty at Certain Places</b>         | 5,997          |       | 1,233  | 1,215            |       | 250    | 547              |       | 113    | 247            |       |
| <b><u>Overseas Tour Extension Pay</u></b>      | 2              | 2,000 | 4      | 2                | 2,000 | 4      | 2                | 2,000 | 4      | 2              | 2,000 |
| <b>Subtotal Sea and Foreign Duty-Total</b>     | 6,003          |       | 1,243  | 1,220            |       | 258    | 552              |       | 120    | 252            |       |
| <b><u>Diving Duty Basic</u></b>                | 12             | 1,320 | 16     | 11               | 1,320 | 15     | 11               | 1,320 | 15     | 11             | 1,320 |
| <b><u>Diving Duty Pararescue</u></b>           | 627            | 1,800 | 1,129  | 570              | 1,800 | 1,026  | 562              | 1,800 | 1,012  | 562            | 1,800 |
| <b><u>Foreign Language Proficiency Pay</u></b> | 8,274          | 845   | 6,988  | 7,521            | 845   | 6,352  | 7,418            | 845   | 6,265  | 7,417          | 845   |
| <b><u>Hostile Fire Pay</u></b>                 | 24,786         | 1,800 | 44,615 | 22,528           | 1,800 | 40,550 | 22,220           | 1,800 | 39,996 | 22,218         | 1,800 |
| <b><u>HDLP</u></b>                             | 9,134          | 696   | 6,357  | 8,303            | 696   | 5,779  | 8,189            | 696   | 5,700  | 8,188          | 696   |
| <b><u>Other Special Pay</u></b>                |                |       |        |                  |       |        |                  |       |        |                |       |
| Air Force Transferability Program              | 0              | 0     | 0      | 206              | 6,300 | 1,300  | 0                | 0     | 0      | 0              | 0     |
| <b><u>College Loan Payback Program</u></b>     | 0              | 0     | 1,600  | 0                | 0     | 2,000  | 0                | 0     | 2,000  | 0              | 0     |
| <b>Subtotal Other Special Pay</b>              | 0              | 0     | 1,600  | 0                | 0     | 3,300  | 0                | 0     | 2,000  | 0              | 0     |
| <b>TOTAL SPECIAL PAY</b>                       | 48,836         |       | 61,947 | 40,153           |       | 57,280 | 38,952           |       | 55,109 | 38,648         |       |

(Amount in Thousands)

**PROJECT: SPECIAL PAY - ENLISTED**

55,041  
55,109  
57,280  
61,947

PROJECT: SPECIAL PAY - ENLISTED

(Amount in Thousands)

(Amount in Thousands)

PROJECT: SPECIAL PAY - ENLISTED

ite  
Amount

4

19

1

4

6

10

7

4

0

0

51

4

59

15

1,012

6,264

39,992

5,699

0

2,000

2,000

55,041

(Amount in Thousands)

**PROJECT: SPECIAL DUTY ASSIGNMENT PAY - ENLISTED**

|                  |        |
|------------------|--------|
| FY 2005 Estimate | 28,929 |
| FY 2004 Estimate | 28,929 |
| FY 2003 Estimate | 26,006 |
| FY 2002 Actual   | 25,890 |

**PART I - PURPOSE AND SCOPE**

Special Duty Assignment Pay (SDAP) is authorized by 37 United States Code 307 and is a monetary allowance to compensate enlisted personnel who serve in duties which are extremely difficult and/or duties which involve an unusual degree of responsibility. As of this submission, the Air Force has limited such designations to 44 specific duties.

**PART II - JUSTIFICATION OF FUNDS REQUIRED**

SDAP is currently authorized for recruiters, basic military training instructors, human intelligence debriefers, combat controllers, pararescue personnel, Command Chief Master Sergeants, First Sergeants, defense attache personnel, AFOSI agents, air traffic control supervisors, postal, and NADC support personnel, tactical air command and control personnel, enlisted weapons directors, army ranger instructors, parachute instructors, test parachute program, combat weather personnel, Phoenix Raven SF personnel; forward area refueling point personnel, flying crew chiefs, defense couriers, members of two joint and two headquarters operational and support commands, members of three special government agencies, and classified Air Force projects. These are extremely difficult duties that may involve an unusual degree of responsibility in military skill. The Air Force conducts SDAP reviews and requires periodic justification of these duties, resulting in changes as needed. This program is dynamic and additions or deletions of skills are required throughout the year.

(Amount in Thousands)

PROJECT: SPECIAL DUTY ASSIGNMENT PAY - ENLISTED

|  | <u>FY 2002 Actual</u> |               | <u>FY 2003 Estimate</u> |               | <u>FY 2004 Estimate</u> |               | <u>FY 2005 Estimate</u> |               |
|--|-----------------------|---------------|-------------------------|---------------|-------------------------|---------------|-------------------------|---------------|
|  | <u>Number</u>         | <u>Amount</u> | <u>Number</u>           | <u>Amount</u> | <u>Number</u>           | <u>Amount</u> | <u>Number</u>           | <u>Amount</u> |
| SD-6 (\$450)**                                       | 2,154                 | 9,693         | 2,170                   | 9,765         | 2,170                   | 11,718        | 2,170                   | 11,718        |
| SD-5 (\$375)   | 1,498                 | 4,943         | 1,531                   | 5,052         | 1,432                   | 6,444         | 1,432                   | 6,444         |
| SD-4 (\$300)   | 683                   | 1,803         | 743                     | 1,962         | 676                     | 2,434         | 676                     | 2,434         |
| SD-3 (\$225)   | 2,326                 | 4,605         | 2,454                   | 4,859         | 1,494                   | 4,034         | 1,494                   | 4,034         |
| SD-2 (\$150)   | 3,563                 | 4,703         | 3,178                   | 4,195         | 2,302                   | 4,144         | 2,302                   | 4,144         |
| SD-1 (\$75)  | 217                   | 143           | 262                     | 173           | 172                     | 155           | 172                     | 155           |
| <b>TOTAL SPECIAL<br/>DUTY<br/>ASSIGNMENT<br/>PAY</b> | <b>10,441</b>         | <b>25,890</b> | <b>10,338</b>           | <b>26,006</b> | <b>8,246</b>            | <b>28,929</b> | <b>8,246</b>            | <b>28,929</b> |

\*\*Per OSD (FMP) memorandum of February 12, 2001, the new monthly rates are effective October 1, 2003.

(Amount in Thousands)

PROJECT: SELECTIVE REENLISTMENT BONUS - ENLISTED

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 260,490 |
| FY 2004 Estimate | 196,978 |
| FY 2003 Estimate | 215,217 |
| FY 2002 Actual   | 232,139 |

**PART I - PURPOSE AND SCOPE**

A Selective Reenlistment Bonus (SRB) is authorized by 37 U. S. C. 308 as an incentive to attract additional reenlistments in critical military specialties which are characterized by retention levels insufficient to sustain the career force at an adequate level. An SRB is a retention tool used to address reenlistment problems between 17 months to 14 years of total active federal military service. The bonus amount is calculated by taking the member's base pay multiplied by the number of years and months of reenlistment multiplied by the SRB multiple. The Air Force pays SRBs under the installment program by paying 50 percent upon the reenlistment date with the remainder paid in equal annual payments on the anniversary of the member's reenlistment date. Accelerated payments are installment payments made in advance of the normal anniversary dates. Average rates paid change in connection with multiples authorized, years of reenlistment and annual pay raises. The FY 1988 NDAA changed the SRB pay methodology. The FY00 NDAA increased the maximum payment to \$60,000.

**PART II - JUSTIFICATION OF FUNDS REQUIRED**

Selective Reenlistment Bonus (SRB) requirements are based on retention trends, current and projected manning levels, and year group shortages in critical skills. Bonuses are successful in both attracting reenlistment of members currently serving in the designated skills, and in attracting members serving in other skills to reenlist for service in the designated skills. To ensure the most prudent and effective expenditure of funds, the Air Force performs a top-to-bottom review of all skills twice each year.

The goal of the SRB is to maintain skill manning in line with requirements. Retaining an adequate budget allows for the distribution of bonuses to alleviate manning shortfalls. The Air Force competes with the civilian sector for highly marketable skills. As retention continues to be a top priority, expanded monetary inducements will be required to keep these highly trained and experienced Air Force personnel.

For shortage skills, the Air Force continually evaluates the SRB program and offers bonuses where appropriate. Other initiatives to fill shortage skills include: increased promotion opportunity to members in chronic critical shortage skills; retraining members from overage skills into shortage skills; and returning previously qualified specialists to shortage skills.

|                      | <u>FY 2002 Actual</u> |              |         | <u>FY 2003 Estimate</u> |              |         | <u>FY 2004 Estimate</u> |              |         | <u>FY 2005 Estimate</u> |              |         |
|----------------------|-----------------------|--------------|---------|-------------------------|--------------|---------|-------------------------|--------------|---------|-------------------------|--------------|---------|
|                      | Number                | Average Rate | Amount  | Number                  | Average Rate | Amount  | Number                  | Average Rate | Amount  | Number                  | Average Rate | Amount  |
| Initial Payments     | 17,513                | 9,332        | 163,431 | 13,203                  | 9,714        | 128,262 | 9,609                   | 10,044       | 96,522  | 14,381                  | 10,692       | 153,773 |
| Anniversary Payments | 46,458                | 1,454        | 67,550  | 54,273                  | 1,580        | 85,802  | 58,760                  | 1,689        | 99,303  | 58,917                  | 1,791        | 105,564 |
| Accelerated Payments | 251                   | 4,613        | 1,158   | 250                     | 4,612        | 1,153   | 250                     | 4,612        | 1,153   | 250                     | 4,612        | 1,153   |
| <b>TOTAL</b>         | 64,222                |              | 232,139 | 67,726                  |              | 215,217 | 68,619                  |              | 196,978 | 73,548                  |              | 260,490 |

(Amount in Thousands)

PROJECT: SELECTIVE REENLISTMENT BONUS - ENLISTED

|                      | FY 2002       |                | FY 2003       |                | FY 2004       |                | FY 2005       |                | FY 2006       |                | FY 2007       |                | FY 2008       |                | FY 2          |
|----------------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|
|                      | Number        | Amount         | Number        | Amount         | Number        | Amount         | Number        | Amount         | Number        | Amount         | Number        | Amount         | Number        | Amount         | Number        |
| Prior Obligations    | 30,093        | 39,445         | 24,967        | 33,255         | 19,191        | 26,494         | 11,564        | 16,865         | 0             | 0              | 0             | 0              | 0             | 0              | 0             |
| Accelerated Payments | 251           | 1,158          | 250           | 1,153          | 250           | 1,153          | 250           | 1,153          | 250           | 1,153          | 250           | 1,153          | 250           | 1,153          | 250           |
| Prior Year           | 16,365        | 28,104         | 14,420        | 24,764         | 13,122        | 22,535         | 12,597        | 21,634         | 11,351        | 19,492         | 0             | 0              | 0             | 0              | 0             |
| FY 2002 Past Year    | 17,513        | 163,432        | 14,886        | 27,783         | 14,514        | 27,089         | 13,933        | 26,005         | 12,554        | 23,431         | 11,310        | 21,111         | 0             | 0              | 0             |
| FY 2003 Current Year | 0             | 0              | 13,203        | 128,262        | 11,933        | 23,185         | 11,694        | 22,721         | 10,618        | 20,631         | 9,567         | 18,588         | 8,620         | 16,748         | 0             |
| FY 2004 Budget Year  | 0             | 0              | 0             | 0              | 9,609         | 96,522         | 9,129         | 18,339         | 8,900         | 17,881         | 8,082         | 16,236         | 7,281         | 14,628         | 6,561         |
| FY 2005 Budget Year  | 0             | 0              | 0             | 0              | 0             | 0              | 14,381        | 153,773        | 12,986        | 27,771         | 11,737        | 25,100         | 10,608        | 22,685         | 9,587         |
| FY 2006 Budget Year  | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 16,520        | 182,651        | 14,918        | 32,987         | 14,470        | 31,997         | 13,139        |
| FY 2007 Budget Year  | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 17,010        | 194,463        | 15,360        | 35,120         | 14,899        |
| FY 2008 Budget Year  | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 17,010        | 201,075        | 15,360        |
| FY 2009 Budget Year  | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 0             | 0              | 17,010        |
| Anniversary Payments | 46,709        | 68,707         | 54,523        | 86,955         | 59,010        | 100,456        | 59,167        | 106,717        | 56,659        | 110,359        | 55,864        | 115,175        | 56,589        | 122,331        | 59,796        |
| <b>Total</b>         | <b>64,222</b> | <b>232,139</b> | <b>67,726</b> | <b>215,217</b> | <b>68,619</b> | <b>196,978</b> | <b>73,548</b> | <b>260,490</b> | <b>73,179</b> | <b>293,010</b> | <b>72,874</b> | <b>309,638</b> | <b>73,599</b> | <b>323,406</b> | <b>76,806</b> |



PROJECT: SELECTIVE REENLISTMENT BONUS - ENLISTED

(Amount in Thousands)

| <u>2009</u>   |
|---------------|
| <u>Amount</u> |
| 0             |
| 1,153         |
| 0             |
| 0             |
| 0             |
| 13,180        |
| 20,503        |
| 29,053        |
| 34,066        |
| 35,120        |
| 207,911       |
| 133,075       |
| 340,986       |

(Amount in Thousands)

**PROJECT: ENLISTMENT BONUS**

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 101,263 |
| FY 2004 Estimate | 101,263 |
| FY 2003 Estimate | 118,810 |
| FY 2002 Actual   | 89,250  |

**PART I - PURPOSE AND SCOPE**

An Enlistment Bonus (EB) is authorized by 37 U. S. C. 308a as an incentive to induce individuals to enlist for a period of at least four years in specific, critical military skills. The EB program was implemented in Oct 98 to: (1) improve our ability to sustain our critical/technical skills by having initial enlistment for six years instead of four; (2) position the AF for a better return on our recruiting and training investment; (3) provide Recruiting Service (RS) another tool to help attract new recruits with technical abilities into our USAF; and (4) with anticipated improved retention through the first six years, reduce our non-prior service goal. The maximum bonus authorized by law is \$20,000; the Air Force authorizes a maximum of \$12,000 for a 6-year enlistment and \$4,000 for a 4-year enlistment. We currently only have two skills authorized \$12,000. Combat Controllers (CCT) and Pararescue (PJ). The Air Force currently pays an EB to 77 skills (75 AFSCs and 2 Open Aptitude Index).

**PART II - JUSTIFICATION OF FUNDS REQUIRED**

Due to difficulties in meeting goals in hard to fill months - Feb, Mar, Apr, and May - we offer "kicker" incentives to recruits to start training earlier than they would normally. This will result in select skills receiving above the \$12,000 maximum during this period. No AFSC will receive more than \$18,000. As of FY03, the following is a breakout of the bonus amounts and number of skills authorized an EB for a six-year enlistment: \$12,000 - 3 skills; \$10,000 - 1 skill; \$9,000 - 5 skills; \$8,000 - 2 skills; \$7,000 - 8 skills; \$6,000 - 3 skills; \$5,000 - 5 skills; \$4,000 - 15 skills; \$3,000 - 11 skills, \$2,000 - 22 skills. There are 27 skills authorized an EB for a 4-year enlistment.

(Amount in Thousands)

PROJECT: ENLISTMENT BONUS

|                     | <u>FY 2002 Actual</u> |        |        | <u>FY 2003 Estimate</u> |        |        | <u>FY 2004 Estimate</u> |        |        | <u>FY 2005 Estimate</u> |        |        |
|---------------------|-----------------------|--------|--------|-------------------------|--------|--------|-------------------------|--------|--------|-------------------------|--------|--------|
|                     | Number                | Rate   | Amount | Number                  | Rate   | Amount | Number                  | Rate   | Amount | Number                  | Rate   | Amount |
| <b>New Payments</b> |                       |        |        |                         |        |        |                         |        |        |                         |        |        |
| 1                   | 1,154                 | 1,000  | 1,154  | 84                      | 1,000  | 84     | 90                      | 1,000  | 90     | 90                      | 1,000  | 90     |
| 2                   | 433                   | 2,000  | 866    | 3,277                   | 2,000  | 6,554  | 3,406                   | 2,000  | 6,812  | 3,406                   | 2,000  | 6,812  |
| 3                   | 490                   | 3,000  | 1,470  | 1,426                   | 3,000  | 4,278  | 1,461                   | 3,000  | 4,383  | 1,461                   | 3,000  | 4,383  |
| 4                   | 663                   | 4,000  | 2,652  | 4,201                   | 4,000  | 16,804 | 4,136                   | 4,000  | 16,544 | 4,136                   | 4,000  | 16,544 |
| 5                   | 2,254                 | 5,000  | 11,270 | 2,304                   | 5,000  | 11,520 | 1,968                   | 5,000  | 9,840  | 1,968                   | 5,000  | 9,840  |
| 6                   | 1,357                 | 6,000  | 8,142  | 130                     | 6,000  | 780    | 127                     | 6,000  | 762    | 127                     | 6,000  | 762    |
| 7                   | 429                   | 7,000  | 3,003  | 1,475                   | 7,000  | 10,325 | 1,539                   | 7,000  | 10,773 | 1,539                   | 7,000  | 10,773 |
| 8                   | 404                   | 8,000  | 3,232  | 180                     | 8,000  | 1,440  | 187                     | 8,000  | 1,496  | 187                     | 8,000  | 1,496  |
| 9                   | 279                   | 9,000  | 2,511  | 270                     | 9,000  | 2,430  | 281                     | 9,000  | 2,529  | 281                     | 9,000  | 2,529  |
| 10                  | 417                   | 10,000 | 4,170  | 136                     | 10,000 | 1,360  | 82                      | 10,000 | 820    | 82                      | 10,000 | 820    |
| 11                  | 0                     | 11,000 | 0      | 0                       | 11,000 | 0      | 0                       | 11,000 | 0      | 0                       | 11,000 | 0      |
| 12                  | 101                   | 12,000 | 1,212  | 420                     | 12,000 | 5,040  | 373                     | 12,000 | 4,476  | 373                     | 12,000 | 4,476  |
| 13                  | 0                     | 13,000 | 0      | 0                       | 13,000 | 0      | 0                       | 13,000 | 0      | 0                       | 13,000 | 0      |
| 14                  | 55                    | 14,000 | 770    | 35                      | 14,000 | 490    | 35                      | 14,000 | 490    | 35                      | 14,000 | 490    |
| 15                  | 0                     | 15,000 | 0      | 0                       | 15,000 | 0      | 0                       | 15,000 | 0      | 0                       | 15,000 | 0      |
| 16                  | 22                    | 16,000 | 352    | 35                      | 16,000 | 560    | 35                      | 16,000 | 560    | 35                      | 16,000 | 560    |
| 17                  | 0                     | 17,000 | 0      | 0                       | 17,000 | 0      | 0                       | 17,000 | 0      | 0                       | 17,000 | 0      |
| 18                  | 26                    | 18,000 | 468    | 46                      | 18,000 | 828    | 46                      | 18,000 | 828    | 46                      | 18,000 | 828    |
| <b>Residual:</b>    |                       |        |        |                         |        |        |                         |        |        |                         |        |        |
| 1                   | 1,702                 | 1,000  | 1,702  | 1,354                   | 1,000  | 1,354  | 70                      | 1,000  | 70     | 70                      | 1,000  | 70     |
| 2                   | 741                   | 2,000  | 1,482  | 800                     | 2,000  | 1,600  | 2,268                   | 2,000  | 4,536  | 2,268                   | 2,000  | 4,536  |
| 3                   | 740                   | 3,000  | 2,220  | 1,150                   | 3,000  | 3,450  | 974                     | 3,000  | 2,922  | 974                     | 3,000  | 2,922  |
| 4                   | 642                   | 4,000  | 2,568  | 1,930                   | 4,000  | 7,720  | 2,757                   | 4,000  | 11,028 | 2,757                   | 4,000  | 11,028 |
| 5                   | 2,143                 | 5,000  | 10,715 | 1,468                   | 5,000  | 7,340  | 1,312                   | 5,000  | 6,560  | 1,312                   | 5,000  | 6,560  |
| 6                   | 1,132                 | 6,000  | 6,792  | 1,525                   | 6,000  | 9,150  | 84                      | 6,000  | 504    | 84                      | 6,000  | 504    |
| 7                   | 1,007                 | 7,000  | 7,049  | 1,620                   | 7,000  | 11,340 | 1,025                   | 7,000  | 7,175  | 1,025                   | 7,000  | 7,175  |
| 8                   | 656                   | 8,000  | 5,248  | 543                     | 8,000  | 4,344  | 124                     | 8,000  | 992    | 124                     | 8,000  | 992    |
| 9                   | 312                   | 9,000  | 2,808  | 447                     | 9,000  | 4,023  | 187                     | 9,000  | 1,683  | 187                     | 9,000  | 1,683  |
| 10                  | 277                   | 10,000 | 2,770  | 185                     | 10,000 | 1,850  | 80                      | 10,000 | 800    | 80                      | 10,000 | 800    |
| 11                  | 0                     | 11,000 | 0      | 0                       | 11,000 | 0      | 0                       | 11,000 | 0      | 0                       | 11,000 | 0      |
| 12                  | 113                   | 12,000 | 1,356  | 113                     | 12,000 | 1,356  | 150                     | 12,000 | 1,800  | 150                     | 12,000 | 1,800  |
| 13                  | 0                     | 13,000 | 0      | 0                       | 13,000 | 0      | 0                       | 13,000 | 0      | 0                       | 13,000 | 0      |

(Amount in Thousands)

PROJECT: ENLISTMENT BONUS

|                     | <u>FY 2002 Actual</u> |        |        | <u>FY 2003 Estimate</u> |        |         | <u>FY 2004 Estimate</u> |        |         | <u>FY 2005 Estimate</u> |        |         |
|---------------------|-----------------------|--------|--------|-------------------------|--------|---------|-------------------------|--------|---------|-------------------------|--------|---------|
|                     | Number                | Rate   | Amount | Number                  | Rate   | Amount  | Number                  | Rate   | Amount  | Number                  | Rate   | Amount  |
| 14                  | 62                    | 14,000 | 868    | 50                      | 14,000 | 700     | 50                      | 14,000 | 700     | 50                      | 14,000 | 700     |
| 15                  | 0                     | 15,000 | 0      | 0                       | 15,000 | 0       | 0                       | 15,000 | 0       | 0                       | 15,000 | 0       |
| 16                  | 24                    | 16,000 | 384    | 35                      | 16,000 | 560     | 35                      | 16,000 | 560     | 35                      | 16,000 | 560     |
| 17                  | 0                     | 17,000 | 0      | 0                       | 17,000 | 0       | 0                       | 17,000 | 0       | 0                       | 17,000 | 0       |
| 18                  | 112                   | 18,000 | 2,016  | 85                      | 18,000 | 1,530   | 85                      | 18,000 | 1,530   | 85                      | 18,000 | 1,530   |
| <b>New Payments</b> | 8,084                 |        | 41,272 | 14,019                  |        | 62,493  | 13,766                  |        | 60,403  | 13,766                  |        | 60,403  |
| <b>Residual</b>     | 9,663                 |        | 47,978 | 11,305                  |        | 56,317  | 9,201                   |        | 40,860  | 9,201                   |        | 40,860  |
| <b>TOTAL</b>        | 17,747                |        | 89,250 | 25,324                  |        | 118,810 | 22,967                  |        | 101,263 | 22,967                  |        | 101,263 |

(Amount in Thousands)

**PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - ENLISTED**

|                  |           |
|------------------|-----------|
| FY 2005 Estimate | 2,058,437 |
| FY 2004 Estimate | 1,898,484 |
| FY 2003 Estimate | 1,557,297 |
| FY 2002 Actual   | 1,703,699 |

**PART I - PURPOSE AND SCOPE**

In the FY 1998 NDAA, Congress approved the payment of a basic allowance for housing (BAH) to service members. The BAH combines housing payments formerly provided by basic allowance for quarters (BAQ), variable housing allowance (VHA) and Overseas Housing Allowance (OHA). Payment to service members is authorized by revisions to 37 U. S. C. 403.

