Headquarters, USAF
Planning, Programming, Budgeting and Execution System
Training Program

REFERENCE MANUAL

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Chapter 1: Introduction

"Risks associated with the demands upon the Department must be managed by striking a balance between force capacity, readiness, and modernization in order to be prepared for an uncertain and complicated future."

In some cases, and in line with the 2014 QDR, capacity will be reduced to allow for necessary modernization and readiness. The Department plans to continue several internal measures to manage risk, including developing innovative business practices, capabilities, and operational concepts; revising and updating operational plans; enhancing collaboration with allies and partners; reviewing overseas access and basing agreements; resetting the force after two wars; and striving for efficiencies and compensation reform.

A return to Budget Control Act-level funding…would increase risks, prolong readiness recovery, and delay necessary modernization programs."

Hon. Ashton Carter, Defense Secretary
February 2015

The purpose of the budget of the United States government is to allocate resources and funding among all the executive agencies of the federal government as well for social programs and interest on the nation's debt. The U.S. budget not only focuses on dollars but other resources, such as agency manpower (military end-strength) and equipment (aircraft, vehicles, etc.) With an FY17 President's budget request of $534 billion (not including $59B for Overseas Contingency Operations), the Defense Department is roughly seven times the size of the next largest U.S. agency (the Department of Health and Human Services' FY17 request was $83B.) DoD therefore requires a longer-term view beyond the single-year budget request and three-year strategic plan currently required by law. The Defense Department process first implemented in 1960 to allow this longer-term planning and analysis – the Planning, Programming, Budgeting and Execution (PPBE) process – is outlined in this Reference Guide.

This book includes dollar amounts and illustrations to reinforce major concepts and processes. Some chapters of the book provide introductory material while other chapters give more detailed and greater depth on planning, programming and budgeting processes. This book also provides information on planning, programming, and budgeting activities, functional community interactions, how programs and budgets are arrayed, and program files and data element descriptions. Commonly used acronyms and a glossary appear at the end of the book.

This first chapter provides environmental context surrounding the Defense Department budget. It is important for PPBE stakeholders to understand how the Defense Budget competes each year with other elements of the federal budget for limited funds. Defense budgets have always been cyclic (Figure 1-1), with eight to ten years of budget growth followed by ten to twelve years of more gradual decline.
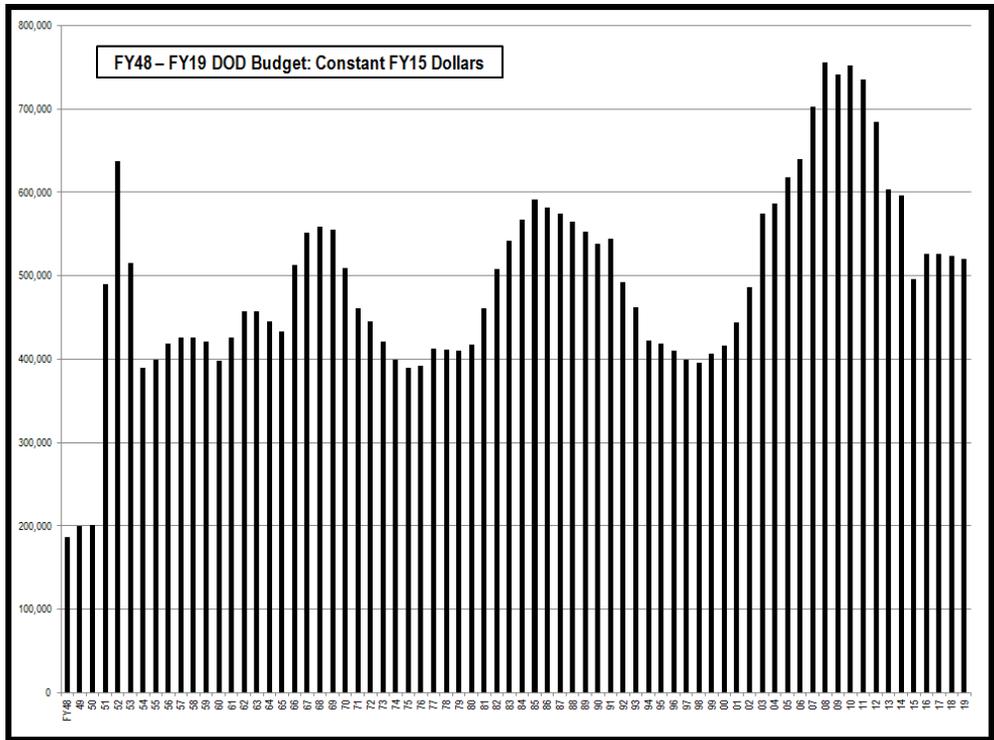
Figure 1-1. The FY48-19 Defense Budget (Constant Year Dollars)

The fiscal 2017 defense budget continues a gradual decline from peak spending in FY02. Note, however, the significant decrease in funds in the FY13 timeframe as the sequester mechanism within the 2011 Budget Control Act (BCA) became effective. Because of ongoing combat operations within the last decade, increases in the early 2000s paid the cost of operations (the operations and maintenance and military personnel budget elements) but not procurement and force modernization. This allocation differs significantly from the "Reagan years build up", when the bulk of that increase modernized forces.

Figure 1-2 depicts the distribution of federal funding between "discretionary" spending and "mandatory" spending and then breaks the discretionary and mandatory sectors down further. Discretionary spending means Congress must authorize and appropriate the funds each year for them to be available. Mandatory spending means the entitlement authorization is automatic and the government must pay for it until Congress changes the entitlement. Defense spending currently represents over half of federal discretionary spending.

Figure 1-2. National Defense Share of Federal Budget (FY17 Basis)

Let's stop here for a brief discussion of macro economics. There are essentially three ways to increase the dollars in the federal budget. The first is borrowing – incurring debt. The second is raising taxes – increasing receipts. The third is growing the economy relative to inflation so that the same tax rate will develop increased receipts. In fact, since World War II, the economy has grown by about a factor of five relative to inflation. This growth was due to such factors as availability of raw resources (steel, timber, coal, oil, and gas) to undamaged industrial facilities following the war, to increased investment at home and from abroad, and to increasing workforce resulting from increased birth rates following the war (the so-called baby boomers), to the entry of women into the workforce, and to immigration.

The health of the economy is not the only factor that has entered into federal budget growth. Borrowing and tax rates both tend to surge and fall back. Both have their place but both must be used with discretion. Tax dollars represent dollars not available for investment and borrowing increases the percent of future budgets that must go to paying interest.

As we progress through the decade 2010 to 2020, a number of factors will come into play that will impact the overall federal budget and the Defense budget. As the baby boom population ages, the requirement for social services will increase to unprecedented levels and, at the same time, the total workforce is likely to level, or decline slightly. Moreover, recent trends toward deficit spending will increase the share of the budget going to service the national debt, a debate which only began with the passage of the August 2011 Budget Control Act and will continue to remain an issue for the next several years.

There are other considerations as well. With the significant shift in Defense Strategy first defined in the January 2012 Defense Strategic Guidance (DSG) and echoed in the 2014 Quadrennial Defense Review (QDR), the administration has shown little reticence regarding canceling weapons programs they believe are not cost-effective or relevant. The cancellation of the Marine Corps Expeditionary Fighting Vehicle is one prominent example, as well as is the debate over the costs and benefits of the F-35 Joint Strike Fighter program. While the Department continues to defend procurement of the F-35 as the "fighter of the future", the unprecedented cost per aircraft continues to erode support for current procurement levels. Programmatic cost is no longer considered a fiscal consideration but also now a strategic one.

In an effort to ensure changing program portfolios – and funding – continue to support national strategic goals, the Defense Department continues to support capability-based planning and programming. The object of this effort is to identify those battlefield effects desired by our Combatant Commanders, the capabilities required to produce those effects and, finally, the programs or systems providing the capabilities. As fiscal constraints become increasingly unknown, capability- based planning and programming means the Department will be increasingly focused on supporting warfighter needs with little regard to which military service or defense agency provides such support.

Regardless of whether defense spending or the national budget is increasing, decreasing, or remains the same, the fact remains the Defense Department will always be operating in a fiscally constrained environment. It is crucial all PPBE stakeholders manage their programs and funding to ensure its forces are ready today and prepared for tomorrow. This Reference Guide is intended to help stakeholders identify PPBE process events, deliverables, timeframes, and strategies to support such resource management.

Chapter 2: The PPBE Process, Terms, and Key Players

Introduction

The PPBE System has served as DoD's resource management system since 1962. While most U.S. federal agencies prepare a short-term (one- to two-year) budget request as is required by law, the Defense Department's size and complexity requires the multi-year analysis PPBE provides. The PPBE process is formally required and described in Defense Department Directive (DODD) 7045.14, although the process has evolved much faster than the formal guidance that directs it (DODD 7045.14 was last updated January 2013.) PPBE is a very dynamic process with four interrelated phases designed to produce a Defense budget consistent with national security objectives, policies, and strategies. The process purpose is to identify capability requirements, *Planning*; match them with resource requirements, *Programming;* translate them into budget proposals, *Budgeting;* and then evaluate the *Execution* to determine how desired capabilities were achieved.

The Secretary of Defense (SECDEF) provides centralized policy direction throughout the four phases, while delegating program development, execution authority, and responsibility to the Services and DoD agencies. This chapter explains commonly-used terms, defines each PPBE process phase, and identifies important leadership figures and offices involved in PPBE.

Common Terms: Future Years Defense Program (FYDP)

As previously discussed, the purpose of the PPBE process is to allow DoD to assess strategic requirements and priorities over a span of multiple years rather than a single budgetary year. More specifically, DoD develops fiscally-constrained priorities over a five-year period. This five-year period is referred to as the Future Years Defense Program (FYDP). Formally, the FYDP is the span of years for which DoD has received monetary planning guidance (also known as "fiscal guidance") from the Office of Management and Budget (OMB).

The assignment of funds to programs and resources must be documented in such a way as to provide an ongoing record of priorities and decisions. All DoD components (OSD, the military services, and agencies) maintain databases of programs, resources, and their assigned monetary values, with all component databases eventually merged at the OSD level. For this reason, "FYDP" can also refer to the actual database that identifies the "program of record", or official DoD program and monetary position.

Common Terms: Fiscal Guidance

"Fiscal Guidance" refers to the not-to-exceed monetary value assigned to the Defense Department by OMB and, in turn, the monetary value assigned by OSD to each DoD component. Fiscal Guidance is provided for each year within the FYDP.

Common Terms: Total Obligational Authority (TOA)

The end result of the PPBE process is legislated (authorized and appropriated) monetary amounts for Defense Department appropriations. These monies will be used to purchase goods and services via legal agreements (such as contracts, task orders, and travel orders) that literally *obligate* the Defense Department to pay for goods and services provided once terms of the agreement have been met. For this reason, the monetary amount provided via Fiscal Guidance is often referred to as "Total Obligational Authority", or the *total* dollar value each DoD component is *authorized* to use for creating legal *obligations*.

Common Terms: Process Exercises (POM, BES, PB)

The PPBE process produces three primary outputs: a Program Objective Memorandum (POM), a Budget Estimate Submission (BES), and a President's Budget (PB):

–   The **POM** is a product generated by each military service and agency that reflects how given Fiscal Guidance is to be assigned to their programs and resources. This Fiscal Guidance assignment involves not only identification of service/agency requirements but also the prioritization of those requirements (there are always more requirements than fiscal guidance). The process used by each service or agency to create its POM is up to the service or agency and processes differ greatly from one service/agency to another. While the POM has been submitted by each service/agency to OSD in late July or early August in previous years, The FY18 POM is submitted to OSD on 30 June 2016 – continuing a trend of much earlier submittal dates.

–   The **BES** is also a product generated by each military service and agency. While the POM focus on requirements and priorities, it is not required by law. Budgets, however, remain the formal legal requirement that the Secretariat of each DoD component must generate. The BES reflects service/agency POM priorities in required budgetary format, including budget exhibits, with appropriate pricing and inflationary factors incorporated. While in past years the BES has been submitted by military services and agencies at the same time as the POM, beginning with the FY17 PPBE process the BES submission to OSD has occurred *after* the POM submission in early September. The FY18 BES, for example, is due 1 December 2016.

–   Once all DoD components have submitted the POM and BES to OSD on their respective due dates, OSD offices (the office of Cost Assessment and Program Evaluation – CAPE – and OSD Comptroller) will review service and agency POM and BES content. These two separate reviews, known as the Program Review and Budget Review, are designed to help OSD consolidate and prioritize all DoD requirements into a single Defense Department budget request, which will become part of the larger **President's Budget** request developed by OMB and subsequently submitted to Congress no later than the first Monday in February each year.

The next section of this chapter applies these common terms to describe the nature of each PPBE phase in greater detail.

The Planning Phase

The PPBE planning phase begins as a DoD function designed to provide a vision of the future described via broad strategy and plans. The planning phase encompasses long-range guidance out to 20 years, long-range objectives out to 10 years, and mid-range objectives out to 5 years. Because the purpose of the planning process is to identify what is *needed* versus simply what is affordable, the planning process does not consider fiscal constraints but in recent years planning has become more "fiscally informed".

The primary tasks in this phase include collecting intelligence about the military capabilities and political intentions of foreign nations; evaluating the threat to U.S. national security; developing strategies to meet the threat; and devising force levels to support the strategy. Long-range plans (20 years) are generated to reflect the major force modernization and investment requirements for each DoD component. Both long-range and mid-term defense planning are influenced by national priorities outlined in the **National Security Strategy (NSS),** Congressional activity, and the output of the **Quadrennial Defense Review (QDR)** process.

Over the last several years, DoD has moved to a more centrally-initiated and managed strategic planning process, particularly since 2010 when the confluence of changing operational requirements in Iraq and Afghanistan and fiscal constraints both created a need for significant re-evaluation of U.S. strategy and global objectives (see also the **Quadrennial Defense Review, issued March 2014**.) In addition, this changing environment has increasingly emphasized the role of the Joint community in analyzing operational capabilities and identifying capability-based requirements.

OSD's evolving approach to strategic planning centers around two primary products/processes. The **Defense Planning Guidance (DPG)** is an annually-issued document that provides overall defense guidance and priorities for military forces, modernization, readiness and sustainability, and supporting business processes and infrastructure for program development.

Within the joint community for the mid-term planning period (2–8 years), strategic planning is conducted within the **Joint Strategic Planning System** (**JSPS**). The JSPS is the system by which the CJCS develops the information necessary to discharge his/her congressionally mandated responsibilities as the principal military advisor to the President and the SECDEF. The JSPS produces several key documents: the **Chairman's Strategic Recommendation (CSR)***,* **Chairman's Program Recommendation (CPR),** the **National Military Strategy (NMS),** and the **Joint Planning Document (JPD)**. These documents help guide OSD and the SECDEF in outlining the department's planning priorities through the DPG.

The Programming Phase

Programming is the second PPBE phase. Programming is the first PPBE process to apply fiscal constraints to the OSD vision developed in the Planning Phase. Programming is primarily a military department/agency function and translates guidance into action; balances allocation of resources to plans; organizes plans into packages (programs); prioritizes programs; and determines program affordability.

The **DPG** not only outlines an overarching strategy for the Defense Department but also serves as the link between planning and programming. It is the primary source document for the programming phase. Programming's output product, the **Program Objective Memorandum (POM),** is developed within the fiscal constraints outlined within the DPG and is the primary means to request revisions to existing departmental resources as identified in the **Future Years Defense Program (FYDP)**. The **Chairman's Program Assessment (CPA),** developed by the Chairman of the Joint Chiefs of Staff, provides user risk assessment of POM recommendations and requests. The CPA assists the preparation of issue papers resulting from an OSD-level review of the Service and Defense Agency POMs. POMs are reviewed for compliance with the DPG during the OSD CAPE Program Review. The Program Review culminates in the issuance of **Program Decision Memoranda (PDMs)** by the DEPSECDEF, which may direct adjustments to the Services' programs. Note: PDMs were issued prior to 2010, replaced by Resource Management Decisions (RMDs) from 2010-2015, and returned for the FY18 Program Review process in 2016.

The Budgeting Phase

Budgeting is the third phase of the PPBE process and involves the formulation and control of near-term resource requirements, allocation, and use based on the results of the planning and programming efforts. The budget is developed from the POM, as modified by the **Budget Estimate Submission (BES)** process. The final budgeting product submitted by Services and Agencies to OSD is the **BES**. Although the budgeting phase is completed for the full five-year span of the FYDP, budget formulation concentrates on the first year of the FYDP and prepares a detailed price estimate for presentation to Congress.

The OSD Program Review

The OSD Program Review is led by the OSD office of Cost Assessment and Performance Evaluation – the CAPE. Once components submit a POM in late June, the OSD CAPE Program Review evaluates component POMs for compliance with strategic guidance and any specific programmatic guidance. While in the past the CAPE has used a document known as a Resource Management Decision (RMD) to provide feedback guidance to components, as of the FY18 POM cycle the CAPE will publish *Program Decision Memoranda (PDMs.)*

The OSD Budget Review

Once components submit the Budget Estimate Submission (BES) in early December, the OSD Comptroller Budget Review evaluates component BESs for compliance with budget guidance, fiscal guidance and directed economic assumptions. This budget guidance includes due dates and detailed instructions for preparing estimates for the prior year (PY), current year (CY), budget years BY1 and BY2 and the out-years. The OSD Comptroll will publish *Program Budget Decisions (PBDs)* to provide budget review feedback and redirection to components.

Upon conclusion of the OSD Budget Review, the Defense Department budget request is coordinated with the Office of Management and Budget (OMB) to become part of the larger President's Budget (PB) request. The President's Budget is required by law to be submitted to Congress no later than the first Monday in February of each year.

The Budgeting phase of PPBE also includes all legislative activity associated with developing the annual National Defense Authorization Act and the Defense Appropriation Acts. Once both these Acts are signed into law, the Budgeting phase is considered complete.

The Execution Phase

The final phase of the PPBE process is program and budget execution. Execution is the process by which legislatively-appropriated funds are obligated and the performance of the planning, programming and budget formulation phases are measured and validated. The Execution phase occurs once Congress enacts the budget by passing Authorization and Appropriations Acts. During execution, assumptions that were made about program performance and capabilities can be tested. Also, risks taken during any previous phase (such as altering funding levels for a program) are often exposed in execution. The value in tracking execution data is the guidance provided to adjust future plans, programs, and budgets based on actual events. Consider, however, that Congress enacts the budget based on its own program and plans, so there will be differences between the original Defense budget request and funding actually received and executed.

PPBE Phases Overlap

Each PPBE phase has its own associated timeframe, but process phases run in parallel rather than consecutively. In any given year, those involved with PPBE may find themselves providing input for all of the phases, often simultaneously. Another challenge is the different phases and sequences are interconnected, resulting in participants having to provide input to four parallel PPBE sequences, each representing activities affecting a different fiscal year but taking place within the same calendar year.

The Big Picture

A full PPBE process depiction is shown in Figures 2-2 and 2-3. The steps identified in Figure 2-2 take approximately 15 to 18 months to complete the journey of developing and presenting the President's Budget. The focus on planning and programming remains the same each year: turning the Defense Planning Guidance (DPG) into a POM and BES for developing a President's Budget. The details and specific activities of this process are shown in Figure 2-3.
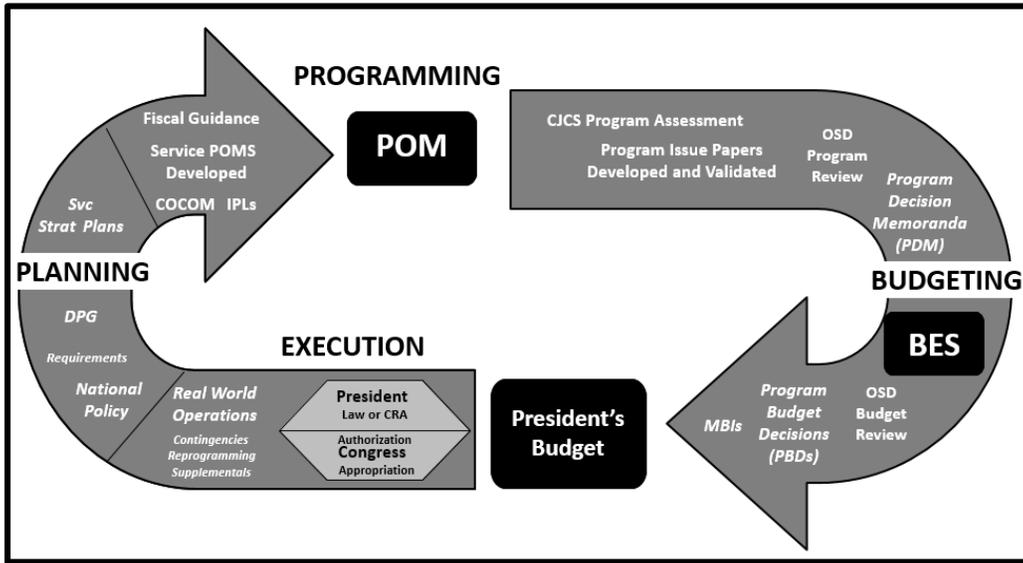
Figure 2-2. Resource Allocation Process (PPBE) Cyclic View
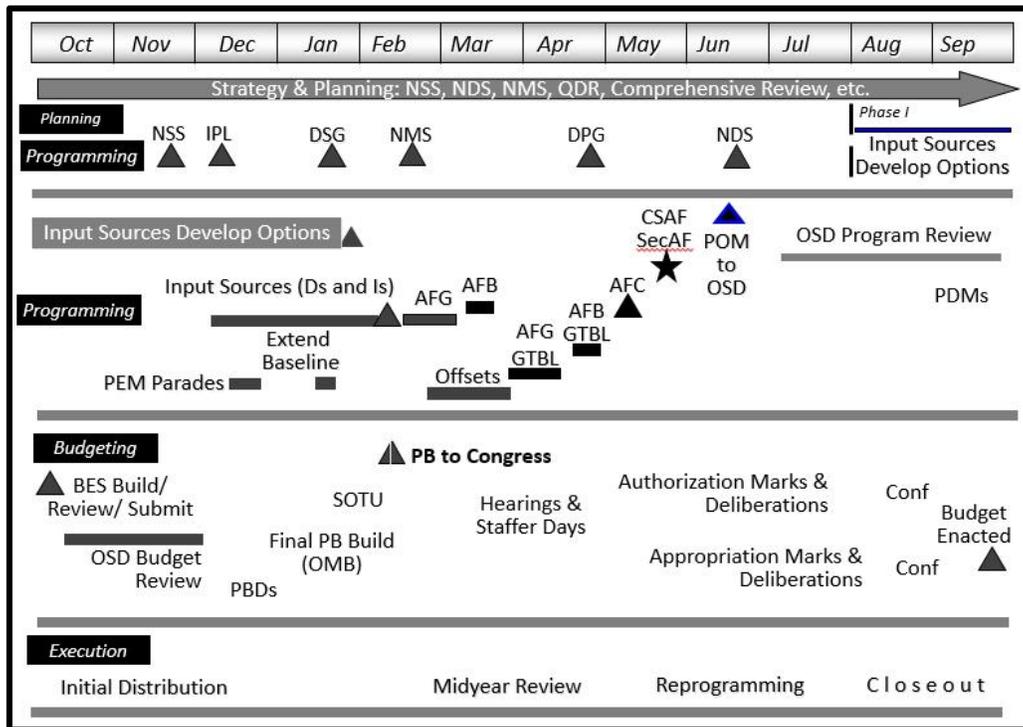
Figure 2-3. PPBE Timeline Calendar

The Unified Chain of Command

Most PPBE participants have a legislated responsibility to prepare a budget, and within the Defense Department each budget owner also develops a Program Objective Memorandum (POM.) The majority of this Reference Guide focuses on PPBE activities of these budget owners: OSD, the military services, and defense agency processes. However, although the Joint Chiefs of Staff and most of the Combatant Commanders do not hold budgetary authority, their unique role within the PPBE process must be thoroughly understood. This next Reference Guide section highlights PPBE-related roles and responsibilities of the Joint Staff. First, figure 2-4 provides a high-level organizational chart that illustrates the unified command line from the President, through the Secretary of Defense and the Chairman of the Joint Chiefs of Staff (CJCS), to the Combatant Commanders.
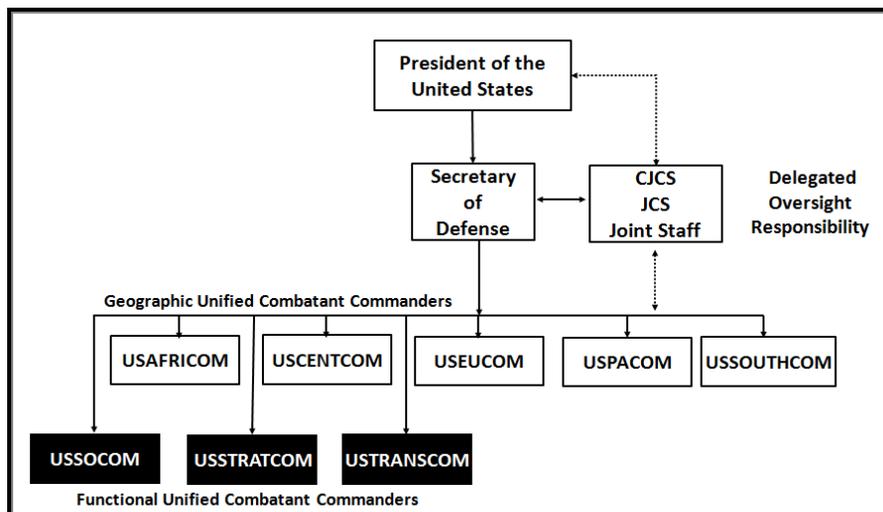
Figure 2-4. Unified Chain of Command

The Role of the Chairman of the Joint Chiefs of Staff is:

- Principal military advisor to the President, Secretary of Defense, and National Security Council
- Head of the Joint Chiefs of Staff and senior ranking member of the Armed Forces
- Communications conduit between the National Command Authority and the commanders of the combatant commands

Note: The Chairman has no statutory authority over combatant forces.

Even without formal budgetary authority, the Chairman and the Joint Staff participate in every stage of the PPBE process. This is a direct result of the Goldwater-Nichols Act identifying the Chairman as the principal military advisor to the President, and allowing the joint staff and theater commanders to participate in the PPBE Process. Table 2-2 lists key documents produced or supported by the joint community.

BES	Budget Estimate Submission–Service and DoD Agency proposal on time-phased program pricing with justification documents for President's Budget.	CPA	Chairman's Program Assessment– Chairman's personal appraisal of the Service program and budget proposals

CPG	Contingency Planning Guidance–SECDEF guidance to Chairman to reflect NSS and DPPG: principle source document for the JSCP.	CPR	Chairman's Program Recommendation–Chairman's personal recommendations to SECDEF on priorities, goals and objectives for POM as input to DPG
DPG	Defense Planning Guidance– provides overall defense policy and strategic guidance to be used in developing the defense program.	IPL	Integrated Priority List–List of Combatant Commander high priority needs for filling shortfalls in key capabilities and programs.
	Joint Strategic Capabilities Plan–Guidance to Combatant Commanders to accomplish tasks and missions	JSR	Joint Strategy Review– combined effort of Services, Combatant Commanders, Chairman and staff
JV20xx	Joint Vision 20xx–developed by the Joint Staff to reflect the Chairman's vision of the military in future years	NMS	National Military Strategy– document conveys JCS and Chairman's advice on the strategic direction of the Armed Forces in implementing the guidance NSS and QDR
NSS	National Security Strategy–developed by National Security Council	Plans	Plans–plans developed by Combatant Commanders to accomplish tasks and missions
POM	Program Objective Memorandum–Service and DoD Agency resource requirement to accomplish mission	QDR	Quadrennial Defense Review– Congressionally directed review of defense vision, forces structure and objectives evaluated by a National Defense Panel appointed by Congress.
RMD			Resource Management Decision -SECDEF's decision on program and budget issues raised during the Integrated Program Budget Review.

Table 2-2. Joint Community Document Acronyms

IPLs, the CSR, CPR, and the CPA

Integrated Priority Lists (IPLs*)* are a key means by which the Combatant Commanders communicate their operational requirements to the SECDEF, CJCS and Services. The Combatant Commanders submit their IPLs annually to the SECDEF, with the CJCS and Services receiving copies. IPLs represent the Combatant Commanders' top warfighting needs and are designed to influence the Services' budget submissions. In recent years, OSD has directed the COCOMs to produce capabilities-based IPL submissions, focusing on warfighting requirements rather than specific system-based solutions. This reflects the evolving mindset in OSD giving increased responsibility to the joint community in identifying capability-based requirements. The IPLs affect the Defense Planning Guidance (DPG) and the Joint Staff's Joint Planning Document (JPD), a product of the JSPS. The IPL is one document against which OSD assesses the adequacy of the Services' POM submissions. COCOM IPLs are informed by the Guidance for the Employment of the Force (GEF) produced by OUSD(Policy).

The Chairman's Strategic Recommendation (CSR) describes the Chairman's early strategic-level advice and input to the SECDEF. It identifies joint-based capability needs and requirements. The CSR significantly influences OSD's preparation of the DPG.

The Chairman's Program Recommendation (CPR) relays the Chairman's personal recommendations directly to the SECDEF. The CPR focuses on the Chairman's high-priority programs in support of joint doctrine, readiness, and training issue areas. The SECDEF uses the CPR during the construction of the final DPG.

The Chairman's Program Assessment (CPA) is the Chairman's "report card" on the Services' programming efforts. It summarizes and communicates the Chairman's views on the balance and capabilities of the POM force and support levels required to attain our national security objectives. Whereas the JPD, CSR and CPR "transport" the planning efforts from the JSPS to the PPBE, the CPA ties PPBE back into the JSPS.

Key DoD PPBE Players

–   The **Secretary of Defense (SECDEF)** is the civilian head of the DoD. The SECDEF sits on the President's Cabinet and has duties as a member of the National Security Council (NSC).

–   The **Deputy Secretary of Defense (DEPSECDEF)** assists the SECDEF in the overall DoD leadership and, under some SECDEFs, manages the PPBE System.

–   The **Under Secretary of Defense for Acquisition Technology and Logistics [USD (AT&L)]** acts as the Defense Acquisition Executive, and has DoD-wide responsibility for acquisition matters.

–   The **Service Secretaries (SSs)** are the civilian heads of their respective Services, act as key advisors to the SECDEF/ DEPSECDEF, and manage their own versions of PPBE.

–   The **Under Secretary of Defense for Policy [USD(P)]** represents the DoD on foreign relations and arms control matters, and serves as a primary advisor to the DEPSECDEF for the PPBE planning phase.

–   The **Under Secretary of Defense, Comptroller [USD(C)]** serves as the principal assistant to the SECDEF and DEPSECDEF for budgetary and fiscal matters, including budget formulation and execution.

–   The **Director of Cost Assessment and Program Evaluation [CAPE]** directs many of the key decision-making defense groups and heads the Program Review of the Service budget inputs.

–   The **Chairman of the Joint Chiefs of Staff (CJCS)** acts as principal military advisor to the President, transmits communications from the President and SECDEF to the Combatant Commanders, and participates in DoD senior councils speaking for the Joint Chiefs of Staff (JCS) and the Combatant Commanders. The CJCS receives support from the JCS, Joint Staff, and the Joint Requirements Oversight Council (JROC).

–   The **Combatant Commanders** (CCDRs) are the warfighters who execute the military strategy developed in planning. The Combatant Commanders provide PPBE-related inputs through both the Services and CJCS, particularly through the Joint Strategic Planning System (JSPS) and through submission of the Integrated Priority Lists (IPLs).

Key DOD Groups and Boards

–   The **Deputy's Management Action Group (DMAG)** was created in 2011 by then-DEPSECDEF Ashton Carter as a four-star level body chartered to review management actions across the defense enterprise, including the PPBE process and the OSD Program and Budget Review. The DMAG is chaired by the DEPSECDEF and co-chaired by the Vice Chairman of the JCS. DMAG membership is topic-dependent.

–   The **Defense Acquisition Board (DAB)** is directed by the USD (AT&L) and VCJCS, and oversees the defense system acquisition of major programs. The DAB reviews major defense programs at the completion of each life cycle milestone and links the acquisition process to PPBE.

–   The **3-Star Programmers Group** is the mid-level review group chaired by the Director, CAPE who develops issues for the DMAG. The 3-Star Group identifies major issues, analyzes them, and develops decision options for the DMAG.

- The **Joint Requirements Oversight Council (JROC)** is chaired by the VCJCS, and links the acquisition process to PPBE. The JROC articulates military need and validates DAB program performance goals and program baselines at successive milestones.

Players Outside of DoD – The Executive Branch

- The President is authorized to submit the national budget each year under the Budget and Accounting Act of 1921 (Title 31, Subtitle II, Chapter 11, Section 1105, U.S. Code).

- The National Security Council (NSC) prepares national security guidance, with the President's approval, establishing national security policy. Title 50 requires the President to annually submit to Congress a comprehensive report regarding the National Security Strategy (NSS) of the United States along with the President's Budget.

- The Office of Management and Budget (OMB) has the authority to assemble, correlate, revise, reduce, or increase requests for the appropriations of all federal departments. The OMB provides assistance to the President in the preparation of the budget and the formulation and administration of government fiscal programs.

Players Outside of DoD – The Legislative Branch

- As required by law, the President sends the budget to Congress not later than the first Monday in February. Congress can approve, increase, or decrease funding levels, eliminate proposals, or add programs not requested by the administration. The Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344) requires Congress must first agree on government-wide totals prior to considering individual appropriation measures before May 15th of each year.

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Chapter 3: Financial and Program Structures

Consistent with effective resource allocation, Resource Managers must know how resources are identified and in what databases they are kept. In addition, the Air Force must express to Congress how it intends to use the budget authority requested. The system used to track resources is called the Force and Financial Plan (F&FP) program.

Future Years Defense Program (FYDP)

The FYDP is the official DoD database summarizing resources (**Total Obligational Authority (TOA)**, personnel, and forces) associated with DoD programs approved by the Secretary or Deputy Secretary of Defense by fiscal year. The FYDP compiles total resources (forces, manpower, funding) programmed for DoD over a specific period of time.

The FYDP database reflects the total resources programmed by DoD, covers five years in total, and begins two years after the current calendar year (for example, the FYDP in calendar year 2015 was FY2017 through FY2021 and in calendar year 2016 it is FY2018 through FY2022.)

The FYDP is updated three times each year: in July, to reflect the POM, in December, to reflect the BES, and in January to reflect the President's Budget (PB). After each update to the FYDP, the changes made become the departure point (baseline) for developing the Air Force program for the next budget event. Figure 3-1 shows the FYDP timeline.

FY18-22 FYDP

BY	+1	+2	+3	+4
FY18	FY19	FY20	FY21	FY22

Figure 3-1. FYDP Timeline with FY18-22 Example

Major Force Programs (MFPs)

Congress uses MFPs to aggregate dollars, identifying areas of spending. There are 11 MFPs. These cross Service lines and each Service contains a portion of those MFPs relating to its mission. Table 3-1 below shows the 11 major force programs. Note that another data element called a program element is actually a subset from MFPs. The first number in a PE corresponds to the MFP.

1	Strategic Forces	7	Supply/Maint
2	General Purpose Forces	8	Training/Medical
3	Intel/Comm	9	Admin
4	Air and Sea Lift	10	Support to Other Nations
5	Guard/Reserve	11	Special Operations
6	R&D		

Table 3-1. Major Force Programs, by Number

Program Element (PE) Numbers

PEs are the basic building blocks used by DoD for the FYDP and F&FP; therefore, they are fundamental to the Program Objective Memorandum (POM). There are over 800 PEs within the Air Force. Air Force Programs are described by using PEs, each of which identifies the resources needed to support a specific program. Each PE can have multiple appropriation codes embedded with resources attached. PEs can affect more than one Air Force Panel; therefore, cross-panel coordination is a must. SAF/FMPE assigns PEs to Panels according to their force structure or support function.

SAF/FMPE (the "Engine Room") is the **Office of Primary Responsibility (OPR)** for PE maintenance. PEs can be changed, added or deleted using the guidelines of DoDI 7045.7 and AFI 16-501. All PPBE participants need to understand the elements represented with PE numbering. Figure 3-2 provides an example of how PEs are built.

- Program Element Numbers describe the program
- 0101113F is an actual PE
    - The first two digits identify the Major Force Program
      01 = Strategic Forces
    - The next two digits are special use by MFP
      01 = Offensive Forces
    - The next three digits identify the specific program,
      1 = Aircraft Units; 113 = B-52 Squadrons and its order assigned to a specific program – e.g. B-52 is the 113th program assigned to 0101XXX
    - The last digit identifies the Service component. F = Air Force

MFP	Special Use	Specific Program	Service Component
01	01	113	F

Figure 3-2. PE Structure and Example

Note: DoD systems generally use all 8 characters. The Air Force drops the first digit of the MFP and SpCat (84741F). Since the Air Force uses only 6 digits, MFP 10 and 11 must be shown by using a lower case "a" and "b" as the first digit of the Program Element number. This adjustment was required due to limitations within ABIDES.

Appropriation Codes

Appropriation codes are shorthand for the functional categories Congress funds the DoD budget request. Appropriation codes can be thought of as categories of money, each with a specific intended use. Table 3-2 shows the major Air Force appropriation codes and their individual life spans. The F&FP codes apply only in ABIDES but they are nearly the same as the DFAS Fund codes used in execution. The Appropriation Codes (APPN) are used in ABIDES and the OSD systems. Each appropriation has a specific life span, and is no longer available for obligation once the life expires. This is an important reason for programming the funds in the year of need.

F&FP	APPN	Appropriation	Life
10	3010	Aircraft Procurement	3 Years
14	3020	Missile Procurement	3 Years
	3021	Space Procurement	3 Years
16	3080	Other Procurement	3 Years
24	3300	MILCON	5 Years
30	3400	O&M	1 Year
	3401	O&M	2 Years
32	3500	Military Personnel	1 Years
	3501	Military Personnel	2 Years
28	3600	RDT&E	2 Years
50	3700	AFRES Personnel	1 Years
	3701	AFRES Personnel	2 Years
51	3730	AFRES MILCON	5 Years
52	3740	AFRES O&M	1 Year
	3741	AFRES O&M	2 Years
54	3830	ANG MILCON	5 Years
55	3840	O&M ANG	1 Year
	3841	O&M ANG	2 Year
56	3850	Military Personnel ANG	1 Years
	3851	Military Personnel ANG	2 Years
60	7040	Family Housing Construction	5 Years
61	7045	Family Housing Ops Fund	1 Year
AL	4930	Defense Working Capital Fund (DWCF)	1 Year

Table 3-2. Major Air Force Appropriation Codes

Forces and Infrastructure

The concept of "tooth-to-tail" ratio is often discussed in conjunction with MFPs, Program Elements, and Appropriation Codes. Another means to consider these resources is to compare Forces (tooth) to Infrastructure (tail). Forces are associated with mission (Flying Squadrons, Aircraft, Bombs, Security, Missiles, etc.) and infrastructure is associated with mission support (Training, Recruiting, Education, Staff, Military Construction, etc.). All resource managers must efficiently optimize resources with an appropriate investment in infrastructure. Infrastructure dollars are at high risk during budgeting exercises. Those managing resources need to be aware of reductions by Congress based on infrastructure; caution is required prior to adding money back to these areas. Senior leaders realize the need for infrastructure spending, but want to limit this spending. Dollars allocated to force structure are perceived as being protected because reducing force allocations has a direct correlation on capability and mission accomplishment. Reducing infrastructure allocations can have a direct or an indirect correlation. The goal is to always minimize this expenditure. Congressional markups during appropriation cycles are good indicators of dollars at potential risk for other uses during program and budget reviews. Table 3-3 lists the DoD infrastructure categories.

Acquisition Infrastructure	Force Management
Central Logistics	Installation Support
Central Medical	Training Activities
Central Personnel	

Table 3-3. DoD Infrastructure Categories

Beyond Program Elements and Appropriations

Program Codes

The Program Code is the 6-digit number through which the program is tracked in ABIDES. Program codes are assigned sequentially so the number has no special significance. New program codes requested and approved through SAF/FMPE. Sometimes the Programs and Program Codes are used interchangeably. Every Air Force dollar is mapped to one and only one program code. There are currently about 800 Air Force programs**.**

Operating Agency Codes

Operating Agency Codes provide another level of program detail and identify funds specific to a MAJCOM, Field Operating Agency (FOA), or Direct Reporting Unit (DRU.)

Weapon Systems Codes (WSCs)

An Air Force-specific six-digit alphanumeric code used to identify and map procurement-funded activities to a particular weapon system across PEs and Budget Programs (BPs) or group common procured commodity categories within a BP.

Budget Program Activity Codes (BPACs)

Within RDT&E, a MAJCOM (AFMC/AFSPC)-issued six-digit alphanumeric code that serves as a program element's (PE)/R-1 primary division between subordinate funded activities.

Cost Categories (Cost Cats)

A 5-digit code that identifies costs. The codes are designed for use in budget preparation and accounting systems to identify the nature of services and items acquired for immediate consumption or capitalization. (Some are model driven e.g. flying hours and manpower.) Cost categories are also known as Element of Expense Investment Codes (EEICs.)

Constant and Then-Year Dollars

Then-Year Dollars

Then-Year (TY) Dollars reflect the rate of inflation rates over different fiscal years. When Congress appropriates dollars, they do so in TY Dollars. The POM, BES, PB, and the Appropriations are always in TY Dollars. So, you will be using TY the most during the numerous budget exercises.

Why do we have TY Dollars? Since outlays (government cuts a check or EFT funds) occur over many fiscal years for almost all of the appropriations, inflation affects these outlays. You can think of TOA as a checkbook with enough money in it to pay for goods and services purchased over numerous fiscal years, and then draw down to a zero balance at the end.

