

Department of Homeland Security

U.S. Coast Guard



**Fiscal Year 2018
Congressional Justification**

Department of Homeland Security

U.S. Coast Guard

Budget Overview



Fiscal Year 2018

Congressional Justification

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U.S. Coast Guard

Appropriation Organization Structure

Organization Name	Level	Fund Type (* Includes Defense Funding)
U.S. Coast Guard	Component	
Operating Expenses	Appropriation	
Military Pay and Allowances	PPA	Discretionary - Appropriation
Civilian Pay and Benefits	PPA	Discretionary - Appropriation
Training and Recruiting	PPA	Discretionary - Appropriation*
Operating Funds and Unit Level Maintenance	PPA	Discretionary - Appropriation*
Centrally Managed Accounts	PPA	Discretionary - Appropriation*
Intermediate and Depot Level Maintenance	PPA	Discretionary - Appropriation*
Overseas Contingency Operations (OCO)/Global War on Terrorism	PPA	Discretionary - Appropriation*
Environmental Compliance and Restoration	Appropriation	Discretionary - Appropriation
Reserve Training	Appropriation	Discretionary - Appropriation
Acquisition, Construction, and Improvements	Appropriation	
Vessels	PPA	
Survey and Design - Vessels and Boats	PPA Level II,Investment	Discretionary - Appropriation
In-Service Vessel Sustainment	PPA Level II,Investment	Discretionary - Appropriation
National Security Cutter	PPA Level II,Investment	Discretionary - Appropriation
Offshore Patrol Cutter	PPA Level II,Investment	Discretionary - Appropriation
Fast Response Cutter	PPA Level II,Investment	Discretionary - Appropriation
Cutter Boats	PPA Level II,Investment	Discretionary - Appropriation
Polar Icebreaker	PPA Level II,Investment	Discretionary - Appropriation
Inland Waterways and Western Rivers Tender	PPA Level II,Investment	Discretionary - Appropriation
Aircraft	PPA	
HC-144 Conversion/Sustainment	PPA Level II,Investment	Discretionary - Appropriation
HC-27J Conversion/Sustainment	PPA Level II,Investment	Discretionary - Appropriation
HC-130J Acquisition/Conversion/Sustainment	PPA Level II,Investment	Discretionary - Appropriation
HH-65 Conversion/Sustainment	PPA Level II,Investment	Discretionary - Appropriation
MH-60T Sustainment	PPA Level II,Investment	Discretionary - Appropriation
Small Unmanned Aircraft Systems	PPA Level II,Investment	Discretionary - Appropriation
Other Acquisition Programs	PPA	
Other Equipment and Systems	PPA Level II,Investment	Discretionary - Appropriation
Program Oversight and Management	PPA Level II,Investment	Discretionary - Appropriation
C4ISR	PPA Level II,Investment	Discretionary - Appropriation
Coast Guard Logistics Information Management System	PPA Level II,Investment	Discretionary - Appropriation
Shore Facilities and Aids to Navigation (ATON)	PPA	
Major Shore, Housing, ATON, Survey and Design	PPA Level II,Investment	Discretionary - Appropriation
Major Acquisition Systems Infrastructure	PPA Level II,Investment	Discretionary - Appropriation
Minor Shore	PPA Level II,Investment	Discretionary - Appropriation

Organization Name	Level	Fund Type (* Includes Defense Funding)
Personnel and Related Support Costs	PPA	Discretionary - Appropriation
Research, Development, Test, and Evaluation	Appropriation	Discretionary - Appropriation
Medicare-Eligible Retiree Health Care Fund Contribution	Appropriation	Discretionary - Appropriation
Retired Pay	Appropriation	Mandatory - Appropriation
Boat Safety	Appropriation	Mandatory - Appropriation
Maritime Oil Spill Program	Appropriation	Mandatory - Appropriation
Funds	Appropriation	Mandatory - Appropriation
General Gift Fund	PPA	Mandatory - Appropriation
Yard Fund	PPA	Discretionary - Appropriation
Supply Fund	PPA	Discretionary - Appropriation

U.S. Coast Guard Strategic Context

Component Overview

The U.S. Coast Guard (USCG) operates as a multi-mission organization in support of the DHS strategic missions, goals, and objectives. Most of its assets and personnel are not dedicated to a single mission, but have the responsibility to carry out several of USCG's 11 statutory missions using risk-based decision-making to allocate these resources. For purposes of the Strategic Context, the USCG programs are aligned to the USCG's appropriations structure as displayed below.

Operating Expenses: The Operating Expenses program implements the 11 statutory Coast Guard missions, which are Port & Waterway Security, Drug Interdiction, Aids to Navigation, Search & Rescue, Living Marine Resources, Marine Safety, Defense Readiness, Migrant Interdiction, Marine Environmental Protection, Ice Operations, and Law Enforcement. Operating expenses activities include the day-to-day operation and maintenance of the organization, as well as minor procurement, construction, and improvement projects.

Acquisition, Construction, and Improvement: The Acquisition, Construction, and Improvement program includes acquisition, procurement, construction, rebuilding, and improvement of vessels, aircraft, owned or leased shore facilities and military housing, aids to navigation systems, and other programs. It also acquires cross-cutting systems and related equipment that support command and control, coordination, information and situational awareness, and/or occupational health and safety for multiple missions.

Research, Development, Test and Evaluation: Research, Development, Test and Evaluation (RDT&E) sustains infrastructure and core capabilities for mission execution through applied research, development, testing, and evaluation. This program gives the U.S. Coast Guard a strong evidence-based foundation for operational and capital investment decision making and to address capability requirements.

Environmental Compliance and Restoration: The Environmental Compliance and Restoration program performs environmental cleanup, sustainment, and restoration of current and former contaminated U.S. Coast Guard facilities. It also develops engineering remedies for U.S. Coast Guard assets for the purpose of obtaining or restoring compliance with environmental laws and preventing contamination and environmental damage.

Maritime Oil Spill: The Maritime Oil Spill program implements Coast Guard's responsibilities under the Oil Pollution Act of 1990 including management of the Oil Spill Liability Trust Fund to pay for federal response to oil spills and claims for uncompensated removal costs and damages resulting from such spills. The Maritime Oil Spill Program directly supports the U.S. Coast Guard's statutory responsibilities for maritime environmental protection and maritime response.

Boat Safety: The Boat Safety program provides federal assistance to States and applies preventive means and strategies to minimize loss of life, personal injury, property damage, and environmental impact associated with the use of recreational boats. The program directly supports the U.S. Coast Guard's statutory responsibilities to promote safe and enjoyable use of public U.S. waterways.

Reserve Training: The Reserve Training program provides training to units and personnel to augment active duty Coast Guard forces during times of crisis, domestically or worldwide.

Retired Pay: The Retired Pay program provides payments as identified under the Retired Serviceman's Family Protection and Survivor Benefits Plans, and other retired personnel entitlements identified under prior-year National Defense Authorization Acts. The program also includes payment for medical care of retired personnel and their dependents.

Health Care Fund Contribution: The Health Care Fund Contribution funds accrual of the U.S. Coast Guard's military Medicare-eligible health benefit contribution to the Department of Defense Medicare-Eligible Retiree Health Care Fund. This contribution is used to provide health care to Medicare-eligible U.S. Coast Guard retirees, including dependents of retirees and their survivors.

General Gift Fund: The General Gift Fund is a vehicle that authorizes the Commandant of the U.S. Coast Guard to accept gifts and donations for the benefit of museums, chapels, and other organizations under the jurisdiction of the U.S. Coast Guard. The U.S. Coast Guard is also authorized to accept gifts to be used for the benefit of service members who are wounded, injured, or taken ill while in the line of duty, as well as for those members' dependents and survivors.

Component Contributions to Achieving Departmental Missions

The table below shows the alignment of the USCG programs to the DHS Missions, including the goal to Mature and Strengthen Homeland Security. The subsequent discussion of USCG's contribution to each DHS mission includes two types of performance measures. Strategic Measures represent USCG measures that gauge achievement for this mission area, and are considered to be Government Performance and Results Act Modernization Act (GPRAMA) performance measures. Additional Management Measures are displayed, as appropriate, to provide a more thorough context of expected performance results.

Programs	DHS Missions					*Mature and Strengthen Homeland Security
	*Prevent Terrorism and Enhance Security	*Secure and Manage Our Borders	*Enforce and Administer Our Immigration Laws	*Safeguard and Secure Cyberspace	*Strengthen National Preparedness and Resilience	
Operating Expenses	6%	39%	1%		48%	6%
Acquisition, Construction, and Improvement	11%	59%	17%		12%	1%
Research, Development, Test and Evaluation						100%
Environmental Compliance and Restoration					100%	
Maritime Oil Spill					100%	
Boat Safety					100%	
Reserve Training	6%	45%	1%		2%	46%
Retired Pay						100%
Health Care Fund Contribution						100%
General Gift Fund						100%
Alteration of Bridges		100%				

**Totals account for rounding*

Mission 1: Prevent Terrorism and Enhance Security

Resources Requested

USCG resources supporting *Prevent Terrorism and Enhance Security* are provided in the table below.

\$ in thousands

Program Name	FY 2016 Revised Enacted		FY 2017 Annualized CR		FY 2018 President's Budget	
	\$	FTE	\$	FTE	\$	FTE
Operating Expenses	387,893	2,713	396,258	2,791	413,406	2,820
Acquisition, Construction, and Improvement	226,355	107	236,585	117	138,303	117
Reserve Training	6,606	25	6,593	25	6,893	25
Total	620,854	2,845	639,436	2,932	558,602	2,961

Performance Measures

For *Prevent Terrorism and Enhance Security*, two types of performance measures are presented. Strategic Measures represent USCG measures that gauge achievement for this mission area, and are considered to be our Government Performance and Results Act Modernization Act (GPRAMA) performance measures. Additional Management Measures are displayed, as appropriate, to provide a more thorough context of expected performance results.

Strategic Measures

Measure: Security compliance rate for high risk maritime facilities						
Description: This measure is a leading indicator of maritime facility security and resiliency in our nation’s ports. Compliance of high risk (Maritime Transportation Security Act (MTSA)) facilities is determined based upon finding a major problem during an inspection, requiring a notice of violation or civil penalty. MTSA facilities are a high risk subset of the national waterfront facility population given the nature of their activities and/or the products they handle; which pose a greater risk for significant loss of life, environmental damage, or economic disruption if attacked. This subset is approximately 3,100 facilities. The Coast Guard completes one scheduled and one unscheduled inspection on each facility annually. This measure provides insight into resiliency by verifying MTSA facilities maintain proper access safeguards and exercise approved plans/procedures to prevent and react to security emergencies; making them better suited to resist, adapt, and recover to adversity or disruption.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	100%	100%	100%	100%	100%	100%
Result:	99.3%	99.3%	99.6%	97.6%	N/A	N/A

Management Measures

Measure: Percent reduction of all maritime security risk subject to U.S. Coast Guard influence						
Description: This is a risk-based outcome measure that begins with an assessment (by maritime security subject matter experts) of sixteen high-consequence maritime terrorist attack scenarios. Threat, vulnerability, and consequence levels are estimated for each scenario, which generates a proxy (index) value of "raw risk" that exists in the maritime domain. Next, U.S. Coast Guard interventions (security and response operations, regime and awareness activities) for the fiscal year are scored against the scenarios with regard to the decreases in threat, vulnerability and consequence that each has been estimated to have afforded. The analysis then focuses on those areas within the U.S. Coast Guard's roles and strategic mandates. The result is a proxy measure of performance.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	36%	37%	37%	56%	56%	56%
Result:	36%	55%	58%	44%	N/A	N/A

Measure: Percent reduction of maritime security risk resulting from U.S. Coast Guard consequence management						
Description: This measure indicates the estimated % of terrorist-related maritime risk reduction due to consequence mgmt, as a % of the risk that USCG has the ability to impact. This is a risk-based measure that involves the scoring (by maritime security subject matter experts) of sixteen high-consequence maritime terrorist attack scenarios with respect to threat, vulnerability, & consequence. Aggregation of maritime security risk scenarios generates an index of "raw risk" that exists in the maritime domain. USCG layered interventions (both operational & regulatory-based) employed throughout the FY are scored against the attack scenarios with regard to the % consequence after a modeled attack has occurred. The result shows the estimated reduction in "raw risk" from USCG consequence mitigation efforts alone.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	4%	4%	5%	4%	4%	4%
Result:	4%	3%	4%	1%	N/A	N/A

Measure: Percent reduction of maritime security risk resulting from U.S. Coast Guard efforts to prevent a terrorist entering the U.S. via maritime means						
Description: This measure is an estimate of the percent of terrorist-related maritime risk reduction of the illegal entry of a terrorist(s) through the maritime domain (as a percent of the risk that the USCG has the ability to impact). This is a risk-based measure that involves the scoring (by maritime security subject matter experts) with respect to threat, vulnerability and consequence of the illegal entry of a terrorist(s) into the U.S. with intent and capability to carry out terror attacks within the United States where vessels en route from foreign countries are used as a means of conveyance. Such scoring generates an index of "raw risk" that exists in the maritime domain. Next, USCG incremental interventions (awareness, operational and regulatory-based) that have taken place throughout the fiscal year are scored with regard to the effectiveness each has been estimated to have afforded.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	34%	35%	35%	58%	58%	58%
Result:	34%	42%	59%	59%	N/A	N/A

Measure: Percent reduction of maritime security risk resulting from U.S. Coast Guard efforts to prevent a weapon of mass destruction from entering the United States via maritime means						
Description: This measure is an estimate of the percent of terrorist-related maritime risk reduction of the illegal entry of a Weapon of Mass Destruction (WMD)/materials into the U.S. through the maritime domain (as a percent of the risk that the USCG has the ability to impact). This is a risk-based measure that involves the scoring (by maritime security subject matter experts) with respect to threat, vulnerability and consequence of the illegal entry of a WMD/materials into the United States to support ongoing terrorist operations where vessels enroute from foreign countries are used as a means of conveyance. Scoring generates an index of "raw risk" that exists in the maritime domain. USCG incremental interventions (awareness, operational and regulatory-based) that have taken place throughout the fiscal year are scored with regard to the effectiveness that each has been estimated to have afforded.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	24%	25%	25%	39%	39%	39%
Result:	24%	56%	39%	42%	N/A	N/A

Mission 2: Secure and Manage Our Borders

Resources Requested

USCG resources supporting *Secure and Manage Our Borders* are provided in the table below.

\$ in thousands

Program Name	FY 2016 Revised Enacted		FY 2017 Annualized CR		FY 2018 President's Budget	
	\$	FTE	\$	FTE	\$	FTE
Operating Expenses	2,696,725	18,095	2,717,458	18,615	2,845,345	18,868
Acquisition, Construction, and Improvement	1,226,755	291	1,207,765	317	707,501	317
Reserve Training	49,545	184	49,451	184	51,694	184
*Alteration of Bridges	-	-	-	-	(12,400)	-
Total	3,973,024	18,570	3,974,673	19,116	3,592,140	19,370

*Prior year rescission of FY16 funds from Alteration of Bridges appropriation.

Performance Measures

For *Secure and Manage Our Borders*, two types of performance measures are presented. Strategic Measures represent USCG measures that gauge achievement for this mission area, and are considered to be our GPRAMA performance measures. Additional Management Measures are displayed, as appropriate, to provide a more thorough context of expected performance results.

Strategic Measures

Measure: Availability of maritime navigation aids						
Description: This measure indicates the hours that short-range federal Aids to Navigation are available. The aid availability rate is based on an international measurement standard established by the International Association of Marine Aids to Navigation and Lighthouse Authorities (IALA) (Recommendation O-130) in December 2004. A short-range Aid to Navigation is counted as not being available from the initial time a discrepancy is reported until the time the discrepancy is corrected.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	97.5%	97.5%	97.5%	97.5%	97.5%	97.5%
Result:	98.2%	98.2%	97.7%	97.7%	N/A	N/A

Measure: Fishing regulation compliance rate						
Description: The U.S. Coast Guard uses the percentage of fishing vessels observed at sea complying with domestic regulations as a measure of the Coast Guard's activities and their impact on the health and well-being of U.S. fisheries and marine protected species. This specific measure reflects the percent of boardings at sea by the U.S. Coast Guard during which no significant violations of domestic fisheries regulations are detected.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	96.0%	96.5%	96.5%	96.5%	97.0%	96.5%
Result:	98.1%	97.5%	97.1%	96.8%	N/A	N/A

Measure: Migrant Interdiction Effectiveness in the Maritime Environment						
Description: This measure reports the percent of detected undocumented migrants of all nationalities who were interdicted by the U.S. Coast Guard and partners via maritime routes.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	73.0%	74.0%	74.5%	75.0%
Result:	N/A	N/A	74.8%	79.3%	N/A	N/A

Measure: Number of detected incursions of foreign fishing vessels violating U.S. waters						
Description: This measure is the number of detected illegal fishing incursions into the U.S. Exclusive Economic Zone (EEZ). Incursions detected by both the U.S. Coast Guard and other sources are included when the reports are judged by operational commanders as being of sufficient validity to order resources to respond.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	<140	<148	<215	<220	<224	<248
Result:	189	198	224	176	N/A	N/A

Management Measures

Measure: Annual MTSA Facility compliance rate with Transportation Worker Identification Credential (TWIC) regulations						
Description: This measure reports the percent of MTSA regulated facilities that are found to be in compliance with the Transportation Worker Identification Card (TWIC) regulations during CG inspections. The Security and Accountability for Every (SAFE) Port Act of 2006 requires the Coast Guard to conduct at least two MTSA security inspections on regulated facilities each year; one announced and one unannounced. CG Inspectors randomly sample different areas of a facility (admin staff, security staff, dock workers, etc.) to check for TWIC compliance by ensuring workers have a valid and current TWIC card. Some infractions can be corrected on the spot, e.g., a trucker forgot his TWIC in his truck cab. Depending on the number and severity of TWIC infractions, the inspector/Capt of the Port may find the facility not in compliance. Statistical guidelines have been developed based on the size of the facility to aid inspectors, and to ensure random sampling.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	99%	99%	99%	99%	99%	99%
Result:	99%	99%	99%	99%	N/A	N/A

Measure: Average number of navigational accidents						
Description: This measure evaluates the long-term trend of U.S. Coast Guard Waterways Management Program in preventing collisions, allisions (vessels striking fixed objects), and groundings.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	<=2,012	<=2,043	<=2,038	<=1,900	<=1,890	<=1,749
Result:	1,869	1,846	1,788	1,617	N/A	N/A

Measure: Number of undocumented migrants who attempt to enter the U.S. via maritime routes that are interdicted						
Description: This measure is the total number of all undocumented migrants who are attempting to enter the U.S. by maritime means and who are interdicted by the U.S. Coast Guard and other law enforcement agencies. The other agencies include Customs and Border Protection, and foreign entities partnering with the U.S. Coast Guard for migrant interdiction operations.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	<6,100	<6,300	<6,300	<6,300	<6,426	<6,750
Result:	5,262	7,747	6,028	8,165	N/A	N/A

Measure: Percent of time high priority waterways in the Great Lakes and along the eastern seaboard are open during ice season						
Description: This measure is the percent of time Tier One Waterways, in the Great Lakes and along the eastern seaboard, are open to vessel transits during the icebreaking season as a percentage of the total. Tier One waterways are those connecting waterways of the Marine Transportation System that waterways managers at Coast Guard District commands determine are highest-priority due to geographical location or importance of cargo to public health and safety.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	95%	95%	95%	95%	95%
Result:	N/A	85.5%	81.9%	100%	N/A	N/A

Measure: Removal rate for cocaine from non-commercial vessels in maritime transit zone						
Description: Percent of Cocaine removed (seized by the U.S. Coast Guard or disrupted (jettisoned, scuttled or destroyed) as a result of U.S. Coast Guard law enforcement action) in relationship to the estimated Non-Commercial Maritime Movement of cocaine.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	14.1%	13.9%	13.8%	11.5%	11.5%	11.5%
Result:	15.3%	9.5%	11.5%	7.1%	N/A	N/A

Mission 3: Enforce and Administer Our Immigration Laws

Resources Requested

USCG resources supporting *Enforce and Administer Our Immigration Laws* are provided in the table below.

\$ in thousands

Program Name	FY 2016 Revised Enacted		FY 2017 Annualized CR		FY 2018 President's Budget	
	\$	FTE	\$	FTE	\$	FTE
Operating Expenses	53,037	451	53,089	464	54,310	465
Acquisition, Construction, and Improvement	199,515	77	178,418	84	198,621	84
Reserve Training	1,101	4	1,099	4	1,149	4
Total	253,653	531	232,606	551	254,079	552

Performance Measures

USCG contributes to this mission, but does not have performance measures in this area.

Mission 5: Strengthen National Preparedness and Resilience

Resources Requested

USCG resources supporting *Strengthen National Preparedness and Resilience* are provided in the table below.

\$ in thousands

Program Name	FY 2016 Revised Enacted		FY 2017 Annualized CR		FY 2018 President's Budget	
	\$	FTE	\$	FTE	\$	FTE
Operating Expenses	3,264,786	21,713	3,292,562	22,337	3,442,057	22,631
Acquisition, Construction, and Improvement	258,548	291	281,360	317	144,320	317
Environmental Compliance and Restoration	13,221	20	13,196	23	13,397	23
Maritime Oil Spill	107,329	-	101,000	-	101,000	-
Boat Safety	114,326	14	113,049	14	118,416	19
Reserve Training	2,202	8	2,198	8	2,298	8
Total	3,760,412	22,046	3,803,364	22,700	3,821,487	22,998

Performance Measures

For *Strengthen National Preparedness and Resilience*, two types of performance measures are presented. Strategic Measures represent USCG measures that gauge achievement for this mission area, and are considered to be GPRAMA performance measures. Additional Management Measures are displayed, as appropriate, to provide a more thorough context of expected performance results.

Strategic Measures

Measure: Percent of people in imminent danger saved in the maritime environment						
Description: This is a measure of the percent of people who were in imminent danger on the oceans and other waterways and whose lives were saved by U.S Coast Guard. The number of lives lost before and after the U.S Coast Guard is notified and the number of persons missing at the end of search operations are factored into this percentage. Several factors hinder successful response including untimely distress notification to the U.S Coast Guard, incorrect distress site location reporting, severe weather conditions at the distress site, and distance to the scene.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	100%	100%	100%	100%	100%	100%
Result:	79%	79%	80%	79.4%	N/A	N/A

Measure: Three-year average number of serious marine incidents						
Description: This measure reports the three-year average number of Serious Marine Incidents as defined by 46 CFR 4.03-2, which include: death or injury requiring professional treatment beyond first aid, reportable property damage greater than \$100,000, actual or constructive loss of certain vessels, discharge of oil of 10,000 gallons or more; or a discharge of a reportable quantity of a hazardous substance.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	<=693	<=701	<=698	<=698
Result:	N/A	N/A	696	688	N/A	N/A

Management Measures

Measure: Average number of chemical discharge incidents in the maritime environment						
Description: This measure is an indicator of the U.S. Coast Guard Program's impact on chemical discharge incidents. It is a moving average of U.S. Coast Guard investigated chemical discharge incidents into navigable waters of the United States for the past 36 months, divided by the 3-year average annual foreign and domestic short tons (100 million) of Chemical and Chemical Products shipped in U.S. waters.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	<=16	<=15.9	<=15.8	<=15.8	<=15.5	<=14.6
Result:	14.6	15.4	14.2	10.4	N/A	N/A
Measure: Average number of oil spills in the maritime environment						
Description: This measure is an indicator of the U.S. Coast Guard Prevention Program's impact on significant oil spills. It is a moving average of U.S. Coast Guard investigated oil spills greater than 100 gallons discharged into navigable waters of the United States for the past 36 months, divided by the 3-year average annual foreign and domestic short tons (100 million) of Oil and Oil Products shipped in U.S. waters.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	<=11.4	<=11.3	<=11.1	<=11.0	<=10.9	<=10.3
Result:	10.0	10.3	7.8	8.4	N/A	N/A
Measure: Percent of time rescue assets are on-scene within 2 hours						
Description: Time on scene is calculated from the earliest time a Search and Rescue Unit (SRU) is requested to proceed until the earliest time of arrival on scene of an SRU. This includes readiness time, the 30 minutes of preparation time, that provides for underway preps (i.e. engine warm-ups, underway checklist, risk management evaluation, and mission planning) and the transit time, the 90 minutes from underway to on scene based on moderate environmental conditions which allow for operation of the SRUs at their top cruise speeds. To calculate the response times used in the measure, the Coast Guard uses the following equation: Time On Scene = First Sortie On Scene Time minus First Resource Requested Time. The Coast Guard established the 2-hour On Scene Standard in the 1970's and conducted a full review of the standard in 1992. The standard is based on survival expectations in the average weighted water temperatures. The weighting factors into the varying number of incidents occurring regionally.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	100%	100%	100%	100%	100%	100%
Result:	92%	95%	96%	90.3%	N/A	N/A

Measure: Three-year average number of commercial mariner deaths and significant injuries						
Description: This is a measure of the average annual number of reportable commercial mariner deaths and significant injuries over the past 12 quarters. It is an indicator of the long-term performance impact of the Coast Guard's Maritime Prevention Program on commercial mariner fatalities and injuries.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	<=153	<=148	<=142	<=133
Result:	N/A	N/A	135	120	N/A	N/A

Measure: Three-year average number of commercial passenger deaths and significant injuries						
Description: This is a measure of the average annual number of reportable commercial passenger deaths and significant injuries over the past 12 quarters. It is an indicator of the long-term performance impact of the Coast Guard's Maritime Prevention Program on commercial passenger fatalities and injuries.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	<=173	<=173	<=172	<=134
Result:	N/A	N/A	135	115	N/A	N/A

Measure: Three-year average of recreational boating deaths and injuries						
Description: This measure reports the three-year average of recreational boating deaths and injuries. It is an indicator of the short-term trend of the Maritime Prevention Program's impact on marine safety.						
Fiscal Year:	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Target:	N/A	N/A	N/A	N/A	<=3,220	<=3,191
Result:	N/A	N/A	N/A	N/A	N/A	N/A

Mature and Strengthen Homeland Security

Resources Requested

USCG resources supporting *Mature and Strengthen Homeland Security* are provided in the table below.

\$ in thousands

Program Name	FY 2016 Revised Enacted		FY 2017 Annualized CR		FY 2018 President's Budget	
	\$	FTE	\$	FTE	\$	FTE
Operating Expenses	425,335	2,292	420,325	2,357	453,247	2,398
Acquisition, Construction, and Improvement	17,220	-	20,000	-	15,000	-
Research, Development, Test and Evaluation	18,019	83	17,986	83	18,641	83
Reserve Training	50,646	188	50,549	188	52,843	188
Health Care Fund Contribution	168,847	-	175,506	-	195,784	-
General Gift Fund	1,621	-	2,214	-	2,864	-
Retired Pay	1,604,000	-	1,604,000	-	1,690,824	-
Total	2,285,687	2,563	2,290,580	2,628	2,429,203	2,669

Performance Measures

USCG contributes to this mission, but does not have performance measures in this area.

U.S. Coast Guard
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Operating Expenses	48,104	45,263	\$6,827,776	48,104	46,563	\$6,879,692	48,677	47,181	\$7,213,464	573	618	\$333,772
Environmental Compliance and Restoration	25	20	\$13,221	25	23	\$13,196	25	23	\$13,397	-	-	\$201
Reserve Training	416	409	\$110,099	416	409	\$109,890	416	409	\$114,875	-	-	\$4,985
Acquisition, Construction, and Improvements	914	766	\$1,928,393	914	835	\$1,924,127	914	835	\$1,203,745	-	-	(\$720,382)
Research, Development, Test, and Evaluation	96	83	\$18,019	96	83	\$17,986	96	83	\$18,641	-	-	\$655
Medicare-Eligible Retiree Health Care Fund Contribution	-	-	\$168,847	-	-	\$175,506	-	-	\$195,784	-	-	\$20,278
Retired Pay	-	-	\$1,604,000	-	-	\$1,604,000	-	-	\$1,690,824	-	-	\$86,824
Boat Safety	14	14	\$114,326	14	14	\$113,049	19	19	\$118,416	5	5	\$5,367
Maritime Oil Spill Program	-	-	\$107,329	-	-	\$101,000	-	-	\$101,000	-	-	-
Funds	-	-	\$1,621	-	-	\$2,214	-	-	\$2,864	-	-	\$650
Total	49,569	46,555	\$10,893,631	49,569	47,927	\$10,940,660	50,147	48,550	\$10,673,010	578	623	(\$267,650)
Subtotal Discretionary - Appropriation	49,555	46,541	\$9,066,355	49,555	47,913	\$9,120,397	50,128	48,531	\$8,759,906	573	618	(\$360,491)
Rescission to Alteration of Bridges: Discretionary - Appropriation	-	-	-	-	-	-	-	-	(\$12,400)	-	-	(\$12,400)
Adjusted Discretionary - Appropriation	49,555	46,541	\$9,066,355	49,555	47,913	\$9,120,397	50,128	48,531	\$8,747,506	573	618	(\$372,891)
Subtotal Mandatory - Appropriation	14	14	\$1,827,276	14	14	\$1,820,263	19	19	\$1,913,104	5	5	\$92,841

U.S. Coast Guard
Comparison of Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$10,984,634		
Transfers & Reprogrammings	(\$58,618)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$32,385)		
Revised Enacted/Request	\$10,893,631	\$10,940,660	\$10,673,010
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$609,662	\$1,571,430	\$400,078
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	\$36,060	\$29,395	\$14,769
Supplementals	-	-	-
Total Budget Authority	\$11,539,353	\$12,541,485	\$11,087,857
Collections – Reimbursable Resources	\$583,788	\$598,187	\$532,819
Total Budget Resources	\$12,123,141	\$13,139,672	\$11,620,676
Obligations (Actual/Projections/Estimates)	\$9,944,538	\$12,112,139	\$10,706,863
Personnel: Positions and FTE			
Enacted/Request Positions	49,569	49,569	50,147
Enacted/Request FTE	46,555	47,927	48,550
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	522	51,058	51,682
FTE (Actual/Estimates/Projections)	46,215	49,224	49,956

**U.S. Coast Guard
Personal Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Operating Expenses	48,104	45,263	\$3,675,592	\$80.92	48,104	46,563	\$3,723,862	\$79.69	48,677	47,181	\$3,932,984	\$83.07	573	618	\$209,122	\$3.38
Environmental Compliance and Restoration	25	20	\$2,794	\$139.65	25	23	\$3,269	\$142.09	25	23	\$3,334	\$144.91	-	-	\$65	\$2.82
Reserve Training	416	409	\$92,044	\$224.19	416	409	\$94,060	\$229.1	416	409	\$96,305	\$234.57	-	-	\$2,245	\$5.47
Acquisition, Construction, and Improvements	914	766	\$102,287	\$133.07	914	835	\$105,650	\$126.09	914	835	\$108,074	\$128.99	-	-	\$2,424	\$2.9
Research, Development, Test, and Evaluation	96	83	\$11,631	\$139.95	96	83	\$11,862	\$142.73	96	83	\$12,136	\$146.04	-	-	\$274	\$3.31
Medicare-Eligible Retiree Health Care Fund Contribution	-	-	\$168,847	-	-	-	\$175,506	-	-	-	\$195,784	-	-	-	\$20,278	-
Retired Pay	-	-	\$1,365,621	-	-	-	\$1,365,621	-	-	-	\$1,457,024	-	-	-	\$91,403	-
Boat Safety	14	14	\$2,075	\$148.21	14	14	\$2,088	\$149.14	19	19	\$2,786	\$146.63	5	5	\$698	(\$2.51)
Total	49,569	46,555	\$5,420,891	\$86.81	49,569	47,927	\$5,481,918	\$85.6	50,147	48,550	\$5,808,427	\$89.33	578	623	\$326,509	\$3.73
Discretionary - Appropriation	49,555	46,541	\$4,053,195	\$86.8	49,555	47,913	\$4,114,209	\$85.58	50,128	48,531	\$4,348,617	\$89.3	573	618	\$234,408	\$3.72
Mandatory - Appropriation	14	14	\$1,367,696	\$148.21	14	14	\$1,367,709	\$149.14	19	19	\$1,459,810	\$146.63	5	5	\$92,101	(\$2.51)

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

U.S. Coast Guard
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$629,322	\$631,514	\$675,769	\$44,255
11.3 Other than Full-Time Permanent	\$3,813	\$3,821	\$4,091	\$270
11.5 Other Personnel Compensation	\$17,148	\$17,178	\$18,418	\$1,240
11.6 Military Personnel-Basic Allowance for Housing	\$761,740	\$775,883	\$813,221	\$37,338
11.7 Military Personnel	\$1,976,147	\$2,009,263	\$2,111,920	\$102,657
11.8 Special Personal Services Payments	\$7,165	\$7,286	\$7,657	\$371
12.1 Civilian Personnel Benefits	\$218,470	\$219,165	\$234,733	\$15,568
12.2 Military Personnel Benefits	\$435,007	\$445,630	\$478,690	\$33,060
13.0 Benefits for Former Personnel	\$1,372,079	\$1,372,178	\$1,463,928	\$91,750
Total - Personnel Compensation and Benefits	\$5,420,891	\$5,481,918	\$5,808,427	\$326,509
Positions and FTE				
Positions - Civilian	8,577	8,577	8,785	208
FTE - Civilian	7,512	7,547	7,737	190
Positions - Military	40,992	40,992	41,362	370
FTE - Military	39,043	40,380	40,813	433

**U.S. Coast Guard
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Operating Expenses	\$3,152,184	\$3,155,830	\$3,280,480	\$124,650
Environmental Compliance and Restoration	\$10,427	\$9,927	\$10,063	\$136
Reserve Training	\$18,055	\$15,830	\$18,570	\$2,740
Acquisition, Construction, and Improvements	\$1,826,106	\$1,818,477	\$1,095,671	(\$722,806)
Research, Development, Test, and Evaluation	\$6,388	\$6,124	\$6,505	\$381
Retired Pay	\$238,379	\$238,379	\$233,800	(\$4,579)
Boat Safety	\$112,251	\$110,961	\$115,630	\$4,669
Maritime Oil Spill Program	\$107,329	\$101,000	\$101,000	-
Funds	\$1,621	\$2,214	\$2,864	\$650
Total	\$5,472,740	\$5,458,742	\$4,864,583	(\$594,159)
Discretionary - Appropriation	\$5,013,160	\$5,006,188	\$4,411,289	(\$594,899)
Mandatory - Appropriation	\$459,580	\$452,554	\$453,294	\$740

U.S. Coast Guard Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$155,199	\$165,327	\$178,429	\$13,102
22.0 Transportation of Things	\$50,505	\$59,523	\$72,748	\$13,225
23.1 Rental Payments to GSA	\$45,865	\$45,874	\$47,934	\$2,060
23.2 Rental Payments to Others	\$27,431	\$27,429	\$27,372	(\$57)
23.3 Communications, Utilities, and Misc. Charges	\$176,452	\$169,702	\$175,540	\$5,838
24.0 Printing and Reproduction	\$4,008	\$4,008	\$4,186	\$178
25.1 Advisory and Assistance Services	\$502,965	\$402,930	\$240,272	(\$162,658)
25.2 Other Services from Non-Federal Sources	\$856,826	\$839,548	\$619,139	(\$220,409)
25.3 Other Goods and Services from Federal Sources	\$264,614	\$265,355	\$259,503	(\$5,852)
25.4 Operation and Maintenance of Facilities	\$210,157	\$210,166	\$200,039	(\$10,127)
25.5 Research and Development Contracts	\$2,237	\$2,118	\$2,279	\$161
25.6 Medical Care	\$556,342	\$585,518	\$597,610	\$12,092
25.7 Operation and Maintenance of Equipment	\$646,229	\$638,472	\$690,421	\$51,949
25.8 Subsistence & Support of Persons	\$5,291	\$4,836	\$5,293	\$457
26.0 Supplies and Materials	\$607,151	\$609,473	\$630,109	\$20,636
31.0 Equipment	\$1,045,918	\$1,104,401	\$909,973	(\$194,428)
32.0 Land and Structures	\$205,181	\$214,981	\$90,071	(\$124,910)
41.0 Grants, Subsidies, and Contributions	\$109,217	\$107,962	\$112,505	\$4,543
42.0 Insurance Claims and Indemnities	\$1,152	\$1,119	\$1,160	\$41
Total - Non Pay Object Classes	\$5,472,740	\$5,458,742	\$4,864,583	(\$594,159)

**U.S. Coast Guard
Supplemental Budget Justification Exhibits**

Working Capital Fund

Dollars in Thousands

Appropriation and PPA	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Operating Expenses	\$98,313	\$98,313	\$69,618
Operating Funds and Unit Level Maintenance	\$7,468	\$7,468	\$6,163
Centrally Managed Accounts	\$90,845	\$90,845	\$63,455
Total Working Capital Fund	\$98,313	\$98,313	\$69,618

Status of Congressionally Requested Studies, Reports and Evaluations

Fiscal Year	Due Date	Reference/Citation	Requirement	Status
2017	With President's Budget	(P. L. 114-113) Omnibus Appropriations Act, 2016	Capital Investment Plan (FY2018-2022)	Under Development
2015	15 days after completion	(P. L. 113-76) Consolidated Appropriations Act, 2014	Polar Icebreaker Alternative Analyses	Under Development

U.S. Coast Guard
Authorized/Unauthorized Appropriations

Dollars in Thousands

Budget Activity	Last year of Authorization	Authorized Level	Appropriation in Last Year of Authorization	FY 2018 President's Budget
	Fiscal Year	Amount	Amount	Amount
Operating Expenses	FY 2017	6,981,036	N/A	7,213,464
Acquisition, Construction, and Improvements	FY 2017	1,945,000	N/A	1,203,745
Research, Development, Test, and Evaluation	FY 2017	19,890	N/A	18,641
Environmental Compliance and Restoration	FY 2017	16,701	N/A	13,397
Reserve Training	FY 2017	140,016	N/A	114,875
Total Direct Authorization/Appropriation		9,102,643	N/A	8,565,122

U.S. Coast Guard Proposed Legislative Language

Operating Expenses

For necessary expenses for the operations and maintenance of the Coast Guard, not otherwise provided for; purchase or lease of not to exceed 25 passenger motor vehicles, which shall be for replacement only; purchase or lease of small boats for contingent and emergent requirements (at a unit cost of no more than \$700,000) and repairs and service-life replacements, not to exceed a total of \$31,000,000; [purchase or lease of boats necessary for overseas deployments and activities;] purchase, [or] lease, *or improvements*¹ of other equipment (at a unit cost of no more than \$250,000); minor shore construction projects not exceeding \$1,000,000 in total cost on any location; payments pursuant to section 156 of Public Law 97-377 (42 U.S.C. 402 note; 96 Stat. 1920); and recreation and welfare; [\$7,061,490,000]~~\$7,213,464,000~~² [,]³ of which [\$500,002,000]~~\$340,000,000~~⁴ shall be for defense-related activities[, of which \$160,002,000 is designated by the Congress for Overseas Contingency Operations/Global War on Terrorism pursuant to section 251(b)(2)(A)(ii) of the Balanced Budget and Emergency Deficit Control Act of 1985]; of which \$24,500,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990 (33 U.S.C. 2712(a)(5)); and of which not to exceed \$23,000 shall be for official reception and representation expenses[: Provided, That none of the funds made available by this Act shall be for expenses incurred for recreational vessels under section 12114 of title 46, United States Code, except to the extent fees are collected from owners of yachts and credited to this appropriation: Provided further, That to the extent fees are insufficient to pay expenses of recreational vessel documentation under such section 12114, and there is a backlog of recreational vessel applications, then personnel performing non-recreational vessel documentation functions under subchapter II of chapter 121 of title 46, United States Code, may perform documentation under section 12114: Provided further, That of the funds provided under this heading, \$85,000,000 shall be withheld from obligation for Coast Guard Headquarters Directorates until a future-years capital investment plan for fiscal years 2017 through 2021, as specified under the heading "Coast Guard, Acquisition, Construction, and Improvements" of this Act, is submitted to the Committees on Appropriations of the Senate and the House of Representatives: Provided further, That funds made available under this heading for Overseas Contingency Operations/Global War on Terrorism may be allocated by program, project, and activity, notwithstanding section 503 of this Act: Provided further, That without regard to the limitation as to time and condition of section 503(d) of this Act, after June 30, up to \$10,000,000 may be reprogrammed to or from Military Pay and Allowances in accordance with subsections (a), (b), and (c) of section 503]. *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*⁵

Language Provision	Explanation
¹ ... <i>or improvements</i>	Change to include improvements of other equipment.
² ... [\$7,061,490,000]\$7,213,464,000	Dollar change only. No substantial change proposed.
³ ... [,];	Grammar change only. No substantial change proposed.
⁴ ... [\$500,002,000]\$340,000,000	Dollar change only. No substantial change proposed.
⁵ ... <i>Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</i>	Added to denote the FY 2017 funding amount reflects an annualized level based on the Further Continuing Appropriations Act, 2017 (P.L. 114-254).

Environmental Compliance and Restoration

For necessary expenses to carry out the environmental compliance and restoration functions of the Coast Guard under chapter 19 of title 14, United States Code, [\$13,221,000]**\$13,397,000**,¹ to remain available until September 30, [2020]**2022**.² *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*³

Language Provision	Explanation
¹ ...[\$13,221,000] \$13,397,000	Dollar change only. No substantial change proposed.
² ...[2020] 2022	Fiscal year change only. No substantial change proposed.
³ ... <i>Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</i>	Added to denote the FY 2017 funding amount reflects an annualized level based on the Further Continuing Appropriations Act, 2017 (P.L. 114-254).

Reserve Training

For necessary expenses of the Coast Guard Reserve, as authorized by law; *for*¹ operations and maintenance of the Coast Guard reserve program; personnel and training costs; and equipment and services; [\$110,614,000]**\$114,875,000**.² *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*³

Language Provision	Explanation
¹ ... <i>for</i>	Grammar change only. No substantial change proposed.
² ... [\$110,614,000] \$114,875,000	Dollar change only. No substantial change proposed.
³ ... <i>Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</i>	Added to denote the FY 2017 funding amount reflects an annualized level based on the Further Continuing Appropriations Act, 2017 (P.L. 114-254).

Acquisition, Construction, and Improvements

For necessary expenses of *the Coast Guard*¹ *for* acquisition, construction, renovation, and improvements, *including*² [of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto; and] maintenance, rehabilitation, lease, and operation of facilities and equipment; as authorized by law; [\$1,945,169,000]**\$1,203,745,000**³; of which \$20,000,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990 (33 U.S.C. 2712(a)(5)); and of which the following amounts shall be available until September 30, [2020]**2022**⁴ (except as subsequently specified): [\$21,000,000 for military family housing; \$1,264,400,000]**\$878,100,000**⁵ to acquire, effect major repairs to, renovate, or improve vessels, small boats, and related equipment; [\$295,000,000]**\$82,600,000**⁶ to acquire, effect major repairs to, renovate, or improve aircraft *and related equipment*⁷ or increase aviation capability; [\$65,100,000]**\$49,800,000**⁸ for other acquisition programs *and related equipment*⁹; [\$181,600,000]**\$75,000,000**¹⁰ for shore facilities and aids to navigation, *and related equipment*¹¹, including facilities at Department of Defense installations used by the Coast Guard; and [\$118,069,000,]**\$118,245,000**¹², to remain available until September 30, [2016]**2018**¹³, for personnel compensation and benefits and related costs[:Provided, That of the funds provided by this Act, not less than \$640,000,000 shall be immediately available and allotted to contract for the production of the ninth National Security Cutter notwithstanding the availability of funds for post-production costs: Provided further, That the Commandant of the Coast Guard shall submit to the Congress, at the time the President's budget proposal for fiscal year 2017 is submitted pursuant to

section 1105(a) of title 31, United States Code, a future-years capital investment plan as described in the second proviso under the heading "Coast Guard, Acquisition, Construction, and Improvements" in the Department of Homeland Security Appropriations Act, 2015 (Public Law 114-4), which shall be subject to the requirements in the third and fourth provisos under such heading]. *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*¹⁴

Language Provision	Explanation
¹ ... <i>the Coast Guard for</i>	Change to specify the Coast Guard.
² ... <i>including</i>	Grammar change only. No substantial change proposed.
³ ... [\$1,945,169,000]\$1,203,745,000	Dollar change only. No substantial change proposed.
⁴ ... [2020]2022	Fiscal year change only. No substantial change proposed.
⁵ ... [\$21,000,000 for military family housing; \$1,264,400,000]\$878,100,000	Dollar change, and remove military family housing funding breakout.
⁶ ... [\$295,000,000]\$82,600,000	Dollar change only. No substantial change proposed.
⁷ ... <i>and related equipment</i>	Change to address aircraft related equipment.
⁸ ... [\$65,100,000]\$49,800,000	Dollar change only. No substantial change proposed.
⁹ ... <i>and related equipment</i>	Change to address other acquisition programs' related equipment.
¹⁰ ... [\$181,600,000]\$75,000,000	Dollar change only. No substantial change proposed.
¹¹ ... <i>and related equipment</i>	Change to address shore facilities and aids to navigation related equipment.
¹² ... [\$118,069,000,]\$118,245,000	Dollar change only. No substantial change proposed.
¹³ ... [2016]2018	Fiscal year change only. No substantial change proposed.
¹⁴ ... <i>Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</i>	Added to denote the FY 2017 funding amount reflects an annualized level based on the Further Continuing Appropriations Act, 2017 (P.L. 114-254).

Research, Development, Test, and Evaluation

For necessary expenses *of the Coast Guard*¹ for applied [scientific] research, development, test, and evaluation; and for maintenance, rehabilitation, lease, and operation of facilities and equipment; as authorized by law; [\$18,019,000]**\$18,641,000**,² to remain available until September 30, [2018]**2020**,³ of which \$500,000 shall be derived from the Oil Spill Liability Trust Fund to carry out the purposes of section 1012(a)(5) of the Oil Pollution Act of 1990 (33 U.S.C. 2712(a)(5)): Provided, That there may be credited to and used for the purposes of this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries for expenses incurred for research, development, testing, and evaluation. *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*⁴

Language Provision	Explanation
¹ ... <i>of the Coast Guard</i>	Change to specify the Coast Guard.
² ... [\$18,019,000] \$18,641,000	Dollar change only. No substantial change proposed.
³ ... [2018] 2020	Fiscal year change only. No substantial change proposed.
⁴ ... <i>Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</i>	Added to denote the FY 2017 funding amount reflects an annualized level based on the Further Continuing Appropriations Act, 2017 (P.L. 114-254).

Retired Pay

For retired pay, including the payment of obligations otherwise chargeable to lapsed appropriations for this purpose[,]¹ payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans[,]¹ payment for career status bonuses, concurrent receipts, [and] combat-related special compensation, *as authorized by law*² [under the National Defense Authorization Act] [,]¹ and payments for medical care of retired personnel and their dependents under chapter 55 of title 10, United States Code, [\$1,604,000,000]*\$1,690,824,000*,³ to remain available until expended. *Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*⁴

Language Provision	Explanation
¹ ... [,];	Grammar change only. No substantial change proposed.
² ... <i>as authorized by law</i>	NDAA is not an actual short title and this change will also take into account any changes included in the CG Authorization Act.
³ ... [\$1,604,000,000] <i>\$1,690,824,000</i>	Dollar change only. No substantial change proposed.
⁴ ... <i>Note.—A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</i>	Added to denote the FY 2017 funding amount reflects an annualized level based on the Further Continuing Appropriations Act, 2017 (P.L. 114-254).

