United States Air Force

Fiscal Year 2015 Budget Overview

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U.S. AIR FORCE
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F-35 JOINT STRIKE FIGHTER
LOCKHEED MARTIN

UNITED STATES AIR FORCE

FISCAL YEAR 2015 BUDGET OVERVIEW

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Foreword

The Air Force is hard at work trying to make the right choices to maximize each taxpayer dollar and ensure we can meet our Nation's security needs today and in the future. Today's challenging fiscal environment requires us to reassess our capabilities and capacity to determine how the Air Force will best contribute to achieving U.S. security objectives and foreign policy freedom of action. We are preparing for a wider range of budget contingencies than normal. We need to shrink almost every part of the Air Force as budgets will not keep up with our growing costs for personnel, infrastructure, and weapons maintenance. The Air Force developed a Fiscal Year (FY) 2015 President's Budget (PB) request that is strategy-based, informed by fiscal realities, and balances risk across all mission areas while retaining our Air Force core capabilities.

The Air Force brings five enduring and distinctive capabilities to the Nation's military portfolio: (1) **air and space superiority;** (2) **intelligence, surveillance, and reconnaissance (ISR);** (3) **rapid global mobility;** (4) **global strike;** and (5) **command and control.** These five core missions allow the Air Force to sustain our Nation's military advantage as the joint force becomes smaller and as we face emerging threats in increasingly contested environments.

While today's global and fiscal environments have changed, our core missions and focus have not. The Air Force must continue to be a force capable of deterring conflict, a force capable of projecting power, and a force capable of winning wars. To meet these demands we must ensure freedom of action in air and space. Our ability to assert control in both domains allows the U.S. and Coalition forces to accomplish their missions in different locations without the threat of an adversary's attack from above. The FY 2015 budget request enables the Air Force to meet these needs and offers freedom of action to our joint and coalition partners through our ability to integrate our core missions to provide *Global Vigilance, Global Reach,* and *Global Power.*

JAMES F. MARTIN, JR., Major General, USAF
Deputy Assistant Secretary (Budget)

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The United States Air Force provides an asymmetric air and space power advantage that all joint forces expect and rely upon for successful mission completion. The FY 2015 budget request supports national defense requirements with regard to capability, capacity, and today's fiscal environment. This request carefully balances near-term operational readiness with long-term investments required to execute our five core missions in a contested environment against a high-end threat. The enduring contributions articulated and identified in this budget request help us achieve the balance we need within our core functions, force structure, readiness and recapitalization. This balance enables us to fly, fight and win in air, space and cyberspace. It aligns resources in order to build the most capable, affordable force against a high-end threat by 2023.

This FY 2015 Budget Overview explains how the Air Force allocates resources across priorities. Each Air Force dollar is part of Air Force Total Obligation Authority (TOA) – the amount of funds the Air Force has the authority to obligate throughout the life of the appropriation. The Air Force's FY 2015 budget request does not include Overseas Contingency Operations (OCO) funding. The OCO request will be addressed in a separate submission at a later date.

The Budget Overview is organized in three sections:

Section 1 is the Budget Highlights (BH) summary, organized by appropriation. Air Force TOA is viewed in two "buckets" – "Blue" and "Non-Blue" – allowing leadership to distinguish between those resources under direct Air Force management (Blue) and those managed by other organizations (Non-Blue). This section partitions Blue and Non-Blue TOA, and highlights Blue discretionary initiatives.

Section 2 is the Air Force Core Mission summary organized by the Air Force's five distinct core missions with a discussion of FY 2015 initiatives. This section discusses Air Force performance goals in specific mission areas and initiatives towards achieving these goals. The funding addressed in Section 1 allows the Air Force to meet these core missions.

Section 3 is the Air Force's Opportunity, Growth, and Security Initiatives request. This section highlights investments in four major categories, Readiness, Recapitalization, Modernization and Installations. Taken in total these investments will accelerate the Air Force's path to readiness recovery and help the Air Force to undo some of the damage caused by sequestration in FY 2013. Reduce the backlog of facility sustainment and installation support requirements caused by sequestration in FY 2013.

Overview

The FY 2015 Air Force budget request is a strategy-driven budget informed by fiscal realities, defense guidance and Office of the Secretary of Defense (OSD) fiscal guidance. The Air Force budget request sustains an Air Force that retains critical core capabilities and maintains the Air Force's ability to rapidly respond to global mission demands across the spectrum of conflict, and operate effectively in contested environments. It requires the Air Force to balance modernization and force structure reductions while building toward full-spectrum readiness and taking care of our people. The priorities articulated and funded in the FY 2015 budget request achieve a balance among the core missions, force structure, readiness, and recapitalization that enables the Air Force to fly, fight, and win in air, space, and cyberspace.

The FY 2015 Military Personnel (MILPERS) budget request supports a Total Force (active, guard, reserve) end strength of 483,000. It balances the Total Force mix necessary to perform all five core missions and retains the right number of personnel with the right skill sets. The budget provides our Airmen and families with increased pay and allowances for housing and subsistence. In today's fiscally challenging environment the Air Force supports efforts to slow military compensation growth to protect near-term readiness today and a modern force in the future.

The Operation and Maintenance (O&M) budget supports flying hours, weapon system sustainment, pay and benefits for civilian personnel, installation support, ranges and simulators. The Bipartisan Budget Act (BBA) provided additional funding to the Air Force which enabled us to begin our readiness recovery actions. The Air Force is integrating the Reserve and Guard components to provide a mix capable of performing all of the Air Force core missions. The Air Force made the difficult choice to divest a portion of combat and combat support aircraft. However, to maintain capacity, some aircraft will transfer to the Guard and Reserve to maintain flying missions impacted by fleet divestitures. The Air Force O&M budget request also allows us to sustain our nuclear enterprise operations for Intercontinental Ballistic Missiles (ICBM), B-2 and B-52.

The Procurement budget request enables the Air Force to fund key aircraft, missile, space and ammunition requirements. This request funds two of our top three recapitalization priorities, KC-46 and F-35 (Long Range Strike-Bomber funded in RDT&E). Procurement efforts provide increased near term capacity and improves our next generation air and space capabilities. The budget request procures KC-46, F-35, C-130J and MQ-9 aircraft. This appropriation also supports space superiority, recapitalizing many space capabilities, and funds the purchase of a Global Positioning System (GPS) III satellite, and the Evolved Expendable Launch Vehicle (EELV).

The Research, Development, Test and Evaluation (RDT&E) appropriation funds basic and applied scientific research as well as weapon systems' development, test and evaluation. RDT&E supports investment in the Long Range Strike (LRS) Family of Systems development providing the range needed in a contested environment. The FY 2015 budget request also funds development and testing for the KC-46 and F-35 providing global reach capability and air superiority. Additionally, it provides for research options for a replacement of the E-8, providing improved capabilities with more advanced sensors at a reduced operating cost.

The Military Construction (MILCON), and Military Family Housing (MFH), Base Realignment and Closure (BRAC) budget request is funded at the bare minimum levels to allocate resources to the most critical requirements in the defense of our Nation. The MILCON budget request funds projects across all three components and Air Force-supported COCOMs that support defense requirements and Air Force capabilities.

The United States Air Force provides the air power advantage that all joint forces rely upon for successful mission completion. The FY 2015 budget request postures the Air Force to remain on the path to full-spectrum readiness, while becoming a smaller, more lethal force. This request reflects difficult decisions required to balance near-term operational readiness with longer term needs. The priorities articulated and funded in this budget request achieve the balance required to support the Air Force core missions, force structure, readiness, modernization and recapitalization that enable us to provide *Global Vigilance, Global Reach,* and *Global Power* for America.

Table 1. Air Force Budget Highlights Summary

FY15 President's Budget Facts			
	FY14 Enacted	FY15 PB	Delta
Total Air Force ($M)	**138,272**	**137,900**	**(372)**
Blue TOA	**108,742**	**109,341**	**599**
Operation and Maintenance (O&M) [1]	44,958	44,341	(617)
Military Personnel (MILPERS)	29,238	29,110	(127)
Military Construction (MILCON)	1,218	956	(262)
Military Family Housing	461	328	(134)
Procurement	16,768	18,544	1,775
Research Development Test & Evaluation (RDT&E)	15,973	15,972	(1)
Base Realignment and Closure (BRAC)	126	91	(35)
Non-Blue TOA	**29,529**	**28,558**	**(971)**

General Facts			
	FY14 Enacted	FY15 PB	Delta
Major Installations [2]	79	79	-
Total Aircraft Inventory	5,191	4,956	(235)
Flying Hours	1,205,599	1,202,971	(2,628)

Personnel Facts			
	FY14 Enacted	FY15 PB	Delta
Authorized Manpower	689,426	666,328	(23,098)
Military	**503,400**	**483,000**	**(20,400)**
Active	327,600	310,900	(16,700)
Reserve	70,400	67,100	(3,300)
Guard	105,400	105,000	(400)
Civilian	**186,026**	**183,328**	**(2,698)**

Major Procurement Quantities [3]					
	FY14	FY15		FY14	FY15
Aircraft	**58**	**58**	**Space**	**7**	**4**
F-35A Lightning II	19	26	EELV	5	3
KC-46 Tanker	-	7	GPS III	2	1
MC-130 Recapitalization	4	2	**Weapons**	**8,688**	**4,229**
MQ-9A Reaper	20	12	JDAM	7,536	2,973
CV-22B Osprey	3	-	AGM-114 Hellfire	413	283
HC-130 Recapitalization	1	4	AIM-9X Sidewinder	225	303
C-130J Super Hercules	6	7	AIM-120D AMRAAM	183	200
AC-130 Recapitalization	5	-	AGM-158 JASSM	187	224
			Small Diameter Bomb II	144	246

Numbers may not add due to rounding

[1] FY 14 O&M includes base to OCO transfer ($2.8B), Environmental, and WCF

[2] Includes Active, Reserve, and Guard installations

[3] Baseline budget quantities only

Total Air Force (Components)

The components of the Air Force--Active, Reserve, and Guard--make up the Total Force which support the domains of air, space, and cyberspace. The integration of the Active, Reserve, and Guard components allow for a flexible and agile response in today's complex strategic environment. The correct mix of operational forces must be leveraged across the Total Force to shift quickly and efficiently from one mission to another. The Air Force seeks to balance capabilities across the components to meet the Nation's military challenges now and into the future.

Active Air Force

The Active component military end strength comprises approximately 64 percent of the Air Force's Total Force. In FY 2015, the Active Air Force will maintain 3,563 aircraft and be responsible for 72 major installations across the United States and overseas. All mission areas are supported by the Active Air Force: Global Strike; Homeland Defense and Civil Support; Global Mobility; Global Persistent Attack; Nuclear Response; Space Superiority; Command, Control, Communications, and Computers; Intelligence, Surveillance, and Reconnaissance; and Agile Combat Support. The Active Air Force is the only full time component--the other components can be called to full time when "activated" to support operational requirements.

Air Force Reserve

The Air Force Reserve (AFR) is a combat-ready force, stationed locally throughout the United States, serving globally for every Combatant Command. The Air Force Reserve Command (AFRC) has 33 flying wings outfitted with 337 dedicated aircraft and nine associate units that share aircraft with Active Component units. Four space operations squadrons share the satellite control mission with the Active Force. There are also more than 394 AFRC mission support units, equipped and trained to provide a wide range of capabilities to include all Air Force Core Functions. The AFR is an integrated Total Force partner that provides our nation with operational capability, strategic depth and the capacity to surge quickly when needed.

Air National Guard

The Air National Guard (ANG) federal mission is to maintain well-trained, well-equipped units available for responsive mobilization in times of war and provide assistance during national emergencies such as natural disasters or civil disturbances. In peacetime, combat and support units are assigned to Air Force major commands to carry out missions compatible with training, mobilization, readiness, humanitarian, and contingency operations. The 85 ANG flying units maintain 1,056 aircraft and may be activated in a number of ways as prescribed by public law. The Guard provides almost half of the Air Force's tactical airlift support, combat communications functions, aeromedical evacuations, and aerial refueling. Further, the ANG provides the majority of forces for the United States Air Defense. In addition to its federal mission, the ANG is available to state governors during natural disasters and other emergencies.

Military Personnel Total

Figure 1 depicts the FY 2015 Blue TOA request shown in Table 2 below and displays the relative size of each subsection of this appropriation.

