

THE ARMY BUDGET REQUEST - FISCAL YEAR 2012

14 February 2011

Today, the Army announced the details of its budget request for Fiscal Year (FY) 2012, which covers the period from October 1, 2011, through September 30, 2012. The FY 2012 base budget request is \$144.9 billion. In addition, the Army requests \$71.1 billion in FY 2012 to support ongoing Overseas Contingency Operations (OCO).

With this budget, we have restored balance to our stressed force and now begin the transition to the force that will meet the demands of the second decade of the 21st century – the best manned, equipped, and trained force in our nation’s history.

The table below shows the Army’s FY2012 base and OCO budget requests compared to the FY 2011 base and OCO budget requests.

Appropriation Category (\$M)	FY11 Base Request	FY11 OCO Request	FY12 Base Request	FY12 OCO Request
Military Personnel	59,050	11,775	60,578	8,091
Operation and Maintenance	43,868	63,434	45,232	44,907
Procurement	21,333	8,935	22,149	2,194
RDTE	10,333	151	9,684	9
Military Construction	5,271	930	4,290	
Army Family Housing	611		682	
Base Realignment and Closure/HOA	1,103		301	
Army Working Capital Fund	55		101	54
Chemical Demilitarization	1,592		1,630	
Pass-Through Accounts	216	16,869	221	15,853
Totals	143,432	102,094	144,867	71,107

Numbers may not add due to rounding

The Army's FY 2012 Budget

Maintains Our Combat Edge and Sets Conditions for the Future

Through the support of Congress and the American people, we continue to focus on the imperatives we established four years ago. We must: **sustain** our Soldiers, Families, and Civilians with vital programs and services; **prepare** our Soldiers, units, and equipment for success in meeting global challenges and hybrid threats, **reset** our returning Soldiers, units, and equipment with a focus on training; and **transform** to improve our ability to meet the needs of combatant commanders and the Nation.

Sustain

- Provides \$1.7 billion for vital Soldier and Family programs that provide a full range of essential services, including The Army Campaign Plan for Health Promotion, Risk Reduction, and Suicide Prevention; Sexual Harassment / Assault Response and Prevention, and Comprehensive Soldier Fitness.
- Provides Soldiers with a 1.6% military basic pay raise, a 3.1% basic allowance for housing increase, and a 3.4% basic allowance for subsistence increase.
- Continues to fund the Residential Communities Initiatives program which provides quality, sustainable residential communities for Soldiers and their Families living on-post and continues to offset out-of-pocket housing expenses for those residing off-post.

Prepare

- Supports a permanent all volunteer force end strength of 547,400 for the Active Component, 358,200 for the National Guard, and 205,000 for the Army Reserve in the base budget. The Overseas Contingency Operations request supports a 22,000 Active Component temporary end-strength increase that will ramp down to 14,600.
- Includes \$2.1 billion in procurement for Joint and Combat Communications Systems, including the Joint Tactical Radio System (JTRS), and an additional \$1.5 billion in Tactical Wheeled Vehicle modernization funding.
- Provides over \$5.6 billion for the Army to implement training strategies in support of Full Spectrum Operations, designed to prepare units for any mission along the spectrum of conflict, i.e., to perform the fundamental aspects of offense, defense, and stability operations against hybrid threats in contemporary operational environments.

- Invests \$1.5 billion in 71 UH-60M/HH-60M Black Hawk helicopters representing a critical step in modernizing the utility helicopter fleet. Provides a digitized cockpit, new engine for improved lift and range, and wide-chord rotor blades.
- Provides \$1.4 billion to procure 32 new and 15 remanufactured CH-47 Chinook Helicopters equipped with a new airframe, Common Avionics Architecture System (CAAS), digital cockpit, and a digital advanced flight control system.

