



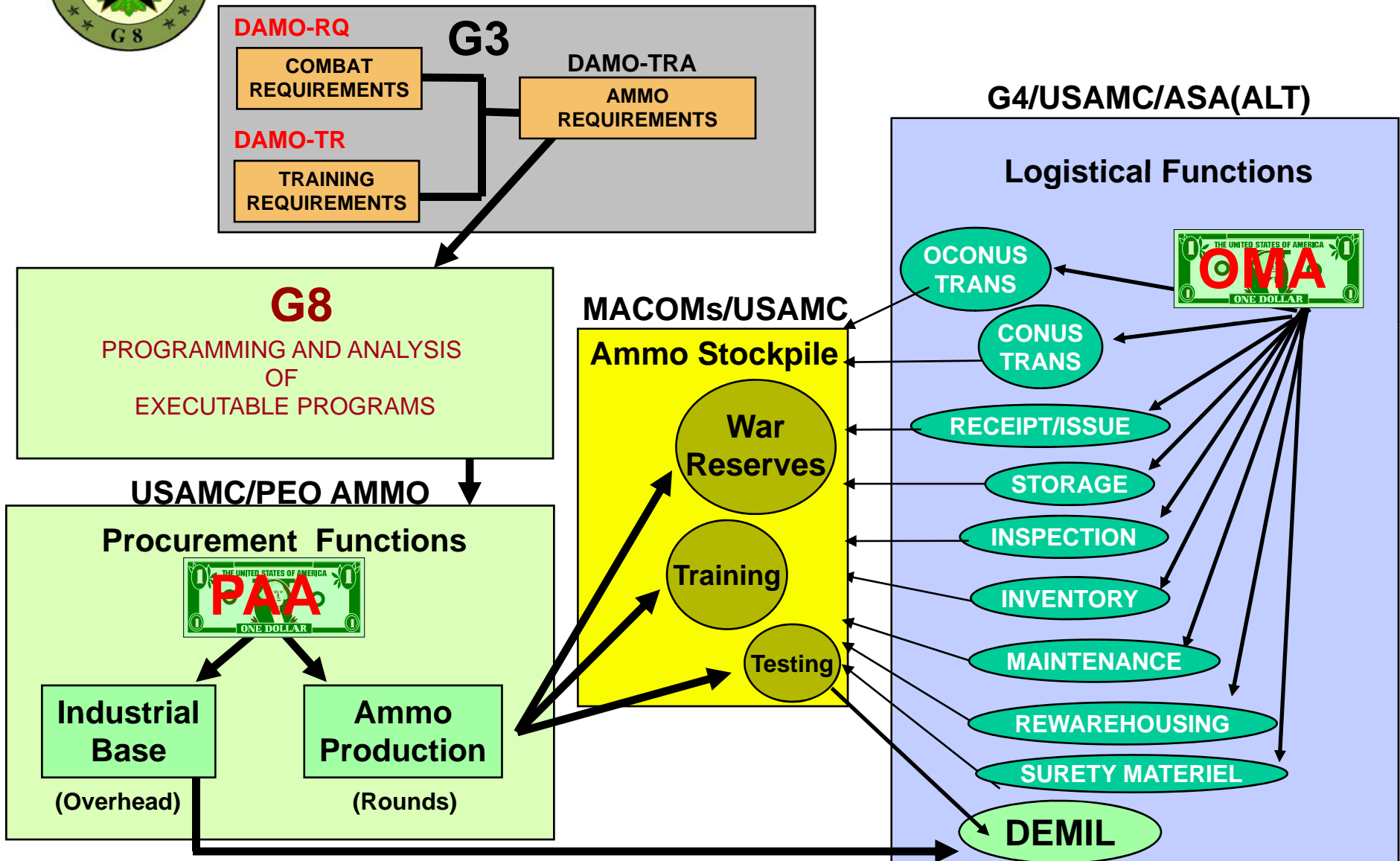
AMMO FUNDING

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Army G8 / FDX Munitions Division

