



**U.S. ARMY**

# **FY 2017 President's Budget Highlights**



**February 2016**

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





**FY 2017**  
**President's Budget Highlights**

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**(Financial Management and Comptroller)**

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# Our Strategic Goals

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The FY 2017 President's Budget supports the priorities established by the Army Senior Leadership. It provides the framework for change and focuses on the future in preparing and sustaining land forces capable of preventing conflict, shaping the strategic environment, and, when called upon, fighting to win across the full spectrum of conflict. The topical discussions that follow highlight specific details on the strategies that the Army incorporated in its FY 2017 budget request to achieve senior leader priorities and objectives.

The complexity and number of security challenges in the world are intensifying and combatant commanders increasingly need more Army forces to meet these security challenges. Assigned and allocated Army forces provide combatant commanders with the capability to prevent conflict, shape the environment, and, when required, fight to win. Increased demand for Army forces has us more globally engaged than ever before with 190,000 Regular Army, Army National Guard and Army Reserve Soldiers serving on active duty in 140 countries supporting the geographic combatant commanders. The Army's forward presence and stationing builds partner capacity, assures our Allies, and deters aggressors. Soldiers are conducting "Train, Advise, and Assist" missions to build partner capacity with Allied Forces, and to defend DOD personnel, lines of communication, and support host nation partner relations throughout the world.

Today's Army, sufficiently manned, trained and equipped is a necessity to address the security environment. With the full support of Congress, we will be ready to respond to the challenges that face our Nation as we have for over 240 years. Whether deterring aggression along the Korean Demilitarized Zone, advising and assisting in Afghanistan, or protecting the homeland, our Soldiers stand ready to protect our national security interests. The Army's capacity and capability serves as a foundation of the Joint Force that exists for one purpose, to fight and win wars in defense of the United States.

America does not need the largest Army in the world, but it must have the most capable Army, sized right to address the security environment now and in the future. In light of today's budget reality, the Army continues to prioritize readiness at the expense of modernization to address current demands to support our global commitments and protect the homeland. We request the support of Congress to sufficiently fund and modernize America's Army to ensure the Army will remain the preeminent world fighting force able to meet current demands and protect our national security interests. The American people will continue to judge us based on one standard: when called upon to fight and win, the Army will be mission ready and victorious.

# Budget Highlights

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The Army's FY 2017 Budget Request provides critical ground force capabilities to defend the homeland, support the Joint Force, build global security, project power, and win in a complex world.

## **Prioritizes Readiness: Building Decisive Action Capability for Potential Major Combat Operations**

- ❖ From the bold actions of near-peer states to the terrorist attacks on the homeland, the Army lacks the luxury of preparing to fight only one type of enemy, at one time, in one place. It is likely that the next crisis will be at an unanticipated time, in an unforeseen place, unfolding in an unforeseen manner, but still, requiring the rapid commitment of Army forces.
- ❖ Readiness determines our ability to fight and win our Nation's wars. More specifically, it is the capability of our forces to conduct the full range of military operations to defeat all enemies regardless of the threats they pose.

## **Ensures Deploying Units are Ready for Their Mission**

- ❖ Using Sustainable Readiness, the Army generates the readiness it needs by ensuring units are well-manned, well-equipped, and competently led to conduct realistic training, ensuring units are prepared for whatever mission assigned.

## **Supports Regional Engagements and Global Response**

- ❖ Army forces, engage regionally, insure interoperability, build relationships based on common interests, enhance situational awareness, assure partners, and deter adversaries.
- ❖ Forward positioned and rotational forces demonstrate U.S. resolve and provide foundational capabilities to the Joint Force such as communications, intelligence, rotary wing aviation, missile defense, logistics, and engineering.

## **Continues the Draw Down of End Strength to 990,000**

- ❖ Soldiers are the United States Army. While the Army's collective strength originates from the quality people we recruit and develop, the Army continues to downsize in FY 2017 reaching a total combined end strength of 990,000: 460,000 on Active Duty; 335,000 in the Army National Guard; and 195,000 in the Army Reserve.

## **Develops Innovative Leaders and Improves Human Performance**

- ❖ Decentralized operations in complex environments require competent leaders and cohesive teams that thrive in conditions of uncertainty. In FY 2017, the Army is resourcing a holistic Human Dimension program designed to optimize individual and team performance, develop critical thinking skills, provide broadening educational opportunities, and improve institutional training capacity.

## **Sustains Soldier and Formation Technological Overmatch**

- ❖ The Army's modernization strategy focuses on maintaining science and technology investments for the future, including the sustainment of a capable and responsive industrial base, while innovating existing systems for critical near-term capability.

Note: The Army's FY 2017 Budget Request does not reflect any of the recommendations in the National Commission on the Future of the Army Report, released on January 28, 2016.

# FY 2017 Budget Request

## Department of the Army

Appropriation (\$M)	FY 2016 Enacted			FY 2017 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Military Personnel</b>	53,279	2,037	55,316	52,564	2,228	54,791
<i>Regular Army</i>	40,923	1,846	42,770	40,028	2,052	42,080
<i>Army National Guard</i>	7,892	166	8,058	7,956	152	8,107
<i>Army Reserve</i>	4,463	24	4,488	4,580	24	4,604
<b>Medicare-Elig. Retiree Health Care Fund</b>	2,877		2,877	2,725		2,725
<i>Regular Army</i>	1,890		1,890	1,794		1,794
<i>Army National Guard</i>	630		630	589		589
<i>Army Reserve</i>	358		358	342		342
<b>Operation and Maintenance</b>	43,553	12,272	55,825	44,997	13,826	58,823
<i>Regular Army</i>	34,218	12,187	46,405	35,384	13,735	49,120
<i>Army National Guard</i>	6,631	61	6,692	6,885	67	6,952
<i>Army Reserve</i>	2,704	25	2,728	2,727	24	2,751
<b>Environmental Restoration</b>	235		235	170		170
<b>Procurement</b>	16,384	2,083	18,467	15,099	2,462	17,561
<i>Aircraft</i>	5,866	162	6,028	3,615	313	3,928
<i>Missiles</i>	1,601	37	1,638	1,670	483	2,153
<i>Weapons and Tracked Combat Vehicles</i>	1,952	487	2,438	2,265	154	2,419
<i>Ammunition</i>	1,245	222	1,467	1,513	302	1,815
<i>Other Procurement</i>	5,719	1,175	6,894	6,036	1,211	7,247
<b>Research, Development, Test, and Eval.</b>	7,562	2	7,564	7,515	101	7,616
<b>Military Construction</b>	1,124		1,124	805	19	824
<i>Regular Army</i>	728		728	503	19	522
<i>Army National Guard</i>	249		249	233		233
<i>Army Reserve</i>	148		148	68		68
<b>Army Family Housing</b>	484		484	527		527
<i>Operation</i>	376		376	326		326
<i>Construction</i>	109		109	201		201
<b>Army Working Capital Fund</b>	195		195	56	47	103
<b>Arlington National Cemetery</b>	80		80	71		71
<b>Base Realignment and Closure</b>	32		32	14		14
<b>Chemical Agents-Munitions Dest/Constr.</b>	700		700	551		551
<b>Joint Impr. Explosive Device Defeat Fund</b>		350	350			
<b>Afghanistan Security Forces Fund</b>		3,652	3,652		3,449	3,449
<b>Iraq Train and Equip Fund</b>		715	715		630	630
<b>Syria Train and Equip Fund</b>					250	250
<b>Totals</b>	<b>126,505</b>	<b>21,111</b>	<b>147,616</b>	<b>125,094</b>	<b>23,011</b>	<b>148,105</b>

