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DEPARTMENT OF THE ARMY JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1
981 SUBMITTED TO CONGRESS JANUARY 1980, PART 3, PROCUREMENT PROGRAM
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National Technical Information Service**

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DEPARTMENT OF THE ARMY JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1981,
SUBMITTED TO CONGRESS JANUARY 1980, PROCUREMENT PROGRAMS, AIRCRAFT, MISSILES
WEAPONS & TRACKED COMBAT VEHICLES AMMUNITION AND OTHER PART 3 OF 5 PARTS

DEPARTMENT OF ARMY

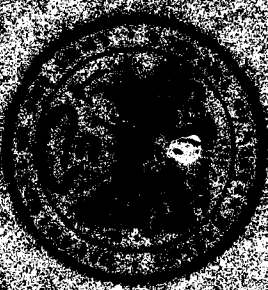
JANUARY 1980

DEPARTMENT OF THE ARMY

OFFICE OF ESTIMATES FOR RESEARCH AND DEVELOPMENT

SUBMITTED TO CONGRESS

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RESEARCH AND DEVELOPMENT

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20. ABSTRACT (Continue on reverse side if necessary and identify by block number) In justification of programs requested, this document, in separate volume for each of the five Procurement Appropriations, provides backup data for the Army Budget submission for FY 1981. Included are Summaries of Requirements, Program and Financing Statements and Selected Data Sheets. (This document has been declassified for NTIS distribution). * weapons and tracked combat vehicles		

DEPARTMENT OF THE ARMY
Office of the Deputy Chief of Staff
For
RESEARCH, DEVELOPMENT AND ACQUISITION

1

28 January 1980

DEPARTMENT OF THE ARMY
PROCUREMENT APPROPRIATIONS

Justification of Estimates for Fiscal Year 1981, 82 (Auth only)

<u>TABLE OF CONTENTS</u>	<u>Page No.</u>
Aircraft Procurement, Army	1-1
Missile Procurement, Army	2-1
Procurement of Weapons and Tracked Combat Vehicles, Army..	3-1
Procurement of Ammunition, Army	4-1
Other Procurement, Army	5-1
Procurement of Equipment and Missiles, Army	6-1

DEPARTMENT OF THE ARMY

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

JUSTIFICATION OF ESTIMATES FOR FISCAL YEAR 1981, 1982

TABLE OF CONTENTS

	<u>PAGE NO.</u>
Section 1 - Budget Appendix Extract -----	3-1
Section 2 - Introductory Statement -----	3-10
Section 3 - Summary of Requirements -----	3-12
Section 4 - Budget Activity Justification -----	3-15
Section 5 - Comparison of Program Requirements and Financing -----	3-29
Section 6 - Selected Data Sheets -----	3-34
Section 7 - Analysis of Unobligated Balances -----	3-35
Section 8 - Modification (applicable only to Aircraft Procurement, Army and Missile Procurement, Army) -----	3-38
Section 9 - Flight Simulators (applicable only to Aircraft Procurement, Army) -	3-39
Section 10 - War Reserves - Secondary Items (furnished separately) -----	3-40

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 1

Budget Appendix Extract

Language

Program and Financing Schedule

Object Classification Schedule

APPROPRIATION LANGUAGE

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor, specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, without regard to section 4774, title 10, United States Code, for the foregoing purposes, and such lands and interest therein, may be acquired, and construction prosecuted thereon prior to approval of title as required by section 355, Revised Statutes, as amended; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; \$1,824,100,000, and an additional \$12,100,000 shall be derived by transfer from Procurement of Weapons and Tracked Combat Vehicle, Army 1979/1981] \$2,628,900,000 to remain available for obligation until

(1)
(2)

(10 U.S.C. 2353, 3012, 4531, 4532, 31 U.S.C. 649c; Department of Defense Appropriation Act, 1979; additional authorizing legislation to be proposed.)

EXPLANATION OF LANGUAGE CHANGES

- (1) To change the amount of appropriation requested for FY 1981.
- (2) To change the obligation expiration date for the FY 1981 program.

Army

Procurement of Weapons and Tracked Combat Vehicles, Army

28 JAN 80

Program and Financing (in thousands of dollars)

Identification code 21-2033-0-1-051

Budget plan (amounts for procurement actions programmed)		Obligations	
1979 actual	1980 est.	1981 est.	1981 est.
1,425,300	1,641,600	1,366,229	1,591,122
99,100	182,900	97,373	183,170
1,524,400	1,824,500	1,463,602	1,774,292
419,236	400,000	396,910	380,708
1,943,636	2,224,500	1,862,512	2,155,000
			2,911,000

Program by activities:

- Direct:
1. Tracked combat vehicles
 2. Weapons and other combat vehicles

Total direct
Reimbursable program

10.00 Total

Financing:

Offsetting collections from:

- 11.00 Federal funds
- 13.00 Trust funds
- 14.00 Non-federal sources
- 21.40 Unobligated balance available, start of year:
For completion of prior year budget plans
Available to finance new budget plans
- 24.40 Unobligated balance available, end of year:
For completion of prior year budget plans
Available to finance subsequent year budget plans
- 25.00 Unobligated balance lapsing

Budget authority

Budget authority:

- 40.00 Appropriation
- 41.00 Transferred to other accounts
- 43.00 Appropriation (adjusted)
- 50.01 Reappropriation

Relation of obligations to outlays:

- 71.00 Obligations incurred, not
- 72.40 Obligated balance, start of year
- 74.40 Obligated balance, end of year
- 77.00 Adjustments in expired accounts

90.00 Outlays

Army

Procurement of Weapons and Tracked Combat Vehicles, Army

28 JAN 80

Object Classification (in thousands of dollars)

Identification code	21-2033-0-1-051	1979 actual	1980 est.	1981 est.
Direct obligations:				
25.0	Other services:			
	Contracts	811,667	659,380	961,225
26.0	Supplies and materials:	172,978	194,780	276,555
31.0	Equipment	778,957	920,132	1,286,860
	Total direct obligations	1,463,602	1,774,292	2,524,640
Reimbursable obligations:				
25.0	Other services:			
	Contracts	140,416	140,850	170,260
26.0	Supplies and materials:	47,470	71,145	80,300
31.0	Equipment	211,024	168,713	165,800
	Total reimbursable obligations	398,910	380,708	386,360
99.0	Total obligations	1,862,512	2,155,000	2,911,000

Army	Procurement of Weapons and Tracked Combat Vehicles, Army	28 JAN 80
Program and Financing (in thousands of dollars)		1977 Fiscal year program
Budget plan (amounts for procurement actions programmed)		Obligations
Identification code	21-2033-0-1-051	
	1979 actual	1980 est.
	1981 est.	1981 est.
Program by activities:		
Direct:		
1. Tracked combat vehicles	44,485	
2. Weapons and other combat vehicles	6,153	
Total direct	50,638	
Reimbursable program	2,274	
Total	52,912	
10.00		
Financing:		
Offsetting collections from:		
11.00 Federal funds	6,581	
13.00 Trust funds	6,075	
21.40 Unobligated balance available, start of year:	-114,947	
For completion of prior year budget plans		
Reprogramming from or to prior year budget plans	49,379	
25.00 Unobligated balance lapsing		
Budget authority		

