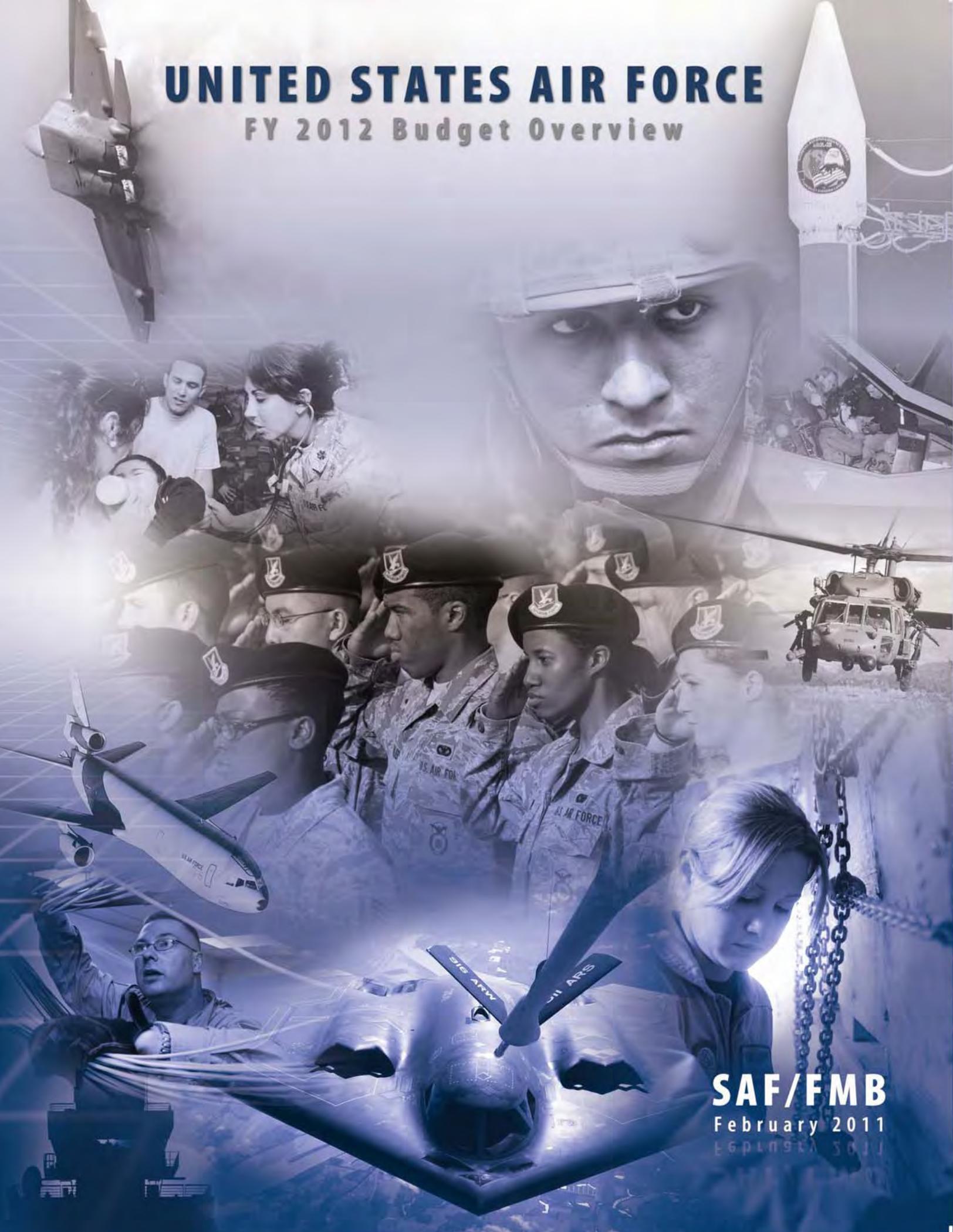


UNITED STATES AIR FORCE

FY 2012 Budget Overview



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United States Air Force
FY 2012 Budget Overview

Foreword

The United States faces diverse and increasingly complex security challenges requiring a range of agile and flexible capabilities. This budget request supports the Air Force's ability to meet these challenges today and emergent threats of tomorrow. The 12 Air Force Core Functions provide a framework for understanding what the Air Force does to support the four Quadrennial Defense Review (QDR) objectives: Prevail in today's wars, Prevent and deter conflict, Prepare to defeat adversaries and succeed in a wide range of contingencies, and Preserve and enhance the All-Volunteer Force. Balancing the FY 2012 Budget across the 12 Air Force Core Functions will allow the Air Force to continue the asymmetric advantage the Nation relies upon.

To effectively organize, train, and equip a force that can meet national needs in air, space and cyberspace at a time of fiscal challenges, the Air Force is seeking efficiencies to eliminate unneeded expenditures and rebalance spending. Doing so will allow the Air Force to shift resources from overhead and support functions to force structure and future modernization while streamlining operations across the enterprise. This document highlights budgetary initiatives that support Air Force priorities and QDR objectives while implementing efficiencies.

The Air Force continues to support ongoing operations in Afghanistan and Iraq. Over 36,000 deployed Airmen are engaged in many diverse mission areas; from training the Iraq and Afghanistan police, providing medical supplies in Afghanistan, to assisting with transportation and security details. This FY 2012 budget request incorporates many lessons learned from years of overseas operations while recognizing that future conflicts may be different.



MICHAEL K. FLOWERS, Major General, USAF
Deputy Assistant Secretary (Budget)

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Introduction

The Air Force FY 2012 Budget Request reflects an extraordinary effort to ensure America gets the maximum value out of every dollar. This request supports the Secretary of Defense's initiatives to reduce excess overhead costs and allocate the savings to force structure, modernization and readiness. This budget request also supports the four Quadrennial Defense Review priority objectives: Prevail in Today's Wars, Prevent and Deter Conflict, Prepare to Defeat Adversaries and Succeed in a Wide Range of Contingencies, and Preserve and Enhance the All-Volunteer Force. Priorities articulated and funded in this budget request provide a strong foundation to ensure generations of Airmen can fly, fight and win in air, space and cyberspace. Since the future security environment will require a range of agile and flexible capabilities, investments for today's conflict will also support our efforts to prepare, prevent, prevail and preserve future capability.

This FY 2012 Budget Overview explains how the Air Force allocates resources across top 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. Air Force TOA is viewed in two "buckets"--"Blue TOA" and "Non-Blue TOA"-- allowing Air Force leadership to distinguish between those resources under direct Air Force management and those managed by other organizations. In accordance with guidance from Congress and Administration policy, the Air Force budget includes a separate but simultaneously submitted request for Overseas Contingency Operations (OCO) funding. The OCO request is addressed in a separate Budget Overview section and highlighted, as appropriate, in funding tables.

The Budget Overview is organized in four sections:

1. Section 1 is an Air Force baseline budget summary, organized by appropriation as it is presented to Congress. This section partitions the Air Force FY 2012 Budget Request into Blue and Non-Blue TOA, and highlights Blue discretionary initiatives. This section does not include OCO.
2. Section 2 summarizes the FY 2012 OCO Budget Request and is organized by major appropriation. FY 2012 Budget Request descriptions reflect requirements to support the needs of Combatant Commanders. OCO includes Blue and Non-Blue TOA.
3. Section 3 is the Air Force Performance Based Budget summary organized by the Air Force's 12 Core Functions with a discussion of the current strategic plan's top five priorities. The Performance Based Budget (PBB) discusses Air Force performance goals in specific mission areas and progress achieved towards these goals. The totals in this section match the budget materials provided to Congress for FY 2012. This section includes Blue TOA.
4. Section 4 highlights the Air Force Working Capital Fund budget and is organized by Consolidated Sustainment Activity Group, Supply Management Activity Group - Retail, and Transportation Working Capital Fund (Non-Blue). The Working Capital Fund budget includes revenue and expenses required to meet the logistics demands of the warfighter on a daily basis.

As of this volume's publication, Congress had not yet enacted appropriations bills for FY 2011. Therefore, FY 2011 data in the tables and figures in this book generally reflect the President's request. Operating under the Continuing Resolution further increases the pressures on our Air Force significantly impacting training, readiness and modernization programs.

Section 1: FY 2012 Budget Highlights (Overview)

The FY 2012 Budget Request meets goals set forth by Secretary Gates and begins implementation of DoD's efficiencies by shifting overhead dollars toward modernization and decreasing operating costs across the Air Force enterprise. The efficiency target assigned by the Office of the Secretary of Defense was \$28.3B across the Future Years Defense Program (FYDP). The Air Force looked at the full spectrum of operations, from base-level to headquarters, to develop a wide range of efficiency initiatives totaling \$3.4B in FY 2012 and \$33.3B across the FYDP. The efficiency initiatives are defined by the Air Force as:

- Numbered Air Force/Air Operations Center Consolidations
- Facilities, Sustainment, Restoration and Modernization (FSRM)
- Reduce Personnel Overhead
- Streamline Logistics and Training
- Weapon Systems Sustainment
- Combat Air Force Flying Training Review
- Information Technology
- Program Management Administration/Knowledge-Based Contractors
- Reduce Energy Consumption

These efficiencies allowed the Air Force to reallocate resources to:

- Readiness
- Force Structure
- Modernization
- Fact-of-Life Bills

Some of the efficiency highlights outlined in the FY 2012 Budget Request include reducing fuel and energy consumption within the Air Mobility Command, improving depot and supply chain business processes to sustain weapon systems and reducing the cost of communications infrastructure. Some of the savings allow the Air Force to avoid breaking programs by paying the fact of life bills like increases in military personnel, rising fuel costs and increases in pay and allowances.

Additionally, to secure efficiencies this budget request seeks authority for a new approach to satellite acquisition, Evolutionary Acquisition for Space Efficiency (EASE). EASE is an acquisition strategy that encompasses the following tenets: block buys of satellites, fixed price contracting, stable research and development investment and a modified annual funding approach. This approach will result in savings that can be reinvested in research and development that will further improve the performance and lower the cost of follow-on systems.

This budget positions the Air Force to execute the National Defense Strategy and the Quadrennial Defense Review priorities to deliver capabilities at the time and place required by Combatant Commanders. The Air Force is a trusted and reliable Joint partner with our sister services in all of our activities, including supporting the Joint mission first and foremost. The remainder of this section will discuss Air Force budget highlights by appropriation.

The Air Force **mission and priorities** come together to support the Joint mission by providing *Global Vigilance, Reach* and *Power* across the globe:

- **Air Force Mission:** *Fly, fight* and *win...* in air, space and cyberspace
- **Leadership Priorities:**
 - Continue to Strengthen the Nuclear Enterprise
 - Partner with the Joint and Coalition Team to Win Today’s Fight
 - Develop and Care for Airmen and Their Families
 - Modernize Air and Space Inventories, Organizations and Training
 - Recapture Acquisition Excellence

The FY 2012 Budget Request reflects commitment to continue supporting the Joint fight and excelling as stewards of Air Force resources in service to the American people, while providing precise and reliable *Global Vigilance, Reach* and *Power* for the Nation. In developing this budget request, Air Force leadership has prepared a balanced portfolio of capabilities across the 12 Air Force Core Functions defined below.

Nuclear Deterrence Operations	Air Superiority	Space Superiority	Cyberspace Superiority	Global Precision Attack	Rapid Global Mobility
Operate, maintain, and secure nuclear forces to achieve assured capability to deter an adversary from taking action against US vital interests	Deliver dominance in the air battle	Deliver dominance in space over adversaries	Deliver dominance in cyberspace of one force over another that permits conduct of operations by the former	Hold at risk or strike rapidly and persistently any target to achieve precise effects	Timely deployment, employment, sustainment, augmentation and redeployment of military forces and capabilities
Special Operations	Global Integrated ISR	Command & Control	Personnel Recovery	Building Partnerships	Agile Combat Support
Specialized airpower operations conducted in hostile, denied or politically sensitive environments	Conducting and synchronizing surveillance and reconnaissance across all domains	Ability of commanders to integrate operations in multiple theaters at multiple levels	Recovery and return of US military, DoD civilians and DoD contractor personnel	Set conditions for interaction with partner, competitor or adversary leaders, military forces or relevant populations	Field, protect and sustain air, space and cyber forces

Figure 1. Air Force Core Functions

Table 1. Air Force Budget Highlights Summary

FY 12 PB Budget Facts					
	FY 11 PB		FY 12 PB		Delta
Total Air Force (\$M)	170,766		166,330		(4,436)
Blue TOA	119,625		119,045		(580)
Operation and Maintenance (O&M)	45,792		45,274		(518)
Military Personnel (MILPERS)	29,289		30,215		926
Military Construction (MILCON)	1,338		1,436		98
Military Family Housing	588		486		(102)
Procurement	24,178		22,503		(1,675)
Research Development Test & Evaluation (RDT&E)	18,188		19,005		817
Base Realignment and Closure (BRAC)	252		125		(127)
Non-Blue TOA	30,356		30,922		566
OCO TOA	20,785		16,363		(4,422)
OCO Blue and Non-Blue	20,785		16,363		(4,422)
General Facts					
	FY 11 PB		FY 12 PB		Delta
Major Installations*	80		80		-
Total Aircraft Inventory	5,606		5,587		(19)
Flying Hours	1,211,808		1,189,763		(22,045)
Personnel Facts					
	FY 11 PB		FY 12 PB		Delta
Authorized Manpower	702,367		693,099		(9,268)
Military	510,100		510,900		800
Active	332,200		332,800		600
AFR	71,200		71,400		200
ANG	106,700		106,700		-
Civilian	192,267		182,199		(10,068)
Major Procurement Quantities**					
	FY 11		FY 12		
Aircraft	124	112	Space	5	9
MQ-9A Reaper	36	48	EELV	3	4
F-35A Lightning II	22	19	GPS III	-	2
Light Attack Armed Reconnaissance	-	9	Advanced EHF	-	2
C-27J Spartan	8	9	WGS	1	1
MC-130 Recapitalization	5	6	SBIRS GEO	1	-
CV-22B Osprey	5	5	Weapons	7,540	4,266
HH-60M Operational Loss Replacement	3	3	JDAM	3,500	3,250
RQ-4B Global Hawk	4	3	AGM -114 Hellfire	460	416
C-37A (Lease to Purchase)	2	3	AIM-9X Sidewinder	178	240
HC-130 Recapitalization	4	3	AIM-120D AMRAAM	246	218
Common Vertical Lift Support Platform	-	2	AGM-158 JASSM	171	142
C-130J Super Hercules	8	1	Small Diameter Bomb	2,985	-
AC-130 Recapitalization	-	1			
Light Mobility Aircraft	15	-			
USAFA Flight Program	12	-			

Numbers may not add due to rounding
 *Includes Active, AFR and ANG installations
 **Baseline budget quantities only – OCO not included

Total Air Force (Components)

The components of the Air Force--Active, Reserve and Guard--make up the Total Force which supports 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 endstrength comprises approximately 48 percent of the Air Force's Total Force. In FY 2012, the Active Air Force will maintain over 4,000 aircraft and be responsible for 73 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, 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 Command (AFRC) has 33 flying wings outfitted with 344 dedicated aircraft and nine associate units who share aircraft with Active Duty units. Four space operations squadrons share the satellite control mission with the Active force. There are also more than 620 AFRC mission support units, equipped and trained to provide a wide range of capabilities to include all Air Force Core Functions. Air Force reservists are part-time Airmen until "activated." The Air Force Reserve (AFR) supported contingencies with over 6,974 work years in FY 2010.



Air National Guard

The Air National Guard (ANG) federal mission is to maintain well-trained, well-equipped units available for responsive mobilization at 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. ANG units may be activated in a number of ways as prescribed by public law and provide 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 in the case of disasters and other emergencies.



Military Personnel Total

Figure 2 depicts the FY 2012 Blue TOA request shown in Table 2 below and displays the relative size of each subsection of this appropriation.

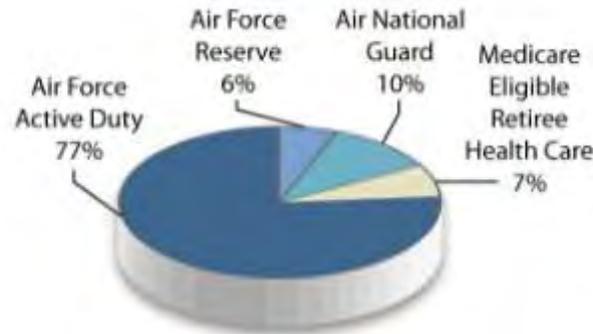


Figure 2. Military Personnel - Total Force FY 2012 Blue Budget Request

The FY 2012 Budget Request for Military Personnel supports all Air Force Core Functions and allows the Air Force to maintain the right size of the world’s best trained, highest quality force, with pay and allowance increases to maintain a standard of living that will attract and retain outstanding Airmen. Details of what is included in this appropriation:

- Provides an across-the-board 1.6 percent military pay increase, a 4.2 percent Basic Allowance for Housing increase and a 3.4 percent Basic Allowance for Subsistence increase
- Includes Active component endstrength of 332,800
- Includes AFR component endstrength of 71,400
- Includes ANG endstrength of 106,700
- Funds recruiting efforts focused at attracting a diverse and multi-skilled workforce
- Provides over \$626M to fund Total Force recruiting and retention bonuses

Table 2. Military Personnel – Air Force Total Force TOA

Military Personnel, Air Force Total Force TOA (\$M)	FY 11 PB	FY 12 PB
Air Force Active Duty	22,484	23,399
Air Force Reserve	1,670	1,711
Air National Guard	3,085	3,097
Medicare Eligible Retiree Health Care	2,050	2,008
Blue Total	29,289	30,215
Non-Blue	5,106	5,391
Air Force Military Personnel TOA Total	34,395	35,606

Numbers may not add due to rounding.



An F-16 takes off from Andersen AFB, Guam



Launching an RQ-11B in Iraq



Airmen prepare for MEDEVAC patients

Military Personnel – Active Air Force

Figure 3 depicts the FY 2012 Blue TOA shown in Table 3 below and displays the relative size of each activity within this appropriation.

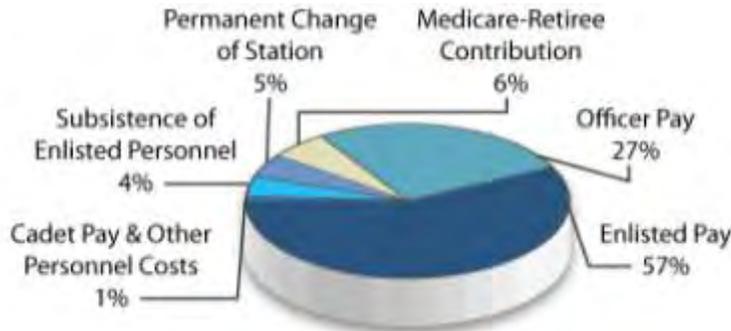


Figure 3. Military Personnel – Active Air Force FY 2012 Blue Budget Request

The Air Force Military Personnel appropriation preserves and enhances the all-volunteer force. It 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 and bonuses. The FY 2012 Budget Request includes manpower funding to support Cyberspace and Command and Control capabilities; Network Attack/Network Access Engineering; Irregular Warfare; endstrength adjustments for growth to 50 Remotely Piloted Aircraft Combat Air Patrols (CAPs) by the end of FY 2011 and 65 CAPs by the end of FY 2013; and personnel to support Distributed Common Ground System (DCGS) and other Intelligence, Surveillance and Reconnaissance (ISR) mission requirements.

Table 3. Military Personnel – Active Air Force TOA

Military Personnel, Air Force TOA (\$M)	FY 11 PB	FY 12 PB
Officer Personnel Pay and Allowances	6,456	6,807
Enlisted Personnel Pay and Allowances	13,691	14,201
Cadet Pay and Allowances	75	74
Subsistence of Enlisted Personnel	896	937
Permanent Change of Station	1,230	1,238
Other Personnel Costs	135	142
Subtotal	22,484	23,399
Medicare-Retiree Contribution	1,428	1,393
Blue Total	23,912	24,792
Non-Blue	5,056	5,350
Air Force Active MILPERS TOA Total	28,977	30,142

Numbers may not add due to rounding.



Security Forces “Lion Team” force protection patrol outside Joint Base Balad, Iraq



Fueling an A-10C with a biomass-derived fuel blend



Two Airmen work on a B-1B Lancer engine at Ellsworth AFB, SD

Military Personnel – Air Force Reserve

Figure 4 depicts the FY 2012 Blue TOA shown in Table 4 below and displays the relative size of each subsection of this appropriation.

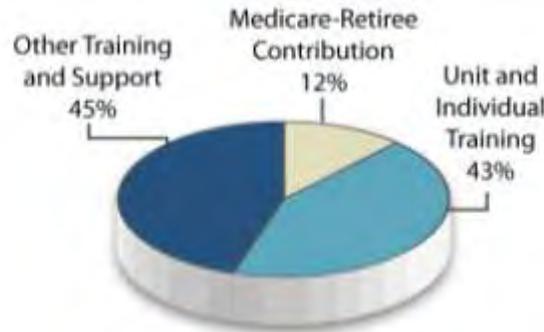


Figure 4. Military Personnel – Air Force Reserve FY 2012 Blue Budget Request

The Air Force Reserve (AFR) 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 force in supporting the Combatant Commanders. 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 2012 Budget Request includes manpower funding in support of ISR, nuclear mission requirements and other stressed career fields.

Table 4. Military Personnel – Air Force Reserve TOA

Air Force Reserve Personnel, TOA (\$M)	FY 11 PB	FY 12 PB
Unit and Individual Training	810	837
Other Training and Support	860	874
Subtotal	1,670	1,711
Medicare-Retiree Contribution	237	236
Blue Total	1,907	1,947
Non-Blue	20	22
Air Force Reserve MILPERS TOA Total	1,927	1,969

Numbers may not add due to rounding.



Prepping for an oil-dispersing mission supporting the BP oil spill clean-up



Homestead ARB, FL air traffic controllers support Haiti earthquake relief



Reservists in tactical training

Military Personnel – Air National Guard

Figure 5 depicts the FY 2012 Blue TOA shown in Table 5 below and displays the relative size of each subsection of this appropriation.

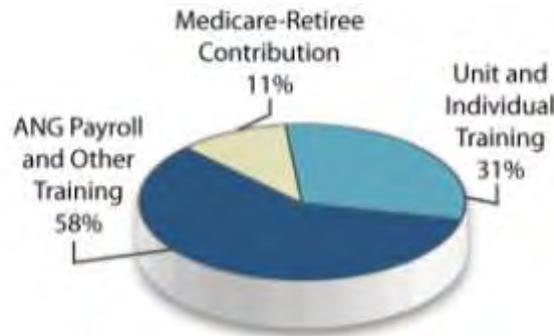


Figure 5. Military Personnel – Air National Guard FY 2012 Blue Budget Request

The Air National Guard (ANG) Military Personnel budget 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. This 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 2012.

Table 5. Military Personnel – Air National Guard TOA

Air National Guard Personnel, TOA (\$M)	FY 11 PB	FY 12 PB
Unit and Individual Training	1,053	1,075
ANG Payroll and Other Training	2,032	2,023
Subtotal	3,085	3,097
Medicare-Retiree Contribution	385	379
Blue Total	3,470	3,476
Non-Blue	21	20
Air Force ANG MILPERS TOA Total	3,491	3,496

Numbers may not add due to rounding.



North Dakota Air National Guard helps build a flood barrier in Fargo



A flight engineer checks the ammo belt for a gun on board an HH-60G



Missouri ANG members preparing for earthquake relief mission to Chile

Operation and Maintenance

Figure 6 depicts the FY 2012 Blue TOA shown in Table 6 below and displays the relative size of each subsection of this appropriation.

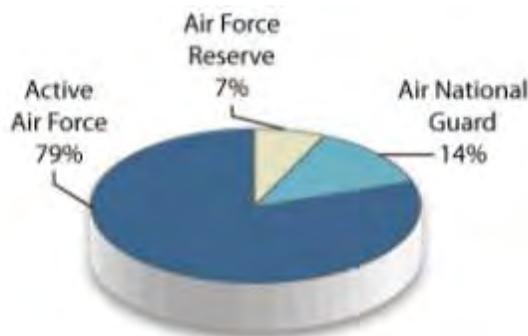


Figure 6. O&M Budget Request FY 2012 Blue Budget Request

The FY 2012 Operation and Maintenance (O&M) Budget Request funds the day-to-day expenses of the Air Force to meet mission sustainment activities. It supports 80 major installations (73 Active, 2 Air National Guard and 5 Air Force Reserve), funds the costs associated with flying operations, space operations, cyber operations, intelligence, logistics, nuclear deterrence, search and rescue and special operations activities. All Air Force Core Functions are supported by this appropriation. Table 6 describes O&M across the Total Force broken into these components.

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

Operation and Maintenance, Air Force Total Force TOA (\$M)	FY 11 PB	FY 12 PB
Active Air Force	36,550	35,864
Air Force Reserve	3,301	3,274
Air National Guard	5,941	6,136
Blue Total	45,792	45,274
Non-Blue	864	922
Air Force O&M TOA Total	46,656	46,196

Numbers may not add due to rounding.

Key highlights:

- As part of DoD’s initiative to improve business operations effectiveness and efficiency, the Air Force initiated \$27.7B in O&M efficiencies across the FYDP; \$3.3B in FY 2012. Specific efficiencies included:
 - Consolidating two air operations centers in the United States and two in Europe
 - Consolidating three numbered Air Force staffs
 - Net savings of \$715M by reducing fuel across the FYDP by reducing Air Mobility Command fuel and energy consumption
 - Improving depot and supply chain business processes to sustain weapons systems, thus improving readiness at lower cost
 - Reducing communications infrastructure costs by 25 percent
 - Holding civilian endstrength to FY 2010 level with no pay raise through FY 2012
- Support for 1.2M flying hours and sustain a fleet of 5,587 aircraft
- Reflects the Joint force emphasis on ISR capacity and continues maximized production of the MQ-9 Reaper to ensure delivery of 65 CAPs by the end of FY 2013

- Air Force is the lead Service for space launch, supporting DoD, National and Commercial agencies
- Civilian in-sourcing for over 2,000 additional civilian endstrength
- Supports 17 launches in FY 2012 and operations at two spacelift ranges
- Day-to-day operations at 80 Total Force major installations with facilities sustainment funded at 80 percent

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)	FY 11 PB	FY 12 PB
Civilian Pay	11,745	11,073
Flying Operations	15,969	16,579
Mobility Forces	1,092	1,157
Space/Other Combat Forces	6,086	5,981
Training & Recruiting	1,242	1,151
Logistics Ops and Air Force Wide Support	2,580	2,321
Installation Support and FSRM	7,078	7,012
Air Force O&M Blue TOA Total	45,792	45,274

Numbers may not add due to rounding.

Major Mission Area Highlights:

- Supports a civilian endstrength of 182,199 with civilian pay (All appropriations)
- Flying operations support aircrew combat training, maintenance and repair, parts and aviation fuel to support Joint warfighter and humanitarian operations. This program fully funds 1.2M flying hours (\$6.9B): Active is 863,611 hours (\$4.5B), ANG is 208,383 hours (\$1.5B), AFR is 117,769 hours (\$0.9B). Weapon System Sustainment supports aircraft sustainment through an enterprise level concept for managing Depot Maintenance, Contractor Logistic Support, Sustaining Engineering and Technical Orders. The \$11.9B (\$9.7B baseline plus \$2.2B in OCO) program funds 84 percent of the validated WSS requirements, including OCO funding and efficiencies
- Mobilization preparedness sustains 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
- Serves as Combatant Command Support Agency for five Combatant Commands (COCOMs)
- Funds readiness for Air Force Materiel Command (Air Logistics Centers, headquarters, product centers, acquisition program offices and field operating agencies)
- Funds Second Destination Transportation for the movement of all material 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. The main objective is 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 7 depicts of the FY 2012 Blue TOA shown in Table 8 and displays the relative size of each subsection of this appropriation.

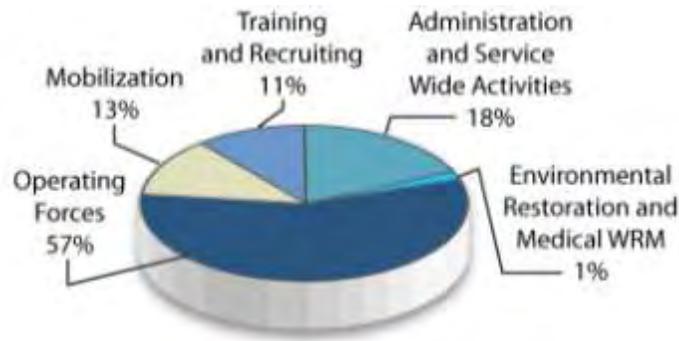


Figure 7. O&M – Active Air Force FY 2012 Blue Budget Request

The FY 2012 Active Air Force Budget Request supports 73 Active Duty installations, two space ranges, produces 1,289 new pilots and funds 863,611 flying hours while sustaining a fleet of over 4,000 aircraft. The budget includes a decrease in support service contractors and an increase of over 2,000 full-time government employees as part of the insourcing effort. 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 FSRM.

Table 8. O&M – Active Air Force TOA

Operation and Maintenance, Active Air Force TOA (\$M)	FY 11 PB	FY 12 PB
Operating Forces	20,989	20,584
Mobilization	4,306	4,574
Training and Recruiting	4,029	3,784
Administration and Service Wide Activities	6,656	6,329
Environmental Restoration	503	525
Medical WRM	67	65
Blue Total	36,550	35,861
Non-Blue	864	922
Air Force Active O&M TOA Total	37,414	36,783

Numbers may not add due to rounding.



A B1-B Lancer in flight



A-10s on the flightline at Whiteman AFB, MO



A maintainer inspects a 26 year old F108-100 engine from a KC-135R

O&M – Air Force Reserve

Figure 8 depicts of the FY 2012 Blue TOA shown in Table 9 below and displays the relative size of each subsection of this appropriation.

