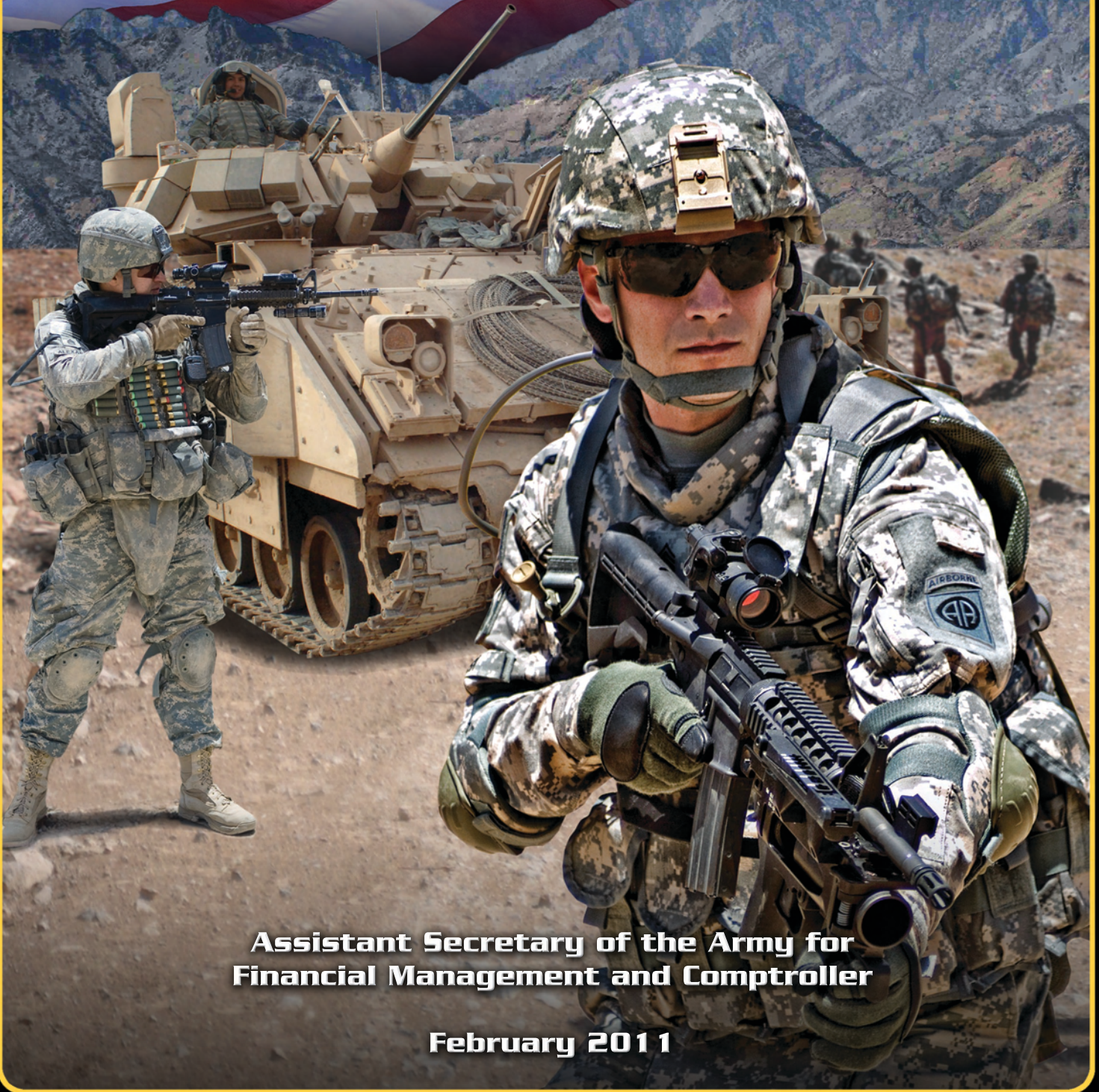




U.S. ARMY

FY 2012 President's Budget Highlights



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

February 2011

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FY 2012 President's Budget Highlights

Assistant Secretary of the Army
(Financial Management and Comptroller)

February 2011

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Our Strategic Goals

The United States Army remains the best led, best trained, and best equipped ground force in the world. In 2010, the Army accomplished the change of mission from Operation Iraqi Freedom to Operation New Dawn, made possible by the extraordinary determination, hard work, and sacrifice of American Soldiers, their Families, and the Civilian Workforce. We implemented the President's guidance to surge additional forces to Afghanistan to defeat the al-Qaeda terrorist network and Taliban insurgency concurrent with the transfer of over 80% of bases in Iraq to Iraqi authorities.



Overwatch in Afghanistan

By the beginning of FY 2012, we anticipate restored balance along with a sustainable deployment tempo for Army forces. In the coming years, our Army will be challenged with maintaining our combat edge in order to ensure National Security in an austere economic climate. Through the support of Congress and the American people, we will continue our 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.
- ❖ **Transform** to improve our ability to meet the needs of combatant commanders and the Nation.

The Army budget for FY 2012 demonstrates stewardship of our taxpayers' dollars by focusing on quicker adaptation to threats, updating our processes, and remaining committed to the long-term readiness, health, and well-being of our Soldiers, Families, and Civilian Workforce enabling us to succeed in Iraq and Afghanistan and set conditions for the future.



Budget Overview

The FY 2012 base budget supports the Army in an era of persistent conflict while maintaining a combat edge, reconstituting the force, and building resilience for the long haul.

The FY 2012 Budget Provides For:

- ❖ Active Army end strength of 547,400
- ❖ Army National Guard end strength of 358,200
- ❖ Army Reserve end strength of 205,000
- ❖ Military pay raise of 1.6%
- ❖ Basic allowance for housing increase of 3.1%
- ❖ Subsistence increase of 3.4%
- ❖ Quality of Life services for Soldiers and Families
- ❖ Training and sustainment of Army forces
- ❖ Combat Vehicle Modernization
- ❖ Facilities to support re-stationing of Army forces

The Total Army



Total Army Components

The components of the Army—Active, Reserve, and Civilian—are the Strength of the Nation.

- ❖ The Active Component's **547,400** Soldiers comprise 49% of the Total Army's military force and provide forces capable of responding quickly across the spectrum of conflict. They represent the Nation's dominant landpower response.
- ❖ The Reserve Component's **563,200** Soldiers—Army National Guard and Army Reserve—comprise 51% of the Total Army's military force. They fulfill vital national defense and homeland civil support roles and provide operational flexibility to the Active Component in responding to National Security threats.
- ❖ The Civilian Component's **257,360** full-time equivalents serve the Nation by providing expertise and continuity at home and abroad.



FY 12 Army Total Obligation Authority

DEPARTMENT OF THE ARMY TOA (\$M)

Appropriation	FY11 Base* Request	FY 12 Base Request
Military Personnel	53,994	55,606
Military Personnel, Army	41,972	43,597
Military Personnel, Army National Guard	7,624	7,623
Military Personnel, Army Reserve	4,397	4,386
Medicare-Eligible Retiree Health Care Fund	5,057	4,972
Medicare-Eligible Retiree Health Care Fund, Army	3,079	3,030
Medicare-Eligible Retiree Health Care Fund, Army National Guard	1,262	1,238
Medicare-Eligible Retiree Health Care Fund, Army Reserve	716	704
Operation and Maintenance	43,424	44,886
Operation and Maintenance, Army	33,972	34,735
Operation and Maintenance, Army National Guard	6,573	7,041
Operation and Maintenance, Army Reserve	2,879	3,109
Environmental Restoration	445	346
Procurement	21,333	22,149
Aircraft	5,977	7,061
Missiles	1,887	1,479
Weapons and Tracked Combat Vehicles	1,724	1,934
Ammunition	1,979	1,993
Other Procurement	9,766	9,683
Research, Development, Test, and Evaluation	10,333	9,684
Military Construction	5,271	4,290
Military Construction, Army	4,079	3,236
Military Construction, Army National Guard	874	774
Military Construction, Army Reserve	318	280
Army Family Housing	611	682
Operation	518	495
Construction	93	187
Base Realignment and Closure/Homeowners Assistance	1,103	301
Chemical Demilitarization	1,592	1,630
Army Working Capital Fund	55	101
Joint Improvised Explosive Device Defeat Fund	216	221
Totals	143,432	144,867

Numbers may not add due to rounding.