Not all money Congress appropriates in the Air Force TOA is spent in the current fiscal year. For example, Operations and Maintenance (O&M) funding has a one-year legislated life for obligation, so all FY16 funds must be obligated in FY16 before the appropriation *expires*. However, every appropriation has an additional 5 years of availability to

actually finish the payment cycle for the goods and services the government obligated itself to pay for before the end of FY17, 30 September 2016. After five years, the appropriation is *cancelled* and no longer available for any use.

Using FY16 as the initially legislated year, FY16 obligations will be paid for (expended and then outlaid) as goods are actually received over the next five years. At the end of FY21, all available funds are cancelled, so it's important all obligations are paid in full before that time.

Other appropriations have different execution timetables. For example, most procurement appropriations are current (able to be obligated) for three years. Research, Development, Testing and Evaluation (RDT&E) funds are current for two years. Military personnel (MILPERS) funds are current for a single year.

Do not confuse *obligations* with expenditures, the second phase of dollar execution, and *outlay, the final phase of dollar execution.* Obligations represent a legal (signed) contract for payment, such as a purchase order or travel order. Expenditures occur once goods and services have been received (or travel has been completed) and the obligating command formally approves an invoice (or travel voucher) for payment. Outlays are the actual issuance of monies, such as a check or EFT. For O&M, the appropriation must be *obligated* by the end of one fiscal year, but expenditures and *outlays* to actually complete the purchase process for goods and services will occur over the next five fiscal years.

Constant Dollars

These types of dollars reflect the amount of spending as if all of the outlays occurred in <u>one</u> fiscal year. We use Constant Dollars to show real growth in the budget (or a real decrease as the case may be). To compute real growth, you must use Constant Dollars; never use Then-Year Dollars.

A "Base Year Dollar" and a "Constant Year Dollar" are really the same thing. A program which has a "Base Year of FY02" means the dollars for every year in the analysis are expressed in FY02 Constant Dollars. Many acquisition programs use a particular Base Year (e.g., FY02) for expressing their dollars as a means to measure cost growth.

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Chapter 4: Planning

The Planning phase of PPBE incorporates the DPG, Air Force Vision and Strategic Master Plan (SMP), and the effects and capabilities supporting the Air Force Core Functions. The objective of this phase is to develop strategic guidance documents that reflect the priorities of the Air Force which will enable it to align its direction with that of the President, Secretary of Defense and Chairman of the Joint Chiefs of Staff. Air Force planning also establishes guidance that will inform the development of the POM by examining the impact of capability needs through the mid- and long-term planning periods.

Supporting the planning process is a series of strategic planning documents to include, at the OSD and Air Force levels, the *Quadrennial Defense Review* (QDR) report, Defense Planning Guidance (DPG), *Air Force Vision*, and the *Air Force Strategic Master Plan* (SMP).

The QDR report serves as DoD's overarching statement of defense strategy and business policy. It also continues to be the single link throughout DoD that integrates and influences all internal decision processes. The DPG translates national and DoD guidance into specific capability-based priorities and requirements. It provides resource informed strategic guidance that begins the planning cycle and assigns long/short term issues for study. DPG decisions will also be folded into Service POMs.

The Air Force also established Core Function Leads (CFL) to oversee investment decisions that directly support programs supporting the 12 Air Force Service Core Functions. The role of CFL is actually assumed by the appropriate MAJCOM commander so they are in effect dual-hatted.

JSPS Planning Input

The **Joint Planning Document** is a principal product of the Joint Strategic Planning System (JSPS) and provides the initial, timely, authoritative CJCS planning and broad programming advice to the SECDEF for initial preparation of the draft DPG. The JPD informs the DPG writers of the CJCS planning priorities as well as broad programming priorities. It reflects the CJCS' planning guidance based on the NMS, Joint Strategic Review, JSCP, Joint Vision, and strives to identify critical capability shortfalls in meeting the NMS. The JPD is prepared and submitted approximately 6 months in advance of the scheduled publication of the DPG.

The **Chairman's Program Recommendation (CPR)** provides programmatic advice to the SECDEF prior to publication of the DPG. The CPR emphasizes specific recommendations that will enhance joint readiness, promote joint doctrine and training, and better satisfy joint warfighting requirements within DoD resource constraints and within acceptable risk levels. The CPR is developed through the JROC-JWCA process, and vetted through each Combatant Command, Service Chief, and J-Director.

The **Chairman's Strategic Recommendation (CSR)** describes the Chairman's early strategic-level advice and input to the SECDEF. It identifies joint-based capability needs and requirements. The CSR significantly influences OSD's preparation of the DPG.

The **Chairman's Program Assessment (CPA)** provides the Chairman's personal assessment of the conformance of Service and agency POMs to the priorities established in the DPG, strategic plans, and combatant commander requirements. It is submitted to impact OSD's Integrated Program Budget Review (PBR) the result of which may be Resource Management Decisions (RMDs) which will implement programming and budgetary re-directs to the

Services, Defense Agencies and the OSD staff as required. Most CPA issues are derived from JWCA findings and recommendations vetted through the JROC.

Combatant Commander Inputs

Programmers should also review the Combatant Commander's **Integrated Priority Lists (IPL)** which is a list of the Combatant Commands' top funding priorities. Items may be either specific programmatic requests or may be couched in terms of capabilities required. IPLs are usually near-term request because the focus of the COCOMs is naturally immediate needs within their AOR.

All involved in the POM build should be cognizant of the COCOMs' request because failure to address their requests has the potential to result in a COCOM sponsored "issue" during OSD's Program Review after the Service POMs have been submitted.

The *Air Force Strategic Master Plan* provides key planning priorities and assigns planning initiatives that will provide the foundation for future capability decisions. It also identifies the process the Air Force will use to oversee progress toward planning priorities.

Planning is a continuous process that begins with the joint warfighter analyzing the joint operational environment to determine the desired effects.

The Air Force uses effects and capabilities-based planning and programming processes to validate potential program change requests during the POM cycle. Thus, the foundation of the Air Force POM is the programs and capabilities required to support the Air Force Service Core Functions. These capabilities are derived through combinations of sub-capabilities provided by systems and family-of-systems. By focusing on Capabilities, the Air Force shifted its emphasis from programs and platforms to battlefield effects and concept of operations that emphasize how airmen will fight in joint combat operations within a joint integrated architecture.

Air Force Core Functions	Joint Capability Areas	DoD Core Mission Areas	
Nuclear Deterrence Operations	Force Application	Homeland Defense/ Civil Support	
Air Superiority	Battlespace Awareness		
Space Superiority	Command & Control	Deterrence	
Cyberspace Superiority	Net-Centric		
Command and Control	Building Partnerships	Irregular Warfare	Joint Ops Concepts
Global Integrated ISR	Protection	Major Combat Operations	
Global Precision Attack	Logistics		
Special Operations	Force Support	Military Support to SSTRO	
Rapid Global Mobility	Corporate Management & Support		
Personnel Recovery		Military Cooperation to Cooperative Security	
Agile Combat Support			
Education and Training			

Figure 4-1. Air Force Core Functions – Joint Capability Areas and DoD Core Mission Areas

Air Force Core Functions

Air Force Core Functions were developed as a means of capturing and articulating the "key" Air Force contributions to the joint fight. The Service Core Functions (SCF) are functional areas that delineate the appropriate and assigned core duties, missions, and tasks of the Air Force as an organization. Service Core Functions express the ways the Air Force is particularly and appropriately suited to contribute to national security. Although the SCFs do not cover every aspect in which the USAF contributes to national defense.

The USAF Service Core Functions support OSD's Joint Capability Areas (JCA) which in turn support the DoD Core Mission areas. See Figure 4-1 above.

All Service Core Functions are assigned SECAF/CSAF designated **Core Function Lead (CFL)** who act as the principal integrators for their assigned SCFs and the corresponding **Core Function Support Plans** (CFSP). CFLs are the MAJCOM Commanders. (see list on the next page.)

CFLs guide SCF maturation and SCF-related investments by establishing SCF strategy in collaboration with key stakeholders across the Air Force to include appropriate offices and the Air Staff. This guidance is captured in the **Core Function Support Plans (CFSP).** Each CFSP will include a strategic vision, operational view, programmed force, programmed force extended, planning force proposals, operations and maintenance challenges, science and technology, efficiencies, total force enterprise manpower, metrics and a decision space section. The CFSPs will contain risk analysis for that particular Core Function.

For the POM build for FY 17-21, the CFLs submitted to the Air Force Corporate Structure separate lists containing Offsets and Disconnects. Prior to these submissions, CFLs are able to internally address Disconnects with Offsets. NOTE: For the FY 17-21 POM build, Initiatives were not considered until Phase II of the USAF POM effort. Finally, in a significant change from previous practice, CFLs were directed to submit a prioritized list of all their "Funded" programs. Additionally, CFLs with oversight over more than one Core Function (example ACC or AFSPC) were not allowed to "cross" balance between their Core Functions until the Strategic Trades portion of the POM (more on that in the Programming chapter). This guidance may change from POM to POM and all are encouraged to read the POM Preparations Instructions (PPI) which details the procedures, formats and timelines to be used in the upcoming POM effort. As always, refer to the latest POM Preparations Instructions (PPI).

They Air Force Service Core Functions with their assigned Core Function Leads are listed below. Note: not all MAJCOMs have a SCF and it is incumbent on the MAJCOM Commanders who are CFLs to coordinate with the appropriate stakeholders across the USAF.

Core Function	Core Function Lead
Nuclear Deterrence Operations	AF Global Strike Command
Air Superiority	Air Combat Command
Space Superiority	Air Force Space Command
Cyberspace Superiority	Air Force Space Command
Global Precision Attack	Air Combat Command
Rapid Global Mobility	Air Mobility Command
Special Operations	AF Special Ops Command
Global Integrated ISR	Air Combat Command
Command and Control	Air Combat Command
Personnel Recovery	Air Combat Command
Education and Training	Air Education and Training Command
Agile Combat Support	Air Force Material Command

Table 4-1. Air Force Core Functions and Core Function Leads

Programming Guidance Memorandum

The **Strategic Master Plan (SMP)** forms the initial element of Air Force strategic planning process. The SMP will be published every 2 years and is complimented by the Strategic Planning Guidance (SPG), which is updated every year. The strategic guidance defines the Air Force corporate position regarding readiness and sustainability, force structure, infrastructure, and modernization needs for the POM build. SMP development is a collaborative effort involving HQ USAF the MAJCOMs/CFLs, DRUs, FOAs, and corporate Panels, and is coordinated through the MAJCOMs, reviewed thoroughly by the Air Force Corporate Structure before approval by the SECAF and CSAF. The SPG is published annually, and is designed to achieve the following ends:

− Serves as a fiscally-constrained investment guide providing the balance between current and future priorities for the Air Force.
− Channels near- and mid-term planning and programming endeavors as well as long-term program development.
− Provides accountability and ensures Air Force progress toward explicit long-range strategic goals identified in the Air Force Vision and *Air Force Strategic Planning Directive.*

The SPG includes both general and specific programming guidance directly influencing the POM. Along with the Core Function Support Plans (CFSP), the SPG is the key strategic planning document that should be reviewed by all involved in USAF resource allocation as these two documents should provide a clear view of SECAF and CSAF funding priorities for the upcoming POM.

The **Plan to Program Guidance (PPG)** complements the SMP. The PPG is designed to incorporate any "mid-course vectors" that result from the Planning Choices meeting hed in Novemner 2015. This allows senior USAF leadership the ability to direct movement of funds between/amongst the Core Functions prior to upcoming PM build.

The **Program Guidance Memorandum (PGM)** is an SAF/FMPE document that applies a "programming spin" to the PPG. The PGM is also the companion to the **POM Preparation Instruction (PPI)** which is the "how to" unclassified document that deatils the procedures for the USAF POM process.

Chapter 4a: The Defense Acquisition System

Resource managers must understand the key components influencing resource allocation, particularly the defense acquisition system and JCIDS. The Defense Acquisition System, JCIDS, and PPBE process form DoD's three principal decision support processes for transforming the military forces. The primary goal of the acquisition system is to rapidly deliver affordable and sustainable capabilities that meet the operator's expectations. The Defense Acquisition management process is an event-based process where acquisition programs proceed through a series of milestones and decision points. One key principle of the acquisition system is the use of acquisition program categories, where stringent oversight is placed on programs of increasing dollar value or management interest.

Acquisition Categories (ACATs)

DoD divides its system acquisitions into acquisition categories (ACATs). ACAT assignment is based on the programs' financial outlay and the level of review required (See Table 4-1). For ACAT I, II, and III systems the DODI 5000.2 process outlined in Figure 4-3 applies. ACAT III programs should meet the entry and exit criteria established for each milestone in DODI 5000.2, but they are normally designated by the Service Acquisition Executive at the lowest possible level.

ACAT	Reason for ACAT Designation	Decision Authority
ACAT I	MDAP (10 USC 2430, Dollar value: estimated by the USD(AT&L) to require an eventual total expenditure for research, development, test and evaluation (RDT&E) of more than $365 million in fiscal year (FY) 2000 constant dollars or, for procurement, of more than $2.190 billion in FY 2000 constant dollars - MDA designation as special interest	ACAT ID: USD(AT&L) ACAT IC: Head of the DoD Component or, if delegated, the DoD Component Acquisition Executive (CAE)
ACAT IA	MAIS: Dollar value of AIS estimated by the DoD Component Head to require program costs (all appropriations) in any single year in excess of $32 million in fiscal year (FY) 2000 constant dollars, total program costs in excess of $126 million in FY 2000 constant dollars, or total life-cycle costs in excess of $378 million in FY 2000 constant dollars - MDA designation as special interest	ACAT IAM: ASD(C3I)/DoD CIO ACAT IAC: CAE, as delegated by the DoD CIO
ACAT II	Does not meet criteria for ACAT I Major system - Dollar value: estimated by the DoD Component Head to require an eventual total expenditure for RDT&E of more than $140 million in FY 2000 constant dollars, or for procurement of more than $660 million in FY 2000 constant dollars (10 USC 2302d) MDA designation[4] (10 USC 2302(5) - MDA designation as special interest	DoD CAE or the individual designated by the CAE
ACAT III	Does not meet criteria for ACAT II or above - Less-than a MAIS program	Designated by the DoD CAE at the lowest level appropriate

ACAT	Reason for ACAT Designation	Decision Authority
Notes:		

Notes:
1. In some cases, an ACAT IA program, as defined above, also meets the definition of an MDAP. The USD(AT&L) and the ASD(C3I)/DoD CIO shall decide who will be the MDA for such programs. Regardless of who is the MDA, the statutory requirements that apply to MDAPs shall apply to such programs.
2. An AIS program is an acquisition program that acquires IT, except IT that involves equipment that is an integral part of a weapon or weapons system, or is an acquisition of services program.
3. The ASD(C3I)/DoD CIO shall designate programs as ACAT IAM or ACAT IAC. MAIS programs shall not be designated as ACAT II.
4. As delegated by the Secretary of Defense or Secretary of the Military Department.

Table 4-2. Acquisition Categories (DODI 5000.2)
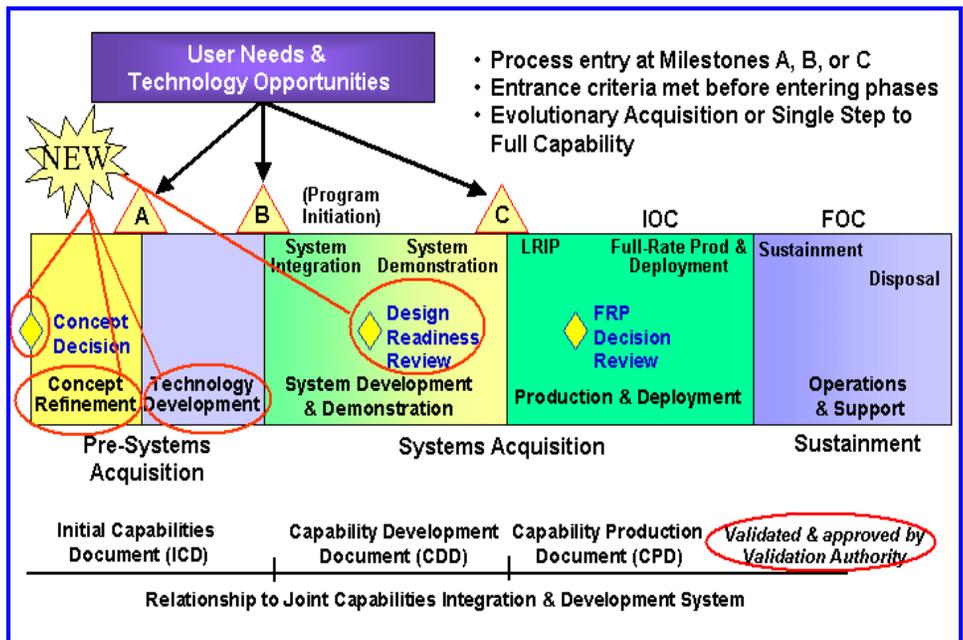
Figure 4-3. Acquisition Process Phases and Milestones (DODI 5000.2)

The above Defense Acquisition process framework serves as a roadmap of functional activities throughout the acquisition lifecycle with its relationship to the JCIDS. The process framework is structured into discrete phases separated by major decision points (called milestones) to provide comprehensive management and progressive decision-making. The systems acquisition process begins with the identification of a need, and encompasses the activities of design, test, manufacture, operations and support. The process ends with the disposal, recycling or demilitarization of the system.

A significant change in the revised acquisition process is the placement of concept refinement before the Milestone A decision. This phase begins with a concept decision based on the Initial Capabilities Document approved by the JROC. It is the basis for analysis of alternatives to achieve the desired capability. The concept refinement ends when the Milestone Decision Authority (MDA) selects a preferred alternative (exit criteria) and approves a technology development strategy (entry criteria). With the exception of shipbuilding, programs are not started until entry criteria for Milestone B are met. For Resource Managers, the most important Milestone B criteria are program affordability and full funding in the FYDP.

Joint Capabilities Integration and Development System (JCIDS)

JCIDS is closely integrated with the acquisition process and exists to identify, develop, and validate defense-related capability requirements, and sets the policies and procedures for generating requirements as described in CJCSI 3170.01C and CJCSM 3170.01. There is a distinct separation between the requirements authority and acquisition authority, which requires early and continuous collaboration to ensure the processes work effectively. Air Force operational capabilities (independent of ACAT level) are vetted with the Joint Staff's Functional Capabilities Board (FCB) review process. The FCB uses Joint Operational Concepts to establish a common understanding of how a capability will be used, who will use it, when it is needed, and why it is needed to achieve desired effect. Figure 4-4 depicts the DoD capabilities based process.
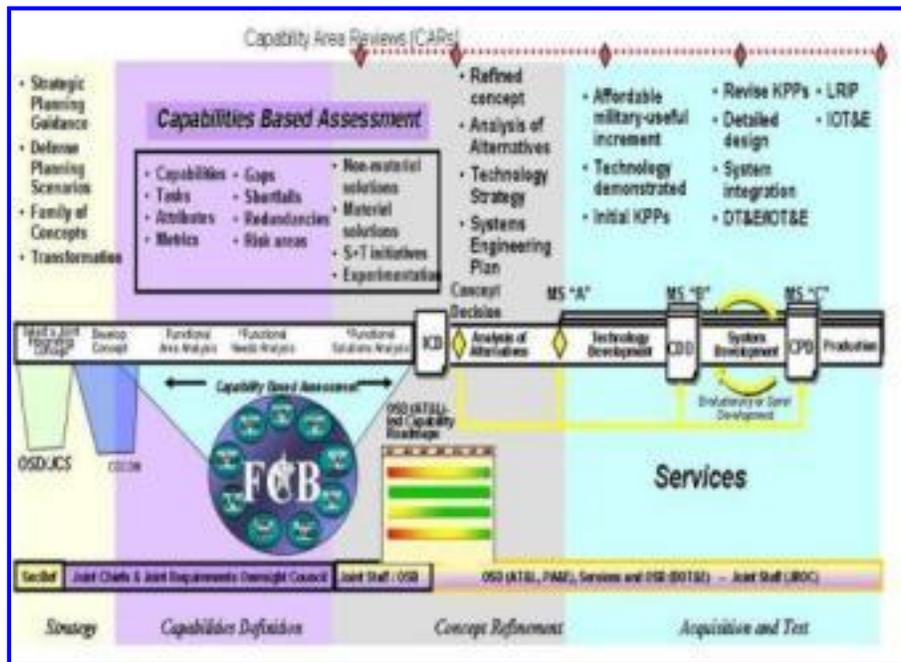
Figure 4-4. DoD Capabilities Based Requirements & Acquisition

The three capabilities based requirements documents are the Initial Capabilities Document (ICD), the Capabilities Development Document (CDD), and the Capabilities Production Document (CPD). The AF/A5R may direct a sponsor to develop an ICD. The Air Force ICDs are evolutionary and are developed in two stages. The first stage generates a capability based planning document (ICD Stage I) and lays the foundation for additional analysis and discovery. This stage defines the capability gap/shortfall and guides doctrine, organization, training, materiel, leadership and education, personnel and facilities (DOTMLPF) analysis. After ICD Stage I is reviewed and validated by the Air Force Requirements for Operational Capabilities Council (AFROCC), the sponsor performs the Functional Solution Analysis (FSA), and upon conclusion, develops a capabilities based requirements document (ICD Stage II). ICD Stage II captures the results of the FSA and provides a final recommendation for a materiel approach(es), and enters the JCIDS process as a complete ICD. The ICD Stage II supports the Analysis of Alternatives (AoA), the Technology Development Strategy (TDS), the Milestone A decision, and subsequent Technology Development activities. The CDD captures the information necessary to initiate an acquisition program to develop a proposed capability, normally using the evolutionary or spiral acquisition strategy. The CDD support Milestone C and is developed after the Design Readiness Review (DRR). The CPD must be approved before Low Rate Initial Production (LRIP) and Initial Operational Test and Evaluation (IOT&E).

The JROC addresses all ACAT I or IA programs as having JROC interest, but it relies on the Functional Capabilities Board (FCB), made up of colonels or equivalent and chaired by a flag officer, to evaluate the joint impact or interest in ACAT II or lower programs. CJCSM 3170.01 provides an explanation of the FCB makeup, responsibilities, and processes. The general process by which the JROC and the FCB address capabilities is shown in Figure 4-4, along with its interface with the acquisition process. Each FCB implemented by the JROC is responsible for all aspects of its assigned Joint Functional Concept (JFC). Each FCB will work as the lead coordinating body to ensure that the joint force is best served throughout the JCIDS and acquisition process. The AFROCC, an instrument of the CSAF and SECAF, reviews, validates, and recommends approval of all Air Force capabilities based requirements. The AFROCC ensures Air Force capabilities based requirements documentation is prepared in accordance with Air Force and Joint Staff guidance and accurately articulates valid Air Force capabilities based requirements.

Membership	Vice Chairman of the Joint Chiefs of Staff Vice Chief of Staff, United States Army Vice Chief of Naval Operations Vice Chief of Staff, United States Air Force Assistant Commandant, United States Marine Corps
Supports	Chairman of the Joint Chiefs of Staff Secretary of Defense
Mission	Assist the CJCS in: – Assessing the military requirements of acquisition programs – Acting as spokesman for the operational requirements of the combat commands – Assessing warfighting capability – Assigning joint priorities among programs with valid requirements – Determining the extent to which Military Departments and DoD Component program recommendations conform with established priorities – Assist the Vice-JCS in serving as Vice-Chairman of the Defense Acquisition Board – Assess warfighting deficiencies requiring MDAPs

Table 4-3. Membership and Mission of JROC

Table 4-3 summarizes the membership and mission of the Air Force Requirements for Operational Capabilities Council (AFROCC).

Membership	Senior Level Officers from functional areas General Officers representing AFMC, AFOTEC MAJCOM requirements principals, functionals, and Air Staff
Supports	DCS for Air and Space Operations (AF/A3/5) Chief of Staff of the Air Force and Secretary of the Air Force
Mission	Oversee process of determining mission needs and requirements Construct Air Force position on operational requirements Describe requirement needs Review program prioritization and funding Manage cross-Service concerns for joint requirements Review mission deficiencies

Table 4-4. Air Force Requirements for Operational Capabilities Council (AFROCC)

Chapter 5: Data Processes

Introduction

Quality decisions rely on quality information. The Air Force has developed databases and tools to provide quality information to form recommendations for senior decision makers. Tools alone cannot ensure quality information and decisions. All Resource Managers must respond quickly and accurately in the resource environment. The adage of "you want it bad, you get it bad," cannot exist in the resource distribution world. It is important to know what program data and tools are available to analyze, how to retrieve that data, and how to change the data files. Programming databases and tools include the Resources Allocation Programming Information Decision System Tools (RAPIDS), Force Structure Data Management (FSDM), Manpower Programming and Execution System (MPES), Automated Budget Interactive Data Environment Systems (ABIDES) Force & Financial Planning (F&FP) subsystems, and Air Force FYDP Structure Management System (Air Force FSMS). Each of these databases and tools is discussed in this chapter. Additional information regarding ABIDES is also provided in Appendix A.

Automated Budget Interactive Data Environment Systems (ABIDES)

ABIDES provides a current and historical **Force and Financial Plan (F&FP)** database for Resource Managers to conduct research and analysis. It contains all appropriations including dollars, aircraft flying hours, manpower, and end-strength number. The primary source of centralized budget data in ABIDES is the F&FP. ABIDES is a menu-driven retrieval database. SAF/FM is the OPR for the F&FP and ABIDES. PPBE updates the FYDP three times during each exercise year: once as the POM is completed, once as the BES is submitted to OSD, and once upon conclusion of the OSD review cycle. ABIDES files are based on those points in time.

Choosing the current file in the database will give you the most recent FYDP updated position. ABIDES historical files are the files used most often when doing research and analysis. It is possible to conduct inquiries to track program changes through the POM, BES, and PB over multiple fiscal years, with data back to 1962. This information is important when defending any program, and can assist in providing an interpretation of program intent. As an example, reports based on constant-year dollar inquiries will identify whether spending decreased or increased in real terms. During programming exercises (POM, BES, PB), the baseline start of an exercise is identical to the final baseline for the previous exercise. The **change file** tracks proposed changes during exercises.

Change Control Numbers (CCNs)

CCNs keep track of corporate decisions. Every programmatic change briefed through the corporate process must have a CCN. A CCN is a ten digit alpha-numeric code specifically designed to track changes in ABIDES. Table 5-1 lists the primary CCN components.

In what year the change was made
In which cycle (POM, BES, PB)
Whether the proposed change is a disconnect, initiative, or offset
Which panel is the OPR, as well as the panel's sequential number of all actions
Whether any manpower or procurement is part of the change.

Table 5-1. Primary CCN Components

CCNs are used throughout the programming and budgeting process and remain in the database as permanent documentation of program changes. They represent the record of senior leadership decisions. Therefore, CCNs not supported or approved through the corporate structure must still be tracked by the panel. Figure 5-2 identifies the

elements and fields required in CCN construction for the POM. Figure 5-4 identifies the elements and fields required in CCN construction for the President's Budget exercise.

RAPIDS

RAPIDS is a software tool used to modify program dollars, brief and track issues through the Air Force Corporate Structure (AFCS). It is used by the Air Staff, MAJCOMs, FOAs and DRUs. The "Perfect Slide" (RAPIDS Slide – see Figure 5-3) is the goal for every RAPIDS slide author. Relevant data, background, impact, resources, and hard hitting facts are all displayed on the perfect slide. RAPIDS provides uniformity between Major Commands (MAJCOMs) and Panels, and displays all the information required to show corporate decisions in a presentable format. RAPIDS is used mainly during the POM and BES exercises. It is used for all disconnects, initiatives, offset proposals, and exports data to ABIDES. RAPIDS tips are included in this Reference Book at Figure 5-5 but it must be noted that these tips do not supersede annual guidance for the creation of RAPIDS slides contained in the POM Preparation Instructions published by SAF/FMPE and typically available in the December time frame for the upcoming POM. In all, cases, the POM Preparation Instructions (PPI) are the seminal guidance for RAPIDS.

Figure 5-2. Change Control Number Structure

UNCLAS
Increase JSOW/F-22 Mod

TRAINING ONLY!

BACKGROUND:
   (U) Joint Stand Off Munition (JSOW) joint program provides stand-off munition capable of line-of-sight and beyond precision attack and destruction of hard and deeply buried targets. Weapons can be carried on a variety of USAF, USN/USMC and USA systems.

ADJUSTMENT:
   (U) Adds funds to the JSOW program to increase production numbers by 100 across the FYDP and mods the F-22A to enable carriage of the weapons with appropriate weapons computer upgrades.

$M: 18A1T102CB	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
CURRENT PRG	220.8	220.9	222.0	224.0	232.0	236.0	242.0	0.0
ADJUSTMENT			108.5	115.1	120.3	125.2	133.1	
REV PGM TOTAL			330.5	339.1	352.3	361.2	375.1	0.0

PROCUREMENT	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Current Prg:	236	248	264	286	310	344	380	0
Adjustment:	0	0	20	20	20	20	20	0
Revised Pgm:	0	0	284	306	330	364	400	0

MPWR	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
OFF	0	0	0	0	0	0	0	0
ENL	0	0	14	18	22	22	22	0
CIV	0	0	0	0	0	0	0	0

IMPACTS:
   (U) Guidance: DPG - improve precision caps COCOM IPL: CE#3 - increase JSOW
   (U) CONG: No
   (U) RQMTS: F-22A ORD Feb 08
   (U) Program enjoys significant support from COCOMs and ACC, PACAF, and USAFE
   (U) Provides capability to engage a variety of stationary and mobile targets including advanced armor, bunkers, command and control vehicles, and hardened transporter/erector launchers

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Figure 5-3. RAPIDS Slide Example

SAF/FMB FY18 PB CCN Structure

8   C   1   7 0 2   0 1

CCN TYPE

CAT ID   Series #

PB

FY18

Fiscal Year (1st Character)
8 = FY18

EXERCISE (2nd Character)
C = PB

CCN CAT ID (3rd Character)
   Example

1 – PB Round One   4c1702**
                                       4c2b001a
2 – PB Round Two   4cd70001
d – RMD

CCN Type and Series (4th thru 8th Characters)

70200 = RMD 702 CONTOT (FMBP Only)
702** = RMD 702
pfy** = Prior Fiscal Year Adjustments
mrk** = Congressional Marks
b***a = Budget CCNs

Figure 5.4 FM Change Control Number Structure

Field	Notes and Tips
Background	This block should contain a very concise description of the program or option. This block is limited to a maximum of three lines of text. No word enhancements such as italics, bold, underline or bullets are permitted. When working with the documents, on-screen normal word enhancements may be used, but the enhancements will not be stored.
Adjustment	This block is limited to two lines and is the only text on the slide that passes to the ABIDES database and Decision Tracker. Describe in specific detail the proposed adjustment and recommendation.
Funding	This block depicts the current program funding for all the program years, then the proposed adjustment by program year, with a total for what the new program years will have funded. Three separate lines with either positive or negative adjustment are represented.
Procurement	This block identifies any procurement items such as airplanes or modification kits by program year and the adjustment to those years.
Manpower	This block identifies any manpower adjustment, plus or minus through the program years.
Impacts	Combatant Commander IPLs; DPG; MAJCOMs, PEMs, and Panels are responsible for preparing RAPIDS slides. Panel chairs use the slides to brief proposed actions through the corporate structure. RAPIDS slides become a critical part of **skull books** (detailed books including additional information on each issue) for Air Force Board (AFB) and Air Force Council (AFC) members during the corporate review. RAPIDS slides are continually refined during the FYDP exercise, and the end product is a concise representation of the proposed program change**.**

Table 5-5. RAPIDS Data Fields

Decision Tracker

Decision Tracker is a software tool allowing senior leaders to track bottom lines, bills, and issues. RAPIDS data is imported into Decision Tracker. Decision Tracker does not pass data to RAPIDS, nor does it have the detail information provided by RAPIDS. Decision Tracker produces a running tally of expenditures when considering disconnects and initiatives, and indicates total funding accumulated during offset exercises. Decision Tracker allows flexibility to cut and paste by placing yes or no votes on issues or by making them revisits. Decision Tracker allows for prioritization of issues. At the end of each deliberation by the corporate structure, a copy of the decisions is provided to the Panel, Group, Board, or Council members. Panels and PEMs must make adjustment to RAPIDS data from the Decision Tracker. Decision Tracker does not update ABIDES.

The key elements of a Decision Tracker entry are:

- TITLE: Uses the same title as the RAPIDS
- CATEGORY: Advises the corporate structure if this is a disconnect, initiative or offset
- FUNDING YEARS: Indicates funding change (plus or minus) through the program years
- TWO LINE DESCRIPTION: The same as the proposed adjustment two lines on an RAPIDS slide. Gives a brief description of the program change.

Manpower Programming and Execution System (MPES)

The MPES is a database that contains total force manpower military and civilians. MPES is updated exclusively by Manpower Programmers and it contains the end-strength appropriations. It does not contain dollars, aircraft or flying hours. Manpower changes are tied to CCNs and briefed through the corporate structure. Data flows into ABIDES F&FP and priced by SAF/FMBOP. Manpower dollars are model driven by cost factors managed by FMBOP. Every Panel has a manpower programming representative. The manpower programmer on the panel validates, programs, and defends Air Force manpower resources.

There are several rules when adjusting manpower:
- Budget rules change every year; SAF/FMB enforces the process
- All Resource Managers must be sensitive to Congressionally-mandated floors, minimum end-strength levels and ceilings, and maximum end strength levels
- Special consideration must be given to the officer-to-enlisted ratio
- Resource Managers must know which manpower authorizations they can adjust, as many programs are fenced (protected by Congress)
- Plus-ups can be difficult to execute, so Resource Managers must watch for major growth patterns (smooth ramps work best).

Force Structure Data Management System (FSDM)

FSDM is a mainframe software system with five subsystems:
- Programmed Force Structure
- Programmed Flying Hours
- Actual Inventory and Flying Hours
- Installation/Unit Data
- Attrition Model (yearly aircraft loss model)

FSDM is used as a repository for all force (aircraft) related information. Aircraft and flying hour changes are tied to CCNs approved by the corporate structure and exported to ABIDES F&FP and priced by SAF/FMBOO. Forces (aircraft) and flying hours are updated in FSDM twice a year, during the POM & PB (including approved PCRs and ZBTs). It is accessible only to the Air Staff Force Programmers (AF/A8XI) and Flying Hours Programmers (AF/A3OT).The FSDM information allows option development focused on force structure. FSDM is managed by SAF/FMPE, contains no dollars or manpower, produces Worksheets, and updates ABIDES. Resource Managers rely on FSDM for information regarding all flying related issues, force distribution, numbers of aircraft, and modeling. Panels and Force Programmers develop "what if" options for senior leadership based on FSDM as the official Air Force position. Force Programmers enter results into RAPIDS for presentation.

Special Rule for Manpower in the FY15 POM

As a result of manpower tracking issues that arose during the FY14 POM, for the FY15 exercise any option brought to the AFCS with manpower impacts (military, or civilian, active or reserve component) must have two separate RAPIDS entries. The first entry will show the option minus any manpower adjustments. The second entry, under a separate CCN (ideally sequential) will show only the manpower adjustments. Note that in order to determine the total cost or savings of the option, the adjustment lines of both entries will need to be added together. See the most current PPI for guidance on the dual entry process for the FY18 POM.

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Chapter 6: Air Force Programming

Introduction

There are three things required to produce a POM. The first is a baseline, the second is fiscal guidance, and the third is program guidance. Under the PPBE system, we never build a budget from scratch. We use the last four years of the previous year's FYDP as a baseline. It's important to understand, then, that the baseline represents a Service and DoD position that has been approved by the Service Chief and Secretary as well as the Secretary of Defense. The second requirement is fiscal guidance. Fiscal guidance informs DOD of the maximum size of the DOD budget the administration will be willing to submit to Congress for their consideration. Fiscal guidance is a political document. The third requirement is program guidance. Program guidance is the outcome of the strategic planning process reviewed and prioritized by Air Force senior leadership. Inputs include such things as the COCOM Integrated Priority Lists (IPLs), prior year Congressional guidance, the OSD Defense Planning Guidance (DPG), and the Air Force's Strategic Master Plan (SMP) and Program Planning Guidance (PPG).

The Programming phase of PPBE has two equally important parts. First, programmers create and "cost" a resource allocation plan for the equipment, systems, and programs needed to achieve capabilities and execute plans and strategies. For example, let's say that guidance directed the creation of a second training location for the F-35. Programmers would translate that option into specific timelines and detailed budget numbers (what will construction requirements be, how much manpower will be required, how many flying hours must be planned for, what support equipment must the AF procure, etc.). This will become the detail that allows programmers to "cost" the option, create the documentation, and eventually enter it into ABIDES. Second, programming provides a process through which new requirements (options) will compete for limited fiscal guidance funding. This process will vary from Service to Service. The Air Force calls its process the Air Force Corporate Structure (AFCS).

Using the AFCS, the Air Force matches available resources (fiscal guidance) against requirements (IPLs, SMP, PPG, etc.), makes the appropriate adjustments to the baseline, and submits program proposals to OSD for review. The proposals are reviewed by CJCS, OSD, COCOMs, and the other Services and alternatives are presented to address significant programmatic issues. The programmer's task is to make warfighting effects, and the capabilities needed to achieve them, the drivers for resource allocation efforts. In most cases, the resources required by our plans exceed the resources available. Programming can be viewed as a process of prioritizing programs, assessing and attempting to minimize risk, and analyzing programs in terms of their connectivity and ability to be executed.

The Program Objective Memorandum (POM)

The Program Objective Memorandum (POM) is the primary document used to submit programming proposals. The POM includes an analysis of missions, objectives, alternative methods to meet capability needs, and allocation of resources.

The POM is used to develop proposed programs consistent with DoD and Air Force guidance and to submit proposed programming. The POM is a multiyear plan that is organized within program categories (Major Force Programs from Chapter 3), such as general purpose forces or special operations; and by type of resource, such as procurement or manpower. It provides for one budget year and four years beyond the budget year for cost and manpower. For forces contained in the Force Structure Data Management system (FSDM), data is maintained for two years beyond the FYDP, but this data is "straight-lined" and not considered in POM deliberations.

Once the POM is submitted to OSD, it is reviewed by program review (issue) teams comprised of members from the military departments, Joint Chiefs of Staff (JCS), defense agencies, and OSD staff. The OSD Program Review and Budget Review processes are discussed in more detail in chapter 9.

Beginning the POM Build: Extending the Baseline

The Air Force begins the **Program Objective Memorandum (POM)** build by extending the **Program Baseline** into the new fifth year of the FYDP.

Baseline extensions are unique to the building of the POM, and are usually completed prior to actual POM deliberations. Each year, the Air Force extends the existing Program Baseline into the next year of the new FYDP by literally *extending* existing program content in the last year of the prior FYDP to the newly-added year of the next FYDP. For example, the program content in FY21 within the FY17-21 FYDP becomes the basis for FY 22 within the FY18-22 FYDP. The baseline extension process also means that, unless fiscal guidance is increased (more funds become available), every dollar within the Air Force is already committed to an existing program – there are no "free range" dollar available at the beginning of the POM build.

NOTE: For the FY 18-22 POM, the Air Force is incorporating the decisions made in the Planning Choices into the Baseline Extension. That position then becomes the starting point for the FY 18-22 USAF POM effort.

The baseline extension process will vary from year to year. What follows explains a "typical" baseline extension but the reader should reference the most current *POM Preparation Instruction* (PPI) for guidance applicable to the present POM. Typically, the baseline extension will start with inputs from the MAJCOMs/CFLs and Program Element Monitors (PEMs) as validated by the Panels. Programs are first extended based on inflation adjustment rates provided by SAF/FM and then reviewed by the Air Force Corporate Structure (AFCS) for appropriate program content changes.

The baseline extension begins in ABIDES, where the last year of the prior FYDP is inflated using approved inflation factors from OSD to create a new fiscal year that is an inflation-adjusted version of that last year. Because this inflationary process assumes nothing has changed between fiscal years, the newly created fiscal year will contain errors. Panels and PEMs are responsible for identifying these errors and making recommendations to adjust the new year to account for already-approved changes in investment programs (procurement, RDT&E, and MILCON). This is the heart of the baseline extension.

While extending the baseline, the Air Force CFLs/MAJCOMs, Panels and PEMs will also identify (but not yet fix) those programs that have not had program content (mission/function) changes but for which resources are not available to complete the mission. These programs are described as "broken". Programs may be short resources for the following reasons:

– Poor programming;
– Database errors
– Cost changes out of line with normal inflation
– Rate changes; or
– AFCS restructuring of the program with incorrect total funding.

Associated with this baseline extension is the relationship with the DoD **Fiscal Guidance (FG)** given to the Air Force. FG is in terms of Total Obligational Authority (TOA) derived from Presidential decisions about future DoD funding levels as estimated by OMB. When budgets are climbing in real (inflation adjusted) terms, fiscal guidance for any

given year of the FYDP is likely to be slightly higher than it was in the previous year's guidance. This allows additional content to be inserted to the baseline. When budgets are in decline, fiscal guidance for a given year may be lower than in the previous year's guidance and there may not be funding available for all the content already in the baseline.

PEM Parades

PEM Parades are conducted both at the MAJCOMS and at the Air Staff in preparation for the coming POM build. A PEM Parade allows Panels (or MAJCOMs/CFLs) to become aware of potential issues within the assigned portfolio of PEs and to confirm the currency of funding requirements. Preparation for PEM parades is a demanding process, not only for PEMs but also for other program stakeholders (within functional and MAJCOM communities, for example), because the information gathered during a PEM Parade creates the basis for all subsequent AFCS deliberations. The goals of each PEM Parade are to "skull" (prepare) the Panel Chair for AFCS presentations; provide a thorough review <u>all</u> Panel programs; and Identify potential end-game offsets.