Army	Procurement of Weapons and Tracked Combat Vehicles, Army		20 JAN 80	
	Program and Financing (in thousands of dollars)		1976 Fiscal Year Program	
	Budget plan (amounts for procurement actions programmed)		Obligations	
	1979 actual	1980 est.	1981 est.	1981 est.
Identification code	21-2033-0-1-051			
Program by activities:				
Direct:				
1. Tracked combat vehicles			61,078	72,040
2. Weapons and other combat vehicles			7,687	2,002
Total direct			68,765	74,042
Reimbursable program			26,100	21,346
Total			94,865	95,388
Financing:				
Offsetting collections from:				
11.00 Federal funds			1,618	
13.00 Trust funds			2,795	
21.40 Unobligated balance available, start of year:				
For completion of prior year budget plans			-194,667	-95,388
24.40 Unobligated balance available, end of year:				
For completion of prior year budget plans			95,388	
Budget authority				

Army	Procurement of Weapons and Tracked Combat Vehicles, Army				28 JAN 80
	Program and Financing (in thousands of dollars)				1979 Fiscal year program
Identification code	21-2033-0-1-051	Budget plan (amounts for procurement actions programmed)		Obligations	
		1979 actual	1980 est.	1981 est.	1981 est.
Program by activities:					
Direct:					
10.00	1. Tracked combat vehicles	1,425,300	.....	.....	113,472
	2. Weapons and other combat vehicles	99,100	.....	.....	8,500
	Total direct	1,524,400	.....	.....	121,972
	Reimbursable program	419,238	.....	.....	29,376
	Total	1,943,638	.....	.....	151,348
Financing:					
Offsetting collections from:					
11.00	Federal funds	-76,503	.....	.....	.....
13.00	Trust funds	-372,395	.....	.....	.....
14.00	Non-federal sources	-140	.....	.....	.....
21.40	Unobligated balance available, start of year:	.....	.....	.....	.....
	Available to finance new budget plans	.....	.....	.....	.....
24.40	Unobligated balance available, end of year:	.....	.....	.....	.....
	Available to finance subsequent year budget plans	.....	.....	.....	.....
25.00	Unobligated balance lapsing	12,100	.....	.....	.....
	Budget authority	1,506,700	.....	.....	.....
Budget authority:					
40.00	Appropriation	1,511,100	.....	.....	.....
41.00	Transferred to other accounts	-4,400	.....	.....	.....
43.00	Appropriation (adjusted)	1,506,700	.....	.....	.....

Army

Procurement of Weapons and Tracked Combat Vehicles, Army

26 JAN 80

Program and Financing (in thousands of dollars)		1980 Fiscal year program			
Identification code	21-2033-0-1-051	Obligations			
		Budget plan (amounts for procurement actions programmed)	1979 actual	1980 est.	1981 est.
Program by activities:					
Direct:					
1.	Tracked combat vehicles	1,641,600	.....	1,467,920	32,758
2.	Weapons and other combat vehicles	182,900	.....	174,100	3,900
Total direct		1,824,500	.....	1,642,020	36,658
Reimbursable program		400,000	.....	340,036	17,634
Total		2,224,500	.....	1,982,056	54,492
Financing:					
Offsetting collections from:					
11.00	Federal funds	-49,900	.....	-49,900	.....
13.00	Trust funds	-350,100	.....	-350,100	.....
21.40	Unobligated balance available, start of year:	.....	.....	.....	-242,444
For completion of prior year budget plans		.....	.....	.....	.....
24.40	Unobligated balance available, end of year:	.....	.....	.....	167,952
For completion of prior year budget plans		.....	.....	.....	.....
Budget authority		1,824,500	.....	1,824,500	.....
Budget authority:					
40.00	Appropriation	1,824,100	.....	1,824,100	.....
41.00	Transferred to other accounts	-11,700	.....	-11,700	.....
43.00	Appropriation (adjusted)	1,812,400	.....	1,812,400	.....
50.01	Reappropriation	12,100	.....	12,100	.....

Procurement of Weapons and Tracked Combat Vehicles, Army

28 JAN 80

Program and Financing (in thousands of dollars)

Identification code	21-2033-0-1-051	Program and Financing (in thousands of dollars)			1981 Fiscal year program		
		Budget plan (amounts for procurement actions programmed)			Obligations		
		1979 actual	1980 est.	1981 est.	1979 actual	1980 est.	1981 est.
Program by activities:							
Direct:							
1.	Tracked combat vehicles			2,241,700			2,017,610
2.	Weapons and other combat vehicles			387,200			348,400
	Total direct			2,628,900			2,366,010
	Reimbursable program			399,000			339,180
	Total			3,027,900			2,705,190
10.00							
Financing:							
Offsetting collections from:							
11.00	Federal funds			-68,300			-68,300
13.00	Trust funds			-330,700			-330,700
24.40	Unobligated balance available, end of year:						
	For completion of prior year budget plans						
	Budget authority			2,628,900			2,628,900

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 2

Introductory Statement

3-10 1/28/80

DEPARTMENT OF THE ARMY
ANNUAL BUDGET ESTIMATES

FY 1981, 82
Budget

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 2 - INTRODUCTORY STATEMENT

This appropriation finances the acquisition of tanks; personnel, mortar, cargo, and command post carriers; fighting vehicles, combat engineer vehicles; recovery vehicles; self-propelled and towed howitzers; machine gun guns; mortars; modification of in-service equipment; spares and repair parts; production base support; and depot maintenance plant equipment.

The 1981 program provides for continued procurement of XM1 series tank; personnel and cargo carriers; infantry and cavalry fighting vehicles; recovery vehicles; 155mm self propelled and towed howitzers; and machine guns. Funds are also provided for initial production of the Division Air Defense Gun Systems and XM252 81mm mortar. Funds are also included for modification of M60 series tanks, self-propelled howitzers, mortar and personnel carriers, and armored vehicle launcher bridge (AVLB). Funding resources are provided to complete facilitization of XM1 production locations and continue rehabilitation of other production facilities and establish depot maintenance facilities for tracked combat vehicles.