**NOTES:**

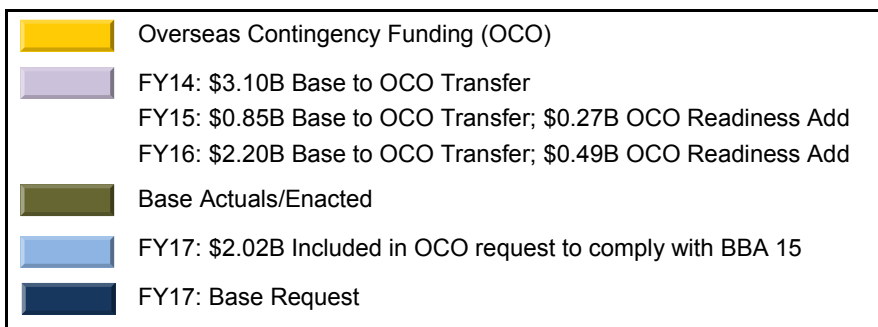
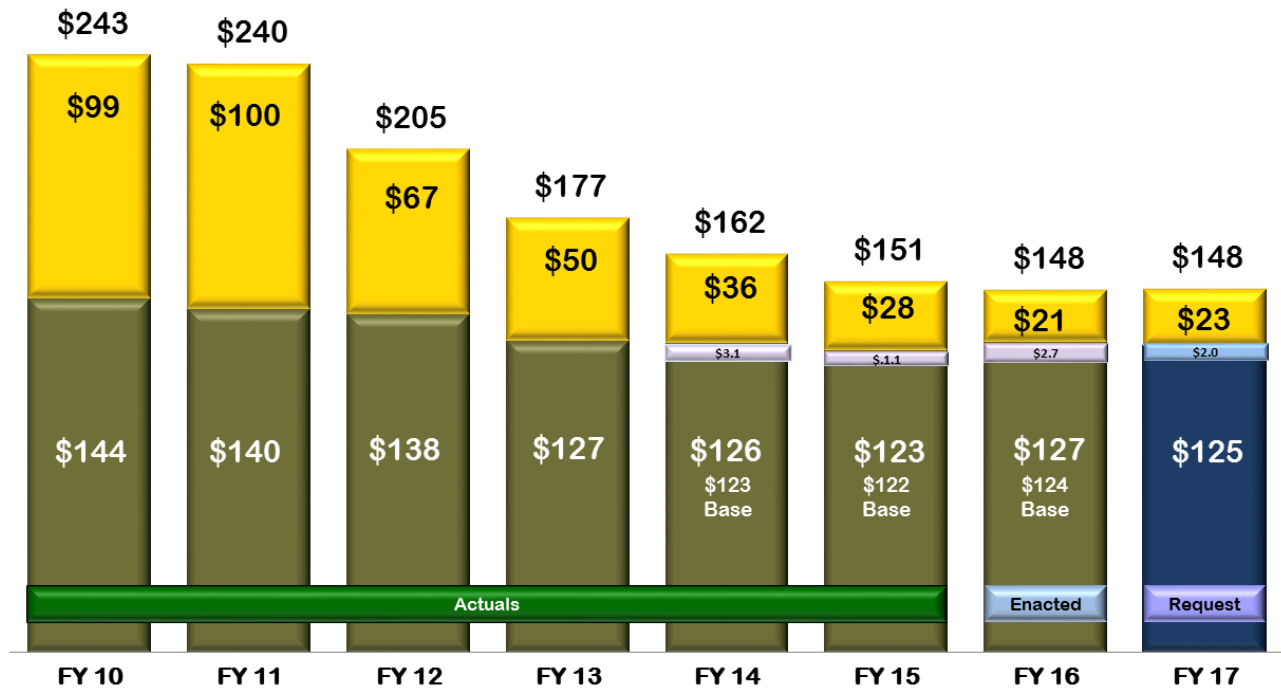
1. The FY 2016 Appropriations Act provided the Army \$350 million for the Joint Improvised Explosive Device Defeat Fund in OCO funding. This mission has been assumed for FY 2017 and beyond by a DOD organization. Partial FY 2016 and FY 2017 JIEDDF funding information can be found in the DOD Budget Materials.

2. Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

Numbers throughout this publication may not add due to rounding.

# Army Budget Trends

## FY 2010 — FY 2017



**Global instability in the face of continued fiscal pressures requires leveraging Overseas Contingency Operations flexibility to meet requirements**



# The Total Army Forces

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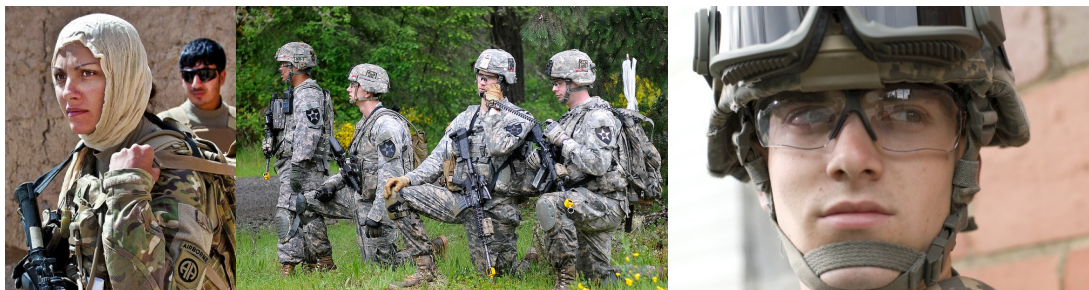
## Total Army Forces

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

- ❖ The Regular Army's **460,000** Soldiers requested in the FY 2017 Budget Request comprise **46%** of the Army's military strength and provide forces capable of responding quickly across the spectrum of conflict. They represent the Nation's dominant landpower response.
- ❖ The Reserve Component's **530,000** Soldiers—Army National Guard and Army Reserve requested in FY 2017—comprise **54%** of the Total Army military force. They fulfill vital national defense and homeland civil support roles and provide operational flexibility to combatant commands that complements the Regular Army in responding to National Security threats. The Army National Guard request is for **335,000** Soldiers. The Army Reserve request is for **195,000** Soldiers.
- ❖ The Army's Civilian Workforce's **197,392** personnel serve the Nation by providing expertise and continuity at home and abroad.

# Military Personnel

## SOLDIERS: THE STRENGTH OF OUR ARMY



### The FY 2017 Budget Request

- ❖ Emphasizes manning the force, taking care of Soldiers and Families, and sustaining the quality of Army personnel
- ❖ Provides incentives to recruit and retain the All-Volunteer Force, such as recruiting and retention bonuses, education benefits, and loan repayments
- ❖ Funds Regular Army end strength of 460,000
- ❖ Funds Army National Guard end strength of 335,000, and Army Reserve end strength of 195,000
- ❖ Provides a 1.6% military basic pay raise, a 2.9% basic allowance for housing increase, and a 3.4% basic allowance for subsistence increase
- ❖ Provides payment into the Medicare-Eligible Retiree Health Care Fund for eligible beneficiaries and their dependents and survivors
- ❖ Begins to incorporate the impact of the new blended retirement system enacted as part of the FY 2016 National Defense Authorization (P.L. 114-92)

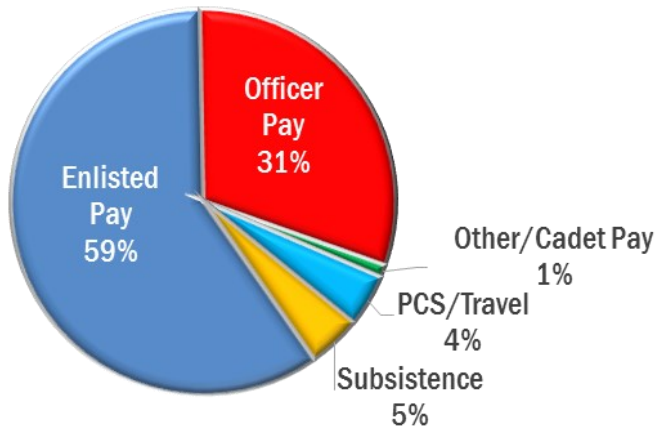
### MILITARY PERSONNEL SUMMARY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Regular Army	40,923	1,846	42,770	40,028	2,052	42,080
Army National Guard	7,892	166	8,058	7,956	152	8,107
Army Reserve	4,463	24	4,488	4,580	24	4,604
Medicare-Elig Ret Health Care Fund	2,877		2,877	2,725		2,725
<b>Totals</b>	<b>56,156</b>	<b>2,037</b>	<b>58,193</b>	<b>55,288</b>	<b>2,228</b>	<b>57,516</b>

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Military Personnel

## Regular Army



The Military Personnel, Army, appropriation budget sustains the All-Volunteer Force by providing Regular Army basic and special pays, retired pay accrual, allowances for subsistence (rations), and housing; recruiting and retention incentives; permanent change of station moves; death gratuities; and unemployment compensation benefits, as well as Reserve Officer Training Corps and United States Military Academy cadet stipends.

In FY 2017, the entire Regular Army end strength of 460,000 is fully funded in the base.

The FY 2017 Budget Request meets Army manning goals by providing mission and location-specific entitlements for Soldiers and their Families across the world. It also includes critical force shaping tools required to recruit and retain the key skill sets the Army needs to maintain a premier All-Volunteer Army.

In FY 2017, personnel accounts begin to incorporate the new blended retirement system which was enacted as part of the FY 2016 National Defense Authorization Act (P.L. 114-92). The majority of reforms are projected to take place in future years.

