

UNCLASSIFIED

RDT&E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)									DATE June 2001		
BUDGET ACTIVITY 07 - Operational System Development					PE NUMBER AND TITLE 0207325F Joint Air-to-Surface Standoff Missile (JASSM)					PROJECT 4515	
COST (\$ in Thousands)		FY 2000 Actual	FY 2001 Estimate	FY 2002 Estimate	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	Cost to Complete	Total Cost
4515	Joint Air-to-Surface Standoff Missile (JASSM)	154,376	115,214	79,197	42,367	9,094	5,926	174	0	0	880,117
	Quantity of RDT&E Articles	0	21	0	0	0	0	0	0	0	82
<p>FY03-FY07 budget numbers do not reflect the DoD strategic review results.</p> <p>(U) <u>A. Mission Description</u> JASSM is a joint Air Force/Navy program with the Air Force as the lead service. This is an ACAT ID program to provide an affordable long range, conventional air-to-surface, autonomous, precision guided, standoff cruise missile compatible with fighter and bomber aircraft able to attack a variety of fixed or relocatable targets. Initial integration efforts are for the B-52H and F-16 (Block 50). Objective aircraft include the B-1, B-2, F-15E, F-16 (Block 40), F-117, and F/A-18E/F. JASSM successfully passed Milestone II in November, 1998 and is currently in Engineering and Manufacturing Development (EMD). This descriptive summary reflects Air Force funding only.</p> <p>(U) <u>FY 2000 (\$ in Thousands)</u> (U) \$121,662 Continue EMD. (U) \$15,125 Continue flight test support, test aircraft modifications, live fire test support, target construction/rehab. (U) \$11,906 Continue aircraft integration. (U) \$591 Continue mission planning and intelligence systems integration. (U) \$4,652 Continue program office support . (U) \$440 Continue mission support. (U) \$154,376 Total The following transactions are not reflected in the FY00 program total: ATR=+\$20.4M pending Omnibus approval</p> <p>(U) <u>FY 2001 (\$ in Thousands)</u> (U) \$68,532 Continue EMD. (U) \$26,330 Continue flight test support, test aircraft modifications, live fire test support, target construction/rehab. (U) \$12,507 Continue aircraft integration. (U) \$1,316 Continue mission planning and intelligence systems integration. (U) \$5,875 Continue program office support .</p>											
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07 - Operational System Development	0207325F Joint Air-to-Surface Standoff Missile (JASSM)	4515		
(U) <u>A. Mission Description Continued</u>				
(U) <u>FY 2001 (\$ in Thousands) Continued</u>				
(U) \$654	Continue mission support.			
(U) \$115,214	Total			
The following net transactions are not reflected in the FY01 program total: BTR=-166K, and SBIR=-4,437K. These transactions are not reflected in other sections of the R-docs where an FY01 total is shown.				
(U) <u>FY 2002 (\$ in Thousands)</u>				
(U) \$54,485	Continue EMD.			
(U) \$16,634	Continue flight test support, live fire test support, target construction/rehab.			
(U) \$5,218	Continue aircraft integration.			
(U) \$1,772	Continue mission planning and intelligence systems integration.			
(U) \$587	Continue program office support .			
(U) \$501	Continue mission support.			
(U) \$79,197	Total			
(U) <u>B. Budget Activity Justification</u>				
This program is reflected in Budget Activity 7, Operational System Development, because production funds have been included in the DoD budget submission to begin Low Rate Initial Production (LRIP) in FY02.				
(U) <u>C. Program Change Summary (\$ in Thousands)</u>				
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Total Cost</u>
(U) Previous President's Budget (FY 2001 PBR)	164,425	120,281	68,795	879,051
(U) Appropriated Value	166,408	116,281		
(U) Adjustments to Appropriated Value				
a. Congressional/General Reductions	-1,080	-814		
b. Small Business Innovative Research	-7,226			
c. Omnibus or Other Above Threshold Reprogram	-1,250			
d. Below Threshold Reprogram	-1,825			
e. Rescissions	-651	-253		
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(U) C. Program Change Summary (\$ in Thousands) Continued											
			<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Total Cost</u>					
(U)	Adjustments to Budget Years Since FY 2001 PBR				10,402	1,066					
(U)	Current Budget Submit/FY 2002 PBR		154,376	115,214	79,197	880,117					
(U) Significant Program Changes:											
Funding: FY02 adjustments allow incremental funding of RDT&E test articles and completion of EMD activities leading to LRIP and MSIII.											
Schedule: Milestone III moved from February 03 to July 03 and remains several months ahead of Lot 3 (full rate) production award and within APB requirements. This is due to modifying the Development Test/Operational Test (DT/OT) and Initial Operational Test and Evaluation (IOT&E) test matrix to include tests for both the non-Selective Availability Anti-Spoofing Module (SAASM) and SAASM configured missiles. We added two additional DT/OT tests and changed two IOT&E tests to include SAASM configuration testing.											
