



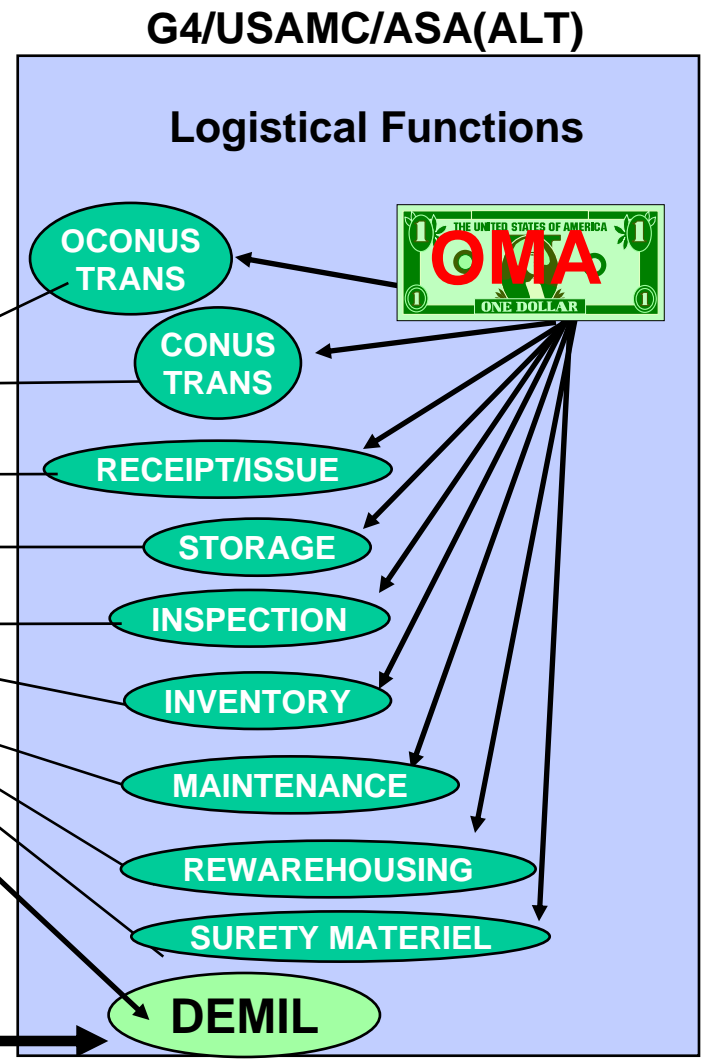
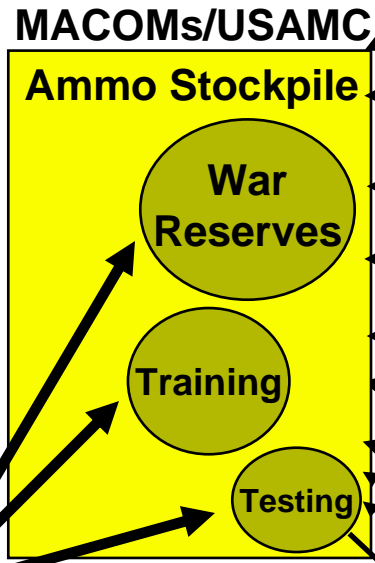
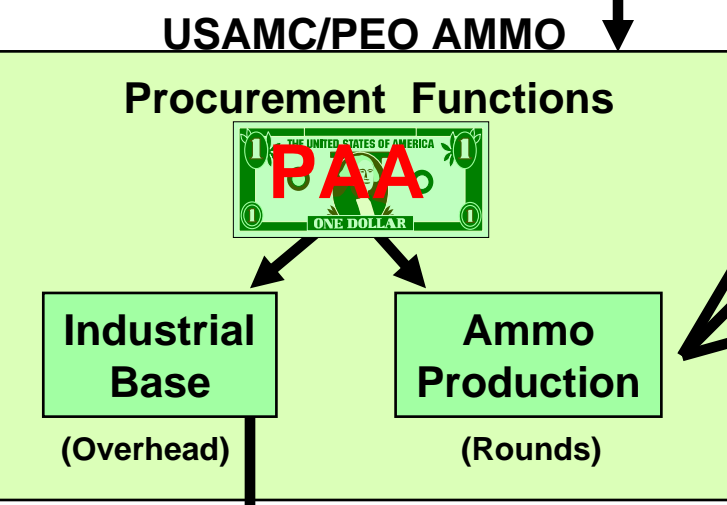