* At press time, the Army was operating under a Continuing Resolution (CR) in the absence of a National Defense Appropriations Act.

The Civilian Component



Corps of Engineers Civilian Project Manager

Civilian full-time equivalents represent the Department's Civilian Workforce necessary to accomplish the multitude of world-wide defense missions in support of the military forces. The FY 2012 request provides for increases in the following programs:

❖ Defense Health Program	6,194
❖ Acquisition Workforce	992
❖ Intelligence Program	280
❖ Combatant Command Missions	33

These increases are offset by FTE reductions for the Joint Forces Command (-8) and the directed civilian manpower freeze at FY 2010 levels (-9,829).

No civilian pay increase is budgeted for FY 2012.

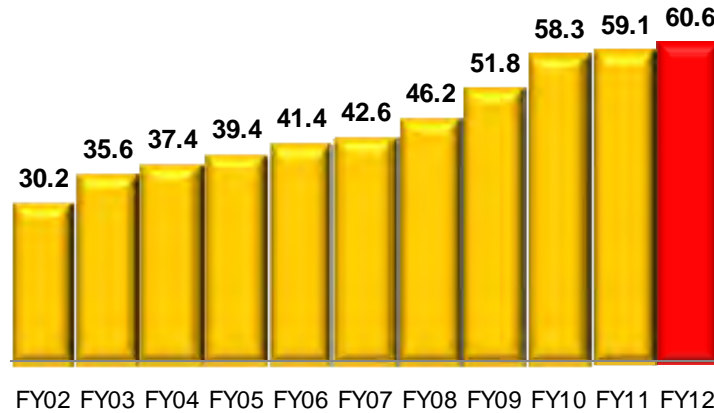
CIVILIAN PERSONNEL FULL TIME EQUIVALENTS

Appropriation	FY12
Operation and Maintenance	209,098
Active Army	168,555
Army Reserve	11,868
Army National Guard	28,675
Research, Development, Test, and Evaluation	18,240
Military Construction, Army	6,003
Army Family Housing	702
Army Working Capital Fund	23,317
Totals	257,360

Military Personnel

PEOPLE: OUR MOST VALUABLE RESOURCE

Budget Request (\$B)



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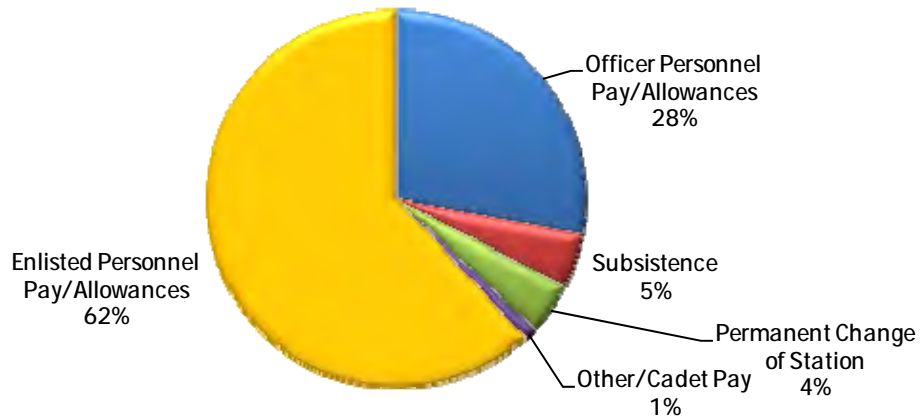
The FY 2012 Budget Request

- ❖ Emphasizes manning the force, taking care of Soldiers and Families, and sustaining the quality of Army personnel
- ❖ Funds permanent Active Component end strength of 547,400, National Guard end strength of 358,200, and Army Reserve end strength of 205,000
- ❖ Provides a 1.6% military basic pay raise, a 3.1% basic allowance for housing increase, and a 3.4% basic allowance for subsistence increase
- ❖ Offsets out-of-pocket housing expenses for Soldiers and Families residing off post
- ❖ Supports the Residential Communities Initiative program, which provides quality, sustainable residential communities for Soldiers and their Families



Military Personnel

Active Army



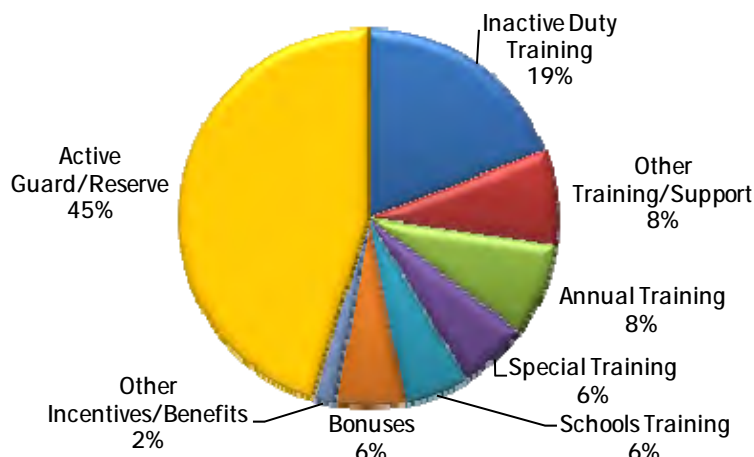
The Military Personnel, Army, budget sustains the All-Volunteer Force by providing Active Component basic and special pays, retired pay accrual, allowances for subsistence (rations) and housing, recruiting and retention incentives, permanent change of station moves, death gratuities, unemployment compensation benefits, and ROTC and West Point cadet stipends. This budget provides funds to help meet Army manning goals by providing the right number of high quality Soldiers in the appropriate grades and skills to satisfy force structure requirements.

