



U.S. ARMY

Army FY 2020 Budget Overview



March 2019
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U.S. ARMY

Deploy, Fight, and Win:

Retain overmatch in order to deter, and defeat if necessary, all potential adversaries

Where we are

- Deployed and Committed: 179K
- In more than 140 countries
- Across 6 continents
- Army SOF: 4K deployed in 80 countries
- Worldwide Support to CT Operations

The Army's purpose— remains constant: *To deploy, fight, and win our Nation's wars by providing ready, prompt, and sustained land dominance by Army forces across the full spectrum of conflict as part of the Joint Force.*

Strategic Environment

- Great Power Competition: China and Russia
- Regional State Adversaries: North Korea and Iran
- Other Threats: VEOs, trans-national criminal organizations, cyber hackers
- Economic Uncertainty
- Dynamic International Operating Environment

Strategic Approach

- Build readiness for prompt and sustained ground combat
- Modernization to ensure overmatch in a fundamentally different future environment
- Reform to free up time, money, and manpower for our highest priorities
- Strengthen Alliances and Partnerships and seek new strategic partners as the operating environment changes

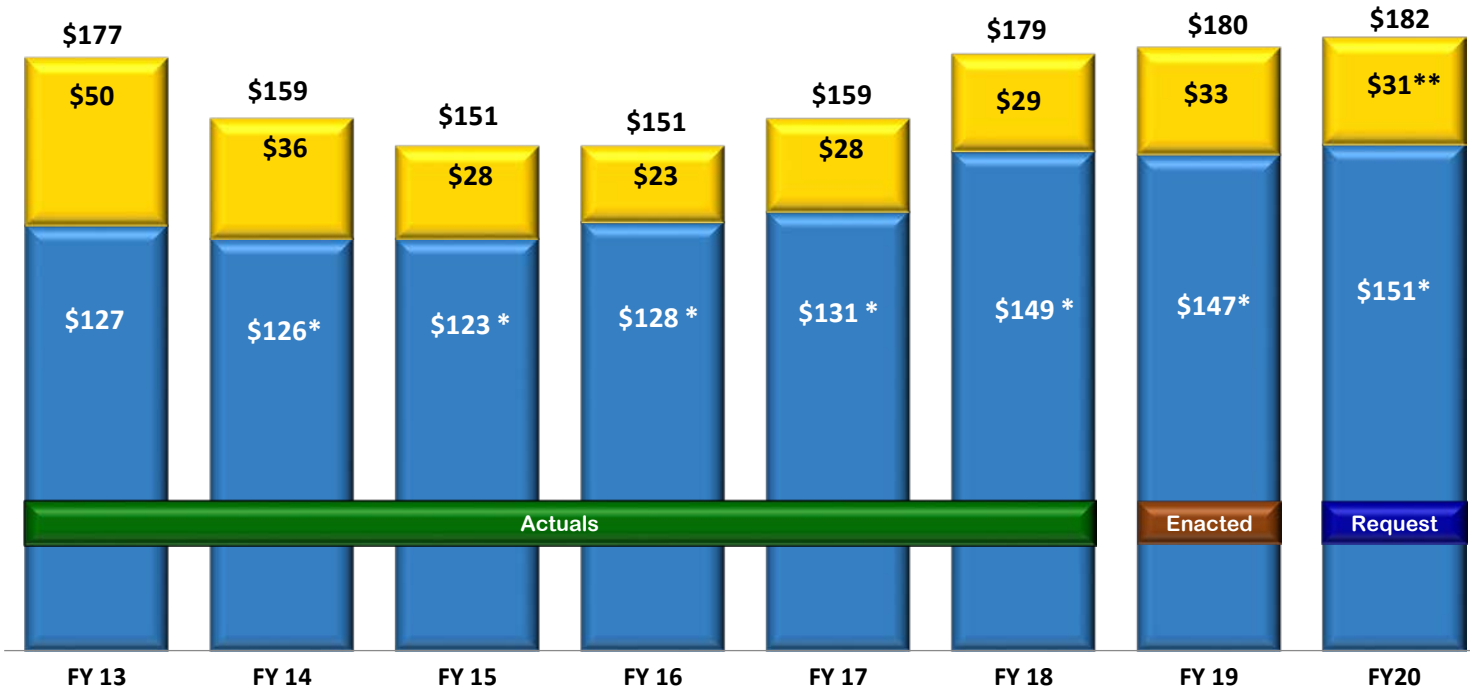
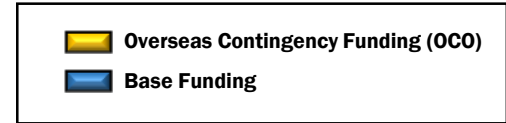
"The Army of 2028 will be ready to deploy, fight and win decisively against any adversary, anytime and anywhere, in a joint, multi-domain, high-intensity conflict, while simultaneously deterring others and maintaining its ability to conduct irregular warfare"