Beginning with the FY10 POM, AF/A8P published a standard PEM Parade format in an effort to create consistency within the data gathered and reviewed by each Panel. An example of some of the data required by this format is shown in figure 6-1, below. In more recent exercises, the format is contained on the SIPR database and is, thus classified.
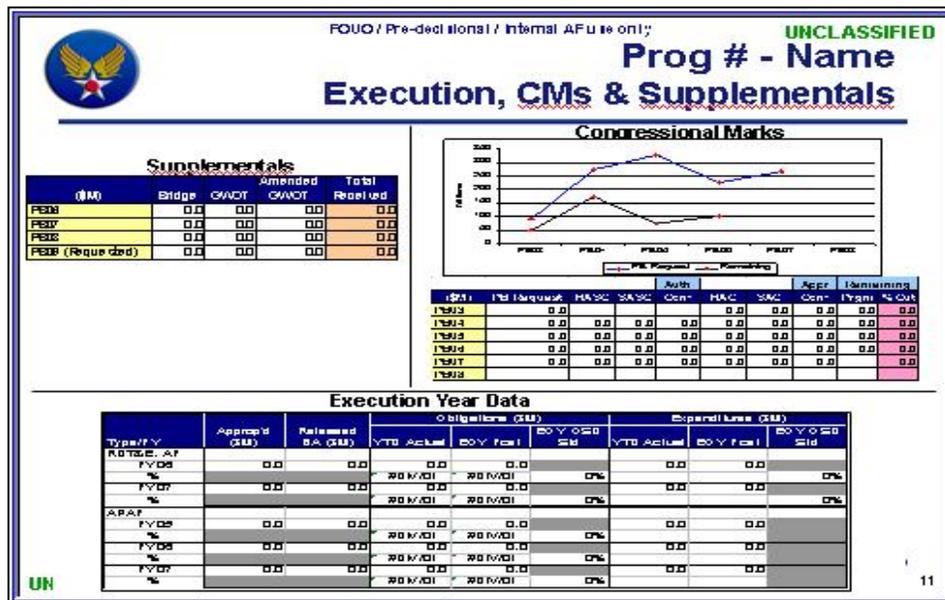
Figure 6-1. Sample PEM Parade Template

As Panels progress through the PEM Parade process, background information (Parade slides, papers, supporting documents, etc.) is usually formed into a series of "Brain Books" (large binders) that are housed and maintained with the OPR for each Panel. Note this material becomes classified as SECRET once PEM Parade templates are populated.

Making It Balance: Prioritizing the Baseline

During the FY 15-19 POM build, the USAF instituted some major changes from previous programming processes. In an effort to give the MAJCOMs and CFLs a more direct role in the POM build, the USAF significantly changed its Programming process. First, the process was separated into two distinct phases: Phase I and Phase II. Second, the

CFLs and MAJCOMs (referred to as "Input Sources") were directed to develop and bring into the Air Force Headquarters Corporate Structure separate lists of programmatic actions. This construct was also used for the FY 16-20 and FY17-21 POM builds.

POM Phase I

In Phase I of the POM, the MAJCOMs and CFLs are directed to develop lists of Disconnects and Offsets. They are also allowed to "internally fix" Disconnected programs with Offsets provided both fell within the same portfolio. For example, a Disconnect in the Space Superiority Core Function cannot be resourced by an Offset from a program in the Cyberspace Superiority Core Function. In past cycles, the majority of these fixes were not changed later in the POM process but some, after review by senior leadership (SECAF, CSAF, and the MAJCOM Commanders), could be directed to be re-funded.

Phase I continues with the MAJCOM and CFL CV's briefing their organizations' balanced solution to the USECAF and the VCSAF and concludes with the Air Force 4-Stars reviewing the MAJCOM and CFL solutions and making adjustments. Recall these actions take place after the Planning Choices meeting has taken place earlier in the POM build. For the FY 18-22 POM effort, the Planning Choices was held in November 2015 with a follow-on meeting in Januray 2016. The Planning Choices meeting is designed to afford senior leaders the opportunity to review, and as necessary, make decisions that realign resources to meet USAF priorities *across and/or within Core Functions.*. Also, during this meeting the senior leaders may consider cross – MAJCOM and CFL adjustments to fund those USAF programs still requiring more funding.

POM Phase II

Phase II shifts the principal process leadership to the AFCS (recall the MAJCOMs/CFLs participate as full AFCS members and are included in these discussions). Deliberations during the Planning Choices meeting are designed to make major programming decisions (cross CFL) for the Air Force, thereby greatly simplifying the follow-on work of the AFCS. During this integration phase, additional issues are identified and further adjustments may be required. Detailed funding requirements are determined and final fiscal balance achieved. All adjustments are to be in accordance with senior USAF leader decisions during the Planning Choices meeting.

Disconnects

A Disconnect is an approved program (recall that any program in the baseline has been approved by the Service Chief and Secretary and by the SECDEF), or a portion of an approved program, that has become unexecutable because of a mismatch between its resources and the content approved by the SECAF and CSAF in the previous baseline.

Fixing Disconnects

Three actions are possible with a broken program:
1. Fund (requires resources)
2. Restructure (adjust program content)
    – Terminating the program is a form of restructure
3. Accept Risk (do nothing)

Note that Disconnects usually have priority as the AFCS begins to validate requirements and apply resources. It is essential Disconnects are validated by the major command (MAJCOM) or CFL, IPT, and Panel who own the program.

Program Initiatives

Note: Program initiatives were not considered during the FY15-19 POM build and were only considered in Phase II of the FY 16-20 POM build. Every PPBE practitioner should still understand the concept.

Program Initiatives are defined as either new starts or changes to existing programs due to program content or growth. Implementing the SMP, SPG and PPG may create the need to start a new program or increase resources to an on-going program. For example, AETC reports that pilots coming into a major weapon system directly from UPT are taking several additional rides to upgrade to mission capable status because they are deficient in formation flying. The AETC/CC decides it would make fiscal sense to increase the number of sorties these student pilots receive in UPT. This would require added UPT resources and would be addressed as an initiative in the POM. Generally speaking, these programmatic changes occur during the POM cycle of the FYDP; however they are not limited to the POM. We will discuss in a later chapter procedures for making changes inside the POM time line (e.g. for this or the next FY). Program Initiatives can be either top-driven (direction of the President, SECDEF, SECAF or CSAF) or bottom up (MAJCOM, CFL, Air Staff Functional (e.g. A2), PEM, etc.). All Program Initiatives must be validated (program content and mission/function must be accepted) by the functional Deputy Chief of Staff (DCS) and the corporate structure (Panel, Air Force Group (AFG), Air Force Board (AFB), Air Force Council (AFC)).

Offsets

Staying within OSD fiscal guidance is a must during the FYDP exercises. Fully funding Disconnects and Initiatives would well exceed the available TOA even in the best year. The Air Force solves this problem by taking Offsets from programs of lower importance or programs where changing circumstances have made it prudent to accept increased risk. A program may be wholly Offset (in essence terminated) or partially Offset (as might be the case if we reduced by one the number of active duty F-16 squadrons). Offsets transfer resources from the baseline of the program being offset to pay for Disconnects and Initiatives. Said another way, they take resources from less dear programs to pay for more dear requirements. It should be noted here that a specific Offset is seldom applied to fund a specific Initiative or Disconnect. In reality what happens is that the Air Force Corporate Structure will create a pool of Disconnects it wants to fund and prioritizes them from most to least dear. They next create a pool of Offsets, similarly prioritized. They will fund the list of Initiatives and Disconnects in priority order until the resources freed by the Offsets runs out or until the relative importance of the remaining Initiatives and Disconnects is lower than the importance of the Offset being given up as a funding source.

Offsets inevitably create program changes. Unrealistic Offsets – proposing Offsets that are clearly too dear to be considered (say, a proposal to close the Air Force Academy) – are a waste of the Air Force Corporate Structure's time and call into question the Panel Chair's credibility. Focus on the doable. "Radioactive" Offsets (cuts proposed to highly political or sensitive programs) may be realistic but will be the toughest to work. These Offsets must normally be worked well in advance with the potentially impacted parties to minimize political blow-back. Junior ROTC is an example of a radioactive Offset. "Peanut Butter Spreads" or "Salami Slices" are across the board percentage reductions to level of effort programs (base operating support, for example) that do not change the expectations of the program delivery (mission), but reduce the resources available to produce the capability are affected. These are the least desirable of all Offsets proposals.

Sometimes resourcing an Initiative or Disconnect will free up resources elsewhere that can be used as an Offset. In the previous UPT example, increasing UPT sorties might reduce the number of more expensive sorties required by pilots training to fly a major weapon system. Recall, however, that at the AFCS level, Offsets are not generally linked

to Disconnects and Initiatives. In this case, the Air Staff Panel would need to make sure the Offset remained linked to the Initiative. We could not reduce F-16 RTU sorties without the increase in UPT formation rides.

Balanced Program

OSD requires the Air Force to present a balanced and affordable program at the end of each FYDP update. By having the summation of corporate supported Disconnects and Initiatives equaling the programmatic Offsets, the Air Force keeps the program balanced to the OSD fiscal guidance. Remember the formula below:

<div style="border:1px solid black; text-align:center">

D + I = O
DISCONNECTS + INITIATIVES = OFFSETS

</div>

Changing the Baseline

Programming is all about changing the baseline to replace less dear programs with more dear programs. There are two ways we can change the baseline during the programming phase. The first is through action of the Air Force Corporate Structure. Probably 95+ percent of changes are made in this way. In a nutshell, the Input Sources (MAJCOMs and CFLs) bring forward their Initiatives, Disconnects, and Offsets for debate and adjudication. Those that are approved are input as changes to the baseline. NOTE: rules on when Initiatives and Disconnects are entertained can change from year to year. Recommend all review the PPI for that specific POM effort.

Zero Balanced Transfers

The second way we can change the baseline in the programming phase is using a Zero Balance Transfer (ZBT). A ZBT is the method used to correct a program imbalance or ensure the executability problem. A ZBT is a zero-sum reallocation of resources within a single PE, and usually allowed where there has been a database error in a previous exercise. For example, a key stroke error resulted in dollars being taken from an enlisted personnel line when it should have come from the officer personnel line. By the way, the potential for such errors (the cost categories for officer and enlisted personnel are just one number different) is the reason PEMs should continue to check the database even after it is locked for changes. A ZBT is not to be used for reprogramming; a ZBT can put resources at risk because the corporate structure can disapprove the transfer and take the resources offered to be transferred. Check the PPI for specific ZBT procedures.

Chapter 7: Air Force Corporate Structure

Introduction

The Air Force Corporate Structure is the corporate review process for the HQ USAF. Membership consists of civilian and military personnel assigned to the Air Staff or Secretariat, Core Function Lead representatives, and the MAJCOMs. The corporate structure provides the forum for considering and deciding Air Force resource allocation issues.

The Air Force Corporate Structure (AFCS)

The AFCS, as illustrated in Figure 7-1 below, is designed to enhance and facilitate the corporate decision process. This is done in a number of ways. First, the corporate structure increases stakeholder involvement in decision-making. Second, decision-making is enhanced across functional areas. Third, participants focus on the process rather than the organizational structure. In addition, it facilitates involvement across the entire Air Force, enhancing institutional buy-in to decisions.
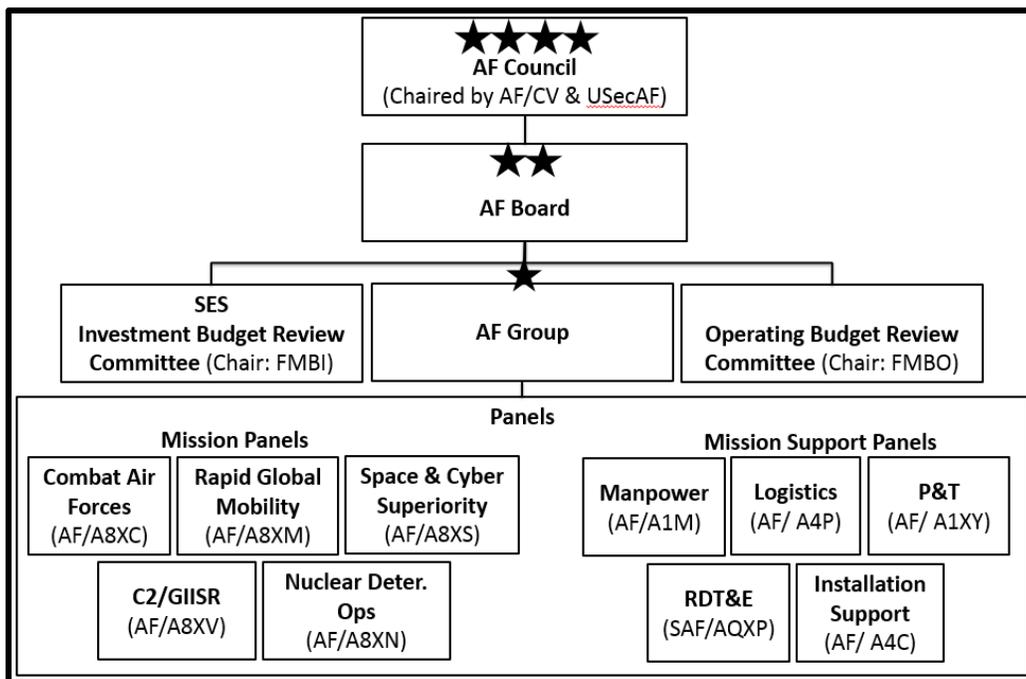
Figure 7-1. The Air Force Corporate Structure

Functional Organizations

Certain organizations within HQ USAF have significant responsibility in the resource allocation process. Of primary importance is the Assistant Secretary of the Air Force for Financial Management & Comptroller (SAF/FM), the Deputy Chief of Staff for Strategic Plans and Requirements (AF/A5/8), and the Assistant Secretary of the Air Force for Acquisition (SAF/AQ).

SAF/FM is responsible for managing the budgetary process for the Air Force. They provide analysis regarding cost and economic issues, developing policy, and overseeing compliance with laws and regulations.

AF/A5/8 is the focal point for the Air Force programming process, and provides many links to the Air Force Corporate Structure and PPBE. In addition, they are responsible for long-range planning and national and Air Force strategy. AF/A5/8 also manages Air Force manpower issues.

SAF/AQ manages all Air Force acquisition issues. They are organized by mission area, program executive officers (PEOs), and functional directors. The acquisition function flows from resource allocation. The funding available and acquisition priorities determine the programs SAF/AQ will support in the PPBE resource allocation process.

Air Force Mission and Mission Support Panels

The Air Force Panel System consists of five mission and five mission support panels. The mission panels are:
 – Combat Air Forces (AF/A8XC)
 – Rapid Global Mobility (AF/A8XM)
 – Space and Cyber Superiority (AF/A8XS)
 – C2/GIISR (AF/A8XV)
 – Nuclear Deterrence Operations (AF/A8XN)

The mission support panels are:
 – Manpower (AF/A1M)
 – RDT&E (SAF/AQXP)
 – Logistics (AF/A4P)
 – Installation Support (AF/A4C)
 – Personnel and Training (AF/A1XY)

There are also advisory panels such as:
 – National Intelligence Panel (AF/A2RN)
 – Competitive Sourcing and Privatization (AF/A1MS)

Advisory Panels will change from year to year. A full list of Advisory Panels active for any given POM can be found in that year's POM Preparation Instructions.

The panels begin the resource allocation process by conducting baseline reviews of the programs contained in their portfolios. This review usually consists of "PEM Parades" and other data gathering. One of the most important of these inputs is the MAJCOM "1-to-n" list submission. The panels identify initiatives, disconnects and "Fact-of-Life" (FOL) offsets. The panels also prepare Zero Balance Transfer (ZBTs) and other minor programmatic changes. The panels will prepare an initial briefing for the AFG that details their baseline. The AFG in turn issues fiscal constraints to the panels based on Air Force TOA and existing guidance. The panels will then work the programs and come back to the AFG in an effort to "get to the bottom line" (GTBL).

The panels will review and develop options for presentation to the Intermediate Level Review (AFG.) Additionally, the panels assess and provide comments to OSD guidance. They analyze and assess all programs and program elements vice Integrated Priority Lists (IPLs). The panels validate and recommend MAJCOM, DRU, and FOA program adjustments. In addition, the panels manage program changes and balance programs and program elements within the portfolio. They also advocate their core competency and address standardization, rationalization, and interoperability requirements and capabilities. Panels will also adjust their programs as required/directed by the AFCS during the course of deliberations and in response to SAF/FM and CONOPS feedback.

The panels are organized around the Air Force core competencies. Programs and program elements are assigned to panels according to their particular function. Cross-cutting programs affecting more than one panel drive coordination among the panels.

The Air Force Group (AFG)

The AFG is the next level of decision-making above the panels. It provides senior-level (0-6 and equivalent) decision-making on significant Air Force issues. The AFG's key function is to provide the initial corporate-level review of the integrated Air Force program. In addition to this responsibility, the AFG also reviews options in light of Air Force guidance, reviews and confirms cost, schedule and completeness of program options, and considers initiatives meeting core competencies or requirements. The AFG also reviews panel decisions and analyzes issues based on Air Force Board (AFB) guidance. Table 7-1 lists the HAF and SAF offices represented on the AFG. Each MAJCOM provides a representative to the AFG.

1.	AF/A5/8, A5R, A8X	10.	SAF/PA	19.	AF/SG
2.	AF/A3 AF/A3I, A5RC, A3S, A3SH	11.	SAF/IA	20.	AF/A9
3.	SAF/AA	12.	SAF/IG	21.	AF/HC
4.	ANG	13.	AF/JA	22.	SAF/XCXR
5.	SAF/AQ	14.	SAF/LL	23.	SAF/USA
6.	AF/IA7C, A4P, A74	15.	SAF/MR	24.	SAF/AG
7.	AF/A1, A1M	16.	AF/RE	25.	SAF/IE
8.	SAF/FM	17.	SAF/XCOI		
9.	SAF/GC	18.	SAF/TE		

Table 7-1. AFG Representation

Air Force Board (AFB)

The AFB is the next level of corporate decision-making within the Air Force. Members are one and two star or equivalent functional representatives. The Board resolves issues brought to it by the AFG as well as providing input to the AFG for further review. The Board's issues are refined and integrated with the AFG for final submission to the Air Force Council (AFC).

1.	AF/A5/8	10.	AF/JA	19.	AF/A7C
2.	AF/RE	11.	AF/A4	20.	SAF/AA
3.	AF/A3I	12.	SAF/IA	21.	SAF/PA
4.	SAF/IE	13.	AF/a1	22.	SAF/FM
5.	SAF/XCO	14.	AF/TE	23.	SAF/LL
6.	SAF/IG	15.	SAF/AG	24.	ANG
7.	AF/HC	16.	AF/A9	25.	SAF/GC
8.	SAF/MR	17.	SAF/XCX	26.	AF/SG
9.	SAF/AQ	18.	USA	27.	AF/A3
				28.	AF/A1M
				29.	AF/A5R

Table 7-2. Air Force Board Representation

Air Force Council (AFC)

The AFC is the top-level decision-making body in the AFCS. Members are Deputy Chief of Staff (DCS) and Assistant Secretary level with selected Directorate participation. The AFC reviews Air Force plans, objectives, and policies. It provides senior leadership recommendations to the Chief of Staff of the Air Force (CSAF) and the Secretary of Defense (SECDEF). The AFC also provides DCS-level coordination regarding significant issues. The AFC is chaired by the Air Force Vice Chief of Staff (AF/VC) and the AF/CIO.

Interaction of Corporate and Functional Processes and Operational Concepts

The headquarters functional staff is responsible for the daily activity within the Air Staff and Secretariat. Functional staff members become involved in the corporate structure through their involvement at one of the levels just described. Part of the role of corporate structure participants is to provide their unique perspective regarding the issues with which they are involved. This allows the cross-functional vetting of major issues and avoids a stove-piped process. Additionally, the MAJCOMs play a significant role in AFCS deliberations.

It is important to understand the corporate structure's role in decision-making is an advisory one only. Decisions made in the corporate structure serve only as recommendations, and are not binding. In addition, findings of the corporate structure do not usurp the authority of functional decision-makers. Only the CSAF and SECAF, and their subordinates have binding decision-making authority.

The corporate structure is designed to maintain a process streamlined and accountable while increasing corporate participation and review. The process is designed to be open and inclusive. The AFCS serves as the forum for the resolution of major issues affecting the entire Air Force. Not every issue decided by the Air Force goes through the corporate structure—only those significant enough to need an Air Force-wide decision. Ultimately, it helps the Air Force develop unity of support for final decisions to strengthen and clarify positions provided to the OSD.

Chapter 8: Building and Justifying the Air Force Budget

Introduction

The PPBE cycle produces *two* distinct budget requests. The final product is the President's Budget request annually submitted to Congress but each military service and agency within the Department also produces its own budget request for consideration by OSD. This military service/agency budget is known as a BES – a budget estimate submission – and is submitted to OSD in the fall each year (note: prior to 2015, the BES was submitted concurrently with the POM.) Both budgets are discussed in this chapter.

The President's Budget (PB) recommendation to Congress is assembled by his staff in the Office of Management and Budget (OMB). OMB initiates this process every year in time to submit the PB to Congress in early February, following the President's State of the Union address at the end of January. To generate the PB, each Federal department or agency prepares a budget in accordance with OMB Circular A-11 and the fiscal guidance issued annually by OMB. Fiscal guidance includes the total obligation authority (TOA) each Federal department or agency should use for future planning purposes (also known as "topline"), and any other funding constraints or allocations, such as assumptions on outlay rates.

OMB Circular A-11, Preparation, Submission, and Execution of the Budget, provides an overview of the OMB budget process under which the Defense Department operates. It discusses the basic laws that regulate the budget process and defines all budget-related terms and concepts. The circular covers development of the President's Budget, including explanations of how to prepare and submit materials required for OMB and requests for presidential review of an agency. OMB Circular A-11 also details the formulation of the budget, including development and submission of performance budgets.

The DoD Financial Management Regulation incorporates and complies with OMB Circular A-11. Upon receipt of its fiscal guidance from OMB, the Defense Department allocates this "topline" to each of the defense services and agencies through the Under Secretary of Defense, Comptroller (USD(C)). Services and agencies then develop a full plan of how funding will be used in future years and submit this plan back to USD(C) in a formal Budget Estimate Submission (BES). The USD(C) reviews each input during a formal budget review, consolidates all inputs into a single defense budget, and submits this budget to OMB.

The budget data in each BES is based on the programs and fiscal guidance contained in the Program Objective Memorandum (POM), and covers the same fiscal years. DoD departmental guidance for general preparation of a BES is provided in DoD Financial Management Regulation (DoD FMR) 7000.14-R, Vols. 2A & 2B. More specific guidance is included in DoD's annual fiscal guidance and budget call.

Although the POM and BES address the same fiscal years, the nature of each package is very different. The POM focuses on identifying how programs help achieve the mission and long-term objectives. The POM also forces resource choices on the basis of capability and programmatic need, with cost an important but not primary decision factor.

The BES, in contrast, assumes program choices made in the POM are valid and fixed, and focuses instead on applying accurate pricing factors, such as inflation, foreign currency, fuel rates, and pay raise percentages.

These key differences between the POM and the BES are summarized in table 8-1.

Programming	Budgeting
Is built primary by *program element*	Is built primarily by *appropriation*
Is an *OSD*-developed process	Is a *Constitutionally*-developed process
The process *differs greatly* depending on Service and Agency	The process is largely *the same* regardless of Service or Agency
Requires tools *internal* to DoD (unique to each organization)	Requires tools *external* to DoD (budget exhibits, J-Books, OMB databases)
Targets *DoD* audiences	Targets *non-DoD* audiences

Table 8-1. Programming and Budgeting Process Comparison

Developing the Defense Department Budget Estimate Submission (BES)

The BES is, in theory, simply a re-price of the POM. Programmatic decisions should be settled in the POM, leaving the BES as a pricing and budget exhibit development exercise. Reality can be much different. As sufficient funds are rarely fully available to satisfy all requirements identified in the POM, the POM leaves the BES with a basic problem of economics: the demand for dollars exceeds the supply of dollars. Tough decisions must be made, and that decision-making process requires constant review of programs beyond the programming window (early spring and summer). These programmatic "revisits" have also become more frequent in recent years, when fiscal guidance issued to the Defense Department has been modified mid-process (such as after the passage of the Budget Control Act in August 2011.) Although program *priorities* established during the POM process may stay the same, the *price* of those priorities often shifts during budget formulation and must be recalculated.

Budget Output: Budget Exhibits

Each BES package consists of several different budget "exhibits," organized by appropriation and each identifying different detailed financial data. For example, one exhibit may focus on training costs while another exhibit addresses staffing levels. Some exhibits will reflect a single fiscal year's worth of data, others (particularly for more complex procurement and research programs) will reflect all FYDP years. Exhibits are referred to both by formal name (i.e. "Summary of Price and Program Growth") and number (i.e. "OP-32") and when integrated into a single package, include several thousand pages worth of data.

Regardless of appropriation, most budget exhibits contain similar information (Note: different budget exhibits may use different titles to describe similar information:)

1. First, each budget exhibit normally contains a written general description of the programs and operations within a given appropriation. This "force structure summary" provides a summary level tutorial of the nature of funded programs.

2. Second, each budget exhibit more specifically describes what programs and operations are funded within the *current* budget request. For example, the "description of operations financed" data within the FY16 budget identifies and discusses what programs, activities, and resources are needed within fiscal year 2018.

3. Third, and most importantly, each budget exhibit must explain any changes between the previous budget request and the current budget request. This "reconciliation of increases and decreases" acknowledges the annual nature of Congressional legislation even though the Defense Department will refine each fiscal year multiple times as it moves forward in the FYDP. This means that each budget exhibit *must* begin with exactly the same monetary request identified in the previous budget request and then display and explain the increases and decreases that result in the updated budget request.

The DoD FMR identifies which exhibits are required and how to prepare them, and there are often 30 or more contained in each package. Comptroller personnel within each military service and agency are responsible for reviewing and assembling approved POM decisions into these budget exhibits (note: by law, the budget request from each agency must be a Secretariat product, even within the military services.)

The Secretary of each military service and agency formally prepares and submits the final BES package OSD, who in turn will review these exhibits during its Program Budget Review activities in the autumn of each year. OSD-suggested modifications to military service/agency BES' are identified in Resource Management Decision documents, then incorporated into an integrated Defense Department package submitted to OMB for inclusion in the President's Budget (see chapter 10 for more information about the OSD Program Budget Review process.)

Budget Output: Justification Books (J-Books)

The budget exhibits prepared by DoD for OMB are compliant with the Circular A-11 guidance issued to all federal agencies. However, this means that many DoD budget exhibits reflect only the basic information requested of all federal agencies. Given the Defense Department is seven times the fiscal size of the next largest federal agency, supplemental information about DoD programs and funding is also required.

In addition to budget exhibits, the Defense Department must prepare Justification Books, or "J-Books." J-Books provide additional background information to Congress regarding DoD budgetary actions – they are the "budget exhibits we would have designed for ourselves." The J-Books are written at the appropriation level, with J-Books for Operations and Maintenance (0-1) funding, Procurement (P-1) funding, etc. Developing J-Books is a follow-on process to the BES and PB and takes considerable effort. However, the better job the Defense Department does in preparing its J-Books, the more time can be spent discussing specific program details with Congress and less time spent providing general background and educational material.

The Budget Process: Summary

As discussed throughout this chapter, the budget formulation process is very similar throughout DoD, because the requirement to prepare a budget comes from a common source: the Office of Management and Budget. All budget submissions – internal and external to the Defense Department – must follow the same guidelines, which has a very standardizing effect on formulation process. Budget exhibits prepared by one department echelon are forwarded, reviewed and discussed by a higher echelon in a similar manner each time. A summary of the steps in this process is provided in table 8-2, below.

Budgeting Process Steps
1. Budget Guidance is issued
2. Current and prior fiscal year execution is reviewed
3. Disconnects between guidance and execution are identified
4. Exhibits are prepared and submitted
5. Exhibits are reviewed and analyzed; adjustments are recommended
6. Appeals are submitted
7. Meetings are held to resolve outstanding issues
8. Approved budget is submitted to next level

Table 8-2. Budgeting Process Steps

Chapter 9: OSD Program Review and Budget Review Processes

From calendar years 2001 to 2014, Services submitted a combined program and budget submission to OSD, followed by an integrated OSD Program and Budget Review. Beginning with the FY 17-21 POM process, this combined Program Budget Review was changed by OSD and the Program Review and Budget Review were conducted separately, and (mostly) sequentially. The Program Review is conducted after POMs are submitted to OSD in early July – this year the FY 18-22 POMs are due on 30 June. Program Decision Memoranda (PDMs) are released to reflect any "programmatic changes" directed by CAPE, who conducts the Program Review. Component (to include the USAF) programs will be so adjusted and then components develop their Budget Estimate Submissions (BES), followed by another submission to OSD. OUSD Comptroller then conducts the Budget Review. If any changes are required, Program Budget Decisions (PBDs) are then be released to the Components. This adjusted process will take longer than the "concurrent" reviews but the separation of the two exercises is designed eliminate any conflicting guidance from OSD CAPE and Comptroller. The challenge of this updated approach is that Component POMs are now due to OSD earlier than recent years; as noted earlier, 30 June for the FY 18-22 POM. In previous year, the POM was not due to OSD until September. This "accelerated" process now also require OSD to release Program and Budget Guidance to the Components earlier than in past years.

To clarify, Resource Management Decisions (RMDs) were introduced into the OSD review process in 2009 but in 2016 have been replaced by the Program Decision Memoranda (PDM), which were generated by the OSD Program Review, and Program Budget Decisions (PBD), which were generated by the OSD Budget Review.

The outcome of the OSD Program Review and Budget Review are changes to the Military Department and Defense Agency POM and BES positions. These changes can be based on several factors, from failure to follow Joint or OSD-level strategic guidance to changes in the global environment, to changes in resource strategy. While all Program Review and Budget Review decisions are ultimately made by the SECDEF or DEPSECDEF, the process is facilitated by several OSD governance bodies. The 3-Star Programmers Group, the OSD Comptroller, and the Deputy's Management Action Group (DMAG) support the SECDEF in the Program Review and Budget Review processes.

The DMAG, chaired by the Deputy Secretary of Defense (DEPSECDEF), assists in making major program decisions. The Deputy Service Secretaries and the Vice Chiefs/Vice CNO are members of the DMAG. The Services' lead programming offices (USA G8, USAF A5/8, DON N8) are members of the 3-Star Programmers Group. The 3-Star Programmers Group, chaired by the OSD Director of Cost Assessment and Program Evaluation (CAPE) and supported by the Comptroller, is responsible for screening and developing review issues for presentation to the DMAG. In addition to the OSD governance bodies discussed above, the SECDEF's Secretary's Leadership Council (SLC) may get involved in adjudication of certain POM issues.

OSD Issues and Issue Papers

The focal point of the Program Review is an "issue." Once each Service and Defense Agency has submitted its POM to OSD and OSD has incorporated those inputs into its databases, those databases – which now reflect POM issues throughout the entire DOD – are released for review to the entire Department. As a result, some organizations (including OSD) may "take issue" with resource choices made by other organizations. For example, a Combatant Command may take issue with the POM choices made by one of the Military Departments. Similarly, any office within OSD may feel that a Military Department or Defense Agency has not sufficiently complied with guidance or policy and may take issue with that noncompliance.

Any organization that wants to identify a potential issue (from their perspective) may write a formal issue paper highlighting the perceived discrepancy, problem or alternative viewpoint. Many different stakeholders can develop topics for consideration as issues, including OSD offices (CAPE, Comptroller, and others), Combatant Commanders, other Defense Agencies, and the Military Departments. The issues are based on the OSD DPG studies, USD P&R papers, DPG compliance issues, fiscal guidance issues, and any myriad of other reviews that may be underway (such as the Quadrennial Defense Review). CAPE, after reviewing the issue outlines and coordinating with other interested parties, will select those *programmatic* topics on which issue papers will be written and will designate lead organizations – known as issue teams - to prepare the papers.

Another Issue Source: the Chairman's Program Assessment (CPA)

Title 10 United States Code gives the CJCS a specific responsibility to advise the Secretary of Defense regarding program recommendations, and to submit alternatives. The CPA is the tool the CJCS uses to perform this duty. The CPA becomes a "report card" on the Combatant Commander's requirements, and the Chairman's perspective regarding program balance and adequacy. Within the CPA, risks with warfighting capability are assessed and alternatives are developed if required. The CPA is also a likely potential source for OSD PBR issues, as it is produced shortly after (and based on) Service POM submissions in the late summer timeframe.

OSD Issue Teams

Issue Teams. Based on likely "issues" – those areas of interest and potential change to the Air Force POM submission – specific OSD Offices are designated to lead the evaluation of the issues as selected by their leadership. The lead office(s) for each issue names a staff member (an SES or Flag Officer) to head a team that then reviews the issue and develop alternatives for decision. These issue teams also draw membership from the Joint Staff and each of the Military Departments and Defense Agencies.

Issue Development. Once issues are identified, they are carefully vetted through the OSD-led issue team. The Air Force also has its own issue response process for coordinating responses and inputs to OSD issue teams, discussed later in this chapter. Frequently, Military Department and Defense Agency issue teams are formed even before their POM is submitted to OSD, based on known potential issue areas or in response to OSD identification of its planned issue teams. Within each Military Department and Defense Agency, each issue is assigned to a Military Department and Defense Agency Issue Lead, usually a colonel or civilian equivalent, who serves concurrently on the OSD issue team and the Military Department and Defense Agency issue team. Thus Military Department and Defense Agency-specific issue defense is developed by their respective team as the issue is being fleshed out by the OSD team. Military Department and Defense Agency issue teams are responsible for researching and developing both written responses and presentation materials that explain and support the Military Department and Defense Agency POM positions. Each issue team assesses the issues assigned to it and develops alternatives for decision. OSD Issue Team leads work with Military Departments and Defense Agency issue team members to formulate and present their team's position on the assigned issues and keep their senior leadership informed throughout the process. Generally, the total number of alternatives should not exceed five for any single issue. The alternatives selected should represent a balanced and affordable set of solutions; the strengths and weaknesses of each alternative should be evaluated in the issue team's presentation.

Issue Briefings. Program Review issue teams brief their proposed alternatives and solutions. The 3-Star Programmers Group may ask teams with issues that are complex to prepare issue papers or separate briefings on discrete parts of the issue. Follow-up briefings to the 3-Star Programmers Group present the results of the issue

team's work. The 3-Star Programmers Group determines if the issue is appropriate for presentation to the DMAG for decision. Where further work is needed, the 3-Star Programmers Group will provide appropriate guidance to the issue team.

The 3-Star Programmers Group validates and resolves issues at their level when possible. Depending on the issue, the DMAG may request briefings on any issue or from any team, or may restrict briefings to only issues that remain unresolved at the 3-Star Programmers Group level.

OSD Issue Team Actions During OSD Reviews

The primary goal of each OSD issue team is to research and identify issue solution as soon as possible through coordinated input from all team members. Issue teams (both OSD-led and Military Department and Defense Agency-specific) will research and discuss Program Review issues informally for a short time after Military Department and Defense Agency POMs are submitted to OSD, but any issues that cannot be resolved will escalate to a higher level in the form of more formal OSD proposed changes: draft Program Decision Memoranda (PDMs).

Air Force Actions During OSD Reviews

Program Review issues are carefully vetted through the Air Force and issue responses are coordinated to prepare the Air Force position on the major issues. Air Force issue teams may be formed even before the POM is submitted to OSD, based on known potential issue areas or in response to OSD identification of its planned issue teams. As previously discussed, each issue is assigned to an Air Force Issue Lead, usually a colonel or civilian equivalent, who serves concurrently on the OSD issue team and the Air Force issue team. Thus issue defense is developed by the Air Force team as the issue is being fleshed out by the OSD team. Air Force issue teams are responsible for researching and developing both written responses and presentation materials that explain and support the Air Force POM position.

Program Decision Memoranda (PDMs)/ Program Budget Decsions (PBDs)

PDMs/PBDs signal the final phases of programming and budgeting activities within PPBE. The number of PDMs/PBDs can vary greatly from year to year. (For reference purposes, in past years there were typically at least two PDMs issued and sometimes as many as four, and over a dozen PBDs.) PDMs/PBDs require the Services to change their programs, but often do not identify sources for the resources required to do so. That responsibility – to generate Offsets - is generally left to the impacted component.

Unlike the informal issue team discussion early in the Program Review, PDM response is significantly more formal and allows less time for preparation. Once a draft PDM/PBD is issued – either by OSD CAPE or OSD Comptroller, depending on the issue nature – the Air Force usually has between 48 and 72 hours to provide OSD with its formal response. During this short window, the Air Force must inform affected stakeholders of the draft PDM/PBD, issue teams must develop a draft response, the AFB must review and make a formal recommendation to both SECAF and CSAF, and a written memo must be prepared and returned to OSD. There are three possible responses to a "draft" PDM/PBD: Accept, Accept with Comment or Reclama. Success during this short timeframe depends highly on how well-prepared and postured each issue team is prior to final PDM/PBD issuance.

Once Air Force has responded to an OSD PDM/PBD, DEPSECDEF recommends and SECDEF approves a final course of action. SECDEF actions are provided to impacted Service(s) and agencies via a signed PDM/PBD. Signed

PDM/PBDs are digested by issue teams, AF/A5/8 and SAF/FM, briefed to the AFB, and entered into the Air Force database, ABIDES, to affect the actual decision.

Figure 9-3 represents the entire flow of the OSD Program Review and Budget Review process.
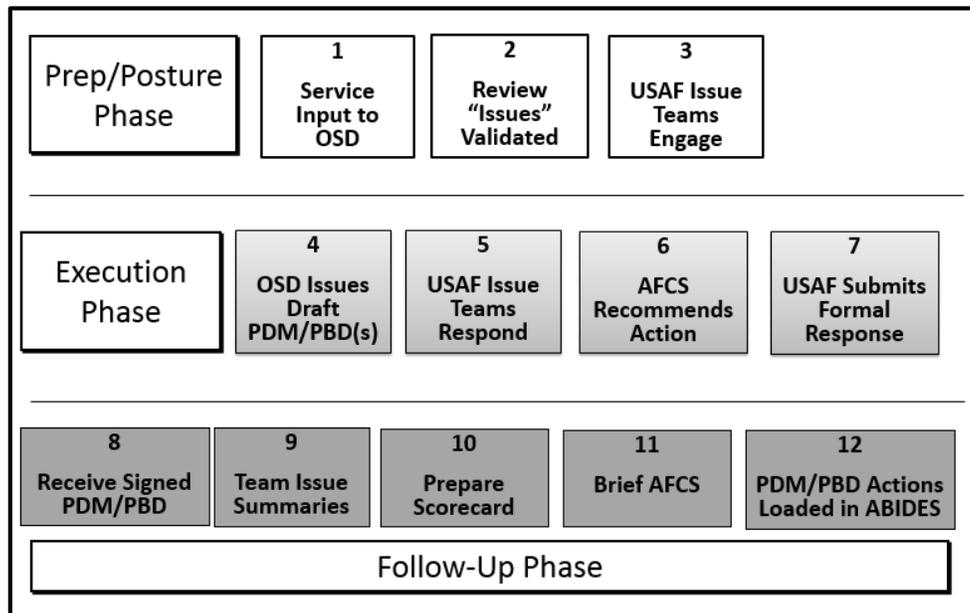
Figure 9-3. AF Process for OSD Program and Budget Review

The President's Budget (PB)

After the OSD Review processes are complete, it is time to assemble the PB. The Justification Books (J-Books) now become top priority. As with Air Force J-Books, OSD J-Books are written at the appropriation level (e.g., O&M, Procurement, RDT&E). Our audience is no longer OSD/OMB, but Congress. All program growth must be fully justified, and accuracy is paramount.

Once the J-Books finish a Security Review, the budget is ready for presentation to Congress the first Monday of February. This is done through Press Conferences and "Staffer Days", when Air Force leaders, subject matter experts, and legislative support personnel visit the members of the key committees in the House and Senate for briefings and discussions on the PB.

Chapter 10: Building the Budget (Legislative Branch)

Introduction

Congress "controls the purse strings" and thus plays an important role in the success or failure of any defense program. Knowledge of Congress and Congressional policies is essential to running a successful program and building an effective budget request.

The Defense Budget Process

Congress is responsible for raising and supporting the armed forces of the United States. The main way it exercises this responsibility is by reviewing and acting on the annual defense budget. The overall U.S. resource allocation process has three principal segments: the defense budget request by the Executive branch, the Congressional defense budget process, and budget execution. The Defense Department has the greatest amount of involvement with Congress during the second segment of the process, the Congressional defense budget process.

Leading Committees in the Congressional Defense Budget Process

Congress is run by committee. The congressional defense budget process is dependent on the following key committees for the bulk of each year's efforts as shown in Table 10-1 below.

