



# DEPARTMENT OF THE NAVY FY 2013 PRESIDENT'S BUDGET

Rear Admiral Joseph P. Mulloy, USN  
Deputy Assistant Secretary of the Navy for Budget

13 February 2012

# Priorities for 21<sup>st</sup> Century Defense

## Primary Missions of the U.S. Armed Forces

1 Counter Terrorism  
and Irregular  
Warfare

10 Conduct Humanitarian,  
Disaster Relief, and  
Other Operations

2 Deter and  
Defeat  
Aggression

9 Conduct Stability  
and  
Counterinsurgency  
Operations

3 Project Power Despite  
Anti-Access/Area

8 Provide a  
Stabilizing  
Presence

4 Counter  
Weapons of  
Mass  
Destruction

5 Operate Effectively  
in Cyberspace and  
Space

6 Maintain a Safe,  
Secure, and  
Effective  
Nuclear  
Deterrent

7 Defend the Homeland  
and Provide Support to  
Civil Authorities

# Department of the Navy Objectives 2012 and Beyond

## KEY EFFORTS

1 Take Care of Our People



2 Maintain Warfighter Readiness in an Era of Reduced Budgets



3 Lead the Nation in Sustainable Energy



4 Promote Acquisition Excellence and Integrity



5 Dominate in Unmanned Systems



6 Drive Innovative Enterprise Transformation



# Global Engagement on a Daily Basis



## Navy

323,773 active strength  
4,584 mobilized reservists  
Battle Force Ships: 285



## Marine Corps

199,404 active strength  
2,174 active reserves  
5,219 activated reservists

19,677 Afghanistan  
3,205 other CENTCOM

10,388 CENTCOM  
deployed ashore

52 Deployed  
1 CVN  
1 MEU

4,590 PACOM

29 Deployed  
2 CVN  
1 Amphib  
1 MEU  
15,056 Sailors  
3,070 Marines

348 AFRICOM

3,120 Marines deployed afloat  
4,373 All others forward deployed

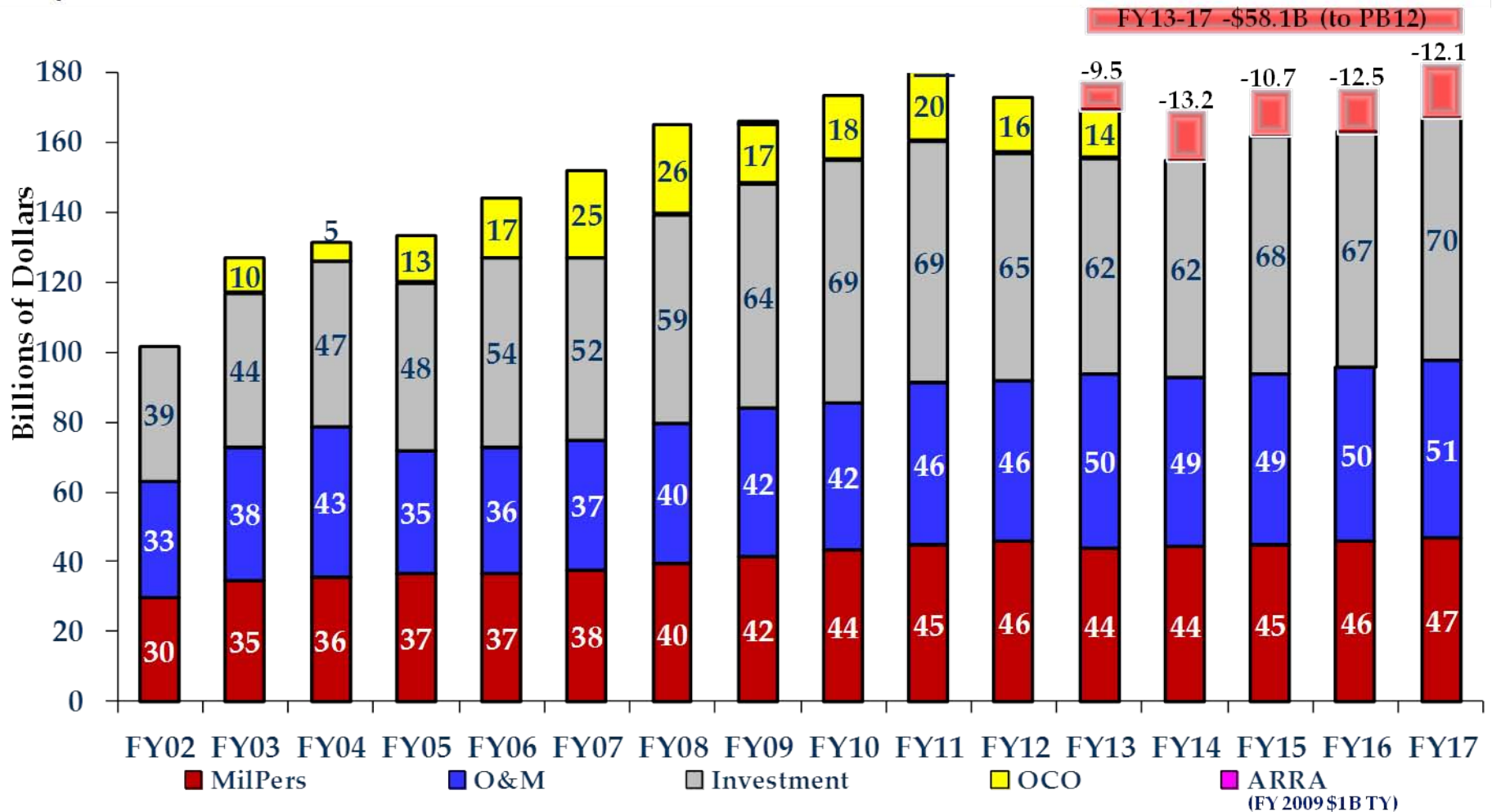
47,697 Sailors deployed afloat  
100 Deployed Ships + 56 Other Underway  
156 (55%) Deployed/Underway

29,696 Other forward presence

26,962 Other forward presence

# Department of the Navy Topline FY 2002-2017

|                       | <u>FY02</u> | <u>FY03</u> | <u>FY04</u> | <u>FY05</u> | <u>FY06</u> | <u>FY07</u> | <u>FY08</u> | <u>FY09</u> | <u>FY10</u> | <u>FY11</u> | <u>FY12</u> | <u>FY13</u> | <u>FY14</u> | <u>FY15</u> | <u>FY16</u> | <u>FY17</u> |
|-----------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Total Funding (TY)    | \$101.8     | \$126.4     | \$123.5     | \$133.6     | \$144.7     | \$151.7     | \$165.2     | \$166.5     | \$173.2     | \$176.8     | \$173.0     | \$170.1     |             |             |             |             |
| Baseline Funding (TY) | \$101.8     | \$116.8     | \$118.4     | \$120.9     | \$127.9     | \$127.2     | \$139.5     | \$148.1     | \$155.3     | \$156.2     | \$157.3     | \$155.9     | \$155.8     | \$162.4     | \$163.4     | \$167.4     |



