

~~FOR OFFICIAL USE ONLY~~

**Report to Congress on
Coalition Support Funding
Provided from
The Iraq Freedom Fund**



As required by section 1310 of P.L. 108-11.

June 2003

~~FOR OFFICIAL USE ONLY~~

Coalition Support Funding
Financial Plan
(Dollars in Millions)

Basic Coalition Support	Total Allocation	Explanation
Pakistan Reimbursements (Jan. - April 2003)	234.2	This estimate is based on the actual bills submitted from the Government of Pakistan (GOP) for January through April related to the global war on terrorism (GWOT). (Note: A portion of the January through April payment (i.e., \$22 million) was covered using funds from the FY 2002 Supplemental. This \$234.2 million payment represents the balance owed to Pakistan for this period.) The GOP continues to conduct military operations against al Qaeda and Taliban forces operating in the tribal areas adjacent to Afghanistan, Maritime Interdiction Operations to prevent terrorist exfiltration, combat air patrols to monitor and control the airspace used by U.S. and Pakistani forces, and provide logistical/lift support for their forces operating in the tribal areas.
Pakistan Reimbursements (May - June 2003)	140.0	This estimate is based on an average monthly rate of \$70 million.
Pakistan Reimbursements (July - Sept. 2003)	210.0	This estimate is based on an average monthly rate of \$70 million.
Pakistan Reimbursement (Oct. - Dec. 2003)	210.0	This estimate is based on an average monthly rate of \$70 million.
Other Coalition Partner Reimbursements (Global Account)	179.8	This estimate includes anticipated support from other coalition nations (e.g., Yemen, Bahrain, Jordan, and Turkey).
Afghanistan GWOT	150.0	Coalition support for GWOT in Afghanistan.
Phase IV Lift and Sustain Support		
Polish Multi-National Division (MND)	100.0	This represents a portion of the projected estimate for lift and sustainment costs for the Polish MND; anticipate that other nations also will contribute to finance the lift and sustainment for these stability forces.
Additional Phase IV Lift & Sustain Support	150.0	This represents a portion of the projected estimate for lift and sustainment costs for additional stability forces and other security support in Iraq; anticipate that other nations also will contribute to finance the lift and sustainment for these forces.
Coalition Requirements -- Smaller Units	26.0	Projected estimate for lift and sustainment for smaller coalition units that will be part of Phase IV but are not assigned to a particular division. They usually represent special capabilities or in other cases (e.g., Azerbaijan) will be part of the U.S. sector.
Total: 1,400.0		

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**Coalition Support Funding
Financial Plan
(Dollars in Millions)**

	Total Allocation	Estimated Obligation/Outlay Pattern			Total
		<i>4th Qtr FY 03</i>	<i>1st Qtr FY 04</i>	<i>2nd Qtr FY 04</i>	
<u>Basic Coalition Support</u>					
Pakistan Reimbursements (Jan. - April 2003)	234.2	234.2	-	-	234.2
Pakistan Reimbursements (May- June 2003)	140.0	70.0	70.0	-	140.0
Pakistan Reimbursements (July - Sept. 2003)	210.0	-	210.0	-	210.0
Pakistan Reimbursement (Oct. - Dec. 2003)	210.0	-	-	210.0	210.0
Other Coalition Partner Reimbursements (Global Account)	179.8	60.0	60.0	59.8	179.8
Afghanistan GWOT	150.0	50.0	50.0	50.0	150.0
<u>Phase IV Lift and Sustain Support</u>					
Polish Multi-National Division	100.0	50.0	25.0	25.0	100.0
Additional Phase IV L&S Support	150.0	50.0	50.0	50.0	150.0
Coalition Requirements -- Smaller Units	26.0	20.0	6.0	-	26.0
Total:	1,400.0	534.2	471.0	394.8	1,400.0

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Financial Plan

Pursuant to Public Law 108-011, the Emergency Supplemental Appropriations Act, 2003, under the Iraq Freedom Fund, the Department of Defense hereby submits a financial plan for the use of \$25,000,000 for counter-terrorism military training activities for foreign governments in connection with the global war on terrorism. The Department plans to provide equipment, supplies, and services for counter-terrorism military training activities in the following five countries:

1. Azerbaijan:

The Department plans to fund a maritime interdiction counter-terrorism program to train and outfit Azerbaijan Navy Special Forces to prevent and interdict the trafficking of illicit material (e.g., weapons of mass destruction) by terrorist groups across the Caspian Sea.

Requirements:

- Equipment:
 - Azeri Naval Special Operations Forces range facility. Estimate: \$750K
 - Azeri Naval SOF operational equipment. Estimate: \$750K
- Training: \$1M

Total Cost: \$2.5M

2. Kyrgyzstan and Tajikistan:

The Department plans to train Kyrgyz and Tajik special operations forces in counter-terrorist techniques to fight terrorist organizations in Central Asia. This cost estimate is based on carrying out similar programs pursuant to the plan outlined below for Uzbekistan.

Cost: \$12M

3. Uzbekistan:

The Department is finalizing plans to train Uzbek special operations forces in counter-terrorist techniques to fight terrorist organizations in Central Asia. The program will consist of advisors to the Ministry of Defense; training in counter-terrorist tactics, techniques, and procedures; and mobile training teams for the ministry of defense and border guard forces.

Requirements:

- Counter-Terrorist training: \$1M
- Advisors to the Ministry of Defense: \$2M
- Mobile Training Teams: \$3M

Total Cost: \$6M

4. Yemen:

In Yemen, the Department plans to train Yemeni federal paramilitary and special operations forces in counter-terrorist techniques to sustain, expand, and improve maritime, ground force, and urban training that was recently completed. The program will have ministerial advisors; stationary training sites for counter-terrorist tactics, techniques, and procedures; and mobile training teams for the Ministry of Defense and federal paramilitary forces forces.

Requirements:

- Counter-Terrorist training: \$1.5M
- Advisors to the Ministry of Defense: \$1M
- Mobile Training Teams: \$2.0 M

Total Cost: \$4.5M

TOTAL FOR ALL PROGRAMS: \$25M



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

OCT 9 2003

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$174.8 million from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in the enclosure.

Once we make these funding transfers, the balance in the IFF will be \$4,239.7 million. I anticipate sending you additional notifications regarding transfers from the IFF in the near future.

We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

A handwritten signature in black ink, appearing to read "Dov S. Zakheim".

Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable David R. Obey
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

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Dov S. Zakheim

Enclosure:
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Ranking Member



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WASHINGTON, DC 20301-1100

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United States Senate
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Dov S. Zakheim

Enclosure:
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Ranking Member



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WASHINGTON, DC 20301-1100

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Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Ike Skelton
Ranking Member

**Transfers from the
Iraq Freedom Fund (IFF)**

Operation and Maintenance, Army
Budget Activity 1: Operating Forces

\$174,821,000
(\$174,821,000)

Funds are to be transferred from the IFF to the Operation and Maintenance, Army appropriation to support the Coalition Provisional Authority. Funds are required to reimburse the Army for administrative support provided to the Coalition Provisional Authority to include the costs of base and logistics support, transportation, personnel security, communications, travel, and other support.



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UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

OCT 30 2003

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

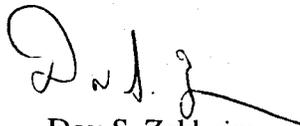
In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$400.0 million from the Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation as detailed in the enclosure.

Section 1310 of Public Law 108-11 provided the Department with the authority to transfer up to \$1,400.0 million for coalition support. On June 12, 2003, I notified the Congress of our intent to transfer \$800 million for such payments during FY 2003. As required by section 1310, the Secretary of Defense notified the Congress, and we obligated \$361.7 million for such reimbursement payments during FY 2003. On September 15, 2003, we transferred back to the IFF the \$438.3 million remaining balance of the distributed coalition support funds because we did not receive actual bills for FY 2003 requirements before the end of the fiscal year. This transfer redistributes \$400.0 million of the coalition support funds from the IFF to the FY 2004 Operation and Maintenance, Defense-Wide appropriation.

Once we make these funding transfers, the balance in the IFF will be \$937.9 million. I anticipate sending you additional notifications regarding transfers from the IFF in the near future.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional Defense Committees.

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Dov S. Zakheim

Enclosure

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Ranking Member



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OCT 30 2003

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COMPTROLLER

OCT 30 1033

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

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**Transfers from the
Iraq Freedom Fund (IFF)**

<u>Operation and Maintenance, Defense-Wide</u>	<u>\$400,000,000</u>
Defense Security Cooperation Agency (DSCA)	
Budget Activity 4: Administration and Servicewide Activities	\$400,000,000

Funds are to be transferred from the IFF to the Operation and Maintenance, Defense-Wide appropriation for payments to reimburse key cooperating nations for logistical and military support, as authorized in section 1310 of Public Law 108-11.

Enclosure



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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

NOV 18 2003

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am forwarding to you, on behalf of the Secretary of Defense, a quarterly summary of the funds that we transferred from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in enclosure (1). Enclosure (2) provides a summary of the funds transferred from the Natural Resources Risk Remediation Fund (NRRRF).

During fiscal year (FY) 2003, the Department transferred \$10,152.5 million from the IFF to the various appropriations, of which we transferred \$6,099.6 million during the fourth quarter. The quarterly transfers included a \$250.3 million transfer from the IFF to the NRRRF that we subsequently transferred to the Operation and Maintenance, Army appropriation for execution. In addition, we transferred \$904.8 million back to the IFF in September 2003 because those funds would not obligate before the appropriations expired. As of September 30, 2003, the IFF had a balance of \$6,431.2 million. This balance is prior to the congressional rescission of \$3,490 million, which Congress included in the Department of Defense Appropriations Act, 2004 (Public Law 108-87). After adjusting for the congressional rescission, the available balance would be \$2,941.2 million. This balance includes the \$811.9 million for the prior approval reprogramming action (FY 03-25 PA) submitted to Congress in August for investment-related items to include new starts and items that Department would not field within 18 months. We received final congressional of this reprogramming action on November 10, 2003.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional Defense Committees.

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As stated

cc: The Honorable Ike Skelton
Ranking Member

Transfers: Iraqi Freedom Fund (IFF)
(As of September 30, 2003)

Operation and Maintenance, Army **\$1,249,379,000**

For expenses incurred in establishing the New Iraqi Army:	(53,074,000)
For depot maintenance and other critical needs:	(\$839,400,000)
For support for the Coalition Provisional Authority:	(\$209,705,000)
For a classified project:	(\$1,500,000)
For in-theater communications:	(\$16,700,000)
For Combined/Joint Task Force 7 (CJTF-7) for the purchase of 3,650 relocatable buildings to house 14,700 soldiers at 7 base camps in Iraq:	(\$30,000,000)
For commercial communications equipment and contract personnel:	(\$99,000,000)

Missile Procurement, Army **\$198,900,000**

For the procurement of Army Tactical Missiles:	(\$109,000,000)
For the procurement of Guided Multiple Launch Rockets:	(\$89,900,000)

Other Procurement, Army **\$371,200,000**

For Blue Force Tracking (BFT) equipment:	(\$34,000,000)
For classified projects:	(\$5,500,000)
For communication and electronic equipment:	(\$2,900,000)
For coalition network support:	(\$17,400,000)
For 12 Force Provider systems:	(\$110,400,000)
For 308 up-armored High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs):	(\$73,000,000)
For commercial satellite equipment:	(\$40,000,000)
For terrestrial transmission communications:	(\$28,000,000)
For 660 sets of night vision devices:	(\$36,000,000)
For night vision devices, thermal weapons sights:	(\$24,000,000)

Procurement of Ammunition, Army **\$201,600,000**

For the procurement of various types of conventional ammunition to replace what was expended during operations in Iraq.

Research, Development, Test, and Evaluation, Army **\$13,000,000**

For the development of a multi-mode seeker for the Army Tactical Missile System program.

Operation and Maintenance, Navy

\$683,700,000

For air depot maintenance to reconstitute engines and airframes for deployable aviation assets and to return aircraft to a mission capable status: (\$140,000,000)
For ship depot maintenance to return the ships that participated in operations in Iraq to their pre-war material condition: (\$242,000,000)
For depot maintenance of the USS Providence: (\$125,200,000)
For depot maintenance of the USS Abraham Lincoln: (\$43,000,000)
For mission and flight operations: (\$100,000,000)
For reimbursement to the Navy for expenses incurred during the buildup phase of OIF: (\$28,000,000)
For communications expenses to support critical communications systems in the Pacific Command: (\$5,500,000)

Weapons Procurement, Navy

\$272,000,000

For procurement of Joint Standoff Weapons: (\$55,000,000)
For procurement of Tactical Tomahawk cruise missiles: (\$217,000,000)

Procurement of Ammunition, Navy and Marine Corps

\$199,300,000

For the procurement of conventional ammunition to replace laser guided bomb kits and ammunition during operations in Iraq.

Research, Development, Test and Evaluation, Navy

\$6,000,000

For the Joint Forces Command Joint Interoperability and Integration project.

Operation and Maintenance, Marine Corps

\$285,900,000

For unit and intermediate level maintenance to finance overhauls, electronic equipment repairs, secondary repairables and other maintenance: (\$51,000,000)
For ammunition inspection and repackaging: (\$90,000,000)
For restocking supplies and equipment and all classes of supplies to include batteries; individual clothing and combat equipment; ground support equipment; tents and camouflage netting; medical supplies; and nuclear, biological and chemical (NBC) gear: (\$45,900,000)
For support to currently deployed soldiers: (\$99,000,000)

Procurement, Marine Corps **\$80,690,000**

For Amphibious Assault Vehicle (AAV) modifications: (\$56,900,000)
For Blue Force Tracking equipment: (\$13,790,000)
For improved ribbon bridges: (\$10,000,000)

Operation and Maintenance, Air Force **\$378,400,000**

For procurement of commercial off-the-shelf security equipment and technology that will lessen the need for additional security forces and expedite the demobilization of Army National Guard forces: (\$351,700,000)
For the restocking of combat equipment and all classes of supplies consumed during GWOT such as fuel bladders, chemical suits, and readiness spares kits: (\$25,800,000)
For tactical intelligence and special activities: (\$900,000)

Aircraft Procurement, Air Force **\$106,123,000**

For miscellaneous production charges in support of OIF: (\$1,600,000)
For modification of the Global Hawk Unmanned Aerial Vehicle (UAV): (\$18,300,000)
For A -10 targeting pod interfaces: (\$5,075,000)
For the Compass Call infra-red defensive system: (\$19,750,000)
For Senior Scout quick reaction capability: (\$16,998,000)
For RC-135 SIGINT quick reaction capabilities: (\$29,100,000)
For U-2 Advanced Synthetic Aperture Radar System: (\$15,300,000)

Missile Procurement, Air Force **\$51,600,000**

For procurement of modification kits to upgrade AGM-65 Maverick missiles.

Other Procurement, Air Force **\$255,100,000**

For intelligence equipment (Global Broadcast Service): (\$14,800,000)
For mobility equipment: (\$231,500,000)
For the Special Update Program: (8,800,000)

Procurement of Ammunition, Air Force **\$133,100,000**

For replacement laser guided bomb kits: (\$57,400,000)
For conventional ammunition expended in Iraq: (\$51,100,000)
For Wind Corrected Munitions Dispensers: (\$24,600,000)

Research, Development, Test, and Evaluation, Air Force **\$25,500,000**

For Advanced Program Evaluation project: (\$5,500,000)
For the Laser Integrated Targeting Engagement System: (\$10,000,000)
For Global Positioning System Accuracy Improvements: (\$10,000,000)

Military Construction, Air Force **\$18,600,000**

For a Parallel Taxiway at Thumrait Air Base, Oman: (\$2,989,000)
For the replacement of off-base water supply, Anderson
Air Base, Guam: (\$14,500,000)
For construction of a large vehicle inspection station,
Aviano Air Base, Italy: (\$1,111,000)

Operation and Maintenance, Defense-Wide **\$297,300,000**

For U.S. Special Operations Command (USSOCOM)
classified program: (\$42,000,000)
For combating terrorism, training and equipping: (\$4,000,000)
For the Office of the Assistant Secretary (Networks and
Information Integration) to provide an interoperable
Network for coalition forces in Iraq: (\$1,200,000)
For high bandwidth terrestrial communications leases: (\$21,300,000)
For the installation of coalition network platforms,
collaboration tool suites and monitoring systems: (\$2,200,000)
For installation of intrusion detection systems for the
Coalition Wide Area Network in Iraq: (\$3,260,000)
For two Demilitarized Zone (DMZ) sites to complete
the perimeter defense for the Defense computer network: (\$8,390,000)
To identify critical network nodes and to improve the
Configuration management of network switches for
Computer Network Defense operations: (\$750,000)
For a Defense Intelligence Agency classified program: (\$129,200,000)
For expenses by the National Imagery and Mapping Agency
(NIMA) in supporting Operation Iraqi Freedom and the
Global War on Terrorism: (\$85,000,000)

Procurement, Defense-Wide **\$369,944,000**

For procurement of 22 Patriot Missiles: (\$70,000,000)
For procurement supporting the Coalition Provisional
Authority: (\$2,044,000)
For Defense Intelligence Agency, classified projects: (\$20,100,000)
For National Imagery and Mapping Agency, classified
projects: (\$5,000,000)

Procurement, Defense-Wide (cont'd)

For Major Equipment, Office of the Secretary of Defense:	(\$3,400,000)
For U.S. Special Operations Command (USSOCOM) for Special Operations Forces (SOF) Operational Enhancements:	(\$6,700,000)
For USSOCOM, command, control, communications, computers and intelligence equipment:	(\$49,000,000)
For USSOCOM, classified programs:	(\$65,200,000)
For USSOCOM, to replace the joint operational stocks that that were expended or lost during recent combat operations:	(\$38,000,000)
For USSOCOM, for the procurement of MH-60 defensive armed penetrator kits:	(\$7,000,000)
For USSOCOM, for the procurement of minor equipment that was lost or damaged in recent operations:	(\$15,000,000)
For USSOCOM, for psychological operations equipment:	(\$12,000,000)
For USSOCOM, for the procurement of special purpose munitions:	(\$4,000,000)
For USSOCOM, to procure various survivability and lethality equipment items:	(\$63,000,000)
For USSOCOM, for the procurement Simulator Image Generators:	(\$9,500,000)

Research, Development, Test, and Evaluation, Defense-Wide **\$12,000,000**

For classified programs at the Defense Advanced Research Projects Agency (DARPA):	(\$6,000,000)
For the Joint Theater Air and Missile Defense Office (JTAMDO) for the National Capital Region Demonstration program:	(\$6,000,000)

Military Construction, Defense-Wide **\$7,500,000**

For a contingency construction project building a Combined/Joint Task Force Headquarters facility in Afghanistan	(\$5,200,000)
For planning and design for the Joint Warfare Center (JWC) in Tampa, Florida	(\$2,300,000)

Natural Resources Risk Remediation Fund **\$250,305,000**

To repair damaged oil facilities and related infrastructure,
and to preserve a distribution capability.

Defense Working Capital Fund **\$500,000,000**

For increased fuel costs.

Coast Guard Operating Expenses **\$96,000,000**

For the Coast Guard Operating Expenses appropriation,
for costs incurred by the United States Coast Guard in
Operation Iraqi Freedom.

Overseas Humanitarian, Disaster and Civic Aid (OHDACA) **\$36,445,000**

For humanitarian assistance programs:

U.S. Central Command assistance programs:	(\$10,227,000)
U.S. European Command assistance programs:	(\$8,628,000)
U.S. Southern Command assistance programs:	(\$5,990,000)
U.S. Pacific Command assistance programs:	(\$1,600,000)
Disaster Relief reimbursement for funds diverted to operations in Iraq and Afghanistan:	(\$10,000,000)

Total Transfers from the IFF **\$6,099,586,000**

Transfers Back to the IFF **\$904,848,000**

Reprogramming actions FY03-57 IR	(\$497,848,000)
From funds originally transferred to	(\$497,848,000)
Operation and Maintenance, Defense-Wide	
for reimbursement payments to key	
cooperating nations (\$438.2 million)	
and classified program (\$59.6 million).	
Reprogramming actions FY03-59 IR	(\$350,200,000)
From funds originally transferred to	(\$198,000,000)
Operation and Maintenance, Navy	
for operations.	
From funds originally transferred to	(\$152,200,000)
Operation and Maintenance, Marine Corps	
for operations.	
Reprogramming actions FY03-61 IR	(\$56,800,000)
From funds originally transferred to	(\$56,800,000)
Operation and Maintenance, Defense-Wide	
for classified project (DIA,	
\$35 million), communications leases	
(DISA, \$17.8 million), and combating	
terrorism training and equipping in	
(USSOCOM, \$4 million)	

Total Transferred Back to the IFF **\$904,848,000**

Transfers: Natural Resources Risk Remediation Fund (NRRRF)
(As of September 30, 2003)

Natural Resources Risk Remediation Fund \$-250,305,000

Transferred from the NRRRF \$-250,305,000

Operation and Maintenance, Army \$250,305,000

To repair damaged oil facilities and related infrastructure,
and to preserve a distribution capability.



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



JUL 18 2003

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am forwarding to you, on behalf of the Secretary of Defense, a quarterly summary of the funds that have been transferred from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in Enclosure 1. Enclosure 2 provides a summary of the funds transferred to/from the Natural Resources Risk Remediation Fund (NRRRF).

As of this date, \$4,052.9 million has been transferred from the IFF to the various appropriations, leaving a balance of \$11,626.0 million in the IFF account. Furthermore, \$252.2 million, \$239.0 million from the IFF and \$13.2 million from the Defense Cooperation account, has been transferred to the NRRRF and subsequently to the Operation and Maintenance, Army appropriation for execution.

We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable David R. Obey
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



COMPTROLLER

JUL 18 2003

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am forwarding to you, on behalf of the Secretary of Defense, a quarterly summary of the funds that have been transferred from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in Enclosure 1. Enclosure 2 provides a summary of the funds transferred to/from the Natural Resources Risk Remediation Fund (NRRRF).