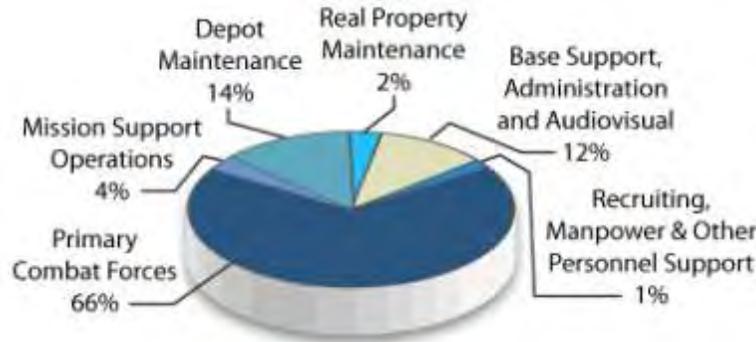


Figure 8. O&M – Air Force Reserve FY 2012 Blue Budget Request

The O&M AFR appropriation provides funding to maintain five installations and train units for immediate mobilization and administrative support for the Office of Air Force Reserve (Air Staff), Headquarters Air Force Reserve (Operational Headquarters), Numbered Air Forces and the Air Reserve Personnel Center. The FY 2012 Budget Request provides for the operation and training of 34 wings, 117,769 O&M funded flying hours, maintains approximately 344 aircraft, funds air reserve technicians (military) and civilian technicians and provides mission training for 71,400 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)	FY 11 PB	FY 12 PB
Primary Combat Forces	2,275	2,172
Mission Support Operations	112	116
Depot Maintenance	416	472
Real Property Maintenance	89	77
Base Support	278	309
Administration	81	84
Recruiting and Advertising	24	17
Military Manpower & Personnel Management	20	20
Other Personnel Support (Disability Compensation)	6	6
Audiovisual	1	1
Blue Total	3,301	3,274
Non-Blue	-	-
Air Force Reserve O&M TOA Total	3,301	3,274

Numbers may not add due to rounding.



C-17s fly over the Blue Ridge mountains



Performing a C-5 preflight inspection



A Reserve C-5 departs Ramstein AB, Germany

O&M – Air National Guard

Figure 9 depicts the FY 2012 Blue TOA shown in Table 10 below and displays the relative size of each subsection of this appropriation.

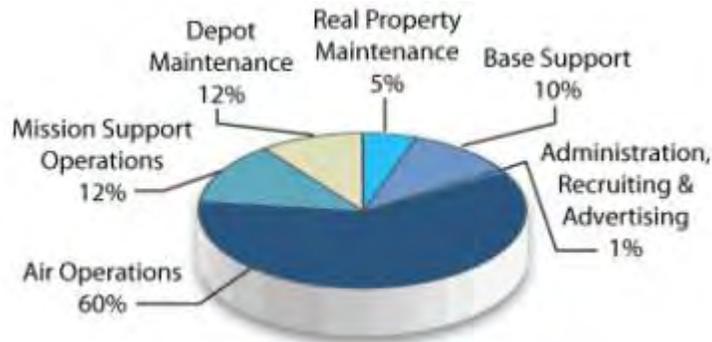


Figure 9. O&M – Air National Guard FY 2012 Blue Budget Request

The O&M ANG appropriation funds the flying and maintenance of ANG aircraft and the operation of two 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 taskings. The FY 2012 Budget Request funds 208,383 O&M flying hours, maintains 1,042 aircraft and supports mission training of 106,700 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 FSRM.

Table 10. O&M – Air National Guard TOA

Operation and Maintenance, Air National Guard TOA (\$M)	FY 11 PB	FY 12 PB
Air Operations	3,519	3,652
Mission Support Operations	763	752
Depot Maintenance	599	754
Real Property Maintenance	315	284
Base Support	668	622
Administration, Recruiting and Advertising	77	73
Blue Total	5,941	6,136
Non-Blue	-	-
Air Force ANG O&M TOA Total	5,941	6,136

Numbers may not add due to rounding.



An ANG pilot performs a pre-flight inspection in Iraq



An F-22 Raptor on its way home to Joint Base Pearl Harbor, HI



A Michigan ANG A-10 takes off for a training mission

Research, Development, Test & Evaluation

Figure 10 depicts the relative size of each subsection of this appropriation as shown in Table 11 below.

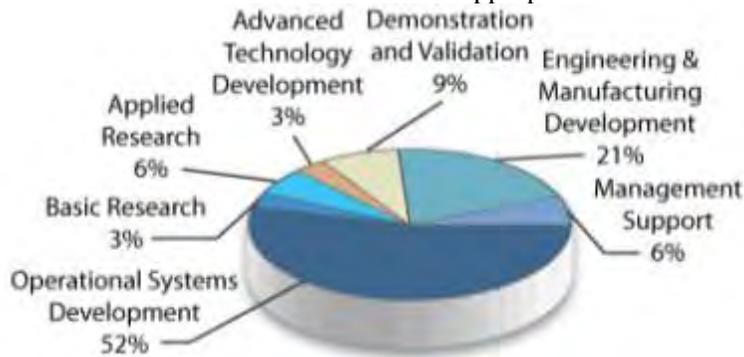


Figure 10. RDT&E FY 2012 Blue Budget Request

The Research, Development, Test and Evaluation (RDT&E) appropriation funds basic and applied scientific research as well as future weapon systems’ development, test and evaluation. RDT&E supports every Air Force Core Function. The FY 2012 request includes a long-range, penetrating bomber as well as B-52 Stratofortress and Minuteman III Intercontinental Ballistic Missile modernization projects ensuring future viability within the Nuclear Deterrence Operations Core Function. The FY 2012 request funds F-22 Raptor Increment 3.2 software development within Air Superiority, and continues F-35 Joint Strike Fighter flight testing within Global Precision Attack. RDT&E for Space Superiority capabilities includes development of the first Defense Weather Satellite System space vehicle, continued development of the first two Global Positioning System (GPS) IIIA satellites, Space Based Infrared System (SBIRS) Geosynchronous Earth Orbit (GEO) Space Vehicle-1 on-orbit check-out and tuning, and SBIRS GEO-2 final integration, test and launch support. The KC-X replacement tanker development will continue for the first four aircraft, representing a substantial enhancement to Rapid Global Mobility. Global Integrated ISR enhancements continue across the spectrum of unmanned platforms (RQ-4 Global Hawk, MQ-1 Predator and MQ-9 Reaper) and with improved ISR payloads such as Gorgon Stare. Finally, continued Expeditionary Combat Support System development enhances Agile Combat Support. Table 11 summarizes funding for RDT&E by budget activity.

Table 11. RDT&E TOA

Research, Development, Test, and Evaluation TOA (\$M)	FY 11 PB	FY 12 PB
Basic Research	500	519
Applied Research	1,181	1,182
Advanced Technology Development	509	585
Demonstration and Validation	1,495	1,684
Engineering & Manufacturing Development	3,549	4,080
Management Support	1,084	1,114
Operational Systems Development	9,868	9,841
Totals	18,188	19,005
Non-Blue	9,059	8,732
Air Force RDT&E TOA Total	27,247	27,737

Numbers may not add due to rounding.



RQ-4 wet runway test



F100-PW-229 engine testing



A human-machine coupling interface

Procurement

Figure 11 depicts the FY 2012 Blue TOA shown in Table 12 below and displays the relative size of each subsection of this appropriation.

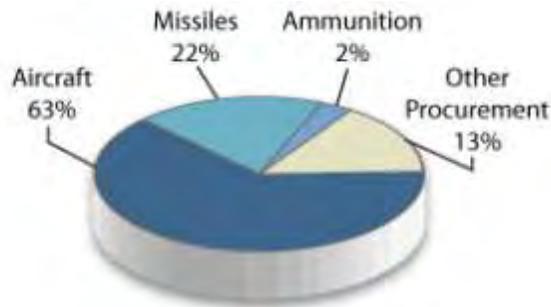


Figure 11. Procurement FY 2012 Blue Budget Request

The Procurement appropriation portfolio delivers both immediate and future capabilities through investment across four specific appropriations: Aircraft, Missile, Ammunition and Other Procurement. The FY 2012 Budget Request supports all Air Force Core Functions with significant investment in Space Superiority, Global Precision Attack, Rapid Global Mobility and Global Integrated ISR Core Functions. The following pages will discuss procurement appropriations in more detail.

Table 12. Procurement TOA

Procurement TOA (\$M)	FY 11 PB	FY 12 PB
Aircraft	15,354	14,066
Missiles	4,570	4,915
Ammunition	667	539
Other Procurement	3,587	2,984
Blue Total	24,178	22,504
Non-Blue	15,165	15,794
Air Force Procurement TOA Total	39,343	38,298

Numbers may not add due to rounding.



An MQ-1 Predator being pushed to a hangar for maintenance



A Delta IV rocket lifts off with the Wideband Global SATCOM-3 satellite



An F-35 II Lightning engages in a test flight

Procurement – Aircraft

Figure 12 depicts the FY 2012 Blue TOA shown in Table 13 below and displays the relative size of each subsection of this appropriation.

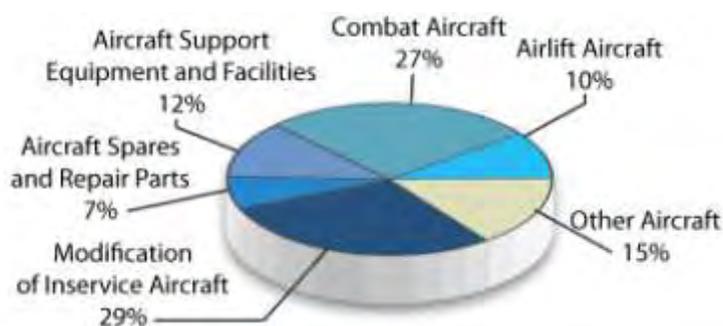


Figure 12. Aircraft Procurement FY 2012 Blue Budget Request

The Aircraft Procurement appropriation funds aircraft procurement and modification, and procurement of support equipment, specialized ground handling equipment, training devices and spare parts. The FY 2012 Budget Request supports key systems across multiple Air Force Core Functions. Within Nuclear Deterrence Operations, the request funds various modifications to B-2 Spirit and B-52 Stratofortress bomber platforms. Key Air Superiority modifications include F-22 Raptor Common Configuration. Global Precision Attack initiatives include procuring 19 F-35 Joint Strike Fighter Aircraft and nine Light Attack Armed Reconnaissance aircraft. Rapid Global Mobility procurements include nine C-27 Joint Cargo Aircraft; major modification programs include the C-5 Galaxy Reliability Enhancement and Re-engining Program and the C-130 Avionics Modernization Program. Special Operations procurements include five CV-22B Osprey and six MC-130 aircraft. Global Integrated ISR is supported through procurement of 48 MQ-9 Reapers. Finally, procuring three HH-60M Pave Hawk MEDEVAC Helicopters under Operational Loss Replacement supports the Personnel Recovery Core Function. Table 13 summarizes funding for aircraft procurement by budget activity.

Table 13. Aircraft Procurement TOA

Aircraft Procurement TOA (\$M)	FY 11 PB	FY 12 PB
Combat Aircraft	4,144	3,768
Airlift Aircraft	1,764	1,468
Trainer Aircraft	70	1
Other Aircraft	2,274	2,137
Modification of Inservice Aircraft	4,807	4,020
Aircraft Spares and Repair Parts	622	1,031
Aircraft Support Equipment and Facilities	1,672	1,641
Totals	15,354	14,066
Non-Blue	13	16
Air Force Aircraft Procurement TOA Total	15,367	14,082

Numbers may not add due to rounding.



Pre-flight aboard a C-27



An HC-130J Super Hercules



An Air Force CV-22 Osprey

Procurement – Missile

Figure 13 depicts the FY 2012 Blue TOA shown in Table 14 below and displays the relative size of each subsection of this appropriation.

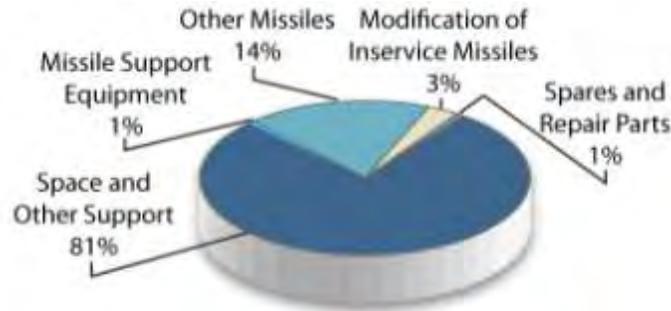


Figure 13. Missile Procurement FY 2012 Blue Budget Request

The Missile Procurement appropriation funds acquisition and modification of missiles, spacecraft, launch vehicles, spare parts and accessories. An evolutionary acquisition approach is proposed beginning in FY 2012 for a fixed price block buy of Advanced Extremely High Frequency satellite vehicles 5 and 6. The FY 2012 Budget Request also includes a cost-saving acquisition approach for the Evolved Expendable Launch Vehicle, using an annual launch-service bulk buy of four medium and intermediate classes of launch vehicles. Also planned under the Space Superiority Core Function is the procurement of Wideband Global Satellite Communications-8 and two GPS IIIA satellites. Within the Nuclear Deterrence Core Function, the Air Force plans to continue funding key modernization efforts within the Minuteman III program. The Budget Request funds Air Superiority capabilities: 240 AIM-9X Sidewinder Air-to-Air missiles and 218 AIM-120D Advanced Medium-Range Air-to-Air Missiles. The Air Force also plans to procure 416 Hellfire missiles, the key air-to-ground missile supporting the current Afghanistan conflict.

Table 14. Missile Procurement TOA

Missile TOA (\$M)	FY 11 PB	FY 12 PB
Missile Support Equipment	61	68
Other Missiles	816	690
Modification of In-service Missiles	139	166
Spares and Repair Parts	43	43
Space and Other Support	3,512	3,947
Blue Total	4,570	4,914
Non-Blue	893	1,159
Air Force Missile Procurement TOA Total	5,463	6,073

Numbers may not add due to rounding.



Airmen assemble BLU-109 ammunitions



Loading an AIM-9 Sidewinder onto an F-15



Preparing to load an AGM-114 Hellfire II missile onto an MQ-9 Reaper

Procurement – Ammunition

Figure 14 depicts the FY 2012 Blue TOA shown in Table 15 below and displays the relative size of each subsection of this appropriation.

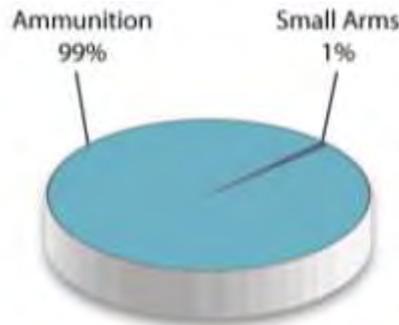


Figure 14. Ammunition Procurement FY 2012 Blue Budget Request

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. Specifically, the FY 2012 Budget Request includes 3,250 Joint Direct Attack Munitions and general purpose bombs, practice bombs and rockets.

Table 15. Ammunition Procurement TOA

Ammunition Procurement TOA (\$M)	FY 11 PB	FY 12 PB
Ammunition	660	532
Small Arms	7	7
Blue Total	667	539
Non-Blue	-	-
AF Ammunition Procurement TOA Total	667	539

Numbers may not add due to rounding.



An A-10 fires at a target during a joint training mission in Bulgaria



A GBU-54 hangs on the wing of an F-16



A Security Forces instructor provides small arms training at Eglin AFB, FL

Procurement – Other

Figure 15 depicts the FY 2012 Blue TOA shown in Table 16 below and displays the relative size of each subsection of this appropriation.

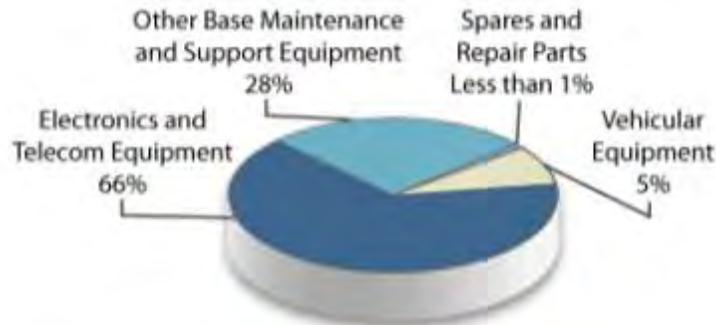


Figure 15. Other Procurement FY 2012 Blue Budget Request

The Other Procurement appropriation funds several systems including procurement and modification of equipment, ground electronic systems, communication equipment, information systems and vehicles. Within the Space Superiority Core Function, the Air Force will continue Air Force Satellite Control Network and the Spacelift Range System upgrades. The Air Force Network of Systems, which continues consolidation and standardization of the Air Force network boundary, and Military Satellite Communication ground terminals both support the Cyberspace Superiority Core Function. Continued modernization of the DCGS is key to Global Integrated ISR, providing a network backbone for time-critical intelligence data.

Table 16. Other Procurement TOA

Other Procurement TOA (\$M)	FY 11 PB	FY 12 PB
Electronics and Telecom Equipment	2,324	1,974
Vehicular Equipment	300	155
Other Base Maintenance and Support Equipment	943	840
Spares and Repair Parts	19	14
Blue Total	3,587	2,983
Non-Blue	14,259	14,619
AF Other Procurement TOA Total	17,845	17,602

Numbers may not add due to rounding.



The first two mine-resistant, ambush-protected all-terrain vehicles delivered to Afghanistan



A pilot examines his night vision goggles prior to a mission



An Airman starts a mobile generator

Military Construction

Figure 16 depicts the FY 2012 Blue TOA shown in Table 17 below and displays the relative size of each subsection of this appropriation.

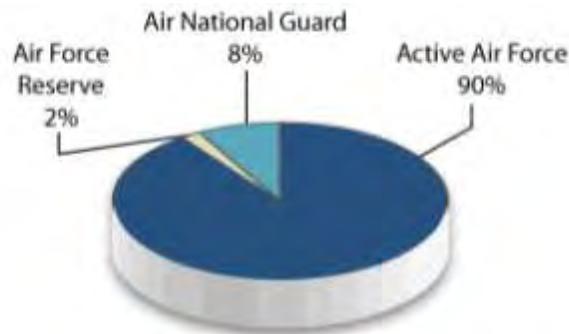


Figure 16. MILCON FY 2012 Blue Budget Request

The Air Force Military Construction (MILCON) appropriation funds construction projects which support operational needs, air, space and cyber infrastructure modernization, COCOM priorities and quality of life initiatives for Airmen and Joint personnel. Included in the FY 2012 budget request are weapon system realignment and beddown projects, a COCOM Headquarters facility, rotational force maintenance facilities in Guam, training and education facilities and dormitory replacement projects at various Air Force and Joint Bases. Table 17 displays a summary of Active, Air Force Reserve and Air National Guard MILCON with a breakout of major and minor construction funding in the subsequent tables.

Table 17. MILCON TOA

Military Construction TOA (\$M)	FY 11 PB	FY 12 PB
Active Air Force	1,153	1,286
Air Force Reserve	8	34
Air National Guard	177	116
Totals	1,338	1,436
Non-Blue	158	79
Air Force MILCON TOA Total	1,496	1,515

Numbers may not add due to rounding.



Touring the new Strategic Planning and Development Facility



New 497th ISR Group complex



Construction of F-35 training facility at Eglin AFB, FL

MILCON – Active Air Force

Table 18. MILCON, Active Air Force TOA

Military Construction, Air Force (Active) TOA (\$M)	FY 11 PB	FY 12 PB
Major Construction	1,069	1,183
Minor Construction	18	20
Planning and Design	66	82
Totals	1,153	1,285
Non-Blue	158	79
AF Active MILCON TOA Total	1,311	1,364

Numbers may not add due to rounding.

Air Force Active MILCON supports high priority projects across the spectrum of Air Force and COCOM priorities. Thirty-five percent of the FY 2012 Budget Request will be dedicated to Quality of Life projects including dorms, training facilities and a child development center. Twenty-four percent of the budget request supports new mission beddown and current mission improvements, while another twenty-four percent is aligned with the Joint mission.

MILCON – Air Force Reserve

Table 19. MILCON, Air Force Reserve TOA

Military Construction, Air Force Reserve TOA (\$M)	FY 11 PB	FY 12 PB
Major Construction	3	26
Minor Construction	3	5
Planning and Design	2	2
Totals	8	34
Non-Blue	-	-
AF Reserve MILCON TOA Total	8	34

Numbers may not add due to rounding.

The FY 2012 AFR MILCON request supports two primary projects. The first is construction of a new Air Traffic Control Tower and associated Base Operations Facility at March Air Reserve Base, CA. The request also supports construction of a new RED HORSE Readiness and Training Facility at Charleston AFB, SC.

MILCON – Air National Guard

Table 20. MILCON, Air National Guard TOA

Military Construction, Air National Guard TOA (\$M)	FY 11 PB	FY 12 PB
Major Construction	160	95
Minor Construction	8	9
Planning and Design	9	12
Totals	177	116
Non-Blue	-	-
AF ANG MILCON TOA Total	177	116

Numbers may not add due to rounding.

ANG MILCON for FY 2012 primarily supports the F-22 mission at Joint Base Pearl Harbor-Hickam, HI by providing a flight simulator facility, weapons load crew training facility and a combat aircraft parking apron. ANG MILCON also supports Predator operations at various locations throughout the United States. MILCON additionally supports a munitions facility for the F-16 to A-10 conversion at Fort Wayne International Airport, IN and a squadron operations facility supporting C-27J beddown at Martin State Airport, MD.

Military Family Housing

Figure 17 depicts the FY 2012 Blue TOA shown in Table 21 below and displays the relative size of each subsection of this appropriation.

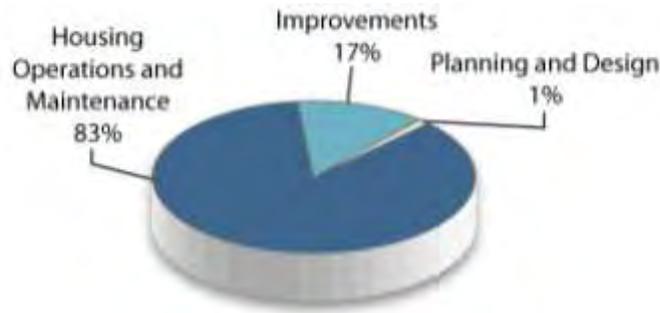


Figure 17. Military Family Housing FY 2012 Blue Budget Request

The FY 2012 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 created the Family Housing Master Plan as the roadmap to guide investment planning and programming, operation and maintenance and military family housing privatization. The FY 2012 Budget Request continues privatization as well as supports maintenance of owned and leased units and oversight of privatized units.

Table 21. Military Family Housing TOA

Military Family Housing TOA (\$M)	FY 11 PB	FY 12 PB
New Construction	-	-
Improvements	74	81
Planning and Design	4	4
Housing Operation and Maintenance	510	401
Totals	588	486
Non-Blue	4	4
Air Force Military Family Housing TOA Total	592	490

Numbers may not add due to rounding.



New home constructed at Edwards AFB, CA



Construction of family housing in Vogelweh Air Station, Germany



Newly renovated Phantom Housing at Incirlik Air Base, Turkey

Base Realignment and Closure

Figure 18 depicts of the FY 2012 Blue TOA shown in Table 22 below and displays the relative size of each subsection of this appropriation.

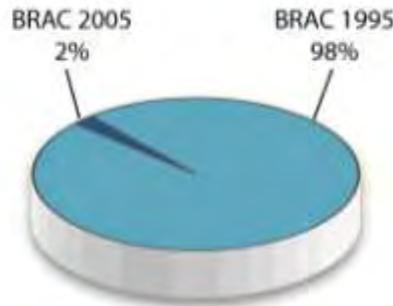


Figure 18. BRAC FY 2012 Blue Budget Request

The law authorizes Base Realignment and Closure (BRAC) 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 2012 budget for BRAC 1995, totaling \$123M, includes funds for environmental restoration and property management at 28 installations closed under BRAC 1988, 1991, 1993 and 1995.

The 2012 budget for BRAC 2005, totaling \$2M, includes funds for environmental restoration and property management at six closed installations.

Table 22. BRAC TOA

Base Realignment and Closure TOA (\$M)	FY 11 PB	FY 12 PB
BRAC 1995	125	123
BRAC 2005	127	2
Blue Total	252	125
Non-Blue	-	-
AIR FORCE BRAC TOA Total	252	125

Numbers may not add due to rounding



Joint Strike Fighter hangars at Eglin AFB, FL



A ceremony marking initial operational capability for Joint Base Lewis-McChord



Human Performance Wing facilities at Wright-Patterson AFB, OH

Summary

This FY 2012 Air Force Budget Request will provide the Service with the right mix of resources including personnel, equipment, weapon systems and infrastructure to enable the Air Force's 12 Core Functions to maintain the capabilities the Nation requires to remain the dominant leader in *air, space* and *cyberspace*.

Section 2: FY 2012 Overseas Contingency Operations Request

The Air Force is heavily committed to current operations in Afghanistan and Iraq, and will continue to support contingency operations around the world. Maintaining combat readiness is a key factor in supporting Overseas Contingency Operations (OCO). The Air Force must sustain critical mission areas of *Global Reach*, *Global Vigilance* and *Global Power*, while continually maintaining an agile, adaptable, persistent, lethal and surge-ready air, space and cyberspace force. For the past two decades, the Air Force has taken the fight to hostile forces around the world and continues combat operations through forces deployed to the United States Central Command's (USCENTCOM) Area of Responsibility (AOR). OCO funding supports the deployment of Active Duty and Reserve personnel to the USCENTCOM AOR. This funding also supports post-hostility operations and actions facilitating the transition from war to peace. Details of the FY 2012 OCO Budget Request are shown in the table below.

Table 23. FY 2012 OCO by Appropriation

OCO by Appropriation (\$M)	FY 11 PB	FY 12 PB	Delta
MILPERS	1,455	1,472	17
O&M	13,907	10,895	(3,012)
RDT&E	69	142	73
Procurement	1,977	794	(1,183)
MILCON/Military Family Housing	281	-	(281)
Working Capital Fund	17	-	(17)
Total Blue OCO Request	17,705	13,302	(4,403)
Total Non-Blue OCO Request	3,081	3,060	(21)
Total OCO Request	20,785	16,363	(4,422)

Numbers may not add due to rounding.

With Air Force personnel deployed to more than 135 locations worldwide on an average day, the Air Force relies on our Total Force to support the mission. Currently, over 36,000 of America's Airmen are deployed and approximately 57,000 are forward-stationed overseas.

Since September 11, 2001, the Air Force has flown more than 419,000 sorties in support of Operations Iraqi Freedom and New Dawn and more than 244,000 sorties in support of Operation Enduring Freedom (OEF). During this time, the Air Force delivered over 6.3 million passengers and 3.3 million tons of cargo, employed almost 23,800 tons of munitions, flew more than 15,750 personnel recovery sorties recording over 2,900 saves and 6,200 assists, and transported more than 85,000 patients and 15,400 casualties from the USCENTCOM AOR alone. In doing so, Airmen averaged nearly 200 sorties per day.

The Air Force's budget request invests in the organization, training and equipping of Airmen supporting OCO. To increase flexibility and lethality that meets the needs of Combatant Commanders in the AOR, Air Force officials will continue to align resources to support efforts in Iraq, Afghanistan and the Horn of Africa.

The Air Force supports the Department of Defense efforts to continue strengthening a long-term partnership in Iraq and across the globe. In Taji, Iraq, United States Airmen are training, advising and assisting Iraqi Army Aviation Command members, mentoring Iraqi pilots and maintainers on a daily basis to help them build a safe, self-sustaining rotary-wing force.

The Air Force Transition Team at New Al-Muthana Air Base, Iraq provides support for state-of-the-art equipment installation and testing for new communication buildings, and assisted with finishing touches on the largest, most capable medical facility in the entire Iraqi Air Force. Air Force efforts are leaving a lasting impression in this region and around the world.



United States Air Advisor gives instructions to two Iraqi Army Aviation Command pilots during a pre-flight mission brief

Military Personnel

The FY 2012 Budget Request includes \$1.5B for boots on the ground and wings in the air of the approximately 30,000 Airmen directly supporting OEF and Operation New Dawn. This funding pays nearly 13,600 AFR component personnel mobilized for duty and provides incremental pay and allowances (e.g., hostile fire, imminent danger, hardship duty, family separation) for more than 16,000 active duty members.

Operation and Maintenance

OCO funding supports operational costs associated with flying hours for multiple aircraft, supplies and materials, transportation costs for equipment to be shipped into and out of the theater, equipment and communications and other miscellaneous costs to meet world-wide operational requirements. The FY 2012 Budget Request includes \$10.9B for OCO Readiness, which includes 364,912 flying hours, inter/intra-theater airlift, sustainment and base support/airfield operations. It also delivers critical Command and Control, persistent Intelligence, Surveillance, and Reconnaissance (ISR), Personnel Recovery and firepower to United States and Coalition forces. Personnel Recovery forces are fully engaged in Iraq, Afghanistan and the Horn of Africa accomplishing lifesaving medical and casualty evacuation missions. Air Force ISR provides timely, fused, and actionable intelligence to the Joint force from forward-deployed locations and distributed processing centers around the globe. The Air Force continues to rapidly increase ISR capability and capacity to support combat operations and will continue to build on ISR progress made in FY 2011 to achieve 65 Remotely Piloted Aircraft Combat Air Patrols in theater by the end of FY 2013. The Air Force continues to provide unparalleled airlift and air refueling capability to support national defense. Mobility forces present a vital deployment and sustainment capability for Joint and Coalition forces, globally delivering equipment, personnel and materials essential for major combat operations in the USCENTCOM AOR. Air Force fighters and bombers continue to provide Combatant Commanders with precision strike capability, delivering critical support to ground troops.

Investment (RDT&E and Procurement)

FY 2012 OCO funds are required to reconstitute equipment and ammunition and deliver increased operational capability to the warfighter to successfully meet a range of in-theater security challenges. This request includes one CV-22 Osprey and one HH-60 Pave Hawk Special Operations helicopter attrition replacement. This request also funds modernizing C-5 and C-130 Large Aircraft Infrared Countermeasures to support man-portable missile survivability.

Working Capital Funds

The Air Force Working Capital Fund (AFWCF) provides maintenance services, weapon system spare parts, base supplies, and transportation services. The United States Transportation Command's Transportation Working Capital Fund (TWCF) is included in the AFWCF; however, the Air Force is only charged with cash oversight and does not have operational accountability. The Air Force is requesting FY 2012 funding to support two TWCF missions: \$10M in Fallen Heroes and \$2M in Container Deconsolidation. The National Defense Authorization Act 2007, Section 562, establishes the Fallen Heroes Program, which provides transportation of Service members killed in combat operations through

contract airlift. Container Deconsolidation aims to achieve higher container utilization and reduce costs by deconsolidating containers at Defense Distribution Depot Kuwait/Southwest Asia, Defense Distribution Depot Europe, and Central Receiving and Shipping Point.

