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RDT&E BUDGET ITEM JUSTIFICATION SHEET (R-2 Exhibit)									DATE June 2001		
BUDGET ACTIVITY 07 - Operational System Development					PE NUMBER AND TITLE 1001018F NATO AGS					PROJECT 0002	
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	
0002 NATO JSTARS	700	3,240	0	0	0	0	0	0	0	TBD	
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0	0	TBD	
<p>(U) <u>A. Mission Description</u></p> <p>The NATO Staff Requirement (NSR) for an Alliance Ground Surveillance (AGS) System, Sep 97, states the requirement for a NATO owned and operated capability to '...detect, locate, recognize and track specified activities on and near the surface and disseminate related data in timely manner, and thereby contribute to the successful accomplishment of the NATO military operations....' In Nov 97 the NATO Conference of National Armaments Directors (CNAD) rejected a US 'fast track' offer of the US JSTARS system to meet the AGS requirement, and directed the AGS Provisional Project Structure (PPS) to look at fresh options to satisfy the requirement. In Dec 97 the US offered the JSTARS Radar Technology Insertion Program (RTIP) advanced sensor on a platform of NATO's choice. In Apr 98 the CNAD endorsed the PPS recommendation for conducting a one year Concept Definition Study (CDS) led by the Provisional Project Office (PPO). The US led the airborne portion of the CDS and presented a study based on the US RTIP advanced sensor system. In May 99 the CNAD authorized entrance into a 2-year, RTIP-based, project definition phase for interested nations, based on a proposal by Norway. This project definition effort has been named the NATO Trans Atlantic Advanced Radar (NATAR) and formal designation as a NATO Project has been granted. Nations that have agreed to participate in this effort to date are: US, Canada, Norway, Denmark, Luxembourg and Belgium. All NATO nations have been encouraged to join the effort and several have indicated interest in joining. In Aug 99 USD/AT&L directed the Air Force to be lead service, with support of the Army, in carrying out overall US participation in this project and to be specifically responsible for the Air Segment. The Air Force's most significant contribution to NATAR is through participation in a Project Definition Office (PDO) in Brussels, BE. After signature of the multi-national MOU in Oct 00, the PDO began its two-year effort to prepare an international agreement, a program charter, and a request for proposal for a fully integrated and interoperable NATO owned and operated airborne ground surveillance system. FY01 funds will support both U.S. unique efforts to support the program as well as a NATO Call for Funds to support the multi-national PDO, for efforts through FY02. No funds have been requested for this program for FY02.</p> <p>(U) <u>FY 2000 (\$ in Thousands)</u></p> <p>(U) \$700 Performed NATAR efforts</p> <p>(U) \$700 Total</p>											
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<p>(U) <u>A. Mission Description Continued</u></p> <p>(U) <u>FY 2001 (\$ in Thousands)</u></p> <p>(U) \$3,240 Project Definition Office (PDO) support and support for NATO interoperability studies and efforts</p> <p>(U) \$3,240 Total</p> <p style="margin-left: 40px;">The following net transaction is not reflected in the FY01 program total: BTR = +\$1,500K, ATR =0K, and SBIR = -\$100K. These transactions are not reflected in other sections of the R-Docs where an FY01 total is shown.</p> <p>(U) <u>FY 2002 (\$ in Thousands)</u></p> <p>(U) \$0 No Activity</p> <p>(U) \$0 Total</p> <p>(U) <u>B. Budget Activity Justification</u></p> <p style="margin-left: 40px;">This program is in Budget Activity 7, Operational System Development because it involves the modification of radar sensor technology currently fielded.</p> <p>(U) <u>C. Program Change Summary (\$ in Thousands)</u></p> <table style="width: 100%; margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: center;"><u>FY 2000</u></th> <th style="text-align: center;"><u>FY 2001</u></th> <th style="text-align: center;"><u>FY 2002</u></th> <th style="text-align: center;"><u>Total Cost</u></th> </tr> </thead> <tbody> <tr> <td>(U) Previous President's Budget (FY 2001 PBR)</td> <td style="text-align: center;">0</td> <td style="text-align: center;">3,270</td> <td></td> <td style="text-align: center;">TBD</td> </tr> <tr> <td>(U) Appropriated Value</td> <td style="text-align: center;">0</td> <td style="text-align: center;">3,270</td> <td></td> <td></td> </tr> <tr> <td>(U) Adjustments to Appropriated Value</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="margin-left: 20px;">a. Congressional/General Reductions</td> <td></td> <td style="text-align: center;">-7</td> <td></td> <td></td> </tr> <tr> <td style="margin-left: 20px;">b. Small Business Innovative Research</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="margin-left: 20px;">c. Omnibus or Other Above Threshold Reprogram</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="margin-left: 20px;">d. Below Threshold Reprogram</td> <td style="text-align: center;">1,600</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="margin-left: 20px;">e. Rescissions</td> <td style="text-align: center;">0</td> <td style="text-align: center;">-23</td> <td></td> <td></td> </tr> <tr> <td>(U) Adjustments to Budget Years Since FY 2001 PBR</td> <td style="text-align: center;">-900</td> <td></td> <td style="text-align: center;">0</td> <td></td> </tr> <tr> <td>(U) Current Budget Submit/FY 2002 PBR</td> <td style="text-align: center;">700</td> <td style="text-align: center;">3,240</td> <td style="text-align: center;">0</td> <td style="text-align: center;">TBD</td> </tr> </tbody> </table> <p>(U) <u>Significant Program Changes:</u></p> <p style="margin-left: 40px;">None</p>				<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>Total Cost</u>	(U) Previous President's Budget (FY 2001 PBR)	0	3,270		TBD	(U) Appropriated Value	0	3,270			(U) Adjustments to Appropriated Value					a. Congressional/General Reductions		-7			b. Small Business Innovative Research					c. Omnibus or Other Above Threshold Reprogram					d. Below Threshold Reprogram	1,600				e. Rescissions	0	-23			(U) Adjustments to Budget Years Since FY 2001 PBR	-900		0		(U) Current Budget Submit/FY 2002 PBR	700	3,240	0	TBD
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<div style="display: flex; justify-content: space-between;"> Project 0002 Page 2 of 5 Pages Exhibit R-2 (PE 1001018F) </div>																																																									