Key Senate Committees
Budget Committee—Budget Resolution
Armed Services Committee—Authorization
Appropriations Committee—Appropriations
Key House of Representatives Committees
Budget Committee—Budget Resolution
National Security Committee—Authorization
Appropriations Committee—Appropriations

Table 10-1. Key Congressional Committees in PPBE

The Congressional Defense Budget Process

Congressional action on the defense budget is a three-step process following a timetable established by the Congressional Budget Act of 1974, as amended by the Balanced Budget Act. The congressional defense budget process has three distinct elements: the Concurrent Budget Resolution, the Authorization Process, and the Appropriations Process. Refer to Figure 10-1 for a full-page chart detailing the flow of the congressional defense budget process.
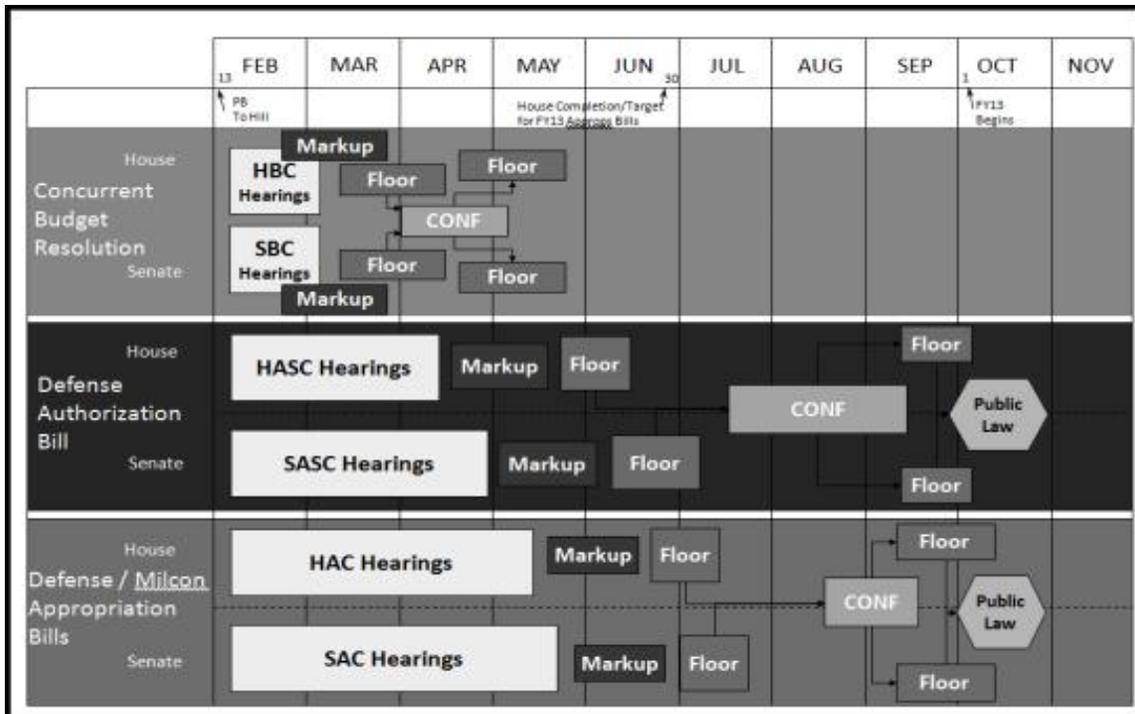
Figure 10-1. Congressional Defense Budget Process

Concurrent Budget Resolution (CBR)

The first formal action taken by Congress is establishing a ceiling on funding for national defense programs in the Concurrent Budget Resolution (CBR.) The CBR establishes revenue targets and sets ceilings on budget authority and outlays for the entire Federal budget. As a result of the CBR, spending allocations are made to the appropriations committees (and to the subcommittees). No final decisions on spending priorities are made at this time.

Authorization Process

In formal terms, authorization acts provide the legislative authority to establish or maintain a government program or agency and to eventually appropriate funds. Authorization bills prescribe policy issues and changes to existing laws. Authorization acts define the scope of programs and authorize funding levels for programs either in terms of specific amounts or for "such funds as may be necessary" to implement the program. Authorization does not create budget authority (does not specify total funding levels.) Steps in the process include:

- Hearings
- Mark Up
- Floor Action
- Conference Committee
- Final Floor Vote
- Presidential Action

Appropriations Process

The appropriations process provides the necessary budget authority (funding) to fund defense programs. The bulk of defense funding is provided via three regular appropriations acts:

- DoD appropriation
- Military construction appropriation
- Energy and water appropriation

In each Congressional chamber, the relevant appropriations subcommittees hold hearings to review the President's defense budget request, and to mark up the defense appropriations legislation before passing it to the full appropriations committee for markup. The process then follows the same steps as the authorization process: hearings, floor action, conference committee, floor vote, presidential action. (For annual appropriations, Congress must pass new appropriations acts every year. Permanent appropriations, in contrast, are made in substantive legislation, and make funds available each year without new action by Congress.)

Types of Appropriations Acts:

There are three significant types of Appropriations acts:

Regular Appropriations Acts.

Three regular appropriations acts provide the majority of defense funding (see above).

Continuing Appropriations Resolution. If Congress fails to pass all of the regular appropriations acts by the beginning of the fiscal year (1 October), the DoD (and other affected agencies) can be left without funds to continue operations. To avoid the disruptive effects of these occurrences, Congress passes continuing appropriations legislation to provide "stop-gap" budget authority. Stop-gap authority provides funding for a specified amount of time at levels be equal to (1) the prior fiscal year, (2) the President's requested level for the coming fiscal year, or (3) the level approved by the House or Senate. This funding is restricted, notably by the fact it cannot be used to start new programs. In some years, continuing appropriations resolutions are used to provide funding for the full-year, taking the place of a regular appropriations act.

Supplemental Appropriations Act. Used by Congress to appropriate funds to cover unanticipated expenditures during the current fiscal year in response to a request by the Executive branch.

The Role of Congressional Language

Three primary types of language impact Resource Managers and their programs. "**Public Law Language**" is found within the text of a law—it is the law of the land, though it is often indefinite and lacking in detail. "**Report Language**" is contained within congressional reports describing committee intent, direction, and recommendations. "**Bill Language**" is any language found in a bill, from its inception through mark ups and amendments to conference and final votes. Of the three, Report Language is the most relevant.

Report Language often provides the details to a piece of legislation, signaling the intent of Congress. Report Language is derived from reports issued in the wake of legislative or oversight hearings and is an explanation of committee mark up action. These reports often contain suggestions and recommendations on the implementation of Public Law Language. The language within records why the legislation was passed. It also illuminates committee

sensitivities, intent, and rationale. Technically, Report Language is not law but it is generally accepted as binding on the DoD.

Program stakeholders must be aware of Report Language that mention program(s) directly or indirectly. Report Language can dictate the following:

– Whether programs have changed

– How changed programs are expected to proceed

– Studies or analyses needing to be performed (and reported back to the committee).

– Whether the release of funds is contingent on the DoD completing some designated action

– Whether a program is designated as a **Congressional Interest Program (CIP)**

A Congressional Interest Program means the program has received special attention from one or more Congressional committees, a status precluding the DoD from reprogramming funds into or out of the program without prior Congressional notification and approval.

Congressional Hearing and Testimony

A hearing is a formal committee meeting scheduled and convened by the committee chair to receive testimony from government and non-government witnesses. Witnesses from the private or public sectors appear before the committee to testify. Hearings can be open or closed and can occur anywhere, though nearly all occur on Capitol Hill. Hearings are used to support the drafting of legislation, develop background or reference material, and provide direction and guidance to federal agencies.

The Defense Department typically begins interaction with the congressional hearing system during the Defense Budget process when it presents the Defense Department's **Annual Posture Statement**. Defense Department and other DoD programs are justified during authorization hearings, and the budget authority to support these programs is justified during appropriations hearings. The Defense Department Posture Statement is produced annually and serves two primary purposes:

– The development, coordination, and articulation of the Defense Department's position on current issues and key programs, and

– The management of the preparation and support of the annual congressional testimony provided by DoD senior leaders.

SECDEF and JCS present the OSD Posture Statement in testimony before the Authorization Committees (HASC and SASC) and the Defense Appropriations Subcommittees (HAC and SAC). Other key DoD officials will follow with their own testimony before subcommittees to amplify the overall OSD Posture Statement. The hearings generally follow a similar course:

– DoD Senior Leadership testifies and is questioned by the committee.

– Approximately one week after the hearing, the committee releases a draft transcript and additional questions for the record.

– A committee report on the hearing is published.

Prior to hearings, potential issues and likely congressional positions will be identified and evaluated to determine the context and tenor of upcoming hearings. Preparatory materials will be generated based on these evaluations. Resource Managers – Action Officers, Program Managers and others - will be required to assist in the preparation of these materials, which commonly include **PHIPs** and pre-hearing review sessions, sometimes known as **Skull Sessions**.

Posture Hearing Issue Papers ("One Pagers" or PHIPs)

PHIPs form the foundation of posture hearing preparation, and cover the main points of a budget issue, as well as anticipated congressional issues. Backup data is commonly provided on funding, program performance, procurement, and a bottom-line Defense Department position. Resource Managers must ensure each PHIP represents the current, coordinated Defense Department position.

Skull Sessions

Skull sessions bring together the key general officers and/or Secretariat personnel to address subjects of congressional interest. They are organized by distinct capabilities and are intended to generate discussion on important Defense Department issues dealt with before Congress. There are three types of skull sessions:

– Pre-hearing skull sessions begin in January, and address broad areas for general preparation.

– Specific hearing skull sessions occur two or three days before a hearing, and address issues pertinent to a specific committee holding the hearing.

– "Mini-skulls" or murder boards are held the morning of the hearing and cover late-breaking issues.

Resource Managers (usually Defense Department subject matter experts for the program or topic in question) will be asked to provide skull session background material in the form of questions and answers in PowerPoint format. When developing this material, Resource Managers need to be sure to:

– Place themselves in the position of the witness
– Answer questions directly (first bullet)
– Use specific examples to illustrate points
– Synchronize Skulls with PHIPs

Following each hearing, support for senior leadership requires transcript review and preparation of inserts/questions for the record. Additionally, after committee mark-ups are complete, it may be necessary to generate budget/program fact papers to counter committee action contrary to the Defense Department position. The committee will provide witnesses with a transcript of hearing testimony to make necessary editorial and factual corrections, provide additional information, and identify classified information.

Transcript Review

The committees extend this privilege as a courtesy—therefore, all deadlines for return of the corrected transcript **must** be met.

Resource Managers must read the instructions (contained on the tasker cover page) carefully and follow them exactly. Be aware each committee has its own requirements. Extensive, substantive revisions or addition of new information is not permitted unless expressly authorized by the committee.

Classified information should be handled in accordance with tasker instructions. Be aware there is a congressional sensitivity to the over-classification of information. Recommendations for deleting classified information from transcripts must reflect a valid security position.

Inserts/Questions for the Record (IFRs/QFRs)

During a hearing, committee members often ask for information too detailed for immediate response. These questions are referred to as Inserts for the Record, with responses inserted at a later time into the text transcript. Questions not asked during the hearing are submitted at this time as Questions for the Record. Responses will be appended to the hearing transcript as well.

An Office of Primary Responsibility (OPRs) is tasked to respond to each IFR/QFR. A tasker with a detailed instructions and a sample response will accompany each question. Be aware the format described in the tasker must be followed exactly—each committee has its own requirements. Avoid incomplete coordination, confusing jargon or acronyms, and improper responses (too much, too little or too emotional.)

Congressional Appeals

As Congress completes its hearing and mark-up work, the Executive Branch has several venues available to request changes to draft legislative language (appeals.) There are three primary tools used to submit appeals:
  - A Statement of Administrative Policy (SAP), issued by the President

  - A "Heartburn Appeal", issued by SECDEF on behalf of the Defense Department

  - Individual appeals from the military services and/or defense agencies, sometimes known as Budget/Program Fact Papers

Congressional Appeals: Statements of Administrative Policy

A Statement of Administrative Policy is a White House/Office of Management and Budget initiative that follows legislative markup completed by the Defense authorization and appropriation committees. SAPs identify congressional funding levels and/or legislative language that is of particular concern to the President, including Presidential veto threats. While SAPs are issued by the White House, they are developed and coordinated through relevant offices within the Defense Department (OSD and/or specific defense agencies or the military services), depending on the issue.

Congressional Appeals: OSD Heartburn Appeals

In addition to the President's SAPs, the Defense Department has the opportunity to present to Congress its "top 10" concerns regarding draft legislative language. These "heartburn appeals" (there may also be more than 10) are developed by each military service and defense agency, then narrowed to a single Defense Department list by the OSD Office of Legislative Council (OLC.) Heartburn appeals are short and issue-oriented, and restate the preferred DoD program requirement and a rebuttal of the legislative rationale used to change a program.

Congressional Appeals: Budget/Program Fact Papers (BPFPs)

BPFPs are developed by individual components within the Defense Department as a result of marks to the President's Budget Request. They are aimed at educating the committees regarding the impact of their action prior to the committee conference. Like Heartburn Appeals, BPFPs are short, issue-oriented papers containing a concise restatement of the program requirement and a rebuttal of the rationale used to reduce or terminate a program.

The Unfunded Priority List (UPL)

The UPL is a corporately approved list of un-funded programs within a focus area chosen annually by each component of the DoD (for example, each military service develops its own UPL.) These programs are designated to receive funding should additional money become available. Prior areas of focus have included modernization, readiness, people, and quality of life. Programs included on the list are those that are completely un-funded. Programs under-funded or otherwise impaired are not candidates for the UPL.

Summary

Defense Department involvement with Congress is more bi-lateral than most imagine. Although the President's Budget is presented to Congress in early February, the majority of the legislative budget season involves providing additional programmatic information via posture statements, hearings, program briefs, appeals, and responding to any other congressional requests for information as required. Legislative language, in both authorization and appropriation forms, will legally direct DoD program behavior, so it is critical Resource Managers not only follow congressional processes closely in order to ,anticipate congressional requirements but also provide accurate, timely and coordinated information that supports the official DoD position whenever requested.

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Chapter 11: Executing the Air Force Budget

Introduction

After the congressional authorization and appropriation bills are signed by the President and the funds are released to the Defense Department, the job of actually using appropriated funds, as authorized, begins. This chapter discusses the procedures used to spend appropriated funds from the beginning of a fiscal year through fiscal year closeout.

Resource Managers can learn useful information from budget execution data. For example, programs not fully executed during the year are good sources for possible bill-paying exercises during future budget cycles. Also, programs historically having difficulty during execution due to lack of funding are excellent candidates to repair during the programming cycles. Let's begin looking more closely at the Budget Execution process by defining a few terms.

Budget Authority

Budget legislation demands programs stay within their fiscal boundaries. Congress appropriates funds to OSD, who, in turn, allocates to the military services and defense agencies their shares of the appropriations, providing **Budget Authority (BA)** for each DoD component. The sum of the resources allocated to each component is often described as Total Obligational Authority (TOA). Note: the difference between Budget Authority and TOA is *Budget Authority* is the "new" amount of money available to spend each fiscal year. *TOA* is the combined totals of all funds available to be spent. The two totals vary because some appropriations last for more than one fiscal year.

Obligating Funds

In order to spend appropriated funds, the funds must formally be allocated to a specific requirement or task via a legally-binding document, such as a contract, task order, or travel order. This legal agreement literally obligates the Defense Department to pay for the goods or services requested by the agreement, so long as the terms of the request are also met. A program's "obligations" (also sometimes referred to as its "spend rate" or "burn rate") are expressed as the cumulative total of all obligating documents.

Expending Funds

Although a program's obligation levels are the most commonly-used metric for both planning and measuring program performance, another metric is also tracked and used to gauge program activity. Once the goods or services requested by an obligating document have been received, the formal acknowledgement of receipt to allow payment of funds is known as an expenditure. Expenditures then presented for payment by DoD to the Treasury are called outlays. At the end of the budget year, the goal is for outlays to equal the obligation authority.

Time Limits for Obligations

Each appropriation has certain time limits during which obligations, expenditures and outlays can be made. Table 11-1 explains appropriation lifespan by major functional titles as submitted to OSD. When the Defense Department receives an appropriation from Congress, the appropriation language includes the appropriation lifespan. Each appropriation has certain time limits for obligations. During the execution year(s), the goal is to be 100% obligated when the appropriation lifespan ends, and this lifespan time period varies by appropriation. For example, Operations and Maintenance appropriations are said to be "current" (available for obligation) for one fiscal year. For Procurement appropriations, there are generally three current fiscal years.

When the legislative time period for creating new obligations has passed, appropriations are said to be "expired." During this "expired" time period, programs may continue to expend and outlay already-obligated funds but may not create any new obligations. The expiration time period for all appropriations is five years.

After this expired time period ends, the money can no longer be obligated expended, or outlaid for any reason, and the appropriations are considered "cancelled." If a legitimate obligation is presented for payment a cancelled appropriation, it must be paid out of current year funds if the "bona fide need" cannot be established for other unexpired or expired appropriations.

One Year Appropriations
Operations and Maintenance
Military Personnel
Military Family Housing
Two Year Appropriations
Research and Development
Three Year Appropriations
Aircraft Procurement
Procurement of Ammunition
Missile Procurement
Space Procurement
Other Procurement
Five Year Appropriations
Military Construction
Military Family Housing Construction

Table 11-1. Appropriation "Life Spans" for Creating New Obligations

Funding Limitations

Each fiscal year has certain constraints on the execution of the budget. An "A" limitation has a legal basis and is usually included in an Appropriation or Authorization Act. A "B" limitation has no legal basis, but is an OSD or military service policy regarding certain spending. Another kind of limitation is an "earmark" in the appropriation or authorization language from Congress. It can be specific—appropriated for the purpose of or the intent of Congress. In all cases, a spending limitation is a restriction on funds during execution. This lack of flexibility makes budgeting correctly the first time very important.

Notice in Figure 11-1 appropriations can be summarized by grouping them into major categories. For example, investment accounts include Procurement, RDT&E and MILCON. There are times when four categories are used: People (e.g., quality of life), Readiness (e.g. O&M to include flying hours), Investment, & Modernization.

Planning for Funds Execution

Because of the enduring nature of many Defense Department missions, many programs do not experience significant changes in obligation and expenditure rates from year to year beyond inflationary activity. A program's ability to obligate and expend funds in prior years is often a valid indicator of that program's ability to execute current year funds. However, program history may not adequately capture any changes in program requirements or program

management, so many Defense Department components (and sub-components) also develop month-by-month plans for funds execution, prior to the beginning of each fiscal year. These month-by-month projections of program obligation and expenditure rates are called many different names, such as Execution Plans, Spend (or Spending) Plans, Operating Budget Plans, and Financial Plans (Fin Plans), for example.

While Spending Plans provide important information to headquarters-level activities, they are not developed at the headquarters level. Instead, Spending Plans are requested of field-level activities (below the military service or agency level) via a formal Data Call shortly after the President's Budget is submitted to Congress each February, for the coming fiscal year. (For example, an FY17-focused Spending Plan would begin its development in spring 2016.) Spending Plan inputs are then consolidated at the military service and agency level to reflect forecasted obligation and expenditure rates on a month-by-month basis for each appropriation category (Operations and Maintenance, Investments, and Research and Development.) Spending Plans also often identify known un-funded requirements for the coming fiscal year.

Combined with appropriation execution history, Spending Plans set a performance benchmark against which each appropriation can be measured once the fiscal year begins via Execution Reviews and Midyear Review.

Funds Release

The ability for OSD to release funds depends on three steps after the Appropriation becomes law. These involve *Apportionment* (Step 1) from the Office of Management and Budget. A *Warrant* (Step 2) issued by the U.S. Treasury showing the amount of cash on the account/appropriation. The issuance by OSD of a *Release Letter* (Step 3) meaning the Defense Department now has the money. The key point here is this all takes time, and involves some paperwork.

New Starts and Bona Fide Need Rule

A "New Start" is any Defense Department effort not justified in the President's Budget and approved by the Congress. Congress must be kept informed, in writing, of any New Start. Conversations with congressional staff members do not constitute proper New Start notification.

The Bona Fide Need Rule applies to any appropriation. There are three things to consider in bona fide need:

1. The expense must be authorized, or "necessary and incident" to proper execution of the general purpose of the appropriation.
2. The expenditure must not be prohibited by law.
3. It must not be otherwise provided for in another appropriation.

Example: You can't buy Xerox paper on 30 September for the entire upcoming fiscal year. Certain purchases are allowed to keep "functional" between fiscal years. In short, don't "stockpile" items for future years using obligation authority (TOA) from a prior year.

Program Execution and Execution Reviews

There are three key areas Resource Managers need to focus on during program execution. **Underexecuted** programs are programs not spending funds as quickly as they should, which then encourages these funds to migrate to other programs requiring money. **Underfunded programs** are programs spending more than was originally

estimated, and are usually the programs where funds might migrate to. Chronic, recurring funding problems are caused, for example, by contract inflation, procurement delays, or underpriced manpower. **Funding issues** are identified when programs may not have enough funding to complete the fiscal year. In other words, the consumption rate will exceed the obligation authority.

Underexecution, underfunding, and known funding issues are formally reviewed multiple times during the fiscal year. By law, the general "status of funds" (obligation and expenditure levels) must be reported each fiscal month. More substantial Execution Reviews, however, are conducted on a quarterly basis, with "investment accounts" (procurement and research and development appropriations) and "operating accounts" (operations and maintenance) often treated separately, due to the distinct nature of each account.

Investment Budget Reviews

Investment Reviews often involve visiting a specific production or research site, to formally view production or testing as well as speak directly with program management personnel. Because of the large dollar values associated with major investment programs, these investment reviews are more involved and detail oriented, in order to both anticipate any known performance issues and gather data to be able to provide ongoing program status to higher levels as required. Not all investment programs undergo an Investment Review every year. Programs known to have performance problems, large deviations from planned obligation and expenditure levels; Congressional interest; or extremely large program budgets are likely candidates for review.

Operating Budget Reviews

In contrast, an Operating Review (or Operating Budget Review) is typically conducted at headquarters levels, without specific site visits. Because the Operation and Maintenance appropriation pays for readiness, operating tempo (particularly fuel usage), and civilian personnel payroll requirements, the Operating Budget Review focuses on projecting and ensuring sufficient funds will be available to fund requirements to the end of the fiscal year, without also leaving funds unused. Operating accounts are particularly vulnerable to changes in fuel costs, civilian hiring activity, and unforeseen mission requirements, so adjustments to satisfy full fiscal year requirements are often required.

Midyear Review

In addition to general quarterly execution reviews, OSD also formally reviews the status of each appropriation midway through the fiscal year, in the April and May timeframe. This Midyear Review is conducted by OSD Comptroller personnel, although because of likely programmatic impact Resource Managers can also expect to become involved. As with all execution reviews, Midyear Review compares planned obligation and expenditure rates (provided by each DoD component via Spending Plans) with actual program performance (as recorded in DoD's official accounting systems, reporting by the Defense Finance and Accounting Service – DFAS.) Midyear Review affords OSD the flexibility to make adjustments to program funding levels, either to increase funding to overexecuting programs if warranted or to decrease funding of underexecuting programs. Midyear Review often marks the beginning of major reprogramming activity within the Defense Department, to ensure all appropriated funds are used.

Contingency Operations & Emergency and Special Project (ESP) Codes

The Defense Department continues to be tasked around the world in support of our National Security Policies. When this occurs, costs are incurred and they need to be tracked. This tracking is often accomplished by using alpha-numeric Emergency and Special Project Codes (ESP Codes) to capture these costs.

Note that ESP Codes are used if the contingency is not already budgeted. Known contingencies (such as Overseas Contingency Operations, or OCO) are budgeted for during the normal budget process. Contingency operations by definition are not normally budgeted for, so they often drive a requirement for reprogramming activity or supplemental appropriation requests.

Reprogramming

No budget goes as planned when the fiscal year begins. Thus, during the year of execution, reprogramming actions are inevitable. Reprogramming does not create new TOA; it simply moves TOA from where it is not needed to where it is needed. There are two types of reprogramming actions: reprogramming action which requires prior written congressional approval ("above threshold reprogramming") and those actions which do not require congressional approval ("below threshold reprogramming".)

Reprogramming actions requiring prior approval by Congress are sent to the four congressional committees in the House and Senate who approve the budget. These are the Authorization and Appropriations Committees in the House and Senate. For reprogramming requests, there is no floor action by the Congress. Any one of these committees can influence the outcome. If we request a $50 million reprogramming action from RDT&E (Source) to O&M (Use) and one of the committees approves $35 million, then $35 million is the approved action. In short, the "lowest number wins."

Since 2006, Congress has issued the same reprogramming request guidelines. In order to request congressional reprogramming action, a form DD1414 (Base for Reprogramming Actions) must be completed whenever the following reprogramming action is desired:

- Movement of funds between any appropriations

- Funding changes that would affect a Congressional Interest Program (CIP)

- +/- $15M within the Operation and Maintenance appropriation

- +/- $20M or 20% of the appropriated Procurement line item, whichever is less

- +/- $10M or 20% of the appropriated Research and Development (R&D) line item, whichever is less

Note that Congress does not need to formally approve a reprogramming request in order for the Defense Department to receive reprogramming authority; if no congressional subcommittee acts upon a reprogramming request within 30 days, the request is considered by "pocket approval" to have been approved. Completing and submitting the DD1416 simply provides Congress to opportunity to exercise reprogramming oversight if desired.

Reprogramming actions that do not require prior Congressional notification or approval ("below threshold reprogramming", or "internal reprogramming") vary widely, because any DoD component that maintains fiduciary responsibility – the legal authority to manage its funds – may set its own internal reprogramming guidelines. Since reprogramming guidelines are designed to direct and control program activities, each DoD component may determine

that different programs, commands, agencies, or tasks require different reprogramming guidelines. For example, internal reprogramming may be restricted by:

- Program, or program element

- Appropriation, beyond existing Congressional guidelines

- Command or Agency priority or policy

- Fiscal quarter or general timeframe within the fiscal year

OSD Resource Managers must be aware of reprogramming restrictions and guidelines that may have been imposed at different command or agency levels that may direct specific program behavior. These reprogramming guidelines are formally provided, in writing, by one command/agency to another when appropriated funds are allocated via a Funding Allocation Display (FAD) document. FADs are prepared and managed by the Comptroller organization within each command or agency.

Supplemental Funding

A Supplemental Appropriation adds to TOA, which makes the process different from reprogramming. A supplemental is another appropriations act requiring full Floor Action in the Congress and is signed into law. The Budget Enforcement Act, which was designed to reduce deficit spending, exempts emergency supplemental appropriations from being "scored" as part of the normal budget processes considering receipts and expenditures in establishing the amount of funds available for the budget.

Fiscal Year Closeout

The end of any fiscal year involves substantial funds monitoring, reprogramming, and procurement activity at all levels within the Defense Department. The goal of every "successful" fiscal year is to obligate 100% of appropriated funds toward strategically supportive activities. Although each fiscal year ends September 30th, fiscal year closeout activities begin well before this date, usually throughout most of the 4th fiscal quarter (July through September) to allow sufficient time to assess program performance and make obligation adjustments as necessary.

Resource Managers must work closely with both Comptroller and contract personnel to maintain close oversight of current obligation levels, potential unused funds, and any un-funded requirements that could benefit from funding that becomes unexpectedly available as a result. Because most program obligations are created well below the Defense Department headquarters level, it is also critical any manager working within OSD maintain an active and well-informed network throughout the fiscal year.

Summary

Executing legislated funds represents the end of the PPBE process. When executing funds, the overarching question must always be "does this funds execution activity support the Defense strategy as originally designed during the PPBE planning phase"? To answer this question, the Funds Execution process will require creating a plan for using funds well before a fiscal year begins; close monitoring of actual program performance via Execution Reviews; and logical and timely reprogramming of funds if and when required.

Appendix A: The Automated Budget Interactive Data Environment System (ABIDES)

Introduction

ABIDES is the official classified system environment where the USAF builds its POM/BES (PBR) and PB. It is comprised of various subsystems which are made up of various directories and files. The primary subsystems pertinent to most users are: Force and Financial Plan (F&FP), Options Development System (ODS), and Accounting.

The ABIDES system will be replaced with a modern system architecture to provide Air Force financial managers with an integrated information system. The new financial information system called FIRST will be the foundation for the corporate Air Force Programming, and Budgeting System environment. It will absorb RAPIDS and Air Force FSMS data. SAF/FMBMA is the POC for FIRST. It will be implemented at Headquarters Air Force, Major Commands, Direct Reporting Units, Field Operating Agencies, and base installations. However, until that release is widespread, ABIDES will continue to be used. The remainder of this chapter provides detail on the functions of ABIDES.

This chapter will introduce you to: 1) the database file structure, 2) the data structure, and 3) the report generator that retrieves data from ABIDES.

The Database File Structure

The F&FP is a major subsystem of ABIDES. It is the primary database used in the Planning, Programming, Budgeting and Execution (PPBE) process for the development and submission of the service's PBR and the President's Budget (PB). It contains information on resources such as military and civilian manpower, aircraft authorizations and inventory and procurement quantities as well as the dollars programmed/budgeted for the Air Force. These resources can be looked at ("sliced and diced") in many different ways.

ABIDES is unique in that it serves both the financial community and the programming community. ABIDES has the "chart of accounts" that conform to the Office of the Secretary of Defense (OSD) and Congressional reporting mandates. However, ABIDES also contains the elements of "capability" in the Air Force Programs, which is important for Resource Managers funding decisions.

This section will discuss the F&FP from both the budgeter (FM) and programmer (A8) perspectives. It will also demonstrate how to obtain data important to the Program Element Monitors (PEMs), who are dispersed across the Air Staff, the Secretariat and in the Major Commands (MAJCOMs).

The first step in extracting information from the F&FP subsystem is to identify the appropriate database to use. F&FP contains one or more directories for each exercise and one directory for historical data. Each directory contains numerous database files.

Within the F&FP, the directory structure and the filenames for current data are aligned with the phases of the PPBE cycle (POM, BES, PB, and the recently OSD directed PBR—combined POM and BES). Each of these phases may have one or more revisions, usually referred to as "rounds". Within the F&FP these "rounds" are named "a1, a2" etc. for the POM; "b1, b2" etc. for the BES; "c1, c2" etc. for the PB, and "r1, r2" etc. for the PBR. The final position for one round becomes the starting position for the next round. When the rounds are complete, the final position of the PBR becomes the starting position for the PB, and the final position of the PB becomes the starting position for the

next PBR (FY03-present). For historical purposes only (FY79-02), the final position of the POM becomes the starting position for the BES, the final BES position becomes the starting point for the PB, and the final PB position becomes the starting position for the next POM.
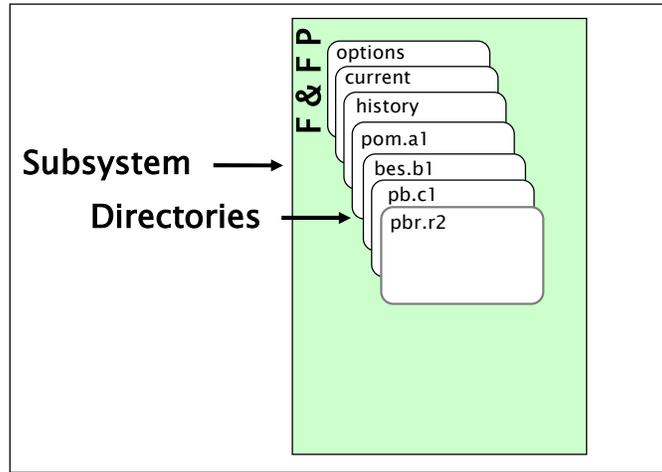
Figure A-1. F&FP Directories

The directory names are formed by the exercise designator and a "round" separated by a period (pom.a1, bes.b2, pb.c1, pbr.r1). Folders of this type are working directories and may contain hundreds of files at times, but the only three files you are interested in are:

−   **ffp_baseline -- starting position for the exercise**
−   **ffp_change -- all the approved changes made to the baseline**
−   **ffp_updated_base -- updated position**

The important concept to grasp is that the F&FP will remain static unless something is done to make changes to it. Since the changes must be auditable, every change is assigned a distinct 8 digit Change Control Number (CCN). All approved CCNs for a round are contained in a single change file called "ffp_change". The update to the baseline is through the ffp_change such that:

$$\text{ffp\_updated\_base} = \text{ffp\_baseline} + \text{ffp\_change}$$

During a PB cycle, for instance, the **pb.c1** is the working directory that initially contains the starting position (**ffp_baseline)** for round one. As changes are made, the **ffp_change** and the **ffp_updated_base** files are updated. During an exercise, those files will probably change on a daily basis.

If a second round is needed, the **pb.c1 ffp_updated_base** file becomes the **ffp_baseline** in the **pb.c2** folder.

Current data can, therefore, be found in one of the following directories corresponding to the ongoing exercise:

−   **pb.[c1,c2 etc.]**
−   **pbr.[r1, r2, r3, etc.]**
−   **pom.[a1,a2,a3,a4 etc.] - not currently in use**
−   **bes.[b1,b2 etc.] - not currently in use**

To make it easier to find the active directory and databases, an input of "current" automatically selects the current exercise folder.

You can also access historical database files. Historical directories contain files from completed exercises dating, in most cases, back to FY 79. Prior to August 2008, the historical files for each type of exercise were stored in their respective historical folder (POM in his-pom, BES in his-bes, PB in his-pb, pbr in his-pbr). Since August of 2008, however, all the historical files are now found in the history directory and all historical files now have a new naming convention.

Historical files all begin with the four digit year of the exercise followed by a dash. The first of the next two numbers denotes the type of exercise (1 for POM, 2 for BES, 3 for PBR, and 4 for PB) and the second of the two numbers denotes what round (round 0, 1, 2, etc). These two numbers are followed by a dash and the words bf (place holder) and that is followed by an underscore. After the underscore, the type of file (baseline, change, or upbase) is listed. See Figure A-2.
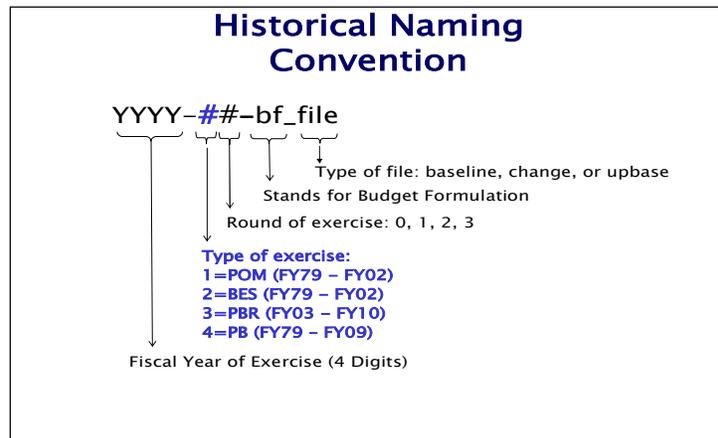
Figure A-2. Historical Naming Convention

Each database file contains prior year data as well as the FYDP data. Table A-1 depicts how the total year span of data has changed as the programming/budgeting process has evolved over the years.

Exercise	Prior Years	FYDP	Total Years
FY79 POM - FY90 PB	3	5	8
FY91 POM - FY91 PB	4	7	11
FY92 POM - FY01 PB	3 / 4	6 / 5	9
FY02 POM – FY02 PB	5 / 6	6 / 5	11
FY03 PBR – Present	5 / 6	6 / 5	11

Table A-1. Total Year Span by Database

From the FY79 POM to the FY90 PB, the FYDP was a "five year defense program" and there were always three prior years in the database file for a total of eight years of data. FY91 was a transition year where the FYDP changed from 5 years to 6 years. In preparing for the FY92 POM, all the FY91 database files contained programming data through FY97, the end of the FYDP for the FY92 POM. From the FY92 POM to the FY01 PB, the files included three years

before the exercise year (first year of the two year PPBE cycle) for a total of nine years in each file. Beginning with the FY02 POM, the databases contained a total of eleven years of data, with 6 years in the FYDP during the on (even) year, and 5 years during the off (odd) year.

Note the number of years displayed in each data file will be modified sometime during the FY12 budget process, as OSD Guidance in April 2010 changed the structure of the FYDP to reflect five years (this OSD Guidance eliminated the on-year and off-year FYDP cycle.)

Table A-2 shows recent exercises' years of data.

```
Database File     Fiscal Years with Data  FYDP Data

FY00 POM          97 98 99 00 01 02 03 04 05
FY00 BES 97 98 99 00 01 02 03 04 05
FY00 PB           97 98 99 00 01 02 03 04 05
FY01 POM          97 98 99 00 01 02 03 04 05
FY01 BES 97 98 99 00 01 02 03 04 05
FY01 PB           97 98 99 00 01 02 03 04 05

FY02 POM          97 98 99 00 01 02 03 04 05 06 07
FY02 BES 97 98 99 00 01 02 03 04 05 06 07
FY02 PB           97 98 99 00 01 02 03 04 05 06 07
FY03 PBR 97 98 99 00 01 02 03 04 05 06 07
FY03 PB           97 98 99 00 01 02 03 04 05 06 07

FY04 PBR       99 00 01 02 03 04 05 06 07 08 09
FY04 PB              99 00 01 02 03 04 05 06 07 08 09
FY05 PBR       99 00 01 02 03 04 05 06 07 08 09
FY05 PB              99 00 01 02 03 04 05 06 07 08 09

FY06 PBR          01 02 03 04 05 06 07 08 09 10 11
FY06 PB              01 02 03 04 05 06 07 08 09 10 11
FY07 PBR          01 02 03 04 05 06 07 08 09 10 11
FY07 PB              01 02 03 04 05 06 07 08 09 10 11

FY08 PBR          03 04 05 06 07 08 09 10 11 12 13
FY08 PB              03 04 05 06 07 08 09 10 11 12 13
FY09 PBR          03 04 05 06 07 08 09 10 11 12 13
FY09 PB              03 04 05 06 07 08 09 10 11 12 13
```

Table A-2. Detailed Year Span of FY00-FY09 Database Files

Prior Fiscal Year Directory

There is another historical file that captures what was actually outlaid. It is the **ffp_updated_base** within the directory, called "Prior Fiscal Years (pfy)". The file starts with FY62 and usually runs to within five years of the current exercise year.

Since the last few years are continually updated for execution, they remain in the current database file. In order to see the entire history of a program, combine the **"pfy"** (**ffp_updated_base**) and **"current" (ffp_updated_base)** files.

If your historical look takes you to the FY76/FY77 time period, be aware that there is an additional column in the database called FY7T (FY76/FY77 Transition). This transition represents the expenditures that occurred from Jul 1 – Sep 30 1976 (when the start of the fiscal year changed from Jul 1 to Oct 1).

PFY column	Time Period	# of quarters
FY76	Jul 1 1975 - Jun 30 1976	4
FY7T	Jul 1 1976 - Sep 30 1976	1
FY77	Oct 1 1976 - Sep 30 1977	4

Table A-3. FY7T Explanation

Recommend excluding the FY7T column in any historical trend analysis, since it only represents one quarter of expenditures.

Note that like all other files, besides holding TOA data, it contains manpower and force structure data and the dollar values are in then-year dollars (TY$). If your analysis requires constant dollars, the "rgd" directory will provide you with the data.

Real Growth Data Directory

The **"rgd" directory** contains numerous database files that are useful in determining trends in defense spending in terms of real growth or real decline.

  Each rgd file is represented in constant year dollars (CY$), which reflects the value of a dollar based on a specific base year. Each file also contains a merged pfy and an exercise database. For example, the 02bes_00base would be one of the files. This file is the pfy.ffp_updated_base as of the end of the 02 BES and the his-bes.02BES_upbase merged, and converted to FY00 base year dollars.

Each of these rgd files contains data from FY62 through the named exercise FYDP. Since the pfy is used to create and rgd file, be aware that the FY7T column will exist in any file that includes FY76 and FY77.

Note that these files do not contain manpower or force structure, so go to the pfy for this data.

The Data Structure (F&FP Keycode)

We now turn from the ABIDES subdirectory structure to the shared format of individual F&FP records. Figure A-3 shows the keycode structure.

Figure A-3. F&FP Keycode Structure

As observed, the general format of the keycode is:

1-2   2-digit Appn
1-9   Cost Element (CE)
10-15   Program Element (PE)
16-21   Various (AFPEC, WSC, BPAC, PROJ)
22-23   Operating Agency Code (OAC)
24-31   Change Control Number (CCN)
            (only in change files)
32-34   Budget Activity Code (BAC)
35-38   Resource Identification Code (RIC)
48-53   Air Force Program (PROG)

The physical record of the F&FP is a flat file and has a data description (keycode) of 72 alphanumeric digits (excluding the quantity fields). There are six quantity fields available for each record (meaning it can contain data for six years) and when additional years are required; another physical record is added in the file. The 72-character keycode includes numerous data elements. Titles and definitions for these various data elements are stored in separate tables called Air Staff Codes and Descriptions (ASCAD) tables. The combination of the ASCAD tables with the flat file has allowed ABIDES to add new capability over the years without a complete rewrite of the basic code. The data elements and their keycode position for the first 60 positions are outlined above. The remaining positions are not structured and primarily used by analysts for ad hoc elements.

Data Elements and Sub-Elements in the Database

Some of the data elements listed above include sub elements. For example, imbedded in the nine-digit CE (positions 1-9) is the two-digit appropriation code (positions 1-2) and cost category (positions 3-7) for all records. Also, imbedded in the CE data element, unique to Operations and Maintenance (O&M) and Research, Development, Test

and Evaluation (RDT&E) appropriations, is the Air Force Element of Expense (AFEE) (positions 3-5) and for O&M the Air Force Element of Expense Investment Code (AFEEIC) (positions 3-7).

Other data elements are "derived" from data elements in the keycode record by using an ASCAD table containing the relationship. For example, a "PE" ASCAD table contains the relationship of each PE to its panel, hence this table is used to "look up" the associated data element. Given a PE, the associated panel can be derived, on the other hand, given a panel, all the associated PEs can be derived. There are several derived data elements such as DoD Element of Expense (DODEE) related to Air Force Element of Expense (AFEE), 2-digt appropriation to 4-digit appropriation, PE to Air Force TOA component (details), etc.

While some data elements are valid for the entire database, others are only applicable to certain appropriations. For example, the previously mentioned AFEE is unique to O&M and RDT&E, and Budget Program Activity Code (BPAC) is unique to RDT&E, and project (PROJ) is unique to MILCON, etc. The following describes the "appn" codes used in ABIDES.

Appropriations

The three main categories of appns are:
- Dollars
- Forces/Flying Hours
- Manpower

Appropriation (APPN) for TOA (dollars)

Congress funds military programs by way of appropriations and each appropriation has a specific purpose. DoD is required to use the funding for these purposes only and may not move dollars from one appropriation to another without Congressional approval. However, funding can be reprogrammed *within* an appropriation with some limitations. The highest level of data element is the appropriation. The four-digit appropriation code is the Treasury Account Code data element which is assigned by the US Treasury. To display this code on the report, use the data element break "osd-appn".

