Office of the Secretary of Defense
Procurement, Defense-Wide
Fiscal Year (FY) 2008-2009

Presidents Budget

February 2007

Exhibit P-1, Procurement Program

Department of Defense, Office of Secretary Defense

Appropration: Procurement, Defense-wide **Date: February 2007**
Budget Activity: Major Equipment

P-1 Line Item No	Item Nomenclature	Ident Code	FY 2006 Qty	FY 2006 Cost	FY 2007 Qty	FY 2007 Cost	FY 2008 Qty	FY 2008 Cost	FY 2009 Qty	FY 2009 Cost
			TOA, $ in Millions							
1	Major Equipment	A	N/A	91.596	N/A	84.52	N/A	98.063	N/A	101.109
TOTAL - DIRECT				91.596		84.520		98.063		101.109

Exhibit P-40, Budget Item Justification Sheet										Date: February 2007	
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Procurement					P-1 Item Nomenclature: Defense Production Act Purchases (0904903D8Z)						
Program Elements for Code B Items: 0904903D8Z		Code: 0360		Other Related Program Elements: Defense Production Act Purchases							
Cost ($ in Millions)	Prior Years	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	To Complete	Total Prog
Proc Qty										Continuing	Continuing
Gross Cost	231.480	57.467	62.930	18.592	19.784	16.996	5.733	5.822	5.912	Continuing	Continuing
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc P1	231.480	57.467	62.930	18.592	19.784	16.996	5.733	5.822	5.912	Continuing	Continuing
Initial Spares											
Total Proc Cost	231.480	57.467	62.930	18.592	19.784	16.996	5.733	5.822	5.912	Continuing	Continuing
Flyaway U/C											
Weapon System Proc U/C											

Description:
The Defense Production Act (DPA) (50 U.S.C. App. § 2061 et seq.) authorizes the use of Federal funds to correct domestic industrial resource shortfalls and promote critical technology items and materials which are essential to the national defense. This budget includes essential transformational initiatives, using the authorities of Title III of the DPA, to establish, expand, modernize and/or maintain domestic production capabilities for technologies that have the potential for wide-ranging impact on the operational capabilities and technological superiority of U.S. defense systems. Title III of the DPA is a unique investment tool that strengthens domestic industry and establishes the industrial base capacity needed to transition essential technologies to defense systems. Requested funding will be used for continuation of the Beryllium Supply Industrial Base Project, the Rare Earth Magnets Production Project, and the Traveling Wave Tube Amplifiers for Space Project. These are multi-year projects that will incentivize domestic sources to establish, strengthen, and expand domestic industrial base capabilities for key technologies that support transformational initiatives and maintain the technological superiority of U.S. defense systems. Examples of current DPA Title III projects are detailed below.

The Beryllium Supply Industrial Base project will ensure the establishment of a domestic production capability for beryllium metal to meet essential national security requirements. Strategic programs such as the Ballistic Missile Defense System require infrared and optical sensors that can detect and track missile threats. The Space Tracking and Surveillance System and Space-Based Infrared System-High programs both employ space-based infrared and optical sensors that rely on beryllium. Beryllium is an essential material for this and other space and satellite applications for use in structures, electronic housings, heat sinks, sensors and sensor support. No other material can meet the performance characteristics provided by beryllium. Defense communications satellite programs such as MILSTAR, Advanced Extremely High Frequency, and the Wideband Gapfiller are also highly dependent on the availability of beryllium. DoD also relies on beryllium for the NAVSTAR Global Positioning System, Defense Meteorological Satellite Program, Defense Support Program, UHF-Follow-On Satellite, and the Mobile User Objective System satellite.

The Traveling Wave Tube Amplifiers (TWTA) for Space Project will strengthen a domestic producer of TWTAs for DOD satellite programs. TWTAs are a key component in most satellite-based communication systems for commercial, military, and reconnaissance satellites, and the lack of a domestic source puts at risk affordable components for critical space assets. High power 20 GHz TWTAs are used on many U.S. government communications satellites due to their inherent wide bandwidth and high data rate capability. Domestic sources have funded 20 GHz TWTA engineering development but without Title III action, the U.S. may lose competition, resulting in market prices climbing or withhold of product to influence policy. The project will invest in a robust manufacturing modernization program, where engineering model baseline TWTA designs will be upgraded for flight production. The output from this effort will be functional devices, qualified for flight, and a competitive production base for military and commercial users.

The Rare Earth Magnet (REM) Production Initiative will expand domestic production capacity for rare earth materials and REMs. REMs are critical to almost every modern US weapon system, including

Exhibit P-40, Budget Item Justification Sheet		Date: February 2007
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Procurement	P-1 Item Nomenclature: Defense Production Act Purchases (0904903D8Z)	
Program Elements for Code B Items: 0904903D8Z	Code: 0360	Other Related Program Elements: Defense Production Act Purchases

communications equipment, radar, sonar, lasers, navigation systems, aircraft and smart munitions. Of particular importance to the military is electrically driven power platforms, such as, the Navy's Electric Warship Program, the Air Force's More Electric Aircraft Initiative, and the Army's Future Combat Systems program, that will rely on the enabling performance of high-power density rare earth permanent magnets. Electrically driven power platforms offer a number of major advantages, including lower logistics costs, quieter operation, and improved fault tolerance. Foreign sources may withdraw their products from US export to supply their burgeoning internal needs or drive prices much higher than would be possible with a US domestic supplier.

The Power and Energy Systems Production Initiative will expand domestic source(s) for critical high power radar system antenna elements. The expansion will address at least two advanced technology elements critical to low cost, high power radar systems for Navy above water sensor program for the DD(X) Volume Search Radar (VSR) and other future shipboard radar systems. Unique authorities of the DPA Title III program will enable expansion of production capacity for Advanced DC-to-DC Converters and Gallium Nitride (GaN) on Silicon MMICs through production equipment installations or increased yield and throughput modifications in manufacturing processes. DPA Title III will also enable the qualification of these products and demonstrations for known and potential customers in the DOD, other government agencies and potentially commercial applications.

The Blue Force Tracking Production Initiative will use the unique authorities of Title III of the DPA to establish, strengthen, and expand domestic sources for the "single card solution" (SCS), essential to the Global Personnel Recovery System (GPRS), an advanced technology initiative to develop a near real-time two-way tracking capability to enable vital missions such as combat rescue through Blue Force Situational Awareness (BFSA). The "single card solution" (SCS) is essential to the Global Personnel Recovery System (GPRS), an advanced technology initiative to develop a near real-time two-way tracking capability to enable vital missions such as combat rescue through Blue Force Situational Awareness (BFSA). The SCS will be embedded in handheld and mobile equipment worldwide. There is currently no manufacturing capability in place to directly support mass production of the SCS, an innovation which must move rapidly into full production to meet known and planned multi-program requirements. This Program will incentivize domestic companies for production scale-up and capacity expansion to address a broad array of known system purchase requirements, and to meet key quality and affordability objectives for the SCS.

This budget also includes specific Title III projects which were funded by Congress in the FY 2007 Department of Defense Appropriations Act (P.L. 109-289). These projects include: Photovoltaic Solar Cell Encapsulant Production; Automated Composite Technologies Initiative; Affordable Methanol Fuel Cells Components; and Armor and Structure Transformation Initiative, Steel to Titanium.

