



U.S.ARMY

FY08/09 President's Budget Highlights

**Assistant Secretary of the Army for
Financial Management and Comptroller**

February 2007

Blank Page -- Inside Front Cover
(Blank pages provide for proper double-sided printing of document)



FY08/09 President's Budget Highlights

**Assistant Secretary of the Army
(Financial Management and Comptroller)**

February 2007

TABLE OF CONTENTS



Our Strategic Goals	3
Budget Overview	4
Total Army	5
Civilian Component	6
Total Obligation Authority	7
Military Personnel	8
People-Our Most Valuable Resource	9
National Guard Personnel, Army	10
Reserve Personnel, Army	11
Operation and Maintenance, Army	12
Operation and Maintenance, Army National Guard	13
Operation and Maintenance, Army Reserve	14
Research, Development, and Acquisition	15
Procurement Summary.....	16
Aircraft	17
Missiles	18
Weapons and Tracked Combat Vehicles	19
Ammunition	20
Other Procurement, Army	21
Research, Development, Test, and Evaluation Summary.....	23
Military Construction	24
Military Construction, Army	25
Military Construction, Army National Guard	26
Military Construction, Army Reserve	27
Army Family Housing	28
Army Family Housing Privatization	30
Base Realignment and Closure	31
FY08/09 Summary	32

Our Strategic Goals

The 21st century security environment presents four challenges to the Army: traditional, irregular, catastrophic and disruptive. The Army Plan to meet these challenges consists of four overarching interrelated strategies focusing on people, forces, training, and infrastructure. Execution of these strategies will allow the Army to achieve two major goals:

- ❖ Prosecuting the Long War against global terrorism, and
- ❖ Transforming structure and capabilities to better prepare the Army's Soldiers and leaders for challenges today and in the future.



PROSECUTING THE LONG WAR

The Army will continue to realign our global force posture, sustain the full range of global commitments, and transform the force to meet future demands in order to remain the preeminent landpower on earth.

TRANSFORMATION: BUILDING A CAMPAIGN-QUALITY MODULAR FORCE WITH JOINT AND EXPEDITIONARY CAPABILITIES FOR TODAY AND TOMORROW

The Army is developing a broad set of capabilities within a flexible modular structure with a well-trained, well-equipped, and well-supported Soldier as the centerpiece.

SUSTAIN ALL VOLUNTEER FORCE

Providing Soldiers with better quality of service and quality of life.



Budget Overview

THE FY08/09 BUDGET IS ANOTHER STEP
TOWARD THE FUTURE FORCE
WHILE SUSTAINING AN ARMY AT WAR

The FY08/09 Budget Themes Are:

- ❖ Win the Long War
- ❖ Sustain the All-Volunteer Force with Improved Quality-of-Life
- ❖ Build Readiness for Today and Tomorrow's Challenges
- ❖ Accelerate the Future Force Modernization Strategy and Implementation
- ❖ Re-station Army Forces in Line with the Global Defense Posture Realignment and BRAC/MILCON Strategy

The FY08/09 Budget Provides For:

- ❖ Active Army end-strength increase to 489,400 in FY08 and to 532,400 in FY09
- ❖ Army National Guard end-strength increase to 351,300 in FY08 and 352,600 in FY09
- ❖ Army Reserve end-strength of 205,000 for FY08 and FY09
- ❖ Across-the-board military pay raises of 3.0% in FY08 and 3.4% in FY09
- ❖ Civilian pay raises of 3.0% in FY08 and 2.3% in FY09
- ❖ Continued aviation transformation
- ❖ Continued Future Combat Systems development
- ❖ Training ammunition
- ❖ Barracks modernization

The Total Army



TOTAL ARMY COMPONENTS

- ❖ **Active Component forms the nucleus of the initial forces for combat**
- ❖ **Reserve Component reinforces/augments active forces and individual replacements (Army National Guard and Army Reserve)**
- ❖ **Civilian Component provides critical support and sustainment**



The Civilian Component



6



CIVILIAN FULL TIME EQUIVALENTS

Category	FY06	FY07	FY08	FY09
Direct Hires	219,933	219,501	226,333	225,172
Operation and Maintenance	167,808	166,510	171,030	170,600
Active Army	135,274	129,759	131,458	130,422
Army Reserve	9,905	11,437	11,748	11,888
Army National Guard	22,629	25,314	27,824	28,290
RDTE	18,993	17,204	17,437	17,356
Military Construction, Army	6,355	5,587	5,493	5,490
Army Family Housing	612	545	563	517
Defense Working Capital Fund, Army	26,165	29,655	31,810	31,209
Indirect Hires	17,110	17,019	16,637	16,641
Operation and Maintenance, Army	16,530	16,191	15,852	15,858
Other	580	828	785	783
Totals	237,043	236,520	242,970	241,813

Army Total Obligation Authority

TOTAL OBLIGATION AUTHORITY (\$M)