The FY 1982 program provides for continued procurement of XM1 tanks; infantry and cavalry fighting vehicles; personnel and cargo carriers; 155mm towed howitzers; Division Air Defense Gun Systems; machine guns; and mortars. Funds are also included for modifications of M60 series tanks; self-propelled howitzers; mortar and personnel carriers. Funding resources are provided for continued rehabilitation of production facilities and establishment of depot facilities.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 3

Summary of Requirements

3-12 1/28/80

SUMMARY OF REQUIREMENTS (In Thousands of Dollars)

Appropriation:	FY 1979		FY 1980		FY 1981	
	Actual	Estimate	Estimate	Estimate	Estimate	Estimate
Procurement of Weapons & Tracked Combat Vehicles, Army						
Tracked combat vehicles.....	\$1,425,300	\$1,641,600	\$2,241,700			
Weapons and other combat vehicles.....	99,100	182,900	367,200			
Total Direct Program.....	\$1,524,400	\$1,824,500	\$2,628,900			
Reimbursable Program.....	419,238	400,000	399,000			
TOTAL PROGRAM REQUIREMENTS.....	\$1,943,638	\$2,224,500	\$3,027,900			
Less: Portion of program to be obligated in subsequent fiscal years.....	\$ 241,004	\$ 242,444	\$ 322,740			
Plus: Obligations incurred against prior year program funds.....	159,873	172,944	205,840			
TOTAL OBLIGATIONS.....	\$1,862,512	\$2,155,000	\$2,911,000			

SUMMARY OF REQUIREMENTS (In Thousands of Dollars)

<u>Appropriation:</u>	<u>FY 1982</u> <u>Estimate</u>
<u>Procurement of Weapons & Tracked Combat Vehicles, Army</u>	
Activity 1 - Tracked Combat Vehicles.....	\$2,123,700
Activity 2 - Weapons and Other Combat Vehicles.....	708,400
 Total Direct Program	 \$2,832,100

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 4

Budget Activity Justifications

Activity 1 - Tracked Combat Vehicles

Activity 2 - Weapons and Other Combat Vehicles

Department of the Army Annual Budget Estimates JUSTIFICATION	Appropriation	FY 1981	
		Procurement of Weapons & Tracked Combat Vehicles, Army Budget	
		(In Thousands of Dollars)	
Budget Program or Budget Project Account		Actual	Estimate
Activity 1 - Tracked Combat Vehicles		Fiscal Year 1979	Fiscal Year 1980 Fiscal Year 1981
Direct Obligations or Direct Budget Plan		\$1,425,300	\$1,641,600 \$2,241,700

Section 1 - PURPOSE AND SCOPE

Provides for procurement of tracked combat vehicles including tanks, infantry and cavalry fighting vehicles, self-propelled artillery, recovery vehicles, personnel and cargo carriers, and associated equipment. The request also provides for modification kits, major assembly repair parts (including initial provisioning), related production base support and depot maintenance plant equipment.

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

Tracked Combat Vehicles - The requested funding level provides for continued procurement of the following tracked combat vehicles: XM1 tank to qualitatively improve the tank inventory and to meet tank fleet modernization goals; fighting vehicles to complement the XM1 tank as a combined arms team; M88A1 medium recovery vehicle to maintain a proper support ratio with increasing tank strength; M113A2 personnel and M548 cargo carriers, and the M109A2 self-propelled howitzer to improve near-term readiness and sustainability. To further improve and enhance Army materiel readiness of high-priority combat vehicles, funds are requested for the following modification programs: upgrade of the current fleet of the M113 family of carriers; enhancement of M110 and M109 self-propelled howitzers; modernization of the fielded M60 series tank fleet; and purchase and installation of armored protected Tube-launched, Optically tracked, Wire-guided (TOW) missile launchers on M113A2 carriers (ITV), and procurement of scissor bridges for the Armored Vehicle Lanucher Bridge (AVLB) system. Each of the major items included in this request is discussed below:

Carrier, Cargo, Tracked, M548 - \$35.9 million will procure 272 carriers which will serve as conventional ammunition carriers for self-propelled artillery units and as carriers of electronic warfare and countermine equipment. The resultant asset posture is 26 percent of the acquisition objective.

FY 1981

Department of the Army
Annual Budget Justification

JUSTIFICATION

Budget

Appropriation	Budget Program or Budget Project Account
Procurement of Weapons and Tracked Combat Vehicles, Army	Activity 1 - Tracked Combat Vehicles

Carrier, Personnel, FT, ARM, M13A2 - \$4.7 million is requested to procure 42 vehicles. These vehicles are required to fill existing shortages until adequate quantities of Fighting Vehicle System are fielded. This vehicle is also the carrier for the Improved TOW Vehicle and the Fire Support Team Vehicle.

Fighting Vehicle System (FVS) - \$464.4 million is requested for production of 400 Infantry and Cavalry Fighting Vehicles (IFV/CFV) which comprise the FVS. The FVS is designed to be compatible with the new XM1 main battle tank and provide improved fire power, cross-country mobility, and ballistic protection to infantry squads and cavalry sections. The armament is designed to engage an array of enemy targets and will include a two-man turret employing a 25mm automatic cannon, the TOW antitank guided missile system, and a 7.62 coaxial machine gun, all utilizing an integrated day/night thermal sight. Using the organic 5.56mm firing port weapon, the mounted infantry will be able to deliver suppressive fires around the vehicle. Interior configuration varies in the FVS to allow for differences in crew size and storage requirements.

Howitzer, Med, SP, FT, 155mm, M109A2 - \$20.0 million is requested for procurement of 36 M109A2 howitzers as the fifth year of a multiyear procurement. The resultant asset posture is 63 percent of the acquisition objective. This weapon provides the primary artillery support to armored and mechanized infantry units.

Recovery Vehicle Med, FT, M88A1 - \$130.1 million is requested to procure 175 M88A1 recovery vehicles. This vehicle is a full-tracked, armored recovery vehicle which performs vehicle rescue and recovery operations on the battlefield. This is the only vehicle in the Army inventory capable of performing battlefield recovery and repair of the tank. The resultant asset posture is 78 percent of the acquisition objective.

Tank, Combat, FT, 105mm Gun, XM1 - \$936.5 million is requested for procurement of 569 XM1 tanks. The XM1 tank will be a qualitatively superior tank to the M60 series tank. It will have significantly improved survivability provided by improved ballistic protection and compartmentalization of ammunition and fuel. Its 1500 hp turbine engine and improved suspension system will provide greater cross-country speed and shoot-on-the-move capability. The XM1 tank will be the Army's primary weapon system for armor battalions and is needed to counter the threat of the 1980's and 1990's.

Advance Procurement, Tank, Combat, FT, 105mm Gun, XM1 - \$95.9 million is requested for procurement of long-leadtime manufacturing items, components, and government-furnished equipment to support the FY 1982 production of XM1 tanks.

Training Equipment for Tank, XM1 - \$21.4 million is requested for procurement of training equipment required in the XM1 crew and maintenance personnel training program. Use of training equipment permits more efficient utilization of training areas and provides continuous training of personnel which reduces wear on actual equipment.