In accordance with the provisions of Sec. 303(a) of the Defense Production Act of 1950, as amended (50 U.S.C. App. § 2061 et seq.), this budget submission provides notification to Congress of the intent of the Department of Defense to execute the above described initiatives/projects to correct domestic industrial base shortfalls for technologies and/or materials essential for the execution of the national security strategy of the United States.

Exhibit P-5, Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement			P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)			Weapon System Type:			Date: February 2007		
DPAP Cost Elements	ID CD	**FY 06**			**FY 07**			**FY 08**			**FY 09**		
		Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Flexible Aerogel Material Supplier Initiative		2,500		2,500	2,983		2,983						
Read Out Integrated Circuit (ROIC) Manufacturing Improvement		2,351		2,351	2,187		2,187						
Miniature Compressors for Electronics & Personal Cooling		2,450		2,450									
Hydrogen Ion Implantation Equipment		2,743		2,743	3,878		3,878						
Thermal Battery Industrial Base Infrastructure		2,498		2,498	4,474		4,474						
Polyhedral Oligomeric Silsesquioxane (POSS) Nanotechnology Scale-up Initiative		6,246		6,246	5,567		5,567						
High Performance Batteries & Fuel Cells Production Initiative		6,800		6,800									
High Performance Coatings Production Initiative		3,817		3,817									
Next Generation Radiation Hardened Microprocessors		2,905		2,905	3,462		3,462						
Amplifying Fluorescent Polymer Based IED Detection Devices		1,176		1,176									
ALON and Spinel Optical Ceramics		1,470		1,470	1,591		1,591						
Advanced Metal Composite Process (Titanium Metal Matrix Composites for Aircraft)		6,663		6,663	7,955		7,955						
Silicon Carbide Powder and Ceramic Armor Manufacturing to Protect Armed Forces		3,429		3,429									
Reactive Plastic CO2 Absorbent Production Initiative		3,674		3,674	1,989		1,989						
Boron Fiber Production Initiative		981		981									
Beryllium Supply Industrial Base Production Initiative		7,764		7,764	7,500		7,500	7,500		7,500	7,500		7,500
Silicon Carbide MMIC Device Production					3,167		3,167						
Lithium Ion (Li Ion) Battery Production					2,433		2,433	1,089		1,089			
Advanced Technologies Production Initiative					1,922		1,922						
Military Lens System Fabrication & Assembly					1,442		1,442						
Carbon Foam					1,591		1,591						
Photovoltaic Solar Cell Encapsulant Production					1,342		1,342						
Automated Composite Technologies Initiative					5,469		5,469						
Affordable Methanol Fuel Cells Components					1,094		1,094						
Armor and Structure Transformation Initiative, Steel to					2,884		2,884						

Exhibit P-5, Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement			P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)			Weapon System Type:			Date: February 2007		
DPAP	ID	**FY 06**			**FY 07**			**FY 08**			**FY 09**		
Cost Elements	CD	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Titanium													
Blue Force Tracking Production Initiative								2,000		2,000	3,000		3,000
Power & Energy Systems Production Initiative								4,000		4,000	4,000		4,000
Rare Earth Magnets Production Initiative								1,986		1,986	4,110		4,110
Traveling Wave Tube Amplifiers for Space								2,017		2,017	1,174		1,174
Total		**57,467**		57,467	**62,930**		62,930	**18,592**		18,592	**19,784**		19,784

Exhibit P-5e, Weapon System Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement	P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)	Weapon System Type:	Date: February 2007

Procurement, Defense Wide	ID	Prior			FY 2006			FY 2007		
Cost Elements	CD	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000
Flexible Aerogel Material Supplier Initiative					2,500		2,500	2,983		2,983
Read Out Integrated Circuit (ROIC) Manufacturing Improvement					2,351		2,351	2,187		2,187
Miniature Compressors for Electronics & Personal Cooling					2,450		2,450			
Hydrogen Ion Implantation Equipment					2,743		2,743	3,878		3,878
Thermal Battery Industrial Base Infrastructure					2,498		2,498	4,474		4,474
Polyhedral Oligomeric Silsesquioxane (POSS) Nanotechnology Scale-up Initiative					6,246		6,246	5,567		5,567
High Performance Batteries & Fuel Cells Production Initiative					6,800		6,800			
High Performance Coatings Production Initiative					3,817		3,817			
Next Generation Radiation Hardened Microprocessors					2,905		2,905	3,462		3,462
Amplifying Fluorescent Polymer Based IED Detection Devices					1,176		1,176			
ALON and Spinel Optical Ceramics					1,470		1,470	1,591		1,591
Advanced Metal Composite Process (Titanium Metal Matrix Composites for Aircraft)					6,663		6,663	7,955		7,955
Silicon Carbide Powder and Ceramic Armor Manufacturing to Protect Armed Forces					3,429		3,429			
Reactive Plastic CO2 Absorbent Production Initiative					3,674		3,674	1,989		1,989
Boron Fiber Production Initiative					981		981			
Beryllium Supply Industrial Base Production Initiative					7,764		7,764	7,500		7,500
Silicon Carbide MMIC Device Production								3,167		3,167
Lithium Ion (Li Ion) Battery Production								2,433		2,433
Advanced Technologies Production Initiative								1,922		1,922
Military Lens System Fabrication & Assembly								1,442		1,442
Carbon Foam								1,591		1,591
Photovoltaic Solar Cell Encapsulant Production								1,342		1,342
Automated Composite Technologies Initiative								5,469		5,469
Affordable Methanol Fuel Cells Components								1,094		1,094
Armor and Structure Transformation Initiative, Steel to Titanium								2,884		2,884
Blue Force Tracking Production Initiative										
Power & Energy Systems Production Initiative										
Rare Earth Magnets Production Initiative										
Traveling Wave Tube Amplifiers for Space										
Total:					**57,467**		**57,467**	**62,930**		**62,930**

Exhibit P-5e, Weapon System Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement	P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)	Weapon System Type:	Date: February 2007

Procurement, Defense Wide	ID	FY 2008			FY 2009			FY 2010			FY 2011		
Cost Elements	CD	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Flexible Aerogel Material Supplier Initiative													
Read Out Integrated Circuit (ROIC) Manufacturing Improvement													
Miniature Compressors for Electronics & Personal Cooling													
Hydrogen Ion Implantation Equipment													
Thermal Battery Industrial Base Infrastructure													
Polyhedral Oligomeric Silsesquioxane (POSS) Nanotechnology Scale-up Initiative													
High Performance Batteries & Fuel Cells Production Initiative													
High Performance Coatings Production Initiative													
Next Generation Radiation Hardened Microprocessors													
Amplifying Fluorescent Polymer Based IED Detection Devices													
ALON and Spinel Optical Ceramics													
Advanced Metal Composite Process (Titanium Metal Matrix Composites for Aircraft)													
Silicon Carbide Powder and Ceramic Armor Manufacturing to Protect Armed Forces													
Reactive Plastic CO2 Absorbent Production Initiative													
Boron Fiber Production Initiative													
Beryllium Supply Industrial Base Production Initiative		7,500		7,500	7,500		7,500	7,500		7,500			
Silicon Carbide MMIC Device Production													
Lithium Ion (Li Ion) Battery Production		1,089		1,089									
Advanced Technologies Production Initiative													
Military Lens System Fabrication & Assembly													
Carbon Foam													

