

CHAPTER 4
PROCUREMENT APPROPRIATIONS
Table of Contents

0401 GENERAL	1
040101 Purpose.....	1
040102 Submission Requirements.....	1
040103 <i>Major Defense Acquisition Programs</i>	1
040104 Guard and Reserve Procurement.....	1
040105 Multiyear Procurement (MYP).....	1
040106 Subsystem Budget Estimates.....	2
040107 References.....	2
0402 PROCUREMENT EXHIBIT REQUIREMENTS	3
0403 BUDGET ESTIMATE SUBMISSION	4
0404 CONGRESSIONAL JUSTIFICATION/PRESENTATION	7
040401 Purpose.....	7
040402 Organization of Justification Books.....	7
040403 <i>Classification</i>	7
040404 <i>Comparison Reports</i>	7
0405 PROCUREMENT APPROPRIATION SUBMISSION FORMATS	9
040501 Purpose.....	9
040502 Exhibits in Support of Section 0401 - General.....	10

CHAPTER 4

PROCUREMENT APPROPRIATIONS

0401 GENERAL

040101 Purpose

This chapter provides instructions applicable to budget formulation and congressional justification for procurement and production activities.

040102 Submission Requirements.

General guidance with regard to submission requirements is presented in Chapter 1. Chapter 4 covers specific back-up material requirements for procurement accounts. The procurement accounts should also submit applicable exhibits required by Chapter 19, Special Analysis.

040103 Major Defense Acquisition Programs

Major Defense Acquisition Program (MDAP) Automated Submission. *In order to provide consolidated funding information on DoD's major acquisition programs, automated data submissions are required to provide the approved funding level for each MDAP. These programs include all Acquisition Category (ACAT) ID, ACAT IC, and Pre-MDAP designated programs. For joint programs, the lead service/agency is to coordinate the reporting effort, but each Service and Defense Agency involved in the program is responsible for reporting the portion of the program that it funds. In an annual memorandum (usually published in mid-summer), the USD(A&T) will identify the MDAPs required for submission. Specific data format instructions are also included in Section 040502. These are similar to the automated submissions currently required by the Program Objective Memorandum (POM) Preparation Instructions (PPI) for the POM submission. The required automated submissions should be on 5 1/4 or 3 1/2 inch floppy, high or double density disks and delivered directly to OUSD(A&T), Room 1E474 (POC: Mr. Steve Dratter, telephone (703) 697-8020). The submission should agree with data submitted to the OUSD(Comptroller) for the FYDP and associated annexes. The final submission must agree with the supporting justification material submitted to the Congress.*

040104 Guard and Reserve Procurement

Exhibit P-1R, Procurement Program - Reserve Components A separate P-1R exhibit showing quantities and costs of procurement items planned for the National Guard and Reserve will be prepared with the budget estimate submission and with the President's budget submission. The P-1R exhibit is a subset of the Exhibit P-1, Procurement Program. The format is contained in Section 040502. Each Service will provide exhibits in spreadsheet format in both a hard copy and on a 3 1/2 inch floppy disk. The information submitted in the budget estimate submission will be reviewed in conjunction with the procurement appropriation reviews. The information submitted in the President's budget request will be consolidated into a single P-1R exhibit by OUSD(C).

040105 Multiyear Procurement (MYP)

A. Multiyear Exhibits. All multiyear procurements, regardless of cost, require the use of a present value analysis (MYP-4) to determine lowest cost compared to an annual procurement. Exhibits MYP-1 through MYP-4 will be included for all MYP candidate systems in the budget estimate submission. The President's budget request will include Exhibits MYP-1 through MYP-4 for all multiyear candidate systems for which any of the following is true:

- The anticipated multiyear procurement contract is \$500 million or greater.
- There are economic order quantity (EOQ) procurements in excess of \$20 million in any one year.
- There are economic order quantity (EOQ) procurements in advance of an MYP contract in excess of \$20 million in any one year.
- There will be an unfunded contingent liability in excess of \$20 million in any one year.
- The procurement quantities of a previously approved MYP have been adjusted.

B. Annual guidance detailing Appropriations Act provisions and restrictions on multiyear procurement will be issued separately.

040106 Subsystem Budget Estimates

Any platform that includes funding for subsystems that are designated as Defense Acquisition Executive Summary (DAES) or selected Acquisition Reporting (SAR) programs must identify the specific subsystem funding by fiscal year and by subsystem on the P-5 exhibits.

040107 References

Chapter 1, Section 0102, provides policies and definitions concerning costs that are to be financed by the procurement appropriations.

0402 PROCUREMENT EXHIBIT REQUIREMENTS

SUMMARY OF EXHIBIT REQUIREMENTS

	<u>Exhibit</u>	<u>Appropriation</u>
P-1	Procurement Program	All
P-1C	<i>Procurement Program - Comparison Report</i>	All
P-1M	Procurement Program- Modification Summary	Aircraft/Missiles
P-1R	Procurement Program-Reserve Components	All, except SCN
P-3a	Individual Modification Program	All, except SCN
P-5	Cost Analysis	All
P-5a	Procurement History and Planning	All
P-5b	Analysis of Cost Estimates-Basic/Escalation	SCN
P-10	Advance Procurement Analysis	All, as applicable
P-11	<i>Electronic Warfare (EW) Funding Summary</i>	All, as applicable
P-17	Layaway and/or Distribution	All, as applicable
P-18	Initial and Replenishment Spares Requirements	All, except SCN
P-20	Requirements Study	All, as applicable
P-21	Production Schedule	All
P-21a	<i>Production Schedule, All Types</i>	PAA
P-21b	<i>Production Schedule by Facility</i>	PAA
P-22	<i>Ammunition Inventory</i>	<i>Ammunition Accounts</i>
P-23	Time Phased Requirements Schedule	All, as applicable
P-23a	Installations Data	All, as applicable
P-25	Production Support & Industrial Facilities Cost Analysis	All, as applicable
P-26	Maintenance of Inactive Facilities	PAA & as applicable
P-27	SCN Ship Production Schedule	SCN
P-29	SCN Outfitting Costs	SCN
P-29a	SCN Outfitting Costs-Comparison	SCN
P-30	SCN Post Delivery Costs	SCN
P-30a	SCN Post Delivery Costs-Comparison	SCN
P-32	Procurement Purchases from DBOF	All
P-35	Major Ship Component Fact Sheet	SCN
P-36	Depot Level Ship Maintenance Schedule	OPN
P-40	Budget Item Justification Sheet	All
P-40a	<i>Budget Item Justification for Aggregated Items</i>	All
P-43	Simulator and Training Device Justification	All
P-45	Summary of Reimbursables	All, as applicable
MYP-1	Multiyear Procurement Criteria	All, as applicable
MYP-2	Total Program Funding Plan	All, as applicable
MYP-3	Contract Funding Plan	All, as applicable
MYP-4	Present Value Analysis	All, as applicable
PB-32B	Comparison of FY 19CY Program Requirements	All
MDAP	Program Element to Proc Line Items Cross-Track Data	All (Automated Submission)

0403 BUDGET ESTIMATE SUBMISSION

A. This Section provides guidance for the preparation of material to support the budget estimate submission and President's budget request. Information contained in the budget requests should be unclassified. Where classified information is required in order to explain the program, classified material will be provided under separate cover and appropriately marked.

B. All applicable budget exhibits will be prepared for those programs with a funding value of \$1 million or greater. For programs with a funding value less than \$1 million, only the P-40, P-40a, and P-20 exhibits are required.

C. Each backup book will include an Exhibit P-1, Procurement Program, and specific exhibits for those items covered by the backup book

D. Each Component will provide 3 copies of a computer run that compares the current budget estimates submission to the previous President's budget submission and identifies the changes for each Procurement appropriation by P-1 line item and for those items that are aggregated in a P-1 line item (such as "Items Less than \$2.0 Million). The report should also identify appropriation and budget activity totals for each fiscal year for the PY through BY2+4 timeframe. The totals for the appropriation and budget activities should also compare the current budget estimates submission to the previous President's budget and provide the applicable changes. The Components will also provide this same information in an Excel or Lotus 123 spreadsheet on a 5 1/4 or 3 1/2 inch floppy, high or double density diskette. The diskette should be labeled with the appropriation being submitted, Component name, file name, classification, and the name of a point of contact along with a telephone number. These reports and spreadsheets must match the hard copy justification material being submitted to the Congress. It is preferred that these reports and diskettes be unclassified. If it is necessary to submit classified data, then it should be submitted in a separate report and on a separate file. The unclassified report must match the total for the appropriation/account being submitted. These comparison reports and diskettes should be provided directly to OUSD(C), Director for Investment, Room 4B915, when the Component has finalized the current President's budget submission but no later than when the justification material receives final approval from the OUSD(C) for submission to the Congress. This report will not be

included in the justification material provided to the Congress.

E. All Exhibit P-20, Requirements Study, will be submitted in a separate backup book. The P-20 exhibits can be consolidated by appropriation or as a single back-up book by each Service. If consolidated by Service, however, increase the number of copies provided to OUSD(C) P/B Investment by the number of appropriations included in the backup book.

F. Include a listing of acronyms and definitions in the front of each back-up book to preclude spelling the acronyms on each exhibit page.

G. All pages will be annotated with the applicable P-1 line item number (1-1, 1-2, 1-3, 2-1, 2-2, 2-3, etc.) in the center of the page, and all pages of the backup books must be numbered (from 1 to the last page of the book) at the bottom right of each exhibit page.

H. Exhibits will display the actual fiscal years for PY-1, PY, CY, BY1, BY2, BY2+1, BY2+2, BY2+3, and BY2+4 rather than the template entries (i.e., FY 1995, FY 1996, FY 1997, FY 1998, etc.).

I. The exhibits will be aggregated in the following order for each P-1 line item, as applicable to that line item and submitted in P-1 line item order.

Arrangement of Exhibits - General

P-1	Procurement Program
PB-32B	Comparison of FY 19CY Program Rqmts
P-40	Budget Item Justification
P-40a	Budget Item Just for Aggregated Items
P-10	Advance Procurement Analysis
P-5	Cost Analysis
P-5a	Procurement History and Planning
P-43	Simulator and Training Device Justification
P-21	Production Schedule
P-23	Time Phased Requirements Schedule
P-23a	Installations Data
P-36	Depot Level Ship Maintenance Schedule (OPN only)
P-25	Production Support and Industrial Facilities Cost Analysis
P-17	Layaway and/or Distribution
P-18	Initial and Replenishment Spares Rqmts

P-32 Procurement Purchases from DBOF
 P-45 Summary of Reimbursables
 MYP 1-4 Multiyear Procurement Analysis
 P-20 Requirements Study

Arrangement of Exhibits for Modifications

P-1 Procurement Program
 P-1M Modification Summary
 P-40 Budget Item Justification
 P-3a Individual Modification Program
 P-40a Budget Item Just for Aggregated Items
 MYP 1-4 Multiyear Procurement Analysis
 P-18 Initial and Replenishment Spares Rqmts
 P-32 Procurement Purchases from DBOF

Arrangement for Ship Procurement Accounts

P-1 Procurement Program
 PB-32B Comparison of FY 19CY Program Rqmts
 P-40 Budget Item Justification
 P-10 Advance Procurement Analysis
 P-5 Cost Analysis
 P-5b Analysis of Cost Estimate-
 Basic/Escalation
 P-43 Simulator and Training Device
 Justification
 P-27 Ship Production Schedule
 P-29 Outfitting Costs
 P-30 Post Delivery Estimates
 P-35 Major Ship Component Fact Sheet
 P-45 Summary of Reimbursables
 P-32 Procurement Purchases from DBOF
 MYP 1-4 Multiyear Procurement Analysis
 P-20 Requirements Study

Arrangement for Ammunition Accounts

P-1 Procurement Program
 PB-32B Comparison of FY 19CY Program Rqmts
 P-40 Budget Item Justification
 P-40a Budget Item Just for Aggregated Items
 P-5 Cost Analysis
 P-5a Procurement History and Planning
 P-21 Production Schedule
 P-21a Production Schedule, All types
 P-21b Production Schedule by Facility
 MYP 1-4 Multiyear Procurement Analysis
 P-25 Production Support and Industrial
 Facilities Cost Analysis
 P-17 Layaway and/or Distribution
 P-26 Maintenance of Inactive Facilities
 P-22 Ammunition Inventory
 P-18 Initial and Replenishment Spares Rqmts
 P-32 Procurement Purchases from DBOF

For "Items Under \$2 Million" P-1 line items, only the P-40 and P-40a, showing both quantity and funding for each item, will be included in the backup book, An Exhibit P-20, Requirements Study, will be included in the P-20 backup book for all items included on the P-40 and P-40a exhibits. Delivery schedules and contract data should be available upon request. Even though individual P-21 exhibits are not required for these items, their deliveries should be included in the P-21a and P-21b exhibits. The Exhibit P-22, Ammunition Inventory, is not required for the President's budget request.

Chemical Agents and Munitions Destruction

The Chemical Agents and Munitions Destruction, Defense appropriation contains multiple types of funds (RDT&E, procurement, and O&M) in separate budget activities. While the RDT&E and O&M efforts maybe incrementally funded, the procurement program must comply with the full funding policy. The Army is to provide the justification book in accordance with the following.

Table of Contents
 Appropriation Language
 Program and Financing
 Object Classification
 Appropriation Justification
 Part I Purpose and Scope
 Part II Justification of Funds Required
 Part III Program Description and Milestone
 Chart

Budget Activity 1: Research and Development

Part I Purpose and Scope
 Part II Justification of Funds Required
 Part III Financial Summary
 RDT&E RDT&E Exhibits (See Chapter 5)

Budget Activity 2: Procurement

Part I Purpose and Scope
 Part II Justification of Funds Required
 Part III Financial Summary
 P-40 Budget Item Justification
 P-5 Cost Analysis
 P-5a Procurement History & Planning

Budget Activity 3: Operation and Maintenance

Part I Purpose and Scope
 Part II Justification of Funds Required
 Part III Financial Summary

- OP-5 (Pt 1) Decision Unit/Budget Activity Summary (See Chapter 3)
- OP-5 (Pt 2) Activity Group Detail, Including a Reconciliation of Increases and Decreases (See Chapter 3)
- OP-32 Summary of Price and Program Changes (See Chapter 3)

C. Preparation of Material. Formats and examples of the exhibits are contained in section 0404. Except for the items listed below, instructions are included either on the exhibit or following the exhibit.

1. Repricing Report. One copy of the "Ship Cost Adjustment Report" must be submitted by 1 July. The report must include the following information

a. A comparison of the previously approved SCA position to the recommended SCA position, by ship type (end cost/subhead) by P-5 category. In addition to individual program adjustments, this comparison should be summarized by total TOA adjustments in each fiscal year.

b. The SCA position by ship type by P-5 category with associated accounting data, i.e., gross obligations and expenditures.

c. A listing of all transfers, both below threshold and those requiring congressional approval (DD 1415s) for the current and expired years.

d. All adjustments within a cost growth or escalation line by ship program.

e. Latest delivery date information and percentage of physical completion of all undelivered ships.

f. Amount of required extended obligational authority for the expiring program year by line item and the associated Obligation Work Limiting Date by ship hull.

g. A list of all major shore spares and characteristic changes, and associated costs, included in the SCA.

h. A report on basic construction costs estimated at completion (EAC)

by individual contract for all ships still within the SCN envelope. This report should compare the current contract status to the Navy's SCA projection as well as the contractor's estimate. This report should be submitted on July 1 and quarterly thereafter.

2. A 4-column ship list and Derivation of Cost Growth/Escalation exhibit will be provided with each budget submission.

3. One copy of the Navy's "Status of the Navy Shipbuilding and Conversion Program," will be submitted monthly.

4. For each ship basic construction award during the current program period, contract award information referred to as the "Stevens Report" must be submitted to OSD at the same time the report is forwarded to Congress.

0404 CONGRESSIONAL
JUSTIFICATION/PRESENTATION

040401 Purpose

This Section presents the backup book organization and the exhibit requirements for submission to Congress. Examples of budget exhibits can be found in Section 040502. See *Chapter 1, Section 0104* for specific printing requirements

040402 Organization of Justification Books

Justification material will be organized into a Committee Staff Procurement Backup Book. A detailed description follows.

**COMMITTEE STAFF PROCUREMENT
BACKUP BOOK**

P-1 Exhibits will be prepared using the OUSD(C) automated system with input from the Services and Defense Agencies.

Section 010403 provides a detailed distribution schedule for the procurement backup books.

A separate congressional committee backup book will be prepared for the President's budget request for each procurement appropriation. These books should be labeled as follows:

Committee Staff Procurement Backup Book
FY 19BY1/BY2 Budget Request
_____Appropriation

This volume will contain as a minimum, the following material:

Section 1 - Summary Material
Table of Contents
P-1 listing

Section 2 - Budget Appendix Extract
Language

Section 3 - Comparison of Program
Requirements and Financing. This section will include the following 4 schedules as illustrated in Exhibit PB-32B, Comparison of FY 19CY Program Requirements (Section 0405).

