Marine Corps Programs & Resources

Investment & Resourcing Information and Strategies; Past, Present & Future

Brigadier General Raymond C. Fox, Director, Programs Division
Deputy Commandant, Programs and Resources
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Strategic Challenges

10-Year Cyclical DoD Outlays

*Source: CSBA (does not include Supplemental Outlays)
Macro Economics FY06
(Baseline)

Fed Bud. ($2.47T)

DoD ($410B)

ARMY
28%

NAVY
72%

Indirect Support
6%

DoN
30%

MARINE CORPS
“Green”
14%

DoD
17%

OSD AGENCIES
17%

DoN ($105B)

Army
25%

INDIRECT SUPPORT
6%

Direct Support
8%

MARCHINE CORPS
“Green”
14%

NAVY
72%

DoD ($410B)

ARMY
28%

NAVY
72%

USMC
~7% of DoD

USMC
~7% of DoD

(Green ($17.4B) &
Direct Supt ($9.5B))

VERS 3 – 11 April 06
FY07 Funding Mix (FYDP)

- **Manpower**: 62% *
- **O&M**: 22%
- **Investment**: 12%
- **MCON/MCNR/FH**: 4%

* At 180 K = 65-66%

Numbers May not add due to rounding
### FY07 Budget by Service

<table>
<thead>
<tr>
<th>Service</th>
<th>FY 06</th>
<th>FY 07</th>
<th>Change</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Army</td>
<td>99.1</td>
<td>111.8</td>
<td>12.7</td>
<td>12.8%</td>
</tr>
<tr>
<td>Navy</td>
<td>105.1</td>
<td>109.2</td>
<td>4.1</td>
<td>3.9%</td>
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<tr>
<td>Marine Corps</td>
<td>17.4</td>
<td>18.2</td>
<td>0.8</td>
<td>4.6%</td>
</tr>
<tr>
<td>Air Force</td>
<td>124.1</td>
<td>130.4</td>
<td>6.3</td>
<td>5.1%</td>
</tr>
<tr>
<td>Defense Wide</td>
<td>65.1</td>
<td>69.7</td>
<td>4.6</td>
<td>7.1%</td>
</tr>
<tr>
<td><strong>TOTAL $B</strong></td>
<td>410.8</td>
<td>439.3</td>
<td>28.5</td>
<td></td>
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</tbody>
</table>

#### FY 07 Budget Request

- **Military Services**
  - **Army** 25%
  - **Navy** 25%
  - **Marine Corps** 4%
  - **Air Force** 30%
  - **Defense Wide** 16%

#### % of TOA Allocated to Manpower

- **USN** ~ 21%
- **USMC** ~ 62%*
- **USA** ~ 41%
- **USAF** ~ 23%

* At 180 K = 65-66%
**Historical Ground Procurement Summary**

- **FY 2006 Pending Supp Request:** $3.2B
- **FY 2005 Supp:** $3.6B
- **FY 2006 Bridge:** $1.7B

Baseline $ 1.2  1.0  0.5  0.6  0.7  0.8  0.6  1.1  1.6  1.5  1.2  1.9  1.8  1.9  1.7  1.6  1.6  2.2  2.1  2.4

*Includes PMC and PANMC in Constant FY 07 $*  

Note 1: FY 03 Supp: $260M, FY 04 Supp: $123M
Green Investment Program
Top 10 Investment Systems at PresBud 07

FY08 ($1.1B)
- EFV 47%
- LW-155 9%
- GCSS-MC 3%
- JTRS 6%
- CAC2S 6%
- MCHS 6%
- HIMARS 5%
- HMMWV 5%
- G/ATOR 4%
- LVSR 9%

FY13 ($2.0B)
- EFV (71%)
- HMMWV (6%)
- HIMARS (5%)
- MCHS (3%)
- CAC2S (1%)
- JTRS (8%)
- GCSS-MC (2%)
- LVSR (4%)
Pressures on TOA

**INTERNAL**
- CMC ‘Redlines’
- O&M cost increases
  - OSD assumes 2.5% Annual increase
  - USMC 3-5% annual increase
- Manpower Bills
  - End strength increase is $230M/yr

**EXTERNAL**
- OSD Offsets (USMC pays 6 percent)
- QDR
- MARSOC
- Hurricane Katrina
Conclusions

• O&M, Manpower, and external budget pressures continue to increase
• USMC will not receive a significant increase in investment dollars in the future
• Investment accounts pay the offsets, not other services, not supplementals
Questions?