The Army Vision 2018



Budget Trends

FY13 - FY20 (\$B)
Base and OCO



* Includes OCO for Base purposes

** Does not include \$9.2B Emergency funding

FY14: \$3.1B OCO for Base Transfer

FY15: \$0.85B OCO for Base Transfer

FY16: \$2.7B OCO for Base Transfer

FY17: \$6.0B OCO for Base Transfer

FY18: \$1.0B OCO for Base Transfer

FY19: \$0.6B OCO for Base Transfer

FY20: \$31.4B OCO for Base Transfer

The FY20 Budget starts the Modernization Renaissance which builds on Readiness Improvements started in FY17



FY20 Budget Themes

The Army's FY20 Budget Request helps to ensure the Army increases its overmatch capability and remains the world's preeminent ground fighting force through investments in Readiness and Modernization to deter adversaries and, when necessary, fight and win.

- ❖ Support the National Defense Strategy
- ❖ Defeat Adversaries in Ongoing Conflicts
- ❖ Increase Readiness and Build a More Lethal Force
- ❖ Accelerate Modernization and Enhance our Competitive Advantage
- ❖ Deliver Concepts and Capabilities at the Speed of Innovation
- ❖ Strengthen Existing Alliances and Develop New Partnerships
- ❖ Increase the Army's Capacity
- ❖ Invest in Critical Infrastructure
- ❖ Support Soldiers, Civilians, and their Families
- ❖ Reform and Streamline Processes



U.S. Army Rangers assigned to Bravo Company, 2nd Battalion, 75th Ranger Regiment, conduct Special Purpose Insertion/Extraction (SPIE) training

"We have many, many things underway to make sure our Army is ready, lethal and prepared to deploy, fight, and win in future wars. And our guarantee, my guarantee, is that we are ready today and will be ready tomorrow."

- GEN Mark A. Milley, U.S. ARMY CHIEF OF STAFF



U.S. ARMY

FY20 Budget Request

(Base Funding Program)

\$B	FY18 Actuals	FY19 Enacted	FY20 Request
Military Personnel	57.0	59.3	60.4
Operation and Maintenance ¹	60.0	50.9	52.9
Procurement/RDTE	37.0	33.2	34.0
Military Construction/Family Housing/BRAC	2.7	2.2	2.3 ⁴
Other Base (CAMD/AWCF/ANC)	1.4	1.4	1.1
Totals	149.0 ²	147.0 ³	150.7 ⁵

Numbers may not add due to rounding

Other Base: Chemical Agent and Munitions Destruction, Army Working Capital Fund, and Arlington National Cemetery

1: Includes Environmental Restoration Account (ERA) funding

2: Includes \$0.4B Missile Defeat and Defense Enhancement Includes \$0.6B in OCO for Base purposes

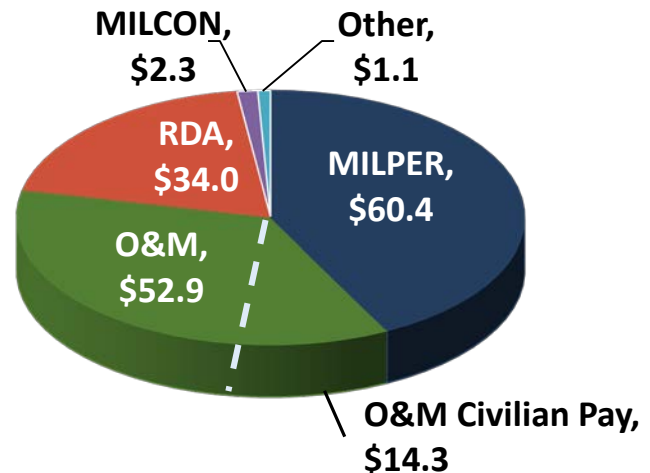
3: Includes \$0.6B in OCO for Base purposes