Due to space limitations on the ABIDES flat file, the Air Force uses a two-digit code versus the four-digit OSD code in the database (the first two digits in the ABIDES physical record/cost element). The two-digit code is displayed when you ask for an "appn" break.

- **10 or 3010 is Aircraft Procurement — Air Force**
- **14 or 3020 is Missile Procurement — Air Force**
- **16 or 3080 is Other Procurement — Air Force**
- **24 or 3300 is Military Construction — Air Force**
- **28 or 3600 is RDT&E — Air Force**
- **30 or 3400 is Operation and Maintenance — Air Force**
- **32 or 3500 is Military Personnel — Air Force**
- **35 or 0515 is Appn 35 BRAC Round III (FY94)**
- **37 or 0520 is Appn 37 BRAC Round IV (FY96)**
- **39 or 0510 is BRAC Round II (FY92-94)**
- **50 or 3700 is Reserve Personnel — Air Force**
- **51 or 3730 is Military Construction — Air Force Reserve**
- **52 or 3740 is Operation and Maintenance — Air Force Reserve**

- **54 or 3830 is Military Construction — ANG**
- **55 or 3840 is Operation and Maintenance — ANG**
- **56 or 3850 is National Guard Personnel — Air Force**
- **cf or 7040 is Family Housing Construction — Air Force**
- **cg or 7045 is Fam Housing Ops & Debt — Air Force**
- **a1 or 3011 is Procurement of Ammunition**
- **a6 or 0810 is Environmental Restoration, Air Force**
- **al or 4931 is Defense Business Operations**
- **cx or 1007 is Medicare Retire Contrib — Act Mlprs**
- **cy or 1008 is Medicare Retire Contrib — Air Force Reserve**
- **cz or 1009 is Medicare Retire Contrib — ANG**
- **dt or 0512 is BRAC Round V (FY05)**

Normally, supplemental appropriations use the same appropriation code identifiers. However, Congress occasionally enacts a unique appropriation that has different rules which forces the Treasury Department to establish a new appropriation code. These are few and far between. The following is an example of a new, unique appropriation code from more than 10 years ago.

- **42 or 3401 is Operation and Maintenance - Air Force (2yr)**
- **au or 3304 is Military Construction Air Force One-year**

Aggregates of Appropriation (APPN) for TOA (dollars)

TOA appropriations are often grouped into the following categories:

- **Procurement: 10, 14, 16, A1**
- **RDT&E: 28**
- **BRAC: 35, 37, 39**
- **MILPERS: 32, 50, 56**
- **O&M: 30, 52, 55, 61, A6, AL**
- **MILCON: 24, 51, 54, CF**
- **Military Family Housing: CF, CG**
- **O&S: O&M, MILPERS, CG**
- **Investment: Procurement, RDT&E, MILCON, BRAC, CF**
- **RDA: R&D and Acquisition: Procurement, RDT&E (a.k.a. Modernization)**

Appropriation (APPN) for Commodities (Force Structure)

An internal Air Force code used to identify commodity/force structure type resources. The official Air Force force structure database is the Force Structure Data Management (FSDM), only for Appn 01, 03, and 04. It is maintained by SAF/FMPE and is used to update the F&FP system. Appn 02 is maintained by the PEM and FMB counterpart. The following lists the four different types of commodities data in the F&FP:

Appn	Title
01	**Forces (PAA)**
02	**Procurement Buy Program Quantity**
03	**Flying Hours**
04	**Inventory (TAI)**

Appropriation (APPN) for Manpower (Endstrength)

An internal Air Force code is used to identify manpower resources. Manpower is authorized End Strength (spaces not faces). The official Air Force manpower system is the Manpower Program and Execution System (MPES), only for Appn 05, 06, and 07. It is maintained by HQ USAF/A1 and is used to update the F&FP system. Appn 08 is maintained by AF/A1 and SAF/FMBOP. The "appn" codes associated with manpower in the F&FP are:

Appn	Title
05	**End Strength - Active**
06	**End Strength - Guard**
07	**End Strength - Reserve**
08	**Man Years**

ABIDES Report Generator

We now turn to the mechanics of using ABIDES to obtain F&FP data. In order to access ABIDES, the 844th Communications Squadron (formerly AFPCA) approved method is to use WebConnect (WC), a terminal emulator. Once logged into ABIDES, you are able to retrieve data and this section will outline the steps.

Step 1. Open WebConnect (WC)

You access WC by opening Internet Explorer and entering one of the following three URLs:

- **https://abidesb1.af.pentagon.smil.mil/wc/**
- **https://abidesb2.af.pentagon.smil.mil/wc/**
- **https://abidesb3.af.pentagon.smil.mil/wc/**

If WebConnect does not load after a few seconds, contact the help desk for assistance at (703) 695-6880 (DSN 225).

Step 2. Set History

WebConnect must be configured appropriately to see more than a few pages of information on the screen. To set the history for maximum display, click on "Terminal" menu in WebConnect and select "Setup." The Terminal Setup dialog box opens up. Select the "Preferences" tab. Select "5.0MB" to maximize the viewable space on the terminal in ABIDES.

Step 3. Log In To ABIDES

ABIDES users are required to have a log-in identification to access the system. The system is *case sensitive*. Contact SAF/FMBMA at (703) 614-7728 or 7729 (DSN 224) to obtain log-in identification and password.

Basic Steps To Run Reports

ABIDES is menu driven, so running reports is fairly simple when you become familiar with the basic steps. ABIDES will prompt you by generating several questions. The menus for each question vary depending upon how you respond to each preceding question. As you answer each of the questions, you are entering the criteria/parameters for your data retrieval request (run report). In effect, you are telling ABIDES exactly what you want to see.

Although we will cover each step in detail the basic sequence of questions that you must answer to generate an ABIDES report is as follows:

ABIDES MAIN MENU
    - select the appropriate subsystem
F&FP SYSTEM MAIN MENU
    - select what action to take within the subsystem
RUN/CREATE/MAINTAIN REPORTS
    - submenu that lets you choose among the report actions
WHICH REPORT DO YOU WANT
    - select the report template
WHAT TYPE OF REPORT DO YOU WANT
    - select the output type
WHICH OPTIONS WOULD YOU LIKE TO SPECIFY
    - specify retrieval and formatting options
WHICH TYPE(S) OF DATA FOR INPUT FILE
    - select the exercise folder
WHICH INPUT FILE(S) FOR TYPE
    - select the database file within the exercise folder
WHAT APPROPRIATIONS ARE YOU INTERESTED IN
    - select resources: dollars, manpower, force structure
DO YOU WANT TO 'KEEP' OR 'DELETE' ANY ITEMS
    - set criteria to limit the data (filtering the data)
WHAT DATA ELEMENTS WOULD YOU LIKE TO BREAK ON
    - identify the level of detail for the report
WHAT FISCAL YEAR WOULD YOU LIKE TO START WITH
    - set start year

UNDERSTAND ABIDES MENU CHOICES

ABIDES MAIN MENU

The first menu displayed is the "ABIDES Main Menu" listing the subsystems available. Most reports required to support the PPBE process only require access to the F&FP system.

DISPLAY MENU
Input choices for most questions are obtained by typing in "m" for menu and pressing the enter key. Once the menu is displayed, select a menu item by either entering the exact words/phrase, menu number, or the abbreviation. However, you cannot enter a menu number selection unless the menu is displayed. (Some questions do not have a menu available for display). Note that all inputs must be in *lower-case text*. Once you are familiar with the system,

you won't have to look at the menus every time.

While using ABIDES, you might incorrectly respond to a question. In most cases, at the next question prompt, press the enter key without a response to the question and the report generator will back up to the previous question. Now you can correct the mistake without having to re-start the entire menu sequence.

PERMISSIONS
Not all users are authorized access to every feature of ABIDES. When you obtain your log-in identification code from SAF/FMBMA, the ABIDES administrator will authorize certain "permissions" with that log-in. These permissions are restricted based on the type of information you require from ABIDES to perform your duties. As a result, the menu choices displayed during your ABIDES session will be customized based on those permissions.

F&FP SYSTEM MAIN MENU
As stated earlier, the majority of users will only need access to the F&FP System. Therefore, at the ABIDES MAIN MENU, select the menu number that corresponds with "F&FP System". This selection brings up the F&FP System menu. These items are standard for all users regardless of permissions.

Once you are in the F&FP System, there are a number of functions that can be performed. In this handbook, we will cover procedures for running reports. Therefore, at this menu select "run reports/create/maintain".

RUN REPORTS/CREATE/MAINTAIN
Within the RUN REPORTS/CREATE/MAINTAIN menu, specify which of the three functions you want to perform (run reports, download reports, or download microfiles). Select "run reports" to create a report.

WHICH REPORT DO YOU WANT
From this question on, a menu will no longer be automatically generated, so you must request a menu by typing in "m" for menu.

This question asks you to select the format of the report output. You will almost exclusively want a "rptbrk (rb)" (report break). Rptbrk is the standard selection.

WHAT TYPE OF REPORT DO YOU WANT
This question and resulting menu allows you to select the output destination. There are several types of report outputs available.

A **terminal** (t) report displays a formatted report on your computer monitor.

A **print** (p) report sends a formatted report directly to an ABIDES designated printer. Unlike a terminal report, this printed report includes a header page (with login ID and office symbol) and a parameter page with the criteria used to create the report (e.g. the selected file, breaks, etc.).

A **report file** (rf) is an electronic version of a print report. This formatted report is saved to an ABIDES server and can be downloaded and opened with MSWord. Report file reports also include the parameter page.

A **microfile** (mf) is another electronic file version of a terminal report. This is a comma delimited file (exclusive of the report parameter page) saved to an ABIDES server and can be downloaded and opened with MS Excel. This gives you flexibility to conduct further analysis and manipulation of data.

Note: If you choose the print report option, data will not be displayed on your computer monitor

Note: Report file and microfile reports are only visible after they have been successfully downloaded and opened in another application.

Recommendation: It is a good practice to run a terminal report first to verify that the criteria/parameters are correctly set and then change the report type to a print, report file, or microfile.

WHICH OPTIONS WOULD YOU LIKE TO SPECIFY
The Report Options menu lets you control the report formatting. There are a myriad of options available to customize the presentation of the report and the data content. Although the Report Options menu differs depending upon which type of report is selected, there are a few options that you will find useful on most reports.

Most of the options are self-explanatory. Some of the most commonly used options are listed below along with a short description.

Data Precision (dp) - Lets you to set a different dollar value for the output. The default is thousands of dollars and units for commodities and manpower.

Decision Narrative (desc) - This option allows you to select the data element you want to control your text on (i.e. output the description). The resulting menu will show every break selected, however, only CCN, PE, and prog have narratives.

Keep Zero Records (kz) - This option allows you to display results that sum to zero for the year span selected. Useful if you want to include your Zero Balance Transfer (ZBT) CCNs. If you do not use this option and break on CCN, the ZBT CCNs will not be displayed in the report.

No Pagination (np) - This option removes the extra blank lines between page breaks; compacts the data output. This option reduces the size of your report and saves paper when printing.

None (n) - No report options selected.

Package Input (pi) - Allows the user to select a stored package file to streamline the report generation process.

Page Break (pb) - This option inserts a page break between major categories specified in the report breaks. If you want the report to start on a new page for each PE, for example, use this option. Otherwise, the data will run continuously from page to page.

Note: ABIDES will automatically generate a page break when the user requests three or more levels of breaks (for example: pe, oac, appn will automatically generate a page break for each new pe)

Select FY Span (sfys) (fys) - This option lets you choose how many years of data to be displayed. The default is eight years (columns)

Suppress Break Totals (sbt) - Eliminates the sub total lines. Default is to provide sub totals for each break.

Suppress Data (sd) - Runs the report with titles and headings but without providing any data. The amount columns are left blank. This option is useful for reports produced to show data elements and their relationships.

Suppress Default Details (sdd) - This option effectively changes the report display from the default of triple spacing to single spacing.

Unclassified Headers (uh) - This option replaces the default of the "SECRET" heading at the top and bottom of each page with "UNCLASSIFIED". **(Ensure what you print is definitely "unclassified" before you do this.)**

WHICH TYPE(S) OF DATA FOR INPUT FILE

After you have selected how you want the data presented, select the type of data you want. Think of "type of data" as a directory. Here is an example of some of the directories available in ABIDES. To select a directory, enter the menu number or the words. If selecting the most current exercise directory, the "current" (menu item 3 in Figure A-4) entry will automatically point you to the correct directory. Select multiple directories by separating them with a comma.

```
 1 = logout            20 = his-opt          39 = pb.c1.de
 2 = previous menu     21 = his-pb           40 = pb.c2
 3 = current           22 = his-pbr          41 = pb.c2.de
 4 = current-acct      23 = his-pbs          42 = pb.c3
 5 = admin             24 = his-pom          43 = pb.c3.de
 6 = admin.de          25 = his-prg          44 = pbr.r0
 7 = annex             26 = his-obrc         45 = pbr.r0.de
 8 = ba-cls            27 = his-op5          46 = pbr.r1
 9 = ba-cls.de         28 = his-wscr         47 = pbr.r1.de
10 = contot            29 = his-bs           48 = pbr.r2
11 = contot.de         30 = his-cp           49 = pbr.r2.de
12 = db-dev            31 = his-nd           50 = pbr.r3
13 = db-dev.de         32 = his-pcp          51 = pbr.r3.de
14 = dmr               33 = ira              52 = pcp-bcp
15 = dmr.de            34 = ods_interface    53 = 07pbrr1_nd
16 = factors           35 = om_acct          54 = 07pbrr1_bs
17 = xchg              36 = options          55 = 07pbrr1_cp
18 = xchg.de           37 = options.de       56 = pcp-bcp.de
19 = his-bes           38 = pb.c1            57 = pfy

Type "more" or "m" to see more of the menu
PLEASE SELECT THE DESIRED OPTION(S) [use commas to separate]
? 3
```

Figure A-4. Which Type(s) of Data for Input File

WHICH INPUT FILE(S) FOR TYPE

Once a data type (directory) has been selected, specify which file(s) within that directory is/are to be queried. A directory will normally include a baseline position (start), a change file, and an updated position (final or current). Selecting the "current" directory brings you to the current working directory (exercise). Historical directories, such as his-pom, will include these files for multiple years.

  If one exercise has just finished and another has not yet begun, the exercise just finished will be the current. As a rule, unless you are conducting analysis of historical or past exercises, your reports will be from the current file. When you select the "current" folder, you may see files other than the three discussed earlier (baseline, change, updated base). These other files are SAF/FM and other analysts working and analysis files. Ignore these other files. You are only concerned with the ffp_baseline, ffp_change, and ffp_updated_base files (menu items 117, 118, and 122 in Figure A-5).
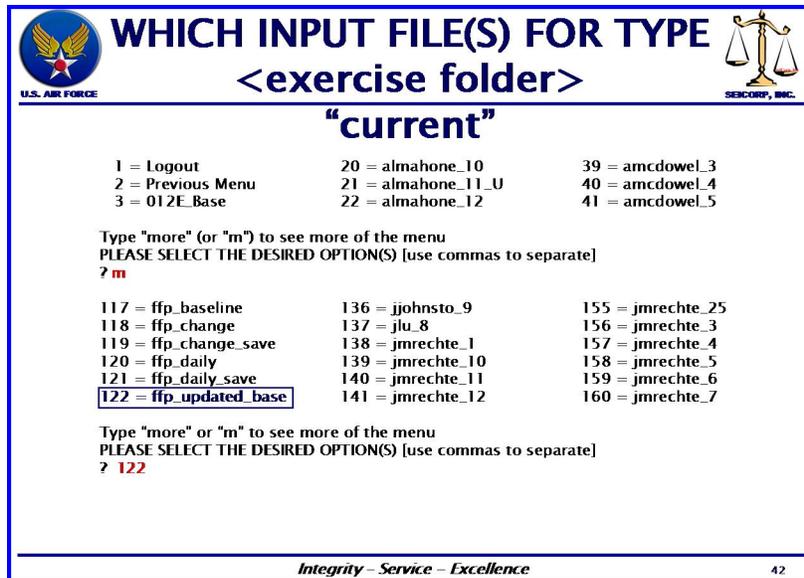
Figure A-5. Which Input File(s) for Type <current>

WHAT APPROPRIATIONS ARE YOU INTERESTED IN

After selecting the input file(s) for the query, specify the appropriations you want to include in your report. This is just one more effort to help you narrow the focus of the report. You can choose any of the listed appropriations, but a thorough knowledge of the keycode structure in ABIDES is useful to ensure the right appropriation is selected for the data element of interest. Not every data element is relevant to every appropriation.

You need to determine if your report will include *dollars* or *forces* or *manpower*. Most reports needed to support PPBE requirements only need to view dollars so, correspondingly, your best selection would be "total obligation authority (TOA)." Also, recommend that you run separate reports for forces and manpower. The danger in selecting other appropriations that include forces or manpower as well as dollars, is that the totals could represent more than just dollars. Care must be taken to avoid a report format that would inadvertently provide totals that commingle dollars with people or with aircraft numbers. For example, an appropriation selection of "ALL" will include *everything* (manpower, forces, and dollars) and depending upon how you break out the data, your totals may not make sense. If you select "ALL" make sure that one of your breaks is on appn, to ensure you separate dollars from forces from manpower.

At this menu question select either a single appn (e.g. Appn 10 if you are only interested in aircraft procurement) or multiple appns. "TOA" will automatically select all appns that make up the Air Force TOA.

If you do not pull up the menu, then you may enter your selection either by using the Air Force appn (two digit code) or OSD appn (four digit code - also known as Treasury Account Code). If the menu is displayed, however, then enter the MENU number only as once the menu is displayed, the number you enter is considered a menu choice and *not* the appn number.

DO YOU WANT TO 'KEEP' OR 'DELETE' ANY ITEMS

"Keep" and "Delete" represent further refinements to the selection criteria for your report. Think of keeps and deletes as filters. When you "keep" a data element it means only the data meeting the criteria is included in the report. When you "delete" a data element it means the data meeting your criteria is excluded from the report. Therefore, keeps and deletes are used to limit the report to a portion of the database.

Typical "keeps" are one or a few PEs, Cost Categories (Cost-Cat), Operating Agency Code (OAC), Panel or Air Force TOA Component (details). A keep or delete acts as a filter.

Selection criteria must be exact; specify the full and correct spelling for your data element. Also, all inputs must be lowercase. You can type in "keep" or "delete" or just "k" or "d" to make your selections.

Enter your choices for keeps and deletes using one of two different methods. The first method is to enter the criteria as a group (on a single line). Notice in method 2, there is an individual question for each criteria/parameter entry. *Be careful to answer the questions asked.* See Figure A-6 for an example of each method.
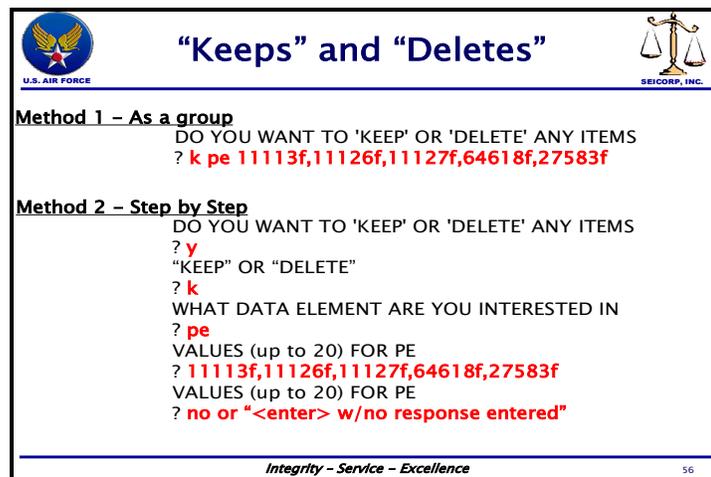
Figure A-6. Example Screen: Do you want to 'keep' or 'delete' any items?

You can enter more than one value for the selected data element. For example:
"k pe 11113f, 11126f,11127f"

Also, note that when more than one value is listed for a data element, the values are separated by a comma and a space does not need to follow each comma.

When entering values, the asterisk (*) can be used as a *wild card*. The example below will keep all program elements starting with "27":

"k pe 27*f"**

It's very important to ensure you enter the proper number of characters for the data element requested, in this case 6 characters for a PE. Further, every PE in ABIDES ends in "f", - so if you forget the "f" on a "keep/delete" data request for a PE, the criteria will not find the record so it will appear that the "keep/delete" was not applied to your filtering request – the keep did not keep or the delete did not delete.

MULTIPLE KEEPS AND DELETES
You can have more than one "keep" and/or "delete" criteria. However, when applying multiple "keep/delete" criteria you have a potential of inadvertently filtering to zero records in your report request. To preclude this situation, you must understand the construct of the ABIDES keep/delete questions and how the responses are applied in filtering/limiting the data you are retrieving.

As described in the previous section, the "keep/delete" criteria filters/limits the data in your report to a portion of the database file being accessed. A subsequent "keep/delete" criterion is then only applied to this subset of data, thereby filtering/limiting to even a smaller subset and so on and so forth.

Another way of describing this is that the second keep/delete is a subset of the first keep/delete. The only data kept/deleted is where the two keeps/deletes have something in common. See Figure A-7 for an example.
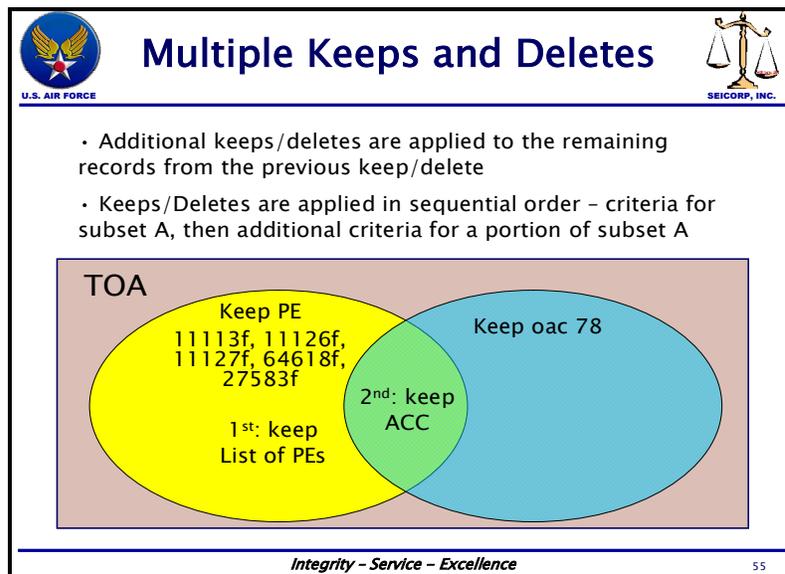
Figure A-7. Multiple Keeps/Deletes

The following multiple keep/delete example filters/limits the data to the five listed PEs for Air Combat Command (ACC).

> **"k pe 11113f, 11126f, 11127f, 64618f, 27583f"**
> **"k oac 78"**

WHAT DATA ELEMENTS WOULD YOU LIKE TO BREAK ON

Displaying data out of the database at any detail level is usually referred to as a "*break*"; any reference in this guide to "*break*" or "*breaking*" means displaying data at a particular detail level. For example – *breaking* the F&FP database on PE means that resources are displayed at a PE level of detail; *breaking* on "pe" and "appn", means that resources are displayed for each program element by appn.   Think of "breaking" as synonymous with "grouping". The system is asking you how you want to "group" your data.

The *break* determines the order in which the data is organized and can make a big difference in a report's usefulness. The order you list the breaks determines the order in which the data is aggregated (summed). The *break* sequence essentially determines the hierarchy of the report. The first element you enter is the highest level of the hierarchy. The next element falls below the first and so forth.

The output for an entry of "PE, APPN" would be displayed first by PE and then APPN:

PE 11113f

Appn 10
Appn 30
Appn 32
PE 11113f total (this is a break total)

Conversely, a break of "APPN, PE" would result in data displayed by APPN and then PE. The report would list the APPN first and then all the data for that APPN within each PE:

Appn 10
> **PE 11113f**
> **PE 11126f**
> **PE 11127f**
>
> **…**
> **PE 84748f**
> **PE 84751f**

Appn 10 total

If you need to analyze data by PE, then the first choice might be more appropriate. If your focus is on a specific APPN, the second choice might yield more useful results. The number of the data elements selected for breaks will influence the size of the report.

WHAT FISCAL YEAR WOULD YOU LIKE TO START WITH

Your selection of start year depends on which phase of PPBE data you are interested in – execution, budget, or program data. For example: given the FY08PBR database, FY08 is the first year of the FYDP, while FY07 is the budget data that has been submitted to Congress, and FY03 thru FY06 contain aggregates of execution data.

HOW MANY COLUMNS DO YOU WANT

This question will appear if you selected **select fiscal year span** (sfys is the abbreviation) as one of your report options. Each column equates to a year, so it is asking how many years of data to display. If you did not specify "sfys" as a report option, ABIDES defaults to 8 years of data. For Resource Managers, select the five years that represent the FYDP and not a full 8 years of data. Since no TOA data is loaded in ABIDES beyond the FYDP, columns beyond the FYDP will display zeros. Your report would be easier to read if the number of columns is limited to the FYDP.

View the Terminal Report

Terminal reports are displayed one page at a time after you respond "y" to the question, "DO YOU WANT TO SEE PAGE *XX*?" Figure A-8 describes three other possible responses.

Figure A-8. View the Terminal Report

Running Another Report

Once the last page of a report is displayed or if you quit the report by entering "done", ABIDES asks "Do you want to run another report". A "no (n)" response takes you out of the current run report function removing all entered criteria/parameters of the previous report and sends you back to the run reports/create/maintain menu where you can start a new report.

A "yes (y)" response to the question "Do you want to run another report" retains all entered criteria/parameters and brings up the "WHICH REPORT DO YOU WANT" question. To continue, enter "rb" for reportbreak. Then, you will be asked which report parameters you want to change.

WHAT CHANGES DO YOU WANT
This menu gives you the flexibility to make only the changes you want to the existing report parameters without having to repeat the entire report generation process. At this menu, select one or several items to change. A selection of "input files (if)" takes you back through the entire process as though you were generating a new report. All other choices will generate only the follow-on questions necessary to change just that criteria/parameter. This is where you can change your terminal report to another output type if you are ready to print or download.

Other Report Output Types

In addition to the terminal report, ABIDES produces three other report output types: print report, report file, and micro file. Since these output types are not displayed on the terminal, it's a good rule of thumb to verify data formatting and contents by first running a terminal report. Once you are certain that you have the correct report parameters, change the report output type to suit your needs. Select these report output types at the menu question "WHAT TYPE OF REPORT DO YOU WANT?"

PRINT REPORT
A *print report* is sent directly to an ABIDES designated printer without first viewing it on the terminal. The first page of the print report (the header page) identifies the office symbol and login ID of the user. The second page contains the criteria or parameters for the report which is helpful in documenting the specific data source and various criteria used in generating the report.

When you select a print report, the report generation sequence is the same as for a terminal report but with two additional questions. When you complete the basic report generation steps, you need to specify a print destination and office symbol for the header page.

Only certain printers are designated ABIDES printers and connected to the ABIDES network. When you call up the menu, the print destination menu lists a number of printers available based upon your specific permissions. Your report is sent to the printer you designate (contact the ABIDES administrator to add a printer to the network).

Next, you must select an office symbol. The office symbol you choose is displayed on the header page. If your office symbol is not listed, you can select "general". Your login ID is the default entry on the header page.

Note: The print report option prints every page of a report whether the report if five pages long or 2,500 pages long. Instead of using the print report option, we recommend using the reportfile and micro file options and then printing what material you actually need.

REPORT FILE
A *report file* is an electronic version of a print report. When you select a report file report, the report generation sequence is the same as a terminal report and once completed, the file will be stored in ABIDES with an ABIDES assigned filename such as: **/abides/dumps/<login_id>_rp_110804_19042**

Then you are asked if you want to run another report. If you want to download the report now, type "no" which returns you to the "run reports/create/maintain" menu. Since you already ran the report, select "download reports" from this menu.

Once you select the option to download reports, the following questions appear.

WHAT PROTOCOL WOULD YOU LIKE TO USE?
Kermit is the only protocol for downloading reports from ABIDES. You can either type in "m" for menu and then select "kermit" or "k" or if you choose not to pull up the menu, just enter a "k" or "kermit" at the prompt.

WHICH FILE(S) DO YOU WANT TO DOWNLOAD TO YOUR MICROCOMPUTER?
Enter the filename. If you can't recall the filename or are downloading a report that was generated earlier, call up the menu. You will now be asked two additional questions.

DO YOU WANT TO SEE THE OWNER, DATE, TIME AND SIZE FOR EACH FILE?
A "yes (y)" response produces a list of files currently in the report file directory, along with the owner, date and time of creation and the file size. This is helpful to view if you've created a number of files but want to locate a file created on a specific date or at a specific time.

DO YOU WANT TO SEE FILES OWNED BY ALL USERS?
If you are looking for a file created by you under your login ID, answer "no (n)". Now you get a list of only *your* files on the system (i.e., those created under your login ID). A "yes (y)" response shows *all* files in the directory. This might be necessary if you're downloading a file created by another user. Once the files have been displayed, select the menu number corresponding to your file.

WILL YOU BE DOWNLOADING YOUR FILES TO A HARD DISK?
Select "yes (y)". Download the files to your hard drive.

ARE YOU READY?
Select "yes (y)". Now your download is ready to be received. Once you initiate the file transfer, do the following

required steps quickly to prevent the system from timing-out. You have a 10 second time constraint once you answer the "Are You Ready" question.

DOWNLOAD PROCEDURE
To receive the file in WebConnect, (using your mouse) go to "Communication" on the WebConnect menu bar at the top of the screen. Select "Receive File." [or use keystrokes <Alt>C, <Alt>R]
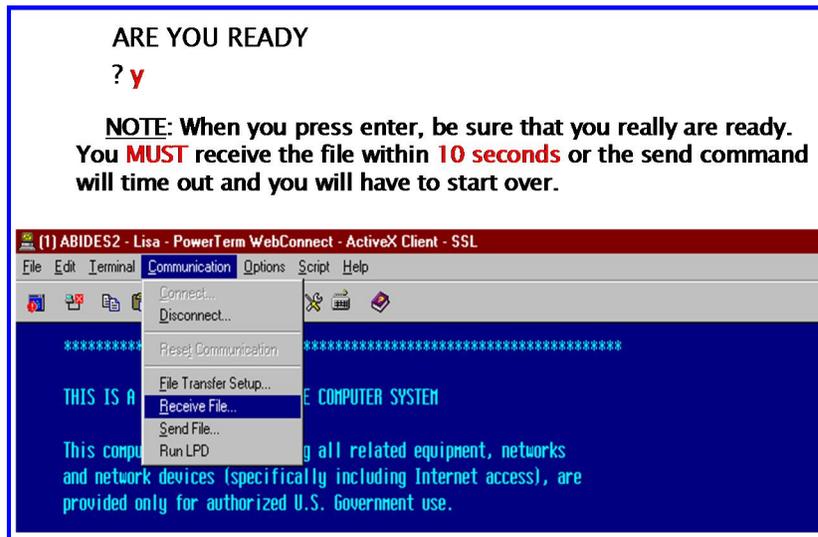
Figure A-9. Download Procedure (Step 1)

Then the "Kermit Receive" dialog box is displayed. You must click on the "…" (Browse) button (10 second time constraint turns off) to send the file to a particular location on your PC. If you skip this step, your file will be sent to an unidentified location on your PC.
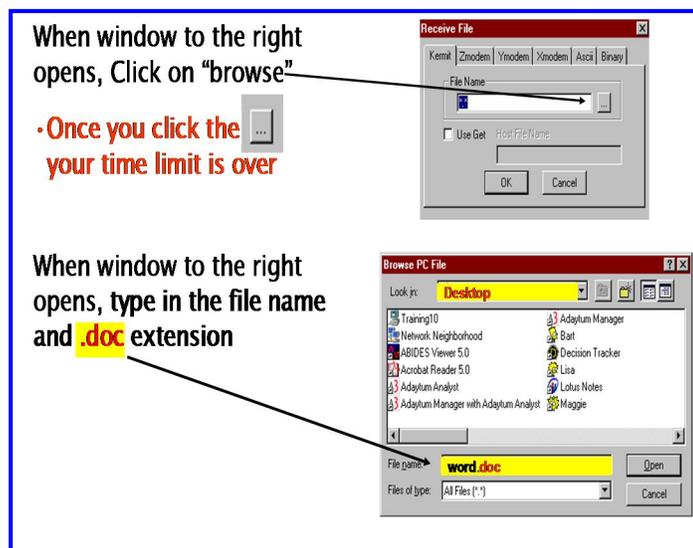
Figure A-10. Download Procedure (Step 2)

Once you have browsed to a location to save your file, you must enter a filename (be sure you give it a .doc extension) and click OK.

Once you click "OK" the "Kermit Transfer Status" window is displayed. As the file is downloading, you will see the numbers and bytes in "file size" and "percent copied" count up. Once the download is completed and "percent copied" reaches 100%, the "Kermit Transfer Status" dialog box disappears. For most files sizes this window stays open for a split second up to a few seconds.

Once the file is opened in MSWord, you will have to do some reformatting to get the report to display correctly. The recommended settings are to change to landscape view, reduce margins to 0.2, change font size to 9, and save file as a word document.

Note: If you do not change the file type from .txt to .doc, then all formatting changes will be lost.

MICROFILE REPORT
A *microfile report* is also an electronic version of an ABIDES report, but unlike the report file, it is a *comma delimited file* that is opened with MS Excel or other spreadsheet application. This output does not contain a header page or parameter page.

The process to generate a microfile report is identical to the report file with two minor exceptions. The report options menu doesn't display "select fy span (sfys)(fys)" as a choice. Instead, ABIDES automatically prompts you to select the number of years of data displayed by asking, "How many columns do you want?"

Also, unlike the report file process where a filename is automatically assigned, ABIDES requests you name your file (7 characters max). If a file already exists with the same filename, the system will ask if you want to overwrite the existing file.

Once the microfile is processed and stored, you are asked if you want to download the file. The download process for microfiles is identical to the download process for report files, with one exception. After clicking the "…" (Browse button), add a ".csv" extension when entering a filename. This facilitates populating the cells correctly when opening the file in MS Excel.
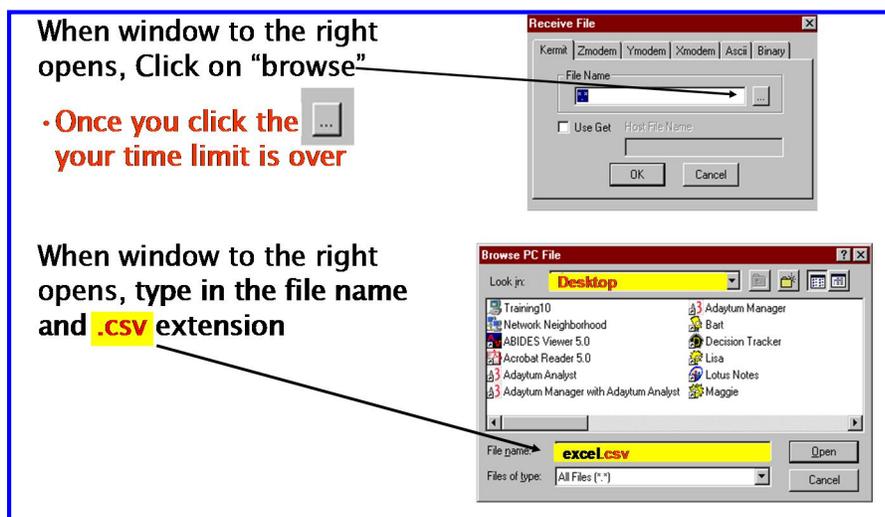
Figure A-21. Download Procedure (microfile)

To view the downloaded file, navigate to the file and double click to open. This file is found in the directory you

specified in the directory window earlier.

Options Development System (ODS) Subsystem

The Options Development System (ODS) is the working area for SAF/FMPE in managing the POM portion of the PBR exercise and other program changes. The "options" directory within ODS contains those files of interest. The most commonly used method to access this directory is to select the "options" directory in the F&FP subsystem. This automatically selects the "options" directory in ODS. The source of these database files is from the RAPIDS databases.
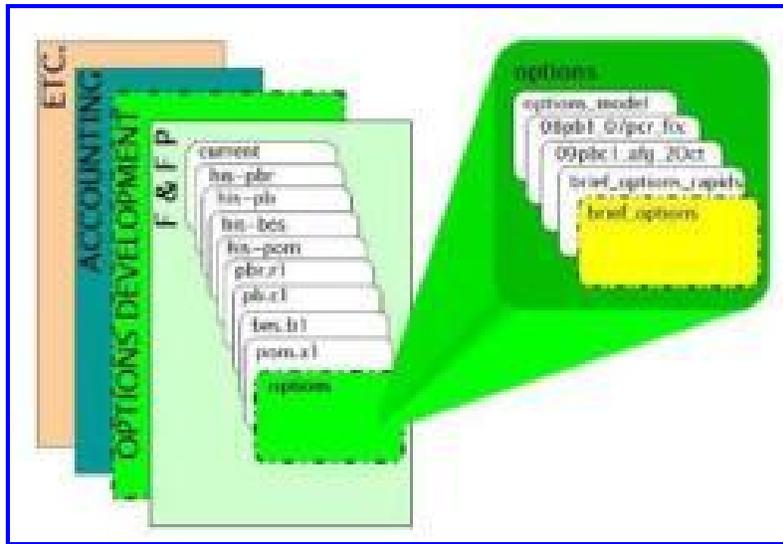
Figure A-32. Options Directory

To see the most current set of POM/program CCNs within the PBR exercise, you would go to the "brief_options" database file inside the "options" directory. This file is not budget level detail as it only contains the data elements that are required for creating a RAPIDS option (pe, program, appn, cost-cat, oac, and bpac/wsc if required).

5 = 06pbc3_brief_options	24 = 07pbr_majcoms_27apr	43 = Dennis_test
6 = 07pb_offsets_r1	25 = 07pbr_majcoms_29Apr	44 = bhoybach_1
7 = 07pbc1_01Dec	26 = 07pbr_majcoms_final	45 = brief_contot
8 = 07pbc1_08Nov	27 = 07pbrr1_afb_13Jun	46 = brief_options
9 = 07pbc1_13Dec	28 = 07pbrr1_afb_7Jun	47 = brief_options_rapids
10 = 07pbc1_16Dec	29 = 07pbrr1_afb_8Jun	48 = ccntext_rapids
11 = 07pbc1_18Nov	30 = 07pbrr1_afc_24Jun	49 = fmb_1pass
12 = 07pbc1_20Dec	31 = 07pbrr1_afg_3Jun	50 = jgardner_1
13 = 07pbc1_22Dec	32 = 07pbrr1_brief_options	51 = jmccandl_1
14 = 07pbc1_23Dec	33 = 07pbrr1_brief_optndbs	52 = ods_non_model
15 = 07pbc1_28Nov	34 = 07pbrr1_csaf_30Jun	53 = options_bl

*Remember:

· Break on **decision (dec)** and **ccn** data elements

· The source of the data for the **brief_options file is RAPIDS**

Figure A-43. 'brief_options' File

Also, unique to the options files, is a decision field with four possible values: "yes", "no", "revisit", and "proposed" (yet to be vetted). As the AFCS goes through deliberations, the decision field will be populated/updated. Note: even

though a CCN may have a "yes" decision, given that it is in ODS, it is still pre-decisional. Only when a CCN is moved from ODS and into F&FP is it approved.

Summary

This chapter presents basic concepts used to build reports from the Force and Financial Plan (F&FP) Subsystem in ABIDES. Such reports are used in analyses supporting building the POM/BES (PBR), and PB.

ABIDES has current and historical PPBE data stretching back to FY62, and reaching out to end-FYDP. These database files provide the TOA, manpower, equipment, and flying-hour resources needed to support past, present and future USAF missions.