Numbers may not add due to rounding

# Department of the Navy Fiscal Balancing



| <i>(In Billions of Dollars)</i> | <b>FY 2013</b> | <b>FY 2014</b> | <b>FY 2015</b> | <b>FY 2016</b> | <b>FY 2017</b> | <b>FYDP</b> |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|-------------|
| <b>DON TOA (PB12-PB13)</b>      | -9.5           | -13.2          | -10.7          | -12.5          | -12.1          | -58.1       |

# FYDP Changes by Appropriation Title

## PB 2012 to PB 2013

### MilPers:

**-\$17.9B**

|                     |        |
|---------------------|--------|
| Basic Pays          | -\$6.9 |
| Housing Allowance   | +\$2.3 |
| Retired Pay Accrual | -\$4.8 |
| Health Accrual      | -\$7.2 |
| Reserve Personnel   | -\$0.9 |
| Subsistence         | +\$0.1 |
| Allowances          | -\$0.2 |
| Special Pays        | -\$1.4 |
| Other               | +\$1.1 |

### Procurement:

**-\$32.0B**

|                        |         |
|------------------------|---------|
| Aircraft               | -\$14.6 |
| Ships                  | -\$10.1 |
| Weapons                | -\$1.1  |
| Marine Corps           | -\$2.5  |
| Ammunition             | -\$0.7  |
| Other Navy Procurement | -\$3.0  |

### O&M:

**-\$2.6B**

|                           |        |
|---------------------------|--------|
| Ship Ops                  | +\$1.3 |
| Aviation Ops              | -\$3.0 |
| Base Ops                  | +\$2.0 |
| Marine Corps O&M          | -\$0.3 |
| Combat/Weapons Support    | -\$1.2 |
| Service Wide Support      | -\$0.6 |
| Training and Education    | -\$0.2 |
| Reserve O&M               | -\$0.7 |
| Environmental Restoration | \$0.0  |
| Mobilization              | -\$0.5 |

### R&D:

**-\$2.3B**

|                    |        |
|--------------------|--------|
| Basic Research     | \$0.0  |
| Applied Research   | \$0.0  |
| Advance Tech Dev   | -\$0.2 |
| Adv Component Dev  | +\$1.3 |
| System Dev & Demo  | -\$2.0 |
| Management Support | \$0.0  |
| Ops Systems Dev    | -\$1.4 |

### Infrastructure:

**-\$3.3B**

|                |        |
|----------------|--------|
| MILCON         | -\$3.2 |
| BRAC           | +\$0.1 |
| Family Housing | -\$0.2 |



# Summary by Appropriation Title

## FY 2013 Base Budget

### MilPers: \$44.2B

|                     |        |
|---------------------|--------|
| Basic Pays          | \$18.2 |
| Housing Allowance   | \$7.3  |
| Retired Pay Accrual | \$5.8  |
| Health Accrual      | \$2.1  |
| Reserve Personnel   | \$2.6  |
| Subsistence         | \$2.1  |
| Allowances          | \$1.0  |
| Special Pays        | \$1.6  |
| Other               | \$3.5  |

Navy Strength 322,700

Marine Corps 197,300

182,100 Base

15,200 OCO

### Procurement: \$42.5B

|                        |        |
|------------------------|--------|
| Aircraft               | \$17.1 |
| Ships                  | \$13.7 |
| Weapons                | \$3.1  |
| Marine Corps           | \$1.6  |
| Ammunition             | \$0.8  |
| Other Navy Procurement | \$6.2  |

**\$**  
**FY13:**  
**\$155.9B**

### R&D: \$16.9B

|                    |       |
|--------------------|-------|
| Basic Research     | \$0.6 |
| Applied Research   | \$0.8 |
| Advance Tech Dev   | \$0.6 |
| Adv Component Dev  | \$4.3 |
| System Dev & Demo  | \$5.8 |
| Management Support | \$0.8 |
| Ops Systems Dev    | \$4.0 |

### O&M: \$49.9B

|                           |        |
|---------------------------|--------|
| Ship Ops                  | \$11.9 |
| Aviation Ops              | \$9.4  |
| Base Ops                  | \$8.1  |
| Marine Corps O&M          | \$5.8  |
| Combat/Weapons Support    | \$5.2  |
| Service Wide Support      | \$4.6  |
| Training and Education    | \$1.7  |
| Reserve O&M               | \$1.5  |
| Environmental Restoration | \$0.3  |
| Mobilization              | \$1.5  |

### Infrastructure: \$2.4B

|                |       |
|----------------|-------|
| MILCON         | \$1.7 |
| BRAC           | \$0.2 |
| Family Housing | \$0.5 |

