Exhibit R-2, RDT&E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)						DATE: February 2003	
APPROPRIATION/BUDGET ACTIVITY Defense Wide RDT&E,D BA6				R-1 ITEM NOMENCLATURE Foreign Comparative Testing (FCT) PE 0605130D8Z			
COST *(In Millions)*	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
Total Program Element (PE) Cost	34.839	26.873	34.873	35.705	36.221	36.807	37.641	38.335

A. Mission Description and Budget Item Justification

The mission of the FCT program is to test and evaluate foreign non-developmental items (NDI) identified by the Services and Combatant Commanders in order to avoid costly and time-consuming U.S. new start acquisition programs. The FCT program is Congressionally mandated in Title 10, USC, Section 2350a. FCT tests and evaluates conventional defense equipment, munitions, and technologies manufactured and developed by major allies of the United States and other friendly foreign countries to determine the ability of such equipment, munitions, and technologies to satisfy United States military requirements or to correct operational deficiencies. While the testing of NDI and items in the late state of the development process are preferred, the testing of equipment, munitions, and technologies may be conducted to determine procurement alternatives. FCT projects are nominated by the Services and U.S. Special Operations Command (SOCOM) each year and submitted to Congress for approval prior to obligation of funds.

This Research Category 6.5 is assigned and identified in this descriptive summary in accordance with existing DoD policy.

B. Program Change Summary

	FY 2002	FY 2003	FY 2004	FY 2005
Previous President's Budget	34.839	31.670	32.392	33.412
Current FY2004 President's Budget	34.839	26.873	34.873	35.705
Total Adjustments		-4.797	2.481	2.293
Congressional program reductions		-4.797		
Congressional rescissions				
Congressional increases				
Reprogrammings				
SBIR/STTR Transfer				
Other			2.481	2.293

C. Other Program Funding Summary: N/A

D. Acquisition Strategy: N/A