

**UNCLASSIFIED**

**Exhibit R-2, RDT&E Budget Item Justification: PB 2022 Army** **Date:** May 2021

<b>Appropriation/Budget Activity</b> 2040: <i>Research, Development, Test &amp; Evaluation, Army / BA 6: RDT&amp;E Management Support</i>	<b>R-1 Program Element (Number/Name)</b> PE 0605103A / <i>Rand Arroyo Center</i>
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COST (\$ in Millions)	Prior Years	FY 2020	FY 2021	FY 2022 Base	FY 2022 OCO	FY 2022 Total	FY 2023	FY 2024	FY 2025	FY 2026	Cost To Complete	Total Cost
Total Program Element	-	12.573	12.989	33.126	-	33.126	-	-	-	-	-	-
732: <i>Arroyo Center Spt</i>	-	12.573	12.989	33.126	-	33.126	-	-	-	-	-	-

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

This Program Element (PE) funds RAND Arroyo Center, the Department of the Army's Federally Funded Research and Development Center (FFRDC) for studies and analysis. RAND Arroyo Center draws researchers from RAND's staff of nearly 700 professionals trained in a broad range of disciplines. Most staff members work in RAND's principal locations: Santa Monica, California; Arlington, Virginia; and Pittsburgh, Pennsylvania. RAND Arroyo Center provides for continuing analytical research across a broad spectrum of issues and concerns, grouped in three major research areas: Personnel, Training, and Health; Forces and Logistics; and Strategy, Doctrine and Resources. RAND Arroyo Center research agenda is primarily focused on mid/long-term concerns. Current priorities include: implementation of the National Defense Strategy; total force readiness; Army modernization priorities; ongoing operations and dynamic force employment; reform business processes; multi-domain operations; and soldier-centric investments and soldier and family resilience. Results and analytical findings directly affect senior leadership deliberations on major issues. RAND Arroyo research is sponsored by the Secretary, Chief of Staff, Under Secretary, Vice Chief of Staff, Deputy Chiefs of Staff; Assistant Secretaries of the Army, and Army Major Commands. RAND Arroyo is governed by AR 5-21 and receives Army guidance through the Arroyo Center Policy Committee (ACPC), which is co-chaired by the Vice Chief of Staff of the Army and the Assistant Secretary of the Army (Acquisition, Logistics and Technology). The ACPC reviews, monitors, and approves the annual Arroyo Center research plan. Each research project is sponsored by a General Officer or Senior Executive Service who is continually involved in research evaluation and feedback. RAND Arroyo provides the Army with a unique multidisciplinary capability for independent analysis.

<b>B. Program Change Summary (\$ in Millions)</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022 Base</b>	<b>FY 2022 OCO</b>	<b>FY 2022 Total</b>
Previous President's Budget	13.113	13.481	14.091	-	14.091
Current President's Budget	12.573	12.989	33.126	-	33.126
Total Adjustments	-0.540	-0.492	19.035	-	19.035
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-0.540	-0.492			
• Adjustments to Budget Years	-	-	19.035	-	19.035

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<b><u>Change Summary Explanation</u></b> FFRDC was mandated a change in business model from 1/3 - 2/3 reimbursable to a direct model based upon Under Secretary of Defense for Research and Engineering (DoD(R&E)) new guidance. This will change direct funding to 2/3's of requirement enabling the Army to better allocate resources to study and analyze national defense and Army priorities.		