

**UNCLASSIFIED**

<b>Exhibit R-2, RDT&amp;E Budget Item Justification:</b> PB 2014 Navy	<b>DATE:</b> April 2013
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<b>APPROPRIATION/BUDGET ACTIVITY</b> 1319: <i>Research, Development, Test &amp; Evaluation, Navy</i> BA 4: <i>Advanced Component Development &amp; Prototypes (ACD&amp;P)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0603734N: (U)CHALK CORAL
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COST (\$ in Millions)	All Prior Years	FY 2012	FY 2013 <sup>#</sup>	FY 2014 Base	FY 2014 OCO <sup>##</sup>	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
Total Program Element	0.000	76.540	45.966	144.951	-	144.951	173.404	182.831	117.387	105.799	Continuing	Continuing
1804: <i>Chalk Coral</i>	0.000	76.540	45.966	144.951	-	144.951	173.404	182.831	117.387	105.799	Continuing	Continuing

<sup>#</sup> FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012

<sup>##</sup> The FY 2014 OCO Request will be submitted at a later date

**A. Mission Description and Budget Item Justification**

This program is reported in accordance with Title 10, United States Code, Section 119(a)(1) in the Special Access Program Annual Report to Congress.

<b><u>B. Program Change Summary (\$ in Millions)</u></b>	<b><u>FY 2012</u></b>	<b><u>FY 2013</u></b>	<b><u>FY 2014 Base</u></b>	<b><u>FY 2014 OCO</u></b>	<b><u>FY 2014 Total</u></b>
Previous President's Budget	79.415	45.966	49.104	-	49.104
Current President's Budget	76.540	45.966	144.951	-	144.951
Total Adjustments	-2.875	0.000	95.847	-	95.847
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-1.709	0.000			
• SBIR/STTR Transfer	-1.166	0.000			
• Program Adjustments	0.000	0.000	2.310	-	2.310
• Rate/Misc Adjustments	0.000	0.000	93.537	-	93.537