Appropriation	FY06 Actuals	FY07 Base	FY07 Title IX	FY08 Request	FY09 Request
Military Personnel	40,880.3	29,599.3	4,346.7	31,623.9	35,726.4
Medicare-Retiree Contribution	2,727.5	2,915.4		2,892.9	3,347.1
Operation and Maintenance	63,487.2	24,437.5	28,364.1	28,925.0	31,317.0
Procurement	26,808.7	15,392.3	10,096.3	23,753.0	26,192.7
Aircraft	3,400.3	3,488.4	1,461.3	4,179.8	5,172.9
Missiles	1,365.0	1,273.8		1,645.5	1,694.7
Weapons and Tracked Combat Vehicles	4,047.4	1,898.7	3,393.2	3,090.0	3,486.1
Ammunition	2,792.8	1,739.2	237.8	2,190.6	2,405.3
Other Procurement	15,203.2	6,992.1	5,004.0	12,647.1	13,433.7
RDTE	11,682.9	10,963.4		10,589.6	9,794.4
Military Construction	1,958.9	2,059.8		4,039.2	5,060.1
Environmental Restoration		402.8		434.9	451.3
Army Family Housing	1,245.1	1,271.8		1,162.3	1,481.2
Operation	805.4	676.8		742.9	719.5
Construction	439.7	595.0		419.4	761.7
Reserve Components					
National Guard	13,491.7	11,635.0	720.0	13,467.7	14,148.7
Personnel	5,979.4	5,221.1	296.0	5,959.1	6,195.5
Operations	5,191.3	4,708.6	424.0	5,840.2	6,064.6
Construction	1,101.7	473.2		404.3	538.1
Medicare-Retiree Contribution	1,219.4	1,232.2		1,264.1	1,350.4
Army Reserve	6,427.2	6,465.4	299.4	7,080.6	7,345.0
Personnel	3,426.5	3,390.8	87.8	3,734.6	3,879.0
Operation	2,132.7	2,165.9	211.6	2,508.1	2,569.9
Construction	151.0	166.5		119.7	105.4
Medicare-Retiree Contribution	717.0	742.2		718.2	790.7
Base Realignment and Closure 2	110.9	51.3		73.7	73.4
Base Realignment and Closure 5	872.9	3,608.2		4,015.7	3,692.0
Chemical Demilitarization	1,386.8	1,272.4		1,455.7	1,434.4
Defense Working Capital Fund, Army	459.5	16.3		5.0	102.2
Afghanistan Security Forces Fund	1,908.1		1,500.0		
Iraq Security Forces Fund	3,007.0		1,700.0		
Joint Improvised Explosives Device Defeat Organization			1,920.7	500.0	500.0
Totals	176,454.8	110,090.9	48,947.1	130,019.2	140,665.9

Notes:

Totals may not add due to rounding.

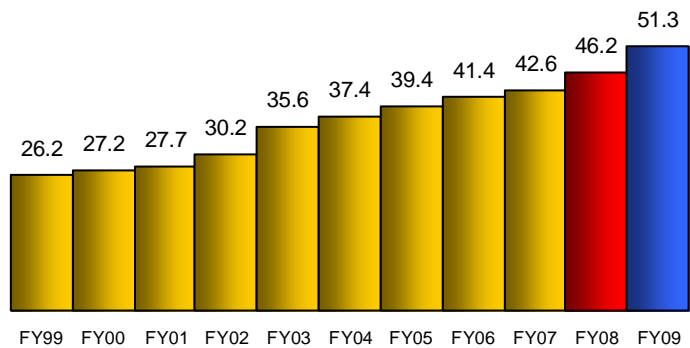
FY06 numbers include all base and supplemental funding.

FY07 Base includes the FY07 President's Budget figures for accounts operating under the FY07 Continuing Resolution.

Military Personnel



Budget Request (\$B)

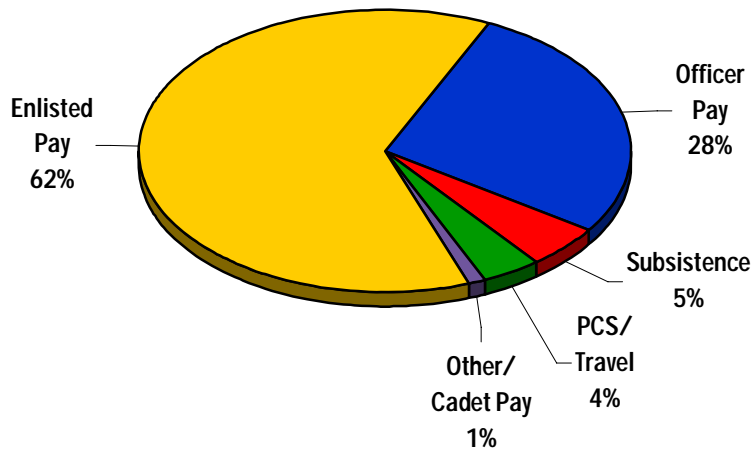


The FY08/09 Budget Request

- ❖ Emphasizes manning the force, taking care of Soldiers and families and sustaining the quality of Army personnel
- ❖ Includes permanent end-strength growth to support increased manning levels previously funded by supplemental appropriations
- ❖ Provides an across-the-board 3.0% pay raise in FY08 and a 3.4% pay raise in FY09
- ❖ Continues to eliminate out-of-pocket housing expenses for Soldiers and families residing off post
- ❖ Supports the Residential Communities Initiative



People: Our Most Valuable Resource



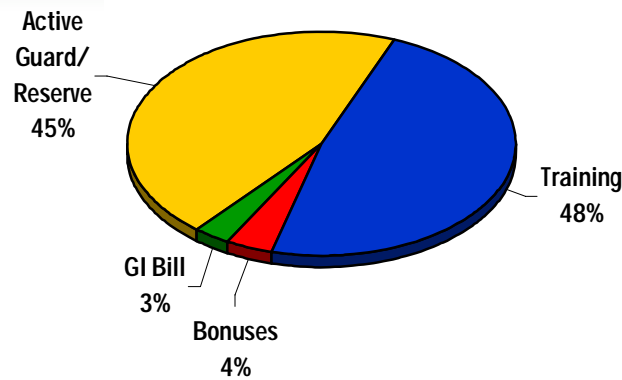
MILITARY PERSONNEL, ARMY TOA (\$M)

Category	FY06	FY07	FY08	FY09
Officer Pay	10,086	9,177	8,842	9,328
Enlisted Pay	25,016	20,567	19,808	22,193
Cadet Pay	53	56	56	62
Subsistence	3,017	2,445	1,431	1,665
PCS-Travel*	1,384	1,160	1,200	2,133
Other	1,324	541	286	345
Totals	40,880	33,946	31,624	35,726
Medicare-Retiree Contribution, Army	2,727	2,915	2,893	3,347

* Permanent Change of Station-Travel

FY06 and FY07 numbers include Title IX and supplemental funding.