**PART II - JUSTIFICATION OF FUNDS REQUIRED**

Effective 1 Jan 1998, Overseas Housing Allowance (OHA) was linked to BAH and is now displayed in the BAH exhibit. OHA has been renamed BAH Overseas and includes the former BAQ allowance paid to overseas members.

The BAH budget reflects housing costs based on current rental housing market values resulting from the a contractor generated data collection of actual housing costs rather than the previous member survey methodology. In addition, this budget includes the initiative to further reduce median out-of-pocket housing costs from 11.3 percent in FY 2002 to 7.5 percent in FY 2003 to 3.5 percent in FY 2004, and 0 percent in FY 2005 for military members.

Included in this budget submission is the Foreign Currency Fluctuation rates as a result of improved rates in the North Atlantic Treaty Organization (NATO) Security Investment Program (NSIP) as well as revised rates developed by the Per Diem, Travel and Transportation Allowance Committee (PDTATAC).

The computation of requirements is provided in the following table:

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - ENLISTED

With Dependents

| Grade                           | FY 2002 Actual |          |                  | FY 2003 Estimate |          |                | FY 2004 Estimate |          |                  | FY 2005 Estimate |          |                  |
|---------------------------------|----------------|----------|------------------|------------------|----------|----------------|------------------|----------|------------------|------------------|----------|------------------|
|                                 | Workyears      | Rate     | Amount           | Workyears        | Rate     | Amount         | Workyears        | Rate     | Amount           | Workyears        | Rate     | Amount           |
| Chief Master Sergeant           | 1,953          | 15,276   | 29,839           | 1,541            | 16,522   | 25,468         | 1,934            | 17,249   | 33,357           | 2,066            | 17,887   | 36,955           |
| Senior Master Sergeant          | 3,891          | 13,799   | 53,699           | 2,989            | 14,925   | 44,616         | 3,775            | 15,582   | 58,828           | 4,034            | 16,158   | 65,180           |
| Master Sergeant                 | 19,976         | 12,985   | 259,386          | 15,382           | 14,045   | 216,047        | 18,531           | 14,663   | 271,726          | 19,803           | 15,205   | 301,110          |
| Technical Sergeant              | 24,616         | 11,811   | 290,741          | 19,630           | 12,775   | 250,770        | 25,144           | 13,337   | 335,352          | 26,868           | 13,830   | 371,587          |
| Staff Sergeant                  | 27,938         | 10,042   | 280,550          | 24,694           | 10,861   | 268,203        | 31,875           | 11,339   | 361,431          | 34,059           | 11,759   | 400,503          |
| Senior Airman                   | 10,997         | 9,792    | 107,687          | 9,868            | 10,591   | 104,512        | 13,187           | 11,057   | 145,808          | 14,090           | 11,466   | 161,562          |
| Airman First Class              | 6,885          | 9,643    | 66,388           | 5,902            | 10,430   | 61,559         | 6,490            | 10,889   | 70,673           | 6,964            | 11,292   | 78,637           |
| Airman                          | 958            | 10,050   | 9,628            | 901              | 10,870   | 9,791          | 1,208            | 11,349   | 13,706           | 1,265            | 11,769   | 14,884           |
| Airman Basic                    | 1,123          | 12,368   | 13,885           | 943              | 13,377   | 12,609         | 1,081            | 13,966   | 15,103           | 1,132            | 14,483   | 16,395           |
| <b>Subtotal with Dependents</b> | <b>98,337</b>  | <b>0</b> | <b>1,111,802</b> | <b>81,850</b>    | <b>0</b> | <b>993,575</b> | <b>103,225</b>   | <b>0</b> | <b>1,305,984</b> | <b>110,281</b>   | <b>0</b> | <b>1,446,812</b> |

Without Dependents - Full Allowance

| Grade                                     | FY 2002 Actual |          |                | FY 2003 Estimate |          |                | FY 2004 Estimate |          |                | FY 2005 Estimate |          |                |
|---|----------------|----------|----------------|------------------|----------|----------------|------------------|----------|----------------|------------------|----------|----------------|
|   | Workyears      | Rate     | Amount         | Workyears        | Rate     | Amount         | Workyears        | Rate     | Amount         | Workyears        | Rate     | Amount         |
| Chief Master Sergeant                     | 342            | 9,519    | 3,256          | 251              | 10,296   | 2,584          | 247              | 10,749   | 2,655          | 247              | 11,147   | 2,753          |
| Senior Master Sergeant                    | 696            | 8,660    | 6,027          | 497              | 9,366    | 4,655          | 494              | 9,778    | 4,830          | 493              | 10,140   | 4,999          |
| Master Sergeant                           | 4,088          | 7,730    | 31,601         | 2,926            | 8,361    | 24,465         | 2,770            | 8,729    | 24,180         | 2,770            | 9,052    | 25,073         |
| Technical Sergeant                        | 7,882          | 6,934    | 54,655         | 5,842            | 7,500    | 43,816         | 5,880            | 7,830    | 46,041         | 5,881            | 8,120    | 47,752         |
| Staff Sergeant                            | 21,994         | 6,161    | 135,507        | 18,070           | 6,664    | 120,415        | 18,326           | 6,957    | 127,495        | 18,327           | 7,215    | 132,231        |
| Senior Airman                             | 19,883         | 5,721    | 113,753        | 16,583           | 6,187    | 102,602        | 17,413           | 6,460    | 112,489        | 17,413           | 6,699    | 116,651        |
| Airman First Class                        | 9,395          | 5,711    | 53,656         | 7,487            | 6,177    | 46,249         | 6,468            | 6,449    | 41,712         | 6,496            | 6,688    | 43,443         |
| Airman                                    | 476            | 5,554    | 2,644          | 416              | 6,007    | 2,499          | 438              | 6,272    | 2,747          | 430              | 6,503    | 2,796          |
| Airman Basic                              | 55             | 5,938    | 327            | 43               | 6,423    | 276            | 39               | 6,706    | 262            | 38               | 6,954    | 264            |
| <b>Subtotal without Dependents (Full)</b> | <b>64,811</b>  | <b>0</b> | <b>401,425</b> | <b>52,115</b>    | <b>0</b> | <b>347,562</b> | <b>52,075</b>    | <b>0</b> | <b>362,411</b> | <b>52,095</b>    | <b>0</b> | <b>375,963</b> |

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING (DOMESTIC) - ENLISTED

Without Dependents -  
Partial Allowance

|  | FY 2002 Actual |          |              | FY 2003 Estimate |          |              | FY 2004 Estimate |          |              | FY 2005 Estimate |          |              |
|--|----------------|----------|--------------|------------------|----------|--------------|------------------|----------|--------------|------------------|----------|--------------|
|  | Workyears      | Rate     | Amount       | Workyears        | Rate     | Amount       | Workyears        | Rate     | Amount       | Workyears        | Rate     | Amount       |
| <b>Grade</b>                                 |                |          |              |                  |          |              |                  |          |              |                  |          |              |
| Chief Master Sergeant                        | 6              | 228      | 1            | 4                | 247      | 1            | 5                | 257      | 1            | 5                | 267      | 1            |
| Senior Master Sergeant                       | 14             | 180      | 3            | 10               | 195      | 2            | 10               | 203      | 2            | 10               | 211      | 2            |
| Master Sergeant                              | 83             | 144      | 12           | 61               | 156      | 10           | 60               | 163      | 10           | 60               | 169      | 10           |
| Technical Sergeant                           | 257            | 120      | 31           | 197              | 130      | 26           | 204              | 136      | 28           | 203              | 141      | 29           |
| Staff Sergeant                               | 1,799          | 108      | 194          | 1,527            | 117      | 179          | 1,598            | 122      | 195          | 1,586            | 126      | 200          |
| Senior Airman                                | 9,258          | 96       | 889          | 7,978            | 104      | 830          | 8,643            | 108      | 933          | 8,578            | 112      | 961          |
| Airman First Class                           | 30,642         | 96       | 2,942        | 25,226           | 104      | 2,623        | 22,490           | 108      | 2,429        | 22,412           | 112      | 2,510        |
| Airman                                       | 8,777          | 84       | 737          | 7,923            | 91       | 721          | 8,616            | 95       | 819          | 8,381            | 98       | 821          |
| Airman Basic                                 | 10,253         | 84       | 861          | 8,266            | 91       | 752          | 7,688            | 95       | 730          | 7,478            | 98       | 733          |
| <b>Subtotal without Dependents (Partial)</b> | <b>61,089</b>  | <b>0</b> | <b>5,670</b> | <b>51,192</b>    | <b>0</b> | <b>5,143</b> | <b>49,314</b>    | <b>0</b> | <b>5,147</b> | <b>48,713</b>    | <b>0</b> | <b>5,267</b> |

Inadequate Family Housing

|   | FY 2002 Actual |          |                  | FY 2003 Estimate |          |                  | FY 2004 Estimate |          |                  | FY 2005 Estimate |          |                  |
|---|----------------|----------|------------------|------------------|----------|------------------|------------------|----------|------------------|------------------|----------|------------------|
|   | Workyears      | Rate     | Amount           | Workyears        | Rate     | Amount           | Workyears        | Rate     | Amount           | Workyears        | Rate     | Amount           |
| <b>Grade</b>                              |                |          |                  |                  |          |                  |                  |          |                  |                  |          |                  |
| Chief Master Sergeant                     | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| Senior Master Sergeant                    | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| Master Sergeant                           | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| Technical Sergeant                        | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| Staff Sergeant                            | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| Senior Airman                             | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| Airman First Class                        | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| Airman                                    | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| Airman Basic                              | 0              | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                | 0                | 0        | 0                |
| <b>Subtotal Inadequate Family Housing</b> | <b>0</b>       | <b>0</b> | <b>0</b>         | <b>0</b>         | <b>0</b> | <b>0</b>         | <b>0</b>         | <b>0</b> | <b>0</b>         | <b>0</b>         | <b>0</b> | <b>0</b>         |
| <b>TOTAL BAH - DOMESTIC</b>               | <b>223,213</b> | <b>0</b> | <b>1,518,897</b> | <b>218,780</b>   | <b>0</b> | <b>1,346,280</b> | <b>219,445</b>   | <b>0</b> | <b>1,673,542</b> | <b>222,195</b>   | <b>0</b> | <b>1,828,042</b> |

(Amount in Thousands)

## PROJECT: BASIC ALLOWANCE FOR HOUSING (OVERSEAS) - ENLISTED

With Dependents

|                                 | <u>FY 2002 Actual</u> |             |                | <u>FY 2003 Estimate</u> |             |                | <u>FY 2004 Estimate</u> |             |                | <u>FY 2005 Estir</u> |             |
|---------------------------------|-----------------------|-------------|----------------|-------------------------|-------------|----------------|-------------------------|-------------|----------------|----------------------|-------------|
|                                 | <u>Workyears</u>      | <u>Rate</u> | <u>Amount</u>  | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u>  | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u>  | <u>Workyears</u>     | <u>Rate</u> |
| <b>Grade</b>                    |                       |             |                |                         |             |                |                         |             |                |                      |             |
| Chief Master Sergeant           | 121                   | 17,850      | 2,153          | 160                     | 17,993      | 2,878          | 171                     | 18,263      | 3,129          | 174                  | 18,537      |
| Senior Master Sergeant          | 297                   | 16,715      | 4,958          | 381                     | 16,848      | 6,423          | 412                     | 17,101      | 7,038          | 416                  | 17,358      |
| Master Sergeant                 | 1,300                 | 16,824      | 21,870         | 1,677                   | 16,958      | 28,438         | 1,728                   | 17,213      | 29,750         | 1,749                | 17,471      |
| Technical Sergeant              | 1,802                 | 16,164      | 29,128         | 2,407                   | 16,294      | 39,213         | 2,637                   | 16,538      | 43,613         | 2,669                | 16,786      |
| Staff Sergeant                  | 2,363                 | 15,677      | 37,046         | 3,498                   | 15,802      | 55,275         | 3,862                   | 16,039      | 61,944         | 3,908                | 16,280      |
| Senior Airman                   | 717                   | 15,681      | 11,236         | 1,077                   | 15,806      | 17,025         | 1,231                   | 16,043      | 19,751         | 1,246                | 16,284      |
| Airman First Class              | 336                   | 15,890      | 5,338          | 482                     | 16,017      | 7,715          | 453                     | 16,258      | 7,366          | 461                  | 16,502      |
| Airman                          | 22                    | 16,711      | 373            | 35                      | 16,844      | 584            | 41                      | 17,097      | 695            | 40                   | 17,354      |
| Airman Basic                    | 3                     | 17,704      | 47             | 4                       | 17,846      | 79             | 3                       | 18,113      | 48             | 3                    | 18,385      |
| <b>Subtotal with Dependents</b> | <b>6,961</b>          | <b>0</b>    | <b>112,148</b> | <b>9,721</b>            | <b>0</b>    | <b>157,631</b> | <b>10,538</b>           | <b>0</b>    | <b>173,334</b> | <b>10,666</b>        | <b>0</b>    |

Without Dependents

|                                    | <u>FY 2002 Actual</u> |             |                  | <u>FY 2003 Estimate</u> |             |                  | <u>FY 2004 Estimate</u> |             |                  | <u>FY 2005 Estir</u> |             |
|------------------------------------|-----------------------|-------------|------------------|-------------------------|-------------|------------------|-------------------------|-------------|------------------|----------------------|-------------|
|                                    | <u>Workyears</u>      | <u>Rate</u> | <u>Amount</u>    | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u>    | <u>Workyears</u>        | <u>Rate</u> | <u>Amount</u>    | <u>Workyears</u>     | <u>Rate</u> |
| <b>Grade</b>                       |                       |             |                  |                         |             |                  |                         |             |                  |                      |             |
| Chief Master Sergeant              | 28                    | 13,341      | 376              | 19                      | 13,447      | 259              | 17                      | 13,649      | 232              | 17                   | 13,854      |
| Senior Master Sergeant             | 67                    | 12,418      | 833              | 43                      | 12,518      | 544              | 41                      | 12,705      | 518              | 41                   | 12,896      |
| Master Sergeant                    | 394                   | 12,535      | 4,942            | 257                     | 12,635      | 3,243            | 229                     | 12,824      | 2,939            | 229                  | 13,017      |
| Technical Sergeant                 | 907                   | 11,902      | 10,795           | 611                     | 11,998      | 7,330            | 580                     | 12,178      | 7,069            | 580                  | 12,360      |
| Staff Sergeant                     | 3,003                 | 11,460      | 34,418           | 2,241                   | 11,552      | 25,883           | 2,147                   | 11,725      | 25,175           | 2,144                | 11,901      |
| Senior Airman                      | 1,619                 | 10,362      | 16,779           | 1,227                   | 10,445      | 12,814           | 1,217                   | 10,601      | 12,901           | 1,215                | 10,760      |
| Airman First Class                 | 420                   | 9,958       | 4,182            | 304                     | 10,038      | 3,048            | 248                     | 10,189      | 2,525            | 249                  | 10,341      |
| Airman                             | 31                    | 9,858       | 302              | 24                      | 9,937       | 241              | 24                      | 10,086      | 240              | 24                   | 10,237      |
| Airman Basic                       | 2                     | 11,223      | 28               | 2                       | 11,313      | 24               | 1                       | 11,483      | 10               | 1                    | 11,655      |
| <b>Subtotal without Dependents</b> | <b>6,471</b>          | <b>0</b>    | <b>72,654</b>    | <b>4,728</b>            | <b>0</b>    | <b>53,386</b>    | <b>4,504</b>            | <b>0</b>    | <b>51,608</b>    | <b>4,500</b>         | <b>0</b>    |
| <b>TOTAL BAH - OVERSEAS</b>        | <b>15,604</b>         | <b>0</b>    | <b>184,802</b>   | <b>17,570</b>           | <b>0</b>    | <b>211,017</b>   | <b>17,239</b>           | <b>0</b>    | <b>224,942</b>   | <b>17,163</b>        | <b>0</b>    |
| <b>GRAND TOTAL BAH</b>             | <b>238,817</b>        | <b>0</b>    | <b>1,703,699</b> | <b>236,350</b>          | <b>0</b>    | <b>1,557,297</b> | <b>236,684</b>          | <b>0</b>    | <b>1,898,484</b> | <b>239,358</b>       | <b>0</b>    |



(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR HOUSING (OVERSEAS) - ENLISTED

nate  
Amount

3,217  
7,229  
30,549  
44,797  
63,627  
20,287  
7,607  
695  
49  
  
178,056

nate  
Amount

241  
527  
2,975  
7,165  
25,518  
13,074  
2,579  
249  
10  
  
52,339  
  
230,395  
  
2,058,437

(Amount in Thousands)

**PROJECT: STATION ALLOWANCE, OVERSEAS - ENLISTED**

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 227,559 |
| FY 2004 Estimate | 224,343 |
| FY 2003 Estimate | 218,659 |
| FY 2002 Actual   | 214,591 |

**PART I - PURPOSE AND SCOPE**

Funds provide payment of a per diem allowance to enlisted personnel on duty outside the continental United States. The station allowance considers all elements of the cost of living; subsistence and other necessary incidental expenses as prescribed by the the Joint Travel Regulation and authorized under the provisions of 37 United States Code 403 and 405.

**PART II - JUSTIFICATION OF FUNDS REQUIRED**

Station Allowances, Overseas consists of: (a) Cost Of Living Allowance (COLA), (b) Temporary Lodging Allowance (TLA), and (c) Moving-In Housing Allowance (MIHA).

COLA is based on the most recent experience derived from the results of yearly surveys that determine the cost of goods and services by area, and biweekly decisions by the DoD PDTATAC for adjustments relative to the value of the dollar against foreign currency. TLA covers the off-base housing (hotels) costs for military members permanently relocating in or out of an overseas location. MIHA is intended to offset initial costs such as rent deposits, electrical current transformers and other overseas unique initial housing costs. The number of personnel entitled to an overseas station allowance is based on historical data adjusted for known changes in each type of allowance.

The workyears for cost of living allowance, temporary lodging allowance, and moving-in allowance are based on authorized overseas strengths for each fiscal year.