June 2009

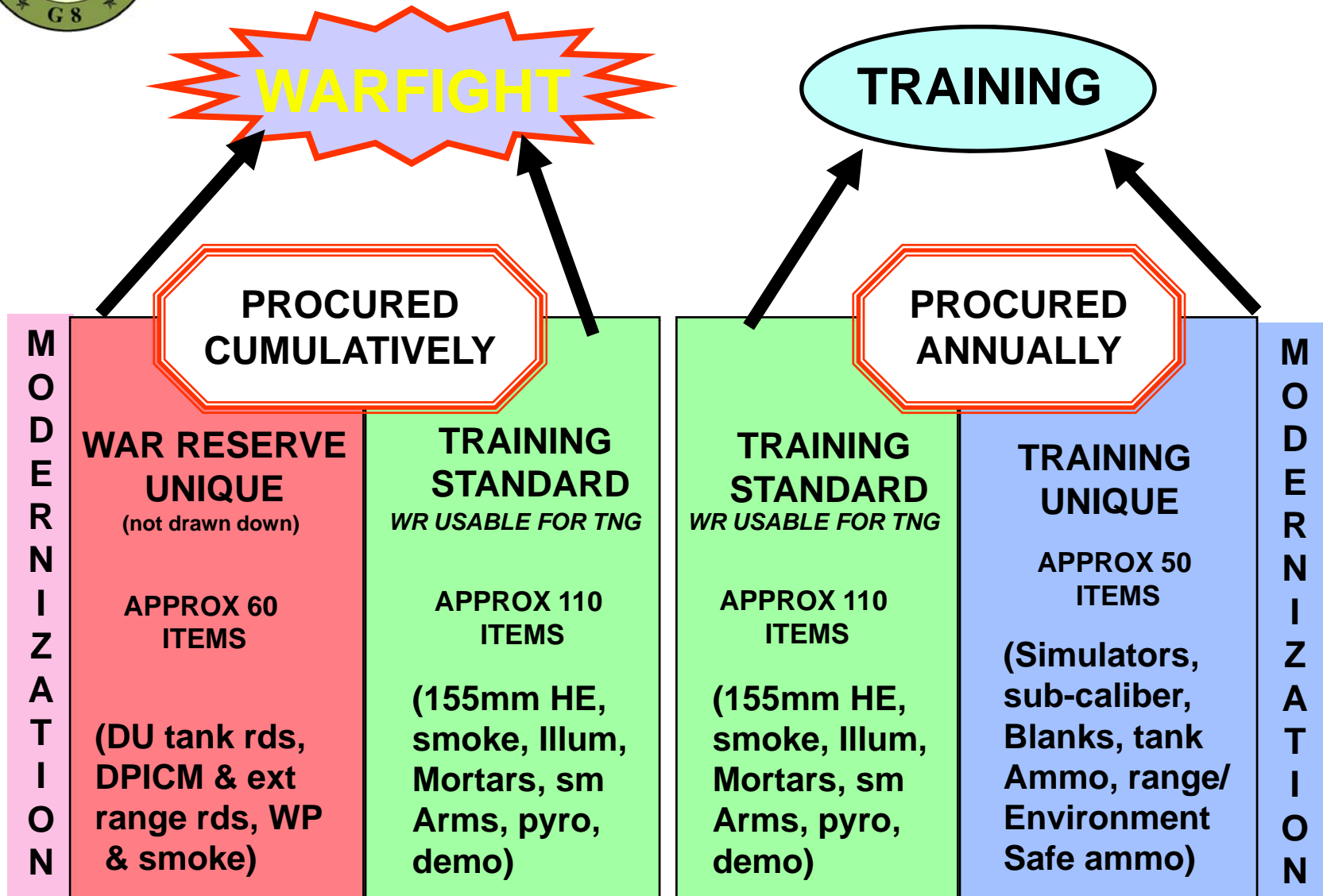


How Ammo Works



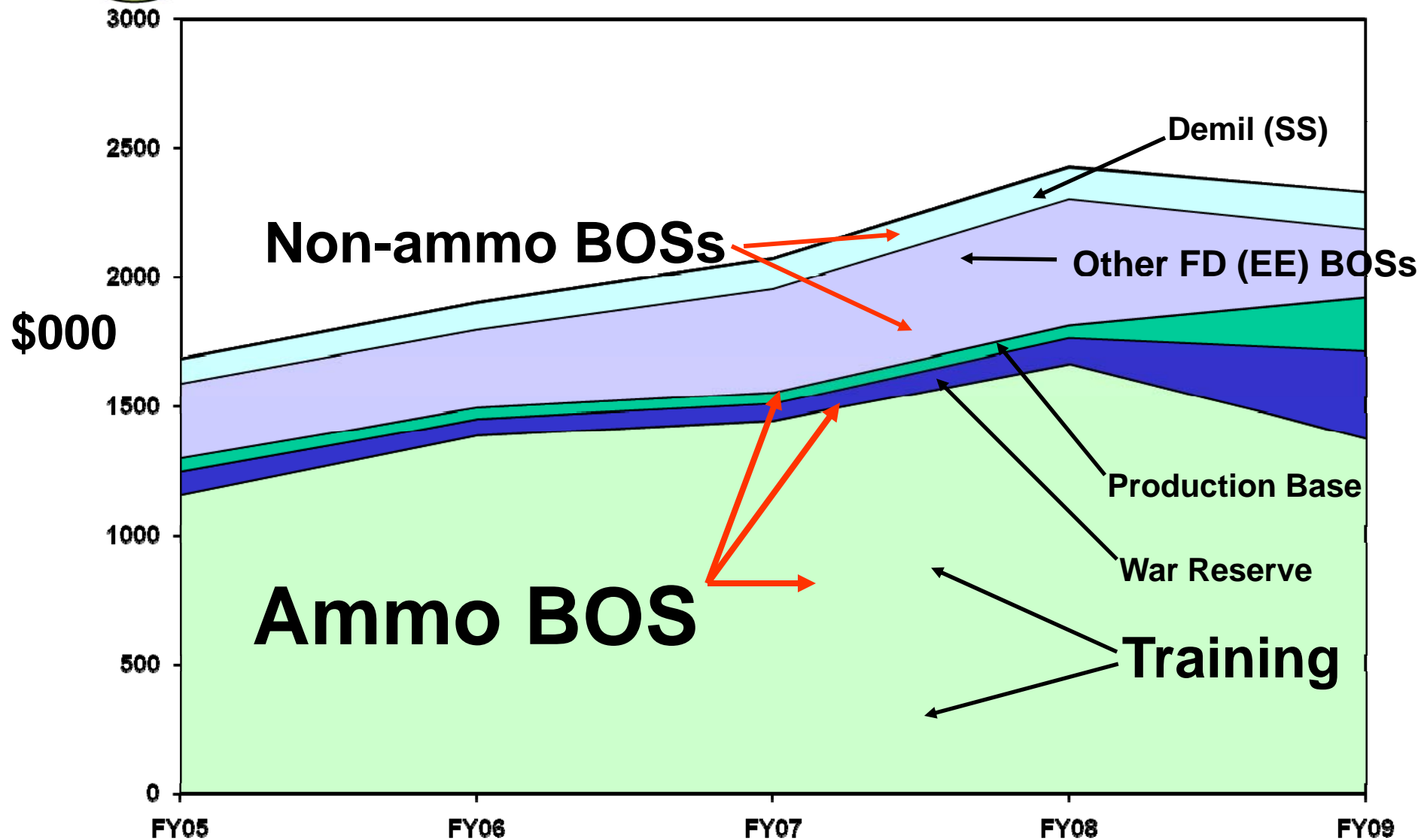


Ammunition Categories





Total Ammunition (PAA) Picture





What is PAA?