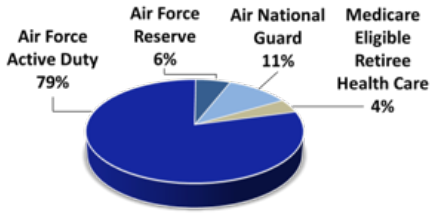


Figure 1. Military Personnel - Total Force FY 2015 Blue Budget Request

The FY 2015 budget request for Military Personnel supports the Air Force's ability to accomplish its five core missions, allowing the Air Force to maintain the world's best trained, highest quality force. It rebalances the Active, Reserve, and Guard Components to preserve the Total Force mix necessary to perform our core missions. The Air Force takes a balanced approach to maintain core capabilities and is committed to providing military compensation to retain the right amount of highly skilled Airmen needed to meet current and future needs of the Nation. However, in today's fiscally challenging environment the Air Force supports DoDs efforts to slow the rate of growth in overall military compensation, and reduces end strength to preserve a ready and modernized force. The reductions are driven largely by the divestiture of associated force structure and weapon systems, headquarters reduction, and a rebalancing of aircrew-to-cockpit ratios in a post-war environment. Appropriation details and end strength changes are provided below:

- Total Force military end strength of 483,000 decreased by 20,400 personnel from FY 2014
- Active component end strength of 310,900; reduced by 16,700 from FY 2014
- AFR component end strength of 67,100; reduced by 3,300 from FY 2014
- ANG end strength of 105,000; decreased by 400 from FY 2014
- Provides across-the-board 2015 calendar year increases of 1.0 percent for military pay, 1.5 percent in Basic Allowance for Housing, and a 3.4 percent increase to Basic Allowance for Subsistence

Table 2. Military Personnel – Air Force Total Force TOA

Military Personnel, Air Force Total Force TOA ($M)	FY14 Enacted	FY15 PB
Air Force Active Duty	23,193	23,082
Air Force Reserve	1,705	1,657
Air National Guard	3,100	3,144
Medicare Eligible Retiree Health Care	1,240	1,228
Blue Total	**29,238**	**29,110**
Non-Blue	5,784	4,988
Air Force MILPERS TOA Total	**35,022**	**34,098**

Numbers may not add due to rounding.

Chief Master Sergeant of the Air Force James A. Cody (right) answers a question from the audience during a worldwide CHIEF chat

A Financial Management technician backfills his wife during a deployment to Bagram, Afghanistan

Four brothers all with the wing's 67th Aerial Port Squadron serve together

Military Personnel – Active Air Force

Figure 2 depicts the FY 2015 Blue TOA shown in Table 3 below and displays the relative size of each activity within this appropriation.

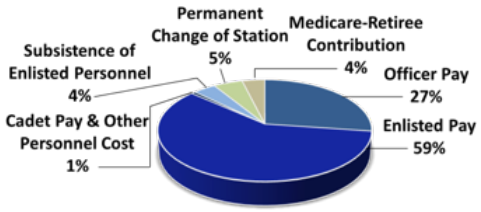


Figure 2. Military Personnel – Active Air Force FY 2015 Blue Budget Request

The Air Force reduces the overall size of the all-volunteer force while maintaining our combat capability. The appropriation includes all direct military compensation for Active Duty personnel including regular pay, special pays, retired pay accruals and allowances for subsistence and housing. Recruiting and retention incentives and permanent change of station moves are also funded within this appropriation. Other personnel costs include death gratuity and unemployment compensation benefits. The FY 2015 budget request includes a 1.0 percent icrease in pay (but freezes general officers pay), and a 3.4 percent increase to subsistence. Additionally, the budget submission includes a 1.5 percent increase to housing allowances and re-establishing service members out-of-pocket housing and renters insurance cost of 6.0 percent by FY 2019.

Table 3. Military Personnel – Active Air Force TOA

Military Personnel, Air Force TOA ($M)	FY14 Enacted	FY15 PB
Officer Personnel Pay and Allowances	6,624	6,543
Enlisted Personnel Pay and Allowances	14,422	14,238
Cadet Pay and Allowances	70	70
Subsistence of Enlisted Personnel	950	935
Permanent Change of Station	1,011	1,191
Other Personnel Costs	116	105
Subtotal	**23,193**	**23,082**
Medicare-Retiree Contribution	838	927
Blue Total	**24,031**	**24,009**
Non-Blue	5,747	4,953
Air Force Active MILPERS TOA Total	**29,779**	**28,962**

Numbers may not add due to rounding.

A TAC-P specialist from the 124th Air Support Operations Sq watches simulated enemy targets at an observation point at the Orchard Training Combat Center near Boise, Idaho

The U.S. Air Force Honor Guard presents the colors for Veterans Day wreath laying ceremony

The U.S. Air Force Academy Class of 2013

Military Personnel – Air Force Reserve

Figure 3 depicts the FY 2015 Blue TOA shown in Table 4 below and displays the relative size of each subsection of this appropriation

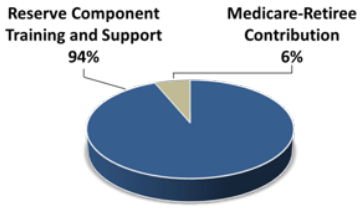


Figure 3. Military Personnel – Air Force Reserve FY 2015 Blue Budget Request

The Air Force Reserve Military Personnel budget funding pays for direct military compensation including regular pay, allowances and benefits for AFR Airmen to provide trained units and individuals to augment the Active Component in supporting the Combatant Commanders. The budget encompasses force structure adjustments between the Active and Reserve Components required to meet the new defense strategy. School training and special tours of Active Duty training required to build and maintain skill level proficiency to accomplish mission assignments are funded through this appropriation. The FY 2015 budget request includes manpower funding in support of Intelligence, Surveillance and Reconnaissance, nuclear mission requirements and other stressed career fields.

Table 4. Military Personnel – Air Force Reserve TOA

Air Force Reserve Personnel, TOA ($M)	FY14 Enacted	FY15 PB
Unit and Individual Training	1,705	1,657
Subtotal	**1,705**	**1,657**
Medicare-Retiree Contribution	154	111
Blue Total	**1,859**	**1,768**
Non-Blue	20	21
Air Force Reserve MILPERS TOA Total	**1,879**	**1,789**

Numbers may not add due to rounding.

Members of the 35th Combat Communications Squadron, Tinker AFB, Oklahoma, hone their skill during a field training exercise at the Lackland AFB, Texas

12 new recruits take the oath of enlistment into the Air Force Reserve during an enlistment ceremony held recently in the shadow of the Statue of Liberty

Air Force Chief of Staff Gen. Mark A. Welsh III presents his coin to Master Sgt. James Ring, a program manager with Air Force Reserve Command's Recruiting Service at Robins Air Force Base, Georgia

Military Personnel – Air National Guard

Figure 4 depicts the FY 2015 Blue TOA shown in Table 5 below and displays the relative size of each subsection of this appropriation.

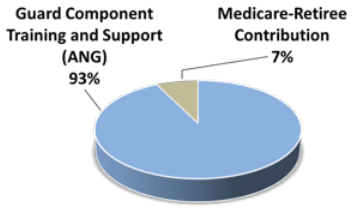


Figure 4. Military Personnel – Air National Guard FY 2015 Blue Budget Request

The Air National Guard Military Personnel budget request funds direct military compensation including regular pay, special pays, retired pay accruals, basic allowances for subsistence and housing, recruiting and retention incentives, and clothing allowances to provide trained units for participation in the Expeditionary Air Force as well as to perform Air Sovereignty Alert missions. The budget encompasses force structure adjustments of 400 personnel. Additionally, funding supports annual 15-day tours and 48 drill periods, as well as tours of Active Duty for training of selected ANG personnel in FY 2015.

Table 5. Military Personnel – Air National Guard TOA

Air National Guard Personnel, TOA ($M)	FY14 Enacted	FY15 PB
Unit and Individual Training	3,100	3,144
Subtotal	**3,100**	**3,144**
Medicare-Retiree Contribution	248	190
Blue Total	**3,347**	**3,334**
Non-Blue	17	14
Air Force ANG MILPERS TOA Total	**3,364**	**3,349**

Numbers may not add due to rounding.

Alaska Air National Guard Pararescue Jumper and his brother, a Special Mission Aviator, pose for a photograph in front of a HH-60 Pave Hawk on Jt Base Elmendorf-Richardson, Alaska

California Air National guardsmen from the 129th Rescue Wing perform precision water bucket drops in support of the Rim Fire suppression operation at Tuolumne County near Yosemite, California

Members of the Nebraska Air National Guard's 155th Air Refueling Wing participate in an Ability to Survive and Operate exercise

Operation and Maintenance

Figure 5 depicts the FY 2015 Blue TOA shown in Table 6 below and displays the relative size of each subsection of this appropriation.

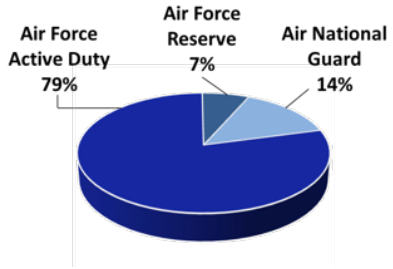


Figure 5. O&M – Total Force FY 2015 Blue Budget Request

The FY 2015 O&M budget request funds the day-to-day expenses of the Air Force to support current operational requirements. It supports 79 major installations (72 Active, 5 Air Force Reserve and 2 Air National Guard), funds the costs associated with flying operations; space operations; cyber operations; intelligence, surveillance and reconnaissance; logistics; nuclear deterrence; search and rescue; and special operations activities. All Air Force core functions are supported by this appropriation. Table 6 displays O&M across the Total Force divided into the three components.

Table 6. O&M – Air Force Total Force TOA by Budget Category

Operation and Maintenance, Air Force Total Force TOA ($M)	FY14 Enacted	FY15 PB
Active Air Force	*35,504	34,932
Air Force Reserve	3,062	3,016
Air National Guard	6,392	6,393
Blue Total	**44,958**	**44,341**
Non-Blue	898	869
Air Force O&M TOA Total	**45,856**	**45,210**

*Includes $2.8B Base to OCO transfer, Environmental, and WCF

Numbers may not add due to rounding.

The Air Force's FY 2015 PB request focuses on balancing our near-term requirements and ability to perform our five core missions with the budget levels provided by the BBA. The FY 2015 budget further assists the Air Force on our path to readiness recovery. While the BBA helped stop the decline in readiness, recovery is not a short-term fix and will take years to fully rebuild. To recover readiness to the required levels, the Air Force must manage personnel and operations tempo as well as adequately fund the necessary readiness programs such as flying hours, weapon system sustainment (WSS), ranges and simulators. This budget request funds flying hours to capacity and restores full funding to our advanced warfighter programs, such as Red Flag and Weapons School, focusing on full-spectrum combat training to prepare our operators to win in a more complex, contested environment.

The Air Force successfully leverages our Total Force to provide seamless airpower on a global scale to meet combatant commander requirements every day. There is great synergy and interdependence between Air Force Active, Guard, and Reserve forces. Over the past 25 years the active duty portion of the Total Force dropped from 78 to 64 percent, increasing reliance on the Reserve component. The Air National Guard and Air Force Reserve are integrated into all Air Force core mission areas and have transformed from a traditional reserve force into a force that provides operational capability, strategic depth and surge capacity. This seamless integration is critical as we move toward becoming a smaller, but more lethal force.

To build a leaner force that remains ready, the Air Force plans to divest over 200 aircraft across all three components. The careful analysis and thought that went into planning these divestitures enables the Air Force to retain the proper mix of personnel and capabilities across the components to meet current and future requirements. To meet these needs, the Air Force plans to transfer personnel and aircraft to the Air National Guard and the Air Force Reserve, including the transfer of flying missions to locations that would otherwise have no mission due to fleet divestitures. This effort helps the Air Force maintain combat capability using the strength and unique capabilities of the Guard and Reserve components to make up for capabilities lost as active duty end strength declines.

Key highlights:

- Continues gradual path to full-spectrum readiness recovery
- Divests aircraft with single-role missions (e.g. A-10); to allow cuts to “tail” as well as “tooth;” achieves large savings while preserving multi-role platforms capabilities.
- Flying hours funded to capacity: 1.2M hrs/$7.6B; sustains fleet of ~5K aircraft/103 weapon systems
- WSS supports aircraft availability – base requirement funded at 70 percent
- Sustained required space enterprise capabilities and supported U.S. Cyber Command’s (USCYBERCOM) mission force
- Sustain nuclear enterprise/deterrent operations for ICBM, B-2 and B-52 fleets
- Continues ISR capability for today’s fight – provides for surge level of 65 Combat Air Patrols (CAP)
- Ensures day-to-day operations at 79 major installations -- facilities sustainment funded at 65 percent
- Priority placed on basic core services - fitness centers, dining facilities, child/youth programs
- Increased Sexual Assault Prevention and Response billets in basic training, Sexual Assault Response Coordinator & Legal

Table 7 displays O&M across major mission areas.

Table 7. O&M – Air Force Total Force Blue TOA

Operation and Maintenance, Air Force Total Force TOA ($M)	FY14 Enacted	FY15 PB
Flying Operations	*17,988	18,310
Civilian Pay	*10,959	10,830
Space/Other Combat Forces	5,429	5,652
Installation Support and FSRM	6,290	5,647
Logistics Ops and Air Force-Wide Support	*2,281	2,079
Training & Recruiting	1,056	937
Mobility Forces	955	886
Air Force O&M Blue TOA Total	**44,958**	**44,341**

*Includes $2.8B Base to OCO transfer, Environmental and Working Capital Fund

Numbers may not add due to rounding.

