

**UNCLASSIFIED**

<b>RDT&amp;E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)</b>	DATE <b>February 2002</b>
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<b>BUDGET ACTIVITY</b> <b>06 - Management and Support</b>	<b>PE NUMBER AND TITLE</b> <b>0605101F RAND Project Air Force</b>	<b>PROJECT</b> <b>1110</b>
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COST (\$ in Thousands)	FY 2001 Actual	FY 2002 Estimate	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	Cost to Complete	Total Cost
1110 Project Air Force	25,877	25,098	25,462	25,916	26,393	26,823	27,416	Continuing	TBD
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0	0

**(U) A. Mission Description**

(U) This program provides for continuing analytical research across a broad spectrum of aerospace issues and concerns. The Project AIR FORCE (PAF) research agenda is focused primarily on mid- to long-term problems; in addition, PAF provides quick response assistance for senior Air Force officials on high priority, near-term issues. Results and analytical findings directly impact senior management deliberations on major issues. The Air Force Steering Group, chaired by the Vice Chief of Staff, reviews, monitors, and approves PAF annual research efforts. Each project is initiated, processed, and approved IAW PAF Sponsoring Agreement which requires General Officer (or SES equivalent) sponsorship and involvement on a continuing basis.

(U) PAF is organized in four primary research program areas: strategy and doctrine; aerospace force development; manpower, personnel and training; and resource management. Integrative research projects are also conducted at the division level with direct support assistance provided through the most applicable program. Research programs address organizational crosscutting issues as defined by specific research themes approved by the Air Force Steering Group. These research themes encompass a wide spectrum of topics including external challenges to national security, integrating the ISR mix, terrorism and homeland defense, tailoring and reducing infrastructure to meet new force requirements, and improved weapon system costing.

(U) In FY00, principal research efforts included studies on the evolving Asian security environment, aerospace operations against elusive ground targets, lessons learned from the Air War over Serbia, Operations of U.S. forces in space, fighter and bomber force mix options, Command and control and battle management in future aerospace operations, use of commercial space capabilities, Shaping the Air Force workforce 2005, relating mission and training requirements to ranges and airspace, evaluating the aging aircraft fleet, strategic sourcing and the use of best commercial practices, agile combat support options for the Air expeditionary force, and managing readiness.

(U) In FY01, research undertaken by PAF was driven by specific focus areas developed through the USAF strategic planning process, force modernization initiatives, and enduring management and resource areas of concern to USAF leadership, in addition to extending work initiated in FY00. Work was defined in support of research themes which focused on major external challenges and opportunities affecting USAF operations, institutionalization of the USAF vision and strategic plan,

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<p>(U) <b><u>A. Mission Description Continued</u></b>                      implementation of the Air Expeditionary Force concept, integration of air and space operations, power projection forces, and force mix and infrastructure. Of particular note in FY01, PAF completed an assessment of Kosovo lessons learned, examined a common replacement aircraft for the C2ISR mission, examined and integrated aerospace and land forces in a joint expeditionary concept, assessed India's emerging nuclear posture, studied ways to implement flex-basing to enhance global presence for the AEF concept, and performed a strategic appraisal of future aerospace forces.</p> <p>(U) FY02 research themes were modified to achieve greater focus on transformation efforts, counter-terrorism and homeland defense Research efforts will concentrate on topics such as an integrated mix of on- ISR and strike forces, continued integration of air and space assets, issues associated with pursuing a common wide-body aircraft frame, establishment and sustainment of space capabilities, how to best develop Air Force leaders, officer and enlisted retention issues, command and control architecture for agile combat support, improved spares management and improved depot maintenance capability and managing a global consolidated aerospace industry.</p> <p>(U) Looking to the future, the FY03 research program will build on the initial steps taken in FY02 to better understand the role of aerospace power within Homeland Security and in conjunction with the other services explore the military role in the broader homeland security arena that is evolving. Also continue efforts aimed at helping the Air Force achieve the greatest impact from its transformation efforts and in response to the recent QDR changes in national security strategy and objectives.</p> <p>(U) PAF research spans functional and organization boundaries and is managed in a manner to facilitate independence and freedom from organizational bias thereby providing perspectives and insights to senior Air Force leaders free from parochial spins not necessarily in the best interest of the Air Force at large.</p> <p>(U) Benefits of independent non-Department of Defense analysis of complex present day and emerging issues are shared beyond the immediacy of the Air Force. PAF study results are given wide dissemination within the DOD on a routine basis and are deposited with the Defense Technical Information Center available to a broad range of qualified government and commercial individuals and activities.</p>												
<p>(U) <b><u>FY 2001 (\$ in Thousands)</u></b></p> <table border="0"> <tr> <td>(U) \$3,600</td> <td>Strategy and Doctrine</td> </tr> <tr> <td>(U) \$6,800</td> <td>Aerospace Force Development</td> </tr> <tr> <td>(U) \$5,600</td> <td>Manpower, Personnel and Training</td> </tr> <tr> <td>(U) \$7,800</td> <td>Resource Management</td> </tr> <tr> <td>(U) \$2,077</td> <td>Integrative Research / Direct Support</td> </tr> </table>			(U) \$3,600	Strategy and Doctrine	(U) \$6,800	Aerospace Force Development	(U) \$5,600	Manpower, Personnel and Training	(U) \$7,800	Resource Management	(U) \$2,077	Integrative Research / Direct Support
(U) \$3,600	Strategy and Doctrine											
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(U) \$2,077	Integrative Research / Direct Support											
Project 1110	Page 2 of 4 Pages	Exhibit R-2 (PE 0605101F)										

