

**UNCLASSIFIED**

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

<b>Appropriation/Budget Activity</b> 2040: <i>Research, Development, Test &amp; Evaluation, Army / BA 5: System Development &amp; Demonstration (SDD)</i>	<b>R-1 Program Element (Number/Name)</b> PE 0605203A / <i>Army System Development &amp; Demonstration</i>
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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	0.000	143.616	81.657	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	225.273
BR3: <i>Army System Development &amp; Demonstration</i>	-	143.616	81.657	-	-	-	-	-	-	-	0.000	225.273

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

The Army System Development & Demonstration budget line includes multiple efforts across the Army's Battlefield Operational Systems necessary to support projects in engineering and manufacturing development for use on programs that have not received approval for full-rate. System performance is near or at planned operational system levels.

Projects are characterized by mature system development, integration, demonstration to support Milestone C decisions, conducting live fire test and evaluation, and initial operational test and evaluation of production representative articles.

Selected programs within this budget line will exhibit a logical progression of program phases, development and production funding within the FYDP, consistent with the Department's full funding policy.

<b><u>B. Program Change Summary (\$ in Millions)</u></b>	<b><u>FY 2023</u></b>	<b><u>FY 2024</u></b>	<b><u>FY 2025 Base</u></b>	<b><u>FY 2025 OCO</u></b>	<b><u>FY 2025 Total</u></b>
Previous President's Budget	143.616	81.657	79.131	-	79.131
Current President's Budget	143.616	81.657	0.000	-	0.000
Total Adjustments	0.000	0.000	-79.131	-	-79.131
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• Adjustments to Budget Years	-	-	-79.131	-	-79.131

**Change Summary Explanation**

Funding decrease due to budget line item restructure.