Engine Room Dynamics

Col Rob Culpepper
SAF/FMBP
June 2017
Overview

- Air Force Engine Room organization
- A8PE roles & responsibilities
- FMBP roles & responsibilities
- PPBE Overview & LCMC’s involvement
  - Programming phase
  - Planning phase
  - Budgeting phase
  - Execution phase
FM and A5/8 Organization

SAF/FM and A5/8 (3-star programmer) lead the PPBE
The Engine Room – What we do

POM development & defense on behalf of the SecAF & CSAF

- Optimize allocation of AF resources in line with AF Strategic Guidance, Planning to Programming Guidance, Resource Allocation Plan adjusted for current realities
- Oversees AF Corporate Structure (AF Groups, Boards & Councils) & link to CFLs, COCOMs, MAJCOMs & DRUs, and OSD Issue Teams
- Manages, coordinates & integrates processes and products related to POM development and defense
- Prepare & lead Air Force POM Defense Team for Program & Budget Review (P/BR)
- Maintain ABIDES as the Air Force Authoritative Data Source for PPBE purposes
- Prepare President's Budget submission and rollout brief, Unfunded Priority List (UPL), Overseas Contingency Operation (OCO) submission & kneeboards
- Manage AF messaging, Congressional/media queries & OMNIBUS reprogramming

Breaking Barriers ... Since 1947
## AF/A8PE – What we do

### Exercise Branch
- Manages internal Air Force processes for “POM Build”
- Provides oversight/decision-quality information for all proposed changes to AF Program to SecAF/CSAF
- Develops the narrative for the AF POM
- Publishes guidance for & provides support to Air Force Corporate Structure (AFCS)
- Publishes Program Guidance Memorandum (PGM) & Program Preparation Instruction (PPI)
- Coordinates AF Groups (AFG) and AF Boards (AFB)
- Primary “Google” for field questions regarding ROE & portfolios
- Authoritative source for processes, funding data, and proposed changes for the current POM build

### Corporate Branch
- Manages AF processes for Program and Budget Review (PBR) “POM Defense”
- Prepares, directs, and coordinates Issue Teams
- Facilitates strategic decision forums and all associated prep sessions (3-star Programmers and DSD DMAGs)
- Supports President’s Budget (PB) Rollout
- Ensures entire HAF understands the AF POM narrative and is prepared to use it for engaging Congressional members, their committees, and staffs
- Corporate Congressional Cell
- Authors and edits programmatic content for Congressional requests for information (letters, responses, requests, and testimony preparation)

### Database Branch
- Responsible for the integration and management of all AF program data and systems
- Dollars: Automated Budget Interactive Data Environment (ABIDES)
- Inventory & Flying Hours: Force Structure Data Management (FSDM)
- Decisions: Resource Allocation Programming Information Decision System (RAPIDS)
- POC for all DoD aerial Mission Design Series requests

### Assessments Branch
- Provides long term enduring PPBE analysis; focal for tracking funding from plan to program to budget to execution
- A8P liaison (POC) for FMBO, FMC, A8X, mission support panels, AG for prompt and sustained influence and inclusion in PPBE activities
- Ad Hoc analysis for all AF Senior leaders for resource allocation needs
SAF/FMBP – What we do

FMBP Director
FMBP Deputy Director

Exercise Branch
- PB Rollout
- OCO
- Congressional Marks, Sequestration, CR Analysis
- Congressional & Media Queries
- Recurring/Non-recurring Briefs for FM/FMB
- CORONA Taskers
- Posture Team
- OMNIBUS Reprogramming
- NIPR TMT Taskings
- FM Messaging Position
- Talking Points for Top 4
- Metrics
- Print/Upload J-Books
- Legislative Proposals

Corporate Branch
- POM and Reprice
- Program Budget Review
- 3-Star/DMAG Overwatch
- Unfunded Priority List
- SIPR TMT/Joint Reader (JACO) Taskings
- Kneeboards
- Force Structure/Total Force Analysis
- FYDP Requirements
- Group, Board, Council Oversight (Topic)
- POM Analysis
- PCR—Program Change Requests

ABIDES Branch
- ABIDES Database Mgmt
- PBES SME
- Fiscal Guidance
- POM/PB Appropriation Oversight
- Appropriation Manager Training/Meetings
- Assist Corporate Team