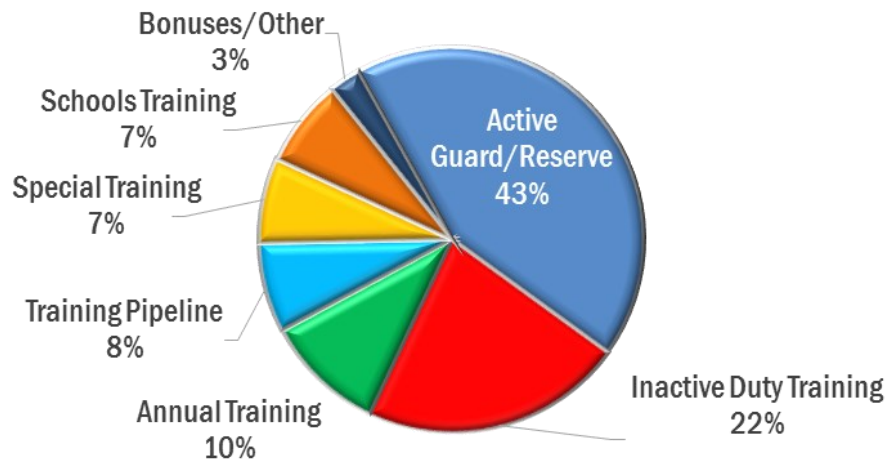
## MILITARY PERSONNEL, ARMY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Officer Pay and Allowances	12,818	500	13,318	12,589	594	13,183
Enlisted Personnel Pay and Allowances	24,033	932	24,965	23,374	1,024	24,398
Subsistence of Enlisted Personnel	1,813	259	2,072	1,827	282	2,109
Permanent Change of Station	1,787	48	1,835	1,812	45	1,857
Other Personnel Costs	392	107	499	345	107	452
Cadet Pay and Allowances	80		80	81		81
<b>Totals</b>	<b>40,923</b>	<b>1,846</b>	<b>42,769</b>	<b>40,028</b>	<b>2,052</b>	<b>42,080</b>
<i>Medicare-Eligible Retiree Health Care Fund</i>	<i>1,890</i>		<i>1,890</i>	<i>1,794</i>		<i>1,794</i>

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Military Personnel

## Army National Guard



The National Guard Personnel, Army, appropriation supports individual and collective readiness as well as full-time Active Guard and Reserve (AGR) manning, benefits and bonuses throughout the Army National Guard, assuring the nation of a force ready to quickly and adeptly respond to overseas contingencies and domestic emergencies. Funded programs include Inactive Duty for Training (IDT), Annual Training (AT), individual schools, special training, and Active Duty for Operational Support (ADOS), all of which ensure continuity of daily operations in support of a trained and ready force. Additionally, the appropriation funds incentives and benefits (enlistment bonuses), loan repayment programs, death gratuities, disability and hospitalization, and education benefits. The FY 2017 Budget Request supports a 2% reduction in end strength (7,000) in conjunction with Army Total Force strength reductions. The FY 2017 end strength of 335,000 includes 30,155 AGRs (a reduction of 615). The request also includes funding for the continuation of operational support along the Southwest Border through the first quarter of FY 2017.

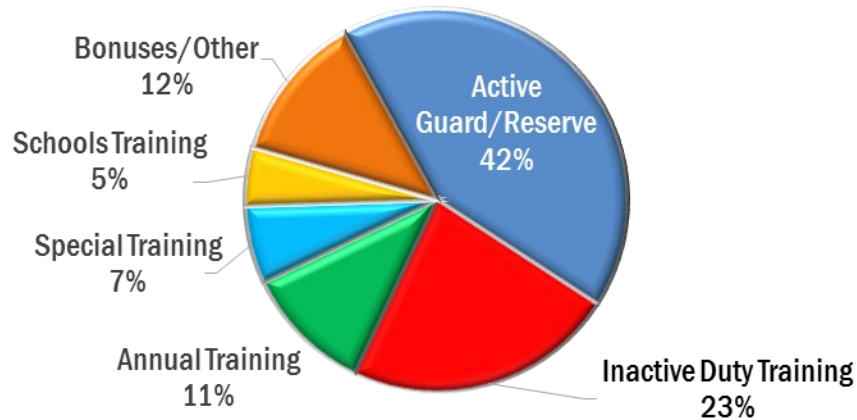
## NATIONAL GUARD PERSONNEL, ARMY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Active Guard/Reserve	3,431	4	3,435	3,423	4	3,427
Inactive Duty Training	1,752	6	1,758	1,757	3	1,760
Annual Training	797	29	826	804	31	835
Training Pipeline (Pay Groups F and P)	587		587	598		598
Special Training	605	119	724	570	106	676
Schools Training	479	3	482	592	3	595
Bonuses	196		196	187		187
Other Incentives/Benefits	45	5	50	24	5	29
<b>Totals</b>	<b>7,892</b>	<b>166</b>	<b>8,058</b>	<b>7,955</b>	<b>152</b>	<b>8,107</b>
<i>Medicare-Eligible Retiree Health Care Fund</i>	<i>630</i>		<i>630</i>	<i>589</i>		<i>589</i>

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Military Personnel

## Army Reserve



The Reserve Personnel, Army, appropriation budget supports training that promotes Army Reserve individual, collective readiness, and schools training. The FY 2017 Budget Request funds pay and allowances for full-time Active Guard and Reserve (AGR) and part-time Reserve Soldiers performing duty in several training categories, including Inactive Duty Training (IAT), Annual Training (AT), Active Duty for Training (ADT), and Active Duty for Operational Support (ADOS). The FY 2017 Budget Request continues the Army's plan to transform the Army Reserve from a strategic reserve to an operational force. The FY 2017 Budget Request funds an end strength of 195,000 Soldiers. Incentives and benefits include disability and hospitalization, death gratuities, and education benefits.

## RESERVE PERSONNEL, ARMY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Active Guard/Reserve	1,869		1,869	1,932		1,932
Inactive Duty Training	1,018		1,018	1,051		1,051
Annual Training	504	6	510	498	3	501
Special Training	251	18	269	300	21	321
Schools Training	211		211	225		225
Incentives/Bonuses	266		266	243		243
Other Training Support	344		344	331		331
<b>Totals</b>	<b>4,463</b>	<b>24</b>	<b>4,488</b>	<b>4,580</b>	<b>24</b>	<b>4,604</b>
<i>Medicare-Eligible Retiree Health Care Fund</i>	<i>358</i>		<i>358</i>	<i>342</i>		<i>342</i>

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Civilian Workforce

The Department of the Army's Civilian workforce is an integral part of the Army's readiness. The Civilian Workforce accomplishes a multitude of worldwide and defense missions in support of military forces. As military end strength is reduced, the Army continues to reduce the Civilians at a comparable rate. The FY 2017 request sustains or increases the following key operational and support programs:

- ❖ Civilian personnel pay raise rates (1.6%)
- ❖ Civilian training and Civilian unemployment compensation
- ❖ Sexual Harassment/Assault Response and Prevention Program
- ❖ Army Financial Management Optimization Initiative
- ❖ Foreign Military Sales (Army provides reimbursable Manpower)
- ❖ Cyberspace and Information Operations
- ❖ Insider Threat Detection and Prevention



Natick Labs

Tobyhanna Army Depot

## Department of the Army Civilian Personnel Full-Time Equivalents Displays Army appropriations funding civilian pay and full-time equivalents

Appropriation Title	FY 2016	FY 2017
Operation and Maintenance	157,027	153,416
<i>Regular Army</i>	118,407	115,438
<i>Army National Guard</i>	28,199	27,518
<i>Army Reserve</i>	10,421	10,460
Research, Development, Test, & Evaluation	16,762	16,218
Military Construction	5,427	5,199
Army Family Housing	607	557
Army Working Capital Fund	22,938	21,801
Cemeterial Expenses, Army	201	201
<b>Full-time Equivalents</b>	<b>202,962</b>	<b>197,392</b>

Note: The Joint Improvised Explosive Devices Defeat Fund FTEs for FY 2016 were moved to OCO funded. This mission has been assumed in FY 2017 and beyond by a DOD organization. Therefore, these FTEs will be reported in OSD budget materials.

# Operation and Maintenance



## Overview

The FY 2017 President’s Budget request for Operation and Maintenance (O&M) resources provides essential near-term readiness activities for the Army to prevent conflict, shape security environments, and win wars as part of joint and coalition teams. Funded activities continue to build on prior year efforts to restore readiness across the Force in the face of an increasingly volatile global security environment.