Department of the Army
Annual Budget Justification
JUSTIFICATION

FY 1981

Appropriation	Budget Program or Budget Project Account
Procurement of Weapons and Tracked Combat Vehicles, Army	Activity 1 - Tracked Combat Vehicles

Carrier, Modification (MOD) - \$31.6 million will convert 988 of the current gasoline-powered M113 carrier family assets to diesel power. This will complete the dieselization program. Funds are included to procure 1282 improved suspension and cooling kits which will improve cross-country mobility and reliability.

Improved Tube-Launched, Optically Tracked, Wire-Guided (TOW) Vehicle (ITV) (MOD) - \$56.8 million will procure 350 ITV kits and provide for their respective installation costs on M113A2 carriers. This program provides improved antitank capability and improved crew protection.

Howitzer, Med, Arm, SP, 155mm, M109 Series (MOD) - \$7.3 million is requested to complete the upgrading of the basic M109A1 howitzers to M109A3's. During the FY 1981 funded delivery period, 265 M109A1's will be converted. Funds are also included to complete the procurement of the thermal warning device.

Howitzer, Heavy, SP, FT, 8-Inch, M110 Series (MOD) - \$11.3 million is requested to complete the procurement on the reliability, availability, and maintainability (RAM) improved gun mount program and to continue the crew ballistic protection, gun tube liner, and safety improvement programs.

Armored Vehicle Launched Bridge (AVLB) (MOD) - \$17.6 million is requested to procure 123 scissor-type bridges. This procurement will provide an asset posture of 1.2 bridges per AVLB system.

Tank, Combat, FT, 105mm Gun, M60 Series (MOD) - \$49.8 million is requested to procure 147 modification kits for conversion of M60A1 tanks to the M60A3 configuration. These kits will improve main gun hit probability and capabilities for night operations as well as enhance tank reliability, availability, and maintainability. Requested funds will procure gun stabilization kits, laser rangefinders, solid state ballistic computers, and passive image intensification night sights for the tank commander, passive tank thermal sight for the gunner, and passive night viewers for the tank driver. The request will also provide for continued procurement of improved air cleaners, reliability engine kits, and electrical system component kits.

Modification Under \$900,000 - \$100,000 has been requested to procure modification kits for the M548 cargo carrier to improve the rear hatch and engine access area.

Spares and Repair Parts - \$204.3 million is requested for procurement of initial and replenishment spares and repair parts related to tracked combat vehicles.

FORMAT A

Department of the Army Annual Budget Justification		FY 1981
JUSTIFICATION		Budget
Appropriation	Budget Program or Budget Project Account	
Procurement of Weapons and Tracked Combat Vehicles, Army	Activity 1 - Tracked Combat Vehicles	

Items Less Than \$900,000 - \$0.9 million is requested for procurement of maintenance and repair equipment for tracked combat vehicles. Equipment to be procured includes shop sets and tool kits.

Production Base Support - \$153.1 million is requested for production base support, which now includes depot maintenance plant equipment requirements. The major emphasis for the FY81 production base support program (PBS) is centered around providing facilities for manufacturing the XM1 tank. This effort accounts for \$91.5 million of the \$153.1 million requested. The objective of this project is to continue to equip and/or rehabilitate the Army Modification Center, Lima, Ohio; the US Army Tank Plant, Warren, MI; the Stratford Army Engine Plant, Stratford, CT; and subcontractor facilities for production of the XM1 tank. Provisioning of the facilities will be accomplished by rehabilitating, purchasing and installing industrial plant equipment and office equipment plus other miscellaneous items of low dollar value. \$2.1 million is requested for annual support to maintain current production facilities of 155mm howitzer, at Bowen-McLaughlin-York, York, PA. The FY81 request also includes \$4.3 million for layaway of equipment excess to production, \$5.2 million for various manufacturing methods and technology projects, and \$0.8 million for military adaptation of commercial items. \$49.2 million is requested to procure capital investment equipment required to support depot maintenance operations associated with tracked combat vehicles. The requirement for equipment arises from new mission assignment projections, increased workload, facility modernization, and age/wear considerations. With the introduction of the M60A3 tank and the XM1 tank, depot maintenance facilities must be established both in the US and Europe to support the overhaul and repair of these vehicles. The equipment to be procured will provide the depots with the capability to more rapidly diagnosis, repair, and check out the electrical and mechanical subsystems of the tanks.

Department of the Army Annual Budget Estimates JUSTIFICATION Budget Program or Budget Project Account	Appropriation		FY 1981 Budget
	Procurement of Weapons & Tracked Combat Vehicles, Army		
	(In Thousands of Dollars)		
	Estimate		
Activity 1 - Tracked Combat Vehicles	Fiscal Year 1982		
Direct Obligations or Direct Budget Plan			\$2,123,700

Section 1 - PURPOSE AND SCOPE

Provides for procurement of tracked combat vehicles including tanks, infantry and cavalry fighting vehicles, cargo carriers; and associated equipment. The request also provides for modification kits, major assembly repair parts (including initial provisioning), related production base support, and depot maintenance plant equipment.

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

Tracked Combat Vehicles - The requested funding level provides for continued procurement of the following tracked combat vehicles: XM1 tank, M548 cargo carrier, M113A2 personnel carrier, Fighting Vehicles Systems to meet modernization goals and improve near-term readiness and sustainability. To further improve/enhance Army materiel readiness of high-priority combat vehicles, the following modification programs are continued: M113 family of carriers, the M110 series howitzer, and the M60 series tank fleet. Funds are also requested for initial procurement of Fire Support Team Vehicle (FISTV) kits and launchers and loader/transporters for the Surfaced-Launched Unit Fuel-Air Explosive (SLUFAE) system. Each of the major items included in this request is discussed below:

Carrier, M548 - \$43.9 million will procure 315 M548 carriers which are required for the conventional role of ammunition carrier for self-propelled artillery units, and as carriers for electronic warfare and countermine equipment. The resultant asset posture is 28 percent of the acquisition objective.

Carrier, Personnel, FT, ARM, M113A2 - \$4.3 million is requested to procure 35 vehicles. These vehicles are required to fill existing shortages until adequate quantities of Infantry and Cavalry Fighting Vehicles are fielded. This vehicle is also the carrier for the Improved TOW Vehicles and the Fire Support Team Vehicle.

Fighting Vehicle Systems (FVS) - \$541.9 million is requested to procure 600 Fighting Vehicle Systems. The FVS is designed to be compatible with the new XM1 main battle tank, with improved fire power, cross-country mobility, and ballistic protection for infantry squads and cavalry sections. The armament is designed to engage an array of enemy targets and will include a two-man turret employing a 25mm automatic cannon, the tube-launched, optically tracked, wire-guided (TOW) antitank guided missile system, and a 7.62mm coaxial machine gun, all utilizing an integrated day/night thermal sight. Using the organic 5.56mm firing port weapon, the mounted infantry will be delivering suppressive fires around the vehicle. Interior configuration varies in the FVS to allow for differences in crew size and storage requirements.