Reset

- Continues to support training and sustainment of redeployed Army forces including individual skills and leader training; combined arms training toward full spectrum operations, and adaptable, phased training based on the Army Force Generation (ARFORGEN) model.
- Provides \$4.4 billion to reset Army equipment through the Overseas Contingency Operations (OCO) request.

Transform

- Provides \$958 million in procurement and \$298 million in continued RDTE development of the Warfighter Information Network-Tactical (WIN-T). Advances the WIN-T program to become the cornerstone tactical communications system, providing a single integrating framework for the Army's battlefield networks.
- Continues support for Combat Vehicle Modernization by investing \$1.6 billion for the procurement of Unmanned Aerial Vehicles, Unmanned Ground Vehicles and the BCT Network.

Military Personnel

The size of the force plays a critical role in achieving balance. The FY 2012 President's Budget reflects end strengths of 547,400-Active Army, 358,200-Army National Guard, and 205,000-Army Reserve. In addition, a temporary end strength increase of 22,000, ramping down to 14,600, is funded in the OCO portion of the request. This temporary strength improves readiness by increasing manning in units and is a significant contributor to the Army's elimination of stop loss.

The FY 2012 base budget fully funds Active Component end strength and recruiting and retention incentives. The budget request continues to take care of Soldiers and Families by providing a 1.6% military pay increase in FY 2012, a 3.1% basic allowance for housing increase, and a 3.4% basic allowance for subsistence increase.

Operation and Maintenance

The Army's FY 2012 Operation and Maintenance budget provides funds to restore balance as the Army moves toward full spectrum operational capabilities in modular units. It supports a phased expeditionary cycle for units at various ARFORGEN readiness levels. It provides for:

- Recruitment and training of the All-Volunteer Force comprised of Soldiers, Families, and Civilians.
- Sustainment of the force through programs such as the Army Family Covenant, Comprehensive Soldier Fitness Program, and Warfighter and Family services.
- Readiness of the force through individual skills and leader training, Combined Arms Training toward full spectrum operations, and adaptable phased training based on ARFORGEN demands.
- Facilities and infrastructure by maintaining equipment and facilities at levels that provide a high quality of life and premier work environment.
- The FY 2012 budget increases funding for Active Component operating tempo (OPTEMPO) and related programs. This funding provides for:
 - Ground OPTEMPO (\$6,311M) – Collective training for non-deployed units in a rigorous program of tough, realistic combat training encompassing actual miles driven for Home Station Training and Combined Training Center rotations and virtual miles associated with simulator training. For the ground OPTEMPO program, the Army is introducing a new metric to replace the Tank Mile called the Full Spectrum Training Mile (FSTM) which is a composite average mile for key units and vehicles to measure training activity.
 - Flying Hour Program (\$1,531M) – Training for non-deployed combat aviation brigades in cockpits and simulators for individual crewmembers and units according to approved aviation training strategies, thereby implementing full spectrum operational readiness.
 - Combat Training Centers (\$1,877M) – Tough, realistic, combat training for Active and Reserve Component forces at the National Training Center, Joint Readiness Training Center, and Joint Multi-National Readiness Center. The Battle Command Training Program provides command and staff level exercises for corps and divisions.
 - Force Readiness Operations – Additional Battle Simulation Training Center staff training exercises for increased numbers of non-deployed units available for Home Station Training. Increases additional training range operational days at all installations and the associated transportation, training aids, devices, simulators, and simulations facilities.
 - Training and Education (\$1,844M)– Additional Professional Military Education training seats due to increased home station dwell time and availability of more Soldiers for professional development.

- Depot Maintenance Program (\$2,073M) – The baseline program, combined with Overseas Contingency Operations (OCO) funding, assures the timely availability of equipment, vehicles, aircraft, and weapon systems to support unit training, readiness, and preparedness for contingency operations.
- CyberSpace and Network Operations – Sustains cyber security and operations by continuing capability enhancements to LandWarNet; provides a computer network exploitation capability and tactical network communications to meet persistent demands.