4: Does not include \$9.2B Emergency funding

5: Includes \$31.4B in OCO for Base purposes

- ❖ The Army's topline base funding grew by 2.5% from the total FY19 Enacted
- ❖ The FY20 base budget funds the Army's readiness requirements and the higher end strength:
 - Military Personnel 1.9% ▲
 - Procurement/RDTE (RDA) 2.4% ▲

► **Base Request** ◀
\$150.7B





U.S. ARMY

Military End Strength

Component	FY18 Actuals	FY19 Enacted	FY19 Updated	FY20 Request
Regular Army	476,179	487,500	478,000	480,000
Army National Guard	335,204	343,500	335,500	336,000
Army Reserve	188,811	199,500	189,250	189,500
Totals	1,000,194	1,030,500	1,002,750	1,005,500 ¹

1: Authorized in the FY 2019 National Defense Authorization Act, Public Law No: 115-232

- ❖ Supports a Total Army end strength of 1,005,500 Soldiers
- ❖ Modest growth to enable the Army to continue to achieve readiness in a challenging recruiting environment
- ❖ Maintains Active Guard Reserve (AGR) full-time support for the Army National Guard and the Army Reserve



Soldiers of the 503rd Infantry Regiment, 173rd Airborne Brigade, stand in formation during the closing ceremony of Exercise Noble Partner



U.S. ARMY

Military Personnel

\$B	FY18 Actuals	FY19 Enacted	FY20 Request
Regular Army	40.4	42.7	43.3
Army National Guard	8.5	8.6	8.8
Army Reserve	4.7	4.8	5.0
Medicare Eligible Ret Health Care Fund	3.5	3.2	3.3
Totals	57.0	59.3	60.4

Numbers may not add due to rounding

Requested Rate Increases	FY20
Basic Pay	3.1%
Basic Allowance for Housing	3.2%
Basic Allowance for Subsistence	2.4%

- ❖ Includes adjustments for pay, subsistence, housing allowances; continues to address retirement compensation
- ❖ Increases funding for Reserve Component Soldiers on active duty supporting missions
- ❖ Provides incentives to recruit and retain the All-Volunteer Force; includes recruiting and retention bonuses and education benefits



A Cyber-Electromagnetic Activities Teams Soldier assists Brigade Combat Teams at the National Training Center in Fort Irwin, California



U.S. ARMY

Operation and Maintenance (Regular Army)

\$B	FY18 Actuals	FY19 Enacted	FY20 Request
Regular Army (OMA)	40.8 ¹	40.8 ²	42.0 ³

1: Includes \$0.6B in OCO for Base purposes

3: Includes \$19.2B in OCO for Base purposes

2: Includes \$0.6B in OCO for Base purposes

❖ Trains the Force

- Resources 25 decisive action CTC Rotations
- Increases One Station Unit Training (OSUT) from 14 to 22 weeks for Infantry Soldiers (Armor and Cavalry Scout in pilot)
- Funds home station training at Brigade Combat Team (BCT) - level proficiency for a more lethal, capable force
- Increases flying hour program from 10.8 hours to 11.6 hours

❖ Operates the Force – Strengthens Alliances and Partnerships

- Supports lethal, agile, and resilient global posture
- Maintains 31 Brigade Combat Teams, 5 Security Force Assistance Brigades, 11 Combat Aviation Brigades
- Funds multi-lateral exercises to strengthen alliances

❖ Sustains the Force

- Sustains prepositioned stocks throughout the world
- Increases depot maintenance programs (Aviation, Electronics, Post-Production Software)

❖ Installation/Enterprise Support

- Substantial growth in facility restoration and modernization; sustainment increases to 85%
- Supports modernization effort by resourcing Army Futures Command HQ



U.S. Soldiers conduct training: Kuwait



U.S. ARMY

Operation and Maintenance (Reserve Components)

\$B	FY18 Actuals	FY19 Enacted	FY20 Request
Army National Guard (OMNG)	7.3	7.1	7.6 ¹
Army Reserve (OMAR)	2.9	2.8	3.0 ²

1: Includes \$4.3B in OCO for Base purposes

2: Includes \$1.9B in OCO for Base purposes

❖ Operation and Maintenance, Army National Guard

- Funds 27 Brigade Combat Teams, 4 Attack Recon Battalions, 1 Security Force Assistance Brigade, and 1 Cyber Brigade
- Resources 4 CTC rotations to achieve company-level proficiency; 11 ARNG units provide enabler support to 7 AC CTCs
- Increases the flying hour program to 6.7 hrs; Platoon (+)
- Substantial growth in facility restoration and modernization; sustainment to 85%; Base Operations Support (BOS) at 94%



