

Subject: Joint Air-to-Surface Stand-Off Missile (JASSM)		DoD Serial Number: FY 11-09 PA
Appropriation Title: Various Appropriations		
		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 these actions use general transfer authority and exceed established reprogramming thresholds. This reprogramming action provides 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 have previously been denied by the Congress.

PART I of this reprogramming action transfers \$12.394 million among Air Force appropriations. This reprogramming action uses \$12.394 million of general transfer authority pursuant to section 8005 of P.L. 111-118, the Department of Defense (DoD) Appropriations Act for FY 2010; and section 1001 of P.L. 111-84, the National Defense Authorization Act for Fiscal Year (FY) 2010.

PART II of this reprogramming action transfers \$77.606 million among Air Force appropriations. This reprogramming action uses \$75.315 million of general transfer authority pursuant to section 8005 of P.L. 110-329, the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act for FY 2009; and section 1001 of P.L. 110-417, the Duncan Hunter National Defense Authorization Act for FY 2009.

PART I

<u>FY 2010 REPROGRAMMING INCREASE:</u>	<u>+12,394</u>
<u>Missile Procurement, Air Force, 10/12</u>	<u>+12,394</u>
<u>Budget Activity 02: Other Missiles</u>	
JASSM	52,515 52,515 +30 +12,394 30 64,909

Explanation: Funds are required to support procurement of the Joint Air-to-Surface Standoff Missile (JASSM) and its Extended Range (JASSM-ER) variant. The JASSM/JASSM-ER Lot 9 procurement effort has been negotiated with Lockheed Martin, and a delay to this contract award will cause major sub-vendors to incur production breaks, loss of workforce, cost increases of approximately \$3.0 million per month due to loss of synergy, and requalification costs that could reach \$40.0 million.

Approved (Signature and Date)
 2/21/2011

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FY 2010 REPROGRAMMING DECREASE: -12,394

Research, Development, Test, and Evaluation, Air Force, 10/11 -12,394

Budget Activity 05: System Development and Demonstration
 0604617F Agile Combat Support

	10,914	10,914	-500	10,414
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Explanation: Funds are available because they are early to need due to program delays. The Blood Oxygen System program is still in the Science and Technology phase and has not entered Engineering Manufacturing Development.

Budget Activity 07: Operational System Development
 0305614F JSpOC Mission System

	100,601	100,601	-7,018	93,583
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Explanation: Funds are available due to re-phasing of the Joint Space Operations Center (JSpOC) program to accommodate various schedule delays. This re-phasing results in funds excess to the FY 2010 effort.

0305116F Aerial Targets

	35,300	35,300	-3,214	32,086
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Explanation: Funds are available due to re-phasing of the QF-16 Contract Award and reduced cost/price resulting from competition and government risk reduction activities.

0207170F Joint Helmet Mounted Cueing System (JHMCS)

	2,518	2,518	-1,483	1,035
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Explanation: Funds are available due to the Joint Helmet Mounted Cueing System (JHMCS) contract award delays. The display Unit Durability Enhancement program was delayed due to the contractor moving their manufacturing facilities, which drove an updated proposal with new rates. After further analysis the program office determined it was not economically feasible to continue with this award.

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0207134F F-15E Squadrons		273,449		273,449		-179		273,270	

Explanation: Funds are available due to negotiated savings from the Tactical Electronic Warfare System (TEWS) Intermediate Support System Insertion Program (TISSIP).

PART II

FY 2009 REPROGRAMMING INCREASE: **+77,606** **+41,006**

Missile Procurement, Air Force, 09/11 **+77,606** **+41,006**

<u>Budget Activity 02: Other Missiles</u>									
JASSM		139,703	80	139,703	+155	<u>+77,606</u>	235	217,309	
					+80	<u>+41,006</u>	160	180,709	

Explanation: Funds are required to support procurement of Joint Air-to-Surface Standoff Missile (JASSM) and its Extended Range (JASSM-ER) variant. The JASSM/JASSM-ER Lot 9 procurement effort has been negotiated with Lockheed Martin, and a delay to this contract award will cause major sub-vendors to incur production breaks, loss of workforce, cost increases of approximately \$3.0 million per month due to loss of synergy, and requalification costs that could reach \$40.0 million.

OUSD(C) Adj.

FY 2009 REPROGRAMMING DECREASES: **-77,606** **-41,006**

Aircraft Procurement, Air Force, 09/11 **-75,315** **-38,715**

<u>Budget Activity 01: Combat Aircraft</u>									
F-22A		20	3,497,775	20	3,497,775	-	<u>-6,125</u>	20	3,491,650

Explanation: Funds are available due to favorable contract negotiations of the F-22 production program.

<u>Budget Activity 02: Airlift Aircraft</u>									
HC/MC-130 RECAP		962,224		962,224		36,600		925,624	

~~Explanation: Funds are available due to updated HC/MC-130 aircraft pricing.~~

HAC and SAC Denied

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<u>Budget Activity 05: Modification of In-service Aircraft</u>									
B-2A			298,246		298,246		-8,416		289,830
<u>Explanation:</u> Funds are available due to a reduction in contingent liability and slip in contract award date.									
C-17A			332,417		332,417		-11,176		321,241
<u>Explanation:</u> Funds are available due to lower than anticipated contract costs for the C-17 Block 13 and 17 retrofit, Large AC Infrared Countermeasure and Simulated Threat modification programs driven by adjustments in schedule, rate and pricing.									
F-22A			326,123		326,123		-3,371		322,752
<u>Explanation:</u> Funds are available due to favorable contract negotiations of the F-22 Modification program (F22001 Common Configuration).									
T-38			54,464		54,464		-3,127		51,337
<u>Explanation:</u> Funds are available due to the completion of the T-38 Propulsion Modernization Program (PMP).									
<u>Budget Activity 07: Aircraft Support Equipment and Facilities</u>									
C-5			18,161		18,161		-6,500		11,661
<u>Explanation:</u> Funds are available due to a reduction in requirements identified by the Air Guard and Air Force Reserves for C-5 Post Production Support.									
Missile Procurement, Air Force, 09/11							<u>-2,291</u>		
<u>Budget Activity 03: Modification of In-service Missiles</u>									
Air Launched Cruise Missile (ALCM)			10,120		10,120		-2,291		7,829
<u>Explanation:</u> Funds are available due to delayed procurement activities in the Air Launched Cruise Missile (AGM-86) program.									