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Appendix B: Acronym Index

ABIDES	Automated Budget Interactive Data Environment System
ACAT	Acquisition Category
ACTD	Advanced Concept Technology Demonstration
ADR	Annual Defense Review
AF/A8	Deputy Chief of Staff for Plans and Programs
AF/CV	Air Force Vice Chief of Staff
AFB	Air Force Board
AFC	Air Force Council
AFCAIG	Air Force Cost Analysis Improvement Group
AFCIS	Air Force Capabilities Investment Strategy
AFCS	Air Force Corporate Structure
AFEE	Air Force Element of Expense
AFEEIC	Air Force Element of Expense/Investment Code
AFG	Air Force Group
AFI	Air Force Instruction
AFMC	Air Force Material Command
AFMSS	Air Force Mission Support System
AFPD	Air Force Policy Directive
AFPP	Air Force Program Projections
AFRAP	Air Force Resource Allocation Process
AFRC	Air Force Reserve Command
AFRES	Air Force Reserve
AFROCC	AF Requirements Operational Capabilities Council
AFSP	Air Force Strategic Plan
AFSPD	Air Force Strategic Planning Directive
AFTFP	Air Force Transformation Flight Plan
AFWCF	AF Working Capital Fund
AMC	Air Mobility Command
AMS	Acquisition Management System
ANG	Air National Guard
AO	Action Officer
AoA	Analysis of Alternatives
AP	Approved Program
APB	Amended President's Budget
APB	Acquisition Program Baseline
APOM	Amended Program Objective Memorandum
APPG	Annual Planning and Programming Guidance (legacy document)
APPN	Appropriation Codes
ASD/NII	Assistant Secretary of Defense for Networks and Information Integration

ASOC	Air Support Operations Center
AT&L	Acquisition, Technology & Logistics
ATD	Advanced Technology Demonstration
AV	ABIDES Viewer
BA	Budget Authority/Activity
BAC	Budget Activity Code
BAI	Backup Aircraft Inventory
BCP	Budget Change Proposal
BES	Budget Estimate Submission
BER	Budget Estimate Review
BoD	Board of Directors
BOS	Base Operating Support
BP	Budget Program
BPAC	Budget Project Activity Cod
BPFP	Budget/Program Fact Papers
BR	Budget Review
BRAC	Base Realignment and Closure
BUR	Bottom-Up Review
BY(s)	Budget Year(s)
C4ISR	Command, Control, Communication, Computers, Intelligence, Surveillance & Reconnaissance
CAF	Combat Air Force
CAPE	(OSD Director of) Cost Assessment and Program Evaluation
CBR	Concurrent Budget Resolution
CCD	Combat Capability Document
CCN	Change Control Number
CDD	Capability Development Document
CE	Cost Element
CFC	Critical Future Capability
CFL	Core Function Lead
CFSP	Core Function Support Plan
CG	Chairman's Guidance
CHAMPUS	Civilian Health and Medical Program of the Uniformed Services
CIO	Chief Information Officer
CIP	Congressional Interest Program
CJCS	Chairman of the Joint Chiefs of Staff
CJCSM	Chairman of the Joint Chiefs of Staff Manual
CLS	Contract Logistic Support
COCOM	Combatant Commander
CONOPS	Concept of Operations
COST-CAT	Cost Category
CP	Change Proposal

CPA	Chairman's Program Assessment	
CPD	Capabilities Production Document	
CPF	Common Planning Framework	
CPG	Contingency Planning Guidance	
CPR	Chairman's Program Recommendations	
CR	Continuing Resolution	
CRD	Capstone Requirements Document	
CRRA	Capabilities Review and Risk Assessment	
CSAF	Chief of Staff of the Air Force	
CY	Current Year, Calendar Year	
CYD	Constant Year Dollars	
DAB	Defense Acquisition Board	
DAWG	Defense Advisory Working Group	
DBOF	Defense Business Operation Fund	
DCI	Director of Central Intelligence	
DCS	Deputy Chief of Staff	
DEPSECDEF	Deputy Secretary of Defense	
DG	Defense Guidance	
DHP	Defense Health Program	
DIO	Development, Investment and Operations	
DLR	Depot Level Repairable	
DMAG	Deputy's Management Action Group	
DMR	Defense Management Review	
DMRD	Defense Management Review Decision	
DoD	Department of Defense	
DOTMLPF	Doctrine, Organization, Training, Materiel, Leadership & Education, Personnel, and Facilities	
DP	Development Plans	
DPA&E	Director for Program Analysis & Evaluation	
DPAG	Defense Planning Advisory Group	
DPG	Defense Planning Guidance	
DPP	Defense Planning Projection	
DPG	Defense Planning Guidance	
DRI	Defense Reform Initiative	
DRR	Design Readiness Review	
DRU	Direct Reporting Unit	
DSG	Defense Strategic Guidance	
DT	Decision Tracker	
DWCF	Defense Working Capital Fund	
EBO	Effects-Based Operations	
EEIC	Elements of Expense & Investment Code	
EPP	Enhanced Planning Process	

ERA	Executive Review Account
ESP	Emergency and Special Project
EY	Execution Year
F&FP	Force & Financial Plan
FAA	Functional Area Analysis
FAR	Federal Acquisition Regulation
FCB	Functional Capabilities Board
FERS	Federal Employee Retirement System
FFG	Fiscal Forecasts and Guidance
FG	Fiscal Guidance
FIN PLAN	Financial Plan
FNA	Functional Needs Analysis
FOA	Field Operating Agency
FoS	Family of Systems
FSA	Functional Solution Analysis
FSDM	Force Structure Data Management
FW	Fighter Wing
FY	Fiscal Year
FYDP	Future Years Defense Program
GDF	Guidance for the Development of the Force
GDP	Gross Domestic Product
GEF	Guidance for the Employment of the Force
GTBL	Get to the Bottom Line
GPA	Guide to Program Analysis
HAC	House (of Representatives) Appropriations Committee
HAF	Headquarters Air Force
HASC	House (of Representatives) Armed Service Committee
HBC	House (of Representatives) Budget Committee
HNSC	House (of Representatives) National Security Committee
IAW	In accordance with
IB	Issue Book
IBR	Investment Budget Review
IBRC	Investment Budget Review Committee
IBRP	Investment Budget Review Process
ICD	Initial Capabilities Document
ILR	Intermediate Level Review (preceded the Air Force Group)
IOC	Initial Operational Capability
IOT&E	Initial Operational Test & Evaluation
IPL	Integrated Priority List
IPT	Integrated Process Team
IRSS	Information & Resource Support System
JCB	Joint Capabilities Board

JCIDS	Joint Capabilities Integration and Development System
JCS	Joint Chiefs of Staff
JFC	Joint Functional Concept
JLRSA	Joint Long Range Strategic Appraisal
JMA/SA	Joint Mission Assessment/Support Assessment
JMNA	Joint Military Net Assessment
JMRR	Joint Monthly Readiness Review
JNA	Joint Net Assessment
JOC	Joint Operating Concept
JOpsC	Joint Operations Concept
JOPES	Joint Operational Planning and Execution System
JPD	Joint Planning Document
JPD	Joint Potential Designator
JPG	Joint Programming Guidance
JRO	Joint Requirements Office
JROC	Joint Requirements Oversight Council
JSCP	Joint Strategic Capabilities Plan
JSPS	Joint Strategic Planning System
JSR	Joint Strategic Review
JV20XX	Joint Vision 2020 (or subsequent updates)
JWCA	Joint Warfighting Capabilities Assessment
KPP	Key Performance Parameter
LCC	Life Costing Cycle
LRIP	Low-Rate Initial Production
LRP	The Air Force Long Range Plan
M&S	Modeling and Simulation
MAIS	Major Automated Information System
MAISRC	Major Automated Information System Review Council
MAJCOM	Major Command
MBI	Major Budget Issue
MDA	Milestone Decision Authority
MDAP	Major Defense Acquisition Program
MEIS	Mission Essential Information System
MFP	Major Force Programs
MID 913	Management Initiative Decision 913
MILCON	Military Construction
MILPERS	Military Personnel
MLA	Military Legislative Assistant
MP	Major Program
MPES	Manpower Programming and Execution System
MRC	Major Regional Conflict
MS&A	Modeling, Simulation & Analysis

MS	Milestone
MSP	Mission Support Plan
MTW	Major Theater War
NCA	National Command Authority
NDI	Non-Developmental Items
NDP	National Defense Panel
NFIP	National Foreign Intelligence Program
NGB	National Guard Bureau
NMS	National Military Strategy
NSA	National Security Agency
NSC	National Security Council
NSDD	National Security Decision Directives
NSS	National Security Strategy
OAC	Operating Agency Code
O&M	Operations & Maintenance
O&S	Operations & Support
OA	Obligating Authority
OBRC	Operation Budget Review Committee
OBRG	Operation Budget Review Group
OBRP	Operation Budget Review Process
OCR	Office of Corollary Responsibility
OIPT	Overarching Integrated Product Team
OJCS	Office of the Joint Chiefs of Staff
OMB	Office of Management and Budget
OPLAN	Operations Plan (in complete format)
OPR	Office of Primary Responsibility
OPTEMPO	Operations Tempo
ORD	Operational Requirements Document
OSC	Operating Agency Code
OSD	Office of the Secretary of Defense
OY	Out Year
PA&E	Program Analysis and Evaluation
PAA	Primary Aircraft Authorized
PB	President's Budget
PBD	Program Budget Decision
PBR	POM/BES
PCP	Program Change Proposal
PCR	Program Change Request
PDD	Presidential Decision Directive
PDM	Program Decision Memorandum
PDS	Program Data System
PE	Program Element

PEG	Program Evaluation Group
PEM	Program Element Monitor
PEO	Program Executive Officer
PGM	Program Guidance Memorandum
PHIP	Posture Hearing Issue Paper
PM	Program Manager
PMD	Program Management Directive
POC	Point of Contact
POM	Program Objective Memorandum
POM/BES	*See also PBR* – Combined POM and BES submission
PPBE	Planning and Programming, Budgeting & Execution System
PPI	POM Preparation Instructions
PPG	Plan to Program Guidance
P&R	Personnel and Readiness
PR	Program Review
PRD	Presidential Review Directives
PRM	Presidential Review Memorandum
PY	Prior Year
QDR	Quadrennial Defense Review
QFR	Question for the Record
RAP	Resource Allocation Process
RAPIDS	Resource Allocation Program Information Decision System
RDT&E	Research, Development, Test & Evaluation
RIC	Resource Identity Code
RMD	Resource Management Decision (as of 2016 – a legacy document)
RMS	Resource Management System
RPA	Retired Pay Accrual
RPM	Real Property Maintenance
RRP	Rapid Response Process
SA	Situational Awareness
SAC	Senate Appropriations Committee
SAF/AQ	Assistant Secretary of the Air Force (Acquisition)
SAF/FM	Assistant Secretary of the Air Force (Financial Management)
SAF/FMB	Deputy Assistant Secretary of the Air Force (FM-Budget)
SAG	Sub-Activity Group
SAP	Special Access Program
SAR POC	Special Access Required Programs Oversight Committee
SAR	Special Access Required
SASC	Senate Armed Services Committee
SBC	Senate Budget Committee
SBIR	Small Business Innovative Research
SBR	Summer Budget Review

SCF	Service Core Function
SECAF	Secretary of the Air Force
SECDEF	Secretary of Defense
SLRG	Senior Leader Review Group
SMP	Strategic Master Plan
SOF	Special Operations Forces
SPG	Strategic Planning Guidance
SPO	System Program Office
SPWG	Special Projects Working Group
SS	Service Secretaries
SWAT	Senior Warfighter Action Team
TDS	Technology Development Strategy
TEMP	Test and Evaluation Master Plan
TEP	Theater Engagement Plan
T&E	Technology and Evaluation
TOA	Total Obligation Authority
TP	Technology Plan
TPG	Transformation Planning Guidance
TSPR	Total System Performance Requirement
TY	Then-Year Dollars
UPL	Un-funded Priority List
USC	United States Code
USD	Under Secretary of Defense
USD(AT&L)	Under Secretary of Defense (Acquisition Technology and Logistics)
USD(C)	Under Secretary of Defense (Comptroller)
USD(I)	Under Secretary of Defense (Intelligence)
USD(P)	Under Secretary of Defense (Policy)
USD(P&R)	Under Secretary of Defense (Personnel & Readiness)
WCF	Working Capital Fund
WIPT	Working-Level Integrated Product Team
WMD	Weapons of Mass Destruction
WRAP	Warfighter Rapid Acquisition Process
WSC	Weapons System Code
ZBT	Zero-Balanced Transfer

Appendix C: Resource Allocation Glossary

The purpose of this glossary is to help the reader understand the terms listed as used in this reference guide. It is not intended to encompass all terms. Joint Publication 1-02, and Department of Defense Dictionary of Military and Associated Terms, amended 9 May 2005, contain standardized terms and definitions for Department of Defense and Air Force use. The primary source for definitions included here are the governing regulations' glossaries. Some slang terms are defined based on experience.

ABIDES: **Automatic Budget Interactive Data Environment**: HQ Air Force Budget database and its menu-driven database manipulation tool. ABIDES hosts the Force and Financial Plan (F&FP) the official source of programs and funding for the Air Force. ABIDES database is classified SECRET. To access ABIDES, you must have a SECRET clearance, be a registered password holder, and log on from a hard-wired terminal or a SIPRNET (Secret IP Router Network) connection, DoD <u>Secret U.S. only</u> network primarily used to support the Intelligence Community.

Above the Line: Starting with top-ranked program and proceeding down a prioritized list, the AFCS reaches the program before it reaches the cumulative total funding line representing USAF TOA. i.e., the program is funded.

Acquisition Executive: The individual within the Department and Components charged with overall acquisition management responsibilities within his or her respective organization. The Under Secretary of Defense for Acquisition, Technology, and Logistics is the Defense Acquisition Executive (DAE) responsible for all acquisition matters within the Department or Defense. The Component Acquisition Executives (CAEs) for each of the Components are the Secretary of the Military Departments or the Heads of Agencies with power of re-delegation. The CAEs are responsible for all acquisition matters within their respective Component.

Acquisition Program: A directed, funded effort designed to provide a new, improved, or continuing system or automated information system (AIS) capability in response to an approved operational need. (See ACAT, AMS)

ACAT I, II, III: Acquisition Categories I, II and III: Category groupings of weapon system acquisition programs based on dollar value or DoD interest. ACAT I programs are MDAPS. Some programs which would be ACAT II based on dollar value might be declared ACAT I based on Administration interest. DoD 5000.2 Categories established to facilitate decentralized decision-making and execution, and compliance with statutorily imposed requirements. The categories determine the level of review, decision authority, and applicable procedures. DoD 5000.2, Enclosure 2, provides the specific definition for each acquisition category (ACAT I through III).

<u>ACAT I</u>. A major defense acquisition program (MDAP) subject to Defense Acquisition Board oversight and estimated by the USD (AT&L) to require an eventual total expenditure of more than $365 million in RDT&E funds, or $2.190 billion in procurement funds measured in FY00 constant dollars.

<u>ACAT ID</u>. A major defense acquisition program (MDAP) for which the MDA is USD (AT&L). The "D" refers to the Defense Acquisition Broad (DAB), who advises the USD (AT&L) at major decision points.

<u>ACAT IC</u>. A major defense acquisition program subject for which the MDA is the DoD Component Head or, if delegated, the DoD Component Acquisition Executive (CAE). The "C" refers to Component.

<u>ACAT IA</u>. A major automated information system (MAIS) acquisition program estimated to require program costs in any single year in excess of $32 million, total program costs in excess of $126 million, or total life cycle costs in excess of $378 million (FY00 constant dollars).

<u>ACAT IAM</u>. A major automated information system (MAIS) acquisition program for which the MDA is the Chief Information Officer (CIO) of the Department of Defense (DoD), the ASD (C3I).

ACAT IAC. A major automated information system acquisition program for which the DoD CIO delegated milestone decision authority to the CAE or Component CIO. The "C" (in ACAT IAC) refers to Component.

ACAT II programs are those programs not meeting the criteria for an ACAT I program, but are Major Systems or are designated as ACAT II by the MDA as a result of the MDA's special interest. Because of the dollar values of MAISs, no AIS programs are ACAT II. The MDA is the CAE or the individual designated by the CAE.

ACAT III programs are defined as those acquisition programs not meeting the criteria for an ACAT I, an ACAT IA, or an ACAT II. The MDA is designated by the CAE, and shall be at the lowest appropriate level. This category includes less-than-major AISs.

ACTD: Advanced Concept Technology Demonstration: Used to determine military utility of proven technology, and to develop the concept of operations optimize effectiveness. A joint effort by the acquisition and operational (warfighter) communities within the DoD, the primary object of which is to provide the decision makers an opportunity to fully understand the operational potential offered by a given advanced concept and or technology/system to meet an urgent military operational need prior to an acquisition decision. (An ACTD is the application of a mature technology to address a critical military need. Mature technology implies it is not 6.1 or 6.2 research and a critical military need is an approved requirement by the JROC.)

Additional Topline: Money over and above the current USAF TOA.

ADM: Acquisition Decision Memorandum: A memorandum signed by the milestone decision authority (MDA) documenting the decisions made and the exit criteria established as the result of a milestone decision review or in-process review.

Advance Procurement: Early funding for parts taking a long time to make or will result in a more economical buy. See Full Funding Policy.

AFAE: Air Force Acquisition Executive: The Assistant Secretary of the Air Force (Acquisition). Also called Service Acquisition Executive (SAE) or Component Acquisition Executive (CAE).

AFCAIG: Air Force Cost Analysis Improvement Group: Chaired by Deputy Assistant Secretary (Cost and Economics) (SAF/FMC) with members from Budget, Programming, Plans, Logistics, Acquisition and Communications plus others as needed depending on the program. Establishes Service Cost Position for major defense acquisition programs (MDAPS) as part of the milestone review process in the Acquisition Management System. AFCAIG publishes USAF Cost and Planning Factors and establishes the flying hour cost factors used in ABIDES to price out Fuel, DLRs (depot-level reparables) and consumables based on a cost per flying hour for each MDS by major command.

AFCIS: Air Force Capabilities Investment Strategy: The Air Force projection through three FYDPs of the investment profiles to achieve the critical capabilities identified in the Air Force Strategic Planning Directive. By forecasting a funding profile of current and future systems in a constrained financial environment, the AFCIS highlight "fork in the road" issues for critical capabilities and AF CONOPS.

AFCS: Air Force Corporate Structure: Embodies the corporate review process for HQ USAF. The primary groups of the Corporate Structure are the Air Force Council, the Air Force Board, the Intermediate Level Review, the Mission and Mission Support Panels, and Integrated Process Teams. This structure increases management effectiveness and improves cross-functional decision-making by providing a forum in where senior Air Force leadership can apply their collective judgment and experience to major programs, objectives, and issues. This process balances programs

among mission areas, between force structure and support, and between readiness and modernization. Only military or Department of Defense civilian personnel assigned to the Air Staff or Office of the Secretary of the Air Force may serve as members of the corporate structure.

AFC: Air Force Council: Advises and makes recommendations to the Chief of Staff and Secretary regarding major matters, including the responsiveness of Air Force plans and programs to national, Office of the Secretary of Defense, Joint Chiefs of Staff, and Air Force objectives. The Vice Chief of Staff chairs the AFC. Membership is at the Deputy Chief of Staff (three-star) level, corresponding Secretariat level, and selected Directorate (two-star) level. The Special Access Required (SAR) Programs Oversight Committee (SPOC) is a subset of the AFC, and reviews programmatic issues for SAR programs.

AFB: Air Force Board: Advises and provides recommendations to the Air Force Council (AFC) regarding major programming and other staffing issues. In addition, the AFB conducts corporate reviews of the resource allocation process, enhances the corporate decision process, and works to shape and refine proposals prior to presentation to the AFC. The AFB has decision authority for issues submitted by the Air Force Group (AFG). The Director of Programs chairs the AFB, except for purposes of budget formulation and execution to include the Budget Estimate Submission (BES), Budget Review Cycle, and President's Budget (PB), when the Deputy Assistant Secretary (Budget) (SAF/FMB) chairs it. Membership is at the General officer/Senior Executive Service level.

AFG: Air Force Group: Advises and provides recommendations to the Air Force Board (AFB) regarding major programming and other staffing issues. Conducts corporate reviews of the resource allocation process, enhances the corporate decision process, and works to shape and refine proposals prior to presentation to the AFB and the Air Force Council (AFC). The Deputy Director of Programs chairs the AFG. Membership is at the Colonel/civilian equivalent level.

AF Mission or Mission Support Panel: Advises and provides recommendations to the Air Force Group (AFG) regarding major programming and other issues. Conducts corporate reviews of the resource allocation process, enhances the corporate decision process, and works to shape and refine proposals prior to the AFG. Serves as initial point of entry for Integrated Process Teams (IPTs) and issues requiring corporate review. Chairs are designated by appropriate Deputy Chief of Staff/Assistant Secretary.

AIS: Automated Information System: A combination of computer hardware and software, data, or telecommunications performing functions such as collecting, processing, transmitting, and displaying information. Excluded are computer resources, both hardware and software, physically part of, dedicated to, or essential in real time to the mission performance of systems. See MAIS

AoA: Analysis of Alternatives: The evaluation of the performance, operational effectiveness, operational suitability and estimated costs of alternative systems to meet a mission capability. The AoA assesses the advantages and disadvantages of alternatives being considered to satisfy capabilities, including the sensitivity of each alternative to possible changes in key assumptions or variables. The AoA is one of the key inputs to defining the system capabilities in the capability development document (CDD).

AFSARC: Air Force Systems Acquisition Review Council: The Air Force corporate body advises the Air Force Acquisition Executive regarding matters concerning the initiation, continuation of, or substantial changes to major defense acquisition programs.

AFSPD: Air Force Strategic Planning Directive: Provides the key planning priorities of the Secretary of the Air Force and Chief of Staff, outlines the Air Force shift to a capabilities-based planning process. It assigns planning initiatives that will provide the foundation for future capability decisions. The Directive establishes guidance that will

affect development of future Program Objective Memorandums (POMs) by examining the impact of capability needs through the mid- and long-term planning period. It replaces the multiple Strategic Planning Volumes published previously by AF/A8.

APB: Acquisition Program Baseline: Each program's APB is developed and updated by the program manager and will govern the activity by prescribing the cost, schedule and performance constraints in the phase succeeding the milestone for which it was developed. The APB captures the user capability needs, including key performance parameters, which are copied verbatim from the capability development document (CDD).

APPG: Annual Planning and Programming Guidance: (legacy document) Air Force document developed by AF/A8P to instruct MAJCOMS in the development of their POM submissions. Incorporates known elements of the Defense Planning Guidance (DPG.) Replaced by the Planning Guidance Memorandum (PGM) and Planning and Program Updated Guidance (PPUG) in 2013.

Appropriation: Act of Congress authorizing funds to be drawn from the Treasury for specific uses. Government operations are funded through 13 different appropriation acts. Three affect the Air Force: Defense, Energy, and Military Construction. The remaining appropriations are: Agriculture, Commerce, District of Columbia, Foreign Operations, Interior, Labor/HHS/Education, Legislative Branch, Transportation, Treasury, and VA/HUD.

Appropriation Code: Used to describe the purpose and availability (life) for obligation of an appropriation. Each Service has unique codes. The 4-digit code from OSD maps to a 2-digit Fund Code in ABIDES. There are 22 separate Air Force codes with available life varying from one year for 3400 operations and maintenance to five years for 3300 military construction. (See Obligation Rate, Appropriation, and Fund Code)

Approved Program: The technical and operational, schedule, and quantity requirements reflected in the latest approved Under Secretary of Defense (Acquisition, Technology, and Logistics) (USD(AT&L)) Acquisition Decision Memorandum (ADM), or other document reflecting a more current decision of the USD(AT&L) or other appropriate approval authority (such as the President's Budget (PB), the Future Years Defense Program (FYDP), and supporting documentation).

Architecture: The structure of components, their relationship, and the principles and guidelines governing their design and evolution over time.

"At Risk" Programs: Programs subject to funding cuts due to cost, schedule, or performance (technical) difficulties. Cuts could be taken by AFCS or OSD.

ATD: Advanced Technology Demonstration: Used to demonstrate the maturity and potential of advanced technologies for enhanced military operational capability or cost effectiveness, and reduce technical risks and uncertainties at the relatively low costs of informal processes. ATDs are funded with Advanced Technology Development (ATD) funds.

BA: Budget Authority: Authority provided by law to enter into obligations that will result in immediate or future outlays involving Federal Government funds. The basic forms of budget authority are appropriations, authority to borrow, and contract authority. Budget authority relates to direct programs. (See also Obligation Authority)

Base Year Dollars: A base-year dollar reflects the dollar's value at the time of a specified base-year as if all the dollars where expended in that year. See Constant Dollar.

Below the Line: Starting with top ranked program and proceeding down a prioritized list, the AFCS reaches the cumulative total funding line representing USAF TOA before it reaches the program below the line i.e., the program is not funded

BES: Budget Estimate Submission: The DoD Component's budget submissions to the Office of the Secretary of Defense (OSD) showing budget requirements for inclusion in the DoD budget during the Planning, Programming, Budget, and Execution (PPBE). The BES is annually submitted with the POM as part of the concurrent Program Budget Review (PBR) process by OSD and the Joint Staff.

Bill: 1) Funding shortfall resulting when new program content is added without additional funds, or when funds are taken without reducing program content or pricing. A bill can be caused by a disconnected, existing program or an initiative or an OSD reduction to Air Force funding levels.

Bill Payer: A program source of money for the AFCS i.e., an Offset

Bogey: Dollar figure given to each Panel to assess their "fair share" of the Corporate Bill

BOS: Base Operating Support: Program funds transportation, security forces, comptroller, staff judge advocate, claims, and personnel organizations; and dining facilities, lodging, contracting services, chaplain, administration, mess attendant and equipment maintenance contracts, postal services, data processing, airfield and air operations, furnishings management, and other authorized Service activities. It is a cross-cutter issue normally funded in PEs ending in XXX96. It consists of the money for the normal operation of a base. A difficult number to quantify, it is historically funded as a "level of effort" program by the Installations Panel who monitors it. (See Level of Effort)

BPAC: Budget Program Activity Code: A six-position alphanumeric code established for a classification below appropriation level to identify major budget programs and activities. It is applicable to *Air Force* procurement and RDT&E appropriations.

Broken Glass: Programs whose funding was reduced during AFCS deliberations to the extent they may be disconnected or require adjustments to schedule and cost.

Bubblemaster: Individual who controls all changes to any particular document or briefing used during the programming process--normally an SAF/FMPE senior action officer

Budget Review Cycle: Run concurrently with the OSD Program Review, the OSD Budget Review examines Service BES' and is conducted jointly by the OSD Comptroller and the OMB to build the Defense Department input to the President's Budget. The Program and Budget Review begins when the Services submit their BES in late summer and ends in the President's Budget in January.

Buy-In: Consensus from all players concerned with a particular course of action within the Air Force.

Capability: The ability to execute a specified course of action. It is designed by an operational user and expressed in broad operational terms in the format of an initial capability document or a DOTMLPF change recommendation.

CAIV: Cost As an Independent Variable: The process of using better business practices, allowing trade space for industry to meet user requirements, and considering operation and maintenance costs early in requirements definition to procure systems smarter and more efficiently. Procurement strategy treating cost objectives as a program requirement. Programs may trade performance or schedule to meet cost objectives. Normally associated with new acquisition, but it can be applied to any program.

CAO: Contract Administration Office also means a contract management office of the Defense Contract Management Agency (DCMA), formerly Defense Contract Management Command or DCMC.

CCD: Combat Capability Document: It is used to document deficiencies arising during combat or crisis operations. It is used in the Rapid Response Process to accelerate the fielding of critical systems to meet theater-specific wartime needs. The CCD replaced the Combat Mission Needs Statement or C-MNS and is described in Rapid Response Process (AFI 63-114).

CCN: Change Control Number: Unique, formatted number assigned to each change of the Force and Financial Plan in ABIDES. Permanent documentation of funding changes plus rationale for change remaining in ABIDES files. Format provides information on source and time of change. Rationale for change can come with RAPIDS information or be expanded on by budget analyst. It is a key document for understanding budget history.

Change Control Sheet: Form used to document and coordinate CCNs. Automatically identifies minimum required coordination based on appropriations, but the analyst must consider all other required coordination manually.

CDD: Capability Development Document: captures the information necessary to develop a proposed program(s), and outlines the affordability increment of capability for an evolutionary (spiral) acquisition strategy. A capability increment is a militarily useful and supportable operational capability with its own set of attributes and associated performance values with thresholds and objectives established by the sponsor and user. The CDD provides the operational performance attributes, including supportability and Key Performance Parameters (KPPs). The CDD is updated for each increment so the values only apply to the increment considered. To capture the overall objective capability, you must refer back to the ICD.

CaNDI: Commercial and non-developmental items: Term applied when referencing both commercial and Non-developmental items. See Commercial-off-the-shelf (COTS) and Non-development Item (NDI).

CLS: Contractor Logistics Support: Weapons system support manually entered into the program compared to organic/blue-suit flying hour cost factors automatically priced out in ABIDES. This becomes an issue for Resource Managers when the source of repair changes from organic to contract since, because of the automatic method of calculations, flying hour funds are not available for Zero Balance Transfer (ZBT). When the source of repair changes from contract to organic, an offset is created to apply against the flying hour bill.

Compatibility: The capability of two or more items or components of equipment or material to exist or operate near or with other systems, and not be affected by those systems or affect those systems.

CONOPS: Concept of Operations: A verbal or graphic statement, in broad outline, of a commander's assumptions or intent in regard to an operation or series of operations.

Concurrent Resolution: A resolution passed by both Houses of Congress, but not requiring the signature of the President, setting forth, reaffirming, or revising the congressional budget for the United States Government for a fiscal year. A concurrent budge resolution, due by April 15, must be adopted before legislation providing new budget authority, new spending authority, new credit authority or changes in revenues, or the public debt limit is considered. Other concurrent resolutions for a fiscal year may be adopted at any time following the first required concurrent resolution for that fiscal year.

Constant Dollars: A dollar value adjusted for changes in prices. Constant dollar series are derived by dividing current dollar estimates by appropriate price indices, a process generally known as deflating. The result is a time series as it would presumably exist if prices remained the same over the years—in other words, as if the dollar had

constant purchasing power. Any changes in such a series would reflect only changes in the real (physical) volume of output. Constant dollar figures are commonly used for gross national product and its components.

Contingency Supplemental: A supplemental appropriation to support unforeseen (not programmed or budgeted), un-funded military combat, peacekeeping, or humanitarian operations. Does not count against the budget appropriation and outlay targets constraining Congress in developing the annual budget. (See Supplemental Appropriation and concurrent resolution)

Continuing Resolution: Legislation enacted by the Congress to provide budget authority for specific ongoing activities where the regular fiscal year appropriation for such activities was not enacted by the beginning of the fiscal year. The continuing resolution usually specifies a maximum rate the agency may incur obligations, based on the rate of the prior year, the President's budget request, or an appropriation bill passed by either or both Houses of the Congress.

Contracting Officer: A person with the authority to enter into, administer, and or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the contracting officer acting within the limits of his or her authority as delegated by the contracting officer. **"Administrative contracting officer (ACO)"** refers to a contracting officer who is administering contracts. **"Termination contracting officer (TCO)"** refers to a contracting officer who is settling terminated contracts. A single contracting officer may be responsible for duties in any or all of these areas. Also called PCO for program contracting officer for large SPOs.

Corporate Bill: Any bill the AFCS must source (pay). The sources are either from the panels or additional Topline.

Core Functions: The Service Core Functions (SCF) are functional areas that delineate the appropriate and assigned core duties, missions, and tasks of the Air Force as an organization. Service Core Functions express the ways the Air Force is particularly and appropriately suited to contribute to national security. (see below)

Core Function Lead: principal integrators for their assigned SCFs and the corresponding **Core Function Support Plans** (CFSP). CFLs are the MAJCOM Commanders. (see below)

USAF Service Core Functions	CFLs
Nuclear Deterrence Operations	AF Global Strike Command
Air Superiority	Air Combat Command
Space Superiority	Air Force Space Command
Cyberspace Superiority	Air Force Space Command
Global Precision Attack	Air Combat Command
Rapid Global Mobility	Air Mobility Command
Special Operations	AF Special Ops Command
Global Integrated ISR	Air Combat Command
Command and Control	Air Combat Command
Personnel Recovery	Air Combat Command
Agile Combat Support	AF Material Command

CFSP: Core Function Support Plans contain the strategic vision, operational view, programmed force, programmed force extended, planning force proposals, operations and maintenance challenges, science and technology, efficiencies, total force enterprise manpower, metrics and a decision space section for that particular SCF. The CFMPs will contain risk analysis for that particular Core Function. CFMPs will be developed by the appropriate CFL. CFL's are directed to coordinate their assigned CFMPs with other appropriate stakeholders across the USAF.

Cost estimate: A product of an estimating procedure specifying the expected dollar cost to perform a stipulated task or to acquire an item. It may be stated as a single value or a range of values. Cost estimates are required for milestone reviews. For Major defense acquisition program (MDAPs), the AFCAIG leads a cost Integrated Product Team (IPT) to develop a Service cost position.

COTS: Commercial-off-the-shelf: Commercial items requiring little or no unique government modifications or maintenance over the life- cycle of the product to meet the needs of the using command. Any item, other than real property, customarily used by the general public or by non-governmental entities for purposes other than governmental. (See FAR Part 201 for a complete definition)

CPs: Change Proposals: Introduced by USD(Comptroller) in the FY 2007-2011 Integrated Program Budget Review. It was the mechanism used by the Services and defense agencies to introduce change to the baseline (previous PB) during an off-year cycle. Change Proposals were discontinued for the FY11 OSD Program Budget Review., when instead OSD required a full POM submission.

CPD: Capability Production Document: address the quantities and production attributes specific to a single increment (spiral) of a program, and provides linkages back to the ICD and CDD. It narrows the generalized performance and cost parameters from the CDD. It is started after the Design Readiness Review (critical design review), and addresses the Key performance parameter (KPPs), threshold and objective performance values in the CDD to ensure they are met. If threshold KPPs are reduced, an assessment of military utility must be completed and, possibly, a reexamination of the entire program. The CPD must be approved prior to Milestone C or IOT&E.

CRD: Capstone Requirements Document: A document that contains capabilities based requirements that facilitates the development of CDDs and CPDs by providing a common framework and operational concept to guide their development.

Cross-Cutters: Programs funded across different Panels and within separate program elements, but viewed as a single "rolled-up amount" at appropriate times to provide better funding visibility. e.g., technical orders, sustaining engineering, or contractor logistics support (CLS).

CSMI: Cost Savings Modernization Initiative: A program office or command initiative under the Reduction in Total Ownership Cost (RTOC) program to fund a modification to pay for itself in a relatively short period through reduced operating costs.

Cut Drill: Process of identifying least dear programs as potential offsets.

DAB: Defense Acquisition Board: The Department of Defense corporate body for system acquisition providing advice and assistance to the Secretary of Defense normally chaired by the Under Secretary of Defense (Acquisition, Technology, and Logistics) and the VCJCS. DAB reviews MDAPs at each milestone.

DAC: Designated Acquisition Commander: The individual who performs the same functions as the program executive officer (PEO) regarding programs not assigned to a PEO, primarily the commanders of product centers'. Logistic centers commanders may be identified as DACs under the Integrated Weapon System Management concept. For acquisition program activities, DACs, like PEOs, are accountable to the Air Force acquisition executive.

DAS: Defense Acquisition System: Management process by which the Department of Defense provides effective, affordable, and timely systems to the users.

DAWG: Defense Advisory Working Group (legacy term – replaced by the DMAG in 2011): came into being for the 2005 Quadrennial Defense Review, and former Secretary Rumsfeld institutionalized it to help with budget review. Under DEPSECDEF Carter, the DAWG has been replaced by the DMAG effective October 2011. The DAWG was a four-star level body, with Services represented by the Vice Chiefs of Staff (VCNO for the Navy) and the Service Under Secretaries.

DAWIA Defense Acquisition Workforce Improvement Act: Law directing the professional development and assignment criteria for the DoD workforce. Requires identification of acquisition billets and criteria for staffing them.

Decision Tracker: Interactive software program used during programming deliberations; list all programs and program elements considered for funding; also lists priorities AFCS and MAJCOMs assign, and the cumulative total of funding regarding the TOA baseline. (see Above and Below the line)

De-fundeds (formerly Offsets – legacy term) - Resources offered to "pay" for a Program Change Request action, un-funded, or initiative; funds in an existing approved program removed from the program to fund higher priority requirements. Funds should be excess to need in the approved program or they will create a Un-funded.

Development Plans: Development Plans (DP) identify potential materiel solutions to the MAJCOM identified needs, and potential revolutionary approaches to solve long-term needs. The DP documents the potential contribution of each concept to the MAJCOM needs, along with available technical risk, costs, and schedule information associated with the concepts.

Directed program: A program mandated by higher authority.

Discretionary Spending: Those programs for which Congress, its discretion, authorizes funds each year; for example, the Department of Defense represents approximately half of all government discretionary spending. Congress must take positive steps to appropriate funds or the funds are not available.

Disconnect: An approved program unexecutable because of a shortfall of resources to satisfy the content validated by Headquarters Air Force. Specific Air Force or Office of the Secretary of Defense program budget decisions (PBDs) changing the program content or pace in the Planning, Programming, Budgeting, and Execution System cycle are not candidates for disconnects in the following year's cycle.

DMAG: Deputy's Management Action Group: The Deputy's Management Action Group (DMAG) was created in 2011 by DEPSECDEF Ashton Carter as a four-star level body chartered to review management actions across the defense enterprise, including the PPBE process and the OSD Program and Budget Review. The DMAG is chaired by the DEPSECDEF and co-chaired by the Vice Chairman of the JCS. DMAG membership is topic-dependent. DMAG replaced the DAWG.

DoD Components: The Office of the Secretary of Defense; the Military Departments; the Chairman, Joint Chiefs of Staff and Joint Staff; the Unified and Specified Commands; the Defense Agencies; and DoD Field Activities.

DPG: Defense Planning Guidance: this is a single, fiscally informed document replacing the policy/strategy sections of the Guidance for the Development of the Force (GDF) *and* the fiscally-informed guidelines formerly contained in the Joint Programming Guidance (JPG). It is a statement from the Secretary of Defense on policy, strategy, and force planning. The DPG may include programmatic guidance regarding a few issues of paramount importance. The DPG first establishes a framework for and gives direction to the Enhanced Planning Process (EPP).

DSM: Digital System Model: Software representation of a system used to dynamically characterize the expected effects of changes regarding assumptions, design, tactics, or doctrine. May be used when considering AoAs during the as part of the RGS.

EA: Economic Analysis: Also called cost-benefit analysis, a method for systematically comparing competing project alternatives to recommend the best course of action. EA offers a means of assessing both monetary and non-monetary costs and benefits across alternatives. The Clinger-Cohen Act requires an EA for MAISs. The RTOC program uses a modified EA for CSMIs.

EEIC: Element of Expense/Investment Code: A five-place alphanumeric code consisting of two parts: a three-place account code followed by a two-place sub-account code to provide a further breakdown. The codes are designed for budget preparations and accounting systems to identify the nature of services and item acquired for immediate consumption (expense) or capitalization (investment). EEICs are used regarding Air *Force* accounting only, but they are related to Office of Management and Budget (OMB) element of resource codes.

Effects-Based Operations (EBO): Military actions and operations designed to produce distinctive and desired effects through the application of appropriate movement, supply, attack, defense, and maneuvers. Effects-based operations focus on functional, systemic, and psychological effects well beyond the immediate physical result of a tactical or operational event.

Enhanced Planning Process (EPP): Designed to examine major issues and provide capability-based analyses of programmatic alternatives to the Secretary of Defense.

ESP: Emergency and Special Program Code: A two-place alphanumeric code used to provide separate accounting and reporting for costs incurred during an emergency or support of a special program. ESP codes may be assigned by HQ USAF, Major Commands (MAJCOMs), or bases. The first position is assigned by the user and may be either an alpha or numeric character. The second position is always an alpha character, and is assigned as follows: (A-G) HQ USAF; (H-W) MAJCOM; or (X-Z) base.

EV: Earned Value: EVM Earned Value Management. Acquisition Process tool linking a program's schedule and funding profiles as a management tool. Using EVM, program managers can track the estimated cost of their program at completion based estimated cost of their program based on the actual cost to date vice the budgeted cost.

Exit criteria: Program specific accomplishments to satisfactorily demonstrate before an effort or program can progress further in the current acquisition phase or transition to the next acquisition phase. The exit criteria serve as gates, when successfully passed or exited, demonstrate the program is on track to achieve its final program goals, and should be allowed to continue with additional activities within an acquisition phase or be considered for continuation into the next acquisition phase. Exit criteria may include such factors as critical test issues, the attainment of projected growth curves and baseline parameters, and the results of risk reduction efforts deemed critical to the decision to proceed further. Exit criteria supplement minimum required accomplishments, and are specific to each acquisition phase. The MDA approves the exit criteria.

Expenditure: Authorization for funds from Treasury resulting from presentation of a voucher or claim (should be as a result of a legal obligation).

Expense versus Investment Costs: The criteria for cost definitions consider the intrinsic or innate qualities of the item such as durability of an investment cost or consumability of an operating cost and an item is used or the way it is managed. In all cases, where the definitions appear to conflict, the conditional circumstances prevail. The following

guidance determines whether a cost is either an expense or an investment. All costs are classified as either an expense or an investment.

1. Expenses are the costs incurred to operate and maintain the organization, such as personal services, supplies, and utilities. Operations & Maintenance (normally O&M)

2. Investments are costs resulting in the acquisition of, or an addition to, end items. These costs benefit future periods, and generally are of a long-term character such as real property and personal property (normally Procurement).

F&FP: **USAF Force and Financial Plan:** The database describing the Future Years Defense Plan. The Air Force portion of the DoD FYDP, consisting of a series of classified volumes, showing (by program element code), a projection of the forces, manpower, and dollar resources approved for the Air Force. It is kept in ABIDES.

FAA: Functional Area Analysis: An FAA identifies the operational tasks, conditions and standards needed to achieve military objectives. It uses the national strategies, joint operational concepts, joint functional concepts, integrated architectures, and Air Force CONOPS as inputs. The output is tasks to be reviewed in the follow-on functional needs analysis.

FCB: Functional Capability Board: A permanently established body that is responsible for the organization, analysis, and prioritization of joint warfighting capabilities within an assigned functional area.

Facing Slide or Facer Page: Slide facing is principle slide in a briefing providing further insight regarding the Air Force position on funding or program content. It is normally used to prepare AF senior leaders for an OSD briefing during program reviews at the 3-star Group and SLRG.

Fenced: Programs or program elements designated to remain above the line at the start of any programming exercise i.e., excluded from being bill payers. Exclusion can be an AF, OSD, or Congressional input.

Fin Plan: Financial Plan: Plan for executing the annual Air Force O&M budget. At one time, Fin Plans were submitted by major commands and integrated by SAF/FMBO into an Air Force plan highlighting execution risks and funding priorities. The Fin Plan was presented to the AFCS prior to approval by the CSAF and SECAF. Fin Plans were replaced by more informal "Spend Plans" in the 2006 timeframe.

Fiscal Guidance: Annual guidance issued by the Secretary of Defense providing the fiscal constraints the Joint Chiefs of Staff, the military departments, and Defense agencies must observe to formulating force structures and Future Years Defense Programs, and by the Secretary of Defense staff when reviewing proposed programs.