30th Armored Brigade Combat Team N.C. Army National Guard

❖ Operation and Maintenance, Army Reserve

- Funds 24 Geographic and Functional Commands, 4 Mission Command Training Centers, 4 Readiness Divisions and 1 Futures Innovation Command
- Resources over 600 Focused Readiness Units/50,000 Soldiers ready to deploy within 0-90 days
- Increases the flying hour program to 6.2 hrs; Platoon (+)
- Provide enabler support for 28 Combat Training Exercises: JRTC (9), NTC (10), and MCTP (9) Rotations
- Resources sustainment to 85%; BOS to 94%



U.S. Army Reserve medical Soldiers conduct training



Army Modernization Plan

- ❖ Requires a bold shift to fulfill the 2018 National Defense Strategy (NDS) and put the Army on course to achieve its vision of 2028 – an Army with next generation combat systems, modernized doctrine and reorganized formations to fight and win against Great Power Competition.
- ❖ Acknowledges our Army is at a strategic inflection point requiring a shift from irregular warfare to large-scale ground combat operations.
- ❖ Acknowledges our strategic competitors are building weapons and developing technologies that reduce our long-held advantages and addresses our need to modernize faster than our adversaries.
- ❖ Re-assesses Army modernization investment priorities cognizant of downward budgetary pressures and the need to take immediate action with the FY20 President's Budget
 - Reviewed all programs under the lens of its contribution to lethality realigning from lower to higher return
 - Acknowledged continued upgrades to select legacy combat systems provided marginal improvements

Established 8 CFTs to focus on 6 Modernization Priorities

1. Long Range Precision Fires
2. Next Generation Combat Vehicle
3. Future Vertical Lift
4. Network
5. Assured Positioning, Navigation, and Timing
6. Air and Missile Defense
7. Soldier Lethality
8. Synthetic Training Environment

“A significant challenge in the modernization effort is that the fundamental difference in how adversaries and the U.S. view conflict (ongoing competition versus cycles of peace and warfare) ultimately shapes their associated acquisitions cultures and processes.”

- GEN Murray, Commander, Army Futures Command



U.S. ARMY

Research, Development, and Acquisition (RDA) Summary

\$B	FY18 Actuals	FY19 Enacted	FY20 Request
RDT&E Total	11.4	11.1	12.2
Procurement Total	25.6 ¹	22.1	21.8 ²
Totals	37.0	33.2	34.0

Numbers may not add due to rounding

1: Includes \$0.4B in OCO for Base purposes

2: Includes \$5.9B in OCO for Base purposes

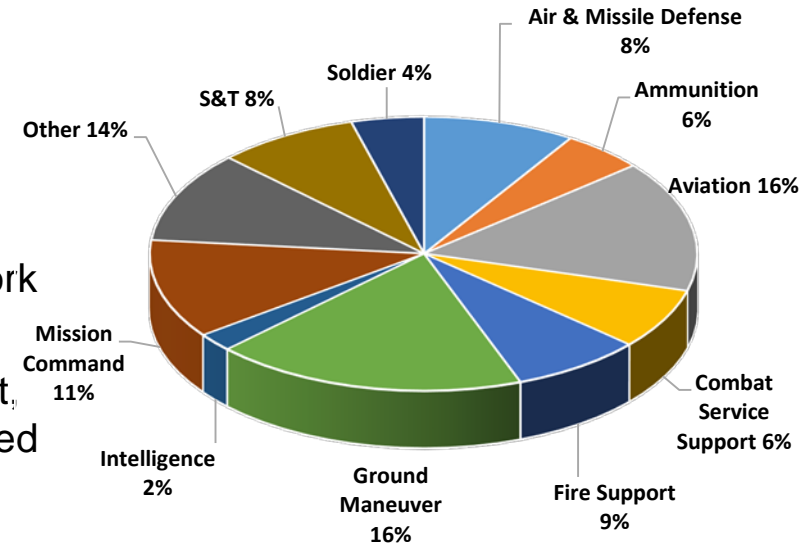


Electronic Warfare Specialist communicates to team via portable manpack radio

- ❖ Fills critical capability gaps and improves lethality in munitions, and air and ground combat platforms
 - Increases modernization of Bradley, Stryker, Abrams and Paladin
 - Increases procurement of critical missiles, M-SHORAD Systems and Blackhawk
 - Accelerates procurement of Manpack Radios, Ground Soldier System, and Signal Modernization Program in support of the Integrated Tactical Network
- ❖ RDT&E: Land-Based Hypersonic Missile, Manned Ground Vehicle, Future Attack Reconnaissance Aircraft, Lower Tier Air and Missile Defense Capability, Integrated Visual Augmentation System (IVAS) Advanced Development