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Sincerely,

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable Robert C. Byrd
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



JUL 18 2003

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am forwarding to you, on behalf of the Secretary of Defense, a quarterly summary of the funds that have been transferred from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in Enclosure 1. Enclosure 2 provides a summary of the funds transferred to/from the Natural Resources Risk Remediation Fund (NRRRF).

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Sincerely,

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable Ike Skelton
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



JUL 18 2003

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am forwarding to you, on behalf of the Secretary of Defense, a quarterly summary of the funds that have been transferred from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in Enclosure 1. Enclosure 2 provides a summary of the funds transferred to/from the Natural Resources Risk Remediation Fund (NRRRF).

As of this date, \$4,052.9 million has been transferred from the IFF to the various appropriations, leaving a balance of \$11,626.0 million in the IFF account. Furthermore, \$252.2 million, \$239.0 million from the IFF and \$13.2 million from the Defense Cooperation account, has been transferred to the NRRRF and subsequently to the Operation and Maintenance, Army appropriation for execution.

We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable Carl Levin
Ranking Member

**Transfers from the Iraq Freedom Fund (IFF)
(As of June 30, 2003)**

Natural Resources Risk Remediation Fund \$238,995,000

To repair damaged oil facilities and related infrastructure, and to preserve a distribution capability.

Defense Working Capital Fund \$600,000,000

To fund increased fuel costs.

Operation and Maintenance, Army \$206,400,000

To fund requirements for the Office of the Coalition Provisional Authority (CPA) and the New Iraqi Army.

Operation and Maintenance, Defense-Wide \$922,000,000

Defense Security Cooperation Agency \$800,000,000
To reimburse key cooperating nations for providing logistical and military support, as authorized in section 1310 of Public Law 108-11.

National Imagery and Mapping Agency \$122,000,000
To fund imagery and mapping requirements in support of Operation Iraqi Freedom.

Classified Programs \$1,771,181,000

Operation and Maintenance, Army	\$46,447,000
Operation and Maintenance, Navy	\$38,690,000
Operation and Maintenance, Air Force	\$115,285,000
Operation and Maintenance, Defense-Wide	\$456,198,000
Other Procurement, Army	\$10,131,000
Other Procurement, Air Force	\$701,464,000
Procurement, Defense-Wide	\$120,805,000
Research, Development, Test and Evaluation, Air Force	\$42,150,000
Research, Development, Test and Evaluation, Defense-Wide	\$240,010,000

To fund classified programs as required by the Congress.

Military Construction, Defense-Wide \$10,364,000

To fund contingency construction projects in support of operations in Iraq.

Coast Guard Operating Expenses \$304,000,000

To fund costs incurred by the United States Coast Guard.

Total **\$4,052,940,000**

Natural Resources Risk Remediation Fund (NRRRF) Transfers
(As of June 30, 2003)

Transferred to the NRRRF:

<u>Iraq Freedom Fund</u>	\$238,995,000
<u>Defense Cooperation Account</u>	\$13,218,000
Total <u>to</u> NRRRF	\$252,213,000

Transferred from the NRRRF:

<u>Operation and Maintenance, Army</u>	\$252,213,000
To repair damaged oil facilities and related infrastructure, and to preserve a distribution capability.	
Total <u>from</u> NRRRF	\$252,213,000



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUN 12 2003

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$2,271.4 million from the Iraqi Freedom Fund (IFF) to various funds and appropriation accounts as detailed in Enclosure 1. Enclosure 2 provides a summary of the \$239 million transfer from the Natural Resources Risk Remediation Fund to the Army.

This is Department's second congressional notification of transfers from the IFF. Once we make these funding transfers, the balance in the IFF will be \$11,636.3 million. Furthermore, I anticipate notifying you in the near future of the Department's plans to transfer the balance of the funds remaining in the IFF to the Components for execution.

We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

A handwritten signature in black ink, appearing to read "D. S. Zakheim", with a long horizontal flourish extending to the right.

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable Carl Levin
Ranking Member

**Transfers from the
Iraqi Freedom Fund (IFF)**

Natural Resources Risk Remediation Fund **\$238,995,000**

Funds are to be transferred from the IFF to the Natural Resources Risk Remediation Fund for expenses incurred in and around Iraq for emergency fire fighting, to repair damaged oil facilities and related infrastructure, and to preserve a distribution capability.

Defense Working Capital Fund **\$600,000,000**

Funds are to be transferred from the IFF to the Defense Working Capital Funds for increased fuel costs.

Operation and Maintenance, Army **\$206,400,000**
Budget Activity 1: Operating Forces

Funds are to be transferred from the IFF to the Operation and Maintenance, Army appropriation for expenses incurred by the Office of the Coalition Provision Authority (CPA) (\$161.4 million) and for personnel contracting costs to train an interim Iraqi military. This force will contribute to the territorial defense of Iraq and will be available to help Coalition Forces to conduct stability operations to provide a secure environment for the Iraqi people (\$45 million). The Administrator of the CPA intends to use seized or vested assets to pay the salaries of and to provide direct support (e.g., equipment, clothing, and food) to the New Iraqi Army.

Coast Guard Operating Expenses **\$304,000,000**

Funds are to be transferred from the IFF to the Coast Guard Operating Expenses appropriation for costs incurred by the United States Coast Guard in Operation Iraqi Freedom.

Defense Security Cooperation Agency **\$800,000,000**
O&M, Defense-Wide, Budget Activity 4: Administration & Services Activities

Funds are to be transferred from the IFF to the Operation and Maintenance, Defense-Wide (O&M, Defense-Wide) appropriation for payments to reimburse cooperating nations for logistical and military support, as authorized in section 1310 of Public Law 108-11.

National Imagery and Mapping Agency **\$122,000,000**
O&M, Defense-Wide, Budget Activity 4: Administration & Services Activities

Funds are to be transferred from the IFF to the O&M, Defense-Wide appropriation for costs incurred in support of Operation Iraqi Freedom.

Total Transfers from the IFF **\$2,271,395,000**

**Transfers from the
Natural Resources Risk Remediation Fund (NRRRF)**

<u>Operation and Maintenance, Army</u>	\$238,995,000
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Funds are to be transferred to the Operation and Maintenance, Army for expenses incurred in and around Iraq for emergency fire fighting, to repair damaged oil facilities and related infrastructure, and to preserve a distribution capability..

Total Transfers from the NRRRF	\$238,995,000
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COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUL 15 2003

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$53.0 million from the Iraq Freedom Fund (IFF) to the Operation and Maintenance, Army appropriation as detailed in the enclosure.

This is the Department's third congressional notification of transfers from the IFF. Once we make these funding transfers, the balance in the IFF will be \$11,573 million. Furthermore, I anticipate notifying you in the near future of the Department's plans to transfer the balance of the funds remaining in the IFF to the Components for execution.

We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

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Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Carl Levin
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUL 15 2003

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

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cc: The Honorable Robert C. Byrd
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUL 15 2003

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

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Enclosure:
As stated

cc: The Honorable David R. Obey
Ranking Member



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UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUL 15 2003

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$53.0 million from the Iraq Freedom Fund (IFF) to the Operation and Maintenance, Army appropriation as detailed in the enclosure.

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Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Ike Skelton
Ranking Member

**Transfers from the
Iraq Freedom Fund (IFF)
(Dollars in Millions)**

<u>Operation and Maintenance, Army</u>	\$53.074
Budget Activity 1: Operating Forces	

Funds are to be transferred from the IFF to the Operation and Maintenance, Army appropriation to fund the increased contract cost associated with training and equipping the New Iraqi Army (\$3.074 million). The previous IFF release was based on an estimate of \$45 million and the actual contract award was valued at \$48.074 million. Funds are also provided for communication infrastructure support to the Coalition Provisional Authority (CPA) (\$50.0 million). These funds will finance voice, data and video networks at CPA's Baghdad Headquarters, communications networks in the Iraq Forum (which houses the Iraqi Assistance Center, the Humanitarian Assistance Center, reconstruction offices, and ministerial offices), the CPA cables office, and connectivity to some regional headquarters not serviced by the civil telecommunications infrastructure.

Total Transfers from the IFF	\$53.074
-------------------------------------	-----------------

Enclosure



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

NOV 18 2003

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am forwarding to you, on behalf of the Secretary of Defense, a quarterly summary of the funds that we transferred from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in enclosure (1). Enclosure (2) provides a summary of the funds transferred from the Natural Resources Risk Remediation Fund (NRRRF).

During fiscal year (FY) 2003, the Department transferred \$10,152.5 million from the IFF to the various appropriations, of which we transferred \$6,099.6 million during the fourth quarter. The quarterly transfers included a \$250.3 million transfer from the IFF to the NRRRF that we subsequently transferred to the Operation and Maintenance, Army appropriation for execution. In addition, we transferred \$904.8 million back to the IFF in September 2003 because those funds would not obligate before the appropriations expired. As of September 30, 2003, the IFF had a balance of \$6,431.2 million. This balance is prior to the congressional rescission of \$3,490 million, which Congress included in the Department of Defense Appropriations Act, 2004 (Public Law 108-87). After adjusting for the congressional rescission, the available balance would be \$2,941.2 million. This balance includes the \$811.9 million for the prior approval reprogramming action (FY 03-25 PA) submitted to Congress in August for investment-related items to include new starts and items that Department would not field within 18 months. We received final congressional of this reprogramming action on November 10, 2003.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional Defense Committees.

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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

NOV 18 2003

COMPTROLLER

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Chairman, Committee on Appropriations
United States Senate
Washington, DC 20510

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Dov S. Zakheim

Enclosures:
As stated

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Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

NOV 18 2003

The Honorable John W. Warner
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United States Senate
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Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am forwarding to you, on behalf of the Secretary of Defense, a quarterly summary of the funds that we transferred from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in enclosure (1). Enclosure (2) provides a summary of the funds transferred from the Natural Resources Risk Remediation Fund (NRRRF).

During fiscal year (FY) 2003, the Department transferred \$10,152.5 million from the IFF to the various appropriations, of which we transferred \$6,099.6 million during the fourth quarter. The quarterly transfers included a \$250.3 million transfer from the IFF to the NRRRF that we subsequently transferred to the Operation and Maintenance, Army appropriation for execution. In addition, we transferred \$904.8 million back to the IFF in September 2003 because those funds would not obligate before the appropriations expired. As of September 30, 2003, the IFF had a balance of \$6,431.2 million. This balance is prior to the congressional rescission of \$3,490 million, which Congress included in the Department of Defense Appropriations Act, 2004 (Public Law 108-87). After adjusting for the congressional rescission, the available balance would be \$2,941.2 million. This balance includes the \$811.9 million for the prior approval reprogramming action (FY 03-25 PA) submitted to Congress in August for investment-related items to include new starts and items that Department would not field within 18 months. We received final congressional of this reprogramming action on November 10, 2003.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

A handwritten signature in black ink, appearing to read "Dov S. Zakheim", is written over a white background.

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable Carl Levin
Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

NOV 18 2003

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am forwarding to you, on behalf of the Secretary of Defense, a quarterly summary of the funds that we transferred from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in enclosure (1). Enclosure (2) provides a summary of the funds transferred from the Natural Resources Risk Remediation Fund (NRRRF).

During fiscal year (FY) 2003, the Department transferred \$10,152.5 million from the IFF to the various appropriations, of which we transferred \$6,099.6 million during the fourth quarter. The quarterly transfers included a \$250.3 million transfer from the IFF to the NRRRF that we subsequently transferred to the Operation and Maintenance, Army appropriation for execution. In addition, we transferred \$904.8 million back to the IFF in September 2003 because those funds would not obligate before the appropriations expired. As of September 30, 2003, the IFF had a balance of \$6,431.2 million. This balance is prior to the congressional rescission of \$3,490 million, which Congress included in the Department of Defense Appropriations Act, 2004 (Public Law 108-87). After adjusting for the congressional rescission, the available balance would be \$2,941.2 million. This balance includes the \$811.9 million for the prior approval reprogramming action (FY 03-25 PA) submitted to Congress in August for investment-related items to include new starts and items that Department would not field within 18 months. We received final congressional of this reprogramming action on November 10, 2003.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable Ike Skelton
Ranking Member

Transfers: Iraqi Freedom Fund (IFF)
(As of September 30, 2003)

Operation and Maintenance, Army **\$1,249,379,000**

For expenses incurred in establishing the New Iraqi Army:	(53,074,000)
For depot maintenance and other critical needs:	(\$839,400,000)
For support for the Coalition Provisional Authority:	(\$209,705,000)
For a classified project:	(\$1,500,000)
For in-theater communications:	(\$16,700,000)
For Combined/Joint Task Force 7 (CJTF-7) for the purchase of 3,650 relocatable buildings to house 14,700 soldiers at 7 base camps in Iraq:	(\$30,000,000)
For commercial communications equipment and contract personnel:	(\$99,000,000)

Missile Procurement, Army **\$198,900,000**

For the procurement of Army Tactical Missiles:	(\$109,000,000)
For the procurement of Guided Multiple Launch Rockets:	(\$89,900,000)

Other Procurement, Army **\$371,200,000**

For Blue Force Tracking (BFT) equipment:	(\$34,000,000)
For classified projects:	(\$5,500,000)
For communication and electronic equipment:	(\$2,900,000)
For coalition network support:	(\$17,400,000)
For 12 Force Provider systems:	(\$110,400,000)
For 308 up-armored High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs):	(\$73,000,000)
For commercial satellite equipment:	(\$40,000,000)
For terrestrial transmission communications:	(\$28,000,000)
For 660 sets of night vision devices:	(\$36,000,000)
For night vision devices, thermal weapons sights:	(\$24,000,000)

Procurement of Ammunition, Army **\$201,600,000**

For the procurement of various types of conventional ammunition to replace what was expended during operations in Iraq.

Research, Development, Test, and Evaluation, Army **\$13,000,000**

For the development of a multi-mode seeker for the Army Tactical Missile System program.

Operation and Maintenance, Navy **\$683,700,000**

For air depot maintenance to reconstitute engines and airframes for deployable aviation assets and to return aircraft to a mission capable status:	(\$140,000,000)
For ship depot maintenance to return the ships that participated in operations in Iraq to their pre-war material condition:	(\$242,000,000)
For depot maintenance of the USS Providence:	(\$125,200,000)
For depot maintenance of the USS Abraham Lincoln:	(\$43,000,000)
For mission and flight operations:	(\$100,000,000)
For reimbursement to the Navy for expenses incurred during the buildup phase of OIF:	(\$28,000,000)
For communications expenses to support critical communications systems in the Pacific Command:	(\$5,500,000)

Weapons Procurement, Navy **\$272,000,000**

For procurement of Joint Standoff Weapons:	(\$55,000,000)
For procurement of Tactical Tomahawk cruise missiles:	(\$217,000,000)

Procurement of Ammunition, Navy and Marine Corps **\$199,300,000**

For the procurement of conventional ammunition to replace laser guided bomb kits and ammunition during operations in Iraq.

Research, Development, Test and Evaluation, Navy **\$6,000,000**

For the Joint Forces Command Joint Interoperability and Integration project.

Operation and Maintenance, Marine Corps **\$285,900,000**

For unit and intermediate level maintenance to finance overhauls, electronic equipment repairs, secondary repairables and other maintenance:	(\$51,000,000)
For ammunition inspection and repackaging:	(\$90,000,000)
For restocking supplies and equipment and all classes of supplies to include batteries; individual clothing and combat equipment; ground support equipment; tents and camouflage netting; medical supplies; and nuclear, biological and chemical (NBC) gear:	(\$45,900,000)
For support to currently deployed soldiers:	(\$99,000,000)

Procurement, Marine Corps **\$80,690,000**

For Amphibious Assault Vehicle (AAV) modifications: (\$56,900,000)
For Blue Force Tracking equipment: (\$13,790,000)
For improved ribbon bridges: (\$10,000,000)

Operation and Maintenance, Air Force **\$378,400,000**

For procurement of commercial off-the-shelf security equipment and technology that will lessen the need for additional security forces and expedite the demobilization of Army National Guard forces: (\$351,700,000)
For the restocking of combat equipment and all classes of supplies consumed during GWOT such as fuel bladders, chemical suits, and readiness spares kits: (\$25,800,000)
For tactical intelligence and special activities: (\$900,000)

Aircraft Procurement, Air Force **\$106,123,000**

For miscellaneous production charges in support of OIF: (\$1,600,000)
For modification of the Global Hawk Unmanned Aerial Vehicle (UAV): (\$18,300,000)
For A -10 targeting pod interfaces: (\$5,075,000)
For the Compass Call infra-red defensive system: (\$19,750,000)
For Senior Scout quick reaction capability: (\$16,998,000)
For RC-135 SIGINT quick reaction capabilities: (\$29,100,000)
For U-2 Advanced Synthetic Aperture Radar System: (\$15,300,000)

Missile Procurement, Air Force **\$51,600,000**

For procurement of modification kits to upgrade AGM-65 Maverick missiles.

Other Procurement, Air Force **\$255,100,000**

For intelligence equipment (Global Broadcast Service): (\$14,800,000)
For mobility equipment: (\$231,500,000)
For the Special Update Program: (8,800,000)

Procurement of Ammunition, Air Force **\$133,100,000**

For replacement laser guided bomb kits: (\$57,400,000)
For conventional ammunition expended in Iraq: (\$51,100,000)
For Wind Corrected Munitions Dispensers: (\$24,600,000)

Research, Development, Test, and Evaluation, Air Force **\$25,500,000**

For Advanced Program Evaluation project: (\$5,500,000)
For the Laser Integrated Targeting Engagement System: (\$10,000,000)
For Global Positioning System Accuracy Improvements: (\$10,000,000)

Military Construction, Air Force **\$18,600,000**

For a Parallel Taxiway at Thumrait Air Base, Oman: (\$2,989,000)
For the replacement of off-base water supply, Anderson
Air Base, Guam: (\$14,500,000)
For construction of a large vehicle inspection station,
Aviano Air Base, Italy: (\$1,111,000)

Operation and Maintenance, Defense-Wide **\$297,300,000**

For U.S. Special Operations Command (USSOCOM)
classified program: (\$42,000,000)
For combating terrorism, training and equipping: (\$4,000,000)
For the Office of the Assistant Secretary (Networks and
Information Integration) to provide an interoperable
Network for coalition forces in Iraq: (\$1,200,000)
For high bandwidth terrestrial communications leases: (\$21,300,000)
For the installation of coalition network platforms,
collaboration tool suites and monitoring systems: (\$2,200,000)
For installation of intrusion detection systems for the
Coalition Wide Area Network in Iraq: (\$3,260,000)
For two Demilitarized Zone (DMZ) sites to complete
the perimeter defense for the Defense computer network: (\$8,390,000)
To identify critical network nodes and to improve the
Configuration management of network switches for
Computer Network Defense operations: (\$750,000)
For a Defense Intelligence Agency classified program: (\$129,200,000)
For expenses by the National Imagery and Mapping Agency
(NIMA) in supporting Operation Iraqi Freedom and the
Global War on Terrorism: (\$85,000,000)

Procurement, Defense-Wide **\$369,944,000**

For procurement of 22 Patriot Missiles: (\$70,000,000)
For procurement supporting the Coalition Provisional
Authority: (\$2,044,000)
For Defense Intelligence Agency, classified projects: (\$20,100,000)
For National Imagery and Mapping Agency, classified
projects: (\$5,000,000)

Procurement, Defense-Wide (cont'd)

For Major Equipment, Office of the Secretary of Defense:	(\$3,400,000)
For U.S. Special Operations Command (USSOCOM) for Special Operations Forces (SOF) Operational Enhancements:	(\$6,700,000)
For USSOCOM, command, control, communications, computers and intelligence equipment:	(\$49,000,000)
For USSOCOM, classified programs:	(\$65,200,000)
For USSOCOM, to replace the joint operational stocks that that were expended or lost during recent combat operations:	(\$38,000,000)
For USSOCOM, for the procurement of MH-60 defensive armed penetrator kits:	(\$7,000,000)
For USSOCOM, for the procurement of minor equipment that was lost or damaged in recent operations:	(\$15,000,000)
For USSOCOM, for psychological operations equipment:	(\$12,000,000)
For USSOCOM, for the procurement of special purpose munitions:	(\$4,000,000)
For USSOCOM, to procure various survivability and lethality equipment items:	(\$63,000,000)
For USSOCOM, for the procurement Simulator Image Generators:	(\$9,500,000)

Research, Development, Test, and Evaluation, Defense-Wide **\$12,000,000**

For classified programs at the Defense Advanced Research Projects Agency (DARPA):	(\$6,000,000)
For the Joint Theater Air and Missile Defense Office (JTAMDO) for the National Capital Region Demonstration program:	(\$6,000,000)

Military Construction, Defense-Wide **\$7,500,000**

For a contingency construction project building a Combined/Joint Task Force Headquarters facility in Afghanistan	(\$5,200,000)
For planning and design for the Joint Warfare Center (JWC) in Tampa, Florida	(\$2,300,000)

Natural Resources Risk Remediation Fund **\$250,305,000**

To repair damaged oil facilities and related infrastructure,
and to preserve a distribution capability.

Defense Working Capital Fund **\$500,000,000**

For increased fuel costs.

Coast Guard Operating Expenses **\$96,000,000**

For the Coast Guard Operating Expenses appropriation,
for costs incurred by the United States Coast Guard in
Operation Iraqi Freedom.