The Army is the Nation’s sustainable land force. As such, it must prepare to conduct Decisive Action operations, as part of Unified Land Operations, and, when called on, win wars. The FY 2017 O&M budget request funds the full range of Army Total Force activities, recruiting America’s sons and daughters, transforming them from private citizens into Soldiers, training units for the full spectrum of operations, defending the homeland, and projecting power, while providing the quality of life our Soldiers, Families, and Army Civilians deserve.

This budget request provides resources to improve on gains to be made in FY 2016, we shifted from “tiered readiness” to increased readiness across the Total Force. The Reserve

*(Continued on page 14)*

## OPERATION AND MAINTENANCE SUMMARY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Active Army	34,218	12,187	46,405	35,384	13,735	49,120
Army National Guard	6,631	61	6,692	6,885	67	6,952
Army Reserve	2,704	25	2,728	2,727	24	2,751
Environmental Restoration	235		235	170		170
<b>Totals</b>	<b>43,787</b>	<b>12,272</b>	<b>56,060</b>	<b>45,167</b>	<b>13,826</b>	<b>58,993</b>

Note: The FY 2016 Base Enacted total includes \$2,687 million in OCO funding to be used for Base purposes. (The breakout is Regular Army = \$2,537 million, Army National Guard=\$75 million, and Army Reserve=\$75 million.) The FY 2016 OCO Enacted values represent the remainder after the transfers from OCO to Base.

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Operation and Maintenance

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Components remain key to our ability to meet combatant commanders' demands for land forces. We continue to increase unit readiness as we provide regionally aligned rotational forces throughout the Asia-Pacific theater, Europe, and Africa.

The FY 2017 request funds the operations of our global network of installations. The budget request funds activities that contribute to unit readiness and quality of life, along with increasing the safety and security of our installations and leased facilities. In response to the 2015 shootings at the recruiting station in Chattanooga, Tennessee, the Army, as the executive agent for joint recruiting activities, requests funds to continue efforts begun in the FY 2016, to improve the security of leased recruiting facilities.

The FY 2017 O&M request assumes manageable risk in the sustainment and modernization of our facilities. Future risk could be reduced if the Army is permitted to divest unneeded infrastructure.

The FY 2017 request maintains the Army's commitment to investing in the development of the workforce. The FY 2017 request provides opportunities for 397 civilian interns to meet the Army's Human Capital requirements. The FY 2017 request increases funding for the Army's Soldier for Life Transition Assistance Program to aid transitioning personnel with coursework and examinations as they pursue required licenses, credentials, and certifications.

The Army remains committed to preventing sexual harassment and sexual assault, and responding to it appropriately, if it does occur. The FY 2017 O&M request includes funding and personnel to establish the Army SHARP Academy to institutionalize Army training and certification standards for Sexual Assault Response Coordinators, Victim Advocates, SHARP trainers, and command program managers.

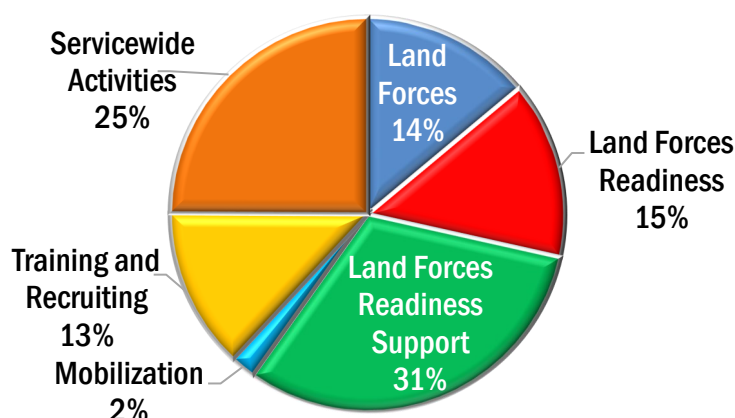
Finally, to ensure compliance with the Bi-partisan Budget Agreement (BBA) of 2015, the Army's Overseas Contingency Operations request includes \$1,650 million in the Operation and Maintenance appropriations that supports generating unit readiness and other activities with a direct nexus to providing forces to fight the Global War on Terrorism and for other contingency operations. This funding is absolutely vital if the Army is required to provide the required forces at necessary readiness levels to meet combatant commanders' demands for ground forces.





# Operation and Maintenance

## Regular Army



The Operation and Maintenance, Army (OMA) appropriation budget request provides funding to organize, train, and sustain the All-Volunteer Army, enabling the Joint Force with decisive, sustainable land power to conduct Unified Land Operations in support of geographic combatant commanders' demands. OMA funding supports generating and maintaining unit readiness, strategic mobilization, recruiting and individual training, and sustainment of the Force. The Army will maintain 30 Brigade Combat Teams (BCTs) in FY 2017, with plans to convert one Regular Army Stryker BCT to an Infantry BCT during the fiscal year. In addition to continuing to restore unit readiness, across all Regular Army formations, for Decisive Action operations, the request improves the Army's ability to respond to potential threats to friends and allies in Europe through increasing the readiness and capacity of prepositioned stocks. Additionally, the Army remains committed to its Soldiers, Families, and Civilians as demonstrated by increased funding for Soldier and Family programs and the operation of our installations worldwide.

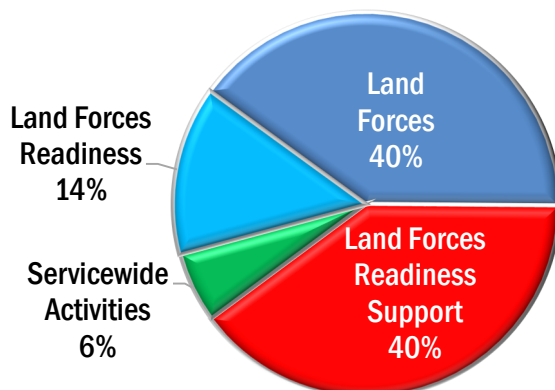
## OPERATION AND MAINTENANCE, ARMY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Operating Forces</b>	20,712	9,963	30,675	21,182	11,724	32,906
Land Forces	4,714	1,765	6,479	4,939	2,665	7,604
Land Forces Readiness	4,595	1,861	6,456	5,143	1,851	6,994
Land Forces Readiness Support	11,403	6,337	17,740	11,100	7,208	18,308
<b>Mobilization</b>	645	40	685	735	350	1,085
<b>Training and Recruiting</b>	4,550		4,550	4,654		4,654
Accession Training	697		697	708		708
Basic Skill and Advanced Training	2,658		2,658	2,663		2,663
Recruiting/Other Training and Education	1,195		1,195	1,283		1,283
<b>Servicewide Activities</b>	8,312	2,184	10,496	8,815	1,661	10,476
Security Programs	1,133	1,160	2,293	1,151	836	1,987
Logistics Operations	2,249	769	3,018	2,430	554	2,984
Servicewide Support	4,514	255	4,769	4,781	271	5,052
Support of Other Nations	416		416	453		453
<b>Totals</b>	<b>34,219</b>	<b>12,187</b>	<b>46,406</b>	<b>35,386</b>	<b>13,735</b>	<b>49,121</b>

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Operation and Maintenance

## Army National Guard



The Operation and Maintenance, Army National Guard, appropriation budget request funds day-to-day operations, readiness, servicewide activities, logistics, and communication activities of Army National Guard units across 50 states, three territories, and the District of Columbia. With the anticipation of more units in the domestic force pool, the Army National Guard will fund an increased number of Soldiers participating in individual and collective training events. Increased investments are made to continue the process of restoring readiness and base operations support. Additionally, funding continues to support Family and Soldier programs that promote well-being to the Army National Guard's most valuable asset—its Soldiers and Families.