(Procurement of Ammunition, Army)

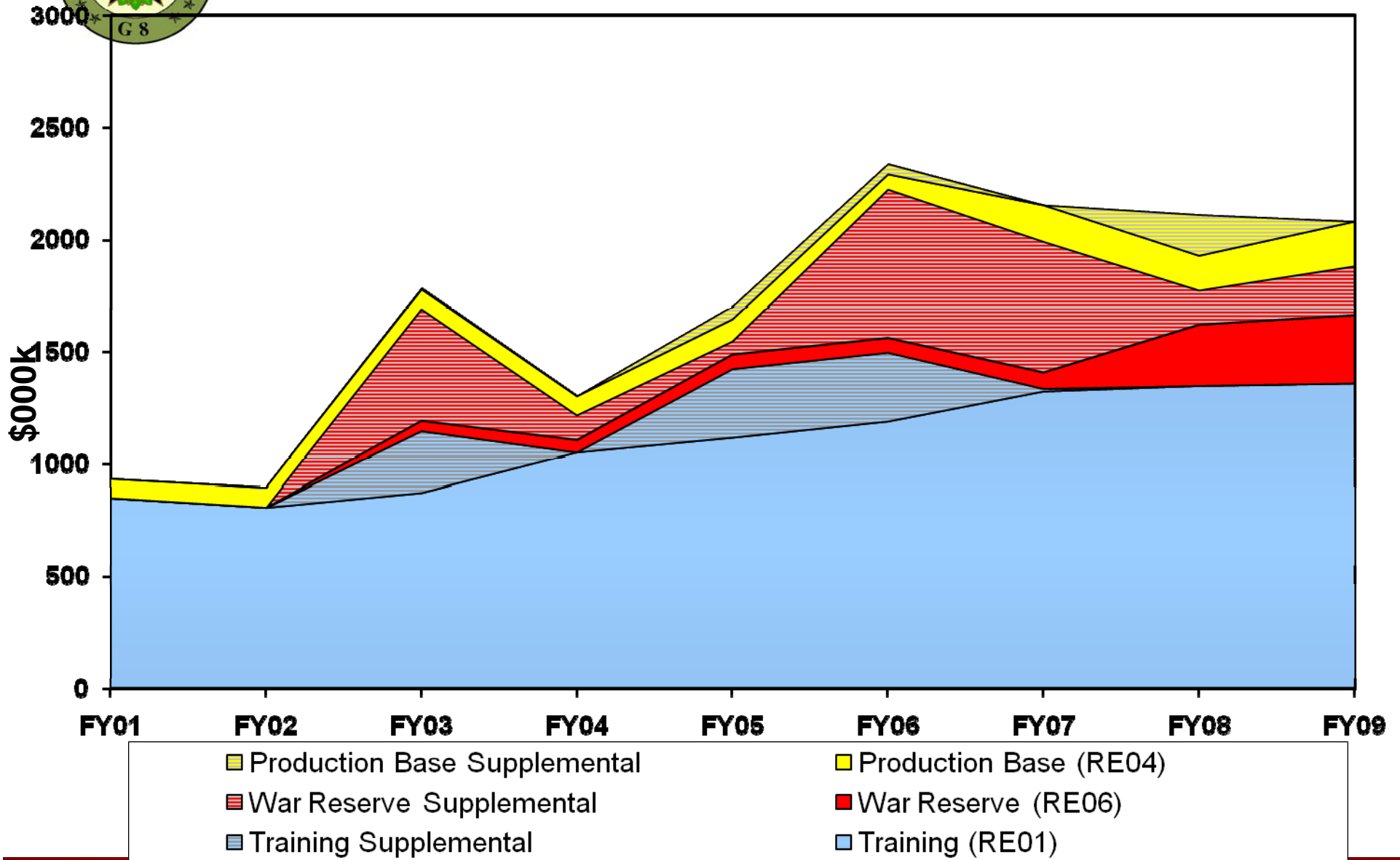
Two Activities:

	<u>FY09</u>
• Activity 1 - Ammunition	\$1978M
• Training/Test Ammo	\$1376M - Ammo BOS
• War Reserve Fill	\$337M - Ammo BOS.
• Hydra Rockets Training Ammo	\$142M - Aviation BOS
• War Reserves/Modernization	\$123M - Other FD BOSs.
• Activity 2 - Prod Base Support	\$349M
• Industrial Facilities	\$202M - Ammo BOS.
• ARMS	\$5M - Ammo BOS.
• Demil	\$144M - SS PEG / G-4
• TOTAL	<u>\$2327M</u>

Supplemental
\$230M

Source: FY10 Budget Exhibit Book dated May 09

AMMO FY01-09 Funding by MDEP Ammunition BOS - PAA





What is Ammo BOS?

