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**Exhibit R-2, RDT&E Budget Item Justification:** PB 2017 Air Force **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600: <i>Research, Development, Test &amp; Evaluation, Air Force I BA 7: Operational Systems Development</i>	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / <i>F-35 Squadrons</i>
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COST (\$ in Millions)	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
Total Program Element	12.682	39.275	53.921	153.045	0.000	153.045	349.389	378.587	388.763	395.656	Continuing	Continuing
675346: <i>F-35</i>	3.000	23.660	48.954	127.302	0.000	127.302	321.658	340.950	339.209	345.223	Continuing	Continuing
676011: <i>JSF DUAL CAPABLE AIRCRAFT</i>	9.682	15.615	4.967	25.743	0.000	25.743	27.731	37.637	49.554	50.433	Continuing	Continuing

**Program MDAP/MAIS Code:** 198

**Note**

Schedule changed to reflect impacts from previous budget changes and direction from the Milestone Decision Authority.

**A. Mission Description and Budget Item Justification**

The F-35 Joint Strike Fighter (JSF) Program will develop and field an affordable, highly common family of next generation strike aircraft for the United States Navy, Air Force, Marine Corps and allies. The three variants are the F-35A Conventional Takeoff and Landing; F-35B Short Take Off and Vertical Landing; and the F-35C Aircraft Carrier suitable variant. Maximum commonality among the variants, consistent with National Disclosure Policy, will minimize life cycle costs. As Initial Operational Capability (IOC) delivers for each variant during System Development and Demonstration (SDD), planning and initial systems engineering for the Follow-on Development(FoD) continues.

FoD capability requirements were initiated through ongoing Service-led operational analysis of warfighting gaps identified in the Fifth Generation Fighter Modernization Initial Capabilities Document (ICD), and through F-35 JSF Program Block 4 Mission Decomposition analysis completed in FY2014. These analyses serve as basis for the F-35 FoD Capabilities Development Document (CDD), staffed through the Air Force Requirements Oversight Council (AFROC) and signed by the USAF Chief of Staff in January 2015. JROC approval of the CDD is expected in FY2016. Pre-modernization activities in FY2016 and FY2017 include systems engineering, risk reduction, and FoD facility upgrades to support an initial Block 4 fleet availability in 2020. The FoD program includes a robust weapons integration portfolio, and expands new opportunities for International Partners to assess, integrate, and field unique capabilities based on global sovereign requirements. Additionally, the F-35 JSF Operational Requirements Document (ORD) calls for the F-35A to have the capabilities and provisions for Dual-Capable Aircraft (DCA) operations in the first post-SDD block upgrade. DCA refers to the capability to carry and deliver conventional and non-conventional weapons. DCA operation for the F-35A is internal carriage of up to two B-61s. Due to extensive certification requirements, the DCA capability planning and design, testing and certification will continue throughout Block 4.

The United Kingdom, Italy, Netherlands, Turkey, Canada, Australia, Denmark and Norway are participants in F-35 modernization. The program shown here reflects USN, USMC, USAF, and International Partner funding. Funding at the accomplishment/planned program level is reported as the total of all service and partners as these activities support all aircraft variants. Foreign Military Sales are ongoing separately.

The FY2017 funding request was reduced by \$19.745 million to account for the availability of prior year execution balances.

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<b>Appropriation/Budget Activity</b> 3600: <i>Research, Development, Test &amp; Evaluation, Air Force I BA 7: Operational Systems Development</i>	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / <i>F-35 Squadrons</i>
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BA7 - This program is in Budget Activity 7, Operational System Development because this budget activity includes development efforts to upgrade systems that have been fielded or have received approval for full rate production and anticipate production funding in the current or subsequent fiscal year.

<b>B. Program Change Summary (\$ in Millions)</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>
Previous President's Budget	40.092	115.395	269.315	0.000	269.315
Current President's Budget	39.275	53.921	153.045	0.000	153.045
Total Adjustments	-0.817	-61.474	-116.270	0.000	-116.270
• Congressional General Reductions	0.000	0.000			
• Congressional Directed Reductions	0.000	-61.474			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds	0.000	0.000			
• Congressional Directed Transfers	0.000	0.000			
• Reprogrammings	0.000	0.000			
• SBIR/STTR Transfer	-0.817	0.000			
• Other Adjustments	0.000	0.000	-116.270	0.000	-116.270

**Change Summary Explanation**

FY2016 decrease: Congressional reduction of -\$61.474M

FY2017 decrease: -\$19.745M accounts for the availability of prior year execution balances. -\$96.525M was for funding for higher AF priorities.

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2017 Air Force										<b>Date:</b> February 2016		
<b>Appropriation/Budget Activity</b> 3600 / 7					<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons				<b>Project (Number/Name)</b> 675346 / F-35			
<b>COST (\$ in Millions)</b>	<b>Prior Years</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
675346: F-35	3.000	23.660	48.954	127.302	0.000	127.302	321.658	340.950	339.209	345.223	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

**Note**

Total cost including International Partner contributions, USN, USMC, and USAF funding: FY2015 \$59.045M; FY2016 \$125.211M; FY2017 \$382.151M.

R-2A table shown above reflects service funding only.

R-2A (section B)/R-3 displays combined program for JSF Follow-on Development (FoD).

