



DEPARTMENT OF THE ARMY  
MISSILE PROCUREMENT , ARMY

JUSTIFICATION OF ESTIMATES FOR FISCAL YEARS 1990/1991 BIENNIAL BUDGET

| <u>TABLE OF CONTENTS</u>   | <u>PAGE NO.</u> |
|--|-----------------|
| Section 1 - Budget Appendix Extract .....                          | 2-1             |
| Section 2 - Budget Activity Justifications .....                   | 2-18            |
| Section 3 - Comparison of Program Requirements and Financing ..... | 2-31            |

MISSILE PROCUREMENT, ARMY

Section 1

Budget Appendix Extract

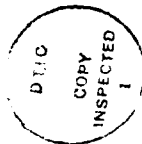
Appropriation Language  
Program and Financing Schedule

*Defense Dept. to Dept.*

APPROPRIATION LANGUAGE

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefore; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefore, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; 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: \$2,907,900,000 to remain available for obligation until September 30, 1992.

Further, for the foregoing purposes, \$3,032,600,000, to become available for obligation on October 1, 1990 and to remain available for obligation until September 30, 1993. (10 U.S.C. 2353, 2361, 3013, 4531-32; Department of Defense Appropriations Act, 1989, as included in Public Laws 99-500 and 99-591, Section 101(c); additional authorizing legislation to be proposed).



|                    |                                     |
|--------------------|-------------------------------------|
| Accession For      |                                     |
| NTIS GRA&I         | <input checked="" type="checkbox"/> |
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| Justification      |                                     |
| By-                |                                     |
| Distribution/      |                                     |
| Availability Codes |                                     |
| Avail and/or       |                                     |
| Special            |                                     |
| Dist               | A-1                                 |

Missile Procurement, Army  
Program and Financing (in Thousands of dollars) SUMMARY

| Identification code                        | 21-2032-0-1-051                                   | Budget Plan (amounts for PROCUREMENT actions programmed) |           |                     |           |
|--|---|--|-----------|---------------------|-----------|
|  |   | 1988 actual  | 1989 est. | 1990 est. 1991 est. |           |
| <b>Program by activities:</b>              |   |  |           |                     |           |
| <b>Direct program:</b>                     |   |  |           |                     |           |
| 00.0101                                    | Other missiles                                    | 1,893,034  | 2,157,075 | 2,459,252           | 2,701,260 |
| 00.0201                                    | Modification of missiles                          | 139,934  | 177,472   | 138,637             | 140,617   |
| 00.0301                                    | Spares and repair parts                           | 203,570  | 224,402   | 263,914             | 147,770   |
| 00.0401                                    | Support equipment and facilities                  | 31,735   | 33,059    | 46,097              | 42,953    |
| 00.9101                                    | Total direct program                              | 2,268,273  | 2,592,008 | 2,907,900           | 3,032,600 |
| 01.0101                                    | Reimbursable program                              | 428,432  | 566,600   | 281,600             | 281,600   |
| 10.0001                                    | Total   | 2,696,705  | 3,158,608 | 3,189,500           | 3,314,200 |
| <b>Financing:</b>                          |   |  |           |                     |           |
| Offsetting collections from:               |   |  |           |                     |           |
| 11.0001                                    | Federal funds(-)                                  | -391,774   | -512,800  | -243,700            | -243,700  |
| 13.0001                                    | Trust funds(-)                                    | -32,568  | -53,800   | -37,900             | -37,900   |
| 14.0001                                    | Non-Federal sources(-)                            | -4,090   |           |                     |           |
| 17.0001                                    | Recovery of prior year obligations                |  |           |                     |           |
| 21.4002                                    | Unobligated balance available, start of year:     |  |           |                     |           |
| 21.4003                                    | For completion of prior year budget plans         |  |           |                     |           |
| 21.4007                                    | Available to finance new budget plans             |  |           |                     |           |
| 22.4001                                    | Reprogramming from/to prior year budget plans     | -94,900  | -94,690   |                     |           |
| 24.4002                                    | Unobligated balance transferred to other accounts | -119,858   | 94,690    |                     |           |
| 24.4003                                    | Unobligated balance available, end of year:       |  |           |                     |           |
| 25.0001                                    | For completion of prior year budget plans         | 94,690   |           |                     |           |
|  | Available to finance subsequent year budget plans | 28,276   |           |                     |           |
| 39.0001                                    | Unobligated balance lapsing                       | 2,222,273  | 2,592,008 | 2,907,900           | 3,032,600 |
| <b>Budget authority:</b>                   |   |  |           |                     |           |
| 40.0001                                    | Appropriation                                     | 2,332,237  | 2,602,800 | 2,907,900           | 3,032,600 |
| 40.0004                                    | Reduction pursuant to P.L. 100-463                |  | -792      |                     |           |
| 40.0017                                    | Appropriation rescinded (unobligated balance)     | -59,200  |           |                     |           |
| 41.0001                                    | Transferred to other accounts(-)                  | -50,764  | -10,000   |                     |           |
| 43.0001                                    | Appropriation (adjusted)                          | 2,222,273  | 2,592,008 | 2,907,900           | 3,032,600 |
| <b>Relation of obligations to outlays:</b> |   |  |           |                     |           |
| 71.0001                                    | Obligations incurred, net                         |  |           |                     |           |
| 72.4001                                    | Obligated balance, start of year                  |  |           |                     |           |
| 74.4001                                    | Obligated balance, end of year                    |  |           |                     |           |
| 77.0001                                    | Adjustments in expired accounts                   |  |           |                     |           |
| 78.0001                                    | Adjustments in unexpired accounts                 |  |           |                     |           |
| 90.0001                                    | Outlays   |  |           |                     |           |

Missile Procurement, Army  
Program and Financing (in Thousands of dollars) SUMMARY

Obligations

| Identification code                 | 21-2032-0-1-051                                   | 1988 actual | 1989 est.  | 1990 est.  | 1991 est.  |
|-------------------------------------|---|-------------|------------|------------|------------|
| Program by activities:              |   |             |            |            |            |
| Direct program:                     |   |             |            |            |            |
| 00.0101                             | Other missiles                                    | 1,977,594   | 1,916,969  | 2,421,118  | 2,656,162  |
| 00.0201                             | Modification of missiles                          | 119,746     | 189,125    | 153,061    | 142,095    |
| 00.0301                             | Spares and repair parts                           | 199,349     | 193,805    | 243,466    | 167,513    |
| 00.0401                             | Support equipment and facilities                  | 31,113      | 39,161     | 43,521     | 42,850     |
| 00.9101                             | Total direct program                              | 2,327,802   | 2,339,060  | 2,861,166  | 3,008,620  |
| 01.0101                             | Reimbursable program                              | 385,144     | 692,870    | 281,600    | 281,600    |
| 10.0001                             | Total   | 2,712,946   | 3,031,930  | 3,142,766  | 3,290,220  |
| Financing:                          |   |             |            |            |            |
| Offsetting collections from:        |   |             |            |            |            |
| 11.0001                             | Federal funds(-)                                  | -393,539    | -512,800   | -243,700   | -243,700   |
| 13.0001                             | Trust funds(-)                                    | -13,537     | -53,800    | -37,900    | -37,900    |
| 14.0001                             | Non-Federal sources(-)                            | -4,076      |            |            |            |
| 17.0001                             | Recovery of prior year obligations                | -134,255    |            |            |            |
| 21.4002                             | Unobligated balance available, start of year:     | -672,200    | -653,077   | -779,755   | -826,489   |
| 21.4003                             | For completion of prior year budget plans         | -94,900     | -94,690    |            |            |
| 21.4007                             | Available to finance new budget plans             | 45,792      | 94,690     |            |            |
| 22.4001                             | Reprogramming from/to prior year budget plans     | 653,077     | 779,755    | 826,489    | 850,469    |
| 22.4002                             | Unobligated balance transferred to other accounts | 94,690      |            |            |            |
| 24.4002                             | Unobligated balance available, end of year:       | 28,276      |            |            |            |
| 24.4003                             | For completion of prior year budget plans         |             |            |            |            |
| 25.0001                             | Available to finance subsequent year budget plans |             |            |            |            |
| 25.0001                             | Unobligated balance lapsing                       |             |            |            |            |
| 39.0001                             | Budget authority                                  | 2,222,273   | 2,592,008  | 2,907,900  | 3,032,600  |
| Budget authority:                   |   |             |            |            |            |
| 40.0001                             | Appropriation                                     | 2,332,237   | 2,602,800  | 2,907,900  | 3,032,600  |
| 40.0004                             | Reduction pursuant to P.L. 100-463                |             | -792       |            |            |
| 40.0017                             | Appropriation rescinded (unobligated balance)     | -59,000     |            |            |            |
| 41.0001                             | Transferred to other accounts(-)                  | -50,764     | -10,000    |            |            |
| 43.0001                             | Appropriation (adjusted)                          | 2,222,273   | 2,592,008  | 2,907,900  | 3,032,600  |
| Relation of obligations to outlays: |   |             |            |            |            |
| 71.0001                             | Obligations incurred, net                         | 2,301,794   | 2,465,330  | 2,861,166  | 3,008,620  |
| 72.4001                             | Obligated balance, start of year                  | 4,345,673   | 4,217,032  | 4,389,962  | 4,990,128  |
| 74.4001                             | Obligated balance, end of year                    | -4,217,032  | -4,389,962 | -4,990,128 | -5,444,048 |
| 77.0001                             | Adjustments in expired accounts                   | -57,676     |            |            |            |
| 78.0001                             | Adjustments in unexpired accounts                 | -134,255    |            |            |            |
| 90.0001                             | Outlays   | 2,238,503   | 2,292,400  | 2,261,000  | 2,554,700  |