PBES & Info Branch
- PBES Implementation
- ABIDES Admin Support, Contract Mgmt, Certification, Accreditation
- CIS/PRCP Submission
- Fiscal Coding guidance
## PPBE Process

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<th>PLANNING</th>
<th>PROGRAMMING</th>
<th>BUDGETING</th>
<th>EXECUTION / ALLOCATION REVIEW</th>
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<td>• Prepare defensible budget</td>
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Planning, Programming, Budgeting & Execution

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Compressed FY17-19 Timeframe

Breaking Barriers ... Since 1947
### Planning, Programming, Budgeting & Execution

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- **Programming FY+2 thru +6**
  - Establishment of Baseline
  - Database Clean-Up
  - Offset Development & Analysis
  - Program & Budget Guidance
  - POM Balance Development & Approval
  - POM Due
  - Program Review - Program Decision Memorandum
  - Budget Review - Program Budget Decision

- **Budgeting FY+1**
  - Update Budget Docs
  - PB Rollout
  - Staffer Days
  - Committee Mark-Up
  - Budget/Program Fact Papers

- **Execution FY-5 thru Current FY**
  - Expiring Year Execution Review
  - Build Omnibus
  - Spring Program and Investment Budget Reviews
  - Expiring Year Close Out
  - Update for Actuals
  - Execution Reviews, Program Authorizations, Budget Authorizations and Reprogrammings

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*Breaking Barriers ... Since 1947*
American Airmen…
Delivering Global Vigilance, Global Reach, Global Power

5 Core Missions

Air and Space Superiority

Intelligence, Surveillance and Reconnaissance

Rapid Global Mobility

Global Strike

Command and Control

AF Unique Capabilities Critical to the Joint Fight…Readiness Requires a Significant Investment
### Planning, Programming, Budgeting & Execution

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| Execution Reviews, Program Authorizations, Budget Authorizations and Reprogrammings |

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*B r e a k i n g  B a r r i e r s ... S i n c e  1 9 4 7*
AF Programming

- Headquarters Air Force: AF/A8P—The Engine Room
- MAJCOMs/Core Function Leads/Service Core Functions
  - Balanced Submission
  - O&M, Investments, Offsets
- The Air Force Corporate Structure: disciplined, rigorous process
  - The (Mission and Mission Support) Panels
  - Intermediate Level Review (ILR)
  - Air Force Board (AFB)
  - Air Force Council/4-Star Vector checks
  - “Get To the Bottom Line”/POM Closure
  - Incorporate cost estimates for
    - Major acquisition programs
    - O&M repricings

Annual “Math Problem” to comply with Guidance, support COCOMs, balance Readiness, Modernization, Investments and take care of Airmen
Program Budget Review (PBR)  
Division of Labor

- Deputy Secretary of Defense (DSD)
  - Leads whole process, approves Issues, chairs DMAG

- OSD
  - CAPE: Program Review (Chairs 3-Star Programmer’s Group)
  - Comptroller: Budget Review, Budget Finalization and Rollout
  - Establishes Issue Teams, based on nature/content of Issues

- Air Force: AF/A8P (Program Review) & SAF/FMB (Budget Review)
  - Leads building of POM & AF Defense of POM (PBR)
  - Establishes companion Teams to OSD’s Teams
    - ~28 Teams, 250 Action Officers
    - Preps AF Principals attending the 3-Stars and DMAGs
    - Tracks each Issue, accruing bills to AF, develops bill-paying strategy
Planning, Programming, Budgeting & Execution

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Breaking Barriers ... Since 1947
DoD uses the Planning, Programming, Budgeting & Execution (PPBE) process to link its resources to the defense strategy.

