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Exhibit R-2, RDT&E Budget Item Justification: PB 2014 Air Force										DATE: April 2013		
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0401314F: Operational Support Airlift							
COST (\$ in Millions)	All Prior Years	FY 2012	FY 2013 [#]	FY 2014 Base	FY 2014 OCO ^{##}	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
Total Program Element	-	41.346	7.471	44.553	-	44.553	21.144	105.396	495.707	522.478	Continuing	Continuing
675355: Presidential Aircraft Recapitalization	-	3.201	7.471	6.153	-	6.153	11.144	104.496	495.707	522.478	Continuing	Continuing
676024: VC-25 Avionics Modernization Program	-	38.145	0.000	38.400	-	38.400	10.000	0.900	0.000	0.000	Continuing	Continuing
MDAP/MAIS Code(s): 425												
[#] FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012												
^{##} The FY 2014 OCO Request will be submitted at a later date												
A. Mission Description and Budget Item Justification												
This line item supports development planning for two Presidential support airlift efforts: Presidential Aircraft Recapitalization (PAR) and VC-25A Avionics Modernization Program (AMP).												
PAR will recapitalize the VC-25A system and support the Office of the President in executing Constitutional roles of Head of State, Chief Executive, and Commander in Chief. The principal mission of PAR is to provide the President of the United States and the President's staff and guests with safe, comfortable, and reliable air transportation with the same level of security and communications capability as is available at the White House. As a "national level" airborne communications node providing voice, data, video, processed imagery, and network services, PAR enables the President and traveling staff to address the full range of political and military operations globally.												
VC-25A AMP assures unrestricted global access to civilian and military airspace to support the President of the United States as Head of State, Chief Executive, and Commander in Chief. AMP upgrades use a systems approach to aid pilot awareness and alleviate task saturation enhancing safety in a high technology concentrated airspace environment. VC-25A AMP is a required modification to ensure the viability of the Presidential support airlift fleet until PAR is fielded.												

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Exhibit R-2, RDT&E Budget Item Justification: PB 2014 Air Force	DATE: April 2013
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APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>	R-1 ITEM NOMENCLATURE PE 0401314F: <i>Operational Support Airlift</i>
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B. Program Change Summary (\$ in Millions)	FY 2012	FY 2013	FY 2014 Base	FY 2014 OCO	FY 2014 Total
Previous President's Budget	41.346	7.471	7.353	-	7.353
Current President's Budget	41.346	7.471	44.553	-	44.553
Total Adjustments	0.000	0.000	37.200	-	37.200
• Congressional General Reductions	-	0.000			
• Congressional Directed Reductions	-	0.000			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds	-	0.000			
• Congressional Directed Transfers	-	0.000			
• Reprogrammings	0.000	0.000			
• SBIR/STTR Transfer	0.000	0.000			
• Other Adjustments	0.000	0.000	37.200	-	37.200

Change Summary Explanation

FY14 funding increase is due to VC-25A Avionics Modernization Program (AMP) restructure to accurately align funding in appropriate year of effort.

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Exhibit R-2A, RDT&E Project Justification: PB 2014 Air Force										DATE: April 2013		
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0401314F: Operational Support Airlift				PROJECT 675355: Presidential Aircraft Recapitalization			
COST (\$ in Millions)	All Prior Years	FY 2012	FY 2013 [#]	FY 2014 Base	FY 2014 OCO ^{##}	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
675355: Presidential Aircraft Recapitalization	-	3.201	7.471	6.153	-	6.153	11.144	104.496	495.707	522.478	Continuing	Continuing
Quantity of RDT&E Articles		0	0	0		0	0	0	1	0		
# FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012												
## The FY 2014 OCO Request will be submitted at a later date												
A. Mission Description and Budget Item Justification												
This funding supports development planning for the Presidential Aircraft Recapitalization (PAR) effort. PAR will recapitalize the VC-25A system and support the Office of the President in executing Constitutional roles of Head of State, Chief Executive, and Commander in Chief. The principal mission of PAR is to provide the President of the United States and the President's staff and guests with safe, comfortable, and reliable air transportation with the same level of security and communications capability as is available at the White House. As a "national level" airborne communications node providing voice, data, video, processed imagery, and network services, PAR enables the President and traveling staff to address the full range of political and military operations globally. Funding supports key development planning efforts and products including: systems engineering strategy and analysis; risk analysis and management; concept definition and trade studies; test and evaluation strategy; life cycle cost estimates; sustainment and logistics analysis; information support and network analysis; technology and manufacturing maturity analysis and acquisition planning and analysis.												
B. Accomplishments/Planned Programs (\$ in Millions)										FY 2012	FY 2013	FY 2014
Title: Development Planning										3.109	7.331	5.863
Description: Developmental Planning												
FY 2012 Accomplishments: Continued risk reduction preliminary planning activities:												
Systems engineering strategy and analysis; risk reduction analysis and management; concept definition, requirements analysis and trade studies; test and evaluation strategy; life cycle cost estimates; sustainment and logistics analysis; information support and network analysis; technology and manufacturing maturity analysis; and acquisition planning were accomplished. These activities supported a Materiel Development Decision (MDD) Defense Acquisition Board (DAB), which occurred in FY 2012.												
FY 2013 Plans: Continued risk reduction preliminary planning activities:												