Exhibit P-5e, Weapon System Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement	P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)	Weapon System Type:	Date: February 2007

Procurement, Defense Wide	ID	FY 2008			FY 2009			FY 2010			FY 2011		
Cost Elements	CD	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Photovoltaic Solar Cell Encapsulant Production													
Automated Composite Technologies Initiative													
Affordable Methanol Fuel Cells Components													
Armor and Structure Transformation Initiative, Steel to Titanium													
Blue Force Tracking Production Initiative		2,000		2,000	3,000		3,000						
Power & Energy Systems Production Initiative		4,000		4,000	4,000		4,000	4,000		4,000			
Rare Earth Magnets Production Initiative		1,986		1,986	4,110		4,110	5,496		5,496	5,733		5,733
Traveling Wave Tube Amplifiers for Space		2,017		2,017	1,174		1,174						
Total:		**18,592**		**18,592**	**19,784**		**19,784**	**16,996**		**16,996**	**5,733**		**5,733**

Exhibit P-5e, Weapon System Cost Analysis		Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement			P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)				Weapon System Type:		Date: February 2007		
Procurement, Defense Wide	ID	FY 2012			FY 2013			To Complete			Total		
Cost Elements	CD	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Flexible Aerogel Material Supplier Initiative											5,483		
Read Out Integrated Circuit (ROIC) Manufacturing Improvement											4,538		
Miniature Compressors for Electronics & Personal Cooling											2,450		
Hydrogen Ion Implantation Equipment											6,621		
Thermal Battery Industrial Base Infrastructure											6,972		
Polyhedral Oligomeric Silsesquioxane (POSS) Nanotechnology Scale-up Initiative											11,813		
High Performance Batteries & Fuel Cells Production Initiative											6,800		
High Performance Coatings Production Initiative											3,817		
Next Generation Radiation Hardened Microprocessors											6,367		
Amplifying Fluorescent Polymer Based IED Detection Devices											1,176		
ALON and Spinel Optical Ceramics											3,061		
Advanced Metal Composite Process (Titanium Metal Matrix Composites for Aircraft)											14,618		
Silicon Carbide Powder and Ceramic Armor Manufacturing to Protect Armed Forces											3,429		
Reactive Plastic CO2 Absorbent Production Initiative											5,663		
Boron Fiber Production Initiative											981		
Beryllium Supply Industrial Base Production Initiative											37,764		
Silicon Carbide MMIC Device Production											3,167		
Lithium Ion (Li Ion) Battery Production											3,522		
Advanced Technologies Production Initiative											1,922		
Military Lens System Fabrication & Assembly											1,442		
Carbon Foam											1,591		

Exhibit P-5e, Weapon System Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement	P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)	Weapon System Type:	Date: February 2007

Procurement, Defense Wide	ID	FY 2012			FY 2013			To Complete			Total		
Cost Elements	CD	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Photovoltaic Solar Cell Encapsulant Production											1,342		
Automated Composite Technologies Initiative											5,469		
Affordable Methanol Fuel Cells Components											1,094		
Armor and Structure Transformation Initiative, Steel to Titanium											2,884		
Blue Force Tracking Production Initiative											5,000		
Power & Energy Systems Production Initiative											12,000		
Rare Earth Magnets Production Initiative		5,822		5,822	5,912		5,912				29,059		
Traveling Wave Tube Amplifiers for Space											3,191		
Total:		**5,822**		**5,822**	**5,912**		**5,912**				**193,236**		**193,236**

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement

Weapon System Type:

P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
Flexible Aerogel Material Supplier Initiative										
FY 2006	Aspen Aerogels Northborough MA	compet	WPAFB	Aug 2004	na	0	2,500	no	na	na
FY 2007	Aspen Aerogels Northborough MA	compet	WPAFB	Aug 2004	na	0	2,983	no	na	na
Read Out Integrated Circuit (ROIC) Manufacturing Improvement										
FY 2006	AMI Semiconductor Pocatello, ID	compet	WPAFB	Oct 2005	na	0	2,351	no	na	na
FY 2007	AMI Semiconductor Pocatello, ID	compet	WPAFB	Oct 2006	na	0	2,187	no	na	na
Miniature Compressors for Electronics & Personal Cooling										
FY 2006	Aspen Compressor, LLC Marlborough, MA	compet	WPAFB	Apr 2005	na	0	2,450	no	na	na
Hydrogen Ion Implantation Equipment										
FY 2006	MEMC Electronics Materials, Co St. Joseph MO	non compet	WPAFB	Jun 2005	na	0	2,743	no	na	na
FY 2007	MEMC Electronics Materials, Co St. Joseph MO	non compet	WPAFB	Jun 2005	na	0	3,878	no	na	na
Thermal Battery Industrial Base Infrastructure										
FY 2006	Enser Corp. Pinellas Park, FL	non compet	WPAFB	Jul 2004	na	0	2,498	no	na	na
FY 2007	Enser Corp. Pinellas Park, FL	non compet	WPAFB	Jul 2004	na	0	4,474	no	na	na
Polyhedral Oligomeric Silsesquioxane (POSS) Nanotechnology Scale-up Initiative										
FY 2006	Hybrid Plastics Hattiesburg, MS	compet	WPAFB	Jun 2005	na	0	6,246	no	na	na
FY 2007	Hybrid Plastics Hattiesburg, MS	compet	WPAFB	Jun 2005	na	0	5,567	no	na	na
High Performance Batteries & Fuel Cells Production Initiative										
FY 2006	Various	compet	WPAFB	TBD	na	0	6,800	no	na	na
High Performance Coatings Production Initiative										

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement

Weapon System Type:

P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
FY 2006	Various	compet	WPAFB	TBD	na	0	3,817	no	na	na
Next Generation Radiation Hardened Microprocessors										
FY 2006	Various	compet	WPAFB	TBD	na	0	2,905	no	na	na
FY 2007	Various	compet	WPAFB	TBD	na	0	3,462	no	na	na
Amplifying Fluorescent Polymer Based IED Detection Devices										
FY 2006	Nomadics, Inc. Stillwater, OK	non compet	WPAFB	Jul 2006	na	0	1,176	no	na	na
ALON and Spinel Optical Ceramics										
FY 2006	Surmet Corp Burlington< MA	non compet	WPAFB	Nov 2006	na	0	1,470	no	na	na
FY 2007	Surmet Corp Burlington< MA	non compet	WPAFB	Nov 2006	na	0	1,591	no	na	na
Advanced Metal Composite Process (Titanium Metal Matrix Composites for Aircraft)										
FY 2006	FMW Bridgeport, WV	non compet	WPAFB	Aug 2006	na	0	5,882	no	na	na
FY 2007	FMW Bridgeport, WV	non compet	WPAFB	Aug 2006	na	0	7,955	no	na	na
Silicon Carbide Powder and Ceramic Armor Manufacturing to Protect Armed Forces										
FY 2006	Various	compet	WPAFB	TBD	na	0	3,429	no	na	na
Reactive Plastic CO2 Absorbent Production Initiative										
FY 2006	Micropore, Inc Newark, DE	non compet	WPAFB	Oct 2006	na	0	3,674	no	na	na
FY 2007	Micropore, Inc Newark, DE	non compet	WPAFB	Oct 2006	na	0	1,989		na	na
Boron Fiber Production Initiative										
FY 2006	Specialty Materials, Inc Lowell, MA	non Compet	WPAFB	Sep 2006	na	0	981	no	na	na
Beryllium Supply Industrial Base Production Initiative										
FY 2006	Brush Wellman Inc. Cleveland, OH	non compet	WPAFB	Nov 2005	na	0	8,545	no	na	
FY 2007	Brush Wellman Inc. Cleveland, OH	non compet	WPAFB	Nov 2005	na	0	7,500	no	na	na

