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Exhibit R-2, RDT&E Budget Item Justification: PB 2015 Air Force										Date: March 2014		
Appropriation/Budget Activity 3600: Research, Development, Test & Evaluation, Air Force I BA 7: Operational Systems Development					R-1 Program Element (Number/Name) PE 0401314F I Operational Support Airlift							
COST (\$ in Millions)	Prior Years	FY 2013	FY 2014	FY 2015 Base	FY 2015 OCO #	FY 2015 Total	FY 2016	FY 2017	FY 2018	FY 2019	Cost To Complete	Total Cost
Total Program Element	49.898	17.521	38.538	27.784	-	27.784	38.376	16.283	-	-	Continuing	Continuing
675355: Presidential Aircraft Recapitalization	11.753	7.247	6.153	-	-	-	-	-	-	-	Continuing	Continuing
676024: VC-25 Avionics Modernization Program	38.145	10.274	32.385	27.784	-	27.784	38.376	16.283	-	-	Continuing	Continuing
MDAP/MAIS Code: 425												
# The FY 2015 OCO Request will be submitted at a later date.												
Note												
FY15 and beyond, Project 675355 Presidential Aircraft Recapitalization efforts will be executed in PE0401319F, Project 655250, Presidential Aircraft Recap in order to improve transparency for ACAT I acquisition programs.												
A. Mission Description and Budget Item Justification												
This line item previously supported two Presidential support airlift modernization efforts: Presidential Aircraft Recapitalization (PAR) and VC-25A Avionics Modernization Program (AMP). FY15 and beyond, Project 675355 Presidential Aircraft Recapitalization efforts will be executed in PE0401319F, Project 655250, Presidential Aircraft Recap in order to improve transparency for ACAT I acquisition programs; this line item is dedicated solely to VC-25A AMP.												
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 address safety of flight and to ensure the viability of the Presidential support airlift fleet until PAR is fielded.												

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Appropriation/Budget Activity 3600: Research, Development, Test & Evaluation, Air Force I BA 7: Operational Systems Development		R-1 Program Element (Number/Name) PE 0401314F I Operational Support Airlift			
B. Program Change Summary (\$ in Millions)	FY 2013	FY 2014	FY 2015 Base	FY 2015 OCO	FY 2015 Total
Previous President's Budget	7.471	44.553	21.144	-	21.144
Current President's Budget	17.521	38.538	27.784	-	27.784
Total Adjustments	10.050	-6.015	6.640	-	6.640
• Congressional General Reductions	-0.025	-			
• Congressional Directed Reductions	-	-6.015			
• Congressional Rescissions	-	-			
• Congressional Adds	11.100	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-0.224	-			
• Other Adjustments	-0.801	-	6.640	-	6.640
Change Summary Explanation					
FY13 adjustment of \$11.1M was a Congressional Add for VC-25 AMP to mitigate a shortfall from an FY12 Mark.					
FY14 adjustment is a Congressional Directed Reduction due to program decrease (\$6.015M).					
FY15 adjustment of \$6.640M is due to greater than expected Non Recurring Engineering (NRE) costs and inaccurate contractor estimates.					
Note: FY15 and beyond, Project 675355 Presidential Aircraft Recapitalization efforts will be executed in PE0401319F, Project 655250, Presidential Aircraft Recap in order to improve transparency for ACAT I acquisition programs.					

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Exhibit R-2A, RDT&E Project Justification: PB 2015 Air Force										Date: March 2014		
Appropriation/Budget Activity 3600 / 7					R-1 Program Element (Number/Name) PE 0401314F / Operational Support Airlift				Project (Number/Name) 675355 / Presidential Aircraft Recapitalization			
COST (\$ in Millions)	Prior Years	FY 2013	FY 2014	FY 2015 Base	FY 2015 OCO #	FY 2015 Total	FY 2016	FY 2017	FY 2018	FY 2019	Cost To Complete	Total Cost
675355: Presidential Aircraft Recapitalization	11.753	7.247	6.153	-	-	-	-	-	-	-	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		
# The FY 2015 OCO Request will be submitted at a later date.												
Note												
FY15 and beyond, Project 675355 Presidential Aircraft Recapitalization efforts will be executed in PE0401319F, Project 655250, Presidential Aircraft Recap in order to improve transparency for ACAT I acquisition programs.												
A. Mission Description and Budget Item Justification												
This funding supports development planning efforts and studies as well as Engineering and Manufacturing Development (EMD) contract activities 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. Development planning funding supports 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 analysis. Funding also supports award of the PAR EMD contract and initial preliminary design efforts.												
FY15 and beyond, Project 675355 Presidential Aircraft Recapitalization efforts will be executed in PE0401319F, Project 655250, Presidential Aircraft Recap in order to improve transparency for ACAT I acquisition programs.												
B. Accomplishments/Planned Programs (\$ in Millions)									FY 2013	FY 2014	FY 2015	
Title: Development Planning									7.247	6.153	-	
Description: Developmental Planning/EMD Contract												
FY 2013 Accomplishments: Continued risk reduction preliminary planning activities:												