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Exhibit R-2A, RDT&E Project Justification: PB 2014 Air Force		DATE: April 2013	
APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>		R-1 ITEM NOMENCLATURE PE 0401314F: <i>Operational Support Airlift</i>	PROJECT 675355: <i>Presidential Aircraft Recapitalization</i>
B. Accomplishments/Planned Programs (\$ in Millions)		FY 2012	FY 2013
Systems engineering strategy and analysis; risk reduction analysis and management; concept definition, requirements analysis and trade studies; test and evaluation strategy; life cycle cost estimates; sustainment and logistics analysis; information support and network analysis; technology and manufacturing maturity analysis; and acquisition planning.			
FY 2014 Plans: Continued risk reduction preliminary planning activities: Systems engineering strategy and analysis; risk reduction analysis and management; concept definition, requirements analysis and trade studies; test and evaluation strategy; life cycle cost estimates; sustainment and logistics analysis; information support and network analysis; technology and manufacturing maturity analysis; and acquisition planning.			
Title: Program Management Administration (PMA)		0.092	0.140
Description: Enables operation of Program Office management and oversight to support PAR. Program Office travel/admin, and staff support as well as contract services and government costs.			0.290
FY 2012 Accomplishments: PMA			
FY 2013 Plans: PMA			
FY 2014 Plans: PMA			
Accomplishments/Planned Programs Subtotals		3.201	7.471
C. Other Program Funding Summary (\$ in Millions) N/A			
Remarks			
D. Acquisition Strategy Acquisition strategy dependent on Milestone Decision Authority approval.			
E. Performance Metrics Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air Force performance goals and most importantly, how they contribute to our mission.			

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2014 Air Force												DATE: April 2013			
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development						R-1 ITEM NOMENCLATURE PE 0401314F: Operational Support Airlift						PROJECT 675355: Presidential Aircraft Recapitalization			
Product Development (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Government Studies	Various	AFLCMC/ WLVA:Dayton, OH	-	3.109	Mar 2012	7.331	Feb 2013	5.863	Feb 2014	-		5.863	Continuing	Continuing	
Subtotal			0.000	3.109		7.331		5.863		0.000		5.863			
Remarks Costs associated with development planning, risk reduction and preliminary planning activities including systems engineering strategy and analysis; risk reduction analysis and management; concept definition, requirements analysis and trade studies; test and evaluation strategy; life cycle cost estimates; sustainment and logistics analysis; information support and network analysis; technology and manufacturing maturity analysis; and acquisition planning.															
Support (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	0.000
Test and Evaluation (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	0.000
Management Services (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Program Management Activities	Various	AFLCMC/ WLVA:Dayton, OH	-	0.092		0.140		0.290		-		0.290	Continuing	Continuing	
Subtotal			0.000	0.092		0.140		0.290		0.000		0.290			
Remarks Management activities include travel to support developmental planning efforts															

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2014 Air Force											DATE: April 2013			
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0401314F: Operational Support Airlift					PROJECT 675355: Presidential Aircraft Recapitalization				
	All Prior Years	FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total	Cost To Complete	Total Cost	Target Value of Contract	
Project Cost Totals	0.000	3.201		7.471		6.153		0.000		6.153				