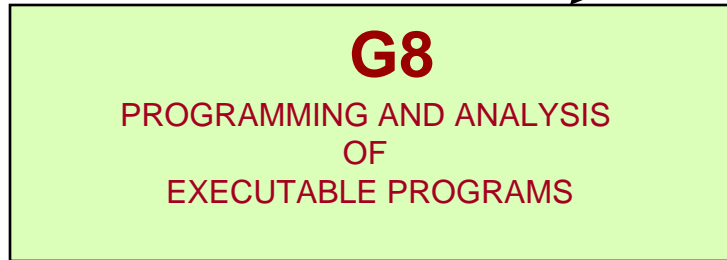
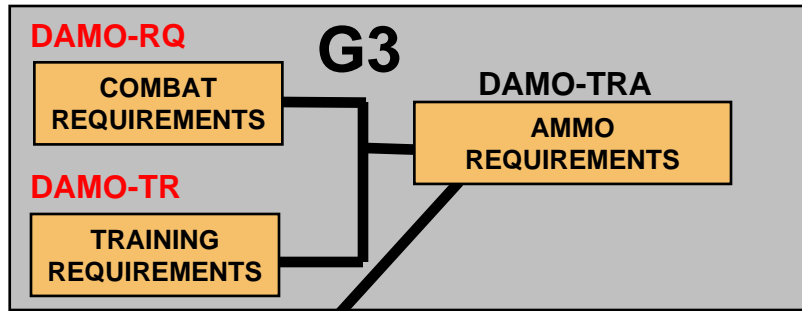
AMMO FUNDING 101

