

Exhibit R-2, RDT&E Budget Item Justification	DATE May 2009
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BUDGET ACTIVITY 05 System Development and Demonstration (SDD)	PE NUMBER AND TITLE 0605277F CSAR-X
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Cost (\$ in Millions)	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost to Complete	Total
Total Program Element (PE) Cost	0.000	232.232	89.975	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
5213 CSAR-X	0.000	232.232	89.975	0.000	0.000	0.000	0.000	0.000	Continuing	TBD

(U) A. Mission Description and Budget Item Justification

The primary mission of the Combat Search and Rescue Replacement Vehicle (CSAR-X) is to recover downed aircrew and isolated personnel from hostile or denied territory. Rescue forces may also conduct other missions inherent in their capabilities to conduct Personnel Recovery (PR), such as non-conventional assisted recovery, non-combatant evacuation operations, civil search and rescue, international aid, emergency medical evacuation, disaster/humanitarian relief, and insertion/extraction of combat forces.

The CSAR-X will provide USAF combat forces with a vertical take-off and landing aircraft that is deployable and capable of main base and austere location operations for worldwide Combat Search and Rescue (CSAR) and Joint PR missions. On-board weapons and defensive capabilities will permit the CSAR-X to operate in an increased threat environment. An in-flight refueling system will provide an airborne alert capability and extend its combat mission range. The aircraft will be self-supporting to the maximum extent practical. The CSAR-X will be capable of operating in all environmental regions of the globe, day or night, during adverse weather conditions, and in passing through Nuclear, Biological, and Chemical (NBC) environments.

Budget Justification: Per SECDEF guidance to "Terminate CSAR-X program and procure replacement Rotary Wing Aircraft based upon currently fielded CSAR capabilities", the Air Force intends to terminate the existing CSAR-X contract. Funds in FY09 will be used for termination related costs, acquisition planning, studies and analysis, and program office support. Funds in FY10 will be used to develop and execute an acquisition strategy to procure replacement Rotary Wing Aircraft based upon currently fielded CSAR capabilities leveraging existing multi-service solutions. Initially this joint approach will include providing short term relief to the aging HH-60G fleet by purchasing rotary-wing aircraft in production for the Army and modifying them with CSAR mission equipment. These aircraft will create a foundation to procure HH-60 operational loss aircraft as an interim step to maintain combat capability.

Subsequent to the CSAR-X program termination and final budget determination, the Air Force determined that Aircraft Procurement, Air Force (APAF) funds are more appropriate to procure UH-60M production rotorcraft and modify to the fielded HH-60G-like capability. Planned modifications required for the CSAR configuration would leverage previously developed modifications with limited non-recurring engineering.

Therefore, of the \$89.975M FY10 requirement, the Air Force requests Congress appropriate APAF funding in the amount of \$75.009M for HH-60M production and post-production modifications kits and installations. The Air Force requests Congress appropriate RDT&E funding in the amount of \$14.966M RDT&E for non-recurring engineering associated with integrating the CSAR modifications with the UH-60M airframe, qualification testing and program management, and follow on studies and analysis.

The program office will also be working with headquarters Air Force and OSD to support a re-evaluation of the "combat search and rescue requirements in the context of joint force capabilities" as directed by SECDEF. FY 09 and FY10 funding will be used to support this report and any follow on studies and analysis, develop an

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acquisition strategy and to support subsequent acquisition activities.

Previous year funding for CSAR-X is located in PE 0604261, Personnel Recovery Systems. The FY 2009 PB separated the CSAR-X and HC/MC-130 Recap projects under PE 0604261, Personnel Recovery Systems, into distinct PEs (0605277F and 0605278F, respectively) to provide more budget clarity.

(U) **B. Program Change Summary (\$ in Millions)**

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) Previous President's Budget		305.062	364.818
(U) Current PBR/President's Budget	0.000	232.232	89.975
(U) Total Adjustments	0.000	-72.830	
(U) Congressional Program Reductions		-72.035	
Congressional Rescissions		-0.795	
Congressional Increases			
Reprogrammings			
SBIR/STTR Transfer			

(U) **Significant Program Changes:**

- Previous year funding for CSAR-X is located in PE 0604261, Personnel Recovery Systems. The FY 2009 PB separated the CSAR-X and HC/MC-130 Recap projects under PE 0604261, Personnel Recovery Systems, into distinct PEs (0605277F and 0605278F, respectively) to provide more budget clarity.
- FY09 funding includes Omnibus reprogramming of \$111.6M

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05 System Development and Demonstration (SDD)				0605277F CSAR-X				5213 CSAR-X		
Cost (\$ in Millions)	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost to Complete	Total
5213 CSAR-X	0.000	232.232	89.975	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0		

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(U) <u>B. Accomplishments/Planned Program (\$ in Millions)</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) SPO Support		5.612	5.410
(U) Studies and Analysis		3.253	3.351
(U) Government Test and Evaluation		0.524	1.205
(U) Operational Loss Replacement Aircraft		0.000	75.009
(U) Non-recurring Engineering		0.000	5.000
(U) Pending Reprogramming Action		111.600	
(U) Termination-Related costs		111.243	
(U) Total Cost	0.000	232.232	89.975

(U) **C. Other Program Funding Summary (\$ in Millions)**

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>Cost to</u>	<u>Total Cost</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Complete</u>							

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(U) **D. Acquisition Strategy**

The program office, using results from the Dep SECDEF, will complete an acquisition strategy and any subsequent acquisition activities in FY10-FY11. Production Representative Test Vehicles will be delivered starting in FY12.