MILITARY PERSONNEL, ARMY TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Officer Personnel Pay and Allowances	11,574	12,199
Enlisted Personnel Pay and Allowances	25,967	26,945
Subsistence of Enlisted Personnel	2,113	2,074
Permanent Change of Station	1,777	1,852
Other Personnel Costs	466	451
Cadet Pay and Allowances	75	76
Totals	41,972	43,597
<i>Medicare-Eligible Retiree Health Care Fund</i>	<i>3,079</i>	<i>3,030</i>

Military Personnel

Army National Guard



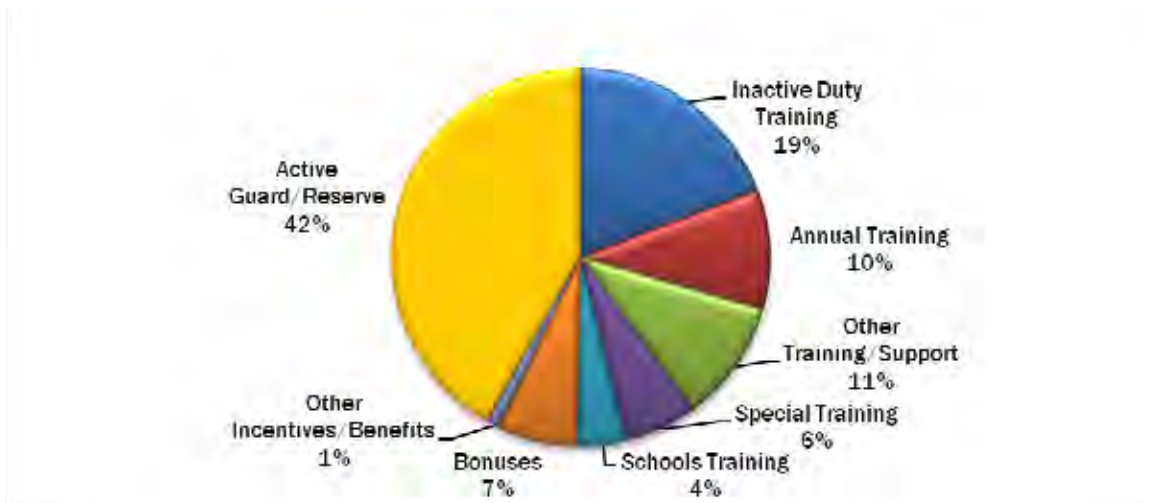
The National Guard Personnel, Army, budget supports training that promotes Army National Guard individual and collective readiness. The budget funds pay and allowances for full-time support Active Guard and Reserve and part-time Guard Soldiers performing duty in several training categories including Inactive Duty Training (Drills), Annual Training, Active Duty for Training, as well as Active Duty for Operational Support. Other incentives and benefits include retirement bonuses, death gratuities, disability and hospitalization, and education benefits.

NATIONAL GUARD PERSONNEL, ARMY TOA (\$M)

Category	FY11	FY12
	Base Request	Base Request
Active Guard/Reserve	3,234	3,441
Inactive Duty Training	1,360	1,463
Annual Training	651	614
Special Training	535	448
Schools Training	578	428
Bonuses	555	457
Other Training/Support	582	620
Other Incentives/Benefits	129	152
Totals	7,624	7,623
<i>Medicare-Eligible Retiree Health Care Fund</i>	<i>1,262</i>	<i>1,238</i>

Military Personnel

Army Reserve



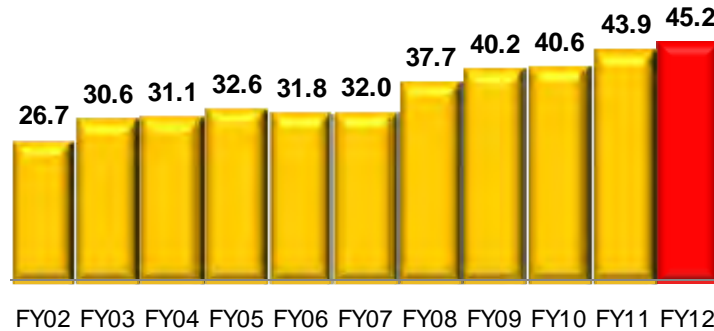
The Reserve Personnel, Army, budget supports training that promotes Army Reserve individual and collective readiness. The budget funds pay and allowances for full-time support Active Guard and Reserve and part-time Reserve Soldiers performing duty in several training categories including Inactive Duty Training (Drills), Annual Training, and Active Duty for Training, as well as Active Duty for Operational Support. Other incentives and benefits include retirement bonuses, death gratuities, disability and hospitalization, and education benefits.

RESERVE PERSONNEL, ARMY TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Active Guard/Reserve	1,747	1,832
Inactive Duty Training	782	843
Annual Training	319	451
Special Training	293	271
Schools Training	177	187
Bonuses	375	297
Other Training/Support	638	456
Other Incentives/Benefits	66	49
Totals	4,397	4,386
<i>Medicare-Eligible Retiree Health Care Fund</i>	<i>716</i>	<i>704</i>

Operation and Maintenance

Budget Request (\$B)



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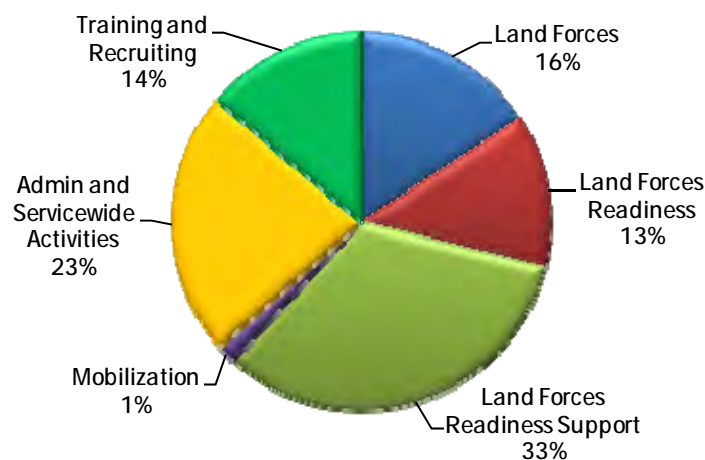
The FY 2012 Budget Request Supports

- ❖ Recruiting and training the All-Volunteer Force
- ❖ Sustaining the Force
 - ◆ Army Family Covenant
 - ◆ Comprehensive Soldier Fitness Program
 - ◆ Warfighter and Family Services
- ❖ Force structure defined by brigade combat teams, multi-functional support brigades, and functional support brigades
- ❖ Readiness
 - ◆ Individual skills and Leader Training
 - ◆ Combined Arms Training for Full Spectrum Operations
 - ◆ Adaptable, phased training based on Army Force Generation process
- ❖ Administration and Servicewide Activities
 - ◆ Information, security, institutional processes, and enterprise systems
- ❖ Facilities, Infrastructure, and Environmental Restoration
 - ◆ Quality of Life, municipal services
- ❖ Initial implementation of Secretary of Defense guidance on improving effectiveness and efficiency of business operations



Operation and Maintenance

Active Army



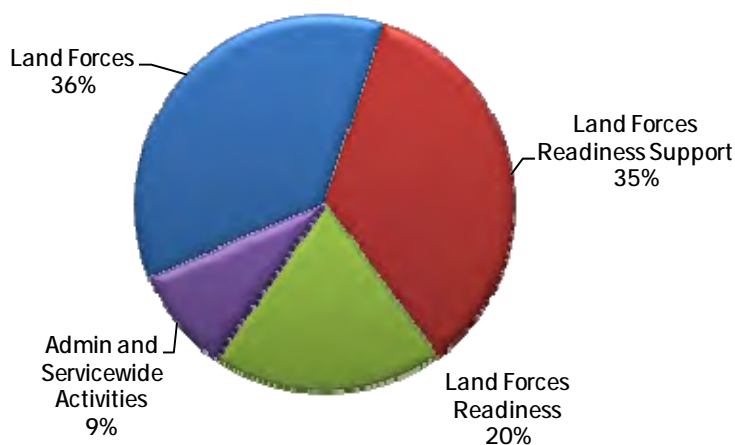
The Active Army Operation and Maintenance budget provides funding to restore balance and support a versatile mix of tailorable and networked organizations operating on a rotational cycle. Funding supports readiness, strategic mobilization, recruitment, and sustainment of the Force through adaptive unit, individual, and leader training, and Family programs. Family programs intended to mitigate stress and build resilience into the force include initiatives such as the Army Campaign Plan for Health Promotion, Risk Reduction and Suicide Prevention; Sexual Harassment/ Assault Response and Prevention; and Comprehensive Soldier Fitness. With fewer forces deployed, the base budget provides for increased home station training and depot maintenance. The Army realigned efficiency savings from administrative and sustainment activities such as recruiting and retention and service support contracts into readiness programs.

