

UNCLASSIFIED

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

Appropriation/Budget Activity 2040: <i>Research, Development, Test & Evaluation, Army / BA 5: System Development & Demonstration (SDD)</i>	R-1 Program Element (Number/Name) PE 0605231A / <i>Precision Strike Missile (PrSM)</i>
--	--

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	-	181.574	259.506	272.786	-	272.786	238.657	238.938	241.485	244.117	0.000	1,677.063
CO3: <i>Precision Strike Missile (PrSM)</i>	-	181.574	259.506	272.786	-	272.786	238.657	238.938	241.485	244.117	0.000	1,677.063

A. Mission Description and Budget Item Justification

Precision Strike Missile (PrSM) funding line is directly aligned to the Army Long Range Precision Fires Modernization Priority.

PrSM is the Army's next generation surface-to-surface missile that replaces and improves upon Army Tactical Missile System (ATACMS) capabilities. The mission of PrSM is to attack/neutralize/suppress/destroy targets using missile delivered indirect precision fires. PrSM will provide Joint Force Commanders with a 24/7, all-weather capability to attack critical and time sensitive area and point targets including threat air defense, missile launchers, command and control centers, assembly/staging areas and high payoff targets at all depths of the multi-domain battlefield. PrSM will counter the enemy's ability to conduct combat maneuver and air defense operations. The PrSM program is a component of an integrated fires development effort that includes survivability, resiliency, and effectiveness improvements against advanced threats from near-peer adversaries. These efforts include integration with an evolving common fires mission command, common development tools and processes, and annual test and evaluation to provide data to support program assessments and progress toward closure of performance gaps.

PrSM requirements include: threshold max range of 400 kilometers (km), specified lethality against the designated target set, a Launch Pod Missile Container (LPMC) that holds two missiles, survivability in a threat environment, and compatibility with the existing launcher platforms (M270A2 Multiple Launch Rocket System (MLRS) and M142 High Mobility Artillery Rocket System (HIMARS)). PrSM will meet cluster and Insensitive Munition (IM) requirements and is designed with an open system approach that provides the capability for future growth to counter new and emerging threats. Increment 2's mission is to attack critical time sensitive moving maritime or relocated land targets. Future PrSM increments will provide increased lethality against hardened targets and extend range capability.

FY 2024 Base dollars in the amount of \$272.786 million supports continuation of PrSM Increment 1 Engineering and Manufacturing Development (EMD) and efforts to develop and integrate an Increment 2 prototype.

Increment 1 EMD activities include system level ground, safety, and flight testing. PrSM will also conduct missile software testing and integration with the Advanced Field Artillery Tactical Data System (AFATDS). On-going PrSM model and simulation efforts will serve to validate and verify system requirements. EMD design and test efforts support a robust and thorough flight test schedule.

Increment 2 integrates the Science & Technology (S&T) seeker into the PrSM Increment 1 missile. Increment 2 activities include transitioning the U.S. Army Combat Capabilities Development Command (DEVCOM) Aviation & Missile Center (AvMC) S&T seeker to the PrSM program of record. The FY 2024 focus is on meeting an Army Futures Command Directed Requirement for an FY 2027 Early Operational Capability (EOC). These activities include an Initial Design Review (IDR), Design Verification Testing (DVT), Preliminary Design Review (PDR), launcher software integration, and hardware in the loop activities. These events are in preparation for the PrSM Increment 2 demonstration flight tests that begin 4Q FY 2024.

UNCLASSIFIED

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

Appropriation/Budget Activity 2040: <i>Research, Development, Test & Evaluation, Army / BA 5: System Development & Demonstration (SDD)</i>	R-1 Program Element (Number/Name) PE 0605231A / <i>Precision Strike Missile (PrSM)</i>
--	--

B. Program Change Summary (\$ in Millions)	FY 2022	FY 2023	FY 2024 Base	FY 2024 OCO	FY 2024 Total
Previous President's Budget	188.452	259.506	237.566	-	237.566
Current President's Budget	181.574	259.506	272.786	-	272.786
Total Adjustments	-6.878	0.000	35.220	-	35.220
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-6.878	-			
• SBIR/STTR Transfer	-	-			
• Adjustments to Budget Years	-	-	35.220	-	35.220

Change Summary Explanation

An adjustment of \$35.220 million to FY 2024 Base was made to support Increment 2 development and prototype testing.