Also included in the FY 2012 budget are increases for installation services and facilities support.

- Base Operations Support programs (\$9,255M) include Warfighter and Family programs, environmental programs, force protection, facilities operations, command support, human resources management, logistics services, community services, and audio-visual and base communication services.
- Sustainment, Restoration, and Modernization programs (\$3,370M) ensure Soldier and Family well-being by funding the maintenance and repair of facilities, including emergency repairs, plumbing, electrical, heating, air conditioning, and replacement of roofs. The FY 2012 budget funds sustainment at 90% of the DoD Facility Sustainment Model requirements and includes increases for the energy metering initiative and barracks modernization.

Administration and Service-wide Activities support all Army programs for the global-reach infrastructure. These operations require a combat support infrastructure that is based in the continental United States and provides real-time support to Active, National Guard, and Reserve units. The centralized infrastructure programs funded in the FY 2012 budget include:

- Army Headquarters Activities such as Army Contracting Command, Army Criminal Investigation Command, Army Audit Agency, Army Claims, Public Affairs and vital Army-wide telecommunications and information systems, as well as defense agency support from the Defense Finance and Accounting Service (DFAS) and the Defense Commissary Agency (DeCA).
- Support of Other Nations, fulfilling our commitment to the North Atlantic Treaty Organization (NATO).

FY 2012 funding also supports established Warfighter and Family programs. The well-being of our Soldiers, Families, and Civilians is inextricably linked to the Army's readiness. Several Army initiatives have been implemented and expanded to reinforce holistic fitness, mitigate stress, and build resiliency into the force. These prevention-focused initiatives include the Army Campaign Plan for Health Promotion, Risk Reduction, and Suicide Prevention; the Comprehensive Soldier Fitness (CSF) program, and the Sexual Harassment/Assault Response and Prevention (SHARP) program. The Army's well-being programs and family support systems are synchronized with rotation schedules and optimized to support units in all cycles of ARFORGEN.

The Army is Executive Agent for three Combatant Commands: U.S. European Command, U.S. Africa Command, and U.S. Southern Command. FY 2012 funding supports the commands' primary missions of conducting theater engagements, building partner capacity, and promoting stability within their areas of responsibility.

Research, Development and Acquisition

The Army RDA request for FY12 supports the development and fielding of a versatile and affordable mix of equipment to allow Soldiers and units to succeed in both today's and tomorrow's full spectrum operations. Our critical programs increase survivability and information sharing/processing through efforts such as the Ground Combat Vehicle (GCV), Warfighter Information Network –Tactical (WIN-T), Joint Tactical Radio System (JTRS), Distributed Common Ground System-Army (DCGS-A), Paladin Integrated Management (PIM) and Kiowa Warrior.

The Army's FY 2012 request includes funding for the following Procurement and RDT&E programs:

- Modernization of the UH-60 (Black Hawk), CH-47 (Chinook), and AH-64 (Apache) helicopters. The Black Hawk request includes \$1,525M to procure 47 UH-60M (utility mission) and 24 HH-60M (medical mission) helicopters. The M model provides a digitized cockpit, new engine for improved lift and range, and wide-chord rotor blades. The Chinook and Apache requests are combinations of new procurement and upgrade efforts. The Chinook request of \$1,360M procures 32 new F-model aircraft while remanufacturing 15 more. Improvements include a loading system to enable rapid reconfiguration from cargo to passenger missions. The Apache request focuses on two levels of modernization, with \$708M to buy 19 remanufactured Apache Block III aircraft and \$331M to upgrade existing aircraft to Block II models.
- Procurement of 36 MQ-1 Gray Eagle Unmanned Aerial System (\$659M). The MQ-1 proved its worth in Operation Iraqi Freedom as part of a quick reaction team comprised of pre-production aircraft. The FY 2012 budget funds full rate production of aircraft, 18 ground control stations, and associated equipment for three companies. At end-state, the Army will have 17 Gray Eagle companies that will provide a real-time capability to conduct long-dwell, wide-area reconnaissance, surveillance, target acquisition, communications relay, and attack missions.
- The Army's Combat Vehicle Modernization Strategy represents a holistic approach to the development of the Ground Combat Vehicle (GCV), replacement of the M113 family of vehicles and the incremental modernization of the Bradley, Abrams, Paladin, and Stryker. Modernization imperatives across the fleet include improved protection, mobility and sustainment, mitigation of existing Space, Weight and Power (SWaP) shortfalls and network integration.
- The Army's Ground Combat Vehicle (\$884M), focuses on the "Big 4" imperatives: Soldier protection, Soldier capacity, full spectrum operations, and timing. Modular armor will allow commanders the option to add or adjust vehicle protection armor

