



UNITED STATES ARMY

THE CHIEF OF STAFF

MAR 16 2015

The Honorable Nita M. Lowey
Ranking Member
Committee on Appropriations
United States House of Representatives
Washington D.C. 20515

Dear Representative Lowey:

The enclosed report, prepared in accordance with section 1003 of the National Defense Authorization Act for Fiscal Year (FY) 2013 (P.L. 112-239) provides the Army's list of unfunded priorities.

I would first like to convey my gratitude for the support of the Congress in passing the FY 2015 Omnibus Consolidated and Further Continuing Appropriations Act (P.L. 113-235) and their steadfast support and commitment to U.S. Army Soldiers, Civilians, and our Families. The current Appropriations Act and the Bipartisan Budget Act (BBA) of 2013 provided the Army some relief from the Budget Control Act (BCA) defense spending caps in FY 2014. However, the reality is reduced funding levels over the past two and a half years impacted every aspect of the Army, particularly training, readiness, and our modernization programs. The FY 2016 President's Budget request, while emphasizing readiness, will only generate the minimum readiness required to meet the current Defense Strategy.

Unlike previous eras and conflicts, today's rapidly changing security environment simply does not afford the time to regenerate capabilities when needed. Consequently, our Army must be sized, shaped, organized, recruited, trained, and equipped for the world in which we live. Our unfunded priorities request is designed to rebuild the cumulative readiness lost within the Army and reduce risk in our modernization programs that is degraded under the BCA and BBA funding levels, while we continue to reduce the overall size of the Army in an environment of accelerating global instability.

In response to unforeseen contingencies, demand for Army capabilities and presence continues to increase across all Combatant Commands. The Army remains the backbone of the Joint Force providing unique capabilities and flexible options to operate in multiple regions simultaneously, in all phases of military operations. Enclosure 1 contains our detailed requirements and identifies known gaps in training, installation readiness, and modernization throughout the Total Army.

As part of the budget reduction process since 2012, the Army made difficult choices. We accepted mid-term risk in our Modernization programs and focused near-term priorities on the Soldier and the squad. By the end of this fiscal year we will have reduced our Regular Army end strength by over 80,000 Soldiers, 8,000 in the Army National Guard and 7,000 in the Army Reserve, and will continue reductions for several years to come. Our unfunded priorities reflect a move to restore the imbalance in our modernization portfolio while maintaining fiscal responsibility through incremental improvements of existing platforms. Specifically, our unfunded priorities request includes modernizing and enhancing our network cyber security for critical installations in Continental US, Europe and Korea; providing additional Missile Segment Enhancement (MSE) capability to the battle-proven Patriot Advanced Capability-3 (PAC-3) Missiles in support of Combatant Commander's Integrated Priority Lists; and modernizing sensor

capability to improve AH-64E Apache helicopter survivability and the MQ-1C Gray Eagle Unmanned Aerial Vehicle intelligence, surveillance, and reconnaissance capabilities.

With additional Operating Tempo and flying hours funding all components would achieve the highest levels of readiness within the sustainable readiness construct. Active Component forces could train to Brigade Combat Team (BCT) proficiency and the Reserve Component will train to Company level proficiency. Additional funding would also reduce medical readiness risk in our Reserve Components and allow the Army to reduce the backlog of Soldiers waiting to attend Initial Rotary Wing pilot training, thereby improving the Army's ability to fully man our Aviation units.

To address risk in our installation infrastructure and security, the unfunded requirements list significantly improves installation readiness and access control that has been degraded under the cumulative impacts of reduced funding. Funding for Base Operation Support and Facility Sustainment would increase to satisfy the full requirement across the Total Army, providing much needed stability for installation services and infrastructure. The military construction request accelerates key readiness and training projects to meet Army priorities for readiness and taking care of our most important asset, our Soldiers.

Operational and fiscal environments are straining the Army as we attempt to balance end strength, readiness, and modernization to meet current demands while building the foundations of a force that can meet future challenges. Our strategic partnership with Congress is absolutely critical to the Army's success. Simply put, our Soldiers and Civilians could not do what they do each day without your support. Our Army needs Congressional support now more than ever. The decisions we make this year and next on our fiscal policy, and related end strength, readiness, and modernization, will directly impact the security of the United States and the world for decades to come.

I am providing copies of this letter to the chairs and ranking members of the Congressional Defense committees as well as the Secretary of Defense and Chairman of the Joint Chiefs of Staff.

I thank you for your enduring and committed support for our Soldiers and their Families ensuring our Nation's defense at home and around the world. I appreciate your consideration of the Army's resource challenges and look forward to working with you to address the ever-evolving national security environment.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Odierno', with a stylized flourish at the end.