Summary

The Air Force supports OCO in multiple regions in support of the Combatant Commander. Airmen are training, coaching and mentoring Iraqi and Afghan police and providing medical supplies to remote areas of Afghanistan. The Air Force is also providing day-to-day support to Army and Marine counterparts, assisting with transportation and security details while providing airdrop capabilities to remote areas all over the globe. The Air Force is committed to OCO and will continue to support Combatant Commanders by ensuring forces are adequately trained, equipped and supported across the full spectrum of mission sets. The FY 2012 OCO request sustains this support and ensures troops have the necessary resources to accomplish their mission.

Section 3: Performance Based Budget (Overview)

This section discusses how the Air Force budget is aligned to accomplish strategic goals and objectives and provides historical performance information on specific program areas. The performance based budget described in this section is organized by Air Force Core Function. The core functions encompass the full range of Air Force capabilities that provide the foundation of activities to support the Air Force’s priorities and carryout the mission. Air Force programs within each core function support the objectives, the priorities, and ultimately the mission of the United States Air Force as depicted in Figure 19.

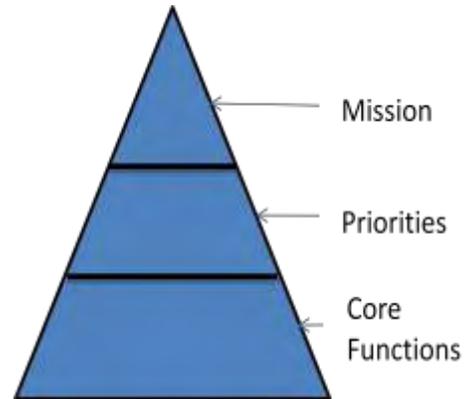


Figure 19. Air Force Performance Pyramid

Air Force Mission:

Fly, fight and win...in air, space and cyberspace.

Air Force Priorities:

- *Continue to Strengthen the Nuclear Enterprise*
- *Partner with the Joint and Coalition Team to Win Today’s Fight*
- *Develop and Care for Airmen and Their Families*
- *Modernize Air and Space Inventories, Organizations and Training*
- *Recapture Acquisition Excellence*

Air Force Core Functions:

Nuclear Deterrence

Special Operations

Air Superiority

Global Integrated ISR

Space Superiority

Command and Control

Cyberspace Superiority

Personnel Recovery

Global Precision Attack

Building Partnerships

Rapid Global Mobility

Agile Combat Support

Alignment to Department of Defense Priorities

The Air Force FY 2012 Budget Request supports Department of Defense (DoD) priorities in the Quadrennial Defense Review (QDR) and contributes to overall department performance objectives. The direction from the QDR, National Security Strategy and National Military Strategy creates the vision and guides the Air Force’s Annual Planning and Programming Guidance, the Air Force Core Function Master Plans and the Force Planning Construct. Table 24 shows the alignment of Air Force to DoD priorities. There is some overlap between priorities but all DoD priorities are supported by one or more Air Force priorities.

Table 24. Air Force Priority Alignment to DoD QDR Priorities

DoD Priorities	Air Force Priorities
Prevail in today’s wars	Partner with the Joint and Coalition Team to Win Today’s Fight
Prevent and deter conflicts	Continue to Strengthen the Nuclear Enterprise
Prepare to defeat adversaries and succeed in a wide range of contingencies	Modernize Air and Space Inventories, Organizations and Training
Preserve and enhance the All-Volunteer Force	Develop and Care for Airmen and Their Families
Implement the Reform Agenda	Recapture Acquisition Excellence

Air Force priorities provide focus to support the Air Force mission and align with DoD guidance and Combatant Commanders’ needs. Air Force Core Functions describe what the Air Force provides to Combatant Commanders beyond *Global Vigilance, Reach and Power*. The Air Force’s resource choices represented in this budget request were balanced across the 12 Core Functions to address both near- and long-term requirements. While the core functions appear individually in this document, it is important to recognize their inherent interdependence to support Air Force, Joint force and broader national security needs.

Performance Management

The Air Force is making progress in its performance management system to include alignment between DoD and Air Force strategic objectives. Part of this effort includes enhancing the relevance, utility and maturity of performance measures used to support Air Force senior decision makers. Some measures used in the Air Force performance management system are included in this budgetary publication. The Air Force has initiated quarterly reviews and uses performance measures to make increasingly applicable enterprise-level decisions regarding resources and prioritization of effort to assure strategic change and increased efficiency and effectiveness. This is an evolutionary process to continuously improve the quality of the performance measures used for decision support. Future performance budgets will evolve with the Air Force performance management system.

One key performance measure used by the Air Force is the Aircraft Availability Rate. This measure is used across most Air Force Core Functions with flying mission responsibilities. The Aircraft Availability Rate is calculated by dividing Mission Capable hours by the Total Aircraft Inventory hours to assess the health of the entire fleet. This measure helps leadership assess how many jets will be ready to perform missions at any given time and is tracked at the mission design series level. Each weapon system has individually calculated standards, or goals, based on Operational Plan requirements that will meet QDR

scenarios. Many factors impact the availability rates. Examples include depot maintenance, parts availability, use of aircraft and climate. Because there are so many factors, this document will discuss the overall mission impact versus addressing each rate in the Service Core Function sections that follow.

As part of the Air Force-wide focus on efficiencies, the Secretary of the Air Force (SecAF) and the Chief of Staff, United States Air Force (CSAF) initiated the Weapon System Sustainment (WSS) End-to-End Assessment working group. The group's recommendations will modify depot and supply chain processes and generate over \$3B in efficiencies across the Future Years Defense Program (FYDP). In the near-term, the result of these changes will support 84 percent of validated FY 2012 requirements, which is consistent with historical WSS funding levels. Without the changes, the FY 2012 funding for WSS would have only funded 80 percent of validated requirements.

Summary of Planned Accomplishments

The FY 2012 Budget Request is designed to defend and advance the interests of the United States by providing unique capabilities to succeed in current conflicts while preparing to counter future threats. Specifically, this budget provides resources to meet growing intelligence, surveillance and reconnaissance needs, as well as mobility, Command and Control (C2) and building coalition partner capacity to prevail in today's wars. The request also supports the previous years' momentum to continue strengthening the Air Force portion of the Nation's nuclear deterrence, recapitalize the aging tanker fleet and modernize across multiple mission areas to meet future threats. Finally, this budget request preserves and enhances our all-volunteer force through education, training and quality of life initiatives for Airmen and their families.

The following pages of this performance budget section will describe in greater detail by Air Force Core Function the successes and challenges the Air Force is experiencing and the initiatives implemented to make further improvement. All dollar figures within this section will be Air Force "Blue" Total Obligation Authority (TOA) unless stated otherwise. The FY 2010 figures include supplemental funding while the FY 2011 and FY 2012 figures do not.

Nuclear Deterrence Operations

Overview

The Air Force maintains safe and secure nuclear capabilities by means of the Nuclear Deterrence Operations Service Core Function. An effective strategic deterrent force dissuades adversaries from taking action against vital United States interests. Successful deterrence requires land, air and naval forces able to fight a range of limited and large scale conflicts in anti-access and area denial environments and able to respond to a full range of challenges. If deterrence should fail, Air Force capabilities guarantee the ability of the President of the United States “to consider the use of nuclear weapons in extreme circumstances to defend the vital interests of the U.S., its allies and partners.”¹ The Air Force continues recapitalization and modernization efforts critical to sustaining a credible deterrent.

Airmen protect our Nation as well as America’s allies around the world through performance of the Nuclear Deterrence Operations Service Core Function. The Air Force’s intercontinental ballistic missiles and strategic bombers provide two critical legs of the nuclear triad. The Air Force provides dual-capable aircraft (conventional and nuclear) to strengthen regional deterrence and reassure allies and partners while providing flexible options for the President of the United States. This core function accounts for approximately \$5.2B of the Air Force FY 2012 Budget Request as reflected in Figure 20. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

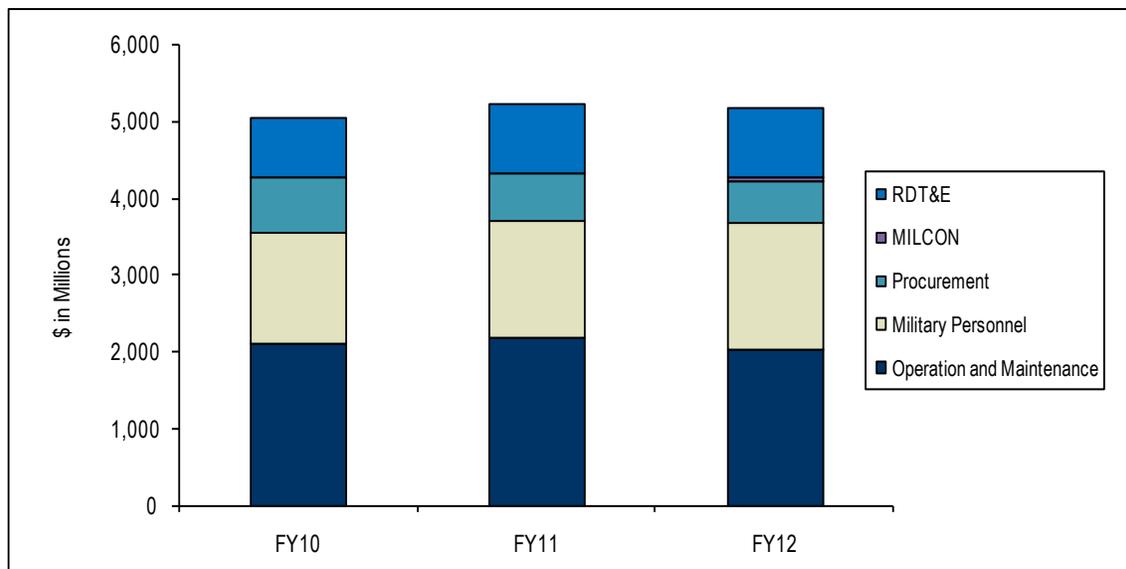


Figure 20. Nuclear Deterrence Operations TOA by Appropriation

Accomplishments

A concerted focus on reinvigorating the nuclear enterprise resulted in significant structure, process and cultural change. This focus has revitalized critical aspects of the nuclear enterprise resulting in renewed visibility and stringent adherence to established nuclear standards, additional personnel to recapitalize the nuclear workforce and increased funding to sustain a legacy infrastructure. The skill and leadership of Airmen at all levels continues to institutionalize improvements and capitalize on gains made since 2008.

¹ 2010 Nuclear Posture Review, p. ix.

In 2010, the efforts undertaken by Air Force Global Strike Command (AFGSC), the Air Force Nuclear Weapons Center (AFNWC) and the Assistant Chief of Staff, Strategic Deterrence and Nuclear Integration (AF/A10) codified responsibility in the nuclear enterprise. Representing visible structural changes, these entities are responsible for ensuring support and oversight for the nuclear mission and are managing the people, equipment and processes that produce nuclear deterrence on a daily basis. Looking forward, continuing to strengthen the nuclear enterprise entails a long-term, systematic effort to refine earlier initiatives.

Structure: In 2010, AFGSC, a headquarters directing all Intercontinental Ballistic Missile and nuclear-capable bomber forces, reached full operational capability thus completing the first major command standup in more than 27 years. AFGSC includes about 25,000 personnel in a fully-integrated, “total force” team composed of Active Duty, Air Force Reserve, Air National Guard, civilians and contractors. AFGSC exemplifies the Air Force’s firm and unshakable conviction that strategic nuclear deterrence and global strike operations require the highest standards of performance and accountability. With the consolidation of Air Force nuclear capabilities, AFGSC serves as the Air Force voice to maintain the standards of excellence necessary in the stewardship of strategic deterrent operating forces. All nuclear Major Commands (Air Combat Command, Air Force Material Command, Air Mobility Command, and United States Air Forces in Europe) shape and influence the Nuclear Deterrent Operations Service Core Function. At the AFGSC activation ceremony, the Commander of Global Strike Command stated, “With today’s activation, we begin the road towards consolidating all of our Air Force assets in this critical mission area under a single command, one that will serve as a single voice to maintain the high standards necessary in stewardship of our Nation’s deterrent forces.”



An Airman inspects the rotary launch assembly as it is being lifted into a B-2

Process - Sustainment and Recapitalization: The multifaceted Air Force sustainment and recapitalization effort is successfully addressing and identifying critical deterrence initiatives including the future of the Ground-Based Strategic Deterrence and the Common Vertical Lift Support Platform (CVLSP), which includes replacement of the UH-1 helicopters utilized at northern tier missile wings. The Air Force is also ensuring nuclear programs will be properly equipped for sustainment in the out-years. This includes creating strategic modernization plans and a detailed Intercontinental Ballistic Missile (ICBM) Master Plan to sustain Minuteman III through 2030. Additionally, an analysis of alternatives for the Air Launched Cruise Missile follow-on is underway, and aging helicopters used at ICBM bases will be replaced beginning in FY 2015.



A UH-1N helicopter from the 54th Helicopter Squadron patrols the skies above a Minuteman III launch facility in North Dakota

Efforts continued to strengthen, assess and automate accountability for Nuclear Weapons Related Material (NWRM) through a completely revamped Positive Inventory Control (PIC) process. All nuclear sustainment activities have been consolidated in the AFNWC and PIC has been implemented for weapon system components; 100 percent accountability of all NWRM has been attained. Through the PIC initiative, the demilitarization of thousands of pieces of NWRM will increase visibility and tracking of nuclear components, further enhancing Air Force efforts to improve accountability and provide efficient component level details.

Culture: Tangible structural changes combined with focused procedural changes are beginning to effect cultural change and have inspired a new focus, intensity and strength. Airmen are undergoing increased training and more intense evaluation during inspections than at any point in most of their careers. Training has also been adapted to keep up with sustainment and recapitalization efforts. While it will take time to effect nuclear enterprise cultural change, a human capital plan that is under development and

quarterly senior leader oversight reviews are examples of initiatives the Air Force is pursuing to institutionalize cultural change.

Inspections and the inspection process experienced a major overhaul resulting in a significantly enhanced Nuclear Surety Inspection (NSI) process that encourages unit assessments to analyze, address and review systemic nuclear enterprise weaknesses. Figure 21 below captures Nuclear Surety Inspection results for FY 2009 through FY 2010.

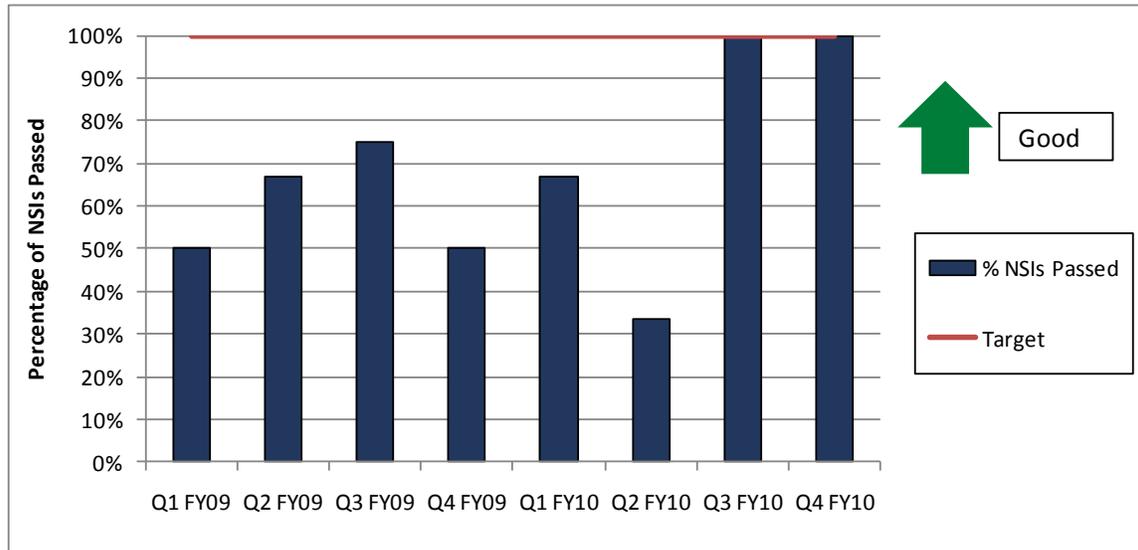


Figure 21. Nuclear Surety Inspection Results

To ensure the nuclear enterprise is sufficiently resourced through a well thought-out human capital plan, the Air Force is pursuing initiatives to ensure personnel are provided viable and visible career paths to motivate, promote and retain talent. The increase of approximately 2,500 billets across the nuclear enterprise in 2009 provided the necessary impetus to effect enduring changes. As the Functional Authority for the nuclear enterprise, AF/A10 also identified enterprise-wide key billets that require specific expertise. These key nuclear billets will ensure that commanders and key personnel are matched and selected based upon commensurate expertise. Additionally, senior advisory panels meet at least quarterly to develop and mature all aspects of the nuclear enterprise. Specifically, the Nuclear Oversight Board (NOB), co-chaired by the SecAF and CSAF, is directly involved in key decisions impacting nuclear enterprise force development, sustainment and recapitalization. Further, the Nuclear Issues Resolution and Integration Board informs the NOB and provides additional Major Command (MAJCOM) and Air Staff senior level oversight and direction for key issues affecting the Air Force nuclear enterprise.

FY 2012 Initiatives

Reinvigorating the nuclear enterprise has proved crucial to Nuclear Deterrent Operations. To date, significant progress has been made allowing the nuclear enterprise to operate at a higher proficiency level. In FY 2012, the Air Force will continue the crucial recapitalization, modernization and sustainment efforts started in FY 2011.

Modernization of the ICBM force will include funding for new code systems, targeting computer, ballistic missile fuzes, cryptographic upgrades and improved communications through the Minuteman Minimum Essential Emergency Communication Network. In FY 2011, the Combat Network Communications Technology (CONNECT) program represented one element that the Air Force funded in the larger bomber modernization effort. The CONNECT program updates B-52 computer infrastructure and the technical backbone to improve mission capability. Concurrently, B-2 funding was added that enhances sustainment, aircraft availability and support for future systems development. In support of general nuclear

sustainment, the Air Force included funding for missile testers, munitions handling units and technical order development.

The FY 2012 Budget Request includes approximately \$84M to fund the B61 bomb life extension program. There have been many variants of the B61 since production began in the 1960s; the life extension program will reduce the number of B61 variants, overcome aging problems and improve safety, security and reliability. In addition, the budget request includes \$58M for two UH-1 replacement aircraft in the CVLSP program to begin replacement of the 62 Vietnam-era UH-1Ns. These replacement helicopters will provide enhanced security for the ICBM force. The recent entry-into-force of the New Strategic Arms Reduction Treaty (START) requires the Air Force to begin to implement a force structure that provides for a safe, secure and effective strategic deterrent posture that remains within treaty limits.

As one of the Air Force's top priorities, continuing to strengthen the nuclear enterprise will require a long-term commitment to organize, train and equip a safe, secure and effective deterrent force. Nothing less than mission success is acceptable and the Air Force will continue to be trustworthy stewards of two critical elements of America's nuclear triad and forward-deployed extended deterrent. Ensuring both enlisted and officer leadership positions are filled with technically competent, experienced and quality Airmen confirms the Air Force commitment to Nuclear Deterrent Operations.



A B-52H Stratofortress takes off for a training sortie

Strategic Steps and Way Ahead: The Air Force will continue to strengthen its nuclear deterrent capabilities, ensuring the United States maintains a safe and secure nuclear enterprise and provides an effective deterrent force. The SecAF and CSAF have articulated Strategic Steps and the Way Ahead to guide the Air Forces' commitment to sustained success across the nuclear enterprise:

- Strengthen Positive Inventory Control of Nuclear Weapon Related Material
- Refine Inspection Process to Ensure Robust Self-Assessment
- Fulfill Human Capital Plan to Ensure Appropriate Expertise at All Levels
- Modernize and Recapitalize Nuclear Deterrent Capability
- Implement New START Treaty
- Craft a Comprehensive Deterrence and Crisis Stability Vision that Builds on the Nuclear Posture Review

The Air Force's current focus on strengthening the Nuclear Deterrence Operations Service Core Function will institutionalize the structure, process and cultural changes underway. The initiatives in this budget request will build on successes achieved since 2008 and enable the Air Force to meet the high standards identified in the Strategic Steps and Way Ahead in 2012 and beyond.

Air Superiority

Overview

Securing the high ground is a critical prerequisite for any military operation to ensure freedom of action for the Joint force and the Nation. While the United States has enjoyed this freedom for the last fifty years, there is no guarantee of Air Superiority in the future. Adversary nations are working towards fifth-generation fighter aircraft and advanced surface-to-air missiles that present an area denial capability challenging United States air superiority. Currently the United States benefits from the only operational 5th generation fighter aircraft, the F-22 Raptor, but improvements to adversary 4th generation fighters put them on par with legacy F-15C/D aircraft that make up a significant component of air superiority capability. Given these realities, the Air Force’s FY 2012 Budget Request includes initiatives to address current and future air superiority needs. This core function accounts for approximately \$9.2B of the Air Force FY 2012 Budget Request as reflected in Figure 22. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

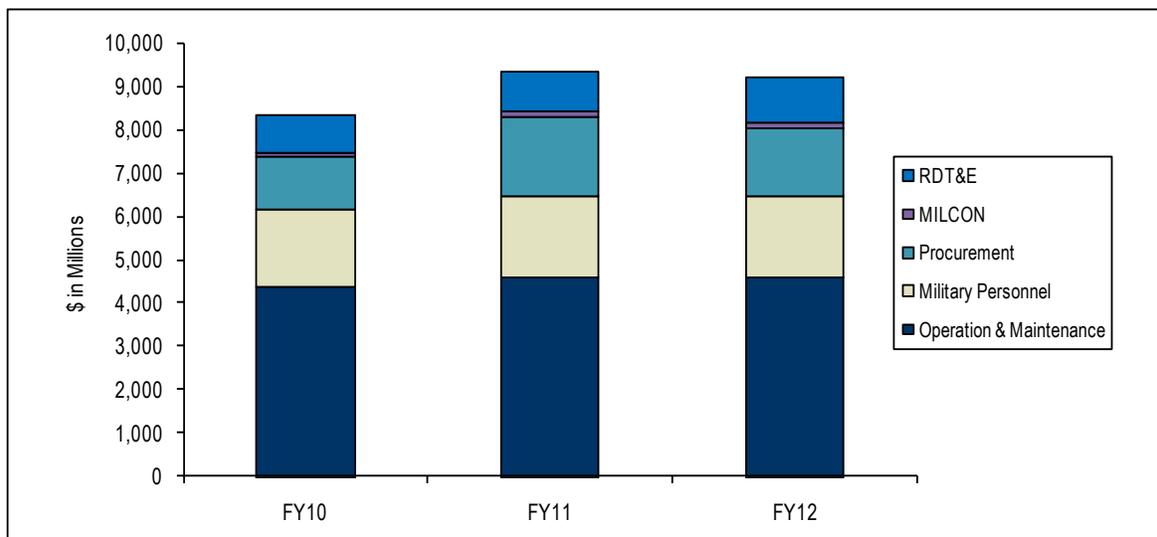


Figure 22. Air Superiority TOA by Appropriation

Accomplishments

In FY 2010, Air Superiority activities focused on homeland defense under Operation Noble Eagle, plans to sustain and improve the operational capability of legacy fighter aircraft and improving the F-22A Raptor’s capabilities.

In December 2010, two Continental United States (CONUS) North American Aerospace Defense Command Region fighter jets intercepted a small airplane in Florida and completed the 55,000th successful Operation Noble Eagle sortie. Since September 11, 2001, these efforts have ensured the continued sovereignty of skies over the United States. Air sovereignty alert wings throughout the United States are on call 24 hours a day, 7 days a week, sitting constant alert in the event they are called upon to react to a potential threat. This continues to be a “no-fail mission” to protect United States citizens.



An F-22 and F-15 fly over Nellis AFB, NV

While the Air Force was supporting daily operational requirements, it accelerated the retirement of its oldest legacy fighter aircraft in FY 2010. For Air Superiority aircraft, this translated into the retirement of 112 F-15 C/Ds that were approaching the end of their economic service life. Executing this plan allowed

the Air Force to reinvest savings into critical modernizations of the remaining legacy fleet as discussed in the following FY 2012 initiatives.

The F-22A Raptor is the Air Force’s premier Air Superiority fighter. It delivers unmatched air supremacy and homeland defense capabilities to the Joint team. The multi-role F-22A’s combination of speed, stealth, maneuverability and integrated avionics provides this aircraft access and survivability in high-threat environments. Its ability to find, fix, track and target enemy air- and surface-based threats ensures air dominance and freedom of maneuver for all Joint forces. F-22A performance during war games and exercises has been exceptional. Pilots of legacy aircraft report never being aware of the F-22A in their airspace until they are already “shot down.” This ability to engage in high threat environments while being extremely difficult to detect with existing sensors is one of many reasons the Raptor is the world’s most formidable fighter aircraft.



Two F-22A Raptors fly over the Pacific Ocean during a theater security mission

In FY 2010, the Air Force received 21 F-22As including deliveries to Elmendorf Air Force Base (AFB), AK and Holloman AFB, NM which are currently underway. This brings the total F-22As delivered to 169.

In addition to receiving new aircraft, the Air Force announced actions to consolidate the F-22 fleet in FY 2010. The SecAF and CSAF determined the most effective basing for the F-22 in accordance with site survey results and military operational needs. This results in redistributing aircraft from one of two F-22 squadrons to units at four bases and the second squadron relocating to an existing F-22 base. The affected bases are as follows:

- Holloman AFB, NM will deactivate one squadron of F-22s and disperse that squadron’s aircraft to other F-22 units. The remaining squadron will be relocated to Tyndall AFB, FL
- Elmendorf AFB, AK will receive six additional aircraft
- Langley AFB, VA will receive six additional aircraft
- Nellis AFB, NV will receive two additional aircraft
- Tyndall AFB, FL will receive one additional squadron

These basing actions will be finalized subject to completion of appropriate environmental analysis, and will maximize combat squadrons available for contingencies by consolidating aircraft at existing bases while increasing operational flexibility.

The Air Force uses several performance measures to track Air Superiority Core Function progress. One measure is Hours Per Crew Per Month. This measure tracks the hours flown by crews on a monthly basis to maintain specific proficiencies in addition to other flying hours. Table 25 shows hours achieved for Active Duty fighter crews over the last three fiscal years to maintain specific proficiencies.

Table 25. Fighter Crews - Hours Per Crew Per Month

Fighters	FY08	FY09	FY10
Average Hours Per Crew Per Month	15.8	17.0	13.6
Status	●	●	●

The Air Force is developing a software tool that incorporates numerous factors to produce a readiness metric and expects to provide initial measures in future President's Budget cycles. Additional measures in this mission area are classified and are not available for publication.

FY 2012 Initiatives

Combat Air Forces structure is constantly assessed in relation to the dynamic security environment and evolving Joint force needs. The Air Force's current fighter force plans will fulfill Combatant Command (COCOM) strategies and requirements with a moderate amount of risk. Part of the plan calls for current legacy fleet service life extensions and modernization efforts as well as F-22A upgrades to increase its air superiority capabilities and operational effectiveness. The FY 2012 Budget Request includes \$2.6B for procurement and Research, Development, Test and Evaluation (RDT&E) in Air Superiority.

F-15C/D: The average age of the F-15C/D fleet is over 25 years. In response to the challenges created by age, the Air Force has conducted extensive investigation into the service life of the fighter fleet to better understand the feasibility of extending their service life given the economic and operational environments. Current projections indicate the F-15 C/D fleet is viable until about 2025 with full-scale fatigue testing currently underway.

In addition to the Programmed Depot Maintenance of these systems, the Air Force continues to modernize the F-15 fleet with Active Electronically Scanned Array (AESA) radars. AESA radars improve on older radars by spreading broadcasts across a band of frequencies making it very difficult to detect and allowing aircraft to maintain stealth capability. These efforts should successfully enable the 176 F-15C/D "Long-Term Fleet" to operate safely and effectively through at least 2025, as determined by the full-scale fatigue test. The FY 2012 request includes over \$45M for these upgrades.



F-15s flying over Kadena AB, Okinawa

F-22A: The F-22A and F-35 represent the latest generation of fighter aircraft for the United States. Both aircraft are necessary to maintain a margin of superiority that permits Joint and coalition air and ground forces freedom of maneuver and attack. While each of these aircraft provides both an air superiority and global precision attack capability, the F-22A's primary role is air superiority while the F-35's is precision attack. Details on F-35 initiatives are discussed in the Global Precision Attack Core Function of this document. Similar to every other aircraft in America's inventory, the Air Force has plans to incorporate F-22A upgrades to ensure air dominance for decades to come. The modernization program consists of two major efforts: the Common Configuration Reliability and Maintainability Maturation Program (RAMMP) and a pre-planned product improvement program.

The F-22 Common Configuration RAMMP is an effort to upgrade Block 20/30/35 aircraft to a common software configuration. As part of these improvements, Block 30 aircraft are being fielded with Increment 3.1 capabilities including APG-77 radar air-to-ground and electronic attack modes. The Air Force continues to research, test and develop improved Increment 3.2 capabilities on Block 35 aircraft; these include modifications to use the most advanced air-to-air weapons such as the AIM-120D Advanced Medium-Range Air-to-Air Missiles (AMRAAMs) and the AIM-9X Sidewinder as part of the product improvement program. The 3.2 upgrade will include an automatic ground collision avoidance system and advanced data links to allow data transmission to other aircraft.

Air Superiority Munitions: The Air Force continues to enhance development, production and integration of modern munitions for Air Superiority. The FY 2012 Budget Request includes AIM-9X Block 2 development and production; AIM-120D development, integration and production; and development and integration of the AGM-88 High Speed Anti-Radiation Missile (HARM) control section modification. The AIM-9X adds lock-on-after launch and data link capabilities that allow pilots to release the missile without having the target “locked” at the time of launch. This decreases time required from target identification to firing. The AIM-120D is the next iteration of the AMRAAM missile with increased range and radar capabilities. The AGM-88 HARM is a high speed tactical air-to-surface missile designed to lock on to electronic transmissions from surface-to-air radar systems. The FY 2012 Budget Request also includes funding for the “Next Generation Missile” which is an air-launched missile to replace both the AIM-120D and the AGM-88. This funding will support a competitive prototype demonstration and technical development preceding a major acquisition decision.

Other enhancements in this FY 2012 Budget Request include the development and fielding of new range equipment and updates to threat systems that will provide realistic combat training. Among these are the P5 Combat Training System, Joint Threat Emitters and updated simulators that enhance training opportunities while reducing flying hours. These initiatives help the Air Force improve peacetime flying operations efficiency. These proposed initiatives will sustain the United States’ Air Superiority advantage and expand the capabilities of the Air Force’s most advanced fighter aircraft.

