

Subject: December 2012 Prior Approval		DoD Serial Number: FY 13-03 PA
Appropriation Title: Various Appropriations		
		Includes Transfer? Yes

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

This reprogramming action is submitted for prior approval because these actions uses general transfer authority, exceeds established reprogramming thresholds, affect congressional special interest item, and initiates a new start. 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. It meets all administrative and legal requirements, and none of the items have previously been denied by the Congress.

**Part I** of this reprogramming action transfers \$46.0 million among Fiscal Year (FY) 2012 Defense appropriations. This reprogramming action uses \$2.0 million of general transfer authority pursuant to section 8005 of Division A of Public Law 112-74, the Department of Defense (DoD) Appropriations Act, 2012, and section 1001 of Public Law 112-81, the National Defense Authorization Act for FY 2012.

**Part II** of this reprogramming action realigns \$20.0 million of Title IX, Overseas Contingency Operations (OCO), funding within the Aircraft Procurement, Army, 12/14, appropriation.

**PART I**

<b><u>FY 2012 REPROGRAMMING INCREASES:</u></b>	<b><u>+46,000</u></b>	<b><u>+44,000</u></b>
<b><u>ARMY INCREASE:</u></b>	<b><u>+2,000</u></b>	
<b><u>Research, Development, Test, and Evaluation, Army, 12/13</u></b>	<b><u>+2,000</u></b>	
<u>Budget Activity 04: Advanced Component Development and Prototypes</u>		
<u>PE 0603639A Tank and Medium Caliber Ammunition</u>		
38,419	38,419	<b><u>+2,000</u></b>
		40,419

Explanation: Funds are required to develop a new lower cost ammunition training round. These training rounds will enable the Warfighter to train on 40mm grenade launcher systems in the day and night using various weapon sight technologies such as Infra Red. By removing the expensive dud producing fuze, the Army projects a savings of \$99.0 million across the Future Years Defense Program (FYDP). A new fuze for the 40mm shell is needed in order to reduce the quantity of unexpended ordnance that are left of the training range as a result of the high dud rate being experienced with the 40mm grenade launcher systems. A reduction in the number of unexpended 40mm shells would greatly contribute to a decrease in the potential danger to personnel and wildlife, caused by the unexpended ordnances. Total cost of this effort is \$190.1 million, which includes \$17.9 million of additional Research, Development, Test, and Evaluation funding (FY 2014, \$10.8 million and FY 2015, \$7.1 million) and \$170.3 million of Procurement of Ammunition funding (FY 2016, \$57.7 million; FY 2017, \$60.8 million; and FY 2018, \$51.7 million). The

Approved (Signature and Date)

*Robert F. Halo 2/14/2013*

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Army intends to fund the additional costs in the FY 2014 FYDP. This is a **new start**. This is a base budget requirement.

**SASC Deferred**

<b><u>AIR FORCE INCREASE:</u></b>								
						<b><u>+44,000</u></b>		
<b><u>Research, Development, Test, and Evaluation, Air Force, 12/13</u></b>						<b><u>+44,000</u></b>		
<u>Budget Activity 07: Operational System Development</u>								
<u>PE 0303601F MILSATCOM Terminals</u>								
		236,581		236,581		<b><u>+44,000</u></b>		280,581

Explanation: Funding is required for the following Family of Advanced Beyond Line-of-Sight Terminals (FAB-T) Alternate Source development contract projects:

- \$+10.0 million to complete the initial Command Post Terminal development effort with Presidential National Voice Conferencing. This is a congressional interest item. This is base budget funding.
- \$+34.0 million to exercise a 90-day option scheduled in FY 2013 to fund the production working prototype in support of the down-select decision in the fourth quarter of FY 2013. This is a base budget requirement.

<b><u>FY 2012 REPROGRAMMING DECREASES:</u></b>						<b><u>-46,000</u></b>		<b><u>-44,000</u></b>
<b><u>ARMY DECREASE:</u></b>						<b><u>2,000</u></b>		
<b><u>Procurement of Ammunition, Army, 12/14</u></b>						<b><u>2,000</u></b>		
<u>Budget Activity 01: Ammunition</u>								
<u>Non-Lethal Ammunition, All Types</u>		14,864		14,864		<b><u>2,000</u></b>		12,864

Explanation: Funds are available since the Milestone C decision is delayed and rescheduled for second quarter of FY 2014 due to a Capability Production Document (CPD) not being approved. The 40 MM Airburst non-lethal round delivers flash blindness, temporary hearing shift and hearing. The intent is to provide consistent non-lethal effects regardless of range setting. This is base budget funding.

**OUS(D) adjustments to balance to approved requirement**

<b><u>AIR FORCE DECREASES:</u></b>						<b><u>-44,000</u></b>		
<b><u>Research, Development, Test, and Evaluation, Air Force, 12/13</u></b>						<b><u>-44,000</u></b>		
<u>Budget Activity 05: System Development and Demonstration</u>								
<u>PE 0604425F Space Situation Awareness Systems</u>								
		238,261		238,261		<b><u>-33,608</u></b>		204,653

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Explanation: Funds are available due to a delay in the award of the FY 2012 Space Fence final Development, Production and Fielding into FY 2013. The down-select award was delayed due to the preliminary design review and risk reduction activities from two vendors still under review. This is base budget funding.

Budget Activity 07: Operational System Development

PE 0605018F AF Integrated Personnel and Pay System (AF-IPPS)	88,849	88,849	-10,392	78,457
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Explanation: Funds are available due to a delay to the AF-IPPS contract award as a result of a revised acquisition strategy. This is base budget funding.

**PART II**

**Aircraft Procurement, Army, 12/14**

Budget Activity 01: Aircraft

AH-64 Apache Block IIIA Reman	368,505	368,505	+20,000	388,505
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Explanation: Funds are required to ensure that the first unit deploying with the AH-64E has sufficient spare parts to support the OPTEMPO in a deployed environment. The current production contract will not support a wartime operating pace effort. This procurement is required now due to the Army's decision to move the AH-64E First Unit Equipped (FUE) earlier in the deployment window, and the long production lead times for the procurement of spares. Given the earlier deployment of the FUE, there is inadequate time to build up a spares inventory under the normal equipping process. This is an OCO budget requirement.

UH-60 Blackhawk M Model (MYP)

1,497,766	1,497,766	-11,000	1,486,766
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Explanation: Funds are available due to contract savings gained in multiyear contract negotiations and may be reprogrammed with no risk to the program, and do not require a subsequent year payback. This is Title IX OCO budget funding.

Budget Activity 02: Modification of Aircraft

AH-64 Mods	331,230	331,230	-9,000	322,230
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Explanation: Funds are available due to a delay in contract definitization of a letter contract. The contract audit rules and procedures require extended periods of time for contractor proposal audits and resolution of comments. Funds may be reprogrammed with no risk to the program, and do not require a subsequent year payback. This is base budget funding.