JSF FoD Includes:

USAF PE 0207142F BPAC 675346

USN PE 0604810N Project Unit 2936

USMC PE 0604810M Project Unit 2935

USN PE 0604800N Project Unit 9999 (FY14): \$1.500M

USMC PE 0604800M Project Unit 9999 (FY14): \$1.500M

International Partner Contributions

**A. Mission Description and Budget Item Justification**

F-35 FoD provides continuing incremental upgrades of the three F-35 variants and associated ground equipment. Upgrades are essential mission improvements for Air Interdiction and Strategic Attack, Close Air Support, Suppression and Destruction of Enemy Air Defenses, Offensive and Defensive Counter Air and expanded Surface Warfare. The Block 4 acquisition strategy is based upon incremental deliveries of capabilities in 4 sub-blocks. The strategy includes deliveries on a two year cycle with a focus on hardware and tech refresh change every four years. FoD capability planning includes an efficient transition from F-35 SDD to Follow-on Development. As SDD development activities ramp down, the FoD will assume responsibility for improvements and modernization efforts. Block 4 capability planning includes Block 4.1 through 4.4 modernization efforts with initial increment of capability available in 2020 and subsequent releases every two years.

This program is in Budget Activity 7, Operational System Development, because this budget activity includes development efforts to upgrade systems that have been fielded or have received approval for full rate production and anticipate production funding in the current or subsequent fiscal year.

**B. Accomplishments/Planned Programs (\$ in Millions)**

	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>
<b>Title:</b> Air Vehicle Follow-on Development (Capability Planning) (F-35 JSF)	59.010	114.684	283.246	0.000	283.246

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2017 Air Force	<b>Date:</b> February 2016
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<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 675346 / F-35
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<b>B. Accomplishments/Planned Programs (\$ in Millions)</b>	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total
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<p><b>Description:</b> Capability planning effort will focus on requirements analysis, systems engineering, risk reduction and preparations leading to formal acquisition approval of Block 4 Modernization contract. Program planning will consist of engineering and development support for defining and acquiring capability enhancements required to address threats indicated in the Electronic Warfare (ICD), the Fifth Generation Fighter Modernization ICD and the Follow-on Development Capability Development Document (CDD).</p> <p><b>FY 2015 Accomplishments:</b> Requirements analysis and technical requirements development, systems engineering, and technical planning.</p> <p><b>FY 2016 Plans:</b> Requirements analysis and technical requirements development, systems engineering, and technical planning. Completion of Block 4 System Requirements Review (SRR).</p> <p><b>FY 2017 Base Plans:</b> Continue requirements analysis and technical requirements development, systems engineering, and technical planning. A System Functional Review (SFR) is planned, followed by initiation of the Block 4 preliminary design. Acquisition planning includes completion of a Modernization Request for Proposal (RFP) Decision Review for approval to release the Block 4 Modernization contract RFP. Pre-Modernization Phase 1 activities include systems engineering through SFR. Phase 2 activities will include completion of Preliminary Design Review in 2018.</p> <p><b>FY 2017 OCO Plans:</b> N/A</p>					
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<p><b>Title:</b> Development Support</p> <p><b>Description:</b> Technical and Analytical Support</p> <p><b>FY 2015 Accomplishments:</b> Initiated development support for defining, managing and acquiring the F-35 capability enhancements identified in approved requirements documents.</p> <p><b>FY 2016 Plans:</b> Initiate development support for defining, managing, and acquiring the F-35 capability enhancements identified in approved requirements documents.</p> <p><b>FY 2017 Base Plans:</b></p>	0.035	10.527	44.849	0.000	44.849
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<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 675346 / F-35

<b>B. Accomplishments/Planned Programs (\$ in Millions)</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>
Continue development support for defining, managing, and acquiring the F-35 capability enhancements identified in approved requirements documents.  <b>FY 2017 OCO Plans:</b> N/A					
<b>Title:</b> Test and Evaluation  <b>Description:</b> Initiate Laboratory and Test Aircraft Upgrade and other test planning activities required for Block 4 and later development, integration, test and evaluation. Changes are needed to support development and evaluation of improvements driven by changes in threat and as identified in the Electronic Warfare ICD and the Fifth Generation Fighter Modernization ICD.  <b>FY 2015 Accomplishments:</b> N/A  <b>FY 2016 Plans:</b> N/A  <b>FY 2017 Base Plans:</b> This is not a New Start. Funding has been broken out for transparency. Funding will support infrastructure investment planning and prioritization required to maintain future development capability. This includes planning for long-lead procurement for replacement of engines and other life limited components on Developmental Test aircraft that will be at end of life upon completion of SDD, as well as laboratory upgrades required to support development and verification of capabilities in a relevant environment.  <b>FY 2017 OCO Plans:</b> N/A	0.000	0.000	54.056	0.000	54.056
<b>Accomplishments/Planned Programs Subtotals</b>	59.045	125.211	382.151	0.000	382.151
Other Service Program Funding Adjustment	35.385	76.257	254.849	-	254.849
<b>Air Force Subtotals</b>	23.660	48.954	127.302	0.000	127.302

<b>C. Other Program Funding Summary (\$ in Millions)</b>										
<b>Line Item</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Cost To Complete Total Cost</b>
• RDTE: BA05: PE 0604800F 3831: JSF SDD, BPAC 653831	534.344	515.492	403.505	0.000	403.505	113.567	5.327	5.392	5.497	-

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**C. Other Program Funding Summary (\$ in Millions)**