**The DoD Budget Process**

**Up and Out**

- **Components prepare program and budget estimates**
  - Planning Phase
  - Programming Phase
  - Budgeting Phase

- **OMB and OSD concurrently review Component submissions**

- **President submits budget to Congress (1st Monday of February)**

- **Congress appropriates and authorizes funding for the Department**
  - Budget Legislation
  - Authorization & Appropriation
AF Budget History

- **FY12**: Pre-sequestration PB...most elements of Defense Strategy supported
- **FY13**: Sequestration...devastating impacts to readiness, people, infrastructure
- **FY14 & FY15**: 1st BBA provided some relief. Still required tough trade-offs...force structure, downsizing, munitions, infrastructure, base operating support
- **FY16**: Avoided BCA caps w/2nd BBA. Started recovery...readiness, modernization, manpower, munitions, infrastructure, OCO
- **FY17**: Sustained readiness, most modernization, Nuclear, Space, Cyber...gaps exist
- **FY18**: Must avoid sequestration...~$15B delta...impacts every program
Planning, Programming, Budgeting & Execution

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Execution Reviews, Program Authorizations, Budget Authorizations and Reprogrammings

Breaking Barriers... Since 1947
Reducing Lost AF TOA
Success in Re-phasing Programs In POM

Source: Appropriation Conference Reports (excludes classified accounts)

- From FY11-16, Air Force lost an average of $1.5B from Investment accounts due to under-execution.
- Thank you for your partnership! Joint effort during Fall/Spring Program reviews is reversing this trend.
  - FY17 Enacted – 73.3% (or $1.1B) below historical average
- By proactively addressing under-execution, WE are taking “easy” sources off the table – drives real debate at all levels as to what capabilities are best of our National defense.

Saved $1.5B in the last two PB cycles for Warfighter needs
Questions?
America’s Air Force Always There…
FY18 President’s Budget Request

Bottom Line Upfront

- For 70 years, American Airmen have provided unmatched Global Vigilance, Global Reach, and Global Power…always in demand
- 26 years of continuous combat ops and budget uncertainty have taken their toll on our Airmen, readiness, and equipment
- World has changed since 2014…continues to be very unstable
- Today, insatiable demand for AF capabilities from our Joint partners and allies exceeds supply…will only increase to meet future threats
- Drives a mismatch between strategy and resources
- The FY18 PB puts us on a path to improve readiness, fill critical shortfalls and increase lethality…but still tough choices required
- FY18 PB is a good start but a long term effort is needed…
- Predictable, sufficient, and flexible budgets required to balance capability, capacity, and readiness
**Secretary of Defense Budget Directives:**

- Improve Warfighting Readiness
- Achieve Program Balance, Address Shortfalls
- Build Capacity and a More Lethal Joint Force

**Air Force Budget Focus/Priorities:**

- Airmen...increase Total Force...fill capability gaps...ensure sustained growth
- Improve Readiness...flying hours, maintenance, RPA get-well, training
- Combat Air Forces...advance combat capabilities...outpace our adversaries
- Nuclear Deterrence...strengthen/modernize delivery of strategic capabilities
- Space...ensure operations in highly congested/contested environment
- Cyber...shift to a 21st century data-centric infrastructure
- Infrastructure...enhance airpower from a network of globally positioned bases

*FY18 Budget Request Sets the Foundation...to Continue to Dominate Air, Space & Cyberspace*
American Airmen...
Delivering Global Vigilance, Global Reach, Global Power

5 Core Missions
Air and Space Superiority
Intelligence, Surveillance and Reconnaissance
Rapid Global Mobility
Global Strike
Command and Control

AF Unique Capabilities Critical to the Joint Fight...Readiness Requires a Significant Investment
AF Airmen Globally Engaged: Always There…Total Force Effort

- Total Force Airmen…175 global locations…27,000 fighting from home…100,000 standing watch around the globe
- Airmen remain engaged 24/7…aircraft takeoff every 2.8 minutes somewhere around the globe
- Provide an asymmetric advantage in level of air and space superiority as well as two-thirds of nation’s nuclear triad
- ISR capabilities…in highest demand by Combatant Commanders…in 2016 MQ-1 and MQ-9 aircrew flew 351,000+ hours
- Provide 6,000+ intelligence products/day…used by warfighters to eliminate enemy targets…trigger 70% of SOF assaults
- In 2016, delivered 695 million pounds of cargo to troops and partner nations…equivalent to 100 Egyptian pyramids
- Air Force GPS technology…used in close to two-thirds of all weapon systems in fight against ISIS
- Leading the joint fight against VEO’s…70% of 26,000+ coalition airstrikes in Iraq/Syria…more than 32,000 enemy targets
- Air Force aircraft average 26 strike sorties per day…expended 56,000 munitions against ISIS since 2014
- Evacuated 4,300+ patients with 98% survival rate…can be returned to CONUS within 3 days

Your Airmen…Supporting and Leading Joint and Coalition Forces…Beginning, Middle and End of Every Operation
Where We Are Today...