Department of the Army Annual Budget Justification		FY 1981
JUSTIFICATION		Budget
Appropriation	Budget Program or Budget Project Account	
Procurement of Weapons and Tracked Combat Vehicles, Army	Activity 1 - Tracked Combat Vehicles	

Training Equipment for FVS - \$7.5 million is requested for initial procurement of training equipment for use in Fighting Vehicle Systems (FVS) crew and maintenance personnel training programs. Use of training equipment permits more efficient utilization of training areas and provides continuous training of personnel which reduces wear on actual equipment.

Tank, Combat, FT, 105mm Gun, XM1 Series - \$907.1 million is requested for procurement of 720 XM1 tanks. The XM1 will be a highly mobile vehicle with significantly improved survivability provided by improved ballistic protection and compartmentalization. It will mount a large-caliber gun and two complementary armament systems with improved fire control and shoot-on-the-move capability. The XM1 tank will become the Army's main battle tank in armor units. It will be used as the primary offensive weapon of the Army's combined arms team to counter the threat of the 1980's. Considering all prime tank assets, the asset posture is 86 percent of the acquisition objective.

Advanced Procurement, Tank Combat, FT, 105mm Gun, XM1 - \$98.4 million is requested for procurement of long-leadtime manufacturing items, components, and government-furnished equipment to support the FY 1983 production XM1 tanks.

Training Equipment for XM1 Tank - \$28.8 million is requested to procure training equipment for use in XM1 crew and maintenance personnel training programs. Use of training equipment permits more efficient utilization of training areas and provides continuous training of personnel which reduces wear on actual equipment.

Carrier Modifications (MOD) - \$29.3 million is requested for procurement of 2333 kits to provide improved suspension and improved cooling to M113A1 carrier series.

SLUFAE VEH (M548) (MOD) - \$8.0 million is requested to procure 50 launchers and transporter/loaders for the Surface-Launched Unit Fuel-Air Explosive (SLUFAE) countermine system. FY82 will be the first year of procurement.

Fire Support Team Vehicle (FISTV) (MOD) - \$25.5 million is requested to provide funds for tooling and the initial procurement of 57 kits for the Fire Support Vehicles an integrated system platform which will provide under-armor protection for the Ground Laser Locator Designator. Mounted on an M113 carrier, the FISTV will increase the capability of the artillery Fire Support Team to provide rapid, accurate indirect fire support to the maneuver forces.

Howitzer, Heavy, SP, FT, 8-Inch M110A2 (MOD) - \$19.4 million is requested to continue efforts to provide the crew with ballistic protection to enhance the survivability of the systems. These funds will provide 520 ballistic protection kits. Funds are also included to provide a cannon tube liner which will extend the useful life of the cannon.

FY 1981

Department of the Army
Annual Budget Justification
JUSTIFICATION

Appropriation	Budget
Procurement of Weapons and Tracked Combat Vehicles, Army	Budget Program or Budget Project Account
	Activity 1 - Tracked Combat Vehicles

Tank, Combat, FT, 105mm Gun, M60 Series (MOD) - \$160.9 million is requested to procure 476 modification kits for conversion of M60A1 tanks to the M60A3 configuration. These kits will improve main gun hit probability and capabilities for night operations as well as enhance tank reliability, availability, and maintainability. Requested funds will procure gun stabilization kits, laser rangefinders, solid state ballistic computers, fire control night sights and driver's passive night viewers and continue procurement of improved air cleaners, reliability engine kits, and electrical system component kits.

Modifications Under \$900,000 - \$.5 million is requested to procure kits to modify the tailgate and engine access of the M548 cargo carrier.

Spares and Repair Parts - \$200.2 million is requested for procurement of initial and replenishment spares and repair parts items related to tracked combat vehicles.

Items Less Than \$900,000 - \$1.0 million is requested for the procurement of maintenance and repair equipment for tracked combat vehicles.

Production Base Support - \$47.0 million is requested for production base support which now includes depot maintenance plant equipment. \$20.6 million is requested to provide annual production support and equipment replacement to maintain current tank and howitzer production rates. \$4.6 million is requested for manufacturing equipment required at the tank production facilities for incorporation of the 120mm gun on the XM1 tank. A balance of the request provides \$8.3 million for layaway of the M60 series tank production lines, and \$7.4 million for various manufacturing methods and technology projects and for adaptation of commercial items for military use. \$6.1 million is requested to procure capital investment equipment required to support depot maintenance operations associated with tracked combat vehicles. The requirement for equipment arises from new mission assignment projections, increased workload projections, facility modernization and age/wear considerations.

Department of the Army Annual Budget Estimates JUSTIFICATION	Appropriation Procurement of Weapons & Tracked Combat Vehicles, Army	FY 1981 Budget
Budget Program or Budget Project Account	(In Thousands of Dollars)	
Activity 2 - Weapons and Other Combat Vehicles	Actual Fiscal Year 1979	Estimate Fiscal Year 1980 Fiscal Year 1981
	\$99,100	\$182,900 \$387,200
Direct Obligations or Direct Budget Plan		

Section 1 - PURPOSE AND SCOPE

Provides for procurement of weapons and other combat vehicles including air defense weapons, towed artillery, mortars, machine guns, and associated equipment. The request also provides for modification kits, procurement of depot repairable major assembly repair parts (including initial provisioning), related production base support, and depot maintenance plant equipment.

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

Weapons and Other Combat Vehicles - The requested funding level provides for continued procurement of the M198 howitzers, the firing port and vehicle rapid fire weapon system (VRFWS) BUSHMASTER weapons, the M240 machine gun, and the radar chronograph. Funding is also requested for the initial procurement of the division air defense (DIVAD) gun system and the XM252 81mm mortar. Each of the items included in this request is discussed below:

DIVAD GUN - \$176.8 million is requested for initial procurement of 12 DIVAD guns. This system will provide air defense for divisional maneuver elements, against attack by armed helicopters and high-performance fixed wing aircraft.

Advanced Procurement DIVAD Gun - \$6.3 million is requested for procurement of long-leadtime components that go in the M48A5 tank chassis of the DIVAD gun system. These items are needed to support the FY82 production of the DIVAD gun system.

Howitzer, Med, Towed, 155mm, M198 - \$46.9 million is requested to procure 144 M198 howitzers. The requested funds provide for a continuation of full-scale production. These howitzers, with their increased range capability over those howitzers currently in the Army inventory, are required to counter known threats. The resultant asset posture is 63% of the acquisition objective.