UNCLASSIFIED

Exhibit R-2A, RDT&E Project Justification: PB 2024 Army										Date: March 2023		
Appropriation/Budget Activity 2040 / 5					R-1 Program Element (Number/Name) PE 0605231A / <i>Precision Strike Missile (PrSM)</i>				Project (Number/Name) CO3 / <i>Precision Strike Missile (PrSM)</i>			
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
CO3: <i>Precision Strike Missile (PrSM)</i>	-	181.574	259.506	272.786	-	272.786	238.657	238.938	241.485	244.117	0.000	1,677.063
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

Precision Strike Missile (PrSM) funding line is directly aligned to the Army Long Range Precision Fires Modernization Priority.

PrSM is the Army's next generation surface-to-surface missile that replaces and improves upon Army Tactical Missile System (ATACMS) capabilities. The mission of PrSM is to attack/neutralize/suppress/destroy targets using missile delivered indirect precision fires. PrSM will provide Joint Force Commanders with a 24/7, all-weather capability to attack critical and time sensitive area and point targets including threat air defense, missile launchers, command and control centers, assembly/staging areas and high payoff targets at all depths of the multi-domain battlefield. PrSM will counter the enemy's ability to conduct combat maneuver and air defense operations. The PrSM program is a component of an integrated fires development effort that includes survivability, resiliency, and effectiveness improvements against advanced threats from near-peer adversaries. These efforts include integration with an evolving common fires mission command, common development tools and processes, and annual test and evaluation to provide data to support program assessments and progress toward closure of performance gaps.

PrSM requirements include: threshold max range of 400 kilometers (km), specified lethality against the designated target set, a Launch Pod Missile Container (LPMC) that holds two missiles, survivability in a threat environment, and compatibility with the existing launcher platforms (M270A2 Multiple Launch Rocket System (MLRS) and M142 High Mobility Artillery Rocket System (HIMARS)). PrSM will meet cluster and Insensitive Munition (IM) requirements and is designed with an open system approach that provides the capability for future growth to counter new and emerging threats. Increment 2's mission is to attack critical time sensitive moving maritime or relocated land targets. Future PrSM increments will provide increased lethality against hardened targets and extend range capability.

FY 2024 Base dollars in the amount of \$272.786 million supports continuation of PrSM Increment 1 Engineering and Manufacturing Development (EMD) and efforts to develop and integrate an Increment 2 prototype.

Increment 1 EMD activities include system level ground, safety, and flight testing. PrSM will also conduct missile software testing and integration with the Advanced Field Artillery Tactical Data System (AFATDS). On-going PrSM model and simulation efforts will serve to validate and verify system requirements. EMD design and test efforts support a robust and thorough flight test schedule.

Increment 2 integrates the Science & Technology (S&T) seeker into the PrSM Increment 1 missile. Increment 2 activities include transitioning the U.S. Army Combat Capabilities Development Command (DEVCOM) Aviation & Missile Center (AvMC) S&T seeker to the PrSM program of record. The FY 2024 focus is on meeting an Army Futures Command Directed Requirement for an FY 2027 Early Operational Capability (EOC). These activities include an Initial Design Review (IDR), Design Verification Testing (DVT), Preliminary Design Review (PDR), launcher software integration, and hardware in the loop activities. These events are in preparation for the PrSM Increment 2 demonstration flight tests that begin 4Q FY 2024.