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Exhibit R-2A, RDT&E Project Justification: PB 2015 Air Force							Date: March 2014				
Appropriation/Budget Activity 3600 / 7				R-1 Program Element (Number/Name) PE 0401314F / <i>Operational Support Airlift</i>			Project (Number/Name) 675355 / <i>Presidential Aircraft Recapitalization</i>				
B. Accomplishments/Planned Programs (\$ in Millions)							FY 2013	FY 2014	FY 2015		
<p>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.</p> <p>FY 2014 Plans: Update developmental planning products: 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.</p> <p>FY 2015 Plans: N/A</p>											
Accomplishments/Planned Programs Subtotals							7.247	6.153	-		
C. Other Program Funding Summary (\$ in Millions)											
<u>Line Item</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u> <u>Base</u>	<u>FY 2015</u> <u>OCO</u>	<u>FY 2015</u> <u>Total</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• RDTE: BA07: PE0401319F: <i>Presidential Aircraft Recap (PAR)</i>	-	-	11.006	-	11.006	103.302	490.794	518.092	527.951	Continuing	Continuing
Remarks FY15 and beyond PAR costs now contained in PE 0401319F.											
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 2015 Air Force												Date: March 2014			
Appropriation/Budget Activity 3600 / 7						R-1 Program Element (Number/Name) PE 0401314F / Operational Support Airlift				Project (Number/Name) 675355 / Presidential Aircraft Recapitalization					
Product Development (\$ in Millions)				FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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	11.661	7.132	Feb 2013	5.863	Feb 2014	-		-		-	Continuing	Continuing	-
Subtotal			11.661	7.132		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 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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			-	-		-		-		-		-	-	-	-
Test and Evaluation (\$ in Millions)				FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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			-	-		-		-		-		-	-	-	-
Management Services (\$ in Millions)				FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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	0.115		0.290		-		-		-	-	0.497	-
Subtotal			0.092	0.115		0.290		-		-		-	-	0.497	-
Remarks															
Program Management Administration enables operation of program office management and oversight to support PAR. Management activities include travel to support developmental planning efforts.															

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2015 Air Force											Date: March 2014						
Appropriation/Budget Activity 3600 / 7					R-1 Program Element (Number/Name) PE 0401314F / Operational Support Airlift					Project (Number/Name) 675355 / Presidential Aircraft Recapitalization							
					Prior Years	FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals					11.753	7.247		6.153		-		-		-	-	-	-