OPERATION AND MAINTENANCE, ARMY TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Operating Forces	20,161	21,322
Land Forces	5,067	5,579
Land Forces Readiness	4,007	4,582
Land Forces Readiness Support	11,087	11,611
Mobilization	441	567
Training and Recruiting	5,069	4,873
Accession Training	747	651
Basic Skill and Advanced Training	2,987	2,929
Recruiting/Other Training and Education	1,335	1,294
Admin and Servicewide Activities	8,301	7,973
Security Programs	1,030	995
Logistics Operations	2,197	2,172
Servicewide Support	4,592	4,333
Support of Other Nations	482	474
Totals	33,972	34,735

Operation and Maintenance

Army National Guard



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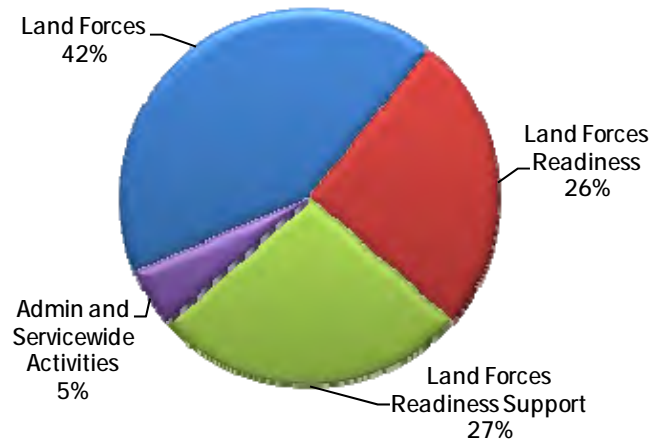
The Army National Guard Operation and Maintenance budget provides funding for day-to-day operations, readiness, administration, logistics, communications, and recruiting activities of Army National Guard units across the nation. It includes funding for transforming the National Guard structure to a more flexible brigade-centric and modular force designed to enhance National Guard capabilities to respond to current and future operational mission requirements. Funding for Weapons of Mass Destruction-Civil Support Teams is also provided for in this budget.

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

Category	FY11	FY12
	Base Request	Base Request
Operating Forces	5,875	6,419
Land Forces	2,706	2,577
Land Forces Readiness	1,073	1,403
Land Forces Readiness Support	2,096	2,439
Admin and Servicewide Activities	698	622
Recruiting and Advertising	440	383
Administration	184	179
Servicewide Communications	48	42
Servicewide Transportation	18	11
Manpower Management	8	7
Totals	6,573	7,041

Operation and Maintenance

Army Reserve



The Army Reserve Operation and Maintenance budget provides funding for operational, logistical, administrative, maintenance, and management support for the Army Reserve. Additionally, the budget provides for installation management, maintenance of real property, records management, and personnel support to retirees, veterans and their Families. The FY 2012 budget continues the Army's plan to transform the Army Reserve from a strategic reserve to an operational force of skill-rich capabilities. This budget also supports the rebalance of Army Reserve force structure to meet the Army's Combat Support and Combat Service Support rotational demands.

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

Category	FY11	FY12
	Base Request	Base Request
Operating Forces	2,717	2,952
Land Forces	1,269	1,314
Land Forces Readiness	636	792
Land Forces Readiness Support	812	846
Admin and Servicewide Activities	162	157
Totals	2,879	3,109

Research, Development and Acquisition

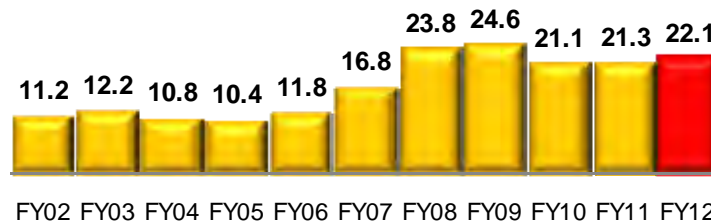


Overview

In FY 2012, the Army institutionalized the Army Force Generation (ARFORGEN) cycle, enabling an equipping strategy focused on readiness status. Coupled with the Capability Portfolio Reviews, the Army was able to develop and integrate an affordable modernization strategy. This allows us to enhance Soldier and unit capabilities as we successfully engage in the current fight yet remain committed to the future force as reflected in the research, development and acquisition highlights below:

- ❖ Procures UH-60M/HH-60M Black Hawk Helicopters (\$1,525 million for 71 helicopters), a strong step in modernizing the utility helicopter fleet. Provides a digitized cockpit, new engine for improved lift and range, and wide-chord rotor blades.
- ❖ Procures CH-47F Chinook Helicopters (\$1,360 million for 47 aircraft). Modernization provides a new airframe, Common Avionics Architecture System, digital cockpit, and digital advanced flight control system.
- ❖ Supports procurement (\$974 million) and continued development (\$298 million in RDTE) of the Warfighter Information Network-Tactical (WIN-T). Advances the program for WIN-T to become the cornerstone tactical communications system, providing a single integrating framework for the Army's battlefield networks.
- ❖ Procures Stryker Combat Vehicles (\$733 million for 100 NBC Recon Vehicles) and adds critical force protection enhancements (\$53 million).
- ❖ Invests \$1,160 million in the Combat Vehicle Modernization program to include development of the Ground Combat Vehicle and Armored Multi-Purpose Vehicle, and enhancements to the Stryker Modernization Family of Vehicles, Bradley, Paladin Integrated Management, and Abrams M1A2.
- ❖ Procures Patriot missiles (\$662 million for 88 Patriot Advanced Capability-3 ground-to-air missiles) to provide enhanced protection for joint and coalition forces.

Budget Request (\$B)



Summary

The FY 2012 procurement request continues to enhance the Army’s warfighting and support capabilities with significant investments in Combat Vehicle Modernization; aviation; intelligence, surveillance, and reconnaissance (ISR); and tactical wheeled vehicle programs. Brigade Combat Teams continue to be the basis of our force structure, moving forward to more agile modular formations and incorporating lessons learned from operations in Iraq and Afghanistan. We are adding capabilities to the BCT, including unattended ground sensors, unmanned ground and aerial vehicles – all connected by a System of Systems network. These efforts support the current needs of our warfighting force while laying the foundation for the force of the future.

Actionable ISR capabilities are critical to current operations, and will be enhanced by funding unmanned aerial vehicles, primarily the MQ-1 Gray Eagle.

Investment in the Army’s primary utility, cargo, and attack helicopters – the UH-60 Black Hawk, CH-47 Chinook, and AH-64 Apache – ensures their continued capabilities. The request provides funds to begin equipping the thirteenth Active Component Combat Aviation Brigade, and also procures additional light utility helicopters, the UH-72 Lakota.

The request funds procurement of medium and heavy tactical trucks and trailers – the vehicles that move, supply, and support our combat formations – and will continue our Family of Heavy Tactical Vehicles/Family of Medium Tactical Vehicles modernization efforts. The request sustains modernization of air and missile defense (Patriot) and battle command, control and communications (Warfighter Information Network-Tactical) systems. It also continues modifications of key warfighting platforms, including the M1 Abrams Tank, M2 Bradley Fighting Vehicle, and Stryker.