Missile Procurement, Army  
Object Classification (in Thousands of dollars) SUMMARY

| Identification code       | 21-2032-0-1-051                | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|---------------------------|--------------------------------|-------------|-----------|-----------|-----------|
| Direct obligations:       |                                |             |           |           |           |
| Other services:           |                                |             |           |           |           |
| 125.004                   | Other                          | 432,806     | 530,608   | 572,498   | 620,901   |
| 126.001                   | Supplies and materials         | 919,114     | 785,390   | 1,164,839 | 1,190,563 |
| 131.001                   | Equipment                      | 975,882     | 1,023,062 | 1,103,829 | 1,197,156 |
| 199.001                   | Total Direct obligations       | 2,327,802   | 2,339,060 | 2,861,166 | 3,008,620 |
| Reimbursable obligations: |                                |             |           |           |           |
| Other services:           |                                |             |           |           |           |
| 225.004                   | Other                          | 71,609      | 93,387    | 93,387    | 93,387    |
| 226.001                   | Supplies and materials         | 152,072     | 412,709   | 1,439     | 1,439     |
| 231.001                   | Equipment                      | 161,463     | 186,774   | 186,774   | 186,774   |
| 299.001                   | Total Reimbursable obligations | 385,144     | 692,870   | 281,600   | 281,600   |
| 999.901                   | Total obligations              | 2,712,946   | 3,031,930 | 3,142,766 | 3,290,220 |

Missile Procurement, Army  
 Program and Financing (in Thousands of dollars) FISCAL YEAR 1986

Budget Plan (amounts for PROCUREMENT  
 actions programed)

| Identification code          | 21-2032-0-1-051                                   | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|---|-------------|-----------|-----------|-----------|
| Program by activities:       |   |             |           |           |           |
| Direct program:              |   |             |           |           |           |
| 00.0101                      | Other missiles                                    |             |           |           |           |
| 00.0201                      | Modification of missiles                          |             |           |           |           |
| 00.0301                      | Spares and repair parts                           |             |           |           |           |
| 00.0401                      | Support equipment and facilities                  |             |           |           |           |
| 00.9101                      | Total direct program                              |             |           |           |           |
| 01.0101                      | Reimbursable program                              |             |           |           |           |
| 10.0001                      | Total   |             |           |           |           |
| Financing:                   |   |             |           |           |           |
| Offsetting collections from: |   |             |           |           |           |
| 11.0001                      | Federal funds(-)                                  |             |           |           |           |
| 13.0001                      | Trust funds(-)                                    |             |           |           |           |
| 17.0001                      | Recovery of prior year obligations                |             |           |           |           |
| 21.4002                      | Unobligated balance available, start of year:     |             |           |           |           |
| 21.4003                      | For completion of prior year budget plans         |             |           |           |           |
| 21.4007                      | Available to finance new budget plans             |             |           |           |           |
| 22.4001                      | Reprogramming from/to prior year budget plans     |             |           |           |           |
| 25.0001                      | Unobligated balance transferred to other accounts |             |           |           |           |
| 40.0017                      | Unobligated balance lapsing                       |             |           |           |           |
| 40.0017                      | Budget authority (Appropriation rescinded) (      |             |           |           |           |
|                              |   |             |           | -36,200   |           |
|                              |   |             |           | -48,268   |           |
|                              |   |             |           | 31,092    |           |
|                              |   |             |           | 28,276    |           |
|                              |   |             |           | -25,100   |           |

Missile Procurement, Army  
 Program and Financing (in thousands of dollars) FISCAL YEAR 1986  
 Obligations

| Identification code          | 21-2032-0-1-051                                   | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|---|-------------|-----------|-----------|-----------|
| Program by activities:       |   |             |           |           |           |
| Direct program:              |   |             |           |           |           |
| 00.0101                      | Other missiles                                    | 231,049     |           |           |           |
| 00.0201                      | Modification of missiles                          | 23,913      |           |           |           |
| 00.0301                      | Spares and repair parts                           | 7,489       |           |           |           |
| 00.0401                      | Support equipment and facilities                  | 5,063       |           |           |           |
| 00.9101                      | Total direct program                              | 267,514     |           |           |           |
| 01.0101                      | Reimbursable program                              | 483         |           |           |           |
| 10.0001                      | Total   | 267,997     |           |           |           |
| Financing:                   |   |             |           |           |           |
| Offsetting collections from: |   |             |           |           |           |
| 11.0001                      | Federal funds(-)                                  | 717         |           |           |           |
| 13.0001                      | Trust funds(-)                                    | 2,220       |           |           |           |
| 17.0001                      | Recovery of prior year obligations                | -93,524     |           |           |           |
| 21.4002                      | Unobligated balance available, start of year:     |             |           |           |           |
|                              | For completion of prior year budget plans         | -225,677    |           |           |           |
| 21.4003                      | Available to finance new budget plans             | -36,200     |           |           |           |
| 21.4007                      | Reprogramming from/to prior year budget plans     |             |           |           |           |
| 22.4001                      | Unobligated balance transferred to other accounts | 31,092      |           |           |           |
| 25.0001                      | Unobligated balance lapsing                       | 28,276      |           |           |           |
| 40.0017                      | Budget authority (Appropriation rescinded) (      | -25,100     |           |           |           |