- Comparison of FY 19CY Program Requirements as reflected in FY 19CY Budget with FY 19CY Program Requirements as shown in FY 19BY Budget.
- Comparison of FY 19CY Financing as reflected in FY 19CY Budget with FY 19CY Financing as shown in FY 19BY Budget.
- Comparison of FY 19PY Program Requirements as reflected in FY 19CY Budget with FY 19PY Program Requirements as shown in FY 19BY Budget.
- Comparison of FY 19PY Financing as reflected in FY 19CY Budget with FY 19PY Financing as shown in FY 19BY Budget.

Section 4 - Status of Completion of Prior Year Shipbuilding Program (if applicable). Provide a list of uncompleted ships as of 31 Dec PY. The first column should segregate the uncompleted ships by prior years, past years, and current year. The second and subsequent columns should identify the fiscal year in which the ships are to be completed.

Section 5 - P-1 Line Item Detail. Except for specific changes addressed below, these books will contain the budget exhibits as specified in Section 040502, for all procurement line items for which a budget request of \$1 million or greater is reflected in either of the two biennial budget years on the P-1 exhibit. For programs with a funding value less than \$1 million, only the P-40, P-40a, and P-20 exhibits are required. For current and past year programs, exhibits will be prepared for programs with a dollar value of \$5 million or more in either year.

Section 5 - Military Construction. This section will be prepared for military construction projects funded in the procurement appropriations.

040403 Classification

The budget justification material should be unclassified. All classified material should be submitted separately.

040404 Comparison Reports

A. Each Component will provide 3 copies of a computer run that compares the current

President's budget submission to the previous President's budget submission and identifies the changes for each Procurement appropriation by P-1 line item and for those items that are aggregated in a P-1 line item (such as "Items Less than \$2.0 Million). The report should also identify appropriation and budget activity totals for each fiscal year for the PY through BY2+4 timeframe. The totals for the appropriation and budget activities should also compare the current President's budget submission to the previous President's budget and provide the applicable changes. The Components will also provide this same information in an Excel or Lotus 123 spreadsheet on a 5 1/4 or 3 1/2 inch floppy, high or double density diskette. The diskette should be labeled with the appropriation being submitted, Component name, file name, classification, and the name of a point of contact along with a telephone number. These reports and spreadsheets must match the hard copy justification material being submitted to the Congress. It is preferred that these reports and diskettes be unclassified. If it is necessary to submit classified data, then it should be submitted in a separate report and on a separate file. The unclassified report must match the total for the appropriation/account being submitted.

B. These comparison reports and diskettes should be provided directly to OUSD(C), Director for Investment, Room 4B915, when the Component has finalized the current President's budget submission but no later than when the justification material receives final approval from the OUSD(C) for submission to the Congress. This report will not be included in the justification material provided to the Congress.

0405 PROCUREMENT APPROPRIATION
SUBMISSION FORMATS

040501 Purpose.

A . The formats provided on the following pages reflect guidance presented in previous sections of this chapter.

B. Budget exhibits contained in this section will be prepared for all procurement line items for which a budget request of \$1 million or greater is reflected in either of the two biennial budget years on the P-1 exhibit. For programs with a funding value less than \$1 million, only the P40, P-40a, and P-20 exhibits are required.

C. Service-generated and Defense Agency-generated exhibits can be used in lieu of the following exhibits as long as they include all the information required by the following exhibits.

D. All formats will be prepared on 8 1/2 inch by 11 inch paper in landscape format.

E. Except for paragraph C above and unless modified in a submission budget call, these exhibits should be adhered to.

040502 Exhibits in Support of Section 0401 - General

P-1 Procurement Program	11
P-1M Procurement Program - Modification Summary	12
P-1R Procurement Program- Reserve Components	13
P-1C Procurement Program - Comparison Report	16
P-3a Individual Modification	17
P-5 Cost Analysis	21
P-5a Procurement History and Planning	29
P-5b Analysis of Ship Cost Estimate - Basic/Escalation	33
P-10 Advance Procurement Requirements Analysis	34
P-11 Electronic Warfare Funding Summary	42
P-17 Layaway and/or Distribution	44
P-18 Initial and Replenishment Spares and Repair Parts Justification	46
P-20 Requirements Study	48
P-21 Production Schedule	51
P-21a Production Schedule, All Types	53
P-21b Production Schedule by Facility	53
P-22 Ammunition Inventory	54
P-23 Time Phased Requirements Schedule	56
P-23a Installation Data	57
P-25 Production Support and Industrial Facilities Cost Analysis	60
P-26 Maintenance of Inactive Facilities	62
P-27 SCN - Ship Production Schedule	64
P-29 SCN Outfitting Costs	65
P-29a SCN Outfitting Costs-Comparison	66
P-30 SCN Post Delivery Costs	67
P-30a SCN Post Delivery Costs-Comparison	68
P-32 Procurement Purchases from DBOF	69
P-35 Major Ship Component Fact Sheet	72
P-36 Depot Level Ship Maintenance Schedule	74
P-40 Budget Item Justification	75
P-40a Budget Item Justification for Aggregated Items	79
P-43 Simulator & Training Device Justification	81
P-45 Summary of Reimbursables	83
MYP-1 Multiyear Procurement Criteria	86
MYP-2 Total Program Funding Plan	89
MYP-3 Contract Funding Plan	90
MYP-4 Present Value Analysis	91
PB-32B Comparison of FY 19CY Program Requirements	92
MDAP Program Elements to Procurement Line Items Cross-Track Data	93

Exhibit P-1, Procurement Program

Department of the _____

Appropriation _____

Date: _____

Budget Activity _____

<u>P-1 Line</u> <u>Item No</u>	<u>Item</u> <u>Nomenclature</u>	<u>Ident</u> <u>Code</u>	<u>Unit</u> <u>Cost</u>	<u>TOA \$ in Millions</u>							
				<u>Past Year</u>		<u>Current Year</u>		<u>Budget Year 1</u>		<u>Budget Year 2</u>	
				<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>	<u>Qty</u>	<u>Cost</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)

Exhibit P-1, Procurement Program

(Exhibit P-1, page 1 of 6)

Exhibit P-1M, Procurement Programs - Modification Summary
(TOA, Dollars in Millions)

<u>System/ Modification</u>	<u>Prior Years</u>	<u>PY-1</u>	<u>P Y</u>	<u>C Y</u>	<u>BY</u>	<u>BY1</u>	<u>BY2</u>	<u>BY2+1</u>	<u>BY2+2</u>	<u>BY2+3</u>	<u>BY2+4</u>	<u>To Complete</u>	<u>Total Program</u>
<u>EXAMPLE:</u>													
<u>A-10 Modifications</u>													
AIM-9L Capability							2.3	16.6	9.1				28.0
Chem/Bio Protection							-	-	2.0	3.3			5.3
Outer Wing Fatigue Reskin							0.6	2.5	2.8	2.9			8.8
Integrated Drive Generator								-	1.2	4.8	5.3		11.3
ALE-40 Correction of Def						-	2.7	3.7	4.2				10.6
Engine Monitoring Sys							32.7	26.5	26.8	29.2			115.2
Skin & Lgnrn Strengthening							-	-	0.6	1.7			2.3
Total for A-10							35.6	48.3	46.1	46.1	5.3		181.4
<u>R/F-4 Modifications</u>													
AIM-9L Capability						-	2.3	16.6	9.1				28.0
Chem/Bio Protection						-	-	2.0	3.3				5.3
Total for R/F-4						-	2.3	18.6	12.4				33.3

Exhibit P-1M, Procurement Program - Modification Summary

(Exhibit P-1, page 2 of 6)

Exhibit P-1R Procurement Program - Reserve Components

Department of the _____

Appropriation: _____

Date: _____

Budget Activity: _____

P-1 Line Item No	Item Nomenclature	Ident Qty	Unit Cost	Past Year		Current Year		TOA, \$ in Millions Budget Year 1		Budget Year 2	
				Qty	Cost	Qty	Cost	Qty	Cost	Qty	Qty
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	F-16 Modifications National Guard Reserve										

Exhibit P-1R, Procurement Program- Reserve Components

(Exhibit P-1, page 3 of 6)

Instructions
Exhibit P-1. Procurement Program
Exhibit P-1C. Procurement Program - Comparison
Exhibit P-1M. Procurement Program - Modification Summary
Exhibit P-1R. Procurement Program - Reserve Components

I. General

A. Summary by budget project/activity will be prepared for each appropriation, showing the amount for each project/activity and the total program for each appropriation. The detail of the consolidated line items in this entry should be available upon request. There should be no consolidation into a Less than \$2,000,000 line item for any line item requiring specific quantity authorization and for any Code B item.

B. Unless otherwise prescribed for a specific commodity area, only procurement line items with a value of \$2,000,000 or more will be listed individually. An item should be separately listed if the procurement of more than \$2,000,000 is included in any past, current or budget year. Line items less than \$2,000,000 should be consolidated into a single line item entry, "Items less than \$2,000,000 each," under each budget activity or project.

C. *Advance Procurement. Advance procurement should be debited and credited according to the leadtimes of the advance procurement. For instance, if FY 1996 and FY 1997 advance procurement funds are required for an FY 1998 procurement, the FY 1996 AP funds would be debited in FY 1996, the FY 1997 AP funds would be debited in FY 1997, and the total of the FY 1996 and FY 1997 AP funds would be credited in FY 1998.*

Advance Procurement

FY TOA	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
<i>FY 1996 for FY 1998 (memo)</i>	0.4				
<i>FY 1997 for FY 1998 (memo)</i>		0.4			
<i>FY 1997 for FY 1999 (memo)</i>		0.4			
<i>FY 1998 (memo)</i>			-0.8		
<i>FY 1998 for FY 1999 (memo)</i>			0.4		
<i>FY 1998 for FY 2000 (memo)</i>			0.4		
<i>FY 1999 (memo)</i>				-0.8	
<i>FY 1999 for FY 2000 (memo)</i>				0.4	
<i>FY 1999 for FY 2001 (memo)</i>				0.4	

D. List each aircraft and missile type and model separately, for both new procurement and modifications. Each ship type, Outfitting, Post Delivery, Cost Growth, Escalation, Service Craft, and Landing Craft will be listed as separate line items

E. Include initial and replenishment spares financed in procurement appropriations in a single line item. Indicate the amounts included for initial and replenishment spares separately as subentries. For this purpose, all spare aircraft engines shall be considered initial spares.

F. All line items will be double spaced.

G. Costs will be expressed in millions of dollars using one decimal place, i.e., \$15.6 million.

(Exhibit P-1, page 4 of 6)

Exhibit P-1 Instructions (Continued)

H. List the following Support Equipment and Facilities as separate line items:

Common Ground Equipment
Industrial Facilities
War Consumables
Other Production Charges
Classified Projects
Production Base Support
Space Programs (list separately)
Astronautics

I. Specific instructions.

Appropriation. Include the title and number of the appropriation, i.e., 2034A, Procurement of Ammunition, Army.

Budget Activity. Include the number and title of the budget activity, i.e., Budget Activity 04, Spare and Repair Parts.

Column 1: Include the P-1 line item number.

Column 2: Item Nomenclature. Identify the name of the program.

Column 3: Identification Code. Individual line items will be classified according to the codes described below. The letter "A" or "B" will be entered in this column for every line item listed. Line items will be appropriately coded according to the status of the item at the time the exhibit is prepared as follows:

Code "A". Line items of material that have been approved for Service use.

Army. The term "approved for service use" means that an item has been "type-classified as adopted type" (Standard) and excludes Limited Production type that is included in the development category.

Navy. The term "approved for service use" means that the item has been approved for full production.

Air Force. The term "approved for service use" means that the item has been classified as standard, or alternate standard

Code "B". Line items or material that have not been approved for service use.

Column 4: Unit Cost. *This is a computer-calculated number, using the quantity code, the quantity, and total cost of the P-1 line item. Ensure the appropriate quantity code is included so that the unit cost will be accurately calculated. See Section 010502, paragraph F.8.c. for further clarification.*

Columns 5-12: Self-explanatory.

(Exhibit P-1, page 5 of 6)

Exhibit P-1 Instructions (Continued)

Exhibit P-1C. Procurement Program - Comparison Report

In addition to the instructions for the P-1, the P-1C Comparison Report will provide a comparison between the last President's budget request and the budget estimate submission (BES) for the BES and between the last President's budget (PB) request and the current PB request for the PB. The comparison should be performed at the lowest level (by Procurement line item and by line items included in an aggregated line item) and should include quantities. Subtotals, by P-1 line item, by budget activity, by appropriation, and by quantity are also required. This exhibit will not be included in the justification material submitted to the Congress, but will be provided separately to OUSD(C).

Exhibit P-1C, Procurement Program - Comparison Report

Exhibit P-1M. Procurement Program - Modification Summary

This exhibit will be prepared for all years reflected on the sample P-1m exhibit and will represent a summary by weapon system of all individual modifications that are requested for that weapon system in the Prior Years, Past Year-1 (PY-1), PY, CY, Budget Year 1 (BY1), BY2, all FYDP years, To Complete, and Total.

Show the total procurement cost in tenths of millions for each individual modification and total cost for that weapon system or family of models of that weapon system. For example, all models of the F-4 aircraft would be included in the F-4 line (e.g. RF-4B, F-4B, F-4E, F-4G etc. and all models of the AIM-7 missile would be included in the AIM-7 line (e.g. AIM-7E, AIM-7F, AIM-7M, etc.). Total modification cost will include only those costs budgeted in the individual P-1 line item, including installation costs.

Exhibit P-1R. Procurement Program - Reserve Component

In addition to the instructions for the P-1, Procurement Program, the P-1R line item entries will be exactly the same line item entries as the P-1. The Exhibit. P-1R line items will include 2 sub-line items. One is for the National Guard and one is for the Reserve. Subtotal of the two lines is not required, but the total for the Reserve Components cannot exceed the amount of funding included in the P-1 line item. All procurement line items having funding for National Guard and Reserve requirements, including advance procurement, ammunition, and spares and repair parts, will be included in the P-1R exhibit.

(Exhibit P-1, page 6 of 6)

Exhibit P-3a, Individual Modification

MODELS OF SYSTEMS AFFECTED: _____ TYPE MODIFICATION: _____ MODIFICATION TITLE: _____

DESCRIPTION/JUSTIFICATION:

DEVELOPMENT STATUS/MAJOR DEVELOPMENT MILESTONES:

FINANCIAL PLAN: (TOA, \$ in Millions)

	Prior Yrs		PY-1		PY		CY		BY1		BY2		BY2+1		BY2+2		BY2+3		BY2+4		TC		Total		
	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	
RDT&E																									
PROC																									
Inst Kit NR			25	2.0	10	1.0	15	1.5	15	1.5	25	2.0	25	2.0	25	2.0	25	2.0	90	7.5			255	21.5	
A Kit			25	2.0	10	1.0	15	1.5	15	1.5	25	2.0	25	2.0	25	2.0	25	2.0	90	7.5			255	21.5	
Comp A			25	2.5	10	1.0	15	1.5	15	1.5	25	2.5	25	2.5	25	2.5	25	2.5	90	9.0			255	25.5	
Comp B			50	1.0	20	0.4	30	0.6	30	0.6	50	1.0	50	1.0	50	1.0	50	1.0	180	3.6			510	10.2	
Comp C			75	3.6	30	1.5	45	2.2	45	2.2	45	2.2	45	2.2	45	2.2	45	2.2	270	13.0			765	36.7	
Eqpt NR																									
Eqpt																									
Eqpt A																									
Eqpt B																									
ECOs																									
Data																									
Training Eq																									
SE																									
Other																									
Other																									
Other																									
ICS																									
Install Cost					25	.3	10	.1	15	.2	15	.2	25	.3	25	.3	25	.3	115	1.5			255	3.2	
Total Proc																									

P-1 Shopping List - Item No 20-X

Page No xxx

Exhibit P-3a, Individual Modification
(Exhibit P-3a, page 1 of 4)

Exhibit P-3a, Individual Modification (Continued)

MODELS OF SYSTEMS AFFECTED: _____ MODIFICATION TITLE: _____

INSTALLATION INFORMATION:

METHOD OF IMPLEMENTATION:: _____

ADMINISTRATIVE LEADTIME: Months

PRODUCTION LEADTIME: Months

CONTRACT DATE: Current Year: _____

Budget Year 1: _____

Budget Year 2

DELIVERY DATE: Current Year: _____

Budget Year 1: _____

Budget Year 2

(\$ in Millions)

Cost:	Prior Yrs		PY-1		PY		CY		BY1		BY2		BY2+1		BY2+2		BY2+3		BY2+4		TC	Total	
	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$	Qty	\$		Qty	\$
(PY-25 kits)					15	0.2	10	0.1															
(FY(CY) 10 kits)									10	0.2													
(FY(BY1) - 15 kits)											10	0.2	5	0.1									
(FY(BY2) - 15 kits)													5	0.1	10	0.2							
(FY(BY2+1) - 25 kits)															10	0.2	15	0.3					
etc.																							
					15	0.2	10	0.1	10	0.2	10	0.2	10	0.2	20	0.4	15	0.3					

Installation Schedule

	PY		CY				BY1				BY2				BY2+1				BY2+2				BY2+3 etc.				TC	Total
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
In																												
Out																												

P-1 Shopping List - Item No 20-X

Page No xxx
Exhibit P-3a, Individual Modification
(Exhibit P-3a, page 2 of 4)

Instructions - Exhibit P-3a, Individual Modification

This exhibit will be prepared for all individual modification programs and any other program requiring installation funds. Use more than one page if necessary. *Do not group ECPs together as one modification unless the installation schedules are the same (i.e., a separate P-3a exhibit is required for these ECPs).*

The sample exhibit displays additional line items for equipment and group A installation kits. Tailor line item entries to the modification. Use additional lines when quantities for these components differ from the quantity of end items being procured or when a unit cost comparison between years cannot be performed.