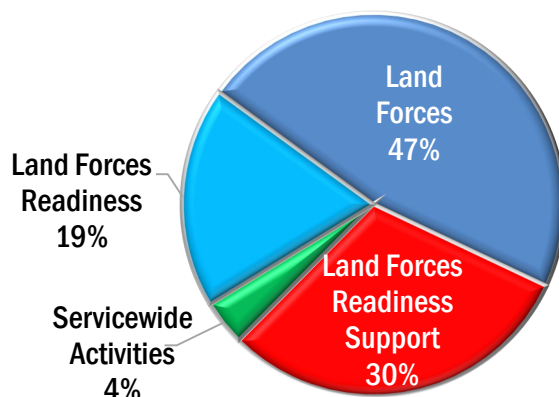
### OPERATION AND MAINTENANCE, NATIONAL GUARD

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Operating Forces</b>	<b>6,235</b>	<b>60</b>	<b>6,295</b>	<b>6,478</b>	<b>67</b>	<b>6,545</b>
Land Forces	2,700	22	2,722	2,763	35	2,798
Land Forces Readiness	914	13	927	977	12	989
Land Forces Readiness Support	2,621	25	2,646	2,738	20	2,758
<b>Servicewide Activities</b>	<b>396</b>	<b>1</b>	<b>397</b>	<b>408</b>		<b>408</b>
Recruiting and Advertising	259		259	245		245
Administration	52		52	69		69
Servicewide Communications	67	1	68	77		77
Servicewide Transportation	7		7	6		6
Manpower Management	8		8	8		8
Real Estate Management	3		3	3		3
<b>Totals</b>	<b>6,631</b>	<b>61</b>	<b>6,692</b>	<b>6,886</b>	<b>67</b>	<b>6,953</b>

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Operation and Maintenance

## Army Reserve



The Operation and Maintenance, Army Reserve, appropriation budget request funds operations, logistics, servicewide activities, maintenance and management support for the Army Reserve. The budget supports readiness of our Soldiers with training during weekend assemblies and collective training during Annual Training, and other exercises. Additionally, the budget provides for installation management, maintenance of real property, and personnel support to Retirees, Veterans, and their Families. With a focus on the Army's Ready and Resilient Campaign, the FY 2017 budget provides essential funding for the Sexual Harassment/Assault Response and Prevention program, suicide prevention, family support, and transition programs to include the Soldier for Life Transition Assistance Program. The FY 2017 budget continues the Army's plan to transform the Army Reserve into a force prepared to prevail in current and future conflicts while supporting the homeland with sustained cyclical readiness of units and Soldiers.

### OPERATION AND MAINTENANCE, ARMY RESERVE

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Operating Forces</b>	2,605	25	2,630	2,622	24	2,645
Land Forces	1,226	3	1,229	1,285	8	1,293
Land Forces Readiness	502	1	503	510	5	515
Land Forces Readiness Support	877	21	898	826	11	837
<b>Servicewide Activities</b>	99		99	106		106
<b>Totals</b>	<b>2,704</b>	<b>25</b>	<b>2,729</b>	<b>2,728</b>	<b>24</b>	<b>2,751</b>

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Research, Development, and Acquisition

## Overview

The FY 2017 modernization budget request maintains the Army's focus on the Soldier and our commitment to provide a full spectrum force capable of dominant engagement. However, current operational and readiness priorities leave research, development and acquisition funding out of balance with what historically was allocated to modernization in a balanced Army program.

The Army's request for research, development, and acquisition continues to support Science and Technology programs, aviation modernization, and ground combat vehicle fleet modernization, while deferring new investment in future fighting vehicles, armed aerial scout and full "on the move" networking. Significant investments for FY 2017 include:

- ❖ Aviation procurement (Apache, Black Hawk, Chinook).
- ❖ Increased procurement of the Joint Light Tactical Vehicle.
- ❖ Continuation of the M1 Abrams, M2 Bradley and Stryker combat vehicles programs that enable network integration, mobility, lethality and protection.
- ❖ Begins Paladin Integrated Management Full Rate Production (FRP) procurement.
- ❖ Patriot modernization and Patriot Missile Segment Enhancement missiles and Integrated Air and Missile Defense.
- ❖ Tactical networking to connect Soldiers and formations across the full-spectrum of operations.
- ❖ Continued development of the Armored Multi-Purpose Vehicle, Common Infrared Counter Measure, Assured Position, Navigating and Timing, Improved Turbine Engine Program, and Cyberspace Operations and Network Protections.
- ❖ New start efforts for the Ground Mobility Vehicle and Mobile Protected Firepower to increase mobility and lethality for Brigade Combat Teams.



CH-47 Chinook airlifting M-777 Howitzer



Handheld, Manpack, and Small-form Fit Radios

# Procurement Summary

## The FY 2017 Budget Request Supports

- ❖ UH-60 Black Hawk (\$923M APA). Procures 21 UH-60M (21 Regular Army), 15 HH- 60M (4 Regular Army, 11 ARNG), and purchases mission equipment packages and FY 2018 Advance Procurement.
- ❖ AH-64 Apache (\$1,066M APA). Procures 52 (48 Base, 4 OCO) remanufactured AH-64E (Block III) aircraft and FY 2018 Advance Procurement.
- ❖ CH-47F Chinook (\$668M APA). Procures 22 remanufactured aircraft and associated modifications to CH-47 fleet.
- ❖ WIN-T Network (\$437M OPA). Funds upgrade of 35 WIN-T Inc 1 units to enhance interoperability with units fielded with WIN-T Inc 2. Supports procurement of 12 communications nodes (6 Tactical Communications Nodes, and 6 Points of Presence) for WIN-T Inc 2, and continues fielding and support for previously procured LRIP equipment. Procures and fields 283 Battlefield Video-Teleconferencing Center III systems.
- ❖ Stryker Vehicles (\$591M WTCV). Supports fielding of the third Double V-Hull (DVH) brigade set and procures 123 of the fourth DVH set with integrated Engineering Change Proposal (ECP) 1. Supports fleet modifications, addresses Command, Control, Communications, Computers and Intelligence obsolescence, training devices and test fleet maintenance, retrofit planning, and site management, and the fielding of a 30mm weapon system.
- ❖ Patriot Missiles (\$423M MIPA). Procures 85 Patriot Missile Segment Enhancement Missiles.
- ❖ Abrams Tank Modifications (\$480M WTCV). Continues procurement of next evolution armor packages, continues ECP 1A hardware procurement to support FY 2018 M1A2SEP v3 production and procurement of training devices. Modifications include CROWS Low Profile A and B kits, vehicle health management system and embedded training, Ammunition Data Link, and TIGER engine improvements and transmission upgrades to improve reliability and durability.
- ❖ Joint Light Tactical Vehicle (\$588M OPA). Procures LRIP of 1,828 vehicles and supports the continuation of the JLTV test program to include Production Qualification Test and Reliability Qualification Test in support of Initial Operational Capability scheduled for FY 2018.
- ❖ Paladin Integrated Management (PIM) (\$595M WTCV). Procures FRP of 48 (36 Base; 12 OCO) PIM Systems; 48 Self-Propelled Howitzers, and 48 Carrier, Ammunition, Tracked. Full rate production decision is anticipated in January 2017.

## PROCUREMENT SUMMARY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Aircraft (APA)	5,866	162	6,028	3,615	313	3,928
Missile (MIPA)	1,601	37	1,638	1,670	483	2,153
Ammunition (AMMO)	1,952	487	2,438	2,265	154	2,419
Weapons and Tracked Cbt Veh (WTCV)	1,245	222	1,467	1,513	302	1,815
Tactical and Support Vehicles (OPA)	2,413	1,038	3,451	2,377	956	3,332
Comm/Elect and Initial Spares (OPA)	3,306	137	3,444	3,659	255	3,914
<b>Totals</b>	<b>16,383</b>	<b>2,083</b>	<b>18,467</b>	<b>15,099</b>	<b>2,462</b>	<b>17,561</b>

# Aircraft



AH-64 Apache



UH-60 Black Hawk



CH-47 Chinook

## AIRCRAFT

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Aircraft</b>	<b>4,673</b>	<b>113</b>	<b>4,786</b>	<b>2,642</b>	<b>78</b>	<b>2,720</b>
CH-47 Chinook Cargo Helicopter MYP *	1,005		1,005	556		556
CH-47 Chinook Cargo Helicopter Adv Proc	99		99	9		9
UH-60 Black Hawk Helicopter MYP *	1,575		1,575	755		755
UH-60 Black Hawk Helicopter Adv Proc	127		127	174		174
AH-64 Apache Block IIIA Reman *	1,143		1,143	803	78	881
AH-64 Apache Block IIIA Reman Adv Proc	210		210	185		185
Light Utility Helicopter	187		187			
MQ-1 Gray Eagle *	270	17	287	55		55
Utility Fixed Wing	1		1	58		58
Aircraft Aerial Common Sensor *		97	97			
UH-60 Blackhawk A- and L-Models *	55		55	46		46
<b>Modifications</b>	<b>816</b>	<b>49</b>	<b>865</b>	<b>714</b>	<b>70</b>	<b>785</b>
MQ-1 Payloads *	140	9	149	44		44
RQ-7 Shadow Unmanned Aerial Vehicle	81	8	89	71	2	73
AH-64 Apache Helicopter	116		116	138		138
Utility Helicopter *	17		17	11		11
CH-47 Chinook Cargo Helicopter *	90		90	103		103
Network and Mission Plan *	109		109	75		75
Comms, Nav Surveillance	83		83	70		70
Global Air Traffic Management	34		34	45		45
Utility/Cargo Airplane	16		16	18		18
Multi-Sensor Airborne Reconnaissance	96		96	95	21	116
Guardrail/Common Sensor SEMA Mods **	4		4	4		4
Airborne Recon-Low SEMA Mods	16	32	48	7		7
Enhanced Med Alt Recon/Surv Sys SEMA Mods	14		14	13	43	56
Unmanned Aircraft Systems				22	4	26
<b>Support Equipment and Facilities</b>	<b>377</b>		<b>377</b>	<b>259</b>	<b>165</b>	<b>424</b>
Survivability Counter Measures	9		9	10		10
Aircraft Survivability Equipment	56		56	67		67
Common Missile Warning System *	104		104	42	56	98
Common Infrared Countermeasures					109	109
Avionics Support Equipment	7		7	7		7
Common Ground Equipment *	58		58	48		48
Aircrew Integrated Systems	44		44	30		30
Air Traffic Control	95		95	50		50
Industrial Facilities	1		1	1		1
Launcher, 2.75 Rocket Industrial	3		3	3		3
<b>Totals</b>	<b>5,866</b>	<b>162</b>	<b>6,028</b>	<b>3,615</b>	<b>313</b>	<b>3,929</b>