Overseas Humanitarian, Disaster and Civic Aid (OHDACA) **\$36,445,000**

For humanitarian assistance programs:

U.S. Central Command assistance programs:	(\$10,227,000)
U.S. European Command assistance programs:	(\$8,628,000)
U.S. Southern Command assistance programs:	(\$5,990,000)
U.S. Pacific Command assistance programs:	(\$1,600,000)
Disaster Relief reimbursement for funds diverted to operations in Iraq and Afghanistan:	(\$10,000,000)

Total Transfers from the IFF **\$6,099,586,000**

Transfers Back to the IFF **\$904,848,000**

Reprogramming actions FY03-57 IR	(\$497,848,000)
From funds originally transferred to Operation and Maintenance, Defense-Wide for reimbursement payments to key cooperating nations (\$438.2 million) and classified program (\$59.6 million).	(\$497,848,000)
Reprogramming actions FY03-59 IR	(\$350,200,000)
From funds originally transferred to Operation and Maintenance, Navy for operations.	(\$198,000,000)
From funds originally transferred to Operation and Maintenance, Marine Corps for operations.	(\$152,200,000)
Reprogramming actions FY03-61 IR	(\$56,800,000)
From funds originally transferred to Operation and Maintenance, Defense-Wide for classified project (DIA, \$35 million), communications leases (DISA, \$17.8 million), and combating terrorism training and equipping in (USSOCOM, \$4 million)	(\$56,800,000)

Total Transferred Back to the IFF **\$904,848,000**

Transfers: Natural Resources Risk Remediation Fund (NRRRF)
(As of September 30, 2003)

<u>Natural Resources Risk Remediation Fund</u>	\$-250,305,000
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Transferred from the NRRRF	\$-250,305,000
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<u>Operation and Maintenance, Army</u>	\$250,305,000
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To repair damaged oil facilities and related infrastructure,
and to preserve a distribution capability.



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



AUG 11 2003

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$4,810.5 million from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in the enclosure.

Once we make these funding transfers, the balance in the IFF will be \$5,845 million. I anticipate sending you additional notifications regarding transfers from the IFF in the near future.

We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Robert C. Byrd
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



AUG 11 2003

The Honorable C. W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$4,810.5 million from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in the enclosure.

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Sincerely,

Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable David R. Obey
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



AUG 11 2003

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$4,810.5 million from the Iraq Freedom Fund (IFF) to various funds and appropriation accounts as detailed in the enclosure.

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Sincerely,

Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Carl Levin
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



AUG 11 2003

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

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Sincerely,

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Enclosure:
As stated

cc: The Honorable Ike Skelton
Ranking Member

**Transfers from the
Iraq Freedom Fund (IFF)**

Operation and Maintenance, Army

\$1,097,305,000

Budget Activity 1: Operating Forces

(\$1,097,305,000)

Funds are to be transferred from the IFF to the Operation and Maintenance, Army appropriation for the following efforts:

- Depot maintenance and other critical needs: (\$839,400,000)
Additional funds are needed for critical operation and maintenance requirements in support of OPERATION IRAQI FREEDOM (OIF). These funds will provide for depot maintenance to include battle damage repair, replenishment of war reserve, restocking and stockpile management, inspection and repair; personnel protective gear for soldiers, and personnel support for mobilization activities.
- Support for the Coalition Provisional Authority (\$209,705,000)
Funds are required to reimburse the Army for administrative support provided to the Coalition Provisional Authority to include the costs of base support (LOGCAP), transportation, personnel security, linguists, communications, travel, and other support.
- Classified Project: (\$1,500,000)
The details of this project are classified. Classified details will be provided separately.
- In-theater communications: (\$16,700,000)
Funds are required to mitigate deficiencies in the U.S. Central Command's in-theater communications to provide an interoperable coalition network.
- Combined/Joint Task Force 7 (CJTF-7) Soldier Shelters: (\$30,000,000)
Funds are required for the initial purchase of 3,650 relocatable buildings to house 14,700 soldiers at 7 base camps in Iraq. The design includes the necessary power generation site preparation. The housing units are vital to executing the CJTF-7 Command's plan for sheltering soldiers from Iraq's harsh climates.

Operation and Maintenance, Navy

\$683,700,000

Budget Activity 1: Operating Forces

(\$683,700,000)

Funds are to be transferred from the IFF to the Operation and Maintenance, Navy appropriation for the following efforts:

- Air Depot Maintenance: (\$140,000,000)
The funding is required to reconstitute engines and airframes for deployable aviation assets and return aircraft to a mission capable status.
- Ship Depot Maintenance: (\$242,000,000)
The funds are required to return the ships that participated in OIF to their pre-war material condition. This funding is necessary to ensure that shipyard capacity is maximized in FY 2003 so that the force can be restored to the high level operational condition required during the Global War on Terrorism (GWOT).

- Depot Maintenance, USS Providence: (\$125,200,000)
The USS PROVIDENCE Engineering Overhaul (EOH) is currently planned for FY 2004 at the Puget Sound Naval Shipyard. Based on workforce constraints resulting from an extended operational deployment of the USS LINCOLN in the GWOT operations, the planned Dockside Planning Incremental Availability (DPIA) has been delayed, creating a shipyard workload overlap. The depot maintenance work on the USS PROVIDENCE will be shifted to Portsmouth Naval Shipyard in FY 2003. These funds are required to initiate planning efforts and fund the overhaul for that induction. This ship is an East Coast home ported submarine, and returning the work to an East Coast shipyard will relieve unnecessary family disruptions.
- Depot Maintenance, USS ABRAHAM LINCOLN: (\$43,000,000)
Funds will enable the Navy to fully fund the availability of the USS ABRAHAM LINCOLN and provide for depot maintenance bringing that ship up to wartime requirements.
- Mission and Flight Operations: (\$100,000,000)
These funds are requested to reimburse the Navy for expenses incurred during the buildup phase of OIF.
- Combat Support Forces: (\$28,000,000)
These funds are requested to reimburse the Navy for expenses incurred during the buildup phase of OIF.
- Communications: (\$5,500,000)
These funds are required to support critical communications systems in the Pacific Command. This funding replaces a Reserve Component communication signal unit with contracted commercial communications services (satellite transporter) to support U.S. forces in the Pacific theater.

Operation and Maintenance, Marine Corps

\$285,900,000

Budget Activity 1: Operating Forces

(\$285,900,000)

Operational Support and Operating Tempo (OPTEMPO): Funding is required to sustain our efforts in continuing the GWOT and other operations to include antiterrorism and force protection, sending Marines to support CJTF-Horn of Africa, and demobilizing Marine Corps Reserve units.

- Unit and Intermediate Level Maintenance: (\$51,000,000)
These funds will finance the cost of overhauls, electronic equipment repairs, secondary repairable and other items, as well as all costs associated with intermediate level maintenance. Maintenance is performed on such major items as amphibious vehicles, High Mobility Multipurpose Wheeled Vehicles (HMMWV), trucks, tanks, artillery, portable air conditioners, computers, machine guns, and ammunition loaders. Funding at this level anticipates that the Congress will approve the Omnibus II reprogramming, which transfers \$40,000,000 to support unit and intermediate level maintenance.
- Ammunition Inspection and Repackaging: (\$90,000,000)
These funds will finance the cost of contractors to clean and repackage air and ground ammunition. Funding to repackage offloaded inventories will prevent additional degradation in inventories.

- Restocking Supplies: (\$45,900,000)
The funds provide for restocking combat equipment and all classes of supplies to include batteries; individual clothing and combat equipment (ICCE); ground support equipment; tents and camouflage netting; medical supplies; and nuclear, biological and chemical (NBC) gear. Much of the equipment and unit issue items that were used or worn by Marines during prolonged combat operations and in extreme weather conditions (heat, sandstorms, and driving rain) have been degraded.
- Operating Support: (\$99,000,000)
The funds are required to support the current operating tempo needs of deployed soldiers.

Operation and Maintenance, Air Force **\$377,500,000**
Budget Activity 1: Operating Forces (\$377,500,000)

Funds are to be transferred from the IFF to the Operation and Maintenance, Air Force appropriation for the following efforts:

- Security Force Manpower Requirements: (\$351,700,000)
Funds are required to mitigate the Security Force Manpower Requirements driven by the significant and enduring threat apparent since 9/11. The most significant manpower requirements are driven by the need for access control, intrusion detection, and threat device detection. Funds are needed to purchase commercial off-the-shelf technology that will lessen the need for additional manpower and expedite the demobilization of some of the Army National Guard augmentation force.
- Restocking Supplies: (\$25,800,000)
Funds are required to restock combat equipment and all classes of supplies consumed during GWOT such as fuel bladders, chemical suits, and readiness spares kits.

Operation and Maintenance, Defense-Wide **\$297,300,000**
Budget Activity 1: Operating Forces (\$42,000,000)
Budget Activity 4: Administration and Servicewide Activities (\$255,300,000)

Funds are to be transferred from the IFF to the Operation and Maintenance, Defense-Wide appropriation for the following efforts:

U.S. Special Operations Command (USSOCOM) **(\$46,000,000)**
Budget Activity 1: Operating Forces (\$42,000,000)

- Classified Program:
The details of this project are classified. Classified details will be provided separately.

Budget Activity 4: Administration and Servicewide Activities (\$4,000,000)

- Combating Terrorism Training and Equipping:
Funds are required for Combating Terrorism Training and Equipping in Uzbekistan in connection with GWOT.

Office of the Secretary of Defense (\$1,200,000)
Budget Activity 4: Administration and Servicewide Activities (\$1,200,000)

- Networks & Information Integration:
Funds needed to provide a coalition interoperable network in Iraq. They will also provide CENTRIXS intelligence support capabilities to United States and coalition forces; the existing capabilities are seriously deficient.

Defense Information and Systems Agency (DISA) (\$35,900,000)

Budget Activity 4: Administration and Servicewide Activities (\$35,900,000)

- Communications: (\$21,300,000)
Funds are required to pay for terrestrial communications leases that will provide volume price breaks and position DoD for quick reaction and high bandwidth communications capabilities in support of GWOT. Lessons learned from Iraq show that spot market leasing, rather than a coordinated strategy, is a less cost-effective approach. Leasing of commercial terrestrial and related satellite bandwidth will help cover the growing data requirements that cannot be supported with the existing limited Military Satellite Communications (MILSATCOM) resources. These funds will finance a more efficient mechanism for providing commercial satellite communications services to U.S. warfighters.
- Coalition Networks: (\$2,200,000)
Funds are required to procure and install 40 platforms, 14 Defense Collaboration Tool suites, and 5 monitoring systems to support the rapid growth of coalition networks, demonstrated most recently by operations in Iraq.
- Intrusion Detection Systems: (\$3,260,000)
The additional funds will procure and install enclave intrusion detection systems (IDSs) for the Coalition Wide Area Network (CWAN) in Iraq.
- Demilitarized Zone (DMZ) Sites: (\$8,390,000)
The funds will provide for two additional DoD DMZ sites to complete this essential element of DoD's perimeter defense for its computer network. This effort consolidates thousands of physical servers onto a few DoD Enterprise Servers where the security policy and server administration can be implemented as a single policy that will affect the thousands of hosted logical servers concurrently.
- Configuration Management and Other Initiatives: (\$750,000)
Additional funds are required to identify critical network nodes and to improve the configuration management of network switches for conducting Computer Network Defense (CND) operations on the secure network (SIPRNet) and associated enclaves.

Defense Intelligence Agency (DIA) (\$129,200,000)

Budget Activity 4: Administration and Servicewide Activities (\$129,200,000)

- Classified Program:
The details of this project are classified. Classified details will be provided separately.

National Imagery and Mapping Agency (NIMA) (\$85,000,000)

Budget Activity 4: Administration and Servicewide Activities (\$85,000,000)

- Support for OIF and the GWOT:
Funds are to be transferred from the IFF to support Operation Iraqi Freedom and the Global War on Terrorism.

Missile Procurement, Army

Budget Activity 2: Other Missiles

\$198,900,000
(\$198,900,000)

Funds are to be transferred from the IFF to the Missile Procurement, Army appropriation for the procurement of Army Tactical Missiles (ATACMs) (\$109 million) and Guided Multiple Launch Rockets (GMLRs) (\$89.9 million) to replace those that were expended in OIF.

Procurement of Ammunition, Army

Budget Activity 1: Ammunition

\$201,600,000
(\$201,600,000)

Funds are to be transferred from the IFF to the Procurement of Ammunition, Army appropriation for the procurement of various types of conventional ammunition to replace what was expended during OIF. The following is a list of specific line items being financed:

120mm Mortar	
105mm Artillery (Illuminated)	\$20,000,000
105mm Artillery (HE)	\$20,000,000
155mm Artillery (Extended Range)	\$5,000,000
Modular Artillery Charge System	\$25,000,000
Artillery Fuzes, All Types	\$42,000,000
Hydra Rockets	\$13,000,000
	\$76,600,000

Other Procurement, Army

Budget Activity 2: Communication and Electronic Equipment

Budget Activity 3: Other Support Equipment

\$170,200,000
(\$59,800,000)
(\$110,400,000)

Funds are to be transferred from the IFF to the Other Procurement, Army appropriation for the procurement of the following items:

- Blue Force Tracking (BFT) Equipment: **(\$34,000,000)**
Funds are required to procure additional BFT equipment for ground and aviation platforms (approximately 1,000 total platforms). Blue force tracking equipment provides situational awareness, tactical communications, and a common tactical picture to additional rotational units, while allowing Army forces equipped with BFT equipment to be redeployed and/or reapportioned in support of other theater operational plans.
- Classified Projects: **(\$5,500,000)**
The details of this project are classified. Classified details will be provided separately.
- Communication and Electronic Equipment (Joint Operations Center): **(\$2,900,000)**
Funds are required to procure a complete communications package to outfit the Joint Operations Center in Bagram, Afghanistan in support of ongoing operations. The funds will procure network equipment, servers, and associated equipment to complete the communications network for the new facility.

- Coalition Network Support: (\$17,400,000)
Funds are required to provide an interoperable network for the coalition forces in Iraq. The funds will establish the infrastructure network that supports the CENTRIXS capabilities for two multinational divisions in theater.
- Force Provider: (\$110,400,000)
Funds are required to replace 12 Force Provider systems destroyed/consumed in OIF. Force Provider is a base camp system that includes shelters, kitchens, showers, laundries, etc. and provides soldiers a brief respite from the rigors of a combat theater.

Research, Development, Test, and Evaluation, Army

Budget Activity 5: System Development and Demonstration

\$13,000,000
(\$13,000,000)

Funds are to be transferred from the IFF to the Research, Development, Test, and Evaluation, Army appropriation for the Army Tactical Missile System program (0604768A) to develop the multi-mode seeker. This is an advanced dual mode seeker (Imaging Infrared and Millimeter Wave) development that will demonstrate the capability to attack moving and stationary armored target arrays, heavy motorized rocket launchers, and surface-to-surface missile transport erector launchers (i.e., SCUDS).

Weapons Procurement, Navy

Budget Activity 2: Other Missiles

\$272,000,000
(\$272,000,000)

Funds are to be transferred from the IFF to the Weapons Procurement, Navy appropriation for the procurement of Joint Standoff Weapons (JSOWs) (\$55.0 million) and Tactical Tomahawk cruise missiles (\$217.0 million) to serve as functional replacements for weapons expended in OIF.

Procurement of Ammunition, Navy and Marine Corps

Budget Activity 1: Navy Ammunition

Budget Activity 1: Marine Corps Ammunition

\$199,300,000
(\$132,233,000)
(\$67,067,000)

Funds are to be transferred from the IFF to the Procurement of Ammunition, Navy and Marine Corps appropriation for the procurement of conventional ammunition to replace laser guided bomb kits (\$53.0 million) and ammunition (\$146.3 million) expended in OIF. The following is a list of specific line items being financed:

20mm Ammo	\$1,316,000
Air Expendable Countermeasures	\$3,840,000
Rockets	\$11,000,000
Bomb Bodies	\$63,000,000
Items <\$5 million	\$9,000
9mm, All Types	\$31,000
Non-lethal	\$31,000
7.62mm, All Types	\$987,000
5.56mm, All Types	\$3,625,000
.50 cal, All Types	\$4,719,000

Charges, All Types	\$6,643,000
Artillery, All Types	\$51,022,000
General Purpose Bombs - Laser Guided Bomb Kits	\$53,077,000

<u>Procurement, Marine Corps</u>	<u>\$80,690,000</u>
Budget Activity 2: Weapons and Tracked Combat Vehicles	(\$56,900,000)
Budget Activity 4: Communication and Electronic Equipment	(\$13,790,000)
Budget Activity 6: Engineer and Other Equipment	(\$10,000,000)

Funds are to be transferred from the IFF to the Procurement, Marine Corps appropriation for the procurement of the following items:

- Amphibious Assault Vehicle modifications: (\$56,900,000)
Funds will procure modifications to approximately 40 Amphibious Assault Vehicles currently residing on maritime prepositioning ships. The modification will replace the existing engine and suspension systems and result in increased capability.
- Blue Force Tracking Equipment: (\$13,790,000)
Funds will procure equipment to provide basic Position Location Information (PLI) between units, making them capable of both line-of-sight and non-line-of-sight transmissions.
- Improved Ribbon Bridges: (\$10,000,000)
Funds will procure approximately 500 meters of assault floating bridge equipment, identified as a necessary wet gap crossing asset; bridging was used in OIF.

<u>Research, Development, Test and Evaluation, Navy</u>	<u>\$6,000,000</u>
Budget Activity 7: Operational Systems Development	(\$6,000,000)

Funds are to be transferred from the IFF to the Joint Command, Control, Communications, Computer, and Intelligence, Surveillance and Reconnaissance (C4ISR) Battle Center program (0305188N) to fund the Joint Forces Command Joint Interoperability and Integration project. The funds are required to address critical legacy command and control systems interoperability.

<u>Aircraft Procurement, Air Force</u>	<u>\$104,523,000</u>
Budget Activity 4: Other Aircraft	(\$18,300,000)
Budget Activity 5: Modification of In-Service Aircraft	(\$70,923,000)
Budget Activity 7: Aircraft Support Equipment and Facilities	(\$15,300,000)

Funds are to be transferred from the IFF to the Aircraft Procurement, Air Force appropriation for the procurement of the following items:

- Global Hawk Unmanned Aerial Vehicle (UAV): (\$18,300,000)
The funds will modify aircraft with secure communications links, integrated air pictures, the International Maritime Satellite (INMARSAT), etc to allow theater commanders to more fully realize emerging concept of operations with the Global Hawk. Funding supports replacement of prototype Global Hawk support equipment deployed in support of OIF. In addition, the funding finances

- production line delays caused by deployment of support and test equipment for the UAV deployed in support of OIF.
- A-10 Targeting Pod Interfaces: (\$5,075,000)
Funds will enable installation of an aircraft interface module (AIM) to allow for basic targeting pod integration. This effort enables the aircraft to carry and employ the targeting pods, a proven capability during OIF.
 - Compass Call Infra-Red Defensive System: (\$19,750,000)
The funds will procure and install chaff and flare defensive systems on Compass Call aircraft. In OIF, the concept of operations required Compass Call aircraft to fly closer to enemy air defenses. These defense systems are required to operate in this new threat environment.
 - Senior Scout Quick Reaction Capability: (\$6,750,000)
This funding will provide Senior Scout aircraft with the capability to exploit high tech communications being purchased by terrorist organizations.
 - RC-135 SIGINT Quick Reaction Capabilities (QRCs): (\$29,100,000)
This funding will enable the Air Force to modify the RC-135 aircraft with the QRCs, which will provide fielded capability against new threats in a timely manner and will meet unified combatant commander collection and reporting requirements. Airborne Reconnaissance depends upon QRCs to address emerging threats.
 - Blue Force Tracker: (\$3,148,000)
The funds will procure and install Blue Force Tracker systems on Air Force Special Operations Command C-130 aircraft to prevent fratricide during operations.
 - Kill Chain Enhancement: (\$3,200,000)
The funds will procure and install Kill Chain Enhancement Machine-to-Machine Situational Awareness systems on C-130 aircraft to allow positive targeting and to reduce the potential for fratricide.
 - ROVER Permanent Modification: (\$3,900,000)
The funds will modify C-130 aircraft to provide them with direct video feed and integrated displays. The funds also procure spares, technical data, and logistics support for repair of spares.
 - U-2 Advanced Synthetic Aperture Radar System (ASARS) Backward Compatibility: (\$15,300,000)
The funding will enable the U-2 aircraft to be modified with the legacy ASARS sensors until new sensors become operational. This critical capability is required for preparation of the battle space, targeting support, and battle damage assessment.

Missile Procurement, Air Force

Budget Activity 3: Modification of In-Service Missiles

\$51,600,000
(\$51,600,000)

Funds are to be transferred from the IFF to the Missile Procurement, Air Force appropriation for the procurement of modification kits for the upgrade of AGM-65 Maverick missiles to replace items expended in OIF.

Procurement of Ammunition, Air Force

Budget Activity 1: Air Force Ammunition

\$133,100,000
(\$133,100,000)

Funds are to be transferred from the IFF to the Procurement of Ammunition, Air Force appropriation to replace Laser Guided Bomb kits (\$57.4 million) and conventional ammunition (\$51.1 million) expended in OIF as well as for the procurement of Wind Corrected Munitions Dispensers (\$24.6 million). The following is a list of specific line items being financed:

General Purpose Bombs - Laser Guided Bomb Kits	\$57,400,000
Wind Corrected Munitions Dispenser	\$24,600,000
Fuzes	\$36,200,000
Cartridges	\$10,900,000
Flares	\$2,300,000
Rockets	\$1,200,000
Small Arms	\$500,000

Other Procurement, Air Force

Budget Activity 3: Electronics and Telecommunications Equipment

Budget Activity 4: Other Base and Maintenance Support Equipment

\$246,300,000
(\$14,800,000)
(\$213,500,000)

Funds are to be transferred from the IFF to the Other Procurement, Air Force appropriation for the procurement of the following items:

- Intelligence Equipment (Global Broadcast Service (GBS): (\$14,800,000)
In response to the operational requirement to deliver classified UAV video, the GBS Joint Program Office developed the Black Cell package and accelerated fielding of GBS receive suites to CENTCOM. The funds will procure the Satellite Broadcast Manager (\$2.6 million) and the Internet Protocol Receive Suites (\$12.2 million) of the GBS.
- Mobility Equipment: (\$231,500,000)
Additional funding will replace the Harvest Eagle/Harvest Falcon mission essential mobility equipment deployed in support of OIF.