Model. Enter the model and series designation (i.e. A-10, AGM-86, F/A-18, etc.).

Classification. Enter the modification classification or type, i.e., PS safety, reliability, etc., as applicable.

Modification No. And Title: Enter the modification number and title assigned.

Description/Justification: Provide a description of what additional capability is added to the system by this modification, and why the modification is necessary to increase availability and maintainability or mission capability. Where the modification is related to reliability and maintainability, indicate the current Mean-Time Between Failure (MTBF) rate of the system, what MTBF will be specified in the development/production contract, and the estimated annual savings. Do not use abbreviations or acronyms of a highly technical nature. Spell the acronyms the first time and abbreviate thereafter.

Development Status/Major Development Milestones: Provide status of engineering effort testing and data package availability as of the budget submission date. Provide significant accomplished and planned milestone dates such as Preliminary Design Review (PDR), Critical Design Review (CDR), completion of Contractor Test and Evaluation (CTE), completion of Development Test and Evaluation (DTE), completion of Initial Operational Test and Evaluation (IOT&E), etc.

Financial Plan:

Note: Prior year column includes all funding from beginning of program through the Past Year -2 (PY-2). Quantities and costs should be provided for all applicable line items. PY-1, PY, and CY are the fiscal years currently available for obligation.

RDT&E: Enter programmed RDT&E resources by fiscal year. These resources should be consistent with the Program Element Summary Data Sheets for RDT&E programs.

Procurement: Enter the recurring and nonrecurring cost of the installation kits. Installation kits (or Group A kits) are the provisions (cables, brackets, interface devices) necessary to prepare the system to accept the new equipment. Enter the recurring and nonrecurring cost of the equipment (or Group B kits) to be installed (radar, ECM, engine etc.). Enter the amount of all funding for Engineering Change Orders (ECOs), data, training equipment, support equipment, interim contractor support and installation costs. *Do not use an asterisk to indicate that the quantity cannot be shown because a mix of end items with different procurement quantities is being procured. Rather, identify each item and associated quantity being procured on separate line item entries. Use as many line items as necessary to show this data. Tailor the line item entries to the modification content.*

(Exhibit P-3a, page 3 of 4)

Exhibit P-3a Instructions (Continued)

Installation. The installation costs should be portrayed in the year of actual installation so that the total cost of the installation is portrayed for each year's procurement of end items. Procurement quantities and installation quantities reflected in the procurement detail should equal the quantity displayed in the installation schedule.

Method Of Implementation: Indicate how installation will be accomplished (Contractor, Depot field team, Depot modification line, etc.).

Contract Date: Enter the actual/estimated contract date (month/year, not quarter) for the item with the longest leadtime.

Production Delivery Date: Enter the actual/estimated production delivery dates (month/year, not quarter) for the initial item of installed equipment for the current year, budget year 1 (BY1), and BY2.

Installation Schedule: For all years of the program, show system inductions and modification completions by quarter. An installation schedule is required for all programs requiring installation funds. The schedule will include completed inductions for PYs, as well as planned inductions for all uninstalled equipment for CY, BY1, BY2, BY2+1, BY2+2, BY2+3, BY2+4, To Complete and Total Program. Input and output must equal each other, as well as equal the total quantity of kits procured. *If there is more than one installation schedule, the program should be separated into individual P-3a exhibits. For ongoing programs, identify the separate program using alpha or alpha-numeric suffixes to the current modification number. Include separate installation schedules for those items that have more than one method of implementation.*

The P-3a should be readable after reproducing in a reduction mode. Use more than one page when necessary.

Delete all references and funding for those ECPs that were completed in prior years and for which no current or future year funding is required.

(Exhibit P-3a, page 4 of 4)

Exhibit P-5 Cost Analysis (Page 1)			Weapon System				Date:					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						ID Code	P-1 Line Item Nomenclature					
WBS COST ELEMENTS (Tailor to System/Item Rqmts)	ID Code	PYs Total Cost	PY-1 Unit Cost	PY-1 Total Cost	PY Unit Cost	PY Total Cost	CY Unit Cost	CY Total Cost	BY1 Unit Cost	BY1 Total Cost	BY2 Unit Cost	BY2 Total Cost
Quantity												
Airframes/CFE												
Engine/Accessories												
CFE Avionics												
GFE Avionics												
Armament												
ECO (Flyaway)												
Nonrecurring Costs												
Tooling												
Software Costs												
Other Costs												
Subtotal Flyaway												
Airframe PGSE												
Engine PGSE												
Avionics PGSE												
Peculiar Training Eqpt												
Publications/Tech Data												
ECO (Support Items)												
Other												
Subtotal Support Costs												
Gross-P-1 End Item Cost												
Less PY Adv Proc (by PY FY)												
Net P-1 Full Funding Cost												
Plus CY Adv Proc												
Other Non-P-1 Costs												
Initial Spares												
Mods												
Total												

P-1 Shopping List - Item No 20-X

Page No xxx

Exhibit P-5, Cost Analysis
(Exhibit P-5, page 1 of 8)

Exhibit P-5 Cost Analysis (Page 2)			Weapon System			Date:				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number					ID Code	P-1 Line Item Nomenclature				
WBS COST ELEMENTS (Tailor to Sys/Item Rqmts)	BY2+1 Unit Cost	BY2+1 Total Cost	BY2+2 Unit Cost	BY2+2 Total Cost	BY2+3 Unit Cost	BY2+3 Total Cost	BY2+4 Unit Cost	BY2+4 Total Cost	To Complete Costs	Total Costs
Quantity										
Airframes/CFE										
Engine/Accessories										
CFE Avionics										
GFE Avionics										
Armament										
ECO (Flyaway)										
Nonrecurring Costs										
Tooling										
Software										
Other Costs										
Subtotal Flyaway										
Airframe PGSE										
Engine PGSE										
Avionics PGSE										
Peculiar Training Eqpt										
Publications/Tech Data										
ECO (Support Items)										
Other										
Subtotal Support Costs										
Gross-P-1 End Item Cost										
Less PY Adv Proc (by PY FY)										
Net P-1 Full Funding Cost										
Plus CY Adv Proc										
Other Non-P-1 Costs										
Initial Spares										
Mods										
Total										

P-1 Shopping List - Item No 20-X

Page No xxx
 Exhibit P-5, Cost Analysis
 (Exhibit P-5, page 2 of 8)

Instructions - Exhibit P-5, Cost Analysis

Purpose. The purpose of this exhibit is to provide detailed cost information in support of Exhibit P-1 line items. It is essential that this exhibit be complete and accurate as it is the most important exhibit in the backup book. Requirements exhibits and production schedules are related to the entries on this exhibit and it is used as the framework for line item review. *The budget estimate submission will include P-5 exhibits containing information for all fiscal years (FYs) from prior years (PYs) through to complete years for all Acquisition Category 1 (ACAT 1) programs and through BY2 for all other programs. The President's budget request backup justification books will include P-5 exhibits containing information for the FYs through BY2 for all programs including ACAT 1 programs. However, a P-5 exhibit containing information for all FYs from PYs through to complete years for all ACAT 1 programs will be provided separately to OUSD(C) P/B, Room 4B915.*

General. This exhibit will be prepared for all procurement programs for which funding is requested in the P-1. If more than one model or configuration will be procured in the same P-1 line item, then individual P-5 exhibits will be prepared for each model or configuration and a summary P-5 exhibit will also be prepared for the P-1 line item. If two or more Services procure the same system, the P-5 exhibit cost elements should be as identical as possible except for Service unique requirements.

Entries:

Heading. Insert Appropriation, Budget Activity and Budget Activity Number in the appropriate block. Insert the Exhibit P-1 line item title and add after the title the subhead number for the line item in parenthesis.

Elements of Cost. Categories of cost shall be tailored to the individual system consistent with the program's approved work breakdown structure (WBS) elements. Standard categories are to be used for similar type systems; i.e. aircraft, ships, missiles, tanks, satellites, ammunition, etc.

Production support services. Use generic entries such as Production Engineering, Engineering Services, Quality Assurance, Acceptance Testing, Product Improvement, etc. Include the name of the performing activity (for example, Production Support - NOP Indian Head, or Material Handling - Joliet AAP) only when needed to further clarify the generic categories.

Quantity/Total Cost entries. The quantity related to any cost element will be stated in units (not thousands). Only those entries where quantitative measurement is applicable should have entries in the quantity column. For example, the term "1 set" should not be used for publications entries, documentation, etc. If the item is not subject to quantitative measurement, leave the column blank. The total cost for a cost element entry will be shown in millions, using 3 decimal points, i.e., 1.225. Cost columns will be totaled.

Advance Procurement Funding. Add (debit) the advance procurement funding in each fiscal year and subtract the advance procurement funding (credit) from the fiscal year the advance procurement supports. Ensure the credit is against the correct fiscal year (check leadtimes). Generally, Advance Procurement debits and credits will net to zero in the "total costs" column.

Initial Spares and Modifications. Add initial spares and modification funding to the net weapon system/end item cost.

Unit Cost. The overall weapon system unit cost for each FY must be the FY gross weapon system (end) cost divided by the FY procurement quantity. All other and ammunition P-5 procurement exhibits will indicate the unit cost as the last entry line on the P-5 exhibit.

(Exhibit P-5, page 3 of 8)

Exhibit P-5 Instructions (Continued)

Aircraft Cost Element Categories.

Airframes/Contractor Furnished Equipment (CFE): Enter estimate for recurring airframe cost, airframe contractor furnished equipment, and engineering changes.

Engine/Accessories: Enter total engine cost including accessories. As part of stub entry, enter quantity of engines per aircraft and indicate model designation including all "dash" designators (example: Engines (4) 53-L-13). Engine unit cost column will reflect the cost of one engine.

Avionics: Separately identify CFE and GFE avionics equipment.

Armament: Enter costs for all armament.

Software: Software costs are to be separately identified.

Other Government Furnished Equipment (GFE): Enter costs for all Other GFE.

Engineering Change Orders (ECOs) - Flyaway: Include cost of anticipated, but unknown ECOs and value engineering changes for all installed aircraft components (CFE or GFE).

Nonrecurring Costs: Enter total nonrecurring costs associated with production of the flyaway article. Identify and separately display funds budgeted for production tooling in the nonrecurring cost category.

Other Costs: Use as many line items as necessary to identify elements and associated costs.

Airframe Peculiar Ground Support Equipment (PGSE): Enter cost of peculiar airframe ground support equipment.

Engine PGSE: Enter cost of peculiar engine ground support equipment.

Peculiar Training Equipment: Enter cost of all peculiar training equipment.

Publications/Technical Data: Enter cost of all CFE/GFE publications and technical data.

ECOs - All Support Items. Enter cost of ECOs anticipated but unknown for all support and training equipment.

Other: Use as many line items as necessary (example: aerial cameras, or jammer transmitter sets, receiver sets or sensor sets for special mission aircraft). These items are not necessarily procured on a one-for-one basis with aircraft.

Missile Cost Analysis

A missile P-5 exhibit will be submitted by all Services for each missile/drone type and model. If more than one model or configuration is procured in the same P-1 line item, then individual P-5 exhibits will be prepared for each model or configuration and a summary P-5 exhibit will also be prepared for the P-1 line item. If two or more Services procure the same missile system, the P-5 exhibit cost elements should be as identical as possible except for Service unique requirements. Weapon systems that are composed of fire units or launchers that are procured in the same P-1 line item as the missile will provide separate

(Exhibit P-5, page 4 of 8)

Exhibit P-5 Instructions (Continued)

cost identification for each vehicle of the fire unit or launching system (launcher, launch control center, radar set, vehicle, etc.). The cost categories on the P-5 exhibit represent a number of elements and the list should be tailored as appropriate to adequately depict the missile system cost. The flexibility exists to revise the elements to depict unique system characteristics, but a comparable cost detail to that shown in the P-5 exhibit format should be maintained.

Missile P-5 Cost Element Categories

Missile Hardware - Recurring

- Airframe
- Propulsion (By stage, where applicable)
- Target Detection Device
- Guidance & Control
- Warhead
- Fuze
- Safe & Arm
- Engineering Change Orders
(Value Engineering)
- Government Costs
 - Integration & Assembly (Labs, etc.)
 - Acceptance Test Program
- Other (Specify)
- Subtotal Missile Hardware

Nonrecurring and Ancillary Equipment

- Tooling and Test Equipment
- Missile Ancillary Hardware
(Containers, etc.)
- Total Missile Flyaway

Command and Launch Hardware

- Launcher
- Launch Control Center
- Radar Set
- Platform/Track Vehicle
- Engineering Change Orders
- Other (Specify)
- Subtotal Command and Launch Equipment

Support Costs

- Peculiar Support Equipment (Specify, e.g., test, handling, etc.)
- Special Handling Equipment
- Training Equipment
- Publications/Technical Data
- Engineering Change Orders
- Other (Specify)
- Subtotal Support

(Exhibit P-5, page 5 of 8)

Exhibit P-5 Instructions (Continued)

Missile P-5 Cost Element Categories (Continued)

Gross P-1 End Cost
Less: Prior Yr Adv. Proc (Breakout by Prior FY of funding)
Net P-1 Full Funding Cost (Must equal FY amount displayed on the P-40 exhibit)
Plus Current Year Adv Proc.
Other Non-P-1 Weapon System Costs
Initial Spares
Mods

Ship Cost Element Categories

Include the following format for every year from construction inception for which there are undelivered ships through the end of the FYDP:

Plan Costs
Basic Const/Conversion
Change Orders
Electronics
Propulsion Equipment
HM&E
Other Cost
Ordnance
Escalation
Project Manager's Growth
Total Ship Estimate
Less: Advance Procurement FY (specify by individual fiscal year)
Net P-1 Line Item
Ship/Unit Cost

Space System Cost Analysis.

A P-5 exhibit is required for each space weapon system employing a launch vehicle or satellite.

Satellite Cost Element Categories

Launch Vehicle:

Airframe/Integ & Assembly
Stage I
Stage II
Stage III
Stage IV
Guidance and Control
Other (specify)
Nonrecurring (specify)

(Exhibit P-5, page 6 of 8)

Exhibit P-5 Instructions (Continued)

Satellite Cost Element Categories (Continued)

Stage Vehicle:

- Airframe/Integ & Assembly
- Propulsion
- Guidance and Control
- Other (specify)
- Nonrecurring (specify)

Space Vehicle:

- Integration & Assembly
- Spacecraft
- Payload
- Reentry Vehicle
- Other (specify)
- Nonrecurring (specify)

Satellite P-5 Cost Element Categories (continued)

- Engineering Change Orders (ECO)
- In-House Production Support
- Total Flyaway Cost

Ground Support Equipment:

- Support Equipment
- Installation and Checkout
- Nonrecurring (specify)
- Engineering Change Orders
- Other (specify)
- Total Ground Support Equipment

Support:

- Training
- Publications/Tech. Data
- Operational/Site Activation
- Computer Software
- Other (specify)
- Total Support

- Total Systems Cost
- Less Advance Procurement, Prior Year
- Net P-1 Line Item Cost

(Exhibit P-5, page 7 of 8)

Exhibit P-5 Instructions (Continued)

Ammunition Procurement Cost Analysis.