<b>Line Item</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
• RDTE: BA05: PE 0604800F 3832: <i>JSF Deployability and Suitability Enhancements, BPAC 653832</i>	32.593	71.461	46.962	0.000	46.962	23.795	0.000	0.000	0.000	-	-
• RDTE: BA07: PE 0207142F 6011: <i>Dual Capable Aircraft (DCA), BPAC 676011</i>	15.615	4.967	25.743	0.000	25.743	27.731	37.637	49.554	50.433	Continuing	Continuing
• APAF: BA01: Line Item # ATA000 AP: <i>JSF CTOL Advance Procurement, PE 0207142F, BP10 AP</i>	418.880	460.260	404.500	0.000	404.500	671.263	406.750	424.230	424.230	17,450.241	23,150.407
• APAF: BA01: Line Item # ATA000: <i>JSF CTOL, PE 0207142F, BP10</i>	3,625.841	5,259.812	4,401.894	0.000	4,401.894	4,708.701	4,712.526	4,838.591	5,801.997	139,530.995	190,282.125
• APAF: BA06: Line Item # F03500 BP16: <i>JSF Initial Spares, PE 0207142F, BP16</i>	231.847	229.582	267.792	0.000	267.792	315.478	353.602	354.622	355.591	10,311.851	13,420.134
• APAF: BA05: Line Item # F03500 BP11: <i>JSF Modifications, PE 0207142F, BP11</i>	187.646	70.167	175.811	0.000	175.811	385.931	237.349	232.017	237.273	Continuing	Continuing
• USAF OM: <i>Operations and Maintenance</i>	217.556	302.952	360.107	0.000	360.107	452.906	555.687	858.671	0.000	Continuing	Continuing
• OPAF: BA01: Line Item # 821800: <i>Joint Strike Fighter, PE 0207142F</i>	4.463	3.858	2.333	0.000	2.333	2.374	2.415	0.000	0.000	Continuing	Continuing
• MILCON: BA01: PE 0207142F: <i>USAF JSF Military Construction Operations</i>	66.700	132.850	305.700	0.000	305.700	80.000	27.500	0.000	0.000	1,312.100	2,511.350
• MILCON: BA01: PE 0207597F: <i>USAF JSF Military Construction Training</i>	0.000	65.400	20.000	0.000	20.000	21.000	34.000	15.900	0.000	-	-
• MILCON: BA01: PE 0502635F: <i>USAF JSF Military Construction Air National Guard</i>	0.000	0.000	15.100	0.000	15.100	0.000	0.000	0.000	0.000	-	-
• RDTEN: BA05: PE 0604800N 2261: <i>JSF SDD (CV)</i>	470.545	467.759	504.296	0.000	504.296	43.816	0.000	0.000	0.000	-	-

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<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 675346 / F-35
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**C. Other Program Funding Summary (\$ in Millions)**

<u>Line Item</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• RD TEN: BA05: PE 0604800N 3352: F-35C Sustainment/ Capability Enhancements (CV)	16.433	36.977	24.420	0.000	24.420	11.802	0.000	0.000	0.000	-	-
• RD TEN: BA05: PE 0604810N 2936: F-35C Follow-on Development (CV), BPAC 2936	10.302	21.200	63.387	0.000	63.387	133.686	144.003	147.646	150.902	Continuing	Continuing
• APN: BA01: Line Item # 0147C: JSF Advance Procurement (CV), PE 0204146N	29.400	48.630	80.908	0.000	80.908	258.898	144.003	242.002	262.004	3,189.815	5,643.037
• APN: BA01: Line Item # 0147: JSF (CV), PE 0204146N	848.552	1,033.142	890.650	0.000	890.650	951.052	1,598.247	2,150.860	2,680.120	27,872.824	49,136.792
• APN: BA06: Line Item # 0605 USN: Initial Spares (CV), PE 0204146N	28.768	59.914	26.076	0.000	26.076	76.886	41.847	52.858	303.608	1,706.626	2,815.461
• APN: BA05: Line Item # 0593: Modifications (CV), PE 0204146N	18.371	48.527	26.004	0.000	26.004	49.848	20.721	12.929	13.192	Continuing	Continuing
• OPN: BA03: Line Item # 4268: JSF Aviation Support Equipment ALIS Ship Alts	1.539	1.969	1.811	0.000	1.811	1.866	1.868	1.910	1.947	Continuing	Continuing
• OPN BA03: ALIS Ship ALTS Installs	3.977	1.924	0.329	0.000	0.329	2.024	1.890	1.933	1.972	Continuing	Continuing
• OPN BA03 USN: Optical Landing System Investment	0.000	0.000	1.800	0.000	1.800	1.800	1.800	3.300	0.000	Continuing	Continuing
• OPN: BA03: Spares for Aviation Support Equipment	0.730	2.946	0.881	0.000	0.881	2.297	2.321	1.939	1.977	Continuing	Continuing
• USN OM: Operations and Maintenance	35.468	75.651	138.933	0.000	138.933	96.354	135.712	115.743	216.600	Continuing	Continuing
• USN MILCON: USN JSF Military Construction	60.200	72.460	11.800	0.000	11.800	0.000	0.000	0.000	0.000	-	-
• RD TEN: BA05: PE 0604800M 2262: JSF SDD (STOVL)	476.350	505.949	507.078	0.000	507.078	88.414	9.649	5.842	3.858	-	-
• RD TEN: BA05: PE 0604800M 3350: F-35B Sustainment/	11.589	31.952	24.348	0.000	24.348	11.427	0.000	0.000	0.000	-	-

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<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 675346 / F-35
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**C. Other Program Funding Summary (\$ in Millions)**