U.S. Coast Guard Reimbursable Resources

Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Change		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Commerce - Department of Commerce Source	8	8	\$1,383	8	8	\$1,213	8	8	\$1,233	-	-	\$20
Operating Expenses Location	8	8	\$1,383	8	8	\$1,213	8	8	\$1,233	-	-	\$20
Military Pay and Allowances Location	8	8	\$675	8	8	\$1,213	8	8	\$1,233	-	-	\$20
Operating Funds and Unit Level Maintenance Location	-	-	\$708	-	-	-	-	-	-	-	-	-
Department of Defense - Department of Defense Source	598	579	\$86,181	598	587	\$61,048	610	607	\$63,171	12	20	\$2,123
Operating Expenses Location	598	579	\$86,181	598	587	\$61,048	610	607	\$63,171	12	20	\$2,123
Military Pay and Allowances Location	423	442	\$37,293	425	428	\$42,335	432	442	\$43,215	7	14	\$880
Civilian Pay and Benefits Location	175	137	\$13,686	173	159	\$18,713	178	165	\$19,956	5	6	\$1,243
Operating Funds and Unit Level Maintenance Location	-	-	\$35,202	-	-	-	-	-	-	-	-	-
Department of Defense - Navy, Marine Corps Source	-	-	-	-	-	\$100	-	-	\$50	-	-	(\$50)
Research, Development, Test, and Evaluation Location	-	-	-	-	-	\$100	-	-	\$50	-	-	(\$50)
Department of Defense - Army Source	-	-	-	-	-	\$200	-	-	-	-	-	(\$200)
Research, Development, Test, and Evaluation Location	-	-	-	-	-	\$200	-	-	-	-	-	(\$200)
Department of Homeland Security - Department of Homeland Security Source	120	91	\$25,610	123	123	\$17,703	123	123	\$17,475	-	-	(\$228)
Operating Expenses Location	120	91	\$25,071	123	123	\$14,703	123	123	\$14,975	-	-	\$272
Military Pay and Allowances Location	85	70	\$5,906	88	90	\$10,305	87	89	\$10,355	(1)	(1)	\$50
Civilian Pay and Benefits Location	35	21	\$2,098	35	33	\$4,398	36	34	\$4,620	1	1	\$222
Operating Funds and Unit Level Maintenance Location	-	-	\$17,067	-	-	-	-	-	-	-	-	-
Research, Development, Test, and Evaluation Location	-	-	\$539	-	-	\$3,000	-	-	\$2,500	-	-	(\$500)
Independent Agency - Other Independent Agencies Source	-	-	-	-	-	\$679	-	-	\$1,200	-	-	\$521
Research, Development, Test, and Evaluation Location	-	-	-	-	-	\$679	-	-	\$1,200	-	-	\$521
Department of Homeland Security - Federal Emergency Management Agency Source	-	-	\$32	-	-	\$18	-	-	\$18	-	-	-
Operating Expenses Location	-	-	\$32	-	-	\$18	-	-	\$18	-	-	-
Operating Funds and Unit Level Maintenance Location	-	-	\$32	-	-	\$18	-	-	\$18	-	-	-
International Assistance Programs - Military Sales Program Source	-	-	\$93,835	-	-	\$41,207	-	-	\$34,000	-	-	(\$7,207)
Acquisition, Construction, and Improvements Location	-	-	\$93,835	-	-	\$41,207	-	-	\$34,000	-	-	(\$7,207)
Vessels Location	-	-	\$93,835	-	-	\$41,207	-	-	\$34,000	-	-	(\$7,207)
Military Sales Program Location	-	-	\$93,835	-	-	\$41,207	-	-	\$34,000	-	-	(\$7,207)
Department of Commerce - National Oceanic and Atmospheric Administration Source	-	-	\$2,012	-	-	\$12	-	-	\$50	-	-	\$38
Funds Location	-	-	\$2,012	-	-	\$12	-	-	\$50	-	-	\$38
Yard Fund Location	-	-	\$2,012	-	-	\$12	-	-	\$50	-	-	\$38
Panama Canal Authority Source	-	-	\$21	-	-	-	-	-	-	-	-	-
Operating Expenses Location	-	-	\$21	-	-	-	-	-	-	-	-	-
Operating Funds and Unit Level Maintenance Location	-	-	\$21	-	-	-	-	-	-	-	-	-
Other Anticipated Reimbursables Source	29	26	\$10,032	31	25	\$2,675	31	25	\$2,718	-	-	\$43
Operating Expenses Location	29	26	\$10,032	31	25	\$2,675	31	25	\$2,718	-	-	\$43
Military Pay and Allowances Location	20	20	\$1,687	22	18	\$1,811	22	18	\$1,833	-	-	\$22
Civilian Pay and Benefits Location	9	6	\$599	9	7	\$864	9	7	\$885	-	-	\$21
Operating Funds and Unit Level Maintenance Location	-	-	\$7,746	-	-	-	-	-	-	-	-	-
Independent Agency - Environmental Protection Agency Source	11	11	\$4,219	7	7	\$2,089	7	7	\$2,332	-	-	\$243

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Change		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Operating Expenses Location	11	11	\$2,213	7	7	\$818	7	7	\$832	-	-	\$14
Military Pay and Allowances Location	8	8	\$675	5	5	\$558	5	5	\$559	-	-	\$1
Civilian Pay and Benefits Location	3	3	\$300	2	2	\$260	2	2	\$273	-	-	\$13
Operating Funds and Unit Level Maintenance Location	-	-	\$1,238	-	-	-	-	-	-	-	-	-
Research, Development, Test, and Evaluation Location	-	-	\$2,006	-	-	\$1,271	-	-	\$1,500	-	-	\$229
Operational Reimbursements Source	-	-	\$39,617	-	-	\$157,699	-	-	\$121,829	-	-	(\$35,870)
Operating Expenses Location	-	-	\$39,617	-	-	\$157,699	-	-	\$121,829	-	-	(\$35,870)
Operating Funds and Unit Level Maintenance Location	-	-	\$39,617	-	-	\$157,699	-	-	\$121,829	-	-	(\$35,870)
Department of Homeland Security - United States Coast Guard Source	606	517	\$306,156	606	517	\$300,000	626	537	\$275,000	20	20	(\$25,000)
Funds Location	606	517	\$306,156	606	517	\$300,000	626	537	\$275,000	20	20	(\$25,000)
Yard Fund Location	606	517	\$150,000	606	517	\$150,000	626	537	\$150,000	20	20	-
Supply Fund Location	-	-	\$156,156	-	-	\$150,000	-	-	\$125,000	-	-	(\$25,000)
Department of Interior - Bureau of Safety and Environmental Enforcement Source	-	-	\$115	-	-	\$750	-	-	\$750	-	-	-
Research, Development, Test, and Evaluation Location	-	-	\$115	-	-	\$750	-	-	\$750	-	-	-
Other Defense Civil Programs - Selective Service System Source	-	-	\$136	-	-	\$138	-	-	\$138	-	-	-
Reserve Training Location	-	-	\$136	-	-	\$138	-	-	\$138	-	-	-
Department of Justice - Department of Justice Source	-	2	\$355	2	2	\$331	2	2	\$337	-	-	\$6
Operating Expenses Location	-	2	\$355	2	2	\$331	2	2	\$337	-	-	\$6
Military Pay and Allowances Location	-	2	\$169	2	2	\$331	2	2	\$337	-	-	\$6
Operating Funds and Unit Level Maintenance Location	-	-	\$186	-	-	-	-	-	-	-	-	-
Department of State - Department of State Source	5	4	\$1,689	5	5	\$968	5	5	\$918	-	-	(\$50)
Operating Expenses Location	5	4	\$1,689	5	5	\$968	5	5	\$918	-	-	(\$50)
Military Pay and Allowances Location	5	4	\$337	5	5	\$968	5	5	\$918	-	-	(\$50)
Operating Funds and Unit Level Maintenance Location	-	-	\$1,352	-	-	-	-	-	-	-	-	-
Department of Treasury - Department of the Treasury Source	83	55	\$9,567	83	68	\$8,227	83	68	\$8,407	-	-	\$180
Operating Expenses Location	83	55	\$9,567	83	68	\$8,227	83	68	\$8,407	-	-	\$180
Military Pay and Allowances Location	59	42	\$3,544	59	50	\$5,800	59	49	\$5,846	-	(1)	\$46
Civilian Pay and Benefits Location	24	13	\$1,299	24	18	\$2,427	24	19	\$2,561	-	1	\$134
Operating Funds and Unit Level Maintenance Location	-	-	\$4,724	-	-	-	-	-	-	-	-	-
Department of Transportation - Department of Transportation Source	26	17	\$2,828	26	24	\$3,130	26	24	\$3,193	-	-	\$63
Operating Expenses Location	26	17	\$2,828	26	24	\$3,130	26	24	\$3,193	-	-	\$63
Military Pay and Allowances Location	18	13	\$1,097	19	18	\$2,263	18	17	\$2,264	(1)	(1)	\$1
Civilian Pay and Benefits Location	8	4	\$400	7	6	\$867	8	7	\$929	1	1	\$62
Operating Funds and Unit Level Maintenance Location	-	-	\$1,331	-	-	-	-	-	-	-	-	-
Total Collections	1,486	1,310	\$583,788	1,489	1,366	\$598,187	1,521	1,406	\$532,819	32	40	(\$65,368)

U.S. Coast Guard Reports

Environmental Compliance and Restoration (EC&R) Project Backlog Impact

The information presented below fulfills the directive in Senate Report 114-68 accompanying the Fiscal Year (FY) 2016 Department of Homeland Security Appropriations Act (P.L. 114-113):

“The Coast Guard is directed to include in its annual budget justification a listing of the activities projected to be funded by the amount requested under this heading and an updated backlog report for Environmental Compliance and Restoration projects, with an explanation of how the amount requested will impact this documented backlog.”

The Coast Guard's prioritized listing of projects eligible for EC&R funding is reflective of the Coast Guard's review of current EC&R requirements and both completion and consolidation of projects. This list contains 152 projects with an estimated total cost of \$118 million. Estimated costs include restoration work to be accomplished in various stages (i.e., investigation work, site remediation work, and long term management) and to be executed across several years (e.g., long term management can potentially extend out to 30 years or more). The following table provides a detailed listing of future EC&R priority projects. The list is adjusted as new information from complete assessments and project risk prioritization becomes available.

The FY 2018 EC&R request of \$13.397 million will make progress on investigations and remediation at seven sites, initiating partial cleanup at two sites and completing all necessary response actions at five sites. Also, progress will be made in conducting long term monitoring at 24 sites.

Project Title	Location	State	Estimated Cost To Complete (\$K)
Coast Guard YARD (Site 9) - Long term Management [Post Closure Monitoring]	Baltimore	MD	\$155
Base Kodiak / Site 10/11 Air Station Paint Storage - Site Remediation (Jet Fuel (JP-5) Spill Cleanup)	Kodiak	AK	\$439
BASE Kodiak / Site 32 (Marine Sediments) - Long Term Monitoring	Kodiak	AK	\$176
Air Station Annette Island - Site Remediation (Multiple Locations/Variou Contamination Sources)	Metlaktatia	AK	\$5,858
Radar Station Point Higgins - Soil Contamination (Petroleum Hydrocarbons)	Ketchikan	AK	\$1,086

Project Title	Location	State	Estimated Cost To Complete (\$K)
LORAN Station St. Paul - Site Remediation (Groundwater and Soil Remediation)	St. Paul Island	AK	\$10,752
Lighthouse - Tree Point Light Station - Site Remediation (Soil Lead, Metals and Petroleum Contamination)	Revilligigedo Channel / Tree Point Ketchikan	AK	\$1,617
Lighthouse - Eldred Rock (former) - Site Remediation (Soil Lead Contamination)	Sitka	AK	\$436
Base Elizabeth City - Bldg 77 Stripping Shop Release (Long Term Monitoring Ground Water Contamination)	Elizabeth City	NC	\$1,086
BASE Elizabeth City (Bldg 79) - Long Term Management (Electroplating Shop Release)	Elizabeth City	NC	\$865
BASE Elizabeth City (Solid Waste Management Units 28/56) - Site Remediation (North Beach Disposal Area)	Elizabeth City	NC	\$2,284
Base Elizabeth City (Solid Waste Management Units 32/37/38 Former Fuel Farm) - Site Remediation/Long Term Management [Phytoremediation System]	Elizabeth City	NC	\$3,350
BASE Elizabeth City (Solid Waste Management Unit 64) - Site Remediation/Long Term Monitoring at Bldg 75 (Spent Solvents Release)	Elizabeth City	NC	\$1,610
Air Station Traverse City - Site Cleanup of Asbestos Containing Materials (Annual Site Inspection and Cleanup of Transite Siding)	Traverse City	MI	\$630
Base Elizabeth City (Solid Waste Management Unit 33 Former Waste Storage Area) - Site Remediation/Long term Management	Elizabeth City	NC	\$1,257
LORAN Station Cocos Island (former) - Long Term Management [Groundwater/Biota Sampling and Analysis and Site Closeout]	Cocos Island	Guam	\$105
LORAN-C Carolina Beach – Site Remediation	Carolina Beach	NC	\$1,030
Base Elizabeth City (Solid Waste Management Unit 15 Former Burn Area and Landfill) - Long Term Monitoring (Phytoremediation System Operations and Management)	Elizabeth City	NC	\$937
Station Fort Pierce - Site Investigation (Groundwater Petroleum Oil Lubricant Contamination from Underground Storage Tank Release)	Fort Pierce	FL	\$63
Station Grand Haven - Site Remediation (Underground Storage Tank Release)	Grand Haven	MI	\$1,843
Coast Guard Yard (Site 7) -Long Term Management / Maintenance of Land Use Controls	Baltimore	MD	\$1,112
TRACEN Petaluma (Skeet Range) - Site Remediation (Soil Lead Contamination)	Petaluma	CA	\$4,536
Lighthouse - Light Station Cape St. Elias (former) - Site Remediation (Soil Petroleum Contamination)	Kayak Island	AK	\$567

Project Title	Location	State	Estimated Cost To Complete (\$K)
Station Manistee - Site Remediation (Soil/Groundwater Petroleum Contamination from Underground Storage Tank Release)	Manistee	MI	\$142
Base Elizabeth City (Solid Waste Management Unit 55 / Gate 1)- Long Term Management	Elizabeth City	NC	\$226
Base Elizabeth City (Solid Waste Management Unit - 62) - Long Term Management [Seaplane Pipeline Release Site]	Elizabeth City	NC	\$189
Lighthouse - Anclote Key - Site Remediation (Lead and Mercury Soil and Groundwater Contamination)	Anclote Key / Anclote River Tarpon Springs	FL	\$150
Lighthouse - Egmont Key - Long Term Management [Monitoring of Natural Attenuation of Groundwater Contamination]	Egmont Key Island / Tampa Bay	FL	\$45
Station Sabine - Long Term Management [Monitoring of Natural Attenuation of Groundwater Contamination]	Sabine	TX	\$84
LORAN Station Yap (former) - Long Term Management (Post - Cleanup Monitoring)	Yap	Micronesia	\$75
LORAN Station Sitkinak Island - Site Remediation (Battery Cleanup and Soil Lead Contamination Remediation)	Sitkinak Island	AK	\$772
Mount Diablo Radio Station - Site Remediation (Lead and Total Recoverable Hydrocarbons Soil Contamination)	Contra Costa County	CA	\$1,045
Detachment Sandy Hook - Site Remediation (Fuel Spill Release - Superstorm Sandy Response)	Sandy Hook	NJ	\$341
Lighthouse - Cape Hinchinbrook - Site Remediation (Soil metals, Polychlorinated Biphenyl, Petroleum Contamination)	Hinchinbrook Island, Prince William Sound	AK	\$530
LORAN-C Attu - Site Remediation (Polychlorinated Biphenyl Cleanup, Metals and other contamination sources/Various Locations)	Attu Island	AK	\$7,214
Base Elizabeth City (Former Navy Dispensary and Barracks Site - FNDBRKS) - Long Term Management [Monitoring of Natural Attenuation of Groundwater]	Elizabeth City	NC	\$463
Base Kodiak Lake Louise Housing - Site Investigation (Soil Underground Storage Tank Petroleum Contamination)	Kodiak	AK	\$158
Lighthouse - Aiki Point Light Station - Site Remediation (Lead Soil Contamination)	Aiki Point	WA	\$152
Lighthouse - Point Wilson - Site Remediation (Fog/Signal Bldg)	Point Wilson Light	WA	\$80
Lighthouse - Robinson Point Light Station - Site Remediation (Lead and Total	Robinson Point	WA	\$32

Project Title	Location	State	Estimated Cost To Complete (\$K)
Petroleum Hydrocarbon Soil Contamination)			
Small Arms Firing Range Air Station/Sector Field Office Port Angeles - Investigation and Site Closeout	Port Angeles	WA	\$150
Port Arthur Housing - Site Investigation (Potential Soil Lead Based Paint Contamination)	Port Arthur	TX	\$37
Lighthouse - Destruction Island Lighthouse - Site Remediation (Capping of Multiple Soil Contaminants)	Destruction Island	WA	\$1,289
Lighthouse - Farallon Island Light Station - Site Remediation (Excavate/Removal of Multiple Soil Contaminants)	Farallon Island	CA	\$2,627
LORAN-C Kodiak (Narrow Cape) - Site Remediation (Soil/groundwater Petroleum Contamination)	Kodiak	AK	\$383
Station Ashtabula (former) - Site Remediation (Groundwater lead contamination investigation and assessment)	Ashtabula	OH	\$48
Base Milwaukee (former - Old Group) - Site Remediation (Soil and Groundwater Contamination Underground Storage Tank Release)	Milwaukee	WI	\$1,091
Group Cape Hatteras (Old Group Buxton) - Site Remediation (Former Sanitary Leach Field)	Cape Hatteras	NC	\$1,450
Lighthouse Cape Kumukahi Point - Site Remediation (Soil Lead Contamination)	Island of Hawaii	HI	\$70
Lighthouse - Hanapepe Point - Site Remediation (Soil Lead Contamination)	Island of Kauai	HI	\$54
Lighthouse - Isle Royale (Menageri Island) Light Station - Site Remediation (Soil Contamination)	Portage	MI	\$27
Lighthouse Kauhola Point - Site Remediation (Soil Lead Contamination)	Island of Hawaii	HI	\$128
Lighthouse Nápó'opo'o - Site Remediation (Soil Lead Contamination)	Island of Hawaii	HI	\$75
Lighthouse - Nawiliwili Harbor - Site Remediation (Soil Lead Contamination)	Island of Kauai	HI	\$59
Lighthouse Pauwela Point - Site Remediation (Soil Lead Contamination)	Island of Maui	HI	\$59
Lighthouse - Poverty Island Lighthouse - Site Remediation (Metals and Polyaromatic Hydrocarbons Soil Contamination)	Poverty Island	MI	\$1003
Lighthouse - Watch Hill - Site Remediation (Soil Lead Contamination)	Watch Hill	RI	\$225
LORAN Station Kure (former) - Site Remediation (Soil Polychlorinated Biphenyl Contamination)	Kure Atoll	HI	\$210
LORAN Station Ulithi (former) - Site Remediation (Asbestos Containing	Ulithi Atoll	Micronesia	\$674

Project Title	Location	State	Estimated Cost To Complete (\$K)
Materials and Lead Based Paint)			
Station Grand Marais (Auxiliary Operations Bldg Area) - Site Investigation	Grand Marais	MI	\$37
Governors Island - Site Investigation	Governors Island	NY	\$59
Lighthouse - East Chop (former) - Site Remediation (Soil Lead Contamination)	Oak Bluffs / Martha's Vineyard	MA	\$326
Lighthouse - Isle La Motte - Site Remediation (Soil Lead Contamination)	Isle La Motta	VT	\$171
Lighthouse - Little Sand Island - Site Investigation (Lead / Various Other Site Contaminants)	Little Sand	AL	\$241
Lighthouse - Long Island Head - Site Remediation (Soil Lead Contamination)	Long Island Head	MA	\$498
Lighthouse - Long Point - Site Remediation (Soil Lead Contamination)	Provincetown Harbor	MA	\$246
Lighthouse - Marblehead - Site Remediation (Soil Lead Contamination)	Marblehead	MA	\$257
Lighthouse Ned Point - Site Remediation (Soil Lead Contamination)	Mattapoissett	MA	\$102
Lighthouse - Perkins Island - Site Remediation (Soil Lead Contamination)	Perkins Island	ME	\$509
Lighthouse Race Point - Site Remediation (Soil Lead Contamination)	Race Point	MA	\$246
Lighthouse - Split Rock Point - Site Remediation (Soil Lead Contamination)	Lake Champlain	NY	\$241
Lighthouse - Tarpaulin Cove - Site Remediation (Soil Lead Contamination)	Tarpaulin Cove	MA	\$503
LORAN-C Shoal Cove - Site Remediation (Soil Contamination Diesel Range Organics)	Shoal Cove	AK	\$1,276
Lighthouse - Valcour Bluff Point - Site Remediation (Soil Lead Contamination)	Bluff Point	NY	\$326
Lighthouse - West Chop - Site Remediation (Soil Lead Contamination)	Vineyard Haven Harbor / Tisbury	MA	\$1,300
Lighthouse Windmill Point - Site Remediation (Soil Lead Contamination)	Alburg	VT	\$187
Lighthouse - Wood End - Site Remediation (Soil Lead Contamination)	Provincetown / Cape Cod	MA	\$86
Lighthouse - Wood Island - Site Remediation (Soil Lead Contamination)	Wood Island	ME	\$995
Small Arms Firing Range Communication Station Miami – Resource Conservation and Recovery Act Site Investigation/Remediation	Miami	FL	\$63
Small Arms Firing Range Communication Station New Orleans – Resource Conservation and Recovery Act Investigation and Site Closeout	New Orleans	LA	\$515
LORANC-C Port Clarence - Soil Remediation (Petroleum and Metals Contamination and Debris Cleanup)	Port Clarence	AK	\$7,508

Project Title	Location	State	Estimated Cost To Complete (\$K)
Small Arms Firing Range Base Kodiak - Resource Conservation and Recovery Act Investigation and Site Closeout	Kodiak	AK	\$462
LORAN Station Biorka Island (former) - Site Remediation (Soil Petroleum Contamination)	Biorka Island/Sitka	AK	\$931
Lighthouse - Alcatraz Light Station - Site Remediation (Soil Lead and Arsenic Contamination)	Alcatraz Island	CA	\$194
Lighthouse - Browns Point Light Station - Site Remediation (Soil Lead Contamination)	Browns Point / Tacoma	WA	\$112
Lighthouse - Cape Blanco Light Station - Site Remediation (Soil Lead Contamination)	Cape Blanco	OR	\$79
Lighthouse - Cape Flattery - Site Remediation (Soil Contamination)	Cape Flattery	WA	\$696
Lighthouse - East Brother - Site Remediation (Soil Lead Contamination)	East Brother	CA	\$177
Lighthouse - Lime Point Light Station - Site Remediation	Lime Point	CA	\$107
Lighthouse - New Dungeness - Site Remediation (Lead, Cadmium and Polychlorinated Biphenyl Soil Contamination)	New Dungeness	WA	\$696
Lighthouse - Point Bonita - Site Remediation (Lead and Petroleum Soil Contamination)	Point Bonita	CA	\$364
Lighthouse - Point Conception Light Station - Site Remediation (Soil Lead Contamination)	Point Conception	CA	\$134
Lighthouse - Point Fermin - Site Remediation (Soil Lead Contamination)	Point Fermin	CA	\$107
Lighthouse - Point Loma Light Station - Site Remediation (Soil Lead Contamination)	Point Loma	CA	\$203
Lighthouse - Point Montara - Site Restoration (Lead and Petroleum Soil Contamination)	Point Montara	CA	\$337
Lighthouse - Point No Point Light Station - Site Remediation (Soil Lead Contamination/ Petroleum Shoreline Contamination)	Hansville / Puget Sound	WA	\$193
Lighthouse - Point Vicente Light Station - Site Remediation (Soil Lead Contamination)	Point Vicente	CA	\$70
Lighthouse - Slip Point Light Station - Site Remediation (Soil Metals Contamination)	Clallam Bay	WA	\$96
Lighthouse - Turn Point - Site Remediation (Soil Contamination / Arsenic and Lead Cistern Water Contamination)	Turn Point	WA	\$840

Project Title	Location	State	Estimated Cost To Complete (\$K)
Lighthouse - Umpqua River - Site Remediation (Soil Lead Contamination)	Umpqua River / Winchester Bay	OR	\$144
Lighthouse - Yerba Buena Island (YBI) Light Station - Site Remediation (Soil Lead Contamination)	Yerba Buena Island	CA	\$152
Base Seattle - Site Remediation (Shore Ops Bldg Area)	Seattle	WA	\$144
Lighthouse - Fairway Island (former) - Site Remediation (Soil Lead and Mercury Contamination)	Fairway Island	AK	\$722
LORAN Station Cape Sarichef (former) - Site Remediation (Soil Petroleum and Lead Contamination)	Cape Sarichef	AK	\$3,386
LORAN-C Support Unit Wildwood - Site Remediation (Soil Contamination)	Wildwood	NJ	\$147
Station Tillamook Bay Boathouse - Site Remediation	Tillamook	OR	\$37
Air Station Astoria - Site Remediation (Underground Storage Tank Release)	Astoria	OR	\$16
Air Station Barbers Point - Site Investigation	Island of Oahu	HI	\$74
Aid to Navigation Team Sledge Island - Site Remediation (Solid Waste Cleanup and Removal, Minor Soil Removal)	Sledge Island	AK	\$155
Lighthouse - Lincoln Island (former) - Soil Remediation (Soil Lead Contamination)	Lincoln Island	AK	\$515
Lighthouse - Cape Spencer - Site Investigation (Soil Petroleum and Lead Contamination)	Cape Spencer / Cross Sound	AK	\$457
Small Arms Firing Range TRACEN Petaluma Site Remediation (Soil Lead Contamination at Side Berms)	Petaluma	CA	\$116
Station Port Angeles - Site Remediation (Groundwater Monitoring at former Underground Storage Tank)	Port Angeles	WA	\$47
Lighthouse - Dry Tortugas - Site Remediation (Soil Lead Contamination)	Key West	FL	\$252
Station Gloucester - Site Investigation (Metals Contamination)	Gloucester	MA	\$42
Air Station Clearwater - Long Term Management [Monitoring of Natural Attenuation of Fuel Release at Fuel Handling Hydrant #3]	Clearwater	FL	\$37
Aunuu Island - Site Remediation (Aid to Navigation Batteries)	Aunuu Island	Am. Samoa	\$68
Lighthouse - Scotch Cap - Site Remediation (Petroleum Impact Soil and Debris Cleanup)	Unimak Island	AK	\$2,499
Yerba Buena Island - Site Remediation (Underground Storage Tank Release)	Yerba Buena Island	CA	\$515

Project Title	Location	State	Estimated Cost To Complete (\$K)
Lighthouse - Cape Arago - Site Remediation (Soil Remediation and Mercury Decontamination)	Cape Arago	OR	\$321
Lighthouse - Point Diablo - Site Remediation (Soil Lead Contamination)	Point Diablo	CA	\$95
Small Arms Firing Range Base Ketchikan - Resource Conservation and Recovery Act Investigation and Site Closeout	Ketchikan	AK	\$299
Lighthouse - Point Crowley - Removal of Hazardous Material (Acetylene Gas Cylinders)	Kulu Island	AK	\$42
Sector Field Office Cape Hatteras - Site Investigation (Aboveground Storage Tank Release)	Cape Hatteras	NC	\$86
Station Portsmouth Harbor - Site Investigation (Underground Storage Tank Removal)	Portsmouth	NH	\$53
LORAN Station Ocean Cape (former) - Environmental Due Diligence Audit / Site Investigation	Yakutat	AK	\$499
Lighthouse - Mary Island (former) - Site Remediation (Soil Lead and Petroleum Contamination)	Mary Island / Revilligiedo Channel	AK	\$460
BASE Kodiak / Site 1 (Former Coast Guard Landfill) - Long Term Management [Post-Closure Maintenance and Monitoring]	Kodiak	AK	\$1,570
BASE Kodiak / Site 2 (Former Navy Landfill) - Long Term Monitoring	Kodiak	AK	\$1,247
Station Jones Beach - Site Investigation (Possible Petroleum Soil/Groundwater Contamination @ Boat Maintenance Facility)	Freeport	NY	\$36
BASE Kodiak / Site 23 (Former Power Plant) - Site Remediation (Additional Corrective Measure Study and Long Term Monitoring)	Kodiak	AK	\$1,347
BASE Kodiak / Site 3 (Former Dry Cleaning/Laundry Facility) - Site Remediation	Kodiak	AK	\$8,626
Lighthouse - Lā au Point - Site Remediation (Lead Impacted Soil)	Island of Molokai	HI	\$64
Lighthouse - Palaoa Point - Site Remediation (Lead Soil Contamination)	Island of Lanai	HI	\$59
TRACEN Cape May - Site Investigation (Soil Lead Contamination at Auxiliary Ops Bldg)	Cape May	NJ	\$43
Base Kodiak / Site 6A (Motor Gas (MOGAS)) - Long term Management [Post-Closure Maintenance and Annual Groundwater Monitoring of Underground Storage Tanks Leaks]	Kodiak	AK	\$1,570
Small Arms Firing Range Base Portsmouth - Resource Conservation and Recovery	Portsmouth	VA	\$257

Project Title	Location	State	Estimated Cost To Complete (\$K)
Act Investigation and Site Closeout			
Small Arms Firing Range Station Galveston - Resource Conservation and Recovery Act Investigation and Site Closeout	Galveston	TX	\$210
Small Arms Firing Range TRACEN Cape May - Resource Conservation and Recovery Act Site Remediation/Close Out	Cape May	NJ	\$1,654
Small Arms Firing Range TRACEN Petaluma - Resource Conservation and Recovery Act Investigation and Site Closeout	Petaluma	CA	\$289
Small Arms Firing Range TRACEN Yorktown - Resource Conservation and Recovery Act Investigation and Site Closeout	Yorktown	VA	\$299
CGC SMILAX Moorings - Site Investigation (Phase II)	Jacksonville	FL	\$75
Base Kodiak / Site 7A (Former Barrel Storage Area) - Long term Management [Post-Closure Maintenance and Monitoring]	Kodiak	AK	\$3,726
BASE Ketchikan - Site Remediation (Marine Sediments Metals Contamination)	Ketchikan	AK	\$416
Lighthouse - Guard Island - Site Remediation (Lead Impacted Soil)	Tongass Narrows /Clarence Strait Ketchikan	AK	\$326
ACADEMY - Site Remediation (Shipyards Parcel 1)	New London	CT	\$116
Lighthouse - Sentinel Island (former) - Long Term Management (Inspection of Soil Cap)	Sentinel Island	AK	\$46
LORAN-C Tok - Long Term Management (Periodic Inspection of Institutional Controls)	Tok	AK	\$147
Lighthouse - Five Finger Islands - Long Term Management (Inspection of Soil Cap)	Five Finger Islands / Frederick Sound	AK	\$79
Lighthouse - Point Retreat (former) - Long Term Management (Inspection and Review of Institutional Controls/Soil Cap)	Admiralty Island	AK	\$37
Lighthouse - Cape Decision (former) - Long Term Management (Inspection of Soil Cap)	Kulu Island / Sumner Strait	AK	\$67
Aviation Support Facility Cordova - Long Term Management (Site Inspections)	Cordova	AK	\$40
Total Estimated Cost to Complete			\$118,367

Small Boat Purchases, Leases, Repairs, and Service Life Replacements

The information presented below fulfills the following Senate directive in accordance with the Joint Explanatory Statement that accompanied P.L. 114-113 and which applies to FY 2018 due to the assumed full-year FY 2017 Continuing Resolution:

“[T]he Coast Guard shall report to the Committee...detailing planned small boat purchases, leases, repairs, and service life replacements...[f]or fiscal year 2017, such information shall be included in the congressional budget justification.”

The Coast Guard continues to purchase, lease, repair, and replace small boats to maintain a capable inventory of assets. The Coast Guard anticipates expending approximately \$24.3 million in FY 2018 for the purchase of thirty-four small response boats, seven over-the-horizon cutter boats, and other boat replacements as necessary to continue operations.

Response Boat – Small (RB-S): The RB-S is manufactured by Metal Shark Aluminum Boats and cost an estimated \$385,000 per boat. The RB-S procurements are intended to replace RB-S boats that have surpassed their design service lives.

Cutter Boat – Over the Horizon (CB-OTH): The CB-OTH is manufactured by SAFE Boats International, LLC and cost an estimated \$434,000 per boat. The CB-OTH procurements are intended to replace existing CB-OTH boats that are beyond their service lives.

Cutter Boat – Large (CB-L): The CB-L is currently in the analyze/select acquisition phase and a contract is scheduled to be awarded in Q1 FY 2018. The CB-L is designed to replace a fleet of 36 cutter boats that have surpassed their service life. Estimated replacement cost is \$345,000 per boat.

Special Purpose Craft – Ice Rescue Transport (IRT): The SPC-IRT is currently in the select acquisition phase and scheduled to be awarded Q4 FY 2017. The SPC-IRT is designed to replace eight ice rescue boats assigned to boat stations in the Great Lakes. Estimated replacement cost is \$350,000 per boat.

Department of Homeland Security

U.S. Coast Guard

Operating Expenses



**Fiscal Year 2018
Congressional Justification**

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Operating Expenses
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Military Pay and Allowances	40,223	38,327	\$3,418,483	40,223	39,627	\$3,488,617	40,593	40,060	\$3,711,095	370	433	\$222,478
Civilian Pay and Benefits	7,881	6,936	\$792,229	7,881	6,936	\$792,229	8,084	7,121	\$851,178	203	185	\$58,949
Training and Recruiting	-	-	\$195,718	-	-	\$204,541	-	-	\$190,668	-	-	(\$13,873)
Operating Funds and Unit Level Maintenance	-	-	\$1,013,897	-	-	\$1,017,954	-	-	\$895,518	-	-	(\$122,436)
Centrally Managed Accounts	-	-	\$353,821	-	-	\$329,906	-	-	\$142,788	-	-	(\$187,118)
Intermediate and Depot Level Maintenance	-	-	\$1,053,628	-	-	\$1,046,445	-	-	\$1,422,217	-	-	\$375,772
Total	48,104	45,263	\$6,827,776	48,104	46,563	\$6,879,692	48,677	47,181	\$7,213,464	573	618	\$333,772
Subtotal Discretionary - Appropriation	48,104	45,263	\$6,827,776	48,104	46,563	\$6,879,692	48,677	47,181	\$7,213,464	573	618	\$333,772

Overview

The Operating Expenses (OE) appropriation funds the Coast Guard’s roles and responsibilities as the principal Federal agency in the maritime domain providing for the safety, security, and stewardship of U.S. resources for the Nation.

The OE appropriation funds the annualization of prior-year funding, economic adjustments, and operating and maintenance funding for new and existing Coast Guard Programs, Projects and Activities (PPAs). The OE request directly funds all 11 statutory Coast Guard missions and other Service activities in support of DHS and National priorities.

The FY 2018 request for Coast Guard provides 48,677 positions, 47,181 FTE, and \$7,213,464,000.

The OE request includes increases of \$428,414 million for FY 2017 initiatives and their annualization; and provides for the FY 2018 pay increase of 2.1 percent for military and 1.9 percent for civilian personnel; military allowances; and the operation, maintenance, and crewing of systems, vessels, aircraft and shore facilities delivered via the Coast Guard’s acquisition programs (e.g., shore facilities, Logistics Information Management System (LIMS), Ship Control and Navigation Training System (SCANTS), Fast Response Cutter (FRC), National Security Cutter (NSC), C-27J Aircraft, HC-130J Aircraft, and MH-60T Helicopter).

The FY 2018 Budget sustains the Coast Guard’s operational readiness to meet today’s needs and challenges, while investing in long-term mission capability. The OE request includes decreases of \$93.170 million to execute decommissionings of legacy assets and to continue the focus on critical frontline operations in FY 2018. Decreases include: vessel decommissionings; targeted personnel

reductions; management and support efficiencies; the termination of one-time costs; and annualization of prior year management efficiencies.

Base increases include:

- Annualization of FY 2017 Initiatives – \$58.293 million
- Mandatory Personnel Entitlements – \$109.797 million
- Operational Adjustments – \$58.164 million
- Operating and Maintenance funds for new assets, including follow-on costs related to Shore Facilities, LIMS, SCANTS, and Surface and Air Asset Follow-on – \$98,630 million

Base decreases include:

- Termination of One-Time FY 2017 Costs – (\$43.110 million)
- Annualization of 2017 Initiative Reductions – (\$22.040 million)
- Operational Adjustments – (\$13.894 million)
- Asset Decommissionings – (\$14.126 million)

Operating Expenses
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$6,901,488		
Transfers & Reprogrammings	(\$65,058)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$8,654)		
Revised Enacted/Request	\$6,827,776	\$6,879,692	\$7,213,464
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$2,170	\$3,047	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$6,829,946	\$6,882,739	\$7,213,464
Collections – Reimbursable Resources	\$178,989	\$250,830	\$217,631
Total Budget Resources	\$7,008,935	\$7,133,569	\$7,431,095
Obligations (Actual/Projections/Estimates)	\$6,813,214	\$6,882,739	\$7,213,464
Personnel: Positions and FTE			
Enacted/Request Positions	48,104	48,104	48,677
Enacted/Request FTE	45,263	46,563	47,181
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	48,987	49,572
FTE (Actual/Estimates/Projections)	45,704	47,412	48,050

Operating Expenses
Collections – Reimbursable Resources
Dollars in Thousands

Collections		FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
		Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Commerce - Department of Commerce	Source	8	8	\$1,383	8	8	\$1,213	8	8	\$1,233
Department of Defense - Department of Defense	Source	598	579	\$86,181	598	587	\$61,048	610	607	\$63,171
Department of Homeland Security - Department of Homeland Security	Source	120	91	\$25,071	123	123	\$14,703	123	123	\$14,975
Department of Homeland Security - Federal Emergency Management Agency	Source	-	-	\$32	-	-	\$18	-	-	\$18
Panama Canal Authority	Source	-	-	\$21	-	-	-	-	-	-
Other Anticipated Reimbursables	Source	29	26	\$10,032	31	25	\$2,675	31	25	\$2,718
Independent Agency - Environmental Protection Agency	Source	11	11	\$2,213	7	7	\$818	7	7	\$832
Operational Reimbursements	Source	-	-	\$39,617	-	-	\$157,699	-	-	\$121,829
Department of Justice - Department of Justice	Source	-	2	\$355	2	2	\$331	2	2	\$337
Department of State - Department of State	Source	5	4	\$1,689	5	5	\$968	5	5	\$918
Department of Treasury - Department of the Treasury	Source	83	55	\$9,567	83	68	\$8,227	83	68	\$8,407
Department of Transportation - Department of Transportation	Source	26	17	\$2,828	26	24	\$3,130	26	24	\$3,193
Total Collections		880	793	\$178,989	883	849	\$250,830	895	869	\$217,631

Operating Expenses
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	48,104	45,263	\$6,901,488
Section 505 Reprogramming	-	-	\$14,915
Transfer from Military Pay and Allowances	-	-	\$13,000
Transfer to Acquisition, Construction & Improvements	-	-	(\$70,839)
Transfer to Centrally Managed Accounts	-	-	(\$9,000)
Transfer to Intermediate and Depot Level Maintenance	-	-	(\$4,000)
Transfer to Transportation Security Administration	-	-	(\$9,134)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$65,058)
Section 505 Rescission	-	-	(\$8,654)
Total Rescissions	-	-	(\$8,654)
FY 2016 Revised Enacted	48,104	45,263	\$6,827,776
FY 2017 Annualized CR	48,104	46,563	\$6,879,692
FY 2018 Base Budget	48,104	46,563	\$6,879,692
Working Capital Fund Activities	-	-	(\$1,472)
Total Transfers	-	-	(\$1,472)
Adjustment for Non-Recurring Rescissions	-	-	\$21,796
Adjustment for 2017 Initiatives	259	286	\$81,733
Annualization of 2017 Initiatives	-	373	\$58,293
Annualization of 2017 Military and Civilian Pay Raise	-	-	\$15,930
2018 Military Pay Raise	-	-	\$35,654
2018 Civilian Pay Raise	-	-	\$11,757
2018 Military Allowances	-	-	\$45,252
2018 Civilian Allowances	-	-	\$1,204
Defense Information Systems Agency (DISA) System Fee Increase	-	-	\$1,125
GSA and Other Governmental Rent	-	-	\$4,815
Total, Pricing Increases	259	659	\$277,559
Termination of One-Time Costs	-	-	(\$43,110)

Budget Formulation Activity	Positions	FTE	Amount
Annualization of 2017 Initiative Reductions	-	(168)	(\$22,040)
Total, Pricing Decreases	-	(168)	(\$65,150)
Total Adjustments-to-Base	259	491	\$210,937
FY 2018 Current Services	48,363	47,054	\$7,090,629
C-27J Aircraft Support Follow-On	21	11	\$2,919
CG Aircraft FAA Compliance & Obsolete Equipment Replacement	-	-	\$16,871
Fast Response Cutter (FRC) Follow-On	178	87	\$25,716
HC-130J Aircraft Follow-On	35	18	\$5,972
Logistics Information Management System (CG-LIMS) Follow-On	-	-	\$2,304
MH-60T Helicopter Follow-On	23	6	\$3,711
Mission Essential Systems and Cyber Security	3	2	\$26,207
Modernized Retirement System Training & Management (2016 NDAA)	36	28	\$3,862
National Security Cutter (NSC) Follow-On	283	101	\$52,404
Personnel Security & Investigations	7	4	\$4,732
Ship Control and Navigation Training System (SCANTS) Follow-On	-	-	\$315
Shore Facility Follow-On	12	10	\$5,290
Special Victim's Counsel (2016 NDAA)	3	2	\$552
Total, Program Increases	601	269	\$150,855
Direct Support Efficiencies	(16)	(10)	(\$1,412)
Management Efficiencies	(5)	(3)	(\$7,364)
One HC-130H Aircraft	(28)	(14)	(\$4,026)
One High Endurance Cutter (WHEC)	(184)	(92)	(\$8,441)
Three 110-foot Patrol Boats	(54)	(23)	(\$1,659)
Training Efficiencies	-	-	(\$5,118)
Total, Program Decreases	(287)	(142)	(\$28,020)
FY 2018 Request	48,677	47,181	\$7,213,464
FY 2017 TO FY 2018 Change	573	618	\$333,772

Operating Expenses Justification of Pricing Changes

Dollars in Thousands

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 1 - Adjustment for Non-Recurring Rescissions	-	-	\$21,796
Training and Recruiting	-	-	\$1,957
Operating Funds and Unit Level Maintenance	-	-	\$9,826
Intermediate and Depot Level Maintenance	-	-	\$10,013
Pricing Change 2 - Adjustment for 2017 Initiatives	259	286	\$81,733
Military Pay and Allowances	158	216	\$113,332
Civilian Pay and Benefits	101	70	\$28,081
Training and Recruiting	-	-	(\$10,340)
Operating Funds and Unit Level Maintenance	-	-	(\$34,598)
Centrally Managed Accounts	-	-	(\$1,529)
Intermediate and Depot Level Maintenance	-	-	(\$13,213)
Pricing Change 3 - Annualization of 2017 Initiatives	-	373	\$58,293
Military Pay and Allowances	-	328	\$26,437
Civilian Pay and Benefits	-	45	\$2,258
Training and Recruiting	-	-	\$2,149
Operating Funds and Unit Level Maintenance	-	-	\$9,620
Centrally Managed Accounts	-	-	\$1,638
Intermediate and Depot Level Maintenance	-	-	\$16,191
Pricing Change 4 - Annualization of 2017 Military and Civilian Pay Raise	-	-	\$15,930
Military Pay and Allowances	-	-	\$11,751
Civilian Pay and Benefits	-	-	\$4,179
Pricing Change 5 - 2018 Military Pay Raise	-	-	\$35,654
Military Pay and Allowances	-	-	\$35,654
Pricing Change 6 - 2018 Civilian Pay Raise	-	-	\$11,757
Civilian Pay and Benefits	-	-	\$11,757
Pricing Change 7 - 2018 Military Allowances	-	-	\$45,252
Military Pay and Allowances	-	-	\$45,252
Pricing Change 8 - 2018 Civilian Allowances	-	-	\$1,204
Civilian Pay and Benefits	-	-	\$1,204
Pricing Change 9 - Defense Information Systems Agency (DISA) System Fee Increase	-	-	\$1,125
Intermediate and Depot Level Maintenance	-	-	\$1,125
Pricing Change 10 - GSA and Other Governmental Rent	-	-	\$4,815
Centrally Managed Accounts	-	-	\$4,815

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 11 - Military and Civilian FTP and FTE Transfer	-	-	-
Military Pay and Allowances	(37)	(37)	(\$4,421)
Civilian Pay and Benefits	37	37	\$4,513
Training and Recruiting	-	-	(\$77)
Operating Funds and Unit Level Maintenance	-	-	(\$11)
Centrally Managed Accounts	-	-	(\$4)
Pricing Change 12 - PPA Funding Adjustment	-	-	-
Military Pay and Allowances	-	-	(\$904)
Civilian Pay and Benefits	-	-	\$855
Training and Recruiting	-	-	\$385
Operating Funds and Unit Level Maintenance	-	-	(\$127,365)
Centrally Managed Accounts	-	-	(\$187,237)
Intermediate and Depot Level Maintenance	-	-	\$314,266
Pricing Change 13 - Termination of One-Time Costs	-	-	(\$43,110)
Military Pay and Allowances	-	-	(\$7,045)
Training and Recruiting	-	-	(\$7,846)
Operating Funds and Unit Level Maintenance	-	-	(\$8,437)
Centrally Managed Accounts	-	-	(\$1,071)
Intermediate and Depot Level Maintenance	-	-	(\$18,711)
Pricing Change 14 - Annualization of 2017 Initiative Reductions	-	(168)	(\$22,040)
Military Pay and Allowances	-	(158)	(\$13,746)
Civilian Pay and Benefits	-	(10)	\$2,278
Training and Recruiting	-	-	(\$545)
Operating Funds and Unit Level Maintenance	-	-	(\$3,820)
Centrally Managed Accounts	-	-	(\$3,144)
Intermediate and Depot Level Maintenance	-	-	(\$3,063)
Total Pricing Changes	259	491	\$212,409

Adjustment for Non-Recurring Rescissions: This adjustment accounts for the impact of the FY 2017 Continuing Resolution.

Adjustment for 2017 Initiatives: This adjustment captures the net impact of initiatives 2017 President's budget submission.

Adjustments for 2017 Initiatives	Pos.	FTE	Amount (\$000)
Transfer	0	0	(4,391)
Annualizations of FY 2016 Initiatives	0	322	58,754
Mandatory Personnel Entitlements	0	0	114,174
Operational Adjustments (Increases)	51	27	8,642
Operating and Maintenance Funds for New Assets	589	266	106,164
Mandatory Personnel Entitlements	0	0	(2,954)
Termination of One-Time FY 2016 Costs	0	0	(94,873)
Part Year Management Annualizations	0	(89)	(16,589)
Operational Adjustments (Decreases)	(67)	(40)	(68,823)
Asset Decommissionings	(314)	(200)	(18,371)
Total	259	286	81,733

Annualization of 2017 Military and Civilian Pay Raise: Provides one quarter of funding to annualize the 2017 military and civilian (2.1 percent) pay raise.