UNCLASSIFIED

Exhibit R-2A, RDT&E Project Justification: PB 2024 Army		Date: March 2023		
Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605231A / <i>Precision Strike Missile (PrSM)</i>	Project (Number/Name) CO3 / <i>Precision Strike Missile (PrSM)</i>		
B. Accomplishments/Planned Programs (\$ in Millions)		FY 2022	FY 2023	FY 2024
<p>Title: Increment 1: Engineering and Manufacturing Development (EMD)</p> <p>Description: EMD activities to develop the Army's next generation missile capability that doubles volume of fire, meets range requirements by exceeding 400km, provides required lethality for both point and area targets, ensures survivability, meets cluster munition policy requirements, and provides an open system approach. PrSM provides field artillery units with a deep-strike capability while supporting Brigade, Division, Corps, Army, Theater, Joint and Coalition forces in full, limited, or expeditionary operations.</p> <p>FY 2023 Plans: The PrSM program will complete sub-system component testing and continue execution EMD with system qualification and ground and flight tests to support production of EOC missile deliveries planned for deployment at the end of FY 2023. Government developed launcher software and contractor developed missile software integration efforts will update the tactical software solution into Advanced Field Artillery Tactical Data System (AFATDS). PrSM will continue investment in M-Code A-PNT compliance efforts. PrSM will execute Production Qualification flight testing beginning in 4Q FY 2023.</p> <p>FY 2024 Plans: The program will continue PQT flight testing in FY 2024 and focus on system level hardware/software integration, performance and safety. PQT-5 flight test will be a Limited User Test (LUT) (2 missile flight) in 2Q FY 2024. Upon successful completion of the LUT, PrSM will staff a request for Urgent Materiel Release (UMR). After the LUT the program will shift focus to integration with the M270A2 launcher and the new Common Fire Control System (CFCS). Additional effort will focus on hardware builds and training material in preparation for (10) Initial Operational Test & Evaluation (IOT&E) flight tests occurring in early FY 2025.</p> <p>FY 2023 to FY 2024 Increase/Decrease Statement: The \$13.226 million decrease from FY 2023 to FY 2024 reflects the program completing qualification flight testing and finalizing launcher/missile software development on both platforms in support of operational testing in FY 2025.</p>		132.347	167.628	154.402
<p>Title: Increment 2 Integration</p> <p>Description: Activities to integrate Science and Technology (S&T) seeker technology into PrSM Increment 1 will result in an Increment 2 missile.</p> <p>FY 2023 Plans: FY 2023 funding supports the continued long lead hardware procurement and Development & Demonstration D&D activities necessary to transition the Science & Technology (S&T) seeker technology into the PrSM program of record. This includes continued DEVCOM AvMC engineering support to PrSM form fit activities, conduct of a System Requirements Review (SRR), conduct of a System Functional Review (SFR), and continued PrSM form factoring design activities by the prime contractor. This</p>		49.227	82.406	118.384

UNCLASSIFIED

Exhibit R-2A, RDT&E Project Justification: PB 2024 Army		Date: March 2023
Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605231A / <i>Precision Strike Missile (PrSM)</i>	Project (Number/Name) CO3 / <i>Precision Strike Missile (PrSM)</i>

B. Accomplishments/Planned Programs (\$ in Millions)	FY 2022	FY 2023	FY 2024
work is necessary in order to begin integration of the S&T seeker into the PrSM Increment 1 baseline missile beginning in FY 2024. FY 2024 Plans: FY 2024 activities focus on meeting an Army Futures Command Directed Requirement of an FY 2027 Early Operational Capability (EOC). These activities include an Initial Design Review (IDR), Design Verification Testing (DVT), launcher software integration, and hardware in the loop activities. The FY 2024 events are in preparation for the PrSM Increment 2 demonstration flight tests that begin 4Q FY 2024. FY 2023 to FY 2024 Increase/Decrease Statement: In FY 2024, PrSM Increment 2 RDTE scope increases by \$35.978 million due to the prime contractor and U.S. Army Combat Capabilities Development Command (DEVCOM) Aviation & Missile Center (AvMC) seeker integration activities.			
Title: FY 2023 SBIR/STTR Transfer Description: Funding transferred in accordance with Title 15 USC §638. FY 2023 Plans: Funding transferred in accordance with Title 15 USC §638. FY 2023 to FY 2024 Increase/Decrease Statement: Funding transferred in accordance with Title 15 USC §638.	-	9.472	-
Accomplishments/Planned Programs Subtotals	181.574	259.506	272.786

C. Other Program Funding Summary (\$ in Millions)											
<u>Line Item</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u> <u>Base</u>	<u>FY 2024</u> <u>OCO</u>	<u>FY 2024</u> <u>Total</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• C29600: <i>PRECISION STRIKE MISSILE (PRSM)</i>	166.130	162.876	384.071	-	384.071	476.026	501.086	603.077	603.057	0.000	2,896.323

Remarks

D. Acquisition Strategy
In 2017, the program was designated as Acquisition Category 1B. In 2018, Army leaders directed PrSM to accelerate the program and provide an Early Operational Capability (EOC) by FY 2023. The program awarded an Enhanced TMRR (E-TMRR) contract to reduce risk, conduct prototype flight-testing and conduct several Engineering and Manufacturing Development (EMD) activities to accelerate development. In 2020, Army senior leaders approved program acceleration using a single