Line Item	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
<i>Capability Enhancements (STOVL), BPAC 3350</i>											
• RDTEN: BA05: PE 0604810M 2935: F-35B Follow-on	10.086	20.798	74.227	0.000	74.227	154.047	164.276	168.433	172.040	Continuing	Continuing
<i>Development (STOVL), BPAC 2935</i>											
• APN: BA01: Line Item # 0152C: JSF Advance Procurement (STOVL), PE 0204146M	143.885	203.060	233.648	0.000	233.648	370.472	227.562	231.003	220.000	2,638.098	4,870.881
• APN: BA01: Line Item # 0152: JSF (STOVL), PE 0204146M	1,178.488	2,147.714	2,037.768	0.000	2,037.768	2,620.324	2,481.778	2,514.127	2,558.802	20,571.510	40,035.833
• APN: BA06: Line Item # 0605 USMC: Initial Spares (STOVL), PE 0204146M	64.285	111.569	123.252	0.000	123.252	26.159	88.434	160.150	140.989	1,466.285	2,508.244
• APN: BA05: Line Item # 0592: Modifications (STOVL), PE 0204146M	157.905	204.464	34.928	0.000	34.928	158.277	89.352	64.963	79.077	Continuing	Continuing
• USMC OM: Operations and Maintenance	133.550	188.391	174.580	0.000	174.580	162.927	165.068	168.212	167.636	Continuing	Continuing
• USMC MILCON: USMC JSF Military Construction	71.704	21.960	219.100	0.000	219.100	64.660	121.990	119.800	0.000	642.400	1,966.114
• International 1: International SDD	15.000	17.000	22.000	0.000	22.000	27.450	0.000	0.000	0.000	-	-
• International 2: International Production	3,350.860	4,211.698	5,377.274	0.000	5,377.274	7,420.782	7,893.177	9,050.299	8,092.207	Continuing	Continuing
• International 3: International FoD	21.086	79.318	128.965	0.000	128.965	157.602	169.315	171.636	68.599	Continuing	Continuing
• International 4: International Unique (SDD/PSFD)	81.681	39.852	39.608	0.000	39.608	11.474	22.812	29.409	5.357	-	-

**Remarks**

This is a joint program with no executive service. Service Acquisition Executive (SAE) authority alternates between the Department of the Navy and the Department of the Air Force and currently resides with the Navy. Program Element 0604800N/0604800M continues USN development efforts budgeted in 0603800N prior to FY2002. The United Kingdom, Italy, Netherlands, Turkey, Canada, Australia, Denmark, and Norway are participants in the SDD phase of JSF.

Note: The USAF/USN/USMC procurement lines include Aircraft Procurement and Advanced Procurement only. Initial Spares and Repair Parts for all Services are reflected in separate lines. International Partner Funding also includes funds provided under the Italy and Netherlands Bilateral agreements.

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2017 Air Force	<b>Date:</b> February 2016
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**C. Other Program Funding Summary (\$ in Millions)**

<u>Line Item</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
RELATED RDT&E: Funding prior to JSF SDD (FY94-FY01): USN PE 0603800N \$1,950,617; USAF PE 0603800F \$1,907,352; DARPA PE 0603800E \$118,056; and International Partner contributions of \$253,921 for a total of \$4,229,946.											

**D. Acquisition Strategy**

To enable the ability to adjust to potential discrepancies discovered during SDD Block 3 Test and Evaluation, the engineering and development planning support for FoD will be procured under a cost type contract. A fee provision will be used to target and motivate contractor performance. A separate Basic Ordering Agreement or Indefinite Quantity/Indefinite Delivery contract is planned to provide a long term approach to upgrading and maintaining laboratories and test aircraft. Both Development Support and Management Services will use CPFF and CPIF Delivery Orders.

**E. Performance Metrics**

Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air Force performance goals and most importantly, how they contribute to our mission.

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**Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force** **Date:** February 2016

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<b>Product Development (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
Prime LM TBD	SS/CPFF	Lockheed Martin : Ft Worth, TX	0.000	0.000		107.548	Jul 2016	258.583	Jul 2017	0.000		258.583	2,387.126	2,753.257	2,753.257
Prime LM 02-C-3002	SS/CPFF	Lockheed Martin : Ft Worth, TX	1.655	17.830	Jun 2015	1.080	Dec 2015	0.000		0.000		0.000	0.000	20.565	20.565
Prime LM 16-C-0008	SS/CPFF	Lockheed Martin : Ft Worth, TX	0.000	39.280	Jun 2015	14.246	Jan 2016	23.520	Jan 2017	0.000		23.520	0.000	77.046	77.046
Prime LM IDIQ 13-D-0005	SS/CPFF	Lockheed Martin : Ft Worth, TX	0.158	0.000		0.000		0.000		0.000		0.000	0.000	0.158	0.158
<b>Subtotal</b>			1.813	57.110		122.874		282.103		0.000		282.103	2,387.126	2,851.026	2,851.026

<b>Support (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
Development Support	Various	Various : TBD	3.787	0.000		0.000		8.714	Dec 2016	0.000		8.714	55.071	67.572	-
AFFTC / Eglin AFB	Various	Eglin : Various	0.000	0.035	Jun 2015	0.982	Dec 2015	1.940	Dec 2016	0.000		1.940	13.659	16.616	-
NAWC Paxutent River	WR	NAWCAD : Paxutent River, MD	0.400	0.000		1.355	Dec 2015	20.970	Dec 2016	0.000		20.970	96.015	118.740	-
NAWC China Lake	WR	NAWCWD : China Lake, CA	0.000	0.000		0.000		7.389	Dec 2016	0.000		7.389	29.941	37.330	-
AFLCMC/AFRL	MIPR	AFLCMC : Wright Patterson AFB, OH	0.000	0.000		0.000		0.232	Dec 2016	0.000		0.232	2.125	2.357	-
<b>Subtotal</b>			4.187	0.035		2.337		39.245		0.000		39.245	196.811	242.615	-

<b>Test and Evaluation (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
NAWC Paxutent River	Various	Various : Paxutent River, MD	0.000	0.000		0.000		35.824	Dec 2016	0.000		35.824	154.870	190.694	-
NAWC China Lake	WR	NAWCWD : China Lake, CA	0.000	0.000		0.000		1.637	Dec 2016	0.000		1.637	19.415	21.052	-