Three Major Decision Packages (MDEPs)

		<u>FY 09 \$\$</u>
1. RE01	TRAINING AMMO	\$1376M
2. RE06	WAR AND OPS AMMO	\$ 337M
3. RE04	PRODUCTION BASE	<u>\$ 205M</u>
	TOTAL	\$1918M

- Does not include non-Ammo BOS items (Hydra Rockets, Excaliber, M829A3, etc. in RE01 Or RE06, and does not include Demil in RE04)



AMMO FUNDING

FY09 Base Budget Request

	Root	Request	Appropriated	Delta	Reason for Delta
BASE	AIRCRAFT LAUNCHED AMMO	79,066	75,766	-3,300	30mm Unjustified Cost Growth
	AMMO PRODUCTION BASE	201,106	207,526	6,420	Projects at HSAAP, SCAAP, RFAAP, and Blue Grass
	AMMUNITION SUPPORT	41,449	41,449		
	APL-A	52,000	52,000		
	ARTILLERY AMMO	177,598	179,198	1,600	155mm all types
	AVIATION FLARES	68,376	68,376		
	DEMIL	143,901	143,901		
	DEMOLITIONS	28,886	32,086	3,200	Rapid Wall Breaching Kit (RWBK)
	EXCALIBUR	34,220	34,220		
	GRENADES	71,608	77,208	5,600	Thermite Grenades, Smoke Grenades
	HYDRA ROCKET	142,521	142,521		
	MEDIUM CALIBER AMMO	308,064	306,364	-1,700	25mm Unjustified Cost Growth
	MGS-STRYKER AMMO	7,662	7,662		
	MINES	7,452	7,452		
	MORTAR AMMO	193,177	201,577	8,400	Various Rounds, \$1.2M 105mm HEP
	PGK	15,633	15,633		
	NON-LETHAL AMMO	3,324	3,324		
	PROTECTIVE SYSTEMS	17,869	64,369	46,500	NLCS Bridge Supplemental
	SHOULDER FIRED ROCKETS	29,638	29,638		
	SIGNAL MUNITIONS	34,688	34,688		
SMALL CALIBER AMMO	444,782	436,169	-8,613	.50 cal all types, Unjustified Cost Growth	
SPECIAL AMMUNITION	6,843	6,843			
TANK MAIN GUN AMMO	125,151	125,151			
TANK-ABRAMS AMMO	34,031	34,031			
Grand Total		2,269,045	2,327,152	58,107	

DAPR-FDX



Ongoing Budget Actions

- **FY10 Base Budget and Overseas Contingency Operations (OCO) Requests at Congress**
- **Currently building FY11 Base Budget and OCO requests**
- **Incorporating changes based on SECDEF decisions on programs**
- **Quadrennial Defense Review underway**
- **Current year bills for Military Pay and Health Care**
- **TRADOC assessment of impacts of Cluster Munitions policy**
- **FY12-17 POM starts this Fall**



Ammo Procurement Summary

Ammo Funding is a Balancing Act

- **Training**
 - Provide enough ammo for units to train
 - Buy enough ammo to replenish what is expended
- **War and Operations**
 - **SUSTAIN SOLDIERS IN CURRENT OPERATIONS**
 - Replenish stocks expended in operations
 - Build/Replenish War Reserve stocks
 - Modernize stocks in the process
- **Industrial Base**
 - Replace/Upgrade/Repair organic capabilities
 - Transition to efficiency upgrades
 - Ramp down production to avoid sharp changes