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement

Weapon System Type:

P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
FY 2008	Brush Wellman Inc. Cleveland, OH	non compet	WPAFB	Nov 2005	na	0	7,500	no	na	na
FY 2009	Brush Wellman Inc. Cleveland, OH	non compet	WPAFB	Nov 2005	na	0	7,500	no	na	na
Silicon Carbide MMIC Device Production										
FY 2007	Cree, Inc. Durham, NC	compet	WPAFB	Aug 2005	na	0	3,167	no	na	na
Lithium Ion (Li Ion) Battery Production										
FY 2007	Quallion, Inc. Sylmar, CA	compet	WPAFB	Aug 2006	na	0	2,433	no	na	na
FY 2008	Quallion, Inc. Sylmar, CA	compet	WPAFB	Aug 2006	na	0	1,089	no	na	na
Advanced Technologies Production Initiative										
FY 2007	Various	compet	WPAFB	TBD	na	0	1,922	no	na	na
Military Lens System Fabrication & Assembly										
FY 2007	Optical Systems Technology, In Freeport , PA	compet	WPAFB	TBD	na	0	1,442	no	na	na
Carbon Foam										
FY 2007	Various	compet	WPAFB	TBD	na	0	1,591	no	na	na
Photovoltaic Solar Cell Encapsulant Production										
FY 2007	Various	compet	WPAFB	TBD	na	0	1,342	no	na	na
Automated Composite Technologies Initiative										
FY 2007	Various	compet	WPAFB	TBD	na	0	5,469	no	na	na
Affordable Methanol Fuel Cells Components										
FY 2007	Various	compet	WPAFB	TBD	na	0	1,094	no	na	na
Armor and Structure Transformation Initiative, Steel to Titanium										
FY 2007	Various	compet	WPAFB	TBD	na	0	2,884	no	na	na
Blue Force Tracking Production Initiative										
FY 2008	Various	compet	WPAFB	TBD	na	0	2,000	no	na	na
FY 2009	Various	compet	WPAFB	TBD	na	0	3,000	no	na	na
Power & Energy Systems Production Initiative										

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Procurement	Weapon System Type:	P-1 Line Item Nomenclature: Defense Production Act Purchases (0904903D8Z)

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
FY 2008	Various	compet	WPAFB	TBD	na	0	4,000	no	na	na
FY 2009	Various	compet	WPAFB	TBD	na	0	4,000	no	na	na
Rare Earth Magnets Production Initiative										
FY 2008	Various	compet	WPAFB	TBD	na	0	1,986	no	na	na
FY 2009	Various	compet	WPAFB	TBD	na	0	4,110	no	na	na
Traveling Wave Tube Amplifiers for Space										
FY 2008	Various	compet	WPAFB	TBD	na	0	2,017	no	na	na
FY 2009	Various	compet	WPAFB	TBD	na	0	1,174	no	na	na

REMARKS:

Exhibit P-40, Budget Item Justification Sheet	Date: February 2007
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Mentor Protégé Program (P008)	P-1 Item Nomenclature: Major Equipment
Program Elements for Code B Items:	Code: / Other Related Program Elements:

Cost ($ in Millions)	Prior Years	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	To Complete	Total Prog
Proc Qty											
Gross Cost	124.905	25.543	26.516	20.932	22.915	23.883	24.928	27.523	28.294		325.439
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc P1	124.905	25.543	26.516	20.932	22.915	23.883	24.928	27.523	28.294		325.439
Initial Spares											
Total Proc Cost	124.905	25.543	26.516	20.932	22.915	23.883	24.928	27.523	28.294		325.400
Flyaway U/C											
Weapon System Proc U/C											

Description:
(U) The Mentor Protégé Program is a statutorily mandated program established to provide monetary or credit incentives to major Department of Defense prime contractors for the purpose of developing the technical capabilities of disadvantaged small businesses (DSBs), which include organizations employing the severely disabled as defined in Section 8064A of Pub.L. 102-172, small business concerns owned and controlled by women, as defined in Section 8(d)(3)(D) of the Small Business Act (5 U.S.C. 637(d)(3)(D))as well as Service Disabled Veteran Owned Small Businesses (SDVOSB) and Historically Underutilized Business Zone (HUBZone) small business concerns. The program enables major prime contractors to transfer and/or develop technology in the DSB community that is critical to National Defense. It is intended that the mentor would impart to the protégé firm the technical knowledge and skills to compete successfully in the defense marketplace. Under the program, mentor firms are eligible for reimbursement of certain costs (direct and indirect) incurred in providing developmental assistance to its protégé firms. The statute authorizes reimbursement to be made pursuant to a line item on a Department of Defense contract, a separate contract, or other agreements between the Department of Defense and the mentor firm. Under the National Defense Authorization Act of 2005 signed by President Bush in October 2004, the Pilot Mentor-Protégé Program was extended five years through September 2013 for reimbursement.

Exhibit P-5, Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Mentor Protégé Program (P008)	P-1 Line Item Nomenclature: Major Equipment	Weapon System Type:	Date: February 2007

ATL Cost Elements	ID CD	FY 06			FY 07			FY 08			FY 09		
		Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Army, Mentor Protégé Agreements		7,000			5,271			2,458			2,500		
Navy, Mentor Protégé Agreements		5,354			4,456			3,544			4,588		
Air Force, Mentor Protégé Agreements		6,504			5,375			6,293			6,857		
DISA, Mentor Protégé Agreements		3,500			2,500			1,170			1,802		
MDA, Mentor Protégé Agreements		360			652			597			635		
NGA, Mentor Protégé Agreements		800			821			323			678		
SOCOM, Mentor Protégé Agreements		250			214			250			250		
Joint Robotics Initiative Agreements					4,254			3,852			4,229		
NSA Mentor Protege Agreements					622			445			356		
Additional Mentor Protege Initiatives		1,775			2,351			2,000			1,020		
Total		**25,543**			**26,516**			**20,932**			**22,915**		