FY 1981

Department of the Army
Annual Budget Justification
JUSTIFICATION

Appropriation	Budget Program or Budget Project Account	Budget
Procurement of Weapons & Tracked Combat Vehicles, Army	Activity 2 - Weapons & Other Combat Vehicles	
Armor Machine Gun, 7.62mm, M240 - \$10.2 million is requested for procurement of 2360 M240 machine guns. This request will continue the five-year multiyear procurement from a continental United States (CONUS) producer. The resultant asset posture is 25 percent of the acquisition objective. Chronograph, Radar, M90 - \$5.4 million is requested to procure 240 chronographs. This is the final year of a multiyear procurement. This item enables improved firing accuracy of field artillery weapons. The resultant asset posture is 57% of the acquisition objective. Mortar, 81mm, XM252 - \$14.9 million is requested to procure 742 XM252 81mm mortars. The improved mortar replaces the M30 4.2-inch mortar as the battalion mortar for nonmechanized infantry and the M29 81mm mortar as the company mortar for mechanized infantry. The system is composed of both United Kingdom and US-produced components. Vehicle Rapid Fire Weapons System (VRFWS) (BUSHMASTER) - \$21.5 million is requested for the procurement of 480 25mm VRFWS, BUSHMASTER weapons. The BUSHMASTER is the primary armament for the Fighting Vehicle Systems. Firing Port Weapon - \$5.3 million is requested to continue the procurement of 4,000 XM231 5.56mm firing port weapons. This submachine gun is a derivative of the M16A1 rifle. Six weapons will be mounted in the squad compartment of the Infantry Fighting Vehicle, two on each side and two in the rear. Howitzer, 155mm, M114A2 (MOD) - \$1.1 million is requested to modify 36 howitzers with an improved barrel that extends the maximum range capability and permits the utilization of the recently developed ammunition. Launcher Smoke Grenade (MOD) - \$4.6 million is requested to continue procurement of these protective smoke systems for combat vehicles. This is an efficient defense system against antitank missiles. Combat Vehicle Heading Reference Unit (CVHRU) (MOD) - \$2.8 million is requested for initial procurement of the CVHRU. The CVHRU is a low-cost unit that provides vehicle heading information to assist the combat vehicle driver maintain orientation during periods of limited visibility.		

Department of the Army Annual Budget Justification		FY 1981
JUSTIFICATION		Budget
Appropriation	Budget Program or Budget Project Account	
Procurement of Weapons & Tracked Combat Vehicles, Army	Activity 2 - Weapons & Other Combat Vehicles	

Auxiliary Sensor Unit, CVHRS (ASU) (MOD) - \$1.6 million is requested for initial procurement of the ASU. The ASU is a directional gyro unit that is used in conjunction with the CVHRS to provide the armored unit commander with vehicle heading information thereby facilitating accurate cross-country navigation during periods of limited visibility.

Modifications Under \$900,000 - \$0.5 million is requested to improve the current M29 series 81mm mortar baseplates to reduce displacement in sandy soil and eliminate socket seizure problems. The improved baseplate will be applied only to those mortars which will remain in the Army inventory following procurement of the XM252 mortar.

Spares and Repair Parts - \$27.6 million is requested for procurement of initial and replenishment spares and repair parts related to weapons and other combat vehicles.

Items Less Than \$900,000 - \$1.4 million is requested for procurement of shop sets and tool sets for maintenance and repair of weapons and other combat vehicles.

Production Base Support - Production base support programs require \$62.3 million in FY 1981, of which \$32.2 million continues the modernization of the cannon production base at Watervliet Arsenal. The request includes \$15.8 million for replacement of production equipment and industrial plant equipment at Watervliet and Rock Island Arsenal and \$5.3 million for rehabilitation of small arms production facilities. Additionally, \$8.6 million is being requested for manufacturing methods and technology (\$6.3 million), layaway of industrial facilities (\$2.1 million), and military adaptation of commercial items (\$0.2 million). \$0.4 million is requested for procurement of capital equipment required to support depot maintenance operations associated with weapons and other combat vehicles. Requirements represent new mission assignment projections, projected increased workload, facility modernization, and age/wear considerations.

Department of the Army Annual Budget Estimates JUSTIFICATION	Appropriation		FY 1981 Budget
	Procurement of Weapons & Tracked Combat Vehicles, Army		
	(In Thousands of Dollars)		
Budget Program or Budget Project Account		Estimate	
Activity 2 - Weapons and Other Combat Vehicles		Fiscal Year 1982	
Direct Obligations or Direct Budget Plan			\$708,400

Section 1 - PURPOSE AND SCOPE

Provides for procurement of weapons and other combat vehicles including air defense weapons, towed artillery, mortars, machine guns, and associated equipment. The request also provides for modification kits, procurement of depot repairable major assembly repair parts (including initial provisioning), related production base support, and depot maintenance plant equipment.

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

Weapons and Other Combat Vehicles - The requested funding provides for continued procurement of the division air defense gun (DIVAD), the M198 155mm towed howitzer, the XM252 81mm mortar, the firing port and vehicle rapid fire weapon system (VFPWS) BUSHMASTER weapons, and the M240 machine gun. Modification programs are continued for the M114 155mm towed howitzer, smoke grenade launchers, and vehicular heading reference systems. Each of the major items included in this request is discussed below:

DIVAD Gun - \$403.8 million is requested for the second year procurement of 98 DIVAD Guns. This system will provide air defense for divisional maneuver elements, against attack by armed helicopters, and high performance, fixed wing aircraft.

Advance Procurement, DIVAD Gun - \$9.3 million is requested for procurement of long leadtime manufacturing items, components, and government furnished equipment to support the FY 1983 production of DIVAD guns.

Howitzer, Med, Towed, 155mm, M198 - \$33.5 million is requested to procure 99 M198 howitzers. The requested funds provide for a continuation of full-scale production. These howitzers, with their increased range capability over those howitzers currently in the Army inventory, are required to counter known threats. The resultant asset posture is 75% of the acquisition objective.

Armor, Machine Gun, 7.62mm, M240 - \$26.5 million is requested for procurement of 5400 M240 machine guns. This request will continue the five year multiyear procurement from a continental United States (CONUS) producer. The resultant asset posture is 33 percent of the acquisition objective.

Mortar, 81mm, XM252 - \$20.0 million is requested to procure 939 XM252 81mm mortars. The improved mortar replaces the M30 4.2-inch mortar as the battalion mortar for nonmechanized infantry and the M29 81mm mortar as the company mortar for mechanized infantry. The system is composed of both United Kingdom and US-produced components.

Department of the Army Annual Budget Justification		FY 1981
JUSTIFICATION		Budget
Appropriation	Budget Program or Budget Project Account	
Procurement of Weapons & Tracked Combat Vehicles, Army	Activity 2 - Weapons & Other Combat Vehicles	

Vehicle Rapid Fire Weapons Systems (VRFWS)(BUSHMASTER) - \$30.5 million is requested for the procurement of 720 25mm VRFWS, BUSHMASTER. The BUSHMASTER is the primary armament for the Fighting Vehicle Systems.

Firing Port Weapon - \$16.8 million is requested to complete the procurement of 18,850 XM231 5.56mm firing port weapons. This submachine gun is a derivative of the M16A1 rifle. Six weapons will be mounted in the squad compartment of the infantry fighting vehicle, two on each side and two in the rear.