A. For items to be procured through the Conventional Ammunition Working Capital Fund (CAWCF), the automated version of the P-5, available from the Single Manager for Conventional Ammunition (SMCA), will be used. The hardware and production support sections will serve as the base for computing the CAWCF gain/loss surcharge for CAWCF standard priced items. The production support section should depict the cost of production support materials and services that are included in the P-1 line item. For CAWCF standard priced items, the dollar entries will be the costs computed by the SMCA as percentages of the hardware subtotal until such time as actual allocation of the support costs by round can be determined. For CAWCF non-standard priced items, the dollar entries will be cost estimates developed by the SMCA. For non-CAWCF items, the dollar entries will be cost estimates formulated by the developing Service. *When configuration management responsibility for a CAWCF item is retained by the developing Service, the production engineering cost estimate will be formulated by the developing Service, but all other estimates will be formulated by the SMCA.*

B. The nonrecurring cost section should depict the cost of such items as first article testing, value engineering, product improvement and procurement technical data package updates. In the event that the cost of the round can be reduced by applying government furnished material or components, a negative entry will be shown in this section. Each section should be subtotaled at the end of the subentries listing.

C. For items whose management responsibility is retained by the Navy, Air Force, and Marine Corps, provide separate line item entries for the support costs funded by the CAWCF and by the individual component.

Other Procurement Cost Analysis.

A. Unique entries will vary depending on the nature of the procurement item. Most line items require more than one procurement action to complete the program. If only one contract is involved, the line item is composed of several separate cost elements such as the end item itself, publications, engineering services, production support, etc. Each of these elements (called "building blocks" for simplicity) carries its own dollar value. The sum of the building block values equals the line item value. In general, entries on this form should be structured in the same way that procurement has been accomplished (or is planned) and/or the way that the cost estimate for the line item was derived. For new programs, it is not always possible to predict exactly how procurement will be accomplished but the cost estimate for the line item is built up through price out of separate cost elements that are known to be required.

B. Care should be taken to ensure that the building block title accurately describes the effort. Frequently, attempts are made to use the same building block entry for more than one year when the program effort in the following year is not exactly the same. For example, Model A of a particular equipment is procured in one year and an improved Model B version planned for the following year. Separate stub entries should be used to avoid comparisons of unlike items.

(Exhibit P-5, page 8 of 8)

Exhibit P-5a, Procurement History and Planning (Page 1)				Weapon System			DATE:			
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number						P-1 Line Item Nomenclature				
WBS COST ELEMENTS Tailor to System/Item Rqmts)	Qty	Unit Cost	Location of PCO	RFP Issue Date	Contract Method and Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revisions Available
Past Year (or last yr of proc)										
Airframes/CFE										
Engine/Accessories										
CFE Avionics										
GFE Avionics										
Armament										
Tooling										
Airframe PGSE										
Engine PGSE										
Avionics PGSE										
Peculiar Training Eqpt										
Current Year										
Airframes/CFE										
Engine/Accessories										
CFE Avionics										
GFE Avionics										
Armament										
Tooling										
Airframe PGSE										
Engine PGSE										
Avionics PGSE										
Peculiar Training Eqpt										

P-1 Shopping List - Item No 20-X

Page No xxx

Exhibit P-5a, Procurement History and Planning
(Exhibit P-5a, page 1 of 4)

Exhibit P-5a, Procurement History and Planning (Page 2)			Weapon System			DATE:				
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number					P-1 Line Item Nomenclature					
WBS COST ELEMENTS Tailor to System/Item Rqmts)	Qty	Unit Cost	Location of PCO	Contract Method and Type	Contractor and Location	Award Date	Date of First Delivery	Specs Available Now?	Date Revisions Available	
Budget Year 1										
Airframes/CFE										
Engine/Accessories										
CFE Avionics										
GFE Avionics										
Armament										
Tooling										
Airframe PGSE										
Engine PGSE										
Avionics PGSE										
Peculiar Training Eqpt										
Budget Year 2										
Airframes/CFE										
Engine/Accessories										
CFE Avionics										
GFE Avionics										
Armament										
Tooling										
Airframe PGSE										
Engine PGSE										
Avionics PGSE										
Peculiar Training Eqpt										

P-1 Shopping List - Item No 20-X

Page No xxx
 Exhibit P-5a, Procurement History and Planning
 (Exhibit P-5a, page 2 of 4)

Instructions - Exhibit P-5a, Procurement History & Planning

1. **Purpose.** This exhibit provides detailed information on the P-5 entries re guarding *all prior years having contracts with undelivered assets, current year (CY), budget year 1 (BY1), and BY2.*
2. **Submission.** Exhibit P-5a will be submitted for all P-5 elements of cost (building block) entries involving quantities in the current or budget years. Information for past years, CYs and BYs will be updated for each succeeding submission.
3. **Entries.**

Cost Elements (Building Blocks)/Fiscal Year. The cost element/building block title is to be taken from the Exhibit P-5 Cost Analysis for items meeting the criteria of paragraph 2 above. For each cost element, provide information for the PY, CY, BY1 and BY2. The first fiscal year line will provide information on the last buy prior to the current year (*if the item was procured in a fiscal year that is no longer available for obligation, identify the fiscal year for which the item was last procured. Update current and prior years entries to show actual contractor and contract award dates. For the budget years, use best estimates. If Advance Procurement funding is part of the program, then provide contract data for each subsequent year to support the leadtime of the advance procurement. For example, if advance procurement is required 2 years in advance of BY2, then provide contract data through BY2+2.*

Quantity and Unit Cost. Insert actual quantity procured and actual unit cost for last actual line entry. For the CY, BY1 and BY2 lines, insert actual or estimated unit costs. The quantities and unit costs should agree with entries on the Exhibit P-5 Cost Analysis exhibit, except for the ammunition items that are fixed standard priced. *For these ammunition items, the entries should be the actual unit costs that were negotiated and/or estimated. This update is necessary for the initial starting point for computing future fixed standard prices. Provide an explanation in the remarks block for all items for which the actual unit costs vary significantly with the forecasted unit costs.*

Procurement Contracting Office (PCO Location). Identify the organization that will award the contract. Also identify the organization preparing the purchase request, if different.

Request for Proposal (RFP) Issue Date. Identify the date the RFP was issued or will be issued.

Contractor. For each fiscal year, insert actual contractor name, and facility or plant location (city and state). For the current year, insert contractor name if item is to be sole source or if procurement has been accomplished; otherwise insert "Unknown". For budget year(s), insert contractor name if sole source; otherwise use "Unknown". Identify the city/state location of the contractor plant.

Contract Method/Type. The following codes will be used to identify the "Contract Method/Type":

Contract Method

- SS - Sole Source
- C - Competitive
- MIPR - Military Interdepartmental Purchase Request (use only if MIPR obligates funding)
- PO - Project Order
- WR - Work Request
- Allot - Allotment
- Reqn - Requisition
- Other - Explain by footnote

(Exhibit P-5a, page 3 of 4)

Exhibit P-5a Instructions (Continued)

Contract Type

FP	- Fixed Price
CPIF	- Cost Plus Incentive Fee
CPAF	- Cost Plus Award Fee
FPI	- Fixed Price Incentive
Option	- Option to prior year contract
Other	- Explain by footnote

Follow the pattern of the “Contractor” block in displaying actual and estimated contract method and type. “Option” refers to an existing contract that contains an option clause for future procurement. Identify whether the option is priced (already negotiated) or unpriced.

Award Date. For the last actual buy, provide the date that the contract was awarded. For the current year, provide the actual or estimated date. Provide estimated contract award dates for BY1 and BY2.

Date of First Delivery. Same basis as Award Date.

Specifications Available Now. Answer “yes” or “no” for the current year and budget years. No entry is required for prior year or budget year plus one lines. The answer is to be provided as of the time the exhibit is prepared. The term “specifications” refers to full competitive specifications (or their equivalent in the case of a sole source contract).

Date Revisions Available. No entry is required for the prior year line if the contract has been awarded. If revisions are required, provide in last column the date or estimated date when they will be available.

Use Footnotes to provide reasons for Sole Source procurement; to provide reasons for use of letter contracts; to provide reasons why a multiyear contract cannot be used; to explain significant variations in unit cost from year to year, etc.

Date: _____

Shipbuilding and Conversion, Navy
Exhibit P-5b. Analysis of Ship Cost Estimate - Basic/Escalation

FY 19BY

Ship Type: _____

I.	<u>Design Schedule:</u> Issue date for TLR Issue date for TLS Preliminary Design Contract Design Detail Design Request for Proposals Design Agent	<u>Start/Issue</u>	<u>Complete/Response</u>	<u>Reissue</u>	<u>Complete/Response</u>
II.	<u>Classification of Cost Estimate</u> (e.g. Class C Budget Estimate)				
III.	<u>Basic Construction/Conversion</u> A. Assumed Award Date B. Contract Type (and Share Line if applicable)		<u>FY 19CY</u>	<u>FY 19BY1</u>	<u>FY 19BY2</u>
IV.	<u>Escalation</u> Escalation Termination Date Escalation Requirement Labor/Material Split Allowable Overhead Rate	<u>Hull 9201</u>	<u>Hull 9202</u>	<u>Base Date</u>	<u>Escalation Target Cost</u>
V.	<u>Other Basic (Reserves/Miscellaneous)</u> Item Item		<u>Amount</u> xxxx xxxx		

Exhibit P-5b, Analysis of Ship Cost Estimate - Basic/Escalation

(Exhibit P-5b, page 1 of 1)

Exhibit P-10, Advance Procurement Requirements Analysis (Page 1 - Funding)	Date:
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number	P-1 Line Item Nomenclature
---	----------------------------

Weapon System	First System (BY1) Award Date	First System (BY1) Completion Date
---------------	-------------------------------	------------------------------------

(\$ in Millions)														
	PLT	When Rqd	Prior Years	PY-1	PY	CY	BY1	BY2	BY2+1	BY2+2	BY2+3	BY2+4	To Complete	Total
End Item Qty														
CFE														
GFE														
GFE														
GFE														
EOQ*														
Design														
Term Liab														
Other**														
Total AP														

Description:

*Include analysis if EOQ or other advance funding is proposed.

**Specify other items for all pages of this exhibit.

Exhibit P-10 Advance Procurement Requirements Analysis (Page 2 - Budget Justification)							Date:		
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number					Weapon System		P-1 Line Item Nomenclature		
(TOA, \$ in Millions)									
	PLT	QPA	Unit Cost	BY1 QTY* (BY2 qty)	BY1 Contract Forecast Date	BY1 Total Cost Request N/A	BY2 QTY* (BY2+1 qty)	BY2 Contract Forecast Date	BY2 Total Cost Request N/A
End Item		N/A							
GFE									
GFE									
GFE									
EOQ									
Design									
Termination Liability									
Other									
Other									
Other									
Other									
Total Advance Proc									
Description:									
<p>*When the advance procurement funding supports more than one subsequent program year end item, then the funding for each line item entry must be separately identified for each applicable end item fiscal year (i.e., when leadtimes are greater than one year).</p>									
(Use continuation pages, as necessary)									

Exhibit P-10, Advance Procurement Requirements Analysis (Page 3 - Present Value Analysis)							Date:					
Appropriation (Treas) Code/CC/BA/BSA/Item Control No					Weapon System			P-1 Line Item Nomenclature				
(TOA, \$ in Millions)												
	FY 1994 & Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Comp	Total
Proposal w/o AP												
Then Year Cost												
Constant Year Cost												
Present Value												
AP Proposal												
Then Year Cost												
Constant Year Cost												
Present Value												
Difference												
Then Year Cost												
Constant Year Cost												
Present Value												
AP Savings												
Remarks Present value analysis will be calculated in accordance with DoD Instruction 7041.3.												

Exhibit P-10, Advance Procurement Requirements Analysis (Page 4 - Execution)	Date:
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number	Weapon System	P-1 Line Item Nomenclature
---	---------------	----------------------------

(TOA, \$ in Millions)

	PLT	PY QTY	PY Contract Forecast Date	PY Actual Contract Date	PY Total Cost Request	PY Actual Contract Cost	CY QTY	CY Contract Forecast Date	CY Actual Contract Date	CY Total Cost Request	CY Actual Contract Cost	BY1 QTY	BY1 Contract Forecast Date	BY2 QTY	BY2 Contract Forecast Date
End Item					N/A	N/A				N/A	N/A				
CFE															
GFE															
GFE															
GFE															
EOQ															
Design															
Term Liab															
Other															
Total AP															

Description:

Explain reasons for any delays and why delays did not result in end item delays.

Exhibit P-10, Advance Procurement Requirements Analysis (Page 5 - Execution (Obligations/Expenditures))								Date:					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number								Weapon System		P-1 Line Item Nomenclature			
(TOA, \$ in Millions)													
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	TOTAL
PY OBL PLAN													
PY ACTUAL													
PY EXP PLAN													
PY ACTUAL													
CY OBL PLAN													
CY ACTUAL													
CY EXP PLAN													
CY ACTUAL													
BY1 OBL PLAN													
BY2 OBL PLAN													
Narrative:													

Instructions - Exhibit P-10. Advance Procurement Requirements Analysis

This Exhibit should be submitted for each BY1 and BY2 in which Advance Procurement funds are being requested. The exhibit contains 5 pages. Only pages 1 and 2 need to be submitted in the congressional procurement backup books.

Page 1- Budget Justification entries.

This format will include funding for all years of the program.

Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number. This entry should match the procurement annex.

P-1 Line Item Nomenclature: Self explanatory.

Weapon System Type: End item for which advance procurement is required.

First System Award Date: Enter the month/year (do not use quarters) that the contract for the end item for which these funds support will be awarded. For example: FY 1998 advance procurement funds are required in support of an FY 1999 procurement. The FY 1999 procurement will be awarded in January 1999. Enter January 1999. If the manufacturing processes require 24 months, then the item will be delivered in January 2001. Enter January 2001.

Column 1. The first entry should be the procurement quantity budgeted for each year for the end item for which the advance procurement is requested. In addition, list the items that are required to be purchased ahead of the end item. Be specific as possible. Some examples are:

Contractor Furnished Equipment (CFE): This entry includes all advance procurement funding associated with effort accomplished by the prime weapon system contractor. (e.g. airframe contractor for aircraft; guidance and control contractor for missiles, satellites; chassis contractor for tanks, engines, nuclear propulsion equipment for ships, etc.)

Government Furnished Equipment (GFE): This entry should include a separate entry for each major subcomponent furnished by the government (e.g. engines and radars for ships and aircraft; warhead, fuzes, and rocket motors for missiles; engines and major electronic subsystems for tanks, satellites, etc.).

Economic Order Quantity (EOQ): This entry includes items for which an economic order is justified. List each item separately. The entry will require additional justification showing the analysis that supports an EOQ procurement in an advance procurement line.

Other Advance Funding. This would normally include non-EOQ funding that is requested in advance of authorization of the end item and is not based on leadtime considerations but based on price/cost considerations only.

Column 2. Production Leadtime (PLT). Enter the number of months required to manufacture the end item.

Column 3. Enter the number of months after the manufacturing process begins that the item is required for incorporation into the end item.

Columns 4-15. Enter the approved funding for all years of the program.

(Exhibit P-10, page 6 of 8)

Instructions-Exhibit P-10, Advance Procurement Requirements Analysis (Continued)

Page 2 Entries:

Column 1. List the items that are required to be purchased ahead of the end item. This column should match the entries in column 1 on page 1.

Column 2. Production Leadtime (PLT): Enter the production leadtime of this particular item.

Column 3. Quantity Per Assembly (QPA): Indicate the quantity of the item required for each end item.

Column 4. Unit Cost: Enter the unit cost in tenths of millions.

Column 5. BY1 Qty: Enter the total quantity being procured in BY1. For the end item enter the quantity of end items being procured in BY2 (or subsequent years and identify by qty and year) for which the advance procurement in BY1 supports.

Column 6. BY1 Contract Forecast Date: Enter the date of the planned contract award for each of the items listed in column 1. For the end item enter the date of planned contract award of the end items being procured in BY2 (or subsequent years) for which the advance procurement in BY1 supports.

Column 7. Cost: Enter the cost in tenths of millions.

Columns 8-10. Repeat the entries above for BY2.

Description. Describe the technique used to estimate the termination liability request. If advance procurement funding is to be applied to years beyond the immediately succeeding year, the amounts and quantities by year should be specified and explained.

Page 3 Entries:

This page will provide a comparison of the advance procurement request to the cost of the program without advance procurement.

Page 4 Entries:

This page will provide a comparison of the request and actual program execution. If actual data is not available for the following items then provide the contract date or latest program manager's (PM) estimate and indicate with a footnote whether the data represents an actual date, a contract date or a PM projection.

Column 1. List the items that are required to be purchased ahead of the end item. Include all items in the previous President's budget request and any items procured subsequently.

Column 2. Production Leadtime (PLT): Enter the production leadtime of this particular item. This column should match the entries in column 2 on page 2.

Column 3. PY Quantity: Enter the quantity budgeted for the prior year.

Column 4. PY Contract Forecast Date: Enter the date of the planned contract award that was included in the previous President's budget request for the past year.

Column 5. PY Actual Contract Date: Enter the date that the contract was actually awarded. Explain any differences in the Narrative for the past year.

Column 6. PY Total Cost Request: Enter the cost estimated for this particular item that was included in the previous President's budget request for the past year.