Remarks

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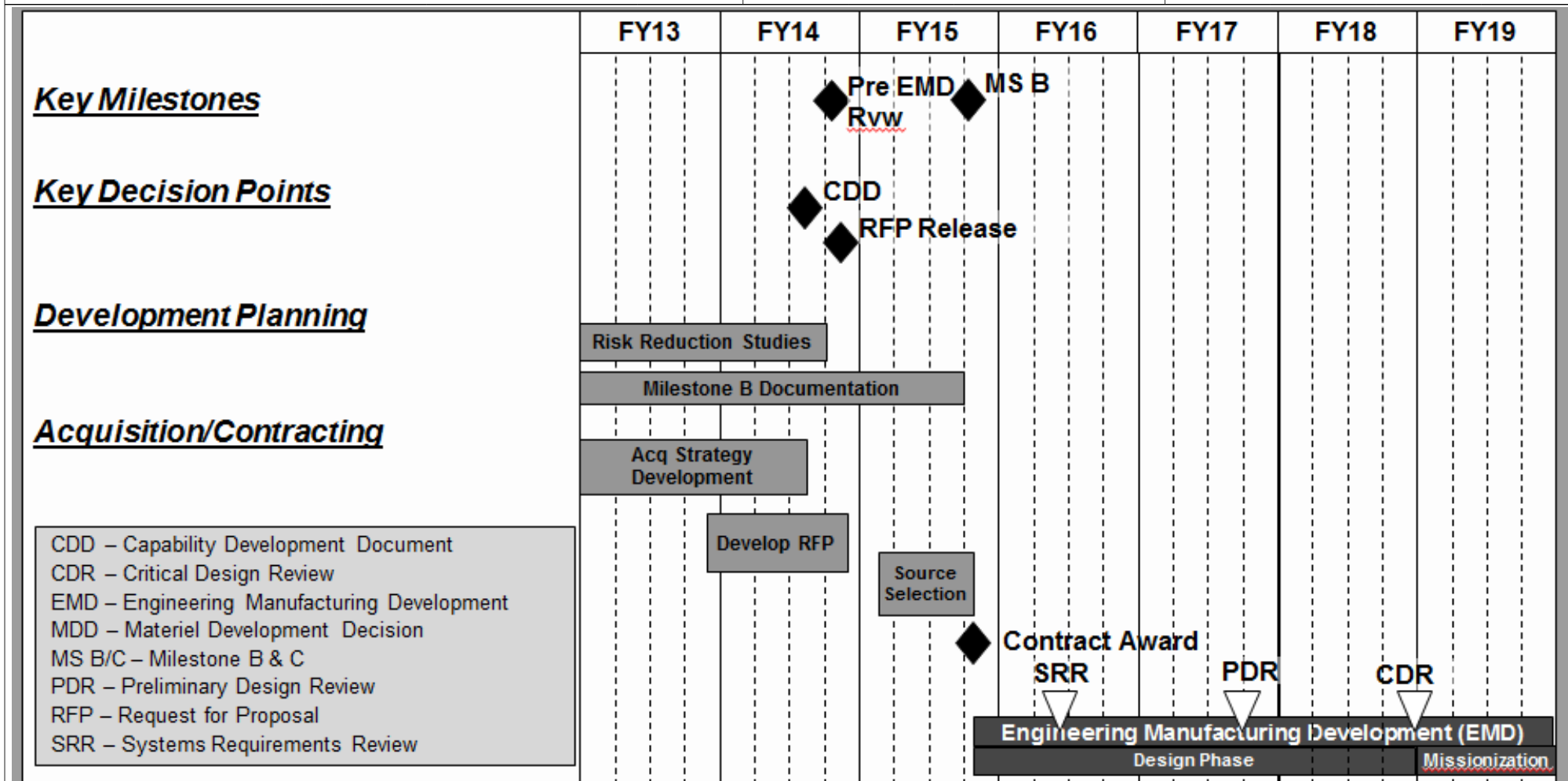
Exhibit R-4, RDT&E Schedule Profile: PB 2015 Air Force

Date: March 2014

Appropriation/Budget Activity
3600 / 7

R-1 Program Element (Number/Name)
PE 0401314F / *Operational Support Airlift*

Project (Number/Name) 675355 / <i>Presidential Aircraft Recapitalization</i>
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Exhibit R-4A, RDT&E Schedule Details: PB 2015 Air Force			Date: March 2014
Appropriation/Budget Activity 3600 / 7	R-1 Program Element (Number/Name) PE 0401314F / <i>Operational Support Airlift</i>	Project (Number/Name) 675355 / <i>Presidential Aircraft Recapitalization</i>	

Schedule Details

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

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Exhibit R-2A, RDT&E Project Justification: PB 2015 Air Force										Date: March 2014		
Appropriation/Budget Activity 3600 / 7					R-1 Program Element (Number/Name) PE 0401314F / Operational Support Airlift				Project (Number/Name) 676024 / VC-25 Avionics Modernization Program			
COST (\$ in Millions)	Prior Years	FY 2013	FY 2014	FY 2015 Base	FY 2015 OCO #	FY 2015 Total	FY 2016	FY 2017	FY 2018	FY 2019	Cost To Complete	Total Cost
676024: VC-25 Avionics Modernization Program	38.145	10.274	32.385	27.784	-	27.784	38.376	16.283	-	-	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		
# The FY 2015 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 modern 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 President.												
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 include, but not limited to, maneuver camera system, large cockpit displays, and navigation radios 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 2013	FY 2014	FY 2015	
Title: Design and Test									10.274	32.385	27.784	
Description: Design and Test efforts include stand-up of a Systems Integration Laboratory (SIL), non-recurring engineering, material buys for the SIL, as well as design, test and evaluation, and installation of the avionics systems. All modifications to be performed on the aircraft must be proven on the ground prior to installation.												
FY 2013 Accomplishments: Congressional add funded SIL design efforts, non-recurring engineering efforts for the avionics systems.												
FY 2014 Plans: Funding will be used for continuing non-recurring engineering, material buys and testing of the SIL; as well as funding Preliminary Design Review (PDR).												
FY 2015 Plans:												