Remarks

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Exhibit R-4, RDT&E Schedule Profile: PB 2014 Air Force

DATE: April 2013

APPROPRIATION/BUDGET ACTIVITY

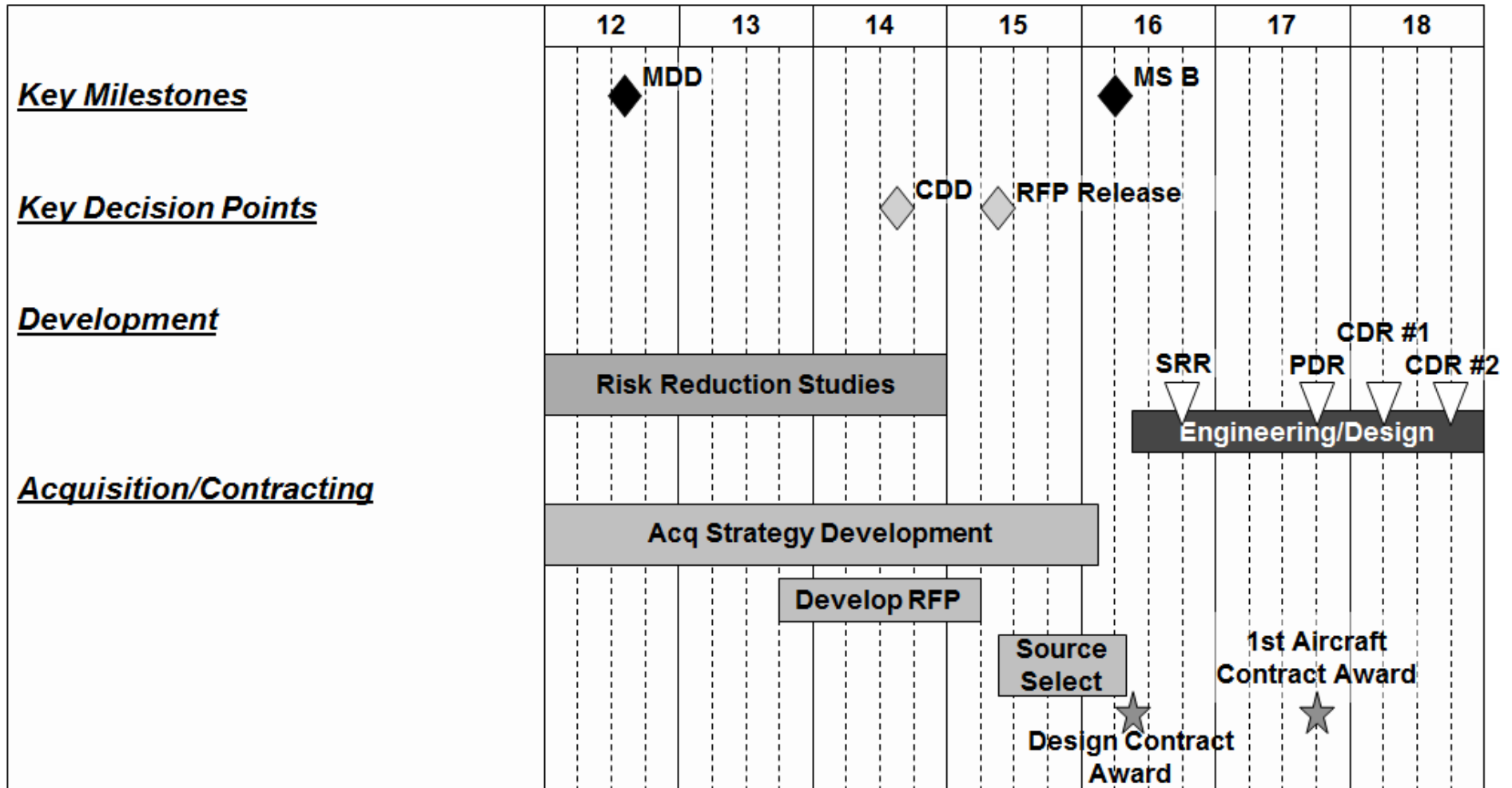
3600: Research, Development, Test & Evaluation, Air Force
BA 7: Operational Systems Development