Technical: None.											
(U) D. Other Program Funding Summary (\$ in Thousands)											
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>Cost to</u>	<u>Total Cost</u>	
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Complete</u>		
(U)	AF RDT&E										
(U)	Other APPN										
(U)	Missile Procurement (AF) JASSM		0	42,937	50,505	101,801	145,494	148,578	197,633	650,801	1,337,749
(U)	SEEK EAGLE		0	744	3,754	1,501	3,003	0	2,998	0	12,000
(U) E. Acquisition Strategy											
All major contracts within this Program Element were awarded through full and open competition. The EMD phase option for JASSM is Cost Plus Award Fee (CPAF). This contract type provides the government the flexibility to periodically evaluate contractor performance while motivating the contractor to execute a successful program with emphasis on EMD schedule, system performance, and management effectiveness.											
JASSM is an OSD flagship program under Cost as An Independent Variable (CAIV). This allows the contractor to have maximum trade space to develop an affordable											
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<p>(U) <u>E. Acquisition Strategy Continued</u> missile that meets the four key performance parameters. Under CAIV, the program maintains a threshold AUPP of \$700,000 (BY95\$) and an objective AUPP of \$400,000 (BY95\$).</p> <p>The government is buying the JASSM system based on a contractor-developed, government-approved System Performance Specification (SPS) which became contractually binding at downselect. The contractor assumes Total System Performance Responsibility (TSPR) as defined in the SPS and warrants system performance for 15 years. Accordingly, the contractor is responsible not only for the design of the missile system, but also for planning and executing the Development Test and Evaluation (DT&E) program to verify the missile system performance. In its role as facilitator and advisor to the contractor, the government formally arranges and funds the use of government flight test support for DT&E. Although funded by the government, flight test support funds are part of the negotiated commitment between the contractor and the government ensuring the contractor is able to execute the DT&E program according to the scope of the EMD contract.</p>																																																																																																																																																			
<p>(U) <u>F. Schedule Profile</u></p> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th colspan="3" style="text-align: center;"><u>FY 2000</u></th> <th colspan="3" style="text-align: center;"><u>FY 2001</u></th> <th colspan="3" style="text-align: center;"><u>FY 2002</u></th> </tr> <tr> <th></th> <th style="text-align: center;">1</th> <th style="text-align: center;">2</th> <th style="text-align: center;">3</th> <th style="text-align: center;">4</th> <th style="text-align: center;">1</th> <th style="text-align: center;">2</th> <th style="text-align: center;">3</th> <th style="text-align: center;">4</th> <th style="text-align: center;">1</th> <th style="text-align: center;">2</th> <th style="text-align: center;">3</th> <th style="text-align: center;">4</th> </tr> </thead> <tbody> <tr> <td>(U) First DT/OT Flight - 4th Qtr FY 2000</td> <td></td> <td></td> <td></td> <td style="text-align: center;">*</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>(U) LRIP Decision - 1st Qtr FY 2002</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(U) LRIP I Contract Award - 1st Qtr FY 2002</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td style="text-align: center;">X</td> <td></td> <td></td> <td></td> </tr> <tr> <td>(U) Begin IOT&E Flight Testing (AFOTEC) - 3rd Qtr FY 2002</td> <td></td> <td style="text-align: center;">X</td> <td></td> </tr> <tr> <td>(U) Last DT/OT Flight Testing - 4th Qtr FY 2002</td> <td></td> <td style="text-align: center;">X</td> </tr> <tr> <td>(U) LRIP II Contract Award - 1st Qtr FY 2003</td> <td></td> </tr> <tr> <td>(U) Complete IOT&E Flight Testing (AFOTEC) - 3rd Qtr FY 2003</td> <td></td> </tr> <tr> <td>(U) Milestone III - 4th Qtr FY 2003</td> <td></td> </tr> <tr> <td>(U) RAA B52 - 4th Qtr FY 2003</td> <td></td> </tr> </tbody> </table> <p>* = Completed Event X = Planned Event</p>									<u>FY 2000</u>			<u>FY 2001</u>			<u>FY 2002</u>				1	2	3	4	1	2	3	4	1	2	3	4	(U) First DT/OT Flight - 4th Qtr FY 2000				*									(U) LRIP Decision - 1st Qtr FY 2002									X				(U) LRIP I Contract Award - 1st Qtr FY 2002									X				(U) Begin IOT&E Flight Testing (AFOTEC) - 3rd Qtr FY 2002											X		(U) Last DT/OT Flight Testing - 4th Qtr FY 2002												X	(U) LRIP II Contract Award - 1st Qtr FY 2003													(U) Complete IOT&E Flight Testing (AFOTEC) - 3rd Qtr FY 2003													(U) Milestone III - 4th Qtr FY 2003													(U) RAA B52 - 4th Qtr FY 2003												