(Exhibit P-10, page 7 of 8)

Instructions-Exhibit P-10. Advance Procurement Requirements Analysis (Continued)

Column 7. PY Actual Cost Request: Enter the actual cost that was included in the contract. Explain any differences in the Narrative for the past year.

Columns 8-12. Include the same type of information for the current year as explained in columns 3-6.

Column 13. BY1 Quantity. Identify the quantity to be procured in BY1.

Column 14. BY1 Contract Forecast Date. Identify when the contract will be awarded for BY1.

Column 15. BY2 Quantity. Identify the quantity to be procured in BY1.

Column 16. BY2 Contract Forecast Date. Identify when the contract will be awarded for BY2.

Narrative. Provide explanations for differences between requested leadtimes and actual leadtimes, requested contract award dates and actual contract award dates and requested cost and actual contract cost. Include any items that were not identified in the previous President's budget request and provide an explanation for the change. Also, address why any items for which funding was requested in the previous President's budget request were not procured. If advance procurement funding is to be applied to years beyond the immediately succeeding program year, the amounts by year should be specified on the applicable FY BY exhibit and addressed.

Page 5 Entries

Provide the planned and actual obligations and expenditures by month for the amount of advance procurement funding including termination liability. Use additional columns as required to complete the period of execution performance for the advance procurement funding (i.e. until program is 100% executed).

(Exhibit P-10, page 8 of 8)

Exhibit P-11, Electronic Warfare Funding Summary						FY 19xx Budget Estimate Submission					Date		
Air Force Electronic Warfare Related Funding													
Appropriation Summary	Prior Years	Code	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Comp	Total
APAF													
MPAF													
OPAF													
RDT&E,F													
TOTAL AF													
P-1 Line Item	Prior Years	Code	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Comp	Total
Line Item xx, Title													
Line Item xx, Title													
Subtotal BA 1													
Line Item xx, Title													
Line Item xx, Title													
Subtotal BA 2													
Total Appropriation													
R-1 Line Items													
PE 060xxxxx xx													
PE 060xxxxx xx													
Subtotal BA 1													
PE 060xxxxx xx													
PE 060xxxxx xx													
Subtotal BA 2													
Total Appropriation													

P-1 Shopping List Item No 20-X

Page No xxx

Exhibit P-11, Electronic Warfare Funding Summary

(Exhibit P-11, page 1 of 2)

Instructions-P-11, Electronic Warfare (EW) Funding Summary

1. Purpose. *The purpose of this exhibit is to identify all Investment EW funding included in the Future Years Defense Program (FYDP).*
2. Submission. *A separate exhibit will be submitted as part of the Budget Estimate Submission and President's budget request.*
3. Entries. *Identify specific EW funding by program, PE project estimates within each appropriation. List applicable projects (name and number), funding amounts. Subtotal by budget activity and approbation.*

(Exhibit P-11, page 2 of 2)

Exhibit P-17 Layaway and/or Distribution							Date					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number							P-1 Line Item Nomenclature					
Project #1 Title:	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Complete	Total
Funding												
Description:												
Manufacturer (Name, Location)				Production Lines being laid way: (include location)				Effective Date:				
Layaway Cost:				Other Costs:				Annual Maintenance Cost:				
Project #2 Title:	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Complete	Total
Funding												
Description:												
Manufacturer (Name, Location)				Production Lines being laid way: (include location)				Effective Date:				
Layaway Cost:				Other Costs:				Annual Maintenance Cost:				

P-1 Shopping List Item No 20-X

Page No xxx

Exhibit P-17, Layaway and/or Distribution

(Exhibit P-17, page 1 of 2)

Instructions - Exhibit P-17, Layaway and/or Distribution

1. The purpose of this exhibit is to provide the funding requirements for layaway and distribution projects at government-owned, government-operated (GOGO) facilities, at government-owned, contractor-operated (GOCO) facilities, and contractor-owned, contractor-operated (COCO) facilities.
2. For each project, provide information as to the type of action, i.e., in place, on site, central storage, complete layaway or increment, state of readiness, future cost, estimated completion date, background, and work to be accomplished. If reactivated, is the facility or line scheduled to produce new items? If so, list the items.
3. Group projects under each appropriate subclassification such as facility expansion, machine tool replacement, etc.

(Exhibit P-17, page 2 of 2)

Exhibit P-18 Initial and Replenishment Spare and Repair Parts Justification							Date: Month/Year					
Appropriation (Treas) Code/CC/BA/BSA/Item Control No				Weapon System			P-1 Line Item Nomenclature					
End Item P-1 Line Item	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Comp	Total
INITIAL												
B-1 End Item Cost												
Initial Spares %												
B-1 Initial Spares Cost												
B-2 End Item Cost												
Initial spares %												
B-2 Initial Spares Cost												
Etc.												
TOTAL INITIAL												
REPLENISHMENT												
B-1												
B-2												
F-15												
Etc.												
TOTAL REPLEN												
Remarks												
(Use continuation pages, as necessary)												

Instructions - Exhibit P-18, Initial/Replenishment Spares Requirements

The purpose of this exhibit is to provide the funding requirements for the procurement of initial and replenishment spares and repair parts in support of end items of equipment and in support of modifications to existing end items of equipment where end items of equipment are being supported by procurement appropriations. A copy of this exhibit will be included in the budget justification book for the end item.

Entries:

Column 1. Enter the budget Exhibit P 1 line item and end items of equipment for which the initial spares and repair parts are required.

Columns 3 through 13. Enter the total cost of the initial or replenishment spares and repair parts for each fiscal year displayed in support of the end items procured. Funding must be consistent with the P-1 and P-40 exhibits.

If some of the initial spares and repair parts are to be financed by the DBOF or for buy-out by a procurement appropriation, provide a memorandum entry to indicate the DBOF-financed portion or footnote accordingly.

Include the following information in the remarks block.

Procurement Requirement:

Funded Initial Spares.

Funded Replenishment Spares.

Funded Mobilization (War Reserve) Spares.

Total Funded.

Repair Turnaround time.

(Exhibit P-18, page 2 of 2)

Exhibit P-20, Requirements Study		Approp (Treas) Code/CC/BA/BSA/Item Control No					Date			
P-1 Line Item Nomenclature (Include DODIC for Ammunition Items)			Admin Leadtime (after Oct 1): xx months			Prod Leadtime: xx months				
	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003		
Buy Summary	500	500	500	545	605	605	605	605		
Unit Cost	.1	.1	.1	.1	.1	.1	.1	.1		
Total Cost	.5	.5	.5	.5	.6	.6	.6	.6		
Asset Dynamics										
Beginning Asset Position	500	545	545	460	355	295	295	295		
Deliveries from all prior year funding	150	500								
Deliveries from CY funding			500							
Deliveries from BY1 funding				500						
Deliveries from BY2 funding					545	605	605	605		
Deliveries from subsequent years' funding						605	605	605		
Other Gains	50	10	20							
Combat Losses/Usage	0	0	0	0	0	0	0	0		
Training Losses/Usage	-150	-500	-600	-600	-600	-600	-600	-600		
Test Losses/Usage	-5	-10	-5	-5	-5	-5	-5	-5		
Other Losses/Usage	0	0	0	0	0	0	0	0		
Disposals/Retirements/Attritions/etc.										
End of Year Asset Position	545	545	460	355	295	295	295	295		
Inventory Objective or Current Authorized Allowance	545	545	545	545	545	545	190	190		
Inventory Objective	Actual Training Expenditures		Other than Training Usage		Disposals (Vehicles/Other)		Vehicles Eligible for BY1 Replacement: 50		Aircraft: TOAI:	
Assets Rqd for Combat Loads 500	PY thru ____: 350		PY thru ____: 5		PY thru ____: 50		Vehicles Eligible for BY2 Replacement: 50		PAA: TAI	
WRM Rqmt: 500	PY-1: 450		PY-1: 4		PY-1: 40		Vehicle Augment: 50		Attrition Res:	
Pipeline 45	PY-2: 650		PY-2: 6		PY-2: 60				BAI	
Other:	PY-3: 200		PY-3: 2		PY-3: 20				Inactive Inv:	
TOTAL: 545									Storage:	
REMARKS: For ammunition items, list all substitute items for the round.										

Instructions - Exhibit P-20, Requirements Study

The purpose of this form is to provide detailed information with regard to the determination of asset availability and requirements. A P-20 will be prepared for all items being procured, even if the item is included in a rolled, aggregated P-1 item, such as "Items Less Than \$2 million". The following descriptions apply:

Leadtimes: Administrative leadtime is the amount of time after October 1 that is required to award a contract. Procurement leadtime is the amount of time from contract award until delivery of the first unit.

Buy Summary. Show the quantities, unit cost, and funding approved for this program.

Asset Dynamics. This section will compute the changing asset position starting with the assets on hand at the beginning of the year and adjusting for gains and losses. Tailor the entries to the program being represented.

Beginning Asset Position. Use the inventory position as of the end of the past fiscal year. As a memo entry in the remarks section, identify assets that are not in a serviceable condition.

Deliveries from all prior year funding and deliveries from CY, BY1 and BY2 funding. Enter the quantity funded during the past and prior years, and still being delivered. Show the gains in the fiscal year in which they will be received. The due-ins should match the P-21 Production Schedule and be reflective of the procurement leadtimes and actual delivery schedules included on the contract.

Deliveries from subsequent years' funding. Enter the quantity in the appropriate fiscal year. The due-ins should match the P-21 Production Schedule and be reflective of the procurement leadtimes and planned delivery schedules to be included on the contract.

Other Gains. Quantity due in for loans to other Services, other receipts, etc.

Usage. Identify projected annual usage, disposals, retirements, etc., that are projected for each fiscal year. There should be some correlation of the projected usage to actual expenditures. For aircraft, usage equates to attrition, retirement, FMS sales, etc. For vehicles, usage equates to disposals (quantity of vehicles scheduled for disposal through sale, salvage or transfer to another agency).

End of Year Asset Position. Add the gains and subtract the losses from the beginning of the year asset position.

Inventory Objective (IO). Identify the elements of the IO and the Approved Acquisition Objective, as applicable and approved through the Program Objective Memorandum process. For missiles, munitions, and munitions-related items, use the capabilities based munitions requirements process. Annotate in the Remarks block if the IO is different for any of the FYDP years. Cite the document and the date of the document that established the IO.

Actual Expenditures (for ammunition items). identify actual expenditures for training and other than training for at least three years. For example, for the FY 1998 submission, FY 1997 will be the current year but no usage will have occurred. FY 1996 would be the past year but data will probably not be available for the entire fiscal year prior to the submission. Therefore, show actual usage for FY 1996 through June 30, 1996 and the usage for 3 fiscal years (FY 1995 (past year minus one, PY-1), FY 1994 (past year minus two, PY-2), and FY 1993 (past year minus three, PY-3)).

Authorized Allowances. Enter the authorized Vehicle allowances for units, installations, and activities supported by the appropriations of the service preparing the form. Replacement requirements will be excluded.

(Exhibit P-20, page 2 of 3)

Exhibit P-20 Instructions (Continued)

Vehicles Eligible for Replacement: Enter the quantity of vehicles eligible for replacement during the budget years (s) funded leadtime based upon the age, repair limits and mileage criteria of DoD 4500.36-R.

Vehicle Augmentation. Enter the quantity that represents an augmentation to the inventory. On a separate sheet, list the organizational units and quantities for each unit involved in the augmentation and include a full justification for the augmentation.

Aircraft. Include memo entries for each configuration of aircraft. Identify the acquisition objective by The Joint Staff (TJS) inventory category for each FY. Explain the basis for the approved acquisition objective and identify the applicable requirements document and approval authority (i.e. TJS/Service) that provides the basis for the approved acquisition objective number

Also each Service should submit documentation, by aircraft type, that provides the average age and average hours projected for the aircraft and the current age and hours. This documentation is required for all aircraft being procured and modified, as well as for the aircraft that are being replaced. identify Active, National Guard and Reserve aircraft. Each Service can submit this documentation in formats currently used by each Service, as long as the above information is incorporated.

Entries should include: (1) total overall aircraft inventory; (2) active aircraft inventory, including primary aircraft inventory (with appropriate subcategories for mission aircraft, training aircraft, dedicated test aircraft, ect.), backup aircraft inventory, and attrition/reconstitution reserve; (3) inactive aircraft inventory, including bailments, drones, foreign military sales or other transfers, leases, loans, maintenance training, reclamation, and storage; and (4) the Joint Staff approved inventory requirements.

Not Installed Nonconsumables. Tailor the asset position to elements that pertain to this category. Include a brief explanation in the remarks block to explain why the entire quantity to meet the IO is not being procured, include memo entries for the entire program inventory objective. Where applicable, the IO will be supported by showing the number of units or activities, by type and quantity required per unit or activity. Example: ,

	<u>Required</u>
20 Units	40
30 Activities	60
Spares	10
Total IO	110

REMARKS: identify any items that can be substituted and explain why substitutes cannot be used to satisfy the IO, why expenditures do not represent an accurate portrayal of usage, and any other anomalies.

(Exhibit P-20, page 3 of 3)

Exhibit P-21, Production Schedule															Date																
Appropriation (Treas) Code/CC/BA/BSA/Item Control No										Weapon System					P-1 Line Item Nomenclature																
										PRODUCTION RATE					PROCUREMENT LEADTIMES																
Item		Manufacturer's Name and Location								MSR	1-8-5	MAX	ALT Prior to Oct 1	ALT After Oct 1	Initial Mfg PLT	Reorder Mfg PLT	Total	Unit of Measure													
List each end item																															
Fiscal Year										Fiscal Year																					
Calendar Year										Calendar Year																					
ITEM	F Y	S V	Q T	D E	B A	O C	N O	D E	J A	F E	M A	A P	M A	J U	J U	A U	S E	O C	N O	D E	J A	F E	M A	A P	M A	J U	J U	A U	S E	B A	
5.56	94	A	.5	.2	.3	.1	.1	.1																							
	95	A	.5	0	.5									.1	.1	.1	.1	.1													
	96	A	.5	0	.5																	.1	.1	.1	.1	.1					
	94	M	.5	0	.5				.1	.1	.1	.1	.1																		
	95	M	.5	0	.5													.1	.1	.1	.1	.1									
	96	M	.5	0	.5																							.1	.4		
	96	F	.5	0	.5																									.5	
Fiscal Year										Fiscal Year																					
Calendar Year										Calendar Year																					
ITEM	F Y	S V	Q T	D E	B A	O C	N O	D E	J A	F E	M A	A P	M A	J U	J U	A U	S E	O C	N O	D E	J A	F E	M A	A P	M A	J U	J U	A U	S E	B A	
5.56	94	A	.5	.2	.3	.1	.1	.1																							
	95	A	.5	0	.5									.1	.1	.1	.1	.1													
	96	A	.5	0	.5																	.1	.1	.1	.1	.1					
	95	M	.5	0	.5													.1	.1	.1	.1	.1									
	96	M	.5	0	.5																							.1	.4		

REMARKS: Use continuation pages as necessary to complete all procurements. If only one component or item is being delivered, show deliveries on one page.

Instructions - Exhibit P-21, Production Schedule

1. Purpose. The purpose of this exhibit is to provide detailed information with regard to the monthly production of all applicable items.
2. Submission. Exhibit P-21 will be submitted to show the planned contractual production deliveries for all P-1 line items and for those P-5 Work Breakdown Structure (WBS) cost elements that have a value of \$2,000,000 or more in the current or budget year. *Those items that are supported by an exhibit P-23 do not need a P-21 except for the items that are produced by multiple manufacturers.*
3. Entries.
 - a. Item entries will be displayed in the same order as those entries appearing on the Exhibit P-5 Cost Analysis cost elements (i.e., WBS elements).
 - b. Use "E" for "each," "M" for "millions" and "K" for "thousands" for unit of measure.
 - c. Production rates should be yearly rates, The following definitions apply.

Minimum Sustaining Rate. This is the quantity that will preclude a production break while maintaining a base of responsive vendors and suppliers; the quantity that will preclude start-up costs in the case of a production break; or the quantity that the contractor is willing to accept and produce at a reasonable cost.

1-8-5/2-8-5/3-8-5. This refers to the number of shifts per day, the number of hours per shift, and the number of days per week that the manufacturer will use to deliver the items.

Economical Production Rate. This is the most economical rate that the contractor can produce using 1-8-5 shifts.

Maximum Production Rate. This is the maximum capacity rate that a contractor can produce with extant or PY planned tooling. Indicate the number of shifts.

- d. *The following leadtime definitions apply.*

Administrative Leadtime (ALT). This is the amount of time required to complete the administrative actions leading to contract award. Since these actions do not require funding, the ALT can be separately identified into prior to October 1 and after October 1. The ALT is used to forecast contract awards, Longer leadtimes require that a larger quantity be purchased to support yearly requirements. Leadtimes should therefore reflect an accurate assessment of the time required to process the administrative actions.