Major Mission Area Highlights:

- Supports civilian end strength of 183,227 (all appropriations) and provides a 1 percent raise in civilian pay
- Supports aircrew flying operations, combat training, maintenance and repair, parts and aviation fuel to support joint warfighter and humanitarian operations. This program funds 1,202,971 flying hours ($7.6B): 885,843 Active hours ($5.2B), 214,915 ANG hours ($1.6B), 102,213 AFR hours ($0.8B). WSS supports aircraft sustainment through an enterprise level concept for managing Depot Maintenance, Contractor Logistic Support, Sustaining Engineering and Technical Orders. The $10.7B baseline program funds 70 percent of the validated WSS requirements
- Sustains mobilization preparedness contingency operations and wartime requirements through War Reserve Materiel prepositioning, weapons storage, industrial preparedness, and medical capabilities
- Supports combat and specialized operations, management, readiness, and sustainment of weather and space capabilities
- Funds primary combat forces composed of front-line fighters, bombers, and strike assets
- Supports Global Command, Control, Communication, and Intelligence Early Warning systems
- Funds Space Launch & Operations composed of space lift ranges, launch vehicles, and satellite weather/GPS Systems
- Serves as Support Agency for five Combatant Commands (COCOM)
- Funds educational opportunities that support professional and personal goals for all Air Force personnel
- Provides funding required to attract a diverse and multi-skilled workforce at the quantity, quality, and skills required
- Funds Second Destination Transportation for movement of all materiel already in the Air Force inventory or supply system, to include engines, helicopters, vehicles, subsistence, and munitions
- Funds installation support functions, engineering and environmental programs to sustain capability, quality of life, workforce productivity, and infrastructure support

The tables that follow display the funding request in different categories relevant to Active, Air Force Reserve, and Air National Guard components.

O&M – Active Air Force

Figure 6 depicts the FY 2015 Blue TOA shown in Table 8 and displays the relative size of each subsection of this appropriation.

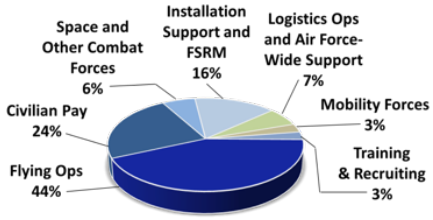


Figure 6. O&M – Active Air Force FY 2015 Blue Budget Request

The FY 2015 Active Air Force budget request supports 72 major installations, 2 space ranges, produces 1,126 new pilots, and funds 885,843 flying hours while sustaining a fleet of 3,563 aircraft. O&M resources provide funding for essential combat enablers such as: intelligence; logistics; weather; air traffic control; search and rescue; reconstitutions; airfield, runway and base facility maintenance; civilian pay; and improvements to working and living environments for Air Force personnel. Land-based nuclear and space forces, electronic warfare, irregular warfare and ISR missions are also supported by O&M funding. Categories in the table below include funding for civilian pay; flying operations; mobility forces; space/other combat forces; training and recruiting; logistics operations and Air Force-wide support; and installation support and facilities, sustainment, restoration, and modernization (FSRM).

Table 8. O&M – Active Air Force TOA

Operation and Maintenance, Active Air Force TOA ($M)	FY14 Enacted	FY15 PB
Flying Operations	*13,590	13,737
Civilian Pay	*7,680	7,513
Space/Other Combat Forces	4,660	4,962
Installation Support and FSRM	5,345	4,875
Logistics Ops and Air Force-Wide Support	*2,219	2,022
Training & Recruiting	1,056	937
Mobility Forces	955	886
Air Force Active O&M Blue TOA Total	**35,504**	**34,932**
Non-Blue	898	869
Air Force Active O&M TOA Total	**36,402**	**35,801**

*Includes $2.8B Base to OCO transfer, Environmental and Working Capital Fund

Numbers may not add due to rounding.

An F-22 from Tyndall AFB and F-35 from Eglin AFB soar over the Emerald Coast, FL

Delivery and preparation of the 19th Defense Meteorological Satellite Program (DMSP) weather satellite to Vandenberg AFB, California

The 45th Space Wing successfully launched a United Launch Alliance Atlas V rocket carrying the second Mobile User Objective System (MUOS-2) satellite for the U.S. Navy

O&M – Air Force Reserve

Figure 7 depicts the FY 2015 Blue TOA shown in Table 9 below and displays the relative size of each subsection of this appropriation.

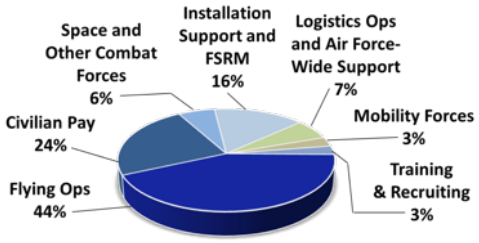


Figure 7. O&M – Air Force Reserve FY 2015 Blue Budget Request

The O&M AFR appropriation provides funding to maintain five major installations, train units for immediate mobilization, and deliver administrative support. The FY 2015 budget request provides for the operation and training of 33 wings, 102,213 flying hours, maintains 337 aircraft, funds air reserve technicians (military), civilian technicians, and provides mission training for 67,100 Reserve personnel. Activities include aircraft operations; training; base and depot level aircraft maintenance; mission support; facilities sustainment, restoration and modernization; and supply and maintenance for AFR units. Categories in the table below include funding for civilian pay; flying operations; mobility forces; space/other combat forces; training and recruiting; logistics operations and Air Force-wide support; and installation support and FSRM.

Table 9. O&M – Air Force Reserve TOA

Operation and Maintenance, Air Force Reserve TOA ($M)	FY14 Enacted	FY15 PB
Flying Operations	1,364	1,347
Civilian Pay	1,164	1,162
Space/Other Combat Forces	285	254
Installation Support and FSRM	219	226
Logistics Ops and Air Force-Wide Support	30	27
Air Force Reserve O&M TOA Total	**3,062**	**3,016**

Numbers may not add due to rounding.

An aeromedical evacuation technician with the 452nd Aeromedical Evacuation Squadron March ARB California, reviews a patient's medical report, during an inflight medical training scenario

C-17 Globemaster III, from 452nd Air Mobility Wing, March Air Reserve Base (ARB), California, taxis after landing at Pittsburg International Airport Air Reserve Station, Coraopolis, Pennsylvania

336th Air Refueling Squadron boom operator refuels an F-35A Lightning II from the 58th Fighter Squadron at Eglin AFB, Florida

O&M – Air National Guard

Figure 8 depicts the FY 2015 Blue TOA shown in Table 10 below and displays the relative size of each subsection of this appropriation.

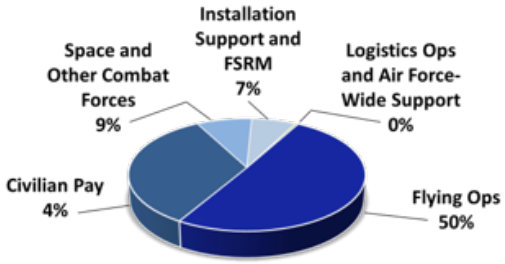


Figure 8. O&M – Air National Guard FY 2015 Blue Budget Request

The O&M ANG appropriation funds the flying and maintenance of ANG aircraft and the operation of two major installations. It also funds the facilities, equipment and manpower required to sustain the force at a combat readiness level enabling immediate assimilation into the Active Air Force as well as the ability to conduct independent operations in accordance with unit wartime tasking. The FY 2015 budget request funds 214,915 flying hours, maintains 1,056 aircraft and supports mission training of 105,000 ANG personnel. Categories in the table below include funding for civilian pay; flying operations; mobility forces; space/other combat forces; training and recruiting; logistics operations and Air Force-wide support; and installation support and FSRM.

Table 10. O&M – Air National Guard TOA

Operation and Maintenance, Air National Guard TOA ($M)	FY14 Enacted	FY15 PB
Flying Operations	3,035	3,226
Civilian Pay	2,115	2,155
Installation Support and FSRM	725	545
Space/Other Combat Forces	484	436
Logistics Ops and Air Force-Wide Support	33	31
Air Force ANG O&M TOA Total	**6,392**	**6,393**

Numbers may not add due to rounding.

An F-22 Raptor assigned to the 154th Wing, Hawaii ANG, takes off during a Red Flag exercise from Nellis AFB, Nevada

169th Aircraft Maintenance Squadron maintainer cleans and inspects an F-16 Fighting Falcon fighter jet for regeneration

Delaware ANG C-130 Hercules aircraft perform a tactical airdrop covering four states

Procurement

Figure 9 depicts the FY 2015 Blue TOA shown in Table 11 below and displays the relative size of each subsection of this appropriation.

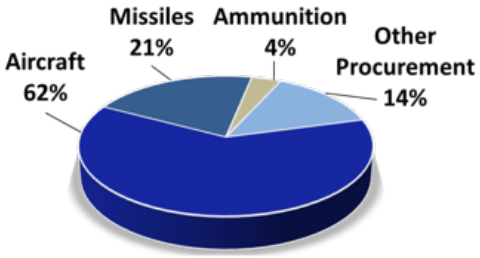


Figure 9. Procurement FY 2015 Blue Budget Request

The Procurement appropriation portfolio delivers both immediate and future capabilities through investment across four specific appropriations: Aircraft, Missile, Ammunition, and Other Procurement. The FY 2015 budget request grows over the FY 2014 enacted level, primarily due to the initial procurement of the KC-46 (7) aircraft and an increase of quantity of the F-35 (26). To defend against a potential high-end threat in 2023 we shifted our priority from legacy modernization to recapitalizing capabilities. Within this increase, our budget request allows us to preserve production ramps of our top acquisition programs, sustain our approved efficient space procurement strategy, and keep our ammunition procurement consistent with historical levels. The following pages will discuss procurement appropriations in more detail.

Table 11. Procurement TOA

Procurement TOA ($M)	FY14 Enacted	FY15 PB
Aircraft	10,303	11,473
Missiles	3,787	3,803
Ammunition	730	677
Other Procurement	1,948	2,590
Blue Total	**16,768**	**18,544**
Non-Blue	15,236	14,933
Air Force Procurement TOA Total	**32,005**	**33,476**

Numbers may not add due to rounding.

Soldiers from the 82nd Airborne Division ready their gear prior to jumping from Air Force C-130J Hercules during a Joint Operation Access exercise at Pope Field, N.C.

Workers prepare the Air Force's third AEHF satellite for launch near Cape Canaveral Air Force Station, FL

F-35A Lightning II Joint Strike Fighters from the 58th Fighter Squadron, Eglin AFB, Fla. perform an aerial refueling mission off the coast of Florida

Procurement – Aircraft

Figure 10 depicts the FY 2015 Blue TOA shown in Table 12 below and displays the relative size of each subsection of this appropriation.

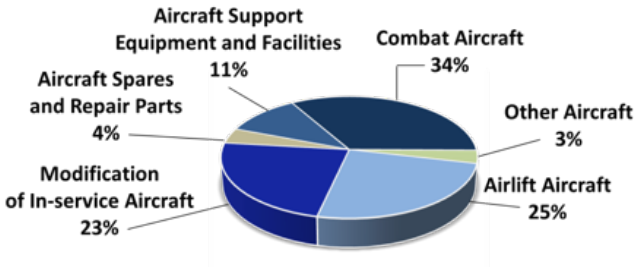


Figure 10. Aircraft Procurement FY 2015 Blue Budget Request

The Aircraft Procurement appropriation funds procurement of aircraft, modification of aircraft, support equipment, specialized ground handling equipment, training devices, and spare parts. The FY 2015 budget request supports vital systems across multiple Air Force core missions. Key air superiority initiatives include procurement of 26 F-35s, modifications of the F-22 Raptor sustainability and structural upgrades, and radar upgrades on the F-15 Eagle fleet. Global Integrated ISR is supported with procurement of 12 MQ-9 Reapers and continuation of the RQ-4 Block 30. Rapid Global Mobility investment funds the tanker fleet recapitalization effort by purchasing the first seven KC-46 Tankers in FY 2015 which will provide multi-point refueling capability, and supports replacement of the C-5 Galaxy Core Mission Computer (CMC) and weather radar. The Air Force will leverage resources across services with funding committed to the C-130 multi-year procurement (MYP) strategy. This supports the acquisition of seven C-130J Super Hercules in support of Global Mobility, four HC-130 in support of Personnel Recovery, and two MC-130s in support of Special Operations. Global Strike initiatives include fleet-wide upgrades to B-52 communication capabilities. Finally, the Air Force will invest in Command and Control (C2) which includes mission systems modifications to the E-3 Airborne Warning and Control System (AWACS). The table below summarizes funding for aircraft procurement by budget activity.

Table 12. Aircraft Procurement TOA

Aircraft Procurement TOA ($M)	FY14 Enacted	FY15 PB
Combat Aircraft	3,229	3,845
Airlift Aircraft	1,303	2,858
Modification of In-service Aircraft	2,874	2,664
Aircraft Support Equipment and Facilities	1,370	1,244
Aircraft Spares and Repair Parts	398	467
Other Aircraft	1,129	396
Trainer Aircraft	-	-
Totals	**10,303**	**11,473**
Non-Blue	76	69
Air Force Aircraft Procurement TOA Total	**10,379**	**11,543**

Numbers may not add due to rounding.

Procurement – Missile

Figure 11 below depicts the FY 2015 Blue TOA shown in Table 13 below and displays the relative size of each subsection of this appropriation.