R-1 ITEM NOMENCLATURE

PE 0401314F: Operational Support Airlift

PROJECT

675355: Presidential Aircraft
Recapitalization



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Exhibit R-4A, RDT&E Schedule Details: PB 2014 Air Force

DATE: April 2013

APPROPRIATION/BUDGET ACTIVITY

3600: *Research, Development, Test & Evaluation, Air Force*
BA 7: *Operational Systems Development*

R-1 ITEM NOMENCLATURE

PE 0401314F: *Operational Support Airlift*

PROJECT

675355: *Presidential Aircraft
Recapitalization*

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Acquisition Strategy Development	1	2012	1	2016
MDD	3	2012	3	2012
Develop RFP	4	2013	2	2015
CDD	3	2014	3	2014
Release RFP	2	2015	2	2015
Source Selection	2	2015	2	2016
MS B	1	2016	1	2016
Design Contract Award	2	2016	2	2016
Engineering/Design	2	2016	4	2018
SRR	4	2016	4	2016
PDR	3	2017	3	2017
1st Aircraft Contract Award	4	2017	4	2017
CDR #1	2	2018	2	2018
CDR #2	4	2018	4	2018

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Exhibit R-2A, RDT&E Project Justification: PB 2014 Air Force										DATE: April 2013		
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0401314F: Operational Support Airlift				PROJECT 676024: VC-25 Avionics Modernization Program			
COST (\$ in Millions)	All Prior Years	FY 2012	FY 2013 [#]	FY 2014 Base	FY 2014 OCO ^{##}	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost
676024: VC-25 Avionics Modernization Program	-	38.145	0.000	38.400	-	38.400	10.000	0.900	0.000	0.000	Continuing	Continuing
Quantity of RDT&E Articles		1	0	0		0	0	0	0	0		
# FY 2013 Program is from the FY 2013 President's Budget, submitted February 2012												
## The FY 2014 OCO Request will be submitted at a later date												
A. Mission Description and Budget Item Justification												
VC-25A Avionics Modernization Program (AMP) assures unrestricted global access to civilian and military airspace to support the President of the United States as Head of State, Chief Executive, and Commander in Chief. AMP upgrades use a systems approach to aid pilot awareness and alleviate task saturation enhancing safety in a high technology concentrated airspace environment. VC-25A AMP is a required modification to ensure the viability of the Presidential support airlift fleet until the Presidential Aircraft Recapitalization (PAR) program is fielded.												
If not installed, the VC-25A will not be upgraded with enhanced flight deck avionics and safety of flight equipment and the President of the United States, while aboard the VC-25A, may encounter routing, timing, or other airspace restrictions, impeding the safe and effective transport of the Head of State.												
AMP complies with mandates for Automatic Dependent Surveillance-Broadcast (ADS-B) Out and Identification Friend or Foe (IFF) Mode 5 as well as a Coupled Vertical Navigation (VNAV) capability. It will incorporate multiple subsystems to increase the utility and safety of the VC-25A. Installations are aligned with the aircraft heavy maintenance schedule.												
B. Accomplishments/Planned Programs (\$ in Millions)									FY 2012	FY 2013	FY 2014	
Title: Design and Test									38.128	0.000	38.370	
Description: Design and Test efforts include stand-up of a Systems Integration Laboratory (SIL), engineering, vendor engineering, material buys for the SIL, as well as design and operational test and evaluation of the avionics systems. All modifications to be performed on the aircraft must be proven on the ground prior to installation.												
FY 2012 Accomplishments: FY2012 funding supports System Integration Laboratory (SIL) engineering, vendor engineering, and material buys for the SIL and developmental kit procurement. The SIL is used as a test bed for VC-25, to ensure that all modifications to be performed on the aircraft have been proven prior to installation. This funding was also used for Preliminary Design Review (PDR) completion and initial start of Developmental Test and Evaluation.												
FY 2014 Plans:												