Missile Procurement, Army  
 Program and Financing (in Thousands of dollars) FISCAL YEAR 1987  
 Budget Plan (amounts for PROCUREMENT  
 actions programmed)

| Identification code          | 21-2032-0-1-051                                   | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|---|-------------|-----------|-----------|-----------|
| Program by activities:       |   |             |           |           |           |
| Direct program:              |   |             |           |           |           |
| 00.0101                      | Other missiles                                    |             |           |           |           |
| 00.0201                      | Modification of missiles                          |             |           |           |           |
| 00.0301                      | Spares and repair parts                           |             |           |           |           |
| 00.0401                      | Support equipment and facilities                  |             |           |           |           |
| 00.9101                      | Total direct program                              |             |           |           |           |
| 01.0101                      | Reimbursable program                              |             |           |           |           |
| 10.0001                      | Total   |             |           |           |           |
| Financing:                   |   |             |           |           |           |
| Offsetting collections from: |   |             |           |           |           |
| 11.0001                      | Federal funds(-)                                  |             |           |           |           |
| 13.0001                      | Trust funds(-)                                    |             |           |           |           |
| 14.0001                      | Non-Federal sources(-)                            |             |           |           |           |
| 17.0001                      | Recovery of prior year obligations                |             |           |           |           |
| 21.4002                      | Unobligated balance available, start of year:     |             |           |           |           |
|                              | For completion of prior year budget plans         |             | -58,700   | -81,490   |           |
| 21.4003                      | Available to finance new budget plans             |             | -71,590   |           |           |
| 21.4007                      | Reprogramming from/to prior year budget plans     |             | 14,700    | 81,490    |           |
| 22.4001                      | Unobligated balance transferred to other accounts |             |           |           |           |
| 24.4002                      | Unobligated balance available, end of year:       |             |           |           |           |
|                              | For completion of prior year budget plans         |             | 81,490    |           |           |
| 24.4003                      | Available to finance subsequent year budget plans |             |           |           |           |
| 40.0017                      | Budget authority (Appropriation rescinded) (      |             |           |           |           |
|                              |   |             | -34,100   |           |           |

Missile Procurement, Army  
Program and Financing (in Thousands of dollars) FISCAL YEAR 1987

| Identification code          | 21-2032-0-1-051                                   | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|---|-------------|-----------|-----------|-----------|
| Program by activities:       |   |             |           |           |           |
| Direct program:              |   |             |           |           |           |
| 00.0101                      | Other missiles                                    | 215,093     | 62,993    |           |           |
| 00.0201                      | Modification of missiles                          | 8,347       | 15,365    |           |           |
| 00.0301                      | Spares and repair parts                           | 5,361       | 2,396     |           |           |
| 00.0401                      | Support equipment and facilities                  | 7,789       | 1,478     |           |           |
| 00.9101                      | Total direct program                              | 236,590     | 82,232    |           |           |
| 01.0101                      | Reimbursable program                              | 14,678      | 67,821    |           |           |
| 10.0001                      | Total   | 251,268     | 150,053   |           |           |
| Financing:                   |   |             |           |           |           |
| Offsetting collections from: |   |             |           |           |           |
| 11.0001                      | Federal funds(-)                                  | -2,482      |           |           |           |
| 13.0001                      | Trust funds(-)                                    | 16,811      |           |           |           |
| 14.0001                      | Non-Federal sources(-)                            | 14          |           |           |           |
| 17.0001                      | Recovery of prior year obligations                | -40,731     |           |           |           |
| 21.4002                      | Unobligated balance available, start of year:     |             |           |           |           |
| 21.4003                      | For completion of prior year budget plans         | -446,523    | -150,053  |           |           |
| 21.4007                      | Available to finance new budget plans             | -58,700     | -81,490   |           |           |
| 22.4001                      | Reprogramming from/to prior year budget plans     |             |           |           |           |
| 22.4001                      | Unobligated balance transferred to other accounts | 14,700      | 81,490    |           |           |
| 24.4002                      | Unobligated balance available, end of year:       |             |           |           |           |
| 24.4002                      | For completion of prior year budget plans         | 150,053     |           |           |           |
| 24.4003                      | Available to finance subsequent year budget plans | 81,490      |           |           |           |
| 40.0017                      | Budget authority (Appropriation rescinded) (      | -34,100     |           |           |           |

Missile Procurement, Army  
 Program and Financing (in Thousands of dollars) FISCAL YEAR 1988

Budget Plan (amounts for PROCUREMENT  
 actions programmed)

| Identification code          | 21-2032-0-1-051  | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|--|-------------|-----------|-----------|-----------|
| Program by activities:       |  |             |           |           |           |
| Direct program:              |  |             |           |           |           |
| 00.0101                      | Other missiles   | 1,893,034   |           |           |           |
| 00.0201                      | Modification of missiles   | 139,934     |           |           |           |
| 00.0301                      | Spares and repair parts  | 203,570     |           |           |           |
| 00.0401                      | Support equipment and facilities   | 31,735      |           |           |           |
| 00.9101                      | Total direct program   | 2,268,273   |           |           |           |
| 01.0101                      | Reimbursable program   | 428,432     |           |           |           |
| 10.0001                      | Total  | 2,696,705   |           |           |           |
| Financing:                   |  |             |           |           |           |
| Offsetting collections from: |  |             |           |           |           |
| 11.0001                      | Federal funds(-)   | -391,774    |           |           |           |
| 13.0001                      | Trust funds(-)   | -32,568     |           |           |           |
| 14.0001                      | Non-Federal sources(-)   | -4,090      |           |           |           |
| 21.4002                      | Unobligated balance available, start of year:<br>For completion of prior year budget plans |             | -13,200   |           |           |
| 21.4003                      | Available to finance new budget plans  |             | 13,200    |           |           |
| 22.4001                      | Unobligated balance transferred to other accounts  |             |           |           |           |
| 24.4002                      | Unobligated balance available, end of year:<br>For completion of prior year budget plans   |             |           |           |           |
| 24.4003                      | Available to finance subsequent year budget plans  | 13,200      |           |           |           |
| 39.0001                      | Budget authority   | 2,281,473   |           |           |           |
| Budget authority:            |  |             |           |           |           |
| 40.0001                      | Appropriation  | 2,332,237   |           |           |           |
| 41.0001                      | Transferred to other accounts(-)   | -50,764     |           |           |           |
| 43.0001                      | Appropriation (adjusted)   | 2,281,473   |           |           |           |

Missile Procurement, Army  
 Program and Financing (in Thousands of dollars) FISCAL YEAR 1988  
 Obligations

| Identification code          | 21-2032-0-1-051                                   | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|---|-------------|-----------|-----------|-----------|
| Program by activities:       |   |             |           |           |           |
| Direct program:              |   |             |           |           |           |
| 00.0101                      | Other missiles                                    | 1,531,452   | 146,919   | 214,663   |           |
| 00.0201                      | Modification of missiles                          | 87,486      | 29,539    | 22,909    |           |
| 00.0301                      | Spares and repair parts                           | 186,499     | 14,505    | 2,566     |           |
| 00.0401                      | Support equipment and facilities                  | 18,261      | 10,820    | 2,654     |           |
| 00.9101                      | Total direct program.                             | 1,823,698   | 201,783   | 242,792   |           |
| 01.0101                      | Reimbursable program                              | 369,983     | 58,449    |           |           |
| 10.0001                      | Total   | 2,193,681   | 260,232   | 242,792   |           |
| Financing:                   |   |             |           |           |           |
| Offsetting collections from: |   |             |           |           |           |
| 11.0001                      | Federal funds(-)                                  | -391,774    |           |           |           |
| 13.0001                      | Trust funds(-)                                    | -32,568     |           |           |           |
| 14.0001                      | Non-Federal sources(-)                            | -4,090      |           |           |           |
| 21.4002                      | Unobligated balance available, start of year:     |             |           |           |           |
| 21.4003                      | For completion of prior year budget plans         |             | -503,024  | -242,792  |           |
| 22.4001                      | Available to finance new budget plans             |             | -13,200   |           |           |
| 22.4001                      | Unobligated balance transferred to other accounts |             | 13,200    |           |           |
| 24.4002                      | Unobligated balance available, end of year:       |             |           |           |           |
| 24.4002                      | For completion of prior year budget plans         | 503,024     | 242,792   |           |           |
| 24.4003                      | Available to finance subsequent year budget plans | 13,200      |           |           |           |
| 39.0001                      | Budget authority                                  | 2,281,473   |           |           |           |
| Budget authority:            |   |             |           |           |           |
| 40.0001                      | Appropriation                                     | 2,332,237   |           |           |           |
| 41.0001                      | Transferred to other accounts(-)                  | -50,764     |           |           |           |
| 43.0001                      | Appropriation (adjusted)                          | 2,281,473   |           |           |           |