Howitzer, 155mm M114A2 Modification - \$7.5 million is requested to replace the gun tubes on the M114A2 howitzers. This modification will extend the maximum range capability of the howitzer and permit the utilization of recently developed ammunition. These funds will complete the conversion of this weapon system and provide enhanced fire support capability to the reserve component.

Launcher Smoke Grenade (MOD) - \$4.7 million is requested to continue procurement of these protective smoke systems for combat vehicles. This is an efficient defense system against antitank missiles.

Combat Vehicle Heading Reference Unit (CVHRU) (MOD) - \$3.4 million is requested to continue procurement of the CVHRU. The CVHRU is a low cost unit that provides vehicle heading information to assist the combat vehicle driver maintain orientation during periods of limited visibility.

Auxiliary Sensor Unit, CVHRS (ASU) (MOD) - \$1.6 million is requested to continue procurement of the ASU. The ASU is a directional gyro unit that is used in conjunction with the CVHRU to provide the armored unit commander with vehicle heading information thereby facilitating accurate cross-country navigation during periods of limited visibility.

Modifications Under \$900,000 - \$0.5 million is requested to complete modifications to the M29A1 81mm mortar baseplate. Current baseplate experiences socket seizure and large displacement when fired on sandy soil.

Spares and Repair Parts - \$75.6 million is requested for procurement of initial and replenishment spares and repair parts related to weapons and other combat vehicles.

Items Less Than \$900,000 - \$1.6 million is requested for procurement of shop sets and tool sets for maintenance and repair of weapons and other combat vehicles.

FY 1981

Department of the Army
Annual Budget Justification
JUSTIFICATION

Appropriation	Budget
Procurement of Weapons & Tracked Combat Vehicles, Army	Budget Program or Budget Project Account
	Activity 2 - Weapons & Other Combat Vehicles

Production Base Support - Production base support programs require \$73.1 million in FY 1982 of which \$33.4 million continues the modernization of the cannon production base at Watervliet Arsenal. The request includes \$15.3 million for replacement of production equipment and industrial plant equipment at Watervliet and Rock Island Arsenal, \$5.3 million for rehabilitation of small arms production facilities, and \$9.1 million is being requested to produce the 120mm gun and breech at Watervliet Arsenal for the XM1 tank. Additionally, \$9.6 million is being requested for manufacturing methods and technology, layaway of industrial facilities, and military adaptation of commercial items. \$.4 million is required for procurement of capital equipment required to support depot maintenance operations associated with weapons and other combat vehicles. Requirements represent new mission assignment projections, projected increased workload, facility modernization, and age/wear considerations.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 5

Comparison of Program Requirements and Financing

Comparison of FY 1980 program requirements as reflected in FY 1980 budget with FY 1980 program requirements as shown in FY 1981 budget.

Comparison of FY 1980 financing as reflected in FY 1980 budget with FY 1980 financing as shown in FY 1981 budget.

Comparison of FY 1979 program requirements as reflected in FY 1980 budget with FY 1979 program requirements as shown in FY 1981 budget.

Comparison of FY 1979 financing as reflected in FY 1980 budget with FY 1979 financing as shown in FY 1981 budget.

COMPARISON OF FY 1980 PROGRAM REQUIREMENTS
AS REFLECTED IN FY 1980 BUDGET WITH
FY 1980 PROGRAM REQUIREMENTS AS SHOWN IN FY 1981 BUDGET

SUMMARY OF REQUIREMENTS (In Thousands of Dollars)			
Appropriation:	Total Program Requirements	Program Requirements Per FY 1981 Budget	Increase (+) of Decrease (-)
	Per FY 80 Budget	Per FY 1981 Budget	
PROCUREMENT OF WEAPONS & TRACKED COMBAT VEHICLES, ARMY			
Activity 1 - Tracked Combat Vehicles	\$1,692,500	\$1,641,600	\$-50,900
Activity 2 - Weapons and Other Combat Vehicles	196,400	182,900	-13,500
TOTAL	\$1,888,900	\$1,824,500	\$-64,400

Explanation by Activity

Activity 1 - Tracked Combat Vehicles - A net decrease of \$50.9 million resulted from a transfer of \$.9 million from Howitzer, 155mm SP, FY, M109 (MOD) to Activity 2; reprogramming of \$5.4 million to Missile Procurement Appropriation from the M548 Modification program; reprogramming of \$2.0 million from Production Base Support and \$.4 million from Items Less than \$900,000 to Operations and Maintenance, Army; and final Congressional adjustments (\$42.2 million) to the FY 1980 Budget as follows.

Item Net Change (In Thousands)

Carrier, M548
Fighting Vehicle Systems (IFV/CFV)
Tank, Combat, M60 Series
Tank, Combat, M60 Series (MOD)
Spares and Repair Parts - TCV

\$- 12,000
+ 55,000
-163,900
+ 44,600
÷ 34,200
\$- 42,200

TOTAL (Net Change)

Activity 2 - Weapons and Other Combat Vehicles - A net decrease of \$13.5 million resulted from transfer of \$0.9 million from Activity 1 to the Production Base Support; a reprogramming of \$2.0 million from Production Base Support, \$1.8 million from Item Less Than \$900,000, and \$.1 million from Depot Maintenance Plant Equipment to Operations and Maintenance, Army; and final Congressional adjustments to the FY 1980 Budget as follows:

Mortar, 81mm, XM252

\$- 10,500
\$- 10,500

TOTAL (Net Change)

COMPARISON OF FY 1980 FINANCING AS REFLECTED
IN THE FY 1980 BUDGET WITH FY 1980 FINANCING
AS SHOWN IN FY 1981 BUDGET

	(In Thousands of Dollars)		
	Financing Per FY 1980 Budget	Financing Per FY 1981 Budget	Increase (+) or Decrease (-)
Appropriation:			
Procurement of Weapons & Tracked Combat Vehicles, Army			
Program Requirements, (Total).....	\$2,393,300	\$2,224,500	\$ -162,500
Program Requirements (Service Account).....	(1,888,900)	(1,824,500)	(- 58,100)
Program Requirements (Reimbursable).....	(504,400)	(400,000)	(-104,400)
Less:			
Anticipated reimbursements.....	504,400	400,000	-104,400
Reprogramming from prior year budget plans.....	0	0	0
Unobligated balance available from prior year to finance new budget plans.....	0	0	0
Unobligated balance transferred from other accounts....	0	0	0
Add:			
Unobligated balance transferred to other accounts.....	0	0	0
Unobligated balance available to finance subsequent year budget plans.....	0	0	0
BUDGET AUTHORITY	0	0	0
	<u>\$1,888,900</u>	<u>\$1,824,500</u>	<u>\$ -58,100</u>
EXPLANATION OF CHANGES IN FINANCING			
Appropriation.....	\$1,888,900	\$1,824,100	\$ -64,800
Transferred from other accounts.....	0	12,100	+12,100
Transferred to other accounts.....	0	11,700	-11,700
Appropriation (adjusted).....	\$1,888,900	\$1,824,500	\$ -64,400