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**Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force** **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 675346 / F-35
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<b>Test and Evaluation (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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 Edwards/AFB	Various	Edwards AFB : Edwards AFB, CA	0.000	0.000		0.000		9.592	Dec 2016	0.000		9.592	Continuing	Continuing	-
Developmental Test & Evaluation	Various	Various : TBD	0.000	0.000		0.000		0.250	Dec 2016	0.000		0.250	43.999	44.249	-
<b>Subtotal</b>			0.000	0.000		0.000		47.303		0.000		47.303	-	-	-

<b>Management Services (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
Functional Wyle	C/CPFF	Wyle : Arlington, VA	0.000	1.900	Sep 2016	0.000		0.000		0.000		0.000	0.000	1.900	1.900
AFLCMC Civilian Pay	Various	AFLCMC CIV PAY : Wright Patterson AFB, OH	0.000	0.000		0.000		13.500	Dec 2016	0.000		13.500	137.060	150.560	150.560
<b>Subtotal</b>			0.000	1.900		0.000		13.500		0.000		13.500	137.060	152.460	152.460

	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
<b>Cost Category Subtotals</b>	6.000	59.045	125.211	382.151	0.000	382.151	-	-	-
Other Service Program Funding Adjustment	3.000	35.385	76.257	254.849	-	254.849	1,876.282	2,245.773	-
<b>Project Cost Totals</b>	3.000	23.660	48.954	127.302	0.000	127.302	-	-	-

**Remarks**  
 The Project information shown here reflects USN, USMC, USAF and International Partner funding total for each contract. By agreement, USN and USMC funding shares are approximately equal and when combined are equal to the USAF share. Partner funding share is based upon future aircraft procurement numbers updated annually in accordance with the Production, Sustainment, Follow-on Development Memorandum of Agreement.

Prior Years reflects \$3.000M USAF/\$1.500 USN/\$1.500M USMC/\$0.000M International/Total \$6.000M

FY 2015 reflects \$23.660M USAF/\$10.302M USN/\$10.086M USMC/\$14.997M International/Total \$59.045M

FY 2016 reflects \$48.954M USAF/\$21.200M USN/\$20.798M USMC/\$34.259M International/Total \$125.211M

FY 2017 reflects \$127.302M USAF/\$63.387M USN/\$74.227M USMC/\$117.235M International/Total \$382.151M

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**Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force** **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / <i>F-35 Squadrons</i>	<b>Project (Number/Name)</b> 675346 / <i>F-35</i>
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	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
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F-35 FoD Includes:  
 USAF PE 0207142F BPAC 675346  
 FY13: USN PE 0604800N Project Unit 2261  
 FY14: USN PE 0604800N Project Unit 3353  
 FY15: USN PE 0604810N Project Unit 2936  
 FY13: USMC PE 0604800M Project Unit 2262  
 FY14: USMC PE 0604800M Project Unit 3351  
 FY15: USMC PE 0604810M Project Unit 2935



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**Exhibit R-4A, RDT&E Schedule Details:** PB 2017 Air Force **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / <i>F-35 Squadrons</i>	<b>Project (Number/Name)</b> 675346 / <i>F-35</i>
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Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Requirements: Final CDD (JROC)	3	2016	3	2016
Acquisition: Modernization RFP Decision	3	2017	3	2017
Acquisition: Modernization Contract Decision	3	2018	3	2018
Acquisition: Interim Program Review (IPR) FY18	1	2018	1	2018
Acquisition: Interim Program Review (IPR) FY19	1	2019	1	2019
Acquisition: Interim Program Review (IPR) FY20	1	2020	1	2020
Acquisition: Interim Program Review (IPR) FY21	1	2021	1	2021
Contracting: Block 4 Pre-Modernization	4	2015	3	2018
Contracting: Block 4 Modernization	3	2018	4	2021
Systems Engineering: Initial System Requirements Review (SRR)	4	2016	4	2016
Systems Engineering: Initial Preliminary Design Review (PDR)	3	2018	3	2018
Test & Evaluation: 4.1 Test	3	2019	3	2020
Test & Evaluation: 4.2 Test	1	2021	4	2021
Fielding: Block 4.1 Fleet Availability	4	2020	4	2020

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2017 Air Force										<b>Date:</b> February 2016		
<b>Appropriation/Budget Activity</b> 3600 / 7					<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons				<b>Project (Number/Name)</b> 676011 / JSF DUAL CAPABLE AIRCRAFT			
<b>COST (\$ in Millions)</b>	<b>Prior Years</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
676011: JSF DUAL CAPABLE AIRCRAFT	9.682	15.615	4.967	25.743	0.000	25.743	27.731	37.637	49.554	50.433	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

**Note**

F-35 FoD Includes:

USAF: PE 0207142F BPAC 675346

USN: FY13 PE 0604800N Project Unit 2261

USN: FY14 PE 0604800N Project Unit 3353

USN: FY15 PE 0604810N Project Unit 2936

USMC: FY13 PE 0604800M Project Unit 2262

USMC: FY14 PE 0604800M Project Unit 3351

USMC: FY15 PE 0604810M Project Unit 2935

F-35 DCA Includes:

USAF PE 0207142F BPAC 676011

USN N/A

USMC N/A

**A. Mission Description and Budget Item Justification**

F-35 Follow-on Development(FoD) provides continuing incremental upgrades of the three F-35 variants and associated ground equipment. Upgrades are essential mission improvements for Air Interdiction and Strategic Attack, Close Air Support, Suppression and Destruction of Enemy Air Defenses, Offensive and Defensive Counter Air and expanded Surface Warfare. The Block 4 acquisition strategy is based upon incremental deliveries of capabilities in 4 sub-blocks. The strategy includes deliveries on a two year cycle with a focus on hardware and tech refresh change every four years. FoM capability planning includes an efficient transition from F-35 SDD to Follow-on Development. As SDD development activities ramp down, FoD will assume responsibility for improvements and modernization efforts. Block 4 capability planning includes Block 4.1 through 4.4 modernization efforts with initial increment of capability available in 2020 and subsequent releases every two years.