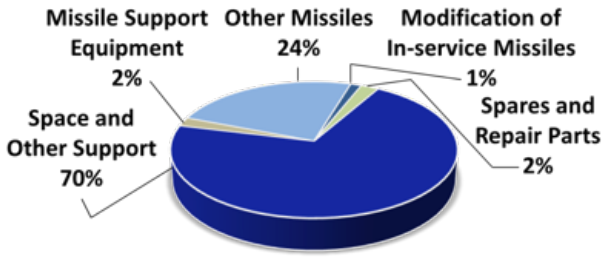


Figure 11. Missile Procurement FY 2015 Blue Budget Request

The Missile Procurement appropriation funds acquisition and modification of missiles, spacecraft, launch vehicles, spare parts, and support equipment. In FY 2015 the Air Force will continue the Evolutionary Acquisition for Space Efficiency/Efficient Space Procurement approach for a fixed price block buy of Advanced Extremely High Frequency (AEHF) satellite vehicles 5 and 6 and Space-based Infrared System (SBIRS) Geosynchronous Earth Orbit (GEO) 5 and 6. The FY 2015 budget request includes a cost-saving acquisition approach for Air Force funded medium and intermediate classes of EELV. In addition, the Air Force plans to procure one GPS III satellite and continue funding key modernization efforts within the Minuteman III program, continuing to deliver safe and secure nuclear capabilities. A key part of the contested environment solution for future conflicts is the procurement of modern munitions for air superiority and preferred air-to-ground missiles. The Air Force plans to procure 303 AIM-9X Sidewinder Air-to-Air missiles; 200 AIM-120D Advanced Medium-Range Air-to-Air Missiles (AMRAAM); 104 Joint Air-to-Surface Standoff Missile-Extended Range (JASSM-ER) missiles; 283 Hellfire missiles; and 246 Small Diameter Bomb (SDB) II which sustains the Air Force's capability to provide air dominance and global precision attack capabilities.

Table 13. Missile Procurement TOA

Missile TOA ($M)	FY14 Enacted	FY15 PB
Space and Other Support	2,871	2,678
Other Missiles	772	905
Spares and Repair Parts	72	87
Missile Support Equipment	39	80
Modification of In-service Missiles	33	52
Blue Total	**3,787**	**3,803**
Non-Blue	537	888
Air Force Missile Procurement TOA Total	**4,324**	**4,691**

Numbers may not add due to rounding.

Procurement – Ammunition

Figure 12 depicts the FY 2015 Blue TOA shown in Table 14 below and displays the relative size of each subsection of this appropriation.

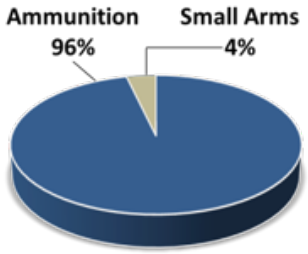


Figure 12. Ammunition Procurement FY 2015 Blue Budget Request

The Ammunition Procurement appropriation funds procurement, production, and modification of ammunition. The portfolio primarily supports the Global Precision Attack core function and includes ammunition, bombs, flares, fuses, cartridges, and related training devices. The Air Force will procure munitions to maintain War Reserve Materiel (WRM) quantities and test and training stockpiles which include 2,973 Joint Direct Attack Munitions (JDAM); general purpose bombs; practice bombs; and rockets.

Table 14. Ammunition Procurement TOA

Ammunition Procurement TOA ($M)	FY14 Enacted	FY15 PB
Ammunition	712	653
Small Arms	18	25
Air Force Ammunition Procurement TOA Total	**730**	**677**

Numbers may not add due to rounding.

Procurement – Other

Figure 13 depicts the FY 2015 Blue TOA shown below in Table 15 and displays the relative size of each subsection of this appropriation.

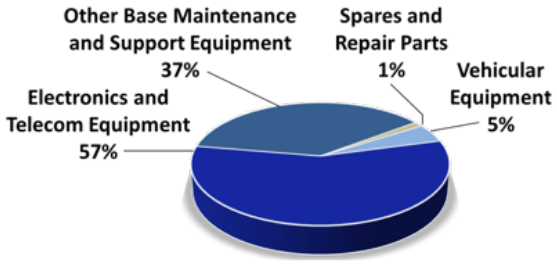


Figure 13. Other Procurement FY 2015 Blue Budget Request

The Other Procurement appropriation funds several systems including procurement and modification of investment equipment, ground electronic systems, communication equipment, information systems, and vehicles. These systems support Force readiness; space superiority; intelligence, surveillance, and reconnaissance; and command and control. Readiness is supported through the acceleration of funding for advanced Airfield Damage Repair capabilities to Pacific Air Force airfields in Guam and Japan, which address runway denial threats from possible adversaries. The FY 2015 budget request supports our major installations by funding critical vehicle shortfalls in heavy construction equipment. The space superiority core function is supported through the modernization and recapitalization of the Air Force Network of Systems. This effort includes network systems and sub-system hardware and software that respond to obsolescence issues and evolving cyber threats. The key to Global Integrated ISR is modernization of end-of-life Distributed Common Ground Systems, which provide a network backbone for time-critical intelligence data. C2 is supported by the fit-out requirements for the new United States Strategic Command (USSTRATCOM) Headquarters facility. USSTRATCOM is tasked to provide strategic deterrence, space operations, and cyberspace operations in our nation's defense. The new headquarters facility is integral in USSTRATCOM accomplishing their mission objectives, which requires significant command and control capabilities. The FY 2015 request funds a secure infrastructure to provide a High-Altitude Electromagnetic Pulse Shielded Command and Control Center; mainframe computer data centers; storage and maintenance areas; multiple 24/7 mission operations centers; and the necessary infrastructure to provide reliable secure and non-secure voice, data, and video to the command.

Table 15. Other Procurement TOA

Other Procurement TOA ($M)	FY14 Enacted	FY15 PB
Electronics and Telecom Equipment	1,111	1,472
Other Base Maintenance and Support Equipment	763	962
Vehicular Equipment	53	124
Spares and Repair Parts	22	33
Blue Total	**1,948**	**2,590**
Non-Blue	14,623	13,976
Air Force Other Procurement TOA Total	**16,571**	**16,566**

Numbers may not add due to rounding.

Research, Development, Test and Evaluation

Figure 14 depicts the relative size of each subsection of this appropriation as shown in Table 16 below.

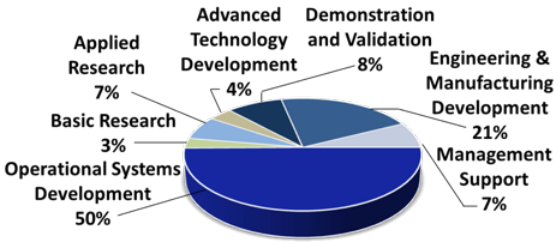


Figure 14. RDT&E FY 2015 Blue Budget Request

The RDT&E appropriation funds basic and applied scientific research as well as future weapon systems' development, test, and evaluation. Basic research involves the scientific study and experimentation related to long-term national security, while applied research is the systematic study to understand the means to meet a recognized and specific national security requirement.

Table 16. RDT&E TOA

Research, Development, Test, and Evaluation TOA ($M)	FY14 Enacted	FY15 PB
Operational Systems Development	7,191	7,949
Engineering & Manufacturing Development	4,517	3,337
Demonstration and Validation	843	1,372
Management Support	1,114	1,183
Applied Research	1,146	1,081
Advanced Technology Development	636	594
Basic Research	525	454
Totals	**15,973**	**15,972**
Non-Blue	7,608	7,768
Air Force RDT&E TOA Total	**23,581**	**23,740**

Numbers may not add due to rounding.

KC-46 design. The first KC-46 is expected to fly in 2015

Artist rendering of a Space Based Surveillance System satellite

Airmen test the Air Force's newest refueling tanker, the KC-46, outside the Pentagon during a visit from Boeing's simulator team

The FY 2015 request protects RDT&E efforts of our Top 3 programs (KC-46A, F-35 and Long Range Strike-Bomber) while reducing or deferring investments in other areas. Each of our Top 3 programs is approaching important events critical to meeting its milestone criteria. Our strategic budgetary approach re-enforces our senior leaders' direction to focus investment on recapitalization over modernization in the near-term, and provide Air & Space Superiority, Global Reach and Global Strike by 2023. The FY 2015 budget request funds KC-46A development and testing. This development effort, supporting Rapid Global Mobility, will convert commercial 767 aircraft into airframes with military capability. Funding also maintains development and operational testing for F-35 Block 2B, which includes initial warfighting capabilities, and Block 3F, which provides full warfighting capabilities. To ensure we maintain and exploit our technological advantage, we kept our investments in Science & Technology and Test & Evaluation activities level. Additionally, this budget also begins efforts to explore replacement options for the Joint Surveillance Target Attack Radar System (JSTARS) aircraft. We expect the replacement to provide improved capabilities with more advanced sensors at substantially reduced costs in the future.

In addition, we have allocated funds to replace our aging T-38C fleet and ground based training systems. Our choices to invest in the aforementioned programs required us to take some calculated risk by delaying delivery of B-2 Defensive Management Systems-Modernization (DMS-M) and delaying delivery of Space-Based Surveillance System (SBSS) follow-on by one year.

RDT&E funding also supports such programs as Space Fence, GPS, as well as Minuteman III ICBM modernization projects ensuring future viability of the nation's nuclear deterrence operations. The table below summarizes the major developments funded in this request.

Table 17. RDT&E Major Programs

RDT&E Largest Programs ($M)	FY14 Enacted	FY15 PB
Long Range Strike - Bomber	359	914
KC-46	1,559	777
Test and Evaluation Support	723	690
F-35	628	563
SBIRS High Engineering and Manufacturing Development	322	320
Defense Research Sciences	373	314
AEHF Military Satellite Communications (MILSATCOM)	266	314
GPS III - Operational Control Segment	373	300
F-15E Squadrons	234	262
RQ-4	120	245
Totals	**4,958**	**4,698**

Numbers may not add due to rounding.

Military Construction

Figure 15 depicts the FY 2015 Blue TOA shown below in Table 18 and displays the relative size of each subsection of this appropriation.

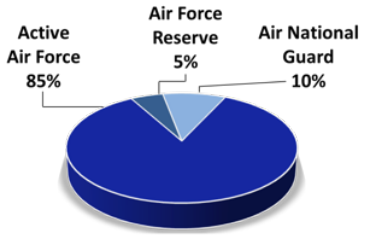


Figure 15. MILCON FY 2015 Blue Budget Request

The MILCON appropriation funds large scale facility construction projects supporting our Total Force Airmen and Joint partners. These facilities provide a broad spectrum of functionality satisfying operational, training, maintenance, supply, administrative, housing, and utility needs.

Artist rendering of an F-35 aircraft maintenance unit at Luke AFB, Arizona

The FY 2015 MILCON budget request is funded at minimum essential levels because of the difficult trades made by the Air Force to best allocate available resources in defense of the nation. For example, this request defers most infrastructure recapitalization requirements. These trades freed the resourcing necessary to support the force structure, readiness, and modernization required by the Air Force to better meet its Air Force 2023 (AF2023) strategy and national defense requirements. Although the FY 2015 MILCON budget request resources only its highest priority facility requirements, these facilities will still provide and support those capabilities required to project prompt and decisive global vigilance, reach, and power. Table 18 displays a summary of the balanced Active, Reserve, and National Guard MILCON budget with a breakout of major and minor construction funding in the subsequent tables.

Table 18. MILCON TOA

Military Construction TOA ($M)	FY14 Enacted	FY15 PB
Active Air Force	1,053	812
Air Force Reserve	46	49
Air National Guard	120	95
Air Force MILCON TOA Total	**1,218**	**956**

Numbers may not add due to rounding.

MILCON – Active Air Force

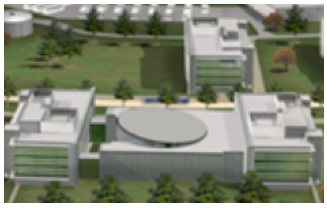
The Active Air Force FY 2015 MILCON budget request resources its highest priority facility requirements. These requirements were developed within a well-defined, strategy-linked context considering defense requirements and Air Force capabilities. The itemization of projects for the Active component's MILCON budget that follows is binned according to these categories and is in order of their share of the budget. Defense Strategy comprises the largest portion of the FY 2015 MILCON budget request for the active component. It includes COCOM requirements and re-balancing capabilities toward the Asia-Pacific region. At $516M, Defense Strategy projects comprise 64 percent of the Active Air Force budget and support: the United States Strategic Command (USSTRATCOM) Headquarters Replacement Facility (Increment 4 of 4), USCYBERCOM Joint Operations Center (Increment 2 of 3), the United States European Command (EUCOM) Joint Intelligence Analysis Center Consolidation (Phase 1), the Guam Strike Fuel Systems Maintenance Hangar (Increment 2 of 2), and the PACAF Regional Training Center (PRTC). The Air Force allocated $249.3M, or 31 percent of the Active Air Force MILCON budget, supporting projects Aligning Air Force Capabilities which includes mission facilities for KC-46A, F-35A, and F-22. Aligning Air Force Capabilities also included some limited infrastructure construction for our current mission including two Joint Base (JB) fire stations and fuel storage for an emergency power plant. Lastly, but certainly not least, the Air Force allocated $13.5M, or 2 percent of the Active Air Force MILCON budget, to one dormitory project. The Active Air Force FY 2015 budget request is summarized in Table 19. A state-by-state MILCON project list is included in Table 20.