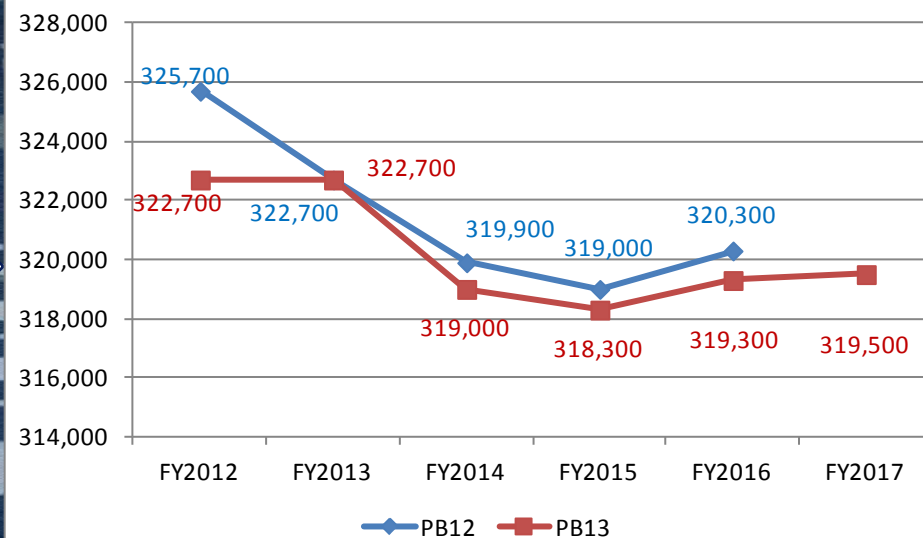


# Military Personnel

## Active Navy Strength

### *Stabilizing the Force*

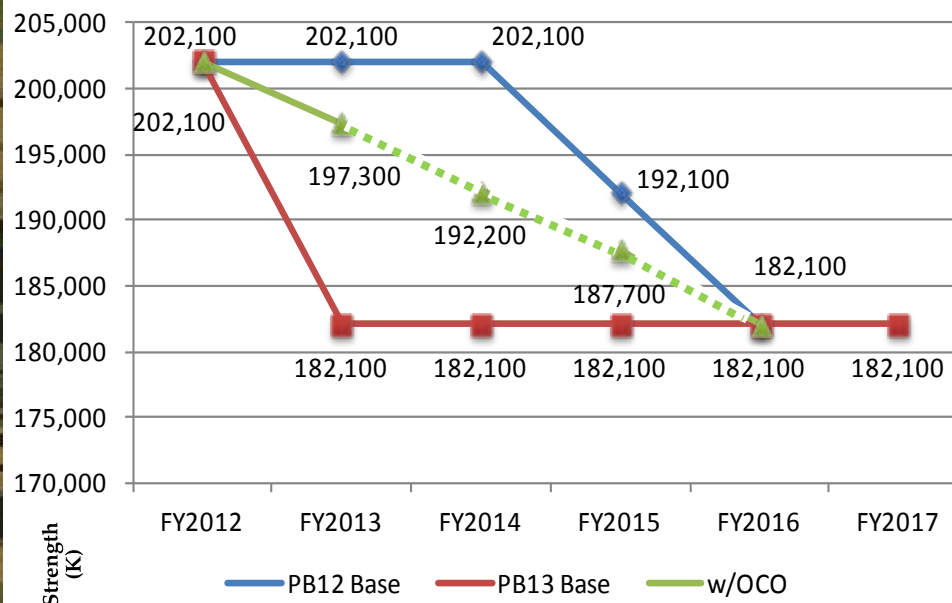
- FY 2013 end strength 322,700
- Decrease from FY 2012 to FY 2013 by 3,000 personnel as a result of FY 2011 to FY2012 Enlisted Retention Board (ERB) identified for separation due to overmanned ratings
- 66,500 Reserve Strength in FY 2013



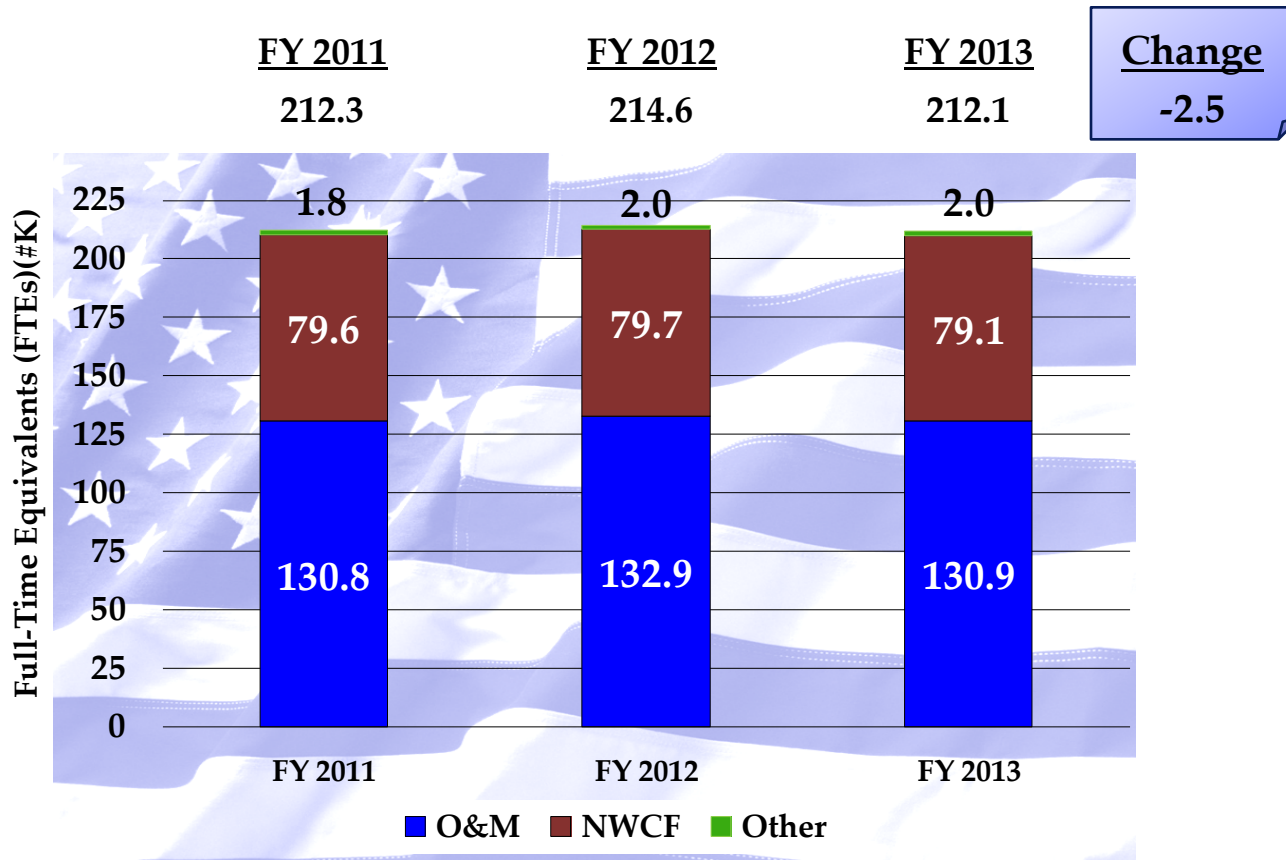
## Active Marine Corps Strength

### *Right Sizing The Force*

- FY2013 end strength 197,300
- Reduces Marine Corps end strength from 202,100 to 182,100 by the end of FY 2016
- Remaining agile, flexible, and ready for a full range of contingencies
- 39,600 Reserve Strength in FY 13



