

National Defense Industrial Association



UNITED STATES
DEPARTMENT OF DEFENSE



Resourcing Logistics Discussion

OFFICE OF THE UNDER SECRETARY OF DEFENSE
(COMPTROLLER) / CHIEF FINANCIAL OFFICER

President's Commitment

“The fiscal choices we face are difficult ones, but there should be no doubt – here in the United States or around the world – we will keep our Armed Forces the best-trained, best-led, best-equipped fighting force in history.”

**President Barack Obama
January 2012**



Budget Control Act of 2011

- Placed legally binding limits on broad spending categories for FY 2012 – FY 2021
 - Security/Non-security funding in FY 2012/FY 2013
 - DoD is 80% of security
 - Approximately \$40 – \$50 billion/year
 - Includes DHS, State, VA, NNSA, etc.
 - Total discretionary funding in FY 2014 – FY 2021
 - DoD is about 50%
 - No limits on Overseas Contingency Operations Funding
 - Achieves about \$1 Trillion in deficit reduction
- Requires additional \$1.2 Trillion in deficit reductions in FY 2012 – FY 2021
 - Super Committee failed
 - Potential sequestration January 2013
 - Additional Defense reductions of about \$50 billion/year

Strategic Goals

- Create a force that is smaller and leaner, but also agile, ready, flexible, and technologically advanced
- Rebalance our global posture toward Asia-Pacific/Middle East
- Build innovative partnerships and strengthen alliances
- Protect and prioritize investments in new capabilities



**Ensure That We Can Quickly Confront and Defeat Aggression
From Any Adversary – Anytime, Anywhere**

Guiding Principles

1. More disciplined use of defense dollars
2. Apply strategic guidance to force structure and investment
3. The All-Volunteer Force is foundation of our military
4. Fully support deployed warfighters

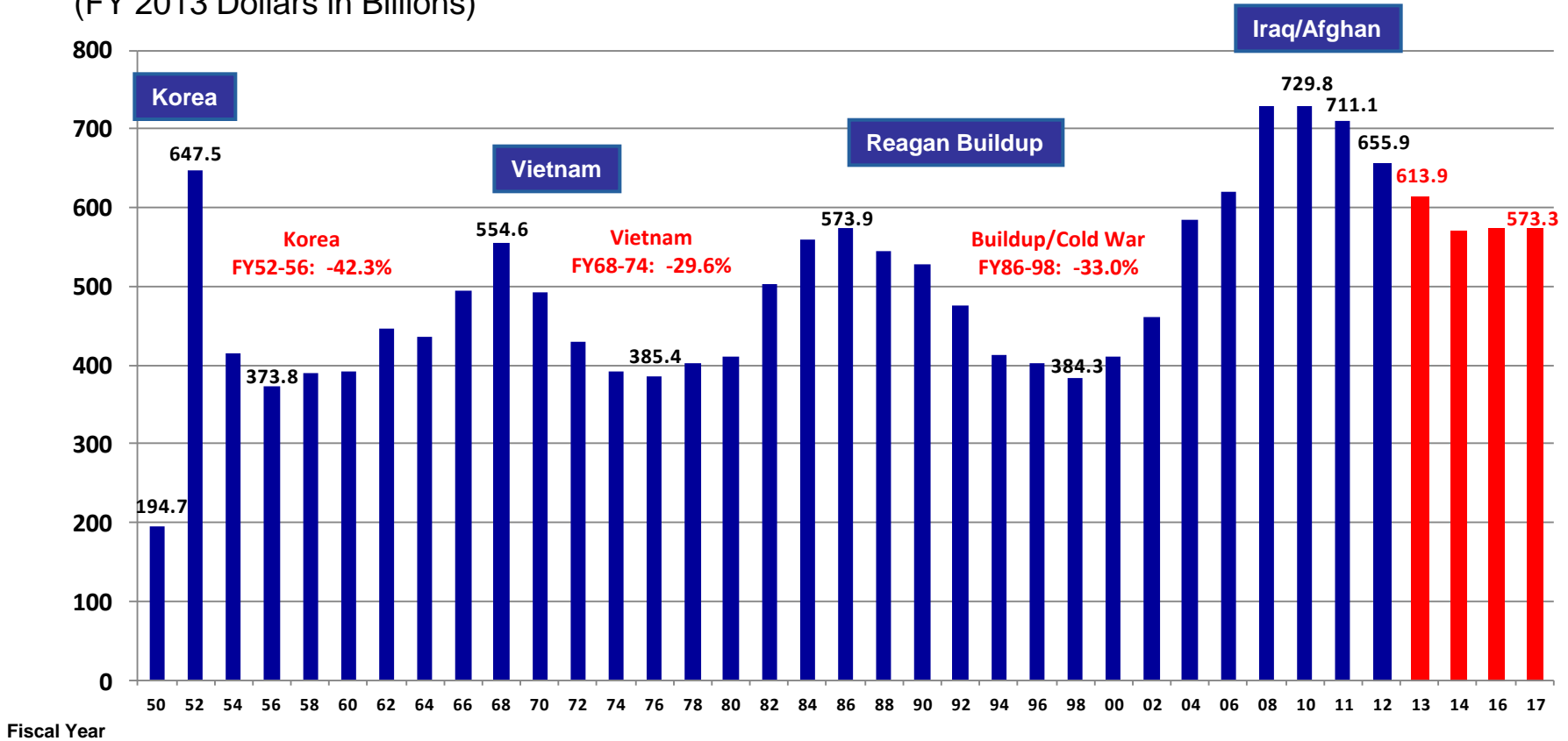
Formulated New Strategy to Guide Budgetary Decisions

