

Subject: Future Combat Systems		DoD Serial Number: FY 08-08 PA
Appropriation Title: Procurement of Weapons and Tracked Combat Vehicles, Army, 08/10; and Research, Development, Test, and Evaluation, Army, 08/09		Includes Transfer? Yes

Component Serial Number:	<i>(Amounts in Thousands of Dollars)</i>							
	Program Base Reflecting Congressional Action		Program Previously Approved by Sec Def		Reprogramming Action		Revised Program	
Line Item	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
a	b	c	d	e	f	g	h	i

This reprogramming action is submitted for prior approval because it exceeds thresholds, involves congressional special interest items, and uses general transfer authority pursuant to section 8005 of Public Law 110-116, the Department of Defense (DoD) Appropriations Act, 2008; and section 1001 of Public Law 110-181, the National Defense Authorization Act for Fiscal Year (FY) 2008. This reprogramming action transfers \$6.602 million from the Procurement of Weapons and Tracked Combat Vehicles, Army, 08/10, appropriation to the Research, Development, Test, and Evaluation, Army, 08/09, appropriation and realigns \$245.865 million within the Research, Development, Test, and Evaluation, Army, 08/09, appropriation for proper execution of the Future Combat Systems (FCS) program. These actions reprogram funding in support of higher priority items, based on unforeseen military requirements, than those for which originally appropriated; and are determined to be necessary in the national interest. They meet all administrative and legal requirements and none of the items has been previously denied by the Congress.

<b><u>FY 2008 REPROGRAMMING INCREASE:</u></b>	<b><u>+252,467</u></b>	<b><u>+174,467</u></b>
<b><u>Research, Development, Test, and Evaluation, Army, 08/09</u></b>	<b><u>+252,467</u></b>	<b><u>+174,467</u></b>
<u>Budget Activity 3: Advanced Technology Development</u>		
PE 0603005A Combat Vehicle & Automotive Advanced Technology		
251,416	251,416	+2,000
		253,416

Explanation: The Congress added \$2.0 million for development of the Anti-Ballistic Windshield Armor project under the FY 2008 Weapons and Tracked Combat Vehicles, Army (WTCV, Army) appropriation; and this project is currently being executed by the Army's Tank-Automotive Research, Development and Engineering Center (TARDEC) under the PE 0603005A. This action transfers the funds from the FY 2008 WTCV, Army to the FY 2008 RDT&E, Army appropriations to correctly finance the effort in the Army budget.

<u>Budget Activity 5: System Development and Demonstration</u>			
PE 0604660A FCS Manned Ground Vehicles and Common Ground Vehicle			
596,033	596,033	+30,963	626,996
PE 0604662A FCS Reconnaissance (UAV) Platforms			
41,164	41,164	+7,055	48,219

Approved (Signature and Date)	MAR 21 2008
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Budget Activity 5: System Development and Demonstration

PE 0604664A FCS Unattended Ground Sensors	10,999		10,999		+22,377		33,376	
PE 0604665A FCS Sustainment & Training R&D	651,781		651,781		+94,641		746,422	

Explanation: The Congress reduced the FY 2008 funding for the FCS development program (\$228.0 million). This decrement delays the total program Milestone C by an additional 4 to 6 months, significantly impeding the FCS Brigade Combat Team (BCT) fielding. A redistribution of FCS funds (\$167.9 million) is required to maintain an executable program with only a 2 month slip to Milestone C.

In addition, this reprogramming action reflects the current Earned Value data at the detailed planning package level (1 to 3 month duration activities) versus the FY 2008 President’s budget which was based on higher level planning packages (3 to 6 month duration activities).

This action also incorporates implementation of a new design for the Unattended Ground Sensor (UGS) and Class I Unmanned Aerial Vehicles (UAV). The new UGS design will incorporate updated radios for better network connectivity and data flow as well as potential design improvements to lower production and life cycle costs. The Class 1 UAV redesign is necessary to increase payload capacity for the laser designator sensor.

PE 0604666A Modular Brigade Enhancement	64,796		64,796		+16,031		80,827	
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Explanation: This action realigns unique Spin-Out 1 testing funds (\$12.829 million) from the FCS Core Systems of Systems (SoS) Engineering and Program Management program (PE 0604661A) to the Modular Brigade Enhancement (PE 0604666A) in order for the effort to be correctly financed in the Army budget; and reflects a redistribution of FCS funds to maintain an executable FCS program with only a 2 month slip to Milestone C. Additionally, this action also realigns funding for the development of the Spin-Out 1 unique training devices modifications (\$3.202 million) from the FY 2008 Weapons and Tracked Combat Vehicles, Army (WTCV, Army) appropriation to the FY 2008 RDT&E, Army appropriation since development activities should not be funded by procurement assets.

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	<b>Includes Transfer?</b> Yes

<b>Component Serial Number:</b>  <b>Line Item</b>  a	(Amounts in Thousands of Dollars)							
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**Budget Activity 5: System Development and Demonstration**  
 PE 0604661A FCS Systems of Systems Engineering and Program Management

	1,507,466	1,507,466	+1,400	1,508,866
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**Explanation:** The Army and Office of Secretary of Defense (OSD) Legal Offices have determined that it is not appropriate to use FY 2008 Weapons and Tracked Combat Vehicles, Army funding for government support to execute the first year of Advance Procurement activities, and that these activities to manage the FCS Spin-Out Advance Procurement contract (contracting, program management, quality assurance, and engineering personnel) should be financed by RDT&E, Army funds.