based on the threat environment. The GCV will be designed with the capacity for SWaP growth to incorporate future technologies as they mature.

- Modernization is focused on achieving a two-variant standard Abrams Tank: the M1A1 Situational Awareness (SA) and, the M1A2 System Enhancement Program (SEP) v2. Upgrades and modifications provide enhanced situational awareness and increased force protection. The \$350M request procures 21 M1A2SEPV2 upgraded vehicles (\$189M). The funding also allows for the continued production of Total Integrated Engine Revitalization improvements and system training devices (\$161M). The request allows the Army to maintain the armor facility at a sustainable level and minimizes the loss of skilled labor.
- The \$251M request for Bradley Fighting Vehicle (BFV) (M2A2 Operation Desert Storm (ODS)) procures 108 Situational Awareness (SA) kits for two Army National Guard Combined Arms Battalions. ODS SA kits provide greater lethality, survivability, and sustainability.
- Paladin Integrated Management (PIM) is the Army's fire support modernization effort for the Paladin howitzer and Field Artillery Ammunition Supply Vehicle (FAASV) platforms to address obsolescence and sustainment resulting in an upgraded firing platform. Paladin PIM replaces the current M109A6 Paladin and M992A2 FAASV with a more robust platform incorporating Bradley common drive train and suspension components.
- The \$786M requested for Stryker procures 100 Nuclear, Biological, Chemical Reconnaissance Vehicles (NBCRV) and Survivability Enhancements which include: slat rocket propelled grenade protection, Common Ballistic Shield, CREW A kits, Blue Force Tracking, driver enhancement, and Mine Protection Kits.
- Additional Brigade Combat Team capabilities (\$682.7M) include incrementally fielding packages to modernize the network and take advantage of technology upgrades.
- Procurement and Modernization of proven air defense and precision strike missile systems. The budget requests \$662M to procure 88 Patriot Advanced Capability-3 (PAC-3) missiles and provide system upgrades, including improvements to the tactical command system. The budget also requests funding for combat proven precision strike missile systems, most notably the Guided Multiple Launch Rocket System, (2,784 missiles, \$314M), the Javelin Missile System, (710 missiles, \$161M) and the Tube-Launched, Optically Tracked, Wire-Guided (TOW) 2 System, (802 missiles, \$82M).
- Family of Medium/Heavy Tactical Vehicles (FMTV/FHTV). The FY 2012 budget requests \$433M for a total of 2,290 Trucks and Trailers within the Family of Medium Tactical Vehicles. The heavy truck request of \$627M supports 7,928 trucks, trailers, and other systems within the Family of Heavy Tactical Vehicles.
- Warfighter Information Network – Tactical (WIN-T). WIN-T is the cornerstone tactical communications system, providing a single integrating framework for the Army's battlefield network. It will provide the hardware and programming to enable the Brigade Combat Team (BCT) Modernization Network to be truly a system of

systems network. The \$974M procurement request for WIN-T enables interoperability between the currently fielded Increment 1 (networking at the halt) and Increment 2 (initial networking on the move). The request also supports purchase of Network Centric Warfare Modems and Low Rate Initial Production quantities to support test activities. The Army anticipates reaping benefits from these investments in 2012 as WIN-T systems deploy with BCTs. The request also continues modernization for communications at the unit and Soldier levels with \$775M for the Joint Tactical Radio System. This request supports purchase of 471-four Channel Ground Mobile Radios as well as 266 Airborne and Maritime/Fixed Station radios, 3,500 two channel Manpack radios and 8,680 AN/PRC-154 Rifleman radios.

