

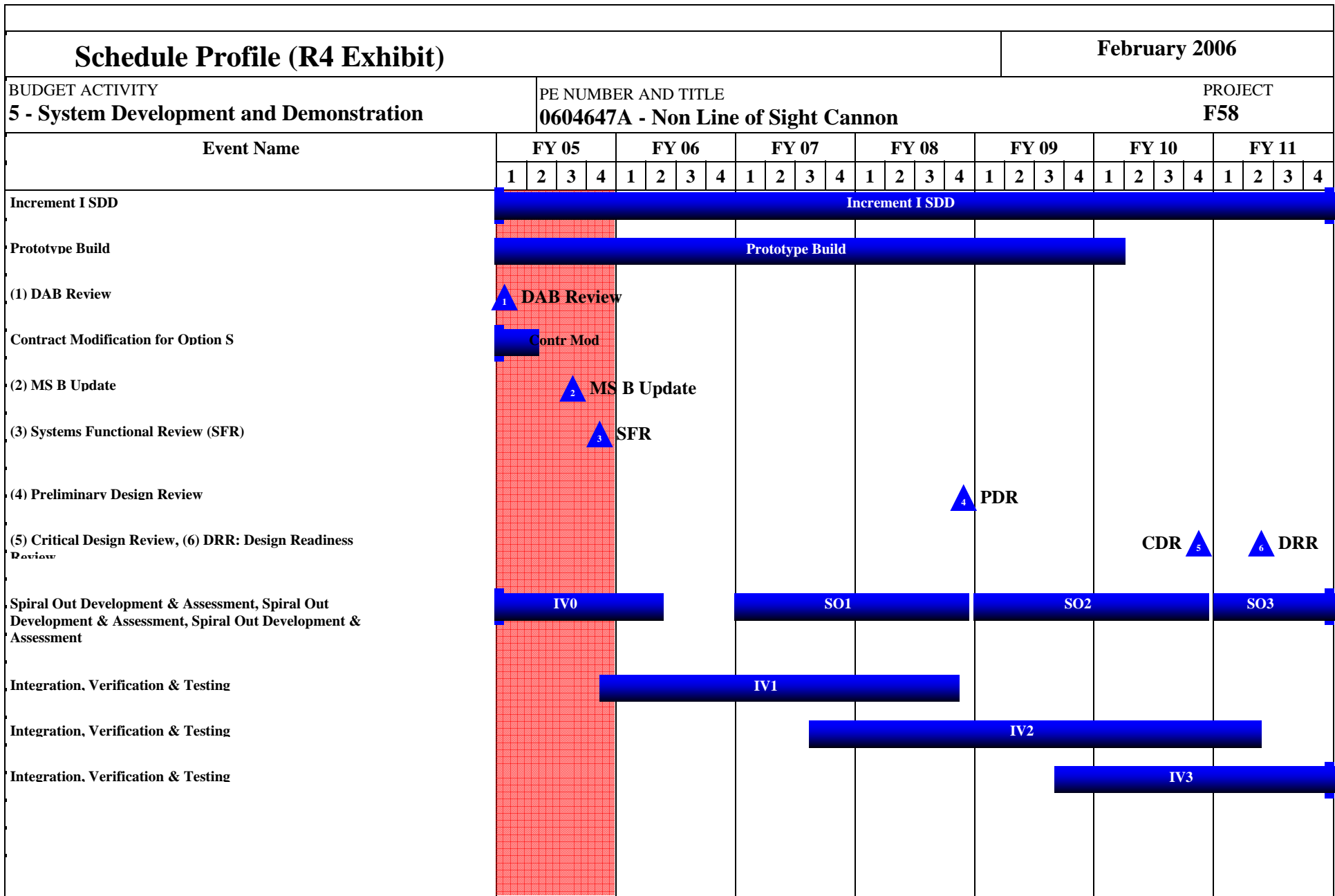
ARMY RDT&E BUDGET ITEM JUSTIFICATION (R2 Exhibit)			February 2006	
BUDGET ACTIVITY	PE NUMBER AND TITLE		PROJECT	
5 - System Development and Demonstration	0604647A - Non Line of Sight Cannon		F58	
Ground ISR Sensors (Common) -Selected the Ground Sensor Developers (GSD) and granted Authority to Proceed (ATP). Developed Integrated Computer System (ICS) Emulators with Real Time Operating System (RTOS). Completed competitive procurement for development of Electro Optical/Infrared (EO/IR) sensors, Multi-Function Radio Frequency (MFRF) sensors, Combat Identification (CID) sensors, Aided Target Recognition (AiTR) sensors, and the sensor mast. Developed, integrated and delivered sensor simulations to C4ISR SWIT. Developed Ground Sensor suite simulation and integrated into System Virtual Framework. Developed Ground Sensor Mockups.	87632	0	0	
NLOS-C Communications Hardware (Common) - Conducted requirement analysis and trade studies to determine best mixture of rado configurations. Procured JTRS EDMs (radios, antennas, etc.) to support ICD development, Spin Out 1, SIL and SoSIL activities.	37405	0	0	
Computers and Processing (Common) - Hardware and Software - Developed requirements and specifications for all platform processing and analyzed needs. Conducted trade studies to maximize capability and minimize sustainment requirements. Started PDR activities to support Spin Out 1 and ICS requirements.	40012	0	0	
Platform Integration (Common) - Conducted two design excursions and two best technical approach (BTA) designs to evaluate weight and performance characteristics. Conducted Increment 0 PDR for common subsystems (propulsion, suspension, & vetronics). Conducted weight reduction studies and analysis.	27923	0	0	