# Civilian Personnel



Scientist



Engineer



IT Technician

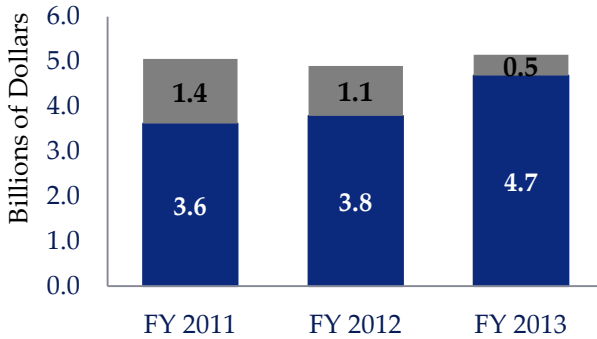


Workforce sized to meet the workload

# Readiness

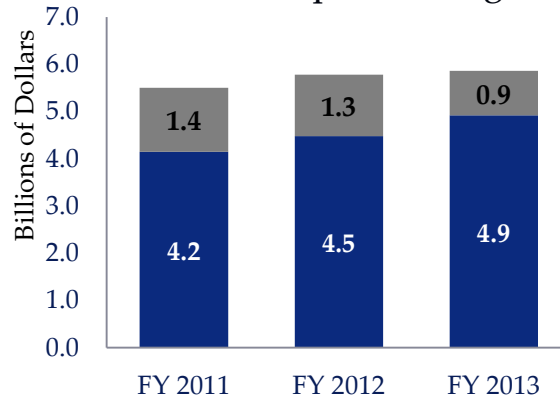
## Ship Operations

58 days/qtr deployed  
24 days/qtr non-deployed



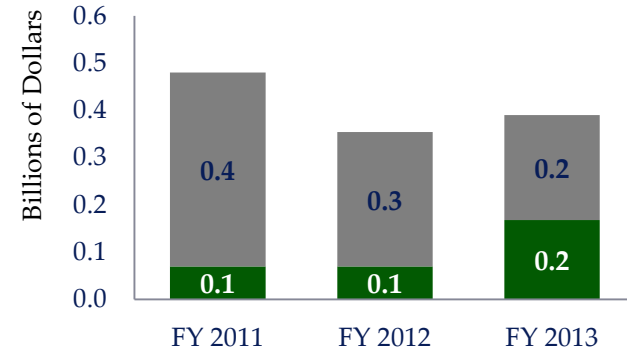
## Flying Hour Operation

Navy T-Rating 2.5  
Marine Corps T-Rating 2.0



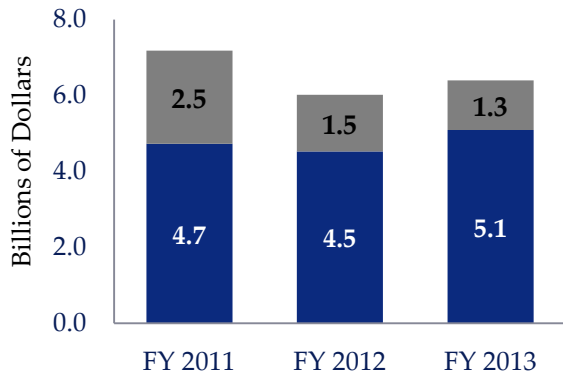
## Marine Corps Ground Equip

94% of projected maintenance funded in FY13



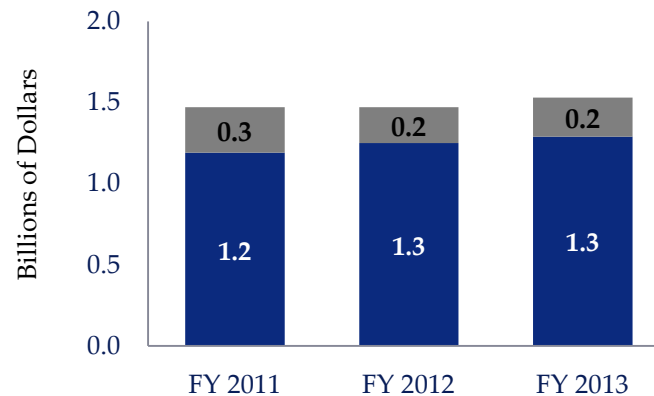
## Ship Depot Maintenance

100% of projected maintenance funded



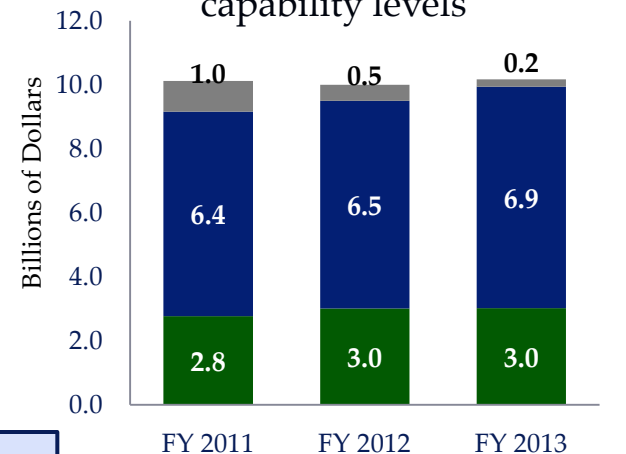
## Aircraft Depot Maint/Logistics

94% of projected maintenance funded



## Base Support

Navy 80%/USMC 90% of facility sustainment model, BOS at targeted capability levels



# Shipbuilding Procurement Plan

|                                     | FY 2012       | FY 2013       | FY 2014       | FY 2015       | FY 2016       | FY 2017       | FYDP          |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| CVN 21                              | 0             | 1             | 0             | 0             | 0             | 0             | 1             |
| SSN 774                             | 2             | 2             | 1             | 2             | 2             | 2             | 9             |
| DDG 51                              | 1             | 2             | 1             | 2             | 2             | 2             | 9             |
| LCS                                 | 4             | 4             | 4             | 4             | 2             | 2             | 16            |
| LPD 17                              | 1             | 0             | 0             | 0             | 0             | 0             | 0             |
| LSD(X)                              | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| LHA (R)                             | 0             | 0             | 0             | 0             | 0             | 1             | 1             |
| T-ATF(X)                            | 0             | 0             | 0             | 0             | 2             | 0             | 2             |
| MLP/AFSB                            | 1             | 0             | 1             | 0             | 0             | 0             | 1             |
| JHSV                                | 2             | 1             | 0             | 0             | 0             | 0             | 1             |
| T-AO(X)                             | 0             | 0             | 0             | 0             | 1             | 0             | 1             |
| T-AGOS                              | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| SSBN (X)                            | 0             | 0             | 0             | 0             | 0             | 0             | 0             |
| <b>New Construction Total QTY</b>   | <b>11</b>     | <b>10</b>     | <b>7</b>      | <b>8</b>      | <b>9</b>      | <b>7</b>      | <b>41</b>     |
| <b>New Construction Total (\$B)</b> | <b>\$14.2</b> | <b>\$10.9</b> | <b>\$9.9</b>  | <b>\$14.6</b> | <b>\$13.1</b> | <b>\$16.2</b> | <b>\$64.7</b> |
| LCAC SLEP                           | 4             | 2             | 4             | 4             | 4             | 4             | 18            |
| Oceanographic Ships                 | 1             | 0             | 0             | 0             | 0             | 0             | 0             |
| Ship to Shore Connector*            | 0             | 1             | 0             | 2             | 5             | 5             | 13            |
| Moored Training Ships               | 0             | 0             | 0             | 1             | 0             | 1             | 2             |
| CVN RCOH                            | 0             | 1             | 0             | 0             | 1             | 0             | 2             |
| <b>Total Shipbuilding (\$B)</b>     | <b>\$15.4</b> | <b>\$13.8</b> | <b>\$13.2</b> | <b>\$16.9</b> | <b>\$16.3</b> | <b>\$20.2</b> | <b>\$80.5</b> |