Fiscal Year: Any yearly accounting period without regard to its relationship to a calendar year. The fiscal year for the Federal Government begins on October 1 and ends on September 30. The fiscal year is designated by the calendar year in which it ends. Fiscal years are further designated as follows:

Past Year-1: Also referred to as Prior Year-1, the fiscal year immediately preceding the past year.

Past Year (PY): Also referred to as Prior Year, the fiscal year immediately preceding the current year; the last completed fiscal year.

Current Year (CY): The fiscal year in progress. Immediately precedes the budget year. [Also known as execution year]

Budget Year (BY): The next fiscal year for which estimates are submitted.

Budget Year 1 (BY1): In a biennial budget submission, the first fiscal year of a 2-year period for which the budget is considered.

Budget Year 2 (BY2): In a biennial budget submission, the second fiscal year of a 2-year period for which the budget is being considered

Budget Year(s)+1 (BY(s)+1): The fiscal year immediately following the budget year(s). This format continues through Budget Year +5 (BY+5), the fifth fiscal year following the budget year(s).

FITR: Fork in the Road: Decision Point. The starting year where a program for a future or replacement capability must begin receiving funding if the capability is to be available at the desired time, assumes a normal acquisition profile. The FITR can be a decision between a service life extension to an existing program versus the start of a replacement program.

Fix in Execution: An intentional decision by the AFCS to risk under- funding a program or crosscutter in the POM, BES, or PB for a wide range of reasons, such as: additional funds would be at risk with OSD or Congress, the cost estimate is perceived as overly pessimistic, the program is linked with another program and the two will move funds between them, or it is a traditional recipient of additional funds during the execution year.

FOA/DRU: Field Operating Agency/Direct Reporting Unit: FOAs are a subordinate, supporting unit to a major command or USAF headquarters. DRUs report directly to the CSAF/SECAF; examples include the Air Force Academy, AF Studies and Analysis Agency, and the 11th Wing (where funds for numerous FOAs are programmed and executed).

FOC: Full operational capability: The full attainment of the capability to effectively employ a weapon system, item of equipment, or system-of-approved specific characteristics, manned and operated by a trained, equipped, and supported military unit or force. FOC is not necessarily a date, but is the criteria necessary to declared full operational capability.

FSDM – Force Structure Data Management: The system that replaced Program Data System (PDS) and tracks programmed and actual aircraft inventories as well as programmed and actual flying hours. FSDM – like PDS – also contains all aircraft basing information.

FOS: Family of Systems: A set or arrangement of independent systems that can be arranged or interconnected in various ways to provide different capabilities. The mix of systems can be tailored to provide desired capabilities, dependent on the situation.

Full-Funding Policy: The practice of funding the total cost of major procurement and construction projects in the fiscal year they will be initiated. It is Department of Defense policy to fully fund procurements covered within the procurement title of the annual DoD Appropriations Act. There are two basic policies concerning full funding. The first is to provide funds at the outset for the total estimated cost of a given program so Congress and the public can be fully aware of the dimensions and cost when the program is first presented in the budget. The second is to provide funding each fiscal year to procure a complete, usable end item. In other words, an end item budgeted in a fiscal year cannot depend upon a future year's funding to complete the procurement. However, efficient production of major defense systems necessitated two general exceptions to this policy - advance procurement for long lead-time items, and advance economic order quantity (EOQ) procurement. EOQ is normally associated with multi-year procurements but can be requested for annualized procurements on an exception basis for unusual circumstances (such as

combined parts buys for a block of satellites). Both efforts must be identified in an Exhibit P-10, Advance Procurement, when the Budget Estimate Submission is submitted to OSD, and when the President's budget request is submitted to the Congress

Full Operational Capability (FOC)—The full attainment of the capability to effectively employ a weapon system, item of equipment, or system of approved specific characteristics, which is manned and operated by a trained, equipped, and supported military unit or force. FOC is not necessarily a date; it defines the criteria necessary to declare full operational capability.

Full-rate production: Production of economic quantities following stabilization of the system design, and prove-out of the production process.

Functional Needs Analysis (FNA)—It assesses the ability of the current and programmed joint capabilities to accomplish the tasks that the FAA identified, under the full range of operating conditions and to the designated standards. Using the tasks identified in the FAA as primary input, the FNA produces as output a list of capability gaps/shortfalls that require solutions, and indicates the time frame in which those solutions are needed. The sponsor leads the FNA.

Functional Solution Analysis (FSA)—It is an operationally based assessment of all potential DOTMLPF approaches to solving (or mitigating) one or more of the capability gaps (needs) previously identified. On the basis of the capability needs, potential solutions are identified, including (in order of priority) integrated DOTMLPF changes that leverage existing materiel capabilities; product improvements to existing materiel or facilities; adoption of interagency or foreign materiel solutions; and finally, initiation of new materiel programs. Identified capability gaps/shortfalls or redundancies (excess to the gap/shortfall) establish the basis for developing materiel approaches in ICD and/or DOTMLPF approaches through CJCSI 3180.01.

Fund Code: Two-digit number used in ABIDES to identify OSD's four-digit appropriation code. For example, appropriation 3400, AF O&M, is fund code 30 in ABIDES.

FYDP: Future Years Defense Program: A massive DoD database and internal accounting system that summarizes forces and resources associated with programs approved by the Secretary of Defense (SECDEF). Its three parts are the organizations affected, appropriations accounts (Research, Development, Test and Evaluation (RDT&E), Operation and Maintenance (O&M), etc.), and the 11 major programs (strategic forces, mobility forces, R&D, etc.). The FYDP allows a crosswalk between DoD's internal system of accounting via 11 major programs and congressional appropriations. The primary data element in the FYDP is the Program Element (PE). The FYDP is updated three times during a single Planning, Programming, Budgeting and Execution (PPBE) Process cycle: submission of the combined Program Objectives Memorandum (POM)/Budget Estimate Submission (BES) (usually August/September), and submission of the President's Budget (PB) (early February the year following).

GDF: Guidance for the Development of the Force: *(Legacy Term as of 2010).* This GDF was a single, fiscally informed document replacing the policy/strategy sections of the Strategic Planning Guidance (SPG). It, in turn, has been replaced by the Defense Planning and Programming Guidance. (see DPG.)

GEF: Guidance for the Employment of the Force: Strategic guidance from OSD that serves as the basis for the COCOM IPLs.

GDP: Gross Domestic Product: value of the total amount of goods and services produced by a nation.

GTBL: Getting to the Bottom Line: An AFB exercise to get all of the priority programs above the funding line with the rest of the Air Force program reasonably balanced. In the end, their accepted disconnects and initiatives will equal the offsets or D+I=O.

Group: Second-level indenture within the ABIDES Viewer breaking a roll-up into identifiable components. For example Flight Training, Initial, 18a, captures the costs associated with undergraduate flight training, and Flight Training Operational, 18b, captures weapon system qualification training. (See Roll-up and Program code)

Harmonization: The process and results of adjusting differences or inconsistencies to bring significant features into agreement (Joint Publication 1-02). It implies especially that comparatively minor differences in requirements should not be permitted to serve as a basis for the support of slightly different duplicative programs and projects.

Headroom: A year in the FYDP where there is more TOA than program. Years with headroom are the recipients of programs that slip or accelerate from years with more program than funding. Normally this is an out year.

Highly sensitive classified program: An acquisition special access program established in accordance with DoD 5200.1-R, Information Security Program Regulation, and managed in accordance with DoD Directive 5205.7, Special Access Program Policy.

HSI: Human systems integration: A disciplined, unified, and interactive approach to integrate human considerations into system design to improve total system performance and reduce cost of ownership. The major elements of HSI are manpower, personnel, training, human factors safety, health hazards, and personnel survivability.

IBRC: Investment Budget Review Committee: Chaired by the Director of Budget Investment, SAF/FMBI. It reviews the execution of investment programs, and recommends program adjustments to the AFCS.

ICD: Initial Capabilities Document: makes a case for capability to resolve gap identified by Joint Capabilities Integration & Development System (JCIDS) analysis. Defines gap in terms of functional areas, relevant range of military operations, time, obstacles to overcome, and key attributes with appropriate measures of effectiveness as well as proposes a recommended solution serving as the beginning for analysis of alternatives. Once approved, it is not normally updated.

Implementing command: The command or agency designated by the Air Force Acquisition Executive to manage an acquisition program.

Incremental Funding: The phasing of total funding of programs or projects over two or more fiscal years based upon levels and timing of obligational requirements for the funds. Differs from full funding concept where total funds for an end item, program, or project are provided in the fiscal year of program or project initiation, regardless of the obligational requirement for the funds.

Information security: The result of any system-of-policies and procedures for identifying, controlling, and protecting information from unauthorized disclosure, whose protection is authorized by executive order or statute.

Initiative: A new program not yet approved or approved and not previously funded in the FYDP or a change in an approved program's content requiring funds.

Innovation: Taking advanced technologies and putting them into the hands of the warfighter faster. Referred to as an "emerging concept" matched of an operational need a compelling military capability to an operational need. Current vehicles of innovation include Advanced Technology Demonstrations (ATDs), Advanced Concept Technology Demonstrations (ACTDs), Battlelab Initiatives (from the six AF Battlelabs), and Spiral Development.

In-production system: System for which the Air Force is still accepting deliveries. (For example, the Air Force is still accepting Block 50 F-16 aircraft; they are in-production. This is not true for Block 30 F-16; this system is out of production, even though they are both F-16 aircraft. A modification on the Block 50 could be done at the factory, requiring an assembly line change. There is no opportunity to change the assembly line of the block 30.)

Input Sources: term used to describe those organizations (MAJCOMs, CFLs, FOAs, DRUs) in the USAF who make inputs to the POM build.

Intermediate Level Review (ILR): Replaced by the Air Force Group in 2015. Advised and provided recommendations to the Air Force Board (AFB) regarding major programming and other staffing issues. Conducted corporate reviews of the resource allocation process, enhanced the corporate decision process, and worked to shape and refine proposals prior to presentation to the AFB and the Air Force Council (AFC). Membership is at the Colonel/civilian equivalent level.

Interoperability: The ability of systems, units, or forces, to work in conjunction with other systems and provide services to or accept services from other systems, units, or forces and to use the services so exchanged to operate effectively together.

IOC: Initial operational capability: That first attainment of the capability to effectively employ a weapon, item of equipment, or system of approved specific characteristics with the appropriate number, type, and mix of trained and equipped personnel necessary to operate, maintain, and support the system. It is normally defined in the Capability Development Document (CDD) and the Capability Production Document (CPD).

IPL: Integrated Priority List: A list of combatant commanders highest priority requirements, prioritized across Service and functional lines. They define shortfalls in key programs that may adversely affect the combatant commander's mission. During the Program Review, OSD and JCS evaluate how well Service POMs support the Combatant Commander IPLs.

ISP: Intelligence Support Plan: The authoritative reference document for identifying, planning, and monitoring implementation of intelligence infrastructure requirements for a system from need definition through system retirement.

Issue Books: The compilation of issue papers by OSD that require 3-star Group and SLRG deliberations. The issue papers come from analysis of the Service POMs, inputs from Combatant Commanders, OSD, and OMB. Everyone has an opportunity to comment regarding the issues. Service staffs prepare Facing Slides for issues in the book to prepare their representatives for the 3-star Group and SLRG.

IWSM: Integrated Weapon System Management: A management concept created to consolidate responsibility for managing all facets of the development, production, modification, support, and retirement of a weapons system under a single manager.

J-Books: Budget Justification Documentation: Supporting documentation provided to OSD with the BES and to Congress with the PB showing how and why the Air Force intends to use the funds requested in the budget. Justification is by appropriation and program. For O&M, accounts justification is by Sub-Activities such as base support within four Activity-Groups, Combat Forces, Mobility Forces, Training/Recruiting, and Admin/Service-wide support. See Omnibus Reprogramming for importance.

Joint Capabilities Board (JCB)—The JCB functions to assist the JROC in carrying out its duties and responsibilities. The JCB reviews and, if appropriate, endorses all JCIDS and DOTMLPF proposals prior to their submission to the

JROC. The JCB is chaired by the Joint Staff, J-8, Director of Force Structure, Resources, and Assessment. It is comprised of Flag Officer/General Officer representatives of the Services.

JCIDS: Joint Capabilities Integration and Development System: CJCS system for identifying, assessing, and prioritizing joint military capability needs through the Joint Requirements Oversight Council (JROC). It implements a capabilities-based approach to better leverage the expertise in all government agencies, industry, and academia to identify improvements to existing capabilities, and to develop new warfighting capabilities. JCIDS products are the ICD, CDD, and CPD in support of major systems acquisition.

JDP: Joint Potential Designator: The JPD establishes the body responsible for final validation and approval of the Joint Capabilities Integration and Development System (JCIDS) document, any certifications that may be required (e.g., National Security System (NSS) and Information Technology System (ITS) interoperability and supportability certifications, or intelligence or munitions insensitivity certifications), and the staffing distribution for the document. According to CJCSI 3170.01C, there are four Joint Potential Designators as shown below:

<u>**JROC (Joint Requirements Oversight Council) Interest:**</u> Applicable to all Acquisition Category (ACAT) I/IA programs and programs designated as JROC Interest. All Capstone Requirements Documents (CRDs) will be designated as JROC Interest. The JROC validates and approves the Joint Capabilities Integration and Development System (JCIDS) documents of JROC Interest programs.

<u>**Joint Impact:**</u> Applicable to all Acquisition Category (ACAT) II and below programs where the concepts and/or systems associated with the document affect the joint force such that an expanded review is appropriate in order to ensure the most appropriate and effective solution is developed for the joint warfighter. The Functional Capabilities Board (FCB) validates and the DoD Component approves the Joint Capabilities Integration and Development System (JCIDS) documents of Joint Impact programs.

<u>**Joint Integration:**</u> Applicable to Acquisition Category (ACAT) II and below programs where the concepts and/or systems associated with the document do not significantly affect the joint force and an expanded review is not required, but interoperability, intelligence, or munitions certification is required. The DoD Component validates and approves the Joint Capabilities Integration and Development System (JCIDS) documents of Joint Integration programs.

<u>**Independent:**</u> Applicable to Acquisition Category (ACAT) II and below programs where the concepts and/or systems associated with the document do not significantly affect the joint force, an expanded review is not required, and no certifications are required. The DoD Component validates and approves the Joint Capabilities Integration and Development System (JCIDS) documents of Independent programs.

Joint: A potential for joint program management, joint funding, and joint development or procurement exists. (CJCSI 3170.01)

Joint Functional Concept (JFC)—An articulation of how a future Joint Force Commander will integrate a set of related military tasks to attain capabilities required across the range of military operations. Although broadly described within the Joint Operations Concepts, they derive specific context from the Joint Operating Concepts and promote common attributes in sufficient detail to conduct experimentation and measure effectiveness.

Joint Operating Concept (JOC)—An articulation of how a future Joint Force Commander will plan, prepare, deploy, employ, and sustain a joint force against potential adversaries' capabilities or crisis situations specified within the range of military operations. Joint Operating Concepts guide the development and integration of Joint Function

Concepts (JFCs) to provide joint capabilities. They articulate the measurable detail needed to conduct experimentation and allow decision makers to compare alternatives.

Joint Operations Concepts (JOpsC)—A concept that describes how the Joint Force intends to operate in 15 to 20 years from now. It provides the operational context for the transformation of the Armed Forces of the United States by linking strategic guidance with the integrated application of Joint Force capabilities.

Joint program—Any Defense acquisition system, subsystem, component, or technology program involving formal management or funding by more than one DoD component during any phase of a system's life-cycle.

Joint Programming Guidance (JPG): *Legacy term as of 2010.* This document, issued by the Secretary of Defense, provided firm guidance in the form of goals, priorities, and objectives, including fiscal constraints, for the development of the Military Departments, Defense agency, and USSOCOM POMs. It has been replaced by the Defense Planning and Programming Guidance (see DPPG.)

JROC: Joint Requirements Oversight Council: The Joint Requirements Oversight Council is responsible to the Chairman of the Joint Chiefs of Staff for assessing military requirements supporting of the system acquisition process. The Vice Chairman of the Joint Chiefs of Staff chairs the Council and decides all matters before the Council. The permanent members include the Vice Chiefs of the Army and Air Force, the Vice Chief of Naval Operations, and the Assistant Commandant of the Marine Corps. The Council directly supports the Defense Acquisition Board through the review, validation, and approval of military requirements at the start of the acquisition process, prior to each milestone review, or as requested by the Under Secretary of Defense for Acquisition.

KBI: Kenney Battlelab Initiatives: Acquisition Process Experiment that is: 1) Innovative, 2) relatively straight forward to plan and execute, and 3) funded within programmed levels. Initiatives must meet all of these criteria to be considered a KBI. KBIs are normally executed by a single Battlelab, but may involve more than one. The sponsoring Battlelab will execute KBIs approved by the appropriate MAJCOMs or FOAs.

Kick the Can: Delay a decision on a program or move program content to the out years (move it to the right), or take the risk of fixing it in execution.

KPP: Key performance parameter: Those minimum attributes or characteristics considered most essential for an effective military capability. KPPs are validated by the Joint Requirements Oversight Council (JROC) for JROC Interest documents, by the Functional Capabilities Board (FCB) for Joint Impact documents, and by the DoD Component for Joint Integration or Independent documents. The Capability Development Document (CDD) and the Capability Production Document (CPD) KPPs are included verbatim in the Acquisition Program Baseline (APB). (CJCSI 3170.01C)

Large Group: One of a number of SECDEF advisory groups that may provide recommendations to SECDEF in development of the OSD POM. Service participation in the Large Group is usually invited.

Lead command: The command who serves as operators interface with the Single Manager for a weapon system, but not to be confused with that MAJCOM designate by HQ USAF/A5R as OPR for authoring a requirements document. Although, in most cases, the MAJCOM designated by HQ USAF/A5R to sponsor a requirement will become the "lead command" for a weapon system.

Least Dear: Those programs or initiatives with the lowest priority for funding

Level of effort programs: Programs with generally identifiable content, but no clear metric for meeting "full funding" criteria. Examples are BOS and RPM.

Limit: The limitation or subhead is a four-digit suffix to the U.S. Treasury account number (basic symbol). The limitation is used to identify a subdivision of funds restricting the amount or use of funds for a certain purpose, or identifies sub-elements within the account for management purposes. On accounting documents, the limitation is preceded by a decimal point. If there is no limitation, leave these positions blank.

Logistics Support Analysis: The selective application of scientific and engineering efforts undertaken during the acquisition process. As part of the systems engineering process, logistics support analysis assists: causing support considerations to influence design; defining support requirements related optimally to design and to each other; acquiring the required support; and providing the required support during the operational phase at minimum cost.

LRIP: Low-rate initial production: The production of a system in limited quantity to provide articles for operational test and evaluation, to establish an initial production base, and to permit an orderly increase in the production rate sufficient to lead to full-rate production on successful completion of operational testing.

MAIS: Major Automated Information System: An acquisition program that is: 1) designated by the ASD(NII) as an MAIS; or 2) estimated to require program costs in any single year in excess of $32 million (FY 2000 constant dollars), total program in excess of $126 million (FY 2000 constant dollars), or total Life Cycle Costs (LCCs) in excess of $378 million (FY 2000 constant dollars). MAISs do not include Information Technology (IT) that involves equipment that is an integral part of a weapon system or is an acquisition of services program.

Major System: A combination of elements that shall function together to produce the capabilities required to fulfill a mission need, including hardware, equipment, software, or any combination thereof, but excluding construction or other improvements to real property. A system shall be considered a major system if it is estimated by the DoD Component Head to require an eventual total expenditure for Research, Development, Test and Evaluation (RDT&E) of more than 140 million in FY 2000 constant dollars, or for procurement of more than 660 million in FY 2000 constant dollars, or is designated as major by the DoD Component Head.

Manpower and Personnel—The identification and acquisition of military and civilian personnel with the skills and grades required to operate and support a materiel system over its lifetime at peacetime and wartime rates.

Materiel Management: Direction and control of those aspects of logistics which deal with materiel, including the functions of identification, cataloging, standardization, requirements determination, procurement, inspection, Quality Control (QC), packaging, storage, distribution, disposal, maintenance, mobilization planning, industrial readiness planning, and item management classification; encompasses materiel control, inventory control, inventory management, and supply management.

MBI: Major Budget Issue: Those few, most significant issues the Services have with adjustments made by OSD PBDs during the Budget Review Cycle. They are tentatively identified when the corporate structure builds the reclama to the PBD. They are either a policy or a funding issue of great concern to the Air Force. The first effort to resolve MBIs is between the Assistant Secretary of the Air Force (Financial Management and Comptroller (SAF/FM) and the Under Secretary of Defense (Comptroller) (USD(C)) in an "Out of Court" Session. Those issues not resolved in that meeting are discussed between the SECAF, CSAF, and SECDEF.

MDA: Milestone Decision Authority: Designated individual with overall responsibility for a program. The MDA shall have the authority to approve entry of an acquisition program into the next phase of the acquisition process and shall be accountable for cost, schedule, and performance reporting to higher authority, including congressional reporting. (DoDD 5000.1)

MDAP: Major defense acquisition program: An acquisition program that is designated by the Under Secretary of Defense (Acquisition, Technology, and Logistics) (USD(AT&L)) as an MDAP, or estimated by the USD(AT&L) to require an eventual total expenditure for Research, Development, Test and Evaluation (RDT&E) of more than 365 million in Fiscal Year (FY) 2000 constant dollars or, for procurement, of more than 2.19 billion in FY 2000 constant dollars.

MDS: Mission Design Series: System by which military aircraft are identified. Mission is fighter (F), Bomber (B), Cargo (C), etc., design is it's design number during development, and series represents any major changes: for example F-15A, B, C, D, E or the C-5A and C-5B. Some aircraft haven't changed enough structurally to get an entire series identification, so they may have a block identification associated with their production run. The F-16C and D represent the single seat and two seat series upgrades from the F-16 A/B, but they have several different blocks based on avionics or other minor configuration enhancements. The B-2A went from block 10 to block 20, and then block 30 as the final production configuration was achieved. Early B-2s were sent back through the production line to become block 20s and sent through again to become block 30s. The last few B-2s were produced as block 30s. In the case of the F-16, the variances came because of the very long production run of the F-16C, and the continuing improvements in technology. For the B-2, it was because of the overlap of test and production.

MFP: Major Force Program: MFPs are directed by Congress to identify funds in areas of activity or capability regardless of the Service. MFP code is the first 2 numbers of each 8-digit PE. The PE for B-52s and SSBNs both start with 01 for strategic forces, while Air to Ground fighters, destroyers and Apache Helicopters all start with 02 for general purpose forces

MID: Management Initiative Decision: A decision document similar to a Program Budget Decision, but designed to institutionalize management reform decisions. A MID may be issued at any time during the year. The OSD Comptroller incorporate any funding adjustments into the next President's Budget. No MIDs have been issued since FY2007.

MID 913: Management Initiative Decision 913: An OSD directive, issued in 2003, implementing a 2-Year Planning, Programming, Budgeting, and Execution Process. This directive stated OSD would evolve from an annual POM/BES cycle to a biennial (2-year) cycle. The Department would formulate 2-year budgets and use the off year to focus on budget execution and program performance. MID 913 has been overcome by events of the OSD FY10.5 and FY11 Review processes, and the biennial cycle it mandated was superseded by OSD Guidance in spring 2010 directing the DoD to return to an annual POM/BES cycle.

Milestones: The point at which a recommendation is made and approval sought regarding starting or continuing an acquisition program, i.e., proceeding to the next phase. Milestones established by DoDI 5000.2 are: MS A that approves entry into the Technology Development (TD) phase; MS B that approves entry into the System Development and Demonstration (SDD) phase; and MS C that approves entry into the Production and Deployment (P&D) phase. Also of note are the Concept Decision (CD) that approves entry into the Concept Refinement (CR) phase; the Design Readiness Review (DRR) that ends the System Integration (SI) effort and continues the SDD phase into the System Demonstration (SD) effort; and the Full Rate Production Decision Review (FRPDR) at the end of the Low Rate Initial Production (LRIP) effort of the P&D phase that authorizes Full Rate Production (FRP) and approves deployment of the system to the field or fleet.

Mini-Skulls: last-minute preparation of senior Air Force leaders, such as the CSAF or SECAF, to defend the AF program or budget, usually the morning of the event, and usually focused on the most critical issues.

Mission Area: Obsolete, see Functional Area

Mission deficiency: The inability to accomplish an operational or support task required to achieve a military objective.

Modification: An alteration to a produced material item applicable to aircraft, missiles, support equipment, trainers, etc. As a minimum, the alteration changes the fit or function of the item.

MOE: Measure of Effectiveness: A qualitative or quantitative measure of a system's performance or a characteristic indicating the degree it performs the task or meets a requirement under specified conditions. MOEs should be established to measure the system's capability to produce or accomplish the desired result.

MOP: Measure of Performance: A quantitative measurement of the system's capability to accomplish a task. Typically, it is in the area of physical performance (e.g., range, velocity, throughput, payload.).

Most Dear: Those programs or initiatives with the CSAF's and SECAF's highest priority for funding

NDI: Non-developmental Item: NDIs are: Any item commercially available in the market place; any previously developed item in use by a department or agency of the United States, a state or local government, or a foreign government with which the United States has a mutual defense cooperation agreement; any of the above items requiring only minor modifications to meet the requirements of the procuring agency; any of the above items of supply currently produced but is not yet in use or is not yet available in the commercial marketplace, or any commercial-off-the-shelf (COTS) item.

NSC: National Security Council: The National Security Council is chaired by the President. Its statutory members, in addition to the President, are the Vice President and the Secretaries of State and Defense. The Chairman of the Joint Chiefs of Staff is the statutory military advisor to the Council, and the Director of Central Intelligence is the intelligence advisor. The Secretary of the Treasury, the U.S. Representative to the United Nations, the Assistant to the President for National Security Affairs, the Assistant to the President for Economic policy, and the Chief of Staff to the President are invited to all meetings of the Council. The Attorney General and the Director of the Office of National Drug Control Policy attend meetings pertaining to their jurisdiction; other officials are invited, as appropriate.

NSS: National Security Strategy: Broad document published by the NSC outlining the defense, economic, internal, and international security objectives of the United States. Specific recommendations or directives are written as Presidential Decision Directives (PDDs) or Presidential Review Directives (PRDs).

Need: The identification of a mission deficiency satisfied by a materiel or non-materiel solution.

Negative Wedge: Taking anticipated savings from a program prior to implementing the initiative, and understanding the actual savings, e.g., Competitive Sourcing and Privatization.

New Start: An item or effort appearing in the President's Budget (PB) for the first time; an item or effort that was previously funded in basic or applied research and is transitioned to Advanced Technology Development (ATD) or engineering development; or an item or effort transitioning into procurement appearing in the PB for the first time in the investment area. Often confused with program initiation, an acquisition term that describes the milestone decision that initiates an acquisition program.

Non-discretionary Spending: Those expenses or entitlements Congress defines and Treasury must outlay funds against when presented. For example, payment of unemployment compensation or interest on the national debt. Funds are available until Congress takes a positive step to stop the entitlement or program such as repealing legislation or enacting a sundown clause.

Normalized: (1) Database – To render constant or to adjust for known differences. (2) Dollars – Various fiscal year costs are inflated/deflated to a common year basis for comparison.

O&M, Operations and Maintenance: Annual appropriation for operating expenses, such as fuel, utilities, real property maintenance. O&M is programmed in each individual program, but the Operating Budget Review Committee (OBRC) reviews it as part of the AFCS, and SAF/FMBO executes it through the field commands.

OBAN: Operating Budget Account Number: A two-digit number assigned by the operating agencies (e.g., MAJCOMs) to identify a specific operating budget. This term is comparable to "allotment serial number."

OBAD: Operating Budget Authority Document: Documents issued from a higher headquarters containing operating budget authorities for a given fiscal year. The OBAD will grant obligation authority for only the Operations and Maintenance Appropriation. The OBAD identifies both annual programs and cumulative programs.

Obligation(s): The legal reservation of a specific amount of funds associated with a firm contract or other obligating document. An obligation represents a legal and binding promise to purchase a service or supply item from a vendor. Amounts of orders placed, contracts awarded, services received, and similar transactions during an accounting period requiring payment during the same or future period. Such amounts include payments, for which obligations previously were not recorded, and adjustments for differences between obligations previously recorded and actual payments to liquidate those obligations. There are three types of obligations: Undelivered Orders Outstanding (UOO), Accrued Expenditures Unpaid (AEU), and Accrued Expenditures Paid (AEP).

Obligation Authority: The sum of (1) budget authority provided for a given fiscal year, (2) balances of amounts brought forward from prior years remaining available for obligation, and (3) amounts authorized to credited to a specific fund or account during that year, including transfers between funds or accounts. (See "Budget Authority.")

Obligation Rate: The percentage of funds obligated over time. Used by OSD to evaluate program financial execution; metric forecasts expenses. OSD sets obligation rate goals varying by appropriation code. For example, programs should obligate 90% of 3600 RDT&E funds in their first year of availability, while most procurement, 3010, 3020, 3011, is 80%, and 3400 O&M is 80% in the first 9 months of a year, with 100% by the end of a year.

Objective: The objective is that value desired by the user, which could potentially have a measurable increase in performance over the threshold. An objective value may be the same as the threshold when an operationally significant increment above the threshold is not significant or useful. (CJCSI 3170.01C)

OBRC: Operating Budget Review Committee: AFG-level deliberative body of the AF Corporate Structure. Chaired by the Director of Budget Operations, SAF/FMBO, with all the members of the AFG invited. It develops the Air Force financial plan for executing the O&M portion of the PB Congress passed. OBRC proposes funding priorities for CSAF and SECAF, and briefs them through the AFB and AFC. OBRC manages the execution risks from the POM or from OSD or Congressional action.

Offset: Resources offered to "pay" for a Program Change Request action, disconnect, or initiative; funds in an existing approved program removed from the program to fund higher priority requirements. Funds should be excess to need in the approved program or they will create a disconnect.

OMB: Office of Management and Budget: An element of the President's Executive Staff responsible for developing and presenting the President's Budget to Congress between the 1st Monday in January and the 1st Monday in February each year. OMB reviews and integrates each department's budget into a unified federal budget submission. Because the Defense Department represents such a large part of the discretionary budget, and the review effort is

so time-consuming, OMB analysts participate in the OSD review rather than conducting a separate review of their own.

Omnibus Reprogramming: Single, all-encompassing request from OSD submitted through OMB to Congress each year requesting realignment of appropriated funds to improve financial execution. Provides line-item justification for transfer from a losing program appropriation (source) to a gaining program appropriation (requirement).

Operating Command: The command primarily operating a system, subsystem, or item of equipment; generally applies to those operational commands or organizations designated by Headquarters, U.S. Air Force to conduct or participate in operations or operational testing. Interchangeable with the term "Using Command" or "user."

Operational Assessment: An analysis of potential operational effectiveness and operational suitability made by an independent operational test activity, with user support as required, on other than production systems. The focus of an operational assessment is significant trends noted in development efforts, programmatic voids, areas of risk, adequacy of requirements, and the ability of the program to support adequate operational testing. Operational assessments may be made at any time using technology demonstrators, prototypes, mock-ups, engineering development models, or simulations, but will not substitute for the independent operational test and evaluation necessary to support full production decisions.

Operational Effectiveness: The overall degree of mission accomplishment of a system used by representative personnel in the environment, planned or expected (e.g., natural, electronic, threat, etc.), for operational employment of the system; considers organization, doctrine, tactics, survivability, vulnerability, and threat (including countermeasures, initial nuclear weapons effects, nuclear, biological, and chemical contamination [NBCC] threats).

Operational Reliability and Maintainability Value: Any measure of reliability or maintainability that includes the combined effects of item design, quality, installation, environment, operation, maintenance, and repair.

Operational Suitability: The degree to a system can be placed in field use satisfactorily with consideration given to availability, compatibility, transportability, interoperability, reliability, wartime usage rates, maintainability, safety, human factors, manpower and, logistics supportability, natural environmental effects and impacts documentation, and training requirements.

Originating Command: The Air Staff office, major command, or field operating agency who prepares a document in compliance with this instruction. Includes civilian pay, installation repair and maintenance and minor construction, flying hour costs, travel pay, service and support contract costs, transportation costs, purchase of supplies and non-capital equipment, and depot maintenance as examples. The account for the Active Air Force is appropriation 3400; the account for the Air Force Reserve is appropriation 3740 and the account for the ANG is appropriation 3840. Funds are available one year for obligation.

Outlay: The amount of checks issued or other payments made (including advances to others), net of refunds, and reimbursements. Outlays are net of adjustments to obligational authority. The terms "expenditure" and "net disbursement" are frequently used inter-changeably with the term "outlay." Gross out-lays are disbursements, and net outlays are disbursements (net of refunds) minus reimbursements collected.

Out Years: Normally the years of the FYDP not included in the execution or budget years, but can be years beyond the FYDP. From the time a fiscal year enters the programming years until it becomes the execution year, there are 18 opportunities to adjust funding and content within it and, therefore, change it significantly. Hence the saying, "the out years never get here."

Participating Command: A command or agency designated by the Air Force Acquisition Executive to advise the program manager and to take an active part in developing a new system. The supporting command is also a participating command.

PB: President's Budget: The budget for a particular fiscal year transmitted to the Congress by the President in accordance with the Budget and Accounting Act of 1921, as amended. Some elements of the budget, such as the estimates for the legislative branch and the judiciary, are required to be included without review by the Office of Management and Budget or approval by the President. The PB is assemble by Office of Management and Budget and presented to Congress no earlier than the 1st Monday in January, and no later than the 1st Monday in February each year.

PBD: Program Budget Decision: A budget decision document issued during the joint review of Service budget submissions by analysts of the Office of the Secretary of Defense (OSD) and the Office of Management and Budget (OMB). PBDs reflect the decisions of the Secretary of Defense appropriate program and funding adjustments to a Service BES that, in turn, is included in the President's Budget.

PBR: Program Budget Review: (Legacy Term) Until the FY17-21 PPBE cycle, the POM and BES were submitted and concurrently reviewed at the OSD level. As of 2015, the two Reviews (Program Review and Budget Review) are now separate.

PCP: Program Change Proposals: *While revised to "change proposals" in the FY 2007-2011 Program and Budget review process", it is included here to provide a more complete description of the terms used in the DoD Financial Management Regulation*. The instrument by which the Services were allowed to make limited adjustments to their Programs in the *"off-year."* in lieu of a Program Objectives Memorandum (POM). Projected program increases must be accompanied by specific program decreases of equal value. PCPs were resolved through Program Decision Memorandums (PDMs) or PBDs, but have not been used since FY2007.

PCR: Program Change Request: Document used to request an out-of-cycle change to the FYDP program structure (during the execution and budget years). Can be initiated by Headquarters USAF, the MAJCOMs, or other programming agencies. Changes to the Air Force Program beginning beyond the execution and budget years should be part of the Program Agency initiatives or disconnects during the next programming phase.

PDM: Program Decision Memoranda: A document containing the decisions by the Secretary of Defense regarding the program and resource levels identified in the Service Program Objective Memorandum.

Peanut Butter Spread: Percentage cut spread among all eligible programs to create an offset when a single bill payer isn't readily discernable or forthcoming. Normally this is used to pay a corporate bill or to spread TOA reductions not applied to exempted programs.

PEC: Program Element Code/Program Element: A description of a mission by the identification of the organizational entities and resources needed to perform the assigned mission. Resources consist of forces, manpower, materiel quantities, and costs, as applicable. The program element is the basic building block of the Future Years Defense Program. Used by the OSD to group funds by major force program and specific programs, the code is structured to show the major force program (01 to 11), any special categories such as a budget activity (2 digits), a unique, specific program such as undergraduate flying training (3 digits), and the Service (single letter, f = Air Force) The program element is 8 digits for OSD. In ABIDES, the program element codes are 6 digits, the first 0 is dropped (for MFP 10 & 11 we use a & b) and the f is dropped. The terms are often used interchangeably. To change a PE you go through SAF/FMPE to OSD CAPE for approval.

PEM: Program Element Monitor: Individual charged with monitoring all aspects of a programs' programming, budgeting, and execution to advise the AFCS, SPD, or Using Command regarding issues

PEO: Program Executive Officer: A military or civilian official who has primary responsibility for oversight of several ACAT I programs, and for assigned ACAT II and III programs. A PEO has no other command or staff responsibilities within the Component, and only reports to and receives guidance and direction from the DoD Component Acquisition Executive.

Program Guidance Memorandum (PGM): Document developed by the "Engine Room", SAF/FMPE, that applies a "programming spin" on the PPG. The PGM is also a companion document to the POM Preparation Instrctuion (PPI) that also is deveioled by SAF/FMPE.

Performance: Those operational and support characteristics of the system allowing it to perform its assigned mission over time effectively and efficiently. The support characteristics of the system include both supportability aspects of the design and the support elements necessary for system operation.

Personnel: Those individuals required in either a military or civilian capacity to accomplish the assigned mission. Also, Manpower and Personnel

Plus Up: Increase in Topline

PM/PD Program Manager/Program Director: The individual designated in accordance with criteria established by the appropriate Component (Air Force) Acquisition Executive to manage an acquisition program, and appropriately certified under the provisions of the DAWIA. PM is responsible for the execution of a program within the approved Acquisition Program Baseline. This individual is accountable to the AFAE through the Program Executive Officer (PEO) if the program is a PEO Program, or through the Designated Acquisition Commander (DAC) if the program is a DAC Program. A PM has no other command or staff responsibilities within the Component. Also, System Program Director (SPD) or System Manager (SM).

PMD: Program Management Directive: The official Air Force document used to direct acquisition or modification responsibilities to appropriate Air Force MAJCOMs for the development, acquisition, modification, or sustainment of a specific weapon system, subsystem, or piece of equipment. It is used throughout the acquisition cycle to terminate, initiate, or direct research for development, production, or modifications for which sufficient resources are identified. States program unique requirements, goals, and objectives, especially those to meet at each acquisition milestone or program review. (See HOI 800-2, Policy and Guidance for Preparing Program Management Directive)

PMO: Program Management Office: Office led by a program director charged with the life-cycle responsibility for a program under the IWSM process. Can be part of a System Program Office (SPO), led by a System Program Director, but more often the term is used interchangeably with SPO.

POM: Program Objectives Memorandum: The final product of the programming process within the Department of Defense, the Components' POM displays the resource allocation decisions of the Military Departments in responding to and in accordance with Defense Guidance.

PPBE: Planning, Programming, Budgeting and Execution System: The primary Resource Allocation Process (RAP) of DoD. It is one of three major decision support systems for defense acquisition along with Joint Capabilities Integration and Development System (JCIDS) and the Defense Acquisition System. It is a formal, systematic structure for making decisions on policy, strategy, and the development of forces and capabilities to accomplish anticipated missions. PPBE is annual process which produces a Defense Planning and Programming Guidance, an approved

Program Objectives Memorandum (POM) for the Military Departments and Defense Agencies covering five years, and the DoD portion of the President's Budget (PB) covering one year.

PPI: POM Preparation Instructions: Each year, prior to the kick off of the POM (usually in the December time frame), SAF/FMPE publishes process guidance in a document called the POM Preparation Instructions. Contents of that document typically include detailed instructions on the content and construction of RAPIDS slides and supporting documentation, a list of Panels active in that year's POM, rules governing the Baseline Extension and Zero Balance transfers, policy on the treatment of manpower chances, and the like.

Procurement Accounts: Appropriations for the purchase of Air Force capital equipment and weapons. Appropriation 3010 is for aircraft, aircraft modifications, and initial spares; 3011 is for munitions; 3020 is for missiles; 3080 is for other procurement of equipment.

Product Group Manager: The single manager who is charged with all cost, schedule, and performance aspects of a **product group**: a compilation of several specific products in all life cycle phases that are characterized by an ongoing development requirement as well as a much larger cumulative sustainment effort, and is in direct support of one or more weapon system or military system program director.

Program: An organized set of activities directed toward a common purpose, objective, or goal undertaken or proposed by an agency to carry out responsibilities/mission assigned to it.

Program Code: Program codes identify funding for programs at the lowest system level and reside in ABIDES. They can be tracked to groups and roll-ups, and serve as the third level of indenture in the ABIDES Viewer system. Examples would be F-16 crew upgrade training operations, or T-6 acquisition costs. (See roll-up and group)

Program Content: What the AFCS expects the program to deliver in any given year based on planning documents such as the PGM, PPGM or acquisition plan, guidance from the CSAF and SECAF, direction from OSD via a PDM or PBD, or the will of Congress as expressed in law or report language. Also, approved program.

Program Cost: The total of all expenditures, in any appropriation or fund, directly related to the AIS definition, design, development, and deployment, and incurred from the beginning of the "Concept Exploration" phase through deployment at each separate site. For incremental and evolutionary program strategies, program cost includes all increments. Program cost does not include operations and support costs incurred at an individual site after operational cut over of any increment at that site, even though other sites may exist and are not yet completed deployment.

Program and Budget Review Cycle: Formal review conducted by the 3-star Programmers' Group and the DMAG of Service POM submissions for compliance with the Defense Planning and Programming Guidance (DPG), Combatant Commander IPLs, and other strategic guidance. Conducted sequentially prior to the OSD Budget Review, which examines Service budget submissions for fiscal compliance and executability. Significant activity begins with submission of the Service Program/Budget Review submission in summer and ends with final adjudication of OSD Resource Management Decisions (RMDs) in the late autumn.

Program to Plan Guidance (PPG): Related to the SMP, the PPG can be used to provide updated planning and programming guidance to the Air Force as a result of senior leader discussions/decsions that take place during the Planning Choices meeting held in Nov 2015.

QDR: Quadrennial Defense Review: Congressionally directed review of defense vision, forces structure, and objectives. DoD and JCS conduct the review with the input of the Services, and provide a report to a National Defense Panel (NDP), appointed by Congress. The NDP then provides Congress their assessment of the QDR.

