

**AMERICA'S ARMY:
THE STRENGTH OF THE NATION™**

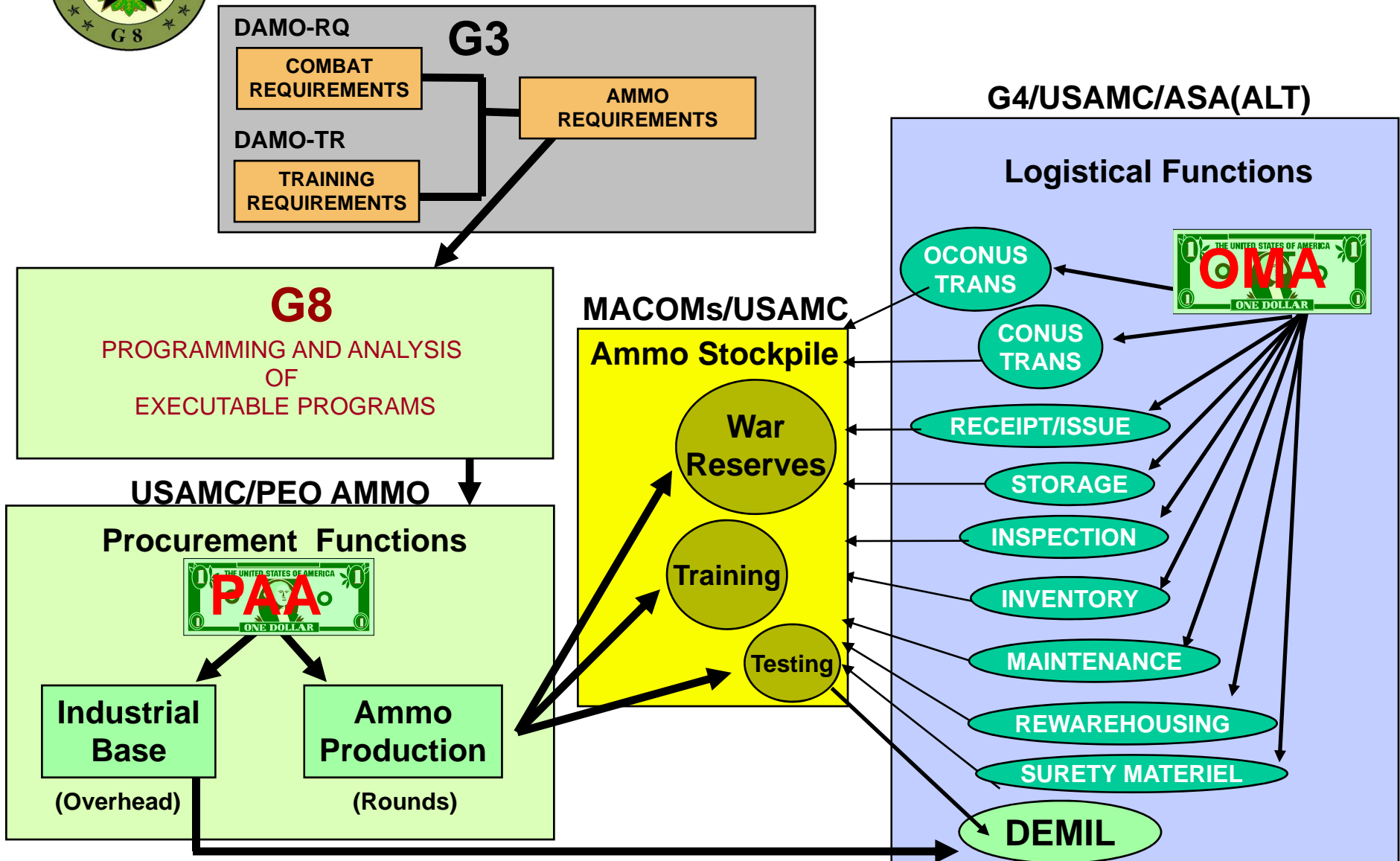


**Ammo Funding
3 February 2011
Don Chrans**



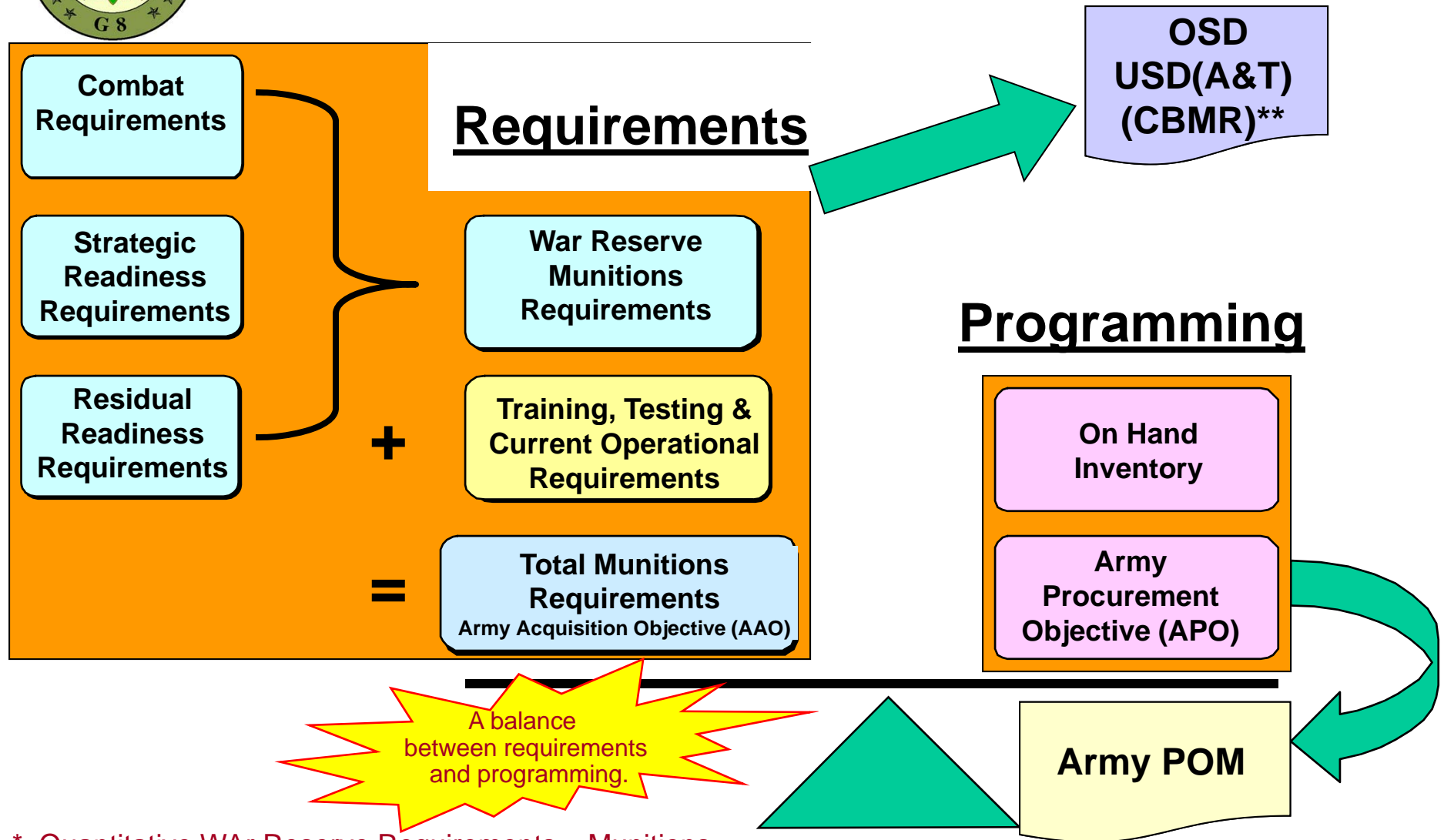