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<b>06 - Management and Support</b>	<b>0605101F RAND Project Air Force</b>	<b>1110</b>			
<b>(U) <u>A. Mission Description Continued</u></b>					
<b>(U) <u>FY 2001 (\$ in Thousands) Continued</u></b>					
(U) \$25,877	Total				
<b>(U) <u>FY 2002 (\$ in Thousands)</u></b>					
(U) \$3,800	Strategy and Doctrine				
(U) \$6,747	Aerospace Force Development				
(U) \$5,400	Manpower, Personnel and Training				
(U) \$7,200	Resource Management				
(U) \$1,951	Integrative Research / Direct Support				
(U) \$25,098	Total				
<b>(U) <u>FY 2003 (\$ in Thousands)</u></b>					
(U) \$3,900	Strategy and Doctrine				
(U) \$6,700	Aerospace Force Development				
(U) \$5,500	Manpower, Personnel, and Training				
(U) \$7,238	Resource Management				
(U) \$2,124	Integrative Research/Direct Support				
(U) \$25,462	Total				
<b>(U) <u>B. Budget Activity Justification</u></b>					
This program is in budget activity 6 - Management and Support, because it funds RAND Project AIR FORCE (PAF), the only Air Force Federally Funded Research and Development Center for studies and analyses.					
<b>(U) <u>C. Program Change Summary (\$ in Thousands)</u></b>					
		<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>Total Cost</u>
(U) Previous President's Budget		24,080	25,098	25,524	
(U) Appropriated Value		22,080	25,098		TBD
(U) Adjustments to Appropriated Value					
a. Congressional/General Reductions		-155			
b. Small Business Innovative Research					
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<b>(U) <u>C. Program Change Summary (\$ in Thousands) Continued</u></b>											
				<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>Total Cost</u>				
	c. Omnibus or Other Above Threshold Reprogram										
	d. Below Threshold Reprogram			4,000							
	e. Rescissions			-48							
(U)	Adjustments to Budget Years Since FY 2002 PBR					-62					
(U)	Current Budget Submit/FY 2003 PBR			25,877	25,098	25,462		TBD			
(U)	<u>Significant Program Changes:</u>										
	N/A										
<b>(U) <u>D. Other Program Funding Summary (\$ in Thousands)</u></b>											
		<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>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Complete</u>		
(U)	Not Applicable										
<b>(U) <u>E. Acquisition Strategy</u></b>											
	A comprehensive review of RAND/Project AIR FORCE has been completed and a new, 5-year (FY01-FY05) Cost Plus / Fixed Fee contract was awarded on 30 Sep 00.										
<b>(U) <u>F. Schedule Profile</u></b>											
				<u>FY 2001</u>		<u>FY 2002</u>		<u>FY 2003</u>			
				1	2	3	4	1	2	3	4
(U)	Adjust FY01 Research Plan			X							
(U)	Annual Evaluation FY01						X				
(U)	Draft FY02 Research Plan						X				
(U)	Approve FY02 Research Plan						*				
(U)	Adjust FY02 Research Plan						*				
(U)	Annual Evaluation FY02							*			
(U)	Draft FY03 Research Plan							*			
(U)	Approve FY03 Research Plan							*			
(U)	Adjust FY03 Research Plan								*		