**Restoration of FY 2008 RDT&E, Army Funds (\$78.0 million):**

PE 0604660A FCS Manned Ground Vehicles and Common Ground Vehicle	596,033	626,996*	+40,000	666,996
PE 0604665A FCS Sustainment and Training R&D	651,781	651,781	+19,000	670,781
PE 0604646A Non-Line of Sight Launch System (NLOS-LS)	254,690	254,690	+19,000	273,690

\* Reflects additional changes made on page 1 of this reprogramming action to the FCS Manned Ground Vehicles and Common Ground Vehicle program.

**HASC Denied**

**Explanation:** The FY 2008 DoD Appropriations Act reduced the overall FCS funding by \$228.0 million. The resultant Non-Line Of Sight – Cannon (NLOS-C) schedule slip will make it impossible to meet the congressional mandates on delivery of these vehicles. Slipping the NLOS-Launch System (LS) Single Channel Radio Set (SCRS) radio and Radio Storage Device effort, along with limited Battle Command, would delay providing this capability to the current force. To maintain both of the NLOS-C and Spin-Out schedules, a \$78.0 million restoration of FY 2008 RDT&E, Army funds is required for the FCS program in the following manner.

--- \$40.0 million under the FCS Manned Ground Vehicles (MGV) and Common Ground Vehicle program is required to design and procure the 27.4 ton Configuration Common Chassis Hardware (i.e., engines, traction/suspension, crew systems, structure, vehicle subsystems) for the NLOS-C cannons to be delivered in FY 2009.

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---\$19.0 million under the FCS Sustainment and Training Research & Development (PE 0604665A) program is required to continue the development of battle command software to maximize capability in support Spin-Out 1 Limited User Test (LUT) testing and follow-on dual enclave requirements

---\$19.0 million under the Non-Line of Sight Launch System (NLOS-LS) (PE 0604646A) is required to fully fund the new National Security Agency (NSA) Unified INFOSEC Criteria (UIC) requirements for the Single Channel Radio Set (SCRS) radio and the Radio Storage Device. This funding completes the design, integration and testing to ensure compliance with both NSA UIC requirements and the ability to handle cryptographic keying material for the Spin-Out 1 Limited User Test (LUT) and verification test.

<b><u>FY 2008 REPROGRAMMING DECREASES:</u></b>	<b><u>-252,467</u></b>	<b><u>-174,467</u></b>
<b><u>Procurement of Weapons &amp; Tracked Combat Vehicles, Army, 08/10</u></b>	<b><u>-6,602</u></b>	
Future Combat System (FCS)	52,832	52,832
	<b>-2,000</b>	50,832

Explanation: The Congress added FY 2008 funds for the development of the Antiballistic Windshield Armor under the Weapons and Tracked Combat Vehicles (WTCV), Army appropriation. This action transfers the funding from the FY 2008 WTCV, Army to the FY 2008 RDT&E, Army appropriations to correctly finance this development effort in the Army budget.

FCS Spin Outs (Advance Procurement – Current Year)	-	19,987	<b>-4,602</b>	15,385
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Explanation: This funding finances two activities associated with the FCS Spin-Out program. The first activity is the development of modifications to existing current force Training Devices to incorporate the FCS technologies from the Spin-Out program. This activity should be financed under the Modular Brigade Enhancement program (PE 0604666A) (\$3.2 million) with FY 2008 RDT&E, Army in lieu of procurement funds.

The second activity is government support. The Army and OSD Legal Offices have determined that it is not appropriate to use procurement funds for government support (contracting, program management, quality assurance, and engineering efforts) in the execution of the first year of the



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FCS program’s advance procurement. Hence, this action transfers \$1.4 million for government support to the FCS Systems of Systems Engineering and Program Management program from the FY 2008 Weapons and Tracked Combat Vehicles, Army appropriation to FY 2008 RDT&E, Army appropriation.

<b>Research, Development, Test, and Evaluation, Army, 08/09</b>	<b><u>-245,865</u></b>	<b><u>-167,865</u></b>
<u>Budget Activity 4: Advanced Component Development and Prototypes</u>		
<u>PE 0603653A Advanced Tank Armament System</u>		
	142,486	109,486
	<b>-33,000</b>	

Explanation: The Army budget included \$117.7 million of FY 2008 RDT&E, Army funds to finance the Mast Mounted Sensor, Active Protection System, Power Management and Mobile Gun System (MGS) environmental control. However, the requirements for these efforts are being included as part of a Stryker Product Improvement Program (PIP). A requirements analysis of this separate PIP effort has determined that only \$84.7 million is needed for these pre-milestone B activities. Therefore, \$33.0 million is available to finance other priorities.

**HASC Denied**

<u>Budget Activity 5: System Development and Demonstration</u>			
<u>PE 0604661A FCS Systems of Systems Engr &amp; Program Mgmt</u>			
	1,507,466	1,508,866*	-159,096
<u>PE 0604663A FCS Unmanned Ground Vehicles</u>			
	90,667	90,667	-8,769

Explanation: This action reduces the FY 2008 funding in these FCS development programs to offset the cost required to maintain an executable FCS program with only a two month slip to Milestone C in lieu of 4-6 months due to the FY 2008 congressional decrements to FCS. These decreases are predicated on slipping activities under these programs by at least two months; and moving the additional FY 2008 planned efforts for Autonomous Navigation System (ANS), logistics, training and test into FY 2009. This reduction also includes reducing the Lead System Integrator (LSI) manpower for FCS program management and systems engineering.

\*Reflects additional changes made on page 1 of this reprogramming action to the FCS Manned Ground Vehicles and Common Ground Vehicle program.

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<del>Budget Activity 7: Operational Systems Development</del>								
<del>PE 0303142A MILSATCOM Ground Environment (Space)</del>								
		107,849		107,849		<del>45,000</del>		62,849

~~Explanation:~~ Funds are available due to a delayed contract award; therefore, these funds are available to be reprogrammed with no risk to the program.

**HAC and HASC Denied**