QFR: Question for the Record: Questions asked during Congressional Testimony deferred at the time, but requiring a formal response, are entered into the Congressional Record. Focal point is SAF/FML appropriation committee questions and SAF/LL for all other committees

RAA DATE Required Assets Available date: A date agreed to by Headquarters, Air Force Material Command and the using command where sufficient equipment, personnel, and logistics elements are available to the operational command to begin a trial period for equipment operation and support capability before initial operational capability declaration. Logistics elements include approved operational support equipment, critical spares, verified technical manuals, and training programs and courses.

Ramp Down: The reduction in annual funding levels over time as a program is reduced or eliminated in the FYDP.

Ramp Up: The increase in annual funding levels over time as a program is introduced or increased in the FYDP

RAPIDS: **Resource Allocation Programming Information Decision System:** This AF/A8P software application serves two primary purposes, developing the "perfect slide" to brief program options to the AFCS, and creating funding change documents passed to ABIDES.

RCT: Requirements Correlation Table: A three-part table, specific to Air Force-generated CDDs and CPDs, which provides an audit trail of the performance attributes an desired capabilities identified in the text of these documents. The RCT lists operator-identified performance attributes and capabilities with accompanying thresholds and objectives; identifies operator recommended key performance parameters; provides supporting rationale justifying each threshold obtained from the AoA or concept studies; and provides a concise summary to ensure decision makers have the necessary data to make informed decisions.

Read Aheads: Briefing or facer material provided in advance of the meeting or briefing to prepare participants to discuss the issues in the briefing. Usually transmitted electronically to AFG, AFB, or AFC members

Reclama: A formal response to an Issue Paper during OSD PBR that provides additional justification or clarification of a Service programming or budgetary issue to OSD and OMB reviewing authorities with the objective of sustaining the Service (Air Force) position. Reclamas are vetted at the AFB.

Reprogramming: Realignment of budget authority from where Congress appropriated it to finance another (usually emergent, un-funded) requirement in a different appropriation. Below-threshold reprogramming is accomplished within the Services. Congress authorizes the threshold amounts for realignment in advance. Reprogramming actions above the approved threshold must be sent back to Congress for approval. Approval is a two-step process. Congressional staff consents to the sources to use and the requirements to funded. It only takes one person to disapprove a source or a requirement. If a source is disapproved, then the Service must spend the money for what it was appropriated.

Requirement: A recommended solution to a mission deficiency, when validated and approved, justifies the timely allocation of resources to achieve a capability to accomplish military objectives, missions, or tasks.

Resource Management Decision (RMD): (as of 2016 – a legacy document. Replaced by the Program Decision Memoranda (PDM) for Program Issues and Program Budget Decisions (PBD) for Budget Issues.) The RMD is an OSD document that directs changes to the Services' programs. RMDs were first issued to the Services in April 2009 to reflect budget changes directed by the Obama Administration. RMDs have replaced PDMs and PBDs as the OSD-issued directive guidance resulting from the Integrated Program Budget Review.

Revisit: Programs requiring further discussion than cannot be accomplished in the current session of the AFCS due to insufficient information or the introduction of additional information.

Risk: Fact of life in planning and programming for forces and resources in a fiscally constrained environment. The Services measure the risks they take at every step of the PPBE. See Fix it in Execution and At Risk Program.

RRR: Rapid Response Process: An expedited process for documenting and staffing materiel solutions to urgent, time-sensitive requirements. The process is fully described in AFI 63-114.

Roll-up: 1) Informal term to describe the process of considering several similar but small issues requiring a single policy decision through a single line entry in the Decision Tracker. For example, disconnects for C-130, F-15, and AWACS technical orders could be a roll-up issue. 2) ABIDES Viewer capability enabling Resource Managers to look at funding issues for cross-cutters, capabilities, or functions, consisting of multiple elements of expense investment codes residing in multiple program element codes (EEICs or PECs). For example: Flying Training is 18 (see Group and Program Code).

RPM: Real Property Maintenance: Maintenance and repair of facilities and the accomplishment of minor construction financed by O&M funds instead of the MILCON appropriation. Requirement usually expressed in terms of percentage of "plant replacement value," the total value of all Air Force buildings, roads, utilities, runways, etc.

RPS: Real Property Services: Account for services such as fire protection or crash rescue, utility plant operations, purchased utilities, annual service contracts (e.g., refuse, custodial, elevator maintenance and inspection, overhead door repairs, etc.) snow removal, etc.

RTOC: Reduction in Total Ownership Cost: Program directed by USD (AT&L) aimed at reducing the acquisition, infrastructure and operating cost of major weapon systems. SAF/AQX manages the RTOC program for the Air Force. The following weapon systems identified on the RTOC website at http://www.safaqxt.rtoc.hq.af.mil/ receive additional scrutiny as RTOC pilot programs: B-1B, F-16, E-8 (JSTARS), KC-125, SBIRS, C-5A/B, C-17, E-3 (AWACS), F-117, and Cheyenne Mountain Complex (CMC).

SAMP: Single Acquisition Management Plan: A SAMP is required by SAF/AQ for all ACAT I and II programs, and is optional for ACAT III programs. The SAMP is a comprehensive, integrated document discussing all relevant aspects of a program supporting of a MS decision. As a program management strategy document, it consolidates required documentation, and is tailored for the specific needs of the program. The SAMP is structured to streamline the oversight and statutory requirements contained in all other management plans for all levels above the PEO or DAC.

SE: SEEK EAGLE: The Air Force certification program for determining safe carriage, employment and jettison limits, safe escape, and ballistics accuracy, when applicable, for all stores in specified loading configurations on United States Air Force and Foreign Military Sales (FMS) aircraft. SE includes compatibility analyses for fit, function, electromagnetic interface, flutter, loads, stability and control, and separation; stores loading procedures; ground and wind tunnel tests; and flight tests. The end product is source data for flight, delivery, loading manuals, and the weapon ballistics portion of the aircraft operational flight program.

Selected Programs: Those programs, normally acquisition category II, selected by the Air Force acquisition executive for special oversight and assigned to the management portfolio of a program executive officer.

Senior Level Review Group (SLRG): The SLRG replaced the Defense Resources Board. It oversees the PPBE process and assists the Secretary of Defense and Deputy SECDEF make decisions.

Senior Information Resources Management (IRM) Official: The senior Air Force official responsible for the IRM Program. The Assistant Secretary of the Air Force (Acquisition) is the Senior Air Force IRM official.

Skulls: Time spent preparing senior Air Force leaders such as the CSAF or SECAF to defend the Air Force program or budget before OSD or Congress.

SM: Single Manager: General term used to describe System Program Directors (SPDs), Product Group Managers (PGMs), Materiel Group Managers (MGMs), and Technology Directors who are the individuals responsible for a system, product group, or materiel group or major research area and report directly to a Program Executive Officer (PEO) or Designated Acquisition Commander (DAC).

Small Group: One of a number of SECDEF advisory groups that may provide recommendations to SECDEF in development of the OSD POM. Services are usually not invited to participate in the Small Group.

Snake Chart: The Snake Chart is a timeline published by SAF/FMPE and kept current as the exercise progresses. The Snake Chart will depict each step of the process with specific dates. For example, it will show the dates the AF Group will meet to consider Panel, MAJCOM, and CFL inputs to the POM. Because it is kept current, it may be updated two to three dozen times over the course of the exercise. It is critical that participants have a source for the current version of the Snake Chart.

SPD: System Program Director; see PM.

SPE: Senior Procurement Executive: The senior official responsible for management direction of the Air Force procurement system, including implementation of unique procurement policies, regulations, and standards. The Assistant Secretary of the Air Force (Acquisition) is the SPE. See also Air Force Acquisition Executive (AFAE).

SPWG: Special Projects Working Group: The SPWG is a hybrid of AFG and AFB usually meeting under the terms of a non disclosure agreement and charged with a special task. The FY2013 Alternate POM was created by a SPWG.

STA: System Threat Assessment: The basic authoritative threat assessment tailored for and focused on ACAT II and III program. The STA describes the threat to counter and the projected threat environment. The STA may be a stand-alone document or the threat assessment contained in the Operational Requirements Document. The threat information is based on Defense Intelligence Agency validated documents.

STAR: System Threat Assessment Report: A DIA intelligence document serving as the single authoritative reference for threat data regarding weapon system acquisition program. The STAR contains the lethal and non-lethal threats against the proposed U.S. system and the threat environment in which the system will operate.

Strategic Master Plan (SMP): The primary Air Force strategic guidance document that is reviewed every other year. It is an unclassified document with 4 Annexes (Human Capital, Strategic Posture, Capabilities, and Science and Technology). This guidance is updated annually by the SPG.

Strategic Planning Guidance (SPG): Air Force document developed by AF/A8X to instruct MAJCOMS/CFLs and the HQ Staff in the development of their POM submissions. Incorporates known elements of the Defense Planning Guidance (DPG). Signed by the Vice Chief of Staff and the Undersecretary. It is the primary strategic planning document in the Air Force and links Strategic Planning to Programming. It should be released prior to the start of the internal USAF POM effort in the January/February timeframe.

Strategic Planning Guidance (SPG): USAF document that will be used to inform and set priorities for the CFL's as they develop their Core Function Master Plans (CFMPs). The SPG will typically be released in the June timeframe.

Supplemental Appropriation: An act appropriating funds in addition to those in an annual appropriation act. Supplemental appropriations provide additional budget authority beyond original estimates for programs or activities (including new programs authorized after the date of the original appropriation act) for which the need for funds is too urgent to be postponed until enactment of the next regular appropriation act.

Supporting command: The command (usually Air Force Materiel Command) responsible for providing logistics support for a system, and assuming program management responsibility from the implementing command.

Survivability: The capability of a system to avoid or withstand man-made hostile environments without suffering an abortive impairment of its ability to accomplish its designated mission. Survivability may be achieved by avoidance, hardness, proliferation, or reconstitution (or a combination). Its components are susceptibility and vulnerability.

SVR: System Verification Review: Conducted to ensure that performance requirements of the system specification have been met. Demonstrates that the system satisfies the requirements in the functional and allocated baselines, confirms the completion of all incremental accomplishments for system verification (e.g. Functional Configuration Audits (FCAs) for Configuration Items (CIs)), and confirms readiness for production. Normally conducted during the Low Rate Initial Production (LRIP) effort of the Production and Deployment (P&D) phase.

SWAT: Senior Warfighter Action Team: A subset of the AFB or AFG convened to deal with a particular issue and develop a recommendation for consideration by the larger body. A good rule of thumb is that if you need to ask if you're a member of the SWAT, you're not.

System Acquisition Process: A sequence of specified decision events and phases directed to achieve program objectives and acquire systems. It extends from validating a requirement through deploying the system, or terminating the program.

System Capabilities: Measures of performance (such as range, lethality, maneuverability, etc.) for a system to accomplish approved military objectives, missions, or tasks.

Technical Data: Scientific or technical information recorded in any form or medium (such as manuals and drawings). Computer programs and related software are not technical data; documentation of computer programs and related software are. Also excluded are financial data or other information related to contract administration.

TEMP: Test and Evaluation Master Plan: Documents the overall structure and objectives of the Test and Evaluation (T&E) program. It provides a framework within which to generate detailed T&E plans and it documents schedule and resource implications associated with the T&E program. The TEMP identifies the necessary Developmental Test and Evaluation (DT&E), Operational Test and Evaluation (OT&E), and Live Fire Test and Evaluation (LFT&E) activities. It relates program schedule, test management strategy and structure, and required resources to: Critical Operational Issues (COIs), Critical Technical Parameters (CTPs), objectives and thresholds documented in the Capability Development Document (CDD), evaluation criteria, and milestone decision points. For multiservice or joint programs, a single integrated TEMP is required. Component-unique content requirements, particularly evaluation criteria associated with COIs, can be addressed in a component-prepared annex to the basic TEMP.

Then-Year Dollars: A constant or base-year dollar inflated or deflated to show the amount needed when expenditures are actually made. In other words, the amount spent in any given year expressed in that year's dollars.

Three-Star Programmers Group (3-Star Group): The 3-Star Group replaced the Program Review Group. It addresses major issues and presents decision options to the SLRG and SECDEF for resolution.

Threshold [Requirement]: A minimum acceptable operational value below which the utility of the system becomes questionable. (CJCSI 3170.01C) If the threshold values are not otherwise specified, the threshold value for performance will be the same as the objective value, the threshold value for schedule will be the objective value plus six months for Acquisition Category (ACAT) I programs and three months for ACAT IA programs, and the threshold value for cost will be the objective value plus 10 percent.

TIWG/TPWG: Test Integration Working Group/Test Planning Working Group: A cross functional group that facilitates the integration of test requirements through close coordination between material developer, combat developer, logistician, and developmental and operational testers in order to minimize development time and cost and preclude duplication between Developmental Testing (DT) and Operational Testing (OT). This team produces the Test and Evaluation Master Plan (TEMP) for the Program Manager (PM).

TOA: Total Obligational Authority (TOA) [Availability]: The sum of (1) all budget authority granted (or requested) from the Congress in a given year, (2) amounts authorized credited to a specific fund, (3) budget authority transferred from another appropriation, and (4) unobligated balances of budget authority from previous years which remain available for obligation. In practice, this term is used primarily when discussing the Department of Defense budget, and most often refers to TOA as "program" equating to only (1) and (2) above. **BLUE TOA:** Air Force Topline after funds accounted for in the Air Force Budget for the Air Force portion of the Defense Health Program (DHP), Special Operations Forces funding (SOF), and National Foreign Intelligence Program (NFIP) are excluded

Topline: Department total funding level in each year of the FYDP authorized by Office of Management and Budget (OMB), e.g., Service TOA.

Tradespace: Selection among alternatives with the intent of obtaining the optimal, achievable system configuration. Often a decision is made to opt for less of one parameter in order to achieve a more favorable overall system result.

Two-Liner: Succinct explanation of a program or program adjustment for the RAPIDS Slides used to brief the AFCS, and contained on the Tracker and in the CCN.

ULB: Unified Legislation for Budgeting: Process of getting agreement between the Services regarding to which personnel initiatives for entitlements will be included in the budget for funding along with a request for authorization. All Services must agree to fund in the BES, and the requested legislation is sent to Congress as part of the PB. If Congress does not authorize the entitlement, the dollars are lost.

Unexecutable: Programs unable to meet projected milestones, or deliver contracted capability due to cost, schedule, or performance (technical) problems. If the program is a weapon system, it will also be a disconnect. If the program is a level of effort, then it means the planned, programmed, and budgeted effort for a given year cannot be achieved with the funding available--could be due to cost increases or materialization of the risks taken in the PPBE.

Un-fundeds: (also Disconnects – legacy term) - An approved program unexecutable because of a shortfall of resources to satisfy the content validated by Headquarters Air Force. Specific Air Force or Office of the Secretary of Defense program budget decisions (PBDs) changing the program content or pace in the Planning, Programming, Budgeting, and Execution System cycle are not candidates for disconnects in the following year's cycle.

UPL: Un-funded Priority List: List of the highest priority un-funded items maintained at every level of the Air Force—squadron to wing/base, base to Major Command, Major Command to HQ USAF, Air Force to OSD as TAB P in the POM and in the last administration OSD to Congress with submission of the budget. Target for the next available dollar.

Upward Adjustment: An increase to an obligation due to a change in the cost of goods or services purchased. Normally used in the context of expired appropriation accounts, but it can occur at any time. The important thing is that is not for new work.

Using Command: Also known as the operating command, operator, or user: typically, the ultimate operator of a system. There are some exceptions. For example, Headquarters, Air Combat Command can be the using command for a reconnaissance satellite for which Air Force Space Command is the operating command.

Validation: 1. A process normally associated with the collection of intelligence providing official status to an identified requirement and confirming the requirement is appropriate for a given collector and was not previously satisfied. 2. In computer modeling and simulation, the process of determining the degree a model or simulation is an accurate representation of the real world from the perspective of the intended uses of the model or simulation.

Validation Authority: Someone or agency, other than the user, who gives official confirmation the system will produce the desired result.

Vector Checks: Meetings held between the AF/A8/A8P and SECAF/CSAF during AFCS POM deliberations where the SECAF/CSAF provides guidance regarding the priorities and direction of the AFCS decisions taken to date. Typically occurs at least three times in any programming session.

Vet/Vetted: To subject to thorough examination or evaluation (American Heritage College Dictionary). To brief or discuss programming issues through the AFCS to establish a program's priority for funding.

VV&A: Verification, Validation, and Accreditation: The means by which a decision maker's confidence is established and maintained regarding digital modeling and simulation results by investigation, documentation, and accreditation of databases, software, hardware, and analysts. a. Verification is the process of determining a model implementation accurately represents the developer's conceptual description and specifications. b. Validation is the process of determining (a) the manner and degree to which a model is an accurate representation of the real-world from the perspective of the intended uses of the model, and (b) the confidence to placed on this assessment. c. Accreditation is the official certification a model or simulation is acceptable for use for a specific purpose.

Weapon(s) System: A combination of one or more weapons with all related equipment, materials, services personnel and means of delivery, and deployment (if applicable) required for self-sufficiency. Items used directly by the armed forces to carry out combat missions.

Wedge: Funding laid into the POM or Budget in anticipation of defined program content; an easy target during any budget scrub. Wiser Resource Managers can confirm you "cannot sell a wedge in the Pentagon." See its opposite: negative wedge.

Workarounds: Options to recover from a cost, schedule, or technical problem to prevent or mitigate the risk to the program without adding or reducing the program funding. Normally done to avoid being a bill payer in the near term or to fix a disconnect.

ZBT: Zero Balance Transfer: An exact reallocation of resources, normally within a single program element. A ZBT is a non-programmatic action accomplished to "clean up" a data base error or realign resources to allow for better management. This is accomplished during the programming phase under the guidance of the Associate Deputy Director of Plans and Programs.

Appendix D: ABIDES Data Elements

There are numerous data elements some are applicable to all TOA appropriations while other are unique to a specific appropriation type (i.e. Procurement, O&M, etc.) and manpower and force structure have their own unique data elements. This section describes many of these data elements.

The data elements that are unique to an appropriation type are listed below with a short description, more detail to follow in this section:

Procurement (Appns 10, 14, 16, A1) –
> Budget Program (BP) is identified in positions 3 and 4 of the CE. A separate data element (outside of CE) is the Weapon System Code (WSC). This code links the resources to a weapon system (e.g. F-22, JPATS, Minuteman, etc.).

RDT&E (Appn 28) –
> Besides CE, Budget Program Activity Code (BPAC) provides the ability to shred out the Research and Development (R&D) projects within a PE.

O&M (Appns 30, 52, 55, 61) –
> Positions 3 - 5 of the CE (or the first three digits of the cost-cat) identify the AFEE. Also, for O&M, the cost-cat (positions 3-7 of the CE) is called the AF Element of Expense/Investment Code (AFEEIC). DoD Elements of Expense (DODEE) represent groups of AFEEs – for example, all the Civilian Pay related AFEEs are grouped into DODEE 01 Civilian Pay.

Military Construction (Appns 24, 51, 54, 60) –
> These appns have unique CEs to identify the type of facility (operations, training, medical, RDT&E, etc.) and indicate if it is a new mission or current mission MILCON. Other data elements are project and project-id which identify the actual MILCON project and may provide base/location of the project and actual facility (e.g. fuel cell, simulator building, etc.).

It is important to understand that the above data elements correspond to an appropriation type. When running ABIDES reports, if you include different appropriation types, but ask for a report break for a data element that is not valid for all the appropriations requested, your break request will tell you that the requested data element is not available. For example, you run a report for procurement and R&D appropriations and request a PE, AFEE break. ABIDES will tell you that AFEE is not available. This is because AFEE is not a valid sub-element for procurement appropriations.

In addition to the cost-cat, there are several sub-elements that are common across all TOA appns. These include Budget Activity Code (BAC), Major Force Program (MFP), OAC, PE, CCN, Program, and RIC.

FORCE STRUCTURE COST ELEMENTS
Like the TOA appropriations, the first two digits of the cost element identify the Force Structure Category (which is also the appn). Appns 01, 03 and 04 use positions 3 and 4 of the cost element to identify the "Purpose Code" of the resources. The most common purpose codes are:
- **CA = Combat Support**
- **CB = Combat Support OT&E**
- **CC = Combat**

- **E* = Test Aircraft**
- **IF = Industrial Fund Aircraft**
- **TF = Training Aircraft**

Appn 04 also uses position 5 to differentiate between "primary", "backup", and "attrition reserve (AR)" inventories.

- **1 = Primary Aircraft Inventory (PAI) for aircraft**
- **2 = Backup Aircraft Inventory (BAI) for aircraft**
- **3 = AR for aircraft**
- **4 = PAI for missiles**
- **5 = BAI for missiles**
- **6 = AR for missiles**

APPROPRIATION 04 UNIQUE ITEMS

While the title of this appn indicates Total Active Inventory (TAI), Appn 04 is actually Total *Overall* Aircraft Inventory (TOAI), consisting of TAI and Total Inactive Inventory (TII). TII includes aircraft in storage, bailment, loan or lease outside the defense establishment, used as Government furnished property, or otherwise not available for military service. For example, Appn 04 contains the aircraft in storage at the Aerospace Maintenance and Regeneration Center (AMARC) at Davis Monthan AFB, AZ. If you are extracting total *active* AF inventory data you will need to *exclude* the aircraft in storage and other similar categories. To accomplish that, *delete* purpose

codes "ny" and "x*" (all beginning with x). The syntax is

delete ce 04ny*****,04x******

Remember, the CE is nine digits so be sure to include the correct number of asterisks.

MANPOWER COST ELEMENTS

The first two digits of the CE in manpower appns identify the Manpower component: Active, ANG, or AFR. Positions 3 through 6 of the CE are the Manpower Identification (MANID). The MANID is a four-digit code used to distinguish types of manpower, both military and civilian. The MANID code in the F&FP is the same as the resource identification code (RIC) assigned by OSD. MANID is located at keycode positions 3-6 of the CE.

For Appn 05, End Strength — Active

0004	**Officers**
0104	**Airmen**
0142	**Cadets**
0160	**Civilians 011**
0161	**Civilians 012**
0162	**Civilians 025**

For Appn 06, End Strength — Guard
0028	**ANG Officers 48 Drill**
0034	**ANG Officers Active Duty**
0036	**Guard Officer Tng Pipeline**
0127	**Init Active Duty for Tng — ANG**
0128	**ANG Airmen 48 Drill**
0148	**ANG Enlisted Active Duty**
0181	**Guard Enl Tng Pipeline Paid**
0182	**Guard Enl Tng Pipeline Unpaid**

For Appn 07, End Strength — Reserve
0018	**AFR Officer 24 Drill**
0019	**Reserve Officer 48 Drill IMA**
0020	**AFR Officer 48 Drill**
0022	**AFR Officer Other**
0032	**AFR Officer Active Duty**
0118	**AFR Airmen 24 Drill**
0120	**AFR Airmen 48 Drill**
0121	**AFR Airmen Non-prior Svc**
0122	**AFR Airmen Other**
0123	**Reserve Enlisted - 48 Drill (IMA)**
0147	**AFR Enlisted Active Duty**
0183	**Reserve Enl Tng Pipeline Paid**
0184	**Reserve Enl Tng Pipeline Unpaid**

Also, some other MANIDs are used for memo entries (track manpower spaces for ARC technicians, training slots, etc.). Do not include these when retrieving total End Strength, otherwise, you will be double counting spaces or in the case of ROTC include slots not considered part of AF End Strength.

For Appn 05, End Strength — Active
0044	**Active Svc Officer Students**
0048	**Act Svc Officer Accession Students**
0134	**Active Svc Enlisted Students**
0138	**Active Svc Enlisted Trainees**
0163	**AFR Techs (memo)**

For Appn 06, End Strength — Guard
170	**Civ National Guard Techs (memo)**
171	

For Appn 07, End Strength — Reserve
0154	**AF ROTC Basic**
0155	**AF ROTC Advanced**

The Data Elements In Alphabetical Order:

Activity Group (AG)

The AGs are sub-shreds of the BAs into 11 more specific mission or functional categories. Although there is no Congressional funds control/limitation at AG level, J-books are narrated at this level to support Congress' midyear execution review. During the execution review, the Services must explain significant funding realignment (greater than +/- ten percent) between/among the AGs. Applicable to appropriation 30 (3400), Operations & Maintenance - AF.

- **011 = Air Operations**
- **012 = Combat Related Operations**
- **013 = Space Operations**
- **021 = Mobility Operations**
- **031 = Accession Training**
- **032 = Basic Skills & Advanced Training**
- **033 = Recruiting & Other Tng & Education**
- **041 = Logistics Operations**
- **042 = Servicewide Activities**
- **043 = Security Programs**
- **044 = Support to Other Nations**

AF Element Of Expense (AFEE)
The AFEE is a three-character code. The codes are designed for use in budget preparation and accounting systems to identify the nature of services and items acquired for immediate consumption or capitalization. The AFEEs will appear as a part of the accounting classification cited in commitment, obligation, disbursement, reimbursement, and collection documents, applying to those appropriations for which AFEE use is prescribed.

For example: "409" is TDY Per Diem MSN
**   "495" is Official Tolls & Sim Chgs**

AF Element Of Expense/Investment Code (AFEEIC)
The AFEEIC is a five-character code consisting of two segments: a three digit numeric account code, followed by a two-digit alphanumeric sub-account code that provides a further shredout. The codes are designed for use in budget preparation and accounting systems to identify the nature of services and items acquired for immediate consumption or capitalization. The AFEEICs will appear as a part of the accounting classification cited in commitment, obligation, disbursement, reimbursement, and collection documents applying to appropriations for which AFEEIC use is prescribed.

For example: 40900 TDY Per Diem Msn
**   49500 Official Tolls & Sim Chgs**

Aircraft
Aircraft is a six-digit code which indicates the type and kind of aircraft. This code is applicable for aircraft related appropriations. Because the fields in the data record used by this data element is a multi-use field, it contains other codes (Milcon, R&D, etc. related) that are not aircraft related. Therefore, your report output could contain non-aircraft codes (ref: uses keycode,16,6 of the record).

For example: F016A0 F-16A
**   F016B0   F-16B**
Non-aircraft example:
**   353010   Practice Bombs**
**   652462   Compass Call**
**   822190   Truck Carryall**
**   NPOESS   NPOESS**

Budget Activity (BA)

BA is the fund control level and reflects a force mission or a support mission within DOD. The shredouts are unique to an appropriation.

Aircraft Procurement
            "01" is Combat Aircraft
            "02" is Airlift/Tanker Aircraft
            "03" is Trainer Aircraft
            "04" is Other Aircraft
            "05" is Modification of In-Service Aircraft
            "06" is Aircraft Spares and Repair Parts
            "07" is Aircraft Support Equipment and Facilities
Missile Procurement
            "41" is Ballistic Missiles
            "42" is Other Missiles
            "43" is Modification of In-Service Missiles
            "44" is Spares and Repair Parts
            "45" is Space and Other Support
Other Procurement
            "62" is Vehicular Equipment
            "63" is Electronics and Telecom Equipment
            "64" is Other Base Maint & Support Equipment
            "65" is Spares and Repair Parts
Procurement of Ammunition
            "A1" is Ammunition
            "A2" is Small Arms

Budget Activity Code (BAC)

BAC is a three-digit code that provides a further delineation of the resources associated with each *appropriation:* different types of aircraft, missiles, activities and other programs. The shredouts align very closely to BA (see above). The first two digits of the BAC represent the two digit appropriation and except for appropriation 3011, the third digit equates to the last digit of the BA.

For the O&M appropriations, the BACs are part of the Congressionally mandated O-1 accounting structure which was implemented in FY93.

For example: "103" is Trainer Aircraft
            "286" is Management Support
            "303" is Training & Recruiting

Budget Programs
The third and fourth digits of the Cost Element (CE) for procurement appropriations 10, 14, 16 and A1 denote Budget Programs, providing a sub shred for the appropriation.

CE1010XXXXX = BP 10 = Aircraft Weapon System
CE1011XXXXX = BP 11 = Modifications
CE1012XXXXX = BP 12 = Aircraft Repl Spt Equip (O&I)
CE1013XXXXX = BP 13 = Post Production Support
CE1014XXXXX = BP 14 = Aircraft Industrial Responsiveness
CE1015XXXXX = BP 15 = Acft Replen Spares & Repairs
CE1016XXXXX = BP 16 = Acft Initial Spares & Repairs
CE1017XXXXX = BP 17 = War Consumables
CE1019XXXXX = BP 19 = Other Charges
CE1420XXXXX = BP 20 = Missile Weapon System
CE1421XXXXX = BP 21 = Modifications
CE1422XXXXX = BP 22 = Repl Equip & War Consumables
CE1423XXXXX = BP 23 = Space Programs
CE1424XXXXX = BP 24 = Missile Industrial Responsiveness
CE1425XXXXX = BP 25 = Missile Replen Spares & Repairs
CE1426XXXXX = BP 26 = Missile Initial Spares & Repairs
CE1429XXXXX = BP 29 = Special Programs
CE1682XXXXX = BP 82 = Vehicle Procurement
CE1683XXXXX = BP 83 = Electronic & Telecom Procurement
CE1684XXXXX = BP 84 = Other Base Maint Equip Proc
CE1686XXXXX = BP 86 = Spares & Repairs
CEA135XXXXX = BP 35 = Munition Procurement

Budget Program Activity Code (BPAC)
The BPAC provides a subdivision of the accounting classification below the appropriation level. It is applicable to the RDT&E appropriations to identify the R&D projects within a PE. The system management codes are assigned for each designation uniform coding concept--once a system management code is assigned, it will remain unchanged throughout the acquisition and operational phases. This code will be part of the BPAC for each program year and each appropriation.

For example: 673028 is Navstar GPS

Change Control Number (CCN)
An eight digit number assigned by the Air Staff to provide an audit trail of changes to the F&FP database. The CCN structure identifies its type, exercise and origin.

For example, in CCN 4R2T300A
4   FY04
R   BES Exercise (POM = A; BES = B; PB = C; PBR = R)
2   Phase/round
T   Panel
300 Type Series
A   Organization (author of CCN)

The Type Series for CCNs generally are:

001 - 099	**Zero Balance Transfers**
100 - 199	**Initiatives**
200 - 299	**Disconnects**
300 - 399	**Offsets**
400 - 499	**Program Change Requests**
500 - 599	**Summer Review**
600 - 699	**Alternative Z" Initiatives**
700 - 799	**Base Closure / Realign**
800 - 899	**Overseas Basing Actions**

NOTE: In RAPIDS the CCN is a 10 digit code. When RAPIDS data is uploaded to ABIDES, the CCN is truncated to the eight digits described above.

Change Control Number Identification (CCN-ID)
The CCN ID is a four digit code in the first half of the CCN field. The first part of the CCN indicates the fiscal year of the budget and the exercise being worked, the phase , and the panel involved.

For example: 1B1B is FY01 BES B1 Budget CCN

Cost Category (Cost-Cat)
Cost-cat is a five-digit code which identifies costs. The codes are designed for use in budget preparation and accounting systems to identify the nature of services and items acquired for immediate consumption or capitalization. The code is the same as digits 3-7 of the cost element. For O&M, this code is the same as the AFEEIC, and the first three digits are the same as the AFEE.

For example: 11000 = Modifications
40900 = TDY Per Diem Msn

Cost Elements (CE)
CE is a nine-digit code that identifies the appropriation, cost category, and escalation. The appropriation is the first two digits of the field. The cost category is the 3-7 digits of the field. The escalation code is the 8th-digit of the field and the 9th-digit, generally identifies the CE as "investment" or "operations"

For example: 304090005 = TDY Per Diem Msn
30 is O&M appropriation
409 is TDY Per Diem Msn AFEE
40900 is TDY Per Diem Msn Cost-cat and AFEEIC

Decision (DEC)
The decision code is a one digit field which will help the staff track the decision status of program options and automate key elements of the briefing preparation process. This is only available in the Options; brief_options type databases.

Y   SECAF/CSAF Approved

N	**SECAF/CSAF Disapproved**
R	**Revisit**

TOA Components (details)

The "details" is a one to four-digit code that delineates the total AF resources between "Blue AF" and "Non-blue AF" resources. This is a one-to-one relationship where each PE is mapped a details category/code.

1	**AF Blue**
2	**Description field in ABIDES is blank**
	(code means: DHP)
3330	**NIP - CCP**
3331	**NIP - GDIP**
3333	**NIP - Special Collect/National Re**
3334	**NIP - National Activities**
3335	**NIP - Counterintelligence**
3336	**NIP - NIMA**
3339	**NIP - Comm Mgt**
4	**Description field in ABIDES is blank**
	(code means: SOF)

DoD Element of Expense (DODEE)

The DODEE is a two-character code established by OSD and consists of one or more AFEEs. This is a one-to-one relationship where each AFEE is mapped to one and only one DODEE.

01	**Civilian Personnel**
02	**Travel of Persons**
03	**Transportation of Things**
04	**Standard Level User Charges(SLUC)**
05	**Other Utilities and Rents**
06	**Communications**
07	**Printing and Reproduction**
08	**Payments to FNIDH Personnel**
09	**Purchased Eq Maintenance Cml**
10	**Purchased Eq Maintenance IF**
11	**Purchased Eq Maintenance Oth DoD**
12	**Other Purchases from IF**
13	**Other Purchased Services**
14	**Aircraft POL**
16	**Other Supplies**
17	**Equipment**
18	**Other Expenses**

Escalation (ESCL)

Escalation is a one-digit code used in DOD to denote inflation. The database did use ESCL in most appropriations, however, now it is only in appn 30 when used.

"0" is Constant Dollars
"1" is Normal Inflation
"4" is Civilian Pay Raise
"5" is Foreign Currency Fluctuation

File-break (FILE)

This is not a data element, but a break category that provides the capability to sort and group the results of a report by the name of the database file(s) accessed in the report. For example, if you were retrieving records from pom.a1, ffp_baseline; pom.a1, ffp_change; and pom.a2, ffp_change and request a file break, the result would be:

File 00	**FFP_BASELINE,POM.A1**	**$**	**$**	**ETC**
File 01	**FFP_CHANGE,POM.A1$**	**$**	**ETC**	
File 02	**FFP_CHANGE,POM.A2$**	**$**	**ETC**	

Keycode (KEY)

Keycode identifies the characters of the ABIDES physical record as it is stored in the database (72 character string including blanks where applicable). Although this code is mainly used in database maintenance it provides the user another way to break on certain data elements. For instance, a break on "keycode,10,6" (where the program element is stored) will display what is in columns 10-15 of the database However, no titles will be displayed using this option.

Major Force Program (MFP)

MFP is the broadest and most structural element. The first digit in the PE identifies which one of eleven MFPs the PE belongs to

1   **Strategic Forces**
2   **General Purpose Forces**
3   **Command, Control, Comm, Intelligence and Space**
4   **Mobility Forces**
5   **Guard and Reserve Forces**
6   **Research and Development**
7   **Central Supply and Maintenance**
8   **Training, Medical, and Other General Personnel Activities**
9   **Administration and Associated Activities**
10 **Support of Other Nations**
11 **Special Operations Forces**

Since the AF uses a single digit field for MFP, MFP 10 is coded as an "a" and MFP 11 is a "b".   This coding carries over into the PE coding structure where the MFP 11, SOF PEs all begin with a "b".

Op32-Sub Line (Op32-Sub)

Op32-Sub Line is a four-digit code used by the O&M appropriations to help breakout the O&M budget for OSD. The justification books are prepared using OP32-Sub as one of the items. Cost elements are identified into specific OP32-Sub Line codes.

For example:	**1010**	**Executive General Schedule**
	3010	**Per Diem**
	9150	**Rents**

Operating Agency Code (OAC)
A two-digit code which identifies all commands, Operating Agencies and Direct Reporting Units (DRUs) that receive funding from HQ USAF.

For example:
> **65** **Air Mobility Command (AMC)**
> **4W** **Air Force District of Washington**
> **78** **Air Combat Command (ACC)**

OSD Program Element (OSD-PE)
OSD-PE is a ten-digit code, where the last three positions are used to identify the service/organization (e.g. F for Air Force, DF for DBOF-AF, D8E for Office of Economic Adjustment, etc.). AF converts it to a six-digit code, where position one and two of the OSD-PE is converted to the first position of the AF PE, the third and fourth position of the OSD-PE is converted to the second position of the AF PE, positions five, six, and seven translate directly to positions three, four, and five, and the last digit is an "F" for all PEs. Also, All FYDP information is reported to OSD in the expanded OSD-PE.

For example:
OSD-PE   PE
0101113F   11113F B-52 Squadron
0101127F   11127F B-2 Squadron
0408010DF 48010F Transportation

Panel
Panels are responsible for programming all requirements in PEs. For resource allocation purposes, the Scarf assigns each PE, depending on their function, to a Mission Panel or a Mission Support Panel. The five Mission Panels are: Air Superiority, Space Superiority, Information Superiority, Power Projection, Global Mobility. The Mission Support Panels are: RDT&E, Logistics, Installation Support, Communications & Information, Personnel & Training. Panel is identified by a one digit code in ABIDES.

> **C =** **Communications & Information (CI)**
> **D =** **NIP**
> **I =** **Information Superiority (IF)**
> **K =** **Air Superiority (AS)**
> **L =** **Logistics (LG)**
> **M =** **Global Mobility (GM)**
> **N =** **Installation Support (IS)**
> **P =** **Personnel & Training (PT)**
> **R =** **RDT&E (RD)**
> **S =** **Space Superiority (SS)**
> **T =** **Global Attack (GA)**
> **X =** **SAR**

Program Appn (PROG-APPN)

Program Appn is a two-digit code which allows an individual to keep data only related to a certain manpower and force structure appropriations. For instance, Appn 05 (Manpower-Active) has 6 different program appropriations that show which manpower authorization affects which appropriation. For Appn 01, the PAA when detailed by prog-appn, identifies the appropriation that is supplying the funds for the flying hour program.

> **28   RDT&E**
> **30   Operation and Maintenance - AF**
> **32   Military Personnel - AF**
> **52   Operation and Maintenance - AFR**
> **55   Operation and Maintenance - ANG**
> **67   Defense Business Operations**

Program Element (PE)

The Program Element (PE) is a primary data element in the FYDP and generally describes the resources needed for a specific activity. Each PE may contain forces, manpower and dollars depending on its definition. Program Elements for all DoD components are defined in DoD 7045.7H, FYDP Structure Management.. The AF uses a six-position alphanumeric code while OSD uses a nine-digit code. PEs are the building blocks of the PPBE.

> **For example: 41986F   Base Operations-Airlift**

Program Element Code AF (AFPEC)

Manpower uses this field to further break down a PE into additional shreds.

> **For example:**
> **41896F   Base Operations - Airlift is broken down as:**
> **41896A   Base Ops-Airlift**
> **41896B   Base/Transient Aircraft Maint**
> **41896D   Management Engineering Teams**
> **41986S   Combat Ops Staff**
> **41896U   Ops of Utilities**
> **41896V   Other Engineering Svcs**

Program (PROG)

Program is a six-digit code which identifies programmatic groupings of resources. AF programs are fundamental programmatic data elements. All AF resources are aligned to an AF program. Some AF programs reside in multiple PEs while others reside in only one PE. The AF program is the fundamental element at which resource changes are made. AF programs are aggregated to Program Groups and Program Groups are aggregated to Program Rollups. Programs, Groups and Rollups provide better resource visibility to Planners and Resource Managers than a PE view. AF Programs are comprised of activities that support missions, operate, modify, sustain or acquire weapon or support systems or relate to the functions that support the infrastructure needed to operate, maintain and acquire forces. The program should have the resources needed to achieve an objective. All Program/Group/Rollup relationships can be viewed at the AF/A8 website.

> **For example: AQV000   AEF Battlelab Operations**

AF Program Group (Group Program) (grprog)

AF Program Group is a three-digit code which identifies programmatic groupings of programs. A group contains programs that have a common purpose, such as, weapon system based groups (F-16, C-141, etc.), activity based groups (Base Level Comm, Family Support Activities, Real Property Services etc.), task based groups (Force Protection/Antiterrorism, Ground Training), etc.

> **For example: 09D   F-15**
> **   09K   F-22**

AF Program Rollup (AFP rollup) (afprollup)

AF Program Rollup is a two-digit code which identifies the highest level of programmatic groupings of resources. A rollup contains AF Program Groups that have a common mission, such as, Fighters (containing F-15, F-16, F-22, JSF, etc.).

> **For example: 09   Fighters**

Resource Identification Code (RIC)

A four-digit code used to identify the types of resources assigned to each PE. RICs are assigned by OSD using the FYDP Structure Management procedures. There are three different types of RICs: *Force RICs* are codes that identify specific weapon systems by type and model. Each aircraft, C3 system and missile has a unique code assigned to it. *Manpower RICs* are used to identify officer, enlisted, and civilian manpower in the Active, Reserve and Guard components. Manpower RICs are the same as the F&FP MANID codes. *Appropriation RICs* correspond to appropriations. OSD uses the second digit of the RIC to denote Investment, Operations and Support (O&S), and RDT&E. The codes are "4" for investment, "3" for RDT&E and "5" for O&S, which includes the O&M plus the Military Personnel appropriations. The RIC permits more precise identification of the kinds of resources included in each element. They are part of the keycode for every record in the database.

> **For example: "2302"   "C-130"**

Sub Activity Group (SAG)

SAGs are a further sub-shred of the AGs into even more specific mission/functional alignments. SAGs are not funding control points nor are funding realignments explained at this level. They are aggregations of PEs that relate to specific missions or functions and used to provide Congress more visibility on our funding distribution.

> **For example: 011A   Primary Combat Forces**

Weapons Systems Code (WSC)

A six-position alphanumeric code established for a classification below appropriation level to identify line items in the forces and procurement appropriations. The WSC can be used to see the level of detail at which resources are designated for a specific weapon system. Keycode positions 16-21 contain the WSC for the procurement appropriations (as mentioned before, not all appropriations can be broken by WSC).