\* Programs with FY 2016 Congressional adjustments

\*\* Special Electronic Mission Aircraft (SEMA)

# Missiles



Patriot Missile System



TOW-2 Missile

## MISSILES

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Other Missiles</b>	<b>1,210</b>	<b>37</b>	<b>1,247</b>	<b>1,211</b>	<b>483</b>	<b>1,694</b>
Lower Air and Missile Defense	115		115	126		126
Guided Multiple Launch Rkt System Rkts	251		251	172	76	248
TOW-2 Missile	88		88	85	81	166
Javelin Missile *	168		168	74	15	89
Hellfire Missile	28	37	65	192	306	498
Multiple Launch Rkt System Practice Rkts *	17		17	18		18
Patriot MSE Missile *	515		515	423		423
Joint Air-to-Ground Msls	28		28	102		102
Indirect Fire Protection Capability Inc 2-1				19		19
Lethal Miniature Aerial Missile System					5	5
<b>Modification of Missiles</b>	<b>347</b>		<b>347</b>	<b>418</b>		<b>418</b>
Patriot *	242		242	197		197
High Mobility Artillery Rocket System	3		3	2		2
Multiple Launch Rocket System	36		36	35		35
Guided Multiple Launch Rocket System	18		18	<1.0		<1.0
Improved Target Acquisition System-TOW	20		20	<1.0		<1.0
Stinger	2		2			
Avenger	6		6	34		34
Army Tactical Missile System *	20		20	150		150
<b>Spares and Repair Parts</b>	<b>34</b>		<b>34</b>	<b>35</b>		<b>35</b>
<b>Support Equipment &amp; Facilities</b>	<b>10</b>		<b>10</b>	<b>6</b>		<b>6</b>
<b>Totals</b>	<b>1,601</b>	<b>37</b>	<b>1,638</b>	<b>1,670</b>	<b>483</b>	<b>2,153</b>

\* Programs with FY 2016 Congressional adjustments

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Ammunition



Paladin 155 mm Howitzer

## AMMUNITION

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Small and Medium Caliber	231	4	235	311	73	385
Artillery	279	17	296	285	60	345
Mortars	151	23	174	175	13	188
Rockets	41	136	177	125	106	231
Networked Munitions					11	10
Tank	105		105	121	9	130
Simulators/Signals				18	2	20
Mines/Countermine					17	17
Production Base Improvements	339	30	369	383		383
Ammunition Demilitarization	55	12	67	34	11	45
Miscellaneous	44		44	61	1	62
<b>Totals</b>	<b>1,245</b>	<b>222</b>	<b>1,467</b>	<b>1,513</b>	<b>302</b>	<b>1,815</b>



Machine Gun, .50 caliber



# Weapons and Tracked Combat Vehicles



Stryker



M-1 Abrams Tank

## WEAPONS AND TRACKED COMBAT VEHICLES

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Tracked Combat Vehicles</b>	177		177	72		72
Stryker	177		177	72		72
<b>Modifications: Tracked Combat Vehicles</b>	1,554	460	2,014	1,980	131	2,111
Stryker Upgrade	306	106	412	445		445
Paladin PIM Mod	274		274	469	125	594
Bradley Program (MOD) *	210		210	276		276
M1 Abrams Tank	391	40	431	480		480
Improved Recovery Vehicle *	187		187	92		92
Stryker (MOD)	74	314	388	74		74
Assault Breacher Vehicle	3		3	3		3
Joint Assault Bridge *	34		34	65		65
Assault Bridge (MOD)	2		2	4	6	10
M88 Family of Vehicles	15		15	9		9
M109A6 Howitzer, Paladin	58		58	63		63
<b>Weapons and Other Combat Vehicles</b>	77	26	103	88	23	111
Common Rem Operated Wpns Station *	15	19	34	25		25
Carbine-M4A1 *	31		31	41		41
M320 Grenade Launcher Module	26		26	3		3
Integrated Air Burst Weapons System				10		10
Mortar Systems	5		5	8	23	31
Compact Semi-Automatic Sniper System		7	7	1		1
<b>Mods: Weapons/Other Combat Vehicles</b>	123		123	120		120
<b>Support Equipment and Facilities</b>	21		21	5		5
<b>Totals</b>	<b>1,952</b>	<b>487</b>	<b>2,438</b>	<b>2,265</b>	<b>154</b>	<b>2,419</b>

\* Programs with FY 2016 Congressional adjustments

# Other Procurement

## Tactical and Support Vehicles/Other Support Equipment



Family of Medium Tactical Vehicles



Joint Light Tactical Vehicle

### OTHER PROCUREMENT

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Tactical and Support Vehicles</b>	<b>851</b>	<b>960</b>	<b>1,811</b>	<b>995</b>	<b>724</b>	<b>1,719</b>
Family of Medium Tactical Vehicles *	90	244	334	205	147	352
Family of Heavy Tactical Vehicles *	28		28	40	6	46
Joint Light Tactical Vehicle	250		250	587		587
Modification of In-Service Equipment *	105	100	205	64	155	219
All Other Vehicles and Trailers *	268	616	884	97	415	512
Non-Tactical Vehicles *	10		10	2		2
ARNG HMMWV Modernization *	100		100			
<b>Other Support Equipment</b>	<b>1,562</b>	<b>78</b>	<b>1,639</b>	<b>1,382</b>	<b>232</b>	<b>1,613</b>
Training Equipment *	438		438	428		428
Combat Service Support Equipment *	155	55	210	155	70	224
Construction Equipment	107		107	132	11	143
Smoke/Obscurants Systems	28	4	32	31	2	33
Test Measurement and Diagnostic Equip *	50		50	41	1	42
Engineer Equipment (Non-Construction)	113		113	76	1	77
Bridging Equipment	96		96	65	26	91
Generators	217		217	131	22	153
Medical Equipment	74		74	60	6	66
Petroleum Equipment	41		41	47	83	130
Rail Float Containerization Equipment *	55		55	24		24
Material Handling Equipment	18	11	28	2	1	3
Maintenance Equipment	28		28	38	2	40
Other Support Equipment *	144	9	152	152	9	160
<b>Totals</b>	<b>2,413</b>	<b>1,038</b>	<b>3,451</b>	<b>2,377</b>	<b>956</b>	<b>3,332</b>

\* Programs with FY 2016 Congressional adjustments

Entries in the FY 2016 and FY 2017 Base Request columns include \$2 billion in OCO funding provided by BBA 15 for Base purposes.

