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<b>Exhibit R-2, RDT&amp;E Budget Item Justification:</b> FY 2018 Air Force											<b>Date:</b> May 2017	
<b>Appropriation/Budget Activity</b> 3600: <i>Research, Development, Test &amp; Evaluation, Air Force I BA 7: Operational Systems Development</i>					<b>R-1 Program Element (Number/Name)</b> PE 0401314F <i>I Operational Support Airlift</i>							
<b>COST (\$ in Millions)</b>	<b>Prior Years</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018 Base</b>	<b>FY 2018 OCO</b>	<b>FY 2018 Total</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
Total Program Element	0.000	46.453	13.817	6.681	0.000	6.681	0.000	0.000	0.000	0.000	0.000	66.951
676024: <i>VC-25 Avionics Modernization Program</i>	0.000	46.453	13.817	6.681	0.000	6.681	0.000	0.000	0.000	0.000	0.000	66.951
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		
<b>Program MDAP/MAIS Code:</b> 425												
<p><b><u>A. Mission Description and Budget Item Justification</u></b></p> <p>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.</p> <p>AMP complies with mandates for civil Automatic Dependent Surveillance-Broadcast (ADS-B) Out and Identification Friend or Foe (IFF) Mode 5 and provides an improved Advisory 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. Provisions for the military ADS-B Out will also be provided. Installations are aligned with the aircraft heavy maintenance schedule.</p> <p>In FY 2018, Project 676024 VC-25 Avionics Modernization Program is complete.</p> <p>BA-7 - This program is in Budget Activity 7, Operational System Development because this budget activity includes development efforts to upgrade systems that have been fielded or have received approval for full rate production and anticipate production funding in the current or subsequent fiscal year.</p>												

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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 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total		
Previous President's Budget					46.453	13.817	6.662	0.000	6.662		
Current President's Budget					46.453	13.817	6.681	0.000	6.681		
Total Adjustments					0.000	0.000	0.019	0.000	0.019		
• Congressional General Reductions					0.000	0.000					
• Congressional Directed Reductions					0.000	0.000					
• Congressional Rescissions					0.000	0.000					
• Congressional Adds					0.000	0.000					
• Congressional Directed Transfers					0.000	0.000					
• Reprogrammings					0.000	0.000					
• SBIR/STTR Transfer					0.000	0.000					
• Other Adjustments					0.000	0.000	0.019	0.000	0.019		
C. Accomplishments/Planned Programs (\$ in Millions)								FY 2016	FY 2017	FY 2018	
Title: Design and Test								46.453	13.817	6.681	
Description: Design and Test efforts included 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 2016 Accomplishments: Funding used for material buys, Install kit, Ground Test and Flight Test.											
FY 2017 Plans: Funding will be used for Installation, Ground Test and Flight Test.											
FY 2018 Plans: Funding will be used for Installation, Ground Test and Flight Test.											
Accomplishments/Planned Programs Subtotals								46.453	13.817	6.681	
D. Other Program Funding Summary (\$ in Millions)											
Line Item	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total	FY 2019	FY 2020	FY 2021	FY 2022	Cost To Complete	Total Cost
• APAF: BA05: Line Item #C02500: VC-25A	0.000	0.000	18.000	0.000	18.000	9.000	0.000	0.000	0.000	0.000	145.039
Remarks											

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Exhibit R-2, RDT&E Budget Item Justification: FY 2018 Air Force		Date: May 2017
<b>Appropriation/Budget Activity</b> 3600: Research, Development, Test & Evaluation, Air Force / BA 7: Operational Systems Development		<b>R-1 Program Element (Number/Name)</b> PE 0401314F / Operational Support Airlift
<b>E. Acquisition Strategy</b> 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 was definitized with a Cost Plus Incentive Fee (CPIF) type contract April 2014. The CPIF contract covers the engineering RDT&E effort through Critical Design Review in FY15. The remaining RDT&E effort including the first kit, install and flight test was awarded in FY15 and concludes in FY18 with delivery of the first aircraft.		
<b>F. Performance Metrics</b> 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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<b>Exhibit R-3, RDT&amp;E Project Cost Analysis: FY 2018 Air Force</b>													<b>Date:</b> May 2017		
<b>Appropriation/Budget Activity</b> 3600 / 7						<b>R-1 Program Element (Number/Name)</b> PE 0401314F / <i>Operational Support Airlift</i>						<b>Project (Number/Name)</b> 676024 / <i>VC-25 Avionics Modernization Program</i>			

  