2018 Military Pay Raise: Provides three quarters of funding for the 2018 military (2.1 percent) pay raise.

2018 Civilian Pay Raise: Provides three quarters funding for the 2018 civilian (1.9 percent) pay raise.

FY 2018 Military Allowances: Provides funding to maintain current services and ensure parity of military pay, allowances, and health care with DoD. This request includes additional funding for Basic Allowance for Housing (BAH) changes scheduled to take effect on January 1, 2018. Health care costs are forecasted using actuarial projections and include funding for Coast Guard clinics, TRICARE, pharmaceuticals, use of DoD military treatment facilities, and Public Health Service physicians serving at Coast Guard medical facilities. Permanent Change of Station costs are based on workforce accession, assignment, and retirement projections, and the respective change of station costs.

2018 Civilian Allowances: Provides funding for required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and TSP Government Contributions.

Defense Information Systems Agency (DISA) System Fee Increase: Provides funding for the Coast Guard to operate on the DoD information network. Funding enables the Coast Guard to comply with DoD standards, ensuring accessible enterprise information technology to support Coast Guard operations.

GSA and Other Governmental Rent: Provides funding for cost increases at General Services Administration (GSA) leased buildings occupied by the Coast Guard.

Military and Civilian FTP and FTE Transfer: Transfers 37 military FTP/FTE to civilian FTP/FTE. These conversions are consistent with GAO recommendation to staff inherently civilian job functions with civilian personnel.

PPA Funding Adjustment: Implements recurring technical base adjustments to reallocate funding to the appropriate Project, Program, and Activity (PPA) for compliance with Coast Guard financial policy and proper alignment to the modernized operations and support organizations of the Coast Guard. All requested adjustments retain the original intent and purpose of the funding appropriated; however, the PPA required to properly execute these items has been determined to differ from that to which the funding was originally appropriated. Large value reflects transfer and centralization of existing information technology maintenance funding from Operating Funds and Unit Level Maintenance and Centrally Managed Accounts PPAs to the Intermediate and the Depot Level Maintenance PPA to facilitate efficient execution and improved oversight of information technology funding.

Termination of One-Time Costs: Reflects FY 2018 savings associated with the termination of one-time costs for program start-up and exit transactions in FY 2017.

Annualization of 2017 Initiative Reductions: Annualizes part-year reductions from various asset decommissionings and programmatic reductions in 2017.

Operating Expenses
Justification of Program Changes
Dollars in Thousands

Program Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Program Change 1 - C-27J Aircraft Support Follow-On	21	11	\$2,919
Military Pay and Allowances	2	1	\$127
Civilian Pay and Benefits	19	10	\$931
Training and Recruiting	-	-	\$16
Operating Funds and Unit Level Maintenance	-	-	\$112
Centrally Managed Accounts	-	-	\$28
Intermediate and Depot Level Maintenance	-	-	\$1,705
Program Change 2 - CG Aircraft FAA Compliance & Obsolete Equipment Replacement	-	-	\$16,871
Intermediate and Depot Level Maintenance	-	-	\$16,871
Program Change 3 - Direct Support Efficiencies	(16)	(10)	(\$1,412)
Military Pay and Allowances	(13)	(8)	(\$574)
Civilian Pay and Benefits	(3)	(2)	(\$174)
Training and Recruiting	-	-	(\$18)
Operating Funds and Unit Level Maintenance	-	-	(\$624)
Centrally Managed Accounts	-	-	(\$16)
Intermediate and Depot Level Maintenance	-	-	(\$6)
Program Change 4 - Fast Response Cutter (FRC) Follow-On	178	87	\$25,716
Military Pay and Allowances	178	87	\$8,742
Training and Recruiting	-	-	\$1,605
Operating Funds and Unit Level Maintenance	-	-	\$7,340
Centrally Managed Accounts	-	-	\$296
Intermediate and Depot Level Maintenance	-	-	\$7,733
Program Change 5 - HC-130J Aircraft Follow-On	35	18	\$5,972
Military Pay and Allowances	33	17	\$1,992
Civilian Pay and Benefits	2	1	\$90
Training and Recruiting	-	-	\$443
Operating Funds and Unit Level Maintenance	-	-	\$1,279
Centrally Managed Accounts	-	-	\$59
Intermediate and Depot Level Maintenance	-	-	\$2,109
Program Change 6 - Logistics Information Management System (CG-LIMS) Follow-On	-	-	\$2,304
Intermediate and Depot Level Maintenance	-	-	\$2,304
Program Change 7 - MH-60T Helicopter Follow-On	23	6	\$3,711

Program Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Military Pay and Allowances	23	6	\$735
Training and Recruiting	-	-	\$1,499
Operating Funds and Unit Level Maintenance	-	-	\$357
Centrally Managed Accounts	-	-	\$16
Intermediate and Depot Level Maintenance	-	-	\$1,104
Program Change 8 - Management Efficiencies	(5)	(3)	(\$7,364)
Military Pay and Allowances	-	-	(\$814)
Civilian Pay and Benefits	(5)	(3)	(\$331)
Training and Recruiting	-	-	(\$1)
Operating Funds and Unit Level Maintenance	-	-	(\$142)
Centrally Managed Accounts	-	-	(\$6)
Intermediate and Depot Level Maintenance	-	-	(\$6,070)
Program Change 9 - Mission Essential Systems and Cyber Security	3	2	\$26,207
Civilian Pay and Benefits	3	2	\$260
Training and Recruiting	-	-	\$1
Operating Funds and Unit Level Maintenance	-	-	\$10
Centrally Managed Accounts	-	-	\$4
Intermediate and Depot Level Maintenance	-	-	\$25,932
Program Change 10 - Modernized Retirement System Training & Management (2016 NDAA)	36	28	\$3,862
Military Pay and Allowances	-	-	\$462
Civilian Pay and Benefits	36	28	\$2,440
Training and Recruiting	-	-	\$10
Operating Funds and Unit Level Maintenance	-	-	\$653
Centrally Managed Accounts	-	-	\$149
Intermediate and Depot Level Maintenance	-	-	\$148
Program Change 11 - National Security Cutter (NSC) Follow-On	283	101	\$52,404
Military Pay and Allowances	281	100	\$12,109
Civilian Pay and Benefits	2	1	\$134
Training and Recruiting	-	-	\$2,102
Operating Funds and Unit Level Maintenance	-	-	\$20,284
Centrally Managed Accounts	-	-	\$348
Intermediate and Depot Level Maintenance	-	-	\$17,427
Program Change 12 - One HC-130H Aircraft	(28)	(14)	(\$4,026)
Military Pay and Allowances	(28)	(14)	(\$876)
Training and Recruiting	-	-	(\$67)
Operating Funds and Unit Level Maintenance	-	-	(\$1,180)
Centrally Managed Accounts	-	-	(\$39)
Intermediate and Depot Level Maintenance	-	-	(\$1,864)

Program Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Program Change 13 - One High Endurance Cutter (WHEC)	(184)	(92)	(\$8,441)
Military Pay and Allowances	(184)	(92)	(\$5,367)
Training and Recruiting	-	-	(\$303)
Operating Funds and Unit Level Maintenance	-	-	(\$1,598)
Centrally Managed Accounts	-	-	(\$258)
Intermediate and Depot Level Maintenance	-	-	(\$915)
Program Change 14 - Personnel Security & Investigations	7	4	\$4,732
Civilian Pay and Benefits	7	4	\$300
Training and Recruiting	-	-	\$1
Operating Funds and Unit Level Maintenance	-	-	\$4,397
Centrally Managed Accounts	-	-	\$9
Intermediate and Depot Level Maintenance	-	-	\$25
Program Change 15 - Ship Control and Navigation Training System (SCANTS) Follow-On	-	-	\$315
Training and Recruiting	-	-	\$315
Program Change 16 - Shore Facility Follow-On	12	10	\$5,290
Military Pay and Allowances	8	8	\$720
Civilian Pay and Benefits	4	2	\$174
Training and Recruiting	-	-	\$18
Operating Funds and Unit Level Maintenance	-	-	\$1,727
Centrally Managed Accounts	-	-	\$7
Intermediate and Depot Level Maintenance	-	-	\$2,644
Program Change 17 - Special Victim's Counsel (2016 NDAA)	3	2	\$552
Military Pay and Allowances	3	2	\$241
Training and Recruiting	-	-	\$14
Operating Funds and Unit Level Maintenance	-	-	\$280
Centrally Managed Accounts	-	-	\$5
Intermediate and Depot Level Maintenance	-	-	\$12
Program Change 18 - Three 110-foot Patrol Boats	(54)	(23)	(\$1,659)
Military Pay and Allowances	(54)	(23)	(\$1,329)
Training and Recruiting	-	-	(\$73)
Operating Funds and Unit Level Maintenance	-	-	(\$199)
Centrally Managed Accounts	-	-	(\$63)
Intermediate and Depot Level Maintenance	-	-	\$5
Program Change 19 - Training Efficiencies	-	-	(\$5,118)
Training and Recruiting	-	-	(\$5,118)
Total Program Changes	314	127	\$122,835

C-27J Aircraft Support Follow-On.....\$2,919

Provides personnel for support of C-27J aircraft at the Aviation Logistics Center, Aviation Technical Training Center, and Aviation Training Center. These personnel will support the long-term sustainment requirements to maintain the C-27J fleet and train those who maintain and operate these aircraft. In addition, provides contract maintenance for aircraft during transition, until new personnel are on-boarded.

Coast Guard Aircraft FAA Compliance & Obsolete Equipment Replacement.....\$16,871

Provides funding for necessary upgrades and associated equipment replacement to ensure three Coast Guard HC-130J and four HC-144 aircraft comply with Federal Aviation Administration (FAA) 2020 requirements. Upgrades ensure aircraft remain usable in all flight regimes and airspace in 2020. This multi-year maintenance and equipment replacement program will be conducted in conjunction with planned depot maintenance for the HC-144s and with a Joint Users Group, including partners from all U.S. Government HC-130J users.

Direct Support Efficiencies.....(\$1,412)

Provides annual savings from the reduction of support personnel at Coast Guard Sector commands and consolidation or elimination of unnecessary equipment. Position realignment and workload adjustments coupled with equipment consolidation will ensure there are no service level or response capability reductions due to this initiative.

Fast Response Cutter (FRC) Follow-On.....\$25,716

- **FRC Operation & Maintenance (O&M) for Hulls 26-30:** Provides O&M funding for Fast Response Cutter (FRC) hulls 26-30 to be homeported in Honolulu, Hawaii, Atlantic Beach, North Carolina and San Pedro, California. The FRC is the replacement for the 110-foot Island Class patrol boat that is past its design service life. The FRC is more capable than the 110-foot patrol boat with advanced electronics and enhanced operational capabilities.
- **FRC Crews for Hulls 29-33:** Provides personnel to operate and maintain FRC hulls 29-33 to be homeported in San Pedro California, and San Juan, Puerto Rico. Advance arrival of the crews is critical to ensure appropriate pre-arrival training is received and to ensure crew readiness prior to cutter delivery.
- **FRC Follow-On Support Hulls 27-30:** Provides personnel for shore-side support of FRC hulls 27-30 to be homeported in Atlantic Beach, North Carolina and San Pedro, California. These billets will staff the shore-side maintenance teams to conduct vessel, electronics system, and weapons maintenance.

HC-130J Aircraft Follow-On.....\$5,972

Provides funding for personnel, operation and maintenance, and support for HC-130J aircraft #8 and #9.

Logistics Information Management System (CG-LIMS) Follow-On.....\$2,304

Provides additional funding for the operation and maintenance of CG-LIMS. CG-LIMS is the Coast Guard’s enterprise logistics management system, which is designed to interface with existing and future logistics and financial systems.

MH-60T Helicopter Follow-On.....\$3,711

Provides funding for personnel, operation and maintenance, and support of one MH-60T aircraft. This aircraft was provided to the Coast Guard via the U.S. Navy Sundowner program.

Management Efficiencies.....(\$7,364)

Provides annual savings associated with management and information technology efficiencies. Reflects management and information technology savings from across the organization, allowing the Service to meet requirements at a reduced cost.

Mission Essential Systems and Cyber Security.....\$26,207

Provides Mission Essential System funding for information technology infrastructure improvements to the Coast Guard One Network, the Service’s primary unclassified computer network. Funding also supports the Coast Guard’s compliance with DoD information network standards for improved cyber security (e.g., firewall functions, intrusion detection and prevention, enterprise infrastructure, and virtual routing). As a military service, the Coast Guard operates on the dot-mil network and must remain interoperable with DoD for national security and national defense missions.

Modernized Retirement System Training & Management (2016 NDAA).....\$3,862

Provides funding for management and training costs associated with implementing the Modernized Retirement System for military personnel, beginning on January 1, 2018. Modernized Retirement System was promulgated in the 2016 National Defense Authorization Act (P.L. 114-92), and requires the Coast Guard to provide training to service-members on financial literacy and preparedness (e.g. initial entry, promotion, Thrift Savings Plan (TSP) vesting, etc.) at eleven distinct points during the life cycle of the member. Additionally, the Coast Guard must enhance Pay & Personnel Center management capabilities to administer the new retirement system.

National Security Cutter (NSC) Follow-On.....\$52,404

- **NSC Operations and Maintenance (O&M) for NSC 7:** Provides Operations and Maintenance funding for NSC 7, scheduled for delivery in the second quarter of FY 2018, which will be home-ported in Honolulu, Hawaii. The NSC (WMSL Class) is replacing the legacy High Endurance Cutters (WHEC Class).
- **NSC Crew India (Phase I & II) for NSC 8:** Provides personnel to operate and maintain NSC 8. In order to complete critical pipeline and pre-acceptance training, it is necessary to establish NSC 8 crew Phase I and Phase II at least 6 months in advance of

delivery in the first quarter of FY 2019. Since the delivery of BERTHOLF (NSC-1), the Coast Guard has continuously reduced pipeline training timelines to optimize NSC crew pre-delivery activities.

- **NSC SCIF Crew Follow-On:** Provides personnel and follow-on funding to operate, staff, and maintain equipment in the Sensitive Compartmented Information Facilities (SCIF) onboard NSC hulls seven and eight. The installed SCIFs and trained personnel greatly improve mission effectiveness by enhancing the ability to detect and interdict specific threats and vessels.
- **NSC Small Unmanned Aircraft System (sUAS):** Provides funding for contracted personnel and equipment to deploy aboard NSCs to perform flight and maintenance duties in support of Coast Guard operations.
- **NSC Follow-On Support:** Provides personnel for shore-side maintenance teams to conduct vessel, electronics system, and weapons maintenance.

One HC-130H Aircraft.....(\$4,026)

Retires one HC-130H airframes and the associated 800 flight hours. The HC-130H fleet is beyond its projected service life and is increasingly costly to maintain and operate. These assets are being replaced by more efficient and effective HC-130J aircraft. The Coast Guard will re-invest the savings from retiring the HC-130H aircraft to fund the operations and maintenance costs of the HC-130J aircraft scheduled for delivery in 2018.

One High Endurance Cutter (WHEC).....(\$8,441)

Decommissions one legacy High Endurance Cutter (WHEC) in accordance with the Coast Guard’s recapitalization plan. The WHEC fleet is being replaced by more capable National Security Cutters (WMSL Class). The seventh National Security Cutter (NSC) is under production and is scheduled for delivery in FY 2018.

Personnel Security & Suitability Investigations.....\$4,732

Provides funding to conduct Personnel Security and Suitability background investigations required to maintain the Coast Guard workforce. The request reflects increased costs resulting from changes directed by the Office of Personnel Management (OPM) and the Office of the Director of National Intelligence (ODNI).

Shipboard Control and Navigation Training System (SCANTS) Follow-On.....\$315

Provides funding for the operation and maintenance of SCANTS, the shipboard navigation simulator located at the Coast Guard Academy in New London, Connecticut. SCANTS is used to provide initial navigation ship operation training to cadets and officer candidates, as well refresher training for prospective Commanding Officers, Executive Officers, and Operations Officers of Coast Guard cutters.

Shore Facility Follow-On.....\$5,290

Provides for the operation and maintenance of recapitalized shore facilities scheduled for completion prior to 2018, as well as shore support requirements for DHS. This funding request is necessary for energy, utility services, routine repairs, and housekeeping. Also included is funding for dining facility support for DHS, and increases for maintenance and repairs (e.g., system renewals, preventive and emergency maintenance, scheduled inspections, etc.) anticipated throughout the life of each new Coast Guard facility.

Additionally, the request provides the resources required to operate and maintain new and improved facilities completed under the following Acquisition, Construction, and Improvement projects:

- Aviation Logistics Center Medium Range Surveillance Aircraft Maintenance Hangar and HC144 Mission Sustainment Lab
- Aviation Technical Training Center Maintenance Training Unit Building
- Little Creek 210 Medium Endurance Cutter Homeport Facilities
- Training Center Yorktown Small Arms Firing Range
- Base Los Angeles Fast Response Cutter Homeport Upgrades
- Base Honolulu National Security Cutter Homeport Upgrades
- Sector Houston/Galveston Facilities Relocation and Rebuilt Shore Facilities
- Telecommunication and Information Systems Command Server Room Upgrade
- Sector Southeast New England Facilities Upgrades
- Station Morro Bay Boat Maintenance/Engineering Shop

Special Victims’ Counsel (2016 NDAA).....\$552

Provides funding for two Special Victims’ Counsel (SVC) and associated management and training costs, to meet NDAA requirements. The requirement to provide Special Victims’ Counsel was established in the 2013 NDAA, and it has been expanded each year since. The 2016 NDAA increased the required levels of service, and also expanded the eligible pool of clients to include dependents and civilians. The Coast Guard requires additional attorneys to meet these requirements.

Three 110-foot Patrol Boats.....(\$1,659)

Decommissions three 110-foot Island Class (WPB) patrol boats in accordance with the Coast Guard’s recapitalization plan. These assets are being replaced by more capable Fast Response Cutters (FRCs). The Coast Guard will re-invest the savings from decommissioning the 110-foot WPBs to fund the operations and maintenance costs of the FRCs scheduled for delivery in 2018.

Training Efficiencies.....(\$5,118)

- **Expand Training Center Yorktown A-School Curriculum:** This initiative leverages organic Coast Guard training capacity at Aviation Technical Training Center (ATTC) in Elizabeth City, North Carolina to provide underwater egress training to law enforcement students attending Training Center Yorktown, Virginia. This efficiency realizes savings from reduced transportation, tuition, room and board, and instructor fees incurred by transporting students to ATTC instead of the Federal Law Enforcement Training Center in Glynco, Georgia.
- **Essential Unit Messing at Coast Guard Galleys:** Provides efficiencies in the Coast Guard’s training program by designating galleys/dining facilities at Coast Guard Training Centers and the Coast Guard Academy as Essential Unit Messing for use by active duty military members attending class C-Schools.

Operating Expenses
Personnel Compensation and Benefits

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Military Pay and Allowances	40,223	38,327	\$2,886,777	\$75	40,223	39,627	\$2,935,047	\$73.75	40,593	40,060	\$3,085,220	\$76.69	370	433	\$150,173	\$2.94
Civilian Pay and Benefits	7,881	6,936	\$788,815	\$113.64	7,881	6,936	\$788,815	\$113.64	8,084	7,121	\$847,764	\$118.96	203	185	\$58,949	\$5.32
Total	48,104	45,263	\$3,675,592	\$80.92	48,104	46,563	\$3,723,862	\$79.69	48,677	47,181	\$3,932,984	\$83.07	573	618	\$209,122	\$3.38
Discretionary - Appropriation	48,104	45,263	\$3,675,592	\$80.92	48,104	46,563	\$3,723,862	\$79.69	48,677	47,181	\$3,932,984	\$83.07	573	618	\$209,122	\$3.38

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

Operating Expenses
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$568,253	\$568,253	\$610,719	\$42,466
11.3 Other than Full-Time Permanent	\$3,531	\$3,531	\$3,795	\$264
11.5 Other Personnel Compensation	\$16,308	\$16,308	\$17,527	\$1,219
11.6 Military Personnel-Basic Allowance for Housing	\$742,319	\$755,627	\$792,072	\$36,445
11.7 Military Personnel	\$1,877,297	\$1,908,329	\$2,008,860	\$100,531
11.8 Special Personal Services Payments	\$6,778	\$6,890	\$7,253	\$363
12.1 Civilian Personnel Benefits	\$200,129	\$200,129	\$215,085	\$14,956
12.2 Military Personnel Benefits	\$254,852	\$258,578	\$271,116	\$12,538
13.0 Benefits for Former Personnel	\$6,125	\$6,217	\$6,557	\$340
Total - Personnel Compensation and Benefits	\$3,675,592	\$3,723,862	\$3,932,984	\$209,122
Positions and FTE				
Positions - Civilian	7,881	7,881	8,084	203
FTE - Civilian	6,936	6,936	7,121	185
Positions - Military	40,223	40,223	40,593	370
FTE - Military	38,327	39,627	40,060	433

Operating Expenses Permanent Positions by Grade – Appropriation

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
O-10	1	1	1	-
O-9	5	5	5	-
O-8	25	25	25	-
O-7	7	7	7	-
O-6	348	348	347	-1
O-5	771	771	771	-
O-4	1,265	1,265	1,279	14
O-3	2,229	2,229	2,265	36
O-2	1,375	1,375	1,377	2
O-1	292	292	319	27
CWO	1,639	1,639	1,628	-11
E-10	1	1	1	-
E-9	336	336	336	-
E-8	691	691	702	11
E-7	3,347	3,347	3,398	51
E-6	6,227	6,227	6,316	89
E-5	7,632	7,632	7,733	101
E-4	7,504	7,504	7,598	94
E-3	4,430	4,430	4,441	11
E-2	977	977	923	-54
E-1	296	296	296	-
Cadet/OC	825	825	825	-
Total Permanent Positions Military	40,223	40,223	40,593	370
Total, SES	18	18	18	-
GS-15	184	184	187	3
GS-14	604	604	613	9
GS-13	1,383	1,383	1,434	51
GS-12	1,686	1,686	1,748	62
GS-11	963	963	988	25
GS-10	25	25	26	1

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
GS-9	597	597	621	24
GS-8	151	151	153	2
GS-7	699	699	697	-2
GS-6	206	206	217	11
GS-5	134	134	132	-2
GS-4	20	20	20	-
GS-3	5	5	5	-
Other Graded Positions	1,206	1,206	1,225	19
Total Permanent Positions Civilian	7,881	7,881	8,084	203
Total Permanent Positions	48,104	48,104	48,677	573
Unfilled Positions EOY Military	1,130	1,130	255	-875
Total Perm. Employment (Filled Positions) EOY Military	39,093	39,093	40,338	1,245
Unfilled Positions EOY	962	962	987	25
Total Perm. Employment (Filled Positions) EOY	6,919	6,919	7,097	178
Position Locations				
Headquarters Military	911	911	932	21
U.S. Field Military	38,971	38,971	39,320	349
Foreign Field Military	341	341	341	-
Headquarters Civilian	1,056	1,056	1,077	21
U.S. Field Civilian	6,818	6,818	7,000	182
Foreign Field Civilian	7	7	7	-
Averages				
Average Personnel Costs, Officer	108,312	109,273	110,697	1,424
Average Grade, Officer	3	3	3	-
Average Personnel Costs, Enlisted	61,859	63,478	65,405	1,927
Average Grade, Enlisted	5	5	5	-
Average Personnel Costs, ES Positions	224,621	218,700	233,400	14,700
Average Personnel Costs, GS Positions	111,518	111,598	118,947	7,349
Average Grade, GS Positions	11	11	11	-

Operating Expenses
Non Pay Budget Exhibits

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Military Pay and Allowances	\$531,706	\$553,570	\$625,875	\$72,305
Civilian Pay and Benefits	\$3,414	\$3,414	\$3,414	-
Training and Recruiting	\$195,718	\$204,541	\$190,668	(\$13,873)
Operating Funds and Unit Level Maintenance	\$1,013,897	\$1,017,954	\$895,518	(\$122,436)
Centrally Managed Accounts	\$353,821	\$329,906	\$142,788	(\$187,118)
Intermediate and Depot Level Maintenance	\$1,053,628	\$1,046,445	\$1,422,217	\$375,772
Total	\$3,152,184	\$3,155,830	\$3,280,480	\$124,650
Discretionary - Appropriation	\$3,152,184	\$3,155,830	\$3,280,480	\$124,650

Operating Expenses
Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$138,306	\$148,572	\$157,681	\$9,109
22.0 Transportation of Things	\$49,290	\$58,297	\$71,510	\$13,213
23.1 Rental Payments to GSA	\$44,588	\$44,588	\$46,638	\$2,050
23.2 Rental Payments to Others	\$27,162	\$27,162	\$27,097	(\$65)
23.3 Communications, Utilities, and Misc. Charges	\$175,457	\$168,729	\$174,499	\$5,770
24.0 Printing and Reproduction	\$3,998	\$3,998	\$4,176	\$178
25.1 Advisory and Assistance Services	\$117,223	\$118,898	\$110,723	(\$8,175)
25.2 Other Services from Non-Federal Sources	\$513,790	\$484,674	\$498,245	\$13,571
25.3 Other Goods and Services from Federal Sources	\$183,082	\$180,832	\$179,876	(\$956)
25.4 Operation and Maintenance of Facilities	\$210,129	\$210,137	\$200,002	(\$10,135)
25.6 Medical Care	\$315,385	\$344,261	\$361,202	\$16,941
25.7 Operation and Maintenance of Equipment	\$645,451	\$637,653	\$689,635	\$51,982
25.8 Subsistence & Support of Persons	\$1,603	\$1,603	\$1,500	(\$103)
26.0 Supplies and Materials	\$595,373	\$597,826	\$609,690	\$11,864
31.0 Equipment	\$113,051	\$110,304	\$129,687	\$19,383
32.0 Land and Structures	\$17,763	\$17,763	\$17,786	\$23
42.0 Insurance Claims and Indemnities	\$533	\$533	\$533	-
Total - Non Pay Object Classes	\$3,152,184	\$3,155,830	\$3,280,480	\$124,650

Military Pay and Allowances – PPA
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Military Pay and Allowances	40,223	38,327	\$3,418,483	40,223	39,627	\$3,488,617	40,593	40,060	\$3,711,095	370	433	\$222,478
Total	40,223	38,327	\$3,418,483	40,223	39,627	\$3,488,617	40,593	40,060	\$3,711,095	370	433	\$222,478
Subtotal Discretionary - Appropriation	40,223	38,327	\$3,418,483	40,223	39,627	\$3,488,617	40,593	40,060	\$3,711,095	370	433	\$222,478

Military Pay and Allowances – PPA Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$3,488,617		
Transfers & Reprogrammings	(\$70,134)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$3,418,483	\$3,488,617	\$3,711,095
Carryover and/or Recoveries (Actual/Estimates/Projections)	-	-	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$3,418,483	\$3,488,617	\$3,711,095
Collections – Reimbursable Resources	\$51,383	\$65,584	\$66,560
Total Budget Resources	\$3,469,866	\$3,554,201	\$3,777,655
Obligations (Actual/Projections/Estimates)	\$3,408,218	\$3,488,617	\$3,711,095
Personnel: Positons and FTE			
Enacted/Request Positions	40,223	40,223	40,593
Enacted/Request FTE	38,327	39,627	40,060
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	40,856	41,231
FTE (Actual/Estimates/Projections)	38,724	40,251	40,695

Military Pay and Allowances – PPA Collections – Reimbursable Resources

Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	
Department of Commerce - Department of Commerce	Source	8	8	\$675	8	8	\$1,213	8	8	\$1,233
Department of Defense - Department of Defense	Source	423	442	\$37,293	425	428	\$42,335	432	442	\$43,215
Department of Homeland Security - Department of Homeland Security	Source	85	70	\$5,906	88	90	\$10,305	87	89	\$10,355
Other Anticipated Reimbursables	Source	20	20	\$1,687	22	18	\$1,811	22	18	\$1,833
Independent Agency - Environmental Protection Agency	Source	8	8	\$675	5	5	\$558	5	5	\$559
Department of Justice - Department of Justice	Source	-	2	\$169	2	2	\$331	2	2	\$337
Department of State - Department of State	Source	5	4	\$337	5	5	\$968	5	5	\$918
Department of Treasury - Department of the Treasury	Source	59	42	\$3,544	59	50	\$5,800	59	49	\$5,846
Department of Transportation - Department of Transportation	Source	18	13	\$1,097	19	18	\$2,263	18	17	\$2,264
Total Collections		626	609	\$51,383	633	624	\$65,584	638	635	\$66,560

Military Pay and Allowances – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	40,223	38,327	\$3,488,617
Transfer to Acquisition, Construction & Improvements	-	-	(\$48,000)
Transfer to Centrally Managed Accounts	-	-	(\$9,000)
Transfer to Intermediate and Depot Level Maintenance	-	-	(\$4,000)
Transfer to Transportation Security Administration	-	-	(\$9,134)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$70,134)
FY 2016 Revised Enacted	40,223	38,327	\$3,418,483
FY 2017 Annualized CR	40,223	39,627	\$3,488,617
FY 2018 Base Budget	40,223	39,627	\$3,488,617
Adjustment for 2017 Initiatives	158	216	\$113,332
Annualization of 2017 Initiatives	-	328	\$26,437
Annualization of 2017 Military and Civilian Pay Raise	-	-	\$11,751
2018 Military Pay Raise	-	-	\$35,654
2018 Military Allowances	-	-	\$45,252
Total, Pricing Increases	158	544	\$232,426
Military and Civilian FTP and FTE Transfer	(37)	(37)	(\$4,421)
PPA Funding Adjustment	-	-	(\$904)
Termination of One-Time Costs	-	-	(\$7,045)
Annualization of 2017 Initiative Reductions	-	(158)	(\$13,746)
Total, Pricing Decreases	(37)	(195)	(\$26,116)
Total Adjustments-to-Base	121	349	\$206,310
FY 2018 Current Services	40,344	39,976	\$3,694,927
C-27J Aircraft Support Follow-On	2	1	\$127
Fast Response Cutter (FRC) Follow-On	178	87	\$8,742
HC-130J Aircraft Follow-On	33	17	\$1,992
MH-60T Helicopter Follow-On	23	6	\$735
Modernized Retirement System Training & Management (2016 NDAA)	-	-	\$462

Budget Formulation Activity	Positions	FTE	Amount
National Security Cutter (NSC) Follow-On	281	100	\$12,109
Shore Facility Follow-On	8	8	\$720
Special Victim's Counsel (2016 NDAA)	3	2	\$241
Total, Program Increases	528	221	\$25,128
Direct Support Efficiencies	(13)	(8)	(\$574)
Management Efficiencies	-	-	(\$814)
One HC-130H Aircraft	(28)	(14)	(\$876)
One High Endurance Cutter (WHEC)	(184)	(92)	(\$5,367)
Three 110-foot Patrol Boats	(54)	(23)	(\$1,329)
Total, Program Decreases	(279)	(137)	(\$8,960)
FY 2018 Request	40,593	40,060	\$3,711,095
FY 2017 TO FY 2018 Change	370	433	\$222,478

PPA Description

The Military Pay and Allowances PPA funds expenses related to compensation and benefits for active duty military personnel. This category includes pay, allowances, employer's share of the Federal Insurance Contribution Act (FICA), Social Security credits, and other expenses associated with compensating military personnel. Costs related to compensation are calculated by using the Coast Guard's Standard Personnel Cost (SPC) tables. These tables are updated annually and provide a detailed calculation for each billet, broken down by rank/rate, location in the United States (INCONUS) or out of the country (OCONUS), which includes Alaska and Hawaii – medical costs and permanent change of station (PCS) expenses. Calculations for medical cost estimates are the same for each billet. Calculations for PCS moves and base pay are based upon rank and location of billet. The FY 2018 submission includes a 2.1 percent pay increase for military personnel.

The Coast Guard was founded as a military, multi-mission, maritime service. Active duty military personnel ensure the Service remains agile, adaptable, and ready to serve the Nation's maritime interests across a range of dynamic operational environments. As members of one of the Nation's five Armed Forces and the only military service within the Department of Homeland Security, Coast Guard military personnel conduct missions that protect the public, the environment, and U.S. economic interests in the Nation's inland waters, ports, waterways, and coastal regions, territorial sea, and on the high seas.

**Military Pay and Allowances – PPA
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Military Pay and Allowances	40,223	38,327	\$2,886,777	\$75	40,223	39,627	\$2,935,047	\$73.75	40,593	40,060	\$3,085,220	\$76.69	370	433	\$150,173	\$2.94
Total	40,223	38,327	\$2,886,777	\$75	40,223	39,627	\$2,935,047	\$73.75	40,593	40,060	\$3,085,220	\$76.69	370	433	\$150,173	\$2.94
Discretionary - Appropriation	40,223	38,327	\$2,886,777	\$75	40,223	39,627	\$2,935,047	\$73.75	40,593	40,060	\$3,085,220	\$76.69	370	433	\$150,173	\$2.94

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The increase of 433 FTE reflects the net change of increases and decreases for FY 2017 and 2018 initiatives.

PCB Change FY 2017-2018: Provides funding to annualize the FY 2017 military pay raise of 2.1 percent, FY 2018 military pay raise of 2.1 percent, and Basic Allowance for Housing.

Average Cost Change FY 2017-2018: Average cost change is due to personnel cost increases that affect all FTE.

Military Pay and Allowances – PPA
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.6 Military Personnel-Basic Allowance for Housing	\$742,319	\$755,627	\$792,072	\$36,445
11.7 Military Personnel	\$1,877,297	\$1,908,329	\$2,008,860	\$100,531
11.8 Special Personal Services Payments	\$6,778	\$6,890	\$7,253	\$363
12.2 Military Personnel Benefits	\$254,852	\$258,578	\$271,116	\$12,538
13.0 Benefits for Former Personnel	\$5,531	\$5,623	\$5,919	\$296
Total - Personnel Compensation and Benefits	\$2,886,777	\$2,935,047	\$3,085,220	\$150,173
Positions and FTE				
Positions - Civilian	-	-	-	-
Positions - Military	40,223	40,223	40,593	370
FTE - Military	38,327	39,627	40,060	433

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Military Pay	38,327	\$2,874,468	\$75.00	38,327	\$2,922,534	\$76.25	40,060	\$3,072,048	\$76.69	1,733	\$149,514	\$0.43
Other Costs		\$12,309			\$12,513			\$13,172			\$659	
Total – Pay Cost Drivers		\$2,886,777			\$2,935,047			\$3,085,220			\$150,173	

**Military Pay and Allowances – PPA
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Military Pay and Allowances	\$531,706	\$553,570	\$625,875	\$72,305
Total	\$531,706	\$553,570	\$625,875	\$72,305
Discretionary - Appropriation	\$531,706	\$553,570	\$625,875	\$72,305

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$37,020	\$44,085	\$54,535	\$10,450
22.0 Transportation of Things	\$45,542	\$54,549	\$68,137	\$13,588
23.2 Rental Payments to Others	\$4,163	\$4,163	\$4,163	-
23.3 Communications, Utilities, and Misc. Charges	\$118	\$129	\$136	\$7
24.0 Printing and Reproduction	\$3	\$3	\$3	-
25.1 Advisory and Assistance Services	\$8,999	\$10,414	\$12,255	\$1,841
25.2 Other Services from Non-Federal Sources	\$36,236	\$16,181	\$32,160	\$15,979
25.3 Other Goods and Services from Federal Sources	\$43,830	\$40,817	\$47,780	\$6,963
25.4 Operation and Maintenance of Facilities	\$81	\$89	\$93	\$4
25.6 Medical Care	\$314,832	\$343,708	\$360,649	\$16,941
25.7 Operation and Maintenance of Equipment	\$4,280	\$5,109	\$6,345	\$1,236
26.0 Supplies and Materials	\$35,438	\$33,101	\$38,363	\$5,262
31.0 Equipment	\$631	\$689	\$723	\$34
42.0 Insurance Claims and Indemnities	\$533	\$533	\$533	-
Total - Non Pay Object Classes	\$531,706	\$553,570	\$625,875	\$72,305

**Military Pay and Allowances – PPA
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President’s Budget	FY 2017 to FY 2018 Total Changes
Military Health Care	\$375,005	\$394,863	\$437,151	\$42,288
Permanent Change of Station	\$137,507	\$137,800	\$166,030	\$28,230
Other Costs	\$19,194	\$20,907	\$22,721	\$1,814
Total – Non Pay Cost Drivers	\$531,706	\$553,570	\$625,902	\$72,332

NARRATIVE EXPLANATION OF CHANGES

Medical Health Care: Request is derived from actuarial projections of medical costs to support military personnel. The change reflects increases that affect all FTE.

Permanent Change of Station: Request is derived from historical analysis of costs associated with moving military personnel between duty stations. The change reflects increases that affect all FTE.

Other Costs: Reflects miscellaneous military support costs.

Civilian Pay and Benefits - PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Civilian Pay and Benefits	7,881	6,936	\$792,229	7,881	6,936	\$792,229	8,084	7,121	\$851,178	203	185	\$58,949
Total	7,881	6,936	\$792,229	7,881	6,936	\$792,229	8,084	7,121	\$851,178	203	185	\$58,949
Subtotal Discretionary - Appropriation	7,881	6,936	\$792,229	7,881	6,936	\$792,229	8,084	7,121	\$851,178	203	185	\$58,949

Civilian Pay and Benefits – PPA Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$792,229		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$792,229	\$792,229	\$851,178
Carryover and/or Recoveries (Actual/Estimates/Projections)	-	-	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$792,229	\$792,229	\$851,178
Collections – Reimbursable Resources	\$18,382	\$27,529	\$29,224
Total Budget Resources	\$810,611	\$819,758	\$880,402
Obligations (Actual/Projections/Estimates)	\$790,273	\$792,229	\$851,178
Personnel: Positions and FTE			
Enacted/Request Positions	7,881	7,881	8,084
Enacted/Request FTE	6,936	6,936	7,121
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	8,131	8,341
FTE (Actual/Estimates/Projections)	6,980	7,161	7,355

**Civilian Pay and Benefits – PPA
Collections – Reimbursable Resources**

Dollars in Thousands

Collections	Source	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
		Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Defense - Department of Defense	Source	175	137	\$13,686	173	159	\$18,713	178	165	\$19,956
Department of Homeland Security - Department of Homeland Security	Source	35	21	\$2,098	35	33	\$4,398	36	34	\$4,620
Other Anticipated Reimbursables	Source	9	6	\$599	9	7	\$864	9	7	\$885
Independent Agency - Environmental Protection Agency	Source	3	3	\$300	2	2	\$260	2	2	\$273
Department of Treasury - Department of the Treasury	Source	24	13	\$1,299	24	18	\$2,427	24	19	\$2,561
Department of Transportation - Department of Transportation	Source	8	4	\$400	7	6	\$867	8	7	\$929
Total Collections		254	184	\$18,382	250	225	\$27,529	257	234	\$29,224

Civilian Pay and Benefits – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	7,881	6,936	\$792,229
FY 2016 Revised Enacted	7,881	6,936	\$792,229
FY 2017 Annualized CR	7,881	6,936	\$792,229
FY 2018 Base Budget	7,881	6,936	\$792,229
Adjustment for 2017 Initiatives	101	70	\$28,081
Annualization of 2017 Initiatives	-	45	\$2,258
Annualization of 2017 Military and Civilian Pay Raise	-	-	\$4,179
2018 Civilian Pay Raise	-	-	\$11,757
2018 Civilian Allowances	-	-	\$1,204
Military and Civilian FTP and FTE Transfer	37	37	\$4,513
PPA Funding Adjustment	-	-	\$855
Annualization of 2017 Initiative Reductions	-	(10)	\$2,278
Total, Pricing Increases	138	142	\$55,125
Total Adjustments-to-Base	138	142	\$55,125
FY 2018 Current Services	8,019	7,078	\$847,354
C-27J Aircraft Support Follow-On	19	10	\$931
HC-130J Aircraft Follow-On	2	1	\$90
Mission Essential Systems and Cyber Security	3	2	\$260
Modernized Retirement System Training & Management (2016 NDAA)	36	28	\$2,440
National Security Cutter (NSC) Follow-On	2	1	\$134
Personnel Security & Investigations	7	4	\$300
Shore Facility Follow-On	4	2	\$174
Total, Program Increases	73	48	\$4,329
Direct Support Efficiencies	(3)	(2)	(\$174)
Management Efficiencies	(5)	(3)	(\$331)
Total, Program Decreases	(8)	(5)	(\$505)
FY 2018 Request	8,084	7,121	\$851,178

Budget Formulation Activity	Positions	FTE	Amount
FY 2017 TO FY 2018 Change	203	185	\$58,949

PPA Description

The Civilian Pay and Benefits PPA funds expenses related to compensation and entitlements for Federal civilian employees. The workforce is composed of General Schedule (GS) personnel, Administrative Law Judges (AL), Senior Executive Service (SES) personnel, personnel whose salaries are Administratively Determined (AD) (e.g., Coast Guard Academy civilian faculty members), Wage Grade (WG) positions employed in industrial operations, and “Non-Ceiling” (NC) employees (e.g., cooperative education students, student aides, and Federal junior fellows). The FY 2018 request includes a 1.9 percent pay increase for civilian personnel, as well as funding for retirement contributions for the Federal Employees Retirement System (FERS).

Civilian personnel are an integral part of the Coast Guard and vital to execution of its statutory missions. The Coast Guard continues to complement its military workforce by recruiting diverse, well-educated, and dedicated civilians needed to meet current and future demands.

**Civilian Pay and Benefits - PPA
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Civilian Pay and Benefits	7,881	6,936	\$788,815	\$113.64	7,881	6,936	\$788,815	\$113.64	8,084	7,121	\$847,764	\$118.96	203	185	\$58,949	\$5.32
Total	7,881	6,936	\$788,815	\$113.64	7,881	6,936	\$788,815	\$113.64	8,084	7,121	\$847,764	\$118.96	203	185	\$58,949	\$5.32
Discretionary - Appropriation	7,881	6,936	\$788,815	\$113.64	7,881	6,936	\$788,815	\$113.64	8,084	7,121	\$847,764	\$118.96	203	185	\$58,949	\$5.32

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: The increase of 185 FTE reflects the net change of increases and decreases for FY 2017 and 2018 initiatives.

PCB Change FY 2017-2018: Provides funding to annualize the FY 2017 civilian pay raise of 2.1 percent, FY 2018 civilian pay raise of 1.9 percent, and funding for required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and TSP Government Contributions.

Average Cost Change FY 2017-2018: Average cost change is due to personnel cost increases that impact all FTE.

Bonuses and Performance Awards: FY 2018 request estimates \$8.955 million for bonuses and performance awards. This request remains in line with OPM Awards Guidance on Spending Limitation.

Civilian Pay and Benefits – PPA
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$568,253	\$568,253	\$610,719	\$42,466
11.3 Other than Full-Time Permanent	\$3,531	\$3,531	\$3,795	\$264
11.5 Other Personnel Compensation	\$16,308	\$16,308	\$17,527	\$1,219
12.1 Civilian Personnel Benefits	\$200,129	\$200,129	\$215,085	\$14,956
13.0 Benefits for Former Personnel	\$594	\$594	\$638	\$44
Total - Personnel Compensation and Benefits	\$788,815	\$788,815	\$847,764	\$58,949
Positions and FTE				
Positions - Civilian	7,881	7,881	8,084	203
FTE - Civilian	6,936	6,936	7,121	185

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Civilian Pay and Allowances	6,936	\$788,221	\$113.64	6,936	\$788,221	\$113.64	7,121	\$847,126	\$118.96	185	\$58,905	\$5.32
Other Costs		\$594			\$594						\$44	
Total – Pay Cost Drivers		\$788,815			\$788,815			\$847,764			\$58,949	

**Civilian Pay and Benefits – PPA
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Civilian Pay and Benefits	\$3,414	\$3,414	\$3,414	-
Total	\$3,414	\$3,414	\$3,414	-
Discretionary - Appropriation	\$3,414	\$3,414	\$3,414	-

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$312	\$312	\$312	-
22.0 Transportation of Things	\$1,530	\$1,530	\$1,530	-
25.2 Other Services from Non-Federal Sources	\$261	\$261	\$261	-
25.3 Other Goods and Services from Federal Sources	\$1,311	\$1,311	\$1,311	-
Total - Non Pay Object Classes	\$3,414	\$3,414	\$3,414	-

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Civilian Support	\$3,414	\$3,414	\$3,414	\$0
Total – Non Pay Cost Drivers	\$3,414	\$3,414	\$3,414	\$0

NARRATIVE EXPLANATION OF CHANGES

Civilian Support: Reflects miscellaneous civilian support costs. No change.

Training and Recruiting - PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Training and Recruiting	-	-	\$195,718	-	-	\$204,541	-	-	\$190,668	-	-	(\$13,873)
Total	-	-	\$195,718	-	-	\$204,541	-	-	\$190,668	-	-	(\$13,873)
Subtotal Discretionary - Appropriation	-	-	\$195,718	-	-	\$204,541	-	-	\$190,668	-	-	(\$13,873)

Training and Recruiting – PPA
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$206,498		
Transfers & Reprogrammings	(\$10,000)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$780)		
Revised Enacted/Request	\$195,718	\$204,541	\$190,668
Carryover and/or Recoveries (Actual/Estimates/Projections)	-	-	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$195,718	\$204,541	\$190,668
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$195,718	\$204,541	\$190,668
Obligations (Actual/Projections/Estimates)	\$195,337	\$204,541	\$190,668
Personnel: Positions and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Training and Recruiting – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$206,498
Transfer to Acquisition, Construction & Improvements	-	-	(\$10,000)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$10,000)
Section 505 Rescission	-	-	(\$780)
Total Rescissions	-	-	(\$780)
FY 2016 Revised Enacted	-	-	\$195,718
FY 2017 Annualized CR	-	-	\$204,541
FY 2018 Base Budget	-	-	\$204,541
Adjustment for Non-Recurring Rescissions	-	-	\$1,957
Annualization of 2017 Initiatives	-	-	\$2,149
PPA Funding Adjustment	-	-	\$385
Total, Pricing Increases	-	-	\$4,491
Adjustment for 2017 Initiatives	-	-	(\$10,340)
Military and Civilian FTP and FTE Transfer	-	-	(\$77)
Termination of One-Time Costs	-	-	(\$7,846)
Annualization of 2017 Initiative Reductions	-	-	(\$545)
Total, Pricing Decreases	-	-	(\$18,808)
Total Adjustments-to-Base	-	-	(\$14,317)
FY 2018 Current Services	-	-	\$190,224
C-27J Aircraft Support Follow-On	-	-	\$16
Fast Response Cutter (FRC) Follow-On	-	-	\$1,605
HC-130J Aircraft Follow-On	-	-	\$443
MH-60T Helicopter Follow-On	-	-	\$1,499
Mission Essential Systems and Cyber Security	-	-	\$1
Modernized Retirement System Training & Management (2016 NDAA)	-	-	\$10
National Security Cutter (NSC) Follow-On	-	-	\$2,102
Personnel Security & Investigations	-	-	\$1

Budget Formulation Activity	Positions	FTE	Amount
Ship Control and Navigation Training System (SCANTS) Follow-On	-	-	\$315
Shore Facility Follow-On	-	-	\$18
Special Victim's Counsel (2016 NDAA)	-	-	\$14
Total, Program Increases	-	-	\$6,024
Direct Support Efficiencies	-	-	(\$18)
Management Efficiencies	-	-	(\$1)
One HC-130H Aircraft	-	-	(\$67)
One High Endurance Cutter (WHEC)	-	-	(\$303)
Three 110-foot Patrol Boats	-	-	(\$73)
Training Efficiencies	-	-	(\$5,118)
Total, Program Decreases	-	-	(\$5,580)
FY 2018 Request	-	-	\$190,668
FY 2017 TO FY 2018 Change	-	-	(\$13,873)

PPA Description

The Training and Recruiting PPA provides funding for the Coast Guard's basic and professional training and education programs, as well as operation and maintenance of the eight national Coast Guard training centers, the Coast Guard Academy, nine regional training centers and Coast Guard recruiting centers. The Coast Guard's Force Readiness Command serves as the principal training component charged with optimizing human performance to enhance mission execution. The Command provides clear tactics, techniques, and procedures, relevant training, and quality assessments throughout the fleet. Enhanced safety and efficiencies are realized through service wide assessments and standardization, the oversight of unit readiness, and the management of armories, ammunition and small arms firing ranges. Annually the Coast Guard training system conducts Basic Training for 3,000 recruits and commissions 300 officers. Further, initial enlisted specialty training occurs at 19 "A" school programs, and advanced and specialized training is conducted in over 675 "C" school programs.