Missile Procurement, Army  
 Program and Financing (in Thousands of dollars) FISCAL YEAR 1989

Budget Plan (amounts for PROCUREMENT  
 actions programmed)

| Identification code          | 21-2032-0-1-051  | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|--|-------------|-----------|-----------|-----------|
| Program by activities:       |  |             |           |           |           |
| Direct program:              |  |             |           |           |           |
| 00.0101                      | Other missiles   |             | 2,157,075 |           |           |
| 00.0201                      | Modification of missiles   |             | 177,472   |           |           |
| 00.0301                      | Spares and repair parts  |             | 224,402   |           |           |
| 00.0401                      | Support equipment and facilities   |             | 33,059    |           |           |
| 00.9101                      | Total direct program   |             | 2,592,008 |           |           |
| 01.0101                      | Reimbursable program   |             | 566,600   |           |           |
| 10.0001                      | Total  |             | 3,158,608 |           |           |
| Financing:                   |  |             |           |           |           |
| Offsetting collections from: |  |             |           |           |           |
| 11.0001                      | Federal funds(-)   |             | -512,800  |           |           |
| 13.0001                      | Trust funds(-)   |             | -53,800   |           |           |
| 21.4002                      | Unobligated balance available, start of year:<br>For completion of prior year budget plans |             |           |           |           |
| 24.4002                      | Unobligated balance available, end of year:<br>For completion of prior year budget plans   |             |           |           |           |
| 39.0001                      | Budget authority   |             | 2,592,008 |           |           |
| Budget authority:            |  |             |           |           |           |
| 40.0001                      | Appropriation  |             | 2,602,800 |           |           |
| 40.0004                      | Reduction pursuant to P.L. 100-463   |             | -792      |           |           |
| 41.0001                      | Transferred to other accounts(-)   |             | -10,000   |           |           |
| 43.0001                      | Appropriation (adjusted)   |             | 2,592,008 |           |           |

Missile Procurement, Army  
Program and Financing (in Thousands of dollars) FISCAL YEAR 1989

Obligations

| Identification code          | 21-2032-0-1-051  | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|--|-------------|-----------|-----------|-----------|
| Program by activities:       |  |             |           |           |           |
| Direct program:              |  |             |           |           |           |
| 00.0101                      | Other missiles   |             | 1,707,057 | 203,759   | 246,259   |
| 00.0201                      | Modification of missiles   |             | 144,221   | 18,712    | 14,539    |
| 00.0301                      | Spares and repair parts  |             | 176,904   | 28,730    | 20,768    |
| 00.0401                      | Support equipment and facilities   |             | 26,863    | 3,488     | 2,708     |
| 00.9101                      | Total direct program   |             | 2,055,045 | 252,689   | 284,274   |
| 01.0101                      | Reimbursable program   |             | 566,600   |           |           |
| 10.0001                      | Total  |             | 2,621,645 | 252,689   | 284,274   |
| Financing:                   |  |             |           |           |           |
| Offsetting collections from: |  |             |           |           |           |
| 11.0001                      | Federal funds(-)   |             | -512,800  |           |           |
| 13.0001                      | Trust funds(-)   |             | -53,800   |           |           |
| 21.4002                      | Unobligated balance available, start of year:<br>For completion of prior year budget plans |             |           | -536,963  | -284,274  |
| 24.4002                      | Unobligated balance available, end of year:<br>For completion of prior year budget plans   |             | 536,963   | 284,274   |           |
| 39.0001                      | Budget authority   |             | 2,592,008 |           |           |
| Budget authority:            |  |             |           |           |           |
| 40.0001                      | Appropriation  |             | 2,602,800 |           |           |
| 40.0004                      | Reduction pursuant to P.L. 100-463   |             | -792      |           |           |
| 41.0001                      | Transferred to other accounts(-)   |             | -10,000   |           |           |
| 43.0001                      | Appropriation (adjusted)   |             | 2,592,008 |           |           |

Missile Procurement, Army  
 Program and Financing (in Thousands of dollars) FISCAL YEAR 1990

Budget Plan (amounts for PROCUREMENT  
 actions programmed)

| Identification code          | 21-2032-0-1-051  | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|--|-------------|-----------|-----------|-----------|
| Program by activities:       |  |             |           |           |           |
| Direct program:              |  |             |           |           |           |
| 00.0101                      | Other missiles   |             |           | 2,459,252 |           |
| 00.0201                      | Modification of missiles   |             |           | 138,637   |           |
| 00.0301                      | Spares and repair parts  |             |           | 263,914   |           |
| 00.0401                      | Support equipment and facilities   |             |           | 46,097    |           |
| 00.9101                      | Total direct program   |             |           | 2,907,900 |           |
| 01.0101                      | Reimbursable program   |             |           | 281,600   |           |
| 10.0001                      | Total  |             |           | 3,189,500 |           |
| Financing:                   |  |             |           |           |           |
| Offsetting collections from: |  |             |           |           |           |
| 11.0001                      | Federal funds(-)   |             |           | -243,700  |           |
| 13.0001                      | Trust funds(-)   |             |           | -37,900   |           |
| 21.4002                      | Unobligated balance available, start of year:<br>For completion of prior year budget plans |             |           |           |           |
| 24.4002                      | Unobligated balance available, end of year:<br>For completion of prior year budget plans   |             |           |           |           |
| 40.0001                      | Budget authority (Appropriation)   |             |           | 2,907,900 |           |

Missile Procurement, Army  
Program and Financing (in Thousands of dollars) FISCAL YEAR 1990

Obligations

| Identification code          | 21-2032-0-1-051  | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|--|-------------|-----------|-----------|-----------|
| Program by activities:       |  |             |           |           |           |
| Direct program:              |  |             |           |           |           |
| 00.0101                      | Other missiles   |             |           | 2,002,696 | 206,771   |
| 00.0201                      | Modification of missiles   |             |           | 111,440   | 15,311    |
| 00.0301                      | Spares and repair parts  |             |           | 214,170   | 28,000    |
| 00.0401                      | Support equipment and facilities   |             |           | 37,379    | 5,078     |
| 00.9101                      | Total direct program   |             |           | 2,385,685 | 255,160   |
| 01.0101                      | Reimbursable program   |             |           | 281,600   |           |
| 10.0001                      | Total  |             |           | 2,647,285 | 255,160   |
| Financing:                   |  |             |           |           |           |
| Offsetting collections from: |  |             |           |           |           |
| 11.0001                      | Federal funds(-)   |             |           | -243,700  |           |
| 13.0001                      | Trust funds(-)   |             |           | -37,900   |           |
| 21.4002                      | Unobligated balance available, start of year:<br>For completion of prior year budget plans |             |           |           | -542,215  |
| 24.4002                      | Unobligated balance available, end of year:<br>For completion of prior year budget plans   |             |           | 542,215   | 287,055   |
| 40.0001                      | Budget authority (Appropriation)   |             |           | 2,907,900 |           |

Missile Procurement, Army  
 Program and Financing (in Thousands of dollars) FISCAL YEAR 1991