Research, Development, Test, and Evaluation, Air Force

Budget Activity 3: Advanced Technology Development

Budget Activity 7: Operational Systems Development

\$20,000,000
(\$10,000,000)
(\$10,000,000)

Funds are to be transferred from the IFF to the Research, Development, Test, and Evaluation, Air Force appropriation for the following efforts:

- Laser Integrated Targeting Engagement System (LITES): (\$10,000,000)
Funds are required for the Advanced Weapons Technology (0603605F) to complete the development of LITES. The system reduces the weight of equipment for Special Tactics Combat Controllers from the current 75 lbs to less than 10 lbs. Also provides digital machine-to-machine precision target coordinates and laser target designation to 10 kilometers, day or night.

- Global Positioning System Accuracy Improvements: (\$10,000,000)
Funds are required for the NAVSTAR Global Positioning System (0305165F). The GPS Accuracy Improvement initiative will provide a 10-15 percent improvement in Target Location Error and a 30 percent improvement in geopositioning accuracy to all GPS users.

<u>Procurement, Defense Wide</u>	<u>\$363,244,000</u>
Budget Activity 1: Major Equipment	(\$100,544,000)
Budget Activity 2: Special Operations Command	(\$262,700,000)

Funds are to be transferred from the IFF to the Procurement, Defense Wide appropriation for the procurement of the following items:

- Patriot Missiles (Ballistic Missile Defense Organization (BMDO)): (\$70,000,000)
Funds will procure 22 Patriot Missiles to replace missiles expended in OIF.
- Major Equipment (Washington Headquarters Services): (\$2,044,000)
Funds are required for procurement efforts required to establish the Coalition Provisional Authority (formerly the Office of Reconstruction and Humanitarian Assistance). Items procured include computer workstations and associated network devices.
- Classified Projects (Defense Intelligence Agency (DIA)): (\$20,100,000)
The details of this project are classified. Classified details will be provided separately.
- Major Equipment (National Imagery and Mapping Agency (NIMA)) (\$5,000,000)
The details of this project are classified. Classified details will be provided separately.
- Major Equipment (Office of the Secretary of Defense) (\$3,400,000)
Funds are needed for the Networks and Information Integration program to provide hardware to support an interoperable coalition network in Iraq. The funds will provide CENTRIXS intelligence support capabilities to U.S. and coalition forces; existing capabilities are seriously deficient.
- Command, Control, Communications, Computers and Intelligence (C4I) Equipment (U.S. Special Operations Command (SOCOM): (\$49,000,000)
Funds will procure C4 equipment to link tactical, operational, and strategic Special Operations Forces (SOF) units.
- Classified Programs (SOCOM): (\$25,000,000)
The details of this project are classified. Classified details will be provided separately.
- Conventional Ammunition (SOCOM): (\$40,200,000)
Funds will procure ammunition to replace ammunition expended in recent combat operations and to rebuild war reserve stocks to acceptable levels.
- Joint Operational Stocks (SOCOM): (\$38,000,000) - 2.0
Funds will procure equipment for the Joint Operational Stocks program to replace that expended/lost during recent combat operations. 2.5
- MH-60 Defensive Armed Penetrator kits (SOCOM): (\$7,000,000)
Armed Penetrator configuration. This reconfigured aircraft will be used for the insertion, extraction, and resupply of Special Operations ground forces.

- Special Operation Forces Minor Equipment (SOCOM): (\$15,000,000)
Funds will be used to replace lost and damaged equipment (e.g., vehicles and minor construction equipment) in recent combat operations.
- Psychological Operations (SOCOM): (\$12,000,000)
Funds will be used to procure the Special Operations Media System, a tactical psychological operations broadcast system that transmits news and other programming in support of military operations.
- Special Purpose Munitions (SOCOM): (\$4,000,000)
Funds will be used for the procurement of special purpose munitions to replace those expended during recent combat operations.
- Survivability and Lethality (SOCOM): (\$63,000,000)
Funds will be used for the procurement of various survivability and lethality equipment to support SOF warfighters during combat operations.
- Simulator Image Generators (SOCOM): (\$9,500,000)
Funds will be used to procure image generators to facilitate rapid mission turn-around and to ensure interoperability between various SOF units.
- White House Communications (Defense Information Systems Agency (DISA):
Realigns \$4.3 million within the Procurement, Defense-Wide appropriation; this is not an IFF transfer. In the Emergency Wartime Supplemental Appropriations, 2003, the Congress provided \$105.7 million for White House Communications, including \$9 million for modifications to the VC-25 aircraft, in a direct appropriation. Because of increased operational demands, this aircraft will not be available to modify until 2005. Therefore, DISA, working with the White House Military Office, can realign \$4.3 million to fund critical upgrades to the White House Situation room. These upgrades will increase the connectivity with agencies and enhance the survivability of the Situation Room's communications in the event of an emergency

Research, Development, Test, and Evaluation, Defense Wide **\$6,000,000**
Budget Activity 6: RDT&E Management Support **(\$6,000,000)**

Funds are to be transferred from the IFF to the Research, Development, Test, and Evaluation, Defense Wide appropriation for the Joint Theater Air and Missile Defense Office (JTAMDO) (0605126J) for the National Capital Region Demonstration program. Funds will be used to conduct risk reduction efforts by the JTAMDO for homeland air security programs and interagency air security procedures.

Military Construction, Defense-Wide **\$2,300,000**
Budget Activity 4: Planning and Design **(\$2,300,000)**

Funds are to be transferred from the IFF to the Military Construction, Defense-Wide appropriation to fund the planning and design for the Joint Warfare Center (JWC) in Tampa, FL. This facility will be the focal point for joint Special Operation Forces GWOT operations.

Grand Total **\$4,810,462,000**



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAR 8 2004

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11) and the Fiscal Year (FY) 2004 National Defense Authorization Act (Public Law 108-136, Section 1003), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of FY 2004. Enclosure (1) provides details of the transfers. Enclosure (2) informs you of the Natural Resources Risk Remediation Fund (NRRRF) transfer. The following table summarizes the IFF transactions.

(Dollars in Millions)

	<u>FY 2003/2004</u>	<u>FY 2004/2005</u>	<u>Total</u>
IFF Balances, October 1, 2003	2,941.2	1,988.6	4,929.8
Transfers out	2,174.3	494.6	2,668.9
Transfers in	24.0	-	24.0
IFF Balances, December 31, 2003	790.9	1,494.0	2,284.9

As shown above, a total of \$2,668.9 million was transferred from the IFF accounts during the first quarter of FY 2004. These transfers included a \$300.0 million transfer from the FY 2003/2004 IFF to the NRRRF that was subsequently transferred to the Operation and Maintenance, Army appropriation for execution. In addition, the Department has transferred \$24 million back into the FY 2003/2004 IFF from the Weapons Procurement, Navy appropriation.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable Robert C. Byrd
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAR 8 2004

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, DC 20510

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Ranking Member



UNDER SECRETARY OF DEFENSE
1 100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAR 8 2004

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

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Sincerely,

Dov S. Zakheim

Enclosures:
As stated

cc: The Honorable Robert C. Byrd
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAR 8 2004

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11) and the Fiscal Year (FY) 2004 National Defense Authorization Act (Public Law 108-136, Section 1003), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of FY 2004. Enclosure (1) provides details of the transfers. Enclosure (2) informs you of the Natural Resources Risk Remediation Fund (NRRRF) transfer. The following table summarizes the IFF transactions.

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Sincerely,

Dov S. Zakheim

Enclosures:

As stated

cc: The Honorable Robert C. Byrd
Ranking Member

**Transfers Out: FY 2003/2004 Iraqi Freedom Fund (IFF)
(October 1, 2003 through December 31, 2003)**

Operation and Maintenance, Army **\$934,821,000**

For expenses incurred to repair and operate oil infrastructure: (\$300,000,000)
For support for the Coalition Provisional Authority: (\$174,821,000)
For the purchase of Small Arms Protective Inserts (SAPI)
body armor: (\$310,000,000)
For expenses incurred in collecting, sorting, storing
and securing serviceable munitions, and destroying
unserviceable munitions captured in Iraq: (\$150,000,000)

Aircraft Procurement, Army **\$329,000,000**

For the procurement of seven CH-47 helicopters: (\$329,000,000)
For the procurement of 185 Raven Unmanned Aerial
Vehicles: (\$31,000,000)

Procurement of Ammunition, Army **\$70,700,000**

For the procurement of various types of conventional
ammunition to replace what was expended during
operations in Iraq:

Other Procurement, Army **\$57,500,000**

For the procurement of Warlock Orange electronic
countermeasure systems: (\$26,500,000)
For the procurement of 185 Raven Unmanned Aerial
Vehicle (ground) systems: (\$31,000,000)

Aircraft Procurement, Navy **\$60,000,000**

For the procurement of 17 Outer Wing Panel for EA-6 Series
aircraft:

Procurement, Marine Corps **\$42,700,000**

For the procurement of TOW IIB missiles:

Procurement of Ammunition, Navy and Marine Corps **\$75,678,000**

For the procurement of conventional ammunition to replace
laser guided bomb kits and ammunition during operations
in Iraq:

**Transfers In: FY 2003/2004 Iraqi Freedom Fund (IFF)
(October 1, 2003 through December 31, 2003)**

Transfers In to the IFF **\$24,000,000**

Reprogramming action FY04-15 IR;
transfers in funds originally transferred to the
Weapons Procurement, Navy, 03/05,
appropriation for Tomahawk Cruise Missile
production.

Total Transferred Back to the IFF **\$24,000,000**

**Transfers: Natural Resources Risk Remediation Fund (NRRRF)
(October 1, 2003 through December 31, 2003)**

Transferred to the NRRRF:

<u>Iraqi Freedom Fund</u>	\$300,000,000
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Total	\$300,000,000
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Transferred from the NRRRF:

<u>Operation and Maintenance, Army</u>	\$300,000,000
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To repair damaged oil facilities and related infrastructure, and to preserve a distribution capability

Total	\$300,000,000
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UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

DEC 22 2004 ✓

COMPTROLLER

The Honorable C.W. Bill Young
 Chairman, Committee on Appropriations
 U.S. House of Representatives
 Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106), and the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the fourth quarter of Fiscal Year 2004.

During this quarter, the Department transferred \$870.4 million from the IFF accounts to the Components for execution and transferred \$75.4 million back into the FY 2003/2004 IFF. The Department did not make any transfers to the Natural Resources Risk Remediation Fund from the IFF during this quarter. The following table summarizes the IFF transactions.

	<u>(Dollars in Millions)</u>		
	FY 2003/2004	FY 2004/2005	
	<u>IFF</u>	<u>IFF</u>	<u>Total</u>
IFF Balances, June 30, 2004	318.8	541.6	860.4
Transfers from IFF	394.2	476.2	870.4
Transfers to IFF	<u>75.4</u>	<u>-</u>	<u>75.4</u>
IFF Balances, September 30, 2004	-	65.4	65.4

The enclosures provide the details of these transfers. Enclosure 1 shows transfers from the FY 2003/2004 IFF, Enclosure 2 shows transfers to the FY 2003/2004 IFF, and Enclosure 3 shows transfers from the FY 2004/2005 IFF.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,



Tina W. Jonas

Enclosures:
 As stated

cc:
 The Honorable David R. Obey
 Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable Ted Stevens
 Chairman, Committee on Appropriations
 United States Senate
 Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106), and the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the fourth quarter of Fiscal Year 2004.

During this quarter, the Department transferred \$870.4 million from the IFF accounts to the Components for execution and transferred \$75.4 million back into the FY 2003/2004 IFF. The Department did not make any transfers to the Natural Resources Risk Remediation Fund from the IFF during this quarter. The following table summarizes the IFF transactions.

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Transfers to IFF	<u>75.4</u>	<u>-</u>	<u>75.4</u>
IFF Balances, September 30, 2004	-	65.4	65.4

The enclosures provide the details of these transfers. Enclosure 1 shows the FY 2003/2004 transfers out, Enclosure 2 shows FY 2003/2004 transfers in, and Enclosure 3 shows FY 2004/2005 transfers out.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,



Tina W. Jonas

Enclosure:
 As stated

cc:
 The Honorable Robert C. Byrd
 Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
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DEC 22 2004

COMPTROLLER

The Honorable John W. Warner
 Chairman, Committee on Armed Services
 United States Senate
 Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106), and the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the fourth quarter of Fiscal Year 2004.

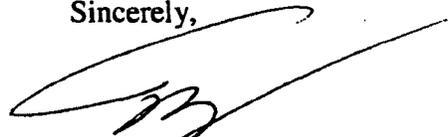
During this quarter, the Department transferred \$870.4 million from the IFF accounts to the Components for execution and transferred \$75.4 million back into the FY 2003/2004 IFF. The Department did not make any transfers to the Natural Resources Risk Remediation Fund from the IFF during this quarter. The following table summarizes the IFF transactions.

	(Dollars in Millions)		
	FY 2003/2004	FY 2004/2005	
	<u>IFF</u>	<u>IFF</u>	<u>Total</u>
IFF Balances, June 30, 2004	318.8	541.6	860.4
Transfers from IFF	394.2	476.2	870.4
Transfers to IFF	<u>75.4</u>	<u>-</u>	<u>75.4</u>
IFF Balances, September 30, 2004	-	65.4	65.4

The enclosures provide the details of these transfers. Enclosure 1 shows the FY 2003/2004 transfers out, Enclosure 2 shows FY 2003/2004 transfers in, and Enclosure 3 shows FY 2004/2005 transfers out.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,



Tina W. Jonas

Enclosure:
 As stated

cc:
 The Honorable Carl Levin
 Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable Ted Stevens
 Chairman, Subcommittee on Defense
 Committee on Appropriations
 United States Senate
 Washington, D.C. 20515

Dear Mr. Chairman:

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Enclosure:
 As stated

cc:
 The Honorable Daniel K. Inouye
 Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable Jerry Lewis
 Chairman, Subcommittee on Defense
 Committee on Appropriations
 U.S. House of Representatives
 Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106), and the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the fourth quarter of Fiscal Year 2004.

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Sincerely,

Tina W. Jonas

Enclosure:
 As stated

cc:
 The Honorable John P. Murtha
 Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

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Sincerely,

Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Ike Skelton
Ranking Member

**Transfers from the FY 2003/2004 Iraq Freedom Fund (IFF)
(July 1, 2004 through September 30, 2004)**

Operation and Maintenance, Army

\$126,320,000

Additional funding was provided to support higher Operational Tempo (OPTEMPO) in Iraq and in-theater equipment maintenance (\$126,000,000).

Funding was provided for the purchase of 300 Channel Acorn systems at a cost of \$1.5 million. Channel Acorn is an electronic jamming device that prevents the detonation of Improvised Explosive Devices (IED). Also, \$36 thousand was provided to the Army to finance the feeding and training of search dogs that specialize in detecting mines and IEDs. Funds from the FY 2003/FY 2004 Iraq Freedom Fund partially financed this requirement (\$320,000); the balance was financed from the FY 2004/FY 2005 Iraq Freedom Fund (\$1,216,000).

Operation and Maintenance, Defense-Wide

\$192,500,000

Additional funding was provided to the Defense Security Cooperation Agency (DSCA) for payments to reimburse cooperating nations for logistical and military support provided to U.S. military operations in connection with military action in Iraq and in the Global War on Terrorism (GWOT) (\$188,000,000).

Funds were also provided to DSCA for counter-terrorism military training for foreign governments (Jordan, \$3,000,000; Uzbekistan, \$1,000,000; Panama, \$200,000; El Salvador, \$200,000; and Paraguay, \$100,000) in connection with GWOT (\$4,500,000).

Other Procurement, Army

\$37,775,000

Additional funding was provided for procurement of Blue Force Tracking Aviation Systems in support of Operation Iraqi Freedom and Operation Enduring Freedom (\$18,859,000).

Additional funding was provided to finance the procurement of Ballistic Protection Kits and Gunner Protection Kits for Army vehicles (\$18,916,000).

Operation and Maintenance, Marine Corps

\$15,000,000

Additional funding was provided to finance continuing operations in Operation Iraqi Freedom and Operation Enduring Freedom. The funds provide for increased OPTEMPO, logistics support, repair parts, maintenance, medical supplies and sustainment of forward deployed units. The funding also supports joint and pre-deployment training required to meet the counter-insurgency threat.

Weapons Procurement, Navy

\$6,600,000

Additional funding was provided for procurement of 72 Hellfire missiles to replace operational expenditures.

Aircraft Procurement, Army

\$15,071,000

Additional funding was provided to accelerate the procurement of Aircraft Survivability Equipment. Funding provides for the purchase of the Common Missile Warning Systems/Improved Countermeasure Dispensing System for use on fixed and rotary wing aircraft.

Procurement of Ammunition, Air Force

\$990,000

Additional funding was added for the procurement of small arms ammunition and flares for use in the counter-terrorism training activities in Yemen.

Total Transfers from the FY 2003/FY 2004 IFF

\$394,256,000

**Transfers to the FY 2003/2004 Iraq Freedom Fund (IFF)
(July 1, 2004 through September 30, 2004)**

From Operation and Maintenance, Army

\$37,775,000

Funds were originally transferred to the Operation and Maintenance, Army appropriation for increased Operational Tempo (OPTEMPO) and to procure spare parts for equipment maintenance in-theater. The Army determined that funding Blue Force Tracking Aviation Systems was a higher priority requirement. The funds were transferred back to the IFF and then transferred to the Other Procurement, Army appropriation for execution (\$18,859,000).

Funds were originally transferred to the Operation and Maintenance, Army appropriation for the procurement of Ballistic Protection Kits and Gunner Protection Kits. It was determined that the equipment must be purchased in a procurement account. The funds were transferred back to the IFF, and subsequently transferred to the Other Procurement, Army appropriation for execution (\$18,916,000).

From Military Personnel, Marine Corps

\$21,600,000

Funds were originally transferred to the Military Personnel, Marine Corps appropriation for allowances for mobilized Reserve Component members. However, mobilization occurred at a lower than expected rate. The Navy and Marine Corps determined that funding OPTEMPO (\$15.0 million to the Operation and Maintenance, Marine Corps appropriation) and procuring additional Hellfire missiles (\$6.6 million to the Weapons Procurement, Navy appropriation) were higher priority requirements. The funds were transferred back to the IFF, and then transferred to the proper appropriation for execution.

From Operation and Maintenance, Air Force

\$990,000

Funds were originally transferred to the Operation and Maintenance, Air Force appropriation for procurement of small arms ammunition and flares for use in counter-terrorism training activities. It was later determined that the equipment must be purchased in a procurement account. The funds were transferred back to the IFF, and then transferred to the Procurement of Ammunition, Air Force appropriation for execution.

From Procurement of Ammunition, Army

\$15,071,000

Funds were originally transferred to the Procurement of Ammunition, Army appropriation for demolition munitions. The Army later determined that procurement of Aircraft Survivability Equipment was a higher priority requirement. The funds were transferred back to the IFF, and subsequently transferred to the Aircraft Procurement, Army account for execution.

Total Transfers to the FY 2003/2004 IFF

\$75,436,000

**Transfers from the FY 2004/2005 Iraq Freedom Fund (IFF)
(July 1, 2004 through September 30, 2004)**

Operation and Maintenance, Army

\$406,216,000

Additional funding was provided to support higher Operational Tempo (OPTEMPO) in Iraq and in-theater equipment maintenance (\$170,000,000).

Additional funding was provided to finance the increased cost of transportation of supplies and equipment over ocean in support of current operations in Iraq (\$225,000,000).

Funding was provided for the purchase of 300 Channel Acorn systems, at a cost of \$1.5 million. Channel Acorn is an electronic jamming device that prevents the detonation of Improvised Explosive Devices (IED). Also, \$35 thousand was provided to finance the feeding and training of search dogs that specialize in detecting mines and IEDs. Funds from the FY 2003/FY 2004 Iraq Freedom Fund partially financed this requirement (\$320,000); the balance was financed from the FY 2004/FY 2005 Iraq Freedom Fund (\$1,216,000).

The Emergency Supplemental Act earmarked \$10,000,000 of the Iraq Freedom Fund appropriation for the Family Readiness Program of the National Guard. The funding was used to provide critical support to families of deployed soldiers of the three Enhanced Separate Brigades that have deployed to Iraq (\$10,000,000).

Operation and Maintenance, Navy

\$70,000,000

Additional funding was provided to finance the Navy's reimbursement to the Defense Logistics Agency for increased transportation costs during FY 2004 in support of contingency operations in Iraq and Afghanistan (\$70,000,000).

Total Transfers from the FY 2004/2005 IFF

\$476,216,000



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUN 9 2004

COMPTROLLER

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11) Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106) and the Fiscal Year (FY) 2004 National Defense Authorization Act (Public Law 108-136, Section 1003), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the second quarter of FY 2004. The enclosures provide details of the transfers. During this quarter, there were no transfers to the Natural Resources Risk Remediation Fund (NRRRF) from the IFF. The following table summarizes the IFF transactions.