(Amount in Thousands)

PROJECT: STATION ALLOWANCE, OVERSEAS - ENLISTED

**Cost of Living**

|   | <b><u>FY 2002 Actual</u></b> |                    |                      | <b><u>FY 2003 Estimate</u></b> |                    |                      | <b><u>FY 2004 Estimate</u></b> |                    |                      | <b><u>FY 2005 Estimate</u></b> |                    |                      |
|---|------------------------------|--------------------|----------------------|--------------------------------|--------------------|----------------------|--------------------------------|--------------------|----------------------|--------------------------------|--------------------|----------------------|
|   | <b><u>Workyears</u></b>      | <b><u>Rate</u></b> | <b><u>Amount</u></b> | <b><u>Workyears</u></b>        | <b><u>Rate</u></b> | <b><u>Amount</u></b> | <b><u>Workyears</u></b>        | <b><u>Rate</u></b> | <b><u>Amount</u></b> | <b><u>Workyears</u></b>        | <b><u>Rate</u></b> | <b><u>Amount</u></b> |
| <b><u>Grade</u></b>                       |                              |                    |                      |                                |                    |                      |                                |                    |                      |                                |                    |                      |
| Chief Master Sergeant                     | 510                          | 5,580              | 2,846                | 515                            | 5,625              | 2,897                | 518                            | 5,709              | 2,957                | 518                            | 5,795              | 3,002                |
| Senior Master Sergeant                    | 1,159                        | 5,256              | 6,092                | 1,128                          | 5,298              | 5,976                | 1,134                          | 5,378              | 6,099                | 1,134                          | 5,458              | 6,189                |
| Master Sergeant                           | 5,493                        | 5,016              | 27,553               | 5,606                          | 5,056              | 28,344               | 5,639                          | 5,132              | 28,939               | 5,635                          | 5,209              | 29,353               |
| Technical Sergeant                        | 8,272                        | 4,632              | 38,316               | 8,240                          | 4,669              | 38,473               | 8,503                          | 4,739              | 40,296               | 8,498                          | 4,810              | 40,875               |
| Staff Sergeant                            | 14,928                       | 3,960              | 59,115               | 15,015                         | 3,992              | 59,940               | 15,100                         | 4,052              | 61,185               | 15,092                         | 4,112              | 62,058               |
| Senior Airman                             | 8,877                        | 3,132              | 27,803               | 8,812                          | 3,157              | 27,819               | 8,862                          | 3,204              | 28,394               | 8,858                          | 3,252              | 28,806               |
| Airman First Class                        | 8,535                        | 2,292              | 19,562               | 9,088                          | 2,310              | 20,993               | 9,140                          | 2,345              | 21,433               | 9,135                          | 2,380              | 21,741               |
| Airman                                    | 1,428                        | 1,980              | 2,827                | 1,561                          | 1,996              | 3,116                | 1,570                          | 2,026              | 3,181                | 1,569                          | 2,056              | 3,226                |
| Airman Basic                              | 229                          | 1,332              | 305                  | 207                            | 1,343              | 278                  | 209                            | 1,363              | 285                  | 209                            | 1,383              | 289                  |
| <b>Subtotal Cost of Living</b>            | <b>49,431</b>                |                    | <b>184,419</b>       | <b>50,172</b>                  |                    | <b>187,836</b>       | <b>50,675</b>                  |                    | <b>192,769</b>       | <b>50,648</b>                  |                    | <b>195,539</b>       |
| <b><u>Temporary Lodging Allowance</u></b> | <b>48,014</b>                | <b>479</b>         | <b>22,999</b>        | <b>48,643</b>                  | <b>483</b>         | <b>23,495</b>        | <b>49,118</b>                  | <b>490</b>         | <b>24,068</b>        | <b>49,100</b>                  | <b>497</b>         | <b>24,403</b>        |
| <b><u>Moving-In Housing Allowance</u></b> | <b>10,232</b>                | <b>701</b>         | <b>7,173</b>         | <b>10,365</b>                  | <b>707</b>         | <b>7,328</b>         | <b>10,468</b>                  | <b>717</b>         | <b>7,506</b>         | <b>10,463</b>                  | <b>728</b>         | <b>7,617</b>         |
| <b>TOTAL STATION ALLOWANCES-OVERSEAS</b>  | <b>107,677</b>               |                    | <b>214,591</b>       | <b>109,180</b>                 |                    | <b>218,659</b>       | <b>110,261</b>                 |                    | <b>224,343</b>       | <b>110,211</b>                 |                    | <b>227,559</b>       |

(Amount in Thousands)

**PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA) - ENLISTED**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

In the Fiscal Year 1995 NDAA, Congress approved the payment of a COLA to service members assigned to high cost areas in CONUS.

**PART II - JUSTIFICATION OF FUNDS REQUIRED**

As part of the DoD Quality of Life Initiatives, high cost areas are grouped as Military Housing Areas (MHA) where the cost of goods and services exceeds 108 percent of the national cost of living average. The entitlement was implemented 1 July 1995. Computation of program cost is the product of military member by grade and dependency status, the number of members assigned to a designated high-cost area of CONUS, and the percent by which an area's cost of non-housing goods and services exceeds 108 percent of the national cost of living average.

Details of the computation are shown below:

|       | <u>FY 2002 Actual</u> |      |        | <u>FY 2003 Estimate</u> |      |        | <u>FY 2004 Estimate</u> |      |        | <u>FY 2005 Estimate</u> |      |        |
|-------|-----------------------|------|--------|-------------------------|------|--------|-------------------------|------|--------|-------------------------|------|--------|
|       | Workyears             | Rate | Amount | Workyears               | Rate | Amount | Workyears               | Rate | Amount | Workyears               | Rate | Amount |
| CONUS |                       |      |        |                         |      |        |                         |      |        |                         |      |        |
| COLA  | 1,956                 | 517  | 1,011  | 1,778                   | 521  | 926    | 1,754                   | 529  | 927    | 1,754                   | 537  | 941    |

(Amount in Thousands)

**PROJECT: CONUS COST OF LIVING ALLOWANCE (COLA) - ENLISTED**

941  
927  
926  
1,011

(Amount in Thousands)

**PROJECT: CLOTHING ALLOWANCE - ENLISTED**

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 118,575 |
| FY 2004 Estimate | 120,491 |
| FY 2003 Estimate | 119,372 |
| FY 2002 Actual   | 125,502 |

**PART I - PURPOSE AND SCOPE**

Funds provide payment to enlisted personnel for prescribed clothing, authorized by the Secretary of Defense under the provisions of 37 United States Code 418. This project includes:

- (1) Initial clothing allowances upon initial enlistment,
- (2) Civilian clothing allowances when authorized,
- (3) Basic replacement allowance payable to a member upon completion of six months active duty for the remainder of the first three years of continuous service,
- (4) Standard replacement allowance payable to a member upon completion of 36 months of active duty through the remainder of active duty,
- (5) Supplemental clothing allowances for personnel assigned to special organizations or details where the nature of the duties requires additional items of individual uniform clothing. This necessitates that he or she have, as a military requirement, additional quantities or special items of individual uniform clothing normally not required for most enlisted members in the Service.

Both basic and standard replacement allowances are cash allowances for the enlisted member to purchase the required items. All replacement allowances are paid annually.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The annual rates prescribed by the Secretary of Defense are used to determine clothing allowance requirements. Estimates also include new payments standards, approved in the FY 1988 NDAA, for civilian clothing allowance. The new system pays a lower initial allowance at the start of the tour followed by an annual replacement (continuing) allowance as long as the member remains in a qualifying assignment. Previous policy authorized one lump-sum payment at the start of the tour. The number of payments for the initial and additional allowances are based on the number of accessions programmed.

The computation of requirements is provided in the following table:

(Amount in Thousands)

PROJECT: CLOTHING ALLOWANCE - ENLISTED

|  | <u>FY 2002 Actual</u> |               |                | <u>FY 2003 Estimate</u> |               |                | <u>FY 2004 Estimate</u> |               |                | <u>FY 2005 Estimate</u> |               |                |
|--|-----------------------|---------------|----------------|-------------------------|---------------|----------------|-------------------------|---------------|----------------|-------------------------|---------------|----------------|
|  | Number                | Rate          | Amount         | Number                  | Rate          | Amount         | Number                  | Rate          | Amount         | Number                  | Rate          | Amount         |
| <b><u>Initial Allowances</u></b>             |                       |               |                |                         |               |                |                         |               |                |                         |               |                |
| <b><u>Military Clothing</u></b>              |                       |               |                |                         |               |                |                         |               |                |                         |               |                |
| Civilian Life (Male)                         | 29,300                | 1,068.35      | 31,303         | 27,640                  | 1,076.90      | 29,766         | 27,640                  | 1,093.05      | 30,212         | 25,900                  | 1,109.45      | 28,735         |
| Civilian Life (Female)                       | 8,667                 | 1,256.18      | 10,887         | 9,360                   | 1,266.23      | 11,852         | 9,360                   | 1,285.22      | 12,030         | 9,100                   | 1,304.50      | 11,871         |
| Officer Tng School (Male)                    | 910                   | 718           | 653            | 1,045                   | 723.74        | 756            | 615                     | 734.6         | 452            | 615                     | 745.62        | 459            |
| Officer Tng School (Female)                  | 317                   | 929           | 294            | 358                     | 936.43        | 335            | 210                     | 950.48        | 200            | 210                     | 964.74        | 203            |
| AF Academy Prep (Male)                       | 142                   | 790           | 112            | 142                     | 796.32        | 113            | 142                     | 808.26        | 115            | 142                     | 820.39        | 116            |
| AF Academy Prep (Female)                     | 38                    | 789           | 30             | 38                      | 795.31        | 30             | 38                      | 807.24        | 31             | 38                      | 819.35        | 31             |
| <b>Subtotal Military Clothing</b>            | <b>39,374</b>         |               | <b>43,279</b>  | <b>38,583</b>           |               | <b>42,852</b>  | <b>38,005</b>           |               | <b>43,040</b>  | <b>36,005</b>           |               | <b>41,415</b>  |
| <b><u>Civilian Clothing</u></b>              |                       |               |                |                         |               |                |                         |               |                |                         |               |                |
| Initial                                      | 981                   | 811.47        | 796            | 892                     | 817.96        | 730            | 879                     | 830.23        | 730            | 879                     | 842.68        | 741            |
| Continuing                                   | 1,915                 | 270.49        | 518            | 1,741                   | 272.65        | 475            | 1,717                   | 276.74        | 475            | 1,717                   | 280.89        | 482            |
| TDY  | 2,240                 | 405.74        | 909            | 2,036                   | 408.99        | 833            | 2,008                   | 415.12        | 834            | 2,008                   | 421.35        | 846            |
| <b>Subtotal Civilian Clothing</b>            | <b>5,136</b>          |               | <b>2,223</b>   | <b>4,669</b>            |               | <b>2,038</b>   | <b>4,604</b>            |               | <b>2,039</b>   | <b>4,604</b>            |               | <b>2,069</b>   |
| <b>TOTAL INITIAL ALLOWANCES</b>              | <b>44,510</b>         |               | <b>45,502</b>  | <b>43,252</b>           |               | <b>44,890</b>  | <b>42,609</b>           |               | <b>45,079</b>  | <b>40,609</b>           |               | <b>43,484</b>  |
| <b><u>Maintenance Allowance</u></b>          |                       |               |                |                         |               |                |                         |               |                |                         |               |                |
| <b><u>Military Clothing</u></b>              |                       |               |                |                         |               |                |                         |               |                |                         |               |                |
| Airmen (Male)                                | 65,574                | 205.2         | 13,456         | 61,745                  | 205.2         | 12,771         | 62,235                  | 208.69        | 13,066         | 57,965                  | 212.44        | 12,352         |
| Airmen (Female)                              | 21,594                | 230.4         | 4,975          | 23,278                  | 241.2         | 5,406          | 23,463                  | 245.3         | 5,531          | 22,673                  | 249.72        | 5,425          |
| <b>Subtotal</b>                              | <b>87,168</b>         |               | <b>18,431</b>  | <b>85,023</b>           |               | <b>18,177</b>  | <b>85,698</b>           |               | <b>18,597</b>  | <b>80,638</b>           |               | <b>17,777</b>  |
| <b><u>Standard Maintenance Allowance</u></b> |                       |               |                |                         |               |                |                         |               |                |                         |               |                |
| <b><u>Military Clothing (37th Month)</u></b> |                       |               |                |                         |               |                |                         |               |                |                         |               |                |
| Airmen (Male)                                | 163,965               | 496.8         | 47,812         | 148,755                 | 500.77        | 43,724         | 147,887                 | 508.28        | 44,121         | 146,980                 | 515.91        | 44,508         |
| Airmen (Female)                              | 34,900                | 561.6         | 11,559         | 31,663                  | 566.09        | 10,571         | 31,477                  | 574.59        | 10,666         | 31,285                  | 583.2         | 10,760         |
| <b>Subtotal</b>                              | <b>198,865</b>        |               | <b>59,371</b>  | <b>180,418</b>          |               | <b>54,295</b>  | <b>179,364</b>          |               | <b>54,787</b>  | <b>178,265</b>          |               | <b>55,268</b>  |
| <b><u>Supplemental Maint. Allow.</u></b>     | <b>8,579</b>          | <b>256.17</b> | <b>2,198</b>   | <b>7,784</b>            | <b>258.22</b> | <b>2,010</b>   | <b>7,738</b>            | <b>262.09</b> | <b>2,028</b>   | <b>7,690</b>            | <b>266.02</b> | <b>2,046</b>   |
| <b>TOTAL CLOTHING ALLOWANCE</b>              | <b>339,122</b>        |               | <b>125,502</b> | <b>316,477</b>          |               | <b>119,372</b> | <b>315,409</b>          |               | <b>120,491</b> | <b>307,202</b>          |               | <b>118,575</b> |

(Amount in Thousands)

**PROJECT: FAMILY SEPARATION ALLOWANCES - ENLISTED**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Under the provision of 37 U. S. C. 427, two types of family separation allowance (FSA) payments are made to enlisted personnel with dependents to compensate for added expenses incurred because of forced separation from dependents:

(1) Members are entitled to FSA I when travel of dependents to the overseas duty station is not authorized and the member maintains two homes, one in the CONUS for his or her family and one overseas.

(2) FSA II is payable when a member with dependents makes a permanent change of station or is on temporary duty travel for 30 consecutive days or more either in CONUS or overseas and the travel of dependents to his or her duty station is not authorized and dependents do not reside at or near the duty station.

The FY 1998 NDAA increased the Family Separation Allowance Type II rates from \$75 to \$100 per month.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Allowances for family separation payments are determined by multiplying the number of personnel eligible for each type of family separation allowance by the applicable statutory rate.

In FY 2001 the incremental cost for military personnel contingency requirements in Bosnia and Southeast Asia were centrally managed as part of the Overseas Contingency Operations Transfer Fund (OCOTF) instead of the military personnel appropriation. Beginning in FY 2002, the funding requirements for Bosnia, Kosovo and Southeast Asia were transferred back to the Service's Military Personnel Appropriation. Details of the cost computation are provided in the following tables:



(Amount in Thousands)

PROJECT: FAMILY SEPARATION ALLOWANCES - ENLISTED

|   | <u>FY 2002 Actual</u> |              |               | <u>FY 2003 Estimate</u> |              |               | <u>FY 2004 Estimate</u> |              |               | <u>FY 2005 Estima</u> |              |
|---|-----------------------|--------------|---------------|-------------------------|--------------|---------------|-------------------------|--------------|---------------|-----------------------|--------------|
|   | <u>Workyears</u>      | <u>Rate</u>  | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u>  | <u>Amount</u> | <u>Workyears</u>        | <u>Rate</u>  | <u>Amount</u> | <u>Workyears</u>      | <u>Rate</u>  |
| <b><u>PCS Overseas with Dependents not Authorized and Maintain Two Homes</u></b>                        |                       |              |               |                         |              |               |                         |              |               |                       |              |
| <b><u>Grade</u></b>   |                       |              |               |                         |              |               |                         |              |               |                       |              |
| Chief Master Sergeant   | 11                    | 7,053        | 78            | 9                       | 7,356        | 66            | 9                       | 7,664        | 69            | 9                     | 7,986        |
| Senior Master Sergeant  | 23                    | 6,476        | 149           | 19                      | 6,754        | 128           | 19                      | 7,037        | 134           | 19                    | 7,332        |
| Master Sergeant   | 96                    | 5,530        | 531           | 79                      | 5,766        | 456           | 75                      | 6,008        | 451           | 75                    | 6,261        |
| Technical Sergeant  | 132                   | 5,006        | 661           | 112                     | 5,221        | 585           | 114                     | 5,440        | 620           | 114                   | 5,669        |
| Staff Sergeant  | 157                   | 4,618        | 725           | 148                     | 4,815        | 713           | 151                     | 5,017        | 758           | 151                   | 5,228        |
| Senior Airman   | 35                    | 4,016        | 141           | 34                      | 4,188        | 142           | 35                      | 4,363        | 153           | 35                    | 4,547        |
| Airman First Class  | 5                     | 3,941        | 20            | 5                       | 4,109        | 21            | 4                       | 4,282        | 17            | 4                     | 4,461        |
| Airman  | 1                     | 3,200        | 3             | 1                       | 3,339        | 3             | 1                       | 3,479        | 3             | 1                     | 3,626        |
| Airman Basic  | 0                     | 2,856        | 0             | 0                       | 2,979        | 0             | 0                       | 3,104        | 0             | 0                     | 3,235        |
| <b>Subtotal</b>   | <b>460</b>            |              | <b>2,308</b>  | <b>407</b>              |              | <b>2,114</b>  | <b>408</b>              |              | <b>2,205</b>  | <b>408</b>            |              |
| <b><u>PCS CONUS or Overseas with dependents not authorized</u></b>                                      |                       |              |               |                         |              |               |                         |              |               |                       |              |
|   | <b>4,874</b>          | <b>1,200</b> | <b>5,849</b>  | <b>4,430</b>            | <b>1,200</b> | <b>5,316</b>  | <b>4,370</b>            | <b>1,200</b> | <b>5,244</b>  | <b>4,369</b>          | <b>1,200</b> |
| <b><u>TDY CONUS or Overseas for more than 30 days with dependents not residing near TDY station</u></b> |                       |              |               |                         |              |               |                         |              |               |                       |              |
|   | <b>15,688</b>         | <b>1,200</b> | <b>18,826</b> | <b>14,259</b>           | <b>1,200</b> | <b>17,111</b> | <b>14,064</b>           | <b>1,200</b> | <b>16,877</b> | <b>14,063</b>         | <b>1,200</b> |
| <b>TOTAL FAMILY SEPARATION ALLOWANCE</b>  | <b>21,022</b>         |              | <b>26,983</b> | <b>19,096</b>           |              | <b>24,541</b> | <b>18,842</b>           |              | <b>24,326</b> | <b>18,840</b>         |              |

(Amount in Thousands)

**PROJECT: FAMILY SEPARATION ALLOWANCES - ENLISTED**

24,416  
24,326  
24,541  
26,983

PROJECT: FAMILY SEPARATION ALLOWANCES - ENLISTED

(Amount in Thousands)

ite  
Amount

72  
139  
470  
646  
789  
159  
18  
4  
0  
  
2,297  
  
5,243  
  
16,876  
  
24,416

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 105,369 |
| FY 2004 Estimate | 99,543  |
| FY 2003 Estimate | 133,932 |
| FY 2002 Actual   | 124,108 |

**PART I - PURPOSE AND SCOPE**

Funds provide payment to enlisted personnel for:

- (1) Lump sum terminal leave (LSTL) payments for unused accrued leave at time of discharge (under honorable conditions), retirement or death under provisions of 10 U. S. C. 501.
- (2) Severance pay to members separated for physical disability under provisions of 10 U. S. C. 1212.
- (3) Donations for discharge under certain conditions under the provisions of 10 U. S. C. 1048.
- (4) Separation Pay for discharge under provisions of 10 U. S. C. 1174 as amended.
- (5) Voluntary Separation Incentive and Special Separation Benefits programs under the provision of U. S. C. 1775 and 1774a.
- (6) \$30,000 Lump Sum Bonus program was provided for in the FY 2000 NDAA.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Lump sum terminal leave is accrued leave earned by an active duty member. Payments are paid to members to compensate for the accrued leave at the time of retirement or separation. Also, members reenlisting on their date of separation have the option to receive pay for all or a portion of their accrued leave. The total requirement for separation payments is determined by multiplying the projected number of payments by the estimated average cost per payment. For leave accumulated prior to September 1976 and retained throughout a member's career, payments include basic pay, \$1.25 per day quarters allowance to members in pay grade E-5 through E-9 with dependents, and \$.70 per day to all members for subsistence. For leave accumulated after September 1, 1976, the rate payable is basic pay only. Leave payments will not exceed a career total of 60 days.

Severance pay for disability is computed at two months basic pay at the grade held at time of discharge multiplied by the number of years active service, but not more than 12 years. In addition, Title 10, Section 1174 of the U. S. C. was amended to authorize payment of separation pay to enlisted members who are discharged involuntarily or denied reenlistment who have completed six or more, but less than 20 years of active service immediately before that discharge. Enlisted separation pay is calculated by multiplying a members' basic pay rate for a specified number of months times years of service times a specific percent based on the separation criteria.