Additionally, the F-35 Joint Strike Fighter (JSF) Operational Requirements Document (ORD) calls for the F-35A variant to have the capabilities and provisions for Dual Capable Aircraft (DCA) operations in the first post SDD block upgrade. DCA refers to the capability to carry and deliver conventional and non-conventional weapons. DCA operation for the F-35A is internal carriage of two B-61s. Due to extensive certification requirements, the Follow-on Modernization Capability Development Document (CDD).

This program is in Budget Activity 7, Operational System Development, because this budget activity includes development efforts to upgrade systems that have been fielded or have received approval for full rate production and anticipate production funding in the current or subsequent fiscal year.

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2017 Air Force		<b>Date:</b> February 2016
<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 676011 / JSF DUAL CAPABLE AIRCRAFT

<b>B. Accomplishments/Planned Programs (\$ in Millions)</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017 Base</b>	<b>FY 2017 OCO</b>	<b>FY 2017 Total</b>
<p><b>Title:</b> Dual Capable Aircraft (DCA)(F-35 JSF)</p> <p><b>Description:</b> This effort provides for the assessment of Dual-Capable Aircraft (DCA) weapon integration and certification impacts on the Joint Strike Fighter (JSF) aircraft. It identifies and mitigates potential technical and cost risks, as well as defines the integration and certification trade-space to field the DCA capability with the B61-12 weapon. This effort also supports follow-on risk reduction efforts that will ensure future integration alignment with the earliest feasible post-SDD block upgrade, and is expected to include full integration efforts pending Service decisions.</p> <p><b>FY 2015 Accomplishments:</b> Initiated Nuclear Certification and environmental flight test efforts to integrate dual-capability on F-35A. Based on initial nuclear certification timelines of legacy platforms, the process to achieve Nuclear Certification on F-35A must begin now in order to field capability in time to meet national/alliance nuclear posture commitments. Additionally, the environmental flight tests will help ensure F-35A environments are compatible with the B61-12 prior to the weapon completing its design phase.</p> <p><b>FY 2016 Plans:</b> Continue pre-modernization integration efforts to mature DCA unique requirements on the F-35A Air System. Evaluate and identify impacts to the design to enable all aspects of carriage and employment of the B61-12 weapon, to include a survivability analysis to understand impacts of weapon to F-35 materiel components. Other efforts include initiation of Nuclear Certification activities focused on generating preliminary design reports, nuclear safety evaluation plans, and nuclear safety analysis reports.</p> <p><b>FY 2017 Base Plans:</b> Continue Nuclear Certification activities focused on generating preliminary design reports, nuclear safety evaluation plans, and nuclear safety analysis reports. Complete Static Ejection and Wind Tunnel Tests for Initial Separation Analysis. Perform additional data analysis to support Block 4 Preliminary Design Review. Complete planning for development and integration of DCA on F-35A.</p> <p><b>FY 2017 OCO Plans:</b> N/A</p>	15.615	4.967	25.743	0.000	25.743
<b>Accomplishments/Planned Programs Subtotals</b>	15.615	4.967	25.743	0.000	25.743

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**Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force** **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 676011 / JSF DUAL CAPABLE AIRCRAFT
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**C. Other Program Funding Summary (\$ in Millions)**

Line Item	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	FY 2018	FY 2019	FY 2020	FY 2021	Cost To Complete	Total Cost
• RDTE: BA05: PE 0604800F 3831: JSF SDD, BPAC 653831	534.344	515.492	403.505	0.000	403.505	113.567	5.327	5.392	5.497	0.000	22,087.243
• RDTE: BA05: PE 0604800F 3832: JSF Deployability and Suitability Enhancements, BPAC 653832	32.593	71.461	46.962	0.000	46.962	23.795	0.000	0.000	0.000	-	-
• RDTE: BA07: PE 0207142F 5346: JSF Follow-on Development (FoD), BPAC 675346	23.660	48.954	127.302	0.000	127.302	321.658	340.950	339.209	345.223	Continuing	Continuing
• APAF: BA01: Line Item # ATA000 AP: JSF CTOL Advance Procurement, PE 0207142F, BP10 AP	418.880	460.260	404.500	0.000	404.500	671.263	406.750	424.230	424.230	17,450.241	23,150.407
• APAF: BA01: Line Item # ATA000: JSF CTOL, PE 0207142F, BP10	3,625.841	5,259.812	4,401.894	0.000	4,401.894	4,708.701	4,712.526	4,838.591	5,801.997	139,530.995	190,282.125
• APAF: BA06: Line Item # F03500 BP16: JSF Initial Spares, PE 0207142F, BP16	231.847	229.582	267.792	0.000	267.792	315.478	353.602	354.622	355.591	10,311.851	13,420.134
• APAF: BA05: Line Item # F03500 BP11: JSF Modifications, PE 0207142F, BP11	187.646	70.167	175.811	0.000	175.811	385.931	237.349	232.017	237.273	Continuing	Continuing
• USAF OM: Operations and Maintenance	217.556	302.952	360.107	0.000	360.107	452.906	555.687	858.671	0.000	Continuing	Continuing
• OPAF: BA01: Line Item # 821800: Joint Strike Fighter, PE 0207142F	4.463	3.858	2.333	0.000	2.333	2.374	2.415	0.000	0.000	Continuing	Continuing
• MILCON: BA01: PE 0207142F: USAF JSF Military Construction Operations	66.700	132.850	305.700	0.000	305.700	80.000	27.500	0.000	0.000	1,312.100	2,511.350
• MILCON: BA01: PE 0207597F: USAF JSF Military Construction Training	0.000	65.400	20.000	0.000	20.000	21.000	34.000	15.900	0.000	-	-
• MILCON: BA01: PE 0502635F: USAF JSF Military Construction Air National Guard	0.000	0.000	15.100	0.000	15.100	0.000	0.000	0.000	0.000	-	-