Table 19. MILCON–Active Air Force TOA

Military Construction, Air Force (Active) TOA ($M)	FY14 Enacted	FY15 PB
Major Construction	1,021	778
Minor Construction	20	23
Planning and Design	11	11
Air Force Active MILCON TOA Total	**1,053**	**812**

Numbers may not add due to rounding.

Artist's rendering of one- and two-bay hangars for KC-46 beddown at McConnell AFB, Kansas



USCYBERCOM Joint Ops Center Ft Meade, Maryland

Table 20. "State-by-State" MILCON Project List

STATE/COUNTRY	INSTALLATION	PROJECT	REQUEST ($K)
ALASKA	CLEAR	Emergency Power Plant Fuel Storage	11,500
ARIZONA	LUKE	F-35 Flightline Fillstands	15,600
ARIZONA	LUKE	F-35 Aircraft Maintenance Hangar, Squadron #2	11,200
GUAM	JRM-ANDERSEN	PRTC - Combat Communications Infrastructure Facility	3,750
GUAM	JRM-ANDERSEN	PRTC - Red Horse Logistics Facility	3,150
GUAM	JRM-ANDERSEN	PRTC - Satellite Fire Station	6,500
GUAM	JRM-ANDERSEN	Guam Strike Fuel Systems Maint Hangar - Increment 2	64,000
KANSAS	MCCONNELL	KC-46A Fuselage Trainer	6,400
KANSAS	MCCONNELL	KC-46A ADAL Mobility Bag Storage Expansion	2,300
KANSAS	MCCONNELL	KC-46A ADAL Regional Maintenance Training Facility	16,100
KANSAS	MCCONNELL	KC-46A Alter Composite Maintenance Shop	4,100
KANSAS	MCCONNELL	KC-46A Alter Taxiway Foxtrot	5,500
MARYLAND	FORT MEADE	CYBERCOM Joint Operations Center - Increment 2	166,000
MASSACHUSETTS	HANSCOM	Dormitory (72 Rooms)	13,500
NEBRASKA	OFFUTT	USSTRATCOM Replacement Facility - Increment 4	180,000
NEVADA	NELLIS	F-35 Aircraft Maintenance Unit, 4 Bay Hangar	31,000
NEVADA	NELLIS	F-22 Flight Simulator Facility	14,000
NEVADA	NELLIS	F-35 Weapons School Facility	8,900
NEW JERSEY	JB MDL	Fire Station	5,900
OKLAHOMA	TINKER	KC-46A Depot Maintenance Complex Support Infrastructure	48,000
OKLAHOMA	TINKER	KC-46A Two-Bay Maintenance Hangar	63,000
TEXAS	JB SAN ANTONIO	Fire Station	5,800
UNITED KINGDOM	RAF-CROUGHTON	Joint Intelligence Analysis Complex Consolidation - Phase 1	92,223
WORLDWIDE	UNSPECIFIED	Planning and Design	10,738
WORLDWIDE	UNSPECIFIED	Unspecified Minor Military Construction	22,613
		Active MILCON Total	**811,774**

MILCON – Air Force Reserve

The FY 2015 AFR MILCON budget request supports three projects: a KC-135 Tanker Parking Apron Expansion at Seymour Johnson Air Force Base (AFB), North Carolina providing peripheral taxi-lanes that accommodate pull-through capability; an AFRC Consolidated Mission Complex (Phase 1) at Robins AFB, Georgia replacing a temporary administrative facility with a permanent facility that continues consolidation for efficiency; and an Explosive Ordnance Disposal (EOD) Facility at NAS Fort Worth JRB, Texas providing storage for high value vehicle and training space for the new AFRC EOD mission.

Table 21. MILCON–Air Force Reserve TOA

Military Construction, Air Force Reserve TOA ($M)	FY14 Enacted	FY15 PB
Major Construction	42	41
Minor Construction	2	1
Planning and Design	2	7
Air Force Reserve MILCON TOA Total	**46**	**49**

Numbers may not add due to rounding.

MILCON – Air National Guard

The FY 2015 ANG MILCON budget request supports: a Remotely Piloted Aircraft (RPA) beddown at W.K. Kellogg Airport, Michigan; an RPA Operations Center at Willow Grove Air Reserve Station (ARS), Pennsylvania; an RPA and Targeting beddown at Des Moines International Airport, Iowa; a C-130 Fuel Cell and Corrosion Control Facility at Bradley International Airport, Connecticut; and KC-46A mission facilities at Pease International Tradeport, New Hampshire.

Table 22. MILCON–Air National Guard TOA

Military Construction, Air National Guard TOA ($M)	FY14 Enacted	FY15 PB
Major Construction	93	79
Minor Construction	13	8
Planning and Design	13	8
Air Force ANG MILCON TOA Total	**120**	**95**

Numbers may not add due to rounding.

Military Family Housing

The FY 2015 Military Family Housing budget request reflects the Air Force's continued emphasis on revitalizing housing and providing service members with homes that meet contemporary standards similar to the size and floor plans of homes constructed in the local community. The Air Force uses the Family Housing Master Plan as the roadmap to guide investment planning and programming for MILCON, operations and maintenance, and military family housing privatization. The FY 2015 budget request supports a continuing effort to provide quality homes to Airmen and their families in government-owned and leased units as well as oversight of privatized units. In FY 2015, the Air Force chose to defer MFH MILCON requirements in order to protect readiness and maintain other capabilities in core missions; however, the Air Force will continue to advocate MFH requirements for future year investments.

Table 23. Military Family Housing TOA

Military Family Housing TOA ($M)	FY14 Enacted	FY15 PB
MFH Operations and Maintenance	385	328
MFH-Construction Improvements	72	-
MFH-Construction Planning and Design	4	-
Totals	**461**	**328**
Non-Blue	3	-
Air Force Military Family Housing TOA Total	**465**	**328**

Numbers may not add due to rounding.

Base Realignment and Closure

The law authorizes Base Realignment and Closure accounts to fund one-time costs that are a direct result of BRAC-directed actions. In prior years, Air Force BRAC funds paid for implementation actions including construction, force structure realignment, personnel/equipment movement, required training, environmental compliance/restoration and property/program management. The FY 2013 National Defense Authorization Act (NDAA) closes the existing BRAC 1990 and BRAC 2005 accounts and transfers remaining funds into a consolidated Department of Defense (DoD) Base Closure Account in FY 2014.

The FY 2015 budget request for BRAC, totaling $91M, includes funds for environmental restoration and property management at 29 installations closed under previous BRAC rounds. The table below displays the relative size of each subsection of this appropriation.

Table 24. BRAC TOA

Base Realignment and Closure TOA ($M)	FY14 Enacted	FY15 PB
DOD Base Closure Account	126	91
Blue Total	**126**	**91**
Non-Blue	-	-
Air Force BRAC TOA Total	**126**	**91**

Numbers may not add due to rounding.

Working Capital Fund

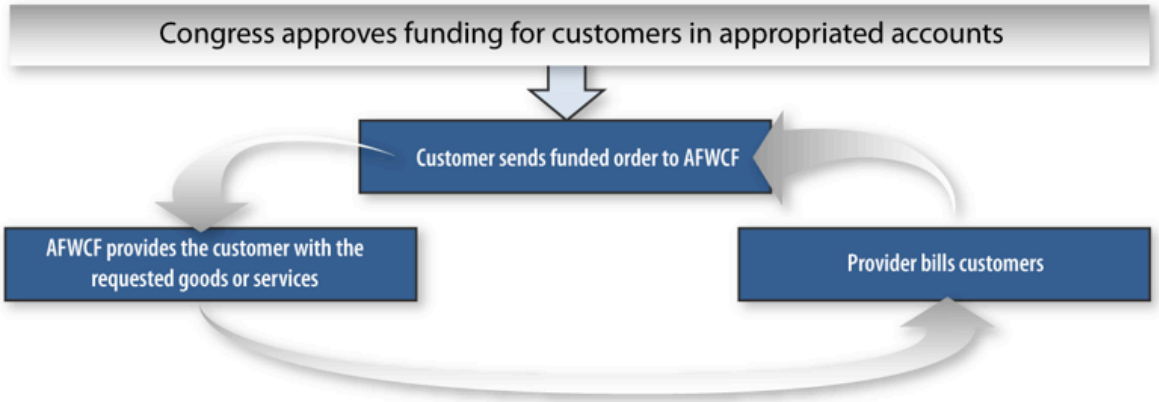
The Defense Working Capital Fund (WCF) was established for the purpose of carrying out specific mission activities in a market-like financial framework, providing customers common goods and services in the most efficient way possible. The Air Force Working Capital Fund (AFWCF) is designed to operate on a break-even basis. These AFWCF services and products are integral to readiness and sustainability of air and space assets and provide the ability to deploy forces around the globe.

The AFWCF conducts business in two primary areas: depot maintenance and supply management. Maintenance depots provide the equipment, skills, and repair services necessary to keep forces operating worldwide. Supply management activities procure and manage inventories of consumable and reparable spare parts required to keep all force structure elements mission ready. The Transportation Working Capital Fund (TWCF) projected cash balance is part of the AFWCF budget submission; however, the Air Force is only charged with cash oversight while United States Transportation Command has operational responsibility. Directly or indirectly, AFWCF activities provide warfighters key services needed to meet mission capability requirements.

The Air Force confronts a dynamic environment marked by challenges of unprecedented scope. The FY 2015 AFWCF budget's primary purpose is to contribute to meeting these challenges by supporting the Air Force's Core Functions through maintenance and supply activities that procure and repair weapon systems spare parts, manage base supplies, and provide transportation services. Estimates included in this submission are based on customers' execution plans. Successful AFWCF operations are essential to ensure warfighters receive the right item, at the right place, right time, and lowest cost.

Figure 16 shows how customers place orders with a working capital fund provider and are later billed for the goods and services provided.

Figure 16. Working Capital Fund Business Process



The FY 2015 AFWCF budget request reflects Air Force logistics and business processes are continuously improved to meet customer needs within the time and location requirements specified. Highlights of the FY 2015 AFWCF budget request are reflected in Table 25.

Table 25. Air Force Working Capital Fund Financial and Personnel Summary

Air Force Working Capital Fund ($M)	FY13	FY14	FY15
Total Revenue	21,233	23,477	23,767
Cost of Goods Sold	21,258	23,296	23,483
Adjustments for War Reserve Material (WRM)	33	(70)	(101)
Net Operating Result (NOR) Adjustments	9	111	183
Accumulated Operating Result[1 2] (AOR)	105	347	43
Capital Budget	329	337	325
Direct Appropriation[3]	56	150	67

AFWCF Personnel	FY 13	FY 14	FY 15
Civilian End Strength	29,845	30,176	30,176
Military End Strength	12,820	14,443	13,313
Civilian Workyears	30,277	29,200	28,286
Military Workyears	11,586	12,882	11,862

*Table includes Transportation Working Capital Funds (TWCF) data.

Numbers may not add due to rounding.

Cash Management

In FY 2013, AFWCF cash increased from the beginning of period, $811M, 7 days of cash, to $1.5B, 13 days of cash. This cash increase occurred primarily through reprogramming $341M from Air Force Investment accounts and $309M cost savings as a result of Transportation Working Capital Fund (TWCF) C-17 maintenance cost reductions.

In FY 2014, AFWCF cash is projected to remain relatively stable with a beginning of period balance of $1.5B, and ending cash balance of $1.4B, 12 days of cash. Measures are programmed to streamline costs and sustain cash balances in preparation for the Treasury Department's Daily Cash Reporting initiative effective October 2014. Analysis of the last two years' daily cash balances confirmed AFWCF requires four additional days of cash, on average, to mitigate day-to-day volatility that will manifest in Daily Cash Reports, reducing the risk of Anti-Deficiency Act violations.

In FY 2015, AFWCF begins with 12 days of cash, $1.4B, and is projected to remain above 10 days throughout the first half of the fiscal year. This level of cash is required as the Treasury Department kicks-off the Daily Cash Reporting in October 2014. In the last half of FY 2015 cash decreases to $853M. The Air Force will take appropriate action throughout FY 2015 to ensure cash levels remain adequate for operational and capital program disbursements and to meet the demands of Treasury's Daily Cash Reporting initiative.

[1] Includes Non-Recoverable AOR Adjustments
[2] Positive AOR in FY 2015 is associated with TWCF postponing zero AOR to FY 2016, smoothing out customer rate impacts and preserving cash
[3] Includes Medical-Dental WRM, Transportation of Fallen Heroes and C-17 Engine Maintenance

Table 26. Air Force Working Capital Fund Cash

Air Force Working Capital Fund Cash Including TWCF ($M)	FY13	FY14	FY15
Beginning of Period Cash Balance	811	1,458	1,447
Disbursements	21,263	23,087	24,080
Collections	21,513	23,003	23,419
Transfers	341	(77)	-
Direct Appropriations			
Fallen Heroes[1]	10	10	5
C-17 Engine Maintenance	-	79	-
War Reserve Material	45	62	62
End of Period Cash Balance	**1,458**	**1,447**	**853**

Numbers may not add due to rounding.