- America’s Air Force…still great, but 26 years of sustained global ops have taken their toll
  - 59% fewer fighter squadrons…134 in 1991, 55 today
  - 30% fewer total force Airmen since 1991
  - 37% fewer aircraft…inventory reduced from 8,637 to 5,517…average age is 27 years
  - 17% fewer aircraft per squadron – 24 to 20
- Historic low readiness impacting most missions
- Insatiable demand for Airpower now and in the future
  - Leading global response against VEOs…still heavily engaged in Afghanistan
  - Facing a resurgent Russia, a rising China… unpredictable North Korea, Iran, multiple hotspots
  - Capability gap closing…space & cyber more contested
- State & non-state actors present transregional, multi-functional, multi-domain challenges
  - Future will require us to operate in a denied, contested environment…competitors investing in new technology…fielding advanced air defenses and 5th generation aircraft
Budgets Have Driven Strategy…
Must Return to A Strategy-Driven Budget

Need Predictable and Stable Funding…Cannot Return to BCA
### Potential Impacts of Sequestration

- Potential reduction to already deficient force structure and limited capacity
- Caps end-strength and drives gaps in critical skills...pilots, maintenance, nuclear, cyber, RPA
- Weapon System Sustainment compromised, flying hours reduced, depot maintenance deferred
- CAF training exercises minimized...fewer pilots ready for full spectrum fight
- Operations outpace munition production...risks to JDAMS, SDBs, Hellfires
- Threatens 21st century nuclear deterrence...severe sustainment and reliability challenges
- Denies competitive launch environment, services to gain critical access to space
- Delays essential cyber data-centric infrastructure, GPS, ops in contested environment
- Modernization deferrals of technology-to-warfighter...4th & 5th Gen Mods, F-35 buy
- Risks to infrastructure...mission bed-downs, impacts mission generation at home & abroad

### What We Can Do with the FY18 PB

- Sustain capacity to meet CCDR’s most urgent needs & readiness for today's fight
- Increase total force end-strength to 502K...our top readiness priority
- Fund readiness components, sustains recovery plan...FHs, WSS, combat exercises
- Address pilot & maintenance shortfalls...begin to revitalize our squadrons
- Maximize capacity of preferred munition procurement for current operations
- Modernize nuclear enterprise, protect our assets...LRSO, GBSD, UH-1N, NC3
- Advance space buys of SBIRS 5/6 missile defense system, three EELV launch services
- Improve cyber resiliency in weapon systems, invest in 39 offensive/defensive cyber teams
- Keep top recap programs on track (F-35A, KC-46, B-21), increase airlift capability & capacity
- Improve current infrastructure, bed-down new missions, increase training & readiness

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**Our Budget Request is Strategy Driven to Safeguard our Nation’s Defense...**

**Without BCA Relief...Drastic Impacts to Readiness, Modernization, Infrastructure & People**
FY18 Budget Request

**AF Blue Baseline**

- **Procurement**: $25.4B (19%)
- **RDT&E**: $3.6B (19%)
- **O&M**: $49.2B (37%)
- **MILPERS**: $30.7B (23%)
- **MILCON**: $2.4B (2%)
- **OCO**: $13.9B

**Billions**

- **FY17 Enacted**: $171.2B
- **FY18 PB**: $183.0B

**Day-to-Day Ops**: 60%

- **MILCON 2.5**: $23.9B
- **Procurement**: $24.7B
- **RDT&E**: $25.4B
- **MILPERS**: $30.7B
- **OCO**: $13.9B
- **Non-Blue (Base+OCO)**: $36.7B

**Budget Request Invests in Airmen, Readiness, Nuclear Deterrence Ops, Space & Cyber Capabilities, Combat Air Forces & Infrastructure**

**Numbers may not add due to rounding**

**FY18 Budget Request**

- **Flying Hours**: $6.2B (8%)
- **MAJCOM/COCOM**: $12.7B (16%)
- **FSRM**: $3.2B (4%)
- **WSS**: $11.9B (15%)
- **Civ Pay**: $10.9B (14%)
- **MILPERS**: $30.7B (38%)
- **Installation Support**: $4.1B (5%)