\*Two Lead SSCs are funded in RDT&E (FY 2011 and FY 2013)

LCS 2



LPD 19

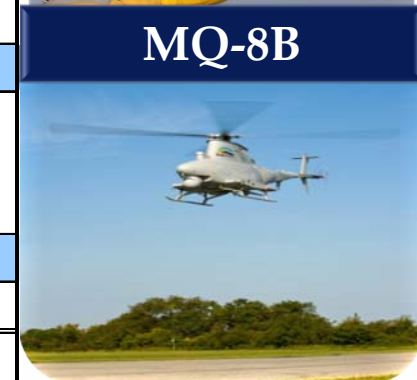


SSN 782



# Aircraft Procurement

|                    | FY 2012    | FY 2013    | FY 2014    | FY 2015    | FY 2016    | FY 2017    | FYDP       |
|--------------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Fixed Wing</b>  |            |            |            |            |            |            |            |
| F-35B (STOVL JSF)  | 6          | 6          | 6          | 6          | 9          | 14         | 41         |
| F-35C (CV JSF)     | 7          | 4          | 4          | 6          | 9          | 14         | 37         |
| F/A-18E/F          | 28         | 26         | 13         | 0          | 0          | 0          | 39         |
| EA-18G             | 12         | 12         | 0          | 0          | 0          | 0          | 12         |
| E-2D AHE           | 5          | 5          | 5          | 7          | 6          | 7          | 30         |
| P-8A (MMA)         | 11         | 13         | 17         | 20         | 20         | 13         | 83         |
| C-40A (USMC)       | 0          | 0          | 0          | 0          | 0          | 1          | 1          |
| KC-130J (NAVY)     | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| KC-130J (USMC)     | 1          | 0          | 2          | 2          | 2          | 2          | 8          |
| <b>Rotary Wing</b> |            |            |            |            |            |            |            |
| AH-1Z/UH-1Y*       | 26         | 28         | 27         | 27         | 26         | 31         | 139        |
| CH-53K (HLR)       | 0          | 0          | 0          | 0          | 2          | 2          | 4          |
| MV-22B             | 30         | 17         | 18         | 19         | 19         | 18         | 91         |
| MH-60R             | 24         | 19         | 19         | 31         | 38         | 0          | 107        |
| MH-60S             | 18         | 18         | 18         | 8          | 0          | 0          | 44         |
| <b>UAV</b>         |            |            |            |            |            |            |            |
| MQ-8 (VTUAV)       | 12         | 6          | 7          | 7          | 8          | 6          | 34         |
| RQ-4 BAMS UAS      | 0          | 0          | 3          | 4          | 4          | 5          | 16         |
| STUAS (NAVY)       | 0          | 5          | 5          | 5          | 0          | 0          | 15         |
| <b>Training</b>    |            |            |            |            |            |            |            |
| T-6A/B (JPATS)     | 36         | 33         | 31         | 0          | 0          | 0          | 64         |
| <b>TOTAL</b>       | <b>216</b> | <b>192</b> | <b>175</b> | <b>142</b> | <b>143</b> | <b>113</b> | <b>765</b> |