Space Superiority

Overview

Space Superiority is the ability to deliver a degree of dominance in space over National adversaries that permits the conduct of operations by United States and Allied land, sea, air, space and special operations forces. Through the Space Superiority Core Function, Airmen provide space capabilities that enable the ability to navigate accurately, see clearly, communicate confidently, strike precisely and operate assuredly. These capabilities are critical to Joint operations and national security. In addition, space operations enable many civil and commercial activities such as cellular communications, navigation, financial transactions and much more.

The Air Force is DoD’s steward of space, offering vital capabilities to support the warfighter. These space capabilities include critical missile warning; space situational awareness; military satellite communications; positioning, navigation and timing (PNT); space access; and weather data. Rapid technology advancements and the long-lead time for developing new space technology result in an ongoing need to plan, design and implement space advancements. This core function accounts for approximately \$11.6B of the Air Force FY 2012 Budget Request as reflected in Figure 23. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

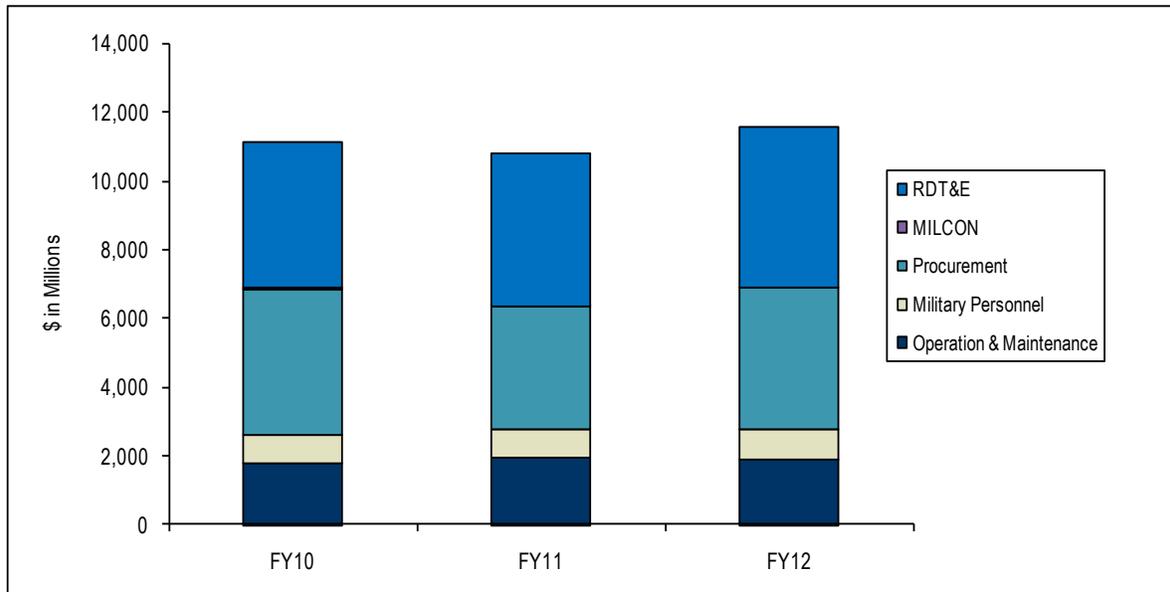


Figure 23. Space Superiority TOA by Appropriation

Accomplishments

In FY 2010, the Air Force launched the first Advanced Extremely High Frequency (AEHF) satellite to begin replacement of the five-satellite Military Strategic, Tactical and Relay (Milstar) constellation. The AEHF satellite will provide secure, protected military communications capability across land, sea and air in support of special operations, strategic nuclear deterrence, strategic defense, theater missile defense and space operations and intelligence. A single AEHF satellite provides greater total capacity than the entire Milstar constellation.



The Global Positioning System IIF satellite

The Air Force’s Global Positioning System (GPS) provides around 750 million military and civilian customers with positioning, navigation and timing support, making system reliability critical. In order to provide full coverage, the Air Force must keep at least 24 working GPS satellites in orbit at all times, and

currently has 31 operational GPS satellites in orbit as depicted in Table 26. The GPS II satellites currently in orbit were projected to last 7.5 years, but are still operating after 15 years in orbit. This system will not last indefinitely; hence, the Air Force continues to invest in GPS technology. The first GPS Block IIF satellite was launched in FY 2010 featuring increased capability and improved mission performance and longevity. The Air Force continues to develop the next generation of satellites, GPS III, with the first launch scheduled in CY 2014.

Table 26. Number of Operational GPS Satellites

Period	Minimum Required	Actual	Status
Q1 FY10	24	30	●
Q2 FY10	24	30	●
Q3 FY10	24	30	●
Q4 FY10	24	31	●

In FY 2010, the Air Force conducted five successful National Security Space (NSS) Evolved Expendable Launch Vehicle (EELV) launches, and as of January 2011 had completed the 37th consecutive successful NSS EELV launch.

In addition, the Air Force made great strides in space situational awareness (SSA). In FY 2010, the Air Force’s only Space Based Surveillance Satellite (SBSS) asset was launched. SBSS tracks debris, spacecraft and other distant objects in space unconstrained by weather, daylight or line of sight from deep space to low-earth orbit. The SBSS also reduces the revisit rate on high priority space objects from 72 hours to approximately 24 hours and provides the flexibility to quickly respond to new and changing mission needs, taking SSA to unprecedented levels.



A Minotaur IV launched the Space-Based Surveillance satellite from Vandenberg AFB, CA

FY 2012 Initiatives

The FY 2012 Budget Request continues Defense Weather Satellite System (DWSS) spacecraft and sensor suite development to deliver higher resolution, true-color weather data more rapidly to warfighters. The first DWSS satellite will be available at the end of this decade to replace the legacy Defense Meteorological Satellite Program, which has been supporting the Joint warfighting and intelligence community users for almost 50 years.

The Air Force FY 2012 Budget Request also provides funding to field and upgrade space systems vital to successful Joint operations. In FY 2012, the Air Force will launch one Wideband Global SATCOM (WGS) satellite and one AEHF satellite to provide flawless, secure communications around the world. The budget request also includes \$469M to fully fund WGS-8 procurement to meet Combatant Commander’s bandwidth requirements. These essential space systems provide United States and coalition forces the critical communications needed to remain effectively coordinated, synchronized and agile in global operations. Table 27 shows planned space procurements as well as the key capability provided by each for FY 2012.

Table 27. Planned FY 2012 Space Procurements

Satellite Procurement	Role/Capability	FY 12 Qty
Global Positioning System (GPS) III	Advanced positioning, navigation and timing	2
Advanced Extremely High Frequency (AEHF)	Secure, protected military communications capability across land, sea and air	2
Wideband Global SATCOM (WGS)	Bandwidth, connectivity, flexibility and interoperability with existing terminals	1
Satellite Procurement Total		5
Evolved Expendable Launch Vehicles (EELV)	Launch vehicles ensure assured access to space in support National Security Space requirements	4

For FY 2012, the Air Force is proposing a new and innovative acquisition strategy for the procurement of complex satellites, Evolutionary Acquisition for Space Efficiency (EASE). EASE is an acquisition strategy that encompasses block buys of satellites, fixed price contracting, stable research and development investment, and a modified annual funding approach. Using this approach, the Air Force foresees savings that can be reinvested in research and development to further improve performance and lower the cost of follow-on systems. This commitment to satellite production and reinvestment in technology development provides stability and predictability for a fragile space industrial base. This initiative will begin with an FY 2012 purchase of AEHF space vehicles 5 and 6.

The FY 2012 Budget Request includes \$1.7B to continue vital PNT capability. For over 20 years, GPS has been the PNT global standard and is used in everything from consumer automobiles, precision farming and smart phones, to enabling this Nation’s most sophisticated weaponry and economic systems. To continue this vital capability, the Air Force will also launch one GPS Block IIF satellites in FY 2011.

Spacelift is the foundation for the NSS enterprise. However, the current workload for domestic space launch contractors has not been sufficient to sustain the EELV industrial base. The EELV industrial base is addressed in the FY 2012 Budget Request with a commitment to a fixed annual production rate that should also help control cost growth.

Lastly, the FY 2012 Budget Request includes \$87M for the Operationally Responsive Space (ORS) program. Through ORS, the Air Force will seek innovative capabilities that can be quickly developed and fielded in months rather than years. In the areas of missile warning and SSA, the Air Force requested \$1.2B for the Space Based Infrared System and \$122M for the Joint Space Operation Center Mission System. The Joint Space Operation Center Mission System will provide integrated capabilities to C2 assigned and attached space forces and employ SSA services to ensure continued freedom to operate in this domain.

Space capabilities enable almost everything the United States military does and are essential for national security. The need for space superiority will remain a priority, and Airmen will lead the way in providing this critical capability for our Nation.



Six satellites were launched into orbit on board a single Atlas V Evolved Expendable Launch Vehicle

Cyberspace Superiority

Overview

Cyberspace Superiority is the degree of dominance of one force over an adversary that permits freedom of action in cyberspace at a given time and place while denying those freedoms to that adversary. It lets commanders integrate operations in multiple theaters at multiple levels through planning, coordinating, tasking, executing, monitoring and assessing air, space and cyberspace operations across the range of military operations. Air Force Space Command is the lead for Air Force cyberspace operations and provides COCOM support to the United States Cyber Command (USCYBERCOM) through the 24th Air Force (AFCYBER). This core function accounts for approximately \$4.6B of the Air Force FY 2012 Budget Request as reflected in Figure 24. The difference from FY 2011 to FY 2012 results from significant one-time purchases of Communications Security equipment in FY 2011, and a combination of Information Transport System unit cost decreases and Global Broadcast System requirement reductions in FY 2012. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in sections that follow.

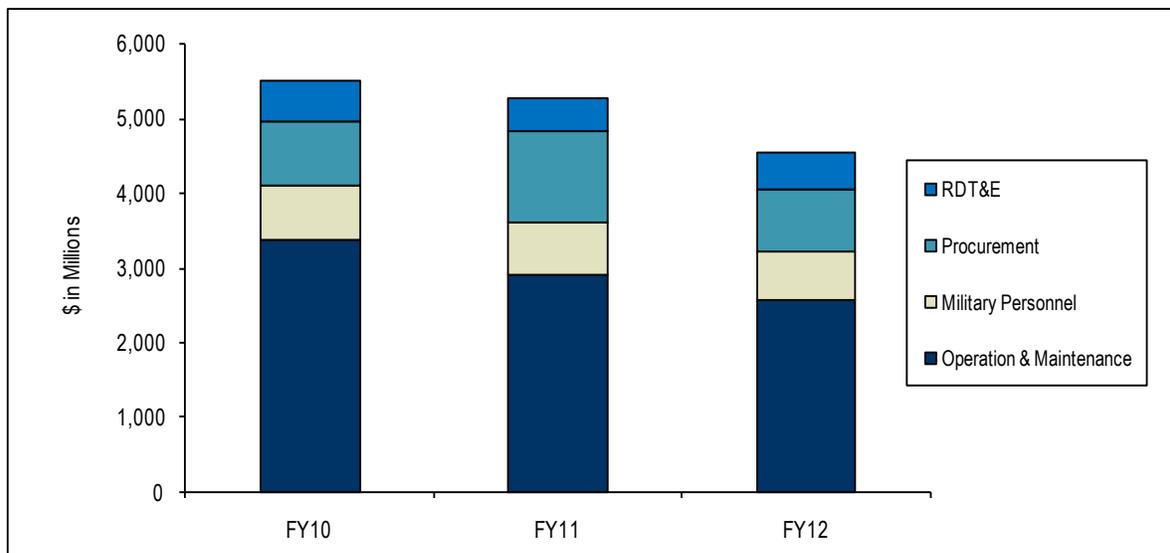


Figure 24. Cyberspace Superiority TOA by Appropriation

Accomplishments

The Air Force made significant progress in transforming the cyberspace force to operate with increased operational rigor and discipline. Goals include protecting mission-critical infrastructure, improving capabilities and developing greater cyberspace expertise and awareness to complement the entire DoD cyberspace effort. AFCYBER was established as the Air Force lead to plan and conduct cyberspace operations in support of the COCOMs and to maintain and defend the Air Force Information Network. As the Service component for USCYBERCOM, the Air Force established an operations center and began deliberate planning efforts with USCYBERCOM. A major focus is the shift from “network assurance” to “mission assurance” with emphasis on “operationalizing” cyberspace operations.

AFCYBER celebrated its one-year anniversary in September 2010 and achieved full operational capability on October 1, 2010. This notable accomplishment was a result of great strides and many achievements made during the first full year of operations. For example, AFCYBER teamed with USCYBERCOM to build cyberspace awareness and connectivity across the Air Force and with the COCOMs. The goal was to develop a Cyberspace Tasking Order that articulates clear cyberspace operations mission requirements. Trained Air Force cyberspace operations planners, in positions known

as Cyberspace Operations Liaison Elements (COLEs), are working with mission planners and air and space operations centers to inform commanders as to which cyberspace operations tools are available. Currently AFCYBER has embedded a COLE with the United States Air Forces Central Command. These Airmen support MQ-1 Predator and MQ-9 Reaper remotely piloted aircraft missions in Afghanistan by keeping the necessary communications paths open and flowing with vital intelligence. Similar work has also gone well at other COCOMs. A cyberspace operations representative element will soon stand-up within the air tasking order process at Air Force Central Command, which will be a major victory for “operationalizing” the cyberspace operations mission.

Another significant accomplishment was completing the new Air Force cyberspace operations doctrine. The doctrine outlines Air Force cyberspace operations, relevance to operations across multiple theaters, cyberspace fundamentals, command and organizational information, and design, planning, execution and assessment processes. This doctrine will further operationalize cyberspace operations. In addition, the Air Force acted on the need to procure required cyber tools in days and weeks instead of months and years to cope with constantly evolving technology by expanding the rapid acquisition process.

The Air Force worked hard in FY 2010 to significantly restructure and develop mission-focused cyberspace forces that think and train as warfighters to establish, control and leverage the cyberspace domain. The Air Force introduced new officer and enlisted operational career fields dedicated to cyberspace operations. Personnel from other career fields with extensive cyberspace operations experience, or who have demonstrated a high aptitude, are being considered for realignment into this growing career field. As a first step, existing communication and information professionals were converted to leverage their strong technical skills and provide a foundation for these new career fields.

In addition to establishing a new career field, a full-scale effort was launched to develop future cyberspace warriors. Air Force cyberspace warriors now have a formal professional development program combining education, training and experience. The Air Force established comprehensive mission qualification training for cyberspace operators, and considers them mission ready on par with aviators and space operators. The Air Force launched a new undergraduate Cyberspace Training course at Keesler AFB, MS in June 2010, allocating \$11.7M to establish the course in addition to \$7.6M to upgrade facilities and purchase computer infrastructure, simulators and laboratory networks that enhance classroom capabilities. The six-month course provides initial training for cyberspace operations officers which includes all previous communications and information officers. The first class had 16 graduates in December 2010. It is estimated that up to 400 students will complete the course annually. Upon course completion, graduates will either proceed to intermediate network warfare training or move on to more mainstream cyberspace operations officer duties. The enlisted portion of undergraduate cyber training was launched in January 2011. This closed the loop in cyberspace career force enhancement and transformation as the Air Force cyber schoolhouse became 100 percent operational.



First cyberspace training graduates receive the new cyberspace officer's badge

In parallel with the military transformation, more than nine thousand civilian personnel were identified for transition to cyberspace positions, which allow them to participate in established professional training. In addition, over 100 students graduated in October 2010 from the Air Force Institute of Technology's new Cyber 200 and Cyber 300 courses at Wright-Patterson AFB, OH. These students were the first participants in these professional development courses designed for cyberspace warriors transitioning to intermediate and higher-level responsibilities. Furthermore, enlisted cyberspace professionals identified for select National Security Agency assignments attend the Joint Cyber Analysis Course, another important cyberspace operations training enterprise offering. Lastly, cyberspace instruction is now an integral part of the Basic Military Training (BMT) and Professional Military Education curricula.

FY 2012 Initiatives

The FY 2012 Budget Request includes \$4.6B to maintain and sustain critical cyberspace capabilities. Funding will support continued work on the Single Network Integrated Environment. This environment will provide seamless information flow among air, space and terrestrial network environments, and most importantly, complete mission assurance to the warfighter. One of the most highly visible single integrated network environment projects is the Air Force Network (AFNet) migrations. AFNet is a major terrestrial network consolidation that joins existing MAJCOM-centric and “stand alone” networks, email and directory services into a single, centrally-managed system under AFCYBER. These migrations streamline and improve security, lower operational costs and standardize the system so Airmen can access the network anytime, anyplace. Consolidation is expected to be complete within the next two years and will be a significant milestone in forming a holistic single integrated network environment.

The Air Force will continue support for live, virtual and constructive simulation and training. The Air Force is also working with the Office of the Secretary of Defense to define near and long-term solutions to deliver warfighting communication capabilities to the warfighter. Examples include the Family of Advanced Beyond-Line-of-Sight Terminals and Joint Tactical Radio System. An investment will be made in additional network defenders to better protect information vital to Joint force operations and will continue to invest in network defense tools and other advanced technologies to secure classified and unclassified networks.

Global Precision Attack

Overview

Global Precision Attack is the ability to hold any target at risk across the air, land and sea domains. The Air Force provides this support to ground forces in the United States Central Command's (USCENTCOM) Area of Responsibility (AOR) on a daily basis. This support is primarily accomplished with A-10, F-15E, F-16, B-1B and MQ-9 aircraft. These aircraft are performing both traditional strike and non-traditional Intelligence, Surveillance and Reconnaissance (ISR) roles to support Joint and coalition ground forces. While the United States and coalition team have a distinct precision attack advantage in Iraq and Afghanistan today, potential adversaries are leveraging technologies to improve existing airframes with advanced radars, jammers, sensors and more capable surface-to-air missiles. The level of increased sophistication from adversaries will challenge the ability of United States legacy fighters and bombers to engage in heavily defended areas. The FY 2012 Budget Request includes a balanced set of initiatives for precision strike capabilities within fiscal constraints to influence, manipulate or dismantle an opponent's capacity to deny access. This core function accounts for approximately \$16.0B of the Air Force FY 2012 Budget Request as reflected in Figure 25. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

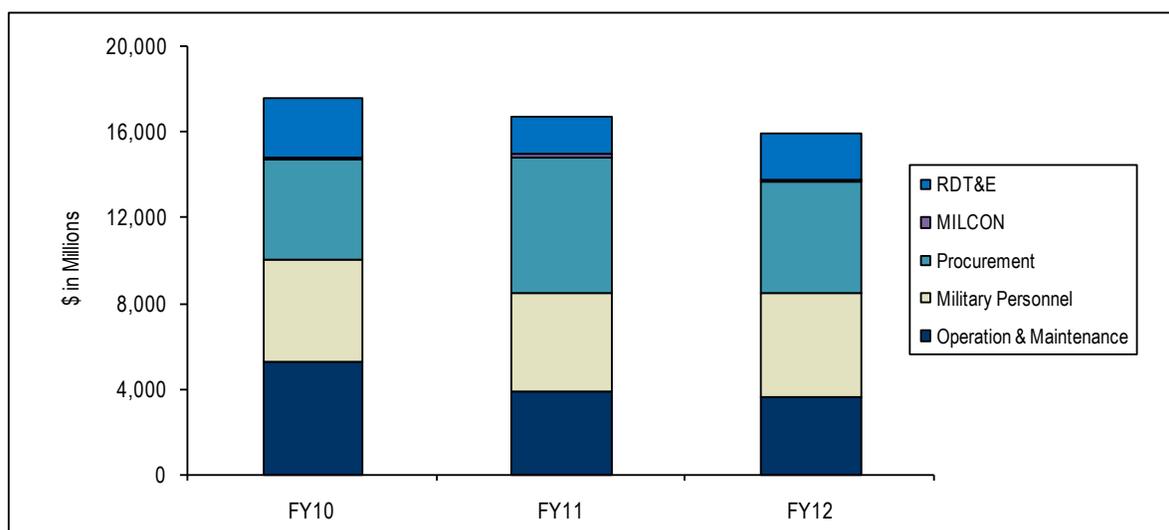


Figure 25. Global Precision Attack TOA by Appropriation

Accomplishments

The Air Force currently has nearly 36,000 Airmen deployed to contingencies across the globe with over 30,000 in the USCENTCOM AOR. Air Force aircraft are now operating from 14 USCENTCOM bases and flew over 510,711 hours supporting the Iraq and Afghanistan wars. This includes over 111,000 flying hours conducted by global precision attack aircraft supporting Operation Enduring Freedom (OEF) missions in FY 2010.

While supporting worldwide operations, the Air Force is taking actions to sustain legacy aircraft to meet future challenges. The Air Force accelerated retirement of its oldest legacy fighter aircraft in FY 2010. For global precision attack aircraft, this translated into the retirement of nine A-10As and 131 F-16C/Ds that were approaching the end of their economic service life. Aircraft retirements will allow the Air Force to reinvest savings into critical modifications to the remaining legacy fleet.



A-10s fly convoy support in Afghanistan

The Air Force also completed the transition from the last A-10A assigned to Osan Air Base, Korea to the newer C model in December 2010. The upgrade combines a highly survivable airframe and a state-of-the-art digital sensor and pilot integrated air-to-ground cannon. The modification to the A-10C model not only enhances the interoperability and effectiveness of the weapon system but extends the service life for another 20 years.

The Air Force tracks several Global Precision Attack Core Function performance measures. Hours Per Crew Per Month tracks aircraft crew readiness. Table 28 reflects the hours achieved for fighter and bomber active duty crews over the last three fiscal years to maintain specific proficiencies.

Table 28. Fighter and Bomber - Hours Per Crew Per Month

Fighters	FY08	FY09	FY10
Average Hours Per Crew Per Month	15.8	17.0	13.6
Status			
Bombers			
Average Hours Per Crew Per Month	16.0	21.2	14.3
Status			

In addition to aircraft sustainment and upgrades, Airmen of the 510th Fighter Squadron at Bagram Airfield employed the GBU-54 for the first time in Afghanistan in FY 2010. The GBU-54 is the Air Force's newest 500-pound precision weapon equipped with a targeting system that uses a combination of GPS and laser guidance to accurately engage and destroy moving targets. The operational need for the guided bomb was identified as urgent in early 2007 and the Air Force completed the GBU-54's development, testing and combat fielding (in Iraq) in less than 17 months. This bomb allows the ground commander additional flexibility to attack a variety of targets across a broad range of environments and situations. From a pilot and maintainer's perspective, the bomb is very similar to previous 500-pound bombs and requires minimal training to use or maintain it.

The Air Force is currently preparing for the beddown of the new F-35A Lightning II. As part of this beddown, the Air Force announced preferred location alternatives for operational and training F-35 bases in FY 2010. The operational bases are Hill AFB, UT and Burlington Air Guard Station, VT while the training squadrons will be located at Luke AFB, AZ.

FY 2012 Initiatives

The FY 2012 Budget Request in Global Precision Attack funds modernization of legacy fighters and the B-1B, F-35 development and procurement, development of a new Long Range Strike (LRS) capability, preferred munitions and simulators for Tactical Air Control System training.

Modernization: The FY 2012 Budget Request includes \$25M to begin RDT&E and low rate procurement of F-16 Block 40/42/50/52 structural modifications under the Service Life Extension Program (SLEP). In addition to the SLEP, capabilities improvements, including data link enhancements, an improved defensive suite and new AESA radars are being studied due to anticipated delays in the F-35 program. The Air Force continues to support future precision attack capabilities with AESA radars for the F-15E. AESA radars on the Strike Eagle will ensure weapon system viability, create cost avoidance in the manufacturing base and provide a robust, all weather, air-to-ground targeting capability. While the agile beam transmissions from AESA radars improve F-15E survivability, the FY 2012 Air Force request includes \$40M to further enhance electronic protection capabilities against newer surface-to-air threats.

F-35A: To counter the anti-access and area denial challenge the United States faces in many potential theaters, the Air Force is procuring the F-35A Lightning II. This aircraft is expected to provide significant

capability gains over the legacy aircraft it will replace. The aircraft benefits from stealth technology and its one engine will provide more power than the two engines used in the Eurofighter or the F-18. The aircraft holds its weapons inside versus on pylons. This feature not only aids in stealth but also



Two F-35s leave Texas to begin operational testing

maneuverability. The FY 2012 Budget Request includes \$5.3B for the continued development and procurement of 19 F-35A aircraft. The F-35A will eventually replace the F-16 and A-10 aircraft for Global Precision Attack functions and will complement the F-22A Raptor for Air Superiority functions. The F-35A brings significant increases in capabilities and a smaller basing footprint requiring less infrastructure and sustainment materials. While this aircraft has experienced some program delays, the Under Secretary of Defense for Acquisition, Technology and Logistics certified the program as essential to National security.

Long Range Strike: The Air Force is committed to modernizing the bomber capacity and capabilities to support LRS military options. Development of the next steps to advance the family of systems critical to the LRS capability is ongoing. These steps include the platforms, ISR, electronic warfare, communications and weapons that make up this critical National capability. LRS must be able to penetrate the increasingly dense anti-access/area denial environments developing around the world. To this end, the Air Force FY 2012 Budget Request includes funding to begin 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.

B-1B Modernization: In addition to the development of the a new long range, penetrating bomber, the request funds B-1B fleet modernization, including the central integrated test system, fully integrated data link and vertical situation display unit. Part of this initiative covers the retirement of six aircraft and the realignment of resources to improve the B-1B program inventory and addresses other disconnects. These initiatives will help bridge the gap until the next generation strike aircraft is operational.

Global Precision Attack Munitions: The FY 2012 Budget Request includes \$77M for Joint Direct Attack Munitions (JDAM). JDAM is a guidance kit that converts existing 500-, 1,000- and 2,000-pound unguided free-fall bombs into accurately guided smart weapons. The 500-pound JDAM can be easily upgraded in the field to provide additional laser guidance capability. The Air Force uses JDAM weapons in both Afghanistan and Iraq.

The GBU-57A/B, also called the Massive Ordnance Penetrator (MOP), is a project to develop a massive, precision-guided, 30,000-pound “bunker buster” bomb. This is substantially larger than the deepest penetrating bomb presently available, the 5,000-pound GBU-28. The MOP can be deployed by B-2 bombers and has up to ten times the fire power of previous munitions used to destroy hardened subterranean targets. In addition to the MOP, the Budget Request includes funding for the Hard Target Void Sensing Fuse. This is a cockpit programmable system that will provide multi-delay arming and detonation, as well as a void sensing function, for the BLU-113 or BLU-109 weapon to penetrate and destroy hardened targets.



An F-15E drops a GBU-28

The FY 2012 Budget Request for Global Precision Attack capabilities reflect the need to win today’s fight, while investing in systems to address the anti-access and aerial denial challenge faced by the United States. It also continues to modernize the legacy fighter and bomber fleet to maintain sufficient capability and capacity as the Air Force transitions to a fully operational F-35 fleet.

Rapid Global Mobility

Overview

Rapid Global Mobility is a key enabler for the Joint and coalition team and provides the air refueling, deployment, employment/sustainment of combat power and medical evacuation required to be successful in today’s worldwide environment. Mobility forces are evolving to keep pace with the higher level of engagement around the world. To ensure mobility capacity is sufficient to meet future operations, a Mobility Capability & Requirements Study was conducted to evaluate the mobility system, as directed by the Secretary of Defense, to ensure proper resources will be available to support a variety of strategic engagements. This analysis, published in February 2010, was based on three scenarios to evaluate a broad spectrum of military operations that can be used to inform strategic planning and support decisions regarding future mobility force structure. Study results confirmed strategic and intra-theater airlift capacity meets requirements; however, the current tanker capacity will not satisfy peak demands in two of the three scenarios. This 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. (Note: It is important to understand that unlike the other operations discussed in this performance based budget that are funded entirely by appropriated dollars, global airlift operations are funded primarily by airlift customer transportation accounts through the Transportation Working Capital Fund). This core function accounts for approximately \$15.9B of the Air Force FY 2012 Budget Request as reflected in Figure 26 below. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

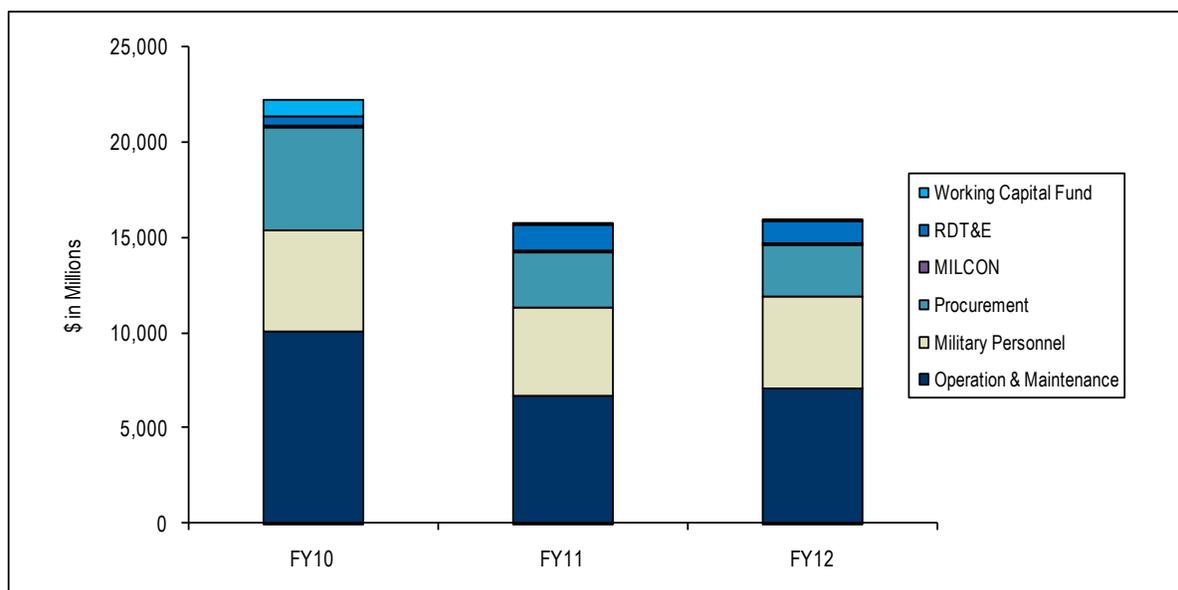


Figure 26. Rapid Global Mobility TOA by Appropriation

Accomplishments

FY 2010 was another busy year for global mobility Airmen. Tanker, airlift and aeromedical operations provided significant impact on both military and humanitarian relief missions.