	(Dollars in Millions)		<u>Total</u>
	<u>FY 2003/2004 Supplemental</u>	<u>FY 2004/2005 Supplemental</u>	
IFF Balances, December 31, 2003	790.9	1,494.0	2,284.9
Transfers out	657.5 ^{1/}	96.5 ^{2/}	754.0
Transfers in	59.4 ^{2/}	-	59.4
IFF Balances, March 31, 2004	192.8	1,397.5	1,590.3

As shown above, a total of \$754.0 million was transferred from the IFF accounts during the second quarter of FY 2004. In addition, the Department has transferred \$59.4 million back into the FY 2003/2004 IFF from the Procurement of Ammunition, Navy and Marine Corps, and the Operation and Maintenance, Army appropriations.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Lawrence J. Lanzillotta
Acting

Enclosures:

- ^{1/} Enclosure 1, Transfers from the IFF FY 2003/FY 2004 Supplemental
- ^{2/} Enclosure 2, Transfers back to IFF FY 2003/FY 2004 Supplemental
- ^{3/} Enclosure 3, Transfers from the IFF FY 2004/FY 2005 Supplemental

cc: The Honorable David Obey
Ranking Member



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 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

JUN 9 2004

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 Chairman, Committee on Appropriations
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cc: The Honorable Robert C. Byrd
 Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

JUN 9 2004

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 United States Senate
 Washington, DC 20510

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 Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUN 9 2004

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U.S. House of Representatives
Washington, DC 20515

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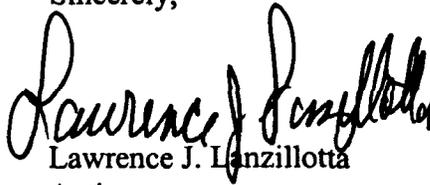
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cc: The Honorable Ike Skelton
Ranking Member

**Transfers Out: FY 2003/2004 Iraqi Freedom Fund (IFF)
(December 31, 2003 through March 31, 2004)**

<u>Operation and Maintenance, Army</u>	<u>\$108,111,296</u>
For a classified program:	(\$105,618,296)
For counter-terrorism military training activities for foreign governments, to include equipment, supplies and services for counter-terrorism efforts in Azerbaijan.	(\$2,500,000)
<u>Other Procurement, Army</u>	<u>\$64,000,000</u>
For the procurement of ballistic protection kits (add-on-armor) to trucks and other vehicles.	(\$20,000,000)
For the procurement of integrated security systems for the Coalition Provisional Authority (CPA) in Iraq.	(\$44,000,000)
<u>Aircraft Procurement, Navy</u>	<u>\$12,050,000</u>
For the procurement of aviation survivability equipment (infrared missile jammers) for AH-1W helicopters, (\$3.0 million); and C-130 aircraft, (\$9.1 million).	
<u>Procurement, Marine Corps</u>	<u>\$3,360,000</u>
For the procurement of PRC-177F radios, (\$3.1 million); field medical equipment, mobile generators, and bridge erection boat trailers, (\$0.3 million).	
<u>Operation and Maintenance, Air Force</u>	<u>\$18,000,000</u>
For counter-terrorism military training activities for foreign governments, to include equipment, supplies and services for counter-terrorism efforts in Kyrgyzstan, (\$4.0 million); Tajikistan, (\$4.5 million); Uzbekistan, (\$5.0 million); and Yemen (\$4.5 million).	
<u>Operation and Maintenance, Defense-Wide</u>	<u>\$450,000,000</u>
For reimbursements by the Defense Security Cooperation Agency (DSCA) for cooperating nations for logistical and military support.	

Military Construction, Defense-Wide

\$2,000,000

For a contingency construction project to build a headquarters facility for the Combined/Joint Task Force (CJTF 180) in Bagram, Afghanistan.

The congressional oversight committees were notified by this project on January 8, 2004, citing authorities under Section 8, 1901 of Public Law 108-11, the FY 2003 Emergency Supplemental Act.

Total Transfers from the IFF

\$657,528,296

**Transfers In: FY 2003/2004 Iraqi Freedom Fund (IFF)
(December 31, 2003 through March 31, 2004)**

Transfers Back to the IFF

\$59,410,000

These funds were originally transferred to the Procurement of Ammunition, Navy and Marine Corps, 03/05, appropriation for various ammunition programs. After further review, the Navy and the Marine Corps determined that other requirements within the Aircraft Procurement, Navy, 03/05 and Procurement, Marine Corps, 03/05 appropriations had higher priority needs. Thus, the funds were realigned to address the higher priority projects. The congressional oversight committees were notified of these increases on February 4, 2004.

(\$15,410,000)

These funds were originally transferred to the Operation and Maintenance, Army, 04/04, appropriation for execution. Subsequently, it was determined that the funds should have been issued to the Other Procurement, Army, 04/06 appropriation instead. The congressional oversight committees were notified of this action on October 9, 2003.

(\$44,000,000)

Total Transferred Back to the IFF

\$59,410,000

Transfers Out: FY 2004/2005 Iraqi Freedom Fund (IFF)
(December 31, 2003 through March 31, 2004)

<u>Other Procurement, Army</u>	<u>\$60,000,000</u>
For the procurement of ballistic protection kits (add-on-armor) to trucks and other vehicles.	(\$60,000,000)
<u>Procurement, Marine Corps</u>	<u>\$36,500,000</u>
For the procurement of communications and electronic equipment (radio systems; common computer resources; general purpose test equipment).	(\$9,095,000)
For the procurement of logistics vehicle systems and items that cost less than \$5 million.	(\$9,965,000)
For the procurement of logistics 5/4 ton trucks under the High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs) multiyear procurement contract.	(\$16,700,000)
For the procurement of fire suppression systems and alternators, generators, regulators, and test stand.	(\$740,000)
<u>Total Transfers from the IFF</u>	<u>\$96,500,000</u>



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JAN 12 2004

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$25.0 million from the FY 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Army and the Operation and Maintenance, Air Force appropriations as detailed in the enclosure.

Once we make these funding transfers, there will be a balance of \$741.9 million in the FY 2003/FY 2004 IFF transfer account. We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

A handwritten signature in black ink, appearing to read "Dov S. Zakheim", with a long horizontal stroke extending to the right.

Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable David R. Obey
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JAN 12 2004

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

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As stated

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Ranking Member



COMPTROLLER

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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JAN 12 2004

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$25.0 million from the FY 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Army and the Operation and Maintenance, Air Force appropriations as detailed in the enclosure.

Once we make these funding transfers, there will be a balance of \$741.9 million in the FY 2003/FY 2004 IFF transfer account. We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional Defense Committees.

Sincerely,

A handwritten signature in black ink, appearing to read "D. S. Zakheim".

Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Robert C. Byrd
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JAN 12 2004

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

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Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Carl Levin
Ranking Member

**Transfers from the
Iraq Freedom Fund (IFF)**

Operation and Maintenance, Army

\$2,500,000

Budget Activity 1 Operating Forces

(\$2,500,000)

These funds are to be transferred to finance counter-terrorism military training activities for foreign governments in connection with the global war on terrorism. The Department plans to provide equipment, supplies and services for counter-terrorism efforts in Azerbaijan consistent with the financial plan submitted to the Armed Services and Appropriations committees on September 4, 2003.

Operation and Maintenance, Air Force

\$22,500,000

Budget Activity 1 Operating Forces

(\$22,500,000)

These funds are to be transferred to finance counter-terrorism military training activities for foreign government in connection with the global war on terrorism. The Department plans to provide equipment, supplies and services for counter-terrorism efforts in: Kyrgyzstan and Tajikistan (\$12.0 million); Uzbekistan (\$6.0 million); and Yemen (\$4.5 million), consistent with the financial plan submitted to the Armed Services and Appropriations committees on September 4, 2003.



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JAN 27 2004

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$450.0 million from the fiscal year (FY) 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation as detailed in the enclosure.

Section 1310 of Public Law 108-11 provided the Department with the authority to transfer up to \$1,400.0 million for coalition support. As of today, we have transferred \$762.0 million for this purpose and have authority for additional transfers of up to \$638.0 million. This transfer of \$450.0 million is anticipated to cover coalition support payments through May 2004.

Once we make this funding transfer, the balance in the FY 2003/FY 2004 IFF will be \$340.9 million. I anticipate sending you additional notifications regarding transfers from the IFF in the near future.

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Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JAN 27 2004

COMPTROLLER

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United States Senate
Washington, D.C. 20510

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Dov S. Zakheim

Enclosure:
As stated

cc: The Honorable Ike Skelton
Ranking Member

**Transfers from the
Iraq Freedom Fund (IFF)**

<u>Operation and Maintenance, Defense-Wide</u>	<u>\$450,000,000</u>
Defense Security Cooperation Agency (DSCA)	
Budget Activity 4: Administration and Servicewide Activities	\$450,000,000

Funds are to be transferred from the IFF to the Operation and Maintenance, Defense-Wide appropriation for payments to reimburse key cooperating nations for logistical and military support, as authorized in section 1310 of Public Law 108-11.

Enclosure



COMPTROLLER

UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAR 8 2004 ✓

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11) and the Fiscal Year (FY) 2004 National Defense Authorization Act (Public Law 108-136, Section 1003), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of FY 2004. Enclosure (1) provides details of the transfers. Enclosure (2) informs you of the Natural Resources Risk Remediation Fund (NRRRF) transfer. The following table summarizes the IFF transactions.

(Dollars in Millions)

	FY 2003/2004 <u>Supplemental</u>	FY 2004/2005 <u>Supplemental</u>	<u>Total</u>
IFF Balances, October 1, 2003	2,941.2	1,988.6	4,929.8
Transfers out	2,174.3	494.6	2,668.9
Transfers in	24.0	-	24.0
IFF Balances, December 31, 2003	790.9	1,494.0	2,284.9

As shown above, a total of \$2,668.9 million was transferred from the IFF accounts during the first quarter of FY 2004. These transfers included a \$300.0 million transfer from the FY 2003/2004 IFF to the NRRRF that was subsequently transferred to the Operation and Maintenance, Army appropriation for execution. In addition, the Department has transferred \$24 million back into the FY 2003/2004 IFF from the Weapons Procurement, Navy appropriation.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional Defense Committees.

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Enclosures:

As stated

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Ranking Member



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 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

COMPTROLLER

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 United States Senate
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United States Senate
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COMPTROLLER

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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAR 8 2004

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Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

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Enclosures:

As stated

cc: The Honorable Robert C. Byrd
Ranking Member

**Transfers Out: FY 2003/2004 Iraqi Freedom Fund (IFF)
(October 1, 2003 through December 31, 2003)**

Operation and Maintenance, Army **\$934,821,000**

For expenses incurred to repair and operate oil infrastructure: (\$300,000,000)
For support for the Coalition Provisional Authority: (\$174,821,000)
For the purchase of Small Arms Protective Inserts (SAPI)
body armor: (\$310,000,000)
For expenses incurred in collecting, sorting, storing
and securing serviceable munitions, and destroying
unserviceable munitions captured in Iraq: (\$150,000,000)

Aircraft Procurement, Army **\$329,000,000**

For the procurement of seven CH-47 helicopters: (\$329,000,000)
For the procurement of 185 Raven Unmanned Aerial
Vehicles: (\$31,000,000)

Procurement of Ammunition, Army **\$70,700,000**

For the procurement of various types of conventional
ammunition to replace what was expended during
operations in Iraq:

Other Procurement, Army **\$57,500,000**

For the procurement of Warlock Orange electronic
countermeasure systems: (\$26,500,000)
For the procurement of 185 Raven Unmanned Aerial
Vehicle (ground) systems: (\$31,000,000)

Aircraft Procurement, Navy **\$60,000,000**

For the procurement of 17 Outer Wing Panel for EA-6 Series
aircraft:

Procurement, Marine Corps **\$42,700,000**

For the procurement of TOW IIB missiles:

Procurement of Ammunition, Navy and Marine Corps **\$75,678,000**

For the procurement of conventional ammunition to replace
laser guided bomb kits and ammunition during operations
in Iraq:

**Transfers In: FY 2003/2004 Iraqi Freedom Fund (IFF)
(October 1, 2003 through December 31, 2003)**

Transfers In to the IFF **\$24,000,000**

Reprogramming action FY04-15 IR;
transfers in funds originally transferred to the
Weapons Procurement, Navy, 03/05,
appropriation for Tomahawk Cruise Missile
production.

Total Transferred Back to the IFF **\$24,000,000**

Transfers: Natural Resources Risk Remediation Fund (NRRRF)
(October 1, 2003 through December 31, 2003)

Transferred to the NRRRF:

<u>Iraqi Freedom Fund</u>	\$300,000,000
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Total	\$300,000,000
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Transferred from the NRRRF:

<u>Operation and Maintenance, Army</u>	\$300,000,000
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To repair damaged oil facilities and related infrastructure, and to preserve a distribution capability

Total	\$300,000,000
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UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 3 2004

COMPTROLLER

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106) and the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the third quarter of FY 2004. The enclosures provide details of the transfers. During this quarter, there were no transfers to the Natural Resources Risk Remediation Fund from the IFF. The following table summarizes the IFF transactions.

(Dollars in Millions)

	FY 2003/2004 <u>Supplemental</u>	FY 2004/2005 <u>Supplemental</u>	<u>Total</u>
IFF Balances, March 31, 2004	192.8	1,397.5	1,590.3
Transfers out	6.3 ^{1/}	855.9 ^{3/}	862.2
Transfers in	<u>132.3 ^{2/}</u>	<u>-</u>	<u>132.3</u>
IFF Balances, June 30, 2004	318.8	541.6	860.4

As shown above, a total of \$862.2 million was transferred from the IFF accounts during the third quarter of FY 2004. In addition, the Department has transferred \$132.3 million back into the FY 2003/2004 IFF. Most of these funds, \$126.0 million, were the remaining balance from the Defense Emergency Response Fund and were transferred to the IFF pursuant to Section 1313 of the Emergency Wartime Supplemental Appropriations Act, 2003. The other \$6.3 million corrects the distribution of funds for counter-terrorism training; it does not change the purpose of the funding. The funds were transferred back from the Operation and Maintenance, Air Force appropriation and immediately redirected to the Air Force procurement appropriations for proper execution.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Tina W. Jonas

Enclosures:

- ^{1/} Enclosure 1, Transfers from the IFF FY 2003/FY 2004 Supplemental
- ^{2/} Enclosure 2, Transfers back to IFF FY 2003/FY 2004 Supplemental
- ^{3/} Enclosure 3, Transfers from the IFF FY 2004/FY 2005 Supplemental

cc: The Honorable Ike Skelton
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
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AUG 3 2004

COMPTROLLER

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Chairman, Committee on Appropriations
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 United States Senate
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Tina W. Jonas

**Transfers Out: FY 2003/2004 Iraqi Freedom Fund (IFF)
(March 31, 2004 through June 30, 2004)**

Procurement of Ammunition, Air Force **\$3,000**

For procurement of shotguns for counter-terrorism military training activities for foreign governments in connection with the global war on terrorism.

Other Procurement, Air Force **\$6,261,000**

For the procurement of vehicles, tactical radios and night vision devices for counter-terrorism military training activities for foreign governments in connection with the global war on terrorism.

Total Transfers from the IFF **\$6,264,000**

Note: These transfers correctly place the funds in the proper appropriations for execution. Congress was originally notified about the transfer of funds for counter-terrorism training activities on January 12, 2004. At that time, the funds were transferred to the Operations and Maintenance, Air Force appropriation. Subsequently, the U.S. Central Command (CENTCOM) identified that a portion of the funds were needed for procurement items. The funds were returned to the IFF and then transferred out to the correct appropriations on May 28, 2004.

**Transfers In: FY 2003/2004 Iraqi Freedom Fund (IFF)
(March 31, 2004 through June 30, 2004)**

Transfers Back to the IFF **\$132,278,000**

These funds were originally appropriated in the Defense Emergency Response Fund (DERF). Section 1313 of the FY 2003 Emergency Wartime Supplemental Appropriations Act directs that all balances remaining in the DERF as of October 31, 2003 shall be transferred to, and merged with the Iraq Freedom Fund. These funds are the remaining balance. (\$126,014,000)

These funds were originally transferred to the Operation and Maintenance, Air Force appropriation, 04/04, to support counter-terrorism training. After review, the U.S. Central Command determined that the funds were needed for procurement items. The funds were transferred back to the IFF and transferred to the correct procurement appropriations on May 28, 2004. (\$6,264,000)

Total Transferred Back to the IFF **\$132,278,000**

Transfers Out: FY 2004/2005 Iraqi Freedom Fund (IFF)
(March 31, 2004 through June 30, 2004)

Other Procurement, Army **\$463,000,000**

For the procurement of Up-Armored High Mobility Multipurpose Wheeled Vehicles (HMMWVs), Ballistic protection kits for a variety of trucks and vehicles, and night vision devices.

Military Personnel, Marine Corps **\$157,000,000**

For military pay, allowances and subsistence to support the mobilization of Reserve personnel and the deployment of the Second Marine Expeditionary Force in theater.

Operation and Maintenance, Marine Corps **\$141,900,000**

For the operational deployment and sustainment of 26,500 personnel in the Second Marine Expeditionary Force in theater.

Military Construction, Defense-wide **\$94,000,000**

For a classified project.

Total Transfers from the IFF **\$855,900,000**



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUN 9 2004 ✓

COMPTROLLER

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11) Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106) and the Fiscal Year (FY) 2004 National Defense Authorization Act (Public Law 108-136, Section 1003), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the second quarter of FY 2004. The enclosures provide details of the transfers. During this quarter, there were no transfers to the Natural Resources Risk Remediation Fund (NRRRF) from the IFF. The following table summarizes the IFF transactions.

	<u>(Dollars in Millions)</u>		
	<u>FY 2003/2004</u>	<u>FY 2004/2005</u>	<u>Total</u>
	<u>Supplemental</u>	<u>Supplemental</u>	
IFF Balances, December 31, 2003	790.9	1,494.0	2,284.9
Transfers out	657.5 ^{1/}	96.5 ^{3/}	754.0
Transfers in	59.4 ^{2/}	-	59.4
IFF Balances, March 31, 2004	192.8	1,397.5	1,590.3

As shown above, a total of \$754.0 million was transferred from the IFF accounts during the second quarter of FY 2004. In addition, the Department has transferred \$59.4 million back into the FY 2003/2004 IFF from the Procurement of Ammunition, Navy and Marine Corps, and the Operation and Maintenance, Army appropriations.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Lawrence J. Lanzillotta
Acting

Enclosures:

- ^{1/} Enclosure 1, Transfers from the IFF FY 2003/FY 2004 Supplemental
- ^{2/} Enclosure 2, Transfers back to IFF FY 2003/FY 2004 Supplemental
- ^{3/} Enclosure 3, Transfers from the IFF FY 2004/FY 2005 Supplemental

cc: The Honorable David Obey
Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

JUN 9 2004

COMPTROLLER

The Honorable Ted Stevens
 Chairman, Committee on Appropriations
 United States Senate
 Washington, DC 20510

Dear Mr. Chairman:

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cc: The Honorable Robert C. Byrd
 Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUN 9 2004

COMPTROLLER

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, DC 20510

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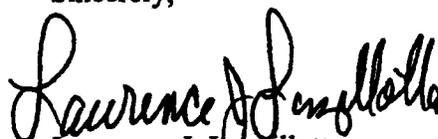
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cc: The Honorable Carl Levin
Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

JUN 9 2004

COMPTROLLER

The Honorable Duncan Hunter
 Chairman, Committee on Armed Services
 U.S. House of Representatives
 Washington, DC 20515

Dear Mr. Chairman:

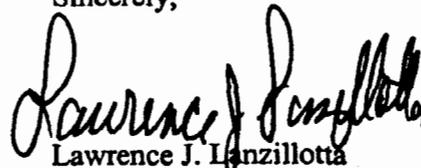
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Sincerely,


 Lawrence J. Lanzillotta
 Acting

Enclosures:

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cc: The Honorable Ike Skelton
 Ranking Member

Transfers Out: FY 2003/2004 Iraqi Freedom Fund (IFF)
(December 31, 2003 through March 31, 2004)

<u>Operation and Maintenance, Army</u>	<u>\$108,111,296</u>
For a classified program:	(\$105,618,296)
For counter-terrorism military training activities for foreign governments, to include equipment, supplies and services for counter-terrorism efforts in Azerbaijan.	(\$2,500,000)
<u>Other Procurement, Army</u>	<u>\$64,000,000</u>
For the procurement of ballistic protection kits (add-on-armor) to trucks and other vehicles.	(\$20,000,000)
For the procurement of integrated security systems for the Coalition Provisional Authority (CPA) in Iraq.	(\$44,000,000)
<u>Aircraft Procurement, Navy</u>	<u>\$12,050,000</u>
For the procurement of aviation survivability equipment (infrared missile jammers) for AH-1W helicopters, (\$3.0 million); and C-130 aircraft, (\$9.1 million).	
<u>Procurement, Marine Corps</u>	<u>\$3,360,000</u>
For the procurement of PRC-177F radios, (\$3.1 million); field medical equipment, mobile generators, and bridge erection boat trailers, (\$0.3 million).	
<u>Operation and Maintenance, Air Force</u>	<u>\$18,000,000</u>
For counter-terrorism military training activities for foreign governments, to include equipment, supplies and services for counter-terrorism efforts in Kyrgyzstan, (\$4.0 million); Tajikistan, (\$4.5 million); Uzbekistan, (\$5.0 million); and Yemen (\$4.5 million).	
<u>Operation and Maintenance, Defense-Wide</u>	<u>\$450,000,000</u>
For reimbursements by the Defense Security Cooperation Agency (DSCA) for cooperating nations for logistical and military support.	

Military Construction, Defense-Wide

\$2,000,000

For a contingency construction project to build a headquarters facility for the Combined/Joint Task Force (CJTF 180) in Bagram, Afghanistan.

The congressional oversight committees were notified by this project on January 8, 2004, citing authorities under Section 8101 of Public Law 108-11, the FY 2003 Emergency Supplemental Act.

Total Transfers from the IFF

\$657,528,296

**Transfers In: FY 2003/2004 Iraqi Freedom Fund (IFF)
(December 31, 2003 through March 31, 2004)**

Transfers Back to the IFF

\$59,410,000

These funds were originally transferred to the Procurement of Ammunition, Navy and Marine Corps, 03/05, appropriation for various ammunition programs. After further review, the Navy and the Marine Corps determined that other requirements within the Aircraft Procurement, Navy, 03/05 and Procurement, Marine Corps, 03/05 appropriations had higher priority needs. Thus, the funds were realigned to address the higher priority projects. The congressional oversight committees were notified of these increases on February 4, 2004.