**FY17 Enacted vs FY18 PB**

- **Billions**
  - **MILPERS**: $29.3 vs $30.7B
  - **MILCON**: $2.4 vs $2.4B
  - **Non-Blue (Base+OCO)**: $34.4 vs $36.7B
  - **OCO**: $12.9 vs $13.9B

**FY18 Budget Summary**

- **Sub-Total**: $14.3B
  - **% of Total**: 58%
- **Top Aircraft**: $10.2B
  - **Top Space**: $2.7B
  - **Top Munitions**: $1.4B

**Budget Request**

- **O&M**: $47.9B
- **RDT&E**: $20.2B

**Non-Blue (Base+OCO)**

- $36.7B
- $34.4B
Military Personnel

Grows military end strength to 502K to meet global demands for air power
- Increases active force by 4.1K, with 1.7K growth in Guard & Reserve
- Leverages Total Force personnel/skill sets to boost mission readiness

Strategy-driven budget helps tackle top readiness priority – people
- Addresses pilot shortage--adds training capacity, adjusts incentives
- Continues progress in increasing maintenance manpower & experience
- Reduces gaps in critical skills--nuclear, cyber, intelligence, RPA

Lays groundwork for future growth to match Manning against missions
- Invests in student training pipeline--over 200 new recruiters in FY18
- Revitalizes squadrons to add support staff, return focus to mission

Makes further quality of life & service investments in all-volunteer force
- Supports 2.1% pay raise to maintain competitive compensation profile
- Implements new Blended Retirement System (beginning 1 Jan 18)

Air Force’s #1 Priority is People…Growth Crucial for Readiness Recovery
### Operation & Maintenance

#### Category ($B)

<table>
<thead>
<tr>
<th>Category</th>
<th>FY17*</th>
<th>FY18 PB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flying Operations</td>
<td>18.3</td>
<td>18.2</td>
</tr>
<tr>
<td>Civilian Pay</td>
<td>11.5</td>
<td>10.9</td>
</tr>
<tr>
<td>Space/Other Combat Forces</td>
<td>6.7</td>
<td>7.2</td>
</tr>
<tr>
<td>Installation Support and FSRM</td>
<td>7.2</td>
<td>7.3</td>
</tr>
<tr>
<td>Logistics Ops and Air Force Wide Support</td>
<td>2.2</td>
<td>2.7</td>
</tr>
<tr>
<td>Training &amp; Recruiting</td>
<td>1.1</td>
<td>1.4</td>
</tr>
<tr>
<td>Mobility Forces</td>
<td>0.9</td>
<td>1.5</td>
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<tr>
<td><strong>Total</strong></td>
<td>47.9</td>
<td>49.2</td>
</tr>
</tbody>
</table>

* FY17 position includes $1.2B Base to OCO transfer and Title X funding (RAA)

O&M table includes WCF & Environmental

Numbers may not add due to rounding

**Flying Hours**

- FY16: $5.4
- FY17: $6.1
- FY18: $6.2

**Civilian Pay**

- FY16: $11.3
- FY17: $11.5
- FY18: $10.9

**WSS**

- FY16: $11.2
- FY17: $12.2
- FY18: $11.9

**Base Support**

- FY16: $7.5
- FY17: $6.8
- FY18: $7.0

**Readiness:**

- Prioritizes additional training for end strength growth to 502K (pilot, mx, Cyber, RPA); funds 2 additional F-16 training squadrons
- Flying Hours (FH) to executable level (1.2M hours/$6.2B)
- WSS funded to near max executable levels – sustains readiness recovery plan
- Sustains 60 RPA Combat Lines and continues RPA get-well plan
- Committed to Nuclear Deterrence: sustains ICBMs & funds key upgrades in NC3
- Supports Joint Force for space superiority – aligns budget to Space Warfighting construct and funds National Space Defense Center
- Funds Cyber Mission Forces – 39 offensive and defensive Cyber teams
- Funds facility sustainment at 80%; M&R at 1.9% plant replacement value