Tanker Operations: Air Force tankers extend the range and persistence of other aircraft to conduct operations around the world. In FY 2010, Air Force tankers in the USCENTCOM AOR refueled more than 61,600 Joint and coalition aircraft with more than 784 million pounds of fuel. Since September 11, 2001, the Air Force has delivered more than 12 billion pounds of fuel to Air Force, Joint and coalition aircraft; enough fuel to fill more than 2,500 Olympic-sized swimming pools. The KC-135 and the KC-10

are the primary aircraft providing refueling capability to both United States and coalition aircraft. These aircraft must respond to both planned and changing combat conditions that demand aircraft availability to perform against each mission. Figure 27 shows a summary of air refueling operations over the last 18 months. As the figure shows, most missions are being successfully executed. The primary reason for unsuccessful mission executions is receivers canceling air refueling requests as a result of mission changes. While current operational requirements are being met, the KC-X program is critical to meet future operational demands in this mission area.



A KC-135 Stratotanker with its boom fully extended for refueling

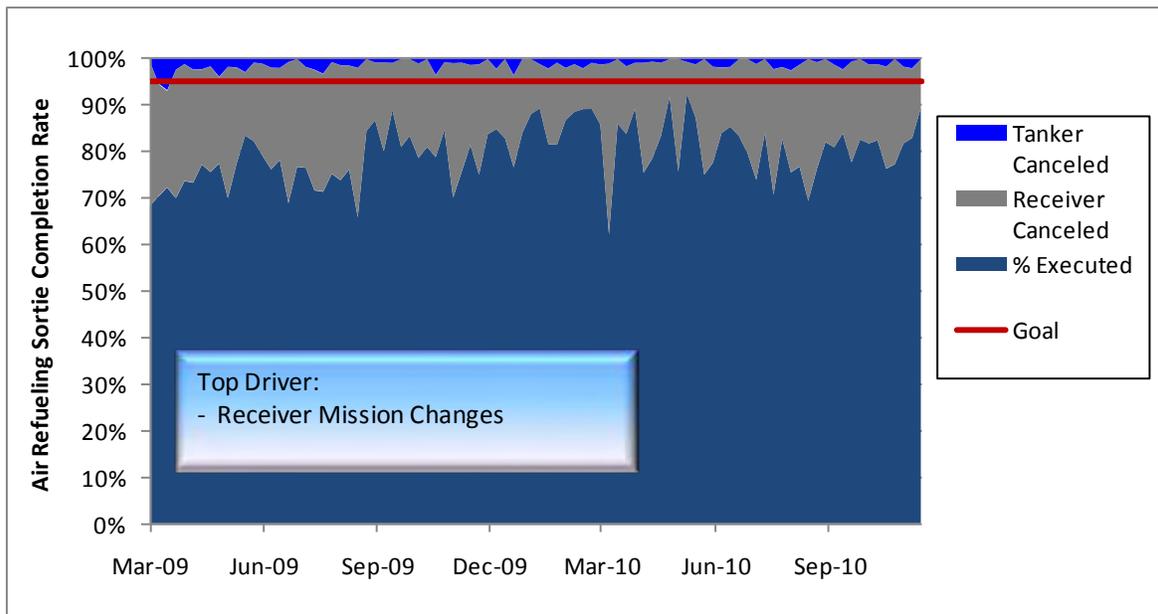


Figure 27. Air Refueling Operations Performance

Airlift Operations: The bulk of airlift operations are supported by C-5, C-17, and C-130 aircraft to deliver supplies and equipment to both United States and coalition forces and for humanitarian relief efforts. In December of 2009, President Obama announced his decision to deploy 30,000 additional troops to Afghanistan. Two days later, a C-17 Globemaster touched down in Afghanistan’s Helmand Province carrying the first ramp-up cargo for the United States Marine Corps. Over the next 271 days, total force and commercial partners flew more than 3,500 sorties in support of this increase. The ability to deliver



C-17 Globemaster III performing an airdrop

critical supplies into the most remote regions of Afghanistan provides Combined Forces Land Component Commanders the freedom to maneuver and arrange forces as needed. In many locations, Soldiers and Marines depend exclusively on airlifters to bring them supplies to carry out their missions. Since September 11, 2001, airlifters delivered approximately 3.3 million tons of cargo. In addition to the OEF ramp-up requirements, the Air Force executed another 69,000 airlift sorties moving 553,000 tons and 6.3 million passengers to meet standing USCENTCOM requirements.

The Air Force also supports multiple humanitarian relief efforts. For example, mobility Airmen provided support to the Gulf region in response to the Deep Horizon oil spill. This included reels of inflatable boom to prevent the oil slick from coming ashore as well as temporary storage devices with a capacity to soak up and hold over 70,000 gallons of oil. The Air Force also supported airlift to Haiti for earthquake relief efforts. Tons of food, medical supplies and equipment were delivered to Haiti in support of this effort. Air Force airlift was also used to support Pakistan’s flood relief efforts. C-130s and C-17s delivered more than 52,000 Halal meals, which are similar to the military’s packaged ready-to-eat meals but are prepared according to Islamic law. The United States airlift effort also included inflatable rescue boats, water filtration and purification units, and pre-fabricated steel bridges to temporarily replace highway bridges damaged. Almost one million people were affected by the floods and thousands were marooned in flooded areas and required immediate assistance.

The Air Force tracks on-time delivery of airlift missions as a key performance measure. Figure 28 shows on-time deliveries by month across FY 2010 against an 85 percent on time delivery goal. The top driver of on-time delivery is aircraft reliability and availability.

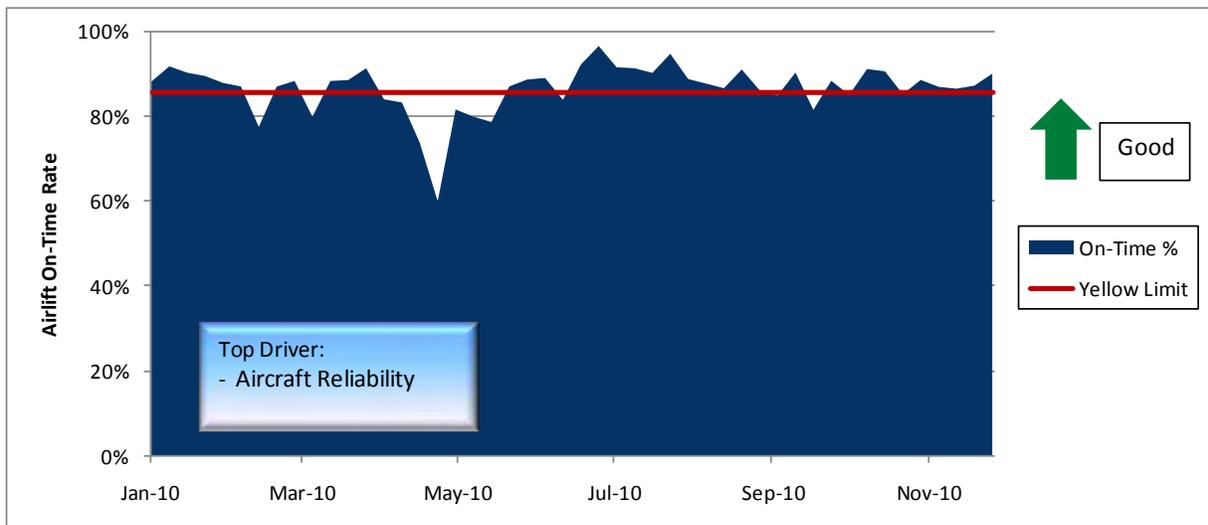


Figure 28. Airift On-Time Delivery Performance

Aeromedical Evacuation: The men and women who put themselves in harm’s way serving the Nation can be assured they will receive rapid, top-notch care if required. The Air Force can use any aircraft in the mobility fleet to airlift patients the appropriate medical facilities. Executing missions can be re-routed within 20 minutes of notice to address priority cases within the theater. In 2010, aeromedical crews performed more than 16,000 patient movements averaging nearly 60 per day and since September 11, 2001, have completed more than 154,000 patient movements. Aeromedical on-time delivery performance is measured for urgent and priority patients. Figure 29 depicts performance against a goal of 100 percent for FY 2010. As reflected in the measure, aeromedical missions are doing excellent against the goal with the top deviations due to authorized delays from the flight surgeon.



Airmen from the Aeromedical Staging Facility move a patient off an aircraft

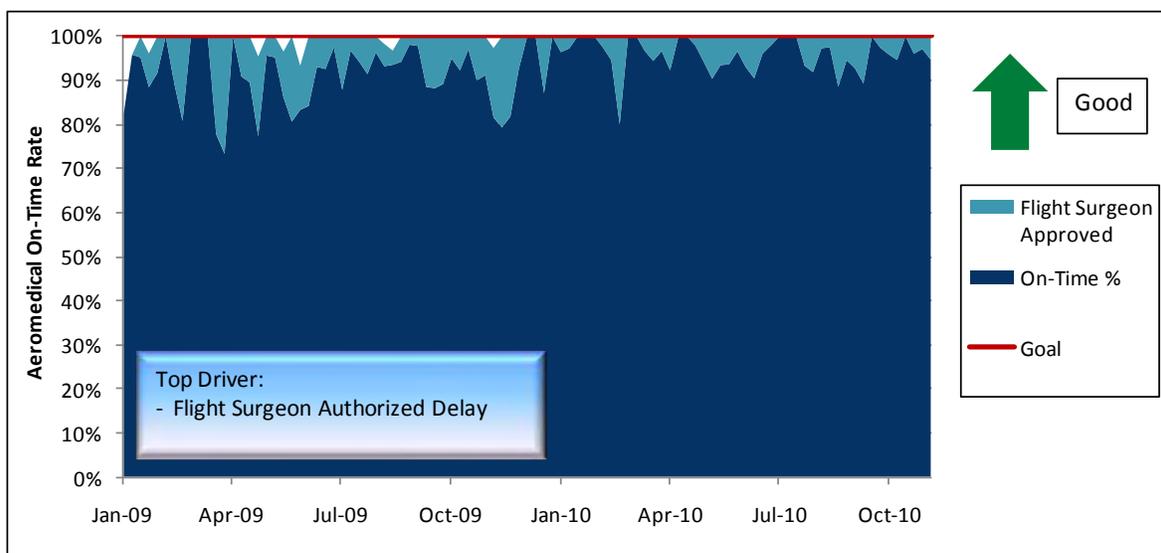


Figure 29. Aeromedical On-Time Delivery Performance

FY 2012 Initiatives

The Air Force continues to recapitalize its oldest aircraft while ensuring legacy mobility fleet viability through modernization. The FY 2012 Budget Request provides for new enhancements including approximately \$93M to upgrade the VC-25A flight deck avionics which will enable unrestricted global access for the Presidential aircraft, and restoring Charleston and McChord AFBs to 48 Primary Aircraft Assigned at each location. Additional FY 2012 initiatives include Tanker replacement and modernization upgrades to the C-5 and C-130 fleets and procurement of C-27 Spartan aircraft. Table 29 shows the planned FY 2012 Rapid Global Mobility weapon system procurements as well as the key capability provided by each.

Table 29. Rapid Global Mobility Planned FY 2012 Weapon System Procurements

Weapon System	Role/Capability	FY 12 Qty
C-27J Spartan	Medium sized air-land transport for austere operating environments	9
C-37A (lease to purchase)	High altitude VIP transportation	3
C-130J Super Hercules	Intra-theater airlift capable of operating in austere environments	5
Total		17

Tanker Replacement: The FY 2012 Budget Request reflects a balanced approach across the tanker and airlift portfolios. The KC-X tanker is the Air Force’s number one recapitalization program; without tankers, the Air Force isn’t global. The new tanker will replace the oldest KC-135 aircraft built from 1957 to 1965. More than a mere replacement for aged KC-135s, the KC-X will provide a forward leap in capability. The KC-X will be able to multi-point refuel Joint and coalition aircraft, carry cargo or passengers, conduct aeromedical evacuation and self deploy to any theater. The program plan is to purchase 179 KC-X aircraft. The FY 2012 Budget Request includes approximately \$0.9B for this critical program’s continued development.

Airlift Modernization: The Airlift Modernization Program's main purpose is to equip the C-5 and C-130 fleets to fly in civil airspace by complying with modern air space requirements. This will allow aircraft to fly at the most advantageous altitudes and direct routes, thereby reducing fuel consumption. New avionics systems will also provide a systems architecture flexible enough to meet future communications, navigation, surveillance and Air Traffic Management requirements. An upgraded, common fleet offers life cycle cost benefits including greater reliability and simplified fleet-wide training.

Another part of the C-5 Galaxy modernization plan is the Reliability Enhancement and Re-engining Program (RERP). RERP includes new engines that will produce 22 percent more thrust and upgrades to cockpits, skin and frames, pressurization systems and landing gear. These upgrades will not only result in higher reliability and availability rates, but the newly designated C-5M Super Galaxy will have a shorter takeoff distance, higher climb rate, increased cargo loads and greater range. The FY 2012 Budget Request continues funding for this program.

C-27 Spartan: The FY 2012 Budget Request includes funding for the procurement of nine C-27J aircraft. The C-27J is a twin turboprop aircraft designed to meet the Air Force requirement for a rugged, medium-sized air-land transport. The C-27J has short-take-off-and-landing (STOL) capability, providing access to airstrips otherwise unreachable by fixed-wing aircraft.

The FY 2012 Budget Request supports KC-X development and modernizes America's airlift aircraft while incorporating upgrades to improve fuel efficiency and performance. These investments sustain the strategic advantage of rapid global mobility the United States uses to support global Joint, coalition and humanitarian missions.



A C-5M completes tests after modernization upgrades

Special Operations

Overview

The United States faces adversaries who choose to fight using a hybrid of irregular, disruptive, catastrophic and traditional capabilities as a way to achieve their strategic objectives. This involves persistent/protracted conflict in which conventional and irregular warfare (including counterinsurgency) are blurred and can occur simultaneously. This operational environment is likely to continue for the foreseeable future. The Special Operations Core Function is at the heart of tackling these challenges. Special Operations capabilities can be tailored to achieve military objectives with or without broad conventional force requirements and can support the application of diplomatic, informational and economic instruments of national power. Special Operations are typically low-visibility, clandestine, conducted in all environments and are particularly well suited for denied or politically sensitive environments. Operations in Afghanistan and Iraq have increased the requirement for low-density/high-demand Special Operations Forces (SOF) personnel and platforms. High demand is expected to continue as counterterrorism and irregular warfare missions are prosecuted. Consequently, DoD's prioritized investments continue to grow the Nation's special operations capabilities. This core function accounts for approximately \$1.4B of the Air Force FY 2012 Budget Request as reflected in Figure 30 below. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.



A CV-22 Osprey prepares to land

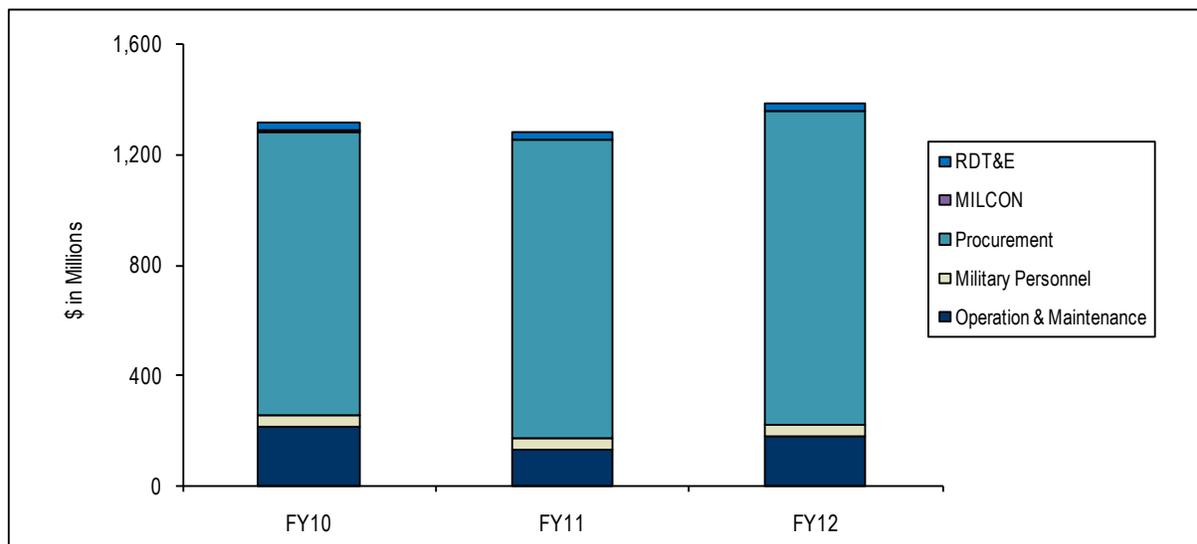


Figure 30. Special Operations TOA by Appropriation

As the lead command for Air Force Special Operations Forces (AFSOF), Air Force Special Operations Command (AFSOC) receives funding from both the Air Force and United States Special Operations Command (USSOCOM). In general terms, base operating support and service common equipment are funded by the Air Force, while SOF dedicated operations, including flying hours, SOF unique equipment, modifications to service common equipment and new SOF mission MILCON are funded through USSOCOM. This unique funding construct demands synchronization between the Air Force and USSOCOM.

Accomplishments

In FY 2010, AFSOC flew thousands of direct-action and Special Tactics combat sorties in support of Operations Enduring Freedom, Iraqi Freedom and New Dawn. These included 600 direct-action missions, more than 3,000 Special Tactics missions and provided nearly 2,500 tactical controls of aircraft. These missions achieved critical effects as the Air Force partners with the Joint and coalition team to win today’s fight.



An MC-130W Dragon Spear parked at Cannon AFB, NM

FY 2010 also saw the initial deployment of the armed MC-130W Dragon Spear, an aircraft that went from concept to deployment in 22 months. The Dragon Spear is designed to provide SOF infiltration, exfiltration and armed overwatch, and is the first platform to carry the new Precision Strike Package which provides armed overwatch capability. Additionally, the CV-22 Osprey completed its second combat deployment in FY 2010 after reaching initial operational capability in FY 2009. The Osprey combines vertical/short takeoff and landing capabilities with extended range and speed, allowing SOF to strike farther away in less time than when employing rotary wing lift.

On January 13, 2010, President Obama directed a swift and coordinated response to the crisis in Haiti. That same day, AFSOC deployed Air Commandos to provide specialized airpower expertise to support humanitarian assistance and disaster relief to the people of Haiti. First to arrive, AFSOC operators opened and controlled the Port au Prince airfield, provided critical medical capabilities, conducted life saving search and rescue missions, executed aerial port management, provided airfield and aircraft security, established vital and scarce communications, synchronized 40 Joint and coalition rotary wing aircraft and executed command and control of up to 224 Joint Special Operations Air Component personnel. AFSOC’s unique command relationships, specialized equipment, training and Air Commando culture enabled the United States to provide a swift, coordinated response.



Combat controllers talk to aircraft circling the airport in Port au Prince, Haiti, January 23, 2010

FY 2012 Initiatives

In the FY 2012 Budget Request, the Air Force increases the special operations aircraft inventory and grows Battlefield Airmen. To continue to support SOF with specialized air mobility and precision strike capabilities, aging MC-130P and AC-130H aircraft will be recapitalized with the procurement of six MC-130J aircraft in FY 2012, as well as the first of 16 recapitalized gunships. Fielding of the Air Force’s SOF vertical lift capability remains on track with the CV-22 fleet growing to 37 aircraft by FY 2013 and 50 by FY 2016. Table 30 shows the planned FY 2012 Air Force Special Operations weapon system procurements as well as the key capability provided by each.

Table 30. Air Force Special Operations Planned FY 2012 Weapon System Procurements

Weapon System	Role/Capability	FY 12 Qty
MC-130 Recapitalization	Low-level air refueling, infiltration, exfiltration, and resupply of special operations forces	6
AC-130 Recapitalization	Modular precision strike package with sensors, communications, and weapons	1
CV-22	High speed vertical lift	5
Total		12

The FY 2012 Budget Request will also fund training for SOF Battlefield Airmen (Special Tactics Officers, Combat Rescue Officers, Combat Control Technicians, Para-rescue Jumpers, Tactical Air Control Parties and Special Operations Weather Teams) to meet mission growth for these essential warfighters.

AFSOC, the USSOCOM air component, is engaged in operations around the world. Many AFSOC operations support strategies aimed at building relationships to prevent future conflict within a region. AFSOC employs a dedicated force that executes: the mission areas of SOF mobility, shaping and stability operations, battlefield air operations, ISR, precision strike, agile combat support, C2, and information operations enabling delivery of special operations combat power anytime, anywhere. Air Force special operations is also pushing the innovation and technology envelope to develop responsive, relevant and sustainable capabilities to achieve Combatant Commander goals within the context of a dynamic security environment. As an adaptive learning organization, AFSOC's understanding of irregular challenges has been the catalyst to modify the Air Force Special Operation's warfighting approach. In summary, AFSOC has evolved organizations and capabilities to remain a step ahead in an ever-changing environment.



A combat controller assesses a potential drop zone for relief supplies during Operation Unified Response in Port au Prince, Haiti

Global Integrated Intelligence, Surveillance and Reconnaissance

Overview

Global Integrated ISR 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 Global Integrated ISR Core Function, Airmen provide timely, fused and actionable intelligence to the Joint force commanders. This information’s critical nature has led to an ongoing demand for additional ISR capability, even as the Air Force’s capacity has increased. This core function accounts for approximately \$8.2B of the Air Force FY 2012 Budget Request as reflected in Figure 31. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

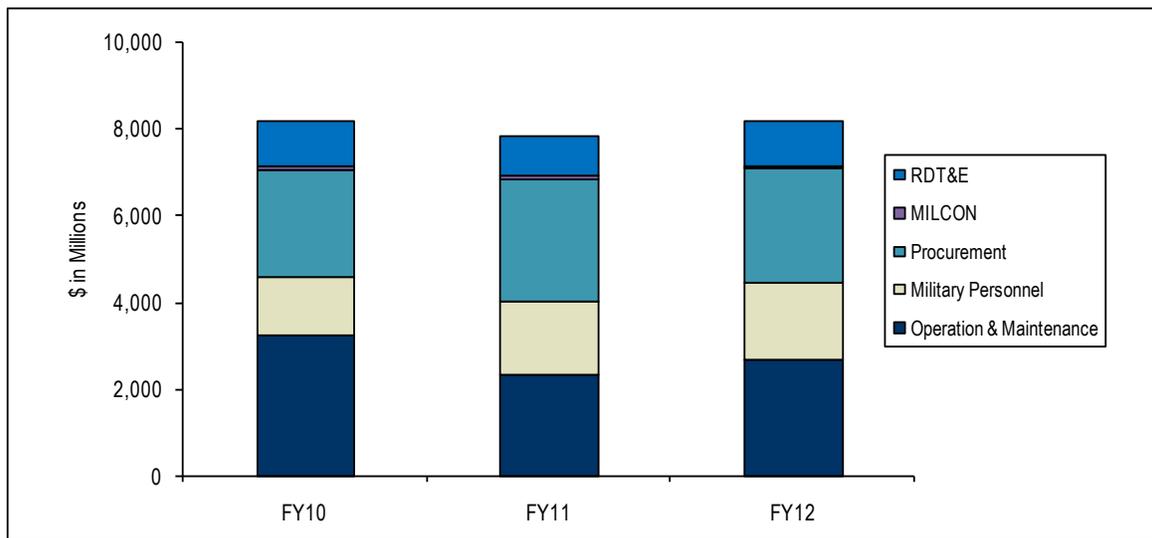


Figure 31. Global Integrated ISR TOA by Appropriation

Accomplishments

Global Integrated ISR cuts across every domain, and impacts almost every mission area, driving varied operations. Missions in Iraq and Afghanistan have highlighted the increasing need for timely, fused data from all available sources. To address this need, the Air Force continues to expand manned and unmanned airborne ISR assets. In 2010, the Air Force increased the number of Combat Air Patrols (CAPs) to 47 around-the-clock orbits of MQ-1B Predators and MQ-9A Reapers. In addition, the RC-135 RIVET JOINT (RJ) continues to fly 9,000 hours annually in support of OEF. The medium-altitude Signals Intelligence support provided by the RJ continues to ensure battlefield success.

Figure 32 depicts the operational growth in the ISR flight hours by weapon system since 2001. While there has been consistent growth, during 2010 the Project Liberty Aircraft (MC-12W) made a significant contribution with 30 aircraft total in Afghanistan and Iraq.



An MC-12W completes a combat sortie

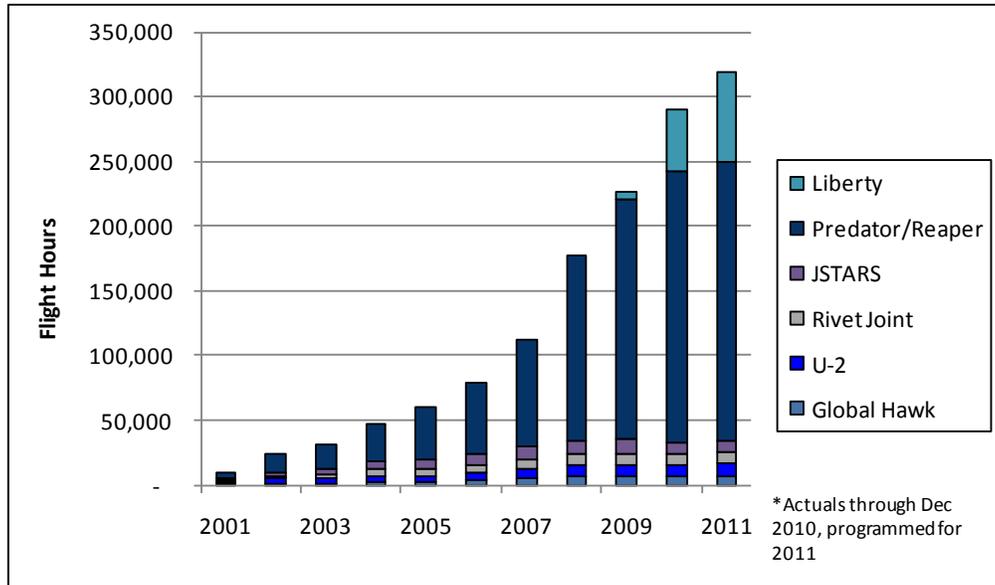


Figure 32. ISR Operational Growth in Flight Hours

The Air Force is looking at ways to work more efficiently in the ISR arena and ultimately save resources. For example, the Air Force signed an agreement with the Navy to maximize commonality, eliminate redundant effort and increase interoperability between the Air Force’s RQ-4 Global Hawk and Navy’s Broad Area Maritime Surveillance unmanned aircraft. Additionally, the United Kingdom RJ Foreign Military Sales and Cooperative Program represents an unprecedented level of ISR partnership with our closest ally. The United Kingdom RJ Program will allow the DoD and United Kingdom Ministry of Defense to pool resources to better meet intelligence challenges of the future. Synergies in personnel, equipment and training should increase capacity while decreasing overall DoD cost.

An increasing number of Airmen are required to operate and maintain these ISR assets and more intelligence analysts are needed to process, analyze and disseminate the data. In response, the Air Force initiated a Remotely Piloted Aircraft (RPA) training pipeline to include a new official career field for RPA pilots. The first RPA training class began in October 2010 and includes flight training, RPA instrument qualification, a fundamentals course and training at one of the Air Force’s RPA Formal Training Units. The Air Force is also recruiting and training geospatial intelligence and signals analysts to process, analyze and disseminate information gathered by ISR assets. Figure 33 depicts growth in ISR personnel from FY 2001 through FY 2010 to meet the increasing demand.



Maintenance technicians go over pre-flight inspections on their RQ-4 Global Hawk aircraft before a mission

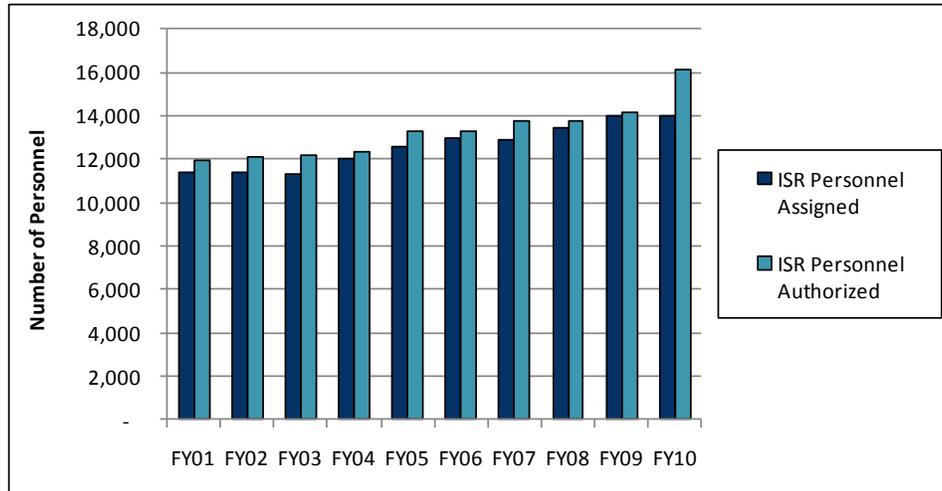


Figure 33. Air Force ISR Personnel Authorized and Assigned

Using the Air Force’s Distributed Common Ground System (DCGS), a net-centric global intelligence-sharing weapon system, Airmen provide actionable intelligence to troops at the forward edge of operations. DCGS serves as the military’s “central nervous system” for processing, exploiting and disseminating imagery and signals intelligence. As the Air Force increases the number of assets providing



An Air Force MQ-1 Predator

information into the DCGS and the amount of data the sensors can collect, the Air Force is exploring software solutions that can help automate data processing and provide more tailored information for intelligence analysts. Through the Air Force ISR Flight Plan process, Air Force ISR personnel are working to identify needs, gaps and potential candidates for automated solutions. These data storage, processing and dissemination systems will make the right information available to the right people at the right time.

FY 2012 Initiatives

The FY 2012 ISR Budget Request supports the Joint force emphasis on ISR capacity and continues building on ISR advancement. This request will continuing maximized production of the MQ-9 Reaper to ensure delivery of 65 RPA CAPs by the end of FY 2013 and also extends support for the U-2 Dragon Lady manned aircraft to ensure a smooth high altitude transition to the unmanned RQ-4 Global Hawk. The U-2 extension enables a deliberate reduction of the U-2 program as RQ-4 Block 30 aircraft, which carry the Airborne Signals Intelligence Payload that will increase battlefield signal collection capabilities, become operational. This ensures sustained high altitude ISR support to Combatant Commanders and Joint warfighters. The RQ-4 Block 30 will provide a great advancement in intelligence gathering, allowing the Air Force to gather and process data from a variety of sources at 60,000 feet on a 35-hour flight mission.