Non Line of Sight Cannon (NLOS-C) Unique - FY06 Increment 0 Prototypes will complete Design Reviews 2 and 3 which will wrap up the design of these prototype howitzers. Fabrication of the NLOS-C Increment 0 Firing Platform will begin. Sub-contracts will be awarded for the design, procurement and integration of Traction Drive System, Generator Inverter, Environmental Control System, Suspension and Propulsion Cooling Subsystems. Additionally - Procurement of NLOS-C Early Prototype Automotive Test Rig (ATR) and prototype long lead procurement begins. Software Build 1 Flight 1 is delivered for use in the Firing Platform. Deliver Simulation Software to SoSIL (SW BLD 1). Initiate Increment-0 Design Review 3. Increment 1- NLOS-C will complete its system functional review in coordination with the rest of the FCS and MGVS systems allocating system requirements and baselining a concept. Start preliminary design for NLOS-C Increment 1. FY07 Increment 0 - Firing platform delivered and test firing begins on ammo handling, wear and fatigue testing, ATR Fabrication starts, Increment 0 prototype fabrication and integration begins. Increment 1 Preliminary design continues for Increment 1 prototypes..	93881	146271	112237	
Total	286853	146271	112237	

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B. Program Change Summary		FY 2005	FY 2006	FY 2007						
Previous President's Budget (FY 2006)		476736	107587	262492						
Current BES/President's Budget (FY 2007)		286853	146271	112237						
Total Adjustments		-189883	38684	-150255						
Congressional Program Reductions										
Congressional Rescissions		-189669								
Congressional Increases			38684							
Reprogrammings		-214								
SBIR/STTR Transfer										
Adjustments to Budget Years				-150255						
FY07: Funds realigned to support Future Combat Systems (0604645A) and Non-Line of Sight Launcher (0604646A).										