**People / Base Operations:**

- Transfers 10K Acquisition personnel from O&M to RDT&E (-$1.1B)
- 1.9% civ pay raise; +1K Cmdr Supt Staff / Family medical; taking care of people
- Increase to Family Support Prgms; Child Care, Youth Prgm, MWR, Family Srvcs
- Funds 449 dedicated Sexual Assault Prevention and Response personnel
Procurement

Procurement TOA ($B)

<table>
<thead>
<tr>
<th></th>
<th>FY17* Enacted</th>
<th>FY18 PB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aircraft</td>
<td>15.1</td>
<td>15.4</td>
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<tr>
<td>Missile</td>
<td>1.4</td>
<td>1.6</td>
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<tr>
<td>Space</td>
<td>2.8</td>
<td>3.4</td>
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<tr>
<td>Ammunition</td>
<td>1.7</td>
<td>1.4</td>
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<tr>
<td>Other</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Total</td>
<td>23.9</td>
<td>24.7</td>
</tr>
</tbody>
</table>

* FY17 position includes $1.7B Title X funding (RAA)

Focuses on top modernization efforts in FY18:
- Sustains F-35A production with 46 aircraft in FY18
- Continues our tanker fleet recapitalization with the procurement of 15 KC-46 Tankers
- Invests in 4th Generation assets to retain affordable capacity while modernizing the fighter fleet

Maximizes munition production capacity to sustain global precision attack capabilities:
- Invests in 10,330 Joint Direct Attack Munition (JDAMs) (base budget)
- Procures 4,579 Small Diameter Bomb (SDB) I & 460 SDB II weapons (base budget)
- Procures 399 Hellfire missiles (base budget)

Achieves global power and space superiority:
- Upgrades and expands combat training range capabilities
- Funds Battlefield Airman to optimize communication nodes between operational air/ground assets
- Block buys of SBIRS Geosynchronous Earth Orbit 5 & 6; long lead procurement for SBIRS 7 & 8
- Funds three Delta IV Heavy launch services to ensure critical access to space

Procurement $24.7B

Numbers may not add due to rounding.

Today’s Modernization is Tomorrow’s Readiness
# Major Procurement Quantities

<table>
<thead>
<tr>
<th>AIRCRAFT</th>
<th>FY16 Actual</th>
<th>FY17 Enacted</th>
<th>FY18 PB</th>
</tr>
</thead>
<tbody>
<tr>
<td>F-35A Lightning II</td>
<td>47</td>
<td>48</td>
<td>46</td>
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<tr>
<td>KC-46A Tanker</td>
<td>12</td>
<td>15</td>
<td>15</td>
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<tr>
<td>MC-130J Recapitalization</td>
<td>8</td>
<td>6</td>
<td>5</td>
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<tr>
<td>HC-130J Recapitalization</td>
<td>5</td>
<td>4</td>
<td>2</td>
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<tr>
<td>C-130J Super Hercules Base</td>
<td>14</td>
<td>4</td>
<td>0</td>
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<tr>
<td>C-130J Super Hercules OCO</td>
<td>0</td>
<td>1</td>
<td>0</td>
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<tr>
<td>MQ-9A Reaper Base</td>
<td>33</td>
<td>0</td>
<td>0</td>
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<tr>
<td>MQ-9A Reaper OCO</td>
<td>0</td>
<td>24</td>
<td>16</td>
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<tr>
<td><strong>Total Base</strong></td>
<td><strong>119</strong></td>
<td><strong>77</strong></td>
<td><strong>68</strong></td>
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<tr>
<td><strong>Total OCO</strong></td>
<td><strong>0</strong></td>
<td><strong>25</strong></td>
<td><strong>16</strong></td>
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</table>