An MQ-9 Reaper taxis at Kandahar Airfield, Afghanistan

The FY 2012 ISR Budget Request also realigns internal operation and maintenance funding shortfalls within the DCGS to sustain unmatched intelligence analysis/dissemination and realigns resources within the RQ-4 program to correct internal programmatic shortfalls. Table 31 shows the planned FY 2012 Global Integrated ISR weapons systems procurements as well as the key capability provided by each.

Table 31. Global Integrated ISR Planned FY 2012 Weapons Systems Procurements

Weapon System	Role/Capability	FY 12 Qty
MQ-9A Reaper	Medium-to-high altitude, ISR, multi-intelligence, strike RPA	48
RQ-4B Global Hawk	High altitude ISR	3
Total		51

Global Integrated ISR enables warfighters to locate the enemy, avert enemy plans, deliver weapons on target and assess the impact of their efforts. This persistent surveillance provides critical support to military operations and national security objectives.

Command and Control

Overview

Command and Control (C2) is the ability of commanders to integrate operations in multiple theaters at multiple levels through planning, coordinating, tasking, executing, monitoring and assessing air, space and cyberspace operations across the range of military operations. C2 operations enable efficient and effective exploitation of air, space and cyber domains and include both air and ground based systems such as the E-3 Airborne Warning and Control System (AWACS), E-8C Joint Surveillance Target Attack Radar System (Joint STARS), E-4B National Airborne Operations Center, Air and Space Operations Centers, and Control and Reporting Centers. This core function also includes funding for Joint Terminal Attack Controllers and Air Liaison Officers. The FY 2012 Budget Request for this core function is approximately \$6.3B as reflected in Figure 34 below. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

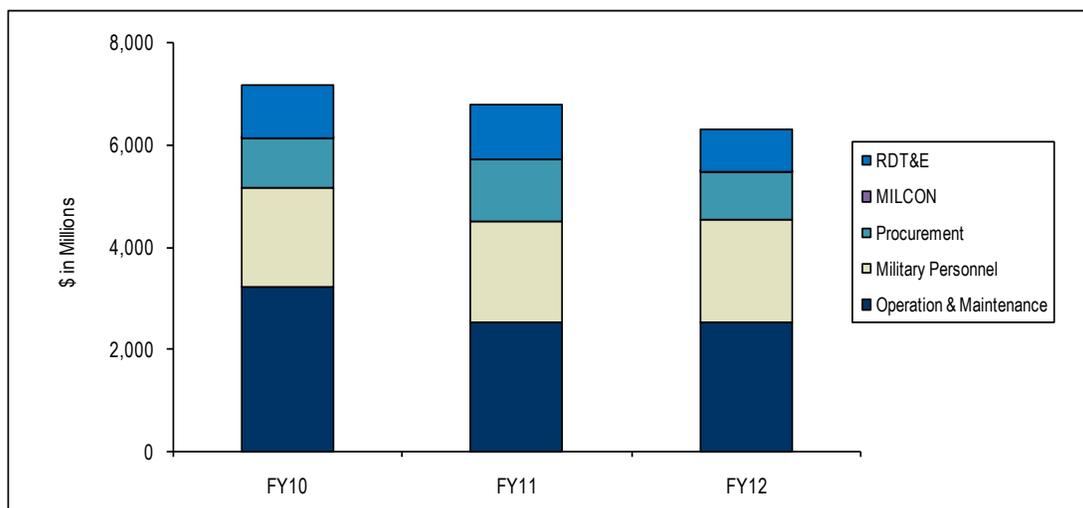


Figure 34. Command and Control TOA by Appropriation

Accomplishments

Several enhancements to Air Force C2 systems were made in FY 2010. For airborne C2 systems, the Air Force funded \$224M to upgrade the engines on two E-8C Joint Surveillance Target Attack Radar System (Joint STARS) aircraft. The new engines increase mission duration, reliability, fuel efficiency and take-off weight, while also significantly reducing maintenance requirements and costs. In addition, the Joint STARS testbed aircraft was equipped with the MS 177 long-range multi-spectral sensor. This sensor gives Joint STARS aircrews the ability to identify targets to aid ground commanders in making decisions in real time.



A Joint STARS test aircraft performs flight testing with new engine

Upgrades also began on E-3 AWACS aircraft to install a new integrated avionics system which will allow the E-3 to operate in congested civil airspace. In addition, Block 40/45 equipment upgrades began in November 2010 on the E-3 to: replace a mission computer system originally installed in the 1970s; provide new computer equipment that will improve information sharing, target tracking and identification; and integrate sensory inputs both on and off the aircraft.

The E-4B National Airborne Operations Center received significant communications upgrades to four aircraft further reinforcing the Air

Force commitment to the nuclear mission. In addition, an Analysis of Alternatives was commissioned to assess options to ensure future nuclear C2 mission support.

Coupled with initiatives to improve C2 system capabilities, the Air Force established the Air Liaison Officer (ALO) as a specific officer career field in late FY 2009 to provide continuity and experienced leaders in the C2 area. The ALO's primary role is to provide expertise to Army ground commanders regarding all air, space and cyber assets available to assist ground troops while in conflict. ALOs have existed in field combat roles since World War II, but were primarily fighter pilots serving two-year tours. With the establishment of the ALO career field, Joint Terminal Attack Controllers (JTACs) now have continuity of leadership from officers who will always be in place and know the business, resulting in better internal leadership and external support to the Army. The Air Force graduated 21 new ALOs in FY 2010 and plans to graduate another 46 in FY 2011. Furthermore, from 2009 to 2010, the Air Force more than doubled the number of JTACs in Afghanistan. The increase from 53 to 134 is attributable to the increased use of bombs, missiles and strafing runs which have reached the highest level since the war began. In October 2010, Afghanistan-based JTACs broke a new record when they helped coordinate 1,000 close air support missions in which aircraft dropped bombs, fired missiles or executed strafing runs.



**JTACs at work during exercise
Green Flag East**

Several software updates and hardware purchases for the Air and Space Operations Centers (AOCs) in FY 2010 will minimize the operational risk as the Air Force starts to implement its announced consolidation of AOCs. The Air Force also began using Total Force Integration (TFI) to support the AOCs during surge operations and war time. The TFI initiative enables the Air Force to establish a ready reserve capability for future AOC restructuring considerations. In addition to the stand-up of Reserve units, the Air Force funded AOC Reserve unit training suites to be fielded by 2013.

FY 2012 Initiatives

The FY 2012 Budget Request includes \$19M to bolster AOC C2 capability and interoperability with programmed Joint and DoD systems to execute the Integrated Air and Missile Defense C2 mission. The Air Force also seeks to consolidate two AOCs in CONUS and two AOCs in Europe beginning in FY 2011 as part of the Air Force efficiency initiatives. These actions, along with other the Numbered Air Forces consolidations, are expected to save the Air Force about 550 manpower authorizations.



601 AOC at Tyndall AFB, FL

The Air Force will also increase support to COCOMs with \$60M in improvements to airborne and mobile C2 systems. In particular, the FY 2012 Budget Request includes funding for the Air Force portion of the Joint development effort on the Three-Dimensional Expeditionary Long-Range Radar (3DELRR) to replace the AN/TPS-75 radar which has been in service since 1968. The 3DELRR would provide long-range surveillance, aircraft control and theater ballistic missile detection while correcting AN/TPS-75 shortfalls by detecting and reporting highly maneuverable, small radar cross-section targets. Improvements are also planned for the National Capitol Region-Integrated Air Defense System, which falls under the North American Aerospace Defense Command and protects the National Capital Region against air threats.

C2 has never been more critical or more challenging than it is now. The Air Force is meeting this challenge as it supports National Security Strategy with commanders integrating operations in multiple theaters, at multiple levels, and across the full breadth of military activity.

Personnel Recovery

Overview

Personnel Recovery (PR) is the sum of military, diplomatic and civil efforts to recover and return DoD personnel and contractors in danger of becoming, or who have already become, beleaguered, besieged, captured, detained, interned or otherwise missing or evading capture while participating in United States-sponsored activities or missions. The Air Force is the only Service with a dedicated force organized, trained and equipped to execute the military option of Personnel Recovery. These highly trained Airmen support Air Force, Joint, coalition and Special Operations Forces. The Air Force’s synergistic PR capability is made possible through the collective, coordinated employment of the HH-60G Pave Hawk helicopter, HC-130P/N Combat King fixed-wing PR platform and the Guardian Angel pararescue force. This core function accounts for approximately \$1.6B of the Air Force FY 2012 Budget Request as reflected in Figure 35 below. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

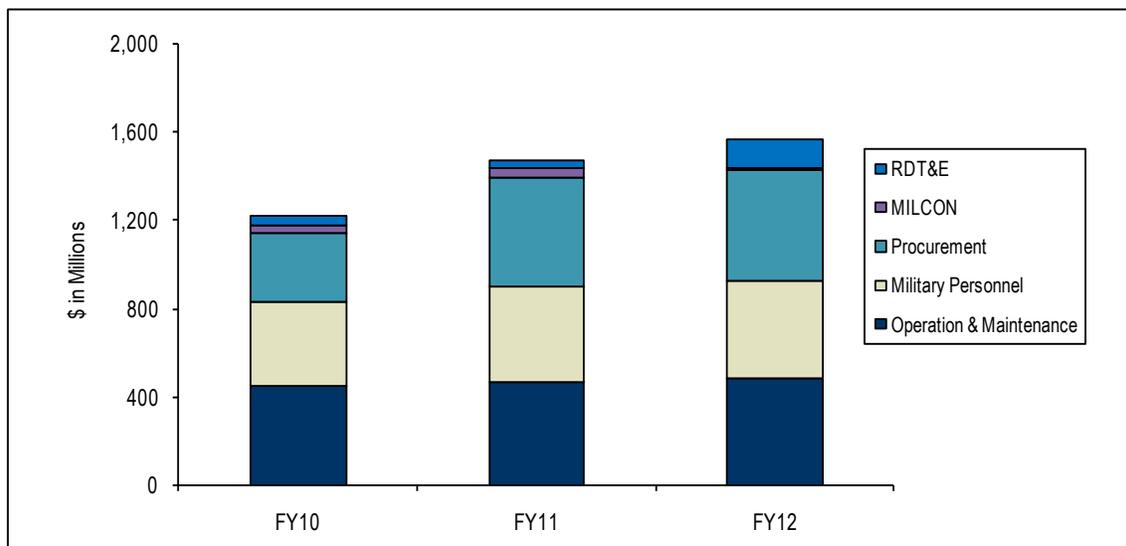


Figure 35. Personnel Recovery TOA by Appropriation

Post 9/11 steady state taskings for PR assets have nearly tripled over pre-9/11 levels to support Overseas Contingency Operations (OCO). The January 2009 Secretary of Defense (SECDEF)-directed Review of Helicopter Assets determined that Air Force HH-60Gs were the most heavily COCOM-committed helicopters in the DoD, with 49.3 percent of assets deployed at any given time. In addition to the heavily tasked operations in OEF and Operation New Dawn (OND)/Operation Iraqi Freedom (OIF), Air Force PR forces also support Space Shuttle launches, serve as a Global Response Force maintaining a real time deployable status and contribute to United States Northern Command’s Defense Support to Civil Authorities for disaster relief and humanitarian assistance operations.

The increased operational tempo on these Low Supply/High Demand (LS/HD) assets has driven the active duty force well below the Air Force target of 1:4 deploy-to-dwell ratio. Worldwide HH-60, HC-130 and Guardian Angel forces are currently at a 1:1.5 ratio, with CONUS-based HH-60s at a 1:0.95 ratio for the last 18 months. The increased tempo is also beginning to take a toll on aircraft. Battle damage, structural



Deployed HH-60 Pave Hawk and Guardian Angel rescue forces provide lifesaving treatment and transport of joint warfighters within the SECDEF directed “Golden Hour”

cracks in aging aircraft and extremely high utilization rates in OEF have left insufficient HH-60 aircraft in the active force to provide combat-ready crews.

Accomplishments

The Air Force PR HH-60G, HC-130P/N and Guardian Angel assets have significantly decreased Casualty Evacuation (CASEVAC) response times in both OEF and OND/OIF to meet the SECDEF-mandated “Golden Hour” requirement to respond within 60 minutes from the time a medical evacuation tasking is received, to wheels down and patient transfer to a higher level of medical care. In FY 2009, HH-60Gs were flown over 7,400 hours and 6,900 combat sorties in support of OEF and OIF, averaging 5.7 CASEVAC missions per day. In FY 2010, HH-60Gs and HC-130Ps flew over 10,280 hours and 7,990 combat sorties in support of OEF and OND, averaging 9.1 CASEVAC/Aeromedical evacuation missions per day, which is a significant increase in PR support to Joint and coalition forces. Figure 36 shows the CASEVAC/Aeromedical Missions Flown to support OEF and OND/OIF in CY 2010. Air Force PR forces are credited with saving 2,565 United States and coalition lives in 2009, and through December the total saves for CY 2010 has increased to 4,985.

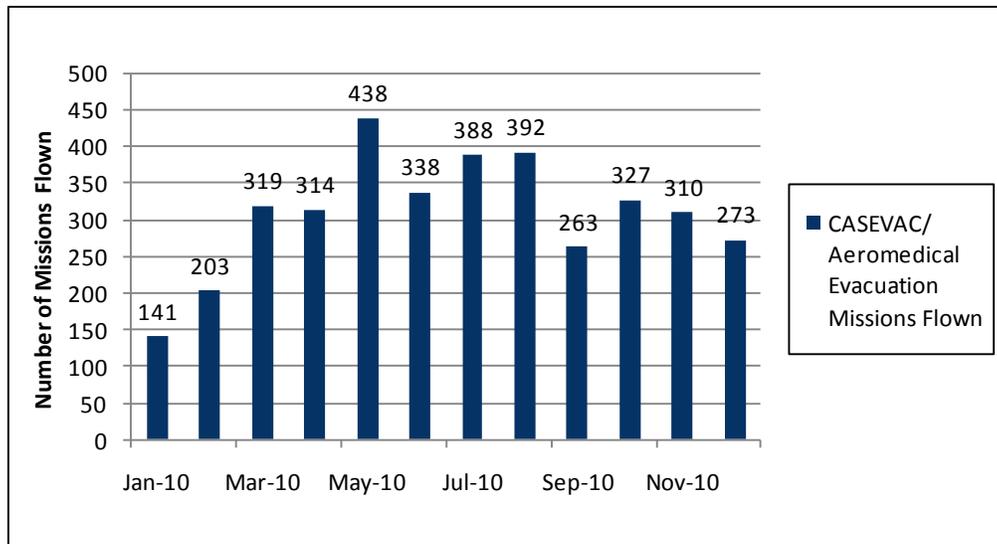


Figure 36. CY10 OEF and OND/OIF CASEVAC/Aeromedical Evacuation Missions Flown

Throughout 2010, Air Force PR forces remained fully engaged in personnel recovery efforts in both Afghanistan and Iraq. In support of these efforts, the 79th Expeditionary Rescue Squadron (HC-130) stood up in Afghanistan in April 2010, providing a dedicated fixed-wing, multirole platform for personnel recovery, CASEVAC and aero-medical evacuation. The Combat King extends HH-60 range and altitude capability via aerial refueling and provides increased patient capacity, workspace and faster delivery to battlefield medical treatment facilities.



HC-130P provides critical capabilities to joint and coalition forces to include aeromedical evacuation, insertion of Guardian Angel pararescue forces and inflight helicopter aerial refueling to extend the range of the HH-60G

In order to increase the specialized and critical pararescue support in Afghanistan, the 46th Expeditionary Rescue Squadron (Guardian Angel) was activated in July 2010. Training for the Guardian Angel force was expanded to meet the increasing requirement for these mission essential specialists who save Joint and coalition warfighters’ lives.

A new Rescue/Recovery Training Center was dedicated in 2010 at Kirtland AFB, NM creating a first-ever dedicated facility for pararescuemen and combat rescue officers completing rescue and recovery

training in areas including field medicine and combat trauma. This facility, which can accommodate up to 165 students, replaces a World War II-era building and eliminates a bottleneck in the training pipeline by increasing student throughput by 65 percent.

FY 2012 Initiatives

Recognizing the increasingly important role that PR forces play in today's fight, investments have been prioritized to recapitalize materiel and continue growing the forces critical to providing PR capability, to include continued funding of the Guardian Angel Program. The most highly trained emergency trauma care Airmen in the military are equipped to prepare and respond to rescue operations supporting combat or humanitarian missions.

Responding to the increased requirement for these LS/HD personnel and platforms, the FY 2012 Air Force Budget Request continues to recapitalize aging HC-130P/Ns with three HC-130Js. In addition, the HH-60 Operational Loss Replacement program will acquire three HH-60 helicopters in an effort to build the critical vertical lift fleet from its current total of 99 aircraft back to the 112 aircraft program of record.

The continued growth in global Counter Terrorism and IW operations, coupled with the expected future growth in Building Partnership Capacity (BPC), ensures that an ever-increasing number of United States personnel will remain at risk of isolation throughout the world. The Air Force is fully committed to training and preparing personnel to avoid and survive isolating events and deploying highly trained, properly organized and fully equipped PR forces to quickly recover anyone, anywhere, anytime, by any means. It is a duty that Airmen take very seriously, knowing that lives are at stake with every mission.



As first responders, Guardian Angel pararescuemen provide lifesaving treatment to those wounded on the battlefield

Building Partnerships

Overview

The Air Force continues to seek opportunities to develop partnerships around the world and to enhance long-term capabilities through security cooperation as part of the Building Partnerships Core Function. Building Partnerships includes the ability to set the conditions for interaction with partner, competitor or adversary leaders, military forces or relevant populations by developing and presenting information and conducting activities to affect their perceptions, will, behavior and capabilities. This mission area supports the Air Force’s Security Cooperation role and also supports the building partnership capacity/security force assistance operations. Building Partnerships accounts for approximately \$0.5B of the Air Force FY 2012 Budget Request as reflected in Figure 37 below. Additional details of FY 2010 accomplishments and FY 2012 initiatives are included in the sections that follow.

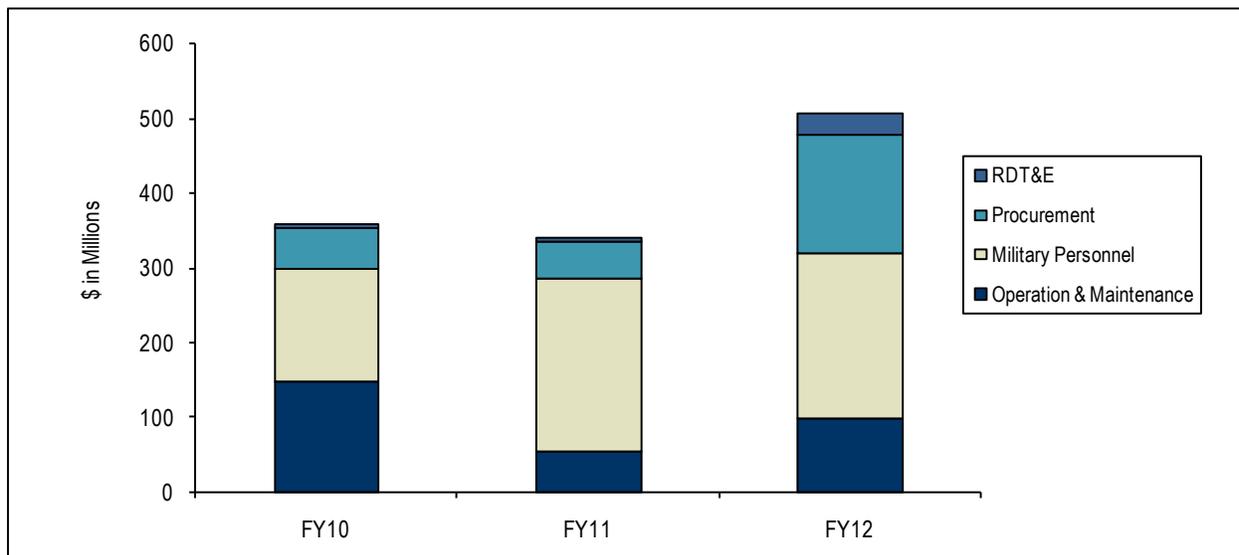


Figure 37. Building Partnerships TOA by Appropriation

Accomplishments

The 12-Nation Strategic Airlift Capability established a consortium to jointly acquire and operate three C-17s from a single base of operations for the next 30 years. The 12 participating nations include Bulgaria, Estonia, Finland, Hungary, Lithuania, the Netherlands, Norway, Poland, Romania, Slovenia, Sweden and the United States. Each nation’s level of investment determines their proportional share of flying hours and personnel requirements, and each nation then decides how to use its portion of flight hours to support national, United Nations, European Union and North Atlantic Treaty Organization (NATO) requirements. This unique approach provides operational capacity to nations that otherwise would not be financially possible, and allows participating nations to achieve greater efficiencies in defense investment.

Communication and cultural awareness are key ingredients to integrating with global partners, and the Defense Language Institute English Language Center (DLIELC) at Lackland AFB, TX is providing classroom instruction to international partner military members to enhance their English skills and build lasting relationships. DLIELC offers three types of academic training: general English, specialized English and instructor development to meet the specific needs of students and their respective career fields. Once a week, an average of



International military students in an English class at the Defense Language Institute

60 students graduate and return to their countries of origin, or continue to train at United States military sites equipped with the English language proficiency necessary to adapt to American military cultures. In addition to students trained at Lackland AFB, DLIELC supports nonresident English language programs through the deployment of instructors. On any given day, approximately 60 DLIELC instructors are on assignments around the globe, traveling to more than 25 different countries every year. In FY 2010, DLIELC graduated 3,500 international students, building a foundation for future United States relationships.

The Air Force also increased the culture and language content of selected pre-deployment training courses and recently inaugurated a new language learning program—the Language Enabled Airman Program (LEAP). LEAP is a career-long program designed to select, deliberately develop and sustain a cadre of language-enabled Airmen. The goal of LEAP is to identify Airmen who speak a foreign language, maintain their abilities through individual customized sustainment plans and ensure they utilize their language skills by filling language-required billets or taskings. The Air Force Academy’s language programs serve as an “onramp” for LEAP. Every cadet receives exposure to at least two semesters of required foreign language coursework, which exposes cadets to college-level language courses and identifies those with an interest in and aptitude for continued language study. To date, the Air Force Culture and Language Center has selected approximately 460 United States Air Force Academy, Reserve Officer Training Corps and active-duty officers to participate in the program.

The International Affairs Specialist (IAS) Program is comprised of Regional Affairs Strategists (RAS) and Political-Military Affairs Strategists (PAS). RAS officers are deliberately developed with a regionally-focused master’s degree, language proficiency and in-region experience. RAS officers perform those functions most critical to create and sustain partnerships including serving as Attachés and Security Cooperation officers. Inventory of RAS officers increased 34 percent from the end of FY 2009 to the close of FY 2010. PAS officers serve as Political Advisors and in political-military billets to advise Combatant Commanders and enable the international relationships leveraged in the Building Partnerships Core Function. Demand for PAS officers has nearly kept pace with demand for RAS officers – up 11 percent from FY 2009 to FY 2010.



Air Force officials host military exchange from Africa

The Military Personnel Exchange Program (MPEP) enables United States military personnel to exchange positions with military personnel from other nations to promote partnerships, interoperability, and standardization. MPEP is a valuable means of military-to-military cooperation as it supports security cooperation goals and contributes to interoperability and coalition warfighting capability. The CSAF approved the expansion of the MPEP program from 156 reciprocal positions in 23 countries to a total of 219 reciprocal positions in 45 countries by the end of FY 2015. Figure 38 shows the current and planned growth in the MPEP.

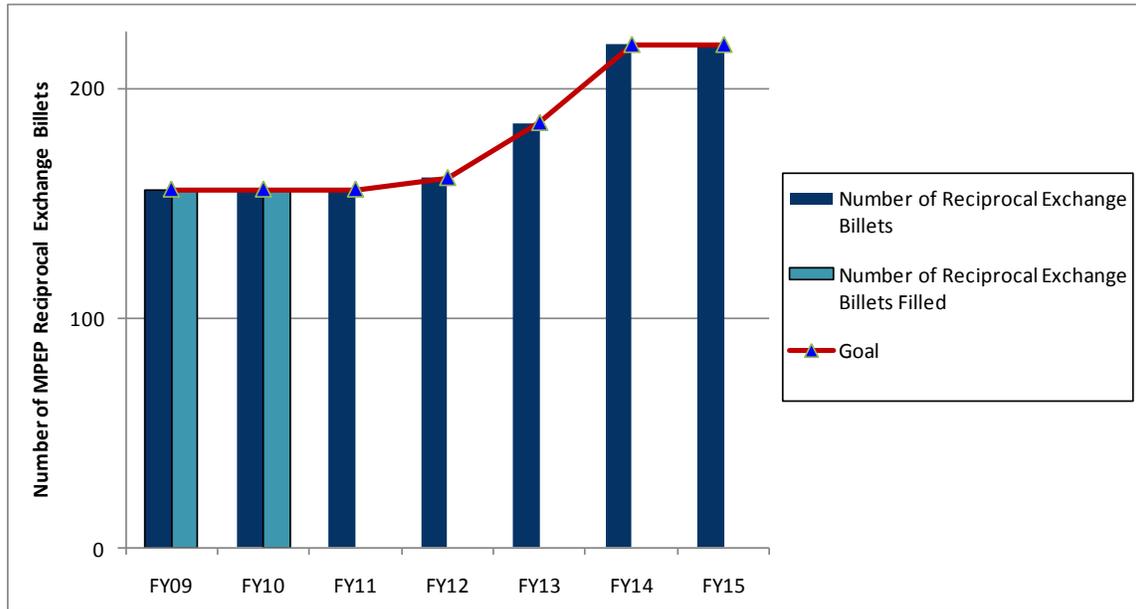


Figure 38. Military Personnel Exchange Program Performance Measure

In FY 2010, the Air Force put 31 cooperative Research, Development and Acquisition (RD&A) agreements in place involving partnerships with 24 nations and two NATO organizations. These RD&A agreements have a combined value/effort of \$2.2B, leveraging \$851M in partner contributions. The agreements include collaborative programs to upgrade the NATO AWACS fleet, provide combined AEHF operations and support and develop new RD&A projects that will improve coalition capability and interoperability.

Further, in FY 2010 the Deputy Under Secretary of the Air Force for International Affairs led an International Cooperative Agreements Team comprised of representatives from across the Air Force and Office of the Secretary of Defense (OSD) to develop the first United States Air Force cyberspace guidance document. The guidance, signed by the SecAF and the CSAF, will help identify priority United States Air Force capabilities and focus on limited resources for cyberspace cooperation and partnerships to expand international cooperation. Additionally, the Air Force completed five international space cooperative agreements to enhance partnerships related to space operations.

FY 2012 Initiatives

Looking forward to FY 2012, the Air Force will continue to emphasize deeper levels of language skills and regional knowledge in its cadre of Regional Affairs Strategists (RAS) and will look to continue the expansion of this cadre to fill the ever-increasing number of RAS requirements. For FY 2012, a combination of certified RAS and best-fit officers will fill over 291 billets with 171 of those officers working in-country, directly with partner nations as Attachés and Security Cooperation Officers (SCO). A combination of PAS and best-fit officers will fill some 330 billets requiring in-depth understanding of the interagency processes leveraged when building partnerships. Additionally, with the stand-up of an SCO program management function, the IAS program office will design and schedule pre-arrival training programs and manage both the SCO personnel and billets.



A joint U.S. Army and Burkinabe security patrol provides airfield security while a C-130J prepares for departure to Mali with Burkinabe Army personnel and equipment onboard

English language proficiency is a prerequisite to nearly all of the training the Services provide to partner nations. In order to meet increasing partner demand for English language training, the FY 2012 Air Force Budget Request expands the capacity at the DLIELC through the addition of more than 300 authorizations. In addition, the FY 2012 Budget Request continues to fund LEAP and also expands foreign language instruction for officer commissioning programs.

The Air Force will dedicate resources and manpower to enhance the capabilities of partner nations through a wide variety of security cooperation activities. To meet these requirements, the Air Force is increasing throughput capacity of its Air Advisor Academy to meet the greater demand for general purpose force Airmen to conduct Security Force Assistance and Building Partnership engagement missions across the globe. Additionally, the Air Force is providing valuable training assistance to the nascent Air Forces in Iraq and Afghanistan, while continuing to increase each nation's ability to become a self-sustaining force and support the rule of law. Further, the fielding of the Joint Strike Fighter will increase partnerships with more established allies, while the C-17s procured for the 12-nation Strategic Airlift Consortium are fully operational and currently meeting the airlift requirements of European allies. Our Contingency Response Groups, one of the cornerstones of building partnerships efforts, continue to mature as they utilize trained air advisors with language and region-specific skills to conduct training and exchanges with partner nations.

In addition, the United States will strengthen and institutionalize general purpose capabilities for security force assistance to other partner air forces by fielding both the Light Mobility Aircraft (LiMA) and the Light Attack Armed Reconnaissance Aircraft (LAAR). LiMA will enable the United States to perform lower-cost airlift operations to and from austere areas, working in concert with partner nations with limited capacity and capability to perform aviation functions. LAAR aircraft will support training for United States Air Force Air Advisors and other partner nation forces in light attack employment, sustainment and force integration supporting BPC missions critically important to United States strategic interests. Both of these programs bolster interoperability by allowing training with a broader array of aviation partners and enhance long-term security cooperation. In FY 2011, the Air Force allocated approximately \$79M to procure 15 LiMA to assist partner nations in building their light airlift capacity. These aircraft are scheduled to be fielded and operational in the second quarter of FY 2012. The Air Force is planning to procure nine LAAR aircraft in FY 2012 to support training of international partners in technically similar platforms.



An Airman greets a member of the Afghanistan National Army Air Corps prior to a training mission

Finally, the Air Force will allocate funds to support humanitarian assistance missions to meet United States Pacific Command theater objectives through the PACIFIC ANGEL program. The Air Force is committing over \$5M annually to this critical piece of the Building Partnerships portfolio with resounding success to assist and train many Pacific nations in disaster support and relief operations.

Building partnerships is a central ingredient to the security of the United States by sustaining existing alliances with key allies and creating new partnerships through collaboration with counterparts abroad.