How Ammo Works





QWARRM* Process

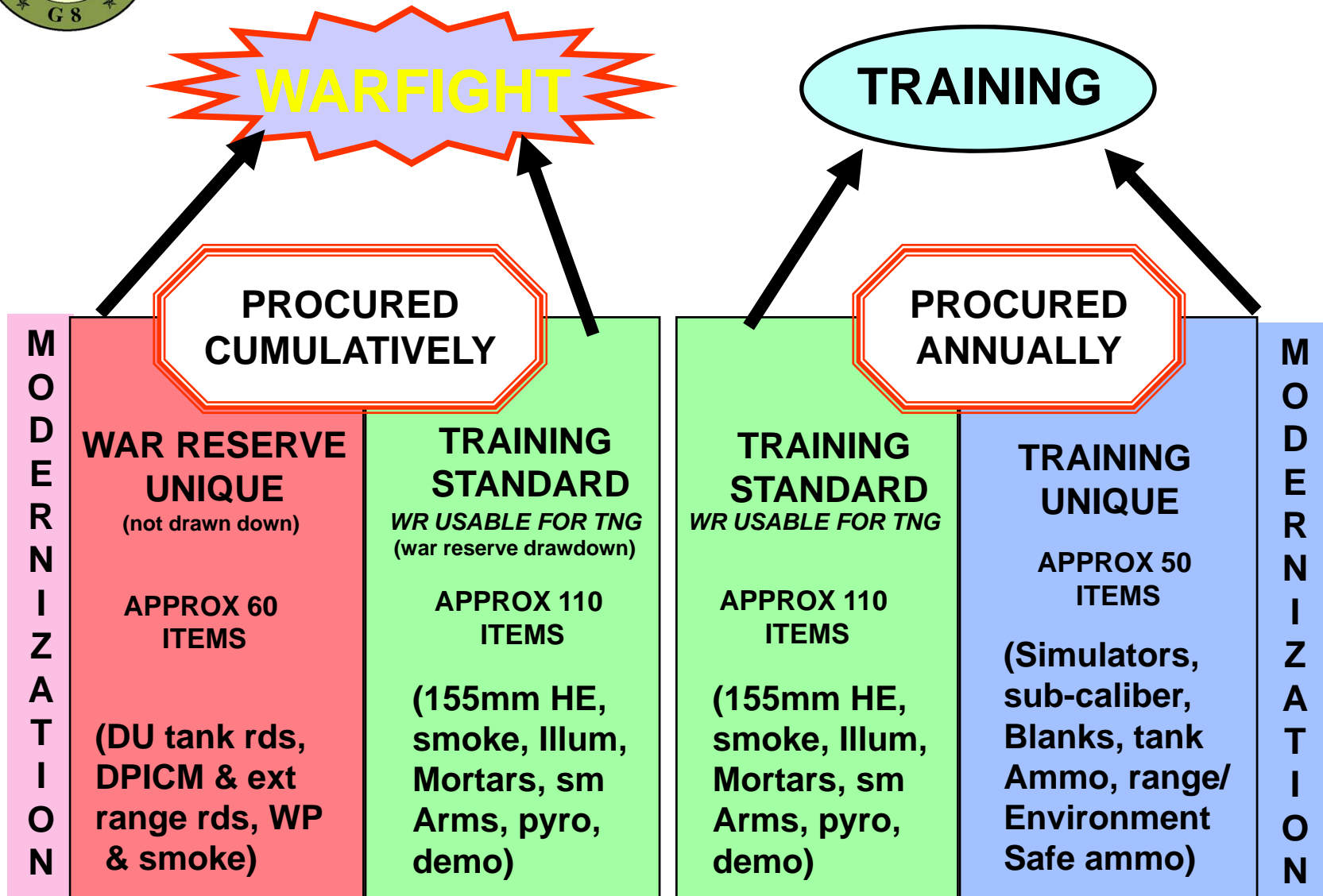


* Quantitative WAR Reserve Requirements – Munitions.

** CBMR - Capabilities Based