\*Includes Overseas Contingency Operations request of one AH-1Z in FY 2013

# Weapons Procurement

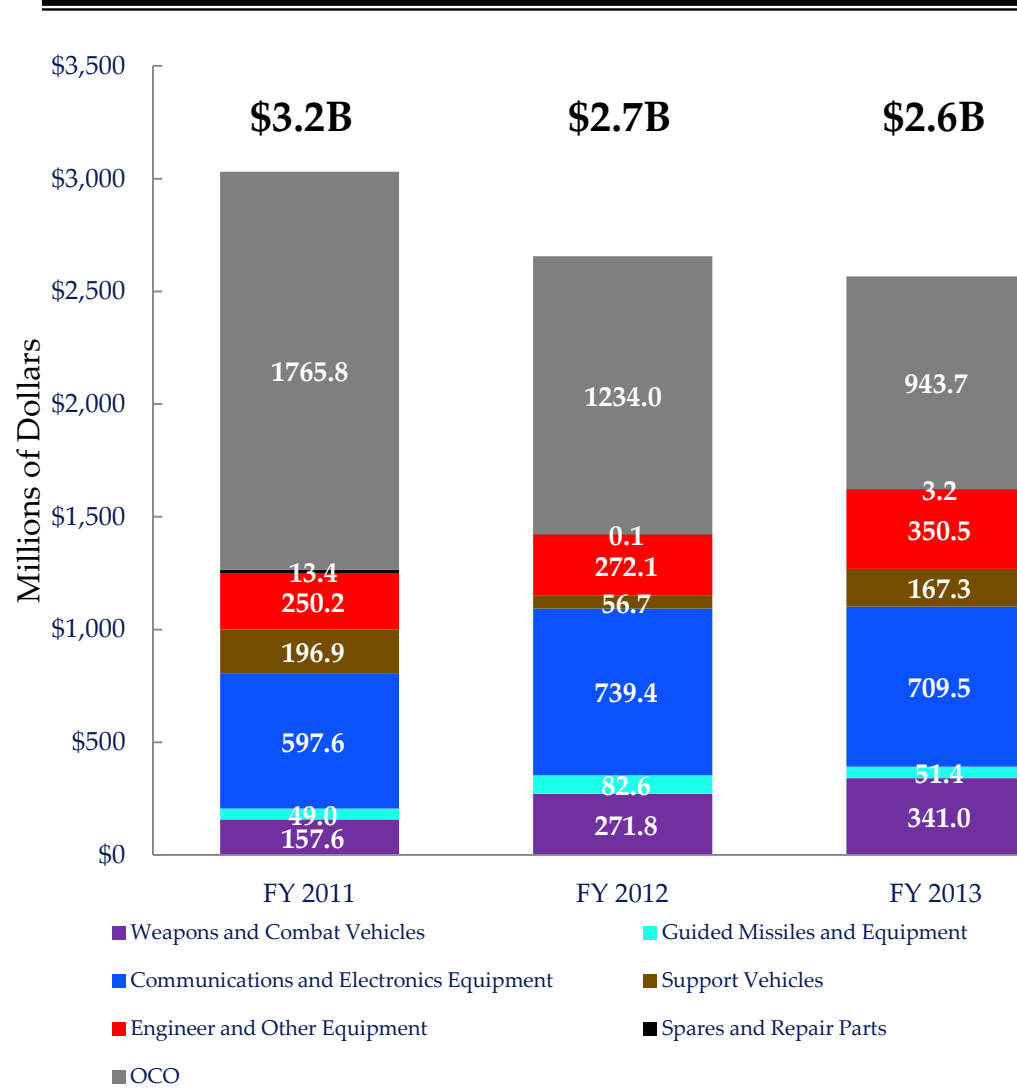
|                                 | FY 2012      | FY 2013      | FY 2014      | FY 2015      | FY 2016      | FY 2017      | FYDP          |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| <b>Ship Weapons</b>             |              |              |              |              |              |              |               |
| TACTOM                          | 196          | 196          | 196          | 196          | 196          | 196          | 980           |
| SM 6 (AUR)                      | 89           | 94           | 115          | 157          | 168          | 204          | 738           |
| RAM (AUR)                       | 61           | 62           | 64           | 90           | 90           | 90           | 396           |
| ESSM                            | 35           | 37           | 53           | 104          | 162          | 157          | 513           |
| TRIDENT II MODS**               | 24           | 0            | 0            | 0            | 0            | 0            | 0             |
| MK 48 HWT                       | 58           | 94           | 112          | 123          | 40           | 50           | 419           |
| MK 54 LWT                       | 45           | 75           | 150          | 180          | 312          | 312          | 1,029         |
| <b>Aircraft Weapons</b>         |              |              |              |              |              |              |               |
| AIM-9X                          | 68           | 150          | 150          | 150          | 150          | 150          | 750           |
| AMRAAM                          | 67           | 67           | 105          | 113          | 120          | 120          | 525           |
| JSOW C                          | 246          | 280          | 370          | 435          | 436          | 444          | 1,965         |
| AARGM                           | 72           | 100          | 143          | 188          | 252          | 263          | 946           |
| HELLFIRE*                       | 426          | 1,210        | 1,004        | 351          | 665          | 675          | 3,905         |
| SOPGM*                          | 150          | 50           | 0            | 0            | 0            | 0            | 50            |
| JAGM                            | 0            | 0            | 0            | 0            | 0            | 0            | 0             |
| SDB II                          | 0            | 0            | 0            | 0            | 0            | 90           | 90            |
| APKWS*                          | 1,656        | 2,358        | 1,311        | 1,497        | 1,499        | 1,502        | 8,167         |
| <b>Total Weapons Quantities</b> | <b>3,193</b> | <b>4,773</b> | <b>3,773</b> | <b>3,584</b> | <b>4,090</b> | <b>4,253</b> | <b>20,473</b> |



\*Includes Overseas Contingency Operations request of 212 Hellfire, 50 SOPGM, and 1,000 APKWS in FY 2013.

\*\* FY2012 is the final year of D5 missile procurement. Future years will continue to procure necessary components to support OHIO Class missions.

# Marine Corps Procurement

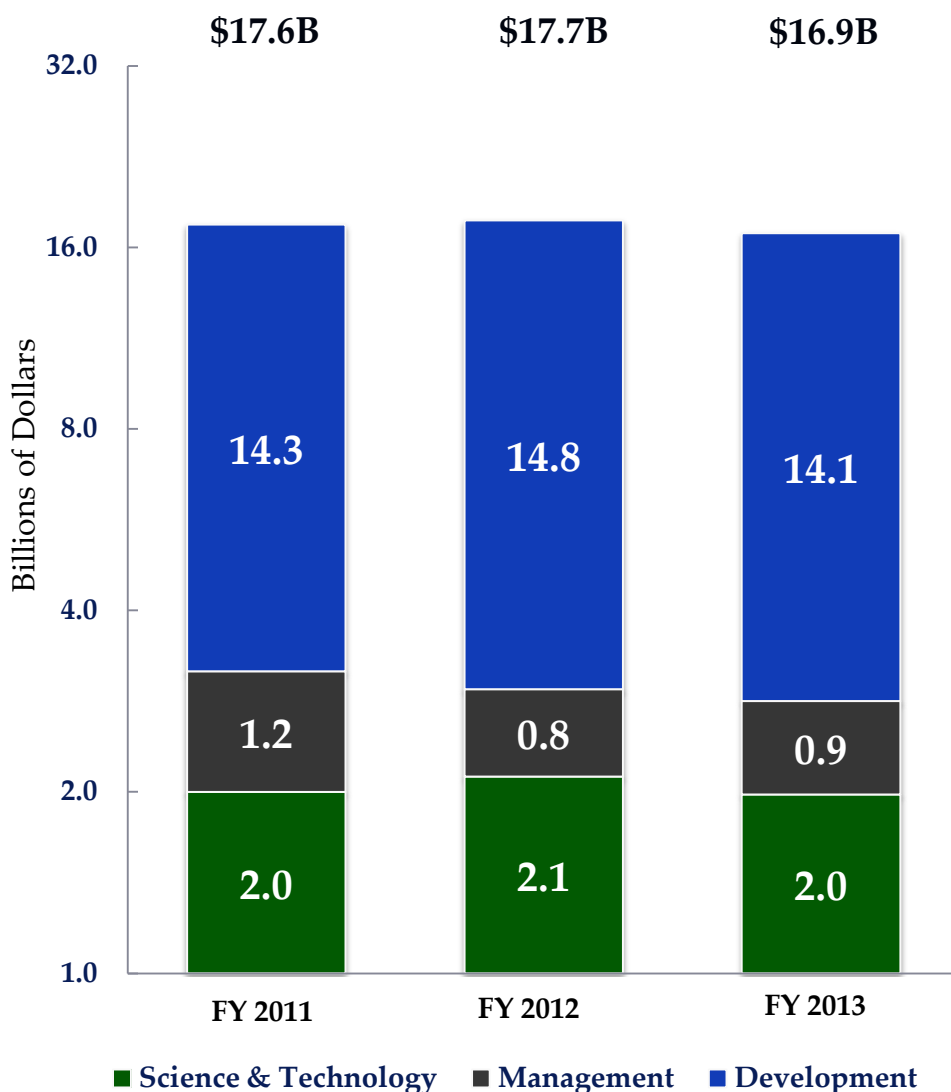


| (\$B)        | FY 2011    | FY 2012    | FY 2013    | FY2014     | FY2015     | FY 2016    | FY 2017    | FYDP        |
|--------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| Base         | 1.4        | 1.4        | 1.6        | 2.1        | 2.2        | 2.0        | 2.3        | 13.1        |
| OCO          | 1.8        | 1.2        | 0.9        | 0          | 0          | 0          | 0          | 3.9         |
| <b>Total</b> | <b>3.2</b> | <b>2.7</b> | <b>2.6</b> | <b>2.1</b> | <b>2.2</b> | <b>2.0</b> | <b>2.3</b> | <b>17.1</b> |