Agile Combat Support

Overview

Agile Combat Support (ACS) is the ability to field, protect, and sustain air, space and cyber forces across the full range of military operations to achieve Joint effects. Air, space and cyberspace power relies on a myriad of combat support activities that Airmen provide on the ground. These include functions like force protection, engineering, logistics, personnel management, finance, acquisition, family support, professional development and training, military medicine and other combat support functions. This core function accounts for over 28 percent of Air Force funding and this section will focus on the following key areas: personnel and force management, support to Airmen and their families, the energy program, acquisition excellence, MILCON and weapons system sustainment. Since the topics discussed in ACS are so broad, each will discuss both accomplishments and initiatives together by subject area. This core function accounts for approximately \$33.8B of the Air Force FY 2012 Budget Request as reflected in Figure 39 below.

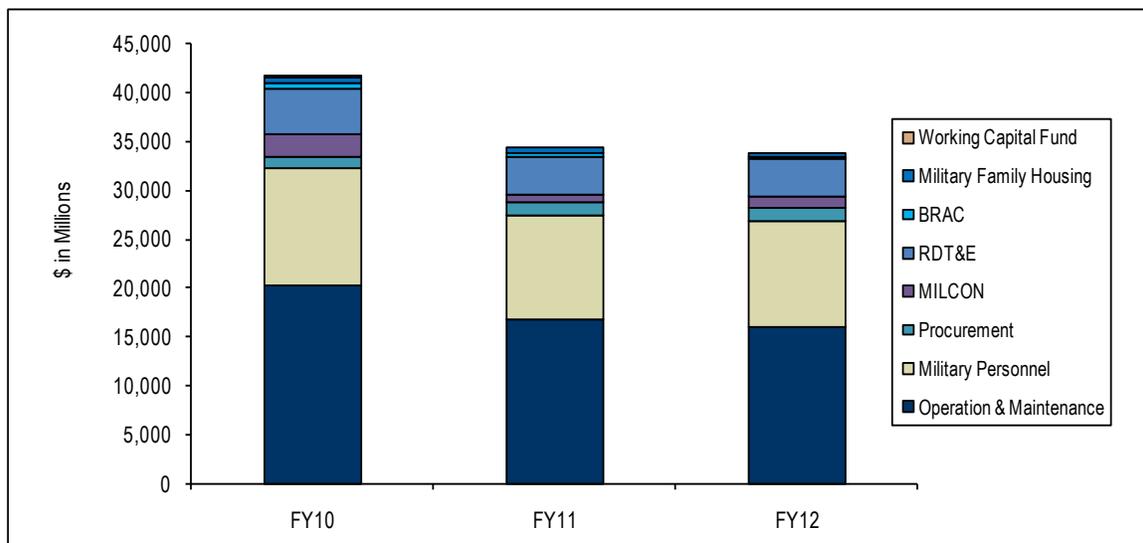


Figure 39. Agile Combat Support TOA by Appropriation

Shaping the Force

Endstrength/Force Shaping: The FY 2012 Budget Request preserves endstrength in the face of fiscal constraints, further realigns Active Duty and Reserve manpower within existing resources and reduces civilian endstrength growth to meet Air Force priorities. The programmed total Air Force endstrength for FY 2012 is 693,099. This includes 332,800 active duty, 182,199 civilian, 71,400 Reserve and 106,700 Air National Guard personnel. Air Force efficiency efforts will reduce overhead and support functions and shift resources to warfighter and readiness programs such as Combat Air Forces, ISR and Building Partnership Capacity requiring additional force shaping efforts. The current economy has slowed attrition and had the effect of increasing active duty manning. As a result, the Air Force exceeded endstrength in FY 2010 by almost 2,500 as depicted in Table 32. This remains within two percent of authorized active duty endstrength as required by law.

Table 32. Air Force Active Duty and Total Civilian Endstrength

	FY06	FY07	FY08	FY09	FY10	FY11	FY12
Officer	70,539	65,722	64,805	65,496	66,201	64,762	65,428
Enlisted	273,990	263,372	258,092	263,351	263,437	263,438	263,372
Cadets	4,424	4,401	4,482	4,561	4,558	4,000	4,000
Total Military	348,953	333,495	327,379	333,408	334,196	332,200	332,800
SECDEF-Approved	357,400	334,200	328,600	317,050	331,700	332,200	332,800
Goal Met						N/A	N/A
Total Civilians	166,538	163,807	161,108	168,760	179,008	192,267	182,199
Total Active	515,491	497,302	488,487	502,168	513,204	524,467	514,999

In order to avoid exceeding allowed endstrength, the Air Force expanded the existing force management program in FY 2010 by decreasing officer and enlisted accessions; increasing service commitment waivers for United States Air Force Academy, Reserve Officer Training Corps and enlisted members; waiving some education cost recoupment; implementing a Career Intermission Program to allow up to a three-year sabbatical for officers and enlisted; waiving enlisted time-in-grade requirements for retirement; and executing three enlisted Date-of-Separation rollbacks. To further progress towards meeting endstrength ceilings by FY 2012, the Air Force sought legislative authority in FY 2011 to allow temporary early retirement approval, reduce the minimum amount of commissioned service time required for prior enlisted members to retire as officers from ten to eight years, provide voluntary retirement incentives, implement involuntary programs including reduced officer promotion opportunities and enlisted Date-of-Separation rollbacks.

Recruiting and Retention: Recruiting and retention remains strong. The Air Force has attracted some of the best from the eligible population with 84 percent of potential recruits scoring at or above the 50th percentile of the Armed Forces Qualification Test. Aggregate Air Force retention numbers are the best they have been in 16 years; however, meeting skill-specific goals is more significant as retention rates vary among skill codes. The Selective Reenlistment Bonus (SRB) is the most effective force-shaping retention tool and is essential in shaping the force to meet new and emerging missions and supporting support of Combatant Commanders in today’s fight. The FY 2010 SRB budget remained consistent with the FY 2009 level of \$231M, which included \$141M for new contracts. The SRB budget increased to \$248M for both FY 2011 and FY 2012. This includes funding for new contracts and adjustments for higher anniversary payments. Table 33 displays historical retention data for the ten most closely monitored enlisted career fields. The table reflects the success of these bonuses as the trend in retention has been stronger, even for these historically hard-to-retain career fields, but continued efforts are needed.

Table 33. Air Force Enlisted Retention for Top 10 Monitored Career Fields

Career Field	Metrics a/o End Sep 10						FY10 Retention Goal*	Goal Met
	FY07 Retention	FY08 Retention	FY09 Retention	FY10 Retention	Trend			
Combat Control	12.8	13	15.1	15.8	↑	15.8		
Tactical Air Control Party	9.8	11.2	10.2	12.1	↑	14		
Geospatial Intel	8.1	9.7	9.6	9.2	→	12.3		
Crypto Language Analyst	10.6	8.9	9.7	9.1	↓	9.2		
Survival, Rescue, Evasion, Escape	14.4	13.3	16.3	16.2	→	18.5		
Pararescue	11	12.3	13.2	14.6	↑	17.3		
Pavement and Construction Equipment	8.7	10.7	11.1	13.4	↑	11.2		
Explosive Ordnance Disposal	11.8	9.9	11.2	11.6	↑	15.8		
Security Forces	7.8	7.7	8.2	8.4	→	6.8		
Contracting	6.9	6.2	7.5	7.6	→	9.8		

*Average career length measured in terms of competed service

Adjustments were made in FY 2010 to positively manage retention; 91 Air Force Specialty Codes received a SRB, up from 87 specialties in FY 2009. In addition, two new skill codes were added: RPA Sensor Operators and Airborne ISR Operators. The Air Force continues to manage retention in some of the most critical war-fighting skills to include tactical air control party, imagery analysis, pararescue and explosive ordnance disposal. The FY 2012 Budget Request includes over \$626M for recruiting and retention bonuses targeting critical wartime skills such as pilots, C2, intelligence, contracting, security forces, medical, civil engineering and explosive ordnance disposal.

The Air Force continues to place emphasis on stressed career fields. Stressed career fields are those meeting at least two of the following three conditions: very high deployment rates, manning shortages or meeting the unhealthy skill code criteria based on personnel inventory and retention. Over 18 percent of the active force serves in stressed career fields. Although recruiting and retention both improved in FY 2010, the number of Airmen on the career field stress list increased because of greater operational demands and high deployment rates. Table 34 and Table 35 provide end of FY 2010 details on stressed career fields for enlisted and officer, respectively.

Table 34. Enlisted – Career Field Stress

Air Force Specialty	Title	Operational Demand	Required vs. Funded Manpower	Personnel Inventory/ Retention	Recruitment Goal Met	Trend	Retention Goal Met	Trend
ENLISTED AFSCs								
1A8	Airborne Crypto Lang/ISR	✓		✓	●	↓	●	↓
1C2	Combat Control	✓	✓		●	↓	●	↑
1C3	Command Post		✓	✓	●	→	●	↓
1C4	Tactical Air Control Party	✓		✓	●	→	●	↑
1N0	Operations Intel	✓	✓	✓	●	→	●	↓
1N1	Geospatial Intel	✓		✓	●	↑	●	→
1N4	Network Intel	✓		✓	●	↓	●	↓
1T2	Pararescue	✓		✓	●	→	●	↑
1W0	Special Ops Weather	✓		✓	●	↓	●	↓
2T3	Vehicle Maintenance	✓	✓		●	→	●	↑
3E0	Electrical	✓	✓		●	→	●	↑
3E1	HVAC	✓	✓		●	→	●	↑
3E2	Pavement/Construction Equip	✓	✓		●	↑	●	↑
3E3	Structural	✓	✓		●	↑	●	↑
3E4	Utilities Systems	✓	✓		●	↑	●	↓
3E5	Engineering	✓	✓		●	↑	●	↓
3E6	Operations Management	✓		✓	●	→	●	↑
3E8	Explosive Ordnance Disposal	✓	✓	✓	●	↑	●	↑
3P0	Security Forces	✓	✓		●	↓	●	→
6C0	Contracting	✓	✓		●	↑	●	→

Table 35. Officer – Career Field Stress

Air Force Specialty	Title	Operational Demand	Required vs. Funded Manpower	Personnel Inventory/ Retention	Recruitment Goal Met	Trend	Retention Goal Met	Trend
OFFICER AFSCs								
12M	Mobility Navigator	✓		✓	●	→	●	↑
13D	Control and Recovery	✓		✓	●	→	●	↑
13M	Airfield Ops	✓	✓		●	→	●	→
32E	Civil Engineer	✓	✓		●	→	●	↑
35P	Public Affairs	✓	✓		●	→	●	↓
46F	Flight Nurse	✓		✓	●	→	●	↑
64P	Contracting	✓	✓		●	→	●	↓

Officer retention remains strong; however, rated officers and certain health professionals continue to be areas of long-term challenge. Contracting Officers and Control and Recovery (special operations) Officers were added to the Air Force list of low-retained officer career fields. In order to address this

issue, the Air Force began paying critical skills retention bonuses to these Airmen. The Air Force projects a need in FY 2011 for additional retention in skills such as Airfield Operations, Public Affairs, Civil Engineering, Intelligence, Logistics Readiness and Special Investigators (Cyber) due to personnel shortages in specific commissioned years of service and high training investment costs. The Air Force continues to closely monitor these specialties that are trending towards critical levels and are taking appropriate force management actions to improve retention to appropriate levels.

Recruitment and retention of Health Professions officers continues to be a challenge. Air Force Recruiting Service (AFRS) recruited approximately 77 percent of medical requirements for FY 2010, an upward trend from the previous two years. AFRS had great success with the Health Professional Scholarship Program and the Financial Assistance Program (FAP), meeting or exceeding goals in all categories. Physician recruiting, however, remained a challenge. The Air Force only met 20 percent of Fully Qualified (FQ) physician recruiting requirements in FY 2010. Enhancing and continuing financial incentives and accession bonuses are key to recruiting FQ Health Profession officers. The Critical Wartime Skills Accession Bonus (CWSAB) provides limited value to recruiting efforts because physicians must accept the CWSAB or multi-year specialty pay, but not both. Therefore, the CWSAB is viewed as a bonus replacement and not a valued recruiting tool. In fact, only two of ten available CWSABs were utilized in FY 2010 versus 108 physician requirements. The limited number of accession bonuses negatively affects recruiting efforts in other medical specialties as well. Psychology, pharmacy, optometry, social work and Public Health Officer (PHO) continue to be particularly challenging. Starting in FY 2010, the Air Force offered accession bonuses to psychologists, social workers and PHOs. Although recruitment and retention of medical specialties remains challenging, overall the Air Force is making improvements in meeting retention goals. FY 2012 efforts will focus on establishing a true physician accession bonus to match requirements, creating Physician Liaisons to establish face-to-face interaction at the start of the recruiting process for FQ physicians and broadening the medical recruiting marketing landscape.

Training the Force

Language Training: Today’s global environment calls for Airmen to have the knowledge, skills and attitudes to build partnerships and effectively communicate with international partners and potential adversaries. Air Force leaders recognize that without the proper training and development to produce cross-culturally competent Airmen, forces will lack the critical warfighting skills to ensure mission success, especially for counterinsurgency and building partnership operations. As a result, the Air Force continues to pursue and implement initiatives to expand and enhance language proficiency and cultural expertise as discussed in the Building Partnerships Core Function. The Air Force focus on language and culture training has resulted in an increase in filled language-required billets with qualified Airmen as depicted in Table 36; however, a significant capability gap remains. To continue narrowing the gap, the Air Force will focus on: executing the Culture, Region, and Language Flight Plan; visiting Combatant Numbered Air Force Headquarters to determine requirements; engaging with the Air Force Personnel Center to address utilization of skilled personnel; and institutionalizing LEAP to develop a “bench” of language-trained personnel.

Table 36. Language Billets Filled with Qualified Airmen

	FY09	FY10
Language Billets	1,003	1,010
Billets filled with qualified Airmen	267	310
Percent of Billets filled with qualified Airmen	27%	31%
Goal	10%	20%
Goal Met		
Trend	N/A	

In an effort to expand cultural training and education, the Air Force Culture and Language Center staff developed general and specific on-line culture courses through the Advanced Distributed Learning System. The Culture-general training provides Airmen the tools necessary to build trust and effectively interact with international cultures. Airmen examine topics such as self identity, culture shock management, methods in anticipating human behavior, high context versus low context communication and conflict resolution. Culture-specific training ensures Airmen are trained to meet mission-essential requirements for their particular destinations, such as Iraq and Afghanistan. Expeditionary skills training will give Airmen the necessary tools to function in a culturally-complex environment without having prior exposure to a particular group, region or language.

Basic Military Training: The Air Force expanded BMT from 6.5 weeks to 8.5 weeks in December 2008 to incorporate a greater focus on warfighting skills. In May 2010, the Air Force's 22nd Basic Military Training Triennial Review Committee validated the positive effect that expanded BMT has on graduates.



Basic Military Trainees take on the confidence course

The committee noted trainees are given a skill set that they “can directly transfer to their first duty station.” In addition, the attrition rate has been reduced from around eight percent prior to the change to 6.3 percent in FY 2009 and 6.1 percent in FY 2010 because instructors now have more time to mentor and teach trainees. In addition, the Air Force will continue to improve facilities that support our newest Airmen at Lackland AFB, TX by building a new \$56M recruit dormitory, classroom and in-processing center in FY 2011. These projects improve BMT and provide incoming Airmen with facilities commensurate with the commitment they make to our Nation.

Airmen and Families

Year of the Air Force Family: The Air Force has a proud reputation of caring for the Air Force Family; however, nearly a decade of sustained combat operations has imposed extraordinary demands on our Airmen and their families. In July 2010, the Air Force concluded the Year of the Air Force Family (YoAFF), a program dedicated to improving recognition and support of the Air Force Family. This year-long emphasis on people focused on three outcomes: fostering a strong Air Force community, strengthening an Airman's sense of belonging and improving Airmen and family resiliency. With the conclusion of the YoAFF, Air Force leaders and agencies have a greater understanding of support services and where changes are needed to address identified gaps.



An Airman greets his family after returning from Afghanistan

Child Education: Feedback gleaned during the YoAFF affirmed that education remains a top priority of Air Force families. This finding led Air Force officials to move forward more aggressively with a plan to establish primary points of contact across the service to help families navigate local school systems. The Air Force provided funding for school liaison officers, and now there is a school liaison office at almost every Air Force base. Another initiative that gained momentum for mobile military families during FY 2010 was the Interstate Compact on Educational Opportunity for Military Children. The Interstate Compact intent is to facilitate transitions between school districts when families move. States that sign the compact agree to work collectively with other compact states to create uniform standards regarding the records transfer, course placement, graduation requirements, redundant or missed testing, entrance-age variations and other transition issues. The Interstate Compact spans 35 states and the Air Force encourages remaining states to participate.

Child Care: Due to the elevated operations tempo in the past eight years of conflict, child care for Air Force families has continued to be a significant focus area. The Air Force continues to strengthen its Child Development Program by adding additional support for respite care to meet the needs of families

with special needs and aggressively pursuing solutions to eliminate the currently known child care deficit by FY 2012. In addition, the Air Force is continuing the provision of Expanded Child Care through different programs such as the Extended Duty Program, Home Community Care, Missile Care and the new Supplemental Child Care to provide flexibility in meeting child care needs.

Exceptional Family Member Program: The Air Force Caring for People Integrated Process Team and annual Forum identified the need to provide comprehensive family support services to families with special needs children. One initiative implemented to improve support to special needs families was identification of a single point of contact at each Airman and Family Readiness Center to serve as an information resource for Airmen with special needs family members. In addition, Air Force leaders identified the need to integrate both the personnel and medical functions into seamless, enhanced support to military families with special needs. The Air Force hired 35 Exceptional Family Member coordinators at installations with the highest number of Exceptional Family Member Program-enrolled Airmen to connect families with support and resources on and off the installation. In addition, senior leaders have taken steps to decrease gaps in service and support, using written feedback and face-to-face meetings with families to improve support in accordance with family needs and the Air Force mission.



An Airman reads to children at a Child Development Center

Airmen Resiliency Programs: Nearly two decades of persistent conflict -- and in particular the last decade of sustained combat operations -- have placed extraordinary demands on the overall resiliency of Air Force members and their families. There is perhaps nothing that strains and stresses Airmen and families as much as an extended deployment, especially one to a combat zone. In response, the Air Force has implemented several new programs to provide assistance and support before, during and after a deployment. First, a new Resiliency Division was created to develop an overarching Air Force Resiliency Roadmap. Second, the Deployment Transition Center stood up at Ramstein AB, GE in July 2010 to assist Airmen regularly exposed to significant risk of death in direct combat to decompress and reintegrate prior to returning to their home station, workplace and families. Air Force leaders also instituted wing-level Traumatic Stress Response (TSR) teams to help Airmen deal with psychological stress caused from a wide range of traumatic incidents such as a family death, a comrade's suicide or loss of fellow Airmen on the battlefield. TSR teams comprise people from the mental health office, Airman and Family Readiness Centers, the chaplain office and peer representatives.



Airmen converse at the Deployment Transition Center at Ramstein Air Base, Germany

The most serious consequence of poor psychological health is suicide. In response, the Air Force continues suicide prevention and coping skills training to improve both Airman and family resiliency programs. For example, the Air Force initiated the total force resiliency program in February 2010 to holistically address the root causes of suicide. The program reflects a broad-based approach to supporting Airmen and their families, recognizing that physical, mental and emotional health are critical to quality of life and force readiness. Another new initiative is Collaborative Care, wherein mental health providers are now embedded in the majority of family health clinics. Collaborative care, on-line help, mandatory post-deployment surveys and Military Family Life Counselors in Airman and Family Services Programs have decreased the stigma and allowed those in need to get help earlier. Airman resiliency and the Air Force Suicide Prevention Program are complementary efforts that rely on leadership engagement, immediate family involvement and wingman support. The Air Force will continue to develop the Airman Resiliency Program by identifying customer needs and requirements, researching best practices, partnering with

internal and external organizations and developing targeted and tiered training integrated into an Airman’s career, leading to life-long resiliency that benefits both Airmen and their families.

Family Housing and Dorms: With an average of 500 new or renovated homes entering the privatized housing inventory each month, the Air Force goal of creating quality homes and thriving communities for Airmen and their families is well under way. Under the housing privatization initiative, approximately 37,200 units have been privatized at 44 bases with a goal to have 47,700 units privatized by the beginning



New housing at Keesler AFB, MS

of FY 2012. The Air Force has privatized almost 70 percent of family housing and has eliminated over 35,000 inadequate units. Privatization has leveraged a \$423M investment to \$6.5B in development. The Air Force plan is to negotiate and close the remaining CONUS privatization projects by the end of FY 2012. In addition, the Air Force FY 2012 budget for housing construction includes \$85M to ensure the continuous improvement of 1,361 of our remaining 19,400 overseas homes.

The Air Force also remains committed to providing excellent housing for unaccompanied Airmen. The FY 2012 Budget Request includes eight dormitory projects totaling more than \$250M for dorms at Cannon AFB, NM; Lackland AFB, TX; Travis AFB, CA; Minot AFB, ND; Eielson AFB, AK; Ramstein AB, Germany; Osan AB, South Korea; and Thule AB, Greenland. The Air Force is looking forward to completing the Dormitory Master Plan in FY 2011 that will identify future dormitory needs. The Air Force focus on dormitories has allowed it to exceed the DoD goal of maintaining at least 30 percent of both CONUS and overseas units in Q1 or Q2 condition as shown in Table 37 below.

Table 37. Percent of United States and Overseas Dormitories in Q1 or Q2 Condition

	FY08	FY09	FY10
CONUS enlisted unaccompanied housing units	42,025	40,980	39,342
Percent in Q1 or Q2 condition	93%	93%	96%
Goal Met	●	●	●
Overseas enlisted unaccompanied housing units	31,129	31,129	30,158
Percent in Q1 or Q2 condition	90%	90%	95%
Goal Met	●	●	●

Food Transformation Initiative: The Air Force implemented the Food Transformation Initiative (FTI) to address Airmen’s concerns with dining facility closings, lack of healthy food options and insufficient operating hours. The FTI focuses on building efficient and operationally sound methods to feed Airmen. It will enhance food quality, variety and availability while maintaining home base and warfighting capabilities and saving the Air Force an estimated 30 percent for food service contract costs. Implementation at six pilot bases began in October 2010. Airman dining facilities remain an important commitment as the Air Force plans to increase support at dining facilities and flight kitchens for BMT and technical training bases.

Physical Health: The Air Force implemented a new fitness program in July 2010 requiring Airmen to test twice a year instead of once, placing increased emphasis on aerobic scoring and altering component weighting and scoring systems based on health-fitness standards. The current fitness assessment requires a minimal passing score in all four test components: a 1.5 mile timed run, push-ups, sit-ups and abdominal circumference. In addition to these changes, Airmen who score an “Excellent” on the test only have to test once a year. This should produce greater fitness and have the added benefit of reducing



Fit-to-Fight run at Vandenberg AFB, CA

the fitness testing workload. The new fitness program is a win-win scenario as it will result in a healthier, fitter and more capable force along with promoting a healthy lifestyle.

Warrior Care: The Air Force is committed to the Wounded Warrior Program, ensuring access to medical and rehabilitation treatments in the home with no gaps in service for ill or wounded Airmen. The Air Force Warrior and Survivor Care Division is dedicated to building a culture of understanding for wounded, ill and injured Airmen. The Air Force has hired 32 Recovery Care Coordinators and a Program Manager to support 30 locations across the Air Force. Recovery Care Coordinators serve as the focal point for non-clinical case management for wounded, ill and injured Airmen, developing comprehensive recovery plans and timelines for personal and career accomplishments. Further, the Air Force implemented new personnel policies regarding retention, retraining, promotions, assignments and evaluation of Wounded Warriors. These policy changes help Airmen continue pursuing their Air Force career goals while recovering. The FY 2012 Budget Request reflects an increase to Air Force Mortuary Affairs for extended family member travel and maintains the Center for the Families of the Fallen.



Team Air Force at the 2010 Warrior Games

Energy

The Air Force must reduce energy consumption and increase the use of renewable energy to meet a variety of Federal, Department and Service energy conservation and alternative energy goals. The Air Force is the Federal government's largest consumer of hydrocarbons. The FY 2012 Budget Request includes over \$550M for energy initiatives and focuses on reducing energy consumption through enhanced efficiency to improve mission effectiveness and reduce mission risk and cost.

Historically, the Air Force focus has been on achieving mandated energy efficiencies and alternative energy goals for facilities and ground vehicles. These efforts will continue; however, with the stand-up of the Director of Operational Energy Plans and Programs within the OSD, the FY 2012 Budget Request must also meet the DoD Operational Energy Strategy requirements. This strategy establishes near, mid and long-term operational energy goals for improving military capabilities, reducing costs and lowering operational and strategic risk through innovation and better accounting, planning and management of the energy. Meeting the Operational Energy Strategy with advanced energy innovation and management strategies will improve military operations and warfighting capabilities.

The Air Force is postured to cost-competitively acquire 50 percent of its domestic aviation fuel via an alternative fuel blend by 2016. All actions and testing to support certification of aircraft, infrastructure, support equipment and vehicles for unrestricted operational use of the Fischer-Tropsch-derived synthetic fuel blend has been completed. All fielded platforms except the MQ-9 and CV-22 have been certified for unrestricted operations using this synthetic fuel blend. In addition, the Air Force is rapidly progressing through the certification process for a Hydro-processed Renewable Jet (HRJ) fuel blend derived from plant oils and animal fat. In March 2010, an A-10 aircraft became the first aircraft to fly using the biomass-derived fuel blend. Since then, dedicated testing of the C-17 and F-15 aircraft, and F110 and F100 engines, has been successfully completed. The certification of Air Force assets on HRJ fuel blends is scheduled to be complete in late 2012. The Air Force is also pursuing advanced technology development and demonstration to support energy goals. For example, the Adaptive Versatile Engine Technology and the Highly Efficient Embedded Turbine Engine programs are forecast to increase fuel efficiency up to 30 percent as well as increase capabilities such as range and time-on-station.



First flight of an aircraft powered by a biomass-derived jet fuel blend

Aviation operations accounts for about 80 percent of energy used in the Air Force. The Air Force Deputy Assistant Secretary for Energy has adopted an enterprise approach to energy optimization. FY 2012 investments focus on Mobility Air Forces (MAF) since they are the DoD’s largest aviation fuel consumer and present the greatest enterprise optimization opportunity. Investments will provide warfighters with the decision support systems necessary to optimize operations allowing the Air Force to be as efficient as possible. Air Combat Command and AFSOC also fly large fixed wing aircraft similar to those in the MAF, which allows fuel efficiency initiatives sharing across the Service. The Air Force is implementing measures which will ensure freedom of action for any United States unit in any battle space.

Facilities account for roughly 15 percent of the Air Force’s total energy use. The Air Force energy vision is to reduce demand through conservation and efficiency, increase supply through alternative energy sources and create a culture where all Airmen consider energy consumption in everything they do. Successfully pursuing this vision, the Air Force is a Federal energy leader in advancing energy



Wind turbine at F.E. Warren AFB, WY

independence through coordinated efforts aimed at minimizing energy costs and leveraging proven technology in conservation measures and renewable energy development. The Air Force is committed to reducing greenhouse gas emissions and carbon footprint through the reduced use of fossil fuels consumed directly through vehicles and facilities and indirectly through consumption of fossil fuel-generated electricity from the national electric grids. For example, the Air Force will quadruple on-base solar energy production and dramatically increase wind energy for our facilities in the next few years. Table 38 shows how the Air Force has routinely exceeded the DoD goal for increasing reliance on renewable energy.

Table 38. Renewable Energy Produced/Procured

	FY06	FY07	FY08	FY09	FY10
Renewable Energy Produced/Procured as % of Total	9.6%	9.5%	5.7%	5.8%	6.4%
OSD Target	0.0%	3.0%	3.0%	3.0%	5.0%
Target Met	NA	●	●	●	●

In addition to increasing renewable energy use, Air Force efforts to evolve and expand the facility energy program resulted in meeting or exceeding other Federal energy mandates and goals for FY 2010. For example, water intensity was reduced by over 11 percent from the 2007 baseline, exceeding the six percent goal. Further, facility energy reduction continued to meet Federal goals as shown in Figure 40.

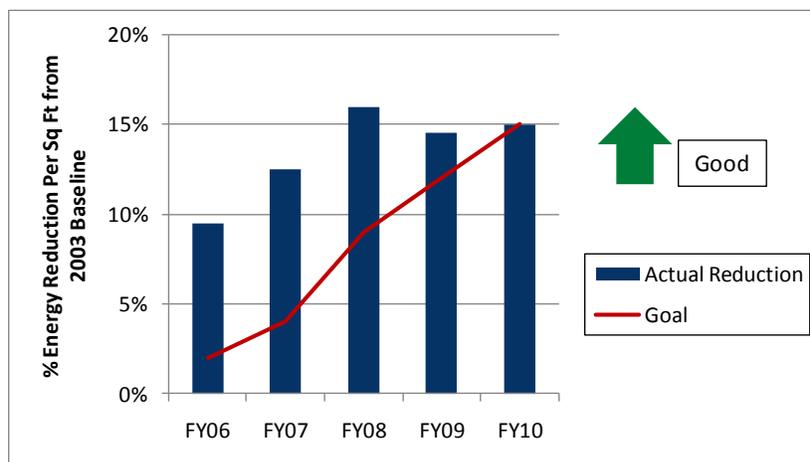


Figure 40. Energy Consumption Efficiency

As the energy landscape changes, goals are getting tougher to meet and capital investment budgets are getting tighter. The Air Force cannot rely on past successes to achieve long-term goals, but must be innovative to find ways to do business smarter, faster, better and cheaper. To leverage limited funding, the Air Force has reinvigorated the use of third-party-financed projects and reinvigorated its commitment to good resource stewardship. Reducing energy, fuel and water usage is critical to operational success and vital to our national security. Therefore, in FY 2011 and beyond, the Air Force will improve mission capabilities by evaluating paradigm-shifting technologies such as energy security, smart installations and micro-grids. More than \$225M is programmed for facility energy reduction efforts during each of the next five years. Facility audits will continue to help identify energy savings opportunities.

The Air Force vehicle management community has an ambitious list of initiatives to explore during FY 2011 and FY 2012 with some highlights including:

- Develop comprehensive plans to reduce vehicle idling by 50 percent
- Advocate funding for additional E85 stations to Defense Logistics Agency-Energy
- Standardize Air Force vehicular energy management governance for every MAJCOM/base
- Identify/develop an Air Force incentive program to reward vehicle fleet efficiencies
- Continue exploring advanced vehicle technologies such as all-electric and hydrogen powered vehicles

Air Force energy policy is specified in an Air Force Policy Directive and Instruction which formally establish energy goals, objectives and metrics. The Air Force Energy Plan is the operational framework for communicating these goals, objectives and metrics and guiding overall energy management and investment within the Air Force. Improving the Air Force's energy security posture is a force multiplier towards meeting the mission to fly, fight and win in air, space and cyberspace. Reducing dependence on fossil fuels, increasing energy and fuels diversity and supply, and creating an energy-aware culture saves lives, increases our freedom of action and improves the Air Force's financial position.