National Guard Personnel, Army



The National Guard Personnel, Army budget includes funding for:

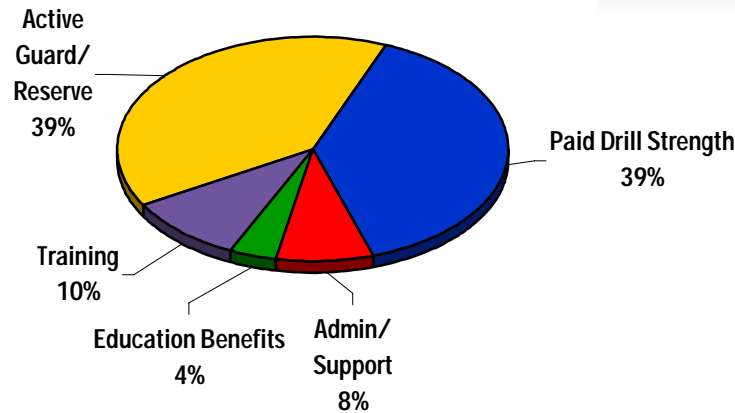
- ❖ Training
 - ◆ Annual training
 - ◆ Inactive Duty Training
 - ◆ Soldiers awaiting initial entry
 - ◆ Initial Entry
 - ◆ Full Time Support (Active Guard/Reserve)
 - ◆ School Training
 - ◆ Combat Training rotation
- ❖ Supports Combatant Commanders
- ❖ Retired Pay Accrual
- ❖ Bonus and Incentives—GI Bill and recruiting and retention

NATIONAL GUARD PERSONNEL, ARMY TOA (\$M)

Category	FY06	FY07	FY08	FY09
Active Guard/Reserve	2,138	2,507	2,689	2,864
Annual Training	846	740	684	701
Inactive Duty Training	970	1,029	1,213	1,235
Initial Entry Training	362	320	343	362
IDT– Awaiting Training	32	22	31	34
Bonuses	527	193	222	225
GI Bill	242	208	188	194
Schools	355	341	344	371
Special Training	507	157	245	210
Totals	5,979	5,517	5,959	6,196
Medicare-Retiree Contribution, Army National Guard	1,219	1,232	1,264	1,350

FY06 and FY07 numbers include Title IX and supplemental funding.

Reserve Personnel, Army



The Reserve Personnel, Army (RPA) budget provides pay, benefits, and allowances for Soldiers of the Army Reserve while on Annual Training (AT), Inactive Duty Training (IDT), Initial Active Duty Training (IADT), School Training, and Special Training.

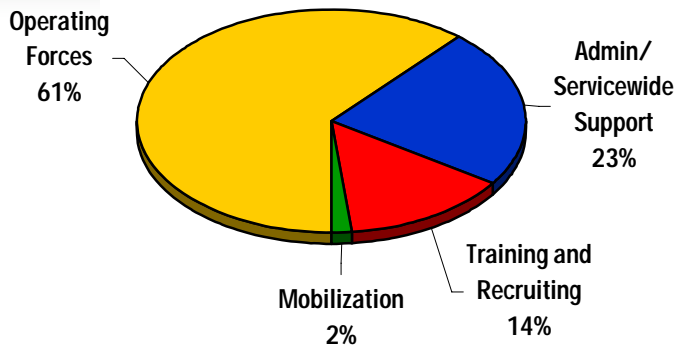
The budget also provides funding for Army Reserve Soldiers in the Active Guard/Reserve (AGR) Program (similar to MPA, e.g., pay, benefits and PCS) to enhance readiness of Army Reserve units.

RESERVE PERSONNEL, ARMY TOA (\$M)

Category	FY06	FY07	FY08	FY09
Active Guard/Reserve	1,368	1,424	1,477	1,548
Paid Drill Strength	1,216	1,313	1,446	1,542
Special Training	170	203	160	161
School Training	169	185	140	149
Other Training	54	44	68	78
Admin and Support	342	194	306	288
Education Benefits	107	116	138	113
Totals	3,426	3,479	3,735	3,879
Medicare-Retiree Contribution, Army Reserve	717	742	718	791

FY06 and FY07 numbers include supplemental and Title IX funding.

Operation and Maintenance, Army



The Operation and Maintenance, Army (OMA) budget contributes directly to the Army's obligation to provide the Nation with a relevant and ready force while giving Soldiers and their families the support they need and deserve. As the Army is faced with a wide range of missions, the need to create smaller, more easily deployable brigade units has become increasingly important. The modularized end-state structure will stabilize training missions, deployments and unit missions, and increase stability and predictability for Soldiers and their families. The OMA budget provides funds for tough realistic training, recruiting, maintenance of weapon systems, base support for Soldiers and their families, and servicewide support for logistic operations, transportation, and communications.

OPERATION AND MAINTENANCE, ARMY TOA (\$M)

Category	FY06	FY07	FY08	FY09
Operating Forces	50,773	42,787	17,413	19,076
Land Forces	3,515	3,122	4,536	5,337
Land Forces Readiness	5,621	4,572	3,411	3,483
Land Forces Readiness Support	41,637	35,093	9,466	10,256
Mobilization	343	227	444	440
Mobility Operations	343	227	444	440
Training and Recruiting	3,233	3,252	4,012	4,697
Accession Training	421	451	580	672
Basic Skill and Advanced Training	1,656	1,687	2,090	2,580
Recruiting and Other Training and Education	1,156	1,114	1,342	1,445
Admin and Servicewide Activities	9,138	6,536	7,055	7,104
Security Programs	1,425	1,099	758	804
Logistics Operations	3,183	2,216	2,313	2,215
Servicewide Support	4,160	2,877	3,579	3,668
Support of Other Nations	370	344	405	417
Totals	63,487	52,802	28,925	31,317

FY06 and FY07 numbers include Title IX and supplemental funding.

Operation and Maintenance, Army National Guard



The Operation and Maintenance, Army National Guard (OMNG) budget supports readiness objectives by funding ground and air operating tempo, institutional training, installation management, training, recruiting missions, and depot maintenance. The OMNG appropriation supports operation of more than 27,000 facilities in nearly 2,700 communities. The Facilities Sustainment, Restoration, Modernization program is key to the training, readiness, and mobilization of the Army National Guard (ARNG). This program keeps ARNG facilities in good working order by funding preventive maintenance; emergency work orders, and repairs; and replacements to facility components. It also funds projects and minor construction required to extend the useful life of facilities, to increase efficiency, and to adapt to mission changes.