C. Other Program Funding Summary		FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Compl	Total Cost
0604645 F52 (UAV) Recon Platforms and Sensors		51034	52135	65555	68490	87574	131662	90626	0	547076
0604645 F53 (UGV)		65066	124988	107705	145693	146565	111391	97621	0	799029
0604645 F54 (UGS)		15015	32131	17731	16515	12771	15913	1318	0	111394
0604645 F55 Sustainment		56613	143356	146106	164538	197448	169671	147496	0	1025228
0604645 F57 (MGV)		313263	513896	570241	583483	821110	755918	411264	0	3969175
0604645 F61 SoS Engineering & Program Management		1597139	1879210	2403139	2303689	1853009	1829927	1884924	0	13751037
0604646 F72 Non-Line of Sight Launch System (NLOS-LS)		119767	231209	322880	274793	256283	89143	17759	0	1311834
0604647 F58 Non-Line of Sight Cannon (NLOS-C)		286853	146271	112237	117605	90647	84160	44356	0	882129
WTCV (SSN G86100)		0	0	0	0	0	0	0	0	0
0604645 F59 Common Components		0	0	0	0	0	0	0	0	27500
0604645 F60 Family of Systems Anal & Int		0	0	0	0	0	0	0	0	165302
0604645 F62 Mission Equipment Platforms		0	0	0	0	0	0	0	0	132537
0604645 F63 Network Software		0	0	0	0	0	0	0	0	111745
0604645 F64 Other Contract Costs		0	0	0	0	0	0	0	0	313536
0604645 F65 S of S Engr & Prog Mgt		0	0	0	0	0	0	0	0	190331

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0604645 F66 S of s Test of Evaluation	0	0	0	0	0	0	0	0	56347
0604645 F67 Supportability	0	0	0	0	0	0	0	0	5252
0604645 F69 Training	0	0	0	0	0	0	0	0	7756
0604645 F70 NLOS Launch System	0	0	0	0	0	0	0	0	49502
<p>Comment:</p> <p>D. Acquisition Strategy During the FY06-11 POM process, the Army restructured the PM BCT Acquisition Program. The plan strengthened the FCS Program and simultaneously improved the Current Force through early delivery of selected FCS capabilities. The adjustments maintained the Army focus on FCS-equipped Brigade Combat Team (BCT) development and substantially reduced program risk. The adjustments to the FCS Program acquisition strategy fall into four primary categories:</p> <ul style="list-style-type: none"> - The development of system integration/verification phases to build FCS (BCT) capability iteratively over time, reducing overall technical risk by using a building block approach. - The five previously deferred FCS core systems: 1) UAV Class II, 2) UAV III, 3) Armed Robotic Vehicle (ARV) -Assault, 4) ARV-Reconnaissance and 5) FCS Maintenance and Recovery Vehicle have been funded. These five systems will be fielded with the first FCS-equipped BCT allowing fielding of the complete 18 + 1 + 1 FCS core systems to the Army with delivery beginning in 2014. - More robust experimentation and evaluation are included in the program to prove revolutionary concepts, mature the architecture and components, and assist in the spinout development. - A series of Spinout packages will begin procurement in 2009 and continue approximately every two years through 2014 to insert FCS capability into Current Force Modular Brigade Combat Teams (M-BCTs) to include Heavy and Infantry. <p>The current OTA was initially modified on 6 Aug 2004 to cover the new Scope of Work (SOW) of the approved POM program. Final definitization of this modification occurred on 2 March 2005. Since FY05 funding was based on the original Milestone B approved program, two major reprogramming have occurred in order to align funding of the restructured program.</p> <p>The Assistant Secretary of the Army (Acquisition, Logistics and Technology) in May 05 directed that the current FCS (BCT) OTA with the LSI be converted from an OTA to a Federal Acquisition Regulation-based contract. This transition was executed through the award of an Unpriced Contractual Action (UCA) in Sep 05.</p> <p>The letter contract became effective 30 Sep 2005, and replaced the FCS SDD Other Transaction Agreement (OTA) DAAE07-03-9-F001 for most SDD effort performed beginning 20 Sep 2005 and thereafter. The LSI and the Government recognize that some effort remains to be completed under the OTA after 30 Sep 05, having to do with orderly OTA close-out and the like. Therefore, future funding profiles will be adjusted based on the definitization of UCA and subsequent adjusted Earned Value Management Baseline.</p> <p>The FAR based contract is scheduled to be definitized in March 2006.</p>									