[1] Because the Administration has not yet made final decisions about an enduring presence in Afghanistan after calendar year 2014, the Budget includes a placeholder for the Department of Defense's 2015 OCO funding. This number is a placeholder and appears solely for the purposes of estimating reimbursable rates and cash balances in DOD working capital fund activities. Once DOD's OCO needs for 2015 are determined, a budget amendment package will be transmitted subsequent to release of the Budget.

Overview

The 2014 Quadrennial Defense Review embodies the defense priorities outlined in the 2012 Defense Strategic Guidance, and incorporates them into a broader strategic framework. The Department's defense strategy emphasizes three objectives -- protecting the homeland, building security globally, and projecting power and winning decisively. In support of these objectives, Airmen bring to the Nation's military portfolio five interdependent and integrated core missions. Although the ways we perform them will constantly evolve, the Air Force will continue to perform these missions so that our military can respond quickly and appropriately to unpredictable threats and challenges. Today, we call our core missions: (1) **air and space superiority;** (2) **intelligence, surveillance, and reconnaissance;** (3) **rapid global mobility;** (4) **global strike;** and (5) **command and control.**

Through these core missions, the Air Force provides *Global Vigilance, Global Reach,* and *Global Power* for America. Each of these core missions is, in its own right, vitally important to the defense of our national interests; however, no single core mission functions independently. Airpower is maximized when Airmen leverage its unique characteristics—speed, range, flexibility, precision, lethality, and persistence—to harness the integrated power of our air, space, and cyber forces. The Air Force is effective precisely because its interdependent operations are synchronized to provide an unparalleled array of airpower options, giving America the ability to respond quickly anywhere in the world.

Alignment to Department of Defense Priorities

As the Air Force looks toward 2023, we intend to stay on the flight path to building the most capable and affordable Air Force that will succeed against high-end threats. The Air Force's FY 2015 budget submission represents our effort to develop and retain the capabilities our Nation expects of its Air Force within the constraints of an extremely challenging fiscal environment. In developing the FY 2015 budget, we took a bold, but realistic approach. To support the defense strategy, we had to make difficult trades between force structure (capacity), readiness, and modernization (capability). As a result, the Air Force established four guiding principles to steer our strategy and budget process.

(1) We must remain ready for the full-spectrum of military operations;

(2) When forced to cut capabilities (tooth), we must also cut the associated support structure and overhead (tail);

(3) We will maximize the contribution of the Total Force; and

(4) Our approach will focus on the unique capabilities the Air Force provides the joint force, especially against a full-spectrum, high-end threat.

To best support the defense strategy and comply with the Defense Department's fiscal guidance, we chose to preserve the minimum capabilities necessary to sustain current warfighting efforts, while investing in capabilities needed to ensure we stay viable in the battle space of the future. Moving forward, we seek to maintain a force ready for a full range of military operations while building an Air Force capable of executing our five core missions against future high-end threats.

Air And Space Superiority

Overview

An F-35A Lightning II Joint Strike Fighter completed the first in-flight missile launch of an AIM-120 over the Point Mugu Sea test range in California

Securing the high ground is a critical prerequisite for any military operation to ensure freedom of action for the joint force and the Nation. For approximately six decades, Air Force investments, expertise, and sacrifice in achieving air superiority have ensured that friendly ground forces operate without threat of attack from enemy aircraft. While the United States has enjoyed this freedom for the last sixty years, there is no guarantee of air superiority in the future. Airspace control remains vitally important in all operating environments to ensure the advantages of rapid global mobility, ISR, and precision strike are broadly available to the Combatant Commander. Currently the United States benefits from the only operational fifth-generation fighter aircraft, the F-22 Raptor, but several countries are rapidly developing competitive fifth-generation fleets. Global and regional competitors are working towards fifth-generation fighter aircraft and advanced surface-to-air missile systems that present an area denial capability that may challenge U.S. air superiority. Additionally, improvements to non U.S. fourth-generation fighters put them on par with legacy F-15C/D aircraft that constitute a significant component of U.S. air superiority capability and further threaten our ability to ensure air superiority. Given these realities, the Air Force's FY 2015 budget request includes initiatives to address current and future air superiority needs.

America's freedom to operate effectively across the spectrum of conflict rests not only on the Air Force's ability to dominate in the air, but also on its ability to exploit space. Space Superiority is the ability to provide the degree of access and freedom of action necessary to create military effects in, through and from space, and deny our adversaries, enabling operations by United States and allied forces. Space capabilities are increasingly important to our warfighting abilities and to our daily lives. Through the Space Superiority Core Function, Airmen provide Joint Force Commanders with Global Access, Global Persistence, and Global Awareness. These aspects are critical to the lethality, precision, flexibility and responsiveness required to deter aggression, win America's wars, and conduct missions such as humanitarian and disaster relief operations. The Air Force is the DoDs steward of space, offering vital capabilities to support the warfighter. These space capabilities include nuclear survivable communications; launch detection/missile tracking; positioning, navigation, and timing; space situational awareness (SSA); space control; military satellite communications; access to space for all National Security Space missions; and weather data. Rapid technology advancements and the long-lead time for developing new space technology results in an ongoing need to plan, design, and implement space advancements. In addition, the United States and global economy rely on space systems and space operations to enable such vital activities as transportation, commerce, and agriculture.

FY 2015 Initiatives

The Combat Air Force is constantly assessed in relation to the dynamic security environment and joint force needs, but is necessarily shaped by the current fiscal climate. Balancing the force requires legacy fleet service life sustainment and modernization efforts as well as F-22A upgrades to increase air superiority capabilities and operational effectiveness.

F-15C/D: The average age of the F-15C/D fleet is over 26 years and is in need of modernization to remain viable. As we reduce the fleet by 51 aircraft across the Future Years Defense Program (FYDP), the remaining 179 will undergo offensive and defensive improvements including active electronically scanned array (AESA) radars and initial development of the Eagle Passive/Active Warning Survivability System (EPAWSS). AESA radars outperform older radars and have a greatly improved mean time between failures. EPAWSS vastly improves F-15 survivability through installation of a new radar warning receiver, internal jammer, and an integrated countermeasures dispenser system. These efforts enable the "Long-Term Eagle Fleet" to operate effectively for decades to come.

F-22A: The F-22A Raptor is the most advanced operational fighter aircraft in the world. While the F-22A's primary role is air superiority, continuous improvements ensure its ability to dominate in every environment. Similar to other weapons systems in America's inventory, the Air Force re-phased F-22A upgrades while maintaining a positive glide path toward sustaining air dominance within highly-contested environments.

To stay ahead of evolving threats and remain the world's premiere air dominance fighter, modernization of the F-22's combat capabilities is a major area of emphasis. Modernization increment 3.1 capabilities continue to be fielded, including APG-77VI radar air-to-ground and electronic attack improvements. Also in FY 2013, the Air Force prudently responded to the new fiscal environment by segmenting follow-on modernization increment 3.2 capabilities into two separate deliveries: Increments 3.2A and 3.2B. Continuing investment in Increment 3.2B research, testing and development efforts will eventually incorporate the most advanced air-to-air weapons in the inventory to include the AIM-120D AMRAAM and the AIM-9X Sidewinder.

EC-130H: The EC-130H Compass Call provides vital airborne electronic warfare capabilities with continuous upgrades in response to emerging threats. The FY 2015 budget allows the Air Force to operate the 15 aircraft fleet through 2015.

Air Superiority Munitions: The Air Force continues to enhance development, production, and integration of modern munitions for air superiority. The FY 2015 budget request includes AIM-9X Block 2 and AIM-120D development, integration, and production. The AIM-120D is the next iteration of the AMRAAM missile with increased range and radar capabilities.

Satellite Architecture: The Air Force is exploring an alternative architecture for Satellite Communications (SATCOM) and Overhead Persistent Infrared (OPIR), pursuing greater flexibility and responsiveness to the warfighter at a lower unit cost while replacing obsolete technology to meet emerging threats. The FY 2015 budget request also sustains the existing SATCOM and OPIR systems through the transition, maintaining the AEHF capability with vehicles 5/6 through 2027 and the SBIRS GEO capability with vehicles 5/6 through 2025. This request supports efforts such as the AEHF Capabilities Insertion Program and Protected Tactical demonstration contract award. For SBIRS in FY 2015, the Air Force plans to initiate detailed design studies and hardware/software risk reduction efforts to implement approved recommendations from previous design trade studies.

Space-Based Environmental Monitoring: The FY 2015 budget commences development of the Weather System Follow-On (WSF) in FY 2015 to begin the transition from the Defense Meteorological Satellite Program. WSF will take a disaggregated system-of-systems approach to meet specific Department of Defense needs while leveraging near-term civilian and international partnerships. WSF will be comprised of a group of systems to provide timely, reliable, and high quality space-based remote sensing capabilities that meet global environmental observations of atmospheric, terrestrial, oceanographic, solar-geophysical and other validated requirements.

Evolved Expendable Launch Vehicle: The EELV program has been aligned with satellite launch schedules in FY 2015. Our new acquisition strategy allowed the service to achieve significant savings with the latest EELV contract, which the Air Force has leveraged to deliver increased warfighter readiness and capability.

Space Fence: The Space Fence will be a system of two land-based radars to detect, track, identify, and characterize orbiting objects such as commercial and military satellites, smaller objects, maneuvering satellites, break-up events, and lower inclination objects. Site I will be located at Kwajalein Atoll in the Marshall Islands and will be the most accurate, high-capacity radar in the Space Surveillance Network (SSN). In concert with existing and planned SSA assets, it will provide the critical SSN capability to maintain a full and accurate orbital catalog, ensure orbital safety and characterize potential threats. The Space Fence data will be fed to the Joint Space Operations Center at Vandenberg AFB where it will be integrated with other SSN data to provide a comprehensive SSA and integrated space picture needed for the warfighter. The FY 2015 request re-phases funding following a delay to contract award from FY 2013 into FY 2014, with initial operational capability (IOC) planned for FY 2018.

Intelligence, Surveillance and Reconnaissance

Overview

Intelligence, Surveillance and Reconnaissance includes conducting and synchronizing surveillance and reconnaissance across all domains for producing essential intelligence to achieve decision superiority through planning, collecting, processing, analyzing, and rapidly disseminating critical information to decision makers across the spectrum of worldwide military operations at all levels of warfare. Through the ISR core mission, Airmen provide timely and actionable intelligence to Joint Force Commanders. The Air Force is committed to providing full-spectrum ISR of all-source collection to the Nations' deployed military forces. The FY 2015 budget request supports the goal of Global Integrated ISR operations. The FY 2015 budget request represents the Air Force's restructuring medium altitude manned and unmanned capabilities, ensures viability of high-altitude conventional assets to fulfill designated wartime requirements and continues the ISR enterprise-wide investment in intelligence analysis and end-to-end automation through dissemination.

FY 2015 Initiatives

Platforms: The FY 2015 budget request realigns and reprioritizes capability and capacity across the ISR portfolio. For medium-altitude, permissive ISR, the Air Force intends to sustain the current capability of 50 steady state MQ-1/MQ-9 Combat Air Patrols (CAPs) with the ability to support 65 surge MQ-1/MQ-9 CAPs until the full transition to an all MQ-9 fleet is made later in the FYDP. The FY 2015 budget intends to fully resource 55 steady state MQ-9 CAPs by FY 2019. Under sequestration-level funding, the Air Force would expect to further reduce the overall MQ-9 capacity beginning in FY 2016.

In the 2015 budget request, the Air Force alters its high-altitude ISR capacity maintaining the RQ-4 Block 30 and subsequently planning the retirement of the U-2 in FY 2016. The FY 2015 President's Budget funds the RQ-4 Block 30 to ensure platform viability beyond 2023, improve reliability, and improve sensor performance.

Finally, in accordance with the FY 2014 NDAA, the Air Force will transfer the MC-12W manned medium-altitude ISR capability and transfer this capability to the U.S. Army and Air Force Special Operations Command.

Infrastructure: The Air Force continues investing in improved automated applications at the Air Force Targeting Center to support deliberate planning requirements. Additionally, the FY 2015 budget submission requests military construction investments to meet the NDAA 2013 directed force structure changes for an ANG Joint MQ-9 and Targeting facility at Des Moines, Iowa, a new ANG MQ-9 facility at Kellogg Airport, Michigan and military construction at Horsham Air Guard Station (Willow Grove), Pennsylvania for an MQ-9 Ops Center.

Rapid Global Mobility

Overview

Rapid Global Mobility consists of a responsive mobility system that delivers and sustains combat forces and provides humanitarian assistance around the globe in support of joint, coalition, and civilian partners, helping the Nation achieve its security objectives, both locally and abroad.