Budget Plan (amounts for PROCUREMENT  
 actions programmed)

| Identification code          | 21-2032-0-1-051  | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|--|-------------|-----------|-----------|-----------|
| Program by activities:       |  |             |           |           |           |
| Direct program:              |  |             |           |           |           |
| 00.0101                      | Other missiles   |             |           |           | 2,701,260 |
| 00.0201                      | Modification of missiles   |             |           |           | 140,617   |
| 00.0301                      | Spare and repair parts   |             |           |           | 147,770   |
| 00.0401                      | Support equipment and facilities   |             |           |           | 42,953    |
| 00.9101                      | Total direct program   |             |           |           | 3,032,600 |
| 01.0101                      | Reimbursable program   |             |           |           | 281,600   |
| 10.0001                      | Total  |             |           |           | 3,314,200 |
| Financing:                   |  |             |           |           |           |
| Offsetting collections from: |  |             |           |           |           |
| 11.0001                      | Federal funds(-)   |             |           |           | -243,700  |
| 13.0001                      | Trust funds(-)   |             |           |           | -37,900   |
| 24.4002                      | Unobligated balance available, end of year:<br>For completion of prior year budget plans |             |           |           |           |
| 40.0001                      | Budget authority (Appropriation)   |             |           |           | 3,032,600 |

Missile Procurement, Army  
 Program and Financing (in Thousands of dollars) FISCAL YEAR 1991  
 Obligations

| Identification code          | 21-2032-0-1-051  | 1988 actual | 1989 est. | 1990 est. | 1991 est. |
|------------------------------|--|-------------|-----------|-----------|-----------|
| Program by activities:       |  |             |           |           |           |
| Direct program:              |  |             |           |           |           |
| 00.0101                      | Other missiles   |             |           |           | 2,203,132 |
| 00.0201                      | Modification of missiles   |             |           |           | 112,245   |
| 00.0301                      | Spare and repair parts   |             |           |           | 118,745   |
| 00.0401                      | Support equipment and facilities   |             |           |           | 35,064    |
| 00.9101                      | Total direct program   |             |           |           | 2,469,186 |
| 01.0101                      | Reimbursable program   |             |           |           | 281,600   |
| 10.0001                      | Total  |             |           |           | 2,750,786 |
| Financing:                   |  |             |           |           |           |
| Offsetting collections from: |  |             |           |           |           |
| 11.0001                      | Federal funds(-)   |             |           |           | -243,700  |
| 13.0001                      | Trust funds(-)   |             |           |           | -37,900   |
| 24.4002                      | Unobligated balance available, end of year:<br>For completion of prior year budget plans |             |           |           | 563,414   |
| 40.0001                      | Budget authority (Appropriation)   |             |           |           | 3,032,600 |

MISSILE PROCUREMENT, ARMY

Section 2

Budget Activity Justification

Activity 2 - Other Missiles

Activity 3 - Modification of Missiles

Activity 4 - Spares and Repair Parts

Activity 5 - Support Equipment and Facilities

Department of the Army  
 Annual Budget Estimates  
 JUSTIFICATION

Appropriation  
 Missile Procurement, Army

FY 1990/91  
 Biennial Budget

Program or Budget Project Account (Thousands of Dollars)

| Actual<br>FY 1988           | Estimate<br>FY 1989 | Estimate<br>FY 1990 | Estimate<br>FY 1991 |
|-----------------------------|---------------------|---------------------|---------------------|
| Activity 2 - Other Missiles |                     |                     |                     |
| \$1,893,034                 | \$2,157,075         | \$2,459,252         | \$2,701,260         |
| Direct Budget Plan          |                     |                     |                     |

Section 1 - PURPOSE AND SCOPE

Provides for procurement of surface-to-air, antitank assault, surface-to-surface and air-to-surface missile systems; related ground support equipment; and initial issue and replacement of losses consumed in reliability firings, crew proficiency firings, and other training activities.

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

CHAPARRAL Missile System (P-1 Line Item No. 1)

( \$ in Thousands )  
 FY 1990 \$30,787  
 FY 1991 \$25,700

\$30.8 million is requested in FY 1990 for procurement of 422 Rosette Scan Seeker (RSS) missiles to upgrade CHAPARRAL Missiles with Infrared Counter-Counter Measures capability. \$25.7 million requested in FY91 continues procurement of 454 CHAPARRAL RSS missiles. CHAPARRAL fire units and missiles have been aggressively upgraded and will remain in the active component and Army National Guard force structure. The RSS missile provides the state-of-the-art capability to remain effective on the modern battlefield.

Non Line of Sight Air Defense System (P-1 Line Item No.2)

(\$ in Thousands)  
FY 1990  
\$ -  
FY 1991  
\$76,900

\$76.9 million is requested in FY 1991 for procurement of 12 Non Line of Sight (NLOS) fire units and 256 missiles. The NLOS component of the Forward Area Air Defense will provide defense both day/night and in adverse weather against targets masked by terrain or beyond range of line of sight weapons.

Non Line of Sight Air Defense System, Advance Procurement (P-1 Line Item No.3)

(\$ in Thousands)  
FY 1990  
\$ 32,469  
FY 1991  
\$54,300

\$32.5 million is requested in FY 1990 and \$54.3 million is requested in FY 1991 to procure long leadtime items to support the low rate initial production of Non Line of Sight System.

Air Defense System-Heavy (P-1 Line Item No. 4)

(\$ in Thousands)  
FY 1990  
\$351,571  
FY 1991  
\$338,082

\$351.6 million is requested in FY 1990 for the procurement of 424 Line of Sight Forward Heavy-Air Defense missiles and 18 fire units. \$338.1 million is requested in FY 1991 for the procurement of 669 missiles and 30 Line of Sight Forward Heavy fire units. Line of Sight Forward-Heavy is a component of the Forward Area Air Defense System designed to counter the line of sight fixed wing and helicopter threat to forces in Heavy Divisions (Armored and Mechanized Infantry).

Air Defense System-Heavy, Advance Procurement (P-1 Line Item No. 5)

(\$ in Thousands)  
FY 1990  
\$51,600  
FY 1991  
\$54,800

\$51.6 million is requested in FY 1990 and \$54.8 million is requested in FY 1991 to procure long leadtime items, such as radar assemblies, electro-optical components, missile guidance controls and operation display units, for production of the Air Defense System-Heavy.

HAWK Missile System (P-1 Line Item No. 6)

|                   |                 |
|-------------------|-----------------|
| (\$ in Thousands) |                 |
| FY 1990           | <u>\$55,358</u> |
| FY 1991           | <u>\$48,500</u> |

\$55.4 million is requested in FY 1990 to procure 358 HAWK missiles. In FY 1991, \$48.5 million is requested for 358 HAWK missiles. This completes the USMC multiyear contract (FY 1988/FY1991) of which the Army receives the last two years of procurement.

Other Missile Support (P-1 Line Item No. 7)

|                   |                |
|-------------------|----------------|
| (\$ in Thousands) |                |
| FY 1990           | <u>\$997</u>   |
| FY 1991           | <u>\$4,700</u> |

\$1.0 million in FY 1990 and \$4.7 million in FY 1991 procures replacement HAWK rocket motors and peculiar support equipment.

PATRIOT Missile System (MYP) (P-1 Line Item No. 8)

|                   |                  |
|-------------------|------------------|
| (\$ in Thousands) |                  |
| FY 1990           | <u>\$924,488</u> |
| FY 1991           | <u>\$859,939</u> |

\$924.5 million is requested in FY 1990 for 815 PATRIOT Missiles and 3 fire units for the US, and PATRIOT ground equipment (10 Radars, 10 Engagement Control Stations, and 2 Information Coordination Controls for Italy under a Cooperative Air Defense Agreement). In FY 1991 \$859.9 million is requested for procurement of 817 missiles for the US, and completes the procurement of ground equipment for Italy (10 Radars, 10 Engagement Control Stations and 2 Information Coordination Controls).