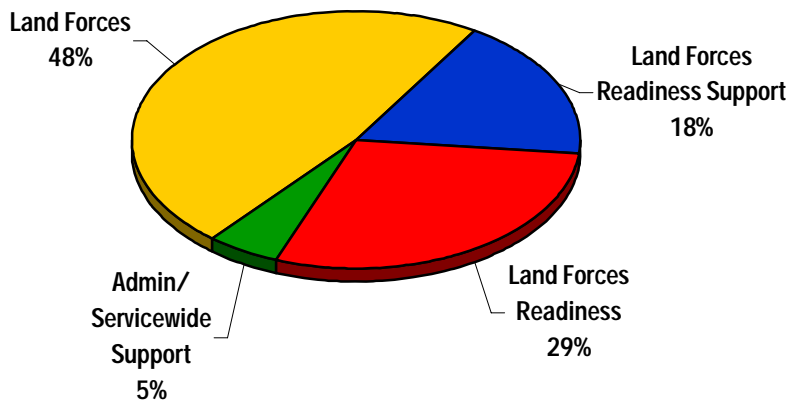
The amount of equipment qualifying for depot repair has increased significantly due primarily to the rebuild of the Army National Guard's aged tactical wheeled vehicle fleet. The depot maintenance program continues to address near term equipment readiness issues with M88A1 Recovery Vehicles and Multiple Launch Rocket Systems.

OPERATION AND MAINTENANCE, NATIONAL GUARD TOA (\$M)

Category	FY06	FY07	FY08	FY09
Operating Forces	4,563	4,764	5,486	5,713
Land Forces	2,106	2,389	2,641	2,784
Land Forces Readiness	603	735	886	969
Land Forces Readiness Support	1,854	1,640	1,959	1,960
Admin and Servicewide Activities	628	368	354	351
Administration	110	134	121	122
Servicewide Communications	59	55	52	51
Manpower Management	101	53	7	8
Recruiting and Advertising	358	127	173	170
Totals	5,191	5,133	5,840	6,065

FY06 and FY07 numbers include Title IX and supplemental funding.

Operation and Maintenance, Army Reserve



The Operation and Maintenance, Army Reserve (OMAR) budget funds operational, logistics, administrative, engineering and management support for the Army Reserve. Additionally, the OMAR appropriation provides for installation management, maintenance of real property, records management and personnel support to retirees, veterans and their families. The FY08/09 budget follows the Army's plan to transform the Army Reserve from a strategic reserve to an operational force of skill-enriched capabilities. It also supports the Army Reserve Training Strategy, which establishes the Train-Alert-Deploy model for our Soldiers. Today's Army Reserve Soldiers must be trained and ready prior to mobilization as a fully engaged operational force used for joint, expeditionary operations and in support of civil authorities.

OPERATION AND MAINTENANCE, ARMY RESERVE TOA (\$M)

Category	FY06	FY07	FY08	FY09
Operating Forces	1,940	2,203	2,379	2,440
Land Forces	927	1,022	1,196	1,229
Land Forces Readiness	351	433	446	456
Land Forces Readiness Support	662	747	737	755
Admin and Servicewide Activities	193	175	129	129
Servicewide Administration	193	175	129	129
Totals	2,133	2,378	2,508	2,570

FY06 and FY07 numbers include Title IX and supplemental funding.

— Research, Development and Acquisition

Supporting Army Transformation and the National Military Strategy, the Research, Development and Acquisition (RDA) budget funds a fully integrated modernization and recapitalization program to ensure decisive and comprehensive full-spectrum ground combat capabilities. The RDA appropriations budget:

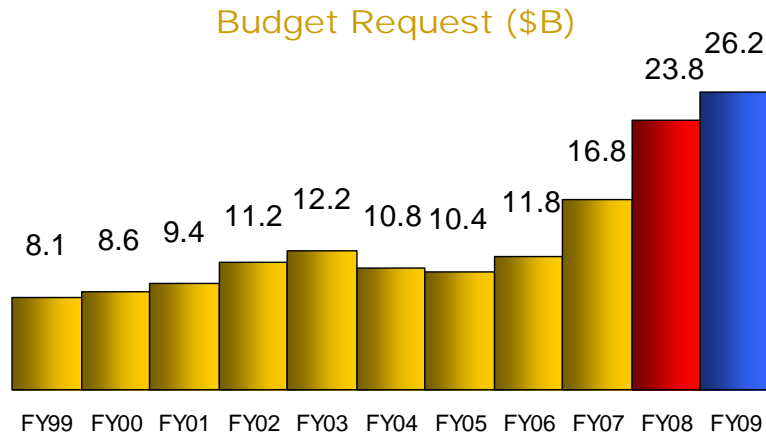
- ❖ Continues research and development of the Future Combat Systems (FCS), a strategically responsive, networked system-of-systems that will ensure position advantage over the enemy.
- ❖ Begins production of the initial set of FCS Spin-Out Program B-Kits.
- ❖ Begins procurement of Manned Ground Vehicles initial production platforms (Non-Line-of-Sight Cannon).
- ❖ Accelerates acquisition and fielding of Soldier items to provide deployed troops the latest available equipment.
- ❖ Continues future Non-Line-of-Sight Cannon and Non-Line-of-Sight Launch Systems.
- ❖ Sustains a vigorous and relevant science and technology program.
- ❖ Procures Stryker vehicles for Stryker Brigade Combat Teams.