ARMY RDT&E COST ANALYSIS (R3)										February 2006		
BUDGET ACTIVITY			PE NUMBER AND TITLE								PROJECT	
5 - System Development and Demonstration			0604647A - Non Line of Sight Cannon								F58	
I. Product Development	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2005 Cost	FY 2005 Award Date	FY 2006 Cost	FY 2006 Award Date	FY 2007 Cost	FY 2007 Award Date	Cost To Complete	Total Cost	Target Value of Contract
ISR Sensors	OTA/FAR	THE BOEING COMPANY, SEATTLE, WASHINGTON - SEE REMARK 2	251344	87632	1-3Q	0		0		0	0	0
Communications Hardware - Air and Ground	OTA/FAR	THE BOEING COMPANY, SEATTLE, WASHINGTON - SEE REMARK 3	0	37405	1-3Q	0		0		0	0	0
Computers and Processing Hardware and Software	OTA/FAR	THE BOEING COMPANY, SEATTLE, WASHINGTON - SEE REMARK 4	0	40012	1-3Q	0		0		0	0	0
Platform Integration	OTA/FAR	THE BOEING COMPANY, SEATTLE, WASHINGTON - SEE REMARK 1	0	27923	1-3Q	0		0		0	0	0
NLOS - Cannon Unique	OTA/FAR	THE BOEING COMPANY, SEATTLE, WASHINGTON - SEE REMARK 1	0	93881	1-3Q	146271	1-3Q	112237	1-3Q	0	0	0
Subtotal:			251344	286853		146271		112237		0	0	0
Remarks: Remark 1 - Subcontractor: BAE Armament Systems Division - Minneapolis, MN; BAE Ground Systems Division, Santa Clara, CA; General Dynamics Land Systems, Sterling Heights, MI Remark 2 - Subcontractor: Raytheon - Network Centric Systems - Plano, TX Remark 3 - Subcontractor: BAE - CNIR - Wayne, NJ Remark 4 - Subcontractor: General Dynamics - Automated Information Systems - Bloomington, MN FY06 and beyond, all common hardware and software costs are accounted for in MGVS.												

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BUDGET ACTIVITY 5 - System Development and Demonstration				PE NUMBER AND TITLE 0604647A - Non Line of Sight Cannon						PROJECT F58		
II. Support Costs	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2005 Cost	FY 2005 Award Date	FY 2006 Cost	FY 2006 Award Date	FY 2007 Cost	FY 2007 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Subtotal:			0									
Remarks: * All Support Costs are included in PE 0604645A, Project F61, Government Support Costs.												
III. Test And Evaluation	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2005 Cost	FY 2005 Award Date	FY 2006 Cost	FY 2006 Award Date	FY 2007 Cost	FY 2007 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Subtotal:			0									
Remarks: * All Government System Test & Evaluation are included in PE 0604645A, Project F61, Government Support Costs.												
IV. Management Services	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2005 Cost	FY 2005 Award Date	FY 2006 Cost	FY 2006 Award Date	FY 2007 Cost	FY 2007 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Subtotal:			0									
Remarks: * All Management Services costs are included in PE 0604645A, Project F61, Government Support Costs.												
Project Total Cost:			251344	286853		146271		112237		0	0	0



Schedule Detail (R4a Exhibit)						February 2006	
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<u>Schedule Detail</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
ADM RequiredMS B Update	3Q						
Definitization of Contract Modification for POM-adjusted Program	2Q						
SoS Functional Review (FR)	4Q						
SoS Preliminary Design Review (PDR)				4Q			
Phase 1 Integration at Test Completion	4Q						
Phase 2 Integration at Test Completion			3Q				
SoS Critical Design Review (CDR)						4Q	
Phase 3 Integration at Test Completion				2Q			
Design Ready Review							2Q