

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 0401138F Joint Cargo Aircraft
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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	20.283	16.732	9.353	0.000	0.000	0.000	0.000	0.000	0.000	111.901
5259 Joint Cargo Aircraft (JCA)	20.283	16.732	9.353	0.000	0.000	0.000	0.000	0.000	0.000	111.901

(U) **A. Mission Description and Budget Item Justification**

The Joint Cargo Aircraft, now designated the C-27J, program and the direct support airlift mission it supports has been transferred to the Air Force. The 13 aircraft procured by the Army from FY07-09 are being transferred to the Air Force.

The C-27J program began as an Army-led, joint program to acquire a commercial derivative aircraft to support the Time Sensitive/Mission Critical resupply of Army ground forces. A joint Army/Air Force Source Selection Team chose the C-27J in a full and open competition and awarded a firm-fixed price contract to L3 Communications on 13 June 2007.

FY10 Budget Justification: Completes Product Qualification Testing (PQT), Live Fire Test & Evaluation (LFT&E), Multi-Service Operational Test & Evaluation (MOT&E), training and sustainment business case analyses (BCA), Depot Source of Repair, Core Logistics Analysis, and 50/50 Analysis. Funding also supports any associated program management costs.

C-27J is in Budget Activity 05, System Development & Demonstration, because it is a new system that has not been fielded yet.

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

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) Previous President's Budget	42.368	26.777	11.391
(U) Current PBR/President's Budget	20.283	16.732	9.353
(U) Total Adjustments	-22.085	-10.045	
(U) Congressional Program Reductions	-20.782		
Congressional Rescissions	-0.131		
Congressional Increases			
Reprogrammings	-1.758	-10.045	
SBIR/STTR Transfer	0.586		

(U) **Significant Program Changes:**

FY08 - Congress appropriated \$20.283M; ~50% of the President's Budget Request in FY08

FY09 - Congress appropriated \$16.732M which represents a \$10M reduction of the President's Budget Request in FY09

FY10 - Funding re-aligned to better support sustainment and training composition studies and Joint Live Fire and Operational Test programs

Exhibit R-2a, RDT&E Project Justification

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BUDGET ACTIVITY 05 System Development and Demonstration (SDD)				PE NUMBER AND TITLE 0401138F Joint Cargo Aircraft				PROJECT NUMBER AND TITLE 5259 Joint Cargo Aircraft (JCA)		
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
5259 Joint Cargo Aircraft (JCA)	20.283	16.732	9.353	0.000	0.000	0.000	0.000	0.000	0.000	111.901
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0		

(U) A. Mission Description and Budget Item Justification

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(U) B. Accomplishments/Planned Program (\$ in Millions)

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) Multi-Service Test (PQT, LFT&E and MOT&E) & Airworthiness Certification	4.285	10.045	6.840
(U) Mission Planning System Development	1.495		
(U) Sustainment, Training, and Technical Studies	7.987	4.362	1.380
(U) Program Office Mission Support	1.930	2.325	1.133
(U) Internal Air Force Reprogramming Action	4.586		
(U) Total Cost	20.283	16.732	9.353

(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>							
(U) Air Force Aircraft Procurement			319.050						0.000	319.050
(U) Army RDT&E	6.495	3.017								
(U) Army Aircraft Procurement	155.982	263.381								

(U) D. Acquisition Strategy

- Multi-Service Test Program: Airworthiness, Product Qualification Testing (PQT), Live Fire Test and Evaluation (LFT&E) and Multi-Service Operational Test &

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Evaluation (MOT&E). The program provides funds to the FAA and other government offices/agencies supporting aircraft airworthiness certification, procures hardware to support the LFT&E and provides funds to the Army Test & Evaluation Center, the Air Force Operational Test & Evaluation Center, and other test organizations to conduct PQT, LFT&E and OT&E. The program will exercise existing prime contract options to provide needed data and other support required to assess any retrofits needed based on test results.

- Sustainment and Training Studies: The program has established an independent contract to conduct the Sustainment and Training business case analyses, Depot Source of Repair, and Core Logistics Analysis.
- Training Systems Requirements Analysis (TSRA): The program has exercised existing options within the prime contract to conduct TSRAs to help determine future training system requirements.

Exhibit R-4, RDT&E Schedule Profile

DATE

May 2009

BUDGET ACTIVITY

05 System Development and Demonstration (SDD)

PE NUMBER AND TITLE

0401138F Joint Cargo Aircraft

PROJECT NUMBER AND TITLE

5259 Joint Cargo Aircraft (JCA)

C-27J Schedule

	FY08	FY09	FY10
<u>Mission Planning System</u>	[Bar chart showing activity in FY08]		
<u>T&E</u>	Test Prep	LFT&E PQT	MOT&E
<u>Sustainment & Training Studies</u>	DSOR/TSRA/BCA		

Exhibit R-4a, RDT&E Schedule Detail

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(U) <u>Schedule Profile</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) Mission Planning System Development	2-4Q	1Q	
(U) Test Program: Airworthiness, LFT&E and OT&E	2-4Q	1-4Q	1-3Q
(U) DSOR/TSRA/BCA	1-4Q	1-4Q	1-3Q