(\$15,410,000)

These funds were originally transferred to the Operation and Maintenance, Army, 04/04, appropriation for execution. Subsequently, it was determined that the funds should have been issued to the Other Procurement, Army, 04/06 appropriation instead. The congressional oversight committees were notified of this action on October 9, 2003.

(\$44,000,000)

Total Transferred Back to the IFF

\$59,410,000

**Transfers Out: FY 2004/2005 Iraqi Freedom Fund (IFF)
(December 31, 2003 through March 31, 2004)**

<u>Other Procurement, Army</u>		<u>\$60,000,000</u>
For the procurement of ballistic protection kits (add-on-armor) to trucks and other vehicles.	(\$60,000,000)	
<u>Procurement, Marine Corps</u>		<u>\$36,500,000</u>
For the procurement of communications and electronic equipment (radio systems; common computer resources; general purpose test equipment).	(\$9,095,000)	
For the procurement of logistics vehicle systems and items that cost less than \$5 million.	(\$9,965,000)	
For the procurement of logistics 5/4 ton trucks under the High Mobility Multi-Purpose Wheeled Vehicles (HMMWVs) multiyear procurement contract.	(\$16,700,000)	
For the procurement of fire suppression systems and alternators, generators, regulators, and test stand.	(\$740,000)	
<u>Total Transfers from the IFF</u>		<u>\$96,500,000</u>



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable C.W. Bill Young
 Chairman, Committee on Appropriations
 U.S. House of Representatives
 Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106), and the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the fourth quarter of Fiscal Year 2004.

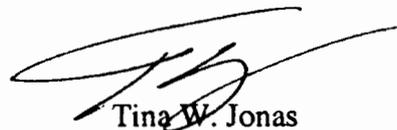
During this quarter, the Department transferred \$870.4 million from the IFF accounts to the Components for execution and transferred \$75.4 million back into the FY 2003/2004 IFF. The Department did not make any transfers to the Natural Resources Risk Remediation Fund from the IFF during this quarter. The following table summarizes the IFF transactions.

	<u>(Dollars in Millions)</u>		
	FY 2003/2004	FY 2004/2005	Total
	<u>IFF</u>	<u>IFF</u>	
IFF Balances, June 30, 2004	318.8	541.6	860.4
Transfers from IFF	394.2	476.2	870.4
Transfers to IFF	<u>75.4</u>	<u>-</u>	<u>75.4</u>
IFF Balances, September 30, 2004	-	65.4	65.4

The enclosures provide the details of these transfers. Enclosure 1 shows transfers from the FY 2003/2004 IFF, Enclosure 2 shows transfers to the FY 2003/2004 IFF, and Enclosure 3 shows transfers from the FY 2004/2005 IFF.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,



Tina W. Jonas

Enclosures:
 As stated

cc:
 The Honorable David R. Obey
 Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

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The Honorable Robert C. Byrd
Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

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cc:
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Ranking Member



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 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable Ted Stevens
 Chairman, Subcommittee on Defense
 Committee on Appropriations
 United States Senate
 Washington, D.C. 20515

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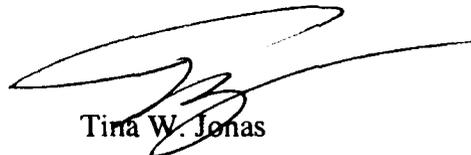
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Tina W. Jonas

Enclosure:
 As stated

cc:
 The Honorable Daniel K. Inouye
 Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable Jerry Lewis
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

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As stated

cc:
The Honorable John P. Murtha
Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

DEC 22 2004

COMPTROLLER

The Honorable Duncan Hunter
 Chairman, Committee on Armed Services
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 Washington, D.C. 20515

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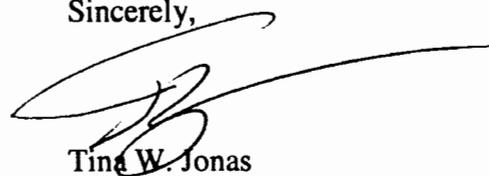
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Tim W. Jonas

Enclosure:
 As stated

cc:
 The Honorable Ike Skelton
 Ranking Member

**Transfers from the FY 2003/2004 Iraq Freedom Fund (IFF)
(July 1, 2004 through September 30, 2004)**

Operation and Maintenance, Army

\$126,320,000

Additional funding was provided to support higher Operational Tempo (OPTEMPO) in Iraq and in-theater equipment maintenance (\$126,000,000).

Funding was provided for the purchase of 300 Channel Acorn systems at a cost of \$1.5 million. Channel Acorn is an electronic jamming device that prevents the detonation of Improvised Explosive Devices (IED). Also, \$36 thousand was provided to the Army to finance the feeding and training of search dogs that specialize in detecting mines and IEDs. Funds from the FY 2003/FY 2004 Iraq Freedom Fund partially financed this requirement (\$320,000); the balance was financed from the FY 2004/FY 2005 Iraq Freedom Fund (\$1,216,000).

Operation and Maintenance, Defense-Wide

\$192,500,000

Additional funding was provided to the Defense Security Cooperation Agency (DSCA) for payments to reimburse cooperating nations for logistical and military support provided to U.S. military operations in connection with military action in Iraq and in the Global War on Terrorism (GWOT) (\$188,000,000).

Funds were also provided to DSCA for counter-terrorism military training for foreign governments (Jordan, \$3,000,000; Uzbekistan, \$1,000,000; Panama, \$200,000; El Salvador, \$200,000; and Paraguay, \$100,000) in connection with GWOT (\$4,500,000).

Other Procurement, Army

\$37,775,000

Additional funding was provided for procurement of Blue Force Tracking Aviation Systems in support of Operation Iraqi Freedom and Operation Enduring Freedom (\$18,859,000).

Additional funding was provided to finance the procurement of Ballistic Protection Kits and Gunner Protection Kits for Army vehicles (\$18,916,000).

Operation and Maintenance, Marine Corps

\$15,000,000

Additional funding was provided to finance continuing operations in Operation Iraqi Freedom and Operation Enduring Freedom. The funds provide for increased OPTEMPO, logistics support, repair parts, maintenance, medical supplies and sustainment of forward deployed units. The funding also supports joint and pre-deployment training required to meet the counter-insurgency threat.

Weapons Procurement, Navy

\$6,600,000

Additional funding was provided for procurement of 72 Hellfire missiles to replace operational expenditures.

Aircraft Procurement, Army

\$15,071,000

Additional funding was provided to accelerate the procurement of Aircraft Survivability Equipment. Funding provides for the purchase of the Common Missile Warning Systems/Improved Countermeasure Dispensing System for use on fixed and rotary wing aircraft.

Procurement of Ammunition, Air Force

\$990,000

Additional funding was added for the procurement of small arms ammunition and flares for use in the counter-terrorism training activities in Yemen.

Total Transfers from the FY 2003/FY 2004 IFF

\$394,256,000

**Transfers to the FY 2003/2004 Iraq Freedom Fund (IFF)
(July 1, 2004 through September 30, 2004)**

From Operation and Maintenance, Army

\$37,775,000

Funds were originally transferred to the Operation and Maintenance, Army appropriation for increased Operational Tempo (OPTEMPO) and to procure spare parts for equipment maintenance in-theater. The Army determined that funding Blue Force Tracking Aviation Systems was a higher priority requirement. The funds were transferred back to the IFF and then transferred to the Other Procurement, Army appropriation for execution (\$18,859,000).

Funds were originally transferred to the Operation and Maintenance, Army appropriation for the procurement of Ballistic Protection Kits and Gunner Protection Kits. It was determined that the equipment must be purchased in a procurement account. The funds were transferred back to the IFF, and subsequently transferred to the Other Procurement, Army appropriation for execution (\$18,916,000).

From Military Personnel, Marine Corps

\$21,600,000

Funds were originally transferred to the Military Personnel, Marine Corps appropriation for allowances for mobilized Reserve Component members. However, mobilization occurred at a lower than expected rate. The Navy and Marine Corps determined that funding OPTEMPO (\$15.0 million to the Operation and Maintenance, Marine Corps appropriation) and procuring additional Hellfire missiles (\$6.6 million to the Weapons Procurement, Navy appropriation) were higher priority requirements. The funds were transferred back to the IFF, and then transferred to the proper appropriation for execution.

From Operation and Maintenance, Air Force

\$990,000

Funds were originally transferred to the Operation and Maintenance, Air Force appropriation for procurement of small arms ammunition and flares for use in counter-terrorism training activities. It was later determined that the equipment must be purchased in a procurement account. The funds were transferred back to the IFF, and then transferred to the Procurement of Ammunition, Air Force appropriation for execution.

From Procurement of Ammunition, Army

\$15,071,000

Funds were originally transferred to the Procurement of Ammunition, Army appropriation for demolition munitions. The Army later determined that procurement of Aircraft Survivability Equipment was a higher priority requirement. The funds were transferred back to the IFF, and subsequently transferred to the Aircraft Procurement, Army account for execution.

Total Transfers to the FY 2003/2004 IFF

\$75,436,000

**Transfers from the FY 2004/2005 Iraq Freedom Fund (IFF)
(July 1, 2004 through September 30, 2004)**

Operation and Maintenance, Army

\$406,216,000

Additional funding was provided to support higher Operational Tempo (OPTEMPO) in Iraq and in-theater equipment maintenance (\$170,000,000).

Additional funding was provided to finance the increased cost of transportation of supplies and equipment over ocean in support of current operations in Iraq (\$225,000,000).

Funding was provided for the purchase of 300 Channel Acorn systems, at a cost of \$1.5 million. Channel Acorn is an electronic jamming device that prevents the detonation of Improvised Explosive Devices (IED). Also, \$35 thousand was provided to finance the feeding and training of search dogs that specialize in detecting mines and IEDs. Funds from the FY 2003/FY 2004 Iraq Freedom Fund partially financed this requirement (\$320,000); the balance was financed from the FY 2004/FY 2005 Iraq Freedom Fund (\$1,216,000).

The Emergency Supplemental Act earmarked \$10,000,000 of the Iraq Freedom Fund appropriation for the Family Readiness Program of the National Guard. The funding was used to provide critical support to families of deployed soldiers of the three Enhanced Separate Brigades that have deployed to Iraq (\$10,000,000).

Operation and Maintenance, Navy

\$70,000,000

Additional funding was provided to finance the Navy's reimbursement to the Defense Logistics Agency for increased transportation costs during FY 2004 in support of contingency operations in Iraq and Afghanistan (\$70,000,000).

Total Transfers from the FY 2004/2005 IFF

\$476,216,000



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

JUL 28 2006

COMPTROLLER

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

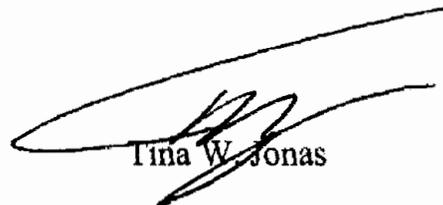
In accordance with Title IX of the Department of Defense Appropriations Act, 2006 (Public Law 109-148), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers made from the Iraq Freedom Fund (IFF) during the third quarter of fiscal year (FY) 2006.

The following table provides a summary of transfers from the IFF account during FY 2006.

	<u>(Dollars in Millions)</u>
Appropriated to Iraq Freedom Fund, 2006/2007	4,658.7
Less transfers during:	
First quarter (October – December 2005)	-748.0
Second quarter (January – March 2006)	-3,836.6
Third quarter (April – June 2006)	<u>-14.0</u>
Remaining Balance	60.1

The enclosure provides the financial and programmatic details on funds transferred from the IFF during the third quarter. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,



Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Daniel K. Inouye
Ranking Member

**Transfers from the FY 2006/2007 Iraq Freedom Fund (IFF)
(April 1, 2006 through June 30, 2006)**

(Dollars in Thousands)

Transfers to:

Operation and Maintenance, Air Force, 06/06 +14,000

Budget Activity 4: Administration and Servicewide Activities

Additional funds were used to fund Bilingual Bicultural Advisory Subject Matter Expert program in Iraq. (Notification date May 2, 2006; Reprogramming Action FY 06-28 IR)

Total Transferred in the Third Quarter of FY 2006 +14,000

Enclosure



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 3 2004

COMPTROLLER

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106) and the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the third quarter of FY 2004. The enclosures provide details of the transfers. During this quarter, there were no transfers to the Natural Resources Risk Remediation Fund from the IFF. The following table summarizes the IFF transactions.

(Dollars in Millions)

	FY 2003/2004 <u>Supplemental</u>	FY 2004/2005 <u>Supplemental</u>	<u>Total</u>
IFF Balances, March 31, 2004	192.8	1,397.5	1,590.3
Transfers out	6.3 ^{1/}	855.9 ^{3/}	862.2
Transfers in	<u>132.3 ^{2/}</u>	-	<u>132.3</u>
IFF Balances, June 30, 2004	318.8	541.6	860.4

As shown above, a total of \$862.2 million was transferred from the IFF accounts during the third quarter of FY 2004. In addition, the Department has transferred \$132.3 million back into the FY 2003/2004 IFF. Most of these funds, \$126.0 million, were the remaining balance from the Defense Emergency Response Fund and were transferred to the IFF pursuant to Section 1313 of the Emergency Wartime Supplemental Appropriations Act, 2003. The other \$6.3 million corrects the distribution of funds for counter-terrorism training; it does not change the purpose of the funding. The funds were transferred back from the Operation and Maintenance, Air Force appropriation and immediately redirected to the Air Force procurement appropriations for proper execution

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Tina W. Jonas

Enclosures:

- ^{1/} Enclosure 1, Transfers from the IFF FY 2003/FY 2004 Supplemental
- ^{2/} Enclosure 2, Transfers back to IFF FY 2003/FY 2004 Supplemental
- ^{3/} Enclosure 3, Transfers from the IFF FY 2004/FY 2005 Supplemental

cc: The Honorable Ike Skelton
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 3 2004

COMPTROLLER

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, DC 20510

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We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Tina W. Jonas



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

AUG 3 2004

COMPTROLLER

The Honorable C.W. Bill Young
 Chairman, Committee on Appropriations
 U.S. House of Representatives
 Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106) and the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the third quarter of FY 2004. The enclosures provide details of the transfers. During this quarter, there were no transfers to the Natural Resources Risk Remediation Fund from the IFF. The following table summarizes the IFF transactions.

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We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,



Tina W. Jonas



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 3 2004

COMPTROLLER

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), the Emergency Supplemental Appropriations Act, 2004 (Public Law 108-106) and the 2004 National Defense Authorization Act for Fiscal Year 2004 (Public Law 108-136), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the third quarter of FY 2004. The enclosures provide details of the transfers. During this quarter, there were no transfers to the Natural Resources Risk Remediation Fund from the IFF. The following table summarizes the IFF transactions.

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We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Tina W. Jonas

**Transfers Out: FY 2003/2004 Iraqi Freedom Fund (IFF)
(March 31, 2004 through June 30, 2004)**

Procurement of Ammunition, Air Force

\$3,000

For procurement of shotguns for counter-terrorism military training activities for foreign governments in connection with the global war on terrorism.

Other Procurement, Air Force

\$6,261,000

For the procurement of vehicles, tactical radios and night vision devices for counter-terrorism military training activities for foreign governments in connection with the global war on terrorism.

Total Transfers from the IFF

\$6,264,000

Note: These transfers correctly place the funds in the proper appropriations for execution. Congress was originally notified about the transfer of funds for counter-terrorism training activities on January 12, 2004. At that time, the funds were transferred to the Operations and Maintenance, Air Force appropriation. Subsequently, the U.S. Central Command (CENTCOM) identified that a portion of the funds were needed for procurement items. The funds were returned to the IFF and then transferred out to the correct appropriations on May 28, 2004.

**Transfers In: FY 2003/2004 Iraqi Freedom Fund (IFF)
(March 31, 2004 through June 30, 2004)**

Transfers Back to the IFF

\$132,278,000

These funds were originally appropriated in the Defense Emergency Response Fund (DERF). Section 1313 of the FY 2003 Emergency Wartime Supplemental Appropriations Act directs that all balances remaining in the DERF as of October 31, 2003 shall be transferred to, and merged with the Iraq Freedom Fund. These funds are the remaining balance. (\$126,014,000)

These funds were originally transferred to the Operation and Maintenance, Air Force appropriation, 04/04, to support counter-terrorism training. After review, the U.S. Central Command determined that the funds were needed for procurement items. The funds were transferred back to the IFF and transferred to the correct procurement appropriations on May 28, 2004. (\$6,264,000)

Total Transferred Back to the IFF

\$132,278,000

Transfers Out: FY 2004/2005 Iraqi Freedom Fund (IFF)
(March 31, 2004 through June 30, 2004)

Other Procurement, Army **\$463,000,000**

For the procurement of Up-Armored High Mobility Multipurpose Wheeled Vehicles (HMMWVs), Ballistic protection kits for a variety of trucks and vehicles, and night vision devices.

Military Personnel, Marine Corps **\$157,000,000**

For military pay, allowances and subsistence to support the mobilization of Reserve personnel and the deployment of the Second Marine Expeditionary Force in theater.

Operation and Maintenance, Marine Corps **\$141,900,000**

For the operational deployment and sustainment of 26,500 personnel in the Second Marine Expeditionary Force in theater.

Military Construction, Defense-wide **\$94,000,000**

For a classified project.

Total Transfers from the IFF **\$855,900,000**



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 23 2004

COMPTROLLER

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$188.0 million from the fiscal year (FY) 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation as detailed in the enclosure.

Section 1310 of Public Law 108-11 provided the Department with the authority to transfer up to \$1,400.0 million for coalition support. As of today, we have transferred \$1,212.0 million for this purpose. This transfer will exhaust the \$1.4 billion authority provided in Section 1310. This transfer of \$188.0 million is anticipated to cover coalition support payments through June 2004.

Once we make this funding transfer, the balance in the FY 2003/FY 2004 IFF will be \$5 million. I anticipate sending you an additional notification regarding a transfer from the IFF in the near future.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

A handwritten signature in black ink, appearing to read "Tina W. Jonas", written over a horizontal line.

Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Ike Skelton
Ranking Member



COMPTROLLER

UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 23 2004

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

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Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Carl Levin
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 23 2004

COMPTROLLER

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

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Sincerely,

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Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable David R. Obey
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 23 2004

COMPTROLLER

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

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Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Robert C. Byrd
Ranking Member

**Transfers from the
Iraq Freedom Fund (IFF)**

<u>Operation and Maintenance, Defense-Wide</u>	<u>\$188,000,000</u>
Defense Security Cooperation Agency (DSCA)	
Budget Activity 4: Administration and Servicewide Activities	\$188,000,000

Funds are to be transferred from the IFF to the Operation and Maintenance, Defense-Wide appropriation for payments to reimburse key cooperating nations for logistical and military support, as authorized in section 1310 of Public Law 108-11.

Enclosure



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

SEP 20 2004

The Honorable Ted Stevens
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$4.5 million from the FY 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation, as detailed in the enclosure.

This notification is consistent with the revised counter-terrorism training for foreign armed services notification sent to you on September 2, 2004.

Once we make these funding transfers, there will be no funds remaining in the FY 2003/FY 2004 IFF transfer account.

We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

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Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Robert C. Byrd
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

SEP 20 2004

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$4.5 million from the FY 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation, as detailed in the enclosure.

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Sincerely,

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Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Carl Levin
Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

SEP 20 2004

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$4.5 million from the FY 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation, as detailed in the enclosure.

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Tina W. Jonas

Enclosure:

As stated

cc:

The Honorable Ike Skelton
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, D.C. 20510

SEP 20 2004

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$4.5 million from the FY 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation, as detailed in the enclosure.

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Sincerely,

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Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Daniel K. Inouye
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

SEP 20 2004

The Honorable Jerry Lewis
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer \$4.5 million from the FY 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation, as detailed in the enclosure.

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Sincerely,

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Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable John P. Murtha
Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable C.W. Bill Young
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

SEP 20 2004

Dear Mr. Chairman:

In accordance with the Emergency Wartime Supplemental Appropriations Act, 2003 (Public Law 108-11), I am notifying you, on behalf of the Secretary of Defense, of the Department's intent to transfer ~~\$4.5 million~~ from the FY 2003/FY 2004 Iraq Freedom Fund (IFF) to the Operation and Maintenance, Defense-Wide appropriation, as detailed in the enclosure.

This notification is consistent with the revised counter-terrorism training for foreign armed services notification sent to you on September 2, 2004.

Once we make these funding transfers, there will be no funds remaining in the FY 2003/FY 2004 IFF transfer account.

We are available to provide any additional information you or your staff may require. A similar letter is being sent to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable David R. Obey
Ranking Member

**Transfers from the
Iraq Freedom Fund (IFF)**

<u>Operation and Maintenance, Defense-Wide</u>	<u>\$4,500,000</u>
Defense Security Cooperation Agency (DSCA)	
Budget Activity 4: Administration and Servicewide Activities	\$4,500,000

Funds are to be transferred to finance counter-terrorism military training activities for foreign governments in connection with the global war on terrorism. The Department plans to provide equipment, supplies and services for counter-terrorism efforts in Uzbekistan (\$1.0 million), Jordan (\$3.0 million), Panama (\$.2 million), El Salvador (\$.2 million), and Paraguay (\$.1 million), consistent with the financial plan submitted to the Armed Services and Appropriations committees on September 2, 2004.

Enclosure



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable Jerry Lewis
Chairman, Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

MAR 21 2005

Dear Mr. Chairman:

In accordance with the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106), the National Defense Authorization Act for Fiscal Year (FY) 2004 (Public Law 108-136), and the Department of Defense Appropriations Act, 2005 (Public Law 108-287), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of FY 2005.

During this quarter, the Department transferred \$1,881.7 million from the IFF accounts to the Components for execution. The Department did not make any transfers to the Natural Resources Risk Remediation Fund from the IFF during this quarter. The following table summarizes the IFF transactions.