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Exhibit R-3, RDT&E Project Cost Analysis

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(U) Cost Categories (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	<u>Contract Method & Type</u>	<u>Performing Activity & Location</u>	<u>Total Prior to FY 2008 Cost</u>	<u>FY 2008 Cost</u>	<u>FY 2008 Award Date</u>	<u>FY 2009 Cost</u>	<u>FY 2009 Award Date</u>	<u>FY 2010 Cost</u>	<u>FY 2010 Award Date</u>	<u>Cost to Complete</u>	<u>Total Cost</u>	<u>Target Value of Contract</u>
(U) <u>Product Development</u>												
Studies and Analysis	Various	Various				3.253		3.351		Continuing	TBD	
Production Representative Test Vehicles (PRTV)		TBD						80.009		Continuing	TBD	
Subtotal Product Development			0.000	0.000		3.253		83.360		Continuing	TBD	0.000
Remarks:												
(U) <u>Support</u>												
Subtotal Support			0.000	0.000		0.000		0.000		0.000	0.000	0.000
Remarks:												
(U) <u>Test & Evaluation</u>												
Government Test and Evaluation		46 TW; Eglin AFB, FL				0.524		1.205		Continuing	TBD	
Subtotal Test & Evaluation			0.000	0.000		0.524		1.205		Continuing	TBD	0.000
Remarks:												
(U) <u>Management</u>												
SPO Support						5.612		5.410		Continuing	TBD	
Termination related costs						111.243					111.243	
Omnibus reprogramming						111.600					111.600	
Subtotal Management			0.000	0.000		228.455		5.410		Continuing	TBD	0.000
Remarks:												
(U) Total Cost			0.000	0.000		232.232		89.975		Continuing	TBD	0.000

Exhibit R-4, RDT&E Schedule Profile

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CSAR-X Schedule

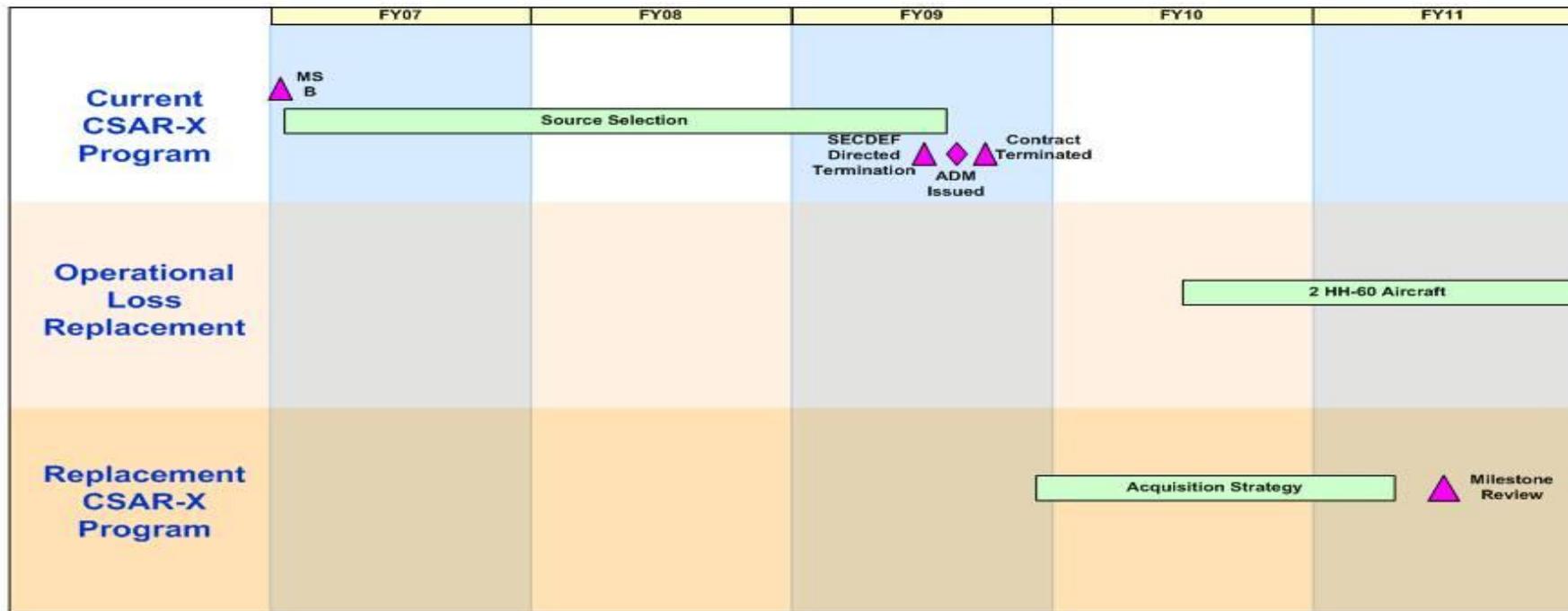


Exhibit R-4a, RDT&E Schedule Detail

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(U) Schedule Profile

FY 2008

FY 2009

FY 2010

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