The FY 1992 NDAA approved two voluntary separation pay programs for implementation during the force drawdown. These programs apply to both officer and enlisted members who have more than six and less than 20 years of service. Voluntary Separation Incentive (VSI) - For payment of an annuity to officers voluntarily separating from active duty during the drawdown provisions of 10 U. S. C. 1175. In particular, the VSI was used to reduce involuntary separations and were offered to members in overage specialties to facilitate force shaping requirements during the drawdown. The current authority to make VSI payments expired in December 31, 2001, and Congress did not extend the authority in FY 2002.

The FY 2000 NDAA provided for a \$30,000 Lump Sum Bonus provision to members within 180 days of completing 15 years of military service, the option to accept a one-time \$30,000 lump sum bonus to remain under the reduced 40 percent retirement plan. The FY 2002 NDAA authorized the option to receive the bonus in annual installments in order to take advantage of the Thrift Savings Plan.

(Amount in Thousands)

PROJECT: SEPARATION PAYMENTS - ENLISTED

Lump Sum Terminal  
Leave Payments

| Grade                                | FY 2002 Actual |      |                |        | FY 2003 Estimate |      |                |        | FY 2004 Estimate |      |               |        | FY 2005 Estimate |      |              |                |
|--------------------------------------|----------------|------|----------------|--------|------------------|------|----------------|--------|------------------|------|---------------|--------|------------------|------|--------------|----------------|
|                                      | Payments       | Days | Average Rate   | Amount | Payments         | Days | Average Rate   | Amount | Payments         | Days | Average Rate  | Amount | Payments         | Days | Average Rate | Amount         |
| Chief Master Sergeant                | 290            | 13   | 1,725          | 500    | 339              | 12   | 1,734          | 588    | 294              | 12   | 1,850         | 544    | 300              | 12   | 1,911        | 573            |
| Senior Master Sergeant               | 393            | 17   | 1,931          | 759    | 442              | 16   | 1,939          | 857    | 391              | 16   | 2,070         | 810    | 397              | 16   | 2,139        | 849            |
| Master Sergeant                      | 2,515          | 17   | 1,650          | 4,149  | 2,845            | 16   | 1,658          | 4,718  | 2,513            | 17   | 1,770         | 4,447  | 2,553            | 16   | 1,828        | 4,668          |
| Technical Sergeant                   | 2,491          | 21   | 1,710          | 4,259  | 2,733            | 20   | 1,724          | 4,711  | 2,490            | 21   | 1,842         | 4,587  | 2,500            | 21   | 1,900        | 4,751          |
| Staff Sergeant                       | 3,280          | 22   | 1,415          | 4,641  | 4,810            | 20   | 1,363          | 6,554  | 4,238            | 20   | 1,447         | 6,132  | 4,046            | 21   | 1,512        | 6,118          |
| Senior Airman                        | 4,891          | 16   | 820            | 4,011  | 8,752            | 16   | 839            | 7,340  | 7,456            | 16   | 878           | 6,546  | 6,975            | 16   | 912          | 6,362          |
| Airman First Class                   | 2,585          | 19   | 838            | 2,167  | 4,765            | 20   | 881            | 4,196  | 4,038            | 20   | 918           | 3,707  | 3,769            | 20   | 951          | 3,586          |
| Airman                               | 1,244          | 18   | 733            | 912    | 2,306            | 18   | 772            | 1,780  | 1,954            | 19   | 804           | 1,572  | 1,822            | 19   | 833          | 1,518          |
| Airman Basic                         | 2,259          | 13   | 440            | 994    | 4,192            | 13   | 463            | 1,943  | 3,551            | 14   | 483           | 1,715  | 3,311            | 14   | 500          | 1,657          |
| <b>Subtotal LSTL</b>                 | <b>19,948</b>  |      | <b>22,392</b>  |        | <b>31,184</b>    |      | <b>32,687</b>  |        | <b>26,925</b>    |      | <b>30,060</b> |        | <b>25,673</b>    |      |              | <b>30,082</b>  |
| <b>Separation Pay</b>                |                |      |                |        |                  |      |                |        |                  |      |               |        |                  |      |              |                |
| Disability                           | 534            |      | 16,066         | 8,579  | 482              |      | 16,909         | 8,150  | 482              |      | 17,628        | 8,497  | 482              |      | 18,259       | 8,801          |
| Severance Pay, Non Disability        | 0              |      | 0              | 0      | 0                |      | 0              | 0      | 0                |      | 0             | 0      | 0                |      | 0            | 0              |
| Invol-Half Pay 5%                    | 226            |      | 10,102         | 2,283  | 200              |      | 10,150         | 2,030  | 200              |      | 10,495        | 2,099  | 200              |      | 10,850       | 2,170          |
| Invol-Half Pay 10%                   | 115            |      | 20,287         | 2,333  | 300              |      | 21,757         | 6,527  | 300              |      | 22,497        | 6,749  | 300              |      | 23,260       | 6,978          |
| SSB                                  | 0              |      | 0              | 0      | 0                |      | 0              | 0      | 0                |      | 0             | 0      | 0                |      | 0            | 0              |
| VSI                                  | 0              |      | 0              | 0      | 0                |      | 0              | 0      | 0                |      | 0             | 0      | 0                |      | 0            | 0              |
| VSI Trust Fund*                      | 0              |      | 0              | 9,821  | 0                |      | 0              | 9,338  | 0                |      | 0             | 6,438  | 0                |      | 0            | 6,438          |
| 15 Year Retirement                   | 0              |      | 0              | 0      | 0                |      | 0              | 0      | 0                |      | 0             | 0      | 0                |      | 0            | 0              |
| <b>Subtotal Separation Pay</b>       | <b>875</b>     |      | <b>23,016</b>  |        | <b>982</b>       |      | <b>26,045</b>  |        | <b>982</b>       |      | <b>23,783</b> |        | <b>982</b>       |      |              | <b>24,387</b>  |
| \$30K Lump Sum Bonus                 | 0              |      | 78,700         |        | 0                |      | 75,200         |        | 0                |      | 45,700        |        | 0                |      |              | 50,900         |
| <b>TOTAL SEPARATION<br/>PAYMENTS</b> | <b>20,823</b>  |      | <b>124,108</b> |        | <b>32,166</b>    |      | <b>133,932</b> |        | <b>27,907</b>    |      | <b>99,543</b> |        | <b>26,655</b>    |      |              | <b>105,369</b> |

(Amount in Thousands)

**PROJECT: SPECIAL COMPENSATION**

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 134,000 |
| FY 2004 Estimate | 122,000 |
| FY 2003 Estimate | 27,000  |
| FY 2002 Actual   | 0       |

**PART I - PURPOSE AND SCOPE**

Funds represent the Air Force contribution (as an employer) as required by provisions of Section 636 of the FY 2003 NDAA, (P.L. 107-314) added section 1413a to title 10, U.S.C.

Section 636 of the FY 2003 National Defense Authorization Act (10 U.S.C. Section 1413a) authorizes special compensation for uniformed services retirees who completed at least 20 years of service creditable for computing the amount of retired pay to which the member is entitled, and who incurred a qualifying combat-related disability. A combat related-disability is:

- 1) any disability rated 10 percent or higher attributable to an injury for which the member was awarded the Purple Heart; or
- 2) a service-connected disability rated at 60 percent or higher incurred as a direct result of armed conflict, while engaged in hazardous service, in the performance of duty under conditions simulating war, or through the instrumentality of war.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The amount of the special compensation would be equal to the amount of veteran's disability compensation to which the retiree would be entitled based solely for the combat-related disability without regard to section 5304 and 5305 of title 38, United States Code. This provision is effective no later than 180 days after enactment (start of entitlement June 1, 2003 - Payable July 1, 2003).

Fund requirements for this incentive program are provided in the following table:

|   | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|---|-----------------------|-------------------------|-------------------------|-------------------------|
| Special Compensation for<br>Combat-Related Disabled | 0                     | 27,000                  | 122,000                 | 134,000                 |

(Amount in Thousands)

PROJECT: SOCIAL SECURITY TAX (EMPLOYER'S CONTRIBUTION) - ENLISTED

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 582,464 |
| FY 2004 Estimate | 562,190 |
| FY 2003 Estimate | 541,164 |
| FY 2002 Actual   | 582,938 |

**PART I - PURPOSE AND SCOPE**

Funds represent the Air Force contribution (as an employer) as required by the Federal Insurance Contribution Act (FICA) under provisions of 26 U. S. C. 3101, and 3111.

Social Security costs are based on the percentage rates set by law on a member's salary for a calendar year. Public Law 98-21, "Social Security Amendment of 1983" dated 20 April 1983 establishes the tax rate while the maximum taxable income is determined by the Social Security Administration. The Old Age, Survivor and Disability Insurance (OASDI) rate, set by statute, is 6.2 percent and the Hospital Insurance (HI) is 1.45 percent. There is no wage cap on the 1.45 percent medical contribution. The Government's contribution for Social Security is as follows:

- Calendar Year 2002 - 7.65% on First \$84,900 and 1.45% on the remainder
- Calendar Year 2003 - 7.65% on First \$89,100 and 1.45% on the remainder
- Calendar Year 2004 - 7.65% on First \$93,300 and 1.45% on the remainder
- Calendar Year 2005 - 7.65% on First \$97,200 and 1.45% on the remainder

|                 | <u>FY 2002 Actual</u> |      |         | <u>FY 2003 Estimate</u> |      |         | <u>FY 2004 Estimate</u> |      |         | <u>FY 2005 Estimate</u> |      |         |
|-----------------|-----------------------|------|---------|-------------------------|------|---------|-------------------------|------|---------|-------------------------|------|---------|
|                 | Basic Pay             | Rate | Amount  | Basic Pay               | Rate | Amount  | Basic Pay               | Rate | Amount  | Basic Pay               | Rate | Amount  |
| Social Security | 7,620,099             | 7.65 | 582,938 | 7,074,044               | 7.65 | 541,164 | 7,348,882               | 7.65 | 562,190 | 7,613,905               | 7.65 | 582,464 |

# **PAY AND ALLOWANCES OF CADETS**



**ACTIVE FORCES  
SCHEDULE OF INCREASES AND DECREASES  
(Amount in Thousands)**

**3. Pay and Allowances of Cadets**

**FY 2003 DIRECT PROGRAM** 49,821

**Increases:**

|   |      |     |
|---|------|-----|
| Basic Pay   |      | 321 |
| - 1 Jan 04 average pay raise of 4.1%                  | 296  |     |
| - Annualization of 1 Jan 03 average pay raise of 4.7% | 266  |     |
| - Change in workyears                                 | -241 |     |

|   |     |     |
|---|-----|-----|
| Subsistence                             |     | 195 |
| - Rate Increase (\$5.75-\$5.90 per day) | 243 |     |
| - Change in workyears                   | -48 |     |

**Total Increases:** 516

**Decreases:**

|   |     |    |
|---|-----|----|
| FICA  |     | 25 |
| - 1 Jan 04 average pay raise of 4.1%                  | 68  |    |
| - Annualization of 1 Jan 03 average pay raise of 4.7% | 25  |    |
| - Change in workyears                                 | -68 |    |

**Total Decreases:** 25

**FY 2004 DIRECT PROGRAM** 50,362

(Amount in Thousands)

PROJECT: ACADEMY CADETS

|                  |        |
|------------------|--------|
| FY 2005 Estimate | 51,398 |
| FY 2004 Estimate | 50,362 |
| FY 2003 Estimate | 49,821 |
| FY 2002 Actual   | 48,773 |

**PART I - PURPOSE AND SCOPE**

The funds requested are (a) for basic pay, commuted rations allowance, and employer's share of FICA tax for cadets appointed to the United States Air Force Academy under the provisions of 37 U.S.C. 201, 203, and 422 and the Federal Insurance Contributions Act; and (b) for the difference between the value of the commuted ration allowance (money cadets receive while away from the Air Force Academy) and the cost of operational rations.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Requirements are determined by multiplying estimated annual rates and statutory rates by the projected workyears. The FY00 NDAA (Sec. 531) requires cadet strength limitations to be measured annually as of the day before graduation versus the end of the fiscal year. Subsistence rates are \$5.60 for FY 2002, \$5.75 for FY 2003, \$5.90 for FY 2004, \$6.05 for FY 2005. The FY01 NDAA (Sec. 612) approved linking Cadet pay to 35 percent of the basic pay of a second lieutenant with less than two years of service effective 1 October 2001. Additionally, the budget includes pay raises of 6.9 percent in FY 2002, and 4.7 percent in FY 2003, and 4.1 percent in FY 2004, and 3.2 percent in FY 2005.

|  | <u>FY 2002 Actual</u> |                     |               | <u>FY 2003 Estimate</u> |                     |               | <u>FY 2004 Estimate</u> |                     |               | <u>FY 2005 Estimate</u> |                     |               |
|--|-----------------------|---------------------|---------------|-------------------------|---------------------|---------------|-------------------------|---------------------|---------------|-------------------------|---------------------|---------------|
|  | <u>Workyears</u>      | <u>Average Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Average Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Average Rate</u> | <u>Amount</u> | <u>Workyears</u>        | <u>Average Rate</u> | <u>Amount</u> |
| <u>Basic Pay</u>   | 4,162                 | 8,987               | 37,405        | 4,052                   | 9,472               | 38,380        | 4,029                   | 9,606               | 38,702        | 4,021                   | 9,823               | 39,498        |
| <u>Subsistence</u>                                       | 4,162                 | 2,044               | 8,507         | 4,052                   | 2,099               | 8,505         | 4,029                   | 2,159               | 8,699         | 4,021                   | 2,208               | 8,878         |
| <u>Social Security Tax<br/>(Employer's Contribution)</u> |                       |                     | 2,861         |                         |                     | 2,936         |                         |                     | 2,961         |                         |                     | 3,022         |
| <b>TOTAL ACADEMY CADETS</b>                              | 4,162                 |                     | 48,773        | 4,052                   |                     | 49,821        | 4,029                   |                     | 50,362        | 4,021                   |                     | 51,398        |

# **SUBSISTENCE OF ENLISTED PERSONNEL**

**ACTIVE FORCES  
SCHEDULE OF INCREASES AND DECREASES  
(Amount in Thousands)**

**4. Subsistence of Enlisted Personnel**

**FY 2003 DIRECT PROGRAM** 821,170

**Increases:**

|   |        |        |
|---|--------|--------|
| Basic Allowance for Subsistence (BAS)             | 13,493 |        |
| - 1 Jan 04 USDA Food Cost Index inflation of 2.5% | 9,399  |        |
| - Annualization of 1 Jan 03 raise of .5 %         | 4,431  |        |
| - Change in workyears for BAS                     | -337   |        |
|   |        |        |
| Subsistence-In-Kind (SIK)                         | 2,255  |        |
| - Increase for Inflation (1.5 percent)            | 2,231  |        |
| - Increase in Prime vendor costs                  | 294    |        |
| - Change in workyears                             | -270   |        |
|   |        |        |
| Family Subsistence Supplemental Allowance (FSSA)  | 38     |        |
|   |        |        |
| <b>Total Increases:</b>                           |        | 15,786 |

**Decreases**

|                                     |      |      |
|-------------------------------------|------|------|
| - Adjustment to Cash Sales Estimate | -792 |      |
|                                     |      |      |
| <b>Total Decreases:</b>             |      | -792 |

**FY 2004 DIRECT PROGRAM** 836,164

(Amount in Thousands)

**PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provide for the payment of subsistence allowances to active duty Enlisted Personnel under the provisions of 37 U. S. C. 402.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The requirement is based on the average number of enlisted personnel entitled to receive several types of allowances. Distribution of personnel in the various categories is developed on the basis of actual experience, which indicates that approximately 82 percent of enlisted personnel draw basic allowance for subsistence (BAS) in lieu of subsisting in Air Force dining halls.

Beginning 1 January 1998, BAS reform initiated a Partial BAS payment. Partial BAS was a cost neutral effort to eventually compensate enlisted members receiving subsistence-in-kind to the same level as enlisted members receiving BAS. BAS reform limited the growth of BAS to 1.0 percent per year in order to allow the Department to fund Partial BAS with the difference between the annual Basic Pay raise and the reduced BAS pay raise.

Effective 1 January 2002, BAS reform ended the transition period, as authorized by the FY01 NDAA. One BAS rate has been implemented for all enlisted members except for those members receiving the Rations in Kind Not Available (RIKNA) rate which has been grandfathered at the current FY01 rate of \$262.50 per month. The enlisted BAS rate inflated by .5 percent in FY 2002, 2.5 percent in FY 2003, 2.5 percent in FY 2004, and 2.5 percent in FY 2005. The BAS rate is set at the monthly cost of the USDA's liberal food plan for a male in the United States who is between 20 and 50 years of age. All enlisted members, except those in basic training will receive BAS. All Air Force E-6s and below who are assigned to single-type government quarters and are directed to use the dining facility will have three meals a day deducted from their pay, whether meals are eaten or not. The discounted meal rate is determined annually by the OSD Comptroller and is effective the first of each October. Charges at the discounted meal rate are deducted directly from the member's pay account leaving a residual amount of BAS in the member's pay.

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE

|   | FY 2002 Actual |        |         | FY 2003 Estimate |      |     | FY 2004 Estimate |      |     | FY 2005 Estim |      |
|---|----------------|--------|---------|------------------|------|-----|------------------|------|-----|---------------|------|
|   | Number         | Rate   | BAS     | Number           | Rate | BAS | Number           | Rate | BAS | Number        | Rate |
| <u>When Authorized to Mess Separately</u>         | 255,562        | 704.72 | 180,100 | 0                | 0    | 0   | 0                | 0    | 0   | 0             | 0    |
| <u>When Rations-In-Kind Not Available</u>         | 32,408         | 793.96 | 25,731  | 0                | 0    | 0   | 0                | 0    | 0   | 0             | 0    |
| <u>Augmentation of Commuted Rations Allowance</u> | 1,248          | 723.79 | 903     | 0                | 0    | 0   | 0                | 0    | 0   | 0             | 0    |
| <u>Leave Rations</u>                              | 5,266          | 704.72 | 3,711   | 0                | 0    | 0   | 0                | 0    | 0   | 0             | 0    |
| <u>Partial BAS</u>                                | 43,636         | 75.73  | 3,305   | 0                | 0    | 0   | 0                | 0    | 0   | 0             | 0    |
| Subtotal BAS                                      | 338,120        | 0      | 213,750 | 0                | 0    | 0   | 0                | 0    | 0   | 0             | 0    |

|   | FY 2002 Actual |          |         | FY 2003 Estimate |          |         | FY 2004 Estimate |          |         | FY 2005 Estim |          |
|---|----------------|----------|---------|------------------|----------|---------|------------------|----------|---------|---------------|----------|
|   | Number         | Rate     | Amount  | Number           | Rate     | Amount  | Number           | Rate     | Amount  | Number        | Rate     |
| <u>When Authorized to Mess Separately</u>         | 269,333        | 2,174.40 | 585,638 | 242,103          | 2,913.72 | 705,420 | 240,993          | 2,986.56 | 719,740 | 239,300       | 3,061.20 |
| <u>When Rations-In-Kind Not Available</u>         | 32,408         | 2,362.50 | 76,564  | 30,053           | 3,150.00 | 94,667  | 29,915           | 3,150.00 | 94,232  | 29,705        | 3,150.00 |
| <u>Augmentation of Commuted Rations Allowance</u> | 1,248          | 2,302.67 | 2,874   | 1,157            | 723.79   | 837     | 1,152            | 741.88   | 855     | 1,144         | 760.43   |
| <u>Less Collections</u>                           | 43,636         | 1,842.75 | 80,410  | 39,623           | 2,555.00 | 101,237 | 38,707           | 2,626.05 | 101,647 | 38,989        | 2,684.35 |
| Subtotal BAS                                      | 259,353        |          | 584,666 | 233,690          |          | 699,687 | 233,353          |          | 713,180 | 231,160       |          |
| GRAND TOTAL                                       | 473,174        |          | 798,416 | 233,690          |          | 699,687 | 233,353          |          | 713,180 | 231,160       |          |

(Amount in Thousands)

**PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE**

722,326  
713,180  
699,687  
798,416

(Amount in Thousands)

PROJECT: BASIC ALLOWANCE FOR SUBSISTENCE

rate  
BAS

0

0

0

0

0

0

rate  
Amount

732,545

93,571

870

104,660

722,326

722,326



(Amount in Thousands)

**PROJECT: SUBSISTENCE-IN-KIND**

|                  |         |
|------------------|---------|
| FY 2005 Estimate | 149,593 |
| FY 2004 Estimate | 149,061 |
| FY 2003 Estimate | 146,806 |
| FY 2002 Actual   | 190,307 |

**PART I - PURPOSE AND SCOPE**

The Subsistence-In-Kind (SIK) account provides subsistence to active duty enlisted personnel when they do not receive an allowance for subsistence. Funds requested also provide for special rations, operational rations, augmentation rations, testing of new food items, and payment for meals furnished under contract at commercial facilities where the payment of the commuted ration would create an individual hardship or the costs of the establishment of a government mess facility are prohibitive. In FY 1997, funding for SIK transferred from O&M to the Military Personnel Appropriation.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

SIK costs for active duty enlisted personnel not receiving an allowance for subsistence are computed by multiplying the basic daily food allowance (BDFA) by the estimated number entitled to the allowance. The BDFA, which represents the cost of meals for one person for one day, is based on actual experience. Funding requirements include inflationary adjustments of .8 percent in FY 2002, .8 percent in FY 2003, 1.5 percent in FY 2004, and 1.5 percent in FY 2005. Other SIK elements are computed at the contract rate per unit.