	(Dollars in Millions)		
	FY 2004/2005	FY 2004/2006	
	<u>IFF</u>	<u>IFF</u>	<u>Total</u>
IFF Balances, October 1, 2004	65.4	3,800.0	3,865.4
Transfers from IFF	13.5	1,868.2	1,881.7
Transfers to IFF	-	-	-
IFF Balances, December 31, 2004	51.9	1,931.8	1,983.7

The enclosures provide the details of these transfers. Enclosure 1 shows transfers from the FY 2004/2005 IFF; enclosure 2 shows transfers from the FY 2004/2006 IFF.

We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Tina W. Jonas

Enclosures:
As stated

cc:
The Honorable David R. Obey
Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable Thad Cochran
Chairman, Committee on Appropriations
United States Senate
Washington, D.C. 20510

MAR 21 2005

Dear Mr. Chairman:

In accordance with the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106), the National Defense Authorization Act for Fiscal Year (FY) 2004 (Public Law 108-136), and the Department of Defense Appropriations Act, 2005 (Public Law 108-287), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of FY 2005.

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Sincerely,

Tina W. Jenas

Enclosure:
As stated

cc:
The Honorable Robert C. Byrd
Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, D.C. 20510

MAR 21 2005

Dear Mr. Chairman:

In accordance with the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106), the National Defense Authorization Act for Fiscal Year (FY) 2004 (Public Law 108-136), and the Department of Defense Appropriations Act, 2005 (Public Law 108-287), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of FY 2005.

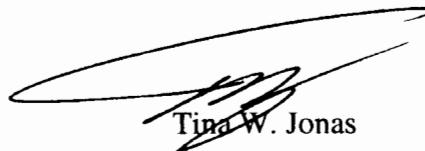
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Sincerely,



Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Carl Levin
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, D.C. 20515

MAR 21 2005

Dear Mr. Chairman:

In accordance with the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106), the National Defense Authorization Act for Fiscal Year (FY) 2004 (Public Law 108-136), and the Department of Defense Appropriations Act, 2005 (Public Law 108-287), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of FY 2005.

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Sincerely,

Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Daniel K. Inouye
Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAR 21 2005

The Honorable C. W. Bill Young
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In accordance with the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106), the National Defense Authorization Act for Fiscal Year (FY) 2004 (Public Law 108-136), and the Department of Defense Appropriations Act, 2005 (Public Law 108-287), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of FY 2005.

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Sincerely,

Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable John P. Murtha
Ranking Member



UNDER SECRETARY OF DEFENSE

1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAR 21 2005

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

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Sincerely,

Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Ike Skelton
Ranking Member

**Transfers from the FY 2004/2005 Iraq Freedom Fund (IFF)
(October 1, 2004 through December 31, 2004)**

(\$ in Thousands)

Operation and Maintenance, Army

\$13,500

Budget Activity 1: Operating Forces

Reprogramming Action 05-04 IR; Notification Date September 28, 2004

Additional funds were provided to increase Multi-National Force capability to collect technical intelligence and provide dedicated all source intelligence fusion in order to target bomb maker networks.

Total Transfers from the FY 2004/FY 2005 IFF

\$13,500

**Transfers from the FY 2004/2006 Iraq Freedom Fund (IFF)
(October 1, 2004 through December 31, 2004)**

(\$ in Thousands)

Operation and Maintenance, Army

\$71,878

Budget Activity 1: Operating Forces

Reprogramming Action 05-04 IR; Notification Date October 29, 2004

Additional funding was provided to support the extension of Operation Blitz for 30 days. The US Central Command is conducting Operation Blitz to support the Improvised Explosive Device (IED) Defeat mission. (\$21)

Reprogramming Action 05-03 IR; Notification Date September 28, 2004

Additional funds were provided to increase Multi-National Force capability to collect technical intelligence and provide dedicated all source intelligence fusion in order to target bomb maker networks. (\$10,857)

Budget Activity 4: Administration and Servicewide Activities

Reprogramming Action 05-08 IR; Notification Date December 3, 2004

Additional funds required for Classified Activities. (\$61,000)

Operation and Maintenance, Navy

\$28,813

Budget Activity 4: Administration and Servicewide Activities

Reprogramming Action 05-08 IR; Notification Date December 3, 2004

Additional funds required for Classified Activities.

Operation and Maintenance, Marine Corps

\$1,981

Budget Activity 1: Operating Forces

Reprogramming Action 05-04 IR; Notification Date October 29, 2004

Additional funds were provided to support deployment of IED Countermeasure Equipment (ICE).

Operation and Maintenance, Air Force

\$63,704

Budget Activity 3: Training and Recruiting

Reprogramming Action 05-04 IR; Notification Date October 29, 2004

Additional funds were provided to finance training support of Specialized Search Dogs to deploy in support of the IED Defeat mission. (\$6,570)

Budget Activity 4: Administration and Servicewide Activities

Reprogramming Action 05-08 IR; Notification Date December 3, 2004

Additional funds required for Classified Activities. (\$57,134)

**Transfers from the FY 2004/2006 Iraq Freedom Fund (IFF)
(October 1, 2004 through December 31, 2004) (Continued)**

(\$ in Thousands)

Operation and Maintenance, Defense-Wide

\$533,615

Budget Activity 1: Operating Forces (\$15,248)

Budget Activity 4: Administration and Servicewide Activities (\$518,367)

Reprogramming Action 05-08 IR; Notification Date December 3, 2004

Additional funds required for Classified Activities.

Procurement, Marine Corps

\$2,472

Budget Activity 6: Engineer and Other Equipment

Reprogramming Action 05-04 IR; Notification Date October 29, 2004

Additional funds were provided to procure ICE.

Procurement, Defense-Wide

\$29,565

Budget Activity 1: Major Equipment

Reprogramming Action 05-08 IR; Notification Date December 3, 2004

Additional funds required for Classified Activities.

Other Procurement, Army

\$35,143

Budget Activity 1: Tactical and Support Vehicles (\$2,876)

Budget Activity 2: Communications and Electronics Equipment (\$4,700)

Budget Activity 3: Other Support Equipment (\$867)

Reprogramming Action 05-03 IR; Notification Date September 28, 2004

Additional funds were provided to construct two prototype IED "Hunter/Killer" teams for proof of concept testing in Iraq.

Reprogramming Action 05-04 IR; Notification Date October 29, 2004

Additional funds were provided to procure small Explosive Ordnance Disposal robots. Funding covers the cost of units, shipping, repair parts, and spares. (\$26,700)

Other Procurement, Air Force

\$913,561

Budget Activity 4: Other Base Maintenance and Support Equipment

Reprogramming Action 05-04 IR; Notification Date October 29, 2004

Additional funds were provided to purchase Specialized Search Dogs to deploy in support of the IED Defeat mission. (\$390)

Reprogramming Action 05-08 IR; Notification Date December 3, 2004 (\$913,171)

Additional funds required for Classified Activities.

**Transfers from the FY 2004/2006 Iraq Freedom Fund (IFF)
(October 1, 2004 through December 31, 2004) (Continued)**

(\$ in Thousands)

Research, Development, Test and Evaluation, Army

\$330

Budget Activity 7: Operational Systems Development

Reprogramming Action 05-04 IR; Notification Date October 29, 2004

Additional funds were provided to support the extension of US Central Command's Operation Blitz for 30 days in support of the IED Defeat mission.

Research, Development, Test and Evaluation, Navy

\$28,340

Budget Activity 4: Advanced Component Development and Prototype

Reprogramming Action 05-04 IR; Notification Date October 29, 2004

Additional funds were provided to support the ICE development program. (\$410)

Budget Activity 7: Operational Systems Development

Reprogramming Action 05-08 IR, Notification Date December 3, 2004

Additional funds required for Classified Activities. (\$27,930)

Research, Development, Test and Evaluation, Air Force

\$396

Budget Activity 7: Operational Systems Development

Reprogramming Action 05-08 IR; Notification Date December 3, 2004

Additional funds required for Classified Activities.

Research, Development, Test and Evaluation, Defense-Wide

\$58,376

Budget Activity 7: Operational Systems Development

Reprogramming Action 05-08 IR; Notification Date December 3, 2004

Additional funds required for Classified Activities.

Coast Guard Operating Expenses

\$100,000

Reprogramming Action 05-08 IR; Notification Date December 3, 2004

Funds transferred to finance costs incurred by the Coast Guard for operations in and around Iraq in support of Operation Iraqi Freedom, as authorized by Title IX of P.L. 108-287.

Total Transfers from the FY 2004/2006 IFF

\$1,868,174



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

MAY 12 2005

COMPTROLLER

The Honorable Ted Stevens
 Chairman, Subcommittee on Defense
 Committee on Appropriations
 United States Senate
 Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106) and the Department of Defense Appropriations Act, 2005 (Public Law 108-287), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the second quarter of fiscal year (FY) 2005.

As summarized below, the Department transferred \$365.8 million from the FY 2004/FY 2006 IFF accounts to the Components for execution. The Department did not make any transfers to the Natural Resources Risk Remediation Fund during this quarter.

	<u>(Dollars in Millions)</u>		
	FY 2004/2005	FY 2004/2006	
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IFF Balances, December 31, 2004	51.9	1,931.8	1,983.7
Transfers from IFF	-	365.8	365.8
Transfers to IFF	-	-	-
IFF Balances, March 31, 2005	<u>51.9</u>	<u>1,566.0</u>	<u>1,617.9</u>

The enclosure provides the details of these transfers. We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Robert J. Henke
 Principal Deputy

Enclosure:
 As stated

cc:
 The Honorable Daniel K. Inouye
 Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

MAY 12 2005

COMPTROLLER

The Honorable John W. Warner
 Chairman, Committee on Armed Services
 United States Senate
 Washington, DC 20510

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 Principal Deputy

Enclosure:
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 The Honorable Carl Levin
 Ranking Member



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

MAY 12 2005

COMPTROLLER

The Honorable C. W. Bill Young
 Chairman, Subcommittee on Defense
 Committee on Appropriations
 U.S. House of Representatives
 Washington, DC 20515

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Sincerely,

Robert J. Henke
 Principal Deputy

Enclosure:
 As stated

cc:
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UNDER SECRETARY OF DEFENSE
1 100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAY 12 2005

COMPTROLLER

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

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Sincerely,

Robert J. Henke
Principal Deputy

Enclosure:
As stated

cc:
The Honorable Ike Skelton
Ranking Member

2nd quarter of FY 2005 IFF reprogrammings -- all from the FY 2004/2005 IFF

(Dollars in Millions)

<u>CONGRESSIONAL</u> <u>NOTIFICATION</u>	<u>IR #</u>	<u>IR DATE</u>	<u>OMA</u>	<u>OMN</u>	<u>OPA</u>	<u>OPN</u>	<u>WPN</u>	<u>PMC</u>	<u>RDT&E_DW</u>	<u>RDT&E_A</u>	<u>RDT&E_N</u>	<u>IFF</u>
12/29/04	FY 05-11	01/04/05							75.000			-75.000
12/30/04	FY 05-12	01/10/05			145.788					15.000		-160.788
01/14/05	FY 05-13	01/24/05	9.565		6.649						1.330	-17.544
01/19/05	FY 05-16	01/27/05						90.100				-90.100
01/27/05	FY 05-21	02/02/05			0.784				0.625		5.710	-7.119
02/07/05	FY 05-24	02/14/05	2.300									-2.300
02/18/05	FY 05-26	02/23/05			5.835							-5.835
02/25/05	FY 05-34	03/03/05		0.580		3.936	0.134					-4.650
03/14/05	FY 05-35	03/21/05	2.500									-2.500
	Total		14.365	0.580	159.056	3.936	0.134	90.100	75.625	15.000	7.040	-365.836



UNDER SECRETARY OF DEFENSE
 1100 DEFENSE PENTAGON
 WASHINGTON, DC 20301-1100

AUG 5 2005

COMPTROLLER

The Honorable John W. Warner
 Chairman, Committee on Armed Services
 United States Senate
 Washington, DC 20510

Dear Mr. Chairman:

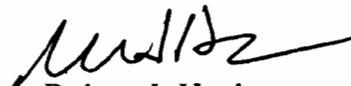
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The following table provides a summary of transfers to and from the IFF. Additionally, there was a congressional rescission of \$50 million (P.L. 109-13) to the FY 2004/FY2006 IFF account.

	(Dollars in Millions)		
	FY 2004/2005	FY 2004/2006	
	<u>IFF</u>	<u>IFF</u>	<u>Total</u>
IFF Balances, March 31, 2005	51.9	1,566.0	1,617.9
Rescission (P.L. 109-13, May 11, 2005)	-	-50.0	-50.0
Transfers from IFF	-19.0	-671.1	-690.1
Transfers to IFF	<u>-</u>	<u>+3.4</u>	<u>+3.4</u>
IFF Balances, June 30, 2005	32.9	848.3	881.2

The enclosure provides a summary of the details of these transfers. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,


 Robert J. Henke
 Principal Deputy

Enclosure:
 As stated

cc:
 The Honorable Carl Levin
 Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 5 2005

COMPTROLLER

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In accordance with the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108-106) and the Department of Defense Appropriations Act, 2005 (Public Law 108-287), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the third quarter of fiscal year (FY) 2005.

The following table provides a summary of transfers to and from the IFF. Additionally, there was a congressional rescission of \$50 million (P.L. 109-13) to the FY 2004/FY2006 IFF account.

	(Dollars in Millions)		
	FY 2004/2005	FY 2004/2006	
	<u>IFF</u>	<u>IFF</u>	<u>Total</u>
IFF Balances, March 31, 2005	51.9	1,566.0	1,617.9
Rescission (P.L. 109-13, May 11, 2005)	-	-50.0	-50.0
Transfers from IFF	-19.0	-671.1	-690.1
Transfers to IFF	-	+3.4	+3.4
IFF Balances, June 30, 2005	32.9	848.3	881.2

The enclosure provides a summary of the details of these transfers. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,

Robert J. Henke
Principal Deputy

Enclosure:
As stated

cc:
The Honorable Daniel K. Inouye
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 5 2005

COMPTROLLER

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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Principal Deputy

Enclosure:
As stated

cc:
The Honorable Ike Skelton
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

AUG 5 2005

COMPTROLLER

The Honorable C. W. Bill Young
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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The following table provides a summary of transfers to and from the IFF. Additionally, there was a congressional rescission of \$50 million (P.L. 109-13) to the FY 2004/FY2006 IFF account.

	<u>(Dollars in Millions)</u>		
	<u>FY 2004/2005</u>	<u>FY 2004/2006</u>	<u>Total</u>
IFF Balances, March 31, 2005	<u>51.9</u>	<u>1,566.0</u>	<u>1,617.9</u>
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Sincerely,

Robert J. Henke
Principal Deputy

Enclosure:
As stated

cc:
The Honorable John P. Murtha
Ranking Member

SUMMARY OF IRAQ FREEDOM FUNDS TRANSFERS
As of June 30, 2005
(Dollars in Millions)

FY 2004/2005 IFF

<u>CONGRESSIONAL NOTIFICATION</u>	<u>IR #</u>	<u>IR DATE</u>	<u>OMA</u>	<u>OMN</u>	<u>OMAF</u>	<u>OMMC</u>	<u>OMDW</u>	<u>OPA</u>	<u>OPN</u>	<u>PMC</u>	<u>PDW</u>	<u>RDT&E, A</u>	<u>RDT&E, N</u>	<u>RDT&E, AF</u>	<u>RDT&E, DW</u>	<u>IFF Balance</u>
Balance, 3/31/05																51.900
03/31/05	FY 05-43	04/06/05	3.000					12.000								-15.000
05/31/05	FY 05-66	06/06/05													4.000	-4.000
Balance, 6/30/05																32.900

FY 2004/2006 IFF

<u>CONGRESSIONAL NOTIFICATION</u>	<u>IR #</u>	<u>IR DATE</u>	<u>OMA</u>	<u>OMN</u>	<u>OMAF</u>	<u>OMMC</u>	<u>OMDW</u>	<u>OPA</u>	<u>OPN</u>	<u>PMC</u>	<u>PDW</u>	<u>RDT&E, A</u>	<u>RDT&E, N</u>	<u>RDT&E, AF</u>	<u>RDT&E, DW</u>	<u>IFF Balance</u>
Balance, 3/31/05																1,566.000
Rescission																-50.000
03/31/05	FY 05-47	04/05/05	2.000		2.000		66.000							20.000		-90.000
04/01/05	FY 05-44	04/06/05	6.683	0.600	0.250		3.400	16.500	1.750				3.850	1.720	20.000	-54.753
04/11/05	FY 05-41	04/18/05	48.465					0.835								-49.300
04/20/05	FY 05-50	04/25/05	44.079					30.921								-75.000
04/22/05	FY 05-51	04/27/05	33.097					47.060								-80.157
05/02/05	FY 05-55	05/18/05					99.103									-99.103
05/02/05	FY 05-56	05/09/05				4.810				62.398		0.030				-67.238
05/18/05	FY 05-64	05/24/05	7.950	0.500				6.200	7.003			11.214	7.985	0.750		-41.602
05/19/05	FY 05-63	05/24/05						70.229			17.900					-88.129
05/25/05	FY 05-65	05/31/05													10.000	-10.000
06/06/05	FY 05-67	06/13/05										2.625				-2.625
06/07/05	FY 05-59	06/13/05										9.800				-9.800
06/13/05	FY 05-69	06/10/05		3.400												-3.400
06/13/05	FY 05-69	06/10/05					-3.400									3.400
Balance, 6/30/05																848.293
Total			145.274	4.500	2.250	4.810	165.103	183.745	8.753	62.398	17.900	11.214	24.290	22.470	34.000	-717.707

Glossary of Acronyms

OMA	Operation and Maintenance, Army
OMN	Operation and Maintenance, Navy
OMAF	Operation and Maintenance, Air Force
OMMC	Operation and Maintenance, Marine Corps
OMDW	Operation and Maintenance, Defense Wide
OPA	Other Procurement, Army
OPN	Other Procurement, Navy
PMC	Procurement, Marine Corps
PDW	Procurement, Defense Wide
RDT&E, A	Research, Development, Test and Evaluation, Army
RDT&E, N	Research, Development, Test and Evaluation, Navy
RDT&E, AF	Research, Development, Test and Evaluation, Air Force
RDT&E, DW	Research, Development, Test and Evaluation, Defense Wide

Summary of Net Changes

FY 04/05	-19.000
FY 04/06	-667.700
Rescission	-50.000
Total	-736.700



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



NOV 22 2005

COMPTROLLER

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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The following table provides a summary of transfers to and from the IFF accounts.

	(Dollars in Millions)		
	<u>FY 2004/2005</u>	<u>FY 2004/2006</u>	<u>Total</u>
IFF Balances, June 30, 2005	32.9	848.3	881.2
Transfers from IFF	-32.9	-731.7	-764.6
Transfers to IFF	—	+49.7	+49.7
IFF Balances, September 30, 2005*	-	166.3	166.3

* On October 21, 2005, the Department notified the Congress of its intent to transfer the remaining balance of \$166.3 million from the IFF to various appropriations for Improved Explosive Devices (IEDs) Defeat (IED) efforts. These funds were approved for transfer on October 27, 2005.

Enclosure 1 provides the appropriation information for these transfers, and Enclosure 2 provides details on funds transferred for the IED Defeat initiative. We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

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Tina W. Jonas

Enclosures: As stated

cc:

The Honorable Ike Skelton
Ranking Member



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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



NOV 22 2005

COMPTROLLER

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Chairman, Committee on Armed Services
United States Senate
Washington, DC 20510

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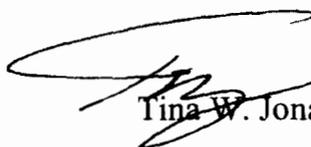
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Ranking Member



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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



NOV 22 2005

COMPTROLLER

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

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1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



NOV 22 2005

COMPTROLLER

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Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

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cc:
The Honorable John P. Murtha
Ranking Member

**SUMMARY OF IRAQ FREEDOM FUND (IFF)
TRANSFERS
As of September 30, 2005
(Dollars in Millions)**

Date of Congressional Notification Letters	Internal Reprogramming (IR) Number	IR DATE	MPMC	OMA	OMN	OMAF	OMMC	OMDW	OPA	PWTCV, A	OPN	PMC	PDW	RDT&E, A	RDT&E, N	RDT&E, AF	RDT&E, DW	Mil Con, DW	IFF Balance
FY 2004/2005 IFF																			
Balance, 6/30/05																			
09/23/05	FY 05-106	09/29/05		6.884															-6.884
09/19/05	FY 05-110	09/26/05						1.900					11.400					12.700	-26.000
Balance, 9/30/05																			
0.000																			
FY 2004/2006 IFF																			
Balance, 6/30/05																			
848.283																			
07/01/05	FY 05-072	07/11/05						96.000											-96.000
07/06/05	FY 05-074	07/13/05								6.500				3.500					-10.000
07/06/05	FY 05-075	07/28/05												13.050					-13.050
07/08/05	FY 05-076	07/18/05							26.600										-26.600
07/14/05	FY 05-079	07/20/05		7.700											3.688				-11.388
08/01/05	FY 05-084	08/10/05				35.500			3.000	17.000									-55.500
07/25/05	FY 05-085	08/01/05							47.967										-47.967
N/A	FY 05-085	08/01/05		-2.000															+2.000
07/22/05	FY 05-086	07/27/05		8.700					39.700										-48.400
08/09/05	FY 05-091	08/15/05		0.898					4.820		6.250		18.850	1.306	0.920		0.665		-33.709
08/12/05	FY 05-093	08/18/05		2.900															-2.900
08/19/05	FY 05-095	08/26/05		6.200					103.300					30.000					-139.500
N/A	FY 05-103	09/23/05		-4.000			-0.080		-11.000				-18.850						+33.930
N/A	FY 05-103	09/23/05																	-18.850
09/23/05	FY 05-106	09/29/05	30.000	30.000					15.080										-75.080
N/A	FY 05-107	09/21/05						-13.800											+13.800
09/16/05	FY 05-108	09/22/05		152.789															-152.789
Totals			30.000	210.071	- 35.500	-0.080	84.100	248.317	17.000	12.750	- 11.400	51.544	0.920	-	0.665	-682.003			

Balance, 9/30/05 (On October 21, 2005, Congress notified of \$166.3 million transfer for IED Defeat efforts.)