# Other Procurement

## Communication-Electronic/Initial Spares

### OTHER PROCUREMENT

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
<b>Communications</b>	1,505	35	1,540	1,503	58	1,561
Joint Communications *	754		754	497	10	506
Combat Communications *	267	6	273	192	24	216
Satellite Communications *	200		200	366		366
Base Communications	161	29	190	263	21	283
Information Security *	92		92	150	2	152
Intel Communications *	5		5	7	2	9
Long Haul Communications	16		16	28		28
Command, Control Communications	10		10	3		3
<b>Electronic Equipment</b>	1,752	103	1,855	2,129	197	2,326
Tactical Surveillance *	736	3	738	886	7	893
Tactical Command and Control *	363		363	613	70	683
Electronic Warfare	80	35	114	80	61	142
Tactical Intelligence and Related Activities	350	65	415	331	49	380
Automation *	212	1	213	215	10	225
Audio-Visual Systems	4		4	3		3
Support	8		8			
<b>Spares and Repair Parts *</b>	49		49	27		27
<b>Totals</b>	<b>3,306</b>	<b>138</b>	<b>3,444</b>	<b>3,659</b>	<b>256</b>	<b>3,915</b>

### KEY NETWORK MODERNIZATION PROGRAMS

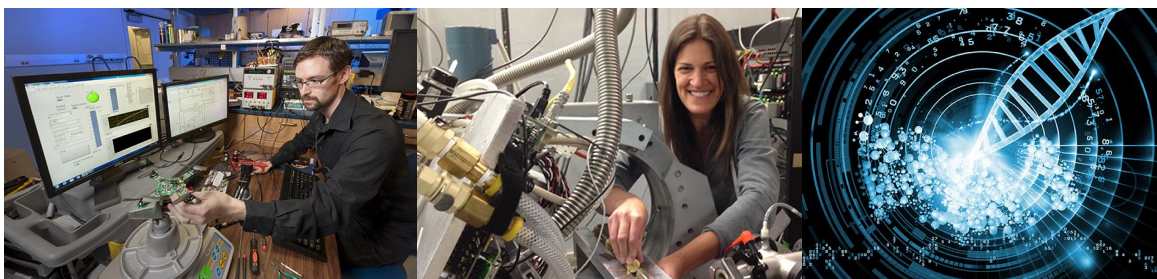
- ❖ Handheld, Manpack and Small Form Fit Radios. Extends the network down to the squad/team leader using tactical Manpack and Rifleman Radio variants.
- ❖ Nett Warrior. Extends automated command and control/position location information down to the team leader using a hand-held display device based on commercial smart phone technology.
- ❖ Joint Battle Command-Platform. Provides critical situational awareness, command and control, and location information of mounted forces on the battlefield, from the brigade down to platoon.
- ❖ Warfighter Information Network-Tactical, Increment 2. Provides the broadband backbone communications necessary for the tactical Army. Extends an Internet Protocol based satellite and line-of-sight communications network supporting telephone, data and video.
- ❖ Airborne, Maritime, Fixed Station, Small Airborne Networking Radio. Provides all aviation platforms the ability to join the Army's terrestrial voice and data networks through the use of advance software defined waveform capabilities.
- ❖ Mid-Tier Networking Vehicular Radio. Provides a tactical radio planned to enhance high-capacity terrestrial (line of sight) communications in tactical units through the use of the Wideband Networking Waveform.

### SUMMARY OF MAJOR NETWORK PROGRAMS

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Warfighter Info Network-Tactical *	695		695	428	10	438
Joint Tactical Radio System *	55		55	274		274
Distributed Common Ground Sys-Army	250	54	304	243	33	276
Joint Battle Command Platform *	133		133	138		138
Nett Warrior *	50		50	32		32
<b>Totals</b>	<b>1,183</b>	<b>54</b>	<b>1,237</b>	<b>1,115</b>	<b>43</b>	<b>1,158</b>

\* Programs with FY 2016 Congressional adjustments

# Research, Development, Test, and Evaluation



The FY 2017 Research, Development, Test, and Evaluation (RDTE) budget request of \$7,616M supports the full range of RDTE activities balanced between current and future needs with a priority toward meeting long-term objectives, exploration, and research. The major cornerstones of the Army's FY 2017 budget are Science and Technology, Network Programs, Combat Vehicle Development, Combat Vehicle Modernization, Air and Missile Defense, and Aviation.

The Army continues its Science and Technology mission, dedicating \$2,267M for invention and demonstration of technologies. Basic Research (\$429M) creates new understandings of new phenomena, novel materials and physical/cognitive processes and physical, biological or other processes for potential exploration toward military needs. Applied Research (\$908M) develops and assesses current technologies for potential military applications. Advanced Technology Development (\$930M) demonstrates mature technology that can be applied to acquisition programs in the near term. Key FY 2017 Army Science and Technology investments include technology demonstrations to inform requirements development and reduce technical risk for emerging programs of record in combat vehicle prototyping, Assured Position/Navigation/Timing research, Joint Multi-Role rotorcraft development for the Army's Future Vertical Lift capability, High Energy Laser efforts and degraded visual environment mitigation for aviators. Investments will also address Emerging Threats by investing in Science and Technology focused on capability gaps to regain overmatch and win decisively over any potential adversary.

To these ends, Army Science and Technology will invest in innovative technologies focused on active protection systems (both ground and air), aircraft survivability, directional networking and platform sensor protection, and technology vulnerability assessments. As Army Science and Technology continue to identify and harvest technologies suitable for transition to our forces, we will continue to focus on the core capabilities that the Army needs, including long-range precision fires, cyber, materiel, medical, Soldier, and quantum science technologies.

*(Continued on page 27)*

## RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Basic Research	469		469	429		429
Applied Research *	1,093		1,093	908		908
Adv Technology Dev *	1,127		1,127	930		930
Adv Component Dev-Prototypes *	506	2	508	551	9	560
System Dev and Demonstration *	2,085		2,085	2,265	84	2,349
Management Support *	1,071		1,071	1,136		1,136
Operational Systems Development *	1,211		1,211	1,297	7	1,304
<b>Totals</b>	<b>7,562</b>	<b>2</b>	<b>7,564</b>	<b>7,516</b>	<b>100</b>	<b>7,616</b>

\* Programs with FY 2016 Congressional adjustments

# **Research, Development, Test, and Evaluation**

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The Army continues to provide incremental improvements to combat-proven fleets and resource-informed developmental efforts to ensure Army maneuver forces retain the capability to overmatch the enemy with increased mobility, protection, and lethality.

The Army's Network continues to develop holistically through the Network Integration Evaluation (NIE). NIE funding (\$90M) supports two evaluations, integrates platforms, components, software systems, and validates the Army is fielding an interoperable network and mission command capability. NIE first develops the infrastructure and test plans, then conducts the integration and evaluation of the potential solutions. The outcome of the NIE is the solution set for the next Capability Set. Networked Tactical Radio funding supports Tactical Network Radio Systems (Low-Tier, \$19M) and Mid-Tier Networking Vehicular Radio (\$12M) programs.

The Army's Combat Vehicle Modernization Strategy continues to drive developmental testing and system qualification of the Paladin Integrated Management (\$42M) integration, assembly, and delivery of 29 full Armored Multi-Purpose Vehicle prototypes for development test (\$184M). Modernization efforts also integrate network capability; improve the command and control interface; and enhance engine design, suspension, lethality, mobility, track life of the Abrams and Bradley (\$180M), and Stryker combat vehicles (\$137M). The Combat Vehicle Modernization strategy also begins to improve Infantry Brigade Combat Team (IBCT) lethality and mobility in FY 2017. This includes the initiation of the Mobile Protected Firepower Analysis of Alternative, trade studies and affordability analysis (\$10M) to increase firepower to our IBCTs. Efforts to improve IBCT ground mobility include the Joint Light Tactical Vehicle (\$33M), which supports the creation of a wheeled family of vehicles, and the new start Ground Mobility Vehicle (\$5M).

Air and Missile Defense programs (\$156M) include Patriot Product Improvement, Army, Integrated Air and Missile Defense (AIAMD), and the Counter-Rocket Artillery Mortar (C-RAM). Patriot Product Improvement adds Positioning, Navigation, and Timing activities and continues software improvement for Threat Evolution, Advanced Electronic Counter Measures, and Combat Identification enhancements. The AIAMD Program is the Army's System of Systems Battle Command System. The C-RAM program is developing a system of systems that can sense, warn, and defeat incoming rockets and projectiles. The Army is maturing technologies for long-range rocket technology to extend range beyond 300 kilometers in the development of the Long-Range Precision Fires (LRPF) program (\$39M). This will be a cluster and insensitive munition compliant system that provides Joint Force Commanders with a 24/7, all-weather, area target capability for the tactical battlefield.

Aviation-related RDT&E efforts (\$732M) include modernization and integration of combat and support aircraft, intelligence gathering platforms, and aircraft system components. Common Infrared Counter Measure Engineering and Manufacturing Development (EMD) phase activities include integration and testing with the Apache helicopter; Black Hawk helicopter analog to digital architecture upgrade that enables uniform Pilot-Vehicle Interface; continued development of the Improved Turbine Engine Program for Black Hawk and Apache helicopters; transition from individual Chinook helicopter ECPs into a Block II EMD effort; and Common Missile Warning System development for a reduced Space, Weight, and Power solution. To facilitate operations in degraded environment conditions, the Army will continue design and development of the Brownout Rotorcraft System/Degraded Visual Environment system.