The budget includes \$2.3 billion for the Science and Technology program to develop technology relevant to both the Army and the Joint Team. The Science and Technology program leverages the work of other services, defense agencies, private industry, and the international community. By synchronizing operational concept development with transformational business practices, we can field technology to Soldiers faster. This investment strategy enables the pursuit of technologies that will enhance future force capabilities and ensure flexibility to develop solutions that are responsive to changing warfighter needs.

The Army's Top Ten RDA Projects by total dollar value are shown in the table.

Project	(\$M)
UH-60 Black Hawk Helicopter	1,525
CH-47 Chinook Helicopter	1,360
AH-64 Apache Helicopter	1,039
Warfighter Information Network-Tactical	974
Ground Combat Vehicle	884
Stryker Vehicle and Survivability Enhancements	786
Joint Tactical Radio System	775
Patriot (PAC-3 and Medium Extended Air Defense System)	662
MQ-1 Gray Eagle Extended Range Multi-Purpose Unmanned Aerial System	659
Enhanced Medium Reconnaissance and Surveillance System	540

Military Construction and Army Family Housing

The FY 2012 Military Construction budget provides new and renovated military facilities for the Active and Reserve Components. The FY 2012 Army Family Housing request funds the Department's goal of providing fully adequate housing to improve the well-being of Soldiers and Families.

The Military Construction FY 2012 budget request is \$4.3 billion. This program focuses on improving living conditions and support facilities for Soldiers and their Families, and synchronizes quality of life investments with Army transformation.

This request funds the Army's most critical facility needs for the following Army initiatives: Transformation to a Modular Force, Modernization, Training Support, Grow the Force, and Strategic Readiness. Within these initiatives are projects required to support unit stationing actions associated with the Global Defense Posture Realignment, as well as creation of the thirteenth Active Component (AC) Combat Aviation Brigade (CAB). Other investment priorities include the buy-out of the Army's inventory of inadequate Permanent Party and Training Barracks.

The Army has completed its scheduled transfer of Army-owned assets as part of the Residential Communities Initiative (RCI) at 44 locations in the U.S. This represents a transfer of 98% of the Army-owned inventory in the U.S. The end-state privatized inventory is expected to reach over 85,000 homes which includes additional housing constructed by the RCI partners.

FY 2012 request includes new construction of 128 Family housing units in support of existing housing requirements in Germany. Construction is planned at Grafenwoehr (26 units), Vilseck (22 units) and Illesheim (80 units). In addition, the Army plans to acquire 10 acres of land in Brussels, Belgium for seven general/flag officer quarters to eliminate more costly leasing arrangements.

This request also includes necessary revitalization of 276 Family housing units. These improvements are planned at Baumholder (72 units) and two projects at Illesheim (204 units).

The Army Family Housing Operations budget supports the operation, maintenance, and oversight of homes in the United States and overseas. The FY 2012 budget provides funding for 16,066 Army-owned, 7,717 leased, and 85,424 privatized homes.

Base Realignment and Closure (BRAC)

BRAC 2005 legislation closes 13 Active Army installations, 387 Reserve Component installations, and eight leased facilities by September 15, 2011. The FY 2012 budget request of \$0.3 billion funds caretaking and environmental restoration at all remaining BRAC properties. Caretaking will maintain real property assets at levels to protect against degradation during transition. The FY 2012 budget request also resources ongoing environmental actions at closing installations from prior BRAC rounds.