*Mr. Don Chrans
Army G8 / FDX Munitions Division*

February 2008

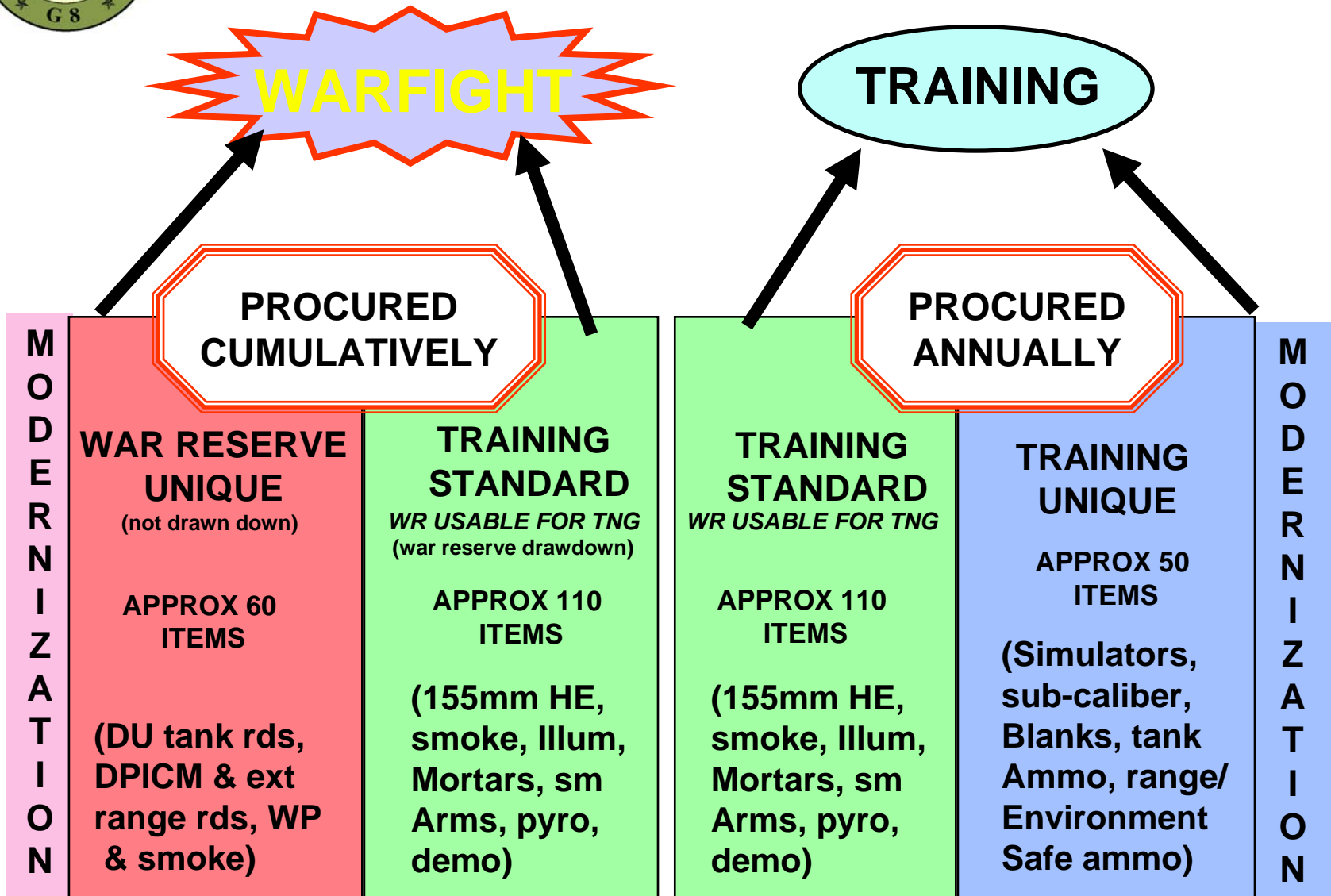


How Ammo Works



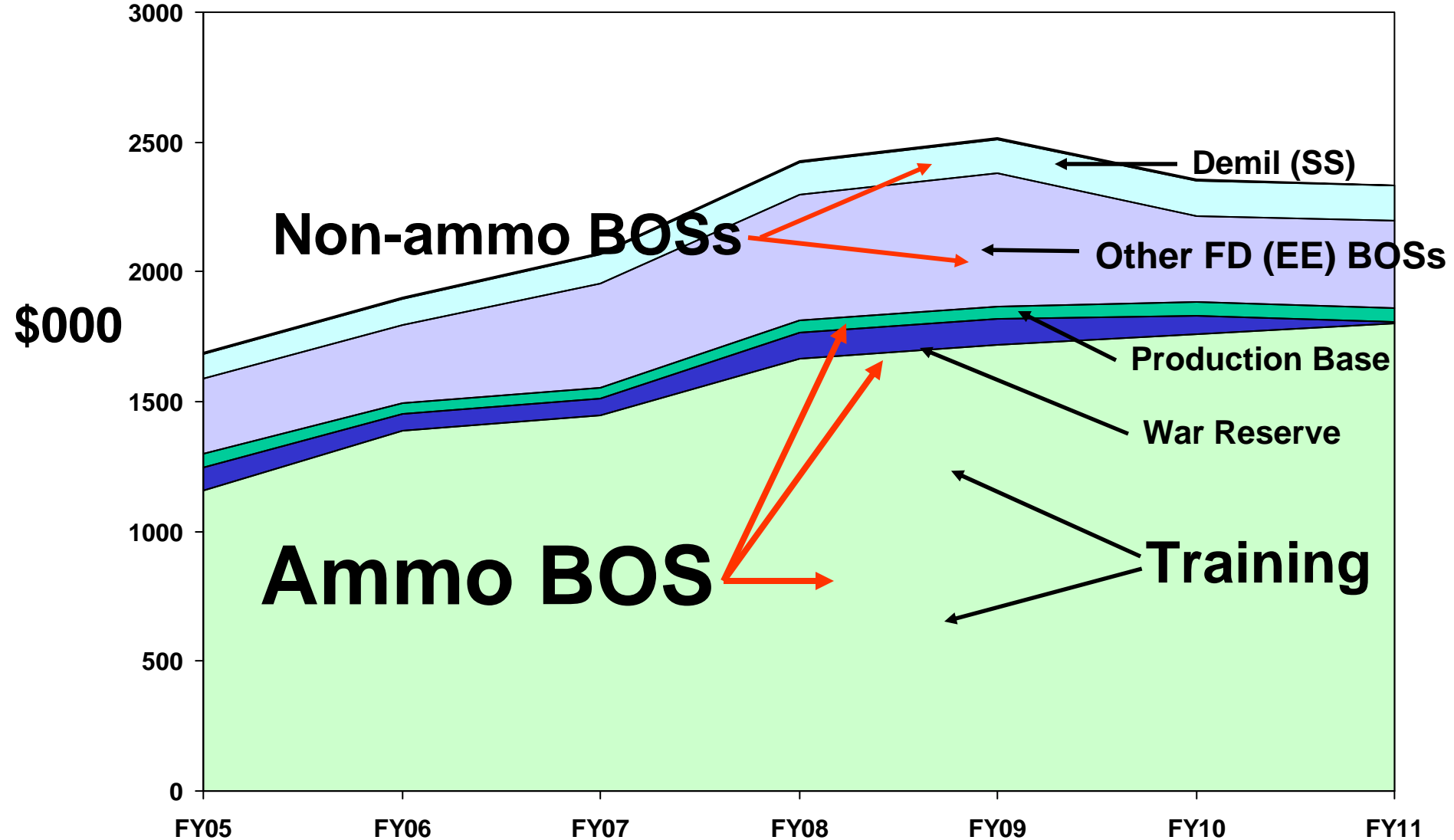


Ammunition Categories





Total Ammunition (PAA) Picture





What is PAA?

(Procurement of Ammunition, Army)

Two Activities:

- Activity 1 - Ammunition

- Training/Test Ammo
- War Reserve Fill
- Hydra Rockets Training Ammo
- War Reserves/Modernization

Supplemental?

- Activity 2 - Prod Base Support

- Industrial Facilities
- ARMS*
- Demil -

FY05

\$1409M

\$1033M - Ammo BOS

\$88M - Ammo BOS.

\$127M - Aviation BOS

\$161M - Other FD BOSs.

\$148M

\$48M - Ammo BOS.

\$5M - Ammo BOS.

\$95M - SS PEG / G-4

Source: FY05-09 BP 1.0 dated 7 Jul 04

* ARMS – Armament, Retooling and Manufacturing Support (Provides for maintenance of laid away facilities, asset modernization, overhead reduction of product and asset ownership requirements through support ARMS program.)



What is Ammo BOS?