<b>Product Development (\$ in Millions)</b>				<b>FY 2016</b>		<b>FY 2017</b>		<b>FY 2018 Base</b>		<b>FY 2018 OCO</b>		<b>FY 2018 Total</b>			
<b>Cost Category Item</b>	<b>Contract Method &amp; Type</b>	<b>Performing Activity &amp; Location</b>	<b>Prior Years</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Cost To Complete</b>	<b>Total Cost</b>	<b>Target Value of Contract</b>
VC-25 AMP Engineering	SS/CPIF	Oklahoma City : Tinker, AFB, OK	0.000	45.453	Feb 2016	12.817	Feb 2017	6.681	Jan 2018	0.000		6.681	0.000	64.951	-
<b>Subtotal</b>			0.000	45.453		12.817		6.681		0.000		6.681	0.000	64.951	-

  

<b>Support (\$ in Millions)</b>				<b>FY 2016</b>		<b>FY 2017</b>		<b>FY 2018 Base</b>		<b>FY 2018 OCO</b>		<b>FY 2018 Total</b>			
<b>Cost Category Item</b>	<b>Contract Method &amp; Type</b>	<b>Performing Activity &amp; Location</b>	<b>Prior Years</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Cost To Complete</b>	<b>Total Cost</b>	<b>Target Value of Contract</b>
<b>Subtotal</b>			-	-		-		-		-		-	-	-	-

  

<b>Test and Evaluation (\$ in Millions)</b>				<b>FY 2016</b>		<b>FY 2017</b>		<b>FY 2018 Base</b>		<b>FY 2018 OCO</b>		<b>FY 2018 Total</b>			
<b>Cost Category Item</b>	<b>Contract Method &amp; Type</b>	<b>Performing Activity &amp; Location</b>	<b>Prior Years</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Cost To Complete</b>	<b>Total Cost</b>	<b>Target Value of Contract</b>
<b>Subtotal</b>			-	-		-		-		-		-	-	-	-

  

<b>Management Services (\$ in Millions)</b>				<b>FY 2016</b>		<b>FY 2017</b>		<b>FY 2018 Base</b>		<b>FY 2018 OCO</b>		<b>FY 2018 Total</b>			
<b>Cost Category Item</b>	<b>Contract Method &amp; Type</b>	<b>Performing Activity &amp; Location</b>	<b>Prior Years</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Award Date</b>	<b>Cost</b>	<b>Cost To Complete</b>	<b>Total Cost</b>	<b>Target Value of Contract</b>
VC-25 AMP Program Management Activities	SS/CPIF	OC-ALC : Oklahoma City, OK	0.000	1.000	Jan 2016	1.000	Jan 2017	0.000		0.000		0.000	0.000	2.000	-
<b>Subtotal</b>			0.000	1.000		1.000		0.000		0.000		0.000	0.000	2.000	-

  

			<b>Prior Years</b>	<b>FY 2016</b>		<b>FY 2017</b>		<b>FY 2018 Base</b>		<b>FY 2018 OCO</b>		<b>FY 2018 Total</b>	<b>Cost To Complete</b>	<b>Total Cost</b>	<b>Target Value of Contract</b>
<b>Project Cost Totals</b>			0.000	46.453		13.817		6.681		0.000		6.681	0.000	66.951	-

  

<b>Remarks</b>															

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<b>Exhibit R-4, RDT&amp;E Schedule Profile:</b> FY 2018 Air Force			<b>Date:</b> May 2017		
<b>Appropriation/Budget Activity</b> 3600 / 7			<b>R-1 Program Element (Number/Name)</b> PE 0401314F / <i>Operational Support Airlift</i>		
			<b>Project (Number/Name)</b> 676024 / <i>VC-25 Avionics Modernization Program</i>		

	FY 2016				FY 2017				FY 2018				FY 2019				FY 2020				FY 2021				FY 2022			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Systems Integration Laboratory engineering																												
Kit #1 Procurement																												
Kit #1 Installation																												
Test and Evaluation																												

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<b>Exhibit R-4A, RDT&amp;E Schedule Details:</b> FY 2018 Air Force			<b>Date:</b> May 2017
<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0401314F / <i>Operational Support Airlift</i>	<b>Project (Number/Name)</b> 676024 / <i>VC-25 Avionics Modernization Program</i>	

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Systems Integration Laboratory engineering	1	2016	2	2016
Kit #1 Procurement	1	2016	4	2016
Kit #1 Installation	1	2017	4	2017
Test and Evaluation	4	2017	4	2018

**Note**

AMP contract award March 2012, followed by systems integration laboratory engineering.