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Exhibit R-2A, RDT&E Project Justification: PB 2015 Air Force										Date: March 2014	
Appropriation/Budget Activity 3600 / 7				R-1 Program Element (Number/Name) PE 0401314F / <i>Operational Support Airlift</i>				Project (Number/Name) 676024 / VC-25 Avionics Modernization Program			

B. Accomplishments/Planned Programs (\$ in Millions)										FY 2013	FY 2014	FY 2015
Funding will be used for Critical Design Review (CDR). SIL engineering and test continues for Flight Management System (FMS) software.												
Accomplishments/Planned Programs Subtotals										10.274	32.385	27.784

C. Other Program Funding Summary (\$ in Millions)											
Line Item	FY 2013	FY 2014	FY 2015 Base	FY 2015 OCO	FY 2015 Total	FY 2016	FY 2017	FY 2018	FY 2019	Cost To Complete	Total Cost
• APAF: BA05: PE0401314F: VC-25A	0.670	0.263	1.072	-	1.072	18.873	30.340	53.306	40.515	Continuing	Continuing

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 Unfinitized 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 engineering RDT&E effort through completion in FY16. The remaining RDT&E effort including the first kit, install and flight test will be awarded in FY14 and conclude in FY18 with delivery of the first aircraft.

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 2015 Air Force												Date: March 2014			
Appropriation/Budget Activity 3600 / 7						R-1 Program Element (Number/Name) PE 0401314F / Operational Support Airlift				Project (Number/Name) 676024 / VC-25 Avionics Modernization Program					
Product Development (\$ in Millions)				FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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	10.274	Jun 2013	32.355	Dec 2013	27.755	Nov 2014	-		27.755	Continuing	Continuing	-
Subtotal			38.128	10.274		32.355		27.755		-		27.755	-	-	-
Remarks Product Development costs include modification engineering design, first modification kit, Systems Integration Laboratory design and development, ground and flight testing and certification.															
Support (\$ in Millions)				FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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			-	-		-		-		-		-	-	-	-
Test and Evaluation (\$ in Millions)				FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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			-	-		-		-		-		-	-	-	-
Management Services (\$ in Millions)				FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	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	-		0.030	Dec 2013	0.029	Nov 2014	-		0.029	Continuing	Continuing	-
Subtotal			0.017	-		0.030		0.029		-		0.029	-	-	-
Remarks Program Management Administration enables operation of program office management and oversight to support VC-25A AMP efforts. 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 2015 Air Force											Date: March 2014				
Appropriation/Budget Activity 3600 / 7					R-1 Program Element (Number/Name) PE 0401314F / Operational Support Airlift				Project (Number/Name) 676024 / VC-25 Avionics Modernization Program						
			Prior Years	FY 2013		FY 2014		FY 2015 Base		FY 2015 OCO		FY 2015 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals			38.145	10.274		32.385		27.784		-		27.784	-	-	-