Recapture Acquisition Excellence

The Air Force continues to deliver superior weapons systems to meet a dynamic international environment marked by security challenges of unprecedented diversity. Air and space systems' extended operational lifetimes testify to superior capabilities of the Nation's industries and the Air Force acquisition community's ability to manage systems development, delivery and sustainment. The Nation benefits from these extended lifetimes, but there are also associated challenges which require the concerted stakeholder effort to justify needs, provide resources and deliver capabilities. The Air Force is addressing challenges through a high-level focus on the acquisition community, whose responsibility it is to deliver the needed air, space and cyberspace capabilities.



3-Star panel discussion at the DoD Acquisition Insight Conference

The Air Force has taken the following multi-faceted approach to recapture Acquisition Excellence: retained Acquisition Excellence as one of the five priorities in the Air Force Strategic Plan, delivered a fully implemented Acquisition Improvement Plan (AIP) to guide and shape current and future efforts, created a foundation for a robust Continuous Process Improvement (CPI) function within the Acquisition community and embarked upon implementing approximately 75 efficiency initiatives of varying scope and impact that address the Acquisition Enterprise down to individual program efforts.

Acquisition Improvement Plan: The AIP objective of “Recapturing Acquisition Excellence” includes the following five initiatives:

1. Revitalize the acquisition workforce
2. Improve the requirements generation process
3. Instill budget and financial discipline
4. Improve major systems source selections
5. Establish clear lines of authority and accountability within the acquisition organizations

All five initiatives, including 33 supporting actions such as training, policy updates, reporting, and performance measure development and tracking, have been implemented or completed to assure the intended effects are achieved and maintained. The AIP was praised by the Undersecretary of Defense for Acquisition who encouraged the other Services to follow this lead.

The Air Force continues to make progress in reinvigorating functional acquisition expertise to provide the best-equipped acquisition workforce possible. For example, the Air Force acquisition workforce will increase by more than 2,000 people over the FYDP. Further, a functional management structure that meets OSD policy on contract rating and reporting chain is being implemented to optimize functional expertise alignment and career progression. In addition, the Air Force tripled the number of Program Executive Officers from five to 16 to ensure business decisions benefit from enhanced oversight, stay within budget and are fully compliant with laws and regulations. The Air Force also revised the acquisition organizational structure to provide organizational flexibility, authority and accountability while maintaining program visibility. Furthermore, the Air Force substantially reengineered acquisition processes through the use of a Development Planning process as the entry point to acquisitions and a Configuration Steering Board to control requirements changes and review life-cycle cost and schedule.



Acquisition professionals attend the DoD Acquisition Insight Conference

The Air Force is moving forward to maintain acquisition improvements by having the Air Force Audit Agency develop a full AIP follow-up assessment. Additionally, Acquisition Enterprise performance measures developed concurrently with the AIP and discussed in further detail below, report how Air Force acquisitions reached desired outcomes.

Acquisition Excellence Continuous Process Improvements: The Air Force is obtaining greater efficiency and productivity in spending by pursuing a robust CPI function within Acquisition. Identified CPI opportunities will result in efficiency savings in overhead, support and non-mission areas that can be applied to higher mission priorities. The expected performance outcomes include, but are not limited to, the following:

- More effective Science and Technology organization to deliver warfighter capabilities
- Streamlined range infrastructure overhead, consolidated test facilities, and lower utilities
- Reduced acquisition unit cost of major end items through more efficient contract negotiations
- Reduced space procurement costs by developing balanced department efficiency targets with mission success principles

Acquisition Enterprise Metrics: The Air Force moved to an enterprise-based management model. The goal is to focus on strategic issues affecting multiple programs. Towards this end, the following enterprise performance measures are considered key to assessing enterprise health and measuring progress towards

achieving AIP objectives. The first measure, Figure 41, tracks Program Acquisition Unit Cost (PAUC) and provides a historical perspective of Major Defense Acquisition Program (MDAP) Acquisition Category (ACAT) I Unit Cost Growth. This metric was identified for its ability to monitor program cost growth while accounting for quantity fluctuations. Twenty-four out of 26 MDAP ACAT I programs experienced PAUC growth less than 15 percent from their initial Original Baseline Estimates.

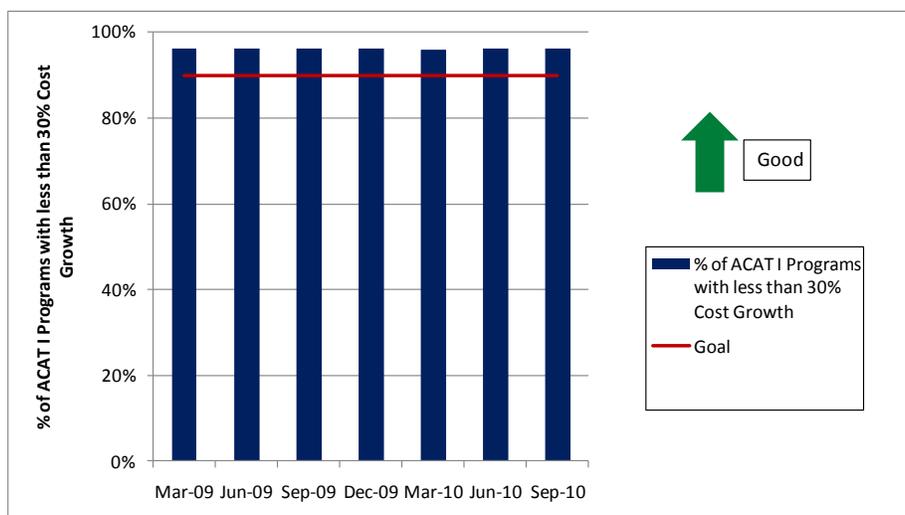


Figure 41. Program Acquisition Unit Cost Growth (Original Baseline Estimate vs. Current Program Estimate)

The second measure, Table 39, tracks Government Accountability Office (GAO) Protests. This provides information on how well the Air Force is executing its source selections. The metric tracks the number of contracting actions performed, number of procurements protested and number of protests that were sustained. From FY 2008 through FY 2010, only five protests were sustained of more than 600,000 contract actions performed.

Table 39. GAO Protest Sustainment Rate with Corrective Actions

	FY08	FY09	FY10
Acquisitions	206,000	207,000	194,000
MDAP Acquisitions Protested	121	116	155
MDAP Protests Upheld	2	1	2

The Air Force understands that improving acquisition will not come quickly. It will take a sustained, collaborative effort on the part of many and each action will build upon others. The combination of a stronger workforce, clearly defined requirements, meaningful metrics, incremental development strategies and predictable schedules and budgetary needs all improve communication with industry. These actions will enable industry to provide clearly defined, best value solutions for Air Force warfighting requirements.

Business Process Improvements

To ensure leadership has reliable and relevant information to monitor efficiency and financial goals, the Air Force is emphasizing work in financial improvement and audit readiness. In FY 2012, the Air Force will dedicate \$29M to audit readiness and validation and \$327M to modernize business systems. The most significant of these systems is the Expeditionary Combat Support System (ECSS) and Defense Enterprise Accounting and Management System (DEAMS).

Expeditionary Combat Support System: The ECSS will establish the Air Force's first capability to globally view, standardize and manage logistics resources. Designed to close process gaps and increase transparency, ECSS will use enterprise resource planning software to more efficiently manage major end items, materiel, people, training and funds. ECSS is an integrated data environment that combines financial, manufacturing, distribution and other business processes into a single system hosted on the Air Force Global Combat Support System. It replaces more than 240 Cold War-era standalone systems being used today and will ensure Air Force logisticians ultimately have an integrated end-to-end supply chain that enables them to do their jobs. It will also provide Air Force officials with a complete global logistics picture in one system. Pilot programs were established at several Air Force bases in 2010, and Aviano AB, Italy began live implementation in January 2011. Air Force-wide implementation will occur over the next two years.

Defense Enterprise Accounting and Management System: The DEAMS provides an integrated, modern financial system for the Air Force and United States Transportation Command (USTRANSCOM). DEAMS improves upon outdated and unreliable financial management processes and systems, resulting in accurate, reliable and timely information to decision makers at all levels. Building upon successes using commitment accounting, DEAMS started providing full accounting functionality at Scott AFB, IL in FY 2010. Full accounting capabilities include general accounting; project accounting; revenue and billing; and property, plant and equipment. This accomplishment provides, for the first time, the Air Force and USTRANSCOM with a transaction-based general ledger, a significant step towards attaining auditable financial statements. Looking forward, DEAMS is on track to be fully deployed throughout the Air Force by 2017.

Military Construction

In FY 2011, the Air Force requested just under \$1.5B for the Active, Guard and Reserve MILCON programs. The program is robust and affects 26 states, seven countries, and Guam. The FY 2012 request grows by \$97M and funds the Air Force's most critical requirements, including projects supporting B-52 and F-16 realignments and multiple beddowns and upgrades for F-22, F-35, HC-130J, EC-130H, RPA and mission support facilities. The FY 2012 request supports several COCOM requirements with the first increment of the United States Strategic Command (USSTRATCOM) Headquarters replacement facility, at a cost of \$150M, key among them. Additionally, to enhance United States Transportation Command's ability to reach globally in the Pacific and Asian AORs, funding is requested for a \$35M Air Freight Terminal Complex at Joint Region Marianas, Andersen AFB, Guam. Finally, planning and design funds are programmed for future MILCON projects for an Integrated Cyber Center and a Joint Space Operations Center, both supporting USSTRATCOM.

Weapon System Sustainment

The Air Force requirement to fund weapons system sustainment continues to grow as the life of legacy aircraft are extended while at the same time many new aircraft are acquired and added to the fleet. To address this requirement, the Air Force initiated an end-to-end assessment of depot performance, contract logistics support and supply chain management to improve the requirements process, find efficiencies and develop readiness-linked metrics. The thorough assessment resulted in the development of \$3B in efficiencies over the FYDP. These efficiencies will allow the Air Force to fund weapons system sustainment at 84 percent with OCO in FY 2012. This improves readiness levels and ensures adequate weapons systems and personnel are available to meet requirements specified in operational warfighting plans.



Airmen change a constant speed drive on a B1-B

Section 4: Working Capital Fund

A Defense Management Review Decision established the Defense Working Capital Funds (WCF) for the purpose of carrying out specific mission activities in a more business-like manner. This creates a market-like financial framework to provide customers common goods and services in the most efficient way possible. Thus the Air Force Working Capital Fund (AFWCF) is designed to operate on a break-even basis and provides maintenance services, weapon system spare parts, base supplies, and transportation services. In support of the Air Force Core Functions, these AFWCF services and products are integral to readiness and sustainability of air and space assets and the ability to deploy forces around the globe.

The AFWCF conducts business in two primary areas: depot maintenance and supply management. The maintenance depots provide the equipment, skills and repair services necessary to keep forces operating worldwide. The supply management activities procure and manage inventories of consumable and repairable spare parts required to keep all elements of the force structure mission ready. Directly or indirectly, AFWCF activities provide warfighters the key services needed to meet mission capability requirements.

Figure 42 shows how customers place an order with a working capital fund provider and are later billed for the goods and services provided.

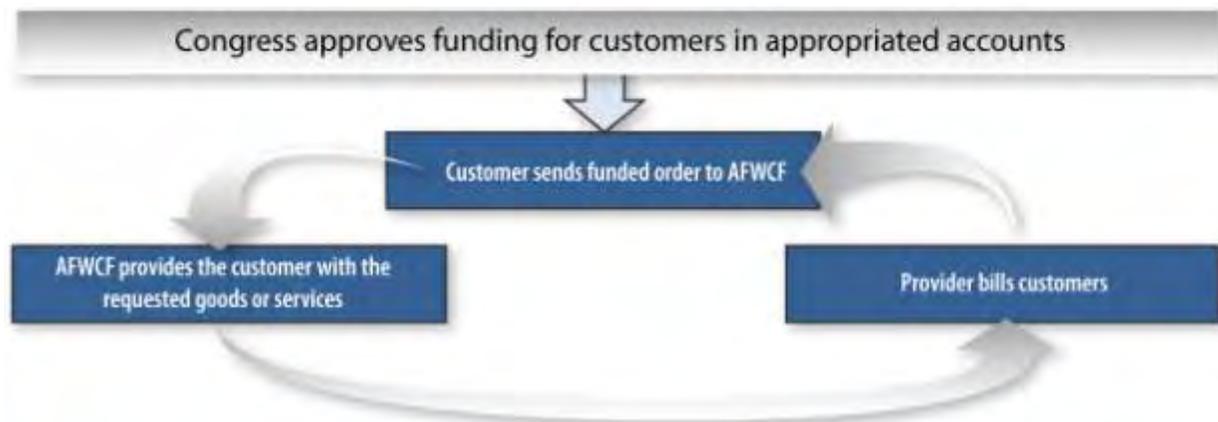


Figure 42. Working Capital Fund Business Process

The FY 2012 AFWCF Budget Request reflects current execution plans. Air Force logistics and business processes are continuously improved to meet customer needs within the time and location requirements specified. Main points of the FY 2012 AFWCF Budget Request are reflected in Table 40.

Table 40. Air Force Working Capital Fund

Air Force Working Capital Fund (\$M)	FY10	FY11	FY12
Total Revenue	25,730.9	26,739.6	25,093.3
Cost of Goods Sold	25,596.1	26,671.2	26,029.8
Net Operating Result (NOR)	43.7	1.5	(1001.9)
Accumulated Operating Result ¹	221.3	481.3	(7.3)
Capital Budget	429.6	322.8	335.5
Direct Appropriation – War Reserve Material	926.8	83.9	77.4

*Includes Transportation Working Capital Funds data

Working Capital Fund Organization

The AFWCF conducts business under two primary groups: The Consolidated Sustainment Activity Group (CSAG) and the Supply Management Activity Group – Retail (SMAG-R). The Transportation Working Capital Fund (TWCF) is a part of the AFWCF budget submission; however, the Air Force is only charged with cash oversight and does not have operational responsibility. Figure 43 shows how the activity groups align in the Working Capital Fund, and will be discussed further below.

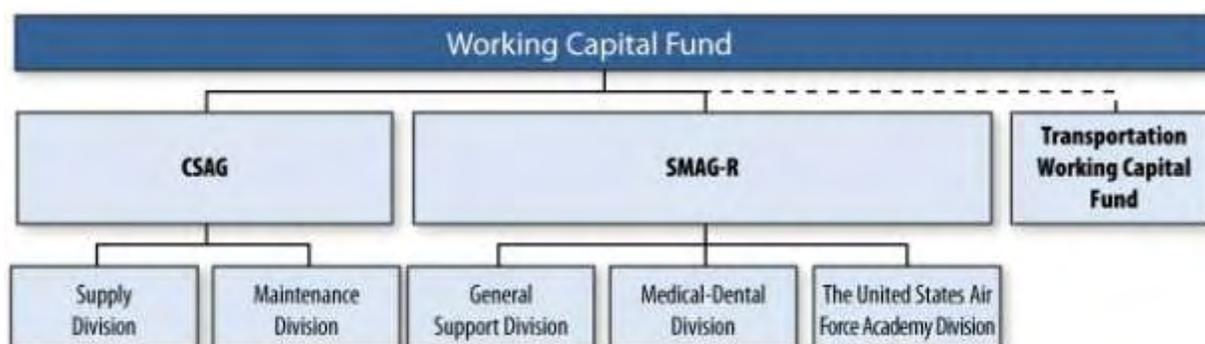


Figure 43. Air Force Working Capital Fund Activity Groups

Consolidated Sustainment Activity Group

The CSAG provides maintenance services and supply management of repairable and consumable items. Maintenance and supply customers include Air Force Major Commands (including Air National Guard & Air Force Reserve), the Army, the Navy, other WCF activities such as the TWCF, other government agencies and foreign countries.

- The **Supply Division** is primarily responsible for Air Force-managed, depot-level repairable spares and consumable spares unique to the Air Force. In addition to management of these inventories, the Supply Division provides a wide range of logistics support services including requirements forecasting, item introduction, cataloging, provisioning, procurement, repair, technical support, data management, item disposal, distribution management and transportation.

¹ Includes Non-Recoverable Accumulated Operating Result Adjustments

- The **Maintenance Division** repairs systems and spare parts to ensure readiness in peacetime and to provide sustainment for combat forces in wartime. In peacetime, the Air Force enhances readiness by efficiently and economically repairing, overhauling and modifying aircraft, engines, missiles, components and software to meet customer demands. Depot maintenance sites include:
 - Ogden Air Logistics Center (OO-Air Logistics Center[ALC]), Hill AFB, UT
 - Oklahoma City Air Logistics Center (OC-ALC), Tinker AFB, OK
 - Warner Robins Air Logistics Center (WR-ALC), Robins AFB, GA
 - Aerospace Maintenance and Regeneration Group, Davis-Monthan AFB, AZ

Table 41. Air Force Working Capital Fund CSAG Financial and Performance Summary

Financial Performance (\$M)	FY 10	FY 11	FY 12
Total Revenue ²	7,841.3	9,342.1	9,023.2
Total Expenses	7,864.4	9,108.9	9,179.7
Net Operating Results	(23.1)	233.2	(156.5)
Accumulated Operating Results	(68.0)	156.5	0.0

Numbers may not add due to rounding.

Table 42. Air Force Working Capital Fund CSAG Cash Management

Cash Management (\$M)	FY 10	FY 11	FY 12
Beginning of Period (BOP) Cash Balance	569.1	239.4	363.7
Disbursements	7,914.2	9,158.3	9,198.0
Collections	7,829.3	9,330.2	9,088.4
Transfers (+/-)	(244.8)	(47.5)	-
Changes in Cash	(329.7)	124.3	(109.6)
Cash Balance	239.4	363.7	254.1

Numbers may not add due to rounding.

Table 43. Air Force Working Capital Fund CSAG Item Quantity Requirements

Supply Item Quantity Requirements	FY 10	FY 11	FY 12
Number of Issues	2,516,493	2,388,152	2,330,836
Number of Receipts	2,298,016	2,180,817	2,128,478
Number of Requisitions ³	799,170	758,412	740,210
Contracts Executed ⁴	2,971	3,087	3,087
Purchase Inflation	4.05%	4.00%	4.00%
Items Managed	94,406	94,406	94,406

² Includes revenue adjustment to account for depreciation recognized on buildings capitalized into the Maintenance Division.

³ Requisitions are lower than issues due to CSAG-Supply requisitions containing quantities greater than one, while issues are counted per unit. For example, one requisition for a National Stock Number (NSN) may order a quantity greater than one. When the requisitioned NSNs are issued, each unit is counted as an individual issue.

⁴ Contracts containing multiple fund citations have been omitted because the current contracting system cannot distinguish supply funding under those conditions.

Supply Management Activity Group – Retail

The Air Force SMAG-R is the Air Force's primary purchaser of consumable inventory. It is comprised of three divisions: General Support, Medical-Dental and the United States Air Force Academy. Together they provide goods, logistics support services and medical supplies and equipment to support forces.

Table 44. Air Force Working Capital Fund SMAG-R Revenue, Expenses and Net Operating Results

Revenue, Expenses and Net Operating Result (\$M)	FY 10	FY 11	FY 12
Total Revenue	3,837.1	4,205.5	4,307.7
Total Expenses ⁵	3,769.2	4,096.0	4,261.2
Operating Results	67.9	109.5	46.5
Other Adjustments (War Reserve Materiel)	(64.1)	(66.8)	(65.4)
Net Operating Results (NOR)	3.9	42.7	(18.9)
Non-Recoverable Accumulated Operating Result Adjustment	(90.4)	-	-
Accumulated Operating Results	(23.8)	18.9	0.0

Numbers may not add due to rounding.

Table 45. Air Force Working Capital Fund SMAG-R Cash Management

Cash Management (\$M)	FY 10	FY11	FY 12
BOP Cash Balance	127.3	70.1	163.9
Less: Disbursements	3,831.9	4,148.2	4,334.4
Collections	3,758.1	4,127.6	4,233.9
War Reserve Material	64.1	66.9	65.4
End of Period Cash Balance	70.1	163.9	128.8

Numbers may not add due to rounding.

- The **General Support Division (GSD)** provides consumable goods to support field and depot maintenance of aircraft, electronics systems and communications equipment. The GSD manages stock levels and procurement for critical OCO requirements, as well as many items related to installation, maintenance and administrative functions.
- The **Medical Dental Division** provides all supplies and equipment for the Air Force medical treatment facilities. They are also responsible for the maintenance of the War Reserve Materiel (WRM) stockpile. War Reserve Materiel provides initial medical and dental supplies and equipment to the warfighter until permanent supply chains can be established.
- The **Air Force Academy Division** procures uniforms and accessories for approximately 4,500 cadets.

⁵ Includes WRM adjustment to NOR

Table 46. Air Force Working Capital Fund SMAG-R Stockage Effectiveness⁶

Division	FY 10	FY 11	FY 12
General Support	88%	90%	90%
Medical-Dental	86%	86%	86%
Academy	95%	95%	95%

Table 47. Air Force Working Capital Fund SMAG-R Quantity Requirements

Item Quantity Requirements	FY 10	FY 11	FY 12
Number of Issues	7,338,951	7,468,127	7,695,036
Number of Receipts	8,106,364	8,326,025	8,387,472
Number of Requisitions	7,285,478	7,470,879	7,557,202
Contracts Executed	12,201	13,009	13,212
Purchase Inflation	2.37%	4.44%	3.81%
Items Managed	1,095,227	1,095,580	1,095,911

Transportation Working Capital Fund

The TWCF is a part of the AFWCF budget submission; however, the Air Force is responsible only for cash oversight and does not have day to day operational management responsibilities. United States Transportation Command (USTRANSCOM) manages all common aspects of the global mobility system. They synchronize the deployment, distribution and sustainment of forces to achieve maximum efficiency and interoperability by eliminating duplication and nonstandard practices. USTRANSCOM's ability to move and sustain sufficient numbers of United States forces, equipment and supplies enables us to defend vital national interests anywhere in the world at a moment's notice.



A C-17 Globemaster III aircrew loads a Marine Corps M1A1 Abrams tank for aerial transport to Afghanistan

Cash Management

In FY 2010, the AFWCF cash balance decreased \$464.1M primarily due to transferring \$250 million to Air Force Operation and Maintenance appropriation as congressionally directed; \$47.5 million to AF Military Personnel appropriation and \$40.0 million to Defense Logistics Agency in support of the Distribution Process Owner Strategic Opportunities initiatives.

In FY 2011, AFWCF cash increases \$431.5M primarily due to greater than anticipated USTRANSCOM and Air Force workloads. In FY 2012, AFWCF cash decreases \$632.3 million primarily due to Air Force and USTRANSCOM returning gains.

⁶ Stockage Effectiveness measures how often the supply system has available for immediate sale those items it intends to maintain at base and depot level supply locations.

Table 48. Air Force Working Capital Fund Cash

Air Force Working Capital Fund Cash Including TWCF (\$M)	FY10	FY11	FY12
BOP Cash Balance	1,409.1	944.7	1,376.2
Disbursements	25,611.1	26,847.8	26,103.0
Collections	24,557.4	27,195.5	25,393.2
Transfers	(337.5)	-	-
Direct Appropriations			
Fallen Heroes	15.3	15.0	10.0
Fuel	847.4	-	-
War Reserve Maintenance	64.1	66.9	65.4
Container Consolidation	-	2.0	2.0
EOP Cash Balance	944.7	1376.2	743.9
7-Days of Cash	903.5	923.6	857.8
10-Days of Cash	1,195.6	1,232.6	1,158.3

Numbers may not add due to rounding.

FY 2012 Budget Estimates

The United States confronts a dynamic international environment marked by challenges of unprecedented diversity. The FY 2012 AFWCF budget's primary purpose is to contribute to meeting these challenges by supporting the Air Force's Core Functions through maintenance, weapon systems spare parts, base supplies and transportation services. Estimates included in this submission are based on the current execution plans of customers. Successful AFWCF operations are essential to ensure warfighters receive the right item at the right place, right time and lowest cost.

Conclusion

The FY 2012 Budget Request provides the capabilities necessary for the Air Force to support Combatant Commanders while executing the priorities laid out in the Quadrennial Defense Review and National Defense Strategy. The request supports the Secretary of Defense's initiative to identify and reduce excess costs in overhead and support functions, and allocate the savings to force structure, modernization and readiness. It further strikes a balance between the need to succeed in current conflicts while preparing for emergent threats, and balances a portfolio of capabilities across the 12 Air Force Core Functions to deliver *Global Vigilance, Reach* and *Power* for the Nation.

The United States Air Force remains committed to supporting the Joint fight and excelling as stewards of Air Force resources in service to the American people. The Air Force is a trusted and reliable partner in the Joint mission and will support it first and foremost.

Acronyms

3DELRR	Three-Dimensional Expeditionary Long-Range Radar
ACAT	Acquisition Category
AEHF	Advanced Extremely High Frequency
AESA	Active Electronically Scanned Array
AF/A10	Assistant Chief of Staff of the Air Force, Strategic Deterrence and Nuclear Integration
AFB	Air Force Base
AFCYBER	Air Force Cyber Command
AFGSC	Air Force Global Strike Command
AFNet	Air Force Network
AFNWC	Air Force Nuclear Weapons Center
AFR	Air Force Reserve
AFRC	Air Force Reserve Command
AFRS	Air Force Recruiting Service
AFSOC	Air Force Special Operations Command
AFSOF	Air Force Special Operations Forces
AFWCF	Air Force Working Capital Fund
AIP	Acquisition Improvement Plan
ALC	Air Logistics Center
ALO	Air Liaison Officer
AMRAAM	Advanced Medium-Range Air-to-Air Missile
ANG	Air National Guard
AOC	Air and Space Operations Center
AOR	Area of Responsibility
ARB	Air Reserve Base
AWACS	Airborne Warning and Control System
B	Billion
BMT	Basic Military Training
BOP	Beginning of Period
BPC	Building Partnership Capacity
BRAC	Base Realignment and Closure
C2	Command and Control
CAP	Combat Air Patrol
CASEVAC	Casualty Evacuation
COCOM	Combatant Command
COLE	Cyberspace Operations Liaison Element
CONNECT	Combat Network Communications Technology
CONUS	Continental United States
CPI	Continuous Process Improvement
CSAF	Chief of Staff, United States Air Force
CSAG	Consolidated Sustainment Activity Group
CVLSP	Common Vertical Lift Support Platform
CWSAB	Critical Wartime Skills Accession Bonus
CY	Calendar Year
DCGS	Distributed Common Ground System
DEAMS	Defense Enterprise Accounting and Management System
DLIELC	Defense Language Institute English Language Center
DoD	Department of Defense
DWSS	Defense Weather Satellite System

EASE	Evolutionary Acquisition for Space Efficiency
ECSS	Expeditionary Combat Support System
EELV	Evolved Expendable Launch Vehicle
FAP	Financial Assistance Program
FQ	Fully Qualified
FSRM	Facilities, Sustainment, Restoration and Modernization
FTI	Food Transformation Initiative
FY	Fiscal Year
FYDP	Future Years Defense Program
GAO	Government Accountability Office
GEO	Geosynchronous Earth Orbit
GPS	Global Positioning System
GSD	General Support Division
HARM	High Speed Anti-Radiation Missile
HRJ	Hydro-processed Renewable Jet
IAS	International Affairs Specialist
ICBM	Intercontinental Ballistic Missile
ISR	Intelligence, Surveillance and Reconnaissance
JASSM	Joint Air-to-Surface Standoff Missile
JDAM	Joint Direct Attack Munitions
Joint STARS	Joint Surveillance Target Attack Radar System
JTAC	Joint Terminal Attack Controller
LAAR	Light Attack Armed Reconnaissance Aircraft
LEAP	Language Enabled Airmen Program
LiMA	Light Mobility Aircraft
LRS	Long Range Strike
LS/HD	Low Supply/High Demand
M	Million
MAF	Mobility Air Forces
MAJCOM	Major Command
MDAP	Major Defense Acquisition Program
MILCON	Military Construction
MILPERS	Military Personnel
Milstar	Military Strategic, Tactical and Relay
MOP	Massive Ordnance Penetrator
NATO	North Atlantic Treaty Organization
NOB	Nuclear Oversight Board
NOR	Net Operating Result
NSN	National Stock Number
NSS	National Security Space
NWRM	Nuclear Weapons Related Material
O&M	Operation and Maintenance
OCO	Overseas Contingency Operations
OEF	Operation Enduring Freedom
OIF	Operation Iraqi Freedom
OND	Operation New Dawn
ORS	Operationally Responsive Space

OSD	Office of the Secretary of Defense
PAS	Political-Military Affairs Strategist
PAUC	Program Acquisition Unit Cost
PHO	Public Health Officer
PIC	Positive Inventory Control
PNT	Positioning, Navigation and Timing
PR	Personnel Recovery
QDR	Quadrennial Defense Review
RAMMP	Reliability and Maintainability Maturation Program
RAS	Regional Affairs Strategists
RD&A	Research, Development and Acquisition
RDT&E	Research, Development, Test and Evaluation
RERP	Reliability Enhancement and Re-engining Program
RJ	RIVET JOINT
RPA	Remotely Piloted Aircraft
SATCOM	Satellite Communications
SBIRS	Space Based Infrared System
SBSS	Space Based Surveillance Satellite
SCO	Security Cooperation Officer
SecAF	Secretary of the Air Force
SECDEF	Secretary of Defense
SLEP	Service Life Extension Program
SMAG-R	Supply Management Activity Group-Retail
SOF	Special Operations Forces
SRB	Selective Reenlistment Bonus
SSA	Space Situational Awareness
START	Strategic Arms Reduction Treaty
TFI	Total Force Integration
TOA	Total Obligation Authority
TSR	Traumatic Stress Response
TWCF	Transportation Working Capital Fund
USAFA	United States Air Force Academy
USCENTCOM	United States Central Command
USCYBERCOM	United States Cyber Command
USSOCOM	United States Special Operations Command
USSTRATCOM	United States Strategic Command
USTRANSCOM	United States Transportation Command
WCF	Working Capital Fund
WGS	Wideband Global SATCOM
WRM	War Reserve Materiel
WSS	Weapon System Sustainment
YoAFF	Year of the Air Force Family



FY 2012 Budget Overview
<http://www.saffm.hq.af.mil/budget/>