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Exhibit R-2, RDT&E Budget Item Justification: PB 2025 Navy **Date:** March 2024

Appropriation/Budget Activity 1319: <i>Research, Development, Test & Evaluation, Navy / BA 7: Operational Systems Development</i>					R-1 Program Element (Number/Name) PE 0206629M / <i>Amphibious Assault Vehicle</i>							
COST (\$ in Millions)	Prior Years	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total	FY 2026	FY 2027	FY 2028	FY 2029	Cost To Complete	Total Cost
Total Program Element	255.900	7.834	0.373	0.000	-	0.000	0.000	0.000	0.000	0.000	0.000	264.107
2938: <i>Amphibious Assault Vehicle</i>	255.900	7.834	0.373	0.000	-	0.000	0.000	0.000	0.000	0.000	0.000	264.107

Note

Prior funding is reflected in PE 0206623M/Project 0021.

A. Mission Description and Budget Item Justification

The Assault Amphibious Vehicle (AAV) program provides life-cycle support to ensure cost-effective combat readiness for the AAV Family of Vehicles (FOV). This is accomplished through engineering changes resulting from continuous review of sub-systems to maintain system supportability, safety, reduce total ownership costs, improve fleet readiness, address obsolescence issues, and improve vehicle performance. The Recovery variant will provide recovery support for the ACV until an ACV Recovery variant is fielded. Improvements to the fleet reduce total ownership costs and improve sustainability. The AAV Modifications Line procures modernized components and subsystems that impact safe and reliable use of the AAV such as the Water Egress Capability (WEC), Tactical Communication Modernization (TCM) to meet NSA's cryptographic modernization mandates, quarterly software refresh of servers and laptops for Command-variant (C-Variant), and associated production support for the AAV FOV. Funding for the AAV FOV is critical to maintaining the amphibious capability of the USMC until the Amphibious Combat Vehicle (ACV) is fully fielded and operational.

In accordance with CMC Force Design, the order and testing of preplanned product improvements for the AAV program has come to an end; the program will continue to support the fleet of AAVs for emerging issues pertaining to design/redesign of parts and components for obsolescence, supportability, and safety issues through system retirement of the AAVP7s and AAVC7s in FY 2027 and the AAVR7s in FY 2029.

B. Program Change Summary (\$ in Millions)	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total
Previous President's Budget	8.246	0.373	0.000	-	0.000
Current President's Budget	7.834	0.373	0.000	-	0.000
Total Adjustments	-0.412	0.000	0.000	-	0.000
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-0.169	0.000			
• SBIR/STTR Transfer	-0.243	0.000			
• Rate/Misc Adjustments	0.000	0.000	0.000	-	0.000

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Appropriation/Budget Activity
1319: *Research, Development, Test & Evaluation, Navy / BA 7: Operational Systems Development*

R-1 Program Element (Number/Name)
PE 0206629M / *Amphibious Assault Vehicle*

Change Summary Explanation

No change.

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Exhibit R-2A, RDT&E Project Justification: PB 2025 Navy										Date: March 2024		
Appropriation/Budget Activity 1319 / 7					R-1 Program Element (Number/Name) PE 0206629M / <i>Amphibious Assault Vehicle</i>				Project (Number/Name) 2938 / <i>Amphibious Assault Vehicle</i>			
COST (\$ in Millions)	Prior Years	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total	FY 2026	FY 2027	FY 2028	FY 2029	Cost To Complete	Total Cost
2938: <i>Amphibious Assault Vehicle</i>	255.900	7.834	0.373	0.000	-	0.000	0.000	0.000	0.000	0.000	0.000	264.107
Quantity of RDT&E Articles		-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

The Assault Amphibious Vehicle (AAV) program provides life-cycle support to ensure cost-effective combat readiness for the AAV Family of Vehicles (FOV). This is accomplished through engineering changes resulting from continuous review of sub-systems to maintain system supportability, safety, reduce total ownership costs, improve fleet readiness, address obsolescence issues, and improve vehicle performance. The Recovery variant will provide recovery support for the Amphibious Combat Vehicle (ACV) until an ACV Recovery variant is fielded.

In accordance with CMC Force Design, the order and testing of preplanned product improvements for the AAV program has come to an end; the program will continue to support the fleet of AAVs for emerging issues pertaining to design/redesign of parts and components for obsolescence, supportability, and safety issues through system retirement of the AAVP7s and AAVC7s at the end of FY 2026 and the AAVR7s at the end of FY 2029.

B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)

	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total
Title: Product Development	5.228	0.373	0.000	0.000	0.000
Articles:	-	-	-	-	-
Description: This cost element provides funding for design and development engineering for the AAV Modifications Line. The AAV Modifications Line provides Nonrecurring Engineering (NRE) and design for AAV safety, obsolescence, and performance improvement engineering for the AAV Family of Vehicles (FOV).					
FY 2024 Plans: -Complete reverse engineering efforts of critical parts shortages prior to system retirement.					
FY 2025 Base Plans: N/A					
FY 2025 OCO Plans: N/A					
FY 2024 to FY 2025 Increase/Decrease Statement:					

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Appropriation/Budget Activity 1319 / 7	R-1 Program Element (Number/Name) PE 0206629M / Amphibious Assault Vehicle	Project (Number/Name) 2938 / Amphibious Assault Vehicle

B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total
The decrease in System Design and Development from FY 2024 to FY 2025 is a result of the AAV program having no requirement for R&D-funded modifications or design improvements as the vehicles are retired from the fleet.					
Title: Management and Engineering Technical Services Description: Contract Management Support Services (MSS) and Engineering and Technical Services (ETS) for program office and field activities. FY 2024 Plans: N/A FY 2025 Base Plans: N/A FY 2025 OCO Plans: N/A	2.606	0.000	0.000	0.000	0.000
Articles:	-	-	-	-	-
Accomplishments/Planned Programs Subtotals	7.834	0.373	0.000	0.000	0.000