UNCLASSIFIED

Exhibit R-2A, RDT&E Project Justification: PB 2024 Army		Date: March 2023
Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605231A / <i>Precision Strike Missile (PrSM)</i>	Project (Number/Name) CO3 / <i>Precision Strike Missile (PrSM)</i>
<p>vendor. The program is executing E-TMRR as a sole-source effort to demonstrate threshold program requirements and complete sub-assembly qualification activities. The contractor has conducted six (6) successful flight tests to date and is conducting sub-assembly qualification tests while establishing a pilot production line.</p> <p>The program received Milestone B approval in FY 2021 and awarded an EMD and initial EOC contract. The program is executing to begin delivering EOC missiles in FY 2023. Once the program begins delivering missiles, the program will utilize PQT flight test assets to qualify the production line before conducting a Production Readiness Review (PRR). The PRR will confirm the production line is qualified to support production of EOC and Initial Operational Test and Evaluation missiles. EOC missiles are contracted ahead of a Milestone C decision (FY 2025).</p> <p>In January 2021, the Army Requirements Oversight Council (AROC) validated the PrSM Increment 2 Capabilities Development Document (CDD) Annex A. Additionally on 6 July 2022, the Commanding General Army Futures Command signed a Directed Requirement for PrSM Increment 2 missiles. The Directed Requirement requires the delivery of Early Operational Capability (EOC) missiles beginning in FY 2027. In FY 2022 the program awarded a Broad Agency Announcement contract vehicle contract vehicle to transition seeker technology from Development Command (DEVCOM) into PrSM for Increment 2. The DEVCOM seeker will demonstrate in FY 2023. Success of this demonstration will inform final design and integration into PrSM Increment 2. PrSM Increment 2 prototype testing begins in 4QFY24 and will demonstrate TRL-6 by FY 2026. In November 2022, the Army Acquisition Executive determined that the Increment 2 program will follow the Major Capability Acquisition (MCA) Pathway.</p> <p>The Army has prioritized PrSM Increment 4 (extended range with seeker) ahead of PrSM Increment 3 (Modular Payload).</p>		

UNCLASSIFIED

Exhibit R-3, RDT&E Project Cost Analysis: PB 2024 Army **Date:** March 2023

Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605231A / Precision Strike Missile (PrSM)	Project (Number/Name) CO3 / Precision Strike Missile (PrSM)
--	---	---

Management Services (\$ in Millions)				FY 2022		FY 2023		FY 2024 Base		FY 2024 OCO		FY 2024 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			
Government Program Management	MIPR	Various : RSA, AL	-	5.442	Apr 2022	4.642	Apr 2023	5.972	Apr 2024	-		5.972	0.000	16.056	-
FY 2023 SBIR/STTR Transfer	Various	TBD : TBD	-	-		9.472		-		-		-	0.000	9.472	-
Subtotal			-	5.442		14.114		5.972		-		5.972	0.000	25.528	N/A

Remarks
RSA - Redstone Arsenal, Alabama

Product Development (\$ in Millions)				FY 2022		FY 2023		FY 2024 Base		FY 2024 OCO		FY 2024 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			
PrSM Increment 1 EMD - 1 Vendor (Lockheed Martin)	SS/FFP	LMMFCS : Grand Prairie, TX	-	114.068	Jan 2022	126.207	Jan 2023	108.339	Jan 2024	-		108.339	0.000	348.614	-
PrSM Increment 2 - 1 Vendor (Lockheed Martin)	SS/CPIF	LMMFCS : Grand Prairie, TX	-	20.825	Oct 2021	46.416	Oct 2022	75.486	Oct 2023	-		75.486	0.000	142.727	-
PrSM Increment 2 Seeker Integration	MIPR	DEVCOM AvMC : RSA, AL	-	22.134	Dec 2021	23.514	Dec 2022	27.438	Dec 2023	-		27.438	0.000	73.086	-
Development Engineering Support	MIPR	AMCOM/DEVCOM AvMC : RSA, AL	-	5.134	Nov 2021	11.083	Nov 2022	8.442	Nov 2023	-		8.442	0.000	24.659	-
Increment 1 - Software Development	MIPR	S3I : RSA, AL	-	-		9.981	Feb 2023	6.151	Feb 2024	-		6.151	0.000	16.132	-
Increment 2 - Software Development	MIPR	S3I : RSA, AL	-	-		1.500	Feb 2023	3.336	Feb 2024	-		3.336	0.000	4.836	-
A-PNT	MIPR	DEVCOM AvMC : RSA, AL	-	-		9.999	Dec 2022	13.148	Dec 2023	-		13.148	0.000	23.147	-
Software Development	MIPR	S3I : RSA, AL	-	5.252	Feb 2022	-		-		-		-	0.000	5.252	-
Subtotal			-	167.413		228.700		242.340		-		242.340	0.000	638.453	N/A