COMPARISON OF FY 1979 PROGRAM REQUIREMENTS
AS REFLECTED IN FY 1980 BUDGET WITH
FY 1979 PROGRAM REQUIREMENTS AS SHOWN IN FY 1981 BUDGET

SUMMARY OF REQUIREMENTS (In Thousands of Dollars)				
Appropriation:	Total Program Requirements		Program Requirements Per FY 1981 Budget	Increase (+) or Decrease (-)
	Per FY 80 Budget			
Procurement of Weapons & Tracked Combat Vehicles, Army				
Activity 1 - Tracked Combat Vehicles	\$1,402,800		\$1,425,300	\$ +22,500
Activity 2 - Weapons and Other Combat Vehicles	<u>108,300</u>		<u>99,100</u>	- 9,200
TOTAL	\$1,511,100		\$1,524,400	\$ +13,300

Explanation by Activity

Activity 1 - Tracked Combat Vehicles - A net increase of \$22.5 million resulted from a reprogramming of \$29.8 million from the Reimbursable Account to the Tank, Combat, M60 Series; a reprogramming of \$4.4 million to the Defense O&M (CHAMPUS) from the M548 carrier (\$1.0 million), M48 Recovery Vehicle (\$1.6 million), and the M110 Howitzer Modification (\$1.8 million) programs; and a transfer of \$2.9 million to Activity 2 from the M109 howitzer program.

Activity 2 - Weapons and Other Combat Vehicles - A net decrease of \$9.2 million resulted from a Congressional transfer of \$12.1 million from the M2 machine gun to the FY80 WTCVA appropriation and a transfer of \$2.9 million from Activity 1 to the M240 machine gun programs.

COMPARISON OF FY 1979 FINANCING AS REFLECTED
IN THE FY 1980 BUDGET WITH FY 1979 FINANCING
AS SHOWN IN FY 1981 BUDGET

	(In Thousands of Dollars)		
	Financing Per FY 1980 Budget	Financing Per FY 1981 Budget	Increase (+) or Decrease (-)
Appropriation:			
Procurement of Weapons & Tracked Combat Vehicles, Army			
Program Requirements, (Total)	\$1,925,100	\$1,943,638	\$+18,538
Program Requirements (Service Account)	(1,511,100)	(1,524,400)	(+13,300)
Program Requirements (Reimbursable)	(414,000)	(419,238)	(+ 5,238)
Less:			
Anticipated reimbursements	414,000	449,038	+35,038
Reprogramming from prior year budget plans	0	0	0
Unobligated balance available from prior year to finance new budget plans	0	0	0
Unobligated balance transferred from other accounts	0	0	0
Add: Unobligated balance transferred to other accounts...	0	0	0
Unobligated balance available to finance subsequent year budget plans	0	12,100	0
BUDGET AUTHORITY	<u>\$1,511,100</u>	<u>\$1,506,700</u>	<u>\$- 4,400</u>
EXPLANATION OF CHANGES IN FINANCING			
Appropriation	\$1,511,100	\$1,511,100	0
Transferred to other accounts	0	-4,400	- 4,400
Appropriation (adjusted)	\$1,511,100	\$1,506,700	\$- 4,400

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 6

Selected Data Sheets

NOT USED

3-34 1/28/80

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 7

Analysis of Unobligated Balances

3-35 1/28/80

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Analysis of Unobligated Balances - FY 1981 Programs*

Summary by Category

Category	Estimated Unobligated	
	Dollars (Millions)	% of Total Unobligated
1. Reserved to support contracts	\$383.0	75.0
2. Engineering changes	40.9	8.0
3. Other	86.8	17.0
Total Unobligated FY 1981	\$510.7	100.0%

EXPLANATION BY CATEGORY

Based on past experience, it is predicted that the above amount will remain unobligated at the end of FY 81. Reasons for the unobligated balance have been grouped into three general categories, and are detailed below. These unobligated amounts will, therefore, be required in subsequent fiscal years to complete the procurement of the FY 81 program.

1. Reserved to Support Contracts:

- a. Amounts reserved for incentive contract payments.
- b. Amounts held to support Product and Component Improvement Programs; modification for retrofit during production; modification ordered by customers.
- c. Contractor claims, reserves to cover potential liabilities for contracts containing escalation clauses for labor, or material cost increases and price redeterminations.
- d. Government-furnished equipment breakout procurements; preparations of manuals and technical data; and reserve for completion of construction elements of production base support facilities projects.
- e. Delay due to design or testing difficulties.
- f. Award protests.
- g. Insufficient procurement detail involving reimbursable orders.
- h. Develop adequate competitive procurement or technical data package.
- i. Items released to Army by other customers too late to permit obligation in FY 1981.

* Includes estimated FY 1980 and prior years carryover and other customer reimbursable program.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY (Cont'd)

2. Engineering Changes:

- a. Engineering costs in support of production (obligated only as expenses are incurred).
- b. Validated engineering change orders to be incorporated into the current manufacturing process.
- c. Engineering changes as a result of acceptance testing.
- d. Amounts reserved to support engineering change proposals and value engineering proposals.

3. Other:

- a. Changes to the previously planned method of procurement (i.e., competitive in lieu of sole-source).
- b. Extension to bid opening dates.
- c. Additional time required to complete audits of cost data and to obtain contractor cost data.
- d. Unfavorable preaward surveys and extended negotiations.
- e. Held pending validation of production capability of low bidder.
- f. Attaining a satisfactory production rate prior to awarding additional work.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 8

Modification

NOT USED

3-38 1/28/80

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 9

Flight Simulators

NOT USED

3-39 1/28/80

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Section 10

War Reserve - Secondary Items

Furnished Separately

3-40 1/28/80

DISTRIBUTION

HAC
 SAC
 HASC
 SASC
 HBC
 SBC
 CBO
 ASD(C)
 ASD(DFOISR)
 ASA(IL&FM)
 ASA(RDA)
 ASA(M&RA)
 DACS-DC
 DACS-EMZ-A
 DACS-DP
 DACA-BUB
 DACA-BUS
 DACA-BUR
 DACA-BU
 DAAG-OPZ-D
 DAAC-RM-BB
 OCLL

DAMI
 DAMO
 DAPE
 DAMA-PP
 DAMA-CA
 DAMA-PPP
 DAMA-PPR
 DAMA-PPT
 DAMA-WS
 DAMA-WSA
 DAMA-WSM
 DAMA-WSH
 DAMA-CS
 DAMA-CSC-B
 DAMA-CSM
 DAMA-CSS
 DALO
 DAEN-ZCE
 DAMH
 NGB
 DAAR
 DASG
 NAVY
 AIR FORCE