C. Other Program Funding Summary (\$ in Millions)											
Line Item	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total	FY 2026	FY 2027	FY 2028	FY 2029	Cost To Complete	Total Cost
• PMC/2021: AAV Product Improvement Program	5.653	3.353	2.773	-	2.773	0.022	0.021	0.021	0.021	Continuing	Continuing

Remarks

D. Acquisition Strategy

The AAV Modifications Line includes government and contractor life-cycle support to ensure cost-effective combat readiness for the AAV Family of Vehicles (FOV). This is accomplished through continuous review of sub-systems to maintain system supportability and safety, procurement of replacement systems for obsolescence, and fielding of Engineering Change Proposals (ECP). The improvements to the fleet reduce total ownership costs and improve sustainability. The AAV Modifications Line procures modernized components and subsystems that impact safe and reliable use of the AAV such as Tactical Communication Modernization (TCM) to meet NSA's cryptographic modernization mandates, quarterly software refresh of servers and laptops for Command-variant (C-Variant), and associated production support for the AAV FOV. The AAVP7s and AAVC7s are expected to continue to be in service until 2027 and the AAVR7s through FY 2029 as the system is replaced by the ACV.

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2025 Navy **Date:** March 2024

Appropriation/Budget Activity 1319 / 7	R-1 Program Element (Number/Name) PE 0206629M / Amphibious Assault Vehicle	Project (Number/Name) 2938 / Amphibious Assault Vehicle
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Product Development (\$ in Millions)				FY 2023		FY 2024		FY 2025 Base		FY 2025 OCO		FY 2025 Total	Cost To Complete	Total Cost	Target Value of Contract
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
Syst Design & Dev / EMD	C/FFP	MCSC/SAIC : Charleston, SC	138.072	0.000		0.000		0.000		-		0.000	0.000	138.072	-
Syst Design & Dev	C/FFP	Various : Various	14.938	5.228	Feb 2023	0.373	Feb 2024	0.000		-		0.000	0.000	20.539	-
Other Product Development	C/BA	Various : Various	6.514	0.000		0.000		0.000		-		0.000	0.000	6.514	-
Subtotal			159.524	5.228		0.373		0.000		-		0.000	0.000	165.125	N/A

Remarks
The decrease in System Design and Development from FY 2024 to FY 2025 is a result of the AAV program having no requirement for R&D-funded modifications or design improvements as the vehicles are retired from the fleet.

Support (\$ in Millions)				FY 2023		FY 2024		FY 2025 Base		FY 2025 OCO		FY 2025 Total	Cost To Complete	Total Cost	Target Value of Contract
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
In-House Technical Support	Various	Various : Various	31.516	0.000		0.000		0.000		-		0.000	0.000	31.516	-
Program Management Support	Various	Various : Various	0.000	0.000		0.000		0.000		-		0.000	0.000	0.000	-
Travel	Various	Various : Various	1.251	0.000		0.000		0.000		-		0.000	0.000	1.251	-
Subtotal			32.767	0.000		0.000		0.000		-		0.000	0.000	32.767	N/A

Test and Evaluation (\$ in Millions)				FY 2023		FY 2024		FY 2025 Base		FY 2025 OCO		FY 2025 Total	Cost To Complete	Total Cost	Target Value of Contract
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost			
Developmental Test & Evaluation (DT&E)	Various	Various : Various	19.537	0.000		0.000		0.000		-		0.000	0.000	19.537	-
Operational Test & Evaluation (OT&E)	WR	MCOTEA : Quantico, VA	1.022	0.000		0.000		0.000		-		0.000	0.000	1.022	-
Live Fire Test & Evaluation (LFT&E)	Various	Various : Various	8.639	0.000		0.000		0.000		-		0.000	0.000	8.639	-

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Exhibit R-4, RDT&E Schedule Profile: PB 2025 Navy **Date:** March 2024

Appropriation/Budget Activity 1319 / 7	R-1 Program Element (Number/Name) PE 0206629M / Amphibious Assault Vehicle	Project (Number/Name) 2938 / Amphibious Assault Vehicle
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AAV MODIFICATIONS PB-25 PROGRAM SCHEDULE

11/14/2023

FISCAL YEAR		FY 23				FY 24				FY 25				FY 26				FY 27				FY 28				FY 29																							
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4																				
Quarter		O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S
Intercom System (ICS) Modernization	Total	451	Install																																														
	P	376																																															
	C	40																																															
	R	35																																															
Tactical Communications Modernization (TCM)	Total	305	Install																																														
	P	262																																															
	C	18																																															
	R	25																																															
Emergency Egress Lighting System (EELS) Vehicle Power Modernization (VPM)	Total	389																																															
	P	322																																															
	C	35																																															
	R	32																																															
Assured Position, Navigation, and Timing (A-PNT)	Total	64																																															
	P	52																																															
	C	12																																															
	R	0																																															

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Exhibit R-4A, RDT&E Schedule Details: PB 2025 Navy		Date: March 2024
Appropriation/Budget Activity 1319 / 7	R-1 Program Element (Number/Name) PE 0206629M / <i>Amphibious Assault Vehicle</i>	Project (Number/Name) 2938 / <i>Amphibious Assault Vehicle</i>

Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
Proj 2938				
Intercom System (ICS) Mod Install	1	2023	1	2024
Tactical Communications Mod (TCM) Install	1	2023	1	2025