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BUDGET ACTIVITY 07 - Operational System Development				PE NUMBER AND TITLE 1001018F NATO AGS			PROJECT 0002			
(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										
N/A										
(U) E. Acquisition Strategy										
The U.S. and five other NATO nations (Canada, Belgium, Denmark, Norway, and Luxembourg) are participating in a Project Definition effort for a NATO owned and operated ground surveillance capability, based on the U.S. Multi-Platform Radar Technology Insertion Program (MP-RTIP) advanced radar. The Project Definition work is expected to conclude in 2002/2003 time frame, and is expected to produce documentation to be presented to NATO nations necessary for a decision on whether to proceed with acquisition of an airborne ground surveillance system based on this effort. This documentation will include an acquisition strategy for the NATAR project reflected in the recommended Request For Proposal.										
(U) F. Schedule Profile										
		<u>FY 2000</u>				<u>FY 2001</u>			<u>FY 2002</u>	
	1	2	3	4	1	2	3	4	1	2
(U) CNAD authorization, start of RTIP- based Project Definition effort										
(U) Standup of Project Definition Office					*					
(U) International Agreement (MOU) Signed						*				
(U) Program Charter Prepared										X
(U) Request for Proposal (RFP) Prepared										X
* - Denotes Completed Event										
X- Denotes Planned Event										

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RDT&E PROGRAM ELEMENT/PROJECT COST BREAKDOWN (R-3)								DATE June 2001				
BUDGET ACTIVITY 07 - Operational System Development					PE NUMBER AND TITLE 1001018F NATO AGS				PROJECT 0002			
(U) <u>A. Project Cost Breakdown (\$ in Thousands)</u>												
					<u>FY 2000</u>		<u>FY 2001</u>		<u>FY 2002</u>			
(U) NATO Studies					0		0					
(U) Other Government Costs												
(U) Provisional Project Office Support												
(U) Project Definition Office Support and NATO Interoperability studies and efforts					700		3,240					
(U) Total					700		3,240					
(U) <u>B. Budget Acquisition History and Planning Information (\$ in Thousands)</u>												
(U) <u>Performing Organizations:</u>												
<u>Contractor or</u>		<u>Contract</u>										
<u>Government</u>		<u>Method/Type</u>										
<u>Performing</u>		<u>or Funding</u>		<u>Award or</u>		<u>Performing</u>		<u>Project</u>				
<u>Activity</u>		<u>Vehicle</u>		<u>Obligation</u>		<u>Activity</u>		<u>Office</u>				
				<u>Date</u>		<u>EAC</u>		<u>EAC</u>				
<u>Product Development Organizations</u>												
Northrop Grumman		IDIQ		Apr 96		2,376		2,376		2,376		
Rome Labs		Fixed Price		Sep 96		485		485		485		
Northrop Grumman		IDIQ		Jan 97		3,782		3,782		3,782		
Northrop Grumman		IDIQ		Dec 97		637		637		637		
Northrop Grumman		IDIQ		May 98		944		944		944		
Northrop Grumman		IDIQ		Sep 98		1,404		1,404		1,404		
Northrop Grumman		IDIQ		Dec 98		47		47		47		
Northrop Grumman		IDIQ		May 99		520		520		520		
Northrop Grumman		IDIQ		Feb 01								
Project Development Office					477		700		2,101		3,278	
<u>Support and Management Organizations</u>												
ESC (Provisional Project Office)					24				0		24	
MITRE		Cost Plus		Oct 94/		3,075				0		3,075
		Award Fee		Jun 96								
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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				1001018F NATO AGS					0002		
(U) <u>Performing Organizations Continued:</u>											
<u>Support and Management Organizations</u>											
TEMS		IDIQ		Mar - May 96		2,592		889		0 3,481	
Miscellaneous		Various Contracts				900		250		0 1,150	
<u>Test and Evaluation Organizations</u>											
(U) <u>Government Furnished Property:</u>											
<u>Contract</u>											
<u>Item</u>		<u>Method/Type</u>		<u>Award or</u>		<u>Total Prior</u>		<u>Budget</u>		<u>Budget</u>	
<u>Description</u>		<u>or Funding</u>		<u>Obligation</u>		<u>Delivery</u>		<u>to FY 2000</u>		<u>FY 2000</u>	
		<u>Vehicle</u>		<u>Date</u>		<u>Date</u>		<u>FY 2001</u>		<u>FY 2002</u>	
<u>Product Development Property</u>											
<u>Support and Management Property</u>											
<u>Test and Evaluation Property</u>											
<u>Subtotals</u>						<u>Total Prior</u>		<u>Budget</u>		<u>Budget</u>	
						<u>to FY 2000</u>		<u>FY 2000</u>		<u>FY 2001</u>	
Subtotal Product Development						10,672		700		2,101	
Subtotal Support and Management						6,591				1,139	
Subtotal Test and Evaluation										0	
Total Project						17,263		700		3,240 0 21,203	

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