Defense Supply Center-Philadelphia (DSCP) surcharges increased substantially since FY 1996 creating significant unfunded costs in the SIK budgets. Air Force has absorbed these increases by deferring the purchase of operational replacement rations wherever possible. However, operational rations for FY 2002, FY 2003, FY 2004, and FY 2005 include requirements for heat and serve Unitized Group Rations (UGRs) in support of the Expeditionary Aerospace Forces (EAFs).

(Amount in Thousands)

PROJECT: SUBSISTENCE-IN-KIND

Subsistence in Mess

|                                      | FY 2002 Actual |            |             |        | FY 2003 Estimate |            |             |        | FY 2004 Estimate |            |             |        | FY 2005 Estimate |            |             |        |
|--------------------------------------|----------------|------------|-------------|--------|------------------|------------|-------------|--------|------------------|------------|-------------|--------|------------------|------------|-------------|--------|
|                                      | Number         | Daily Rate | Annual Rate | Amount | Number           | Daily Rate | Annual Rate | Amount | Number           | Daily Rate | Annual Rate | Amount | Number           | Daily Rate | Annual Rate | Amount |
| CONUS                                |                |            |             |        |                  |            |             |        |                  |            |             |        |                  |            |             |        |
| Air Force                            | 20,191         | 7.5        | 690         | 13,932 | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| Others                               | 6,976          | 7.5        | 690         | 4,813  | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| Overseas                             | 0              | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| Air Force                            | 31,891         | 8.13       | 738.76      | 12,478 | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| Others                               | 1,136          | 8.13       | 738.76      | 839    | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| <b>Subtotal Subsistence</b>          | 60,194         |            |             | 32,062 | 0                |            |             | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| <b>Special Rations</b>               |                |            |             |        |                  |            |             |        |                  |            |             |        |                  |            |             |        |
| CONUS                                | 890,000        | 1.78       | 163.82      | 1,584  | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| Overseas                             | 760,000        | 4.52       | 416.28      | 3,435  | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| <b>Subtotal Special Rations</b>      | 1,650,000      |            |             | 5,019  | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| <b>Operational Rations</b>           |                |            |             |        |                  |            |             |        |                  |            |             |        |                  |            |             |        |
| Meals Ready to Eat                   | 104,693        | 0          | 75.75       | 7,930  | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| Unitized Group Rations               | 22,734         | 0          | 220.03      | 5,002  | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| <b>Subtotal Operational Rations</b>  | 127,427        |            |             | 12,932 | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| <b>Augmentation Rations</b>          |                |            |             |        |                  |            |             |        |                  |            |             |        |                  |            |             |        |
| Supplemental                         | 252,418        | 7.39       | 0           | 1,865  | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| Missile Crew                         | 131,570        | 1.99       | 0           | 262    | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| Combat Alert                         | 114,975        | 4.86       | 0           | 559    | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| <b>Subtotal Augmentation Rations</b> | 498,963        |            |             | 2,686  | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |
| <b>TOTAL SIK</b>                     | 2,336,584      |            |             | 52,699 | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      | 0                | 0          | 0           | 0      |

(Amount in Thousands)

PROJECT: SUBSISTENCE-IN-KIND

|  | <u>FY 2002 Actual</u> |             |         | <u>FY 2003 Estimate</u> |             |         | <u>FY 2004 Estimate</u> |             |         | <u>FY 2005 Estimate</u> |             |
|--|-----------------------|-------------|---------|-------------------------|-------------|---------|-------------------------|-------------|---------|-------------------------|-------------|
|  | Number                | Annual Rate | Amount  | Number                  | Annual Rate | Amount  | Number                  | Annual Rate | Amount  | Number                  | Annual Rate |
| <b><u>Subsistence in Mess</u></b>          |                       |             |         |                         |             |         |                         |             |         |                         |             |
| Trainee/Non-Pay Status                     | 4,381                 | 2,047.50    | 8,970   | 4,087                   | 2,759.40    | 11,278  | 4,079                   | 2,808.46    | 11,456  | 4,042                   | 2,842.80    |
| Members Taking Meals in Mess               | 43,155                | 2,219.49    | 95,782  | 38,750                  | 2,759.40    | 106,927 | 38,679                  | 2,808.46    | 108,628 | 38,327                  | 2,842.80    |
| <b>Subtotal Subsistence-In-Mess</b>        | 47,536                |             | 104,752 | 42,837                  |             | 118,205 | 42,758                  |             | 120,084 | 42,369                  |             |
| <b><u>Operational Rations</u></b>          |                       |             |         |                         |             |         |                         |             |         |                         |             |
| Meals Ready to Eat                         | 219,079               | 75.75       | 16,595  | 181,062                 | 81.25       | 14,711  | 180,719                 | 82.47       | 14,904  | 179,102                 | 83.71       |
| Unitized Group Rations                     | 33,202                | 220.03      | 7,305   | 28,861                  | 291.14      | 8,403   | 28,810                  | 295.50      | 8,513   | 28,546                  | 299.94      |
| Other Package Operational Rations          | 0                     | 0           | 0       | 0                       | 0           | 0       | 0                       | 0           | 0       | 0                       | 0           |
| <b>Subtotal Operational Rations</b>        | 252,281               |             | 23,900  | 209,923                 |             | 23,114  | 209,529                 |             | 23,417  | 207,648                 |             |
| <b><u>Augmentation Rations</u></b>         |                       |             |         |                         |             |         |                         |             |         |                         |             |
| Augmentation Rations                       | 626,974               | 5.87        | 3,680   | 192,830                 | 5.92        | 1,142   | 192,642                 | 6.01        | 1,158   | 190,898                 | 6.10        |
| Other - Regionalization                    | 0                     | 0           | 0       | 0                       | 0           | 0       | 0                       | 0           | 0       | 0                       | 0           |
| Other - Messing                            | 1,675,000             | 3.15        | 5,276   | 1,399,389               | 3.10        | 4,345   | 1,396,804               | 3.15        | 4,402   | 1,384,151               | 3.20        |
| <b>Subtotal Augmentation Rations/Other</b> | 2,301,974             |             | 8,956   | 1,592,219               |             | 5,487   | 1,589,446               |             | 5,560   | 1,575,049               |             |
| <b>Revised SIK</b>                         | 2,601,791             |             | 137,608 | 1,844,979               |             | 146,806 | 1,841,733               |             | 149,061 | 1,825,066               |             |
| <b>GRAND TOTAL SIK</b>                     | 2,713,251             |             | 190,307 | 1,844,979               |             | 146,806 | 1,841,733               |             | 149,061 | 1,825,066               |             |

(Amount in Thousands)

PROJECT: SUBSISTENCE-IN-KIND

ate

**Amount**

11,491

108,956

120,447

14,993

8,562

0

23,555

1,164

0

4,427

5,591

149,593

149,593

(Amount in Thousands)

**PROJECT: FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE (FSSA)**

|                  |       |
|------------------|-------|
| FY 2005 Estimate | 1,254 |
| FY 2004 Estimate | 1,215 |
| FY 2003 Estimate | 1,177 |
| FY 2002 Actual   | 167   |

**PART I - PURPOSE AND SCOPE**

Family Subsistence Supplemental Allowance (FSSA) was authorized in the 2001 National Defense Authorization Act. Under the provision of United States Code 37 402a, the Family Subsistence Allowance Program was established to supplement a member's Basic Allowance for Subsistence (BAS) in cases where the combined effect of a member's household income level and household size make them eligible for the FSSA program. The program increases a member's BAS by an amount intended to remove the member's household from eligibility for benefits under the U.S. Department of Agriculture's Food Stamp Program.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Effective 1 May 2001, eligible members can receive a monthly entitlement that will be paid in an amount equal to the total dollars required to bring that member's household income to 130 percent of the poverty line, not to exceed \$500 per month. FSSA is a non-taxable supplemental subsistence allowance and the entitlement authority expires 20 September 2006.

|            | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|------------|-----------------------|-------------------------|-------------------------|-------------------------|
| TOTAL FSSA | 167                   | 1,177                   | 1,215                   | 1,254                   |

# **PERMANENT CHANGE OF STATION TRAVEL**

**ACTIVE FORCES  
SCHEDULE OF INCREASES AND DECREASES  
(Amount in Thousands)**

**5. Permanent Change of Station Travel**

**FY 2003 DIRECT PROGRAM** \$975,149

**Increases:**

|   |       |              |
|---|-------|--------------|
| Dislocation Allowance (DLA)                           | 6,192 |              |
| - 1 Jan 04 average pay raise of 4.1%                  | 4,086 |              |
| - Annualization of the FY03 average pay raise of 4.1% | 2,106 |              |
| <br>  |       |              |
| Travel of Military Member and Family                  | 2,710 |              |
| - Change in number of overall PCS moves               | 2,710 |              |
| <br>  |       |              |
| Temporary Lodging Expense                             | 227   |              |
| - TLE rate increase                                   | 227   |              |
| <br>  |       |              |
| <b>Total Increases</b>                                |       | <b>9,129</b> |

**Decreases:**

|  |        |  |
|--|--------|--|
| Transp Household Goods (HHG)/Port Handling Charges | -4,885 |  |
| - Change in Transportation of Household good moves | -4,898 |  |
| - Change in Port Handling charges                  | 13     |  |
| <br>   |        |  |
| Trailer Allowance and Nontemporary Storage         | -1,904 |  |
| - Change in number of trailer movements            | -30    |  |
| - Change in Nontemporary Storage requirements      | -1,874 |  |

**ACTIVE FORCES**  
**SCHEDULE OF INCREASES AND DECREASES**  
**(Amount in Thousands)**

|  |      |                  |
|--|------|------------------|
| Transportation of Privately-Owned Vehicles | -974 |                  |
| - Change in number of POV moves            | -974 |                  |
| Reimbursements                             | -31  |                  |
| - Change in reimbursable moves             | -31  |                  |
| <b>Total Decreases</b>                     |      | <b>-7,794</b>    |
| <b>FY 2004 DIRECT PROGRAM</b>              |      | <b>\$976,484</b> |



## **PURPOSE AND SCOPE**

For expenses incident to Permanent Change of Station (PCS) travel of military personnel either individually or as part of organized units. PCS travel costs include mileage; monetary allowance in lieu of transportation; transportation by common carrier (rail, bus, air or water, including Air Mobility Command (AMC) and Military Sealift Command (MSC); per diem allowances; payment of Dislocation Allowance (DLA); payment of Temporary Lodging Entitlement (TLE); actual and necessary expenses and cost of subsistence while in a travel status; issuance of meal tickets in lieu of subsistence; travel of dependents and transportation of baggage and household goods; reimbursement for pet quarantine fees; port handling charges for household goods; baggage and privately-owned vehicles passing through CONUS Military Traffic Management Command (MTMC) terminals; payments authorized for transportation of dependents, personal and household effects of deceased military personnel; costs of contract packing, crating, handling and temporary storage of household goods; costs of nontemporary storage of household goods; cost of trailer allowances; travel incident to organizational movements on PCS whether for training or non-training purposes; expenses incident to PCS movement of any military group traveling under one order from the same point of origin to the same destination; minor supplies and services incident to troop or organizational PCS movements; expenses and allowances incident to separation travel, discharge or release. The term "CONUS" (Continental United States) applies to the contiguous 48 states. Expenses include all authorized temporary duty (TDY) travel directly related to and an integral part of PCS movements of individuals or organizational units.

## **PROGRAM AND PRICE CHANGES**

### **1. Program Changes:**

The Air Force is committed to improving the quality of life for its members while maintaining an acceptable Personnel Tempo (PERSTEMPO). Air Force experienced an overall decrease in the FY 2002 Air Force PCS program. This action required a "slow down" in implementing the Base of Preference program which is one of the Air Force's major retention initiatives. Costs of shipping household goods and privately-owned vehicles overseas, added and/or expanded entitlements, such as temporary housing allowance between Permanent Duty Station (PDS), minimum per diem rate, temporary subsistence expenses, increased weight allowance for junior enlisted members and dislocation allowances resulted in greater than anticipated increases.

### **2. Price Changes:**

Air Force will experience the full effect of increased rate changes from FY 2002 to FY 2003 to accommodate expanded entitlements to include temporary lodging expenses and Dislocation Allowance (DLA) rates for enlisted personnel in the ranks of E-1 through E-4 adjusted to the E-5 level. The intent of the increased rates is to provide much needed relief to our junior enlisted personnel who incur the same expenses in moving costs as senior members. Costs of shipping household goods and Privately-Owned Vehicles (POVs) overseas are also experiencing greater than anticipated rate increases. Commercial carrier fuel cost increased in FYs 2002 and 2003. Additionally, increases arise from the AMC Patriot Express "Y Class" rate initiative that increases passenger air fare from the historical 85% to 100%. These costs are reflected in the budget estimates.



**SUMMARY OF REQUIREMENTS BY TYPES OF MOVES**  
(Amount in Thousands)

|  | <u>FY 2002 Actual</u> |         | <u>FY 2003 Estimate</u> |         | <u>FY 2004 Estimate</u> |         | <u>FY 2005 Estimate</u> |         |
|--|-----------------------|---------|-------------------------|---------|-------------------------|---------|-------------------------|---------|
|  | Number                | Amount* | Number                  | Amount* | Number                  | Amount* | Number                  | Amount* |
| Accession Travel                         | 48,240                | 89,507  | 46,597                  | 84,780  | 45,868                  | 82,538  | 44,132                  | 81,175  |
| Training Travel                          | 10,450                | 80,485  | 10,450                  | 81,836  | 10,450                  | 83,524  | 10,450                  | 85,138  |
| Operational Travel between Duty Stations | 19,553                | 154,657 | 19,838                  | 162,346 | 19,937                  | 163,847 | 16,613                  | 141,737 |
| Rotational Travel To and From Overseas   | 43,513                | 455,576 | 40,206                  | 434,234 | 42,781                  | 463,149 | 35,498                  | 410,845 |
| Separation Travel                        | 32,620                | 82,467  | 54,708                  | 144,776 | 44,606                  | 115,407 | 42,777                  | 112,563 |
| Travel of Organized Units                | 1,035                 | 6,478   | 1,048                   | 6,672   | 1,368                   | 9,192   | 1,115                   | 7,761   |
| Nontemporary Storage *                   | 0                     | 22,653  | 0                       | 26,950  | 0                       | 25,076  | 0                       | 25,110  |
| Temporary Lodging Expense *              | 0                     | 34,187  | 0                       | 34,957  | 0                       | 35,184  | 0                       | 35,557  |
| <b>TOTAL OBLIGATIONS</b>                 | 155,411               | 926,010 | 172,847                 | 976,551 | 165,010                 | 977,917 | 150,585                 | 899,886 |
| <b>Less Reimbursements</b>               |                       | -1,363  |                         | -1,402  |                         | -1,433  |                         | -1,464  |
| <b>TOTAL DIRECT PROGRAM</b>              | 155,411               | 924,647 | 172,847                 | 975,149 | 165,010                 | 976,484 | 150,585                 | 898,422 |

\*NOTE: Nontemporary Storage (NTS) and Temporary Lodging Expense (TLE) are reflected as separate line items. NTS and TLE amounts are merged with travel type in detailed pages

**SUMMARY OF REQUIREMENTS BY TYPES OF COST**  
(Amount in Thousands)

|   | <u>FY 2002 Actual</u> |         | <u>FY 2003 Estimate</u> |         | <u>FY 2004 Estimate</u> |         | <u>FY 2005 Estimate</u> |         |
|---|-----------------------|---------|-------------------------|---------|-------------------------|---------|-------------------------|---------|
|   | Number                | Amount* | Number                  | Amount* | Number                  | Amount* | Number                  | Amount* |
| <b><u>Travel of Military Member</u></b>         |                       |         |                         |         |                         |         |                         |         |
| Mileage and Per Diem                            | 114,543               | 85,706  | 127,364                 | 87,840  | 121,600                 | 89,168  | 110,990                 | 80,013  |
| AMC   | 29,941                | 27,901  | 33,293                  | 28,596  | 31,786                  | 29,028  | 29,013                  | 26,048  |
| Commercial Air                                  | 11,257                | 11,887  | 12,517                  | 12,183  | 11,950                  | 12,367  | 10,908                  | 11,097  |
| Travel of Family Members                        |                       |         |                         |         |                         |         |                         |         |
| Mileage and Per Diem                            | 58,647                | 44,038  | 69,281                  | 45,972  | 64,672                  | 46,369  | 59,510                  | 41,913  |
| AMC   | 27,909                | 28,629  | 32,970                  | 29,886  | 30,777                  | 30,144  | 28,320                  | 27,247  |
| Commercial Air                                  | 9,933                 | 12,169  | 11,735                  | 12,703  | 10,954                  | 12,813  | 10,079                  | 11,581  |
| <b><u>Transportation of Household Goods</u></b> |                       |         |                         |         |                         |         |                         |         |
| M Tons - MSC                                    | 37,517                | 5,131   | 32,342                  | 5,464   | 32,147                  | 5,415   | 28,898                  | 4,933   |
| S Tons - AMC                                    | 11,519                | 41,618  | 9,931                   | 44,321  | 9,870                   | 50,494  | 8,873                   | 45,997  |
| Land Shipment, CONUS & Overseas                 | 60,936                | 365,985 | 52,532                  | 389,752 | 52,214                  | 379,658 | 46,938                  | 345,846 |
| ITGBL   | 24,145                | 96,391  | 20,815                  | 102,650 | 20,689                  | 101,723 | 18,598                  | 92,664  |
| Dislocation Allowance                           | 60,718                | 100,199 | 59,629                  | 104,351 | 60,904                  | 110,543 | 54,490                  | 102,486 |
| Trailer Allowance                               | 1,181                 | 2,622   | 1,338                   | 2,934   | 1,292                   | 2,904   | 1,150                   | 2,609   |
| Transportation of POVs                          | 15,011                | 45,378  | 15,347                  | 46,394  | 15,025                  | 45,420  | 14,994                  | 45,327  |
| Port Handling Charges                           | 0                     | 1,516   | 0                       | 1,598   | 0                       | 1,611   | 0                       | 1,458   |
| Nontemporary Storage                            | 0                     | 22,653  | 0                       | 26,950  | 0                       | 25,076  | 0                       | 25,110  |
| Temporary Lodging Expense                       | 0                     | 34,187  | 0                       | 34,957  | 0                       | 35,184  | 0                       | 35,557  |
| <b>TOTAL OBLIGATIONS</b>                        |                       | 926,010 |                         | 976,551 |                         | 977,917 |                         | 899,886 |
| <b>Less Reimbursements</b>                      |                       | -1,363  |                         | -1,402  |                         | -1,433  |                         | -1,464  |
| <b>TOTAL DIRECT PROGRAM</b>                     |                       | 924,647 |                         | 975,149 |                         | 976,484 |                         | 898,422 |

(Amount in Thousands)

**PROJECT: ACCESSION TRAVEL**

|                  |          |
|------------------|----------|
| FY 2005 Estimate | \$83,406 |
| FY 2004 Estimate | \$84,822 |
| FY 2003 Estimate | \$87,077 |
| FY 2002 Actual   | \$91,884 |

**PART I - PURPOSE AND SCOPE**

Funds provide for:

PCS movements of active duty Air Force commissioned officers, to include Air National Guard (ANG) officers called or recalled to extended active duty, officers who are appointed or recalled from enlisted status, and officers appointed from enlisted status upon graduation from Officer Training School (OTS). A PCS move commences from a member's home or point where orders were received to their first permanent duty station or training school of 20 weeks or more. And in some cases, from the station where they served as enlisted to their new permanent duty station or training school of 20 weeks or more. Also included are PCS movements of enlistees, reenlistees and prior service personnel from recruiting station or place of enlistment to first permanent duty station or training school of 20 weeks or more and recalled enlisted reservists from home to first permanent duty station or training school of 20 weeks or more. PCS movements of individuals selected as Air Force Academy cadets upon entry into the Academy and individuals who travel to the academies but fail to pass the entrance physical examinations and are required to return home.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The estimates for accession travel cover the PCS movement of members entering active duty. The PCS requirements for accession travel are directly related to officer, enlisted and cadet gains as reflected in the Air Force personnel programs. These gains are required to meet planned Air Force manpower levels. This category of move results primarily from approved end strengths; consequently, adjustments in accession travel can only be accommodated via adjustments in officer, enlisted or cadet strengths. Officer accessions include academy graduates, ROTC, medical officers, judge advocate general officers, chaplains, reserve officers and OTS graduates. Enlisted accessions include prior and non-prior service personnel, recalled reserves, USAF Preparatory School, and Officer Training School.