Production Leadtime (PLT). This is the amount of time required by a contractor to produce an item once a contract is awarded. Leadtimes should be based on a realistic projection of a contractor's capability.

Procurement Leadtime. This is the total of ALT (post October 1) and PLT.

- e. Where procurements are being made for customers such as the FMS program or another Service, a separate line will be used to reflect each customer's planned buy and phased deliveries with a total provided by item by manufacturer.

(Exhibit P-21, page 2 of 3)

Exhibit P-21 Instructions (Continued)

f. Enter respective schedules for all prior fiscal years with undelivered assets, CY, and BY1, and BY2, and all years of the future years defense plan. This is especially important when Advance Procurement funds are budgeted and programmed. Show detail of production by month.

g. Missile Delivery Schedule. A separate P-21 exhibit will be prepared for each missile system reflecting the latest actual deliveries and scheduled outyear requirements. When the missile system includes the procurement of fire units or launching systems within the P-1 line item, the missiles and the major components of the fire unit or, launching system (launcher, launch control center, radar set, track vehicle) must be depicted on the P-21 exhibit.

h. Ammunition. The total production plan for hardware items should be displayed to include time-phased schedules for LAP and the major limiting or pacing component as applicable. For Improved Conventional Munitions, display schedules for all major components. Provide separate information in those cases where procurement leadtimes for LAP and major components differ.

Instructions - Exhibit P-21a. Production Schedule. All Types

In addition to the P-21, include a P-21a to reflect "all types" ammunition deliveries for all Services.

Exhibit P-21a, Production Schedule, All Types

Instructions-Exhibit P-21b. Production Schedule by Facility

In addition to the P-21 and P-21a, include a P-21b to display the deliveries for all ammunition being produced at each of the GOGO and GOCO facilities.

Exhibit P-21b, Production Schedule by Facility

(Exhibit P-21, page 3 of 3)

Exhibit P-22, Ammunition Inventory	Army/Navy/AF/MC Ammunition Inventory as of June 30, PY	Date:
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Stratification of Assets on Hand									
Nomenclature	NSN	DODIC	Condition Code	CBMR Requirement	Training & Testing Requirement	Contingency Retention Level	Economic Retention Level	Total Qty	Excess Qty

Instructions - Exhibit P-22, Ammunition Inventory

1. Purpose. The purpose of this exhibit is to provide visibility into the CAWCF-owned component inventory and into each of the Service's ammunition inventory. The CAWCF-owned component inventory will also support the stock and surveillance costs included in the standard fixed price.

2. The Services can submit the inventory listing format it currently produces, as long as the information required by this exhibit is presented.

3. Each Service will submit an inventory position listing of all Service-owned ammunition assets. The Army will also provide the CAWCF-owned component inventory listing. The Exhibit is not required for the President's budget request.

4. The inventory position will be submitted in support of the Budget, Estimate Submission and will be current as of June 30, Past Year (or later, if available).

5. Entries.

Columns 1-4. Enter the appropriate Nomenclature, NSN, DODIC, and Condition Code of each ammunition round in the Service or CAWCF-owned inventory.

Columns 5 and 6. Enter the Capability Based Munitions Requirement (CBMR) and the training and testing requirements.

Columns 7 and 8. Enter the quantity of rounds that the Service or CAWCF is retaining for contingency level requirements and economic level considerations, Should these quantities be inordinately large, narrative should be provided to rationalize the quantity.

Column 9. Enter the total quantity of assets on hand.

Column 10. Enter the excess quantity.

(Exhibit P-22, page 2 of 2)

Exhibit P-23, Time Phased Requirements Schedule				Appropriation/Budget Activity				P-1 Item Nomenclature				Date																				
	CY				BY1				BY2				BY2+1				BY2+2				BY2+3				BY2+4							
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
ACTIVE FORCE INVENTORY																																
SCHOOLS/OTHER TRAINING																																
OTHER																																
TOTAL PHASED REQ																																
ASSETS ON HAND																																
DELIVERY FY & PRIOR																																
FY & PRIOR																																
CY																																
BY1																																
BY2																																
BY2+1																																
BY2+2																																
BY2+3																																
BY2+4																																
TC																																
TOTAL ASSETS																																
QTY OVER (+) OR SHORT (-)																																
D. REMARKS									Rqmt (Qty)				Total Rqmt				Installed				On Hand				PY Prior Undelivered				Unfunded			
									APPN -																							
									APPN -																							
									APPN -																							
									PROC LEADTIME				Admin				Initial Order				Reorder											

Exhibit P-23, Time Phased Requirements Schedule

(Exhibits P-23 and P-23a, page 1 of 4)

Exhibit P-23a, Installation Data				P-1 Item Nomenclature				Date							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number								Installing Agent							
1st Qtr		2d Qtr		3d Qtr		4th Qtr		1st Qtr		2d Qtr		3d Qtr		4th Qtr	
End Item Facility	Qty	End Item Facility	Qty	End Item Facility	Qty	End Item Facility	Qty	End Item Facility	Qty	End Item Facility	Qty	End Item Facility	Qty	End Item Facility	Qty

Instruction - Exhibits P-23, Time Phases Requirements Schedules, and P-23a, Installations Data

1. Purpose. The purpose of these exhibits is to provide detailed information with regard to the quarterly requirements and production of all applicable installed items,

2. Submission. The exhibit P-23, supplemented by Exhibit P-23a, will be submitted for all P-1 line items installed and/or components. *A P-23 is not required if a P-3a modification exhibit is submitted for the installed item because a schedule is included on the P-3a.*

3. Entries.

Time Period Covered by Exhibit P-23. The first fiscal year block represents the current fiscal year. The form provides for a total of 7 years. If the phased requirement for the equipment extends beyond 7 years, insert an additional column at the right edge of the form entitled "Later." Use this last column to reflect the balance of the requirement and/or deliveries.

Line #1. Active Force Inventories. The purpose of this line is to show by quarter, "installation opportunities" for a particular equipment based upon an established schedule. The quantities to be reflected are installed equipment quantities. The line entry is non-cumulative. In those cases where the actual or planned equipment procurement program will not provide sufficient units to meet total opportunities in a particular quarter, the missed opportunities will be shown in parentheses. For example, total opportunities might be 10, but only 6 can be met. This will be shown as 6 (4). Appropriate offsets will be made in this line when it is necessary to have the equipment to be installed on hand in advance of beginning of installation.

Line #2. This line is to be used for installation opportunities not in established schedules and is to be completed in the same manner as line 1.

Line #3. Schools and Other Training. Insert in the appropriate fiscal quarter units required for Schools and Other Training. Indicate "Other" unit requirements by use of an asterisk.

Line #4. Other. This line should reflect phased requirements for all other commodity users such as new construction of end items or MAP/FMS etc.

Line #5. Time Phased Requirements. This is a cumulative line entry and in the first quarter of the first fiscal year on the form is the sum of lines 1 through 4. For the second quarter, line 5 is equal to amount shown on line 5 in the first quarter plus sum of lines 1 through 4 in the second quarter.

Line #6. Assets on Hand. In the first quarter block on line6, insert the number of equipment on hand at the beginning of the current fiscal year.

Line #7. Reflect on this line planned deliveries from the prior fiscal year and prior programs. This is a non-cumulative line. Indicate appropriation on lines 7-16 when columns are filled.

Line #8. Reflect on this line deliveries from other appropriations financed by prior year programs.

(Exhibits P-23 and P-23a, page 3 of 4)

Exhibits P-23/P23a Instructions (Continued)

Line #9. Reflect planned deliveries from the current fiscal year program. Also, indicate in the appropriate quarter when the contract for the current fiscal year quantity will be awarded. Identify the type of contract with the following codes:

C Competitive procurement
SS Sole Source
CMYP Competitive multiyear
SSMYP Sole Source multiyear

Line #10. Same as line 9 for current fiscal year when a different appropriation from line 9 is involved.

Lines #11-16. Follow the pattern of lines 9 and 10. Lines 15 and 16 may cover more than one fiscal year program and will reflect the equipment quantity required to fill the total requirement in the "Later" column.

Line #17. For each quarter, this line is the sum of lines 6 through 16 expressed on a cumulative basis as was line 5.

Line #18. This line is the difference between line 5 (total phased requirements) and line 17 (total assets).

Requirement Block (Lower right corner) - This block recaps total requirements by appropriation.

Total Requirement - This is the total ultimate quantity required for installation without regard to when installation will take place.

Installed Qty - Number of units installed prior to the beginning of the current fiscal year.

On Hand Qty - Units that have been delivered but not yet installed.

Prior Years Undelivered - This is the sum of all units due in from prior year, past years, and current year programs plus planned BY1 and BY2 procurements.

Unfunded - This is the quantity still required after BY2.

Reconciliation - The cumulative quantity shown on line 5 is equal to the sum of the on hand quantity, the FY(BY1) and undelivered quantity plus the unfunded quantity.

Procurement Leadtimes. Administrative leadtime is the amount of time after October 1 that is required to award a contract. Initial Order Leadtime means production or manufacturing leadtime and is measured from date of contract award to date of first delivery of equipment. Reorder Leadtime is production leadtime when follow-on procurement is made from previous source.

P-23a, Time Phased Requirements Schedule

List the end item and/or facilities that are to receive the equipment. Include the quantity to be installed by quarter. Identify the installing agent.

(Exhibits P-23 and P-23a, page 4 of 4)

Exhibit P-25, Production Support and Industrial Facilities Cost Analysis							Date					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number							P-1 Line Item Nomenclature and Project Number					
Annual Capacity Before Project (1-8-5)							Annual Capacity after Reject (1-8-5)					
Facility Name				Location			Type: (GOGO/GOCO/COCO)					
COST ELEMENTS	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Complete	Total
Construction												
Equipment												
Equipment												
Equipment												
Equipment Install												
Contract Support												
Corps of Engrs												
Other												
Total Fac Costs												
Other-Prove-out												
MILCON												
Description of Project: Milestones: Concept Design Complete: Final Design Complete: Initial/Final Project Award Construction Complete: Equipment Installation Complete: Prove out begins/completes: Related projects: (Number, Title, Appropriation, Start/Complete date).												

Instructions - Exhibit P-25, Production Support and Industrial Facilities Cost Analysis

The P-25 exhibit will be used to display costs for each funded production facilities project at all government owned, government operated (GOGO) and government owned, contractor operated (GOCO) facilities. In addition the exhibit will display the costs associated with a facilities project for those government owned lines that are located at contractor owned, contractor operated (COCO) facilities. The cost categories on the P-25 exhibit represent a number of elements and the list should be tailored to adequately depict the production facility project cost. The sections on the P-25 exhibit are to be completed as follows.

Construction cost should depict the cost for construction that is funded in this line. If construction funds are required that are programmed in another appropriation, these funds and the associated amount should be identified in the Other Costs section.

Equipment Cost should identify the cost for individual equipment (list separately) costing more than \$0.5 million and a cumulative cost line for all equipment costing less than \$0.5 million.

Equipment Installation Cost should identify the cost to install all the equipment listed.

Contractor Support Cost should identify any cost for contractor support included in the production facility project.

Corps of Engineers Support should identify any cost for the Corps of Engineers support included in the production facility project.

Other In-house Support Cost should identify any cost for other in-house support (excluding the Corps of Engineers support costs) included in the production facility project.

The Other Cost section reflects other costs associated with the project such as facility prove-out cost, military construction appropriation costs, etc.

Facility - Self explanatory.

Related Projects should include prior year and outyear funding required to complete the project.

Industrial Facilities - Provide specific line item identification for each project. Group projects under each appropriate subclassification, such as facility expansion, machine tool replacement, etc.

ADD Form 1391, Military Construction Project Data, is required for each project for proposed construction, alteration, expansion, or modernization of government owned facilities.

(Exhibit P-25, page 2 of 2)

Exhibit P-26, Maintenance of Inactive Facilities				Appropriation (Treasury) Code/CC/BA/BSA/Item Control No								Date	
Inactive Lines at Active Plants				Facility				Facility Contractor:					
Funding	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Complete	Total	
Maintenance Cost													
Recurring Overhead													
Environmental													
Other													
Description:													
Inactive Lines at Contractor Plants				Contractor									
Funding	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Complete	Total	
Maintenance cost													
Recurring Overhead													
Environmental													
Other													
Description:													
Inactive Plants				Facility				Facility Contractor:					
Funding	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Complete	Total	
Maintenance Cost													
Utilities													
Recurring Overhead													
Environmental													
Other													
Description:													

Instructions - Exhibit P-26. Maintenance of Inactive Facilities

1. *The purpose of this exhibit is to provide the funding requirements for the maintenance of inactive facilities, inactive lines at active facilities, and inactive lines at contractor facilities.*
2. *Provide information as to the types of costs that require funding.*
3. *List the inactive lines and the ammunition that will be produced if the line is reactivated.*
4. *Provide description of environmental requirements.*
5. *Provide detail by facility.*

(Exhibit P-26, page 2 of 2)

Exhibit P-27, SCN - Ship Production Schedule							Date					
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number							P-1 Line Item Nomenclature					
	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Comp	Total
Description												
(Use continuation pages, as necessary)												

Exhibit P-29, Shipbuilding and Conversion (SCN) Outfitting Costs										Date						
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number										P-1 Line Item Nomenclature						
Ship Type	Hull No	Prog Year	Del Date	CFO Date	Prior Years	PY-1	PY	CY	BY1	BY2	BY2+1	BY2+2	BY2+3	BY2+4	To Complete	Total
Comments																

Exhibit P-29a, Shipbuilding and Conversion (SCN) Outfitting Costs - Comparison	Date:
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Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number	P-1 Line Item Nomenclature
---	----------------------------

Ship Type	Ship No	Prog Year	Del Date	Prior Years	PY-1	PY	CY	BY1	BY2	BY2+1	BY2+2	BY2+3	BY2+4	To Complete	Total
97PB															
xxx															
xxx															
98BES															
xxx															
xxx															
Delta															
xxx															
xxx															

Comments

This exhibit compares the previous President's budget request to the current Budget Estimate Submission or the current President's budget request as appropriate.

Exhibit P-30, Shipbuilding and Conversion (SCN) Post Delivery Costs									Date:							
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number									P-1 Line Item Nomenclature							
Ship Type	Hull No	Prog Year	Del Date	Prior Years	PY-1	PY	CY	BY1	BY2	BY2+1	BY2+2	BY2+3	BY2+4	TC	Total	I D

Comments

Exhibit P-30a, Shipbuilding and Conversion (SCN) Post Delivery Costs-Comparison										Date:						
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number										P-1 Line Item Nomenclature						
Ship Type	Hull No	Prog Year	Del Date	Prior Years	PY-1	PY	CY	BY1	BY2	BY2+1	BY2+2	BY2+3	BY2+4	TC	Total	I D
97PB																
xxx																
xxx																
98BES																
xxx																
xxx																
Delta																
xxx																
xxx																
<p>Comments This exhibit compares the previous President's budget request to the current Budget Estimate Submission or the current President's budget request as appropriate.</p> <p>ID Codes: S=NNS; I=INGALLS; E=ELECTRIC BOAT; B=BATH IRON WORKS; A=AVONADE; N=NASCO; O-OTHER</p>																

Exhibit P-32, Procurement Purchases from DBOF
(TOA, \$ in Millions)

Appropriation: _____

Business Areas	Current Year	Budget Year 1					Budget Year 2				
	CY Program	Price Growth	%	Program Growth	%	BY1 Program	Price Growth	%	Program Growth	%	BY2 Program
Army											
411 Army Supply Management											
601 Army Depot Maint-Ord Arm Corn											
602 Army Depot Maintenance-Other											
648 Army Information Services											
Navy											
412 Navy Supply Management											
615 Navy Information Services											
633 Defense Printing Service (FY 1996 only)											
Research and Development											
610 Naval Air Warfare Center											
611 Naval Surface Warfare Center											
612 Naval Undersea-Warfare Center											
614 Naval Cmd, Ctrl & Ocean Surv Ctr											
630 Naval Research Laboratory											
631 Naval Facilities Engineering Service Ctr											
Depot Maintenance											
613 Depot Maintenance- Aircraft											
632 Depot Maintenance-Ordnance											
637 Depot Maintenance-Ships											
640 Depot Maintenance-Other (USMC)											
Transportation (Sealift Services):											
620 Fleet Auxiliary Force											
621 Afloat Prepositioning Ship											
623 Special Mission Supports											
624 Other Sealift Purchases											
Navy Base Support Services:											
634 Public Works - Utilities											
635 Public Works - Other											
639 Public Works (Composite Rate)											

Exhibit P-32, Procurement Purchases from DBOF
(TOA, \$ in Millions)

Business Areas	Current Year	Budget Year 1					Budget Year 2				
	CY Program	Price Growth	%	Program Growth	%	BY1 Program	Price Growth	%	Program Growth	%	BY2 Program
Air Force											
414 Air Force Supply Management											
649 Air Force Information Services											
653 Transportation (Airlift Svcs (Training))											
Air Force Depot Maintenance											
661 Organic Operations											
662 Contract											

Defense											
402 Fuel Purchases (DFSC)											
415 DLA Supply Management											
633 Defense Printing Services (beg FY 1997)											
647 Defense Metacenters (DISA)											
650 DLA Information Services											
651 DFAS Information Services											
670 Defense Automatic Addressing Systems											
671 Communications Services (DISA)											
672 Purchases from Pentagon Reservation Maintenance Revolving Fund											
673 Financial Operations (DFAS)											
674 Distribution Depots (DLA)											
675 Def Reutilization & Mktg Svcs (DRMS)											
676 Def Industrial Plant Eqpt (FY 1996 only)											
677 Joint Logistics Systems											
680 Purchases from the Bldg Maint Fund											
USTRANSCOM											
701 AMC Cargo/Passenger (Fund)											
702 AMC SAAM/TJS (Fund)											
711 MSC Cargo (Fund)											
721 MTMC Port Handling (Fund)											

Instructions - Exhibit P-32, Procurement Purchases from DBOF

1. Purpose. The purpose of this exhibit is to estimate the amount of new orders planned to be sent to the Defense Business Operations Fund (DBOF) business areas. The Procurement appropriations will report estimates of funding for DBOF business areas on the Purchases from DBOF Exhibits. For each appropriation, the Component will estimate by DBOF business area the amount of new orders planned to be sent to DBOF business areas for the CY, BY1 and BY2. The amounts provided should reflect the amount shown by the DBOF activity on the Fund-11 exhibit. Price growth will reflect the amount of inflation on the difference between fiscal years funding (change in DBOF rates), Program growth will show the change in program absent the effect of inflation. For further guidance, see the instructions for completing the OP-32 exhibit (Chapter 030402). A copy of the P-32 exhibit will also be provided directly to the Revolving Funds Directorate, Rm 3B866, the Pentagon.