Future Combat Systems Network



Procurement Summary



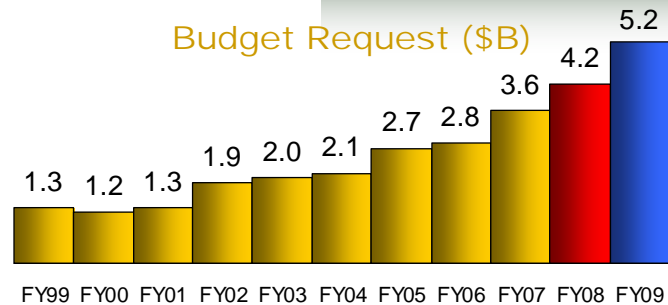
Investment in standard unit designs will allow the Army to provide the Nation with a more strategically responsive capability in order to meet the challenges of the 21st century security environment. The Army’s FY08/09 procurement budget includes \$7.6 billion funding to implement standard unit designs. These procurement accounts fund equipment required to enable our Army Soldiers to move, shoot and communicate in the redesigned brigade combat teams, as well as to provide increased capability in deployability, sustainment, C4ISR, force protection and precision strike. Lessons learned from Operation Iraqi Freedom and Operation Enduring Freedom are being incorporated into Army equipment purchases. The FY08/09 budget continues our investment in new aircraft, including Black Hawk, Armed Reconnaissance and Light Utility Helicopters, as well as remanufactured and new Chinook cargo helicopters.

PROCUREMENT TOA (\$M)

Appropriation	FY06	FY07	FY08	FY09
Aircraft	3,400	4,950	4,180	5,173
Missiles	1,365	1,274	1,645	1,695
Weapons and Tracked Combat Vehicles	4,047	5,292	3,090	3,486
Ammunition	2,793	1,977	2,191	2,405
Other Procurement	15,203	11,996	12,647	13,434
Totals	26,809	25,489	23,753	26,193

FY06 and FY07 numbers include Title IX and supplemental funding.

Aircraft



AIRCRAFT TOA (\$M)

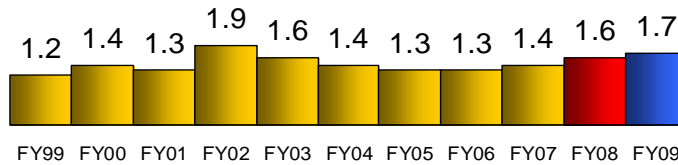
Category	FY06	FY07	FY08	FY09
Aircraft	770	1,425	1,751	2,532
Utility F/W Cargo Aircraft	5	72	157	259
Utility F/W (MR) Aircraft	4	4		
UH-60 Black Hawk (Multi-year procurement)	672	1081	705	1032
Armed Reconnaissance Helicopter		101	468	566
Helicopter, Light Utility	89	167	230	226
CH-47 Cargo Helicopter			191	447
Helicopter, New Training				2
Modifications	1,949	2,940	1,778	1,861
Guardrail/ARL	19	58	149	120
ARL MODS	6	38	52	23
AH-64 MODS	952	1415	712	684
CH-47 Cargo Helicopter Mods (MYP)	670	1130	580	737
Utility/Cargo Airplane Mods	16	10	17	15
Aircraft Long Range Mods	1	1	1	1
Longbow	83			
UH-60 Mods	59	58	13	11
Kiowa Warrior	24	43	21	14
Airborne Avionics	88	156	180	176
Global Air Traffic Management Rollup	32	32	53	80
Spares	4	9	9	7
Support Equipment & Facilities	677	576	641	773
Aircraft Survivability Equip	448	334	414	495
Airborne Command and Control	27	40		
Avionics Support Equipment	3	5	5	5
Common Ground Equipment	61	60	80	105
Aircrew Integrated Systems	32	41	43	39
Air Traffic Control	63	93	95	124
Industrial Facilities	41	2	2	3
Launcher, 2.75 Rocket	2	2	2	2
Totals	3,400	4,950	4,180	5,173

FY06 and FY07 numbers include Tite IX and supplemental funding.

Missiles



Budget Request (\$B)

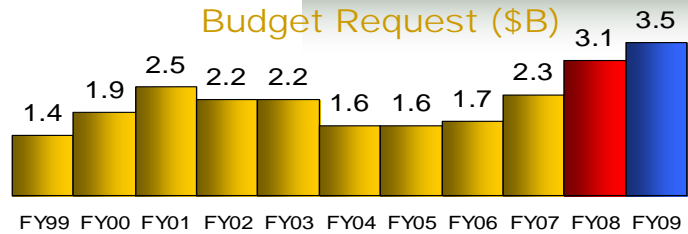


MISSILES TOA (\$M)

Category	FY06	FY07	FY08	FY09
Other Missiles	1,117	1,059	1,195	1,343
Patriot PAC-3	473	487	473	500
AMRAAM System	19			66
Hellfire	79		46	49
Javelin	56	83	104	118
TOW 2 System	75	64	88	87
GMLRS Rockets	122	137	225	249
MLRS Practice Rockets	8	21	23	26
MLRS Launchers	20			
HIMARS	161	207	236	248
ATACMS	104	60		
Modification of Missiles	234	180	160	74
Spares & Repair Parts	7	26	23	25
Support Equipment & Facilities	7	8	8	10
Grow the Force			243	243
Totals	1,365	1,274	1,645	1,695

FY06 and FY07 numbers include Title IX and supplemental funding.

Weapons and Tracked Combat Vehicles



WEAPONS AND TRACKED COMBAT VEHICLES TOA (\$M)

