

**UNCLASSIFIED**

**Exhibit R-2, RDT&E Budget Item Justification: PB 2024 Army** **Date:** March 2023

<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 2022	FY 2023	FY 2024 Base	FY 2024 OCO	FY 2024 Total	FY 2025	FY 2026	FY 2027	FY 2028	Cost To Complete	Total Cost
Total Program Element	-	31.087	33.631	37.078	-	37.078	38.045	38.894	39.309	39.738	Continuing	Continuing
732: <i>Arroyo Center Spt</i>	-	31.087	33.631	37.078	-	37.078	38.045	38.894	39.309	39.738	Continuing	Continuing

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

This Program Element funds the RAND-Arroyo Center, the Department of the Army's Federally Funded Research and Development Center, for strategic studies and analysis. The Army's management of RAND-Arroyo's activities are governed by AR 5-21. RAND-Arroyo Center provides strategic analytical research across a broad spectrum of issues grouped into the following core competencies research areas: Personnel, Training, and Health; Forces and Logistics; and Strategy, Doctrine and Resources; applied national security knowledge; academic rigor; multidisciplinary teams; and dynamism, which includes innovation and agility. The RAND-Arroyo Center research agenda is primarily focused on mid/long-term strategic concerns. Current priorities include: implementation of the National Defense Strategy; total force readiness; Army modernization; operations and dynamic force employment; reform of business processes; multi-domain operations; soldier-centric investments; and soldier and family resilience. Results and analytical findings directly affect senior leadership deliberations on major issues. The Arroyo Center Policy Committee (ACPC), is co-chaired by the Under Secretary of the Army and Vice Chief of Staff of the Army, provides guidance, sets the annual research plan, and monitors execution. RAND-Arroyo research is sponsored by Army Senior Leaders and Army Major Commands. In FY21, the ACPC 1) directed a change in the execution of the RAND-Arroyo program which resulted in a change to the business model and 2) directed a consolidation of existing resources for the RAND-Arroyo program.

<b>B. Program Change Summary (\$ in Millions)</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024 Base</b>	<b>FY 2024 OCO</b>	<b>FY 2024 Total</b>
Previous President's Budget	32.296	35.542	36.915	-	36.915
Current President's Budget	31.087	33.631	37.078	-	37.078
Total Adjustments	-1.209	-1.911	0.163	-	0.163
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-1.209	-			
• SBIR/STTR Transfer	-	-			
• Adjustments to Budget Years	-	-	0.163	-	0.163
• FFRDC Transfer	-	-1.911	-	-	-

**Change Summary Explanation**

Increased funding due to revised economic assumptions.