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Exhibit R-2A, RDT&E Project Justification: PB 2014 Air Force										DATE: April 2013		
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development				R-1 ITEM NOMENCLATURE PE 0401314F: Operational Support Airlift				PROJECT 676024: VC-25 Avionics Modernization Program				
B. Accomplishments/Planned Programs (\$ in Millions)										FY 2012	FY 2013	FY 2014
FY2014 funding continues System Integration Laboratory (SIL) testing. Funding will also be used for Critical Design Review (CDR), developmental kit installation and complete Developmental Test and Evaluation.												
Title: Program Management Administration (PMA)										0.017	0.000	0.030
Description: Enables operation of program office management and oversight to support the VC-25A AMP efforts. Program Office travel/admin, and staff support as well as contract services and government costs.												
FY 2012 Accomplishments: PMA												
FY 2014 Plans: PMA												
Accomplishments/Planned Programs Subtotals										38.145	0.000	38.400
C. Other Program Funding Summary (\$ in Millions)												
Line Item	FY 2012	FY 2013	FY 2014 Base	FY 2014 OCO	FY 2014 Total	FY 2015	FY 2016	FY 2017	FY 2018	Cost To Complete	Total Cost	
• APAF: BA05: Line Item #	0.000	10.500	0.000		0.000	0.000	6.400	10.200	0.000	0.000	38.300	
C02500: VC-25A Mod												
Remarks												
D. Acquisition Strategy VC-25A AMP is accomplished by developmental integration of commercial off-the-shelf systems, hardware procurement and installation is accomplished to align with heavy maintenance depot schedules. An Undefined Contract Action (UCA) was issued in Jun 12. The UCA will be definitized with a Cost Plus Incentive Fee (CPIF) type contract. The CPIF contract covers the remaining RDT&E effort through completion in FY16.												
E. Performance Metrics Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air Force performance goals and most importantly, how they contribute to our mission.												

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2014 Air Force													DATE: April 2013		
APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>							R-1 ITEM NOMENCLATURE PE 0401314F: <i>Operational Support Airlift</i>				PROJECT 676024: <i>VC-25 Avionics Modernization Program</i>				

Product Development (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Engineering	SS/CPIF	Oklahoma City:Tinker, AFB, OK	-	38.128	Dec 2012	0.000		38.370	Dec 2012	-		38.370	Continuing	Continuing	
Subtotal			0.000	38.128		0.000		38.370		0.000		38.370			

Remarks Product Development costs include modification engineering design, first modification kit, Systems Integration Laboratory design and development, ground and flight testing and certification.															
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Support (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	0.000

Test and Evaluation (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	0.000		0.000		0.000		0.000		0.000	0.000	0.000	0.000

Management Services (\$ in Millions)				FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	All Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Program Management Activities	SS/CPIF	OC-ALC:Oklahoma City, OK	-	0.017	Dec 2012	0.000		0.030	Dec 2012	-		0.030	Continuing	Continuing	
Subtotal			0.000	0.017		0.000		0.030		0.000		0.030			

Remarks Management Services include travel to support Critical Design Review, engineering oversight, and depot visit support.															
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Exhibit R-3, RDT&E Project Cost Analysis: PB 2014 Air Force											DATE: April 2013			
APPROPRIATION/BUDGET ACTIVITY 3600: Research, Development, Test & Evaluation, Air Force BA 7: Operational Systems Development					R-1 ITEM NOMENCLATURE PE 0401314F: Operational Support Airlift					PROJECT 676024: VC-25 Avionics Modernization Program				
	All Prior Years	FY 2012		FY 2013		FY 2014 Base		FY 2014 OCO		FY 2014 Total	Cost To Complete	Total Cost	Target Value of Contract	
Project Cost Totals	0.000	38.145		0.000		38.400		0.000		38.400				

Remarks

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Exhibit R-4, RDT&E Schedule Profile: PB 2014 Air Force