Exhibit P-40, Budget Item Justification Sheet										Date: February 2007	
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1/ High Performance Computing Modernization Program (HPCMP) (P011)						P-1 Item Nomenclature /Major Equipment					
Program Elements for Code B Items:		Code:		Other Related Program Elements:							
Cost ($ in Millions)	Prior Years	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	To Complete	Total Prog
Proc Qty											
Gross Cost	981.230	52.767	51.111	51.132	52.651	54.429	56.790	57.536	58.345	Continuing	Continuing
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc P1	981.230	52.767	51.111	51.132	52.651	54.429	56.790	57.536	58.345	Continuing	Continuing
Initial Spares											
Total Proc Cost	981.230	52.767	51.111	51.132	52.651	54.429	56.790	57.536	58.345	Continuing	Continuing
Flyaway U/C											
Weapon System Proc U/C											

Description:
The Department of Defense (DoD) High Performance Computing (HPC) Modernization Program supports the needs of the warfighter for technological superiority and military dominance on the battlefield by providing advanced computational services to U.S. weapons system scientists and engineers. By exploiting continuous advances in high performance computing technology, the defense research, development, test and evaluation (RDT&E) community is able to resolve critical scientific and engineering problems more quickly and with more precision. The results of these efforts feed directly into the acquisition process by improving weapons system designs through an increased fundamental understanding of materials, aerodynamics, chemistry, fuels, acoustics, signal image recognition, electromagnetics, and other areas of basic and applied research as well as enabling advanced test and evaluation environments that allow synthetic scene generation, automatic control systems and virtual test environments. As such, HPC has been identified as a key enabling technology essential to achieving the objectives of the DoD's science and technology (S&T) and test and evaluation (T&E) programs.

Justification:
The High Performance Computing Modernization Program (HPCMP) is a Major Defense Acquisition Program (MDAP) Acquisition Category 1 originated under the functional sponsorship of the Deputy Under Secretary of Defense for Science and Technology (DUSD (S&T)). The HPCMP is not a standard information technology program. It is a focused modernization effort crafted to ensure Department of Defense (DoD) science and technology and test and evaluation communities are supported with current generation supercomputing capability. The HPCMP resulted from Congressional language that recognized supercomputing as a national strategic asset and directed the DoD to focus on supercomputing modernization at DoD laboratories and test centers to keep its forces and military systems on the leading technological edge.

Program funding provides for the commercial off the shelf hardware upgrade of four Major Shared Resource Centers (MSRCs) that provide world-class HPC capability to a nation-wide user community and the establishment or upgrade of Distributed Centers and Dedicated HPC Project Investments that address real-time and other unique local requirements.

Exhibit P-5, Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ High Performance Computing Modernization Program (HPCMP) (P011)	P-1 Line Item Nomenclature: Major Equipment	Weapon System Type:	Date: February 2007

ATL Cost Elements	ID CD	FY 06			FY 07			FY 08			FY 09		
		Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
HPC Hardware and Upgrades at MSRC's		41,038	1	41,038	44,216	1	44,216	42,933	1	42,933	43,791	1	43,791
HPC Hardware and Upgrades at ADC's		7,600	1	7,600									
Dedicated HPC Project Investments		4,129	1	4,129	6,895	1	6,895	8,199	1	8,199	8,860	1	8,860
Withheld/ Not Released for Obligation													
Total		**52,767**		52,767	**51,111**		51,111	**51,132**		51,132	**52,651**		52,651

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No:
Procurement, Defense Wide/ 1/ High Performance Computing Modernization Program (HPCMP) (P011)

Weapon System Type:

P-1 Line Item Nomenclature:
Major Equipment

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
HPC Hardware and Upgrades at MSRC's										
FY 2006	Linux Seattle, WA	FFP	Army, ARL Aberdeen MD	Jan-06	Sep-06	1	18,659	N/A	N/A	
FY 2006	TBD TBD	FFP	AF, ASC WPAFB, OH	TBD	TBD	1	1,029	N/A	N/A	
FY 2006	CSC Vicksburg, MS	FFP	Army, ERDC Vicksburg, MS	Jun-06	Dec-06	1	3,695	N/A	N/A	
FY 2006	IBM Armonk, NY	FFP	Navy, NAVO Stennis Sp Ctr, MS	Dec-05	Aug-06	1	17,655	N/A	N/A	
FY 2007	Award Pending TBD	FFP	Army, ARL Aberdeen MD	TBD	TBD	1	1,500	N/A	N/A	
FY 2007	SGI, Inc. Mountain View, CA	FFP	AF, ASC WPAFB, OH	Dec-06	Jul-07	1	21,466	N/A	N/A	
FY 2007	Cray Inc. Eagan, MN	FFP	Army- ERDC Vicksburg, MS	Dec-06	Apr-07	1	20,250	N/A	N/A	
FY 2007	Award Pending TBD	FFP	Navy-NAVO Stennis Space Ctr,MS	TBD	TBD	1	1,000	N/A	N/A	
FY 2008	TBD TBD	FFP	Army, ARL Aberdeen MD	TBD	TBD	1	20,467	N/A	N/A	
FY 2008	TBD TBD	FFP	AF, ASC WPAFB, OH	TBD	TBD	1	1,000	N/A	N/A	
FY 2008	TBD TBD	FFP	Army- ERDC Vicksburg, MS	TBD	TBD	1	1,000	N/A	N/A	
FY 2008	TBD TBD	FFP	Navy-NAVO Stennis Space Ctr,MS	TBD	TBD	1	20,466	N/A	N/A	
HPC Hardware and Upgrades at ADC's										
FY 2006	Cray Inc. Eagan, MN	FFP	Army, AHPCRC S Minneapolis, MN	Jan-06	Sep-06	1	3,265	N/A	N/A	
FY 2006	Sun Santa Clara, CA	FFP	OSD, ARSC Fairbanks, AK	Aug-06	Oct-06	1	4,335	N/A	N/A	
Dedicated HPC Project Investments										

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No:	Weapon System Type:	P-1 Line Item Nomenclature:
Procurement, Defense Wide/ 1/ High Performance Computing Modernization Program (HPCMP) (P011)		Major Equipment

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
FY 2006	Dell Roundrock, TX	FFP	AF, Lincoln Lab Lexington, MA	Jul-06	Aug-06	1	1,899	N/A	N/A	
FY 2006	Linux Seattle, WA	FFP	Army, Dugway Prov Ground, UT	Dec-05	Sep-06	1	695	N/A	N/A	
FY 2006	IBM Armonk, NY	FFP	Army, CERDC FT Monmouth, NJ	Jan-06	Jul-06	1	1,535	N/A	N/A	
FY 2007	Award Pending TBD	FFP	TBD	TBD	TBD	1	5,873	N/A	N/A	
FY 2008	TBD TBD	FFP	TBD	TBD	TBD	1	8,199	N/A	N/A	
Withheld/ Not Released for Obligation										

REMARKS: DoD requires high performance computing (HPC) to keep its forces and military systems on the leading technological edge. This program provides for the commercial off the shelf hardware upgrade of four Major Shared Resource Centers that provide world-class HPC capability to a nation-wide user community and the establishment of or upgrade of Allocated Distributed Centers and Dedicated HPC Project Investments that address real-time and other unique local requirements.