STINGER Missile System (MYP) (P-1 Line Item No. 10)

|                   |                  |
|-------------------|------------------|
| (\$ in Thousands) |                  |
| FY 1990           | <u>\$187,545</u> |
| FY 1991           | <u>\$258,800</u> |

\$187.5 million is requested for the procurement of 4,754 Stinger-RMP missiles in FY 1990 and \$258.8 million for 7,203 Stinger-RMP missiles in FY 1991. The Stinger is a manportable air defense missile system that provides self-defense to forward deployed, company size combat units. The Stinger missile is also employed on the Pedestal Mounted Stinger System, a component of the Forward Area Air Defense System (FAADS). Head-to-head competition between two Stinger missile producers begins in FY 1990. Beginning in FY 1991, the Army plans to initiate a three year multiyear contract with both Stinger producers.

STINGER Advance Procurement (MYP) (P-1 Line Item No. 11)

|                     |          |
|---------------------|----------|
| ( \$ in Thousands ) |          |
| FY 1990             | -        |
| FY 1991             | \$21,300 |

\$21.3 million requested in FY 1991 to procure advance material in economic order quantities in support of the multiyear procurement of the STINGER Missile System.

Line of Sight-Rear Fire Unit (MYP) (P1 Line Item No. 12)

|                     |           |
|---------------------|-----------|
| ( \$ in Thousands ) |           |
| FY 1990             | \$115,754 |
| FY 1991             | \$110,100 |

\$115.8 million is requested in FY 1990 for 122 Pedestal Mounts for the Stinger Missile System and \$110.1 million is requested in FY 1991 for 132 Pedestal Mounts. The Line of Sight-Rear (LOS-R) component of the Forward Area Air Defense System (FAADS), the Pedestal Mounted Stinger (PMS) consists of a launcher/carrier for eight ready to fire Stinger Missiles and a .50 caliber machine gun integrated with sensors and devices to provide day/night and adverse weather target detection, acquisition, tracking, target ranging, and identification friend or foe (IFF). Beginning in FY 1991, the Army plans to initiate a five year multiyear procurement of the PMS System.

Line of Sight-Rear Fire Unit Advance Procurement (MYP) (P1 Line Item No. 13)

|                     |          |
|---------------------|----------|
| ( \$ in Thousands ) |          |
| FY 1990             | \$ -     |
| FY 1991             | \$25,700 |

\$25.7 million is requested in FY 1991 to procure advance materials in economic order quantities in support of the multiyear procurement of the Line of Sight-Rear Fire Unit.

Laser HELLFIRE System (P-1 Line Item No. 14)

|                     |           |
|---------------------|-----------|
| ( \$ in Thousands ) |           |
| FY 1990             | \$138,326 |
| FY 1991             | \$137,941 |

\$138.3 million is requested in FY 1990 to procure 3,102 missiles and associated equipment. \$137.9 million is requested in FY 1991 to procure 3,002 HELLFIRE missiles and associated equipment. The HELLFIRE missile system is designed to defeat the current and future armor threat at stand-off ranges. HELLFIRE is the primary armament of the AH-64 helicopter.

Advanced Antitank Weapon System-Medium (AAWS-M) (P-1 Line Item No. 15)

|                   |          |
|-------------------|----------|
| (\$ in Thousands) |          |
| FY 1990           | \$ 0     |
| FY 1991           | \$10,870 |

\$10.9 million is requested in FY 1991 to procure long lead items for low rate initial production of the Advanced Antitank Weapon System-Medium (AAWS-M).

TOW Missile System (P-1 Line Item No. 16)

|                   |           |
|-------------------|-----------|
| (\$ in Thousands) |           |
| FY 1990           | \$114,710 |
| FY 1991           | \$168,700 |

The FY 1990 budget request of \$114.7 million will procure 9,455 TOW-2 missiles including the initial quantities of the improved lethality TOW-2B warhead, and ground support equipment. FY 1991 request of \$168.7 million procures 13,284 TOW-2 missiles, including 3,000 missiles from the newly developed 2nd production source. The system is an upgrade of the basic TOW which was originally fielded in 1970. The TOW-2B is a further upgrade designed to defeat threat armor until the fielding of Advanced Antitank Weapons System-Heavy (AAWS-H).

Multiple Launch Rocket System (MLRS) (MYP) (P-1 Line Item No. 17)

|                   |           |
|-------------------|-----------|
| (\$ in Thousands) |           |
| FY 1990           | \$251,374 |
| FY 1991           | \$250,070 |

\$251.4 million is requested to procure 24,000 rockets, 41 launchers and associated ground support equipment in FY 1990. \$250.1 million is requested to procure 24,000 rockets, 44 launchers, and associated ground support equipment in FY 1991. The MLRS is a free-flight, multiple launch rocket system with a dual purpose improved conventional munition warhead. MLRS includes a tracked, self-propelled launcher/loader, disposable launch pod container, and rockets. Its mission is to neutralize or suppress enemy field artillery and air defense systems, and supplement cannon artillery.

Multiple Launch Rocket System (MLRS) (MYP) Advance Procurement  
(P-1 Line Item No. 18)

|                   |          |
|-------------------|----------|
| (\$ in Thousands) |          |
| FY 1990           | \$63,400 |
| FY 1991           | \$66,000 |

\$63.4 million is requested in FY 1990 and \$66.0 million is requested in FY 1991 to procure advance materials in economic order quantities to support the multiyear procurement contract for MLRS production.

Army Tactical Missile System (ATACMS) (Pl Line Item No. 19)

|                |                   |
|----------------|-------------------|
|                | (\$ in Thousands) |
| <u>FY 1990</u> | <u>FY 1991</u>    |
| \$133,273      | \$183,958         |

\$133.3 million is requested in FY 1990 for procurement of 276 missiles and \$184.0 million is requested in FY 1991 for procurement of 452 missiles. The Army Tactical Missile System is an improved conventional semi-ballistic missile system designed to attack targets at ranges beyond the capabilities of existing cannons and rockets. ATACMS will be transported and launched from the Multiple Launch Rocket System (MLRS) launcher.

Army Tactical Missile System (ATACMS) Advance Procurement  
(Pl Line Item No. 20)

|                |                   |
|----------------|-------------------|
|                | (\$ in Thousands) |
| <u>FY 1990</u> | <u>FY 1991</u>    |
| \$7,600        | \$4,900           |

\$7.6 million in FY 1990 and 4.9 million in FY 1991 is requested for the procurement of long leadtime for the Army Tactical Missile System.

Department of the Army  
 Annual Budget Estimates  
 JUSTIFICATION  
 Program or Budget Project Account  
 Appropriation  
 Missile Procurement, Army  
 FY 1990/91  
 Biennial Budget  
 (Thousands of Dollars)

| Actual<br>FY 1988                     | Estimate<br>FY 1989 | Estimate<br>FY 1990 | Estimate<br>FY 1991 |
|---------------------------------------|---------------------|---------------------|---------------------|
| Activity 3 - Modification of Missiles |                     |                     |                     |
| \$139,934                             | \$177,472           | \$138,637           | \$140,617           |

Section 1 - PURPOSE AND SCOPE

Provides for the modification of Surface-to-Air, Surface-to-Surface, and Antitank missile systems.

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

PATRIOT Modifications (P-1 Line Item No. 21)

| (\$ in Thousands) |          |
|-------------------|----------|
| FY 1990           | FY 1991  |
| \$19,449          | \$18,400 |

\$19.4 million is requested in FY 1990 and \$18.4 million in FY 1991 is requested for emplacement enhancements, optical disk readers, digital link upgrades and the Modification Work Order (MWO) program.



HAWK Modifications (P-1 Line Item No. 23)

|                   |                 |
|-------------------|-----------------|
| (\$ in Thousands) |                 |
| FY 1990           | FY 1991         |
| <u>\$28,781</u>   | <u>\$32,830</u> |

\$28.8 million is requested in FY 1990 for the fourth year production buy of Phase III modification kits to improve the HAWK missile capabilities. The Phase III modification will improve fire power, low altitude target engagement, and training capabilities of each fire unit, as well as reduce operator and maintenance workloads. \$32.8 million is requested in FY 1991 to continue Phase III procurement.