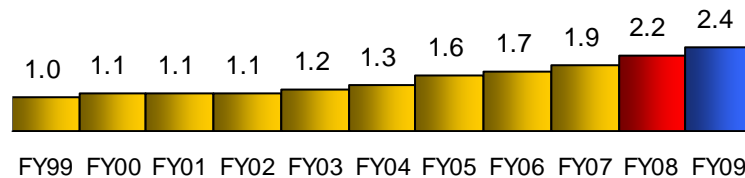
Category	FY06	FY07	FY08	FY09
Tracked Combat Vehicles	1,602	2,518	1,284	1,520
Abrams	4	1		
Bradley	273	1,613	145	744
STRYKER	1,319	903	1,039	447
Future Combat Systems			79	156
FCS Spin Outs			20	173
M1A2 Tank Training Devices	6	1		
Modifications of Tracked Combat Vehicles	1,355	2,407	808	1,252
Armored Breacher Vehicle			42	35
Carrier Mods 113	112	155		
Fire Support Vehicle (Mod)	116	146		34
Bradley Fighting Vehicle Series	205	70	38	49
Howitzer M109A6 Paladin	15	29	37	48
Field Artillery Ammunition Support Vehicle	6			
Improved Recovery Vehicle		309	37	107
Armored Vehicle Launch Bridges	6	66	13	41
M1 Abrams Modification & Retrofit	594	762	589	718
System Enhancement Program M1A2	300	870	53	221
Weapons & Other Combat Vehicles	673	279	576	334
Howitzer, Light, Towed, 105MM, M119	153	20	49	67
M240 Medium Machine Gun (7.62MM)	34	31	56	40
M249 SAW Machine Gun (5.56MM)	28	26	35	35
MK-19 Grenade Machine Gun (40MM)	27	12	43	22
Mortar Systems	66		4	3
M16 Rifle	1			
M107, Caliber .50, Sniper Rifle	20	8		
XM110 Semi-Automatic Sniper System	8	7	10	10
M4 Carbine	66	2	98	103
Shotgun, Modular Accessory System	14		7	7
Common Remotely Optd Wpns Sta	206			
Howitzer, Lightweight, 155MM	50	172	270	44
Future Handgun System (FHS)			4	4
Modifications of Weapons & Other Combat	377	53	68	29
Support Equipment and Facilities	39	36	23	18
Spares and Repair Parts	2			
Grow the Force			332	332
Totals	4,047	5,292	3,090	3,486

FY06 and FY07 numbers include Title IX and supplemental funding.

Ammunition



Budget Request (\$B)



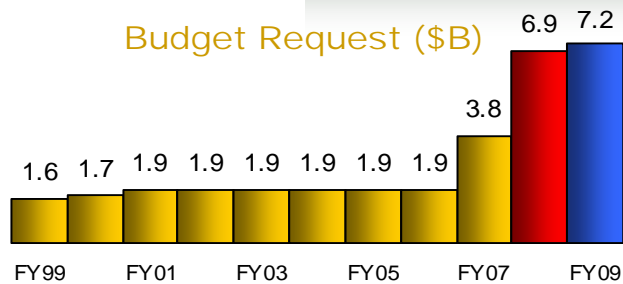
AMMUNITION TOA (\$M)

Category	FY06	FY07	FY08	FY09
Small and Medium Caliber	865	647	701	766
Mortars	327	134	172	193
Tank	245	216	195	198
Artillery	318	272	222	229
Artillery Fuzes	13	4	4	20
Mines/Countermine	37	78	59	181
Rockets	185	145	167	172
Demolitions, Signals	460	154	307	302
Non-lethal ammunition equipment	126	68	73	69
Production Base Improvements	114	164	156	142
Ammunition Demilitarization	103	94	135	133
Totals	2,793	1,977	2,191	2,405

FY06 and FY07 numbers include Title IX and supplemental funding.

Other Procurement, Army

Tactical and Support Vehicles/
Other Support Equipment (OPA 1/3)



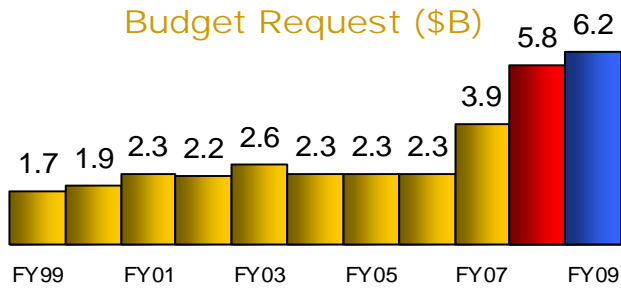
OTHER PROCUREMENT TOA (\$M)

Category	FY06	FY07	FY08	FY09
Tactical & Support Vehicles	3,485	5,702	2,679	2,815
Wheeled Vehicles (HMMWV)	1,281	1,659	596	668
HMMWV Recapitalization Program	799	455		
Family of Medium Tactical Vehicles	675	1,484	828	834
Family of Heavy Tactical Vehicles	370	1,012	483	607
Modification of In Service Equipment	52	217	33	33
Armored Security Vehicles	115	160	155	155
All Other Vehicles & Trailers	193	715	583	517
Non-Tactical Vehicles	22	5	4	4
Heavy Armored Sedan	2	1	1	1
Passenger Carrying Vehicles	1	1	1	1
Non-Tactical Vehicles, Other	19	3	2	2
Other Support Equipment	4,312	2,229	1,931	2,024
Smoke/Obscurants Systems	11	98	56	76
Bridging Equipment	33	220	125	174
Engineer Equipment (Non-Construction)	268	314	157	134
Combat Service Support Equipment	111	152	132	146
Petroleum Equipment	72	111	35	51
Water Equipment	8	11	42	44
Medical Equipment	49	49	85	66
Maintenance Equipment	41	120	53	75
Construction Equipment	81	197	179	229
Rail Float Containerization Equipment	18	21	233	181
Generators	66	91	93	160
Material Handling Equipment	4	120	45	36
Training Equipment	413	462	353	339
Test Measurement & Diagnostic Equipment	27	69	67	79
Other Support Equipment	3,110	194	276	234
Grow the Force			2,260	2,360
OPA 1/3 Totals	7,819	7,936	6,874	7,203

FY06 and FY07 numbers include Title IX and supplemental funding.

Other Procurement, Army

Communication-Electronic/
Initial Spares (OPA 2/4)



OTHER PROCUREMENT, ARMY TOA (\$M)