Exhibit P-40, Budget Item Justification Sheet	Date: February 2007
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Enterprise Portals Program (P037)	P-1 Item Nomenclature Major Equipment)
Program Elements for Code B Items:	Code: / Other Related Program Elements:

Cost ($ in Millions)	Prior Years	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	To Complete	Total Prog
Proc Qty											
Gross Cost	3.033	0.558	0.587								4.178
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc P1	3.033	0.558	0.587								4.178
Initial Spares											
Total Proc Cost	3.033	0.558	0.587								4.200
Flyaway U/C											
Weapon System Proc U/C											

Description:
Funding supports expanding eBusiness Center capabilities to provide leadership and direction to the business initiatives across the Department's acquisition community. The capabilities will support a broad range of activities including the improvement of the efficiency of the acquisition process, alignment of the acquisition process for DoD, and transformation of the acquisition business process through change management.
This will meet the requirement to integrate cross-cutting enterprise-wide business processes using the best available technology in order to reduce staffing requirements and add value to business processes. The Center will act as a control on the appropriate use of resources for technology applications and act as a catalyst for change in portfolio management. The Center will also assist functional directorates during the transition to production of successful cross-cutting projects.

Exhibit P-5, Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Enterprise Portals Program (P037)	P-1 Line Item Nomenclature: Major Equipment	Weapon System Type:	Date: February 2007

ATL Cost Elements	ID CD	FY 06			FY 07			FY 08			FY 09		
		Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Installation Support Services		297			298								
Servers		72			73								
Server Software Licenses		99			99								
Portal Software Licenses		90			117								
VM Servers & SW combined													
Portal Servers													
ECF Equip Upgrade													
Total		**558**			**587**								

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No:	Weapon System Type:	P-1 Line Item Nomenclature:
Procurement, Defense Wide/ 1/ Enterprise Portals Program (P037)		Major Equipment

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
Installation Support Services										
FY 2006	TBD	TBD	TBD	TBD	TBD	3	1	N/A	N/A	TBD
FY 2007	TBD	TBD	TBD	TBD	TBD	3	1	N/A	N/A	TBD
Servers										
FY 2006	TBD	TBD	TBD	TBD	TBD	4	0	N/A	N/A	TBD
FY 2007	TBD	TBD	TBD	TBD	TBD	4	0	N/A	N/A	TBD
Server Software Licenses										
FY 2006	TBD	TBD	TBD	TBD	TBD	8	0	N/A	N/A	TBD
FY 2007	TBD	TBD	TBD	TBD	TBD	4	0	N/A	N/A	TBD
Portal Software Licenses										
FY 2006	TBD	TBD	TBD	TBD	TBD	1	0	N/A	N/A	TBD
FY 2007	TBD	TBD	TBD	TBD	TBD	1	0	N/A	N/A	TBD
VM Servers & SW combined										
Portal Servers										
ECF Equip Upgrade										

REMARKS:

Exhibit P-40, Budget Item Justification Sheet											Date: February 2007
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Man Portable Defense Systems (MANPADS) (P040)						P-1 Item Nomenclature Major Equipment					
Program Elements for Code B Items:		Code:		Other Related Program Elements:							
Cost ($ in Millions)	Prior Years	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	To Complete	Total Prog
Proc Qty											
Gross Cost		1.238									1.238
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc P1		1.238									1.238
Initial Spares											
Total Proc Cost		1.238									1.200
Flyaway U/C											
Weapon System Proc U/C											

Description:
Description:
(U) This program procures a distributed ground based, networked, sensor grid for missile launch detection in urban and expeditionary locations.

(U) The distributed ground-based sensor grid will constantly monitor for the presence of a MANPAD launch using a networked combination of staring IR sensors using commercially available components to reduce cost and the lead-time to fielding. The sensor grid can be integrated with one or more forms of countermeasures to defeat an oncoming missile.

Exhibit P-5, Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1 /Man Portable Defense Systems (MANPADS) (P040)	P-1 Line Item Nomenclature: Major Equipment	Weapon System Type:	Date: February 2007

ATL Cost Elements	ID CD	FY 06			FY 07			FY 08			FY 09		
		Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Distributed Ground Base Sensor Grid		1,238	1	1,238									
Total		**1,238**		1,238									

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No:	Weapon System Type:	P-1 Line Item Nomenclature:
Procurement, Defense Wide/ 1/ Man Portable Defense Systems (MANPADS) (P040)		Major Equipment

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Each	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
Distributed Ground Base Sensor Grid										
FY 2005	N/A	N/A	N/A	N/A	N/A	0	0			
FY 2006	TBD	FFP	NAVAIRSYSCOM	6/1/2006	9/1/2006	1	1,238	Y		02/2006

REMARKS:

Exhibit P-40, Budget Item Justification Sheet	Date: February 2007
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Joint Capability Technology Demonstration (JCTD) Pilot (P041)	P-1 Item Nomenclature: Major Equipment
Program Elements for Code B Items:	Code: / Other Related Program Elements:

Cost ($ in Millions)	Prior Years	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	To Complete	Total Prog
Proc Qty											
Gross Cost		0.985	2.012	1.961	1.967	1.986	1.974	2.000	2.028	Continuing	Continuing
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc P1		0.985	2.012	1.961	1.967	1.986	1.974	2.000	2.028	Continuing	Continuing
Initial Spares											
Total Proc Cost		0.985	2.012	1.961	1.967	1.986	1.974	2.000	2.028	Continuing	Continuing
Flyaway U/C											
Weapon System Proc U/C											

Description:
The War On Terrorism challenges the Department of Defense (DoD) to devote resources not only to countering the asymmetric threats posed by adversaries but to also exploit the advantages of technology superiority in new, transformational ways. At the same time, it has become clear that a new balance must be struck between direct support for joint Combatant Commanders (CoComs) fighting on the front line of the War On Terrorism and longer term planned Service investment strategies. In an effort to attain this balance a pilot program refered to as the Defense Acquisition Executive (DAE) pilot was initiated. The DAE pilot program "procurement arm" is utilized to support initial acquisition of equipment for rapid transition of "joint peculiar" capabilities.

The DAE pilot "procurement arm" resides in the OSD Major Equipment program element for the support of Joint Capability Technology Demonstation (JCTD) projects that meet the program's selection criteria. The Department of Defense (DoD) initiated the DAE pilot program in FY 2006 to assist in the continued development and eventual sustainment of a few selected Advanced Concept/Joint Capability Technology Demonstrations (AC/JCTDs) in support of the 2006 Quadrennial Defense Review (QDR) which calls for increasing options for agile and adaptive acquisition process to support the Joint warfighter. The DAE pilot uses Defense Wide Program Elements (PEs) in BA-5 for System Development and Demonstration, Procurement for initial acquisition of equipment, and a limited amount of Operations and Maintenance (O&M) funding at Joint Forces Command (JFCOM). The DAE Pilot program creates an acquisition path for "joint peculiar" programs that do not have a traditional Service or Agency program of record. The program will provide an avenue transformational capabilities from Advanced Concept Technology Demonstrations (ACTDs) and Joint Capability Technology Demonstrations (JCTDs) that may not be covered by Service programs to continue a logical progression of program phases and development in order to be suitable for full production and deployment to the warfighter.