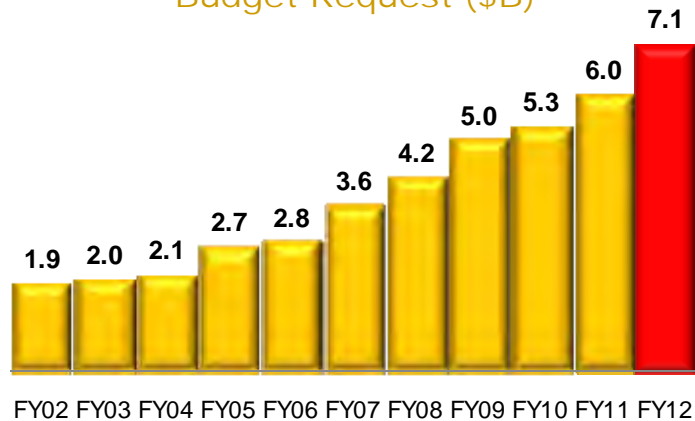
PROCUREMENT TOA (\$M)		
Appropriation	FY11	FY12
	Base Request	Base Request
Aircraft	5,977	7,061
Missiles	1,887	1,479
Weapons and Tracked Combat Vehicles	1,724	1,934
Ammunition	1,979	1,993
Other Procurement	9,766	9,683
Totals	21,333	22,149

Aircraft



AH-64 Apache Helicopter

Budget Request (\$B)



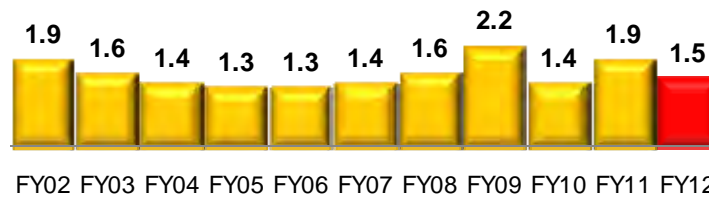
AIRCRAFT TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Aircraft Procurement	3,931	5,128
UH-60 Black Hawk Helicopter	1,351	1,525
CH-47 Chinook Helicopter	1,159	1,360
AH-64 Apache Helicopter Block III	494	
AH-64 Apache Helicopter Block IIIA/B		708
Light Utility Helicopter	305	250
New Training Helicopter	9	
MQ-1 Gray Eagle Unmanned Aerial System	459	659
Brigade Combat Team UAV-Incr 1	44	
RQ-11 Raven	20	71
Aerial Common Sensor	90	540
Utility Fixed Wing Aircraft		15
Modifications	1,619	1,351
RQ-7 Unmanned Aerial Vehicle	505	
MQ-1 Unmanned Aerial System Payloads	100	136
Weaponization-Unmanned Aerial Systems	15	
CH-47 Chinook Helicopter (Multi-year Procurement)	66	80
AH-64 Apache Helicopter	394	331
Kiowa Warrior Helicopter	94	162
Utility Helicopter	63	81
Utility/Cargo Airplane	14	22
Global Air Traffic Management Roll-up	101	106
Airborne Avionics	219	
Guardrail	30	28
Multi-Sensor Airborne Reconnaissance	17	8
Aircraft Long Range	1	
Network and Mission Plan		139
Communications, Navigation Surveillance		133
Unmanned Aerial System Mods		126
Spares	7	
Support Equipment and Facilities	420	582
Totals	5,977	7,061



Multiple Launch Rocket System

Budget Request (\$B)



MISSILES TOA (\$M)

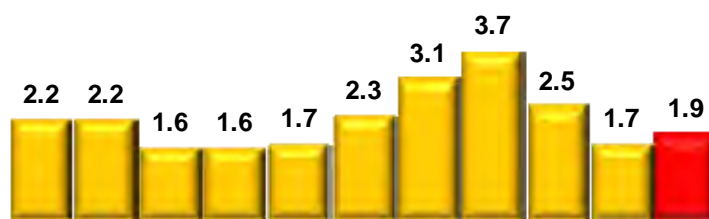
Category	FY11 Base Request	FY12 Base Request
Other Missiles	1,741	1,345
Patriot (Patriot Advanced Capability-3)	480	662
Patriot (Patriot Advanced Capability-3) Missile Segment Enhancement		75
Javelin Missile	164	161
Guided Multiple Launch Rocket System Rockets	291	314
High Mobility Artillery Rocket System	212	32
TOW-2 Missile	79	82
Hellfire Missile	32	1
Surface Launched AMRAAM System	117	
Brigade Combat Team Non Line of Sight Launch System	350	
Multiple Launch Rocket System Practice Rockets	16	18
Modification of Missiles	117	115
Patriot	57	67
Stinger		14
Improved Target Acquisition System for TOW	13	14
Multiple Launch Rocket System	8	8
High Mobility Artillery Rocket System	39	12
Spares and Repair Parts	20	9
Support Equipment and Facilities	9	10
Totals	1,887	1,479

Weapons and Tracked Combat Vehicles



M-1 Abrams Tank

Budget Request (\$B)



FY02 FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 FY12

WEAPONS AND TRACKED COMBAT VEHICLES TOA (\$M)

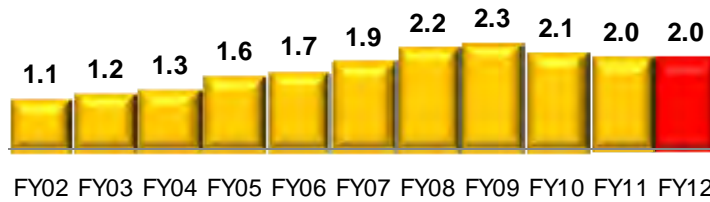
Category	FY11 Base Request	FY12 Base Request
Tracked Combat Vehicles	300	633
Stryker	300	633
Modifications: Tracked Combat Vehicles	1,113	879
Abrams Upgrade Program	183	181
M1 Abrams Tank	231	161
Stryker (MOD)	147	53
Bradley Program (MOD)	215	251
Improved Recovery Vehicle	70	10
Joint Assault Bridge	44	
Assault Breacher Vehicle	78	100
Fire Support Vehicle	31	44
M88 Family of Vehicles	9	32
M109A6 Howitzer, Paladin	105	47
Weapons and Other Combat Vehicles	206	189
M4 Carbine	20	35
M119 Howitzer, Light, Towed, 105mm	6	
Howitzer, Lightweight, 155mm		13
M2 Machine Gun, Cal .50, Roll	80	65
M240 Medium Machine Gun, 7.62mm	28	
M320 Grenade Launcher Module	16	12
Integrated Air Burst Weapon System Family		16
MK-19 Grenade Machine Gun, 40mm	5	
Mortar Systems	17	12
Shotgun, Modular Accessory System	7	7
M110 Semi-Automatic Sniper System	5	
Future Handgun System	3	
Lightweight .50 cal Machine Gun	19	29
Modifications: Wpns/Other Combat Veh	89	112
Support Equipment and Facilities	16	14
Spares and Repair Parts		107
Totals	1,724	1,934

Ammunition



155 mm Ammunition and Howitzer

Budget Request (\$B)



AMMUNITION TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Small and Medium Caliber	720	657
Artillery	221	253
Mortars	135	152
Rockets	165	147
Tank	123	106
Artillery Fuzes	25	
Mine/Countermine	72	46
Production Base Support	166	217
Ammunition Demilitarization	178	190
Miscellaneous	62	88
Other	112	137
Totals	1,979	1,993