Average rates are based upon statistical data, ratios, and percentages derived from actual accession PCS move costs during a given accounting period. The number of accession moves (officer, enlisted and cadet) times the appropriate rates for each element of expense (e.g., military member, dependents, household goods, etc.) results in the estimated funding required. The number of moves and the associated fiscal year requirements are shown in the tables on the following pages.

(Amount in Thousands)

PROJECT: ACCESSION TRAVEL

|   | FY 2002 Actual |          |          | FY 2003 Estimate |          |          | FY 2004 Estimate |          |          | FY 2005 Estimate |          |          |
|---|----------------|----------|----------|------------------|----------|----------|------------------|----------|----------|------------------|----------|----------|
|   | Number         | Rate     | Amount   | Number           | Rate     | Amount   | Number           | Rate     | Amount   | Number           | Rate     | Amount   |
| <b><u>Officer Accession Travel</u></b>    |                |          |          |                  |          |          |                  |          |          |                  |          |          |
| (1) Member Travel                         | 7,542          | 534.02   | \$4,028  | 6,607            | 538.3    | \$3,557  | 5,870            | 546.37   | \$3,207  | 5,834            | 554.57   | \$3,235  |
| (2) Family Member Travel                  | 3,184          | 487.96   | \$1,554  | 2,789            | 491.87   | \$1,372  | 2,478            | 499.24   | \$1,237  | 2,463            | 506.73   | \$1,248  |
| (3) Pet Quarantine                        | 0              | 0        | \$0      | 0                | 0        | \$0      | 0                | 0        | \$0      | 0                | 0        | \$0      |
| (4) Trans of Household Goods              |                |          |          |                  |          |          |                  |          |          |                  |          |          |
| (a) Land & ITGBL                          | 5,503          | 5,119.84 | \$28,174 | 4,821            | 5,160.80 | \$24,880 | 4,283            | 5,238.21 | \$22,435 | 4,257            | 5,316.79 | \$22,634 |
| (b) Overseas                              | 0              | 0        | \$363    | 0                | 0        | \$321    | 0                | 0        | \$289    | 0                | 0        | \$292    |
| (5) Trailer Allowance                     | 30             | 1,662.47 | \$50     | 26               | 1,675.77 | \$44     | 23               | 1,700.91 | \$39     | 23               | 1,726.42 | \$40     |
| (6) Global POV                            | 290            | 3,023.00 | \$877    | 254              | 3,023.00 | \$768    | 225              | 3,023.00 | \$680    | 224              | 3,023.00 | \$677    |
| (7) Port Handling (HHGS)                  | 605            | 31.97    | \$19     | 530              | 32.23    | \$17     | 471              | 32.71    | \$15     | 468              | 33.20    | \$16     |
| (8) Nontemporary Storage                  | 0              | 0        | \$485    | 0                | 0        | \$428    | 0                | 0        | \$386    | 0                | 0        | \$389    |
| <b>Subtotal Officer Accession Travel</b>  |                |          | \$35,550 |                  |          | \$31,387 |                  |          | \$28,288 |                  |          | \$28,531 |
| <b><u>Enlisted Accession Travel</u></b>   |                |          |          |                  |          |          |                  |          |          |                  |          |          |
| (1) Member Travel                         | 39,474         | 677.25   | \$26,734 | 38,682           | 682.67   | \$26,407 | 38,705           | 692.91   | \$26,819 | 37,005           | 703.30   | \$26,026 |
| (2) Family Member Travel                  | 10,030         | 252.22   | \$2,530  | 9,829            | 254.23   | \$2,499  | 9,835            | 258.05   | \$2,538  | 9,403            | 261.92   | \$2,463  |
| (3) Pet Quarantine                        | 0              | 0        | \$0      | 0                | 0        | \$0      | 0                | 0        | \$0      | 0                | 0        | \$0      |
| (4) Trans of Household Goods              |                |          |          |                  |          |          |                  |          |          |                  |          |          |
| (a) Land & ITGBL                          | 4,709          | 4,827.96 | \$22,735 | 4,615            | 4,866.58 | \$22,459 | 4,618            | 4,939.58 | \$22,811 | 4,415            | 5,013.67 | \$22,135 |
| (b) Overseas                              | 0              | 0        | \$567    | 0                | 0        | \$560    | 0                | 0        | \$569    | 0                | 0        | \$552    |
| (5) Trailer Allowance                     | 20             | 2,082.73 | \$42     | 19               | 2,099.39 | \$40     | 19               | 2,130.88 | \$40     | 19               | 2,162.84 | \$41     |
| (6) Global POV                            | 399            | 3,023.00 | \$1,206  | 391              | 3,023.00 | \$1,182  | 391              | 3,023.00 | \$1,182  | 374              | 3,023.00 | \$1,131  |
| (7) Port Handling (HHGS)                  | 845            | 33.43    | \$28     | 828              | 33.70    | \$28     | 828              | 34.20    | \$28     | 792              | 34.71    | \$27     |
| (8) Nontemporary Storage                  | 0              | 0        | \$1,892  | 0                | 0        | \$1,869  | 0                | 0        | \$1,898  | 0                | 0        | \$1,842  |
| <b>Subtotal Enlisted Accession Travel</b> |                |          | \$55,734 |                  |          | \$55,044 |                  |          | \$55,885 |                  |          | \$54,217 |
| <b><u>Cadet Accession Travel</u></b>      | 1,224          | 490.29   | \$600    | 1,308            | 494.21   | \$646    | 1,293            | 501.63   | \$649    | 1,293            | 509.15   | \$658    |
| <b>TOTAL ACCESSION TRAVEL</b>             |                |          | \$91,884 |                  |          | \$87,077 |                  | 0        | \$84,822 |                  |          | \$83,406 |

(Amount in Thousands)

**PROJECT: TRAINING TRAVEL**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provide for the PCS movements of:

- (1) Officers and enlisted personnel from previous permanent duty stations to formal service or civilian schools, including technical schools, flying training schools, factory training, and other approved courses of instruction for a 20-week period or more.
- (2) Officers and enlisted school graduates, and eliminees from school, to their next permanent CONUS duty station excluding Academy, OTS, flying training, and ROTC graduates.
- (3) Enlisted personnel ordered to training leading to a commission.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The estimates for training travel cover PCS requirements for officer and enlisted personnel engaged in Air Force and outside agency training programs. The PCS requirements for training travel are the direct result of Air Force training programs covering technical training, career training and flying training. These types of training are required to maintain the skill level and educational requirements necessary to fulfill the Air Force mission. Adjustments in training travel are directly responsive to training programs that generate the move requirements. This category of travel contains basic and advanced technical training, retraining, professional military education (e.g., Air War, National War, and Industrial Colleges, Medical Training, Air Force Institute of Technology) and undergraduate pilot and navigator training.

Average rates are based on statistical data, ratios, and percentages extracted from actual PCS training move costs. The number of officer and enlisted training moves times the average rate for each element of expense (e.g., military member, dependent, household goods, etc.) results in the estimated funding required.

The number of moves and fiscal year requirements are shown on the following page.

(Amount in Thousands)

PROJECT: TRAINING TRAVEL

|  | <u>FY 2002 Actual</u> |          |          | <u>FY 2003 Estimate</u> |          |          | <u>FY 2004 Estimate</u> |          |          | <u>FY 2005 Estin</u> |          |
|--|-----------------------|----------|----------|-------------------------|----------|----------|-------------------------|----------|----------|----------------------|----------|
|  | Number                | Rate     | Amount   | Number                  | Rate     | Amount   | Number                  | Rate     | Amount   | Number               | Rate     |
| <b><u>Officer Training Travel</u></b>    |                       |          |          |                         |          |          |                         |          |          |                      |          |
| (1) Member Travel                        | 6,400                 | 546.71   | \$3,499  | 6,400                   | 551.08   | \$3,527  | 6,400                   | 559.35   | \$3,580  | 6,400                | 567.74   |
| (2) Family Member Travel                 | 4,389                 | 545.64   | \$2,395  | 4,389                   | 550.01   | \$2,414  | 4,389                   | 558.26   | \$2,450  | 4,389                | 566.63   |
| (3) Trans of Household Goods             | 6,400                 | 5,770.88 | \$36,934 | 6,400                   | 5,817.05 | \$37,229 | 6,400                   | 5,904.30 | \$37,788 | 6,400                | 5,992.87 |
| (4) Dislocation Allowance                | 5,949                 | 2,258.56 | \$13,436 | 5,949                   | 2,377.13 | \$14,142 | 5,949                   | 2,478.16 | \$14,743 | 5,949                | 2,566.76 |
| (5) Trailer Allowance                    | 18                    | 1,800.89 | \$32     | 18                      | 1,815.30 | \$33     | 18                      | 1,842.53 | \$33     | 18                   | 1,870.17 |
| (6) Nontemporary Storage                 | 0                     | 0        | \$658    | 0                       | 0        | \$664    | 0                       | 0        | \$674    | 0                    | 0        |
| (7) Temporary Lodging Expense            | 0                     | 0        | \$3,049  | 0                       | 0        | \$3,074  | 0                       | 0        | \$3,120  | 0                    | 0        |
| <b>Subtotal Officer Training Travel</b>  |                       |          | \$60,003 |                         |          | \$61,083 |                         |          | \$62,388 |                      |          |
| <b><u>Enlisted Training Travel</u></b>   |                       |          |          |                         |          |          |                         |          |          |                      |          |
| (1) Member Travel                        | 4,050                 | 380.19   | \$1,540  | 4,050                   | 383.23   | \$1,552  | 4,050                   | 388.98   | \$1,575  | 4,050                | 394.81   |
| (2) Family Member Travel                 | 1,607                 | 313.44   | \$504    | 1,607                   | 315.95   | \$508    | 1,607                   | 320.69   | \$515    | 1,607                | 325.50   |
| (3) Trans of Household Goods             | 4,050                 | 4,856.76 | \$19,670 | 4,050                   | 4,895.61 | \$19,827 | 4,050                   | 4,969.05 | \$20,125 | 4,050                | 5,043.58 |
| (4) Dislocation Allowance                | 1,798                 | 1,364.38 | \$2,453  | 1,798                   | 1,436.01 | \$2,582  | 1,798                   | 1,497.04 | \$2,692  | 1,798                | 1,550.56 |
| (5) Trailer Allowance                    | 12                    | 1,857.16 | \$22     | 12                      | 1,872.02 | \$22     | 12                      | 1,900.10 | \$23     | 12                   | 1,928.60 |
| (6) Nontemporary Storage                 | 0                     | 0        | \$128    | 0                       | 0        | \$129    | 0                       | 0        | \$131    | 0                    | 0        |
| (7) Temporary Lodging Expense            | 0                     | 0        | \$2,016  | 0                       | 0        | \$2,033  | 0                       | 0        | \$2,063  | 0                    | 0        |
| <b>Subtotal Enlisted Training Travel</b> |                       |          | \$26,333 |                         |          | \$26,653 |                         |          | \$27,124 |                      |          |
| <b>TOTAL TRAINING TRAVEL</b>             |                       |          | \$86,336 |                         |          | \$87,736 |                         |          | \$89,512 |                      |          |



(Amount in Thousands)

PROJECT: TRAINING TRAVEL

\$91,216  
\$89,512  
\$87,736  
\$86,336

(Amount in Thousands)

PROJECT: TRAINING TRAVEL

nate  
Amount

\$3,634  
\$2,487  
\$38,354  
\$15,270  
\$34  
\$684  
\$3,167

\$63,630

\$1,599  
\$523  
\$20,426  
\$2,788  
\$23  
\$133  
\$2,094

\$27,586

\$91,216

(Amount in Thousands)

**PROJECT: OPERATIONAL TRAVEL**

|                  |           |
|------------------|-----------|
| FY 2005 Estimate | \$153,510 |
| FY 2004 Estimate | \$175,445 |
| FY 2003 Estimate | \$174,470 |
| FY 2002 Actual   | \$165,720 |

**PART I - PURPOSE AND SCOPE**

Funds provide for the PCS movements of:

- (1) Officers and enlisted personnel to and from permanent duty stations located within the United States.
- (2) Officers and enlisted personnel to and from permanent duty stations located within an overseas area when no transoceanic travel is involved.
- (3) Dependents, household goods, personal effects, trailer allowances and privately owned vehicles of officers and enlisted personnel who are interned (including hospitalized or imprisoned), missing, or captured when no transoceanic travel is involved.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The estimate for operational travel covers PCS requirements for operational reassignment of officer and enlisted personnel between both duty stations (1) within the CONUS and (2) within overseas areas when no transoceanic travel is involved. Operational moves are predicated upon the approved Air Force structure and are necessary to support skill leveling among units, to fill new/unprogrammed requirements, and to accommodate valid humanitarian assignments. The estimates include actions taken by the Air Force to limit operational reassignments and reduce costs to the minimum necessary to carry out the Air Force mission (manning floor, minimum CONUS tour lengths, do-it-yourself move program, maximum use of low-cost moves).

The operational PCS program reflects Air Force's requirement to strengthen its capability and simultaneously right size the force. The requirement for operational moves will increase in FY 2003 to fully implement the enlisted Base of Preference program and the need to backfill/level positions vacated by personnel retained under Stop Loss.

(Amount in Thousands)

PROJECT: OPERATIONAL TRAVEL

|   | FY 2002 Actual |          |           | FY 2003 Estimate |          |           | FY 2004 Estimate |          |           | FY 2005 Estimate |          |           |
|---|----------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|
|   | Number         | Rate     | Amount    | Number           | Rate     | Amount    | Number           | Rate     | Amount    | Number           | Rate     | Amount    |
| <b><u>Officer Operational Travel</u></b>    |                |          |           |                  |          |           |                  |          |           |                  |          |           |
| (1) Member Travel                           | 7,660          | 721.54   | \$5,527   | 8,302            | 727.31   | \$6,038   | 7,805            | 738.22   | \$5,762   | 6,577            | 749.29   | \$4,928   |
| (2) Family Member Travel                    | 6,520          | 598.79   | \$3,904   | 7,116            | 603.58   | \$4,295   | 6,642            | 612.64   | \$4,069   | 5,736            | 621.83   | \$3,567   |
| (3) Trans of Household Goods                | 7,608          | 5,709.05 | \$43,434  | 8,233            | 5,754.72 | \$47,379  | 7,744            | 5,841.04 | \$45,233  | 6,284            | 5,928.66 | \$37,256  |
| (4) Dislocation Allowance                   | 7,134          | 2,258.56 | \$16,113  | 7,804            | 2,377.13 | \$18,551  | 7,267            | 2,478.16 | \$18,009  | 6,188            | 2,566.76 | \$15,883  |
| (5) Trailer Allowance                       | 77             | 1,767.58 | \$136     | 84               | 1,781.72 | \$150     | 78               | 1,808.45 | \$141     | 68               | 1,835.58 | \$125     |
| (6) Non-Temporary Storage                   | 0              | 0        | \$1,459   | 0                | 0        | \$1,695   | 0                | 0        | \$1,526   | 0                | 0        | \$1,549   |
| (7) Temporary Lodging Expense               | 0              | 0        | \$3,229   | 0                | 0        | \$3,751   | 0                | 0        | \$3,377   | 0                | 0        | \$3,428   |
| <b>Subtotal Officer Operational Travel</b>  |                |          | \$73,802  |                  |          | \$81,859  |                  |          | \$78,117  |                  |          | \$66,736  |
| <b><u>Enlisted Operational Travel</u></b>   |                |          |           |                  |          |           |                  |          |           |                  |          |           |
| (1) Member Travel                           | 11,893         | 518.15   | \$6,162   | 11,536           | 522.29   | \$6,025   | 12,132           | 530.13   | \$6,432   | 10,036           | 538.08   | \$5,400   |
| (2) Family Member Travel                    | 9,779          | 511.67   | \$5,004   | 9,657            | 515.76   | \$4,981   | 9,990            | 523.50   | \$5,230   | 8,706            | 531.35   | \$4,626   |
| (3) Trans of Household Goods                | 11,982         | 4,856.61 | \$58,192  | 11,849           | 4,895.46 | \$58,006  | 12,257           | 4,968.89 | \$60,904  | 10,581           | 5,043.43 | \$53,365  |
| (4) Dislocation Allowance                   | 10,891         | 1,364.38 | \$14,859  | 10,875           | 1,436.01 | \$15,617  | 11,145           | 1,497.04 | \$16,685  | 9,927            | 1,550.56 | \$15,392  |
| (5) Trailer Allowance                       | 575            | 2,305.68 | \$1,326   | 561              | 2,324.12 | \$1,304   | 586              | 2,358.99 | \$1,382   | 499              | 2,394.37 | \$1,195   |
| (6) Non-Temporary Storage                   | 0              | 0        | \$1,178   | 0                | 0        | \$1,234   | 0                | 0        | \$1,237   | 0                | 0        | \$1,256   |
| (7) Temporary Lodging Expense               | 0              | 0        | \$5,197   | 0                | 0        | \$5,444   | 0                | 0        | \$5,458   | 0                | 0        | \$5,540   |
| <b>Subtotal Enlisted Operational Travel</b> |                |          | \$91,918  |                  |          | \$92,611  |                  |          | \$97,328  |                  |          | \$86,774  |
| <b>TOTAL OPERATIONAL TRAVEL</b>             |                |          | \$165,720 |                  |          | \$174,470 |                  |          | \$175,445 |                  |          | \$153,510 |

(Amount in Thousands)

**PROJECT: ROTATIONAL TRAVEL**

|                  |           |
|------------------|-----------|
| FY 2005 Estimate | \$443,845 |
| FY 2004 Estimate | \$495,661 |
| FY 2003 Estimate | \$466,261 |
| FY 2002 Actual   | \$487,572 |

**PART I - PURPOSE AND SCOPE**

Funds provide for the PCS movements of:

- (1) Officers and enlisted personnel from permanent duty stations in CONUS, or training of 20 weeks or more duration, to permanent duty stations overseas.
- (2) Officers and enlisted personnel from permanent duty stations overseas to permanent duty stations in CONUS, or training of 20 weeks or more.
- (3) Officers and enlisted personnel from permanent duty stations in one overseas area to permanent duty stations in another overseas area when transoceanic travel is involved.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Rotational moves are made in accordance with overseas tour policies approved by the Secretary of Defense. They are driven by Air Force's continuing restructure and consolidation efforts in overseas locations. FY 2003 decreases are the result of increased stabilization and personnel remaining in overseas locations for longer periods of time.

Average rates are based upon statistical data, ratios, and percentages derived from actual PCS rotational moves. The number of officer and enlisted moves and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the appropriate average rate results in the estimated funding required. The number of moves and associated fiscal year requirements are shown on the following pages.