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**Exhibit R-2A, RDT&E Project Justification: PB 2017 Air Force** **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 676011 / JSF DUAL CAPABLE AIRCRAFT
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**C. Other Program Funding Summary (\$ in Millions)**

<u>Line Item</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• RDTEN: BA05: PE 0604800N 2261: JSF SDD (CV)	470.545	467.759	504.296	0.000	504.296	43.816	0.000	0.000	0.000	-	-
• RDTEN: BA05: PE 0604800N 3352: F-35C Sustainment/ Capability Enhancements (CV)	16.433	36.977	24.420	0.000	24.420	11.802	0.000	0.000	0.000	-	-
• RDTEN: BA05: PE 0604810N 2936: F-35C Follow-on Development (CV), BPAC 2936	10.302	21.200	63.387	0.000	63.387	133.686	144.003	147.646	150.902	Continuing	Continuing
• APN: BA01: Line Item # 0147C: JSF Advance Procurement (CV), PE 0204146N	29.400	48.630	80.908	0.000	80.908	258.898	144.003	242.002	262.004	3,189.815	5,643.037
• APN: BA01: Line Item # 0147: JSF (CV), PE 0204146N	848.552	1,033.142	890.650	0.000	890.650	951.052	1,598.247	2,150.860	2,680.120	27,872.824	49,136.792
• APN: BA06: Line Item # 0605 USN: Initial Spares (CV), PE 0204146N	28.768	59.914	26.076	0.000	26.076	76.886	41.847	52.858	303.608	1,706.626	2,815.461
• APN: BA05: Line Item # 0593: Modifications (CV), PE 0204146N	18.371	48.527	26.004	0.000	26.004	49.848	20.721	12.929	13.192	Continuing	Continuing
• OPN: BA03: Line Item # 4268: JSF Aviation Support Equipment ALIS Ship Alts	1.539	1.969	1.811	0.000	1.811	1.866	1.868	1.910	1.947	Continuing	Continuing
• OPN:BA03: ALIS Ship ALTS Installs	3.977	1.924	0.329	0.000	0.329	2.024	1.890	1.933	1.972	Continuing	Continuing
• OPN:BA03 USN: Optical Landing System Investment	0.000	0.000	1.800	0.000	1.800	1.800	1.800	3.300	0.000	Continuing	Continuing
• OPN:BA03:: Spares for Aviation Support Equipment	0.730	2.946	0.881	0.000	0.881	2.297	2.321	1.939	1.977	Continuing	Continuing
• USN OM: Operations and Maintenance	35.468	75.651	138.933	0.000	138.933	96.354	135.712	115.743	216.600	Continuing	Continuing
• USN MILCON: USN JSF Military Construction	60.200	72.460	11.800	0.000	11.800	0.000	0.000	0.000	0.000	-	-
• RDTEN: BA05: PE 0604800M 2262: JSF SDD (STOVL)	476.350	505.949	507.078	0.000	507.078	88.414	9.649	5.842	3.858	-	-

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**Exhibit R-2A, RDT&E Project Justification:** PB 2017 Air Force **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 676011 / JSF DUAL CAPABLE AIRCRAFT
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**C. Other Program Funding Summary (\$ in Millions)**

<u>Line Item</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• RDTEN: BA05: PE 0604800M 3350: F-35B Sustainment/ Capability Enhancements (STOVL), BPAC 3350	11.589	31.952	24.348	0.000	24.348	11.427	0.000	0.000	0.000	-	-
• RDTEN: BA05: PE 0604810M 2935: F-35B Follow-on Development (STOVL), BPAC 2935	10.086	20.798	74.227	0.000	74.227	154.047	164.276	168.433	172.040	Continuing	Continuing
• APN: BA01: Line Item # 0152C: JSF Advance Procurement (STOVL), PE 0204146M	143.885	203.060	233.648	0.000	233.648	370.472	227.562	231.003	220.000	2,638.098	4,870.881
• APN: BA01: Line Item # 0152: JSF (STOVL), PE 0204146M	1,178.488	2,147.714	2,037.768	0.000	2,037.768	2,620.324	2,481.778	2,514.127	2,558.802	20,571.510	40,035.833
• APN: BA06: Line Item # 0605 USMC: Initial Spares (STOVL), PE 0204146M	64.285	111.569	123.252	0.000	123.252	26.159	88.434	160.150	140.989	1,466.285	2,508.244
• APN: BA05: Line Item # 0592: Modifications (STOVL), PE 0204146M	157.905	204.464	34.928	0.000	34.928	158.277	89.352	64.963	79.077	Continuing	Continuing
• USMC OM: Operations and Maintenance	133.550	188.391	174.580	0.000	174.580	162.927	165.068	168.212	167.636	Continuing	Continuing
• USMC MILCON: USMC JSF Military Construction	71.704	21.960	219.100	0.000	219.100	64.660	121.990	119.800	0.000	642.400	1,966.114
• International 1: International SDD	15.000	17.000	22.000	0.000	22.000	27.450	0.000	0.000	0.000	-	-
• International 2: International Production	3,350.860	4,211.698	5,377.274	0.000	5,377.274	7,420.782	7,893.177	9,050.299	8,092.207	Continuing	Continuing
• International 3: International FoD	21.086	79.318	128.965	0.000	128.965	157.602	169.315	171.636	68.599	Continuing	Continuing
• International 4: International Unique (SDD/PSFD)	81.681	39.852	39.608	0.000	39.608	11.474	22.812	29.409	5.357	-	-

**Remarks**  
This is a joint program with no executive service. Service Acquisition Executive (SAE) authority alternates between the Department of the Navy and the Department of the Air Force and currently resides with the Navy. Program Element 0604800N/0604800M continues USN development efforts budgeted in 0603800N prior to FY2002. The United Kingdom, Italy, Netherlands, Turkey, Canada, Australia, Denmark, and Norway are participants in the SDD phase of JSF.