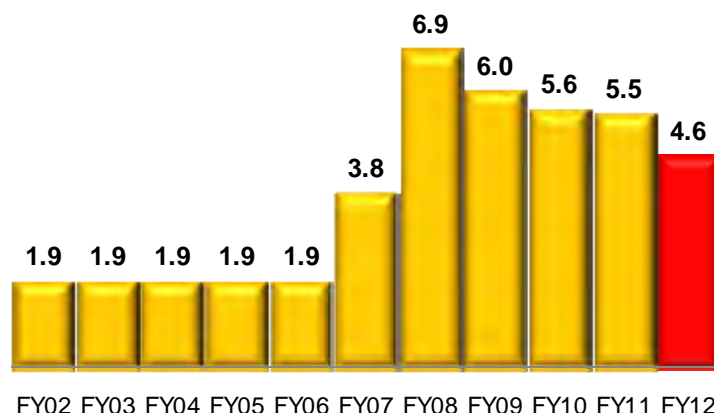
Other Procurement

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

Budget Request (\$B)



Medium Tactical Trucks

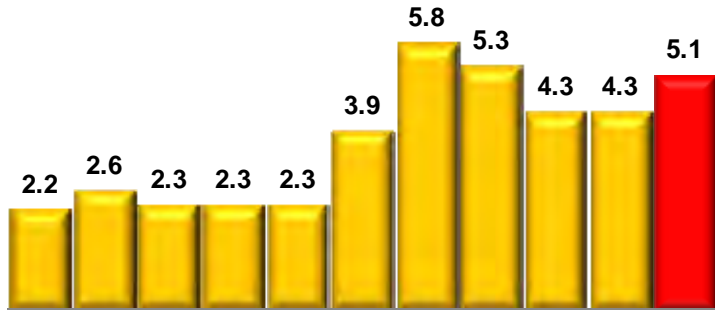


OTHER PROCUREMENT TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Tactical and Support Vehicles	2,585	2,314
HMMWV Recapitalization Program		162
Family of Medium Tactical Vehicles	918	433
Family of Heavy Tactical Vehicles	550	627
Armored Security Vehicles	114	
Modification of In-Service Equipment	349	363
All Other Vehicles and Trailers	629	709
Non-Tactical Vehicles	25	20
Other Support Equipment	2,924	2,265
Training Equipment	417	329
Construction Equipment	327	204
Bridging Equipment	168	127
Generators	114	32
Combat Service Support Equipment	376	425
Rail Float Containerization Equipment	249	234
Engineer Equipment (Non-Construction)	136	129
Material Handling Equipment	60	33
Test Measurement and Diagnostic Equipment	162	94
Smoke/Obscurants Systems	193	61
Petroleum Equipment	175	75
Medical Equipment	30	53
Maintenance Equipment	163	20
Water Equipment	4	
Other Support Equipment	350	449
Totals	5,509	4,579

Other Procurement

Budget Request (\$B)



FY02 FY03 FY04 FY05 FY06 FY07 FY08 FY09 FY10 FY11 FY12

Communication-Electronic/
Initial Spares

(OPA 2/4)



Warfighter Information Network-Tactical

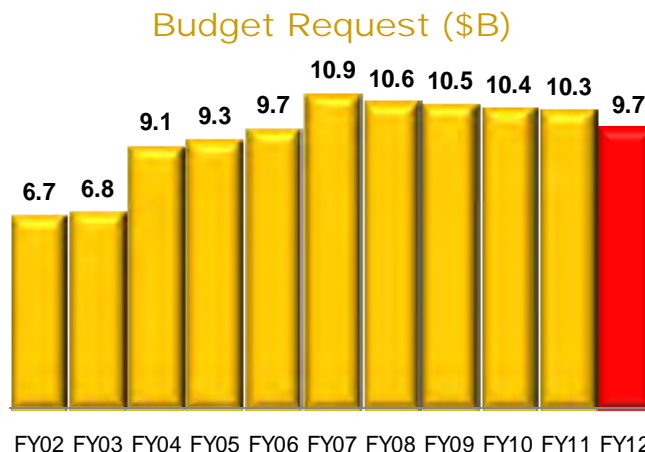
OTHER PROCUREMENT TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Communications	1,490	2,883
Base Communications	397	507
Satellite Communications	180	320
Joint Communications	438	989
Combat Communications	324	911
Information Security	89	52
Long Haul Communications	40	53
Command, Control Communications	20	19
Intel Communications	2	32
Electronic Equipment	2,728	2,199
Tactical Surveillance	1,147	753
Tactical Command and Control	604	535
Tactical Intelligence and Related Activities	284	271
Automation	417	333
Electronic Warfare	92	288
Audio-Visual Systems	7	18
Support	177	1
Spares and Repair Parts	39	22
Totals	4,257	5,104
OPA Totals	9,766	9,683

Research, Development, Test, & Evaluation



BCT Modernization



Summary

The FY 2012 RDTE budget supports continuing focus on the current force while pursuing long-term objectives, exploration, and research. The Army continues modernization of its ground combat equipment and support systems, and the development effort of the Ground Combat Vehicle (\$1,064 million) in FY 2012. The Army will also develop capability sets for Unmanned Common Mobility Platform, Armed Robotic Vehicle, Common Controller, and Network Integration Kits as part of the Brigade Combat Team modernization, Increment 2.

The Army continues its Science and Technology mission to foster invention, innovation, and demonstration of technologies to enable Future Force capabilities while exploiting opportunities to transition technology enabled capabilities to the Current Force. The Army has dedicated \$2,283 million to these efforts in FY 2012 with modest increases for the development of force protection technologies, in-house/laboratory/university basic research, infrared focal plane arrays, and armor materials.

The request also supports continuing development and demonstration activities for the Warfighter Information Network – Tactical, Gray Eagle, Raven, and Shadow Unmanned Aerial Vehicles, and the Extended Medium Altitude Reconnaissance and Surveillance System.

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

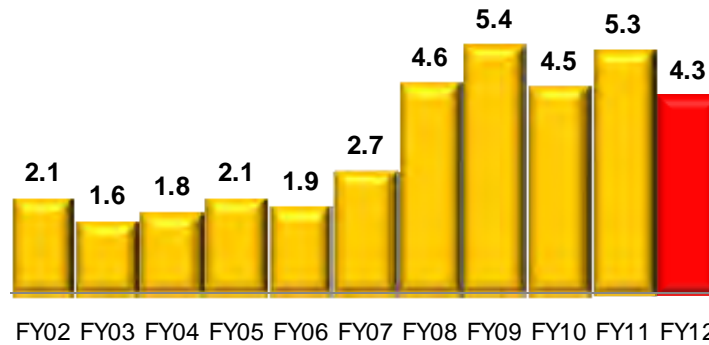
Category	FY11	FY12
	Base Request	Base Request
Basic Research	407	437
Applied Research	841	869
Advanced Technology Development	697	977
Advanced Component Development and Prototypes	746	753
System Development and Demonstration	5,022	4,191
Management Support	1,142	1,049
Operational Systems Development	1,478	1,408
Totals	10,333	9,684

Military Construction



Barracks at Fort Carson, CO

Budget Request (\$B)



The Military Construction budget continues to support facilities improvements across the Army, with focus on facilities in support of the Army's transformation to a brigade-centric, modular force, the growth of the Army, and whole barracks renewal. It also supports readiness by recapitalizing aging 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	FY11	FY12
	Base Request	Base Request
Active Army	4,079	3,236
Army National Guard	874	774
Army Reserve	318	280
Totals	5,271	4,290