## (Amount in Thousands)

## PROJECT: ROTATIONAL TRAVEL

|  | FY 2002 Actual |          |           | FY 2003 Estimate |          |           | FY 2004 Estimate |          |           | FY 2005 Estimate |          |           |
|--|----------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|
|  | Number         | Rate     | Amount    | Number           | Rate     | Amount    | Number           | Rate     | Amount    | Number           | Rate     | Amount    |
| <b><u>Officer Rotational Travel</u></b>    |                |          |           |                  |          |           |                  |          |           |                  |          |           |
| (1) Member Travel                          | 6,960          | 1,595.89 | \$11,107  | 6,687            | 1,608.66 | \$10,757  | 7,089            | 1,632.79 | \$11,575  | 5,973            | 1,657.28 | \$9,899   |
| (2) Family Member Travel                   | 5,364          | 2,637.36 | \$14,147  | 5,189            | 2,658.45 | \$13,795  | 5,462            | 2,698.33 | \$14,738  | 4,717            | 2,738.81 | \$12,919  |
| (3) Pet Quarantine                         | 49             | 550.00   | \$27      | 50               | 550.00   | \$28      | 50               | 550.00   | \$28      | 50               | 550.00   | \$28      |
| (4) Trans of Household Goods               |                |          |           |                  |          |           |                  |          |           |                  |          |           |
| (a) Land & ITGBL                           | 8,565          | 5,033.50 | \$43,112  | 7,946            | 5,073.76 | \$40,316  | 8,713            | 5,149.87 | \$44,871  | 6,931            | 5,227.12 | \$36,229  |
| (b) Overseas                               | 0              | 0        | \$11,135  | 0                | 0        | \$11,468  | 0                | 0        | \$11,645  | 0                | 0        | \$11,820  |
| (5) Dislocation Allowance                  | 6,278          | 2,258.56 | \$14,179  | 6,087            | 2,377.13 | \$14,470  | 6,393            | 2,478.16 | \$15,843  | 5,443            | 2,566.76 | \$13,971  |
| (6) Trailer Allowance                      | 84             | 3,330.10 | \$280     | 82               | 3,356.74 | \$275     | 86               | 3,407.09 | \$293     | 74               | 3,458.19 | \$256     |
| (7) Global POV                             | 4,931          | 3,023.00 | \$14,906  | 5,038            | 3,023.00 | \$15,230  | 5,040            | 3,023.00 | \$15,236  | 5,040            | 3,023.00 | \$15,236  |
| (8) Port Handling (HHGS)                   | 11,172         | 51.73    | \$578     | 10,794           | 52.15    | \$563     | 11,408           | 52.93    | \$604     | 10,030           | 53.72    | \$539     |
| (9) Nontemporary Storage                   | 0              | 0        | \$5,072   | 0                | 0        | \$5,224   | 0                | 0        | \$5,305   | 0                | 0        | \$5,385   |
| (10) Temporary Lodging Expenses            | 0              | 0        | \$3,518   | 0                | 0        | \$3,623   | 0                | 0        | \$3,679   | 0                | 0        | \$3,734   |
| <b>Subtotal Officer Rotational Travel</b>  |                |          | \$118,061 |                  |          | \$115,749 |                  |          | \$123,817 |                  |          | \$110,016 |
| <b><u>Enlisted Rotational Travel</u></b>   |                |          |           |                  |          |           |                  |          |           |                  |          |           |
| (1) Member Travel                          | 36,553         | 1,475.31 | \$53,927  | 33,519           | 1,487.12 | \$49,847  | 35,692           | 1,509.42 | \$53,874  | 29,525           | 1,532.06 | \$45,234  |
| (2) Family Member Travel                   | 26,362         | 1,728.76 | \$45,574  | 24,611           | 1,742.59 | \$42,887  | 25,776           | 1,768.72 | \$45,591  | 22,465           | 1,795.26 | \$40,331  |
| (3) Pet Quarantine                         | 280            | 550.00   | \$154     | 275              | 550.00   | \$151     | 275              | 550.00   | \$151     | 275              | 550.00   | \$151     |
| (4) Trans of Household Goods               |                |          |           |                  |          |           |                  |          |           |                  |          |           |
| (a) Land & ITGBL                           | 35,389         | 4,207.31 | \$148,892 | 32,533           | 4,240.97 | \$137,971 | 34,522           | 4,304.59 | \$148,603 | 29,055           | 4,369.16 | \$126,946 |
| (b) Overseas                               | 0              | 0        | \$31,341  | 0                | 0        | \$31,038  | 0                | 0        | \$31,504  | 0                | 0        | \$31,977  |
| (5) Dislocation Allowance                  | 27,927         | 1,364.38 | \$38,103  | 26,365           | 1,436.01 | \$37,860  | 27,355           | 1,497.04 | \$40,952  | 24,366           | 1,550.56 | \$37,781  |
| (6) Trailer Allowance                      | 84             | 2,412.99 | \$203     | 78               | 2,432.29 | \$190     | 83               | 2,468.77 | \$205     | 70               | 2,505.81 | \$175     |
| (7) Global POV                             | 8,996          | 3,023.00 | \$27,195  | 8,838            | 3,023.00 | \$26,717  | 8,838            | 3,023.00 | \$26,717  | 8,838            | 3,023.00 | \$26,717  |
| (8) Port Handling (HHGS)                   | 26,380         | 27.16    | \$716     | 24,489           | 27.38    | \$671     | 25,873           | 27.79    | \$719     | 22,563           | 28.20    | \$636     |
| (9) Nontemporary Storage                   | 0              | 0        | \$6,844   | 0                | 0        | \$6,778   | 0                | 0        | \$6,880   | 0                | 0        | \$6,983   |
| (10) Temporary Lodging Expenses            | 0              | 0        | \$16,562  | 0                | 0        | \$16,402  | 0                | 0        | \$16,648  | 0                | 0        | \$16,898  |
| <b>Subtotal Enlisted Rotational Travel</b> |                |          | \$369,511 |                  |          | \$350,512 |                  |          | \$371,844 |                  |          | \$333,829 |
| <b>TOTAL ROTATIONAL TRAVEL</b>             |                |          | \$487,572 |                  |          | \$466,261 |                  |          | \$495,661 |                  |          | \$443,845 |

**PROJECT: SEPARATION TRAVEL**

**(Amount in Thousands)**

|                  |           |
|------------------|-----------|
| FY 2005 Estimate | \$119,033 |
| FY 2004 Estimate | \$122,015 |
| FY 2003 Estimate | \$153,494 |
| FY 2002 Actual   | \$87,202  |

**PART I - PURPOSE AND SCOPE**

Funds provide for the PCS movements of:

- (1) Officers and enlisted personnel upon release, normal and early retirement, or separation from the Air Force from last permanent duty station to home of record or point of entry into the service or to home of selection when authorized by law.
- (2) Dependents, household goods, trailer allowances and personal effects of officers and enlisted personnel who are deceased.
- (3) Eliminated Air Force Academy cadets to home of record or point of entry into the service.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The estimates for separation travel cover general separations and retirements from the Air Force. The PCS requirements for separation travel are based upon officer, enlisted and cadet losses as reflected in Air Force personnel programs. Separation travel covers disability separations, honorable separations, enlisted personnel on expiration term of service and normal early releases, retirements, etc.

Average rates are based on statistical data, ratios, and percentages derived from actual officer, enlisted and cadet separation PCS move costs. The number of separation moves (officer, enlisted and cadets) and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the appropriate rate for each category results in the estimated funding required.

The number of moves and fiscal year requirements are shown on the following pages.

## PROJECT: SEPARATION TRAVEL

(Amount in Thousands)

|  | FY 2002 Actual |          |          | FY 2003 Estimate |          |           | FY 2004 Estimate |          |           | FY 2005 Estimate |          |           |
|--|----------------|----------|----------|------------------|----------|-----------|------------------|----------|-----------|------------------|----------|-----------|
|  | Number         | Rate     | Amount   | Number           | Rate     | Amount    | Number           | Rate     | Amount    | Number           | Rate     | Amount    |
| <b><u>Officer Separation Travel</u></b>    |                |          |          |                  |          |           |                  |          |           |                  |          |           |
| (1) Member Travel                          | 4,372          | 370.59   | \$1,620  | 9,139            | 373.55   | \$3,414   | 5,870            | 379.15   | \$2,226   | 5,734            | 384.84   | \$2,207   |
| (2) Family Member Travel                   | 3,517          | 514.39   | \$1,809  | 7,351            | 518.51   | \$3,812   | 4,722            | 526.28   | \$2,485   | 4,612            | 534.18   | \$2,464   |
| (3) Trans of Household Goods               |                |          |          |                  |          |           |                  |          |           |                  |          |           |
| (a) Land & ITGBL                           | 2,423          | 6,538.02 | \$15,842 | 5,066            | 6,590.33 | \$33,387  | 3,254            | 6,689.18 | \$21,767  | 3,178            | 6,789.52 | \$21,577  |
| (b) Overseas                               | 0              | 0        | \$605    | 0                | 0        | \$1,275   | 0                | 0        | \$831     | 0                | 0        | \$824     |
| (4) Trailer Allowance                      | 17             | 2,476.22 | \$42     | 37               | 2,496.03 | \$92      | 23               | 2,533.47 | \$58      | 23               | 2,571.47 | \$59      |
| (5) Global POV                             | 395            | 3,023.00 | \$1,194  | 826              | 3,023.00 | \$2,497   | 531              | 3,023.00 | \$1,605   | 518              | 3,023.00 | \$1,566   |
| (6) Port Handling (HHGS)                   | 1,588          | 41.73    | \$66     | 3,319            | 42.06    | \$140     | 2,132            | 42.69    | \$91      | 2,083            | 43.33    | \$90      |
| (7) Nontemporary Storage                   | 0              | 0        | \$2,045  | 0                | 0        | \$4,309   | 0                | 0        | \$2,809   | 0                | 0        | \$2,785   |
| <b>Subtotal Officer Separation Travel</b>  |                |          | \$23,223 |                  |          | \$48,926  |                  |          | \$31,872  |                  |          | \$31,572  |
| <b><u>Enlisted Separation Travel</u></b>   |                |          |          |                  |          |           |                  |          |           |                  |          |           |
| (1) Member Travel                          | 27,823         | 346.86   | \$9,651  | 45,243           | 349.64   | \$15,819  | 38,405           | 354.88   | \$13,629  | 36,705           | 360.2    | \$13,221  |
| (2) Family Member Travel                   | 25,077         | 285.5    | \$7,159  | 40,778           | 287.79   | \$11,736  | 34,614           | 292.1    | \$10,111  | 33,082           | 296.49   | \$9,808   |
| (3) Trans of Household Goods               |                |          |          |                  |          |           |                  |          |           |                  |          |           |
| (a) Land & ITGBL                           | 6,182          | 6,638.80 | \$41,041 | 10,053           | 6,691.91 | \$67,274  | 8,534            | 6,792.29 | \$57,965  | 8,156            | 6,894.17 | \$56,229  |
| (b) Overseas                               | 0              | 0        | \$2,516  | 0                | 0        | \$4,124   | 0                | 0        | \$3,553   | 0                | 0        | \$3,447   |
| (4) Trailer Allowance                      | 250            | 1,832.14 | \$458    | 407              | 1,846.80 | \$752     | 346              | 1,874.50 | \$649     | 330              | 1,902.62 | \$628     |
| (5) Global POV                             | 0              | 3,023.00 | \$0      | 0                | 3,023.00 | \$0       | 0                | 3,023.00 | \$0       | 0                | 3,023.00 | \$0       |
| (6) Port Handling (HHGS)                   | 2,910          | 37.56    | \$109    | 4,732            | 37.86    | \$179     | 4,017            | 38.43    | \$154     | 3,839            | 39.01    | \$150     |
| (7) Nontemporary Storage                   | 0              | 0        | \$2,690  | 0                | 0        | \$4,409   | 0                | 0        | \$3,799   | 0                | 0        | \$3,685   |
| <b>Subtotal Enlisted Separation Travel</b> |                |          | \$63,624 |                  |          | \$104,293 |                  |          | \$89,860  |                  |          | \$87,168  |
| <b><u>Cadet Separation Travel</u></b>      | 425            | 835.49   | \$355    | 326              | 842.18   | \$275     | 331              | 854.81   | \$283     | 338              | 867.63   | \$293     |
| <b>TOTAL SEPARATION TRAVEL</b>             |                |          | \$87,202 |                  |          | \$153,494 |                  |          | \$122,015 |                  |          | \$119,033 |



(Amount in Thousands)

**PROJECT: TRAVEL OF ORGANIZED UNITS**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Funds provided for the CONUS or overseas movement of:

- (1) Officer and enlisted personnel directed to move as members of an organized unit movement.
- (2) Officer and enlisted replacements directed to move as part of the unit move.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The estimates for organized unit travel include requirements for relocation of Air Force units from both the CONUS and overseas in accordance with published Air Force programs. These moves are required as a result of changes in force reductions, force positioning and the requirement to maintain strategic and tactical integrity of units.

The Air Force estimate of organized unit move requirements is based on the most comprehensive planning data available in the DOD regulation definition of a unit move and on historical program change request data. Anticipated moves are tracked throughout the operating and budget years since mission requirements dictate changes to the initial schedule. The estimated number of moves increase as more force structure actions occur, for example, base closure, unit realignments, public announcements, and internal Air Force restructure. The uncertainty surrounding areas such as competition and privatization, and expeditionary aerospace force, makes this the most volatile category of the PCS budget.

The average rates are based upon statistical data, ratios, and percentages derived from actual PCS organized unit move costs. The number of officer and enlisted organized unit moves and associated numbers for each element of expense (e.g., military member, dependents, household goods, etc.) times the average rates result in the estimated fund requirements. The number of moves and fiscal year requirements are shown on the following pages.

(Amount in Thousands)

PROJECT: TRAVEL OF ORGANIZED UNITS

|                                      | <u>FY 2002 Actual</u> |          |         | <u>FY 2003 Estimate</u> |          |         | <u>FY 2004 Estimate</u> |          |          | <u>FY 2005 Estin</u> |          |
|--------------------------------------|-----------------------|----------|---------|-------------------------|----------|---------|-------------------------|----------|----------|----------------------|----------|
|                                      | Number                | Rate     | Amount  | Number                  | Rate     | Amount  | Number                  | Rate     | Amount   | Number               | Rate     |
| <b><u>Officer Unit Travel</u></b>    |                       |          |         |                         |          |         |                         |          |          |                      |          |
| (1) Member Travel                    | 52                    | 720.79   | \$37    | 55                      | 726.56   | \$40    | 132                     | 737.45   | \$97     | 132                  | 748.52   |
| (2) Family Member Travel             | 44                    | 552.54   | \$24    | 47                      | 556.96   | \$26    | 112                     | 565.32   | \$63     | 112                  | 573.80   |
| (3) Trans of Household Goods         |                       |          |         |                         |          |         |                         |          |          |                      |          |
| (a) Land & ITGBL                     | 52                    | 7,578.02 | \$394   | 55                      | 7,638.64 | \$420   | 132                     | 7,753.22 | \$1,023  | 132                  | 7,869.52 |
| (b) Overseas                         | 0                     | 0        | \$0     | 0                       | 0        | \$0     | 0                       | 0        | \$0      | 0                    | 0        |
| (4) Dislocation Allowance            | 51                    | 2,258.56 | \$115   | 54                      | 2,377.13 | \$128   | 129                     | 2,478.16 | \$320    | 129                  | 2,566.76 |
| (5) Trailer Allowance                | 0                     | 0        | \$0     | 0                       | 0        | \$0     | 0                       | 0        | \$0      | 0                    | 0        |
| (6) Nontemporary Storage             | 0                     | 0        | \$132   | 0                       | 0        | \$140   | 0                       | 0        | \$341    | 0                    | 0        |
| (7) Temporary Lodging Expense        | 0                     | 0        | \$34    | 0                       | 0        | \$37    | 0                       | 0        | \$90     | 0                    | 0        |
| <b>Subtotal Officer Unit Travel</b>  |                       |          | \$736   |                         |          | \$791   |                         |          | \$1,934  |                      |          |
| <b><u>Enlisted Unit Travel</u></b>   |                       |          |         |                         |          |         |                         |          |          |                      |          |
| (1) Member Travel                    | 983                   | 534.84   | \$526   | 993                     | 539.12   | \$535   | 1,236                   | 547.21   | \$676    | 983                  | 555.42   |
| (2) Family Member Travel             | 617                   | 375.97   | \$232   | 623                     | 378.98   | \$236   | 776                     | 384.67   | \$299    | 617                  | 390.44   |
| (3) Trans of Household Goods         |                       |          |         |                         |          |         |                         |          |          |                      |          |
| (a) Land & ITGBL                     | 983                   | 4,249.86 | \$4,178 | 993                     | 4,283.86 | \$4,254 | 1,236                   | 4,348.12 | \$5,374  | 983                  | 4,413.34 |
| (b) Overseas                         | 0                     | 0        | \$0     | 0                       | 0        | \$0     | 0                       | 0        | \$0      | 0                    | 0        |
| (4) Dislocation Allowance            | 690                   | 1,364.38 | \$941   | 697                     | 1,436.01 | \$1,001 | 868                     | 1,497.04 | \$1,299  | 690                  | 1,550.56 |
| (5) Trailer Allowance                | 14                    | 2,243.08 | \$31    | 14                      | 2,261.02 | \$32    | 18                      | 2,294.94 | \$41     | 14                   | 2,329.36 |
| (6) Nontemporary Storage             | 0                     | 0        | \$70    | 0                       | 0        | \$71    | 0                       | 0        | \$90     | 0                    | 0        |
| (7) Temporary Lodging Expense        | 0                     | 0        | \$582   | 0                       | 0        | \$593   | 0                       | 0        | \$749    | 0                    | 0        |
| <b>Subtotal Enlisted Unit Travel</b> |                       |          | \$6,560 |                         |          | \$6,722 |                         |          | \$8,528  |                      |          |
| <b>TOTAL UNIT TRAVEL</b>             |                       |          | \$7,296 |                         |          | \$7,513 |                         |          | \$10,462 |                      |          |

(Amount in Thousands)

**PROJECT: TRAVEL OF ORGANIZED UNITS**

\$8,876

\$10,462

\$7,513

\$7,296

(Amount in Thousands)

PROJECT: TRAVEL OF ORGANIZED UNITS

nate  
Amount

\$99  
\$64

\$1,039  
\$0  
\$331  
\$0  
\$346  
\$91

\$1,970

\$546  
\$241

\$4,338  
\$0  
\$1,070  
\$33  
\$73  
\$605

\$6,906

\$8,876

# **OTHER MILITARY PERSONNEL COSTS**

**ACTIVE FORCES  
SCHEDULE OF INCREASES AND DECREASES  
(Amount in Thousands)**

**6. Other Military Personnel Costs**

**FY 2003 DIRECT PROGRAM** 65,612

**Decreases:**

Unemployment Compensation -1,008  
     - Decrease based on reduced number of separations -1,008

Survivors' Benefit -110  
     - Decrease based on Dept of VA estimates -110

Mass Transit -70  
     - Decrease cost based on workyears -70

Death Gratuities -6  
     - Decrease in number of claimants -6

**Total Decreases** -1,194

**FY 2004 DIRECT PROGRAM** 64,418

(Amount in Thousands)

**PROJECT: APPREHENSION OF AIR FORCE DESERTERS, ABSENTEES, AND MILITARY PRISONERS**

|                  |     |
|------------------|-----|
| FY 2005 Estimate | 100 |
| FY 2004 Estimate | 100 |
| FY 2003 Estimate | 100 |
| FY 2002 Actual   | 100 |

**PART I - PURPOSE AND SCOPE**

The funds are for expenses associated with the apprehension of military deserters, absentees, and escaped military prisoners and for their delivery to the control of the Department of Defense. Included is the cost of detention and subsistence provided during the period a military member is detained in civil confinement for safekeeping when so requested by military authority, cost of reimbursement for expenses incurred, transportation, lodging, and subsistence of escort guards.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Cost estimates are based on factors developed from historical data. Estimates are depicted as follows:

|  | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|--|-----------------------|-------------------------|-------------------------|-------------------------|
| Expenses Incident to the Apprehension and Delivery of Deserters, Absentees and Prisoners | 100                   | 100                     | 100                     | 100                     |

(Amount in Thousands)

**PROJECT: INTEREST ON UNIFORMED SERVICES SAVINGS DEPOSIT PROGRAM**

|                  |     |
|------------------|-----|
| FY 2005 Estimate | 595 |
| FY 2004 Estimate | 595 |
| FY 2003 Estimate | 595 |
| FY 2002 Actual   | 595 |

**PART I - PURPOSE AND SCOPE**

These funds pay interest (Int) on savings deposits of \$5.00 or more for overseas members of the uniformed services who participate in temporary duty in support of contingency operations. Under the provisions of P.L. 8-538, August 14, 1966, as amended in FY 1991 by Title 10, U. S. C., Section 1035, service members are permitted to deposit unallotted amounts into the savings program. The interest rate is not to exceed ten percent per year.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

The funds pay interest on savings accounts for members deployed in support of contingency operations.

|  | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|--|-----------------------|-------------------------|-------------------------|-------------------------|
| Interest on Uniformed Services Savings Deposit | 595                   | 595                     | 595                     | 595                     |



(Amount in Thousands)

**PROJECT: DEATH GRATUITIES**

FY 2005 Estimate 1,482  
FY 2004 Estimate 1,494  
FY 2003 Estimate 1,500  
FY 2002 Actual 1,506

**PART I - PURPOSE AND SCOPE**

Death gratuities are paid to beneficiaries of military personnel who die under certain conditions. The death must have occurred (a) while on active duty or while traveling to or from duty, (b) during the 120-day period following date of discharge or release, under honorable conditions, from active duty (including retirement for either disability or length of service), or (c) while traveling to or from or while at a place for final acceptance or for entry into active duty in the military service. The benefits are covered under provisions of 10 U.S.C. 1475-78 as amended by H.R. 1281, dated March 22, 1991.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Funds required are based on mortality rates, historical trends and the statutory gratuity amount. Details of the computation are:

|              | <u>FY 2002 Actual</u> |       |        | <u>FY 2003 Estimate</u> |       |        | <u>FY 2004 Estimate</u> |       |        | <u>FY 2005 Estimate</u> |       |        |
|--------------|-----------------------|-------|--------|-------------------------|-------|--------|-------------------------|-------|--------|-------------------------|-------|--------|
|              | Number                | Rate  | Amount | Number                  | Rate  | Amount | Number                  | Rate  | Amount | Number                  | Rate  | Amount |
| Enlisted     | 200                   | 6,000 | 1,200  | 199                     | 6,000 | 1,194  | 198                     | 6,000 | 1,188  | 197                     | 6,000 | 1,182  |
| Officer      | 51                    | 6,000 | 306    | 51                      | 6,000 | 306    | 51                      | 6,000 | 306    | 50                      | 6,000 | 300    |
| <b>TOTAL</b> | 251                   |       | 1,506  | 250                     |       | 1,500  | 249                     |       | 1,494  | 247                     |       | 1,482  |

(Amount in Thousands)

**PROJECT: UNEMPLOYMENT BENEFITS PAID TO EX-SERVICE MEMBERS**

|                  |        |
|------------------|--------|
| FY 2005 Estimate | 29,044 |
| FY 2004 Estimate | 31,069 |
| FY 2003 Estimate | 32,077 |
| FY 2002 Actual   | 34,614 |

**PART I - PURPOSE AND SCOPE**

The funds are for payments of unemployment benefits to eligible ex-service members as prescribed in Section 8521(a), Paragraph 1 of Title 5, U. S. C. Generally, eligibility is defined as at least 365 days of continuous active service in the Armed Forces whereupon the individual is discharged under honorable conditions. The member must complete a first full-term of active service or is discharged before a first-term is completed under an early release program, because of hardship, for medical reasons, or for personality disorders or inaptitude. Additionally, eligibility is subject to the numerous applicable state laws.