The 2018 request includes essential funding to recruit and process Coast Guard applicants into the enlisted and officer corps, including expenses for members that are processed through the Military Entrance Processing Stations (MEPS) prior to accession. In addition, funding provides for tuition, travel, and per diem for formal training and education performed by military service members and civilian personnel. Through internal and external efficiency reviews and prioritization efforts, it ensures prudent allocation of resources for training and workforce preparation that arm Coast Guard personnel with the knowledge, skills, and abilities necessary to execute missions. The Coast Guard maintains a rigorous set of standard operating procedures to ensure the validity and reliability of

training and stewardship of training resources. In addition to the training provided by the Coast Guard, the funding also ensures adequate resources are available for training opportunities provided through other DHS training facilities, commercial providers, DoD, and other government agencies. Training and education are conducted by dedicated resident staffs in classrooms, but may also include exportable training, correspondence courses, and/or computer-based training.

**Training and Recruiting – PPA
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Training and Recruiting	\$195,718	\$204,541	\$190,668	(\$13,873)
Total	\$195,718	\$204,541	\$190,668	(\$13,873)
Discretionary - Appropriation	\$195,718	\$204,541	\$190,668	(\$13,873)

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$38,055	\$41,256	\$39,340	(\$1,916)
23.2 Rental Payments to Others	\$2,462	\$2,462	\$2,462	-
23.3 Communications, Utilities, and Misc. Charges	\$11,459	\$11,459	\$11,459	-
24.0 Printing and Reproduction	\$807	\$807	\$858	\$51
25.1 Advisory and Assistance Services	\$28,333	\$28,333	\$23,903	(\$4,430)
25.2 Other Services from Non-Federal Sources	\$56,052	\$59,655	\$56,489	(\$3,166)
25.3 Other Goods and Services from Federal Sources	\$14,167	\$14,167	\$7,686	(\$6,481)
25.4 Operation and Maintenance of Facilities	\$15,086	\$15,086	\$16,499	\$1,413
25.7 Operation and Maintenance of Equipment	\$726	\$726	\$1,325	\$599
25.8 Subsistence & Support of Persons	\$708	\$708	\$708	-
26.0 Supplies and Materials	\$24,000	\$26,019	\$26,295	\$276
31.0 Equipment	\$3,863	\$3,863	\$3,644	(\$219)
Total - Non Pay Object Classes	\$195,718	\$204,541	\$190,668	(\$13,873)

**Training and Recruiting – PPA
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Training and Education	\$107,005	\$105,315	\$93,832	\$(11,483)
Recruiting and Training Centers	\$88,713	\$99,226	\$96,836	\$(2,390)
Total – Non Pay Cost Drivers	\$195,718	\$204,541	\$190,668	\$(13,873)

NARRATIVE EXPLANATION OF CHANGES

Training and Education: Funding supports formal training including temporary duty pay for civilian and military personnel, and travel costs. Decreases reflect training efficiencies identified for FY 2018 that will allow the Service to meet requirements at a reduced cost.

Recruiting and Training Centers: Funding supports the operating and maintenance expenses for Coast Guard training and recruiting centers. It also includes funding for tuition, formal training and associated costs. Funding in FY 2018 reflects the anticipated need.

Operating Funds and Unit Level Maintenance – PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Operating Funds and Unit Level Maintenance	-	-	\$1,013,897	-	-	\$1,017,954	-	-	\$895,518	-	-	(\$122,436)
Total	-	-	\$1,013,897	-	-	\$1,017,954	-	-	\$895,518	-	-	(\$122,436)
Subtotal Discretionary - Appropriation	-	-	\$1,013,897	-	-	\$1,017,954	-	-	\$895,518	-	-	(\$122,436)

Operating Funds and Unit Level Maintenance – PPA Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$1,027,780		
Transfers & Reprogrammings	(\$10,000)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$3,883)		
Revised Enacted/Request	\$1,013,897	\$1,017,954	\$895,518
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$1,036	\$1,913	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$1,014,933	\$1,019,867	\$895,518
Collections – Reimbursable Resources	\$109,224	\$157,717	\$121,847
Total Budget Resources	\$1,124,157	\$1,177,584	\$1,017,365
Obligations (Actual/Projections/Estimates)	\$1,017,038	\$1,019,867	\$895,518
Personnel: Positions and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Operating Funds and Unit Level Maintenance – PPA Collections – Reimbursable Resources

Dollars in Thousands

Collections		FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
		Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Commerce - Department of Commerce	Source	-	-	\$708	-	-	-	-	-	-
Department of Defense - Department of Defense	Source	-	-	\$35,202	-	-	-	-	-	-
Department of Homeland Security - Department of Homeland Security	Source	-	-	\$17,067	-	-	-	-	-	-
Department of Homeland Security - Federal Emergency Management Agency	Source	-	-	\$32	-	-	\$18	-	-	\$18
Panama Canal Authority	Source	-	-	\$21	-	-	-	-	-	-
Other Anticipated Reimbursables	Source	-	-	\$7,746	-	-	-	-	-	-
Independent Agency - Environmental Protection Agency	Source	-	-	\$1,238	-	-	-	-	-	-
Operational Reimbursements	Source	-	-	\$39,617	-	-	\$157,699	-	-	\$121,829
Department of Justice - Department of Justice	Source	-	-	\$186	-	-	-	-	-	-
Department of State - Department of State	Source	-	-	\$1,352	-	-	-	-	-	-
Department of Treasury - Department of the Treasury	Source	-	-	\$4,724	-	-	-	-	-	-
Department of Transportation - Department of Transportation	Source	-	-	\$1,331	-	-	-	-	-	-
Total Collections		-	-	\$109,224	-	-	\$157,717	-	-	\$121,847

Operating Funds and Unit Level Maintenance – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$1,027,780
Transfer to Acquisition, Construction & Improvements	-	-	(\$10,000)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$10,000)
Section 505 Rescission	-	-	(\$3,883)
Total Rescissions	-	-	(\$3,883)
FY 2016 Revised Enacted	-	-	\$1,013,897
FY 2017 Annualized CR	-	-	\$1,017,954
FY 2018 Base Budget	-	-	\$1,017,954
Working Capital Fund Activities	-	-	(\$347)
Total Transfers	-	-	(\$347)
Adjustment for Non-Recurring Rescissions	-	-	\$9,826
Annualization of 2017 Initiatives	-	-	\$9,620
Total, Pricing Increases	-	-	\$19,446
Adjustment for 2017 Initiatives	-	-	(\$34,598)
Military and Civilian FTP and FTE Transfer	-	-	(\$11)
PPA Funding Adjustment	-	-	(\$127,365)
Termination of One-Time Costs	-	-	(\$8,437)
Annualization of 2017 Initiative Reductions	-	-	(\$3,820)
Total, Pricing Decreases	-	-	(\$174,231)
Total Adjustments-to-Base	-	-	(\$155,132)
FY 2018 Current Services	-	-	\$862,822
C-27J Aircraft Support Follow-On	-	-	\$112
Fast Response Cutter (FRC) Follow-On	-	-	\$7,340
HC-130J Aircraft Follow-On	-	-	\$1,279
MH-60T Helicopter Follow-On	-	-	\$357
Mission Essential Systems and Cyber Security	-	-	\$10
Modernized Retirement System Training & Management (2016 NDAA)	-	-	\$653

Budget Formulation Activity	Positions	FTE	Amount
National Security Cutter (NSC) Follow-On	-	-	\$20,284
Personnel Security & Investigations	-	-	\$4,397
Shore Facility Follow-On	-	-	\$1,727
Special Victim's Counsel (2016 NDAA)	-	-	\$280
Total, Program Increases	-	-	\$36,439
Direct Support Efficiencies	-	-	(\$624)
Management Efficiencies	-	-	(\$142)
One HC-130H Aircraft	-	-	(\$1,180)
One High Endurance Cutter (WHEC)	-	-	(\$1,598)
Three 110-foot Patrol Boats	-	-	(\$199)
Total, Program Decreases	-	-	(\$3,743)
FY 2018 Request	-	-	\$895,518
FY 2017 TO FY 2018 Change	-	-	(\$122,436)

PPA Description

The Operating Funds and Unit Level Maintenance PPA provides funds for units, facilities, and activities that are under the direct operational and administrative control of the Coast Guard’s Headquarters and Atlantic Area or Pacific Area Commanders. These include National Security Cutters (WMSL), High and Medium Endurance Cutters (WHECs/WMECs); Sectors; Patrol Boats; Multi-mission Boat Stations; Air Stations; Communication Stations; Deployable Specialized Forces (DSF); support commands; and Area Offices. The funding provides supplies, materials, and services that allow the Coast Guard to sustain its operations tempo and an immediate response capability. The request funds unit level maintenance of cutters, boats, aircraft, electronics systems, mechanical systems, and electrical equipment; service-life replacement and emergent purchase of boats; procurement of supplies and materials utilized for unit “housekeeping” and administration, spare parts, liquid fuel, and energy; and other materials consumed that contribute directly to mission effectiveness.

**Operating Funds and Unit Level Maintenance – PPA
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Operating Funds and Unit Level Maintenance	\$1,013,897	\$1,017,954	\$895,518	(\$122,436)
Total	\$1,013,897	\$1,017,954	\$895,518	(\$122,436)
Discretionary - Appropriation	\$1,013,897	\$1,017,954	\$895,518	(\$122,436)

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$55,294	\$55,294	\$55,708	\$414
23.2 Rental Payments to Others	\$19,165	\$19,165	\$19,100	(\$65)
23.3 Communications, Utilities, and Misc. Charges	\$82,536	\$83,456	\$83,575	\$119
24.0 Printing and Reproduction	\$3,066	\$3,066	\$3,153	\$87
25.1 Advisory and Assistance Services	\$23,379	\$23,639	\$16,732	(\$6,907)
25.2 Other Services from Non-Federal Sources	\$213,282	\$209,822	\$216,520	\$6,698
25.3 Other Goods and Services from Federal Sources	\$68,457	\$69,220	\$69,069	(\$151)
25.4 Operation and Maintenance of Facilities	\$41,132	\$41,132	\$42,342	\$1,210
25.6 Medical Care	\$553	\$553	\$553	-
25.7 Operation and Maintenance of Equipment	\$133,171	\$134,655	\$14,532	(\$120,123)
25.8 Subsistence & Support of Persons	\$895	\$895	\$792	(\$103)
26.0 Supplies and Materials	\$323,232	\$326,770	\$331,166	\$4,396
31.0 Equipment	\$49,530	\$50,082	\$41,976	(\$8,106)
32.0 Land and Structures	\$205	\$205	\$300	\$95
Total - Non Pay Object Classes	\$1,013,897	\$1,017,954	\$895,518	(\$122,436)

Operating Funds and Unit Level Maintenance – PPA Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Area Commands	\$150,389	\$150,990	\$167,405	\$16,415
District Area Commands	\$280,678	\$281,802	\$295,099	\$13,297
Headquarters	\$213,378	\$214,231	\$205,353	\$(8,878)
Logistics and Service Centers	\$369,452	\$370,931	\$227,661	\$(143,270)
Total – Non Pay Cost Drivers	\$1,013,897	\$1,017,954	\$895,518	\$(122,436)

NARRATIVE EXPLANATION OF CHANGES

Area Commands: Funds all units, facilities, and activities that are under the direct operational control of the Coast Guard's Atlantic and Pacific Area Commanders. Increase is primarily driven by NSC Follow-On in FY 2017 and FY 2018.

District Area Commands: Funds all units, facilities, and activities that are under the direct operational control of the Coast Guard's District Commanders. Increase is primarily driven by FRC Follow-On in FY 2017 and FY 2018.

Headquarters: Funds Coast Guard Headquarters and centralized activities which support field operations. Decrease primarily driven by transfer (approximately \$6 million) and centralization of existing information technology maintenance funding to the Intermediate and Depot Level Maintenance PPA to facilitate efficient execution and improved oversight of information technology funding.

Logistics and Service Centers: Funds all units, facilities, and activities under the direct operational control of Coast Guard Headquarters. Funding in FY 2018 reflects the anticipated need, including increased funding to ensure compliance with personnel security investigation requirements. Decrease primarily driven by FY 2017 initiatives and the transfer (approximately \$121 million) and centralization of existing information technology maintenance funding to the Intermediate and Depot Level Maintenance PPA to facilitate efficient execution and improved oversight of information technology funding.

Centrally Managed Accounts – PPA
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Centrally Managed Accounts	-	-	\$353,821	-	-	\$329,906	-	-	\$142,788	-	-	(\$187,118)
Total	-	-	\$353,821	-	-	\$329,906	-	-	\$142,788	-	-	(\$187,118)
Subtotal Discretionary - Appropriation	-	-	\$353,821	-	-	\$329,906	-	-	\$142,788	-	-	(\$187,118)

Centrally Managed Accounts – PPA
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$329,906		
Transfers & Reprogrammings	\$23,915		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$353,821	\$329,906	\$142,788
Carryover and/or Recoveries (Actual/Estimates/Projections)	-	-	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$353,821	\$329,906	\$142,788
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$353,821	\$329,906	\$142,788
Obligations (Actual/Projections/Estimates)	\$353,218	\$329,906	\$142,788
Personnel: Positions and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Centrally Managed Accounts – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$329,906
Section 505 Reprogramming	-	-	\$14,915
Transfer from Military Pay and Allowances	-	-	\$9,000
Total Above Threshold Reprogrammings/Transfers	-	-	\$23,915
FY 2016 Revised Enacted	-	-	\$353,821
FY 2017 Annualized CR	-	-	\$329,906
FY 2018 Base Budget	-	-	\$329,906
Working Capital Fund Activities	-	-	(\$1,125)
Total Transfers	-	-	(\$1,125)
Annualization of 2017 Initiatives	-	-	\$1,638
GSA and Other Governmental Rent	-	-	\$4,815
Total, Pricing Increases	-	-	\$6,453
Adjustment for 2017 Initiatives	-	-	(\$1,529)
Military and Civilian FTP and FTE Transfer	-	-	(\$4)
PPA Funding Adjustment	-	-	(\$187,237)
Termination of One-Time Costs	-	-	(\$1,071)
Annualization of 2017 Initiative Reductions	-	-	(\$3,144)
Total, Pricing Decreases	-	-	(\$192,985)
Total Adjustments-to-Base	-	-	(\$187,657)
FY 2018 Current Services	-	-	\$142,249
C-27J Aircraft Support Follow-On	-	-	\$28
Fast Response Cutter (FRC) Follow-On	-	-	\$296
HC-130J Aircraft Follow-On	-	-	\$59
MH-60T Helicopter Follow-On	-	-	\$16
Mission Essential Systems and Cyber Security	-	-	\$4
Modernized Retirement System Training & Management (2016 NDAA)	-	-	\$149
National Security Cutter (NSC) Follow-On	-	-	\$348

Budget Formulation Activity	Positions	FTE	Amount
Personnel Security & Investigations	-	-	\$9
Shore Facility Follow-On	-	-	\$7
Special Victim's Counsel (2016 NDAA)	-	-	\$5
Total, Program Increases	-	-	\$921
Direct Support Efficiencies	-	-	(\$16)
Management Efficiencies	-	-	(\$6)
One HC-130H Aircraft	-	-	(\$39)
One High Endurance Cutter (WHEC)	-	-	(\$258)
Three 110-foot Patrol Boats	-	-	(\$63)
Total, Program Decreases	-	-	(\$382)
FY 2018 Request	-	-	\$142,788
FY 2017 TO FY 2018 Change	-	-	(\$187,118)

PPA Description

The Centrally Managed Accounts PPA funds centrally managed accounts that provide service to the entire Coast Guard. The major accounts include: General Services Administration (GSA) rent, postal expenses, ammunition replenishment, and the DHS Working Capital Fund.

**Centrally Managed Accounts – PPA
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Centrally Managed Accounts	\$353,821	\$329,906	\$142,788	(\$187,118)
Total	\$353,821	\$329,906	\$142,788	(\$187,118)
Discretionary - Appropriation	\$353,821	\$329,906	\$142,788	(\$187,118)

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
23.1 Rental Payments to GSA	\$44,588	\$44,588	\$46,638	\$2,050
23.3 Communications, Utilities, and Misc. Charges	\$76,826	\$69,167	\$18,816	(\$50,351)
25.1 Advisory and Assistance Services	\$3,683	\$3,683	\$875	(\$2,808)
25.2 Other Services from Non-Federal Sources	\$111,986	\$105,986	\$21,607	(\$84,379)
25.3 Other Goods and Services from Federal Sources	\$40,953	\$40,953	\$39,400	(\$1,553)
25.7 Operation and Maintenance of Equipment	\$34,420	\$28,288	\$7,852	(\$20,436)
26.0 Supplies and Materials	\$7,695	\$6,928	\$1,784	(\$5,144)
31.0 Equipment	\$33,670	\$30,313	\$5,816	(\$24,497)
Total - Non Pay Object Classes	\$353,821	\$329,906	\$142,788	(\$187,118)

**Centrally Managed Accounts – PPA
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Working Capital Fund	\$90,845	\$90,845	\$63,455	\$(27,390)
Other Costs	\$262,976	\$239,061	\$79,333	\$(159,728)
Total – Non Pay Cost Drivers	\$353,821	\$329,906	\$142,788	\$(187,118)

NARRATIVE EXPLANATION OF CHANGES

Working Capital Fund: The Coast Guard's contribution to the DHS Working Capital Fund. Funding in FY 2018 reflects the anticipated need.

Other Costs: Reflects funds associated with non-centralized rent and security services.

The overall decrease is primarily driven by the \$188 million transfer and centralization of existing information technology maintenance funding to the Intermediate and the Depot Level Maintenance PPA to facilitate efficient execution and improved oversight of information technology funding.

Intermediate and Depot Level Maintenance –PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Intermediate and Depot Level Maintenance	-	-	\$1,053,628	-	-	\$1,046,445	-	-	\$1,422,217	-	-	\$375,772
Total	-	-	\$1,053,628	-	-	\$1,046,445	-	-	\$1,422,217	-	-	\$375,772
Subtotal Discretionary - Appropriation	-	-	\$1,053,628	-	-	\$1,046,445	-	-	\$1,422,217	-	-	\$375,772

Intermediate and Depot Level Maintenance – PPA Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$1,056,458		
Transfers & Reprogrammings	\$1,161		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$3,991)		
Revised Enacted/Request	\$1,053,628	\$1,046,445	\$1,422,217
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$1,134	\$1,134	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$1,054,762	\$1,047,579	\$1,422,217
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$1,054,762	\$1,047,579	\$1,422,217
Obligations (Actual/Projections/Estimates)	\$1,049,130	\$1,047,579	\$1,422,217
Personnel: Positions and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Intermediate and Depot Level Maintenance – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$1,056,458
Transfer from Military Pay and Allowances	-	-	\$4,000
Transfer to Acquisition, Construction & Improvements	-	-	(\$2,839)
Total Above Threshold Reprogrammings/Transfers	-	-	\$1,161
Section 505 Rescission	-	-	(\$3,991)
Total Rescissions	-	-	(\$3,991)
FY 2016 Revised Enacted	-	-	\$1,053,628
FY 2017 Annualized CR	-	-	\$1,046,445
FY 2018 Base Budget	-	-	\$1,046,445
Adjustment for Non-Recurring Rescissions	-	-	\$10,013
Annualization of 2017 Initiatives	-	-	\$16,191
Defense Information Systems Agency (DISA) System Fee Increase	-	-	\$1,125
PPA Funding Adjustment	-	-	\$314,266
Total, Pricing Increases	-	-	\$341,595
Adjustment for 2017 Initiatives	-	-	(\$13,213)
Termination of One-Time Costs	-	-	(\$18,711)
Annualization of 2017 Initiative Reductions	-	-	(\$3,063)
Total, Pricing Decreases	-	-	(\$34,987)
Total Adjustments-to-Base	-	-	\$306,608
FY 2018 Current Services	-	-	\$1,353,053
C-27J Aircraft Support Follow-On	-	-	\$1,705
CG Aircraft FAA Compliance & Obsolete Equipment Replacement	-	-	\$16,871
Fast Response Cutter (FRC) Follow-On	-	-	\$7,733
HC-130J Aircraft Follow-On	-	-	\$2,109
Logistics Information Management System (CG-LIMS) Follow-On	-	-	\$2,304
MH-60T Helicopter Follow-On	-	-	\$1,104
Mission Essential Systems and Cyber Security	-	-	\$25,932

Budget Formulation Activity	Positions	FTE	Amount
Modernized Retirement System Training & Management (2016 NDAA)	-	-	\$148
National Security Cutter (NSC) Follow-On	-	-	\$17,427
Personnel Security & Investigations	-	-	\$25
Shore Facility Follow-On	-	-	\$2,644
Special Victim's Counsel (2016 NDAA)	-	-	\$12
Three 110-foot Patrol Boats	-	-	\$5
Total, Program Increases	-	-	\$78,019
Direct Support Efficiencies	-	-	(\$6)
Management Efficiencies	-	-	(\$6,070)
One HC-130H Aircraft	-	-	(\$1,864)
One High Endurance Cutter (WHEC)	-	-	(\$915)
Total, Program Decreases	-	-	(\$8,855)
FY 2018 Request	-	-	\$1,422,217
FY 2017 TO FY 2018 Change	-	-	\$375,772

PPA Description

The Intermediate and Depot Level Maintenance PPA funds the Coast Guard’s depot level maintenance for the Service’s vessels, aircraft, and shore facilities. This PPA also funds maintenance and support of enterprise IT software systems, enterprise communication/network services, standard workstations, the Coast Guard Data Network (CGOne), satellite and data communications, and other Coast Guard-wide C4IT (command, control, communications, computers and information technology) systems. The Coast Guard maintains its vessels, aircraft, shore infrastructure, and C4IT systems using a blend of organic maintenance and repair infrastructure, and contracted depot level maintenance activities. A mature project planning and execution program exists within the Coast Guard to provide routine organizational-level and depot level maintenance. Where expertise or infrastructure does not exist organically within the Service, the Coast Guard uses contracted resources to provide the requisite maintenance support.

This funding is vital to ongoing sustainment and support of in-service Coast Guard vessels, aircraft, shore facilities, and C4IT systems.

**Intermediate and Depot Level Maintenance – PPA
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Intermediate and Depot Level Maintenance	\$1,053,628	\$1,046,445	\$1,422,217	\$375,772
Total	\$1,053,628	\$1,046,445	\$1,422,217	\$375,772
Discretionary - Appropriation	\$1,053,628	\$1,046,445	\$1,422,217	\$375,772

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$7,625	\$7,625	\$7,786	\$161
22.0 Transportation of Things	\$2,218	\$2,218	\$1,843	(\$375)
23.2 Rental Payments to Others	\$1,372	\$1,372	\$1,372	-
23.3 Communications, Utilities, and Misc. Charges	\$4,518	\$4,518	\$60,513	\$55,995
24.0 Printing and Reproduction	\$122	\$122	\$162	\$40
25.1 Advisory and Assistance Services	\$52,829	\$52,829	\$56,958	\$4,129
25.2 Other Services from Non-Federal Sources	\$95,973	\$92,769	\$171,208	\$78,439
25.3 Other Goods and Services from Federal Sources	\$14,364	\$14,364	\$14,630	\$266
25.4 Operation and Maintenance of Facilities	\$153,830	\$153,830	\$141,068	(\$12,762)
25.7 Operation and Maintenance of Equipment	\$472,854	\$468,875	\$659,581	\$190,706
26.0 Supplies and Materials	\$205,008	\$205,008	\$212,082	\$7,074
31.0 Equipment	\$25,357	\$25,357	\$77,528	\$52,171
32.0 Land and Structures	\$17,558	\$17,558	\$17,486	(\$72)
Total - Non Pay Object Classes	\$1,053,628	\$1,046,445	\$1,422,217	\$375,772

Intermediate and Depot Level Maintenance – PPA Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Aeronautical Depot Level Maintenance	\$337,467	\$335,166	\$348,757	\$13,591
Electronics Maintenance	\$246,091	\$244,414	\$601,171	\$348,378
Civil/Ocean Engineering and Shore Facilities Depot Level Maintenance	\$208,373	\$206,952	\$193,027	\$(13,925)
Vessel Depot Level Maintenance	\$261,697	\$259,913	\$279,262	\$19,349
Total – Non Pay Cost Drivers	\$1,053,628	\$1,046,445	\$1,422,217	\$367,393

NARRATIVE EXPLANATION OF CHANGES

Aeronautical Depot Level Maintenance: Funds the Coast Guard's depot level maintenance for the Service's aircraft using a blend of organic maintenance and repair infrastructure and contracted depot level maintenance activities. Increase is primarily driven by the FAA Compliance and Obsolete Equipment initiative.

Electronics Maintenance: Funds the Coast Guard's depot level maintenance for the Service's Command, Control, Communications, Computers, and Information Technology (C4IT) systems using a blend of organic maintenance and repair infrastructure and contracted depot level maintenance activities. Increase primarily reflects Mission Essential Systems and Cyber Security initiative and consolidation of existing C4IT funding previously included in the Operating Funds and Unit Level Maintenance PPA (\$127 million) and the Centrally Managed Accounts PPA (\$188 million).

Civil/Ocean Engineering and Shore Facilities Depot Level Maintenance: Funds the Coast Guard's depot level maintenance for the Service's shore infrastructure using a blend of organic maintenance and repair infrastructure and contracted depot level maintenance activities. Decrease is primarily driven by non-recurring costs carried forward into FY 2017 under the 2017 annualized CR assumed base.

Vessel Depot Level Maintenance: Funds the Coast Guard's depot level maintenance for the Service's vessels using a blend of organic maintenance and repair infrastructure and contracted depot level maintenance activities. Increase is primarily driven by NSC Follow-On in FY 2017 and FY 2018.

Department of Homeland Security

U.S. Coast Guard

Environmental Compliance and Restoration



**Fiscal Year 2018
Congressional Justification**

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Environmental Compliance and Restoration
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Environmental Compliance and Restoration	25	20	\$13,221	25	23	\$13,196	25	23	\$13,397	-	-	\$201
Total	25	20	\$13,221	25	23	\$13,196	25	23	\$13,397	-	-	\$201
Subtotal Discretionary - Appropriation	25	20	\$13,221	25	23	\$13,196	25	23	\$13,397	-	-	\$201

Overview

The Environmental Compliance and Restoration (EC&R) appropriation provides funding for environmental cleanup, sustainment, and restoration of current and former contaminated Coast Guard facilities. Additionally, it funds engineering remedies on Coast Guard assets for the purpose of obtaining or restoring compliance with environmental laws and preventing contamination and environmental damage.

EC&R funding ensures the Coast Guard maintains its responsibilities associated with environmental stewardship. The Coast Guard complies with the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), Superfund Amendments and Reauthorization Act, Resource Conservation and Recovery Act (RCRA), and other applicable Federal or State laws to clean up contamination at current and former Coast Guard properties.

EC&R activities include site investigation and remediation activities at shore facilities. These include Coast Guard property slated for divestiture or transfer, and engineering changes to Coast Guard buildings and structures for the purpose of complying with environmental laws and preventing contamination and environmental damage.

The FY 2018 President’s Budget request provides 25 positions, 23 FTE, and \$13.4 million for EC&R activities. This request provides for environmental remediation and restoration of Coast Guard facilities, including site assessment, remediation, and long term monitoring and management.

This request also continues long term monitoring at 24 sites, begins or continues investigation/remediation site work for seven sites, and displays a commitment to ongoing identification, investigation, cleanup, and long-term management of contamination from hazardous substances and pollutants for Coast Guard systems, buildings, structures, and assets.

Environmental Compliance and Restoration Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$13,221		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$13,221	\$13,196	\$13,397
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$17,561	\$19,963	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$30,782	\$33,159	\$13,397
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$30,782	\$33,159	\$13,397
Obligations (Actual/Projections/Estimates)	\$13,221	\$33,159	\$13,397
Personnel: Positions and FTE			
Enacted/Request Positions	25	25	25
Enacted/Request FTE	20	23	23
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	25	25	25
FTE (Actual/Estimates/Projections)	20	23	23

Environmental Compliance and Restoration Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	25	20	\$13,221
FY 2016 Revised Enacted	25	20	\$13,221
FY 2017 Annualized CR	25	23	\$13,196
FY 2018 Base Budget	25	23	\$13,196
Adjustment for Non-Recurring Rescissions	-	-	\$25
Adjustment for 2017 Initiatives	-	-	\$107
Annualization of 2017 Military and Civilian Pay Raise	-	-	\$18
2018 Military Pay Raise	-	-	\$1
2018 Civilian Pay Raise	-	-	\$45
2018 Military Allowances	-	-	\$1
2018 Civilian Allowances	-	-	\$4
Total, Pricing Increases	-	-	\$201
Total Adjustments-to-Base	-	-	\$201
FY 2018 Current Services	25	23	\$13,397
FY 2018 Request	25	23	\$13,397
FY 2017 TO FY 2018 Change	-	-	\$201

Environmental Compliance and Restoration Justification of Pricing Changes

Dollars in Thousands

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 1 - Adjustment for Non-Recurring Rescissions	-	-	\$25
Pricing Change 2 - Adjustment for 2017 Initiatives	-	-	\$107
Pricing Change 3 - Annualization of 2017 Military and Civilian Pay Raise	-	-	\$18
Pricing Change 4 - 2018 Military Pay Raise	-	-	\$1
Pricing Change 5 - 2018 Civilian Pay Raise	-	-	\$45
Pricing Change 6 - 2018 Military Allowances	-	-	\$1
Pricing Change 7 - 2018 Civilian Allowances	-	-	\$4
Total Pricing Changes	-	-	\$201

Adjustment for Non-Recurring Rescissions: This adjustment accounts for the impact of the FY 2017 Continuing Resolution.

Adjustment for 2017 Initiatives: This adjustment captures the net impact of 2017 military and civilian pay raises and allowances.

Annualization of 2017 Military and Civilian Pay Raise: Provides one quarter of funding to annualize the 2017 military and civilian (2.1 percent) pay raise.

2018 Military Pay Raise: Provides three quarters of funding for the 2018 military (2.1 percent) pay raise.

2018 Civilian Pay Raise: Provides three quarters funding for the 2018 civilian (1.9 percent) pay raise.

2018 Military Allowances: Provides funding to maintain current services and ensure parity of military pay, allowances, and health care with DoD. Health care costs are forecasted using actuarial projections and include funding for Coast Guard clinics, TRICARE, pharmaceuticals, use of DoD military treatment facilities, and Public Health Service physicians serving at Coast Guard medical facilities. This request also includes additional funding for Basic Allowance for Housing (BAH) changes scheduled to take effect on January 1, 2018, and Permanent Change of Station costs based on workforce accession, assignment, and retirement projections, and the respective change of station costs.

2018 Civilian Allowances: Provides funding for required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and TSP Government Contributions.

Environmental Compliance and Restoration Personnel Compensation and Benefits

Pay Summary *Dollars in Thousands*

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Environmental Compliance and Restoration	25	20	\$2,794	\$139.65	25	23	\$3,269	\$142.09	25	23	\$3,334	\$144.91	-	-	\$65	\$2.82
Total	25	20	\$2,794	\$139.65	25	23	\$3,269	\$142.09	25	23	\$3,334	\$144.91	-	-	\$65	\$2.82
Discretionary - Appropriation	25	20	\$2,794	\$139.65	25	23	\$3,269	\$142.09	25	23	\$3,334	\$144.91	-	-	\$65	\$2.82

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: None.

PCB Change FY 2017-2018: The change from FY 2017 to FY 2018 includes funding to support the annualization of FY 2017 military and civilian pay raise of 2.1 percent; FY 2018 military pay raise of 2.1 percent and civilian pay raise of 1.9 percent. Also impacting the change from FY 2017 to FY 2018 are the required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and Thrift Savings Plan (TSP) Government Contributions.

Average Cost Change FY 2017-2018: The average cost change is due to the increased personnel costs related to the pay raise and personnel benefits.

Bonuses and Performance: FY 2018 request estimates \$19,000 for bonuses and performance awards. This request remains in line with OPM Awards Guidance on Spending Limitation.

Environmental Compliance and Restoration
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$1,983	\$2,334	\$2,381	\$47
11.5 Other Personnel Compensation	\$27	\$32	\$33	\$1
11.6 Military Personnel-Basic Allowance for Housing	\$34	\$35	\$36	\$1
11.7 Military Personnel	\$77	\$78	\$79	\$1
11.8 Special Personal Services Payments	\$1	\$1	\$1	-
12.1 Civilian Personnel Benefits	\$664	\$781	\$796	\$15
12.2 Military Personnel Benefits	\$8	\$8	\$8	-
Total - Personnel Compensation and Benefits	\$2,794	\$3,269	\$3,334	\$65
Positions and FTE				
Positions - Civilian	24	24	24	-
FTE - Civilian	19	22	22	-
Positions - Military	1	1	1	-
FTE - Military	1	1	1	-

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Civilian Total	19	\$2,674	\$140	22	\$3,147	\$143	22	\$3,210	\$146	-	\$63	\$3
Military Total	1	\$120	\$120	1	\$122	\$122	1	\$124	\$124	-	\$2	\$2
Total - Pay Cost Drivers	20	\$2,794		23	\$3,269		23	\$3,334			\$65	

Environmental Compliance and Restoration Permanent Positions by Grade – Appropriation

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
GS-15	1	1	1	-
GS-14	2	2	2	-
GS-13	7	7	7	-
GS-12	14	14	14	-
O-4	1	1	1	-
Total Permanent Positions	25	25	25	-
Unfilled Positions EOY	2	2	2	-
Total Perm. Employment (Filled Positions) EOY	22	22	22	-
Position Locations				
Headquarters	4	4	4	-
U.S. Field	20	20	20	-
Headquarters Military	1	1	1	-
Averages				
Average Personnel Costs, GS Positions	128,754	128,608	136,837	8,229
Average Grade, GS Positions	13	13	13	-

**Environmental Compliance and Restoration
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Environmental Compliance and Restoration	\$10,427	\$9,927	\$10,063	\$136
Total	\$10,427	\$9,927	\$10,063	\$136
Discretionary - Appropriation	\$10,427	\$9,927	\$10,063	\$136

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$122	\$116	\$117	\$1
22.0 Transportation of Things	\$3	\$3	\$3	-
23.3 Communications, Utilities, and Misc. Charges	\$1	\$1	\$1	-
25.1 Advisory and Assistance Services	\$31	\$30	\$31	\$1
25.2 Other Services from Non-Federal Sources	\$8,510	\$8,102	\$8,213	\$111
25.3 Other Goods and Services from Federal Sources	\$17	\$16	\$16	-
25.6 Medical Care	\$7	\$7	\$7	-
25.7 Operation and Maintenance of Equipment	\$71	\$67	\$68	\$1
26.0 Supplies and Materials	\$175	\$167	\$169	\$2
31.0 Equipment	\$1,489	\$1,417	\$1,437	\$20
42.0 Insurance Claims and Indemnities	\$1	\$1	\$1	-
Total - Non Pay Object Classes	\$10,427	\$9,927	\$10,063	\$136

Environmental Compliance and Restoration Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Site Investigation/Remediation Activities	\$7,361	\$7,039	\$8,049	\$1,010
Long Term Management of Restoration Project Sites	\$2,183	\$2,083	\$1,634	(\$449)
Environmental Compliance Projects and Activities	\$750	\$805	\$ 380	(\$425)
Total – Non Pay Cost Drivers	\$10,427	\$9,927	\$10,063	\$136

NARRATIVE EXPLANATION OF CHANGES

Site Investigation / Remediation Activities (4 locations): Provides funding to perform site remediation work at seven locations to clean up hazardous substances and pollutants. Minor increases in this cost driver support new priorities to include site remediation at TRACEN Petaluma, California (\$3.9M); Anclote Key Lighthouse, Florida (\$700K); AIRSTA Annette Island, Alaska (\$1.23M); LORAN-C St. Paul, Alaska (\$1.35M); Destruction Island Lighthouse, Washington (\$800K); former LORAN Station Ulithi, Hawaii (\$600K); AIRSTA Barbers Point, Hawaii (\$700K).

Long Term Management of Restoration Project Sites (24 locations): Provides funding to continue long-term management work at 24 locations where remediation activities work has previously been done. Minor changes in this cost driver support ongoing priorities: monitoring and management work spanning multiple years to include sampling, analysis, site inspections, post closure maintenance, validation of land use controls, groundwater monitoring, monitoring of natural attenuation of groundwater contamination, and validation of institutional controls.

The table below provides a detailed listing of each planned FY 2018 EC&R project based on current information regarding prioritization of work. The list may be adjusted as new information is discovered based upon the completion of assessments and project risk priority.

Environmental Compliance and Restoration

Project Title FY2018	Estimated Cost (\$K)
Site Investigation/Remediation Activities	
TRACEN Petaluma (Skeet Range) - Site Remediation (Soil Contamination)	\$3,928
Lighthouse - Anclote Key - Site Remediation (Lead and Mercury Soil and Groundwater Contamination)	\$70
AIRSTA Annette Island - Site Remediation (Multiple Locations/Variou s Contamination Sources)	\$1,233
LORAN Station St. Paul - Site Remediation (Groundwater and Soil Remediation)	\$1,348
Lighthouse - Destruction Island Lighthouse - Site Remediation (Capping of Multiple Soil Contaminants)	\$800
LORAN Station Ulithi (former) - Site Remediation (Asbestos Containing Materials and Lead Based Paint)	\$600
Air Station Barbers Point - Site Investigation (Potential PCBs Contamination)	\$70
Subtotal Site Investigation/Remediation Activities	\$8,049

Long Term Management of Remediation Projects	Estimated Cost (\$K)
CG YARD / Site 9 - Long Term Management (Groundwater Monitoring/ Land Use Controls Oversight)	\$17
BASE Kodiak / Site 1 (Former CG Landfill) - Long Term Management (Post-Closure Maintenance & Monitoring)	\$57
BASE Kodiak / Site 2 (Former Navy Landfill) - Long Term Management (Post-Closure Maintenance & Monitoring)	\$42
BASE Kodiak / Site 23 (Former Power Plant) - Long Term Management (Groundwater Monitoring)	\$178
BASE Kodiak / Site 3 (Former Dry Cleaning/Laundry Facility) - Long Term Management (Groundwater Monitoring)	\$258
BASE Kodiak / Site 6A (Motor Gasoline) - Long Term Management (Post-Closure Maintenance & Annual Groundwater Monitoring of Underground Storage Tanks Leaks)	\$57
BASE Kodiak / Site 7A (Former Barrel Storage Area) - Long Term Management	\$132
BASE Elizabeth City / Solid Waste Management Units 28/56 - Long Term Management (Groundwater Monitoring)	\$180
Base Elizabeth City / Solid Waste Management Units 32/37/38 (Former Fuel Farm) - Site Remediation/Long Term Management (Phytoremediation System)	\$115
Air Station Traverse City - Site Cleanup of Asbestos Containing Materials (Annual Site Inspection and Cleanup of Transite Siding)	\$25
STA Grand Haven - Long Term Management (Groundwater Monitoring)	\$315
CG Yard / Site 7 - Long Term Management / Maintenance of Land Use Controls	\$36
BASE Ketchikan - Long Term Management (Marine Sediments Metals Contamination)	\$14
Base Elizabeth City / Unit 62 - Long Term Management (Seaplane Pipeline Release Site)	\$25
Egmont Key Lighthouse - Long Term Management (Monitoring of Natural Attenuation of Groundwater Contamination)	\$8
Detachment Sandy Hook - Long Term Management (Groundwater Monitoring)	\$75
Guard Island Lighthouse - Long Term Management (Inspection & Maintenance of Land Cap & Institutional Controls)	\$5
STA Port Angeles - Long Term Management (Groundwater Monitoring @ Former Underground Storage Tank Site)	\$23
Coast Guard Academy - Long Term Management (Parcel 1 Fencing & Signage)	\$4

Long Term Management of Remediation Projects	Estimated Cost (\$K)
LORAN-C Tok - Long Term Management (Periodic Inspection of Institutional Controls)	\$23
Lighthouse - Five Finger Islands - Long Term Management (Inspection of Soil Cap)	\$13
Lighthouse - Point Retreat (former) - Long Term Management (Inspection and Review of Institutional Controls/Soil Cap)	\$11
Lighthouse - Cape Decision (former) - Long Term Management (Inspection of Soil Cap)	\$13
Aviation Support Facility Cordova - Long Term Management (Site Inspections)	\$8
Subtotal Long Term Management of Remediation Projects	\$1,634
Environmental Compliance Projects & Activities	\$380
Salaries & Benefits	\$3,334
Total FY 2018 Request	\$13,397

Department of Homeland Security

U.S. Coast Guard

Reserve Training



**Fiscal Year 2018
Congressional Justification**

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Reserve Training

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Reserve Training	416	409	\$110,099	416	409	\$109,890	416	409	\$114,875	-	-	\$4,985
Total	416	409	\$110,099	416	409	\$109,890	416	409	\$114,875	-	-	\$4,985
Subtotal Discretionary - Appropriation	416	409	\$110,099	416	409	\$109,890	416	409	\$114,875	-	-	\$4,985

Overview

Mission Statement for Reserve Training:

As the principal Federal agency charged with maritime safety, security, and environmental stewardship, the Coast Guard protects vital economic and security interests of the United States from internal and external maritime risks and threats. The Coast Guard Reserve provides units and personnel to augment active duty Coast Guard forces during times of crisis, domestically or worldwide.

Budget Activities:

The Reserve Training appropriation facilitates training, operation, and administration of the Coast Guard Reserve Program. Coast Guard Reserve Forces provide qualified and trained personnel for active duty in the event of conflict, national emergency, or natural and man-made disasters. Reservists maintain their readiness through mobilization exercises and duty alongside regular Coast Guard members during routine and emergency operations. Reservists will continue to serve as a cost-effective surge force to enhance the Nation’s resilience to disasters.

Budget Request Summary:

The FY 2018 President’s Budget requests 416 positions, 409 FTE, and \$114.875 million for Reserve Training. This request provides necessary resources for the training, operation, and administration of the Coast Guard Reserve Program, including training, equipping, and ensuring the readiness of a 7,000 member Coast Guard Reserve workforce.

Reserve Training Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$110,614		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$515)		
Revised Enacted/Request	\$110,099	\$109,890	\$114,875
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$902	-	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$111,001	\$109,890	\$114,875
Collections – Reimbursable Resources	\$136	\$138	\$138
Total Budget Resources	\$111,137	\$110,028	\$115,013
Obligations (Actual/Projections/Estimates)	\$110,086	\$109,890	\$114,875
Personnel: Positons and FTE			
Enacted/Request Positions	416	416	416
Enacted/Request FTE	409	409	409
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	416	416	416
FTE (Actual/Estimates/Projections)	409	409	409

Reserve Training Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	416	409	\$110,614
Section 505 Rescission	-	-	(\$515)
Total Rescissions	-	-	(\$515)
FY 2016 Revised Enacted	416	409	\$110,099
FY 2017 Annualized CR	416	409	\$109,890
FY 2018 Base Budget	416	409	\$109,890
Adjustment for Non-Recurring Rescissions	-	-	\$724
Adjustment for 2017 Initiatives	-	-	\$2,016
Annualization of 2017 Military and Civilian Pay Raise	-	-	\$459
2018 Military Pay Raise	-	-	\$1,247
2018 Civilian Pay Raise	-	-	\$116
2018 Military Allowances	-	-	\$409
2018 Civilian Allowances	-	-	\$14
Total, Pricing Increases	-	-	\$4,985
Total Adjustments-to-Base	-	-	\$4,985
FY 2018 Current Services	416	409	\$114,875
FY 2018 Request	416	409	\$114,875
FY 2017 TO FY 2018 Change	-	-	\$4,985

Reserve Training Justification of Pricing Changes

Dollars in Thousands

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 1 - Adjustment for Non-Recurring Rescissions	-	-	\$724
Pricing Change 2 - Adjustment for 2017 Initiatives	-	-	\$2,016
Pricing Change 3 - Annualization of 2017 Military and Civilian Pay Raise	-	-	\$459
Pricing Change 4 - 2018 Military Pay Raise	-	-	\$1,247
Pricing Change 5 - 2018 Civilian Pay Raise	-	-	\$116
Pricing Change 6 - 2018 Military Allowances	-	-	\$409
Pricing Change 7 - 2018 Civilian Allowances	-	-	\$14
Total Pricing Changes	-	-	\$4,985

Adjustment for Non-Recurring Rescissions: This adjustment accounts for the impact of the FY 2017 Continuing Resolution.

Adjustment for 2017 Initiatives: This adjustment captures the net impact of 2017 military and civilian pay raises and allowances.

Annualization of 2017 Military and Civilian Pay Raise: Provides one quarter of funding to annualize the 2017 military and civilian (2.1 percent) pay raise.

2018 Military Pay Raise: Provides three quarters of funding for the 2018 military (2.1 percent) pay raise.

2018 Civilian Pay Raise: Provides three quarters funding for the 2018 civilian (1.9 percent) pay raise.

2018 Military Allowances: Provides funding to maintain current services and ensure parity of military pay, allowances, and health care with DoD. Health care costs are forecasted using actuarial projections and include funding for Coast Guard clinics, TRICARE, pharmaceuticals, use of DoD military treatment facilities, and Public Health Service physicians serving at Coast Guard medical facilities. This request also includes additional funding for Basic Allowance for Housing (BAH) changes scheduled to take effect on January 1, 2018 and Permanent Change of Station costs which are based on workforce accession, assignment, and retirement projections, and the respective change of station costs.

2018 Civilian Allowances: Provides funding for required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and TSP Government Contributions.

Reserve Training Personnel Compensation and Benefits

Pay Summary *Dollars in Thousands*

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Reserve Training	416	409	\$92,044	\$224.19	416	409	\$94,060	\$229.1	416	409	\$96,305	\$234.57	-	-	\$2,245	\$5.47
Total	416	409	\$92,044	\$224.19	416	409	\$94,060	\$229.1	416	409	\$96,305	\$234.57	-	-	\$2,245	\$5.47
Discretionary - Appropriation	416	409	\$92,044	\$224.19	416	409	\$94,060	\$229.1	416	409	\$96,305	\$234.57	-	-	\$2,245	\$5.47

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: None.