Total Budget Trends

(Including supplemental and OCO funding)

**FY10 – FY17:
-21%/- \$156B**

(FY 2013 Dollars in Billions)

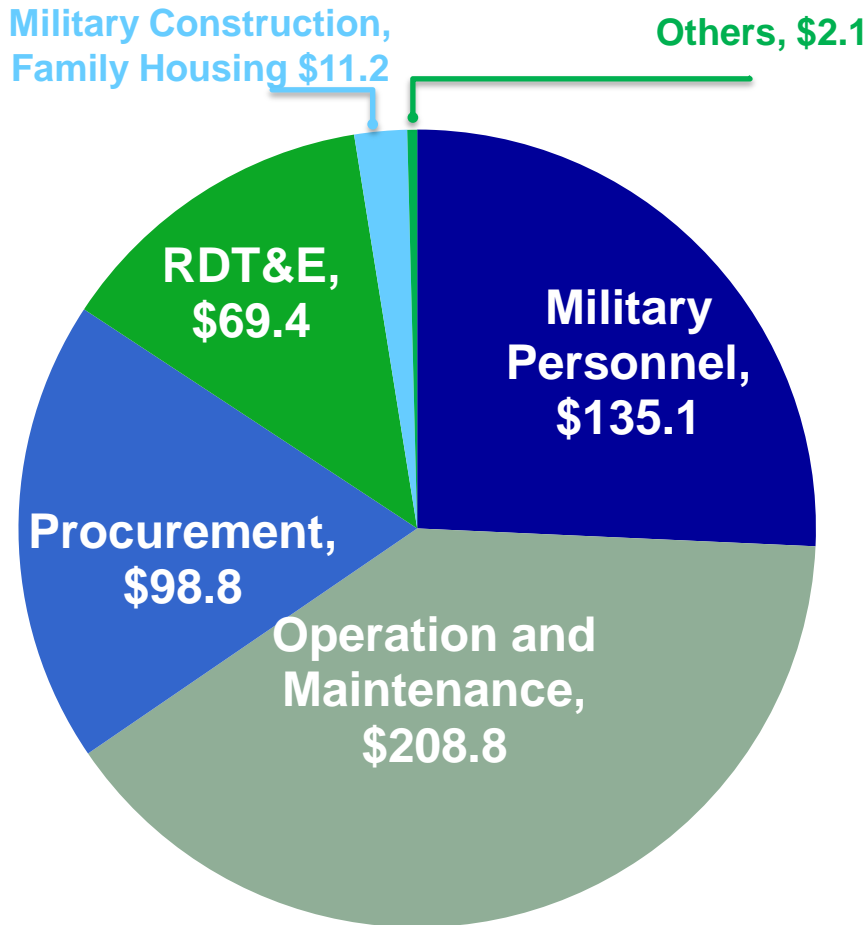


Projections (red bars) assume FYDP plus \$44.2 billion annual placeholders for OCO in years beyond FY 2013

FY 2013 President's Budget

(Dollars in Billions)

Base Budget (\$525.4 B)



Overseas Contingency Operations (\$88.5 B)