Munitions Requirements IAW DODI 3000.4.



Ammunition Categories





What is PAA?

(Procurement of Ammunition, Army)

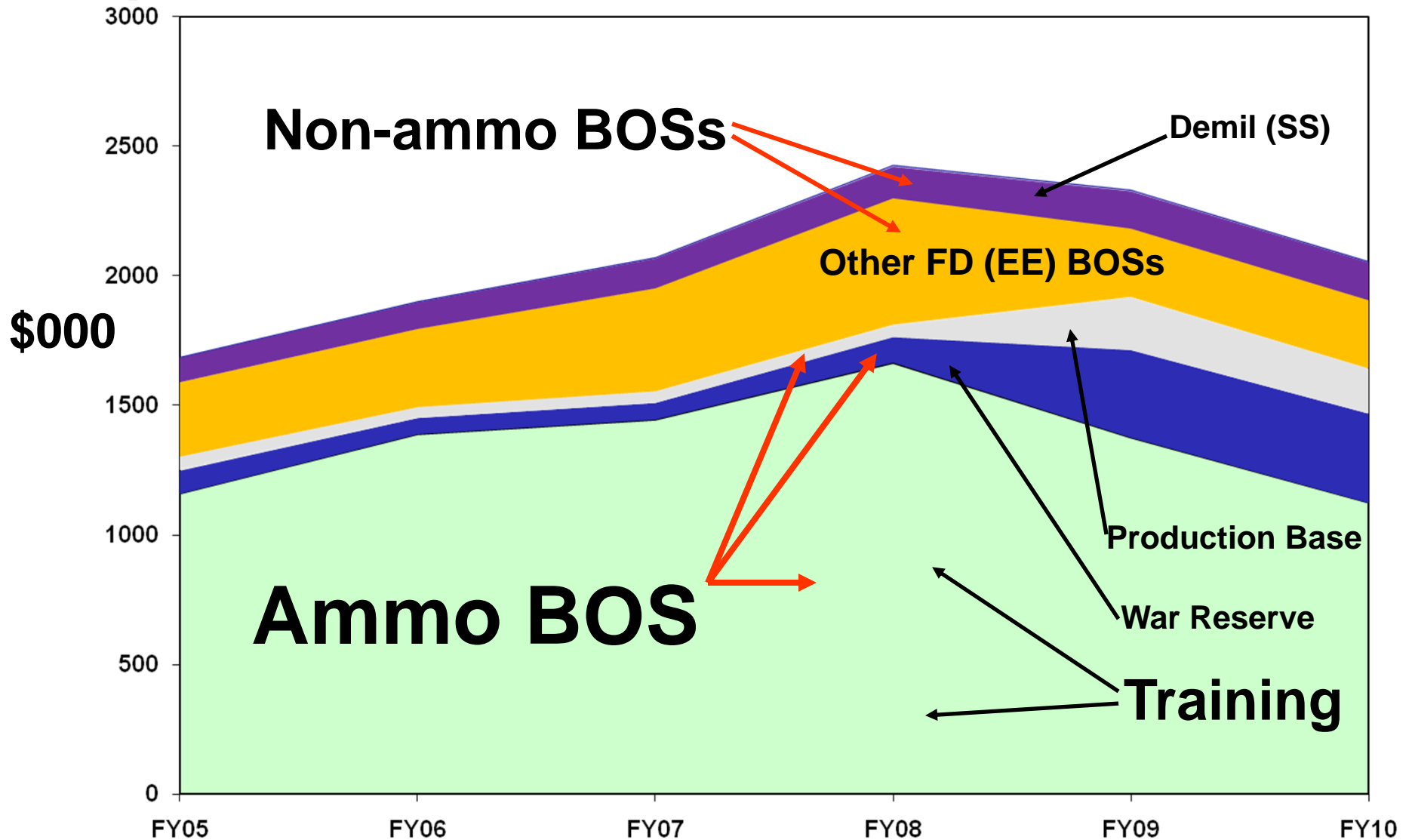
Two Activities:

	<u>FY10</u>
• Activity 1 - Ammunition	\$1,732M
• Training/Test Ammo	\$1,125M - Ammo BOS
• War Reserve Fill	\$343M - Ammo BOS.
• Hydra Rockets Training Ammo	\$100M - Aviation BOS
• War Reserves/Modernization	\$164M - Other FD BOSs.
• Activity 2 - Prod Base Support	\$319M
• Industrial Facilities	\$170M - Ammo BOS.
• ARMS	\$3M - Ammo BOS.
• Demil	\$146M - SS PEG / G-4
• TOTAL	<u>\$2051M</u>

Supplemental
\$371M



Total Ammunition (PAA) Picture





AMMO FUNDING FY10 Base Budget

**FY11 Base
\$1,979,414**

	Root	Request	Appropriated	Delta	Reason for Delta
BASE	AIRCRAFT LAUNCHED AMMO	96,572	94,572	-2,000	30mm Unjustified Program Growth
	AMMO PRODUCTION BASE	173,428	180,228	6,800	Projects at SCAAP and LCAAP
	AMMUNITION SUPPORT	43,608	49,928	6,320	Blue Grass equip and Supercritical Water Oxidation demil
	APL-A	56,387	56,387		
	ARTILLERY AMMO	183,942	180,142	-3,800	-5,000 105mm; -6,000 MACS; +7,200 155mm Illum
	AVIATION FLARES	75,242	63,242	-12,000	General reduction
	DEMIL	145,777	145,777		
	DEMOLITIONS	18,793	18,793		
	EXCALIBUR	62,292	62,292		
	GRENADES	49,910	49,910		
	HYDRA ROCKET	99,904	99,904		
	MEDIUM CALIBER AMMO	189,729	193,729	4,000	40mm all types
	MGS-STRYKER AMMO	7,741	7,741		
	MINES	815	815		
	MORTAR AMMO	157,287	164,687	7,400	60mm WP; 60mm Illum; 120mm Illum
	PGK	19,870	19,870		
	NON-LETHAL AMMO	7,378	7,378		
	PROTECTIVE SYSTEMS (IMS)	19,507	19,507		
	SHOULDER FIRED ROCKETS	45,302	42,802	-2,500	General reduction
	SIGNAL MUNITIONS	7,852	7,852		
	SMALL CALIBER AMMO	452,816	452,816		
	SPECIAL AMMUNITION	12,179	12,179		
	TANK MAIN GUN AMMO	113,483	113,583		
SIMULATORS	12,081	12,081			
Grand Total		2,051,895	2,056,115	4,220	

DAPR-FDX



Ongoing Budget Questions

- **FY11 Base Budget and Overseas Contingency Operations (OCO)**
Will we get an appropriations bill or a year long CRA?
- **FY12 Budget Request and 12 OCO to the Hill on 14 Feb**
What will the new Congress do with that?
- **Starting the FY13-17 POM build and 13 OCO**
What assumptions do we make to the first two questions?
What if we are wrong?
How many times can you rework a POM in a six month period?



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