<table>
<thead>
<tr>
<th>SPACE</th>
<th>FY16 Actual</th>
<th>FY17 Enacted</th>
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<tbody>
<tr>
<td>GPS III</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>EELV</td>
<td>3</td>
<td>3</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>3</strong></td>
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<table>
<thead>
<tr>
<th>WEAPONS</th>
<th>FY16 Actual</th>
<th>FY17 Enacted</th>
<th>FY18 PB</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIM-9X Sidewinder</td>
<td>506</td>
<td>287</td>
<td>310</td>
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<tr>
<td>AIM-120D AMRAAM</td>
<td>281</td>
<td>256</td>
<td>205</td>
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<tr>
<td>AGM-158 JASSM-ER</td>
<td>240</td>
<td>360</td>
<td>360</td>
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<tr>
<td>JDAM Base</td>
<td>22,478</td>
<td>12,133</td>
<td>10,330</td>
</tr>
<tr>
<td>JDAM OCO</td>
<td>8,821</td>
<td>18,531</td>
<td>16,990</td>
</tr>
<tr>
<td>AGM-114 Hellfire Base</td>
<td>6,256</td>
<td>372</td>
<td>399</td>
</tr>
<tr>
<td>AGM-114 Hellfire OCO</td>
<td>2,500</td>
<td>1,573</td>
<td>3,230</td>
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<tr>
<td>Small Diameter Bomb - I/II Base</td>
<td>175</td>
<td>312</td>
<td>4,579/460</td>
</tr>
<tr>
<td>Small Diameter Bomb - I/II OCO</td>
<td>158</td>
<td>4,195</td>
<td>2,273</td>
</tr>
<tr>
<td><strong>Total Base</strong></td>
<td><strong>29,936</strong></td>
<td><strong>13,720</strong></td>
<td><strong>16,643</strong></td>
</tr>
<tr>
<td><strong>Total OCO</strong></td>
<td><strong>11,479</strong></td>
<td><strong>24,299</strong></td>
<td><strong>22,493</strong></td>
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</table>
### Research, Development, Test & Evaluation

#### RDT&E Program Highlights

<table>
<thead>
<tr>
<th>Category ($B)</th>
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<th>FY18 PB</th>
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</thead>
<tbody>
<tr>
<td>Operational Systems Development</td>
<td>9.4</td>
<td>11.1</td>
</tr>
<tr>
<td>Demonstration and Validation</td>
<td>2.9</td>
<td>4.6</td>
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<tr>
<td>Engineering &amp; Manufacturing Development</td>
<td>4.0</td>
<td>4.5</td>
</tr>
<tr>
<td>Management Support</td>
<td>1.3</td>
<td>2.7</td>
</tr>
<tr>
<td>Applied Research</td>
<td>1.3</td>
<td>1.3</td>
</tr>
<tr>
<td>Advanced Technology Development</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Basic Research</td>
<td>0.5</td>
<td>0.5</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>20.2</strong></td>
<td><strong>25.4</strong></td>
</tr>
</tbody>
</table>

* FY17 position includes $189M Title X funding (RAA)

#### Positions the Air Force to defend against Nuclear and Cyber threats:
- Invests in foundational capabilities including the Long Range Standoff weapon
- Modernizes ICBMs with Ground-Based Strategic Deterrent (GBSD) program
- Recapitalizes UH-1N, which supports the protection of nuclear assets
- Invests in key offensive & defensive cyberspace activities/ops in contested environments

#### Develops the Air Force fleet of tomorrow:
- Ramps up RDT&E funding for the backbone of our future bomber force (B-21 Raider)
- Maintains commitment to develop next generation flight trainer (T-X) for future USAF pilots
- Continues development for Combat Rescue Helicopter

#### Sustains strong focus on future capabilities & technologies:
- Funds Tech Transition to mature adaptive engine technologies for next gen propulsion
- Balances modernization of current 4th/5th Gen fighters to maintain combat viability
- Realigns civilian acquisition workforce into RDT&E to improve transparency

---

**Advancing Technologies to Defeat Tomorrow’s Threat**
Military Construction, BRAC & Military Family Housing

<table>
<thead>
<tr>
<th>Category</th>
<th>FY17 Enacted</th>
<th>FY18 PB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military Construction</td>
<td>2.1</td>
<td>2.0</td>
</tr>
<tr>
<td>Military Family Housing</td>
<td>0.3</td>
<td>0.4</td>
</tr>
<tr>
<td>BRAC</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.5</strong></td>
<td><strong>2.4</strong></td>
</tr>
</tbody>
</table>

Numbers may not add due to rounding

**MILCON:**

**Active Air Force:**
- New mission beddowns: F-35 ($254M); KC-46 ($274M); Presidential Airlift Recap ($272M)
- Quality of Life ($173M): two dorms, dining facility & BMT classrooms/dining facility
- Nuclear Enterprise ($38M): Long-Range Stand-Off Acquisition Facility