Remarks

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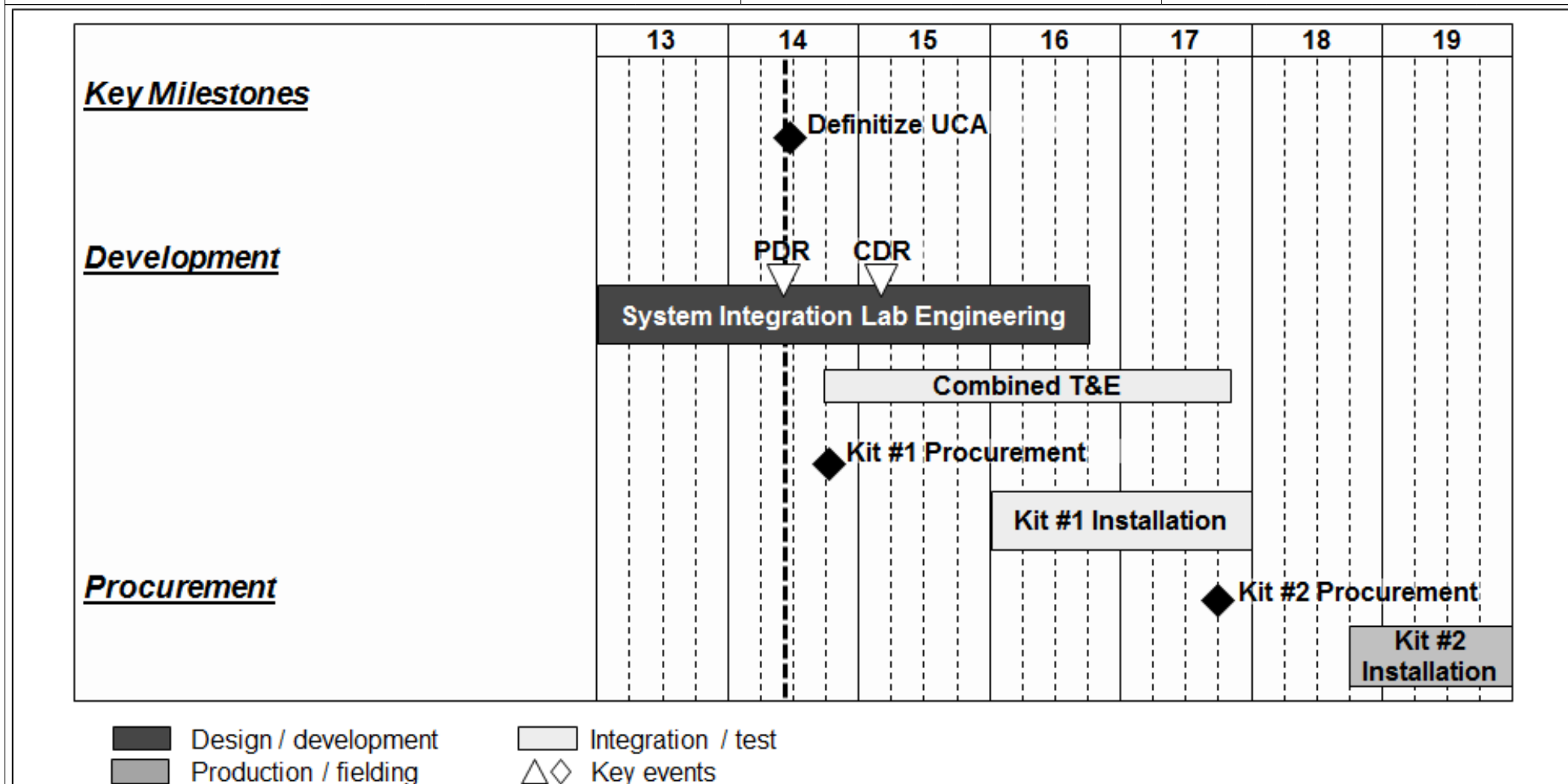
Exhibit R-4, RDT&E Schedule Profile: PB 2015 Air Force

Date: March 2014

Appropriation/Budget Activity
3600 / 7

R-1 Program Element (Number/Name)
PE 0401314F / Operational Support Airlift

Project (Number/Name)
676024 / VC-25 Avionics Modernization Program



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Exhibit R-4A, RDT&E Schedule Details: PB 2015 Air Force			Date: March 2014
Appropriation/Budget Activity 3600 / 7	R-1 Program Element (Number/Name) PE 0401314F / <i>Operational Support Airlift</i>	Project (Number/Name) 676024 / <i>VC-25 Avionics Modernization Program</i>	

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Systems Integration Laboratory engineering	1	2013	2	2016
Definitize UCA	1	2014	1	2014
Kit #1 Procurement	3	2014	3	2014
Critical Design Review	1	2015	1	2015
Kit #1 Installation	1	2016	4	2017
Test and Evaluation	4	2014	3	2017
Kit #2 Procurement	4	2017	4	2017
Kit #2 Installation	4	2018	4	2018