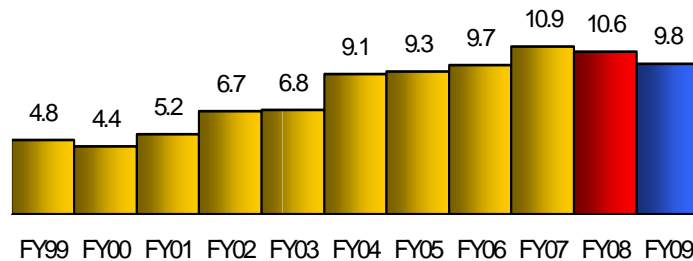
Categories	FY06	FY07	FY08	FY09
Communication-Electronic Equipment	3,605	1,519	1,609	1,548
Joint Communications	4	5	6	34
Satellite Communications	260	270	275	266
Command, Control, Communications	25	25	26	27
Combat Communications	2,707	722	732	637
Intelligence Communications	15	1	1	2
Information Security	107	107	84	91
Long Haul Communications	156	88	73	74
Base Communications	331	301	412	417
Electronic Equipment	3,743	2,508	2,871	3,392
Tactical Intelligence and Related Activities	766	400	586	926
Electronic Warfare	99	47	57	46
Tactical Surveillance	1,456	1,049	1,013	1,095
Tactical Command and Control	1,114	745	939	934
Automation	300	238	235	348
Audio Visual Systems	8	9	11	12
Modifications-Tactical Systems/Equipment		2	15	15
Support		18	15	16
Spares and Repair Parts	36	33	44	42
Initial Spares OPA2	36	31	44	42
Initial Spares OPA3		2		
Grow the Force			1,249	1,249
OPA 2/4 Totals	7,384	4,060	5,773	6,231

FY06 and FY07 numbers include Title IX and supplemental funding.

Research, Development, Test and Evaluation Summary



Budget Request (\$B)



During FY08 and FY09, the Army will continue development of the **Future Combat Systems (FCS)** networked family of systems, to include prototypical platform development network and software development and testing. Additionally, the Army will continue to spin out FCS technologies in order to field new capabilities to the current force more rapidly. The FY08 and FY09 budgets also continue System Development and Demonstration activities for the Patriot/Medium Extended Air Defense System (MEADS) Combined Aggregate Program (CAP).

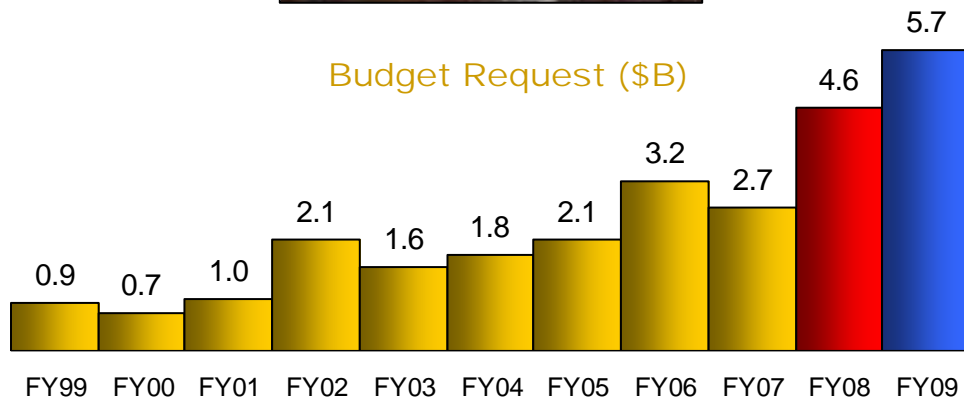
In FY07, the Future Combat Systems program completed design reviews for Spin Out 1 and the Non-Line-of-Sight Cannon; we will continue development, testing, and delivery of unmanned aerial vehicles and unmanned ground vehicle prototypes; and continue development of the FCS network, including functional qualification testing, and delivery of the battle command network and software.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION TOA (\$M)

Category	FY06	FY07	FY08	FY09
Basic Research	364	366	306	316
Applied Research	1,184	1,204	686	671
Advanced Technology Development	1,847	1,263	736	715
Advanced Component Dev & Prototypes	509	537	871	759
System Development & Demonstration	5,146	5,040	5,222	4,773
Management Support	1,360	1,204	1,140	1,108
Operational Systems Development	1,273	1,349	1,628	1,453
Totals	11,683	10,963	10,590	9,794

FY06 and FY07 numbers include Title IX and supplemental funding.

Military Construction



The Military Construction budget continues to improve facilities across the Army with whole-barracks renewal its top priority. It also supports transformation, growth of the Army and readiness by recapitalizing military facilities, providing facilities for training and deployment, revitalizing infrastructure and providing Reserve Component readiness facilities.

The Military Construction budget integrates Base Realignment and Closure, Global Defense Posture Realignment and Army Transformation into a fully synchronized program.

MILITARY CONSTRUCTION TOA (\$M)

Military Construction	FY06	FY07	FY08	FY09
Active Army	1,959	2,060	4,039	5,060
Army National Guard	1,102	473	404	538
Army Reserve	151	166	120	105
Totals	3,212	2,699	4,563	5,704

FY06 and FY07 numbers include Title IX and supplemental funding.

Military Construction, Army



25

The Active Army Military Construction budget provides facilities that upgrade the quality of life for Soldiers and families, improves readiness, and supports Transformation and end-strength growth. New facilities include modern barracks, training ranges, deployment facilities, operations and maintenance facilities, quality-of-life facilities and administrative facilities.

MILITARY CONSTRUCTION, ARMY TOA (\$M)

Categories	FY06	FY07	FY08	FY09
Operational Facilities	213	398	324	664
Training Facilities	251	218	199	266
Maintenance and Production	142	144	164	143
Research and Development	20			
Supply and Administration	89	31	294	6
Troop Housing/Community Support	833	961	790	160
Utilities/Real Estate	77	59	121	37
Supporting Activities	117	13	35	21
Minor Construction	24	23	23	17
Planning and Design	136	213	98	175
Worldwide Various/Other	57			
Grow the Force			1,991	3,572
Totals	1,959	2,060	4,039	5,060

FY06 and FY07 numbers include Title IX and supplemental funding.

Military Construction, Army National Guard



The Army National Guard Military Construction budget continues the goal of providing state-of-the art, community-based installations and training sites that facilitate communications, operations, training, and equipment sustainment. The program focuses on six investment areas: ranges, training facilities, maintenance support shops, readiness centers, minor construction, and planning and design. These projects are mission-focused and centered on improving the quality-of-life of our Soldiers. The FY08/09 Military Construction request is focused on current readiness and transformation for the future.

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD TOA (\$M)

Categories	FY06	FY07	FY08	FY09
Operation and Training	646	152	250	375
Maintenance and Production	295	240	101	93
Administrative	17			
Infrastructure	36	3		6
Minor Construction	15	21	9	12
Planning and Design	93	57	44	52
Totals	1,102	473	404	538

FY06 and FY07 numbers include Title IX and supplemental funding.