166.280

Glossary of Acronyms

MPMC	Military Personnel, Marine Corps
OMA	Operation and Maintenance, Army
OMN	Operation and Maintenance, Navy
OMMC	Operation and Maintenance, Marine Corps
OMDW	Operation and Maintenance, Defense Wide
OPA	Other Procurement, Army
PWTCV,A	Procurement of Weapons and Tracked Combat Vehicles, Army
OPN	Other Procurement, Navy
PMC	Procurement, Marine Corps
PDW	Procurement, Defense Wide
RDT&E, A	Research, Development, Test and Evaluation, Army
RDT&E, N	Research, Development, Test and Evaluation, Navy
RDT&E, AF	Research, Development, Test and Evaluation, Air Force
RDT&E, DW	Research, Development, Test and Evaluation, Defense Wide
Mil Con, DW	Military Construction, Defense Wide

Summary of Net Changes

	From IFF	To IFF	Total
FY 04/05	-32.884		-32.884
FY 04/06	-731.733	+49.730	-682.003
Total	-764.617	+49.730	-714.887

Improvised Explosive Device (IED) Defeat Initiative

The following are the details supporting the congressional notification dated August 19, 2005 (Reprogramming Action FY 05-95 IR)

(Dollars in Millions)

Operation and Maintenance, Army

6.2

Budget Activity 1: Operating Forces

Predictive Analysis

2.6

Funding supports an initiative to establish a Predictive Analysis Center that focuses on operational and tactical predictive products. This center will enable troops in theater to use the latest predictive models to train more effectively and to be better prepared to impede future IED attacks.

Field Service Assistance

3.6

Funding supports contractor-provided field service assistance for personnel scanning devices.

Other Procurement, Army

103.3

IED Defeat Equipment

IED Jamming Equipment

102.4

Funding supports the initial setup and testing of production lines that will manufacture the next generation of IED electronic countermeasures equipment to maximize the Department's ability to protect troops in theater.

Development/Field Testing of Available Promising Technology

0.9

Funding supports procurement of equipment for the Rapid Equipping Force for field testing of promising solutions to the IED threat proposed by both industry and national labs that will address deficiencies highlighted by IED gap analyses.

Research, Development, Test and Evaluation, Army **30.0**

0603100A IED Defeat Technology Development

Focused Studies **17.6**

Additional resources will be used for initiatives to identify key researchers and technologies from academic, small business, government and large business laboratories to identify technology that has the potential to appear in improvised devices in the near-term. This will include performing analysis to support modeling development and validation of target prioritization processes and methodology. Evaluate current policy, technology and intelligence processes against the output of the modeling efforts. Funding also supports identification and prioritization of IED Defeat training needs such as developing a strategic training plan, program of instruction, and a suite of tools to include online courses, training support packages and awareness briefings.

Development and Testing of Available Promising Technology **12.4**

Funding supports development and testing of promising solutions to the IED threat proposed by both industry and national labs that will address deficiencies highlighted by IED gap analyses. Efforts include testing of airborne jamming equipment, and testing of unmanned vehicles for use in neutralizing IEDs.

Total **139.5**



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



MAR 3 2006

COMPTROLLER

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In accordance with the Department of Defense Appropriations Act, 2005 (Public Law 108-287) and the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (Public Law 109-48), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of fiscal year (FY) 2006.

The following table provides a summary of transfers to and from the IFF:

	<u>(Dollars in Millions)</u>		
	FY 2004/2006	FY 2006/2007	<u>Total</u>
Beginning Balance	<u>IFF</u> 166.3	<u>IFF</u> 4,658.7	4,825.0
Transfers from IFF	-166.3	-748.0	-914.3
Transfers to IFF	—	—	—
IFF Balances, December 31, 2005	-	3,910.7	3,910.7

Enclosure 1 provides the appropriation information for these transfers, and enclosure 2 provides details on funds transferred to support the Improvised Explosive Devices Defeat initiative. We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,



Tina W. Jonas

Enclosures: As stated

cc:
The Honorable Daniel K. Inouye
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



MAR 3 2006

COMPTROLLER

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In accordance with the Department of Defense Appropriations Act, 2005 (Public Law 108-287) and the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (Public Law 109-48), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of fiscal year (FY) 2006.

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UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
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MAR 3 2006

COMPTROLLER

The Honorable C. W. Bill Young
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

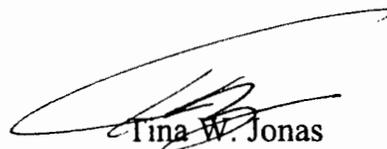
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	<u>(Dollars in Millions)</u>		
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Beginning Balance	166.3	4,658.7	4,825.0
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MAR 3 2006

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Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with the Department of Defense Appropriations Act, 2005 (Public Law 108-287) and the Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006 (Public Law 109-48), I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers from the Iraq Freedom Fund (IFF) during the first quarter of fiscal year (FY) 2006.

The following table provides a summary of transfers to and from the IFF:

	<u>(Dollars in Millions)</u>		
	<u>FY 2004/2006</u>	<u>FY 2006/2007</u>	
	<u>IFF</u>	<u>IFF</u>	<u>Total</u>
Beginning Balance	166.3	4,658.7	4,825.0
Transfers from IFF	-166.3	-748.0	-914.3
Transfers to IFF	—	—	—
IFF Balances, December 31, 2005	—	3,910.7	3,910.7

Enclosure 1 provides the appropriation information for these transfers, and enclosure 2 provides details on funds transferred to support the Improvised Explosive Devices Defeat initiative. We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,



Tina W. Jonas

Enclosures: As stated

cc:
The Honorable Ike Skelton
Ranking Member

**SUMMARY OF IRAQ FREEDOM FUND (IFF)
TRANSFERS**

As of September 30, 2005

(Dollars in Millions)

Date of Congressional Notification Letters	Internal Reprogramming (IR) Number	IR DATE	OMA	OPA	RDT&E, A	IFF Balance
FY 2004/2006 IFF						
Balance, 9/30/05						166.280
10/21/05	FY 06-02	10/27/05	83.280	77.500	5.500	-166.280
Balance, 12/31/05						-
FY 2006/2007 IFF						
Balance, 9/30/05						4,658.686
10/20/05	FY 06-05	10/26/05		250.000		-250.000
10/28/05	FY 06-06	11/03/05	60.000	157.800	1.900	-219.700
11/28/05	FY 06-09	12/05/05	35.000	208.250	35.000	-278.250
Total FY 2006/2007 IFF Transfers			95.000	616.050	36.900	-747.950
Balance, 12/31/05						3,910.736
Cum Transfers During Quarter			178.280	693.550	42.400	-914.230

	<u>From IFF</u>	<u>To IFF</u>	<u>Total</u>
FY 04/06	-166.280	-	-166.280
FY 06/07	-747.950	-	-747.950
Total	-914.230	-	-914.230

Glossary of Acronyms

OMA Operation and Maintenance, Army
 OPA Other Procurement, Army
 RDT&E, A Research, Development, Test and Evaluation, Army
 IFF Iraq Freedom Fund

Improvised Explosive Device (IED) Defeat Initiative

The following are the details supporting congressional notifications dated:

- October 20, 2005 (FY 06 05 IR);
- October 21, 2005, (FY 06-02 IR);
- October 28, 2005 (FY 06-06 IR); and
- November 28, 2005 (FY 06-09 IR).

(Dollars in Millions)

FY 2004/2006 Iraq Freedom Fund (IFF) Transfers to:

Other Procurement, Army

77.5

Budget Activity 3: Other Support Equipment

IED Defeat Equipment

Funds will be used to procure and field existing and promising solutions to defeat IEDs. These solutions will involve a wide range of equipment to address an evolving and ever-changing threat. The equipment may include electronic countermeasures (ECM) equipment, radars, x-ray equipment, explosive ordnance disposal equipment, robots, surveillance equipment, physical security equipment, armored vehicles, and body and vehicle armor. Equipment procurement will benefit all deployed forces in theater, regardless of which service may ultimately retain the equipment in inventory.

Research, Development, Test, and Evaluation, Army

5.5

Budget Activity 3: Advanced Technology Development
PE 0603100A IED Defeat Technology Development

Funds will be used to develop, demonstrate, and test a wide range of existing and promising technologies to defeat improvised explosive devices.

Enclosure 2

Operation and Maintenance, Army **83.3**

Budget Activity: 1 Operating Forces

Funds will be used for operation and maintenance costs of Joint IED Task Force initiatives, including costs associated with continuing the Counter Improvised Explosive Device Targeting Program, Phase II.

Total for FY 2004/2006 IFF transfers **166.3**

FY 2006/2007 IFF Transfers to:

Operation and Maintenance, Army **95.0**

Budget Activity 1: Operating Forces

Predictive Analysis **65.0**

Funding supports initiatives to establish analytical collaboration that focuses on operational and tactical predictive products. These initiatives enable troops in theater to use the latest predictive models to train more effectively and to be better prepared to impede future IED attacks.

Counter IED Systems **24.1**

Funding supports an initiative that establishes a change detection capability providing real-time data to the warfighter to counter IEDs.

Institutional Development and Operational Assessments **5.9**

Funding supports the establishment of an institutional foundation for collecting, developing and disseminating Counter IED doctrine, training, and lessons learned. Funding focuses on the development of a joint lessons learned repository and a center of excellence. Additionally, funding supports interoperability and operational assessments of Counter IED systems in theater.

Other Procurement, Army

616.1

Budget Activity 3: Other Support Equipment

IED Defeat Equipment

IED Jamming Equipment

561.8

Funding supports the initial setup and testing of production lines that will manufacture the next generation of IED electronic countermeasures equipment to maximize the Department's ability to protect troops in theater.

Development/Field Testing of Available Promising Technology

30.2

Funding supports procurement of equipment for the Rapid Equipping Force for field testing of promising solutions to the IED threats that are proposed by both industry and national labs to address deficiencies highlighted by IED gap analyses.

IED Defeat Systems and Support

24.1

Funding supports the procurement of counter IED efforts in the areas of change detection, Vehicle-Borne Improvised Explosive Device (VBIED) disruption, along with pre-detonation technologies. Additionally, funding provides contractor-provided field service assistance for counter IED jammers.

Research, Development, Test and Evaluation, Army

36.9

Budget Activity 3: Advanced Technology Development

PE 0603100A IED Defeat Technology Development

Focused Studies

3.5

Additional resources will be used for initiatives to identify key researchers and technologies from academic, small business, industry, government laboratories to identify technology that has the potential to appear in IED defeat program in the near-term. This will include performing analysis to support modeling development and validation of target prioritization processes and methodology. Evaluate current policy, technology and intelligence processes against the output of the

modeling efforts. Funding also supports identification and prioritization of IED defeat training needs such as developing a strategic training plan, program of instruction, and a suite of tools to include online courses, training support packages, and awareness briefings.

Development and Testing of Available Promising Technology 33.4

Funding supports development and testing of promising solutions to the IED threat proposed by both industry and national labs that will address deficiencies highlighted by IED capability gap analyses. Efforts include testing of airborne jamming equipment, unmanned vehicles, vehicle and personnel protection systems, as well as spectrum management for use in neutralizing IEDs.

Total for FY 2006/2007 IFF transfers 748.0

Grand Total 914.2



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable John W. Warner
Chairman, Committee on Armed Services
United States Senate
Washington, DC 20510

MAY 30 2006

Dear Mr. Chairman:

In accordance with Title IX of the Department of Defense Appropriations Act, 2006, (Public Law 109-148) I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers made from the Iraq Freedom Fund (IFF) during the second quarter of fiscal year (FY) 2006.

The following table provides a summary of transfers from the IFF account.

<u>(Dollars in Millions)</u>	
Appropriated	4,658.7
Transferred in the first quarter	748.0
Transferred in the second quarter	<u>3,836.6</u>
Remaining IFF funds balance	74.1

The enclosure provides the financial and programmatic details on funds transferred from the IFF. We are available to provide any additional information you or your staff may require. I am sending a similar letter to the Chairmen and Ranking Members of the other congressional defense committees.

Sincerely,


Tina W. Jonas

Enclosure:
As stated

cc:
The Honorable Carl Levin
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAY 30 2006

The Honorable Ted Stevens
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In accordance with Title IX of the Department of Defense Appropriations Act, 2006, (Public Law 109-148) I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers made from the Iraq Freedom Fund (IFF) during the second quarter of fiscal year (FY) 2006.

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Sincerely,


Tina W. Jonas

Enclosures:
As stated

cc:
The Honorable Daniel K. Inouye
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

The Honorable C. W. Bill Young
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

MAY 30 2006

Dear Mr. Chairman:

In accordance with Title IX of the Department of Defense Appropriations Act, 2006, (Public Law 109-148) I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers made from the Iraq Freedom Fund (IFF) during the second quarter of fiscal year (FY) 2006.

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Sincerely,


Tina W. Jonas

Enclosures:
As stated

cc:
The Honorable John P. Murtha
Ranking Member



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

COMPTROLLER

MAY 30 2006

The Honorable Duncan Hunter
Chairman, Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with Title IX of the Department of Defense Appropriations Act, 2006, (Public Law 109-148) I am forwarding to you, on behalf of the Secretary of Defense, a summary of the transfers made from the Iraq Freedom Fund (IFF) during the second quarter of fiscal year (FY) 2006.

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Sincerely,


Tina W. Jonas

Enclosures:
As stated

cc:
The Honorable Ike Skelton
Ranking Member

**Transfers from the FY 2006/2007 Iraq Freedom Fund (IFF)
(January 1, 2006 through March 31, 2006)**

(Dollars in Thousands)

Operation and Maintenance, Army, 06/06 **\$233,517**

Budget Activity 1: Operating Forces

Reprogramming Action FY06-11 IR; Notification date January 30, 2006. Additional funds were used for operation and maintenance costs of the Joint Improvised Explosive Device Defeat Organization (JIEDDO) initiatives. (\$+8,182)

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+36,180)

Budget Activity 4: Administration and Service Activities

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+189,155)

Operation and Maintenance, Navy, 06/06 **\$32,494**

Budget Activity 4: Administration and Service Activities

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+32,494)

Operation and Maintenance, Air Force, 06/06 **\$121,012**

Budget Activity 4: Administration and Service Activities

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+121,012)

Operation and Maintenance, Defense-Wide, 06/06 **\$762,627**

Enclosure

**Transfers from the FY 2006/2007 Iraq Freedom Fund (IFF)
(January 1, 2006 through March 31, 2006)**

(Dollars in Thousands)

Budget Activity 4: Administration and Service Activities

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+762,627)

Funds were provided to the following agencies:

Counterintelligence Field Activity	(\$28,719)
Defense Intelligence Agency	(\$203,076)
National Geospatial-Intelligence Agency	(\$285,048)
National Security Agency	(\$234,784)
U.S. Special Operations Command	(\$11,000)

Other Procurement, Army, 06/08 **\$579,339**

Budget Activity 2: Communications and Electronics Equipment

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+13,912)

Funds were provided to the following programs:

General Defense Intelligence Program	(\$512)
Counterintelligence Automation Architecture	(\$13,400)

Budget Activity 3: Other Support Equipment

Rapid Equipping Soldier Support Equipment

Reprogramming Action FY06-24 IR; Notification date April 26, 2006. Additional funds were used to rapidly field radios for a classified operation in Afghanistan. (\$3,037)

Reprogramming Action FY06-11 IR; Notification date January 30, 2006. Additional funds were used to procure and field new, promising solutions to predict, prevent, detect, neutralize, and mitigate improvised explosive devices (IEDs). These solutions will include a wide range of equipment to address an evolving and ever-changing threat. Equipment procurement will benefit all deployed forces in theater, regardless of which Service may ultimately retain the equipment in inventory. (\$562,390)

Aircraft Procurement, Air Force, 06/08 **\$9,000**

Enclosure

**Transfers from the FY 2006/2007 Iraq Freedom Fund (IFF)
(January 1, 2006 through March 31, 2006)**

(Dollars in Thousands)

Budget Activity 5: Modification of Inservice Aircraft

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+9,000)

Missile Procurement, Air Force, 06/08 **\$16,000**

Budget Activity 5: Other Support

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+16,000)

Other Procurement, Air Force, 06/08 **\$1,207,796**

Budget Activity 4: Other Base Maintenance and Support Equipment

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+1,207,796)

Procurement, Defense-Wide, 06/08 **\$84,929**

Budget Activity 1: Major Equipment

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+84,929)

Funds were provided to the following programs:

Consolidated Cryptologic Program	(\$70,663)
Intelligence and Communications	(\$6,910)
Major Equipment, NGA	(\$7,356)

Research, Development, Test, and Evaluation, Army, 06/07 **\$99,313**

Budget Activity 3: Advanced Technology Development

0603100A – IED Defeat Tech Development

Reprogramming Action FY06-11 IR; Notification date of January 30, 2006. Additional funds were used to develop, demonstrate, and test a wide range of existing and promising technologies to defeat improvised explosive devices. (\$41,478)

Enclosure

**Transfers from the FY 2006/2007 Iraq Freedom Fund (IFF)
(January 1, 2006 through March 31, 2006)**

(Dollars in Thousands)

Budget Activity 5: System Development and Demonstration

0604808A – Landmine Warfare/Barrier - SDD

Reprogramming Action FY06-14 IR; Notification date of February 9, 2006. Additional funds were used to develop spiral one of the Full-Spectrum Special Effects Platform (F-SEP). Currently only a very limited capability exists for warfighters to use non-lethal force beyond 100 meters against potential threats. The F-SEP is a system that provides a range of lethal and non-lethal capabilities integrated into an armored vehicle. Spiral 1 will be integrated into a Stryker or Cougar vehicle and will include a rocket-propelled grenade Active Protection System; a hostile fire detection system using infra-red and acoustic shot detectors; Mobile Multi-Band Jammers; Bright White Lights and Laser Dazzler technology. (\$31,300)

Budget Activity 5: System Development and Demonstration

0303140A – Information Systems Security Program (ISSP)

Reprogramming Action FY06-21 IR; Notification date March 20, 2006. Additional funds were used to develop immediate RDT&E requirements to: Integrate improved rapid ten-print capability to support faster and easier enrollment (\$4.6 million); Integrate new ManPortable devices for enrollment/verification devices from the Biometrics Management Office, checkpoint and other tactical operations (\$4.8 million); Accelerate Automatic Biometric Identification System (ABIS) enhancements including transaction management and Multi-Modality for data sharing (\$8.6 million); Integrate, ruggedize simplified and smaller collection and verification systems (\$1.2 million); Eliminate infrastructure gaps (\$3.2 million). (\$22,400)

Budget Activity 5: System Development and Demonstration

604321A/B51 – All Source Analysis Systems (ASAS).

Reprogramming Action FY06-23 IR; Notification date March 24, 2006, Additional funds were used to continue spiral development of Machine Foreign Language Translation System (M-FLTS) for Global War on Terror Activities (GWOT): Funding will be used to integrate, field, train, and sustain a two-way system that will translate Iraqi-Arabic to English and English to Iraqi-Arabic using Automatic Speech Recognition, Text-to-Speech Machine Translation, Natural Language Understanding and Natural Language Generation. The system will be able to communicate in multiple domains to include Force Protection and Civil Affairs (\$2.52 million). Funding will also be used to perform operational testing and evaluation, develop and integrate Tactics, Techniques, and Procedures (TTPs), Joint Concept of Operations (CONOPs), and further identify user requirements (\$.665 million). In addition, funding will be used to develop and refine

Enclosure

**Transfers from the FY 2006/2007 Iraq Freedom Fund (IFF)
(January 1, 2006 through March 31, 2006)**

(Dollars in Thousands)

translation data library and accelerate performance improvements and system development (\$.950 million). (\$4,135)

Research, Development, Test, and Evaluation, Navy, 06/07 **\$110,135**

Budget Activity 7: Operational Systems Development

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. Foreign Counterintelligence Activities (\$135); Advanced Development Project (\$110,000) (\$+110,135)

Research, Development, Test, and Evaluation, Air Force, 06/07 **\$368,500**

Budget Activity 7: Operational Systems Development

0101815F – Advanced Strategic Programs

Reprogramming Action FY06-14 IR; Notification date February 9, 2006. Additional funds were used to support the continued development and operationalization of a commercial algorithm that has demonstrated advanced capability in data compression/decompression, anomaly detection, and object tracking. This specialized algorithm will be capable of supporting multiple counter-terrorism and conventional applications. Funding will support conducting an assessment of the algorithm, conduct additional development, test and evaluation. (\$15,000)

Budget Activity 7: Operational Systems Development

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+353,500)

Research, Development, Test, and Evaluation, Defense-Wide, 06/07 **\$111,946**

Budget Activity 7: Operational Systems Development

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were used for classified programs. (\$+111,946)

Funds were provided to the following programs:

Cryptologic Activities	(\$57,922)
Foreign Counterintelligence Activities	(\$9,860)
National Geospatial Counter-intelligence Program	(\$24,364)
Tactical Cryptologic Activities	(\$8,800)
Defense Geospatial-Intelligence Program	(\$11,000)

Enclosure

**Transfers from the FY 2006/2007 Iraq Freedom Fund (IFF)
(January 1, 2006 through March 31, 2006)**

(Dollars in Thousands)

United States Coast Guard Operating Expenses **\$100,000**

Reprogramming Action FY06-13 IR; Notification date February 21, 2006. Additional funds were provided to the U.S. Coast Guard and authorized in Title IX, of Public Law 109-148, the Department of Defense (DoD) Appropriations, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act, 2006. These funds have been used to finance costs incurred by the Coast Guard for operations in and around Iraq in support of Operation Iraqi Freedom.

Total Transferred in the Second Quarter of FY 2006 **\$3,836,608**

Enclosure