

Subject: Longbow Apache Block III		DoD Serial Number: FY 05-21 PA
Appropriation Title: Aircraft Procurement, Army, 05/07; Research, Development, Test and Evaluation, Army, 05/06		Includes Transfer? Yes

Component Serial Number: FY 05-10 PA	<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 uses general transfer authority pursuant to section 8005 of Public Law 108-287, the Department of Defense (DoD) Appropriations Act, 2005; and section 1001 of Public Law 108-375, the Ronald W. Reagan National Defense Authorization Act for Fiscal Year (FY) 2005, and is determined to be in the national interest. This action transfers \$57.0 million from the Aircraft Procurement, Army, 05/07, appropriation to the Research, Development, Test, and Evaluation, Army, 05/06, appropriation. This action establishes a new project within Program Element (PE) 0203744A, Aircraft Modifications/Product Improvement Program. This action reprograms funding in support of higher priority items, based on unforeseen military requirements, than those for which the funds were originally appropriated. It meets all administrative and legal requirements, and the Congress has not previously denied the item for which the reprogramming is requested.

<u>FY 2005 REPROGRAMMING INCREASE:</u>	<u>+57,000</u>
<u>Research, Development, Test and Evaluation, Army, 05/06</u>	<u>+57,000</u>
<u>Budget Activity 7: Operational Systems Development</u>	
<u>PE 0203744A Aircraft Modifications/Product Improvement Programs</u>	
250,053	249,667
	<u>+57,000</u>
	306,667

Explanation: Previous budget submissions detailed procurement dollars for the execution of this program as an Engineering Change Proposal (ECP). However, due to recent Office of the Secretary of Defense (OSD) direction, the program must now include an operational assessment conducted by an independent test agency. The operational assessment and all supporting activities require Research, Development, Test and Evaluation (RDT&E) funding. The Apache Block III effort is the next logical, incremental, technology-insertion program for the Apache Longbow (AH-64D) aircraft. The Block III Operational Requirements Document (ORD) has been approved by the Army Requirements Oversight Council and the Joint Requirements Oversight Council, which signed the ORD on December 20, 2004. The FY 2005 funding will be utilized for nonrecurring engineering (labor and material) for mission processor and system architecture upgrades; a composite main rotor blade; drive train enhancements; a Radar Electronic Unit; and to be in compliance with the Instrument Meteorological Conditions/Instrument Flight Rules (IMC/IFR). The funding for this program was included within the FY 2005 Amended President Budget, but was requested in the Aircraft Procurement, Army appropriation. Approval will preclude a slip in Block III acquisition, and will improve the industrial base at Boeing, Mesa, Arizona, and Lockheed Martin, Orlando, Florida and Baltimore, Maryland.

Approved (Signature and Date)  **MAR 23 2005**

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<u>FY 2005 REPROGRAMMING DECREASE:</u>	<u>-57,000</u>
<u>Aircraft Procurement, Army, 05/07</u>	<u>-57,000</u>
<u>Budget Activity 2: Modification of Aircraft</u>	
Longbow Apache Mods	651,430
	646,430
	-57,000
	589,430

Explanation: Recent OSD guidance requires this program to include an operational assessment conducted by an independent test agency. As the cost of this assessment must be financed by RDT&E, Army funding, this action moves previously allocated funds to the RDT&E, Army appropriation for proper execution.