This pilot program will also demonstrate spiral acquisition concepts with a goal of getting priority joint and transformational capabilities deployed to the warfighter more quickly. Specifically, this PE will support selected joint capability technologies that are being integrated into programs that have passed Milestone B and are conducting engineering and manufacturing development to meet validated joint needs. The aim is to fully integrate these more mature capabilities into either an existing system or a new system being deployed. The result should be a successful Milestone C decision. With strong support from CoComs, ACTDs have enhanced joint capabilities providing an "on ramp" to conventional acquisition processes for joint needs in a system that emphasizes Service-sponsored core military capabilities. JCTDs will concentrate that effort with continued emphasis on transitioning demonstration-proven capabilities into Programs of Record (PoR) for sustainment of residuals and rapid acquisition and fielding of production models. The DAE Pilot Program will pioneer a transformational new model for Department of Defense acquisition by using funding in BA5 and Procurement to provide a path for those capabilities that are so transformational that they must be put on a "fast track" to acquisition. The DAE Pilot Program supports the Joint Capabilities Interoperability Development System (JCIDS) by addressing the needs of CoComs directly. The Defense Wide funding for this program in BA3, BA4, BA5 and Procurement allows the Deputy Under Secretary of Defense for Advanced Systems and

Exhibit P-40, Budget Item Justification Sheet			Date: February 2007
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Joint Capability Technology Demonstration (JCTD) Pilot (P041)		P-1 Item Nomenclature Major Equipment	
Program Elements for Code B Items:	Code:	Other Related Program Elements:	

Concepts (DUSD(AS&C)) on behalf of the DAE (USD (AT&L)) to support the spectrum of technology development through initial acquisition providing the Combatant Commanders, Services, Agencies, and operators with a new model for tailoring acquisition solutions to meet warfigher needs.

Under the new JCTD program, only the ACTD/JCTDs that demonstrate the highest military utility will be considered for the transition funding in the DAE BA5 PE. Many JCTDs will transition smoothly into a well identified program of record and not require funding from these two PEs which are the transition arm of the JCTD model.

Justification:
In FY 2006, the Joint Automated Deep Operations Coordination System (JADOCS) was selected as the first DAE Pilot program. JADOCS is currently in use by the CoComs and has proven effective in both Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF). It integrates approximately 20 Service and Defense Agency C4ISR systems, making each of the 20 systems more powerful and valuable for the warfighter by creating a truly interoperable and joint Common Operating Picture (COP) for time sensitive targeting and warfighter operations. During the first year, Army utilized the DAE pilot program funding, to sustain/maintain existing CoCom JADOCS capability [infrastructure, software, and technical field support]; develop new functionality based upon emerging critical OIF/OEF requirements; and began the three year process of transitioning JADOCS functionality into Joint Net Enabled Command Capability (NECC) the replacement for the CoCom's Global Command Control System (GCCS)in FY10.

The initial Automated Deep Operations Coordination System (ADOCS) system was renamed as JADOCS in FY 2005. Originally developed as a product of the Theater Precision Strike Operations (TPSO) ACTD, JADOCS did not have a clear transition or procurement path through the normal DoD acquisition process. While the transition program of record (POR) was being established with the Army, JADOCS was continuing to provide new, enhanced automation support to command centers and component headquarters for horizontal and vertical interoperability of C4ISR systems in the areas of Strike Planning, Situational Awareness, Joint and Combined Interoperability, and Force Transition in War. The DAE pilot program has served this vital capability well in maintenance and sustainment while the transition POR was established.

JADOCS has evolved into a joint warfighter system application with over 2,000 workstations and 3,000 users worldwide. It is presently embedded in the architecture at USCENTCOM, USPACOM, USFK, and USEUCOM. This "joint peculiar" system has recently been employed in U.S. Tsunami relief humanitarian efforts. The JADOCS capability includes software, tactics, techniques, and procedures (TTP), and field support. JADOCS is the Department's "go to war" system for targeting and fire support coordination. It is the first DAE pilot program the Department is sponsoring under this innovative process that will maintain the development of a capability coming out of a successful Advanced Concept Technology Demonstration (ACTD) but is not yet ready for a Service POR.

JADOCS is a successful product of a series of previous ACTDs, most notably the Theater Precision Strike Operations (TPSO) and Counter-Multiple Rocket Launcher (C-MRL) ACTDs. JADOCS provides a critical warfighting capability for the CoComs, including use in OIF and OEF as a residual leave behind capability from the ACTD. This system was previously employed in U.S. Tsunami relief humanitarian efforts and recently began to support USNORTHCOM for C2 automation of Defense Support to Civil Authorities. JADOCS is the system used for Time Sensitive Targeting coordination within the USCENTCOM AOR. JADOCS is managed by PEO C3T's, PM Battle Command Fire Support Command and Control Program Office.

In Oct 2005, the Army accepted joint responsibility to begin transition of JADOCS functionality into PM Battle Command Fire Support Command and Control and is being modernized and integrated into the NECC architecture. Until the transition to NECC is complete in 2009, JADOCS will continue to meet the critical requirements of the CoCom by providing enhanced automation support to command centers and component headquarters for horizontal and vertical interoperability of C4ISR systems in the areas of Strike Planning, Situational Awareness, Joint and Combined Interoperability, Joint Targeting, Force Transition in War, and Defense Support to Civil Authorities.

The funds identified in the DAE Pilot program in FY07 through FY09 will enable modernization of the JADOCS architecture to ensure compatibility with the Army Battle Command System and the DoD

Exhibit P-40, Budget Item Justification Sheet		Date: February 2007
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Joint Capability Technology Demonstration (JCTD) Pilot (P041)	P-1 Item Nomenclature Major Equipment	
Program Elements for Code B Items:	Code:	Other Related Program Elements:

Network Enhanced Command Capability (NECC); continuing the JADOCS business model of responding to evolving urgent warfighter requirements with operational capabilities, and ensuring JADOCS remains a joint versus Service specific capability.
- FY06 Output: Enabled a network-centric capability in JADOCS, and phase I Collateral Damage Estimator (CDE). JADOCS continues to be used by the CoCom as a joint, C4ISR residual capability that originated from the TPSO ACTD which ended in FY-03.
- FY07 Planned Output: Develop and field new operational capabilities in response to a USCENTCOM Urgent Needs Statement; Increased capability will address asymmetric threats faster. Provide prototype set of NECC services; provide second generation CDE capability.
- FY08 Planned Output: Refine CENTCOM Urgent Needs Statement capabilities for improved targeting in an asymmetric warfighting environment; provide enhanced technical capability for prototype NECC services to begin transition to the NECC program of record.
- FY09 Planned Output: Military Utility Assessment of new CENTCOM targeting capabilities will be assessed. Continue final development preparation for transition to the Army Battle Command System and NECC. Transition/Acquisition strategy will see a fully operational JADOCS capability within a PoR by FY 2010.