The Department of Labor is the Executive Agency, as administered by individual states, for the Federal Government's share of applicable unemployment compensation for ex-servicemen. Benefits are payable up to 26 weeks after a one-week waiting period.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Cost estimates are based on Department of Labor factors derived from projected economic assumptions and Department of Defense historical experience.

|                           | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|---------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| Unemployment Compensation | 34,614                | 32,077                  | 31,069                  | 29,044                  |

(Amount in Thousands)

**PROJECT: SURVIVORS' BENEFITS**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Provisions of 10 U.S.C 1450 -1451, Public Law 98-94 (Section 943) and Public Law 99-227 provide for payment of social security and educational benefits to widows and orphans of Air Force military personnel who died on active duty or veterans who died from service-related causes. Under the provisions of Public Law 99-227, 12 December 1985, quarters allowance is paid to eligible family members of military members who die in the line of duty. Eligibility is limited to (a) family members who did not occupy government quarters on the date of the military member's death, or (b) family members who occupied government quarters on a rental basis on the date of the military member's death, (c) family members who vacated government quarters within 90 days of the military member's death. Quarters allowance is paid at the rate paid to the member prior to death. Payments terminate 90 days after the member dies.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Cost estimates for the Reinstated Entitlement Program (REP) are provided by the Department of Veterans Affairs. They are based on average benefit payments and caseload data. Historical data is used to estimate quarters allowance requirements.

|                     | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|---------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| Survivors' Benefits | 3,392                 | 3,288                   | 3,178                   | 3,116                   |

(Amount in Thousands)

**PROJECT: SURVIVORS' BENEFITS**

3,116

3,178

3,288

3,392

(Amount in Thousands)

**PROJECT: EDUCATION BENEFITS (MONTGOMERY GI BILL)**

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Public Law 101-510 dated November 5, 1990 allows members who are involuntarily separated from the armed services to the Montgomery GI Bill Program. The FY 1993 National Defense Authorization Act allows members exercising the Voluntary Incentive/Special Separation Benefit (VSI/SSB) options to convert from the Veterans Educational Assistance Program (VEAP) to the Montgomery GI Bill. Most military members who receive VSI/SSB entered the service when VEAP was in effect. Beginning in 1985, the All Volunteer Educational Assistance Program, known as the Montgomery GI Bill, became effective and no new members were accepted into VEAP. The Services are now required to make contributions to the Department of Defense Education Benefits Fund to cover the conversions as determined by the Board of Actuaries.

The 1990 National and Community Act, Subsection 162(a) (2) (C), requires the Department of Defense to reimburse the Department of Education for National Service/Civilian Community Corps (CCC) for 50 percent of the supplemental salary for cadre members who are receiving military retirement pay.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Cost estimates are the Board of Actuaries' projected payments into the Department of Defense Education Benefits Fund based on historical data for civilian community corps requirements.

|                          | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> |
|--------------------------|-----------------------|-------------------------|-------------------------|
| Education Benefits       | 3,586                 | 4,090                   | 4,090                   |
| Civilian Community Corps | 50                    | 50                      | 50                      |
| <b>TOTAL</b>             | <b>3,636</b>          | <b>4,140</b>            | <b>4,140</b>            |

(Amount in Thousands)

**PROJECT: EDUCATION BENEFITS (MONTGOMERY GI BILL)**

4,140  
4,140  
4,140  
3,636

to enroll in  
untary Separation  
(EAP) to the  
ing in July  
w enrollments  
in Benefits Fund

Corporation  
are receiving

and historical

**FY 2005 Estimate**

4,090  
50  
4,140

(Amount in Thousands)

**PROJECT: ADOPTION EXPENSES**

|                  |     |
|------------------|-----|
| FY 2005 Estimate | 800 |
| FY 2004 Estimate | 800 |
| FY 2003 Estimate | 800 |
| FY 2002 Actual   | 800 |

**PART I - PURPOSE AND SCOPE**

The FY 1988/1989 National Defense Authorization Act (Public Law 100-180), Section 638, instructed the Secretary of Defense to establish a program to reimburse Armed Forces members for qualifying child adoption expenses. The program is now administered under the provisions of Title 10 U.S.C. 1052

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Funds are required to pay expenses incurred by active service members in the adoption of a child under the age of 18 years. Expenses include agency fees; legal fees; medical expenses for the child, the biological mother, and the adopting parents; temporary foster care; transportation expenses; and other expenses approved by OSD (FM&P).

|                        | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| Expenses for Adoptions | 800                   | 800                     | 800                     | 800                     |

(Amount in Thousands)

**PROJECT: SPECIAL COMPENSATION FOR SEVERELY DISABLED RETIREES**

|                  |        |
|------------------|--------|
| FY 2005 Estimate | 9,400  |
| FY 2004 Estimate | 9,400  |
| FY 2003 Estimate | 9,400  |
| FY 2002 Actual   | 13,430 |

**PART I - PURPOSE AND SCOPE**

Section 658, of the FY 2000 NDAA (P.L. 106-65), as amended by Section 657, FY 2001 NDAA and Section 641, FY 2002 NDAA, provides for compensation to certain severely disabled retirees of the Uniformed Services. Payments are made to military retirees who (1) have a minimum VA disability rating of at least 60%, (2) receive the minimum disability rating within four years of retirement, (3) retire with a non-disability retirement, and (4) have 20-plus years of service for the purposes of computing retired pay.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Cost estimates are based on empirical data of Air Force eligible disabled retirees who received disability payments and projected increased population in accordance with the expanded benefit criteria. Budget year estimate is in compliance with fiscal guidance. Estimates are presented below:

|   | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|---|-----------------------|-------------------------|-------------------------|-------------------------|
| Compensation for Severely Disabled Retirees | 13,430                | 9,400                   | 9,400                   | 9,400                   |



(Amount in Thousands)

PROJECT: SPECIAL COMPENSATION FOR SEVERELY DISABLED RETIREES

(Amount in Thousands)

PROJECT: MASS TRANSPORTATION

|                  |        |
|------------------|--------|
| FY 2005 Estimate | 10,967 |
| FY 2004 Estimate | 11,030 |
| FY 2003 Estimate | 11,100 |
| FY 2002 Actual   | 10,926 |

**PART I - PURPOSE AND SCOPE**

Executive Order 13150 dated April 21, 2000 ordered Federal Agencies to implement a transportation fringe benefit program that offers qualified Federal employees the option to exclude from taxable wages or receive direct compensation, consistent with Section 132 of Title 26, U.S.C., for employee commuting costs incurred through the use of mass transportation and vanpools, not to exceed the maximum level allowed by law (26 U.S.C. 132 (f) (2)). The program is designed to reduce Federal employees' contribution to traffic congestion and air pollution and to expand their commuting alternatives by encouraging mass transportation.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Cost estimates are based on the number of Air Force personnel who took advantage of this mode of transportation in FY 2002 and are part of the eligible population located in the National Capitol Region. The District geographic area, bounded by the outer boundaries of the Columbia Metropolitan Area metrorail, extended its services further into rural areas. As a result, mass transportation availability became more accessible. FY 2002 adjusts the estimate of the initial rate of \$65 per month to \$100 per month which was effected January 2002.

|              | <u>FY 2002 Actual</u> |       |               | <u>FY 2003 Estimate</u> |       |               | <u>FY 2004 Estimate</u> |       |               | <u>FY 2005 Estimate</u> |       |               |
|--------------|-----------------------|-------|---------------|-------------------------|-------|---------------|-------------------------|-------|---------------|-------------------------|-------|---------------|
|              | Number                | Rate  | Amount        | Number                  | Rate  | Amount        | Number                  | Rate  | Amount        | Number                  | Rate  | Amount        |
| Enlisted     | 7,258                 | 1,147 | 8,325         | 6,667                   | 1,257 | 8,381         | 6,622                   | 1,257 | 8,323         | 6,571                   | 1,257 | 8,260         |
| Officer      | 2,268                 | 1,147 | 2,601         | 2,163                   | 1,257 | 2,719         | 2,153                   | 1,257 | 2,707         | 2,153                   | 1,257 | 2,707         |
| <b>TOTAL</b> | <b>9,526</b>          |       | <b>10,926</b> | <b>8,831</b>            |       | <b>11,100</b> | <b>8,775</b>            |       | <b>11,030</b> | <b>8,725</b>            |       | <b>10,967</b> |

(Amount in Thousands)

PROJECT: PARTIAL DISLOCATION ALLOWANCE

FY 2005 Estimate  
FY 2004 Estimate  
FY 2003 Estimate  
FY 2002 Actual

**PART I - PURPOSE AND SCOPE**

Title 34, United States Code, Section 407, as amended by the FY 2002 NDAA, authorized a partial dislocation allowance payment of \$500 to members who are ordered, for the convenience of the Government, to move into or out of military family housing. This includes privatization or renovation of housing units.

**PART II - JUSTIFICATION OF FUNDS REQUESTED**

Cost estimates are based on a partial year of empirical data. This entitlement was effective 09 February 2002; however, reimbursements began in May 2002. Hence, FY 2002 represents the initial five months of data. Payments for partial dislocation allowance will grow as increased privatization or housing renovations require members to relocate.

|                               | <u>FY 2002 Actual</u> | <u>FY 2003 Estimate</u> | <u>FY 2004 Estimate</u> | <u>FY 2005 Estimate</u> |
|-------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| Partial Dislocation Allowance | 1,972                 | 2,612                   | 2,612                   | 2,612                   |

(Amount in Thousands)

**PROJECT: PARTIAL DISLOCATION ALLOWANCE**

2,612  
2,612  
2,612  
1,972

# **SECTION 5**

# **SPECIAL ANALYSIS**

**ACTIVE FORCES  
MILITARY PERSONNEL ASSIGNED OUTSIDE DoD  
(End Strength)**

**Assigned Outside DoD:**

|  | <b>FY 2002 Actual</b> |                 |              | <b>FY 2003 Estimate</b> |                 |              | <b>FY 2004 Estimate</b> |                 |              | <b>FY 2005 Estimate</b> |                 |              |
|--|-----------------------|-----------------|--------------|-------------------------|-----------------|--------------|-------------------------|-----------------|--------------|-------------------------|-----------------|--------------|
|  | <b>Officers</b>       | <b>Enlisted</b> | <b>Total</b> | <b>Officers</b>         | <b>Enlisted</b> | <b>Total</b> | <b>Officers</b>         | <b>Enlisted</b> | <b>Total</b> | <b>Officers</b>         | <b>Enlisted</b> | <b>Total</b> |
| <b>Nonreimbursable Personnel:</b>                |                       |                 |              |                         |                 |              |                         |                 |              |                         |                 |              |
| Exec Office of the President, White House (WHMO) | 15                    | 14              | 29           | 15                      | 14              | 29           | 15                      | 14              | 29           | 15                      | 14              | 29           |
| Office of National Drug & Control Policy (ONDCP) | 11                    | 0               | 11           | 9                       | 0               | 9            | 9                       | 0               | 9            | 9                       | 0               | 9            |
| Office of the Vice President (OVP)               | 3                     | 6               | 9            | 3                       | 6               | 9            | 3                       | 6               | 9            | 3                       | 6               | 9            |
| Department of State (DOS)                        | 19                    | 1               | 20           | 19                      | 1               | 20           | 19                      | 1               | 20           | 19                      | 1               | 20           |
| Department of Energy (DOE)                       | 8                     | 0               | 8            | 8                       | 0               | 8            | 8                       | 0               | 8            | 8                       | 0               | 8            |
| Department of Commerce (DOC)                     | 0                     | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            |
| Department of Transportation (DOT)               | 14                    | 1               | 15           | 14                      | 1               | 15           | 14                      | 1               | 15           | 14                      | 1               | 15           |
| U.N. Truce Supervision Organization (UNTSO)      | 1                     | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            |
| Drug Enforcement Administration (DEA)            | 2                     | 5               | 7            | 2                       | 4               | 6            | 2                       | 4               | 6            | 2                       | 4               | 6            |
| US Customs Service (USCS)                        | 0                     | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            |
| National Security Council (NSC)                  | 2                     | 0               | 2            | 3                       | 0               | 3            | 3                       | 0               | 3            | 3                       | 0               | 3            |
| Central Intelligence Agency (CIA)                | 7                     | 1               | 8            | 8                       | 1               | 9            | 8                       | 1               | 9            | 8                       | 1               | 9            |
| National Science & Technology Council (NSTC)     | 0                     | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            |
| UN Iraq/Kuwait Observation Mission (UNIKOM)      | 2                     | 0               | 2            | 2                       | 0               | 2            | 2                       | 0               | 2            | 2                       | 0               | 2            |
| US Military Observer Group (USMOG), Washington   | 1                     | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            |
| Department of Health & Human Services (DHHS)     | 1                     | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            |
| Law Enforcement SP (LESP)                        | 0                     | 3               | 3            | 0                       | 3               | 3            | 0                       | 3               | 3            | 0                       | 3               | 3            |
| <b>Subtotal Non-Reimbursable Personnel</b>       | <b>86</b>             | <b>31</b>       | <b>117</b>   | <b>86</b>               | <b>30</b>       | <b>116</b>   | <b>86</b>               | <b>30</b>       | <b>116</b>   | <b>86</b>               | <b>30</b>       | <b>116</b>   |

|  | <b>FY 2002 Actual</b> |                 |              | <b>FY 2003 Estimate</b> |                 |              | <b>FY 2004 Estimate</b> |                 |              | <b>FY 2005 Estimate</b> |                 |              |
|--|-----------------------|-----------------|--------------|-------------------------|-----------------|--------------|-------------------------|-----------------|--------------|-------------------------|-----------------|--------------|
|  | <b>Officers</b>       | <b>Enlisted</b> | <b>Total</b> | <b>Officers</b>         | <b>Enlisted</b> | <b>Total</b> | <b>Officers</b>         | <b>Enlisted</b> | <b>Total</b> | <b>Officers</b>         | <b>Enlisted</b> | <b>Total</b> |
| <b>Reimbursable Personnel:</b>                   |                       |                 |              |                         |                 |              |                         |                 |              |                         |                 |              |
| American Battle Monuments Commission             | 1                     | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            |
| Office of Science & Technology Policy            | 1                     | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            |
| Central Intelligence Agency                      | 7                     | 3               | 10           | 7                       | 3               | 10           | 7                       | 2               | 9            | 7                       | 2               | 9            |
| Department of Transportation                     | 0                     | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            |
| National Aeronautics Space Administration (NASA) | 3                     | 0               | 3            | 3                       | 0               | 3            | 3                       | 0               | 3            | 3                       | 0               | 3            |
| Vice Commander (CV)                              | 0                     | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            |
| Exec Office of the President (WHMO)              | 0                     | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            | 0                       | 0               | 0            |
| Department of Energy (DOE)                       | 1                     | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            | 1                       | 0               | 1            |
| Program Management (PM)                          | 0                     | 1               | 1            | 0                       | 1               | 1            | 0                       | 1               | 1            | 0                       | 1               | 1            |
| Department of State (DOS)                        | 11                    | 0               | 10           | 11                      | 0               | 10           | 11                      | 0               | 10           | 11                      | 0               | 10           |
| <b>Subtotal Reimbursable Personnel</b>           | <b>24</b>             | <b>3</b>        | <b>27</b>    | <b>24</b>               | <b>3</b>        | <b>27</b>    | <b>24</b>               | <b>2</b>        | <b>26</b>    | <b>24</b>               | <b>2</b>        | <b>26</b>    |

**ACTIVE FORCES  
MILITARY PERSONNEL ASSIGNED OUTSIDE DoD  
(End Strength)**

|   | <u>FY 2002 Actual</u> |              |              | <u>FY 2003 Estimate</u> |              |              | <u>FY 2004 Estimate</u> |              |              | <u>FY 2005 Estimate</u> |              |              |
|---|-----------------------|--------------|--------------|-------------------------|--------------|--------------|-------------------------|--------------|--------------|-------------------------|--------------|--------------|
|   | Officers              | Enlisted     | Total        | Officers                | Enlisted     | Total        | Officers                | Enlisted     | Total        | Officers                | Enlisted     | Total        |
| <b>Total Outside DoD Assigned to DoD Activities in Support Non DoD Functions:</b>         |                       |              |              |                         |              |              |                         |              |              |                         |              |              |
| NASA  | 31                    | 1            | 32           | 31                      | 1            | 32           | 31                      | 1            | 32           | 31                      | 1            | 32           |
| Foreign Military Sales  | 158                   | 706          | 864          | 158                     | 706          | 864          | 138                     | 373          | 511          | 125                     | 348          | 473          |
| Training Cases  | 95                    | 98           | 193          | 95                      | 98           | 193          | 95                      | 94           | 189          | 84                      | 69           | 153          |
| <b>Subtotal Non-DoD Functions</b>   | <b>189</b>            | <b>707</b>   | <b>896</b>   | <b>189</b>              | <b>707</b>   | <b>896</b>   | <b>169</b>              | <b>374</b>   | <b>543</b>   | <b>156</b>              | <b>349</b>   | <b>505</b>   |
|   |                       |              |              |                         |              |              |                         |              |              |                         |              |              |
|   | <u>FY 2002 Actual</u> |              |              | <u>FY 2003 Estimate</u> |              |              | <u>FY 2004 Estimate</u> |              |              | <u>FY 2005 Estimate</u> |              |              |
|   | Officers              | Enlisted     | Total        | Officers                | Enlisted     | Total        | Officers                | Enlisted     | Total        | Officers                | Enlisted     | Total        |
| <b>Assigned to DoD Activities in Support of DoD Functions: Working Capital Fund (WCF)</b> |                       |              |              |                         |              |              |                         |              |              |                         |              |              |
| Information Services Activity Group (ISAG)  | 262                   | 889          | 1,151        | 261                     | 877          | 1,138        | 264                     | 875          | 1,139        | 264                     | 875          | 1,139        |
| HQ US Transportation Command (TRANSCOM)   | 97                    | 33           | 130          | 93                      | 33           | 126          | 91                      | 33           | 124          | 91                      | 33           | 124          |
| Military Traffic Management Command (MTMC)  | 7                     | 11           | 18           | 7                       | 11           | 18           | 7                       | 11           | 18           | 7                       | 11           | 18           |
| Defense Courier Service (DCS)   | 4                     | 89           | 93           | 11                      | 100          | 111          | 9                       | 100          | 109          | 9                       | 100          | 109          |
| Defense Commissary Agency (DeCA)  | 2                     | 1            | 3            | 2                       | 1            | 3            | 2                       | 1            | 3            | 2                       | 1            | 3            |
| Defense Finance & Accounting Service (DFAS)   | 33                    | 532          | 565          | 33                      | 494          | 527          | 26                      | 337          | 363          | 26                      | 337          | 363          |
| Defense Information Systems Agency (DISA)   | 9                     | 8            | 17           | 9                       | 8            | 17           | 9                       | 8            | 17           | 9                       | 8            | 17           |
| Defense Logistics Agency (DLA)  | 138                   | 32           | 170          | 131                     | 22           | 153          | 131                     | 22           | 153          | 131                     | 22           | 153          |
| Depot Maintenance Activity Group (DMAG)   | 78                    | 148          | 226          | 78                      | 148          | 226          | 78                      | 148          | 226          | 78                      | 148          | 226          |
| Supply Management Activity Group (SMAG)   | 45                    | 16           | 61           | 45                      | 16           | 61           | 45                      | 16           | 61           | 45                      | 16           | 61           |
| Subtotal Working Capital Fund   | 675                   | 1,759        | 2,434        | 670                     | 1,710        | 2,380        | 662                     | 1,551        | 2,213        | 662                     | 1,551        | 2,213        |
| <b>Total - Reimbursable</b>   | <b>888</b>            | <b>2,469</b> | <b>3,357</b> | <b>883</b>              | <b>2,420</b> | <b>3,303</b> | <b>855</b>              | <b>1,927</b> | <b>2,782</b> | <b>842</b>              | <b>1,902</b> | <b>2,744</b> |
| <b>Total - Nonreimbursable</b>  | <b>86</b>             | <b>31</b>    | <b>117</b>   | <b>86</b>               | <b>30</b>    | <b>116</b>   | <b>86</b>               | <b>30</b>    | <b>116</b>   | <b>86</b>               | <b>30</b>    | <b>116</b>   |
| <b>Grand Total</b>  | <b>974</b>            | <b>2,500</b> | <b>3,474</b> | <b>969</b>              | <b>2,450</b> | <b>3,419</b> | <b>941</b>              | <b>1,957</b> | <b>2,898</b> | <b>928</b>              | <b>1,932</b> | <b>2,860</b> |