DATE: April 2013

APPROPRIATION/BUDGET ACTIVITY

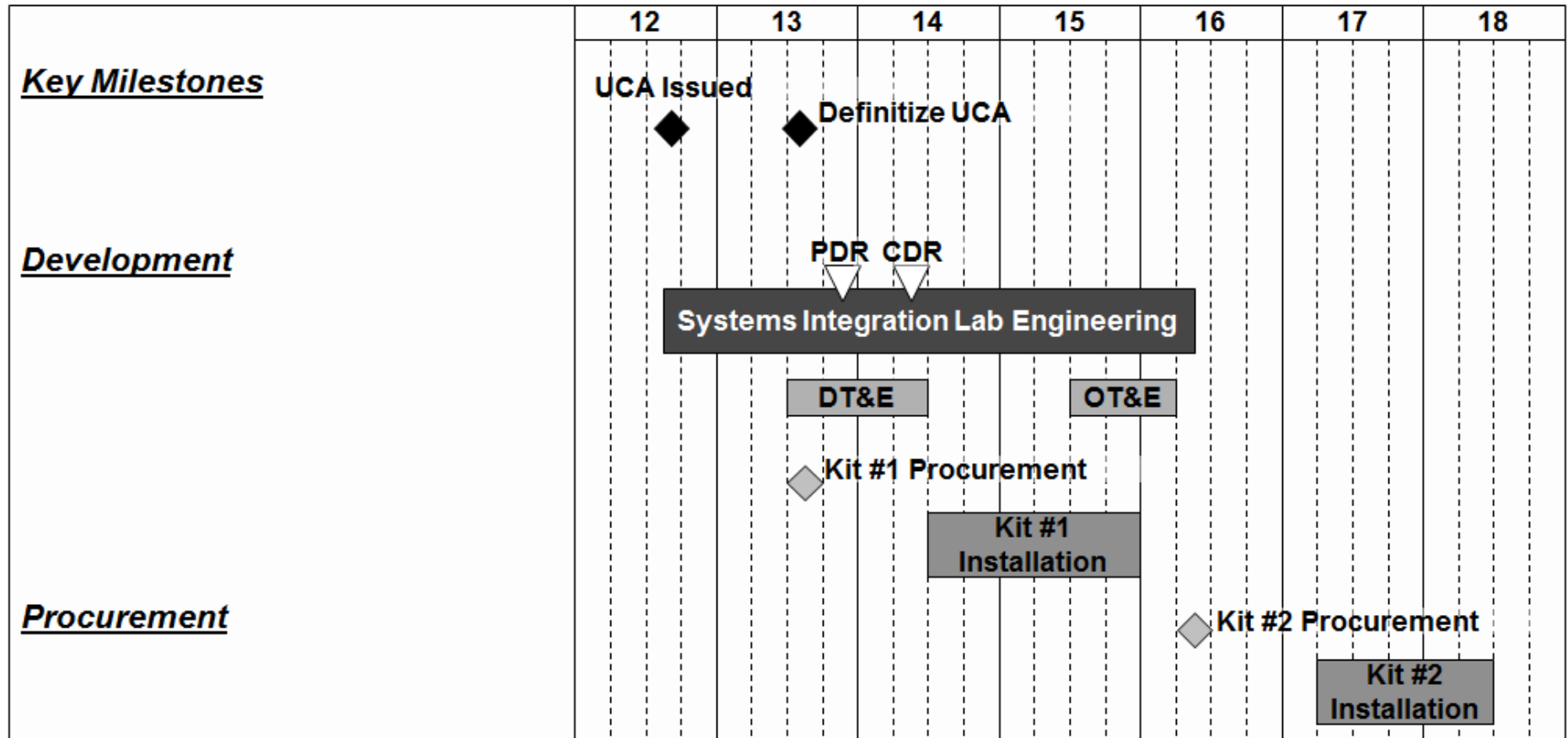
3600: Research, Development, Test & Evaluation, Air Force
BA 7: Operational Systems Development

R-1 ITEM NOMENCLATURE

PE 0401314F: Operational Support Airlift

PROJECT

676024: VC-25 Avionics Modernization Program



UNCLASSIFIED

Exhibit R-4A, RDT&E Schedule Details: PB 2014 Air Force			DATE: April 2013
APPROPRIATION/BUDGET ACTIVITY 3600: <i>Research, Development, Test & Evaluation, Air Force</i> BA 7: <i>Operational Systems Development</i>	R-1 ITEM NOMENCLATURE PE 0401314F: <i>Operational Support Airlift</i>	PROJECT 676024: <i>VC-25 Avionics Modernization Program</i>	

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
UCA Issued	3	2012	3	2012
Systems Integration Laboratory engineering	3	2012	2	2016
Definitize UCA	1	2013	3	2013
Kit #1 Procurement	3	2013	3	2013
Kit #1 Procurement (1)	3	2013	3	2013
Critical Design Review	2	2014	2	2014
Kit #1 Installation	3	2014	4	2015
Operational Test and Evaluation (OT&E)	3	2015	1	2016
Kit #2 Procurement	1	2016	1	2017
Kit #2 Installation	2	2017	2	2018