2. Specific Instructions:

In addition to the guidance above and in the OP-32 Exhibit instructions, the following provides by business area, the types of purchases reported on the P-32 exhibits:

(1) Army, Navy and Air Force Supply Management: obligations for supply purchases from wholesale and retail supply organizations.

(2) DLA Supply Management: obligations for purchases of consumable supplies.

(3) Fuel Purchases (Defense Fuel Supply Center): obligations for fuel for purchases of fuel for aircraft, automobiles, non-nuclear ships, trucks, and heating fuel.

(4) US Transportation Command: travel and transportation obligations for movement of people or goods by military air (Air Mobility Command owned C-17, C-5, or C-141 aircraft or leased commercial aircraft) and military sealift (through Military Traffic Management Command operated port facilities, in Military Sealift Command owned or operated ships).

(5) Defense Finance and Accounting Service (DFAS): obligations for services rendered by DFAS.

(6) Communications Services (DISA): obligations to pay for services provided by the for the Defense Switched Network (formerly AUTOVON, AUTODIN, Bulk Encrypted Communications, Defense Switched Network, Washington Area Wideband System, Defense Information Systems Network, and Defense Data Network) and for information processing, computer services, and software development support provided by the Defense Information Technology Services Organization (DITSO).

(7) Fund Purchases not reported on P-32: Do not report purchases from the following Fund business areas: Defense Logistics Agency Distribution Depots; Navy Distribution Depots; Commissary Operations; and the Defense Reutilization and Marketing Services.

(Exhibit P-32, page 3 of 3)

**Exhibit P-35, Major Ship Component Fact Sheet
(TOA, \$ in Millions)**

Ship Type - (SSN-21)

Equipment Item - (AN/BSY-2 Combat System)

PARM Code - (NAVSEA PMS XXX)

Description/Characteristics/Purpose:

<u>Current Funding</u>	<u>FY 19PY</u>		<u>FY 19CY</u>		<u>FY 19BY1</u>		<u>FY 19BY2</u>	
Major Hardware	Hull	Total FY	Hull	Total FY	Hull	Total FY	Hull	Total FY
Hardware								
Warranty								
Baffle Spare/Trainer								
GFE								
Ancillary Equipment								
Test Equipment								
Shipping and Installation Fix								
Technical Data and Documentation								
Spares								
Installation & Checkout								
Installation & Sup Spt								
System Engineering								
Technical Engineering Services								
Contract Field Services								
Govt Field Services								
Other Costs (List separately)								
Other Costs								

<u>Contract Data (major hardware)</u>	<u>Prime Contractor</u>	<u>Contract Award Date (indicate if estimated)</u>	<u>Contract Type</u>	<u>New/Option</u>	<u>Contract Qty</u>	<u>Contract Hardware Unit Cost</u>
PY						
CY						
BY1						
BY2						

<u>Delivery Data</u>	<u>Earliest Ship Delivery Date</u>	<u>Months Required before Delivery</u>	<u>Production Leadtime</u>	<u>Required Award Date</u>
PY				
CY				
BY1				
BY2				

V. Competition/Second-Source Initiatives:

P-1 Shopping List - Item No 20-X

Page No xxx

Exhibit P-35, Major Ship Component Fact Sheet
(Exhibit P-35, page 1 of 2)

Instructions - Exhibit P-35, Major Ship Component Fact Sheet

Item: A separate sheet is to be submitted for each component having a unit cost of \$3.0 million or more.

Description/Characteristics/Purpose. Self explanatory.

Current Funding. The cost details will be provided for each ship type for which equipment is being procured on a hull basis for the prior year (PY), current year (CY), budget year 1 (BY1) and BY2.

Identify estimates on an end item cost basis. If an equipment was procured in a prior year with advance procurement funds, it should be reflected on the exhibit next to the end cost estimates in parenthesis. The equipment costs in this section of the exhibit will include the building block elements listed below:

- Major Hardware
- Ancillary Equipment
- Technical Data and Documentation
- Spares
- System Engineering
- Technical Engineering Services
- Other Costs

Major hardware costs in excess of \$20 million must be broken down into subelement hardware components that comprise the equipment cost estimate included on the P-5a cost analysis.

Contract Data. This section will be prepared for the major hardware procurement. The exhibit will include the contract plans for BY1 and BY2, the planned or actual contract information for the current year (CY) and the actual information for the last buy prior to the current year. The last buy should be included even though it is two or more years prior to the current year. The following codes should be used for indicating contract types: Fixed Price Incentive (FPI); Cost Plus Incentive Fee (CPIF); Fixed Price (FP); Sole Source (SS); and Competitive (C). Indicate whether it is a new contract or an option to an existing contract. Also indicate estimated or actual award dates and item delivery dates. List quantities for each fiscal year and the production leadtime associated with each equipment.

Delivery Data. This section should indicate delivery plans for BY1 and BY2, CY and past year (PY) programs contained in Section II of this exhibit. The required award date entry is determined by subtracting the months required before delivery and production leadtime from the earliest ship delivery date.

Competition/Second Source Initiatives. Describe any competition or second source initiatives associated with major hardware items.

(Exhibit P-35, page 2 of 2)

Date: _____

**Exhibit P-36, Depot Level Ship Maintenance Schedule
From PY to BY2+4**

<u>Ship Type</u>	<u>Class</u>	<u>Hull</u>	<u>Name</u>	<u>HP</u>	<u>FY</u>	<u>Type of Avail.</u>	<u>Exec. Act.</u>	<u>Start Date</u>	<u>End Date</u>	<u>O&MN Costs</u>	<u>OPN Costs</u>	<u>Total Mandays</u>
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Purpose: The purpose of this exhibit is to provide schedule and budgetary data for the ships planned for a modernization availability using past year (PY), current year (CY), or budget years (BY1 and BY 2) funds in support of the availability.

Exhibit P-36, Depot Level Ship Maintenance Schedule

(Exhibit P-36, page 1 of 1)

Exhibit P-40, Budget Item Justification							Date						
Appropriation (Treasury) Code/CC/BA/BSA/Item Control Number							P-1 Line Item Nomenclature						
Program Element for Code B Items:					Other Related Program Elements								
	Prior Years	ID Code	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Comp	Total
Proc Qty													
Gross Cost													
Less PY Adv Proc													
Plus CY Adv Proc													
Net Proc (=P-1)													
Initial Spares													
Total Proc Cost													
Flyaway U/C													
Wpn Sys Proc U/C													
Description													

(Use continuation pages, as necessary)

P-1 Shopping List - Item No 20-X

Page No xxx

Exhibit P-40, Budget Item Justification

(Exhibit P-40, page 1 of 4)

Instructions - Exhibit P-40. Budget Item Justification

1. Purpose. The purpose of this exhibit is to provide overall narrative justification covering each P-1 line item including all advance procurement and spare and repair parts P-1 line items.

2. Submission. A separate Budget Item Justification Sheet will be submitted to support all line items having funds requested in any past year (PY) or prior year (not yet expired), current year (CY), budget year 1 (BY1), BY2, or in the future years defense plan (FYDP).

3. Entries.

a. Enter the applicable information that identifies the appropriation number and title, budget activity, procurement line item number, and serial number (the combination of these codes should match the procurement annex). Include the P-1 line item title and identify nicknames in parenthesis. Identify the program element for all Code B items (definition follows). Also list all other PEs associated with this procurement.

b. Include the Identification Code, The letter "A" or "B" will be entered in this column for every line item listed. Line items will be appropriately coded according to the status of the item at the time the exhibit is prepared as follows:

Code A. Line items of material that have been approved for Service use.

Army. The term "approved for service use" means that an item has been "type-classified as adopted type" (Standard) and excludes Limited Reduction type that is included in the development category.

Navy. The term "approved for service use" means that the item has been approved for full production.

Air Force. The term "approved for service use" means that the item has been classified as standard, or alternate standard.

Code B. Line items or material that have not been approved for Service use.

c. Funding will be presented for applicable line items for all prior years, past years, current year, budget years, FYDP years, to complete and Total. The funding should agree with the funding approved in the FYDP procurement Annex. Omit line items that do not apply (for example, ammunition items would not include an initial spares line).

d. A complete narrative description of the line item will be provided. The description will include, but not be limited to, the nature, purpose and intended use of the item with sufficient depth of information to serve as a justification for funding.

e. If the item covered by the Justification Sheet is a Code B item, identify the RDT&E program element funding the development. Also provide the month and calendar year, actual or projected, for each applicable DTE, IOTE, OTE and technical data package (TDP) or performance specification milestone date. TDP is assumed to be the date when all data necessary to initiate the procurement is available. Also provide the planned date for type classification as Standard or Alternate Standard (Army and Air Force) or approved by the CNO or other responsible official (Navy). Provide the nomenclature and model number of each item (as applicable) which will be replaced, as well as the

(Exhibit P-40, page 2 of 4)

P-40 Instructions (Continued)

comparative information in definitive terms with units of measure such as range, speed, cycle rate, meantime before failure, useful life, etc. Enter a brief but specific discussion of pertinent test results and development effort to date such as successful or unsuccessful firings or launches, major engineering design changes, schedule slippages, test failures, contractor difficulties, cost overruns, etc.

e. For those programs that include advance procurement funds that support more than just the next or one subsequent FY program, specific FY detail needs to be provided to identify which FY programs are supported by prior year advance procurement. Advance procurement should be debited and credited according to the leadtimes of the advance procurement. For instance, if FY 1996 and FY 1997 advance procurement funds are required for an FY 1998 procurement, the FY 1996 AP funds would be debited in FY 1996, the FY 1997 AP funds would be debited in FY 1997, and the total of the FY 1996 and FY 1997 AP funds would be credited in FY 1998.

Advance Procurement

FY TOA	<u>FY 1996</u>	<u>FY 1997</u>	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>
FY 1996 for FY 1998 (memo)	0.4				
FY 1997 for FY 1998 (memo)		0.4			
FY 1997 for FY 1999 (memo)		0.4			
FY 1998 (memo)			-0.8		
FY 1998 for FY 1999 (memo)			0.4		
FY 1998 for FY 2000 (memo)			0.4		
FY 1999 (memo)				-0.8	
FY 1999 for FY 2000 (memo)				0.4	
FY 1999 for FY 2001 (memo)				0.4	

f. For all P-1 line items that include procurement of more than one item, a P-40a should also be submitted.

4. Specific Guidance by Program Type.

a. Ammunition Programs.

(1) For ammunition items to be procured through the Conventional Ammunition Working Capital Fund (CAWCF), the most recent CAWCF standard/non-standard price list will be used in pricing the program. The P-40 will display the cost for each line item.

(2) For non-transitioned items, include the date that the item will be transferred to the Single Manager for Conventional Ammunition (SMCA) for procurement action and explain why the item cannot be transitioned until then.

(3) Identify substitute items and if they cannot be used, explain why.

(4) For items with funding greater than \$2.0 million, provide an additional P-40 exhibit providing justification for each item that is funded in the line item. The Army can continue to provide the additional P-5 in lieu of this requirement.

(Exhibit P-40, page 3 of 4)

P-40 Instructions (Continued)

b. Vehicles. Provide the same type information as required for modifications. List all Passenger Carrying vehicles first, and enter subtotals for this category. Then list all other commercial vehicles with a planned procurement value of \$2.0 million or more, and enter the subtotals for this category. Add the two subtotals to display the totals for this exhibit. The “all other” category may be divided between General Purpose and Special Purpose should the Military Service so desire. Except for Passenger Carrying vehicles, different body types may be grouped into single entries.

c. Shipbuilding and Conversion, Navy Programs. Include the following information:

- Mission
- Characteristics (hull length overall, beam, displacement, draft)
- Armament
- Major Electronics
- Production status, by hull
 - Contract Award Planned (Month/Year)
 - Months to Complete
 - a) Award to Delivery
 - b) Construction
 - Start to Delivery
 - Delivery Date
 - Completion of Fitting Out
 - Obligation Work Limiting Date (OWLD)

The P-40 must list all Service and Other Small Craft Items by types and provide funding for all years still being executed.

d. Modification Programs. For procurement modification programs the P-40 exhibit shall include the following information. A complete narrative description of the weapon system, its overall mission, number of aircraft in the inventory (include a breakout by Active, National Guard and Reserve). Explain why the aircraft requires modification to perform its mission. The description will include, but not be limited to, the nature, purpose and intended use of the item with sufficient depth of information to serve as a justification for funding. The narrative should also provide a clear, concise, unclassified statement relating planned procurement to the total acquisition objective for the modification. For example, the total objective for a radar modification might be 75 units at an estimated unit cost of \$300,000 each or total cost of \$23.5 million. Twenty units have been procured in prior years, 10 units are included in the budget year leaving 45 units to be procured in subsequent years. The exhibit will, just below the narrative, include the specific modifications budgeted and programmed displayed in the format provided below:

Mod/
OSIP Mod (TOA, \$ in Millions)

<u>No.</u>	<u>Class</u>	<u>Title</u>	<u>PY</u>	<u>CY</u>	<u>BY1</u>	<u>BY2</u>	<u>BY2+1</u>	<u>BY2+2</u>	<u>BY2+3</u>	<u>BY2+4</u>	<u>TC</u>	<u>Total</u>
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Mod/OSIP No. Enter the modification number as applicable. List each modification on the aircraft P-40 exhibit. All P-3a exhibits must be included in the budget backup book in this numerical order.

Classification. Enter the modification classification or type (i.e., safety, reliability, maintainability, etc.) as applicable.

(Exhibit P-40, page 4 of 4)

Exhibit P-40a, Budget Item Justification for Aggregated Items								Date					
Appropriation/Budget Activity													
Procurement Items	ID Code	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Comp	Total
List all items													
Include qty													

Instructions - Exhibit P-40a. Budget Item Justification for Aggregated Items

1. Purpose. The purpose of this exhibit is to provide the quantities and funding covering the procurement programs included in rolled P-1 line items.

2. Entries.

a. Enter the applicable information that identifies the appropriation, budget activity, and title.

b. Include the Identification Code. The letter "A" or "B" will be entered in this column for every line item listed. Line items will be appropriately coded according to the status of the item at the time the exhibit is prepared as follows:

Code A. Line items of material that have been approved for Service use.

Army. The term "approved for service use" means that an item has been "type-classified as adopted type" (Standard) and excludes Limited Production type that is included in the development category.

Navy. The term "approved for service use" means that the item has been approved for full production.

Air Force. The term "approved for service use" means that the item has been classified as standard, or alternate standard

Code B. Line items or material that have not been approved for Service use.

Note: If an item is a Code B item, however, the item must be listed as separate line items in the P-1, P-5 and P-40 exhibits.

c. Funding will be presented for all prior years, past years (PY), current year (CY), budget years (BY1 and BY2), FYDP years (BY2+1 thru BY2+4), to complete and Total. The funding should agree with the funding approved in the FYDP Procurement Annex.