PCB Change FY 2017-2018: The change from FY 2017 to FY 2018 includes funding to support the annualization of FY 2017 military and civilian pay raise of 2.1 percent; FY 2018 military pay raise of 2.1 percent and civilian pay raise of 1.9 percent. Also impacting the change from FY 2017 to FY 2018 are the required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and Thrift Savings Plan (TSP) Government Contributions.

Average Cost Change FY 2017-2018: The average cost change is due to the increased personnel costs related to the pay raise and personnel benefits being allocated to the same number of FTE allocated in FY 2017.

Bonuses and Performance Awards: FY 2018 request estimates \$109,000 for bonuses and performance awards. This request remains in line with OPM Awards Guidance on Spending Limits.

Reserve Drill Pay: Provides funding to pay military reserve drill pay and allowances.

Reserve Training Pay by Object Class

Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$5,225	\$5,315	\$5,435	\$120
11.3 Other than Full-Time Permanent	\$33	\$34	\$35	\$1
11.5 Other Personnel Compensation	\$107	\$109	\$111	\$2
11.6 Military Personnel-Basic Allowance for Housing	\$8,434	\$8,820	\$9,229	\$409
11.7 Military Personnel	\$68,419	\$69,754	\$71,238	\$1,484
11.8 Special Personal Services Payments	\$189	\$193	\$197	\$4
12.1 Civilian Personnel Benefits	\$1,490	\$1,529	\$1,577	\$48
12.2 Military Personnel Benefits	\$7,984	\$8,140	\$8,313	\$173
13.0 Benefits for Former Personnel	\$163	\$166	\$170	\$4
Total - Personnel Compensation and Benefits	\$92,044	\$94,060	\$96,305	\$2,245
Positions and FTE				
Positions - Civilian	89	89	89	-
FTE - Civilian	76	76	76	-
Positions - Military	327	327	327	-
FTE - Military	333	333	333	-

Reserve Training Pay Cost Drivers

Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Military FTS Personnel	333	\$29,612	\$88.92	333	\$30,253	\$90.85	333	\$30,867	\$92.69	0	\$614	\$1.84
Civilian FTS Personnel	76	\$6,855	\$90.20	76	\$6,987	\$91.93	76	\$7,158	\$94.18	0	\$171	\$2.25
Other Costs		\$55,577			\$56,820			\$58,280			\$1,460	
Total – Pay Cost Drivers	409	\$92,044		409	\$94,060		409	\$96,305		0	\$2,245	

Military FTS Personnel: Pay costs associated with military Full Time Support.

Civilian FTS Personnel: Pay costs associated with civilian personnel.

Other Costs: All other pay costs, including all military reserve drill pay and allowances.

Reserve Training Permanent Positions by Grade – Appropriation

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
GS-14	4	4	4	-
GS-13	4	4	4	-
GS-12	16	16	16	-
GS-11	10	10	10	-
GS-9	12	12	12	-
GS-8	5	5	5	-
GS-7	21	21	21	-
GS-6	12	12	12	-
GS-5	5	5	5	-
O-8	1	1	1	-
O-6	7	7	7	-
O-5	15	15	15	-
O-4	28	28	28	-
O-3	47	47	47	-
O-2	5	5	5	-
O-1	5	5	5	-
CWO	9	9	9	-
E-9	7	7	7	-
E-8	7	7	7	-
E-7	22	22	22	-
E-6	92	92	92	-
E-5	41	41	41	-
E-4	37	37	37	-
E-3	4	4	4	-
Total Permanent Positions	416	416	416	-
Total Perm. Employment (Filled Positions) EOY	89	89	89	-
Position Locations				
Headquarters	11	11	11	-
U.S. Field	78	78	78	-
Headquarters Military	28	28	28	-

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
U.S. Field Military	299	299	299	-
Averages				
Average Personnel Costs, GS Positions	87,654	88,038	93,847	5,809
Average Grade, GS Positions	9	9	9	-

Reflects Full Time Support positions only, as reserve personnel do not contribute to FTP or FTE.

Reserve Training Non Pay Budget Exhibits

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Reserve Training	\$18,055	\$15,830	\$18,570	\$2,740
Total	\$18,055	\$15,830	\$18,570	\$2,740
Discretionary - Appropriation	\$18,055	\$15,830	\$18,570	\$2,740

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$6,876	\$6,029	\$7,072	\$1,043
22.0 Transportation of Things	\$536	\$470	\$552	\$82
23.2 Rental Payments to Others	\$123	\$108	\$127	\$19
23.3 Communications, Utilities, and Misc. Charges	\$444	\$390	\$457	\$67
25.2 Other Services from Non-Federal Sources	\$1,010	\$884	\$1,037	\$153
25.3 Other Goods and Services from Federal Sources	\$283	\$249	\$291	\$42
25.7 Operation and Maintenance of Equipment	\$100	\$88	\$103	\$15
25.8 Subsistence & Support of Persons	\$3,688	\$3,233	\$3,793	\$560
26.0 Supplies and Materials	\$4,559	\$3,997	\$4,689	\$692
31.0 Equipment	\$169	\$148	\$174	\$26
42.0 Insurance Claims and Indemnities	\$267	\$234	\$275	\$41
Total - Non Pay Object Classes	\$18,055	\$15,830	\$18,570	\$2,740

Reserve Training
Non Pay Cost Drivers
Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Readiness Support	\$18,055	\$15,830	\$18,570	\$2,740
Total – Non Pay Cost Drivers	\$18,055	\$15,830	\$18,570	\$2,740

NARRATIVE EXPLANATION OF CHANGES

Readiness Support: Provides funding for training, travel, and non-pay related costs necessary to ensure reservists have the skills and readiness required to respond to all contingencies including natural and man-made disasters, maritime homeland security, national security, and other significant events. Change reflects adjustments for non-recurring rescissions and 2017 initiatives.

Department of Homeland Security

U.S. Coast Guard

Acquisition, Construction, and Improvements



**Fiscal Year 2018
Congressional Justification**

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Acquisition, Construction, and Improvements
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Vessels	-	-	\$1,309,430	-	-	\$1,244,551	-	-	\$877,100	-	-	(\$367,451)
Aircraft	-	-	\$255,960	-	-	\$295,000	-	-	\$82,600	-	-	(\$212,400)
Other Acquisition Programs	-	-	\$57,855	-	-	\$65,100	-	-	\$50,800	-	-	(\$14,300)
Shore Facilities and Aids to Navigation (ATON)	-	-	\$192,800	-	-	\$202,600	-	-	\$75,000	-	-	(\$127,600)
Personnel and Related Support Costs	914	766	\$112,348	914	835	\$116,876	914	835	\$118,245	-	-	\$1,369
Total	914	766	\$1,928,393	914	835	\$1,924,127	914	835	\$1,203,745	-	-	(\$720,382)
Subtotal Discretionary - Appropriation	914	766	\$1,928,393	914	835	\$1,924,127	914	835	\$1,203,745	-	-	(\$720,382)

Overview

Acquisition, Construction and Improvement (AC&I) provides for the acquisition, procurement, construction, rebuilding, and improvement of vessels, aircraft, shore facilities and military housing, aids to navigation (ATON) systems and facilities, and command, control, communications and computer systems and related equipment. Funds appropriated for AC&I are managed by Coast Guard acquisition project managers who oversee these projects and apply best practices, in accordance with the Coast Guard's Major Systems Acquisition Manual (MSAM) and applicable Department of Homeland Security (DHS) management directives, to optimize the return on recapitalization investments.

The AC&I appropriation funds the acquisition of new capital assets, construction of new facilities, and physical improvements to existing facilities and assets. Through processes documented in the MSAM, acquisition managers follow a continuum of activities ranging from pre-acquisition concept development to deployment and sustainment. Activities and documentation produced throughout the acquisition lifecycle inform budget requests and budget-related project activities.

The FY 2018 President's Budget requests 914 positions, 835 FTE, and \$1.204 billion for AC&I. The following is the funding for each program, project or activity (PPA) within the AC&I appropriation:

- Vessels - \$877.1 million
- Aircraft - \$82.6 million
- Other Acquisition Programs - \$50.8 million
- Shore Facilities and Aids to Navigation (ATON) - \$75.0 million
- Personnel and Related Support Costs - \$118.2 million

Acquisition, Construction, and Improvements Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$1,945,169		
Transfers & Reprogrammings	\$6,440		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$23,216)		
Revised Enacted/Request	\$1,928,393	\$1,924,127	\$1,203,745
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$406,845	\$1,326,317	\$400,078
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$2,335,238	\$3,250,444	\$1,603,823
Collections – Reimbursable Resources	\$93,835	\$41,207	\$34,000
Total Budget Resources	\$2,429,073	\$3,291,651	\$1,637,823
Obligations (Actual/Projections/Estimates)	\$1,019,434	\$2,850,366	\$1,230,629
Personnel: Positions and FTE			
Enacted/Request Positions	914	914	914
Enacted/Request FTE	766	835	835
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	914	914
FTE (Actual/Estimates/Projections)	-	835	835

Acquisition, Construction, and Improvements
Collections – Reimbursable Resources
Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
International Assistance Programs - Military Sales Program			\$93,835			\$41,207			\$34,000
Total Collections			\$93,835			\$41,207			\$34,000

Acquisition, Construction, and Improvements Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	914	766	\$1,945,169
Transfer from Alteration of Bridges	-	-	\$10,198
Transfer from Operating Expenses	-	-	\$991
Transfer from other projects	-	-	\$118,811
Transfer Out	-	-	(\$19,550)
Transfer to other projects	-	-	(\$104,010)
Total Above Threshold Reprogrammings/Transfers	-	-	\$6,440
FY16 Rescission	-	-	(\$4,465)
Rescission of prior year balances	-	-	(\$10,000)
Rescission of prior year balances: HH-60 Conversion Projects	-	-	(\$5,000)
Rescission of prior year balances: Interagency Operations Centers	-	-	(\$800)
Rescission of prior year balances: Nationwide Automatic Identification System	-	-	(\$1,980)
Section 505 Rescission	-	-	(\$971)
Total Rescissions	-	-	(\$23,216)
FY 2016 Revised Enacted	914	766	\$1,928,393
FY 2017 Annualized CR	914	835	\$1,924,127
FY 2018 Base Budget	914	835	\$116,876
2018 Civilian Allowances	-	-	\$56
2018 Civilian Pay Raise	-	-	\$905
2018 Military Allowances	-	-	\$465
2018 Military Pay Raise	-	-	\$522
Adjustment for 2017 Initiatives	-	-	\$4,404
Adjustment for Non-Recurring Rescissions	-	-	\$1,193
Annualization of 2017 Military and Civilian Pay Raise	-	-	\$477
Total, Pricing Increases	-	-	\$8,022
Personnel and Related Support Adjustment	-	-	(\$6,653)

Budget Formulation Activity	Positions	FTE	Amount
Total, Pricing Decreases	-	-	(\$6,653)
Total Adjustments-to-Base	-	-	\$1,369
C4ISR	-	-	\$22,000
Coast Guard Logistics Information Management System	-	-	\$9,800
Cutter Boats	-	-	\$1,000
Fast Response Cutter	-	-	\$240,000
HC-130J Acquisition/Conversion/Sustainment	-	-	\$5,600
HC-27J Conversion/Sustainment	-	-	\$52,000
HH-65 Conversion/Sustainment	-	-	\$22,000
In-Service Vessel Sustainment	-	-	\$60,500
Inland Waterways and Western Rivers Tender	-	-	\$1,100
Major Acquisition Systems Infrastructure	-	-	\$60,000
Major Shore, Housing, ATON, Survey and Design	-	-	\$10,000
MH-60T Sustainment	-	-	\$2,500
Minor Shore	-	-	\$5,000
National Security Cutter	-	-	\$54,000
Offshore Patrol Cutter	-	-	\$500,000
Other Equipment and Systems	-	-	\$4,000
Polar Icebreaker	-	-	\$19,000
Program Oversight and Management	-	-	\$15,000
Small Unmanned Aircraft System	-	-	\$500
Survey and Design - Vessel and Boats	-	-	\$1,500
Total Investment Elements	-	-	\$1,085,500
FY 2018 Current Services	914	835	\$1,203,745
FY 2018 Request	914	835	\$1,203,745
FY 2017 TO FY 2018 Change	-	-	(\$720,382)

**Acquisition, Construction, and Improvements
Personnel Compensation and Benefits
Pay Summary
Dollars in Thousands**

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Personnel and Related Support Costs	914	766	\$102,287	\$133.07	914	835	\$105,650	\$126.09	914	835	\$108,074	\$128.99	-	-	\$2,424	\$2.9
Total	914	766	\$102,287	\$133.07	914	835	\$105,650	\$126.09	914	835	\$108,074	\$128.99	-	-	\$2,424	\$2.9
Discretionary - Appropriation	914	766	\$102,287	\$133.07	914	835	\$105,650	\$126.09	914	835	\$108,074	\$128.99	-	-	\$2,424	\$2.9

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

Acquisition, Construction, and Improvements
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$44,893	\$46,507	\$47,430	\$923
11.3 Other than Full-Time Permanent	\$99	\$103	\$105	\$2
11.5 Other Personnel Compensation	\$599	\$620	\$632	\$12
11.6 Military Personnel-Basic Allowance for Housing	\$10,572	\$11,002	\$11,467	\$465
11.7 Military Personnel	\$29,105	\$29,826	\$30,440	\$614
11.8 Special Personal Services Payments	\$189	\$194	\$198	\$4
12.1 Civilian Personnel Benefits	\$13,474	\$13,959	\$14,292	\$333
12.2 Military Personnel Benefits	\$3,193	\$3,272	\$3,340	\$68
13.0 Benefits for Former Personnel	\$163	\$167	\$170	\$3
Total - Personnel Compensation and Benefits	\$102,287	\$105,650	\$108,074	\$2,424
Positions and FTE				
Positions - Civilian	490	490	490	-
FTE - Civilian	399	431	431	-
Positions - Military	424	424	424	-
FTE - Military	367	404	404	-

**Acquisition, Construction, and Improvements
Permanent Positions by Grade – Appropriation**

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
Total, SES	2	2	2	-
GS-15	39	39	39	-
GS-14	138	138	138	-
GS-13	204	204	204	-
GS-12	75	75	75	-
GS-11	17	17	17	-
GS-10	1	1	1	-
GS-9	4	4	4	-
GS-8	3	3	3	-
GS-7	4	4	4	-
GS-6	2	2	2	-
Other Graded Positions	1	1	1	-
O-8	2	2	2	-
O-6	18	18	18	-
O-5	43	43	43	-
O-4	86	86	86	-
O-3	85	85	85	-
O-2	3	3	3	-
CWO	49	49	49	-
E-9	4	4	4	-
E-8	12	12	12	-
E-7	43	43	43	-
E-6	37	37	37	-
E-5	27	27	27	-
E-4	15	15	15	-
Total Permanent Positions	914	914	914	-
Unfilled Positions EOY	75	75	75	-
Total Perm. Employment (Filled Positions) EOY	839	839	839	-
Position Locations				
Headquarters	425	425	425	-

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
U.S. Field	489	489	489	-
Averages				
Average Personnel Costs, ES Positions	224,621	218,700	233,400	14,700
Average Personnel Costs, GS Positions	142,778	142,534	151,515	8,981
Average Grade, GS Positions	13	13	13	-

Acquisition, Construction, and Improvements

Non Pay Budget Exhibits

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$9,405	\$10,133	\$13,035	\$2,902
22.0 Transportation of Things	\$659	\$737	\$666	(\$71)
23.2 Rental Payments to Others	\$120	\$134	\$121	(\$13)
23.3 Communications, Utilities, and Misc. Charges	\$354	\$396	\$383	(\$13)
25.1 Advisory and Assistance Services	\$384,608	\$282,949	\$128,365	(\$154,584)
25.2 Other Services from Non-Federal Sources	\$223,219	\$241,957	\$7,578	(\$234,379)
25.3 Other Goods and Services from Federal Sources	\$81,226	\$84,253	\$79,314	(\$4,939)
25.6 Medical Care	\$2,523	\$2,826	\$2,552	(\$274)
25.7 Operation and Maintenance of Equipment	\$517	\$579	\$523	(\$56)
26.0 Supplies and Materials	\$6,634	\$7,095	\$15,143	\$8,048
31.0 Equipment	\$929,084	\$989,861	\$775,367	(\$214,494)
32.0 Land and Structures	\$187,418	\$197,218	\$72,285	(\$124,933)
42.0 Insurance Claims and Indemnities	\$339	\$339	\$339	-
Total - Non Pay Object Classes	\$1,826,106	\$1,818,477	\$1,095,671	(\$722,806)

**Acquisition, Construction, and Improvements
Capital Investment Exhibits**

Capital Investment
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Offshore Patrol Cutter	N024-000006362	1	Procurement	Non-IT	Yes	\$219,000	\$89,000	\$500,000
Fast Response Cutter	N024-000006370	1	Procurement	Non-IT	Yes	\$340,000	\$340,000	\$240,000
National Security Cutter	N024-000006369	1	Procurement	Non-IT	Yes	\$658,430	\$723,551	\$54,000
HC-27J Conversion/Sustainment	N024-000006364	1	Procurement	Non-IT	Yes	\$102,000	\$102,000	\$52,000
HH-65 Conversion/Sustainment	N024-000006366	1	Procurement	Non-IT	Yes	\$5,960	\$40,000	\$22,000
C4ISR	024-000006343	1	Procurement	IT	Yes	\$32,977	\$36,600	\$22,000
Polar Icebreaker	N024-000006381	1	Procurement	Non-IT	Yes	\$6,000	\$6,000	\$19,000
HC-130J Acquisition/Conversion/Sustainment	N024-000006382	1	Procurement	Non-IT	Yes	\$145,000	\$150,000	\$5,600
HC-144 Conversion/Sustainment	N024-000006364	1	Procurement	Non-IT	Yes	\$3,000	\$3,000	-
In-Service Vessel Sustainment	N024-000006384	3	Procurement	Non-IT	Yes	\$68,000	\$68,000	\$60,500
Coast Guard Logistics Information Management System	024-000006115	3	Procurement	IT	Yes	\$7,658	\$8,500	\$9,800
Small Unmanned Aircraft Systems	N024-000006404	3	Procurement	Non-IT	Yes	-	-	\$500
Program Oversight and Management	N/A	Non-Major	Procurement	Non-IT	No	\$17,220	\$20,000	\$15,000
Other Equipment and Systems	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$4,000
MH-60T Sustainment	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$2,500
Survey and Design - Vessels and Boats	N/A	Non-Major	Procurement	Non-IT	No	\$15,000	\$15,000	\$1,500
Inland Waterways and Western Rivers Tender	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$1,100
Cutter Boats	N/A	Non-Major	Procurement	Non-IT	No	\$3,000	\$3,000	\$1,000
Major Acquisition Systems Infrastructure	N/A	Non-Major	Construction	Non-IT	No	\$52,000	\$52,000	\$60,000
Major Shore, Housing, ATON, Survey and Design	N/A	Non-Major	Construction	Non-IT	No	\$135,800	\$145,600	\$10,000
Minor Shore	N/A	Non-Major	Construction	Non-IT	No	\$5,000	\$5,000	\$5,000

*Vessels – PPA***Budget Comparison and Adjustments****Comparison of Budget Authority and Request***Dollars in Thousands*

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Survey and Design - Vessels and Boats	\$15,000	\$15,000	\$1,500	(\$13,500)
In-Service Vessel Sustainment	\$68,000	\$68,000	\$60,500	(\$7,500)
National Security Cutter	\$658,430	\$723,551	\$54,000	(\$669,551)
Offshore Patrol Cutter	\$219,000	\$89,000	\$500,000	\$411,000
Fast Response Cutter	\$340,000	\$340,000	\$240,000	(\$100,000)
Cutter Boats	\$3,000	\$3,000	\$1,000	(\$2,000)
Polar Icebreaker	\$6,000	\$6,000	\$19,000	\$13,000
Inland Waterways and Western Rivers Tender	-	-	\$1,100	\$1,100
Total	\$1,309,430	\$1,244,551	\$877,100	(\$367,451)
Discretionary - Appropriation	\$1,309,430	\$1,244,551	\$877,100	(\$367,451)

Vessels – PPA
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$1,264,400		
Transfers & Reprogrammings	\$45,030		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$1,309,430	\$1,244,551	\$877,100
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$228,512	\$896,800	\$210,533
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$1,537,942	\$2,141,351	\$1,087,633
Collections – Reimbursable Resources	\$93,835	\$41,207	\$34,000
Total Budget Resources	\$1,631,777	\$2,182,558	\$1,121,633
Obligations (Actual/Projections/Estimates)	\$641,142	\$1,930,819	\$894,963
Personnel: Positions and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Vessels – PPA
Collections – Reimbursable Resources
Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget						
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount				
International Assistance Programs - Military Sales Program	Source	-	-	\$93,835	-	-	-	-	-	\$41,207	-	-	\$34,000
Total Collections		-	-	\$93,835	-	-	-	-	-	\$41,207	-	-	\$34,000

Vessels – PPA
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$1,264,400
Transfer from Alteration of Bridges	-	-	\$10,198
Transfer from Operating Expenses	-	-	\$991
Transfer from other projects	-	-	\$118,811
Transfer to other projects	-	-	(\$84,970)
Total Above Threshold Reprogrammings/Transfers	-	-	\$45,030
FY 2016 Revised Enacted	-	-	\$1,309,430
FY 2017 Annualized CR	-	-	\$1,244,551
FY 2018 Base Budget	-	-	-
Cutter Boats	-	-	\$1,000
Fast Response Cutter	-	-	\$240,000
In-Service Vessel Sustainment	-	-	\$60,500
Inland Waterways and Western Rivers Cutter	-	-	\$1,100
National Security Cutter	-	-	\$54,000
Offshore Patrol Cutter	-	-	\$500,000
Polar Icebreaker	-	-	\$19,000
Survey and Design - Vessel and Boats	-	-	\$1,500
Total Investment Elements	-	-	\$877,100
FY 2018 Request	-	-	\$877,100
FY 2017 TO FY 2018 Change	-	-	(\$367,451)

PPA Description

The Vessels PPA provides funding to recapitalize and/or make capital improvements to Coast Guard cutters and boats. With many of the Coast Guard's surface assets operating beyond their design service life, recapitalization and sustainment projects are critical to ensuring continued mission effectiveness and readiness of the fleet. The FY 2018 Budget continues efforts that will lead to award of a contract for Detail Design and Construction of a new heavy Polar Icebreaker; funds construction of the first Offshore Patrol Cutter

(OPC); supports Survey and Design for emerging life-cycle event driven maintenance on cutters and boats; funds an alternatives analysis to inform potential solutions for the aging Inland Waterways and Western Rivers Cutter fleet; and continues the National Security Cutter (NSC), Fast Response Cutter (FRC), Cutter Boats, and In-Service Vessel Sustainment (ISVS) programs on schedule. The Coast Guard fleet of cutters and boats supported by this PPA collectively perform all eleven statutory Coast Guard missions in the offshore, coastal, and inland operational areas.

The Coast Guard's future fleet of NSCs, OPCs, and FRCs are replacing the High and Medium Endurance Cutters, and Island-Class Patrol Boats. These modern assets will provide improved endurance, speed, sea-keeping, surveillance, and persistent presence in the offshore area of responsibility (AOR).

Vessels – PPA
Non Pay Budget Exhibits
Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$7,545	\$8,193	\$11,543	\$3,350
25.1 Advisory and Assistance Services	\$339,029	\$224,524	\$82,574	(\$141,950)
25.2 Other Services from Non-Federal Sources	\$181,197	\$197,393	\$1,922	(\$195,471)
25.3 Other Goods and Services from Federal Sources	-	-	\$29,045	\$29,045
26.0 Supplies and Materials	\$1,992	\$1,992	\$2,812	\$820
31.0 Equipment	\$779,667	\$812,449	\$749,204	(\$63,245)
Total - Non Pay Object Classes	\$1,309,430	\$1,244,551	\$877,100	(\$367,451)

Vessels – PPA
Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
National Security Cutter (NSC)	\$658,430	\$723,551	\$54,000	\$(669,551)
Offshore Patrol Cutter (OPC)	\$219,000	\$89,000	\$500,000	\$411,000
Fast Response Cutter (FRC)	\$340,000	\$340,000	\$240,000	\$(100,000)
Polar Icebreaker	\$6,000	\$6,000	\$19,000	\$13,000
Other Costs	\$86,000	\$86,000	\$64,100	\$(21,900)
Total – Non Pay Cost Drivers	\$1,309,430	\$1,244,551	\$877,100	\$(367,451)

NARRATIVE EXPLANATION OF CHANGES

National Security Cutter (NSC): Funds the FY 2018 need for continuation of the NSC acquisition, which provides increased endurance, intelligence, and maritime domain awareness capability over the legacy High Endurance Cutters. Funding continues support of Post Delivery Activities (PDA) for the sixth through eighth hulls, and other program-wide activities.

Offshore Patrol Cutter (OPC): Funds the FY 2018 need for continuation of the OPC acquisition, including construction of the first ship, and Long Lead Time Material (LLTM) for the second ship.

Fast Response Cutter (FRC): Funds the FY 2018 need for continuation of the FRC acquisition, including production of hulls 45-48 to replace legacy 110' patrol boats.

Polar Icebreaker: Funds modeling and tank testing, Request for Proposal (RFP) development and evaluation, and other pre-contract activities required to award a contract for Detail Design & Construction in FY 2019.

Other: Funds the FY 2018 need for In-Service Vessel Sustainment (ISVS), Cutter Boats, Survey and Design, and begins initial program funding for the Inland Waterways and Western Rivers Cutter.

Vessels – PPA
Capital Investment Exhibits

Capital Investment
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Offshore Patrol Cutter	N024-000006362	1	Procurement	Non-IT	Yes	\$219,000	\$89,000	\$500,000
Fast Response Cutter	N024-000006370	1	Procurement	Non-IT	Yes	\$340,000	\$340,000	\$240,000
National Security Cutter	N024-000006369	1	Procurement	Non-IT	Yes	\$658,430	\$723,551	\$54,000
Polar Icebreaker	N024-000006381	1	Procurement	Non-IT	Yes	\$6,000	\$6,000	\$19,000
In-Service Vessel Sustainment	N024-000006384	3	Procurement	Non-IT	Yes	\$68,000	\$68,000	\$60,500
Survey and Design - Vessels and Boats	N/A	Non-Major	Procurement	Non-IT	No	\$15,000	\$15,000	\$1,500
Inland Waterways and Western Rivers Tender	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$1,100
Cutter Boats	N/A	Non-Major	Procurement	Non-IT	No	\$3,000	\$3,000	\$1,000

*Survey and Design-Vessels and Boats – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****Survey and Design – Vessels and Boats****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Survey and Design - Vessels and Boats	N/A	Non-Major	Procurement	Non-IT	No	\$15,000	\$15,000	\$1,500

PPA Level II Description

Funds multi-year engineering survey and design work in direct support of emerging In-Service Vessel Sustainment (ISVS) projects. Preliminary survey and design work is essential to properly plan and scope sustainment availabilities, such as Midlife Maintenance Availabilities (MMA), Mission Effectiveness Projects (MEP), and Service Life Extension Projects (SLEP). As in-service vessels continue to age, this program conducts detailed hull condition surveys, along with engineering design work useful in identifying and planning future projects. This request provides funding to support exploratory initiatives related to potential vessel sustainment options for the 270-foot Medium Endurance Cutter (WMEC) fleet.

Justification

The 270-foot Medium Endurance Cutters are tasked with missions including search and rescue, enforcement of laws and treaties, and migrant interdiction. The 270-foot Medium Endurance Cutters began entering service in 1983. Although these vessels underwent a MEP from 2010-2014 to address systems that were degrading operational readiness, additional investment may be necessary in the future. Funds requested will be used to continue assessing potential options based on previous inspections of hull, mechanical, weapons, and electrical systems and subsystems. Specifically, assessments will evaluate system suitability for possible future sustainment projects.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$15,000	\$15,000	\$1,500
Research and Development				
Project Funding	\$25,327	\$15,000	\$15,000	\$1,500
Obligations	\$16,667	\$5,935	\$4,152	
Expenditures	\$13,676	\$9,723	\$2,487	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Survey and Design	FY16:Q1	FY19:Q4			\$15,000
FY 2017					
Survey and Design	FY17:Q1	FY19:Q4			\$6,500
FY 2018					
Survey and Design	FY18:Q1	FY20:Q4			\$1,500

*In-Service Vessel Sustainment – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****In-Service Vessel Sustainment (ISVS)****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
In-Service Vessel Sustainment	N024-000006384	3	Procurement	Non-IT	Yes	\$68,000	\$68,000	\$60,500

PPA Level II Description

FY 2018 funding supports program management activities and continues Service Life Extension Project (SLEP) efforts on the 140-foot Icebreaking Tugs (WTGB), CGC EAGLE, and 47-foot Motor Life Boat (MLB); continues Mid-Life Maintenance Availability (MMA) efforts on the 225-foot Seagoing Buoy Tender (WLB) fleet; and compliments survey and design efforts for potential future 270-foot Medium Endurance Cutter (WMEC) sustainment.

Justification

The In-Service Vessel Sustainment (ISVS) program provides program management and logistics support for life-cycle event vessel repair availabilities including Mid-Life Maintenance Availabilities (MMAs) and Service Life Extension Projects (SLEPs) on existing Coast Guard vessels.

MMAs ensure in-service vessels meet their design service life through the recapitalization of hull, mechanical, electrical (HM&E) and electronic systems that have been identified as the highest contributor to maintenance costs and operational availability degradation. Service Life Extension Projects increase in-service vessels service life without significantly modifying capabilities. The following projects currently make up the ISVS program:

140-foot Icebreaking Tugs (WTGBs): The lead ship in this class was placed in service in 1978 and has been in continuous service for 39 years. This ongoing sustainment program is the first to be performed on this fleet. Specific system upgrades and improvements include: propulsion plant; heating, ventilation, and air conditioning (HVAC) systems; installation of an engine room fire suppression system; boat launching davit replacement; and crew habitability improvements to meet current standards.

225-foot Seagoing Buoy Tenders (WLBs): This class was placed in service in 1996 and was designed to meet a 30-year service life. Achieving that service life is predicated upon a mid-life availability to address obsolescence of select engineering systems. The ongoing WLB MMA includes a stability assessment; electrical load analysis; upgrades to the machinery control system, controllable pitch propeller system, and HVAC systems; topside preservation; overhauls of deck equipment and weight handling gear; and crew habitability updates to meet current standards.

270-foot Medium Endurance Cutter (WMEC): This class began entering service in 1983 and underwent a MEP from 2010-2014 to address operational readiness degradation. Funds requested will compliment ongoing survey and design activities to help evaluate suitability for possible future induction into the ISVS program.

FY 2016 Key Milestone Events (Prior Year)

- Completed production work on the second 140-foot WTGB SLEP, continued production work on the third and began the fourth
- Completed Phase 2 of EAGLE SLEP, began production work on Phase 3
- Completed production work on the first 225-foot WLB and began the second
- Continued engineering work, and began pre-production efforts on the 47-foot MLB

FY 2017 Planned Key Milestone Events (Year of Execution)

- Complete production work on the third and fourth 140-foot WTGB SLEP and begin the fifth and sixth
- Complete Phase 3 of EAGLE SLEP and begin production work on Phase 4
- Complete production work on the second 225-foot WLB and begin production on the third and fourth
- Continue engineering work and pre-production efforts on the 47-foot MLB

FY 2018 Planned Key Milestone Events (Budget Year)

- Complete production work on the fifth and sixth 140-foot WTGB SLEP and begin the seventh and eighth
- Complete Phase 4 production work on EAGLE
- Complete production work on the third and fourth 225-foot WLBs and begin production on the fifth and sixth
- Complete engineering and pre-production efforts on the 47-foot MLB; release Request for Proposal & award 47-foot MLB SLEP contract

Funding History¹

<i>FY</i>	<i>\$K</i>	<i>Major Activity Associated with Appropriated Funding</i>
2013 & Prior	\$15,400	140' WTGB SLEP
2014	\$21,000	140' WTGB SLEP, 225' WLB Mid-Life, EAGLE SLEP Phase 1
2015	\$49,000	140' WTGB SLEP, EAGLE SLEP Phase 2, Continue 225' WLB Mid-Life, begin engineering work for 47-foot MLB sustainment project
2016	\$68,000	140' WTGB SLEP, EAGLE SLEP Phase 3, Continue 225' WLB Mid-Life, continue engineering work for 47-foot MLB sustainment project
2017 ²		
<i>Total</i>	<i>\$153,400</i>	<i>Funding received for FY 2012 through FY 2017</i>

¹ Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

² A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$68,000	\$68,000	\$60,500
Research and Development				
Project Funding	\$85,400	\$68,000	\$68,000	\$60,500
Obligations	\$79,887	\$59,706	\$21,256	
Expenditures	\$37,413	\$45,845	\$35,478	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Work is done primarily at the Coast Guard Yard; however, the 47-foot MLB contract will be competitively sourced in FY 2018.

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
140' WTGB SLEP			FY14:Q4	FY19:Q3	\$28,000
EAGLE SLEP			FY14:Q4	FY17:Q4	\$7,000
225' WLB MMA			FY15:Q4	FY25:Q4	\$29,000
47' MLB SLEP			FY15:Q4	FY26:Q4	\$4,000
FY 2017					
140' WTGB SLEP			FY14:Q4	FY19:Q3	\$32,000
EAGLE SLEP			FY14:Q4	FY17:Q4	\$7,000
225' WLB MMA			FY15:Q4	FY25:Q4	\$36,000
47' MLB SLEP			FY15:Q4	FY26:Q4	\$4,000
FY 2018					
140' WTGB SLEP			FY14:Q4	FY20:Q3	\$17,640
225' WLB MMA			FY15:Q4	FY25:Q4	\$42,360
270' WMEC Sustainment			FY18:Q1	FY22:Q4	\$500

*National Security Cutter – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****National Security Cutter (NSC)****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
National Security Cutter	N024-000006369	1	Procurement	Non-IT	Yes	\$658,430	\$723,551	\$54,000*

PPA Level II Description

This funding supports Post Delivery Activities (PDA) for the sixth through eighth NSCs that are necessary to make these cutters ready for operations, as well as Test and Evaluation, program execution, and close-out support to ensure an adequate and complete basis of technical and logistical material and information for full transition to sustainment.

*The 2018 request includes an Administrative Provision that would allow prior year funding appropriated for the production of the ninth National Security Cutter to be used for any costs incurred for the National Security Cutter program. . Following NSC 9 long lead time material (LLTM) and production contract awards, the Coast Guard estimates that reduced funding requirements for these contracts will result in a balance of \$25 million. If the Administrative Provision is enacted, the Coast Guard will use these excess funds to support other necessary NSC activities in 2018.

Justification

These Legend Class NSCs are replacing the legacy High Endurance Cutters (WHECs), built between 1967 and 1972. Compared to WHECs, NSCs provide increased endurance, intelligence, and maritime domain awareness capability in the offshore environment and better integration with the Department of Defense operations. The NSC, along with the Offshore Patrol Cutter (OPC), will comprise the Coast Guard's offshore response capability for the next 40 years, and is an essential element of DHS's layered security posture.

NSC missions are primarily focused on drug interdiction, fisheries enforcement, and defense readiness. NSCs also perform search and rescue; ports, waterways and coastal security; migrant interdiction; and serve as mobile command and control platforms for surge operations. Completion of the NSC program will improve long-term capacity and capability in the execution of long-range and

extended Coast Guard mission assignments offshore.

FY 2016 Key Milestone Events (Prior Year)

- Laid keel on NSC 7
- Completed Acceptance Trials for NSC 6
- Accomplished “Start Fabrication” milestone (first 100 tons constructed) for NSC 8
- Awarded Structural Enhancement Drydock Availability (SEDA) contract and commenced work on NSC 1
- Awarded NSC 9 LLTM

FY 2017 Planned Key Milestone Events (Year of Execution)

- Awarded NSC 9 production
- Delivered NSC 6
- Christened & Launched NSC 7
- Keel laying for NSC 8
- Complete SEDA on NSC 1
- Commence SEDA on NSC 2
- Accomplish “Start Fabrication” milestone (first 100 tons constructed) for NSC 9

FY 2018 Planned Key Milestone Events (Budget Year)

- Acceptance Trials for NSC 7
- Deliver NSC 7
- Christening & Launch of NSC 8
- Keel laying for NSC 9
- Complete SEDA on NSC 2

Funding History³

<i>FY</i>	<i>\$K</i>	<i>Major Activity Associated with Appropriated Funding</i>
2013 & Prior	\$3,819,191	NSC 6 Segment 2 LLTM & Production; NSC 4 PDA; NSC 7 Segment 1 LLTM
2014	\$535,562	NSC 7 Segment 2 LLTM & Production
	\$77,000	NSC 8 Segment 1 LLTM
2015	\$545,547	NSC 8 Segment 2 LLTM and Production
	\$61,000	NSCs 4-8 PDA
	\$20,000	SEDA
	\$6,300	sUAS A-Kit on first NSC, and initial program funding**
2016	\$628,430	NSCs 5-8 PDA, NSC 9 Production ⁴
	\$18,000	SEDA
	\$12,000	Continue installation and testing of sUAS on NSC**
2017 ⁵		
<i>Total</i>	<i>\$5,723,030</i>	<i>Funding received for FY 2002 through FY 2017</i>

** sUAS funding is requested under the Aircraft PPA beginning FY 2018.

³ Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

⁴ Available FY 2016 funds (est. \$25,000) following award of NSC 9 LLTM and production are proposed to meet the need in FY 2018 for program activities.

⁵ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$658,430	\$723,551	\$54,000
Research and Development				
Project Funding	\$5,064,599	\$658,430	\$723,551	\$54,000
Obligations	\$4,785,660	\$106,653	\$519,238	
Expenditures	\$3,495,308	\$381,678	\$263,383	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSCG23-11-C-2DB043 (NSC 5 Production)	Huntington Ingalls Industries (HII)	FPIF	09/2011	09/2011	03/2017	Yes	\$524,030
HSCG23-13-C-ADB014 (NSC 6 Production)	HII	FPIF	04/2013	04/2013	12/2017	Yes	\$510,012
HSCG23-13-C-ADB014 (NSC 7 LLTM)	HII	FFP	06/2013	06/2013	02/2018	No	\$85,667
HSCG23-13-C-ADB014 (NSC 7 Production)	HII	FPIF	03/2014	03/2014	02/2019	Yes	\$518,266
HSCG23-13-C-ADB014 (NSC 8 LLTM Segment 1)	HII	FFP	06/2014	06/2014	02/2019	No	\$88,493
HSCG23-13-C-ADB014 (NSC 8 Production)	HII	FPIF	3/2015	3/2015	02/2020	Yes	\$524,810
HSCG23-16-C-ADB016 (NSC 9 LLTM)	HII	FFP	08/2016	08/2016	09/2020	No	\$88,196
HSCG23-16-C-ADB-015 (SEDA NSC 1 & 2)	Vigor Marine (Seattle, WA)	FFP	02/2016	02/2016	09/2018	No	\$69,440
HSCG23-16-C-ADB016 (NSC 9 Production)	HII	FPIF	12/2016	12/2016	09/2021	Yes	\$526,800

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Structural Enhancement Drydock Availability	FY07:Q1	FY13:Q1	FY15:Q2	FY18:Q2	\$18,000
NSC Class Insurance Spares	FY02:Q4	FY04:Q1	FY16:Q1	FY17:Q4	\$10,000
NSC 5 PDA	FY02:Q4	FY04:Q1	FY11:Q4	FY17:Q3	\$13,335
NSC 6 PDA	FY02:Q4	FY04:Q1	FY13:Q2	FY19:Q1	\$41,010
NSC 7 PDA	FY02:Q4	FY04:Q1	FY14:Q2	FY21:Q4	\$6,643
NSC 8 PDA	FY02:Q4	FY04:Q1	FY15:Q2	FY21:Q4	\$2,412
sUAS	FY15:Q3	FY16:Q4	FY16:Q2	FY18:Q2	\$12,000
NSC 9 LLTM	FY02:Q4	FY04:Q1	FY16:Q1	FY20:Q4	\$94,000
NSC 9 Production	FY02:Q4	FY04:Q1	FY16:Q1	FY21:Q1	\$546,000
FY 2017					
NSC 4 PDA	FY02:Q4	FY04:Q1	FY16:Q1	FY17:Q4	\$2,096
NSC 5 PDA	FY02:Q4	FY04:Q1	FY11:Q4	FY17:Q3	\$4,490
NSC 6 PDA	FY02:Q4	FY04:Q1	FY13:Q2	FY19:Q1	\$19,057
NSC 7 PDA	FY02:Q4	FY04:Q1	FY14:Q2	FY21:Q4	\$58,520
NSC 8 PDA	FY02:Q4	FY04:Q1	FY15:Q2	FY21:Q4	\$14,204
Close-out/FOT&E/Program Support	FY02:Q4	FY04:Q1	FY17:Q1	FY21:Q4	\$22,633
sUAS	FY15:Q3	FY16:Q4	FY17:Q3	FY18:Q2	\$6,000
FY 2018					
NSC 6 PDA	FY02:Q4	FY04:Q1	FY13:Q2	FY19:Q1	\$2,322
NSC 7 PDA	FY02:Q4	FY04:Q1	FY14:Q2	FY21:Q4	\$7,947
NSC 8 PDA	FY02:Q4	FY04:Q1	FY15:Q2	FY21:Q4	\$49,803
Close-out/FOT&E/Program Support	FY02:Q4	FY04:Q1	FY17:Q1	FY21:Q4	\$18,928

*Offshore Patrol Cutter – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****Offshore Patrol Cutter (OPC)****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Offshore Patrol Cutter	N024-000006362	1	Procurement	Non-IT	Yes	\$219,000	\$89,000	\$500,000

PPA Level II Description

This funding supports construction of the lead OPC which is a significant milestone for the Department of Homeland Security and the Coast Guard in this critical recapitalization effort. In addition, these funds will support other elements associated with the lead ship including warranty, American Bureau of Shipping (ABS) services, outfitting materials, spares, system stock, supply support, Economic Price Adjustment (EPA), and Antecedent Liability (A/L). Remaining funds will support Program Office technical and project support for program-wide activities and the Ship Design Team; C4ISR and combat system development and integration support; training aids; test and evaluation efforts; logistics management and training development; preparation for post-delivery activities; licensing, development, and procurement of government furnished information and equipment; and Long Lead Time Material (LLTM) for OPC 2.

Justification

The OPC will replace the Coast Guard's fleet of Medium Endurance Cutters (WMECs) in accordance with the Coast Guard's recapitalization plan. The OPC is an essential element of the Department of Homeland Security's layered security strategy.

OPC missions may include ports, waterways, and coastal security; search and rescue; drug interdiction; migrant interdiction; living marine resource; other law enforcement; and elements of defense readiness. Similar to the legacy WMEC fleet, OPCs will be able to support contingency operations for emergency response and national security, if needed.

FY 2016 Key Milestone Events (Prior Year)

- Completed Phase I – Preliminary & Contract Design

- Received Technical, Management, and Price Proposals for Phase II and conducted source selection
- Awarded and commenced Phase II - Detail Design & Construction

FY 2017 Planned Key Milestone Events (Year of Execution)

- Procure LLTM for OPC 1
- Conduct Initial Critical Design Review
- Conduct Early Operational Assessment
- Commence Developmental Test and Evaluation – Phase I

FY 2018 Planned Key Milestone Events (Budget Year)

- Conduct Final Critical Design Review
- Conduct Production Readiness Review
- Begin construction of OPC 1
- Procure LLTM for OPC 2
- Continue Developmental Test and Evaluation – Phase I
- Commence Developmental Test and Evaluation – Phase II

Funding History⁶

<i>FY</i>	<i>\$K</i>	<i>Major Activity Associated with Appropriated Funding</i>
2013 & Prior	\$138,494	Program Management Office (PMO) and Ship Design Team (SDT) support, Phase I – Preliminary & Contract Design (P&CD)
2014	\$16,500	PMO/SDT deliverables review during P&CD
2015	\$20,000	PMO/SDT deliverables review during P&CD
2016	\$189,000	P&CD proposal evaluation, source selection and award of Detail Design
2017 ⁷		
<i>Total</i>	<i>\$363,994</i>	<i>Funding received for FY 2004 through FY 2017</i>

⁶ Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

⁷ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$219,000	\$89,000	\$500,000
Research and Development				
Project Funding	\$174,994	\$219,000	\$89,000	\$500,000
Obligations	\$154,865	\$116,436	\$7,953	
Expenditures	\$129,698	\$15,210	\$19,300	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSCG23-14-C-APC001 (Phase I Preliminary & Contract Design)	Bollinger Shipyards Lockport, LLC	Firm Fixed Price (FFP)	02/2014	02/2014	11/2015	No	\$21,950
HSCG23-14-C-APC002 (Phase I Preliminary & Contract Design)	Eastern Shipbuilding Group, Inc.	FFP	02/2014	02/2014	11/2015	No	\$21,975
HSCG23-14-C-APC003 (Phase I – Preliminary & Contract Design)	General Dynamics Bath Iron Works	FFP	02/2014	02/2014	12/2015	No	\$21,400
HSCG23-14-C-APC002 (Phase II – Detail Design)	Eastern Shipbuilding Group, Inc.	Fixed Price Incentive (Firm Target)	09/2016	09/2016	TBD	Yes	\$110,290

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Technical and Project Management			FY16:Q1	FY16:Q4	\$4,685
Design/Development	FY16:Q1	FY21:Q3			\$84,315
FY 2017					
Technical and Project Management			FY17:Q1	FY17:Q4	\$28,500
OPC 1 Long Lead Time Material			FY17:Q2	FY21:Q3	\$71,500
FY 2018					
Technical and Project Management			FY18:Q1	FY18:Q4	\$37,500
OPC 1 Production			FY18:Q3	FY21:Q3	\$412,500
OPC 2 Long Lead Time Material			FY18:Q3	FY22:Q3	\$50,000

*Fast Response Cutter – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****Fast Response Cutter (FRC)****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Fast Response Cutter	N024-000006370	1	Procurement	Non-IT	Yes	\$340,000	\$340,000	\$240,000

PPA Level II Description

This funding supports production of four Fast Response Cutters (FRC), associated contract line items, project management costs, Economic Price Adjustment (EPA), Antecedent Liability (A/L), Post Delivery Activities (PDA), Government Furnished Equipment (GFE), and logistics and technical support under the second option of the Phase II FRC production contract. The Phase II contract is structured with annual options for procurement of four, five, or six cutters.

Justification

The Sentinel Class FRCs are replacing the legacy 110-foot Island Class patrol boats, in accordance with the Coast Guard's recapitalization plan, and will similarly operate in the coastal zone. FRC missions include: Search and Rescue; Migrant Interdiction; Living Marine Resource Enforcement; Drug Interdiction; and Ports, Waterways and Coastal Security. FRCs provide enhanced capabilities over the 110-foot Island Class patrol boats including improved C4ISR capability and interoperability; stern launch and recovery (through sea state 4) of a 40-knot, 7-meter Over-the-Horizon cutter boat; a remotely-operated, gyro-stabilized MK38 Mod 2 25mm main gun; improved sea keeping; and enhanced crew habitability.