Based on the Secretary of Defense-directed Mobility Capability and Requirements Study (MCRS) analysis and Department of Defense strategy, the Air Force reduced portions of both the airlift and tanker fleets congruent to reductions in force structure across the Department, retiring some of the oldest, least capable aircraft while continuing modernization efforts to ensure the remaining aircraft are capable to meet strategy requirements. The MCRS analysis also validated the Air Force plan to address the tanker replacement as its number one modernization priority and to sustain the current airlift capacity through modernization, reliability, and efficiency upgrades.

FY 2015 Initiatives

Tanker Replacement: The FY 2015 budget request continues to support the tanker fleet recapitalization effort. The KC-46 tanker recapitalization program remains an Air Force top priority; without tankers, the Air Force isn't global. More than a mere replacement for aged KC-135s, the KC-46 will provide a forward leap in capability. The KC-46 will be able to multi-point refuel joint and coalition aircraft, carry significantly more cargo or passengers, conduct aeromedical evacuation, and self-deploy to any theater. The budget funds the first production lot of KC-46s.

Four MC-130J Commando IIs from the 522nd Special Operations Squadron at Cannon Air Force Base, N.M. conduct low-level formation training near Clovis, N.M.

Airlift Modernization: The FY 2015 budget request continues the long-standing Air Force objective to modernize its C-130 fleet. The Air Force-led joint MYP effort continues procurement of 79 C-130J variant aircraft for the department and one for the U.S. Coast Guard and saves 9.5 percent over an annual contract. This FY 2014-FY 2018 effort includes 43 HC/MC-130J and 29 C-130J Air Force aircraft which replace older C-130s.

The Air Force's FY 2015 budgtet request supports fleet structural viability by continuing to replace center wing boxes and addresses C-130H modernization with a reduced scope CommunicationsNavigation, Surveillance/AirTraffic Management (CNS/ATM)program saving over $1B (total program acquisition cost) as compared to C-130 Avionics Modernization Program (AMP). This supports the FY 2013 NDAA directed Institute for Defense Analysis C-130 AMP study recommendation to pursue a reduced scope program.

The FY 2015 budget request continues funding the replacement of the C-5 CMC and Weather Radar to mitigate obsolescence of the existing system. This effort centers on upgrading the existing CMC to obtain sufficient capability and capacity for future requirements. An upgraded, common fleet offers life cycle cost benefits including greater reliability and simplified fleet-wide training.

Force Structure Changes: The FY 2015 budget request seeks to balance modernization and recapitalization. The FY 2015 request retains the KC-10 fleet and begins recapitalization of the KC-135 while reaching the required fleet size of 479 total tankers. However, if constrained by the limitations of the Budget Control Act (BCA) in future years, the Air Force will be forced to divest the entire KC-10 fleet to preserve investment priorities such as the KC-46A, F-35, and LRS-B. In accordance with the Intra-theater Airlift Working Group Proposal, the FY 2015 budget request right-sizes the Air Force's intra-theater airlift fleet by retiring C-130H aircraft to reduce excess capacity within the fleet, while still fully supporting strategy and direct support requirements. The C-130 enterprise reduces to 318 total aircraft in FY 2015 but grows to 328 as the final J-models arrive within the FYDP. Lastly, the FY 2015 budget request remains consistent with the FY 2014 position by reducing the strategic airlift fleet size to 275 total aircraft by the end of FY 2017 (223 C-17s and 52 C-5Ms). In accordance with FY 2013 NDAA language and the DoD submission of the 2018 Mobility Capabilities Assessment to Congress, the Air Force began retiring C-5A aircraft.

Global Strike

Overview

Global strike provides significant portion of America's deterrence capability, projecting military power more rapidly, with increased flexibly, and with a lighter footprint than other military options. Global Strike describes the Air Force's ability to hold any target at risk across the air, land, and sea domains. This is primarily accomplished with the B-2, B-52, F-15E, F-16, and B-1B aircraft as well as the land-based ICBM arsenal. While the United States and coalition team have a distinct precision attack advantage in Afghanistan today, several countries are leveraging technologies to improve existing airframes with advanced radars, jammers, sensors, and more capable surface-to-air missile systems. Increasingly sophisticated weapon systems and the proliferation of contested environments will challenge the ability of Air Force legacy fighters and bombers to engage in heavily defended areas. In response to these challenges, the Air Force's FY 2015 budget request encompasses a balanced approach to precision strike capabilities within fiscal constraints to influence, manipulate, or dismantle an opponent's capacity to deny access. It funds modernization of legacy fighters, the B-1B, F-35 development and procurement, development of a new LRS-B, and continued investment in preferred air-to-ground munitions.

FY 2015 Initiatives

Nuclear Deterrence: Strengthening the nuclear enterprise remains a top priority within the Air Force. The Air Force continues its actions to deliver safe, secure, and effective nuclear capabilities within its Nuclear Deterrence Operations (NDO) portfolio. The Air Force's intercontinental ballistic missiles and heavy bombers provide two legs of the nation's nuclear triad. Dual-capable fighters and bombers extend deterrence and provide assurance to our allies and partners. The Air Force continues its efforts to further the skills and leadership of its NDO-Airmen at all levels and to further institutionalize improvements and capitalize on gains made since the Air Force began reinvigorating the nuclear enterprise in 2008. Air Force Global Strike Command, the Air Force Nuclear Weapons Center, and the Assistant Chief of Staff for Strategic Deterrence and Nuclear Integration, continue to support for Airmen, equipment, and processes that produce nuclear deterrence every day.

B-52: FY 2015 budget continues funding for the completion of a fleet-wide upgrade of the B-52 with the Combat Network Communication Technology (CONECT) system, providing secure line-of-sight and beyond line-of-sight communications, situational awareness upgrades, and machine-to-machine conventional retargeting capabilities for all 76 aircraft. The B-52 1760 Internal Weapons Bay Upgrade continues RDT&E and procurement for kits to upgrade the B-52 internal weapons bay and aircraft integration to allow carriage of "smart" weapons internally and adds Laser JDAM, Miniature Air Launched Decoy-Jammer (MALD-J), and critical JASSM-ER capability to the external pylons.

B-2: The FY 2015 budget continues funding several initiatives for the B-2 to include the Defensive Management Systems-Modernization (DMS-M), the Common Very Low Frequency/Low Frequency Receiver (CVR) and Flexible Strike programs. DMS-M will enable the B-2 to penetrate dense threat environments via improved threat location and identification capabilities, real-time re-routing, and improved survivability against enemy advanced integrated air defenses. CVR will add survivable communications capability to the platform. Finally, the B-2 Flexible Strike program will continue integration of the "System 2" digital nuclear interface onto the platform, allowing future carriage of the B61-12.

The B-2 Spirit of Washington lands at Whiteman AFB, MO

B61 Tailkit: Sustained funding for the B61 Tailkit Assembly is critical in the FY 2015 budget request. This program is the Air Force's portion of a joint venture with the National Nuclear Security Administration's life extension program which combines four older variants into the B61-12. Investing $1.2B in the program will allow the Air Force to field the modernized weapon to meet operational requirements, and provide nuclear assurance to U.S. allies in Europe.

ICBM: The FY 2015 budget request funds additional investments to sustain the ICBM force through 2030 for Minuteman Ground and Communication Sustainment, and test launch components. In addition, the budget includes funding for aircrew and missile crew survivability through, oxygen regeneration units, and weapon system printers to ensure Emergency Action Message receipt.

An unarmed Minuteman III intercontinental ballistic missile was launched during an operational test from Vandenberg AFB, California

A-10C: The A-10C does not possess the necessary survivability to remain viable in contested environments. Additionally, fiscal constraints required the Air Force to prioritize multi-role legacy over single mission platforms. Therefore, the Air Force will begin retiring the A-10 fleet in FY 2015 to focus available funding on more survivable multi-role platforms. In a Total Force effort with the Air National Guard and Air Force Reserve, the Air Force identified new missions for the units affected to maintain necessary capabilities at reduced costs.

F-15E: The Air Force continues to support the long-range interdiction capabilities of the dual-role Strike Eagle by replacing mechanically-scanned radars of the F-15E with AESA radars. Current projections supported by fatigue testing indicate that the Strike Eagle will be available through 2035+. To improve access in contested environments, the Air Force will improve F-15E electronic warfare capabilities against advanced threats. Like the F-15C, F-15E modernization includes EPAWSS, which includes a new radar warning receiver, replacement jammer, and improved countermeasures dispenser system to promote aircraft survivability against modern threats.

A group of F-15E Strike Eagles taxi following a training combat mission during Blue Flag exercise on Uvda Air Force Base, Israel

F-16: The FY 2015 budget request terminates the Combat Avionics Programmed Extension Suite (CAPES) and sustains the level of effort for the structural Service Life Extension Program (SLEP). SLEP activities include a full scale durability test and structural modifications to add 8-10 years of service life to each airframe. The CAPES upgrade included an AESA radar, a new cockpit display, data link enhancements, and an improved defensive suite.

F-35A: To counter contested environments the United States faces in many potential theaters, the Air Force is procuring the F-35A Lightning II. The aircraft benefits from stealth technology and advanced sensor capabilities. The FY 2015 budget request includes funding for the continued development and procurement of 26 F-35A aircraft. The F-35A will eventually perform Global Precision Attack functions and will complement the F-22A Raptor for Air Superiority functions.

First F-35s arrive at 422 Test & Evaluation Squadron

Long Range Strike: The Air Force is committed to modernizing bomber capacity and capabilities to support LRS military options. Development of the next steps to advance the family of systems critical to LRS capability is ongoing. These steps include the platforms, ISR, electronic warfare, communications, and weapons that make up this critical national capability. The future bomber, LRS-B, must be able to penetrate the increasingly dense contested environments developing around the world. To this end, the Air Force FY 2015 budget request includes funding to continue the development of an affordable, long range, penetrating aircraft that incorporates proven technologies. This follow-on bomber represents a key component to the joint portfolio of conventional and nuclear deep-strike capabilities.

FY 2015 Budget Overview | SECTION 2

Air Force Core Missions

B-1B Modernization: In addition to the development of LRS-B, the Air Force will continue to modernize the B-1B to ensure the fleet remains viable until recapitalization can be accomplished. The FY 2015 budget request includes the continuation of the B-1 Integrated Battle Station contract, which concurrently procures and installs Vertical Situation Display Upgrade (VSDU), Central Integrated Test System (CITS) and Fully Integrated Data Link (FIDL). VSDU and CITS each address obsolescence and diminishing manufacturing sources for the B-1 fleet. FIDL provides both the electronic backbone for VSDU and CITS, as well as a capability enhancement of line-of-sight/beyond line-of-sight Link 16 communications. In addition, the FY 2015 budget request includes upgrades to flight and maintenance training devices to ensure continued sustainability and common configuration with the aircraft fleet. These initiatives will help sustain long range strike capabilities for decades.

The first newly upgraded operational B1-B Lancer lands at Dyess Air Force Base, Texas

Global Precision Attack Munitions: The FY 2015 budget request includes procurement for the GBU-53B, Small Diameter Bomb Increment II (SDB II). The GBU-53B provides a capability to hold moving targets at risk in all weather and at stand-off ranges. SDB II is a key part of the contested environment solution for future conflicts and will be integrated onto the F-22 and F-35, as well as current operational platforms.

The procurement of 104 JASSM-ER, AGM-158B, in addition to 120 baseline AGM-158s is also included with the FY 2015 budget request. The JASSM-ER is an upgraded version of the baseline JASSM that can fly a much greater distance providing excellent stand-off ranges in a contested environment, increasing the flexibility and lethality of the force.

The FY 2015 budget request for Global Precision Attack capabilities reflects the need to win today's fight, while investing in systems to address the contested environment challenge faced by the United States. It also continues to modernize the current operational fighter and bomber fleet to maintain sufficient capability and capacity as the Air Force transitions to new capabilities.

Command and Control

Overview

Air Force C2 provides commanders the ability to conduct highly coordinated joint operations, providing commanders unequaled shared understanding, speeding the decision-cycle, and enabling seamless communication from command to shooter. Air Force C2 operates at all levels from national decision-makers to the tactical edge. Strategic C2 consists of strategic national and nuclear command, control, and communication (NC3) systems, and service support to the command and control systems of U.S. Combatant Commanders worldwide. Strategic C2 includes critical NC3 systems such as the E-4B National Airborne Operations Center and strategic warning, secured networks, and command centers. Homeland Defense C2 is provided by Battle Control Centers (Air Defense Squadrons), in Continental United States, Alaska, and Hawaii through the Battle Control System-Fixed.

Theater command and control consists of the Theater Air Control System (TACS), the Air Force's primary mechanism for theater C2 of joint and coalition air and space power comprised flexible airborne elements and persistent ground elements. The senior element of the TACS is the Air Operations Center (AOC). The AOC is the primary tool used by the Joint or Combined Forces Air Component Commander to plan, execute, monitor and assess operations in air, space, and cyberspace. Other primary TACS weapons systems are the Control and Reporting Center (CRC), the E-3 B/C/G AWACS, the E-8C JSTARS, and the Air Support Operations Center. These weapon systems provide critical battle management, sensors, and communications necessary to execute air and ground operations.