Military Construction

MILITARY CONSTRUCTION, ARMY TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Grow the Army Military Construction	698	164
Replace Aging Facilities	845	1,418
Modularity	1,268	527
Planning and Design	250	255
Minor Construction	23	20
Barracks Initiative	749	512
Global Defense Posture	189	178
Improve Quality of Life	51	106
Other	6	56
Totals	4,079	3,236

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

Category	FY11 Base Request	FY12 Base Request
Grow the Army Military Construction	86	111
Replace Aging Facilities	374	253
Modularity	299	187
Planning and Design	26	21
Minor Construction	11	12
Barracks Initiative	55	43
New Mission	23	147
Totals	874	774

MILITARY CONSTRUCTION, ARMY RESERVE TOA (\$M)

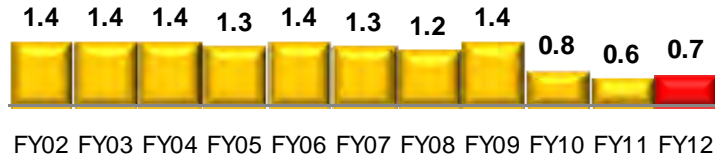
Category	FY11 Base Request	FY12 Base Request
Grow the Army Military Construction	212	
Replace Aging Facilities	77	232
Planning and Design	26	29
Minor Construction	3	3
Other		16
Totals	318	280

Army Family Housing



Family Housing
Fort Belvoir, VA

Budget Request (\$B)



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

The FY 2012 request includes overseas new construction of 128 family housing units in support of existing housing requirements. Construction is planned in Germany 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.

This request also includes funds for 276 family housing units requiring major improvements or revitalization. Major improvements are planned in Germany at Baumholder (72 units) and at Illesheim (204 units).

ARMY FAMILY HOUSING TOA (\$M)

Categories	FY11	FY12
	Base Request	Base Request
Construction	93	187
New/Replacement Construction	56	76
Improvement	35	103
Planning and Design	2	8
Operations	518	495
Operation and Utilities	167	159
Maintenance	123	106
Leasing	201	204
Privatization	27	26
Totals	611	682

Army Family Housing

28



Family Housing in Germany

ARMY FAMILY HOUSING NEW CONSTRUCTION

FY12	Location	Units
Germany	Grafenwoehr	26
Germany	Vilseck	22
Germany	Illesheim	80
Total		128

ARMY FAMILY HOUSING PRIVATIZATION IMPROVEMENT CONSTRUCTION

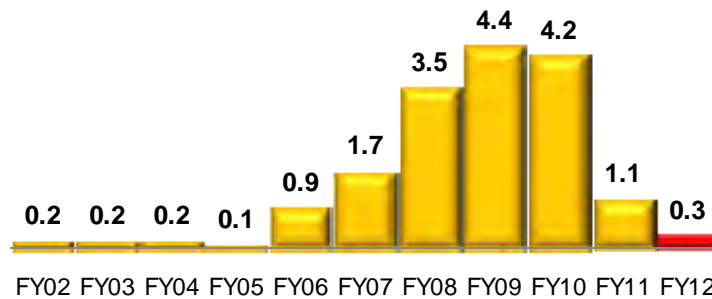
FY12	Location	Units
Germany	Baumholder	72
Germany	Illesheim	204
Total		276

Base Realignment and Closure



New headquarters building at Redstone Arsenal, AL

Budget Request (\$B)



The Army's BRAC FY 2012 budget request funds caretaking and environmental restoration functions at all remaining BRAC properties. Caretaking will maintain real property assets at levels to protect against degradation during transition. The BRAC FY 2012 budget request also resources ongoing environmental actions at closing installations from prior BRAC rounds.

BASE REALIGNMENT AND CLOSURE TOA (\$M)

Category	FY11 Base Request	FY12 Base Request
Base Realignment and Closure	1,086	300

Army Efficiency Goals



Military operations in Afghanistan

DoD Efficiency Goals

The Secretary of Defense set a goal for the Department of Defense to achieve overall efficiency savings of \$100 billion over the five years from FY12 through FY16.

- ❖ The Army achieved \$29.5 billion over the five years, with \$2.7 billion in FY12
- ❖ The Army will retain and reinvest realized savings in high priority projects
- ❖ The DoD objective is to achieve sufficient savings to allow investment in force structure and modernization programs

Examples of Army FY12 Planned Efficiencies and Investment Initiatives

Efficiencies	➔	Investment Initiatives
❖ Reorganizations and Better Business Practices \$1.0B		❖ Enhanced Readiness and Current Capabilities \$1.3B
❖ Program Reductions/Terminations \$1.3B		❖ Future Capabilities \$0.7B
❖ Reduced Lower Priority Programs \$0.4B		❖ Family Initiatives and Education Benefits \$0.6B
		❖ High Priority MILCON Projects \$0.1B
\$2.7B	Totals	\$2.7B





Department of the Army

Overseas Contingency Operations Request

FY 2012 Overseas Contingency Operations

The Army FY 2012 Overseas Contingency Operations (OCO) request of \$71.1 billion provides for continued support of military operations and force protection in Iraq and Afghanistan, and the costs to Reset the force. It includes \$15.9 billion in appropriations for which the Army is the executive agent: the Afghanistan Security Forces Fund, the Afghanistan Infrastructure Fund, and the Joint Improvised Explosive Device Defeat Fund.



Military operations in Afghanistan

Army deployed force structure will average approximately 80,000 Soldiers over FY 2012, reflecting a continued presence in Afghanistan and a withdrawal of all U.S. forces from Iraq by 31 December 2011. Decisions on the timing and specific units to redeploy from Iraq will be made and announced by the U.S. Central Command and United States Forces-Iraq commanders throughout 2011.

DEPARTMENT OF THE ARMY TOA (\$M)

Appropriation	FY11	FY12
	OCO Request	OCO Request
Military Personnel	11,775	7,974
Military Personnel, Army	10,678	7,105
Military Personnel, Army National Guard	828	662
Military Personnel, Army Reserve	268	207
Medicare-Eligible Retiree Health Care Fund		117
Operation and Maintenance	63,434	44,907
Operation and Maintenance, Army	62,603	44,302
Operation and Maintenance, Army National Guard	544	388
Operation and Maintenance, Army Reserve	287	218
Procurement	8,935	2,194
Aircraft	1,374	423
Missiles	344	127
Ammunition	703	208
Weapons and Tracked Combat Vehicles	688	37
Other Procurement	5,827	1,398
Research, Development, Test, and Evaluation	151	9
Military Construction	930	
Army Working Capital Fund		54
Afghanistan Security Forces Fund	11,619	12,800
Joint Improvised Explosive Device Defeat Fund	3,250	2,578
Afghanistan Infrastructure Fund		475
Iraq Security Forces Fund	2,000	
Totals	102,094	71,107

Numbers may not add due to rounding.

Military Personnel

The OCO request for the Military Personnel, Army, appropriation supports total base pay and allowances for an average 50,100 mobilized Reserve Component personnel (29,200 Army National Guard and 20,900 U.S. Army Reserve), special pays for all deployed Army forces, and subsistence-in-kind for deployed personnel. In addition, the request supports a 14,600 military end strength as we ramp down from the 22,000 temporary end strength increase in the Active Component. The additional end strength continues to support the manning of deploying and other priority units and to reduce personnel turbulence. As Executive Agent for Subsistence funding, this request supports all deployed forces.