TOW Modifications (P-1 Line Item No. 24)

|                   |                 |
|-------------------|-----------------|
| (\$ in Thousands) |                 |
| FY 1990           | FY 1991         |
| <u>\$59,262</u>   | <u>\$54,300</u> |

\$59.3 million is requested in FY 1990 and \$54.3 million in FY 1991 to provide an increased anti-armor capability by retrofitting TOW 2 missiles to a more lethal configuration, increased performance and hardening against obscurants, electrical optical countermeasures for the TOW missile, and to modify missiles to support training requirements.

MLRS Modifications (P-1 Line Item No. 28)

|                   |                 |
|-------------------|-----------------|
| (\$ in Thousands) |                 |
| FY 1990           | FY 1991         |
| <u>\$28,567</u>   | <u>\$27,287</u> |

\$28.6 million is requested in FY 1990 and \$27.3 million is requested in FY 1991 to fund procurement of kits to modify MLRS launchers to make them capable of launching the Deep Battle family of improved munitions (ATACMS, SADARM and MLRS-TGW).

Tractor Rig (P1 Line Item No. 29)

|                   |                |
|-------------------|----------------|
| (\$ in Thousands) |                |
| FY 1990           | FY 1991        |
| <u>\$2,578</u>    | <u>\$7,800</u> |

This is a classified program.

Department of the Army  
 Annual Budget Estimates  
 JUSTIFICATION

Appropriation  
 Missile Procurement, Army  
 FY 1990/1991  
 Biennial Budget

Program or Budget Project Account  
 (Thousands of Dollars)

| Activity 4 - Spares and Repair Parts | Actual<br>FY 1988 | Estimate<br>FY 1989 | Estimate<br>FY 1990 | Estimate<br>FY 1991 |
|--------------------------------------|-------------------|---------------------|---------------------|---------------------|
| Direct Budget Plan                   | \$203,570         | \$224,402           | \$263,914           | \$147,770           |

Section 1 - PURPOSE AND SCOPE

Provides for the procurement of initial provisioning, peacetime replenishment, and mobilization reserve of repairable major assemblies and repair parts for surface-to-air, air-to-surface, surface-to-surface, and antitank missile systems and support items.

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

Required for the procurement of initial provisioning, peacetime replenishment, and mobilization reserve requirements of centrally managed, high dollar value depot repairable missile system components, assemblies, and repair parts which are not carried in Army stock fund inventories.

Spares and Repair Parts(p-1 Line Item No. 31)

| (\$ in Thousands) |           |
|-------------------|-----------|
| FY 1990           | FY 1991   |
| \$263,914         | \$147,770 |

Initial Provisioning is requested to support the following major item procurements:

| System           | FY 1990 | FY 1991 |
|------------------|---------|---------|
| PATRIOT          | \$ 47.1 | .4      |
| Pedestal         | 8.3     | 4.0     |
| Mounted Stinger  |         |         |
| MLRS             | 21.4    | 8.1     |
| TOW 2            | 3.0     | 2.6     |
| AIR DEF SYS-IIIV | 26.4    | .9      |

| <u>System</u> | <u>FY 1990</u> | <u>FY 1991</u> |
|---------------|----------------|----------------|
| HAWK MODS     | \$ 5.5         | 1.6            |
| PATRIOT MODS  | 8.9            | .8             |
| TOW MODS      | 2.1            |                |
| MLRS MODS     | 4.1            | .8             |
|               | <u>126.8</u>   | <u>19.2</u>    |

\$137.1 million is requested in FY 1990 and \$128.6 million is requested in FY 1991 for missile system peacetime replenishment repair parts.

Department of the Army  
 Annual Budget Estimates  
 JUSTIFICATION

Appropriation  
 FY 1990/1991  
 Biennial Budget

Missile Procurement, Army

Program or Budget Project Account (Thousands of Dollars)

| Actual<br>FY 1988                           | Estimate<br>FY 1989 | Estimate<br>FY 1990 | Estimate<br>FY 1991 |
|---|---------------------|---------------------|---------------------|
| Activity 5 - Support Equipment & Facilities |                     |                     |                     |

Direct Budget Plan \$31,735 \$33,059 \$46,097 \$42,953

Section 1 - PURPOSE AND SCOPE

Provides for the procurement of support equipment, miscellaneous items less than \$2.0 million and Production Base Support for Army missile systems.

Section 2 - JUSTIFICATION OF FUNDS REQUESTED

Air Defense Targets (P-1 Line Item No. 32) -

(\$ in Thousands)  
 FY 1990 \$33,317  
 FY 1991 \$33,132

\$33.3 million is requested in FY 1990 and \$33.1 million in FY 1991 for procurement of air defense targets, towed targets and ground support systems. This program provides targets for training of air defense personnel.

Items Less Than \$2.0 Million (P-1 Line Item No. 33)

(\$ in Thousands)  
 FY 1990 \$2,172  
 FY 1991 \$2,965

\$2.2 million is requested in FY 1990 and \$3.0 million in FY 1991 for procurement of tools and test sets to support missile system maintenance and repair.

Production Base Support (P-1 Line Item No. 34)

|                   |                |
|-------------------|----------------|
| (\$ in Thousands) |                |
| FY 1990           | FY 1991        |
| <u>\$10,608</u>   | <u>\$6,856</u> |

\$10.6 million is requested in FY 1990 and \$6.9 million is requested in FY 1991 for production base support for missiles and air defense. This request includes funding for new and replacement equipment at White Sands Missile Range, rehabilitation/replacement of buildings and equipment at Government Owned/Contractor Operated facilities, and the procurement of plant equipment required to support the depot maintenance mission.

MISSILE PROCUREMENT, ARMY

Section 3

Comparison of Programing Requirements and Financing

Comparison of FY 1989 program requirements as reflected in the amended FY 1988/1989 Biennial Budget with FY 1989 program requirements as shown in the FY 1990/1991 Biennial Budget.

Comparison of FY 1989 financing as reflected in the amended FY 1988/1989 Biennial Budget with FY 1989 financing as shown in the FY 1990/1991 Biennial Budget.

Comparison of FY 1988 program requirements as reflected in the amended FY 1988/1989 Biennial Budget with FY 1988 program requirements as shown in the FY 1990/1991 Biennial Budget.

Comparison of FY 1988 financing as reflected in the amended FY 1988/1989 Biennial Budget with FY 1988 financing as shown in the FY 1990/1991 Biennial Budget.

COMPARISON OF FY 1989 PROGRAM REQUIREMENTS  
AS REFLECTED IN THE AMENDED FY 1988/1989 BIENNIAL BUDGET  
WITH THE FY 1989 PROGRAM REQUIREMENTS AS SHOWN  
IN THE FY 1990/1991 BIENNIAL BUDGET  
SUMMARY OF REQUIREMENTS (In Thousands of Dollars)

| Appropriation                                    | FY 1989<br>Requirements Per<br>Amended FY 1988/1989<br>Biennial Budget | FY 1989<br>Requirements Per<br>FY 1990/1991<br>Biennial Budget | Increase (+)<br>or<br>Decrease (-) |
|--|--|--|------------------------------------|
| Missile Procurement, Army                        | 2,136,267  | 2,157,075  | +20,808                            |
| Activity 2 - Other Missiles                      |  |  |                                    |
| Activity 3 - Modification of Missiles            | 162,772  | 177,472  | +14,700                            |
| Activity 4 - Spares and Repair Parts             | 254,302  | 224,402  | -29,900                            |
| Activity 5 - Support Equipment and<br>Facilities | 33,259   | 33,059   | -200                               |
| TOTAL  | 2,586,600  | 2,592,008  | +5,408                             |

EXPLANATION BY ACTIVITY

Activity 2 - Other Missiles - The net increase is due to Congressional changes to Chaparral (-\$1,000), Hellfire (+\$25,000), MLRS (\$15,000), ATACMS (-\$9,400) and application of a general reduction (-\$792) and an Army reprogramming sourcing inflation savings (-\$8,500).