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2017 Air Force	<b>Date:</b> February 2016
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<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / <i>F-35 Squadrons</i>	<b>Project (Number/Name)</b> 676011 / <i>JSF DUAL CAPABLE AIRCRAFT</i>
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**C. Other Program Funding Summary (\$ in Millions)**

<u>Line Item</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u> <u>Base</u>	<u>FY 2017</u> <u>OCO</u>	<u>FY 2017</u> <u>Total</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
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Note: The USAF/USN/USMC procurement lines include Aircraft Procurement and Advanced Procurement only. Initial Spares and Repair Parts for all Services are reflected in separate lines. International Partner Funding also includes funds provided under the Italy and Netherlands Bilateral agreements.

RELATED RDT&E: Funding prior to JSF SDD (FY94-FY01): USN PE 0603800N \$1,950,617; USAF PE 0603800F \$1,907,352; DARPA PE 0603800E \$118,056; and International Partner contributions of \$253,921 for a total of \$4,229,946.

**D. Acquisition Strategy**

The DCA effort will leverage contracting vehicles for the overall Block 4 F-35 Follow-on Development effort. Fee provisions will be used to target and motivate contractor performance.

**E. Performance Metrics**

Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air Force performance goals and most importantly, how they contribute to our mission.

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**Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force** **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 676011 / JSF DUAL CAPABLE AIRCRAFT
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<b>Product Development (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
Lockheed Martin - DCA Integration	SS/CPFF	Lockheed Martin : Ft. Worth, TX	9.682	13.843	Sep 2015	4.967	Mar 2016	25.743	Mar 2017	0.000		25.743	Continuing	Continuing	-
DCA Requirements Decomposition	SS/CPAF	Lockheed Martin : Ft. Worth, TX	0.000	0.948	Jun 2015	0.000		0.000		0.000		0.000	0.000	0.948	-
<b>Subtotal</b>			9.682	14.791		4.967		25.743		0.000		25.743	-	-	-

<b>Support (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
<b>Subtotal</b>			-	-		-		-		-		-	-	-	-

<b>Test and Evaluation (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
Prime LM IDIQ 13-D-0005 B61-12 Test Support	SS/CPFF	Lockheed Martin : Ft. Worth, TX	0.000	0.820	May 2015	0.000		0.000		0.000		0.000	0.000	0.820	-
B61-12 Risk Reduction Test Support	PO	Air Force Seek Eagle Office : Eglin AFB, FL	0.000	0.004	May 2015	0.000		0.000		0.000		0.000	0.000	0.004	-
<b>Subtotal</b>			0.000	0.824		0.000		0.000		0.000		0.000	0.000	0.824	-

<b>Management Services (\$ in Millions)</b>				FY 2015		FY 2016		FY 2017 Base		FY 2017 OCO		FY 2017 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			
<b>Subtotal</b>			-	-		-		-		-		-	-	-	-

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**Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Air Force** **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 676011 / JSF DUAL CAPABLE AIRCRAFT
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	Prior Years	FY 2015	FY 2016	FY 2017 Base	FY 2017 OCO	FY 2017 Total	Cost To Complete	Total Cost	Target Value of Contract
<b>Project Cost Totals</b>	9.682	15.615	4.967	25.743	0.000	25.743	-	-	-

**Remarks**

F-35 FoD Includes:  
 USAF: PE 0207142F BPAC 675346  
 USN: FY13 PE 0604800N Project Unit 2261  
 USN: FY14 PE 0604800N Project Unit 3353  
 USN: FY15 PE 0604810N Project Unit 2936  
 USMC: FY13 PE 0604800M Project Unit 2262  
 USMC: FY14 PE 0604800M Project Unit 3351  
 USMC: FY15 PE 0604810M Project Unit 2935

F-35 DCA Includes:  
 USAF PE 0207142F BPAC 676011  
 USN N/A  
 USMC N/A

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**Exhibit R-4, RDT&E Schedule Profile: PB 2017 Air Force** **Date:** February 2016

<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / F-35 Squadrons	<b>Project (Number/Name)</b> 676011 / JSF DUAL CAPABLE AIRCRAFT
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	FY 2015				FY 2016				FY 2017				FY 2018				FY 2019				FY 2020				FY 2021							
	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				
DCA Risk Reduction																																
Nuclear Certification																																
Requirements Decomposition Contract (Nuclear Certification Tasks)																																
Pre-Modernization Contract (Nuclear Certification Tasks) and Preliminary Engineering & Design																																
Modernization Contract (Nuclear Certification Tasks) and Design, Build & Test																																

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<b>Exhibit R-4A, RDT&amp;E Schedule Details:</b> PB 2017 Air Force		<b>Date:</b> February 2016
<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0207142F / <i>F-35 Squadrons</i>	<b>Project (Number/Name)</b> 676011 / <i>JSF DUAL CAPABLE AIRCRAFT</i>

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
DCA Risk Reduction	1	2015	3	2016
Nuclear Certification	4	2015	4	2021
Requirements Decomposition Contract (Nuclear Certification Tasks)	3	2015	4	2016
Pre-Modernization Contract (Nuclear Certification Tasks) and Preliminary Engineering & Design	2	2016	3	2018
Modernization Contract (Nuclear Certification Tasks) and Design, Build & Test	3	2018	4	2021