Numbers may not add due to rounding

| Major Systems (\$M)                              | FY 2011 | FY 2012 | FY 2013 |
|--|---------|---------|---------|
| <b>Weapons and Combat Vehicles</b>               |         |         |         |
| LAV PIP  | 41.1    | 147.1   | 186.2   |
| High Mobility Artillery Rocket System            | 19.8    | 14.7    | 48.0    |
| <b>Guided Missiles &amp; Equipment</b>           |         |         |         |
| Ground Based Air Defense (GBAD)                  | 3.6     | 12.3    | 11.1    |
| Follow on To Smaw                                | 21.5    | 46.6    | 19.7    |
| Anti Armor Weapons System-Heavy (AAWS-H)         | 20.2    | 19.6    | 20.7    |
| <b>Communications &amp; Electrical Equipment</b> |         |         |         |
| Combat Support System                            | 32.7    | 25.5    | 25.8    |
| Common Computer Resources                        | 219.3   | 218.9   | 206.7   |
| Command Post Systems                             | 31.1    | 84.9    | 35.2    |
| Radio Systems                                    | 32.1    | 124.8   | 89.1    |
| Radar Systems                                    | 0.7     | 40.4    | 128.1   |
| Intelligence Support Equipment                   | 89.9    | 64.3    | 7.5     |
| <b>Engineer &amp; Other Equipment</b>            |         |         |         |
| Tactical Fuel Systems                            | 29.2    | 26.9    | 19.1    |
| Power Equipment Assorted                         | 19.3    | 27.3    | 56.3    |
| Material Handling Equip                          | 24.3    | 37.1    | 20.7    |
| EOD Systems                                      | 64.9    | 61.8    | 73.7    |
| <b>Support Vehicles</b>                          |         |         |         |
| 5/4T Truck HMMWV                                 | -       | -       | 8.1     |
| Motor Transport Modifications                    | 5.2     | 8.4     | 50.3    |
| Logistics Vehicle System Rep                     | 133.1   | 1.0     | 37.3    |
| Family of Tactical Trailers                      | 19.0    | 21.9    | 48.2    |

# R&D Investment

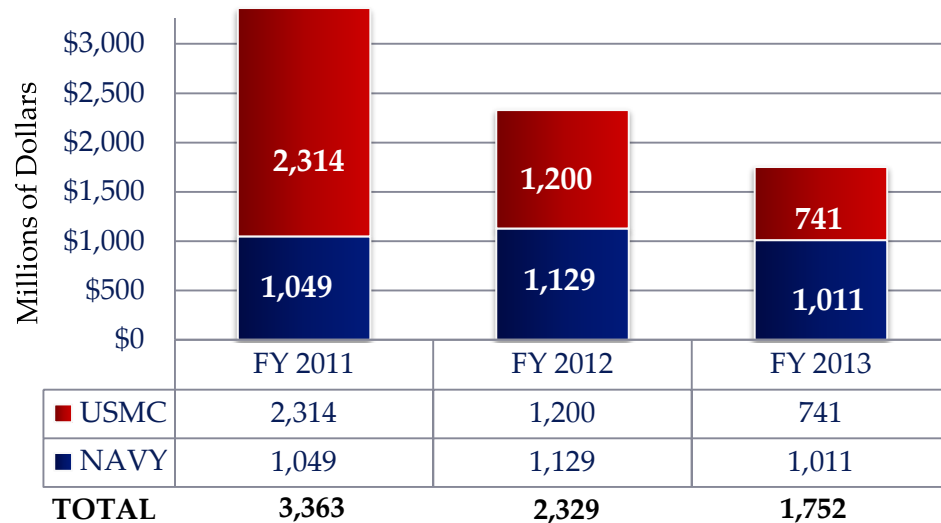


| Major Systems (\$M)                            | FY 2011 | FY 2012 | FY 2013 |
|--|---------|---------|---------|
| <b>Aviation</b>                                |         |         |         |
| Joint Strike Fighter (F-35)                    | 1,256   | 1,310   | 1,481   |
| CH-53K   | 558     | 624     | 606     |
| MMA (P-8A)                                     | 907     | 609     | 421     |
| Next Generation Jammer                         | 84      | 171     | 187     |
| <b>Shipbuilding</b>                            |         |         |         |
| Ohio Replacement Program                       | 610     | 1,067   | 565     |
| LCS  | 164     | 293     | 429     |
| CVN 21   | 179     | 137     | 173     |
| DDG-1000                                       | 362     | 258     | 127     |
| Virginia Class SSN                             | 167     | 112     | 165     |
| <b>Unmanned</b>                                |         |         |         |
| RQ-4 UAV (BAMS)                                | 526     | 548     | 658     |
| NUCAS - D                                      | 258     | 198     | 142     |
| UCLASS   | 0       | 76      | 122     |
| <b>Other</b>                                   |         |         |         |
| Amphibious Combat Vehicle                      | 0       | 37      | 95      |
| Joint Light Tactical Vehicle                   | 18      | 47      | 45      |
| Marine Personnel Carrier                       | 7       | 20      | 40      |
| Defense Research Sciences                      | 417     | 454     | 473     |
| JTRS   | 609     | 676     | 337     |
| AMDR   | 204     | 166     | 224     |
| MC Comms Systems                               | 170     | 215     | 219     |
| Sat Com (Space)                                | 410     | 263     | 188     |
| Surface Electronic Warfare Improvement Program | 85      | 158     | 126     |
| Surface Ship Torpedo Defense                   | 50      | 119     | 93      |
| G/ATOR   | 58      | 107     | 75      |