Other capabilities include:

- Shipboard migrant interdiction evolutions, including detection, tracking, interdiction, embarkation and disembarkation, administrative processing, and retention onboard;
- Patrolling areas where suspected illegal migrant, drug, or fisheries activities may occur, and dispatching boarding teams to suspect vessels and subsequently escorting them to their final disposition;

- Searching for, locating, and recovering distressed mariners, providing medical assistance or evacuation, and providing safe transport;
- Controlling damage to distressed vessels and other property, providing dewatering equipment and mechanical assistance, and towing disabled vessels.

FY 2016 Key Milestone Events (Prior Year)

- Delivered FRCs #15-19
- Awarded Phase II FRC production contract, including FRCs #33-38
- Commenced Final Operational Test and Evaluation
- Commenced Cost Estimating Baseline Document (CEBD) and PLCCE revisions

FY 2017 Planned Key Milestone Events (Year of Execution)

- Completed Final Operational Test and Evaluation
- Delivery of FRCs #20-25; award Option 1 under the Phase II production contract, including FRCs #39-44

FY 2018 Planned Key Milestone Events (Budget Year)

- Delivery of FRCs #26-30
- Award Option 2 under the Phase II production contract, including FRCs #45-48

Funding History⁸

<i>FY</i>	<i>\$K</i>	<i>Major Activity Associated with Appropriated Funding</i>
2013 & Prior	\$1,371,516	Base contract option plus associated CLINs, (includes DeKort Settlement)
2014	\$302,295	Option period 6 plus associated CLINs
2015	\$110,000	Option period 7 plus associated CLINs
2016	\$348,248	Phase II Base contract option plus associated CLINs, (includes \$8,247,840 in settlement funds from the 123-foot Island Class patrol boat modification program)
2017 ⁹		
<i>Total</i>	<i>\$2,132,059</i>	<i>Funding received for FY 2005 through FY 2017</i>

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$340,000	\$340,000	\$240,000
Research and Development				
Project Funding	\$1,783,811	\$340,000	\$340,000	\$240,000
Obligations	\$1,608,532	\$348,810	\$29,154	
Expenditures	\$1,072,987	\$152,405	\$140,842	

⁸ Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions, and applicable settlement funds.

⁹ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSCG23-08-C-2FR125 (Phase I)	Bollinger Shipyards, Inc.	Firm Fixed Price – Economic Price Adjustment (FFP-EPA)	9/2008	9/2008	9/2019	No	\$1,484,090
HSCG23-16-C-2FR625 (Phase II)	Bollinger Shipyards, Inc.	Firm Fixed Price – Economic Price Adjustment (FFP-EPA)	5/2016	5/2016	TBD	No	\$1,420,000

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Construction			FY16:Q3	FY19:Q3	\$340,000
FY 2017					
Construction			FY17:Q3	FY20:Q3	\$240,000
FY 2018					
Construction			FY18:Q3	FY21:Q3	\$240,000

*Cutter Boats – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****Cutter Boats****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Cutter Boats	N/A	Non-Major	Procurement	Non-IT	No	\$3,000	\$3,000	\$1,000

PPA Level II Description

This budget request continues funding for acquisition and production of multi-mission cutter boats – Long Range Interceptor (LRI) and Over the Horizon (OTH) – that will be fielded on the National Security Cutter (NSC). Specifically, this request funds production of two CB-OTH-IVs. It also funds boat Program Management Office (PMO) project, technical, and acquisition support for other assets, such as the Fast Response Cutter (FRC) and Offshore Patrol Cutter (OPC). Additionally, similar boat PMO support and expertise is provided to procure boats for Legacy Cutters, such as the Cutter Boat Large, and Coast Guard Stations Response Boat Small.

Justification

The boats program office supports procurement of boats throughout the Coast Guard for use on newly acquired assets, as well as replacement of legacy cutter and station-based boats, to ensure commonality across the operational community. The following assets are procured in direct support of the ongoing NSC acquisition:

- **CB-LRI-II:** The CB-LRI-II is a 35-foot cutter boat that provides enhanced capabilities compared to legacy cutter boats such as higher speeds, extended range, better sea-keeping, an enclosed cabin for crew protection, and greatly improved communications and connectivity to the parent cutter.
- **CB-OTH-IV:** The CB-OTH-IV is a 26-foot cutter boat that provides enhanced capabilities compared to legacy cutter boats. The CB-OTH-IV operates beyond sight of the parent cutter (over the horizon) to deploy boarding parties to pursue and interdict targets of interest, and perform Search and Rescue (SAR) operations.

FY 2016 Key Milestone Events (Prior Year)

- Order CB-OTH-IV #14-15
- Deliver CB-OTH-IV #12-13; CB-LRI-II #7

FY 2017 Planned Key Milestone Events (Year of Execution)

- Order CB-OTH-IV # 16-17 & CB-LRI-II #8-10
- Deliver CB-OTH-IV #14-15
- Program management to support cutter and small boat procurement

FY 2018 Planned Key Milestone Events (Budget Year)

- Order CB-OTH-IV # 18-19
- Deliver CB-OTH-IV # 16-17; CB-LRI-II #8-9
- Program management to support cutter and small boat procurement

Funding History¹⁰

<i>FY</i>	<i>\$K</i>	<i>Major Activity Funded by Net Appropriation</i>
2013 & Prior	\$28,484	Construction CB-OTH-IV #8-9 and CB-LRI-II #4-5
2014	\$3,000	Construction CB-OTH-IV #10-11 and CB-LRI-II #6
2015	\$4,000	Construction CB-OTH-IV #12-13 and CB-LRI-II #7
2016	\$3,000	Construction CB-OTH-IV #14-15 and CB-LRI-II #8
2017 ¹¹		
<i>Total</i>	<i>\$38,484</i>	<i>Funding received for FY 2002 through FY 2017</i>

¹⁰ Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

¹¹ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$3,000	\$3,000	\$1,000
Research and Development				
Project Funding	\$35,484	\$3,000	\$3,000	\$1,000
Obligations	\$31,225	\$1,801	\$395	
Expenditures	\$27,993	\$1,204	\$2,141	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSCG23-11-D-ACB014 (OTH-IV)	SAFE Boat Int'l, Inc.	Indefinite Delivery Indefinite Quantity/Firm Fixed Price(IDIQ/FFP)	06/11	09/11	06/18	No	\$58,900
HSCG23-12-D-ACB023 (LRI-II)	MetalCraft Marine, Inc.	IDIQ/FFP	06/12	06/12	06/17	No	\$10,200

Significant Changes to Investment since Prior Year Enacted

Ordering and delivery schedule for LRI-IIs #8-10 are revised to align with the NSC production and delivery schedule.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
CB-OTH-IV #14-15 (Production boats #13-14)			FY16:Q2	FY17:Q1	\$950
LRI-II #8 (Production boat #7)			FY16:Q3	FY17:Q2	\$1,000
Logistics, Engineering, Tech, & PM Support			FY16:Q1	FY17:Q4	\$1,050
FY 2017					
CB-OTH-IV #16-17 (Production boats #15-16)			FY17:Q3	FY18:Q1	\$900
LRI-II #9 and #10 (Production boats #8-9)			FY17:Q3	FY18:Q2	\$2000
Logistics, Engineering, Tech, & PM Support			FY17:Q1	FY18:Q4	\$550
PMO Support and Engineering updates/changes			FY17:Q2	FY18:Q2	\$550
FY 2018					
CB-OTH-IV #18-19 (Production boats #17-18)			FY18:Q3	FY19:Q1	\$900
PMO Support			FY18:Q1	FY18:Q4	\$100

*Polar Icebreaker – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****Polar Icebreaker****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Polar Icebreaker	N024-00006381	1	Procurement	Non-IT	Yes	\$6,000	\$6,000	\$19,000

PPA Level II Description

This request supports activities to complete and release a Request for Proposal (RFP) for Detail Design and Construction in FY 2018. Specifically, this funding supports program-wide activities including open water and ice tank model testing; review of Industry Studies contract deliverables; Integrated Program Office (IPO) and Ship Design Team (SDT) support; logistics and integration development for government furnished information and equipment; and additional modeling efforts to inform the evaluation and source selection process for the Detail Design & Construction RFP.

Justification

To support national interests in the Polar Regions and provide assured surface access in those ice-impacted waters, the Coast Guard is recapitalizing its heavy polar icebreaking fleet. The Program is pursuing efficient, timely, and cost-effective solutions towards this objective to manage and limit acquisition risks, optimize operational effectiveness, and minimize life-cycle costs.

The Program entered the “Need” phase at Acquisition Decision Event (ADE-0) in July 2012, and transitioned to the “Analyze/Select” phase (ADE-1) in June 2014. Currently, the Program is maturing the system specification, developing the RFP for Detail Design & Construction, and completing required documentation to transition to the “Obtain” phase - planned for early FY 2018. In July 2016, the Coast Guard established an Integrated Program Office with the Navy to continue efforts to accelerate the construction timeline and leverage the expertise and best practices from shipbuilding programs in both services. Based on this collaboration and lessons learned by the Navy, the Program was able to significantly mature the acquisition approach with the incorporation of Industry Studies to identify solutions to minimize cost, schedule, production and technology risks. Industry Studies are focusing on leveraging industry perspectives, existing vessel designs, and use of mature technology to inform the iterative development of the Heavy Polar Icebreaker

system specification. Future “Obtain” phase activities include award of a contract for Detail Design & Construction for the heavy polar icebreaker.

FY 2016 Key Milestone Events (Prior Year)

- Completed Operational Requirements Document
- Developed Industry Studies Request for Proposal (RFP)
- Continued Feasibility Studies, Alternatives Analysis, and industry engagement and collaboration with international stakeholders
- Commenced Indicative Design
- Commenced National Environmental Policy Act (NEPA) Study
- Held Industry Day with 93 companies and 48 one-on-one meetings
- Established an Integrated Program Office to leverage expertise across the government, and lessons learned in Navy shipbuilding programs
- Began drafting Detail Design & Construction RFP

FY 2017 Planned Key Milestone Events (Year of Execution)

- Released acquisition strategy to industry for feedback through a Request for Information (RFI)
- Released Industry Studies RFP
- Awarded five contracts for Industry Studies
- Released draft system specification for industry review and comment
- Commenced Ice Tank & Open Water model testing of indicative design
- Receive and review deliverables from Industry Studies
- Continue Feasibility Studies
- Continue refinement of Indicative Design(s)
- Complete Alternatives Analysis
- Continue industry engagement and collaboration with international stakeholders
- Complete acquisition documents in preparation for Acquisition Decision Event 2A/2B
- Mature Detail Design & Construction RFP

FY 2018 Planned Key Milestone Events (Budget Year)

- Complete Industry Studies
- Continue Feasibility Studies

- Finalize Indicative Design
- Continue industry engagement and collaboration with international stakeholders
- Continue NEPA Study
- Achieve Acquisition Decision Event 2A/2B
- Release final Detail Design & Construction RFP
- Continue model testing of Indicative Design
- Begin source selection for Detail Design & Construction contract

Funding History¹²

<i>FY</i>	<i>\$K</i>	<i>Major Activity Associated with Appropriated Funding</i>
2013	\$7,609	Pre-acquisition development activities
2014	\$2,000	Pre-acquisition development activities
2015	\$0	Pre-acquisition development activities supported by carryover
2016	\$6,000	Pre-acquisition development activities
	\$30,000	Industry Studies, Ice Tank Testing and modeling activities, and Program Management Office (PMO) and Ship Design Team (SDT) support. Note: These funds were provided through a reprogramming action that increased the total FY 2016 budget authority to \$36,000 to fund program activities during the FY 2017 Continuing Resolution.
2017 ¹³		
<i>Total</i>	<i>\$45,609</i>	<i>Funding received for FY 2013 through FY 2017</i>

¹² Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

¹³ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$6,000	\$ 6,000	\$19,000
Research and Development				
Project Funding	\$9,609	\$6,000	\$6,000	\$19,000
Obligations	\$5,846	\$5,165	\$28,284	
Expenditures	\$2,311	\$3,212	\$4,210	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSCG23-17-C-APB004 (Industry Studies)	Bollinger Shipyards	FFP	02/2017	02/2017	02/2018	No	\$3,990
HSCG23-17-C-APB010 (Industry Studies)	Fincantieri Marine Group	FFP	02/2017	02/2017	02/2018	No	\$3,998
HSCG23-17-C-APB011 (Industry Studies)	National Steel and Shipbuilding Company	FFP	02/2017	02/2017	02/2018	No	\$4,000
HSCG23-17-C-APB012 (Industry Studies)	Huntington Ingalls Inc	FFP	02/2017	02/2017	02/2018	No	\$3,999
HSCG23-17-C-APB013 (Industry Studies)	VT Halter Marine	FFP	02/2017	02/2017	02/2018	No	\$3,974

Significant Changes to Investment since Prior Year Enacted

The Coast Guard has made significant progress to refine an acquisition approach through the establishment of an Integrated Program Office with the Navy. In FY 2018, the Integrated Program Office plans to release an RFP for Detail Design & Construction and be prepared to competitively award a contract in FY 2019. Under this schedule, the Integrated Program Office is planning for delivery of the ship to the Coast Guard in 2023. The evolution of the approach results from additional analysis by the Coast Guard and Navy, the award of Industry Studies, and critical feedback from industry.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Project Management and Technical	FY14:Q1	FY16:Q4			\$500
Survey Design and Engineering	FY15:Q1	FY16:Q4			\$3,500
Acquisition Management Support	FY16:Q2	FY16:Q4			\$2,000
FY 2017					
Survey Design and Engineering			FY17:Q1	FY21:Q4	\$20,000
Project Management and Technical			FY17:Q1	FY21:Q4	\$17,600
Acquisition Management Support			FY17:Q1	FY21:Q4	\$20,000
Detail Design	FY18:Q3	FY23:Q2			\$90,000
FY 2018					
Survey Design and Engineering			FY18:Q1	FY22:Q4	\$6,000
Project Management and Technical			FY18:Q1	FY22:Q4	\$10,000
Acquisition Management Support			FY18:Q1	FY22:Q4	\$3,000

Inland Waterways and Western Rivers Cutter – PPA Level II

Capital Investment Exhibits

Procurement/Acquisition Programs

**Inland Waterways and Western Rivers Tender
Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Inland Waterways and Western Rivers Tender	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$1,100

PPA Level II Description

The Inland Waterways and Western Rivers Tenders program will evaluate materiel and non-materiel options to replace the capabilities provided by the current fleet of inland tenders and barges commissioned between 1944 and 1990. The current fleet is comprised of 75-foot, 100-foot, and 160-foot Inland Construction Tenders (WLIC); 65-foot and 100-foot Inland Buoy Tenders (WLI); and 65-foot and 75-foot River Buoy Tenders (WLR) that collectively average 56 years in age. Given the age and functionality of this fleet, funding supports initial Program Management Office (PMO) exploratory activities to replace this vital capability, including the potential for commercial services and alternative crewing options, as well as recapitalization alternatives.

Justification

These platforms that serve in the Nation’s inland waterways and western rivers provide vital services to the Marine Transportation System, and serve an important role in the movement of commerce by maintaining structures, beacons and buoys in the First, Fifth, Seventh, Eighth, Ninth, Thirteenth and Seventeenth Coast Guard Districts. In 2014 alone, approximately 600 million tons of cargo, worth an estimated \$230 billion, moved through the Marine Transportation System in the inland waterways and western rivers. Mariners and the shipping industry depend on fixed and floating Aids to Navigation (ATON) to safely navigate these waters and prevent accidents that could have significant environmental and/or economic impacts.

In addition to obvious age concerns and the associated equipment obsolescence issues, the legacy fleet presents other sustainment challenges, including hazardous materials as a result of asbestos and lead paint. Outdated technology and vessel designs have led to crew safety concerns, maintenance cost increases and non-compliance with environmental regulations. Finally, the vessels’ configuration does not allow the assignment of mixed gender crews in accordance with the Coast Guard’s workforce goals.

FY 2018 Planned Key Milestone Events (Budget Year)

- Program Management activities and project planning
- Analyze/Select phase documentation development including operational requirements and alternatives analysis

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements				\$1,100
Research and Development				
Project Funding				\$1,100
Obligations				
Expenditures				

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Significant Changes to Investment since Prior Year Enacted

New request.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
	FY 2016				
N/A					
	FY 2017				
N/A					
	FY 2018				
Program Management			FY18:Q1	FY22:Q4	\$1,100

Aircraft - PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
HC-144 Conversion/Sustainment	\$3,000	\$3,000	-	(\$3,000)
HC-27J Conversion/Sustainment	\$102,000	\$102,000	\$52,000	(\$50,000)
HC-130J Acquisition/Conversion/Sustainment	\$145,000	\$150,000	\$5,600	(\$144,400)
HH-65 Conversion/Sustainment	\$5,960	\$40,000	\$22,000	(\$18,000)
MH-60T Sustainment	-	-	\$2,500	\$2,500
Small Unmanned Aircraft Systems	-	-	\$500	\$500
Total	\$255,960	\$295,000	\$82,600	(\$212,400)
Discretionary - Appropriation	\$255,960	\$295,000	\$82,600	(\$212,400)

Aircraft - PPA
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$295,000		
Transfers & Reprogrammings	(\$24,040)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$15,000)		
Revised Enacted/Request	\$255,960	\$295,000	\$82,600
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$110,054	\$199,787	\$54,487
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$366,014	\$494,787	\$137,087
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$366,014	\$494,787	\$137,087
Obligations (Actual/Projections/Estimates)	\$171,227	\$440,300	\$58,782
Personnel: Positions and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Aircraft – PPA
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$295,000
Transfer Out	-	-	(\$5,000)
Transfer to other projects	-	-	(\$19,040)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$24,040)
Rescission of prior year balances	-	-	(\$10,000)
Rescission of prior year balances: HH-60 Conversion Projects	-	-	(\$5,000)
Total Rescissions	-	-	(\$15,000)
FY 2016 Revised Enacted	-	-	\$255,960
FY 2017 Annualized CR	-	-	\$295,000
FY 2018 Base Budget	-	-	-
HC-130J Acquisition/Conversion/Sustainment	-	-	\$5,600
HC-27J Conversion/Sustainment	-	-	\$52,000
HH-65 Conversion/Sustainment	-	-	\$22,000
MH-60T Sustainment	-	-	\$2,500
Small Unmanned Aircraft System	-	-	\$500
Total Investment Elements	-	-	\$82,600
FY 2018 Request	-	-	\$82,600
FY 2017 TO FY 2018 Change	-	-	(\$212,400)

PPA DESCRIPTION

The Aircraft PPA provides funding for recapitalization and sustainment of the Coast Guard's fleet of aircraft. It is comprised of fixed and rotary-wing aircraft sustainment projects.

The Coast Guard's fleet of fixed and rotary-wing aircraft supported within this program collectively performs all Coast Guard

missions in the Offshore, Coastal and Inland AORs. The land-based fixed-wing aircraft include the HC-144A, HC-130H/J and HC-27J aircraft. The Coast Guard's fleet of HC-144As and C-27Js provide medium-range fixed-wing capability. The Coast Guard's fleet of existing HC-130Hs and HC-130Js provide long-range surveillance fixed-wing capability. Each of these fixed-wing aircraft enables the Coast Guard to conduct airborne surveillance, detection, classification, and identification of vessels and other aircraft.

The Coast Guard's fleet of rotary-wing aircraft includes the H-60 and H-65 helicopters. The H-60 is a medium-range recovery helicopter, and the H-65 is a short-range recovery helicopter. Both aircraft are deployed from land-based air stations; the H-65 is also deployed routinely aboard the Coast Guard's fleet of NSCs, WHECs, and WMECs. Similarly, the Coast Guard will continue operational testing of small Unmanned Aircraft Systems (sUAS) onboard the NSC to assess effectiveness of these assets to fulfill unmanned air surveillance capability requirements.

Aircraft – PPA
Non Pay Budget Exhibits
Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$700	\$700	\$484	(\$216)
25.1 Advisory and Assistance Services	\$6,025	\$14,107	\$10,473	(\$3,634)
25.2 Other Services from Non-Federal Sources	\$18,451	\$18,451	\$1,460	(\$16,991)
25.3 Other Goods and Services from Federal Sources	\$81,000	\$84,000	\$40,000	(\$44,000)
26.0 Supplies and Materials	\$674	\$674	\$8,331	\$7,657
31.0 Equipment	\$149,110	\$177,068	\$21,852	(\$155,216)
Total - Non Pay Object Classes	\$255,960	\$295,000	\$82,600	(\$212,400)

Non Pay Cost Drivers
Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
HC-144 Conversion/Sustainment	\$3,000	\$3,000		(\$3,000)
HC-27J Conversion/Sustainment	\$102,000	\$102,000	\$52,000	(\$50,000)
HC-130J Acquisition/Conversion/Sustainment	\$145,000	\$150,000	\$5,600	(\$144,400)
HH-65 Conversion/Sustainment	\$10,960	\$40,000	\$22,000	(\$18,000)
Other Costs			\$3,000	\$3,000
Total Non Pay Cost Drivers	\$260,960	\$295,000	\$82,600	(\$212,400)

NARRATIVE EXPLANATION OF CHANGES

HC-144A: The HC-144A project manages the retrofit of the legacy Mission System and associated sensors with the Coast Guard variant of the U.S. Navy Minotaur system. No new funding is needed to continue activities planned for FY 2018.

HC-27J: This request funds the FY 2018 requirement for the ongoing HC-27J project, including continued mission system non-recurring engineering required to support air frame modifications, and continued funding for prototype and validation/verification aircraft.

HC-130J: This request funds the FY 2018 requirement for the ongoing HC-130J acquisition, including retrofit of the legacy Mission System and associated sensors with the Coast Guard variant of the U.S. Navy Minotaur system.

HH-65: This request funds the FY 2018 requirement for the ongoing HH-65 project, including reliability and sustainability improvements of obsolete components.

Other: This request funds the FY 2018 requirement for MH-60T Sustainment and small Unmanned Aircraft Systems (sUAS) carried on the NSC fleet.

Aircraft – PPA
Capital Investment Exhibits

Capital Investment
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
HC-27J Conversion/Sustainment	N024-000006364	1	Procurement	Non-IT	Yes	\$102,000	\$102,000	\$52,000
HH-65 Conversion/Sustainment	N024-000006366	1	Procurement	Non-IT	Yes	\$5,960	\$40,000	\$22,000
HC-130J Acquisition/Conversion/Sustainment	N024-000006382	1	Procurement	Non-IT	Yes	\$145,000	\$150,000	\$5,600
HC-144 Conversion/Sustainment	N024-000006364	1	Procurement	Non-IT	Yes	\$3,000	\$3,000	-
Small Unmanned Aircraft Systems	N024-000006404	3	Procurement	Non-IT	Yes	-	-	\$500
MH-60T Sustainment	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$2,500

HC-27J Conversion/Sustainment – PPA Level II

Capital Investment Exhibits

Procurement/Acquisition Programs

HC-27J Conversion/Sustainment

Acquisition, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
HC-27J Conversion/Sustainment	N024-000006364	1	Procurement	Non-IT	Yes	\$102,000	\$102,000	\$52,000

PPA Level II Description

This request funds the requirements to establish logistics for 14 newly acquired C-27J aircraft. Activities include C-27J Asset Project Office (APO) activities and support, logistics (including initial spares and equipment), training, and engineering studies to assess and resolve aircraft obsolescence issues. This request also funds continued missionization prototype development. Missionization activities include Non-Recurring Engineering (NRE), testing, structural modifications, mission system laboratory, and mission systems logistics.

Justification

The HC-27J is one of the Coast Guard’s medium-range surveillance (MRS) aircraft. The engines and propellers share commonality with Coast Guard’s HC-130J aircraft. The two-engine high-efficiency turboprop design allows extended surveillance and quick response capability. Once missionized, the HC-27J will be a multi-mission asset that performs Search and Rescue; Alien Migrant Interdiction Operations; Counter-Drug Operations; Ports, Waterways, and Coastal Security; Ice Operations; and Marine Environmental Protection missions, as well as cargo and personnel transport in support of the Department’s and Coast Guard missions.

FY 2016 Key Milestone Events (Prior Year)

- Continued APO operations
- Continued Contractor Logistics Support
- Continued airworthiness efforts coordinated with NAVAIR

- Continued aircraft regeneration and induction
- Continued procurement of logistics
- Began Non-Recurring Engineering (NRE) for aircraft missionization
- Commenced stand-up of first operational air station

FY 2017 Planned Key Milestone Events (Year of Execution)

- Continue APO operations
- Continue Contractor Logistics Support
- Continue airworthiness efforts coordinated with NAVAIR
- Continue aircraft regeneration and induction
- Continue procurement of logistics
- Continue NRE for aircraft missionization
- Commence missionization of prototype aircraft
- Complete stand-up of first operational air station
- Induct two aircraft into program depot maintenance (PDM) and develop PDM technical manuals
- Begin engineering studies to assess and resolve aircraft obsolescence

FY 2018 Planned Key Milestone Events (Budget Year)

- Continue APO operations
- Continue Contractor Logistics Support
- Continue airworthiness efforts coordinated with NAVAIR
- Continue aircraft regeneration and induction
- Continue procurement of logistics
- Continue NRE for aircraft missionization
- Continue missionization of prototype aircraft
- Continue engineering studies to assess, prototype, and resolve aircraft obsolescence

Funding History¹⁴

<i>FY</i>	<i>\$K</i>	<i>Major Activity Funded by Net Appropriation</i>
2014	\$24,900	Stand-up of Asset Project Office
2015	\$20,000	Spares, aircraft regeneration; NAVAIR airworthiness efforts coordination
2016	\$102,000	Logistics, spares, missionization NRE, begin transition of first AIRSTA
2017 ¹⁵		
<i>Total</i>	<i>\$146,900</i>	<i>Funding received for FY 2014 through FY 2017</i>

¹⁴ Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

¹⁵ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$102,000	\$102,000	\$52,000
Research and Development				
Project Funding	\$44,900	\$102,000	\$102,000	\$52,000
Obligations	\$27,186	\$68,667	\$29,927	
Expenditures	\$13,721	\$25,681	\$28,987	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
Multiple	Alenia N. America/ Alenia Aermacchi	FFP	Multiple 02/15 - 09/16	02/15	12/20	No	\$21,002
Multiple	NAVAIR	MIPR	Multiple 07/16 - 03/17	07/16	09/20	No	\$55,149
HSCG21-16-236-AMJ024	SOFSA	MIPR	08/16	08/16	08/17	No	\$1,639
HSCG23-15-X-000001	U.S. Forest Service	MIPR	12/14	12/14	06/18	No	\$2,305
HSCG23-15-P-AMJ001	Rolls Royce Corporation	FFP	05/15	05/15	05/17	No	\$1,526
HSCG23-17-P-N50016	Rockwell Collins	FFP	01/17	01/17	01/20	No	\$2,188
HCSG23-17-P-N50049	Rolls Royce	FFP	12/16	12/16	12/19	No	\$2,840

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Aircraft Regeneration and Induction			FY16:Q1	FY16:Q4	\$102,000
FY 2017					
Regeneration, logistics, and missionization			FY17:Q1	FY17:Q4	\$130,000
FY 2018					
Logistics and missionization			FY18:Q1	FY18:Q4	\$52,000

*HC-130J Acquisition/Conversion/Sustainment – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****HC-130J Acquisition/Conversion/Sustainment****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
HC-130J Acquisition/Conversion/Sustainment	N024-000006382	1	Procurement	Non-IT	Yes	\$145,000	\$150,000	\$5,600

PPA Level II Description

The HC-130J project includes acquisition of HC-130J aircraft, development and installation of the mission system, and logistics. Logistics include acquiring initial spares and support equipment to properly maintain the HC-130J aircraft at multiple locations. This request continues to fund the retrofit of legacy Mission System Suite (MSS) HC-130J aircraft with the Coast Guard variant of U.S. Navy Minotaur Mission System Suite + (MSS+). The upgrade will improve system performance, address obsolescence issues, improve cyber security of the mission system, and increase compatibility with Customs and Border Protection mission systems through conversion to the Department of Homeland Security (DHS) program of record mission system processor.

Justification

The HC-130J aircraft are replacing the aging Coast Guard HC-130H fleet. The HC-130J is a major contributor to performance of the Coast Guard's statutory missions with specific contributions to DHS and Coast Guard Programs of Maritime Law Enforcement, Maritime Response, Defense Operations, and Marine Transportation System Management.

FY 2016 Key Milestone Events (Prior Year)

- Completed CGNR-2007 & CGNR-2008 (MSS) install
- Completed SIPRnet design
- Completed CGNR-2003 MSS+ install on prototype aircraft
- Commenced CGNR-2003 MSS+ performance testing
- Commenced CGNR-2009 & CGNR-2008 MSS+ install

- CGNR-2010 through CGNR-2013 put on contract through USAF
- Commenced procurement of long lead spares to support stand-up of a second HC-130J unit

FY 2017 Planned Key Milestone Events (Year of Execution)

- Complete CGNR-2003 MSS+ performance testing
- Complete CGNR-2009 & CGNR-2008 MSS+ install
- Commence MSS+ install on 2 additional legacy aircraft TBD
- Accept baseline aircraft CGNR-2010 & commence MSS+ install
- Continue procurement of initial spares and equipment to support stand-up of a second HC-130J unit

FY 2018 Planned Key Milestone Events (Budget Year)

- Complete MSS+ install on 2 legacy aircraft TBD
- Complete CGNR-2010 MSS+ install
- Commence MSS+ install on 2 additional legacy aircraft TBD
- Accept baseline aircraft CGNR-2011 & commence MSS+ install
- Begin transition activities for second HC-130J operating site
- Complete procurement of initial spares and equipment to support stand-up of a second HC-130J unit

Funding History¹⁶

<i>FY</i>	<i>\$K</i>	<i>Major Activity Associated with Appropriated Funding</i>
2013 & Prior	\$333,888	HC-130H A1U and CWB, HC-130J #9/10 procurement and missionization; includes \$63.5M USAF appropriation transferred to USCG for HC-130J #9 baseline aircraft
2014	\$129,210	Procurement of HC-130J #11 & Mission System (MS) Installation, follow-on mission system development, spares, Observer Station
2015	\$103,000	Procurement and missionization of HC-130J #12; HC-130J spares
2016	\$145,000	Procurement and missionization of HC-130J #13, initial spares and equipment for second HC-130J site activation
2017 ¹⁷		
<i>Total</i>	<i>\$711,098</i>	<i>Funding received FY 2003 through FY 2017</i>

¹⁶ Table reflects net funding of combined HC-130J / LRS programs, appropriations received (+/-) reprogrammings and less rescissions.

¹⁷ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$145,000	\$150,000	\$5,600
Research and Development				
Project Funding	\$566,099	\$145,000	\$150,000	\$5,600
Obligations	\$499,219	\$83,602	\$54,018	
Expenditures	\$228,176	\$47,752	\$50,990	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSCG23-14-X-2DA023	USAF	MIPR	3/2014	4/2014	9/2018	No	\$66,000
HSCG23-15-X-2DA007	USAF	MIPR	5/2015	5/2015	6/2019	No	\$65,000
HSCG23-14-X-2DA018	USAF	MIPR	3/2014	3/2014	9/2017	No	\$65,000
HSCG23-15-X-2DA016	USAF	MIPR	6/2015	6/2015	6/2017	No	\$12,044
HSCG23-14-X-2DA008	NAWC-AD	MIPR	4/2014	4/2014	3/2018	No	\$11,318
HSCG23-15-C-2DA002	L-3 PID	FFP	9/2015	9/2015	9/2020	No	\$50,545
HSCG23-16-X-2DA004	USAF	FFP	4/2016	4/2016	9/2019	No	\$64,000

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Aircraft #13 & MSS+			FY18:Q2	FY20:Q4	\$95,000
Spares			FY16:Q1	FY16:Q4	\$55,000
FY 2017					
MSS+ Retrofit			FY17:Q1	FY19:Q1	\$9,800
Spares			FY17:Q2	FY17:Q4	\$11,000
FY 2018					
MSS+ Retrofit			FY18:Q1	FY20:Q1	\$5,600

*HH-65 Conversion/Sustainment – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****HH-65 Conversion/Sustainment****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
HH-65 Conversion/Sustainment	N024-000006366	1	Procurement	Non-IT	Yes	\$5,960	\$40,000	\$22,000

PPA Level II Description

The MH-65 program is comprised of eight Discrete Segments (DS). Each segment consists of upgrades and modernization of aging components and sub-systems necessary to sustain readiness, stabilize maintenance costs, and comply with Federal Aviation Administration safety requirements. The latest DS, DS8, provides funding to replace specific structural components to extend the usable service life of each airframe an additional 10,000 hours. DS1 (Re-Engine), DS2 (National Capital Region Air Defense (NCRAD)), DS3 (Airborne Use of Force (AUF)) and DS4 (Obsolete Component Modernization (OCM)) were fully funded through prior year appropriations. DS5 (Shipboard Handling, Securing and Traversing System (SHSTS)) and DS7 (Surface Search Radar) were canceled in FY 2012. The FY 2018 request will support Discrete Segment 6 (DS6) – Automatic Flight Control System (AFCS)/Avionics upgrades, and DS8 – Service Life Extension Project (SLEP), for the 102 program of record MH-65 helicopters.

Justification

This program continues modernization and sustainment of the Coast Guard's MH-65 helicopter fleet. The modernization effort includes reliability and sustainability improvements where obsolete components are replaced with modernized sub-systems, including an integrated cockpit and sensor suite.

FY 2016 Key Milestone Events (Prior Year)

- Continued DS6 (AFCS/Avionics) design and integration
- Continued Developmental Testing & Evaluation
- Completed Validation & Verification of the MH-65E

- Continued Operational Assessment of the MH-65E

FY 2017 Planned Key Milestone Events (Year of Execution)

- Continue DS6 (AFCS/Avionics) design and integration
- Continue Developmental Testing & Evaluation
- Continue Operational Assessment of the MH-65E
- Begin DS8 SLEP activities

FY 2018 Planned Key Milestone Events (Budget Year)

- Continue DS6 (AFCS/Avionics) design and integration
- Continue Developmental Testing & Evaluation
- Continue Operational Assessment of the MH-65E
- Continue planning and procurements to support DS8 SLEP activities

Funding History¹⁸

<i>FY</i>	<i>\$K</i>	<i>Major Activity Funded by Net Appropriation</i>
2013 & Prior	\$568,223	H-65 Conversion and Sustainment Program
2014	\$2,000	H-65 Conversion and Sustainment Program
2015	\$30,000	H-65 Conversion and Sustainment Program
2016	\$20,960	H-65 Conversion and Sustainment Program
2017 ¹⁹		
<i>Total</i>	<i>\$621,183</i>	<i>Funding received for FY 2002 through FY 2017</i>

¹⁸ Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

¹⁹ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$20,960	\$40,000	\$22,000
Research and Development				
Project Funding	\$600,223	\$20,960	\$40,000	\$22,000
Obligations	\$556,468	\$28,431	\$28,140	
Expenditures	\$533,960	\$21,625	\$12,238	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Coast Guard Aviation Logistics Center (ALC) is the integrator for the MH-65 program.

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
DS 6 (AFCS/Avionics) Obtain	FY10:Q3	FY16:Q1	FY12:Q1	FY21:Q4	\$40,000
FY 2017					
DS 6 (AFCS/Avionics) and DS8 (SLEP) Obtain	FY10:Q3	FY17:Q2	FY12:Q1	FY22:Q2	\$25,000
FY 2018					
DS6 (AFCS/Avionics) Production and DS8 (SLEP) Obtain	FY10:Q3	FY19:Q1	FY12:Q1	FY23:Q3	\$22,000

*MH-60T Sustainment – PPA Level II***Capital Investment Exhibits****Procurement/Acquisition Programs****MH-60T Sustainment****Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
MH-60T Sustainment	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$2,500

PPA Level II Description

The MH-60T is a multi-mission, Medium Range Recovery (MRR) airframe. The FY 2018 request provides initial funding to support a 10,000-hour Service Life Extension Project (SLEP) for the Coast Guard fleet of 45 MRR MH-60T helicopters. This SLEP will extend service life of MRR airframes into the mid-2030 time frame to align timing of Coast Guard recapitalization of these airframes with Department of Defense Future Vertical Lift acquisitions. SLEP activities will identify and replace time-limited structural and dynamic components required to extend service life of the airframes to 30,000 hours. Production activities will be performed concurrently with Programmed Depot Maintenance (PDM) at the CG Aviation Logistics Center (ALC).

Justification

This airframe complements the Short Range Recover (SRR) MH-65 helicopter in support of a 24/7 Search and Rescue and disaster recovery posture while also contributing to other Coast Guard missions such as Ports, Waterways, and Coastal Security; Marine Environmental Protection; Living Marine Resources; Drug Interdiction; Migrant Interdiction; and Other Law Enforcement.

FY 2018 Planned Key Milestone Events (Budget Year)

- Initiate the acquisition program and develop documentation

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements				\$2,500
Research and Development				
Project Funding				\$2,500
Obligations				
Expenditures				

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Coast Guard Aviation Logistics Center (ALC) will be the integrator for the MH-60T program.

Significant Changes to Investment since Prior Year Enacted

Initiates a new program.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
	FY 2016				
N/A					
	FY 2017				
N/A					
	FY 2018				
PMO Support/Service Life Extension Activities	FY18:Q1	FY21:Q3	FY18:Q1	FY26:Q4	\$2,500

Small Unmanned Aircraft Systems – PPA Level II

Capital Investment Exhibits

Procurement/Acquisition Programs

Small Unmanned Aircraft Systems (sUAS)

Acquisition, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Small Unmanned Aircraft Systems	N024-000006404	3	Procurement	Non-IT	Yes	-	-	\$500

PPA Level II Description

The sUAS is intended to address the NSC requirement for a persistent airborne surveillance capability, and will serve as an information, surveillance, and reconnaissance (ISR), platform for the cutter. This request will continue to fund the development and installation of sUAS capability on the National Security Cutter (NSC), to include engineering analysis, non-recurring engineering, procurement and installation of sUAS components, and system testing and certification.

Justification

The sUAS will address the NSC’s Key Performance Parameter (KPP) of daily flight time, which includes 12 hours of continuous unmanned flight operations.

FY 2016 Key Milestone Events (Prior Year)

- Completed installation and System Operation Verification Test (SOVT) of sUAS on CGC STRATTON

FY 2017 Planned Key Milestone Events (Year of Execution)

- Operate the sUAS prototype on CGCSTRATTON for two deployments
- Initiate and complete the Operational Assessment Report
- Initiate and complete ship checks for the second NSC and one alternate
- Initiate topside analysis for the second NSC
- Initiate drawing packages for the second NSC

- Release an RFP for sUAS for the NSC fleet

FY 2018 Planned Key Milestone Events (Budget Year)

- Continue prototype testing to inform the acquisition - Execute Option Period One (1) on the NAVAIR Multiple Award Contract for two 105-day deployments
- Award a contract to support sUAS on the NSC fleet
- Initiate the Installation and System Operational Verification Test (SOVT) of sUAS on the second NSC

Funding History²⁰

<i>FY</i>	<i>\$K</i>	<i>Major Activity Associated with Appropriated Funding</i>
2015	\$6,300	sUAS A-Kit on first NSC and initial program funding
2016	\$12,000	Continue installation and testing of sUAS on NSC
2017 ²¹		
<i>Total</i>	<i>\$18,300</i>	<i>Funding received for FY 2015 and 2017</i>

²⁰ FY15 and FY16 funding received under National Security Cutter (NSC) appropriation. Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

²¹ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$12,000*	\$12,000*	\$500
Research and Development				
Project Funding	\$6,300*	\$12,000*	\$12,000*	\$500
Obligations	\$5,608*	\$5,266*	\$917*	
Expenditures	\$453*	\$451*	\$3,180*	

*Note: Previous years funds were appropriated for sUAS within the NSC program.

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N00019-12-D-0011-0009	Insitu Inc.	FFP	06/15	06/15	12/20	No	\$4,506
HSCG23-17-C-2DAU01	Insitu Inc.	FFP	10/16	10/16	09/17	No	\$77

Significant Changes to Investment since Prior Year Enacted

Previous request for sUAS funds have been imbedded in the budget requests for the National Security Cutter (NSC) program.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
sUAS	FY15:Q3	FY16:Q4	FY16:Q2	FY18:Q2	\$12,000
FY 2017					
sUAS	FY15:Q3	FY16:Q4	FY17:Q3	FY18:Q2	\$6,000
FY 2018					
sUAS	FY15:Q3	FY16:Q4	FY18:Q1	FY18:Q4	\$500

*Other Acquisition Programs – PPA***Budget Comparison and Adjustments****Comparison of Budget Authority and Request***Dollars in Thousands*

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Other Equipment and Systems	-	-	\$4,000	\$4,000
Program Oversight and Management	\$17,220	\$20,000	\$15,000	(\$5,000)
C4ISR	\$32,977	\$36,600	\$22,000	(\$14,600)
Coast Guard Logistics Information Management System	\$7,658	\$8,500	\$9,800	\$1,300
Total	\$57,855	\$65,100	\$50,800	(\$14,300)
Discretionary - Appropriation	\$57,855	\$65,100	\$50,800	(\$14,300)

**Other Acquisition Programs – PPA
Budget Authority and Obligations**

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$65,100		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$7,245)		
Revised Enacted/Request	\$57,855	\$65,100	\$50,800
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$17,699	\$37,428	\$6,603
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$75,554	\$102,528	\$57,403
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$75,554	\$102,528	\$57,403
Obligations (Actual/Projections/Estimates)	\$45,371	\$95,924	\$52,421
Personnel: Positions and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Other Acquisition Programs – PPA
Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$65,100
FY16 Rescission	-	-	(\$4,465)
Rescission of prior year balances: Interagency Operations Centers	-	-	(\$800)
Rescission of prior year balances: Nationwide Automatic Identification System	-	-	(\$1,980)
Total Rescissions	-	-	(\$7,245)
FY 2016 Revised Enacted	-	-	\$57,855
FY 2017 Annualized CR	-	-	\$65,100
FY 2018 Base Budget	-	-	-
C4ISR	-	-	\$22,000
Coast Guard Logistics Information Management System	-	-	\$9,800
Other Equipment and Systems	-	-	\$4,000
Program Oversight and Management	-	-	\$15,000
Total Investment Elements	-	-	\$50,800
FY 2018 Request	-	-	\$50,800
FY 2017 TO FY 2018 Change	-	-	(\$14,300)

PPA DESCRIPTION

The Other Acquisition Programs PPA includes initial acquisition, development or construction or improvement of any system, hardware, software or equipment costing over \$250,000, or \$10 million total project cost. In FY 2018, funding will support continued progress on build-out of Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems, and CG-Logistics Information Management System (CG-LIMS). This PPA also provides funding for Program Oversight and Management (PO&M).

The Coast Guard leverages its C4ISR capability to effectively execute a broad mission set in an immensely challenging operating

environment. Assets are able to receive, evaluate and act upon information obtained through the systems supported in this program. The C4ISR project provides standardized capability to major cutters and aircraft, facilitating interoperability and information sharing. The CG-LIMS project is replacing redundant and obsolete logistics systems with a single integrated IT system capable of providing enhanced configuration management, supply support, and improved financial accountability. PO&M is critical for oversight and efficient execution of Coast Guard's acquisition programs.

Other Acquisition Programs – PPA

Non Pay Budget Exhibits

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$460	\$460	\$325	(\$135)
25.1 Advisory and Assistance Services	\$35,034	\$39,798	\$35,318	(\$4,480)
25.2 Other Services from Non-Federal Sources	\$22,233	\$24,714	\$3,650	(\$21,064)
25.3 Other Goods and Services from Federal Sources	-	-	\$7,391	\$7,391
26.0 Supplies and Materials	\$128	\$128	\$116	(\$12)
31.0 Equipment	-	-	\$4,000	\$4,000
Total - Non Pay Object Classes	\$57,855	\$65,100	\$50,800	(\$14,300)

**Other Acquisition Programs – PPA
Non Pay Cost Drivers**

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Other Equipment and Systems			\$4,000	\$4,000
Program Oversight and Management	\$18,020	\$20,000	\$15,000	(\$5,000)
C4ISR	\$32,977	\$36,600	\$22,000	(\$14,600)
Coast Guard Logistics Information Management System	\$7,658	\$8,500	\$9,800	\$1,300
Total – Non Pay Cost Drivers	\$58,655	\$65,100	\$50,800	(\$14,300)

NARRATIVE EXPLANATION OF CHANGES

Other Equipment and Systems: Funds the FY 2018 requirement for the procurement of end-use item equipment and systems to support a variety of Coast Guard missions.

Program Management and Oversight: Funds the FY 2018 requirement for activities associated with the transition of the Coast Guard's assets from acquisition to operations, including delivery, provision of logistics, training, and other services necessary to ensure seamless integration into the operational fleet.

C4ISR: Funds the FY 2018 requirement for the design, development, and information assurance posture of Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) integrated hardware and software systems on Coast Guard assets.

Coast Guard Logistics Information Management System (CG-LIMS): Funds the FY 2018 requirement for the development and delivery of the CG-LIMS, including continued configuration and phased deployment to Coast Guard operational assets and support facilities.

**Other Acquisition Programs – PPA
Capital Investment Exhibits**

Capital Investment
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
C4ISR	024-000006343	1	Procurement	IT	Yes	\$32,977	\$36,600	\$22,000
Coast Guard Logistics Information Management System	024-000006115	3	Procurement	IT	Yes	\$7,658	\$8,500	\$9,800
Program Oversight and Management	N/A	Non-Major	Procurement	Non-IT	No	\$17,220	\$20,000	\$15,000
Other Equipment and Systems	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$4,000

Other Equipment and Systems – PPA Level II

Capital Investment Exhibits

Procurement/Acquisition Programs

Other Equipment and Systems

Acquisition, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Other Equipment and Systems	N/A	Non-Major	Procurement	Non-IT	No	-	-	\$4,000

PPA Level II Description

The FY 2018 request funds the replacement of end-use equipment that supports operations, including vessel travel lifts, specialized test equipment for depot maintenance, and specialized vehicles (hazmat and fire response, snow removal, road maintenance, and mobile cranes).

Justification

This investment funds the procurement of end-use item equipment and systems expected to cost in excess of \$250,000. These items support a variety of Coast Guard missions, including training simulators and equipment that is used to support the operation and maintenance of vessels, aircraft, and infrastructure.

FY 2016 Key Milestone Events (Prior Year)

N/A

FY 2017 Planned Key Milestone Events (Year of Execution)

N/A

FY 2018 Planned Key Milestone Events (Budget Year)

N/A

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements			\$8,055	\$4,000
Research and Development				
Project Funding			\$8,055	\$4,000
Obligations			\$0	
Expenditures			\$0	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
N/A					
FY 2017					
SCANTS Replacement	FY17:Q1	FY17:Q3	FY17:Q4	FY17:Q4	\$4,500
Other Equipment Acquisition			FY17:Q1	FY17:Q4	\$3,555
FY 2018					
Other Equipment Acquisition			FY18:Q1	FY18:Q4	\$4,000

Program Oversight and Management - PPA Level II

Capital Investment Exhibits

Procurement/Acquisition Programs

Program Oversight and Management

Acquisition, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Program Oversight and Management	N/A	Non-Major	Procurement	Non-IT	No	\$17,220	\$20,000	\$15,000

PPA Level II Description

Provides funding for Program Oversight and Management (PO&M) activities associated with the transition of the Coast Guard’s assets from acquisition to operations, including delivery, provision of logistics, training and other services necessary to ensure seamless integration into the operational fleet.