▶ **\$34.0 B** ◀

Capability Portfolios

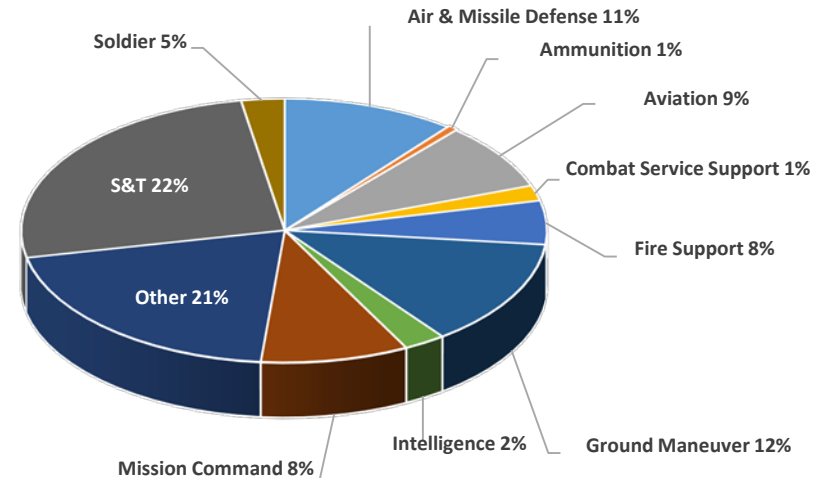




RDT&E Summary

► \$12.2 B ◀

Capability Portfolios



\$B	FY18 Actuals	FY19 Enacted	FY20 Request
Basic Research	0.5	0.4	0.4
Applied Research	1.2	0.9	0.9
Advanced Technology Dev.	1.4	1.1	1.1
S&T Subtotal	3.1	2.4	2.4
Demonstration/Validation	1.6	1.2	2.9
Engineering Manufacturing Dev.	3.3	3.1	3.5
Testing & Management Support	1.6	1.7	1.3
Operational System Development	1.8	1.7	2.0
Totals	11.4	11.1	12.2

Numbers may not add due to rounding

- ❖ Aligns 80% of S&T funding towards the Secretary's six Modernization Priorities in order to deliver concepts and capabilities at the Speed of Innovation
- ❖ Focuses on modernization of Land-Based Hypersonic Missile, Manned Ground Vehicle, Future Attack Reconnaissance Aircraft, Lower Tier Air and Missile Defense Capability, and Integrated Visual Augmentation System (IVAS) Advanced Development to enhance our competitive advantage
- ❖ Continues development of 155mm Self-Propelled Howitzer Improvements, Mobile Protected Firepower, Improved Turbine Engine Program, and Indirect Fire Protection Capability in order to build a more lethal force today against great power competition



U.S. ARMY

Procurement Summary

\$B	FY18 Actuals	FY19 Enacted	FY20 Request
Aircraft	5.6	4.3	3.7
Missiles	4.4	3.1	3.2
Weapons & Tracked Combat Vehicles	4.6	4.5	4.7
Ammunition	2.5	2.3	2.7
Other Procurement	8.5	7.9	7.5
Totals	25.6 ¹	22.1	21.8 ²

