

ARMY RDT&E BUDGET ITEM JUSTIFICATION (R-2 Exhibit)						February 2003			
BUDGET ACTIVITY 6 - Management support		PE NUMBER AND TITLE 0605103A - Rand Arroyo Center				PROJECT 732			
COST (In Thousands)		FY 2002 Actual	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate
732	ARROYO CENTER SPT	19467	21172	22804	23016	23403	23900	24496	25038
<p><u>A. Mission Description and Budget Item Justification:</u> This program funds the RAND Arroyo Center, the Department of the Army's Federally Funded Research and Development Center (FFRDC) for studies and analysis. The Arroyo Center draws its researchers from RAND's staff of nearly 700 professionals trained in a broad range of disciplines. Most staff members work in RAND's principal locations-Santa Monica, California; Arlington, Virginia; and Pittsburgh, Pennsylvania. The RAND Arroyo Center provides for continuing analytical research across a broad spectrum of issues and concerns, grouped in four major research areas: Strategy, Doctrine, and Resources; Military Logistics; Manpower and Training; and Force Development and Technology. The RAND Arroyo Center research agenda is primarily focused on mid/long-term concerns. Results and analytical findings directly affect senior leadership deliberations on major issues. Arroyo Center research is sponsored by the Chief of Staff, Vice Chief, the Deputy Chiefs of Staff of the Army; the Army Assistant Secretaries; and most of the Army's major commands. The Arroyo Center is provided guidance from the Army through the Arroyo Center Policy Committee (ACPC), which is co-chaired by the Vice Chief of Staff of the Army and the Assistant Secretary of the Army (Acquisition, Logistics and Technology). The ACPC reviews, monitors, and approves the annual Arroyo Center research plan. Each project requires General Officer (or SES equivalent) sponsorship and involvement on a continuing basis. RAND Arroyo provides the Army with a unique multidisciplinary capability for independent analysis. This program supports the Legacy to Objective transition path of the Transformation Campaign Plan (TCP).</p>									
<u>Accomplishments/Planned Program</u>						FY 2002	FY 2003	FY 2004	FY 2005
Research addressing the Army in national strategy, including implications of the New National Strategy; preparing and presenting the Army budget; developing a framework to address "gaps" between the military and the American people; assessing joint rapid decisive operations; identifying access requirements, anti-access threats, and potential counters; Objective Force performance on complex terrain; improving the Army's ability to contribute effectively to emerging homeland security initiatives; assessing the Objective Force in a wide range of warfighting scenarios; and developing and evaluating the future alliance and coalition partner environment relevant to the Army and future land operations.						4588	0	0	0
Research addressing Army transformation, including assessing FCS technology; support to transformation wargaming and analysis; assessing the contribution and importance of C4ISR to the Objective Force; analyzing future bandwidth requirements; supporting CAA in the use of JICM; developing potential strategic actions for the CS/CSS transformation; analyzing the potential benefits from the planned joint experimentation process; and assessing the feasibility of organizing the TO&E Army around brigades rather than divisions as the principal unit of operational employment.						3961	0	0	0

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<u>Accomplishments/Planned Program (continued)</u>		FY 2002	FY 2003	FY 2004	FY 2005	
Research addressing people, including human resource implications of Army transformation; leader development for a transformed Army; recruiting options; officer accession and retention; and officer careers and OPMS XXI.		2575	0	0	0	
Research addressing readiness, including Army rotation policy and force management; diagnosing equipment serviceability; linking improved processes and inventory to equipment readiness; identifying drivers of customer wait time; improving the training ammunition process; determining training proficiency at CTCs; reviewing and recommending changes to OPTEMPO and collective training; and recommending an implementation strategy for training development for CSS systems.		4555	0	0	0	
Research addressing business practices, including the role and limits of outsourcing; minimum military logistics capability; posturing AMC R&D organizations for a changing workforce; creating an integrated logistics business environment; sizing the Army's organic industrial base; re-examining Army acquisition; integrated modernization analysis; and coordinated acquisition of Army systems of systems.		3788	0	0	0	
Research addressing the war on terrorism, including Army operations in Afghanistan; Army forces for the war on terrorism, including homeland security; technologies for combating terrorism; modeling and simulation for military operations on urbanized terrain; implications and options for the Army of failed states as terrorist sanctuaries; and a comprehensive assessment of expectations, mission, and employment strategy for the Individual Ready Reserve.		0	3388	0	0	
Research addressing Army transformation, including human resource implications; the evolution of leader development; the total Army school system; training development for CSS systems; managing the Future Combat Systems acquisition program; a framework for Army program decision-making; an integrated modernization analysis process; organizing and managing the Army S&T community for transformational R&D; Army global posture for the new national security environment; CSS transformation; the USASOC sustainment support structure; identifying readiness and cost drivers or key weapons systems; linking improved AMC logistics processes and inventory to equipment readiness; CSS urban intelligence preparation of the battlespace; rethinking Army structure; support to TRADOC for Army transformational analysis; enhancing the transformed Army's urban operations performance; new approaches to operational-level information fusion and communications analysis; and Objective Force bandwidth requirements.		0	9951	0	0	

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<u>Accomplishments/Planned Program (continued)</u>				FY 2002	FY 2003	FY 2004	FY 2005
Research addressing the Army's enduring challenges, including evaluating joint capstone operational concepts; Objective Force interoperability and effectiveness analysis; exploring precision-strike operations; assessing the value of Army international activities; integrated multinational sustained operations; assessing the health of the logistics system; creating an integrated logistics business environment; identifying drivers of customer wait time; using Combat Training Center training proficiency data to assess the needs of current and future forces; the college market development and program mix; the roles and limits of outsourcing; and an analytic method to determine the Army's minimum military essential logistics capability.				0	7833	0	0
Research addressing the role of transformed ground forces in the national security strategy.				0	0	7981	8056
Research addressing shaping and staffing the force.				0	0	6613	6675
Research addressing reshaping support functions and infrastructure.				0	0	6841	6905
Research addressing exploring technology alternatives.				0	0	1369	1380
Totals				19467	21172	22804	23016
<u>B. Program Change Summary</u>				FY 2002	FY 2003	FY 2004	FY 2005
Previous President's Budget (FY 2003)				19806	22148	23072	23414
Current Budget (FY 2004/2005 PB)				19467	21172	22804	23016
Total Adjustments				-339	-976	-268	-398
Congressional program reductions							
Congressional rescissions					-243		
Congressional increases							
Reprogrammings				212	-122		
SBIR/STTR Transfer				-551	-611		
Adjustments to Budget Years						-268	-398