

UNCLASSIFIED

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

Appropriation/Budget Activity 2040: Research, Development, Test & Evaluation, Army / BA 6: RDT&E Management Support	R-1 Program Element (Number/Name) PE 0605103A / Rand Arroyo Center
---	--

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	-	30.800	37.078	38.122	-	38.122	38.970	39.386	39.815	40.213	Continuing	Continuing
732: Arroyo Center Spt	-	30.800	37.078	38.122	-	38.122	38.970	39.386	39.815	40.213	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. Program Change Summary (\$ in Millions)	FY 2023	FY 2024	FY 2025 Base	FY 2025 OCO	FY 2025 Total
Previous President's Budget	33.631	37.078	38.045	-	38.045
Current President's Budget	30.800	37.078	38.122	-	38.122
Total Adjustments	-2.831	0.000	0.077	-	0.077
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-1.601	-			
• SBIR/STTR Transfer	-1.230	-			
• Adjustments to Budget Years	-	-	0.077	-	0.077

Change Summary Explanation

Minor increase in FY25 funding due to economic assumptions.