Justification

The following FY 2018 activities are supported by PO&M funding:

PROCUREMENT	DESCRIPTION
Senior Oversight	Computer support, project management site visits, management support priorities and supplies.
Contract Operations	Contracting Officer (KO) contract specialist support for Major System Acquisition projects, Defense Contract Management Agency (DCMA)/ Defense Contract Audit Agency (DCAA) support services.
Acquisition Workforce Management	Program training, strategic & tactical human capital support, Sustainment/Acquisition-Composite Model (SACOM) support for staff levels, program management & acquisition support.
Acquisition Support	Program management, systems engineering, and acquisition management support.
Strategic Planning &	Strategic planning support, as required by the CG and DHS, communication management support,

PROCUREMENT	DESCRIPTION
Communication	external coordination support, required reports and responses.
Testing and Evaluation	Execution of Surface, Aviation, Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR), and Logistics development and testing programs.
Resource Management	Acquisition Performance Management System (APMS) support and software upgrade support, (SAS) renewal, capitalization & audit remediation support, internal controls support, and Life Cycle Cost Estimating (LCCE) support.
Acquisition Programs Oversight	Naval Sea Systems Command (NAVSEA) programmatic support, Naval Surface Warfare Center (NSWC) / NAVSEA direct-site support, program management support, and site visits.
Acquisition Programs – Aviation	Program management support to include administrative, business finance, accounting, risk management, schedule analysis, costs analysis; and site visits.
Acquisition Programs – Surface	Program management support to include administrative, business finance, accounting, risk management, schedule analysis, costs analysis; logistics support, and site visits.
Acquisition Programs – C4ISR	Program management support for program status control reporting, emerging issue resolution, cross domain issues, technical expertise; Integrated Product Team (IPT) support; and Major System Acquisition project coordinator at Space and Naval Warfare Systems Command (SPAWAR); and site visits.
Acquisition Programs Logistics	Program management support for surface & air assets, technical documentation, and performance management, and site visits.

FY 2016 Key Milestone Events (Prior Year)

N/A

FY 2017 Planned Key Milestone Events (Year of Execution)

N/A

FY 2018 Planned Key Milestone Events (Budget Year)

N/A

Funding History²²

<i>FY</i>	<i>\$K</i>	<i>Major Activity Funded by Net Appropriation</i>
2013 & Prior	\$443,028	Program Oversight and Management
2014	\$10,000	Program Oversight and Management
2015	\$18,000	Program Oversight and Management
2016	\$20,000	Program Oversight and Management; R21 Completion
2017 ²³		
<i>Total</i>	<i>\$491,028</i>	<i>Funding received for FY 2002 through FY 2017</i>

²² Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

²³ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$20,000	\$20,000	\$15,000
Research and Development				
Project Funding	\$471,029	\$20,000	\$20,000	\$15,000
Obligations	\$455,055	\$16,940	\$9,291	
Expenditures	\$441,449	\$15,383	\$8,467	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Program Oversight and Management			FY16:Q1	FY20:Q4	\$20,000
FY 2017					
Program Oversight and Management			FY17:Q1	FY21:Q4	\$20,000
FY 2018					
Program Oversight and Management			FY18:Q1	FY22:Q4	\$15,000

C4ISR - PPA Level II

Capital Investment Exhibits

Procurement/Acquisition Programs

C4ISR

Acquisition, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
C4ISR	024-000006343	1	Procurement	IT	Yes	\$32,977	\$36,600	\$22,000

PPA Level II Description

This program integrates and funds the design, development, and information assurance posture of Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) Integrated hardware and software systems on National Security Cutters (NSC), Offshore Patrol Cutters (OPC), the Polar Icebreaker (PIB), Fast Response Cutters (FRC), Long Range Surveillance (LRS) aircraft, and Medium Range Surveillance (MRS) aircraft. These assets are using interoperable C4ISR system designs to optimize lifecycle costs and operational effectiveness.

Justification

Funding supports the following activities:

- Development, integration, and back-fit of a Segment 2 suite for the next in-service NSC (delivered with Segment 1).
- Tailoring SEAWATCH for surface acquisition programs and legacy assets. Providing technical assistance for new acquisitions and in-service assets to ensure commonality.
- Technical assistance and engineering design management for the OPC, PIB, and 270-foot WMEC C4ISR and combat systems.
- Information Assurance (IA) / TEMPEST / Certification and Accreditation (C&A) expertise and documentation to newly acquired surface and aviation assets. New USCG assets must be delivered with Authority to Operate (ATO) through the Designated Approval Agency (DAA).
- The continued operation of C4ISR development labs and test & integration labs providing product suitability validation and proper network integration and readiness for platform acceptance and installation on surface assets.
- Necessary Diminishing Manufacturing Source (DMS) solutions for the test and integration labs and for assets in production.

- Logistics support providing analysis, development, and products to ensure operational capability and readiness of the C4ISR systems and interfaces, and their integration with USCG assets. This includes technical and training documentation, as well as the initial sparing analysis required to transition the C4ISR system baseline release to asset managers for platform installation, testing, and deployment.
- Engineering Change Proposals (ECPs) development includes software and systems engineering oversight, to accommodate capability upgrades and design modifications related to C4ISR while the asset is in production.
- Project execution support services for planning, development, engineering, configuration management, safety, and other required disciplines.

FY 2016 Key Milestone Events (Prior Year)*Aviation assets*

- Continued to coordinate and plan for obtaining ATO and TEMPEST certifications

Surface assets

- Completed back-fit Segment 2 suite on NSC-4
- Continued tailoring SEAWATCH for the OPC
- Assisted the NSC program with C4ISR testing and implementing engineering changes
- Assisted FRC and NSC programs with achievement of ATO and conducted TEMPEST inspections

Labs

- Operated verification labs to facilitate fielding of Segment 2 (new cutters)

FY 2017 Planned Key Milestone Events (Year of Execution)*Aviation assets*

- Continued to coordinate and plan for obtaining ATO and TEMPEST certifications

Surface assets

- Complete back-fit of Segment 2 suite on NSC 1 and 3
- Begin install of Segment 2 suite at Training Center Petaluma
- Continue tailoring SEAWATCH for the OPC
- Begin tailoring C4ISR and combat system elements for the OPC
- Assist the NSC and OPC programs with C4ISR testing and implementing engineering changes
- Assist FRC and NSC programs with achievement of ATO and conducting TEMPEST inspections

Labs

- Continue to operate verification labs to facilitate fielding of Segment 2 (new cutters)

FY 2018 Planned Key Milestone Events (Budget Year)

Aviation assets

- Continue to coordinate and plan for obtaining ATO and TEMPEST certifications

Surface assets

- Complete install of Segment 2 suite at Training Center Petaluma
- Continue tailoring SEAWATCH for the OPC
- Begin tailoring SEAWATCH and C4ISR system elements for the PIB
- Continue tailoring C4ISR and combat system elements for the OPC
- Assist the NSC and OPC programs with C4ISR testing and implementing engineering changes
- Assist FRC and NSC programs with achievement of ATO and conducting TEMPEST inspections

Labs

- Continue to operate verification labs to facilitate fielding of Segment 2 (new cutters)
- Continue to operate labs to facilitate major block upgrades on legacy assets and new capability design and development on surface assets

Funding History²⁴

<i>FY</i>	<i>\$K</i>	<i>Major Activity Funded by Appropriation</i>
2013 & Prior	\$ 729,717	NSC, MPA/MSP Segment 2; Cutter Segment 5; FRC, OPC IA support
2014	\$ 40,226	NSC, MPA/MSP Segment 2; Cutter Segment 5; FRC, OPC IA support
2015	\$ 36,300	NSC Segment 2 procurement; FRC, OPC IA support; OPC SEAWATCH tailoring
2016	\$ 36,600	NSC Segment 2 procurement, development, integration; FRC, OPC IA support; OPC SEAWATCH tailoring
2017 ²⁵		
<i>Total</i>	\$ 842,843	<i>Funding received for FY 2002 through FY 2017</i>

²⁴ Table reflects net funding, appropriations received (+/-) reprogrammings and less rescissions.

²⁵ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Segment 1 developed a closed and complex C4ISR baseline for NSCs, HC-144As, and HC-130Js. Developed through the Integrated Coast Guard Systems (ICGS) contractor, this system is proprietary and does not provide the Coast Guard the ability to manage additional development outside of the prime contractor, nor does it allow for an affordable method of software sustainment. Segment 1 is fully fielded.

Segment 2 began the transition of the proprietary system developed in Segment 1 towards an open architecture owned and controlled by the Coast Guard. It separated the Segment 1 design into modular, scalable, functional components with clear interfaces allowing the Coast Guard to manage changes and sustain the system separate from the prime contractor. Segment 2 establishes a common baseline across the NSC, HC-144A, and HC-130J assets.

Segment 5 (Upgrades to existing assets) - *In-Service Cutters*: 210ft and 270ft Medium Endurance Cutter (MEC); 378ft High Endurance Cutter (HEC); *Shore Facilities*: Communications Area Master Stations (CAMS); Training Center Petaluma; Communication Stations (COMMSTAs).

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$36,600	\$36,600	\$22,000
Research and Development				
Project Funding	\$806,243	\$36,600	\$36,600	\$22,000
Obligations	\$785,899	\$18,951	\$16,487	
Expenditures	\$729,264	\$34,694	\$12,191	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSCG23-17-C-AC4138	Lockheed Martin	CPFF	11/2016	11/2016	11/2017	No	\$9,000
HSCG23-17-C-AC4139	Lockheed Martin	T&M	11/2016	11/2016	11/2017	No	\$21,000

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Aviation Information Assurance			FY11:Q3	FY26:Q4	\$300
Segment 2 Block B: NSC			FY12:Q1	FY19:Q4	\$32,100
New Asset Acquisition Support: OPC			FY14:Q1	FY26:Q4	\$3,500
New Asset Acquisition Support: FRC			FY09:Q1	FY26:Q4	\$700
FY 2017					
Aviation Information Assurance			FY11:Q3	FY26:Q4	\$200
Segment 2 Block B: NSC			FY12:Q1	FY19:Q4	\$20,900
New Asset Acquisition Support: OPC			FY14:Q1	FY26:Q4	\$2,500
New Asset Acquisition Support: FRC			FY09:Q1	FY26:Q4	\$700
FY 2018					
Aviation Information Assurance			FY11:Q3	FY26:Q4	\$200
Segment 2 Block B: NSC			FY12:Q1	FY19:Q4	\$18,000
New Asset Acquisition Support: OPC			FY14:Q1	FY26:Q4	\$2,500
New Asset Acquisition Support: FRC			FY09:Q1	FY26:Q4	\$500
New Asset Acquisition Support: PIB			FY18:Q1	FY26:Q4	\$800

Coast Guard Logistics Information Management System – PPA Level II

Capital Investment Exhibits

Procurement/Acquisition Programs

Coast Guard Logistics Information Management System (CG-LIMS)

Acquisition, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Coast Guard Logistics Information Management System	024-000006115	3	Procurement	IT	Yes	\$7,658	\$8,500	\$9,800

PPA Level II Description

This program modernizes and unifies the Coast Guard’s logistics system. Funding continues the development and delivery of the Coast Guard Logistics Information Management System (CG-LIMS) configuration and phased deployment to Coast Guard operational assets and support facilities. Specifically, the funding continues to support configuration and testing of the Segments 1 (Configuration Management and Maintenance Management), 2 (Supply Chain Management) and 3 (Technical Information Management) functionality and will also support the implementation of CG-LIMS for aircraft, surface, and shore facility product lines.

Justification

CG-LIMS:

- Directly supports the Coast Guard modernization goal of a unified logistics system that improves mission-readiness, operational effectiveness, and decision-making by enabling decision support at the enterprise and tactical level;
- Enables product line management by providing total asset visibility throughout the enterprise;
- Will be the tool through which all maintenance is managed and how the enterprise supply chain is driven;
- Will organize and manage all technical information relating to Coast Guard assets, including technical publications and manuals, drawings, maintenance procedures, and maintenance data in the system;
- Will tightly integrate and configure the components of configuration management, maintenance management, supply chain management, and technical information management to allow efficient execution of a standardized business process.

CG-LIMS is planned for phased implementation by segments, as follows:

Segment	Functionality That Will Be Provided
1	Configuration Management and Maintenance Management (CM and MM)
2	Supply Chain Management (SCM)
3	Technical Information Management (TIM)

FY 2016 Key Milestone Events (Prior Year)

- Continued development of Segments 1 CM/MM, 2 SCM, and 3 TIM
- Initiated development of interface and integration with Coast Guard Financial Systems
- Continued CG-LIMS deployment to operational units
-

FY 2017 Planned Key Milestone Events (Year of Execution)

- Continue development of Segments 1 CM/MM and 2 SCM
- Complete development of Segment 3 TIM (Air and C4ISR assets)
- Continue development of interfaces and integration with Coast Guard Financial Systems
- Continue CG-LIMS deployment to operational units
-

FY 2018 Planned Key Milestone Events (Budget Year)

- Continue development of Segments 1 CM/MM and 2 SCM
- Initiate development of Segment 3 TIM (Shore assets;
- Continue development and testing of interfaces and integration with Coast Guard Financial Systems
- Continue CG-LIMS deployment to operational units

Funding History²⁶

<i>FY</i>	<i>\$K</i>	<i>Major Activity Funded by Net Appropriation</i>
2013 & Prior	\$29,432	CG-LIMS Configuration and testing of Segments 1-3 functionality
2014	\$1,650	CG-LIMS Configuration and testing of Segments 1-3 functionality; implementation of Segments 1-3 functionality to USCG operational units
2015	\$5,000	CG-LIMS Configuration and testing of Segments 1-3 functionality; implementation of Segments 1-3 functionality to USCG operational units; initiate development of interface with USCG financial management system.
2016	\$8,500	CG-LIMS Configuration and testing of Segments 1-3 functionality; implementation of Segments 1-3 functionality to USCG operational units; continue development of interfaces and integration with USCG Financial Systems
2017 ²⁷		
<i>Total</i>	<i>\$44,582</i>	<i>Funding received for FY 2008 through FY 2017</i>

²⁶ Table reflects net funding, appropriations received (+/-) reprogrammings, transfers and less rescissions.

²⁷ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Overall Investment Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$8,500	\$8,500	\$9,800
Research and Development				
Project Funding	\$33,469	\$8,500	\$8,500	\$9,800
Obligations	\$30,234	\$6,942	\$2,663	
Expenditures	\$27,504	\$5,526	\$2,796	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
HSCG23-16-F-ADL002	Mythics	FFP	03/2016	03/2016	03/2018	No	\$9,863
HSCG23-16-J-ADL003	ISHPI Information Technologies	FFP	08/2016	08/2016	06/2018	No	\$2,030

Significant Changes to Investment since Prior Year Enacted

No significant changes.

PPA Level II Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
CG-LIMS Development			FY08:Q2	FY18:Q2	\$8,500
FY 2017					
CG-LIMS Development			FY08:Q2	FY22:Q4	\$7,000
FY 2018					
CG-LIMS Development			FY08:Q2	FY22:Q4	\$9,800

*Shore Facilities and Aids to Navigation (ATON) – PPA***Budget Comparison and Adjustments****Comparison of Budget Authority and Request***Dollars in Thousands*

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Major Shore, Housing, ATON, Survey and Design	\$135,800	\$145,600	\$10,000	(\$135,600)
Major Acquisition Systems Infrastructure	\$52,000	\$52,000	\$60,000	\$8,000
Minor Shore	\$5,000	\$5,000	\$5,000	-
Total	\$192,800	\$202,600	\$75,000	(\$127,600)
Discretionary - Appropriation	\$192,800	\$202,600	\$75,000	(\$127,600)

**Shore Facilities and Aids to Navigation – PPA
Budget Authority and Obligations**

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$202,600		
Transfers & Reprogrammings	(\$9,800)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$192,800	\$202,600	\$75,000
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$50,580	\$192,302	\$128,455
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$243,380	\$394,902	\$203,455
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$243,380	\$394,902	\$203,455
Obligations (Actual/Projections/Estimates)	\$49,073	\$266,447	\$106,218
Personnel: Positons and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Shore Facilities and Aids to Navigation – PPA Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$202,600
Transfer Out	-	-	(\$9,800)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$9,800)
FY 2016 Revised Enacted	-	-	\$192,800
FY 2017 Annualized CR	-	-	\$202,600
FY 2018 Base Budget	-	-	-
Major Acquisition Systems Infrastructure	-	-	\$60,000
Major Shore, Housing, ATON, Survey and Design	-	-	\$10,000
Minor Shore	-	-	\$5,000
Total Investment Elements	-	-	\$75,000
FY 2018 Request	-	-	\$75,000
FY 2017 TO FY 2018 Change	-	-	(\$127,600)

PPA DESCRIPTION

The Shore Facilities and Aids to Navigation (ATON) PPA supports survey and design, and provides for the recapitalization, construction, rebuilding, and improvement of the Coast Guard's shore facilities, military housing, ATON and related equipment. Shore facilities support all Coast Guard operations and address the shore-side needs of the service's operational communities. This funding also provides infrastructure upgrades to homeport new assets and will ensure these facilities are fully functional and ready prior to arrival of new assets.

Shore Facilities and Aids to Navigation – PPA

Non Pay Budget Exhibits

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$40	\$40	\$15	(\$25)
23.3 Communications, Utilities, and Misc. Charges	-	-	\$25	\$25
25.1 Advisory and Assistance Services	\$4,520	\$4,520	-	(\$4,520)
25.2 Other Services from Non-Federal Sources	\$822	\$822	\$25	(\$797)
25.3 Other Goods and Services from Federal Sources	-	-	\$2,650	\$2,650
32.0 Land and Structures	\$187,418	\$197,218	\$72,285	(\$124,933)
Total - Non Pay Object Classes	\$192,800	\$202,600	\$75,000	(\$127,600)

Shore Facilities and Aids to Navigation – PPA**Non Pay Cost Drivers***Dollars in Thousands*

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Major Shore, Housing, ATON, Survey and Design	\$135,800	\$145,600	\$10,000	(\$135,600)
Major Acquisition Systems Infrastructure	\$52,000	\$52,000	\$60,000	\$8,000
Minor Shore	\$5,000	\$5,000	\$5,000	
Total – Non Pay Cost Drivers	\$192,800	\$202,600	\$75,000	(\$127,600)

NARRATIVE EXPLANATION OF CHANGES

Major Shore, Housing, ATON, Survey and Design: Funds the FY 2018 requirement for major AC&I shore facility and housing construction, replacement, upgrade or improvement projects; construction and improvements to buoys and structures assisting navigation on Federal waterways; and survey and design required for future year AC&I shore projects.

Major Acquisition Systems Infrastructure: Funds the FY 2018 requirement for shore facility infrastructure modifications, upgrades, and new construction associated with homeporting new or modified cutters, boats, and aircraft.

Minor Shore: Funds the FY 2018 requirement for minor shore facility construction projects.

**Shore Facilities and Aids to Navigation – PPA
Capital Investment Exhibits**

Capital Investment
Dollars in Thousands

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Major Acquisition Systems Infrastructure	N/A	Non-Major	Construction	Non-IT	No	\$52,000	\$52,000	\$60,000
Major Shore, Housing, ATON, Survey and Design	N/A	Non-Major	Construction	Non-IT	No	\$135,800	\$145,600	\$10,000
Minor Shore	N/A	Non-Major	Construction	Non-IT	No	\$5,000	\$5,000	\$5,000

Major Shore, Housing, ATON, Survey and Design – PPA Level II

Capital Investment Exhibits

Construction

**Major Shore, Housing, ATON, Survey and Design
Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Major Shore, Housing, ATON, Survey and Design	N/A	Non-Major	Construction	Non-IT	No	\$135,800	\$145,600	\$10,000

Construction Description

This program includes major AC&I shore facility and housing construction, replacement, upgrade or improvement projects; construction and improvements to buoys and structures assisting navigation on Federal waterways; and survey and design required for future year AC&I shore projects. Funding in FY 2018 supports the following facility and infrastructure construction, replacement, upgrade and/or improvement projects:

- Provide Permanent Boat Maintenance, Waterfront, and Support Facilities – Station Vallejo, CA. Project replaces existing maintenance and storage facility co-located with temporary station facilities that are being replaced with funding provided in FY 2016. This project also includes shore power modifications, protection of waterfront, and associated base infrastructure to provide a permanent footprint to support small boat operations at Station Vallejo, CA.
- Recapitalize Runway Lighting System – Elizabeth City, NC. Project replaces the existing outdated and difficult to maintain runway lighting system for the Coast Guard’s Airfield in Elizabeth City, NC. The current system is plagued with obsolescence, having been installed in 1966 and maintained as long as possible. This project will replace the existing system with a state-of-the market airfield lighting system and ensure aircraft operations can continue safely from this location.
- Provide Waterways and Aids to Navigation (ATON) Infrastructure. Project establishes, maintains, and improves transportation safety on Federal waterways through construction and improvements to buoys and structures that assist in navigation. Waterways

infrastructure projects address requirements related to U.S. Army Corps of Engineers (USACE) activity and to repair/replace aging or damaged aids to navigation including work related to ranges that result from the USACE dredging projects.

- Provide Shore Infrastructure Survey and Design. Activities support the shore infrastructure planning process by funding engineering studies and analyses, master plans, NEPA/Environmental studies, soil classification, real property and land acquisition. Also included are project development concepts including waterfront studies, design initiatives, and rough order of magnitude estimates. The projects supported by these efforts contribute to mission support and sustainment of front-line units.

Justification

This request supports Coast Guard shore facility infrastructure, which includes recapitalizations, modifications, upgrades, and new construction associated with execution of Coast Guard operations by cutters, boats, and aircraft, as well as shore forces, command and control, logistics, training, and personnel support. The request provides necessary investment to address the Coast Guard's highest priority shore plant requirements.

Overall Construction Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$135,800	\$145,600	\$10,000
Research and Development				
Project Funding	\$45,580	\$135,800	\$145,600	\$10,000
Obligations	\$12,550	\$18,450	\$12,408	
Expenditures	\$4,639	\$8,470	\$1,546	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Significant Changes to Construction since Prior Year Enacted

No significant changes.

Construction Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Facilities			FY16:Q1	FY18:Q4	\$131,300
Engineering/Environmental Studies			FY16:Q1	FY18:Q4	\$4,500
FY 2017					
Facilities			FY17:Q1	FY19:Q4	\$16,600
Engineering/Environmental Studies			FY17:Q1	FY19:Q4	\$1,500
FY 2018					
Facilities			FY18:Q1	FY20:Q4	\$9,500
Engineering/Environmental Studies			FY18:Q1	FY20:Q4	\$500

Major Acquisition Systems Infrastructure – PPA Level II

Capital Investment Exhibits

Construction

**Major Acquisition Systems Infrastructure (MASI)
Acquisition, Construction, and Improvements Funding**

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Major Acquisition Systems Infrastructure	N/A	Non-Major	Construction	Non-IT	No	\$52,000	\$52,000	\$60,000

Construction Description

This program supports shore facility infrastructure modifications, upgrades, and new construction associated with homeporting new or modified cutters, boats, and aircraft. Funding in FY 2018 completes the following facility upgrades and infrastructure improvements:

- Pier, support facility, shore-power modifications, and associated base infrastructure improvements to support the FRC Homeports at Apra Harbor, Guam and Astoria, Oregon. These homeports will accommodate a total of five FRCs. The funding will support the design and construction of homeport facility additions, improvements, real property acquisition, and renovations in Guam and Oregon; provides improvements such as electrical and other shore-tie upgrades; dredging to accommodate deeper drafts where necessary; structural improvements to the piers and wharfs to accommodate larger loads; relocation and/or incorporation of existing operational and support functions, both waterfront and shore side, for proximity and constructability; and shore side facilities for storage, maintenance, and other in-port activities associated with the arrival of the new FRCs. These locations are essential to the overall operational force lay-down and need to be modified in order to accommodate the FRCs. This funding also provides for facilities to meet asset delivery schedules and threshold facilities requirements based on FRC dimensions, shore-tie requirements, operational needs, crewing status, and maintenance schedules.
- Provide program support and engineering, environmental, and feasibility studies and analyses for future-year facilities projects covered under this acquisition program. This funding is necessary to establish up to a 5-year window of planning documents in order to properly budget for force location decisions in association with future asset deliveries; more effectively integrate sitting decisions

for different classes of cutters and aircraft over the long-term planning horizon; and cover any support contracts necessary to maintain the day-to-day functions, oversight, support, and management of this appropriation.

Justification

This program supports shore facility infrastructure modifications, upgrades, and new construction associated with homeporting new or modified cutters, boats, and aircraft. The program also supports infrastructure modifications, upgrades, and new construction to provide logistics, maintenance, and training support for new or modified cutters, boats, and aircraft.

Overall Construction Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$52,000	\$52,000	\$60,000
Research and Development				
Project Funding	\$455,422	\$52,000	\$52,000	\$60,000
Obligations	\$432,547	\$29,152	\$27,574	
Expenditures	\$421,190	\$8,496	\$3,497	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

All Major Acquisition Systems Infrastructure (MASI) projects are executed by the Coast Guard with technical oversight provided by the Shore Infrastructure Logistics Center, the Facilities Design and Construction Center, and Civil Engineering Units located around the United States. Each project is contracted to a construction contractor for execution.

Significant Changes to Construction since Prior Year Enacted

No significant changes.

Construction Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Facilities			FY16:Q1	FY18:Q4	\$50,500
Engineering/Environmental Studies			FY16:Q1	FY18:Q4	\$1,500
FY 2017					
Facilities			FY17:Q1	FY19:Q4	\$26,500
Engineering/Environmental Studies			FY17:Q1	FY19:Q4	\$1,500
FY 2018					
Facilities			FY18:Q1	FY20:Q4	\$58,000
Engineering/Environmental Studies			FY18:Q1	FY20:Q4	\$2,000

Minor Shore – PPA Level II

Capital Investment Exhibits

Construction

Minor Shore

Acquisition, Construction, and Improvements Funding

Investment	Unique Item Identifier	Acquisition Level	Procurement / Construction	IT/Non-IT	MAOL	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget
Minor Shore	N/A	Non-Major	Construction	Non-IT	No	\$5,000	\$5,000	\$5,000

Construction Description

Funds will be used to complete minor projects that have cost estimates which exceed the construction authority provided in the Operating Expense appropriation. For example, this may include:

- Emergency repairs with cost estimates greater than 50 percent of replacement value;
- Minor facility improvements, which cost more than one million dollars, that are needed to adapt to changing/increasing missions.

Justification

Provides funds to complete minor AC&I shore facility construction projects. These projects are typically less complex and require less advance planning than major shore projects.

Overall Construction Funding

	Prior Years	FY 2016	FY 2017	FY 2018
Operations Expenses				
Acquisition, Construction, and Improvements		\$5,000	\$5,000	\$5,000
Research and Development				
Project Funding	\$46,896	\$5,000	\$5,000	\$5,000
Obligations	\$45,587	\$3,930	\$920	
Expenditures	\$42,473	\$6,225	\$2,241	

Contract Information (Current/Execution Year, Budget Year)

Contract Number	Contractor	Type	Award Date (mo/yr)	Start Date (mo/yr)	End Date (mo/yr)	EVM in Contract	Total Value
N/A							

Significant Changes to Construction since Prior Year Enacted

No significant changes.

Construction Schedule

Description	Design Work		Project Work		Estimated Cost
	Initiated	Completed	Initiated	Completed	
FY 2016					
Minor AC&I Shore Construction					\$5,000
FY 2017					
Minor AC&I Shore Construction	FY17:Q3	FY18:Q2	FY18:Q4	FY19:Q4	\$5,000
FY 2018					
Minor AC&I Shore Construction	FY18:Q1	FY18:Q4	FY19:Q1	FY20:Q3	\$5,000

Personnel and Related Support Costs – PPA

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Personnel and Related Support Costs	914	766	\$112,348	914	835	\$116,876	914	835	\$118,245	-	-	\$1,369
Total	914	766	\$112,348	914	835	\$116,876	914	835	\$118,245	-	-	\$1,369
Subtotal Discretionary - Appropriation	914	766	\$112,348	914	835	\$116,876	914	835	\$118,245	-	-	\$1,369

Personnel and Related Support Costs – PPA
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$118,069		
Transfers & Reprogrammings	(\$4,750)		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	(\$971)		
Revised Enacted/Request	\$112,348	\$116,876	\$118,245
Carryover and/or Recoveries (Actual/Estimates/Projections)	-	-	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$112,348	\$116,876	\$118,245
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$112,348	\$116,876	\$118,245
Obligations (Actual/Projections/Estimates)	\$112,621	\$116,876	\$118,245
Personnel: Positons and FTE			
Enacted/Request Positions	914	914	914
Enacted/Request FTE	766	835	835
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	914	914
FTE (Actual/Estimates/Projections)	-	835	835

Personnel and Related Support Costs – PPA
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	914	766	\$118,069
Transfer Out	-	-	(\$4,750)
Total Above Threshold Reprogrammings/Transfers	-	-	(\$4,750)
Section 505 Rescission	-	-	(\$971)
Total Rescissions	-	-	(\$971)
FY 2016 Revised Enacted	914	766	\$112,348
FY 2017 Annualized CR	914	835	\$116,876
FY 2018 Base Budget	914	835	\$116,876
2018 Civilian Allowances	-	-	\$56
2018 Civilian Pay Raise	-	-	\$905
2018 Military Allowances	-	-	\$465
2018 Military Pay Raise	-	-	\$522
Adjustment for 2017 Initiatives	-	-	\$4,404
Adjustment for Non-Recurring Rescissions	-	-	\$1,193
Annualization of 2017 Military and Civilian Pay Raise	-	-	\$477
Total, Pricing Increases	-	-	\$8,022
Personnel and Related Support Adjustment	-	-	(\$6,653)
Total, Pricing Decreases	-	-	(\$6,653)
Total Adjustments-to-Base	-	-	\$1,369
FY 2018 Current Services	914	835	\$118,245
FY 2018 Request	914	835	\$118,245
FY 2017 TO FY 2018 Change	-	-	\$1,369

PPA DESCRIPTION

The Personnel and Related Support Costs PPA funds personnel compensation, benefits, and related costs for FTE who perform work on projects funded by the AC&I appropriation. The primary activities include project management, financial management, support services, training, and workforce certification. Coast Guard acquisition programs rely on an appropriate level of government acquisition professionals with the competencies and capacity to manage acquisitions in accordance with USCG and DHS policies, while meeting various requirements established in the Chief Financial Officer Act, Clinger-Cohen Act, DHS certification level requirements, and OMB Circular A-76.

**Personnel and Related Support Costs - PPA
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Personnel and Related Support Costs	914	766	\$102,287	\$133.07	914	835	\$105,650	\$126.09	914	835	\$108,074	\$128.99	-	-	\$2,424	\$2.9
Total	914	766	\$102,287	\$133.07	914	835	\$105,650	\$126.09	914	835	\$108,074	\$128.99	-	-	\$2,424	\$2.9
Discretionary - Appropriation	914	766	\$102,287	\$133.07	914	835	\$105,650	\$126.09	914	835	\$108,074	\$128.99	-	-	\$2,424	\$2.9

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: None.

PCB Change FY 2017-2018: The change from FY 2017 to FY 2018 includes funding to support the annualization of FY 2017 military and civilian pay raise of 2.1 percent; FY 2018 military pay raise of 2.1 percent and civilian pay raise of 1.9 percent. Also impacting the change from FY 2017 to FY 2018 are the required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and Thrift Savings Plan (TSP) Government Contributions.

Average Cost Change FY 2017-2018: The average cost change is due to the increased personnel costs related to the pay raise and personnel benefits being allocated to the same number of FTE allocated in FY 2017.

Bonuses and Performance Awards: FY 2018 request estimates \$591,000 for bonuses and performance awards. This request remains in line with OPM Awards Guidance on Spending Limitation.

Personnel and Related Support Costs – PPA
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$44,893	\$46,507	\$47,430	\$923
11.3 Other than Full-Time Permanent	\$99	\$103	\$105	\$2
11.5 Other Personnel Compensation	\$599	\$620	\$632	\$12
11.6 Military Personnel-Basic Allowance for Housing	\$10,572	\$11,002	\$11,467	\$465
11.7 Military Personnel	\$29,105	\$29,826	\$30,440	\$614
11.8 Special Personal Services Payments	\$189	\$194	\$198	\$4
12.1 Civilian Personnel Benefits	\$13,474	\$13,959	\$14,292	\$333
12.2 Military Personnel Benefits	\$3,193	\$3,272	\$3,340	\$68
13.0 Benefits for Former Personnel	\$163	\$167	\$170	\$3
Total - Personnel Compensation and Benefits	\$102,287	\$105,650	\$108,074	\$2,424
Positions and FTE				
Positions - Civilian	490	490	490	-
FTE - Civilian	399	431	431	-
Positions - Military	424	424	424	-
FTE - Military	367	404	404	-

Pay Cost Drivers

Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Civilian Personnel	399	\$59,065	\$148.03	399	\$61,189	\$153.36	431	\$62,459	\$144.92	32	\$1,270	(\$8.44)
Military Personnel	367	\$42,870	\$116.81	367	\$44,100	\$120.16	404	\$45,247	\$112.00	37	\$1,147	(\$8.16)
Other Costs	766	\$352	\$0.46	766	\$361	\$0.47	835	\$368	\$0.44	69	\$7	(\$0.03)
Total - Pay Cost Drivers	766	\$102,287	\$133.07	766	\$105,650	\$137.45	835	\$108,074	\$128.99	69	\$2,424	(\$8.46)

Personnel and Related Support Costs – PPA

Non Pay Budget Exhibits

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$660	\$740	\$668	(\$72)
22.0 Transportation of Things	\$659	\$737	\$666	(\$71)
23.2 Rental Payments to Others	\$120	\$134	\$121	(\$13)
23.3 Communications, Utilities, and Misc. Charges	\$354	\$396	\$358	(\$38)
25.2 Other Services from Non-Federal Sources	\$516	\$577	\$521	(\$56)
25.3 Other Goods and Services from Federal Sources	\$226	\$253	\$228	(\$25)
25.6 Medical Care	\$2,523	\$2,826	\$2,552	(\$274)
25.7 Operation and Maintenance of Equipment	\$517	\$579	\$523	(\$56)
26.0 Supplies and Materials	\$3,840	\$4,301	\$3,884	(\$417)
31.0 Equipment	\$307	\$344	\$311	(\$33)
42.0 Insurance Claims and Indemnities	\$339	\$339	\$339	-
Total - Non Pay Object Classes	\$10,061	\$11,226	\$10,171	(\$1,055)

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Military and Civilian Support	\$10,061	\$11,226	\$10,171	(\$1,055)
Total – Non Pay Cost Drivers	\$10,061	\$11,226	\$10,171	(\$1,055)

NARRATIVE EXPLANATION OF CHANGES

Reflects miscellaneous military and civilian support costs.

Department of Homeland Security

U.S. Coast Guard

Research, Development, Test, and Evaluation



**Fiscal Year 2018
Congressional Justification**

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Research and Development
Budget Comparison and Adjustments
Comparison of Budget Authority and Request
Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Research, Development, Test, and Evaluation	96	83	\$18,019	96	83	\$17,986	96	83	\$18,641	-	-	\$655
Total	96	83	\$18,019	96	83	\$17,986	96	83	\$18,641	-	-	\$655
Subtotal Discretionary - Appropriation	96	83	\$18,019	96	83	\$17,986	96	83	\$18,641	-	-	\$655

Overview

Research, Development, Test, and Evaluation (RDT&E) funding sustains critical Coast Guard mission capabilities through applied research, testing, development, and evaluation programs. Several RDT&E programs include partnerships with the Department of Homeland Security (DHS), the Department of Defense (DoD), and other Federal and private research organizations.

The RDT&E program is comprised of the Office of RDT&E at Coast Guard Headquarters in Washington, D.C., and the Research and Development Center (RDC) at New London, Connecticut. The RDC is the Coast Guard’s sole facility performing applied RDT&E experimentation and demonstrations. RDT&E activities sustain program infrastructure and core capabilities, knowledge, skills, experience, and facilities to give the Coast Guard a strong evidence-based foundation for operational and capital investment decision-making. These activities include formulation and oversight of cooperative agreements with relevant professionals in the public and private sectors, such as University Affiliated Research Centers (UARC) and Federally Funded Research & Development Centers (FFRDC). The cooperative agreements promote collaboration and leverage expertise and the development of techniques, methods, hardware, and systems that directly contribute to increasing productivity and effectiveness of Coast Guard missions.

The FY 2018 request funds 96 positions, 83 FTE, and \$18.641 million for RDT&E. This request provides necessary resources to develop technologies and systems that improve operational presence and response, as well as perform technology assessments to inform the early stages of the acquisition process. Of the funds requested, \$0.5 million is derived from the Oil Spill Liability Trust Fund as authorized by the Oil Pollution Act of 1990 (33 USC § 2701-2761).

Research, Development, Test and Evaluation Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$18,019		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$18,019	\$17,986	\$18,641
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$7,257	\$1,656	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$25,276	\$19,642	\$18,641
Collections – Reimbursable Resources	\$2,660	\$6,000	\$6,000
Total Budget Resources	\$27,936	\$25,642	\$24,641
Obligations (Actual/Projections/Estimates)	\$23,484	\$19,642	\$18,641
Personnel: Positons and FTE			
Enacted/Request Positions	96	96	96
Enacted/Request FTE	83	83	83
Onboard and Actual FTE Including Collections - Reimbursable Resources			
Onboard Positions (Actual/Estimates/Projections)	67	96	96
FTE (Actual/Estimates/Projections)	68	83	83

**Research, Development, Test and Evaluation
Collections – Reimbursable Resources**

Dollars in Thousands

Collections	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Department of Defense - Navy, Marine Corps	Source	-	-	-	-	\$100	-	-	\$50
Department of Defense - Army	Source	-	-	-	-	\$200	-	-	-
Department of Homeland Security - Department of Homeland Security	Source	-	\$539	-	-	\$3,000	-	-	\$2,500
Independent Agency - Other Independent Agencies	Source	-	-	-	-	\$679	-	-	\$1,200
Independent Agency - Environmental Protection Agency	Source	-	\$2,006	-	-	\$1,271	-	-	\$1,500
Department of Interior - Bureau of Safety and Environmental Enforcement	Source	-	\$115	-	-	\$750	-	-	\$750
Total Collections		-	\$2,660	-	-	\$6,000	-	-	\$6,000

Research, Development, Test and Evaluation Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	96	83	\$18,019
FY 2016 Revised Enacted	96	83	\$18,019
FY 2017 Annualized CR	96	83	\$17,986
FY 2018 Base Budget	96	83	\$17,986
Adjustment for Non-Recurring Rescissions	-	-	\$33
Adjustment for 2017 Initiatives	-	-	\$348
Annualization of 2017 Military and Civilian Pay Raise	-	-	\$67
2018 Military Pay Raise	-	-	\$22
2018 Civilian Pay Raise	-	-	\$155
2018 Military Allowances	-	-	\$18
2018 Civilian Allowances	-	-	\$12
Total, Pricing Increases	-	-	\$655
Total Adjustments-to-Base	-	-	\$655
FY 2018 Current Services	96	83	\$18,641
FY 2018 Request	96	83	\$18,641
FY 2017 TO FY 2018 Change	-	-	\$655

Research, Development, Test and Evaluation Justification of Pricing Changes

Dollars in Thousands

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 1 - Adjustment for Non-Recurring Rescissions	-	-	\$33
Pricing Change 2 - Adjustment for 2017 Initiatives	-	-	\$348
Pricing Change 3 - Annualization of 2017 Military and Civilian Pay Raise	-	-	\$67
Pricing Change 4 - 2018 Military Pay Raise	-	-	\$22
Pricing Change 5 - 2018 Civilian Pay Raise	-	-	\$155
Pricing Change 6 - 2018 Military Allowances	-	-	\$18
Pricing Change 7 - 2018 Civilian Allowances	-	-	\$12
Total Pricing Changes	-	-	\$655

Adjustment for Non-Recurring Rescissions: This adjustment accounts for the impact of the FY 2017 Continuing Resolution.

Adjustment for 2017 Initiatives: This adjustment captures the net impact of 2017 military and civilian pay raises and allowances.

Annualization of 2017 Military and Civilian Pay Raise: Provides one quarter of funding to annualize the 2017 military and civilian (2.1 percent) pay raise.

2018 Military Pay Raise: Provides three quarters of funding for the 2018 military (2.1 percent) pay raise.

2018 Civilian Pay Raise: Provides three quarters funding for the 2018 civilian (1.9 percent) pay raise.

2018 Military Allowances: Provides funding to maintain current services and ensure parity of military pay, allowances, and health care with DoD. This request includes additional funding for Basic Allowance for Housing (BAH) changes scheduled to take effect on January 1, 2018. Health care costs are forecasted using actuarial projections and include funding for Coast Guard clinics, TRICARE, pharmaceuticals, use of DoD military treatment facilities, and Public Health Service physicians serving at Coast Guard medical facilities. Permanent Change of Station costs are based on workforce accession, assignment, and retirement projections, and the respective change of station costs.

2018 Civilian Allowances: Provides funding for required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and TSP Government Contributions.

**Research, Development, Test and Evaluation
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Research, Development, Test, and Evaluation	96	83	\$11,631	\$139.95	96	83	\$11,862	\$142.73	96	83	\$12,136	\$146.04	-	-	\$274	\$3.31
Total	96	83	\$11,631	\$139.95	96	83	\$11,862	\$142.73	96	83	\$12,136	\$146.04	-	-	\$274	\$3.31
Discretionary - Appropriation	96	83	\$11,631	\$139.95	96	83	\$11,862	\$142.73	96	83	\$12,136	\$146.04	-	-	\$274	\$3.31

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: None.

PCB Change FY 2017-2018: The change from FY 2017 to FY 2018 includes funding to support the annualization of FY 2017 military and civilian pay raise of 2.1 percent; FY 2018 military pay raise of 2.1 percent and civilian pay raise of 1.9 percent. Also impacting the change from FY 2017 to FY 2018 are the required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and Thrift Savings Plan (TSP) Government Contributions.

Average Cost Change FY 2017-2018: The average cost change is due to the increased personnel costs related to the pay raise and personnel benefits.

Bonuses and Performance Awards: FY 2018 request estimates \$70,300 for bonuses and performance awards. This request remains in line with OPM Awards Guidance on Spending Limits.

Research, Development, Test and Evaluation
Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$7,368	\$7,495	\$7,655	\$160
11.3 Other than Full-Time Permanent	\$150	\$153	\$156	\$3
11.5 Other Personnel Compensation	\$93	\$95	\$97	\$2
11.6 Military Personnel-Basic Allowance for Housing	\$381	\$399	\$417	\$18
11.7 Military Personnel	\$1,249	\$1,276	\$1,303	\$27
11.8 Special Personal Services Payments	\$8	\$8	\$8	-
12.1 Civilian Personnel Benefits	\$2,252	\$2,303	\$2,364	\$61
12.2 Military Personnel Benefits	\$123	\$126	\$129	\$3
13.0 Benefits for Former Personnel	\$7	\$7	\$7	-
Total - Personnel Compensation and Benefits	\$11,631	\$11,862	\$12,136	\$274
Positions and FTE				
Positions - Civilian	79	79	79	-
FTE - Civilian	68	68	68	-
Positions - Military	17	17	17	-
FTE - Military	15	15	15	-

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Civilian Total	68	9,863	145	68	10,046	147	68	10,272	151	-	226	3
Military Total	15	1,768	117	15	1,816	121	15	1,864	124	-	48	3
Total - Pay Cost Drivers	83	11,631	262	83	11,862	268	83	12,136	275	-	274	6

**Research, Development, Test and Evaluation
Permanent Positions by Grade – Appropriation**

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
GS-15	3	3	3	-
GS-14	16	16	16	-
GS-13	31	31	31	-
GS-12	22	22	22	-
GS-11	1	1	1	-
GS-9	1	1	1	-
GS-8	1	1	1	-
GS-7	2	2	2	-
GS-6	1	1	1	-
GS-5	1	1	1	-
O-6	2	2	2	-
O-5	1	1	1	-
O-4	3	3	3	-
O-3	7	7	7	-
E-6	2	2	2	-
E-4	1	1	1	-
E-3	1	1	1	-
Total Permanent Positions	96	96	96	-
Total Perm. Employment (Filled Positions) EOY	76	79	79	-
Position Locations				
Headquarters	5	5	5	-
U.S. Field	74	74	74	-
Headquarters Military	2	2	2	-
U.S. Field Military	15	15	15	-
Averages				
Average Personnel Costs, GS Positions	133,477	132,144	132,144	-
Average Grade, GS Positions	13	13	13	-

**Research, Development, Test and Evaluation
Non Pay Budget Exhibits**

Non Pay Summary

Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Research, Development, Test, and Evaluation	\$6,388	\$6,124	\$6,505	\$381
Total	\$6,388	\$6,124	\$6,505	\$381
Discretionary - Appropriation	\$6,388	\$6,124	\$6,505	\$381

Non Pay by Object Class

Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$260	\$246	\$265	\$19
22.0 Transportation of Things	\$16	\$15	\$16	\$1
23.1 Rental Payments to GSA	\$1,277	\$1,286	\$1,296	\$10
23.2 Rental Payments to Others	\$26	\$25	\$27	\$2
23.3 Communications, Utilities, and Misc. Charges	\$196	\$186	\$200	\$14
25.1 Advisory and Assistance Services	\$1,013	\$959	\$1,033	\$74
25.2 Other Services from Non-Federal Sources	\$87	\$82	\$89	\$7
25.3 Other Goods and Services from Federal Sources	\$6	\$5	\$6	\$1
25.4 Operation and Maintenance of Facilities	\$2	\$2	\$2	-
25.5 Research and Development Contracts	\$2,237	\$2,118	\$2,279	\$161
25.6 Medical Care	\$48	\$45	\$49	\$4
25.7 Operation and Maintenance of Equipment	\$90	\$85	\$92	\$7
26.0 Supplies and Materials	\$410	\$388	\$418	\$30
31.0 Equipment	\$708	\$670	\$721	\$51
42.0 Insurance Claims and Indemnities	\$12	\$12	\$12	-
Total - Non Pay Object Classes	\$6,388	\$6,124	\$6,505	\$381

Research, Development, Test and Evaluation

Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Research, Development, Test, and Evaluation Activities	5,111	4,838	5,209	371
Rental Payments to GSA	1,277	1,286	1,296	10
Total – Non Pay Cost Drivers	6,388	6,124	6,505	381

NARRATIVE EXPLANATION OF CHANGES

Research, Development, Test, and Evaluation Activities: These costs are based on planned expenditures for research initiatives. Main cost drivers include technical and research contracts, as well as procurement of equipment and supplies. Increases to this cost driver reflect the anticipated research portfolio and associated funding requirements.

Rental Payments to GSA: Cost increase is due to increased rental payments to the General Services Administration (GSA). This increase is driven by lease requirements for the Research and Development Center located in New London, Connecticut.

Research, Development, Test and Evaluation

Technology Readiness Level Exhibit

Project Description:

Unmanned Systems: Assess and evaluate Unmanned Aerial Systems (UAS) and Unmanned Maritime (surface/subsurface) Vehicles (UMVs), for surveillance, detection, classification, and identification missions; develop and test advanced UAS and UMV payloads (direction finding, SIGINT, underwater acoustic classification) in partnership with both industry and DoD; initiate investigation into Unmanned System threats to maritime sector/first responders; and develop applications of the uses of Unmanned Systems beyond traditional surveillance operations.