**Air Force Reserve:**
- New mission beddown: KC-46 ADAL Alt Mission Equipment Storage ($6M)
- Existing mission includes Guardian Angel Facility ($25M); Indoor Small Arms Range ($10M); Consolidated Training Facility ($6M) and Reserve Medical Training Facility ($5M)

**Air National Guard:**
- Existing mission includes KC-135 Maintenance Hangar ($25M); RPA FTU ($15M); Aircraft Maintenance Shop ($12M); Corrosion Control Hangar ($11M) and Comm Facility ($10M)

**Combatant Commands:**
- STRATCOM: Helo/Tactical Response/Alert Facility ($62M) & SBIRS Ops Facility ($38M)
- Asia-Pacific Resiliency projects ($89M); NORTHCOM Alert Hangar ($15M)
- CENTCOM Consolidated Squadron Ops Facility ($15M)

---

We Continue to Take Risk in Current Mission Operations…We Could Execute an Additional $473M Across 16 States if Additional Funds Become Available
Overseas Contingency Operations (OCO)

<table>
<thead>
<tr>
<th>Category ($B)</th>
<th>FY17 Enacted</th>
<th>FY18 PB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Military Personnel (MILPERS)</td>
<td>0.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Operation and Maintenance (O&amp;M)</td>
<td>9.8</td>
<td>10.3</td>
</tr>
<tr>
<td>Procurement</td>
<td>2.1</td>
<td>2.1</td>
</tr>
<tr>
<td>RDT&amp;E</td>
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<td>0.1</td>
</tr>
<tr>
<td>MILCON</td>
<td>0.1</td>
<td>0.5</td>
</tr>
<tr>
<td>Total</td>
<td>12.9</td>
<td>13.9</td>
</tr>
</tbody>
</table>

Numbers may not add due to rounding

Current Ops: Air Force is leading the fight against VEOs in Afghanistan, Iraq, Syria, and the Horn of Africa; and supporting the European Reassurance Initiative (ERI)
- Total of 56,000 munitions dropped in fight against ISIS
- MQ-1 and MQ-9 aircrew flew more than 351,000 hours
- More than 70 sorties per day
- Participates in 70% of the 26,000+ coalition airstrikes

Maintains current operations and invests in munitions, ISR capabilities
- Operating Support for deployed personnel & six enduring locations
- Flying hours and Weapon System Sustainment (WSS)
- Funds 10 RPA combat lines, $1.3B for med/high altitude ISR
- Procures 16 MQ-9 aircraft in support of RPA combat lines
- Invests in critical preferred munitions in response to high ops tempo & declining inventories

Supports increased presence and infrastructure for ERI
- MILCON to improve European airfield infrastructure
- War reserve materials, airfields, aircraft storage & munitions storage facilities in Europe
- Combat and Mobility Air Forces, ISR support for exercises

Combatant Commanders’ Demand for Unique Air Force Capabilities Continues to Grow
Where We Still Need Help

Airmen:
- Invest in increased demands from CCDRs…setting the foundation for the readiness recovery
- Fund training/equipment to increase student output

Readiness/Modernization:
- Recapitalize aircraft…balancing today for tomorrow’s fight
- Invest in game changing technologies…expanding our lethality

Nuclear:
- Continue to modernize nuclear enterprise… maintaining security for the U.S. and our allies

Space:
- Accelerate investments in space capabilities

Cyberspace:
- Provide additional enterprise-wide requirements… contributing to the joint force mission

Infrastructure:
- Restore aging infrastructure vital for our strategic posture and quality of life

The Current Budget Doesn’t Meet Demands…Must Capitalize on Additional Resources
Final Thoughts

America’s Air Force…Always There

Insatiable demand for Airpower will only increase

Best attempt to balance capability, capacity and readiness

Long term effort to build AF that is ready today & ready tomorrow

Requires BCA relief and predictable, sufficient, flexible budgets

“We'd better be prepared to dominate the skies above the surface of the earth, or be prepared to be buried beneath it”
- Gen Carl Spaatz
First Air Force Chief of Staff

“The demand for air and space superiority has never been higher; with it we win, without it, we lose”
- Gen David Goldfein
21st Air Force Chief of Staff
For more information, please visit the website below for the Department of the Air Force’s budget overview

http://www.saffm.hq.af.mil/Budget/