UNCLASSIFIED

Exhibit R-3, RDT&E Project Cost Analysis: PB 2024 Army **Date:** March 2023

Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605231A / Precision Strike Missile (PrSM)	Project (Number/Name) CO3 / Precision Strike Missile (PrSM)
--	---	---

Product Development (\$ in Millions)				FY 2022		FY 2023		FY 2024 Base		FY 2024 OCO		FY 2024 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			

Remarks
AMCOM - Aviation and Missile Command; A-PNT - Assured-Position, Navigation and Timing; DEVCOM AvMC - U.S. Army Combat Capabilities Development Command Aviation & Missile Command; LMMFCS - Lockheed Martin Missiles and Fire Control System; RSA - Redstone Arsenal, Alabama; S3I - Systems Simulation, Software and Integration; TX - Texas

Support (\$ in Millions)				FY 2022		FY 2023		FY 2024 Base		FY 2024 OCO		FY 2024 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			
SETA Support	SS/T&M	Various; Competitive SETA Contract Award in Aug 2021 : RSA, AL	-	4.169	Dec 2021	5.574	Dec 2022	6.240	Dec 2023	-		6.240	0.000	15.983	-
Subtotal			-	4.169		5.574		6.240		-		6.240	0.000	15.983	N/A

Remarks
RSA - Redstone Arsenal, AL; SETA - Systems Engineering and Technical Assistance

Test and Evaluation (\$ in Millions)				FY 2022		FY 2023		FY 2024 Base		FY 2024 OCO		FY 2024 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			
Increment 1 - Test Support	MIPR	WSMR; RTC : WSMR,NM; RSA, AL; VTSB, CA	-	-		8.718	Dec 2022	14.484	Dec 2023	-		14.484	0.000	23.202	-
Increment 2 - Test Support	MIPR	WSMR; RTC : WSMR,NM; RSA, AL; EAFB, FL	-	-		2.400	Dec 2022	3.750	Dec 2023	-		3.750	0.000	6.150	-
Test Support	MIPR	WSMR; RTC : WSMR,NM; RSA, AL	-	4.550	Dec 2021	-		-		-		-	0.000	4.550	-
Subtotal			-	4.550		11.118		18.234		-		18.234	0.000	33.902	N/A

UNCLASSIFIED

Exhibit R-4, RDT&E Schedule Profile: PB 2024 Army		Date: March 2023
Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605231A / <i>Precision Strike Missile (PrSM)</i>	Project (Number/Name) CO3 / <i>Precision Strike Missile (PrSM)</i>

Event Name	FY 2022				FY 2023				FY 2024				FY 2025				FY 2026				FY 2027				FY 2028											
	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								
Increment 2 - System CDR																					8 ▲															
Increment 2 - ATEC User Demo																									9 ▲											
Increment 2 - EOC 1 Capability																													10 ▲							

UNCLASSIFIED

Exhibit R-4A, RDT&E Schedule Details: PB 2024 Army		Date: March 2023
Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605231A / <i>Precision Strike Missile (PrSM)</i>	Project (Number/Name) CO3 / <i>Precision Strike Missile (PrSM)</i>

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Technology Maturation and Risk Reduction (TMRR) Phase	1	2020	4	2021
Milestone B	4	2021	4	2021
Engineering and Manufacturing Development (EMD) Phase	1	2022	3	2025
Production Qualification Testing (PQT) Ground / Component / Safety	4	2023	3	2024
PQT Flight Tests	4	2023	2	2024
Limited User Test (LUT)	2	2024	2	2024
Initial Operational Test and Evaluation (IOT&E)	1	2025	2	2025
Milestone C / Full Rate Production Decision	3	2025	3	2025
Initial Operational Capability	4	2025	4	2025
Increment 2 - Design Verification Testing	1	2024	1	2024
Increment 2 - Integration and Support	3	2023	4	2025
Increment 2 - Initial Design Review (IDR)	2	2024	2	2024
Increment 2 - System PDR	2	2025	2	2025
Increment 2 - Seeker Critical Design Review (CDR)	2	2024	2	2024
Increment 2 - Prototype Flight Tests	4	2024	1	2026
Increment 2 - System CDR	4	2026	4	2026
Increment 2 - ATEC User Demo	3	2027	3	2027
Increment 2 - EOC 1 Capability	4	2027	4	2027