# Military Construction/BRAC



West Point Barracks

## MILITARY CONSTRUCTION SUMMARY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Regular Army	728		728	503	19	522
Army National Guard	249		249	233		233
Army Reserve	148		148	68		68
<b>Totals</b>	<b>1,124</b>		<b>1,124</b>	<b>805</b>	<b>19</b>	<b>824</b>

The FY 2017 Military Construction Budget request funds the Army's most critical facility needs for the Active and Reserve Components focused on the following initiatives: Replacement of Aging Facilities, Modularity and Global Defense. Within these initiatives are projects required for Cyber Protection Teams at Fort Gordon, Georgia, and the Command and Control/ Operations at Fort Shafter, Hawaii, and Fort Belvoir, Virginia. Other investment priorities include construction of new facilities for the Reserves and National Guard, ranges, training and maintenance facilities; and replacement of failing and obsolete infrastructure.

The FY 2017 Military Construction program is one of the smallest in recent years. This request funds 29 military construction projects in 16 states plus Germany, Korea, and Cuba.

- ❖ Regular Army: 15 projects, \$503M
- ❖ Army National Guard: 10 projects, \$233M
- ❖ Army Reserve: 4 projects, \$68M

## BASE REALIGNMENT AND CLOSURE

The FY 2017 Base Realignment and Closure (BRAC) Budget request supports the Army's environmental clean-up and disposal efforts at the remaining BRAC properties.

Appropriation Title (\$M)	FY16 Enacted	FY17 Request
Base Realignment and Closure	32	14

# Military Construction

## MILITARY CONSTRUCTION, ARMY

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Replace Aging Facilities	479		479	319		319
Planning and Design	109		109	98		98
Barracks	56		56			
Global Defense Posture	51		51	62	19	81
Minor Construction	25		25	25		25
Improve Quality of Life	8		8			
<b>Totals</b>	<b>728</b>		<b>728</b>	<b>503</b>	<b>19</b>	<b>522</b>

## MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Replace Aging Facilities	199		199	162		162
Modularity	14		14	50		50
Minor Construction	15		15	12		12
Planning and Design	20		20	9		9
<b>Totals</b>	<b>249</b>		<b>249</b>	<b>233</b>		<b>233</b>

## MILITARY CONSTRUCTION, ARMY RESERVE

Budget Request (\$M)	FY 16 Enacted			FY 17 Request		
	Base	OCO	Total	Base	OCO	Total
Replace Aging Facilities	132		132	58		58
Planning and Design	9		9	8		8
Minor Construction	7		7	3		3
<b>Totals</b>	<b>148</b>		<b>148</b>	<b>68</b>		<b>68</b>



# Army Family Housing

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Camp Humphreys, Korea



Fort Jackson, S.C. Privatization Program

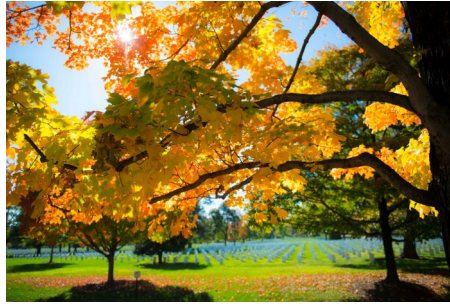
The FY 2017 Army Family Housing Operations budget supports the operation, maintenance, repair, utilities, and oversight of homes for Soldiers and their Families in both the United States and overseas. It provides funding for 10,454 Army-owned units; 4,245 leases; and portfolio and asset management for 86,077 privatized homes. This request also includes new construction of 306 Family Housing units (90 units at Camp Walker, Korea, and 216 units at Camp Humphreys, Korea).

## ARMY FAMILY HOUSING

Budget Request (\$M)	FY16 Enacted	FY17 Request
<b>Construction</b>	<b>109</b>	<b>201</b>
New/Replacement Construction	98	198
Improvement	4	
Planning and Design	7	3
<b>Operations</b>	<b>376</b>	<b>326</b>
Operation and Utilities	137	114
Maintenance	75	61
Leasing	142	132
Privatization	22	19
<b>Totals</b>	<b>485</b>	<b>527</b>



# Other Accounts



Arlington National Cemetery

The Army National Cemetery Program is an Army account. The Army is DoD's financial management agent for the Chemical Agent and Munitions Destruction account. Army Working Capital Fund is an Army revolving account that directly supports the materiel readiness of operating units.

- ❖ Army National Cemetery Program funding (\$71M, Base) supports Arlington National Cemetery in Arlington, Virginia, and the Soldiers' and Airmen's Home National Cemetery in Washington, DC.
- ❖ Chemical Agent and Munitions Destruction funding (\$551M, Base) supports safe storage and destruction of the remaining chemical munitions stockpiles in Kentucky and Colorado and the Chemical Stockpile Emergency Preparedness Project for the Kentucky and Colorado facilities and surrounding communities.
- ❖ Army Working Capital Fund (\$103M, Base and OCO) provides for the acquisition of secondary items for Army Prepositioned Stocks and for Paladin Integrated Management engines.

## OTHER ACCOUNTS

Appropriation Title (\$M)	FY16 Enacted	FY17 Request
<b>Army National Cemetery and Construction</b>	<b>80</b>	<b>71</b>
<b>Chemical Agent and Munitions Destruction</b>	<b>700</b>	<b>551</b>
<b>Army Working Capital Fund (FY17 = \$56M Base + \$47M OCO)</b>	<b>195</b>	<b>103</b>



Blue Grass Chemical Agent-Destruction Pilot Plant

# Overseas Contingency Operations

## OVERSEAS CONTINGENCY OPERATIONS BUDGET REQUEST

- ❖ Military Personnel budget request primarily funds pay and allowances, subsistence, training, and administrative support for mobilized Reserve Component Soldiers.
- ❖ Operations and Maintenance budget request funds support Operation FREEDOM'S SENTINEL (Afghanistan); Operation INHERENT RESOLVE (Targeted operations against Islamic State in Iraq and the Levant); European Reassurance Initiative; Operation Spartan Shield (supporting Regionally Aligned Forces concept with partners in the Arabian Gulf region). These missions continue to evolve in response to the volatility of current events throughout those regions.
- ❖ Research, Development, and Acquisition accounts fund battle losses, ammunition replenishment, and the enhancement of prepositioned equipment stocks in Europe.
- ❖ Afghanistan Security Forces Fund provides assistance to the security forces of Afghanistan.
- ❖ Supports compliance with the Bipartisan Budget Act of 2015.



Soldiers in Afghanistan

## OVERSEAS CONTINGENCY OPERATIONS SUMMARY

OCO Request (\$M)	FY16 Enacted	FY17 Request
<b>Army Accounts: Totals</b>	<b>16,393</b>	<b>18,682</b>
Military Personnel	2,037	2,228
Operation & Maintenance	12,272	13,826
Research, Development, & Acquisition	2,084	2,563
Military Construction, Army		19
Army Working Capital Fund		47
<b>Passthrough Accounts: Totals</b>	<b>4,717</b>	<b>4,329</b>
Afghanistan Security Forces Fund	3,652	3,449
Joint Improvised Device Defeat Fund	350	
Iraq Train & Equip Fund	715	630
Syria Train & Equip Fund		250
<b>Totals</b>	<b>21,110</b>	<b>23,011</b>

Note: The FY 2016 Appropriations Act provided the Army \$350 million for the Joint Improvised Explosive Device Defeat Fund in OCO funding. This mission has been assumed for FY 2017 and beyond by a DOD organization. Partial FY 2016 and FY 2017 JIEDDF funding information can be found in the DOD Budget Materials.

# Conclusions

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## **THE ARMY FACES NUMEROUS MAJOR CHALLENGES IN THE CURRENT ENVIRONMENT**

- ❖ The Army's number one priority is readiness. There is no other number one.
- ❖ Current funding levels constrain the Army's ability to achieve the desired balance between near term readiness for the current environment, and long term modernization required for future security challenges.
- ❖ We cannot equip and sustain the entire force with today's most modern equipment and we risk going to war with insufficient readiness.
- ❖ Near Term. Builds operational readiness for potential major combat operations while also ensuring deploying units are ready for ongoing contingency operations.
- ❖ Long Term. Suppressed defense budgets do not reflect the current global security environment and the velocity of change that requires the Army to be ready now and tomorrow for unforeseen threats to US national security requiring the military instrument of power.
- ❖ Sequestration returns in FY 2018, jeopardizing the Army's ability to support the National Military Strategy



## **Army Strong!**

### **PUBLICATION INFORMATION**

This booklet provides the highlights of the Army's Budget submitted to Congress as part of the President's Budget.

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.**

All Army budget materials, including this booklet, are available to the public on the Assistant Secretary of the Army (Financial Management and Comptroller) website.  
<http://asafm.army.mil/offices/BU/BudgetMat.aspx?OfficeCode=1200>

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