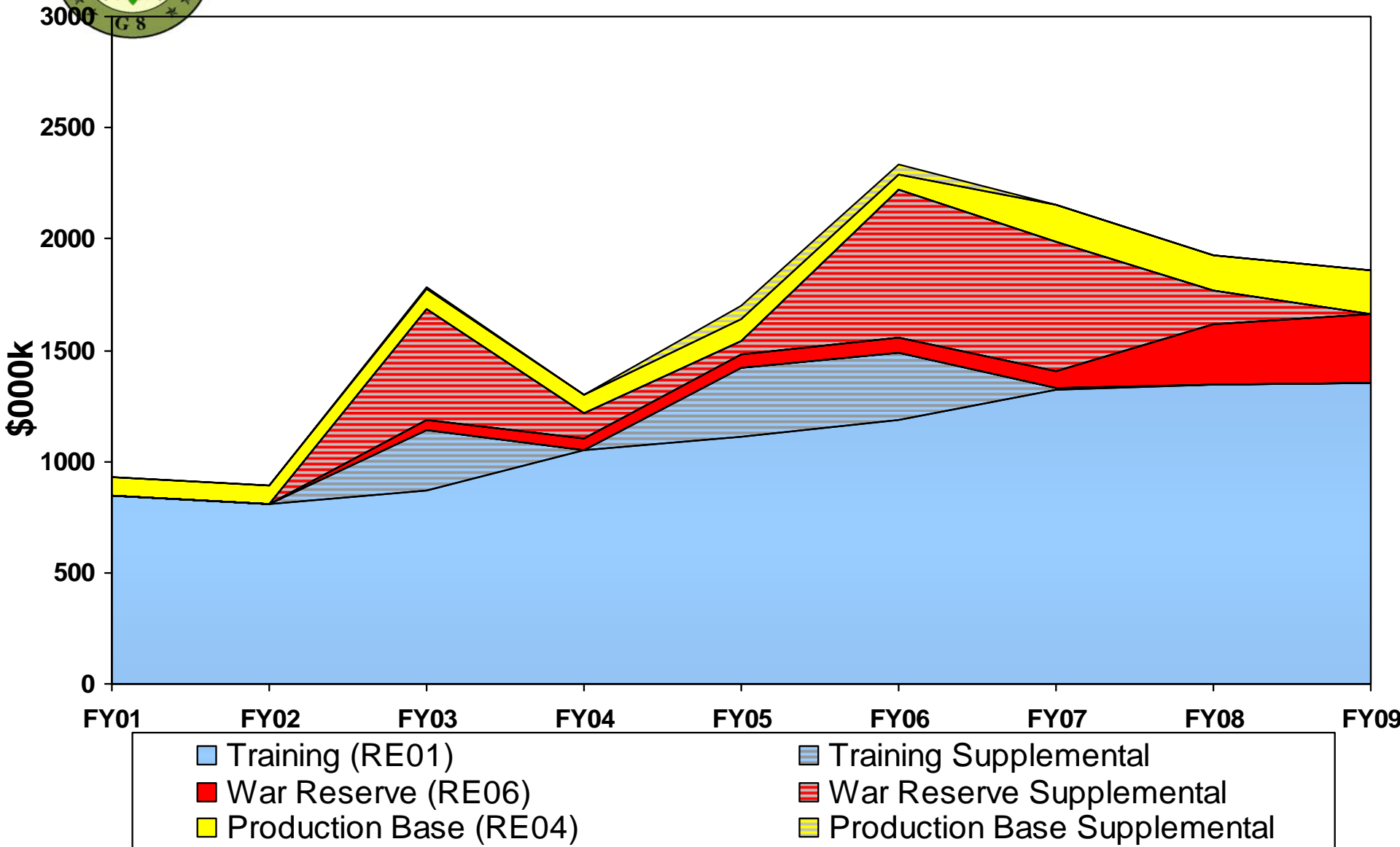
Three Major Decision Packages (MDEPs)

		<u>FY 08 \$\$</u>
1. RE01	TRAINING AMMO	\$1519M
2. RE06	WAR AND OPS AMMO	\$ 108M
3. RE04	PRODUCTION BASE	<u>\$ 156M</u>
	TOTAL	\$1783M

- Does not include no-Ammo BOS items (Hydra Rockets, Excaliber, M829A3, etc. in RE01 Or RE06, and does not include Demil in RE04