The battle management command and control experts employing these weapon systems provide commanders the ability to detect, decide, and direct forces to find, fix, and finish enemy targets inside their ability to react across the range of military operations. Air Force C2 also includes development and sustainment of enterprise C2 communications and data-link systems enabling rapid communication across the range of C2. Enterprise C2 encompasses asset management and control systems such as the Global Command and Control System, the Mission Planning System and the Deliberate Crisis Action Planning and Execution Segments. It also includes tactical data links such as Link-16 and future capabilities such as the Joint Aerial Layer Network. Air Force C2 also consists of air traffic control systems, which are required to support safety of flight missions in the U.S. and deployed locations.

FY 2015 Initiatives

In the FY 2015 budget request the Air Force reduces capacity in key areas to retain the modernization critical to ensure a smaller, but technologically dominant C2 capability supporting both the current fight and future conflicts. The Air Force is investing in must-have capabilities that ensure decision superiority in a contested environment for the foreseeable future.

E-8C: Based on the outcome of the 2011 Synthetic Aperture Radar, Moving Target Indicator JSTARS Analysis of Alternatives, the Air Force is investing funding to recapitalize the E-8C JSTARS. The Next Generation JSTARS uses an affordable commercially available aircraft, reducing operation and sustainment costs by 27 percent compared to the E-8C. It yields a smaller logistics footprint and improves operational capability with an advanced ground surveillance radar and on-board battle management suite. Next Generation JSTARS is slated for IOC in FY 2022 with a planned fleet of 16 aircraft.

The new aircraft will have much greater operational flexibility than the E-8C, able to operate out of 70 percent more airfields. With on-board battle managers, the Next Generation JSTARS provides C2 mission assurance at the tactical edge in a contested environment. This system assures affordable joint air C2 dominance in the counter-land and counter-maritime missions through the 2040s. To fund JSTARS recapitalization, the Air Force will divest the E-8C test capability, including the T-3 test aircraft and places the E-8C on a force management to sunset profile. The Air Force is also preparing for near-term right sizing of the JSTARS enterprise to prepare for fielding of the Next Generation JSTARS.

E-3G: The Air Force reduces AWACS capacity by seven aircraft in FY 2015. In addition, the Air Force terminates the AWACS reserve association and adjusts the Reserve mission at Tinker Air Force Base by adding 4 KC-135s, bringing the total number of KC-135s at Tinker Air Force Base to 12. Though AWACS capacity is reduced, the Air Force assures future C2 relevancy in contested environments by retaining modernization funding for the remaining AWACS fleet, continuing to field the E-3G variant and enhancing the electronic protection capability of the E-3 radar. The Air Force also plans to fund the stand-up of the E-3G Organic Software Depot Maintenance Facility at Tinker Air Force Base.

An E-3 Sentry airborne warning and control system flies over an undisclosed location in Southwest Asia just after refueling

Deployable Radar Approach Control: The Deployable Radar Approach Control (D-RAPCON) program was reduced by four systems saving $95M. The D-RAPCON system will replace 40-year old Airport Surveillance Radar and Operations Shelter subsystems with state-of-the-art digital systems. It will provide both a terminal and en-route aircraft surveillance capability, and will be used with the Deployable Instrument Landing System (D-ILS) and a fixed or mobile control tower to provide a complete air traffic control capability. In addition, it supports tactical military operations and also provides a capability to support domestic disaster relief. In conjunction with the reduction in D-RAPCON units, the Air Force reduced the number of associated D-ILS to 28.

Finally, the Air Force enhances Homeland Defense by fully funding sustainment over the FYDP. The Air Force also fully funds sustainment of the Alaskan air defense radar system in FY 2015 while the Alaskan radar system requirements are reassessed.

Conclusion

When building the FY 2015 budget, which is $8.7B less than we planned for in the FY14 PB, there were no easy choices. We divested fleets and cut manpower that we did not want to lose in order to ensure that we can field an effective force against a high-end threat in 2023. We focused on future capabilities that emphasized global, long-range, multi-role, and non-permissive capabilities and kept our recapitalization programs on track. We made these choices because while failing to meet national objectives in the next counter-insurgency conflict would be distressing, losing to a high-end adversary would be catastrophic.

While the Air Force's FY 2015 budget submission remains strategy-based, it is also greatly shaped by fiscal realities. Regardless of the strategic tradeoffs made, it is not possible to budget for an Air Force at the full sequestration-level that is capable of performing all of the core missions our Nation expects. Making the tough choices today sets the Air Force on a path to produce a ready and modernized force that is smaller, but lethal against potential adversaries in the future while ensuring the United States Air Force will always provide *Global Vigilance, Global Reach,* and *Global Power* for America.

Overview

For FY 2015, the President's budget proposes an Administration-wide initiative known as the Opportunity, Growth, and Security (OGS) Initiative. For the Air Force the OGS Initiatives proposes added funding of $7B in high prority areas. These funds are not included in the formal Air Force budget request of $109.3B. The $7B is divided into four major categories: readiness, recapitalization, modernization, and installations. These requirements enhance the Air Force's ability to achieve the 2023 vision while addressing operational shortfalls as informed by the Secretary of Defense's guidance memorandum.

Readiness ($0.5B): Improving the readiness of our nation's Air Force remains a top priority. In addition to supplemental munitions funding, this section also seeks funds for training, ranges, vehicle support, and other activities which directly enhance Air Force preparedness for day-to-day, contingency, and combat operations.

Recapitalization ($1.5B): As the Air Force is forced to make tough decisions, the Air Force favors funding new capabilities (recapitalization) over upgrading legacy equipment (modernization). This section continues those efforts by seeking additional funding for F-35s, MC-130Js, HC-130Js, and MQ-9s.

Modernization ($1.9B): Ensuring the future capabilities of legacy fleets is also vital to the Air Force mission. Additional funds for legacy tanker, bomber, strategic airlift, tactical airlift, and fighter fleets, along with upgrades to our more advanced platforms such as the F-22 and B-2 ensure that we maintain the competitive edge that our Airmen deserve.

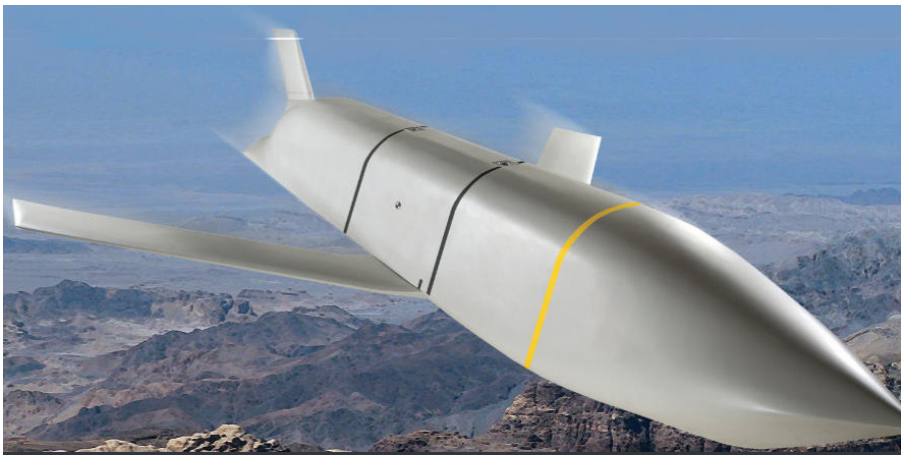
Installations ($3.1B): The Air Force views installations as "weapon systems" comprised of both built and natural infrastructure which: (1) serve as platforms for effectively enabling Air Force core operational capabilities; (2) send a strategic message to both allies and adversaries—installations signal commitment to friends, and intent to foes; (3) foster partnership-building by stationing Airmen side-by-side with Coalition partners; and (4) enable worldwide accessibility in times of peace, and when needed for conflict. This section requests additional funding to mitigate some of the risk taken in recent years in installations support accounts.

Conclusion

The FY 2015 Opportunity, Growth, and Security Initiative sets a course towards full-spectrum readiness and recapitalization efforts to execute national defense requirements. It allocates resources across the four major categories, readiness, recapitalization, modernization, and installations, to accelerate the path to readiness recovery and restore deferred aircraft modifications. This initiative also reduces the backlog of facility sustainment and installation support requirements caused by sequestration in FY 2013. Investments in Air Force capabilities and readiness are essential if the Nation is to maintain an agile, flexible, and ready force. To be effective, this force must be deliberately planned for and appropriately and consistently funded. These ready to execute initiatives enable the Air Force to be ready to fight tonight and tomorrow.

Summary

The Air Force FY 2015 budget request represents our effort to develop and retain the unique capabilities our Nation expects and sets a course toward full-spectrum readiness. To ensure the success of future conflicts we must get back to full-spectrum readiness. We can only get there by fully funding critical readiness programs such as ranges, flying hours and weapon system sustainment. Furthermore, we must also move forward in recapitalizing our aging and single-role weapons systems to execute our core missions against a high-end threat. That's why our top three recapitalization programs remain the KC-46, F-35A, and LRS-B. We have made strategic tradeoffs in our FY 2015 budget request; however, it is still not possible to budget for an Air Force capable of performing our five core missions that our Nation expects at sequestration-level funding. The tough choices our Air Force made today set us on a path to produce a ready and modernized force that is smaller, but lethal against future potential adversaries.



Acronyms

A

AEHF	Advanced Extremely High Frequency
AESA	Active Electronically Scanned Array
AFB	Air Force Base
AFR	Air Force Reserve
AFRC	Air Force Reserve Command
AFWCF	Air Force Working Capital Fund
AGM	Air-to-Ground Missile
AIM	Air Intercept Missile
AMP	Avionics Modernization Program
AMRAAM	Advanced Medium-Range Air-to-Air Missile
ANG	Air National Guard
AOC	Air Operations Center
AOR	Accumulated Operating Result
ARS	Air Reserve Station
ATM	Air Traffic Management
AWACS	Airborne Warning and Control System

B

B	Billion
BBA	Bipartisan Budget Act
BCA	Budget Control Act
BRAC	Base Realignment and Closure

C

C2	Command and Control
CAS	Close Air Support
CAP	Combat Air Patrol
CAPES	Combat Avionics Programmed Extension Suite
CITS	Central Integrated Test System
CMC	Core Mission Computer
CNS	Communication Navigation Surveillance
COCOM	Combatant Command
CONECT	Combat Network Communication Technology
CRC	Control and Reporting Center
CVR	Common Very Low Frequency/Low Frequency Receiver

D

D-ILS	Deployable Instrument Landing System
DMS-M	Defensive Management Systems-Modernization
DoD	Department of Defense
D-RAPCON	Deployable Radar Approach Control

E

EELV	Evolved Expendable Launch Vehicle
EOD	Explosive Ordinance Disposal
EPAWSS	Eagle Passive/Active Warning Survivability System
EUCOM	European Command

F

FIDL	Fully Integrated Data Link
FSRM	Facilities, Sustainment, Restoration and Modernization
FY	Fiscal Year
FYDP	Future Years Defense Program

G

GBU	Guided Bomb Unit
GEO	Geosynchronous Earth Orbit
GPS	Global Positioning System

I

ICBM	Intercontinental Ballistic Missile
IOC	Initial Operational Capability
ISR	Intelligence, Surveillance and Reconnaissance

J

JASSM	Joint Air-to-Surface Standoff Missile
JASSM-ER	Joint Air-to-Surface Standoff Missile-Extended Range
JB	Joint Base
JDAM	Joint Direct Attack Munitions
JRB	Joint Reserve Base
JSTARS	Joint Surveillance Target Attack Radar System

L

LRS	Long Range Strike
LRS-B	Long Range Strike-Bomber

M

M	Million
MALD-J	Miniature Air Launched Decoy-Jammer
MCRS	Mobility Capability and Requirements Study
MDL	Maguire-Dix-Lakehurst
MFH	Military Family Housing
MILCON	Military Construction
MILPERS	Military Personnel
MILSATCOM	Military Satellite Communications
MYP	Multiyear Procurement

N

NAS	Naval Air Station
NC3	Nuclear, Command, Control, and Communication
NDAA	National Defense Authorization Act
NDO	Nuclear Deterrence Operations

O

O&M	Operation and Maintenance
OCO	Overseas Contingency Operations
OPIR	Overhead Persistent Infrared
OSD	Office of the Secretary of Defense

P

PACAF	Pacific Air Forces
PB	President's Budget
PAFRTC	Pacific Air Forces Regional Training Center

R

RAF	Royal Air Force
RDT&E	Research, Development, Test and Evaluation
RPA	Remotely Piloted Aircraft

S

SATCOM	Satellite Communications
SBIRS	Space Based Infrared System
SDB	Small Diameter Bomb
SLEP	Service Life Extension Program
SSA	Space Situational Awareness
SSN	Space Surveillance Network

T

TACS	Theater Air Control System
TOA	Total Obligation Authority
TWCF	Transportation Working Capital Fund

U

US	United States
USCYBERCOM	United States Cyber Command
USSTRATCOM	United States Strategic Command

V

VSDU	Vertical Situation Display Upgrade

W

WCF	Working Capital Fund
WRM	War Reserve Materiel
WSF	Weather System Follow-on
WSS	Weapon System Sustainment

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