# Military Construction & Family Housing

## Military Construction

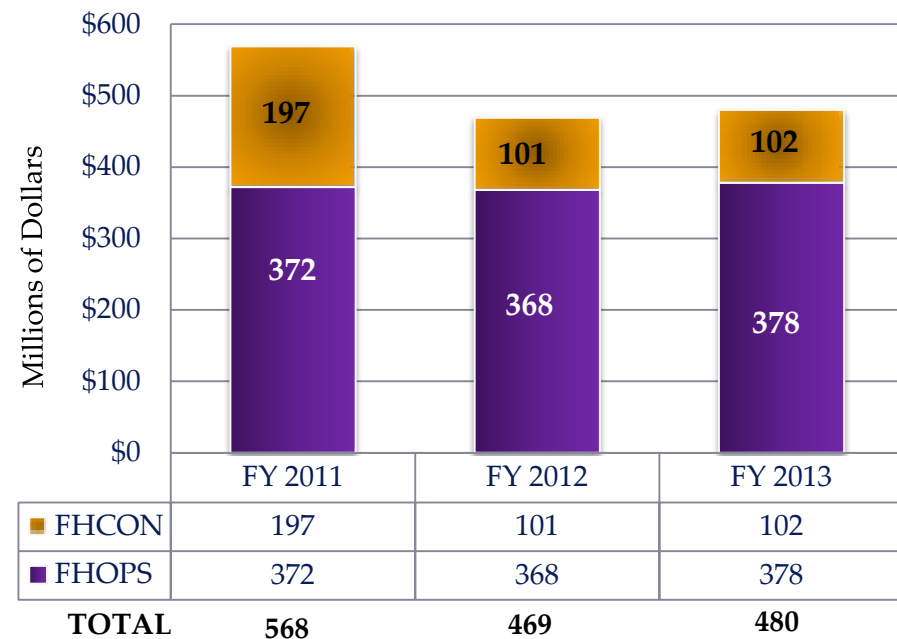


\*FY 2012 includes OCO

No BRAC Construction in PB 2013



## Family Housing



# Energy Investment

F/A-18 Super Hornet  
April 2010



PV System  
MCAS Miramar



DDG-51 Hybrid Electric Drive  
Test Platform: USS TRUXTUN



## Department of the Navy PB 2013 Energy Investments

| TY\$M             | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FYDP  |
|-------------------|---------|---------|---------|---------|---------|---------|-------|
| <b>Navy Total</b> | 706     | 776     | 728     | 701     | 745     | 682     | 3,632 |
| <b>USMC Total</b> | 261     | 226     | 172     | 127     | 130     | 133     | 788   |
| <b>DON Total</b>  | 967     | 1,002   | 900     | 828     | 875     | 815     | 4,420 |

Allison 501k G/T Generator  
January 2011



Operations & Policy  
Example: Air Energy  
Conservation Program



Reduce Drag & Power Demand  
Examples: Stern Flaps & Solid State  
Lighting



# Overseas Contingency Operations Funding

| Department of Navy OCO Budget                    |               |               |               |
|--|---------------|---------------|---------------|
|  | FY 2011       | FY 2012       | FY 2013       |
| <i>(In Millions of Dollars)</i>                  | Actual        | OCO           | OCO           |
| Military Personnel, Navy                         | 1,248         | 1,248         | 875           |
| Health Accrual, Navy                             | 26            | -             | -             |
| Reserve Personnel, Navy                          | 49            | 44            | 39            |
| Operation and Maintenance, Navy                  | 8,527         | 7,518         | 5,880         |
| Operation and Maintenance, Navy Reserve          | 88            | 74            | 56            |
| Aircraft Procurement, Navy                       | 600           | 481           | 165           |
| Procurement Ammunition, Navy and Marine Corps    | 188           | 135           | 152           |
| Other Procurement, Navy                          | 405           | 236           | 99            |
| Weapons Procurement, Navy                        | 91            | 41            | 24            |
| Research, Development, Test and Evaluation, Navy | 215           | 48            | 53            |
| Military Construction, Navy                      | -             | 190           | -             |
| <b>USN Subtotal</b>                              | <b>11,437</b> | <b>10,016</b> | <b>7,342</b>  |
| Military Personnel, Marine Corps                 | 638           | 659           | 1,621         |
| Health Accrual, Marine Corps                     | -             | -             | 65            |
| Reserve Personnel, Marine Corps                  | 21            | 23            | 25            |
| Operation and Maintenance, Marine Corps          | 4,463         | 3,538         | 4,066         |
| Operation and Maintenance, Marine Corps Reserve  | 29            | 36            | 25            |
| Procurement, Marine Corps                        | 1,946         | 1,234         | 944           |
| Procurement Ammunition, Navy and Marine Corps    | 492           | 182           | 134           |
| Research, Development, Test and Evaluation, Navy | 41            | 6             | 7             |
| <b>USMC Subtotal</b>                             | <b>7,630</b>  | <b>5,678</b>  | <b>6,888</b>  |
| <b>DON Grand Total - Supplemental</b>            | <b>19,067</b> | <b>15,693</b> | <b>14,230</b> |

# Key Take Aways

Investments  
aligned to  
strategic  
priorities and  
budgetary goals

## Resulting Force:

- Smaller and Leaner
- Agile, Flexible and Ready
- Rapidly Deployable and Expeditionary
- Innovative and Technologically Advanced
- Capable of Confronting and Defeating Aggression

Manned and Led by the Highest Quality Professionals



“... we are united in the belief that this strategy and the resulting budget decisions followed the right approach to meet the country’s most pressing security challenges and to preserve the strongest military in the world and at the same time meet our fiscal responsibilities.”

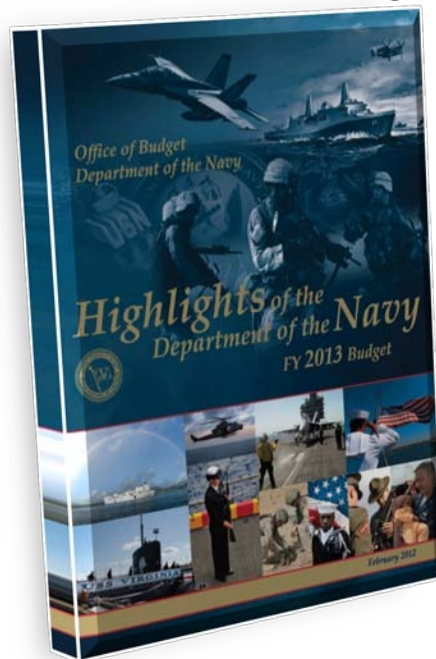
*Secretary of Defense Leon E. Panetta – 26 Jan 2012*

# For More Information

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For more information, please visit the website for the Department of the Navy at

- [http://www.finance.hq.navy.mil/FMB/13pres/Highlights\\_book.pdf](http://www.finance.hq.navy.mil/FMB/13pres/Highlights_book.pdf)
- Download the Department's *FY 2013 Highlights Book*



“In the end, we prepared a budget that strikes an appropriate and necessary balance between succeeding in today’s conflicts and preparing for tomorrow’s. This balance accounts for real risk and real fiscal constraints. It represents responsible investment in our national security. But make no mistake, the trade-offs were tough. The choices were complex.”