The requests for the Reserve Component pay appropriations provide primarily for pre-mobilization training and support. The additional training days allow Army National Guard and Army Reserve personnel to become certified on the majority of required pre-deployment skills before they are mobilized, which maximizes the time they may be deployed — “boots on the ground” — within a 12-month mobilization period.

MILITARY PERSONNEL, ARMY TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Officer Personnel Pay and Allowances	2,260	1,400
Enlisted Personnel Pay and Allowances	5,572	3,650
Subsistence of Enlisted Personnel	2,201	1,461
Permanent Change of Station	198	110
Other Personnel Costs	447	484
Totals	10,678	7,105
<i>Medicare-Eligible Retiree Health Care Fund</i>		117

NATIONAL GUARD PERSONNEL, ARMY TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Pay Group A Training	232	139
Other Training	596	523
Totals	828	662

RESERVE PERSONNEL, ARMY TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Paid Drill Strength	104	77
Other Training	164	130
Totals	268	207

Operation and Maintenance

The Operation and Maintenance, Army, request supports military operations and sustainment for deployed Army forces, base camp and facilities support for all deployed U.S. forces, force protection, intelligence activities, and transportation to and from theater. It also provides for deployment support at Army mobilization stations and power projection sites, and post-deployment Reset maintenance and repair. The Reserve Component requests provide primarily for pre-mobilization training and support and medical readiness programs.

OPERATION AND MAINTENANCE, ARMY TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Operating Forces	56,778	37,886
Land Forces		5,046
Land Forces Readiness		4,255
Land Forces Readiness Support	56,778	28,585
Admin and Servicewide Activities	5,825	6,416
Security Programs	2,359	2,477
Logistics Operations	3,466	3,642
Servicewide Support		297
Totals	62,603	44,302

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

Category	FY11	FY12
	OCO Request	OCO Request
Operating Forces	544	388
Land Forces		221
Land Forces Readiness		110
Land Forces Readiness Support	544	57
Totals	544	388

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

Category	FY11	FY12
	OCO Request	OCO Request
Operating Forces	287	218
Land Forces		112
Land Forces Readiness		21
Land Forces Readiness Support	287	85
Totals	287	218

Research, Development, and Acquisition

The Research, Development, and Acquisition request funds critical force protection, intelligence, munitions, equipment, and Reset requirements. Major components include:

- ❖ Force Protection (non-intelligence related): \$939 million for aircraft survivability equipment, electronic countermeasures to improvised explosive devices and other force protection enhancements
- ❖ Reset: \$481 million to procure replacements for battle losses and washed-out equipment, and for recapitalization of equipment to higher standards, as needed
- ❖ Munitions: \$335 million for replenishment of ammunition, mortars, rockets, and Hellfire Missiles
- ❖ Intelligence Programs: \$244 million for equipment associated with surveillance and reconnaissance, such as the new and modified aircraft supporting the Extended Medium Altitude Reconnaissance and Surveillance System

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

Category	FY11	FY12
	OCO Request	OCO Request
Advanced Component Development and Prototypes	58	
System Development and Demonstration	13	
Operational Systems Development	80	
Management Support		9
Totals	151	9

PROCUREMENT TOA (\$M)

Appropriation	FY11	FY12
	OCO Request	OCO Request
Aircraft	1,374	423
Missiles	344	127
Weapons and Tracked Combat Vehicles	688	37
Ammunition	703	208
Other Procurement	5,827	1,398
Totals	8,935	2,194



UH-60 Black Hawk Helicopter

AIRCRAFT TOA (\$M)

Category	FY11 OCO Request	FY12 OCO Request
Aircraft	254	118
UH-60 Black Hawk Helicopter (MYP)	41	72
AH-64 Apache Block IIIA		35
CH-47 Chinook Helicopter	71	
Raven	17	
C-12 Aircraft	78	11
MQ-1 Gray Eagle UAV	47	
Modifications	849	305
AH-64 Apache Helicopter	199	
CH-47 Cargo Helicopter	83	
C-12 Aircraft	122	
RQ-7 Unmanned Aerial System	98	
MQ-1 Gray Eagle Payloads	4	11
Airborne Avionics	25	
RQ-7 UAV		95
Multi Sensor Airborne Recon	86	54
Guardrail	30	
Kiowa Warrior Helicopter	187	145
Utility Helicopter	15	
Spares		
Support Equipment and Facilities	271	
Aircraft Survivability Equip IR Countermeasures	198	
Air Traffic Control	7	
Avionics Support Equipment	66	
Totals	1,374	423

Missiles and Ammunition



Loading Hellfire Missile on AH-64 Apache Helicopter

MISSILES TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Other Missiles	303	127
Guided Multiple Launch Rocket System Rockets		19
TOW Missile System	113	
Hellfire Missile	190	108
Modification of Missiles	41	
Improved Target Acquisition System for TOW	41	
Totals	344	127

AMMUNITION TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Small/Medium Caliber Ammo	268	44
Mortar Ammo	120	57
Artillery	90	10
Artillery Fuzes	13	5
Rockets	157	59
Other	17	33
Demilitarization	38	
Totals	703	208

Weapons and Tracked Combat Vehicles



Lightweight .50 Caliber Machine Gun

WEAPONS AND TRACKED COMBAT VEHICLES TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Modifications: Tracked Combat Vehicles	445	
Stryker	445	
Weapons and Other Combat Vehicles	194	20
Howitzer, Lightweight, 155mm	62	
M320 Grenade Launcher Module	23	
Mortar Systems	9	
Lightweight .50 Caliber Machine Gun		5
Common Remotely Operated Weapons Station	100	15
Modification of Weapons and Other CBT Vehicles	49	17
Totals	688	37

Other Procurement

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



Tactical Bridge

OTHER PROCUREMENT TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Tactical and Support Vehicles	1,903	62
HMMWV Recapitalization Program	989	
Family of Medium Tactical Vehicles	516	11
Family of Heavy Tactical Vehicles	189	47
Armored Security Vehicles	53	
Modification of In-Service Equipment	20	
All Other Vehicles and Trailers	136	4
Other Support Equipment	907	246
Training Equipment	37	
Construction Equipment	16	
Bridging Equipment	3	42
Generators	38	
Combat Service Support Equipment	300	
Engineer Equipment (Non-Construction)	191	68
Material Handling Equipment	61	2
Test Measurement and Diagnostic Equipment	1	
Smoke/Obscurants Systems	6	43
Petroleum Equipment	55	
Medical Equipment	9	15
Maintenance Equipment	41	25
Water Equipment	12	
Other Support Equipment	138	48
Totals	2,810	308

Other Procurement

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



Tactical Satellite Radio setup during military operations

OTHER PROCUREMENT TOA (\$M)

Category	FY11	FY12
	OCO Request	OCO Request
Communications	664	289
Base Communications	413	169
Satellite Communications	76	
Joint Communications	8	1
Combat Communications	97	59
Information Security		55
Long Haul Communications	70	5
Electronic Equipment	2,353	801
Tactical Surveillance	1,199	302
Tactical Command and Control	162	189
Tactical Intelligence and Related Activities	274	144
Automation	11	10
Electronic Warfare	707	156
Totals	3,017	1,090



Soldiers from the United States Army, 3d Infantry (The Old Guard)

PUBLICATION INFORMATION

This booklet provides the highlights of the Army's Budget submitted to Congress as part of the President's Fiscal Year 2012 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 2010, along with all the Army budget materials. Go to the following link and then click on **Budget Materials**:

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

Photos are courtesy of U.S. Army.

The cost to prepare the Department of the Army's FY 2012 President's Budget justification and presentation material is approximately \$3,826,000.