Military Construction, Army Reserve



The Army Reserve Military Construction budget funds essential military construction for Reserve Component Force Support package units. It supports the modernization of the entire facilities inventory and management of Army Reserve-operated installations. The goal is to provide essential facilities that improve readiness and ensure quality-of-life.

MILITARY CONSTRUCTION, ARMY RESERVE TOA (\$M)

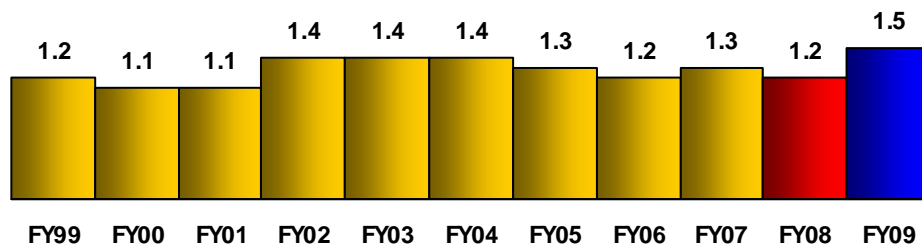
Categories	FY06	FY07	FY08	FY09
Army Facility Strategy	59	125	51	
Revitalization	51	12	52	75
Training Ranges	24	5	3	14
Minor Construction	3	3	3	3
Planning and Design	14	20	11	14
Totals	151	166	120	105

FY06 and FY07 numbers include Title IX and supplemental funding.

Army Family Housing



Budget Request (\$B)



ARMY FAMILY HOUSING TOA (\$M)

Categories	FY06	FY07	FY08	FY09
Construction	440	595	419	762
New/Replacement Construction	238	242	52	133
Improvement*	188	337	365	628
Planning and Design	14	16	2	1
Operations	805	677	743	719
Operation and Utilities	313	231	285	304
Maintenance	252	205	216	170
Leasing	221	215	206	216
Privatization	19	26	36	29
Totals	1,245	1,272	1,162	1,481

* Transfer 138 157 99 66
Residential Communities Initiative equity transferred to Family Housing Improvement Fund
FY06 and FY07 numbers include Title IX and supplemental funding.

Army Family Housing

ARMY FAMILY HOUSING NEW CONSTRUCTION

	FY06	
	Units	\$M
Fort Richardson, AK	117	48.5
Fort Wainwright, AK	96	48.5
Fort Wainwright, AK	84	41.5
Fort Huachuca, AZ	131	30.5
Yuma Proving Ground, AZ	35	11.2
Fort Sill, OK	129	23.7
Fort Lee, VA	96	19.5
Fort Monroe, VA	21	6.0
Foreign Currency Fluctuation Transfer		8.6
Totals	709	238.0

	FY07	
	Units	\$M
Fort Richardson, AK	105	45.0
Fort Richardson, AK	57	25.0
Fort Wainwright, AK	90	50.0
Fort Wainwright, AK	86	50.0
Fort Wainwright, AK	58	32.0
Fort Huachuca, AZ	119	32.0
Pine Bluff, AR	10	2.9
Fort McCoy, WI	13	4.9
Totals	538	241.8

	FY08	
	Units	\$M
Ansbach, GE	138	52.0
Totals	138	52.0

	FY09	
	Units	\$M
Wiesbaden, GE	76	32.0
Wiesbaden, GE	47	20.0
Wiesbaden, GE	103	43.0
Wiesbaden, GE	100	38.0
Totals	326	133.0

Army Family Housing Privatization

RESIDENTIAL COMMUNITIES INITIATIVES



ARMY FAMILY HOUSING PRIVATIZATION

	FY06
Units	4,497
Fort Riley, KS	3,514
White Sands Missile Range, NM	315
Fort Campbell, KY (Increment)	200
Fort Irwin/Moffett, CA, Federal Airfield/ Parks Res Forces Tng Area, CA (Increment)	120
Carlisle Barracks, PA/Picatinny Arsenal, NJ	348

	FY07
Units	2,908
U.S. Military Academy, NY	964
Fort Lee, VA	1,324
Fort Drum, NY, Expansion	358
Fort Bliss, TX, Expansion	90
Fort Irwin, CA, Expansion	172

	FY08
Units	3,998
Fort Jackson, SC	1,162
Fort Sill, OK	1,415
Fort Wainwright, AK	1,421

	FY09
Units	230
Fort Greely, AK	126
Fort Wainwright, AK Expansion	104

_____ Base Realignment and Closure 2005



Photo: NASA

The Base Realignment and Closure 2005 budget provides for the award of 89 major construction projects, environmental compliance, and operation and maintenance costs resulting from BRAC actions. New facilities include training ranges, modern barracks, headquarters buildings, child development centers, medical clinics, maintenance facilities and a physical fitness training center.



Our Army is organized, manned, trained and equipped to conduct sustained campaigns on land to achieve national strategic objectives. We are uniquely suited to conducting expeditionary operations that require rapid deployment of our forces to hostile or challenging theaters. Our transformation and modernization efforts are focused to improve our capabilities in a variety of settings within the broader security environment. To meet the needs of the Nation and to adapt to the challenges our Soldiers will face, continued improvement of these capabilities is imperative.



Publication Information

- ❖ This booklet provides the highlights of the Army's Budget submitted to Congress as part of the President's Fiscal Year 2008/2009 Budget.
- ❖ Number totals on some charts may not add due to rounding.
- ❖ Questions concerning the source or interpretation of the information in this booklet may be directed to the **Army Budget Office (Budget Formulation Division), 703-692-5766 or DSN 222-5766.**
- ❖ This booklet will be available on the Assistant Secretary of the Army (Financial Management and Comptroller) Web site in February 2007, along with all the Army budget materials:

<http://www.asafm.army.mil/budget/fybm/fybm.asp>

- ❖ This document was published in electronic form only. Paper copies are not available.
-

Blank Page

Blank Page – Inside Back Cover