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RDT&E PROGRAM ELEMENT/PROJECT COST BREAKDOWN (R-3)						DATE June 2001					
BUDGET ACTIVITY				PE NUMBER AND TITLE				PROJECT			
07 - Operational System Development				0207325F Joint Air-to-Surface Standoff Missile (JASSM)				4515			
(U) A. Project Cost Breakdown (\$ in Thousands)											
						<u>FY 2000</u>		<u>FY 2001</u>		<u>FY 2002</u>	
(U)	Major Contracts					121,292		67,982		54,311	
(U)	Associated Contracts					11,906		12,507		5,218	
(U)	Support Contracts					5,613		7,741		2,533	
(U)	In-House					440		654		501	
(U)	Test Support					15,125		26,330		16,634	
(U)	Total					154,376		115,214		79,197	
(U) B. Budget Acquisition History and Planning Information (\$ in Thousands)											
(U) Performing Organizations:											
<u>Contractor or Government</u>	<u>Contract Method/Type</u>	<u>Award or Obligation</u>	<u>Performing Activity</u>	<u>Project Office</u>	<u>Total Prior to FY 2000</u>	<u>Budget FY 2000</u>	<u>Budget FY 2001</u>	<u>Budget FY 2002</u>	<u>Budget to Complete</u>	<u>Total Program</u>	
	<u>or Funding Vehicle</u>	<u>Date</u>	<u>EAC</u>	<u>EAC</u>							
<u>Product Development Organizations</u>											
MDA - PDRR I	C/CPFF	Jun 96	120,548	120,548	120,548	0	0		0	120,548	
LM - PDRR I& II	C/CPFF	Jun 96	151,084	151,084	151,084	0	0		0	151,084	
LM - EMD	C/CPAF	Nov 98	373,292	373,292	106,659	121,292	67,982	54,311	23,048	373,292	
NOTE: Contractors are MDA - McDonnell Douglas Aircraft; LM - Lockheed Martin											
<u>Support and Management Organizations</u>											
F-16 SPO	PO	Apr 96	N/A	N/A	9,764	6,101	6,278	4,300	4,067	30,510	
B-52 SPO	PO	Sep 96	N/A	N/A	19,177	5,795	6,228	918	0	32,118	
Other Acft Integ	PO	Various	N/A	N/A	3,451	10	1	0	0	3,462	
Sverdrup Inc.	C/CPAF	Jan 96	N/A	N/A	9,391	2,724	3,216	247	2,535	18,113	
Navy	MIPR	Jan 96	N/A	N/A	2,249	0	0	0	0	2,249	
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RDT&E PROGRAM ELEMENT/PROJECT COST BREAKDOWN (R-3)										DATE
BUDGET ACTIVITY										June 2001
07 - Operational System Development					PE NUMBER AND TITLE					PROJECT
					0207325F Joint Air-to-Surface Standoff Missile					4515
					(JASSM)					
(U) Performing Organizations Continued:										
<u>Support and Management Organizations</u>										
JASSM SPO/Other	Misc	Various	N/A	N/A	20,842	3,329	5,179	2,787	11,132	43,269
<u>Test and Evaluation Organizations</u>										
46TW	PO	Jan 96	N/A	N/A	30,604	15,125	26,330	16,634	16,779	105,472
(U) Government Furnished Property:										
	<u>Contract</u>									
	<u>Method/Type</u>	<u>Award or</u>								
<u>Item</u>	<u>or Funding</u>	<u>Obligation</u>	<u>Delivery</u>		<u>Total Prior</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget to</u>	<u>Total</u>
<u>Description</u>	<u>Vehicle</u>	<u>Date</u>	<u>Date</u>		<u>to FY 2000</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Complete</u>	<u>Program</u>
<u>Product Development Property</u>										
Not Applicable										
<u>Support and Management Property</u>										
Not Applicable										
<u>Test and Evaluation Property</u>										
Not Applicable										
					<u>Total Prior</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget</u>	<u>Budget to</u>	<u>Total</u>
<u>Subtotals</u>					<u>to FY 2000</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Complete</u>	<u>Program</u>
Subtotal Product Development					378,291	121,292	67,982	54,311	23,048	644,924
Subtotal Support and Management					64,874	17,959	20,902	8,252	17,734	129,721
Subtotal Test and Evaluation					30,604	15,125	26,330	16,634	16,779	105,472
Total Project					473,769	154,376	115,214	79,197	57,561	880,117