Sub Project

- Maritime Counter Unmanned Aircraft Systems
- Assessment of Unmanned Maritime Vehicles for CG Missions
- Robotic Aircraft for Maritime Public Safety (RAMPS)
- Advanced sUAS Sensor Investigations

FY 2016 Key Milestone Events (Prior Year)

- Demonstrated state-of-the-market sUAS technologies in realistic mission scenarios in the maritime environment
- Evaluated next-generation sensor payloads for the sUAS being deployed on the National Security Cutter
- Investigated sUAS sensors which incorporate automated target acquisition into traditional radars and cameras
- Completed counter-sUAS technology evaluations in partnership with the National Urban Security Technology Laboratory and DoD

FY 2017 Planned Key Milestone Events (Year of Execution)

- Expand Use of Unmanned Systems to Non-Surveillance Activities Report
- Conduct a demonstration of the UMV for CG Missions Technology
- Finalize the sUAS Site Evaluation Study Report (RAMPS)
- Deliver UMV for CG Missions Demonstration Test Report
- Finalize Advanced sUAS Sensors Investigations Final Report
- Assess counter UAS technologies

FY 2018 Planned Key Milestone Events (Budget year)

- Evaluate NextGen Sensors on Target Set
- Conduct UAS DF Payloads Demonstration
- Deliver UAS DF Payloads Final Report
- Develop and test sensors for integration into UMV
- Test and evaluate counter UAS technologies

Delayed Milestones

- None

Overall Project Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Project Funding	2,210	1,246	5,303	1,986	1,956
Obligations	2,210	1,246	5,303	576	

Project Schedule

Research & Development Description	Planned Start Date	Planned Completion
FY 2016		
Robotic Aircraft for Maritime Public Safety (RAMPS)	Oct-13	Feb-19
Assessment of Unmanned Maritime Vehicles for CG Missions	Nov-13	Jun-17
Advanced sUAS Sensor Investigations	Jul-15	May-17
FY 2017		
Maritime Counter Unmanned Aircraft Systems	Oct-16	Mar-20
Robotic Aircraft for Maritime Public Safety (RAMPS)	Oct-13	Feb-19
Assessment of Unmanned Maritime Vehicles for CG Missions	Nov-13	Jun-17
Advanced sUAS Sensor Investigations	Jul-15	May-17
FY 2018		
Maritime Counter Unmanned Systems	Oct-16	Mar-20
Robotic Aircraft for Maritime Public Safety (RAMPS)	Oct-13	Feb-19

Type of Research

Applied

Technology Readiness Level

Level 5

Transition Plans

Not Applicable

Project Description:

Arctic Operations: Evaluate and test maritime communication solutions for use in the Arctic; continue development and testing of the next generation arctic navigation safety information system with private and public partnerships; plan and lead Arctic Shield 2017 multi-agency and academic technology demonstrations; and continue to develop spill response technology/concepts for ice environments.

Sub Project

- Response to Oil in Ice
- Arctic Communications Technology Assessments
- Arctic Operations Support
- Next Generation Arctic Navigational Safety Information System

FY 2016 Key Milestone Events (Prior Year)

- Conducted technology demonstrations for Oil in Ice spill response equipment, including skimmer ice protection cage and on-deck oil collection temporary tanks
- Conducted test of near shore VHF-based Arctic Navigation Safety Information System (ANSIS) prototype
- Conducted evaluation of various space based and terrestrial communications technologies for reliable maritime communications for shore based response for SAR and Oil Spill Response in remote Arctic locations
- Conducted evaluation of Next Generation Incident Command System (NICS) in Arctic SAR application

FY 2017 Planned Key Milestone Events (Year of Execution)

- Develop and build ANSIS Technology Demonstration System (Next Gen NAVTEX Beta Test).
- Deliver Arctic Technology Evaluation After Action Report 2017
- Draft Final Report Oil in Ice Input for FOOSC Guide
- Conduct a demonstration of ANSIS Technology
- Perform an assessment of Spill Response Technologies using UMVs

FY 2018 Planned Key Milestone Events (Budget year)

- Participate in joint ICEX Exercise with Navy
- Deliver Arctic Technology Evaluation After Action Report 2018
- Conduct an Arctic test of temporary oil storage system for Coast Guard buoy tenders
- Conduct an Arctic test of an ice management system for skimmers on Coast Guard buoy tenders
- Continue Research and Development of robust communications in the Arctic including CubeSat
- Deliver ANSIS Technology Demonstration Report

Delayed Milestones

- None

Overall Project Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Project Funding	5,080	5,018	2,738	2,239	2,206
Obligations	5,080	5,018	2,738	589	

Project Schedule

Research & Development Description	Planned Start Date	Planned Completion
FY 2016		
Response to Oil in Ice	Nov-09	May-17
Arctic Communications Technology Assessments	Oct-12	Jul-17
Arctic Operations Support	Oct-13	Dec-18
Next Generation Arctic Navigational Safety Information System	Nov-13	Mar-18
FY 2017		
Response to Oil in Ice	Nov-09	May-17
Arctic Communications Technology Assessments	Oct-12	Jul-17
Arctic Operations Support	Oct-13	Dec-18
Next Generation Arctic Navigational Safety Information System	Nov-13	Mar-18
FY 2018		
Arctic Operations Support	Oct-13	Dec-18
Next Generation Arctic Navigational Safety Information System	Nov-13	Mar-18

Type of Research

Applied

Technology Readiness Level

Level 5

Transition Plans

Not Applicable

Project Description:

Sensor Optimization, Automation, and Visualization: Evaluate various sensor technologies including, chemical, biological, nuclear, radar, electro-optical and infrared sensor systems effectiveness and impacts to search planning, detection, and mission operations.

Sub Project

- Tracking (Direction Finding) For Search And Rescue
- Mobile, Modular, Maritime Domain Awareness (M3DA)
- Evaluation of Potential CG Use of CubeSats

FY 2016 Key Milestone Events (Prior Year)

- Developed and tested a unique, conspicuous visual distress signal to serve as a possible alternative to red hand-flares in the carriage requirements for domestic recreational boats
- Conducted field evaluations of various sensors to optimize their use for the detection, mapping, tracking, and reporting of spilled oil
- Evaluated automated target acquisition technologies integrated in radar and electro-optical cameras for use in UAS and aircraft
- Developed and tested a prototype abandoned object and vessel marker to support Over The Horizon (OTH) CG activities and boat marking systems for adrift and abandoned boats
- Conducted field evaluation of the latest Night Vision Device technology for boat crew members

FY 2017 Planned Key Milestone Events (Year of Execution)

- Conduct Interagency and Joint Task Force technology demonstration to determine interoperability of interagency sensors (land-based, surface and airborne) and communications systems that meet defined mission needs
- Evaluate chemical and particulate matter detection technology for vessel exhaust gases
- Perform Automatic Transport of SAR Patterns Fixed Wing Test
- Deliver Mobile Modular Maritime Domain Awareness (M3DA) Summary Report
- Perform Automatic Transport of SAR Patterns Rotary Wing Test
- Deliver Automatic Transport of SAR Patterns Final Summary Report
- Deliver Advanced UAS Sensors Investigations Final Report
- Deliver Vessel Exhaust Gas Sensor Report

FY 2018 Planned Key Milestone Events (Budget year)

- Develop and evaluate new methods for planning search patterns using UAV platform to enhance mission operations that use multi-sensor and electro-optical searches.
- Conduct a technology assessment of ways to provide protection for Coast Guard aviators from the increasing incidents of laser strikes
- Conduct sensor and payload evaluations for UAS

Delayed Milestones

- None

Overall Project Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Project Funding	1,800	2,574	4,066	3,440	3,454
Obligations	1,800	2,574	4,066	704	

Project Schedule

Research & Development Description	Planned Start Date	Planned Completion
FY 2016		
Mobile, Modular, Maritime Domain Awareness (M3DA)	Apr-15	May-18
Evaluation of Potential CG Use of CubeSats	Jun-16	Apr-19
FY 2017		
Tracking (Direction Finding) for Search and Rescue	Oct-16	Feb-18
Mobile, Modular, Maritime Domain Awareness (M3DA)	Apr-15	May-18
Evaluation of Potential CG Use of CubeSats	Jun-16	Apr-19
FY 2018		
Tracking (Direction Finding) for Search and Rescue	Oct-16	Feb-18
Mobile, Modular, Maritime Domain Awareness (M3DA)	Apr-15	May-18
Evaluation of Potential CG Use of CubeSats	Jun-16	Apr-19

Type of Research

Applied

Technology Readiness Level

Level 5

Transition Plans

Not Applicable

Project Description:

Intelligence and Cyber: Work with port partners and leverage DoD and National Protection and Programs Directorate (NPPD) technologies to evaluate existing cyber-security tools for port critical infrastructure protection and resilience. Investigate enhanced intelligence collection technologies and new analytic techniques to improve Intelligence, Surveillance, and Reconnaissance (ISR), Tasking, Collection, Processing, Exploitation, and Dissemination (TCPED) capability and opportunity for criminal prosecution.

Sub Project

- Hoax Location and Prosecution Technology
- Cybersecurity Vulnerabilities, Threats, and Risk Mitigation Strategies for Coast Guard Surface and Air Assets
- Document and Media Exploitation (DOMEX) Testing

FY 2016 Key Milestone Events (Prior Year)

- Developed and implemented a protocol to transmit maritime security zones using the Automatic Identification System (AIS) in support of the Republican and Democratic National Conventions
- Deployed and performed a limited user evaluation of hoax location systems in a CG operational environment
- Developed the system test architecture to demonstrate the use of tactical communications by leveraging the upcoming First Responder Network Authority (FirstNet) technical capabilities in a maritime response scenario
- Researched and delivered a report outlining Arctic commercial and government communications satellite capabilities
- Performed mass rescue exercise in the Arctic demonstrating various communications systems and first responder tools
- Demonstrated airborne and shoreside direction finding capabilities in support of CG wide area surveillance missions
- Prepared for the transition of the Next Generation Incident Command System (NICS) capability to the Homeland Security Information Network
- Completed cyber security research for port Critical Infrastructure/Key Resource (CI/KR) protection
- Completed cyber security research with University partners in the areas of defending cyberspace, enabling operations, and

protecting infrastructure in the Marine Transportation System (MTS)

FY 2017 Planned Key Milestone Events (Year of Execution)

- Research and plan demonstrations of various cell phone geo-location technologies for use in Coast Guard Search and Rescue (SAR) missions
- Develop and demonstrate technology that will allow CG pursuit assets to be electronically vectored to Targets Of Interest (TOIs)
- Plan and demonstrate the use of tactical communications by leveraging the upcoming First Responder Network Authority (FirstNet) technical capabilities in a maritime response scenario
- Complete the current phase of Arctic communications after-action reporting
- Complete the investigation and testing of various technologies that could be used in an effort to prosecute recurring maritime hoax callers
- Research, design, develop, and deploy a ground control station in support of CG CubeSat space domain research
- Complete the investigation and testing of various airborne direction finding capabilities in support of CG wide area surveillance missions
- Complete the transition of the Next Generation Incident Command System (NICS) capability to the Homeland Security Information Network
- Complete the investigation and testing of using the Automatic Identification System (AIS) to transmit SAR patterns to CG surface assets
- Conduct cyber security risk research analysis for Global Positioning System (GPS), Automatic Identification System (AIS) and specific mission oriented systems dependent on position navigation and timing

FY 2018 Planned Key Milestone Events (Budget year)

- Demonstrate various cell phone geo-location technologies, including hoax locations, for use in Coast Guard Search and Rescue (SAR) missions. Demonstrate and evaluate the use of CubeSat technology in support of the CG SAR mission; to include missions in the Arctic
- Conduct cyber security risk research on CG surface and air assets (navigation systems, weapons systems, industrial control systems, communications systems, information technology systems)
- Continue to research and evaluate the use of mobile technology in CG operational environments
- Research the use of Artificial Intelligence (AI) in maritime operations
- Explore international collaboration on cybersecurity for the Maritime Transportation System (MTS)
- Evaluate of shipboard troposcatter communications

Delayed Milestones

- None

Overall Project Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Project Funding	2,302	2,317	3,163	3,530	3,508
Obligations	2,302	2,317	3,163	504	

Project Schedule

Research & Development Description	Planned Start Date	Planned Completion
FY 2016		
Document and Media Exploitation (DOMEX) Testing	Feb-14	Nov-18
Hoax Location and Prosecution Technology	Jun-16	Jan-19
FY 2017		
Hoax Location and Prosecution Technology	Jun-16	Jan-19
Cybersecurity Vulnerabilities, Threats, and Risk Mitigation Strategies for Coast Guard Surface and Air Assets	Oct-16	Sep-20
Document and Media Exploitation (DOMEX) Testing	Feb-14	Nov-18
FY 2018		
Hoax Location and Prosecution Technology	Jun-16	Jan-19
Cybersecurity Vulnerabilities, Threat, and Risk Mitigation Strategies for Coast Guard Surface and Air Assets	Oct-16	Sep-20
Document and Media Exploitation (DOMEX) Testing	Feb-14	Nov-18

Type of Research

Applied

Technology Readiness Level

Level 5

Transition Plans

Not Applicable

Project Description:

Waterways Management and Environmental Response: Provide technical expertise in the areas of pollution prevention and response, non-indigenous species, fisheries management, marine safety, and Aids to Navigation (ATON). Develop and test In Situ Burning (ISB) as a spill response technology; continue research and development of viable spill response technologies; and continue development of heavy oil/tar sands products spill response technologies in fresh water and marine environments. Research and develop solutions for detection and mitigation of oil and oil products on the surface and in the water column. Continue Development and testing of technologies to replace traditional buoys; mooring systems, and mariner notification methods with environmentally friendly buoy mooring systems and electronic navigation systems to broadcast virtual and synthetic ATONs and mariner notices.

Sub Project

- Oil Spill Response Emerging Technology Research
- Nearshore and Inland Evaluation of the Estimated Recovery System Potential (ERSP) Calculator
- e-AtoN Technology Demonstration
- Improved In-Situ Burning (ISB) for Offshore Use

FY 2016 Key Milestone Events (Prior Year)

- Conducted final demonstration of integrating oil-in-ice response technologies with a Coast Guard oil skimmer aboard a buoy tender
- Developed and lab tested two proof-of-concept oil-in-water-column mitigation systems and follow-on technology prototype development of the two systems
- Reconstituted the Joint Maritime Test Facility (JMTF) ISB burn pan and successfully conducted the first test burn in 15 years
- Completed independent field test of prototype ballast water discharge compliance verification technologies

FY 2017 Planned Key Milestone Events (Year of Execution)

- Deliver Environmentally Friendly Buoy Mooring System Prototype Development Report
- Deliver Western Rivers Electronic Aids to Navigation Technology Demonstration Report
- Deliver Prototype Ballast Water Discharge Compliance Verification Technologies Test Report
- Deliver Mitigation of Oil within-the-Water-Column Prototype Technologies Test Report
- Deliver report on the FY 2017 JMTF Burn Tests
- Complete initial development of oil sands products spill response techniques for fresh water and marine environments
- Complete initial research and laboratory testing of a technology to perform in situ detection of sunken heavy oil mixed with marine sediment
- Conduct a test burn, using an oil herding agent developed by Pacific Northwest National Laboratory, and another test burn,

using a heat conductive mat with Worcester Polytechnic Institute, in partnership with the Bureau of Safety and Environmental Enforcement

- Complete a technology demonstration of electronic navigation systems along the Ohio River
- Controlled environment testing of two prototype technologies to mitigate oil within the water column

FY 2018 Planned Key Milestone Events (Budget year)

- Field test five prototype environmentally friendly buoy mooring systems
- Develop and test a prototype oil skimmer and collected-oil temporary storage systems
- Develop and test prototype oil sands products spill response technologies in fresh water and marine environments
- Deliver report on the FY18 JMTF Burn Tests
- Develop and test a temporary oil storage system for Coast Guard buoy tenders
- Develop and test an ice management system for skimmers on Coast Guard buoy tenders
- Deliver ANSIS Technology Demonstration Report
- Deliver report on Mitigation of Oiled Silt Moving Across the Bottom of Bodies of Water Report
- Develop Nearshore and Inland Evaluation of the Estimated Recovery System Potential (ERSP) Calculator

Delayed Milestones

- None

Overall Project Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Project Funding	3,647	3,576	4,453	3,100	3,896
Obligations	3,647	3,576	4,453	820	

Project Schedule

Research & Development Description	Planned Start Date	Planned Completion
FY 2016		
e-ATON Technology Demonstration	Nov-13	Jun-17
Oil Spill Response Emerging Technology Research	Oct-16	Oct-18
Nearshore and Inland Evaluation of the Estimated Recovery System Potential (ERSP) Calculator	Oct-16	Sep-19
Improved In-Situ Burning (ISB) for Offshore Use	Feb-14	Sep-19
FY 2017		
e-ATON Technology Demonstration	Nov-13	Jun-17
Oil Spill Response Emerging Technology Research	Oct-16	Oct-18
Nearshore and Inland Evaluation of the Estimated Recovery System Potential (ERSP) Calculator	Oct-16	Sep-19
Improved In-Situ Burning (ISB) for Offshore Use	Feb-14	Sep-19
FY 2018		
Oil Spill Response Emerging Technology Research	Oct-16	Oct-18
Nearshore and Inland Evaluation of the Estimated Recovery System Potential (ERSP) Calculator	Oct-16	Sep-19
Improved In-Situ Burning (ISB) for Offshore Use	Feb-14	Sep-19

Type of Research

Applied

Technology Readiness Level

Level 5

Transition Plans

Not Applicable

Project Description:

Operational Performance Improvements and Modeling: Develop enhancements to modeling capability for Coast Guard-wide asset allocation, force structure decision support, and navigational safety. Continue development and roll-out support of innovative interdiction patrol tactics using probabilistic-based search and game theory techniques. Investigate applications of modeling and simulation to evaluate and improve Coast Guard analytic competencies (mission analysis, crew efficiency, manpower requirements, C4IT obsolescence, survivor modeling, search effectiveness). Investigate technologies for improving overall mission effectiveness and efficiency such as mobile technology for data entry, single-fuel fleet, corrosion control and monitoring, and boarding team equipment for Coast Guard fleet implementation. Explore Artificial Intelligence for application in USCG Mission Planning & Disaster Response. Research augmented reality capabilities to improve Coast Guard mission support.

Sub Project

- Diesel Outboard Development
- Mobile Technology for Operational Efficiency
- Analysis of Methods and Underway Time to Develop and Maintain Crew Proficiency
- Mass Migration Modeling and Analysis

FY 2016 Key Milestone Events (Prior Year)

- Completed concept development and evaluation of innovative interdiction patrol tactics
- Completed initial development of campaign level modeling capability: Coast Guard Maritime Operational Effectiveness Simulation (CGMOES)

FY 2017 Planned Key Milestone Events (Year of Execution)

- Develop Mass Migration Analysis and tactics
- Complete Fleet Mix Analysis I (FMA I) and FMA II
- Perform Insurance Risk Practice research
- Perform GIS analysis in support of Navigation safety
- Develop an adaptive strategy to analyze offshore energy development risk
- Deliver Innovative Interdiction Patrol Tactics: operational tactics playbook and final report
- Perform Unmanned Aviation Systems (UAS) airspace density analysis

FY 2018 Planned Key Milestone Events (Budget year)

- Improve processing of geospatial imagery for analytical use

- Develop a simulation framework for development of mass migration planning tool
- Conduct modeling and simulation excursions to meet the emerging needs of the Coast Guard

Delayed Milestones

- None

Overall Project Funding

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Project Funding	4,691	2,683	5,125	3,791	3,621
Obligations	4,691	2,683	5,125	779	

Project Schedule

Research & Development Description	Planned Start Date	Planned Completion
FY 2016		
Diesel Outboard Development	Feb-14	Oct-18
Mobile Technology for Operational Efficiency	Mar-15	May-18
Analysis of Methods and Underway Time to Develop and Maintain Crew Proficiency	Dec-15	Nov-19
Mass Migration Modeling and Analysis	Oct-14	Feb-18
FY 2017		
Diesel Outboard Development	Feb-14	Oct-18
Mobile Technology for Operational Efficiency	Mar-15	May-18
Analysis of Methods and Underway Time to Develop and Maintain Crew Proficiency	Dec-15	Nov-19
Mass Migration Modeling and Analysis	Oct-14	Feb-18
FY 2018		
Diesel Outboard Development	Feb-14	Oct-18
Mobile Technology for Operational Efficiency	Mar-15	May-18
Analysis of Methods and Underway Time to Develop and Maintain Crew Proficiency	Dec-15	Nov-19
Mass Migration Modeling and Analysis	Oct-14	Feb-18

Type of Research

Applied

Technology Readiness Level

Level 5

Transition Plans

Not Applicable

Department of Homeland Security

U.S. Coast Guard

Medicare-Eligible Retiree Health Care Fund Contribution



**Fiscal Year 2018
Congressional Justification**

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Medicare-Eligible Retiree Health Care Fund Contribution

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Medicare-Eligible Retiree Health Care Fund Contribution	-	-	\$168,847	-	-	\$175,506	-	-	\$195,784	-	-	\$20,278
Total	-	-	\$168,847	-	-	\$175,506	-	-	\$195,784	-	-	\$20,278
Subtotal Discretionary - Appropriation	-	-	\$168,847	-	-	\$175,506	-	-	\$195,784	-	-	\$20,278

Overview

The Medicare-Eligible Retiree Health Care Fund Contribution (MERHCFC) funds accrual of the Coast Guard’s military Medicare-eligible health benefit contribution to the Department of Defense (DoD) Medicare-Eligible Retiree Health Care Fund. Contributions are for future Medicare-eligible retirees, as well as retiree dependents and their potential survivors. The authority for the Coast Guard to make this payment, on an annual basis, is provided in P.L. 108-375, the 2005 Defense Appropriations Act. While this expenditure requires no annual action by Congress, it is scored as discretionary spending.

The FY 2018 President’s Budget estimates that the Coast Guard’s contribution will be \$195,784,000 to the Medicare-Eligible Retiree Health Care Fund. The total adjustment-to-base is an increase of \$20,278,000. In the FY 2018 President’s Budget, DoD will propose additional TRICARE consolidation and modernization initiatives. Those proposals would restore FY 2017 benefit change grandfathering guidelines, increase co-pays for pharmaceuticals, index future fees to National Health Expenditures vice COLA (similar to the reforms proposed in the FY 2017 President’s Budget). This request will be paid to the DoD MERHCF to support the benefits outlined above. The Coast Guard’s annual budget estimate for MERHCFC is calculated by multiplying the projected average force strength (FTE) by DoD actuary projected normal cost rates for active duty and reserve personnel

Medicare-Eligible Retiree Health Care Fund Contribution Budget Authority and Obligations

Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$168,847		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$168,847	\$175,506	\$195,784
Carryover and/or Recoveries (Actual/Estimates/Projections)	-	-	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$168,847	\$175,506	\$195,784
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$168,847	\$175,506	\$195,784
Obligations (Actual/Projections/Estimates)	\$168,847	\$175,506	\$195,784
Personnel: Positons and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE Including Collections - Reimbursable Resources			
Onboard Positions (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

Medicare-Eligible Retiree Health Care Fund Contribution Summary of Budget Changes

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$168,847
FY 2016 Revised Enacted	-	-	\$168,847
FY 2017 Annualized CR	-	-	\$175,506
FY 2018 Base Budget	-	-	\$175,506
Base Adjustments	-	-	\$28,630
Total, Pricing Increases	-	-	\$28,630
2018 TRICARE Proposals	-	-	(\$8,352)
Total, Pricing Decreases	-	-	(\$8,352)
Total Adjustments-to-Base	-	-	\$20,278
FY 2018 Current Services	-	-	\$195,784
FY 2018 Request	-	-	\$195,784
FY 2017 TO FY 2018 Change	-	-	\$20,278

**Medicare-Eligible Retiree Health Care Fund Contribution
Justification of Pricing Changes**

Dollars in Thousands

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 1 - 2018 TRICARE Proposals	-	-	(\$8,352)
Pricing Change 2 - Base Adjustments	-	-	\$28,630
Total Pricing Changes	-	-	\$20,278

2018 TRICARE Proposals: Reduction reflects DoD proposal to modify retail and mail order pharmaceutical co-pays above the National Defense Authorization Act (NDAA) 2016 levels.

Base Adjustments: Change reflects increased DoD actuary projected normal cost rates for active duty and reserve personnel.

**Medicare-Eligible Retiree Health Care Fund Contribution
Personnel Compensation and Benefits**

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Medicare-Eligible Retiree Health Care Fund Contribution	-	-	\$168,847	-	-	-	\$175,506	-	-	-	\$195,784	-	-	-	\$20,278	-
Total	-	-	\$168,847	-	-	-	\$175,506	-	-	-	\$195,784	-	-	-	\$20,278	-
Discretionary - Appropriation	-	-	\$168,847	-	-	-	\$175,506	-	-	-	\$195,784	-	-	-	\$20,278	-

Pay by Object Class
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
12.2 Military Personnel Benefits	\$168,847	\$175,506	\$195,784	\$20,278
Total - Personnel Compensation and Benefits	\$168,847	\$175,506	\$195,784	\$20,278
Positions and FTE				
Positions - Civilian		-	-	-

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
MERHCFC		\$168,847			\$175,506			\$195,784			\$20,278	
Total - Pay Cost Drivers		\$168,847			\$175,506			\$195,784			\$20,278	

Department of Homeland Security

U.S. Coast Guard

Retired Pay



**Fiscal Year 2018
Congressional Justification**

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Retired Pay

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Retired Pay	-	-	\$1,604,000	-	-	\$1,604,000	-	-	\$1,690,824	-	-	\$86,824
Total	-	-	\$1,604,000	-	-	\$1,604,000	-	-	\$1,690,824	-	-	\$86,824
Subtotal Mandatory - Appropriation	-	-	\$1,604,000	-	-	\$1,604,000	-	-	\$1,690,824	-	-	\$86,824

Overview

The Retired Pay (RP) appropriation provides payments as identified under the Retired Serviceman's Family Protection and Survivor Benefits Plans, and other retired personnel entitlements identified under prior-year National Defense Authorization Acts. This appropriation also includes funding for medical care of retired personnel and their dependents.

The FY 2018 President's Budget estimates that the Coast Guard's contributions will be \$1.7 billion for Retired Pay. The total adjustment-to-base is an increase of \$86.8 million for FY 2018 Actuarial Adjustments and inclusion of the Modernized Retirement System. DoD will propose legislation to implement additional TRICARE consolidation and modernization initiatives in FY 2018. Those proposals would restore FY 2017 benefit change grand-fathering guidelines, increase co-pays for pharmaceuticals, and index future fees to National Health Expenditures vice COLA (similar to the reforms proposed in the FY 2017 Budget). This appropriation includes payments for the Modernized Retirement System as directed by the 2016/2017 National Defense Authorization Acts – including Thrift Savings Plan contributions and lump-sum elections. DHS will propose legislation to authorize payment of Continuation Pay, another new element of the Modernized Retirement System, from this appropriation, beginning in 2018. This request supports the benefits outlined above and remains available until expended. The Retired Pay appropriation is scored as a mandatory appropriation.

Retired Pay
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$1,604,000		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$1,604,000	\$1,604,000	\$1,690,824
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$54,170	\$85,688	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	-	-	-
Supplementals	-	-	-
Total Budget Authority	\$1,658,170	\$1,689,688	\$1,690,824
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$1,658,170	\$1,689,688	\$1,690,824
Obligations (Actual/Projections/Estimates)	\$1,572,482	\$1,689,688	\$1,690,824
Personnel: Positons and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

**Retired Pay
Summary of Budget Changes**
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$1,604,000
FY 2016 Revised Enacted	-	-	\$1,604,000
FY 2017 Annualized CR	-	-	\$1,604,000
FY 2018 Base Budget	-	-	\$1,604,000
Retired Pay Contribution	-	-	\$86,824
Total, Pricing Increases	-	-	\$86,824
Total Adjustments-to-Base	-	-	\$86,824
FY 2018 Current Services	-	-	\$1,690,824
FY 2018 Request	-	-	\$1,690,824
FY 2017 TO FY 2018 Change	-	-	\$86,824

Justification of Pricing Changes
Dollars in Thousands

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 1 - Retired Pay Contribution	-	-	\$86,824
Total Pricing Changes	-	-	\$86,824

Retired Pay Contribution: Reflects FY 2018 Actuarial Adjustments and inclusion of the Modernized Retirement System.

Retired Pay
Personnel Compensation and Benefits
Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Retired Pay	-	-	\$1,365,621	-	-	-	\$1,365,621	-	-	-	\$1,457,024	-	-	-	\$91,403	-
Total	-	-	\$1,365,621	-	-	-	\$1,365,621	-	-	-	\$1,457,024	-	-	-	\$91,403	-
Mandatory - Appropriation	-	-	\$1,365,621	-	-	-	\$1,365,621	-	-	-	\$1,457,024	-	-	-	\$91,403	-

* The FTE Rate calculation does not include Object Class 11.8-Special Personal Services Payments or 13.0-Benefits for Former Personnel.

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018:N/A

PCB Change FY 2017-2018: Increase due to changes in actuarial projections and costs associated with the Modernized Retirement System.

Average Cost Change FY 2017-2018: N/A

**Retired Pay
Pay by Object Class**
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
13.0 Benefits for Former Personnel	\$1,365,621	\$1,365,621	\$1,457,024	\$91,403
Total - Personnel Compensation and Benefits	\$1,365,621	\$1,365,621	\$1,457,024	\$91,403
Positions and FTE				
Positions - Civilian	-	-	-	-

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Retired Pay		\$1,365,621			\$1,365,621			\$1,474,420			\$108,799	
Total – Pay Cost Drivers		\$1,365,621			\$1,365,621			\$1,474,420			\$108,799	

**Retired Pay
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Retired Pay	\$238,379	\$238,379	\$233,800	(\$4,579)
Total	\$238,379	\$238,379	\$233,800	(\$4,579)
Mandatory - Appropriation	\$238,379	\$238,379	\$233,800	(\$4,579)

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
25.6 Medical Care	\$238,379	\$238,379	\$233,800	(\$4,579)
Total - Non Pay Object Classes	\$238,379	\$238,379	\$233,800	(\$4,579)

Non Pay Cost Drivers
Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Medical Payments	\$238,379	\$238,379	\$233,800	(\$4,579)
Total – Non Pay Cost Drivers	\$238,379	\$238,379	\$233,800	(\$4,579)

NARRATIVE EXPLANATION OF CHANGES

Medical Payments: Decrease reflects FY 2018 Actuarial Adjustments and DoD proposed TRICARE benefit changes.

Department of Homeland Security

U.S. Coast Guard

Boat Safety



**Fiscal Year 2018
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Boat Safety

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Boat Safety	14	14	\$114,326	14	14	\$113,049	19	19	\$118,416	5	5	\$5,367
Total	14	14	\$114,326	14	14	\$113,049	19	19	\$118,416	5	5	\$5,367
Subtotal Mandatory - Appropriation	14	14	\$114,326	14	14	\$113,049	19	19	\$118,416	5	5	\$5,367

Overview

Mission Statement for Boat Safety:

The Boat Safety program applies preventive means and strategies to minimize loss of life, personal injury, property damage, and environmental impact associated with the use of recreational boats. The program directly supports the Coast Guard’s Maritime Prevention Program by promoting safe and enjoyable use of public U.S. waterways.

Budget Activities:

Boat Safety activities include: overseeing manufacturer compliance with Coast Guard regulations; grant making to States and national non-profit boating safety organizations; conducting surveys to measure recreational boating activity; continuing the Boat Responsibly national outreach and awareness initiative; promulgating safety regulations; and measuring life jacket wear rates, including the effectiveness of voluntary and mandatory efforts to increase life jacket usage.

Budget Request Summary:

The FY 2018 President's Budget requests 19 positions, 19 FTE and \$118.416 million for Boat Safety. The total adjustments-to-base include a 1.9 percent pay raise for civilians and an increase in civilian allowances due to an increase in government contributions for various Federal Employee benefits.

In its role as the designated National Recreational Boating Safety (RBS) Program Coordinator, the Coast Guard is charged with managing dedicated user fee funding provided from the Sport Fish Restoration and Boating Trust Fund to support the National Recreational Boating Safety Program. Under the provisions of the Sportfishing and Recreational Boating Safety Act of 2005 (Subtitle A, Title X, P.L. 109-59), the Coast Guard receives a percentage distribution of total trust fund receipts from the preceding fiscal year (i.e., FY 2018 funding will be a percentage of FY 2017 trust fund receipts). Funds are available until expended, but are limited in purpose and amount in accordance with existing statute.

Boat Safety
Budget Authority and Obligations
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$114,326		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$114,326	\$113,049	\$118,416
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$10,008	\$8,014	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	\$16,011	\$15,574	\$7,800
Supplementals	-	-	-
Total Budget Authority	\$140,345	\$136,637	\$126,216
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$140,345	\$136,637	\$126,216
Obligations (Actual/Projections/Estimates)	\$114,326	\$121,307	\$118,416
Personnel: Positions and FTE			
Enacted/Request Positions	14	14	19
Enacted/Request FTE	14	14	19
Onboard and Actual FTE; Includes Collections - Reimbursable Resources			
Onboard (Actual/Estimates/Projections)	14	14	19
FTE (Actual/Estimates/Projections)	14	14	19

Boat Safety
Summary of Budget Changes
Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	14	14	\$114,326
FY 2016 Revised Enacted	14	14	\$114,326
FY 2017 Annualized CR	14	14	\$113,049
FY 2018 Base Budget	14	14	\$113,049
Adjustment for 2017 Initiatives	-	-	\$45
Annualization of 2017 Civilian Pay Raise	-	-	\$10
2018 Civilian Pay Raise	-	-	\$30
2018 Civilian Allowances	-	-	\$2
Boat Safety Management Personnel	5	5	\$878
Trust Fund Receipts Adjustment	-	-	\$4,402
Total, Pricing Increases	5	5	\$5,367
Total Adjustments-to-Base	5	5	\$5,367
FY 2018 Current Services	19	19	\$118,416
FY 2018 Request	19	19	\$118,416
FY 2017 TO FY 2018 Change	5	5	\$5,367

Boat Safety
Justification of Pricing Changes
Dollars in Thousands

Pricing Changes	FY 2018 President's Budget		
	Positions	FTE	Amount
Pricing Change 1 - Adjustment for 2017 Initiatives	-	-	\$45
Pricing Change 2 - Annualization of 2017 Civilian Pay Raise	-	-	\$10
Pricing Change 3 - 2018 Civilian Pay Raise	-	-	\$30
Pricing Change 4 - 2018 Civilian Allowances	-	-	\$2
Pricing Change 5 - Boat Safety Management Personnel	5	5	\$878
Pricing Change 6 - Trust Fund Receipts Adjustment	-	-	\$4,402
Total Pricing Changes	5	5	\$5,367

Adjustment for 2017 Initiatives: This adjustment captures the net impact of 2017 civilian pay raises and allowances.

Annualization of 2017 Civilian Pay Raise: Provides one quarter of funding to annualize the 2017 civilian (2.1 percent) pay raise.

2018 Civilian Pay Raise: Provides three quarters funding for the 2018 civilian (1.9 percent) pay raise.

2018 Civilian Allowances: Provides funding for required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and TSP Government Contributions.

Boat Safety Management Personnel: In accordance with statutory authority granted in 46 USC 13107(a)(2) and (c)(1), as amended by P.L. 114-94, Section 10002(2), five additional personnel are included for administering state recreational boating safety programs and carrying out the National Recreational Boating Safety Program.

Trust Fund Receipts Adjustment: Under provisions of the Sportfishing and Recreational Boating Safety Act, the Coast Guard receives a percentage distribution of total trust fund receipts. The FY 2018 request reflects anticipated needs to non-federal sources.

Boat Safety
Personnel Compensation and Benefits

Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted				FY 2017 Annualized CR				FY 2018 President's Budget				FY 2017 to FY 2018 Total Changes			
	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate	Pos.	FTE	Amount	Rate
Boat Safety	14	14	\$2,075	\$148.21	14	14	\$2,088	\$149.14	19	19	\$2,786	\$146.63	5	5	\$698	(\$2.51)
Total	14	14	\$2,075	\$148.21	14	14	\$2,088	\$149.14	19	19	\$2,786	\$146.63	5	5	\$698	(\$2.51)
Mandatory - Appropriation	14	14	\$2,075	\$148.21	14	14	\$2,088	\$149.14	19	19	\$2,786	\$146.63	5	5	\$698	(\$2.51)

NARRATIVE EXPLANATION OF CHANGES

FTE Change FY 2017-2018: Reflects five additional FTE for administering state recreational boating safety programs and carrying out the National Recreational Boating Safety Program.

PCB Change FY 2017-2018: Provides funding to annualize the FY 2017 civilian pay raise of 2.1 percent, FY 2018 civilian pay raise of 1.9 percent, and funding for required contributions to Federal Employee Government Life Insurance (FEGLI), Federal Employee Health Benefits (FEHB), and TSP Government Contributions.

Average Cost Change FY 2017-2018: Average cost change reflects an increase in FTE related to pay and personal benefits being allocated in FY 2018.

Bonuses and performance awards: FY 2018 request estimates \$19,000 for bonuses and performance awards. This request remains in line with OPM Awards Guidance on Spending Limitation.

**Boat Safety
Pay by Object Class**
Dollars in Thousands

Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
11.1 Full-time Permanent	\$1,600	\$1,610	\$2,149	\$539
11.5 Other Personnel Compensation	\$14	\$14	\$18	\$4
12.1 Civilian Personnel Benefits	\$461	\$464	\$619	\$155
Total - Personnel Compensation and Benefits	\$2,075	\$2,088	\$2,786	\$698
Positions and FTE				
Positions - Civilian	14	14	19	5
FTE - Civilian	14	14	19	5

Pay Cost Drivers
Dollars in Thousands

Leading Cost-Drivers	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate	FTE	Amount	Rate
Civilian Pay	14	\$2,075	\$148.21	14	\$2,088	\$149.14	19	\$2,786	\$146.63	5	\$698	(\$2.51)
Total - Pay Cost Drivers	14	\$2,075	\$148.21	14	\$2,088	\$149.14	19	\$2,786	\$146.63	5	\$698	(\$2.51)

Boat Safety
Permanent Positions by Grade – Appropriation

Grades and Salary Range	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
GS-15	1	1	3	2
GS-14	3	3	3	-
GS-13	9	9	12	3
GS-7	1	1	1	-
Total Permanent Positions	14	14	19	5
Total Perm. Employment (Filled Positions) EOY	14	14	14	-
Position Locations				
Headquarters	12	12	17	5
U.S. Field	2	2	2	-
Averages				
Average Personnel Costs, GS Positions	142,492	142,136	155,826	13,690
Average Grade, GS Positions	13	13	13	-

**Boat Safety
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Boat Safety	\$112,251	\$110,961	\$115,630	\$4,669
Total	\$112,251	\$110,961	\$115,630	\$4,669
Mandatory - Appropriation	\$112,251	\$110,961	\$115,630	\$4,669

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
21.0 Travel and Transportation of Persons	\$158	\$156	\$162	\$6
22.0 Transportation of Things	\$1	\$1	\$1	-
24.0 Printing and Reproduction	\$10	\$10	\$10	-
25.1 Advisory and Assistance Services	\$5	\$5	\$5	-
25.2 Other Services from Non-Federal Sources	\$2,856	\$2,823	\$2,943	\$120
31.0 Equipment	\$4	\$4	\$4	-
41.0 Grants, Subsidies, and Contributions	\$109,217	\$107,962	\$112,505	\$4,543
Total - Non Pay Object Classes	\$112,251	\$110,961	\$115,630	\$4,669

Boat Safety
Non Pay Cost Drivers

Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Boat Safety Grants & Administration	\$112,251	\$110,961	\$115,630	\$4,669
Total – Non Pay Cost Drivers	\$112,251	\$110,961	\$115,630	\$4,669

NARRATIVE EXPLANATION OF CHANGES

Provides grants for the development and implementation of a coordinated national recreational boating safety program. This funding level is based on current estimates of trust fund receipts from the Office of Tax Analysis at the Department of Treasury (adjusted to reflect amendments to current law enacted in P.L. 109-59).

Department of Homeland Security

U.S. Coast Guard

Maritime Oil Spill Program



**Fiscal Year 2018
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Maritime Oil Spill Program

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
Maritime Oil Spill Program	-	-	\$107,329	-	-	\$101,000	-	-	\$101,000	-	-	-
Total	-	-	\$107,329	-	-	\$101,000	-	-	\$101,000	-	-	-
Subtotal Mandatory - Appropriation	-	-	\$107,329	-	-	\$101,000	-	-	\$101,000	-	-	-

Overview

The Maritime Oil Spill Program operates under the authority of Title I of the Oil Pollution Act of 1990 (OPA), as amended, which provides for the use of the Oil Spill Liability Trust Fund (OSLTF) to pay for Federal response to oil spills and claims for uncompensated removal costs and damages resulting from such spills. The Maritime Oil Spill Program directly supports the Coast Guard’s Marine Environment Protection mission and Maritime Response Program.

In Section Seven of Executive Order 12777, the President delegated management responsibility of the OSLTF to the Secretary of the Department in which the Coast Guard is operating. Upon re-delegation by the Secretary, the Commandant of the Coast Guard delegated responsibility to the National Pollution Funds Center (NPFC), which oversees the OSLTF.

The NPFC:

- Provides funding for Federal removal actions in response to a discharge or a substantial threat of discharge of oil to navigable waters of the United States;
- Compensates claimants for OPA removal costs or damages;
- Provides funding to natural resource trustees for Natural Resource Damage Assessments (NRDA);
- Administers the OSLTF.

The FY 2018 President’s Budget estimates that expenditures from this account will total \$101 million for the Maritime Oil Spill Program. These estimated expenditures consist of a \$50 million transfer for immediate federal oil spill response, an estimated \$1 million payment to the Prince William Sound Oil Spill Recovery Institute, and an estimated \$50 million to compensate claimants for uncompensated OPA removal costs and damages, including natural resource damages.

**Maritime Oil Spill Program
Budget Authority and Obligations**
Dollars in Thousands

Budget Authority	FY 2016	FY 2017	FY 2018
Enacted	\$107,329		
Transfers & Reprogrammings	-		
Delta in Enacted Fee Estimate to Fee Actuals	-		
Enacted Rescissions to Prior Year	-		
Revised Enacted/Request	\$107,329	\$101,000	\$101,000
Carryover and/or Recoveries (Actual/Estimates/Projections)	\$108,980	\$124,912	-
Rescissions to Current Year/Budget Year	-	-	-
Net Sequestered Resources	\$20,049	\$13,821	\$6,969
Supplementals	-	-	-
Total Budget Authority	\$236,358	\$239,733	\$107,969
Collections – Reimbursable Resources	-	-	-
Total Budget Resources	\$236,358	\$239,733	\$107,969
Obligations (Actual/Projections/Estimates)	\$107,329	\$225,795	\$107,969
Personnel: Positons and FTE			
Enacted/Request Positions	-	-	-
Enacted/Request FTE	-	-	-
Onboard and Actual FTE Including Collections - Reimbursable Resources			
Onboard Positions (Actual/Estimates/Projections)	-	-	-
FTE (Actual/Estimates/Projections)	-	-	-

**Maritime Oil Spill Program
Summary of Budget Changes**

Dollars in Thousands

Budget Formulation Activity	Positions	FTE	Amount
FY 2016 Enacted	-	-	\$107,329
FY 2016 Revised Enacted	-	-	\$107,329
FY 2017 Annualized CR	-	-	\$101,000
FY 2018 Base Budget	-	-	\$101,000
FY 2018 Current Services	-	-	\$101,000
FY 2018 Request	-	-	\$101,000
FY 2017 TO FY 2018 Change	-	-	-

**Maritime Oil Spill Program
Non Pay Budget Exhibits**

Non Pay Summary
Dollars in Thousands

Organization	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Maritime Oil Spill Program	\$107,329	\$101,000	\$101,000	-
Total	\$107,329	\$101,000	\$101,000	-
Mandatory - Appropriation	\$107,329	\$101,000	\$101,000	-

Non Pay by Object Class
Dollars in Thousands

Non-Pay Object Classes	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Change
25.2 Other Services from Non-Federal Sources	\$107,329	\$101,000	\$101,000	-
Total - Non Pay Object Classes	\$107,329	\$101,000	\$101,000	-

Non Pay Cost Drivers
Dollars in Thousands

Leading Non Pay Cost-Drivers	FY 2016 Revised Enacted	FY 2017 Annualized CR	FY 2018 President's Budget	FY 2017 to FY 2018 Total Changes
Maritime Oil Spill Program	\$107,329	\$101,000	\$101,000	-
Total – Non Pay Cost Drivers	\$107,329	\$101,000	\$101,000	-

Department of Homeland Security

U.S. Coast Guard

Funds



**Fiscal Year 2018
Congressional Justification**

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Funds

Budget Comparison and Adjustments

Comparison of Budget Authority and Request

Dollars in Thousands

Organization	FY 2016 Revised Enacted			FY 2017 Annualized CR			FY 2018 President's Budget			FY 2017 to FY 2018 Total Changes		
	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount	Pos.	FTE	Amount
General Gift Fund	-	-	\$1,621	-	-	\$2,214	-	-	\$2,864	-	-	\$650
Total	-	-	\$1,621	-	-	\$2,214	-	-	\$2,864	-	-	\$650
Subtotal Mandatory - Appropriation	-	-	-	-	-	-	-	-	\$2,864	-	-	\$2,864
Subtotal Mandatory - Fee	-	-	\$1,621	-	-	\$2,214	-	-	-	-	-	(\$2,214)

General Gift Fund

Budget Activities: The Coast Guard General Gift Fund is authorized under 10 U.S.C. § 2601, which provisions for such funds within the Department of Defense and the Coast Guard. The General Gift Fund is a vehicle that authorizes the Commandant of the Coast Guard to accept gifts and donations for the benefit of museums, chapels, and other organizations under the jurisdiction of the Coast Guard. The Coast Guard is also authorized to accept gifts to be used for the benefit of service members who are wounded, injured or taken ill while in the line of duty, as well as for those members' dependents and survivors.

Budget Request Summary: The FY 2018 President's Budget estimates \$2.9 million in bequests from various sources to the General Gift Fund.

Yard Fund

Budget Activities: The Coast Guard Yard, located in Curtis Bay, MD, provides engineering support and industrial services for maintenance and repair of Coast Guard cutters, aids to navigation and other equipment. The Coast Guard Yard also manages facilities that homeport two major cutters and house several Coast Guard commands including the Surface Forces Logistics Center, Sector Baltimore and Curtis Bay Station.

Budget Request Summary: The Yard Fund is a revolving account supported by the Coast Guard's Operating Expenses and Acquisition, Construction & Improvements appropriations. It pays for personnel and materials required for Coast Guard projects and work orders completed by the Coast Guard Yard. These activities indirectly support Coast Guard missions.

Supply Fund

Budget Activities: The Supply Fund, in accordance with 14 U.S.C. § 650, finances the procurement of uniform clothing, commissary provisions, general stores, technical material, and fuel for vessels over 180 feet in length.

Budget Request Summary: The fund is financed by reimbursements from the sale of goods, including the procurement of uniforms, commissioning provisions, stores, materials, and fuel. These activities indirectly support Coast Guard missions.