AMMO FY01-09 Funding by MDEP

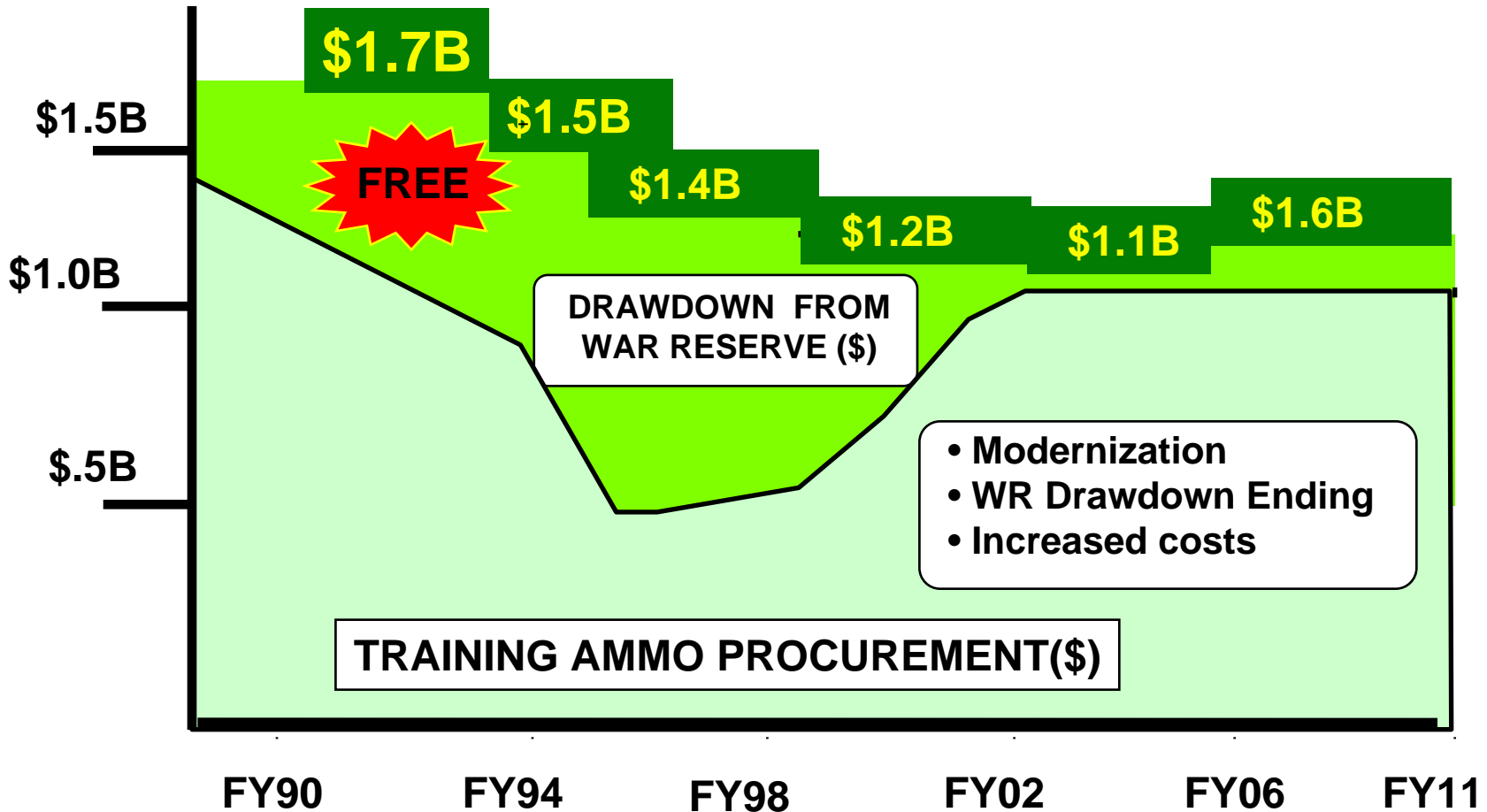
Ammunition BOS - PAA





Training Historical View

War Reserves Use Ending





Ammo Procurement Summary

Ammo Funding is a Balancing Act

- **Training**
 - Provide enough ammo for units to train
 - Buy enough ammo to replenish what is expended
- **War and Operations**
 - **SUSTAIN SOLDIERS IN CURRENT OPERATIONS**
 - Replenish stocks expended in operations
 - Build/Replenish War Reserve stocks
 - Modernize stocks in the process
- **Industrial Base**
 - Replace/Upgrade/Repair organic capabilities
 - Transition to efficiency upgrades
 - Ramp down production to avoid sharp changes