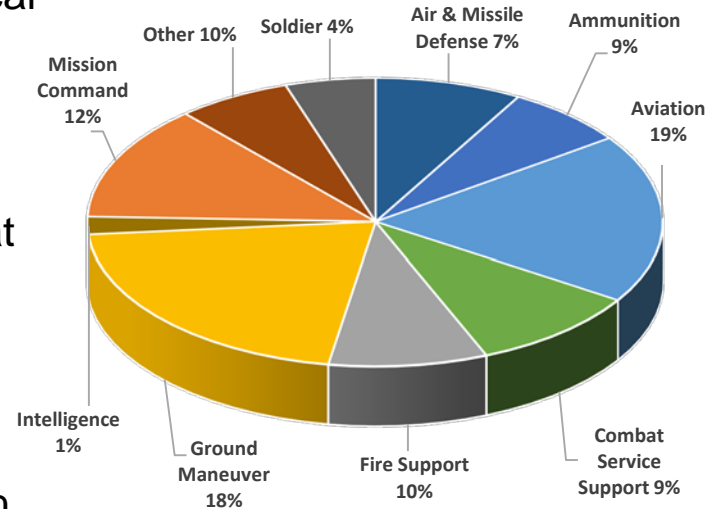
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1: Includes \$0.4B in OCO for Base purposes

2: Includes \$5.9B in OCO for Base purposes

- ❖ Maximizes procurement of select munitions: Hellfire Missiles; Guided MLRS Rockets, and the Army Tactical Missile Systems (ATACMS)
- ❖ Sustains Apache Remanufacture, Abrams, Chinook Remanufacture and Paladin Integrated Management
- ❖ Accelerates modernization of Stryker Brigade Combat Teams by upgrading Stryker fleets with mobility and lethality enhancements and equips the first of four M-SHORAD battalions
- ❖ Increases procurement of Manpack Radios, Ground Soldier System, and Signal Modernization Program in support of the Integrated Tactical Network

▶ **\$21.8 B** ◀
Capability Portfolios





Select Procurement Quantities (Base and OCO)



Abrams



Bradley



Paladin



Hellfire



JLTV



GMLRS



AMPV

Program	Quantities	
	FY19	FY20
AH-64E Apache Remanufacture	48	48
UH-60M Black Hawk	58	73
CH-47 Chinook	7	9
Abrams Upgrade	168	165
Bradley Upgrade/ MOD	167	128
Armored Multi-Purpose Vehicle (AMPV)	197	131
Paladin Integrated Management (PIM)	51	53
Joint Light Tactical Vehicle (JLTV)	3,393	2,530
Guided MLRS Rocket (GMLRS)	7,818	9,570
MSE Missile	240	147
ATACMS	320	320
Stryker Upgrade	82	152
Hellfire	2,309	5,112



Apache



Black Hawk



Chinook



Facilities

\$M	FY18 Actuals	FY19 Enacted	FY20 Request
Military Construction	2,043	1,446	1,725 ¹
Army Family Housing	546	707	499
Base Realignment and Closure (BRAC)	103	63	66
Totals	2,692	2,216	2,290

Numbers may not add due to rounding

1: Does not include \$9.2B Emergency funding

- ❖ These projects recapitalize poor and failing facilities as well as building new facilities that will increase Readiness. Provides construction of new facilities across all three components.
 - Regular Army: 21 projects, \$1,453M
 - Army National Guard: 12 projects, \$211M
 - Army Reserve: 2 projects, \$61M
- ❖ Supports U.S. and overseas Army Family Housing operation and maintenance, leases, and construction (3 projects, \$141M).
- ❖ Supports environmental remediation actions at sites closed during prior BRAC rounds.



Advanced Individual Training Barracks Complex, Phase 2, Fort Gordon, GA



U.S. ARMY

Other Base Accounts

\$M	FY18 Actuals	FY19 Enacted	FY20 Request
Army National Cemetery and Construction	248	114	71
Chemical Agent and Munitions Destruction	964	994	986
Army Working Capital Fund	200	258	90

❖ Cemeterial Expenses, Army (Arlington National Cemetery)

- Provides for operation, maintenance, infrastructure revitalization and construction at Arlington National Cemetery in Arlington, Virginia, and the Soldiers' and Airmen's Home National Cemetery in Washington, D.C.
- ANC is the final resting place for Service Members, Veterans, and their Families; as an active cemetery, hosts more than 7,000 burials annually

❖ Chemical Agent and Munitions Destruction (DoD Program)

- Provides for destruction of US inventory of lethal chemical agents and munitions as outlined in the Chemical Weapons Convention
- Chemical Agent-Destruction continues at Blue Grass and Pueblo Pilot Plants

❖ Army Working Capital Fund

- Provides for the acquisition of secondary items for Army Prepositioned Stocks
- Sustains industrial base equipment required for mobilization