Activity 3 - Modification of Missiles - The net increase is due to Congressional increase to TOW II (+\$15,200) and an Army reprogramming sourcing inflation savings (-\$500).

Activity 4 - Spares and Repair Parts - The decrease is due to Congressional Action (-\$29,100) and an Army reprogramming of inflation savings (-\$800)

Activity 5 - Support Equipment and Facilities - The decrease is due to an Army reprogramming of inflation savings (-\$200).

COMPARISON OF FY 1989 FINANCING AS REFLECTED  
IN THE AMENDED FY 1988/1989 BIENNIAL BUDGET WITH FY 1989 FINANCING  
AS SHOWN IN FY 1990/1991 BIENNIAL BUDGET

(In Thousands of Dollars)

|  | FY 1989<br>Financing Per<br>Amended<br>FY 1988/1989<br>Biennial Budget | FY 1989<br>Financing Per<br>FY 1990/1991<br>Biennial Budget | FY 1989<br>Increase (+)<br>or<br>Decrease (-) |
|--|--|---|---|
| <b>Appropriation</b>   |  |   |   |
| Missile Procurement, Army  |  |   |   |
| -----  |  |   |   |
| Program Requirements (Total)   | 3,031,300  | 3,158,608   | +127,308                                      |
| Program Requirements (Service Account)                                       | (2,586,600)  | (2,592,008)   | (+5,408)                                      |
| Program Requirements (Reimbursable)  | (444,700)  | (566,600)   | (+121,900)                                    |
| Less:  |  |   |   |
| Anticipated reimbursements   | -444,700   | -566,600  | -121,900                                      |
| Unobligated balance available from prior year to<br>finance new budget plans |  | -94,690   | -94,690                                       |
| Add:   |  |   |   |
| Unobligated balance transferred to other accounts                            |  | 94,690  | 94,690  |

**BUDGET AUTHORITY**

Appropriation

2,586,600                      2,592,008                      +5,408

**EXPLANATION:**

Anticipated reimbursements increased \$121,900 because orders are greater than originally anticipated.

The unobligated balances available at the start of the year and unobligated balance transferred to other accounts were adjusted to reflect FY 1989 Congressional rescissions of \$75,200 from the FY 1987 program and \$3,800 from FY 1988 and reprogramming requests of \$6,290 in FY 1987 and \$9,400 in FY 1988 for which Congressional action has not been completed.

COMPARISON OF FY 1988 PROGRAM REQUIREMENTS  
AS REFLECTED IN THE AMENDED FY 1988/1989 BIENNIAL BUDGET  
WITH THE FY 1988 PROGRAM REQUIREMENTS AS SHOWN  
IN THE FY 1990/1991 BIENNIAL BUDGET  
SUMMARY OF REQUIREMENTS (In Thousands of Dollars)

| Appropriation                                 | FY 1988   |           | FY 1988                                       |           | FY 1988                                       |           |
|---|---|-----------|---|-----------|---|-----------|
|   | Requirements Per Amended FY 1988/1989 Biennial Budget | 1,904,497 | Requirements Per FY 1990/1991 Biennial Budget | 1,893,034 | Requirements Per FY 1988/1989 Biennial Budget | 1,893,034 |
| Missile Procurement, Army                     |   |           |   |           |   |           |
| Activity 2 - Other Missiles                   |   |           |   |           |   | -11,463   |
| Activity 3 - Modification of Missiles         |   | 134,977   |   | 139,934   |   | +4,957    |
| Activity 4 - Spares and Repair Parts          |   | 246,600   |   | 203,570   |   | -43,030   |
| Activity 5 - Support Equipment and Facilities |   | 34,677    |   | 31,735    |   | -2,942    |
| TOTAL   |   | 2,320,751 |   | 2,268,273 |   | -52,478   |

EXPLANATION BY ACTIVITY

Activity 2 - Other Missiles - The net change resulted from cancellation of an Operating Tempo reprogramming (+\$35,000) and approved reprogrammings for Special Programs (-\$9,400), Readiness (-\$6,010), Military Pay (-\$9,405), INF Treaty (-\$5,700) and Lance Mods (-\$5,600), and Congressional rescission (-\$3,800), in addition to various below threshold reprogrammings (-\$6,548).

Activity 3 - Modification of Missiles - The net change resulted from reprogrammings for Lance Mods (+\$5,600), INF Treaty (-\$4,900), and Military Pay (-\$3,793), in addition to below threshold reprogrammings of +\$8,050.

Activity 4 - Spares and Repair Parts - The net change is the result of cancellation of an Operating Tempo reprogramming (-\$35,000), approval of a Military Pay reprogramming (-\$6,730), and below threshold reprogrammings (-\$1,300).

Activity 5 - Support Equipment and Facilities - The decrease is due to a Military Pay reprogramming (-\$2,740) and below threshold reprogrammings (-\$202).

COMPARISON OF FY 1988 FINANCING AS REFLECTED  
IN THE AMENDED FY 1988/1989 BIENNIAL BUDGET WITH FY 1989 FINANCING  
AS SHOWN IN FY 1990/1991 BIENNIAL BUDGET

|   | (In Thousands of Dollars) |                 |              |
|---|---------------------------|-----------------|--------------|
|   | FY 1988                   | FY 1988         | FY 1988      |
| Appropriation   | Financing Per             | Financing Per   | Increase (+) |
| Missile Procurement, Army   | Amended                   | Biennial Budget | or           |
|   | FY 1988/1989              | FY 1990/1991    | Decrease (-) |
|   | Biennial Budget           | Biennial Budget |              |
| Program Requirements (Total)  | 2,765,451                 | 2,696,705       | -68,746      |
| Program Requirements (Service Account)                                    | (2,320,751)               | (2,268,273)     | ( -52,478)   |
| Program Requirements (Reimbursable)                                       | (444,700)                 | (428,432)       | ( -16,268)   |
| Less:   |                           |                 |              |
| Anticipated reimbursements  | -444,700                  | -428,432        | +16,268      |
| Unobligated balance available from prior year to finance new budget plans | -94,900                   | -94,900         | 0            |
| Reprogramming from prior year budget plans                                |                           | -119,858        | 119,858      |
| Add:  |                           |                 |              |
| Unobligated balance transferred to other accounts                         | +35,700                   | +45,792         | +10,092      |
| Unobligated balance available to finance subsequent year budget plans     |                           | +94,690         | +94,690      |
| Unobligated balance lapsing   |                           | +28,276         | +28,276      |
| <b>BUDGET AUTHORITY</b>   |                           |                 |              |
| Appropriation   | 2,261,551                 | 2,222,273       | -39,278      |

**EXPLANATION:**

The reimbursement program (offsetting collection) decreased because orders from customers were less than anticipated. The reprogramming from/to prior year budget plans was adjusted to reflect: FY 1986 reprogrammings initiated and approved in FY 1988 (-\$19,992) and FY 1986 lapsing (-\$28,276), FY 1987 rescission in the FY 1989 Appropriation Act (-\$75,200) and denial of a portion of an FY 1987 SOF modification reprogramming (+\$3,610).

The unobligated balance transferred to other accounts resulted from new FY 1986 reprogrammings approved in FY 1988 (+\$19,992) and the FY 1987 SOF modification reprogramming (-\$9,900) carryover into FY 1989.

The unobligated balance available to finance subsequent year budget plans resulted from FY 1989 Congressional rescissions from the FY 1987 program of \$75,200 and from the FY 1988 program of \$3,800 and reprogramming requests of \$56,290 in FY 1987 and \$3,850 in FY 1988 for which Congressional action has not been completed.