(Exhibit P-40a, page 2 of 2)

Exhibit P-43, Simulator and Training Device Justification										Date					
Appropriation (Treas) Code/CC/BA/BSA/Item Control No										Weapon System			IOC Date		
Training Device by Type	Site	Delivery Date	Ready for Training Date	Prior Years	PY-1 FY 1995	PY FY 1996	CY FY 1997	BY1 FY 1998	BY2 FY 1999	BY2+1 FY 2000	BY2+2 FY 2001	BY2+3 FY 2002	BY2+4 FY 2003	To Comp	Total
Description															
(Use continuation pages, as necessary)															

P-1 Shopping List - Item No 20-X

Page No xxx
Exhibit P-43, Simulator & Training Device Justification

(Exhibit P-43, page 1 of 2)

Instructions - Exhibit P-43. Simulator and Training Devices Justification

1. Purpose. This Exhibit identifies the training devices and resources budgeted for the support of the P-1 line items. This format will be used to present planned procurement of simulators, training devices and technical training devices. Training devices include but are not limited to the following types: operator, team, tactics and maintenance training devices.

2. Submission. This format will be submitted to support each major weapon system, modification and other procurement programs in the Exhibit P-1 in which training devices are being procured. Data should be provided for weapon system specific and non-system specific training systems. A P-5a should be prepared if the training system is non-system specific.

3. Entries.

a. Appropriation/P-1 Line Item, Weapon System, program element (PE), and Initial Operating Capability (IOC Date): Self explanatory.

b. Column 1. List the training/simulator devices being procured and group by type (operator, team, tactics, maintenance, etc.). Example:

OPERATOR TRAINERS

AN/BQQ-5E(V) TSOT
TRITRAFAC Bangor
N/BQQ-5E(V) SOAT
FLEASWTRACENPAC

MAINTENANCE TRAINERS

AN/BQQ-5E(V) MST
TRITRAFAC Bangor
TRITRAFAC Kings Bay

Care should be taken to ensure that the building block title accurately describes the effort. Frequently, attempts are made to use the same building block entry for more than one year when the program effort in the following year is not exactly the same. For example, Model A of a particular training equipment is procured in one year and an improved Model B version is planned for the following year. Separate stub entries must be used to avoid comparisons of unlike items.

c. Site. Provide the location of the simulator and training devices.

d. Delivery date. Provide estimated date of delivery for the funding included in the budget year request.

e. Ready for Training Date. Self explanatory.

f. Average Student Throughput. Enter the average annual number of trainees per device(s) by site. Formula: number of planned classes convening per year (all relevant courses) x average number of students per class.

g. Financial plan. Enter quantity and cost for each item. The total funding for each training device should equal the WBS element for trainers/simulators on the P-5.

(Exhibit P-43, page 2 of 2)

Exhibit P-45, Summary of Reimbursables
(TOA, Dollars in Millions)

Appropriation:

<u>P-1 Line Item</u>	<u>PY</u>	<u>CY</u>	<u>BY1</u>	<u>BY2</u>
<u>Qty</u>	<u>Actual Reimb.</u>	<u>Qty</u>	<u>Est. Reimb.</u>	<u>Qty</u>
<u>Est. Reimb.</u>	<u>Est. Reimb.</u>	<u>Est. Reimb.</u>	<u>Est. Reimb.</u>	<u>Est. Reimb.</u>
P-1 Program Title				
Customer A				
Customer B				
Total				

Exhibit P-45, Summary of Reimbursables

(Exhibit P-45, page 1 of 2)

Instructions - P-45. Summary of Reimbursables

This exhibit will be prepared for all procurement appropriations for which reimbursable authority has been used in the PY or CY or is requested for the BY1 or BY2.

This exhibit will reflect reimbursable funding received or requested for each customer from a P-1 line item. For FMS customers, specify each country as a separate customer. Thoroughly identify other customers.

The totals on this exhibit should reflect the total amount of reimbursements anticipated as submitted in the Budget Estimates Submission and the President's budget request.

(Exhibit P-45, page 2 of 2)

Multiyear Procurement Guidance

If a system proposed for a multiyear contract includes more than one P-1 line item, prepare combined MYP-1 and MYP-2 exhibits. Prepare separate exhibits for the remaining MYP exhibit formats. All the exhibits associated with this system should be combined in one package, and ordered in numerical order, i.e., MYP-1, MYP-2, MYP-3¹, MYP-3², etc.

If multiple MYPs are proposed for components of the same P-1 line item, prepare a separate set of exhibits for each. Note that the MYP-3 will be the same in each package.

If a joint Service program is proposed for multiyear procurement, the executive Service is responsible for submission of all multiyear exhibits.

See Section 0102 for additional multiyear procurement guidance.

General Instructions for MYP exhibits.

1. Label the exhibits (MYP-1, MYP-2, etc.) in the lower right corner.
2. Exhibits will be submitted in landscape format.
3. Package the exhibits in numerical order, i.e., MYP-1, MYP-2, etc.
4. Provide original and 3 copies.

(MYP, page 1 of 7)

Exhibit MYP-1, Multyyear Procurement Criteria

Program _____

1. Multiyear Procurement Description:

2. Benefit to the Government.

a. Savings and Cost Avoidance: (Total savings, \$ in millions; this total should match the total savings identified on Exhibits MYP-2 and MYP-3).

b. Impact on Industrial Base:

3. Stability of Requirement.

4. Stability of Funding.

5.. Stable Configuration..

6. Degree of Cost Confidence.

7. Degree of Confidence in Contractor Capability.

8. Risk Factors..

<u>Category</u>	<u>Risk</u>	<u>Explanation</u>
Requirement Stability		
Funding Stability		
Configuration Stability		
Cost Confidence		

9. Multiyear Summary (list all comparisons from MYP-2, MYP-3, MYP-4 exhibits).

	<u>ANNUAL CONTRACTS</u>	<u>MYP ALTERNATE</u>
Quantity		
Total Contract Price		
Cancellation Ceiling		
\$ Cost Avoidance Over Annual		
% Cost Avoidance Over Annual		

This paragraph will be prepared for each multiyear contract included in the line item.

Exhibit MYP-1, Multiyear Procurement Criteria

(MYP, page 2 of 7)

Instructions - MYP-1 Multiyear Procurement Criteria

Description: Provide a brief statement describing the multiyear procurement, i.e., this multiyear procurement will procure “x” number of units over “x” number of fiscal years by using one or more multiyear contracts. If the exhibits are required to satisfy congressional notification requirements, include a statement that these exhibits are intended to satisfy that requirement.

The process of deciding to use or not to use a multiyear procurement (MYP) for production programs as well as how best to tailor and structure MYP requires management judgment. The following criteria have been prepared as guidelines for decision-makers. This exhibit is used to describe the results of the analysis of each of these criteria. The criteria are to be considered in a comparative benefit/risk analysis format where criterion 1 below, represents the benefit factor and criteria 2 through 6 represent risk factors.

Benefit to the Government. A multiyear procurement should yield substantial cost avoidance or other benefits when compared to conventional annual contracting methods. MYP structures with greater risk to the government should demonstrate increased cost avoidance or other benefits over those with lower risk. Savings can be defined as significant either in terms of dollars or percentage of total cost. This paragraph **must** include as a minimum the following narrative justification and data:

a. **Savings and Cost Avoidance:** (Total savings, \$ in millions; this total should match the total savings identified on Exhibits MYP-2 and MYP-3). This explanation must also identify the detailed sources of savings, to include, as appropriate, inflation, vendor procurement, manufacturing, design/engineering, tool design, and support equipment. Each identified source of savings must include a narrative description of the specific savings, an estimate for that specific source and how the estimate was derived. The sum of the detailed sources of savings should equal the total savings.

b. **Impact on Industrial Base:** The MYP justification should include a narrative that addresses the impact of the MYP on the industrial base in terms of both the prime contractor and the vendors/subcontractors, to include the following topics: improved competition, enhanced investment, improvement in vendor skills, training programs, progress payment changes, use of vendor multiyear contracts and increased production capacity.

Stability of Requirement. The minimum need (i.e., inventory or acquisition objective) for the production item or service is expected to remain unchanged or vary only slightly during the contemplated contract period in terms of production rate, fiscal year phasing, and total quantities.

Stability of Funding. There should be reasonable expectation that the program is likely to be funded at the required level throughout the contract period.

Stable Configuration. The item should be technically mature, have completed RDT&E (including development testing or equivalent) with relatively few changes in item design anticipated, and underlying technology should be stable. This does not mean that changes will not occur but that the estimated cost of such changes is not anticipated to drive total costs beyond the proposed funding profile.

Degree of Cost Confidence. There should be a reasonable assurance that cost estimates for both contract costs and anticipated cost avoidance are realistic. Estimates should be based on prior cost history for the same or similar items or proven cost estimating techniques.

(MYP, page 3 of 7)

Multiyear Procurement (Continued)

Degree of Confidence in Contractor Capability. There should be confidence that the potential contractor(s) can perform adequately, both in terms of government furnished items (material, data, etc.) and their firm's capabilities. Potential contractors need not necessarily have previously produced the item.

Risk Factors. Each risk factor should be categorized as low, medium or high and an explanation of the risk assessment provided.

8. Multiyear Summary (list all comparisons from MYP-2, MYP-3, MYP-4 exhibits).

(MYP, page 4 of 7)

Exhibit MYP-2, Total Program Funding Plan					Date
Appropriation (Treasury) Code/CC/BA/BSA/Item Control No					P-1 Line Item Nomenclature
	Budget Year 1	Budget Year 2	Budget Year 2+1	Budget Year 2+2	Budget Year 2+3
Annual Procurement					
Proc Qty					
Gross Cost					
Less PY Adv Proc					
Net Proc (= P-1)					
Plus CY Adv Proc					
Multiyear Proc					
Proc Qty					
Gross Cost (P-1)					
Less PY Adv Proc					
Plus CY Adv Proc					
Net Proc					
Multiyear Savings (\$)					
Multiyear Savings (%)					
OUTLAYS					
Annual					
Multiyear					
Savings					
Remarks					
<p>This chart will compare the funding for the annual proposal and the multiyear proposal. If there are multiple MYPs proposed for the same line item, the annual program should reflect only annual procurements and the multiyear program should reflect funding for all the proposed multiyear programs.</p>					

Exhibit MYP -3, Contract Funding Plan				Date	
Appropriation (Treas) Code/CC/BA/BSA/Item Control No				P-1 Line Item Nomenclature	
	Budget Year 1	Budget Year 2	Budget Year 2+1	Budget Year 2+2	Budget Year 2+3
Annual Procurement					
Proc Qty					
Gross Cost					
Less PY Adv Proc					
Plus CY Adv Proc					
Net Proc (=P-1)					
Multiyear Proc					
Proc Qty					
Gross Cost					
Less PY Adv Proc					
Plus CY Adv Proc					
Net Proc (=P-1)					
Multiyear Savings					
OUTLAYS					
Annual					
Multiyear					
Savings					
Remarks					
This chart will compare the funding for the annual proposal and the multiyear proposal for the multiyear contract.. The total TOA difference on this chart will agree with the cost avoidance over annual line on Exhibit MYP-2 for each MYP contract.					

Exhibit MYP-4 Present Value Analysis				Date	
Appropriation (Treas) Code/CC/BA/BSA/Item Control No				P-1 Line Item Nomenclature	
	Budget Year 1	Budget Year 2	Budget Year 2+1	Budget Year 2+2	Budget Year 2+3
Annual Proposal					
Then Year Cost					
Constant Year Cost					
Present Value					
Multiyear Proc					
Then Year Cost					
Constant Year Cost					
Present Value					
Difference					
Then Year Cost					
Constant Year Cost					
Present Value					
Multiyear Savings (\$)					
Multiyear Savings (%)					
Remarks This exhibit will be prepared for the contract values. Then year costs will agree with the outlay amounts contained on MYP-3. Constant costs will be expressed in budget year costs unless specified otherwise in the memorandum requesting submission of the budget. Present value analysis will be calculated in accordance with DoD Instruction 7041.3.					

Comparison of FY 19CY Program Requirements as Reflected in FY 19CY Budget Request
with FY 19CY Program Requirements as shown in FY 19BY Budget Request

	<u>Total Program Requirements Per 19CY Budget*</u>	<u>(TOA, \$ in Millions) Program Requirements Per 19BY1 Budget*</u>	Increase (+) or <u>Decrease (-)</u>
Combat Aircraft			
Airlift Aircraft			
Trainer Aircraft			
Other Aircraft			
Modification of In-Service Aircraft			
Aircraft Spares and Repair Parts			
Aircraft Support Equipment and Facilities			
Reimbursable Program			
Total Fiscal Year Program			

Explanation by Budget Activity

1. Combat Aircraft

Explain. Include quantity and funding in explanation.

2. Airlift Aircraft

Explain. Include quantity and funding in explanation.

Instructions: For the second year of the biennial budget, the comparisons will be between BY1 and BY2. For example, in submitting the FY 1998/FY 1999 President's budget request, this exhibit is required as follows:

FY 1997: Compare FY 1997 in the FY 1997 PB request to FY 1997 in the FY 1998/FY 1999 PB request.

FY 1998: Compare FY 1997 in the FY 1998/FY 1999 PB to FY 1998 in the FY 1998/FY 1999 PB.

FY 1999: Compare FY 1998 to FY 1999 in the FY 1998/FY 1999 PB.

Exhibit PB-32B, Comparison of FY 19CY Program Requirements

**Major Defense Acquisition Program (MDAP)
Program Elements (PE) to Procurement Line Items Cross-Track Data**

Each Component must submit for each designated MDAP/pre-MDAP an automated data base that maps the FYDP Program Elements (PEs) to Procurement Line Items (PLIs or PALIs) and identifies their common funding and quantity. This FYDP PE-to-PALI Cross-Track data base must reconcile to the Budget Estimates Submission/President's budget Procurement Annex and FYDP data bases and the supporting congressional justification material. The PE to PALI (PE-PALI) Cross-Track data base should be submitted for past year (PY), current year (CY), budget years (BY1 and BY2), and FYDP years (BY2+1 thru BY2+4), and should be formatted as specified below. The PE-to-PALI Cross-Track quantity and funding data should be submitted as 2 flat ASCII files on either a 5 1/4 or 3 1/2 inch floppy, high or double density disk and submitted directly to OUSD(A&T), Steve Dratter, Room 1E474, 697-8020.

CROSS-TRACK

<u>DATA</u>	<u>COLUMNS</u>
PE: Major Force Program	1:2
PE: PE ID	3:7
PE: Service Code	8:10
PLI/PALI: Treasury Code (Appropriation Code)	11:14
PLI/PALI: PLI/PALI Department Code	15:15
PLI/PALI: Budget Activity Code	16:17
PLI/PALI: Budget Sub Activity Code	18:19
PLI/PALI: PLI/PALI ID	20:29
PNO (Program number identified on attached listing of required MDAPs)	30:32
FY	33:36
Budget/Funding (in thousands)	37:46
Quantity	47:56

Formatting Guidelines:

1. Columns 1 thru 10 make up the complete PE number.
2. Columns 11 thru 29 make up the complete PLI/PALI number.
3. Left justify Service Codes and PLI/PALI ID.
4. Right justify Dollars and Quantities and **DO NOT** use commas.
5. FY should be formatted as 1996, 1997, etc.
6. Data are requested for PY thru BY2+4 (eg. FY 1996 - 2003).
7. All alphanumeric characters are to be in UPPERCASE.

MDAP Program Elements to Procurement Line Items Cross-Track Data

(PE to Procurement Line Crosstrack, page 1 of 2)

FYDP Cross-Track

Cross-tracks between submissions must be provided whenever PE or PLI/PALI structures have changed (e.g., if a program's funding appears in a new or different PE/PLI/PALI) from the previous President's budget submission. The Components must submit to the OUSD(A&T) automated cross-track data bases for the FYDP Procurement Annexes that allow direct comparisons of PLIs/PALIs.

Old PLI/PALI to New PLI/PALI Crosswalk Data: A data file containing only those Procurement Line Items (PLIs or PALIs) which have been renumbered since the last submission of the FYDP/Procurement Annex must be submitted. It is to be submitted as a flat ASCII file on either a 5 1/4 or 3 1/2 inch floppy, high or double density disk to OUSD(A&T), Room 1E474.

OLD TO NEW PLI

<u>DATA</u>	<u>COLUMNS</u>
PLI: Old Treasury Code	1:4
PLI: Old Department Code	5:5
PLI: Old Budget Activity Code	6:7
PLI: Old Budget Sub Activity Code	8:9
PLI: Old PLI Identifier	10:19
PLI: Old PLI Name	20:64
PLI: New Treasury Code	65:68
PLI: New Department Code	69:69
PLI: New Budget Activity Code	70:71
PLI: New Budget Sub Activity Code	72:73
PLI: New PLI Identifier	74:83
PLI: New PLI Name	84:128

(PE to Procurement Line Crosstrack, page 2 of 2)