The JCTD Program provides a "cradle to grave" path for transformational joint capabilities. The model contains a BA3 development arm as well as the JCTD Transition (BA4) PE and Defense Acquistion Executive (DAE) Pilot (BA5). The DAE Pilot will review and select the most promising "joint peculiar" JCTDs or ACTDs that do not neatly fit under a Service area of responsibility and provide resources to enable the smooth transition of a critical capability to the warfighter. The DAE provides an avenue for joint and transformational capabilities that are not easily resourced by any one Service. Many JCTDs will transition smoothly into a well identified program of record and not require funding from the DAE pilot, however, the DAE pilot will support those promising joint capabilities that need assistance in the transition to a POR. The DAE pilot program aims to continue a logical progression of program phases and development in order to be suitable for full production and deployment to the warfighter.

For sustainment of the selected projects the DAE Pilot uses Defense Wide Program Elements (PEs) in BA-5 for System Development and Demonstration, Procurement for initial acquisition of equipment, and a limited amount of Operations and Maintenance (O&M) funding at Joint Forces Command (JFCOM).

Exhibit P-5, Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Joint Capability Technology Demonstration (JCTD) Pilot (P041)	P-1 Line Item Nomenclature: Major Equipment	Weapon System Type:	Date: February 2007

ATL Cost Elements	ID CD	FY 06			FY 07			FY 08			FY 09		
		Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Upgraded System Software Control		985			540			500			500		
New Mission Managers					972			961			967		
Integration with other PORs/NECC Services					500			500			500		
Total		**985**			**2,012**			**1,961**			**1,967**		

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Joint Capability Technology Demonstration (JCTD) Pilot (P041)

Weapon System Type:

P-1 Line Item Nomenclature: Major Equipment

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
Upgraded System Software Control										
FY 2006	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2007	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2008	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2009	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
New Mission Managers										
FY 2006	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2007	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2008	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2009	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
Integration with other PORs/NECC Services										
FY 2006	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2007	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2008	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03
FY 2009	Humphrey Engineer Center Alexandria, VA	Competitiv	SAIC Inc, Arlington, VA	Sep 2003	N/A	0	0		N/A	Jun 03

REMARKS: The DAE Pilot program creates an acquisition path for "joint peculiar" programs that do not have a traditional Service or Agency program of record. The DAE pilot uses Defense Wide funding in BA5 for System Development and Demonstration, Procurement for initial acquisition of equipment, and a limited amount of Operations and Maintenance (O&M) funding at Joint Forces Command (JFCOM). The Joint Automated Deep Operations Coordination System (JADOCS) was selected as the first DAE Pilot project and was being supported through Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF) supplemental funds in FY05/06. Though deemed an important capability being used by the Combatant Commanders (CoComs), a program of record did not exist to provide further development or sustainment support. In FY 2006, Army accepted lead (with Air Force support) for

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No:	Weapon System Type:	P-1 Line Item Nomenclature:
Procurement, Defense Wide/ 1/ Joint Capability Technology Demonstration (JCTD) Pilot (P041)		Major Equipment

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date

JADOCS. Army is utilizing the DAE Pilot program to support core JADOC programs across the CoComs. JADOCS will transition into the Net Enabled Command Capability (NECC) program of record (after FY08). NECC is the replacement for the Global Command Control System (GCCS) in FY10.

Exhibit P-40, Budget Item Justification Sheet

Date: February 2007

Appropriation / Budget Activity / Serial No:	P-1 Item Nomenclature
Procurement, Defense Wide / 1 / Indian Incentive Program (P042)	Major Equipment

Program Elements for Code B Items:	Code:	Other Related Program Elements:

Cost ($ in Millions)	Prior Years	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	To Complete	Total Prog
Proc Qty											
Gross Cost	72.000	8.000	8.000								88.000
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc P1	72.000	8.000	8.000								88.000
Initial Spares											
Total Proc Cost	72.000	8.000	8.000								88.000
Flyaway U/C											
Weapon System Proc U/C											

Description:
The DoD Indian Incentive Program is authorized by Section 504 of the Indian Financing Act of 1974 (25 U.S.C 1944). In 1989, Congress began providing annual funds, through the DoD Appropriation Act, for the DoD Indian Incentive Program. This program provides financial incentives for prime contractors to provide subcontracting opportunities to Federally Recognized American Indian Organizations, Indian-owned economic enterprises and Native Hawaiians.

Exhibit P-5, Cost Analysis	Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Indian Incentive Program (P042)	P-1 Line Item Nomenclature: Major Equipment	Weapon System Type:	Date: February 2007

ATL Cost Elements	ID CD	FY 06			FY 07			FY 08			FY 09		
		Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost	Total Cost	Qty	Unit Cost
		$000	Units	$000	$000	Units	$000	$000	Units	$000	$000	Units	$000
Indian Incentive Program		8,000			8,000								
Total		**8,000**			**8,000**								

Exhibit P-5a, Budget Procurement History and Planning

Date: February 2007

Appropriation/Budget Activity/Serial No: Procurement, Defense Wide/ 1/ Indian Incentive Program (P042)	Weapon System Type:	P-1 Line Item Nomenclature: Major Equipment

WBS Cost Elements: Cost ($ in Thousands)	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Units	Unit Cost $000	Specs Avail Now?	Date Revsn Avail	RFP Issue Date
Indian Incentive Program										
FY 2004	Various	Various	Various	Various	Various	0	0			
FY 2005	Various	Various	Various	Various	Various	0	0			
FY 2006	Various	Various	Various	Various	Various	0	0			
FY 2007	Various	Various	Various	Various	Various	0	0			

REMARKS:

Exhibit P-40, Budget Item Justification Sheet	Date: February 2007
Appropriation / Budget Activity / Serial No: Procurement, Defense Wide / 1 / Capital Asset Management System-Military Equipment (CAMS-ME) (P043)	P-1 Item Nomenclature: Major Equipment
Program Elements for Code B Items:	Code: / Other Related Program Elements: 0604140D8Z

Cost ($ in Millions)	Prior Years	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	To Complete	Total Prog
Proc Qty											
Gross Cost		3.502									3.502
Less PY Adv Proc											
Plus CY Adv Proc											
Net Proc P1		3.502									3.502
Initial Spares											
Total Proc Cost		3.502									3.500
Flyaway U/C											
Weapon System Proc U/C											

Description:
CAMS-ME has been approved by the Finance and Accounting, Logistics, and Acquisition Domains as the Mid-Term Systems Solution for reporting the value of military equipment (ME). As part of the Department's enterprise system solution for valuing and reporting ME, CAMS-ME will maintain the work in process (WIP) cost, calculate the value of ME, and depreciate delivered ME end items over the course of their useful lives. CAMS-ME will be developed by the Department of the Navy working with OUSD(AT&L), and with Air Force and Army assistance, to ensure that all ME valuation requirements are met.

Implementation of CAMS-ME will:
Provide reliable and accurate information to decision makers
- Total acquisition cost of assets will be consistently determined
- Decision makers will get comparable information over time and between programs
- It will allow better investment planning for replacements

Increase public confidence in the Department's ability to account for its assets and help achieve a clean audit opinion.
Bring the Department into compliance with the Chief Financial Officers Act of 1990 and the Federal Financial Management Improvement Act of 1996.

The procurement budget funds IT infrastructure costs for each service to support the development, testing and sustainment of the CAMS-ME DoD-wide Enterprise Solution.