Arlington National Cemetery



U.S. ARMY

Overseas Contingency Operations

(\$M)	FY18 Actuals	FY19 Enacted	FY20 OCO Dir. and Enduring Request
Military Personnel (MILPERS)	2,878	3,161	2,981
Operation & Maintenance (O&M)	17,094	18,101	18,894
Research, Development, & Acquisition (RDA)	2,856	5,134	3,657
Military Construction, Army (MCA)	146	192	189
Working Capital Fund (AWCF)	70	7	20
Army Subtotal	23,044	26,595	25,741
Counter-Islamic State of Iraq and Syria Train and Equip Fund	1,769	1,352	1,045
Afghan Security Forces Fund	4,667	4,920	4,804
Passthrough / Transfer Accounts Subtotal	6,436	6,272	5,849
Totals	29,479	32,868	31,590¹

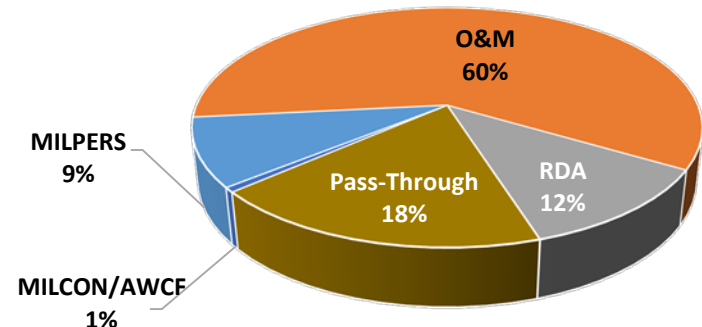
Numbers may not add due to rounding

1: Does not include \$31.4B in OCO for Base funding; \$9.2B Emergency funding

- ❖ Operation FREEDOM's SENTINEL
- ❖ Operation INHERENT RESOLVE (Iraq)
- ❖ European Deterrence Initiative (EDI)
- ❖ Operation Spartan Shield
- ❖ Horn of Africa
- ❖ Counter-ISIS Train & Equip Fund
- ❖ Afghan Security Forces Fund

▶ OCO Request ◀

\$31.6B





Reform

The Army's Senior Leaders instituted deliberate reform initiatives yielding \$3.6B in FY20

- ❖ Business Process Improvements: -\$277.9M in FY20
 - Contract management – On track to save millions of dollars by reducing contract redundancies and improving competition processes
 - Command Accountability and Execution Review (CAER) – a full spectrum approach leveraging monthly venues focusing on supply chain, transportation and contract management enterprise wide
- ❖ Policy Reform: -\$177.9M in FY20
 - Army Internally realigned its civilian workforce to establish Army Future Command.
- ❖ Better Alignment of resources with the NDS: -\$717.9M in FY20
 - Army Senior Leaders streamlined Army Logistical Support Operations by eliminating duplicative effort across organizations
- ❖ Divestment: -\$2,468.8M in FY20
 - Army Reduced/Delayed 93 programs and Eliminated 93 programs

“We will need to reform the way we do business. In today's environment, we must make difficult choices and prioritize what is most important to modernize the Army.”

- Mark T. Esper, Secretary of The Army



CONCLUSION

The Army's FY20 President's Budget request:

- ❖ Support the National Defense Strategy
- ❖ Defeat Adversaries in Ongoing Conflicts
- ❖ Increase Readiness and Build a More Lethal Force
- ❖ Accelerate Modernization and Enhance our Competitive Advantage
- ❖ Deliver Concepts and Capabilities at the Speed of Innovation
- ❖ Strengthen Existing Alliances and Develop New Partnerships
- ❖ Increase the Army's Capacity
- ❖ Invest in Critical Infrastructure
- ❖ Support Soldiers, Civilians, and their Families
- ❖ Reform and Streamline Processes



U.S. Army Rangers assigned to Bravo Company, 2nd Battalion, 75th Ranger Regiment, conduct training

Resources a More Capable Army Ready to Deploy, Fight, and Win



The FY20 Army Budget Request

***Warfighter Readiness is the US Army's
Number One Priority***

<https://www.asafm.army.mil/offices/bu/content.aspx?what=BudgetMaterials>



FOR ADDITIONAL INFORMATION

This overview provides the highlights of the Army's Budget submitted to the Congress as part of the FY 2020 President's Budget. All Army budget materials are available to the public on the Assistant Secretary of the Army (Financial Management and Comptroller) website.

<https://www.asafm.army.mil/offices/bu/content.aspx?what=BudgetMaterials>

Army Strong!

<http://www.army.mil>