Raymond T. Odierno
General, United States Army

Enclosure
FY 2016 Unfunded Requirements List

FY 2016 Army Unfunded Requirements List

Key Area	Title	Amount \$M	Description
Military Personnel	Deployment Support	\$ 88	Provides funds for the Reserve Component to execute the Kosovo mission in FY16 and for Guard to support Combatant Commanders by conducting Shaping Operations and Security Cooperation Events in accordance with 60/20/20 Anti-terrorism Force Protection (AT/FP) implementation guidance.
	Recruiting and Retention Support Activities	\$ 427	Increase in enlistment and reenlistment bonuses and incentives for both enlisted Soldiers and Officers across all three Components.
	Training and Training Support	\$ 368	Funds provided for student attendance to Duty MOS Qualification (MOSQ) & Additional and Special Skill Identifier courses, Professional Military Education, Functional Courses, and reclassification or MOSQ schools. Funds primary collective training across all three COMPOs.
Military Personnel Total		\$ 882	
Training Readiness	Operational Tempo	\$ 1,556	Mitigates the readiness risk of units approaching their Available Year in Army Force Generation. Restores risk in Ground and Air Operational Tempo in all three Components funding all critical requirements.
	Training and Training Support	\$ 259	Provides additional TSS funding for Leader development, Soldier fitness and unit readiness. Funds MEDCOM Mobile Training Teams (MTTs), funds TRADOC MTTs to assist forward deployed Combatant Commands, reduces backlog for Initial Entry Rotary Wing Advanced Tracks across all COMPOs, assists MISO teams in development of multi-language and multi-media products in remote locations, and funds National Guard Civil Support Teams responding to Defense Support to Civil Authorities requirements from DoD and other Federal organizations.
	Organizational Clothing and Equipment (OCIE)	\$ 204	Funds the replacement of and support Direct Exchange (DX) for damaged Soldier equipment, replaces fire resistant uniforms, Extended Cold Weather Clothing System (ECWCS), eye protection, mechanics safety shoes, Improved Outer Tactical Vest (IOTV), load carrying vests, sleep systems, and other basic OCIE.
	Open Source Intelligence/Human Terrain Systems	\$ 28	OSINT: Execute ARCENT OIR based pilot, The Army OSINT program responsibilities increase from PACOM AOR to all theaters; Funds provide for the operation and maintenance of OSINT activities and operations including military Reserve Component programs to meet emergency or wartime requirements for OSINT resources; Human Terrain System: provides for a pilot program under which the Secretary utilizes Human Terrain System assets in the USPACOM AOR.
Training Readiness Total		\$ 2,048	
Sustainment Readiness	Depot Maintenance	\$ 132	Funding additional repaired tubes for the M109A6, maintenance for combat vehicles (M88A1/3 M88A2; M1A2; M109A6; STRYKER, M2A3/M3A3), watercraft and combat vehicle overhauls, National Guard Requirements to replace M284 Cannon Tubes, cost for ammunition, and costs to transport the systems back to the unit.
	Second Destination Transport	\$ 23	Transportation funding requirements were decremented in anticipation of a change in statute to allow AAFES to use non-appropriated funds to cover their OOT. The legislative change proposal was not incorporated in the NDAA 16 therefore, the Army is still responsible as the executive agent to fully fund AAFES OOT requirements.

FY 2016 Army Unfunded Requirements List

Key Area	Title	Amount \$M	Description
Sustainment Readiness	System Platforms	\$ 145	These systems provide command & control and situational awareness for our maneuver forces. Provides funding for Unit Level Logistics System Aviation Enhanced (ULLS-A(E)), CSS Automated Information Systems Interface (CAISI) and Persistent Threat Detection System (PTDS). Funds the implementation of enterprise Business Intelligence across the logistics domain and its key trading partners. Funds upgrades for Tactical Logistics System driven by new GCSS-A Enterprise Software, and provides funding for Vigilant Pursuit.
	The Network	\$ 94	Request addresses shortfall for operation, maintenance and defense of the Army Enterprise Networks (unclassified and classified for voice, video and data) supporting secure communication services and command and control structure of the US Army forces; supports sustainment of RF-ITV infrastructure to maintain tracking global cargo movements
Sustainment Readiness Total		\$ 394	
Installation Readiness	Insider Threat	\$ 80	New requirement: Insider Threat for Secure Installations, Share Information, and Protect the Network. Funding provides for 347 certified clerks, Army AT/FP personnel at all echelons including incident first-responders and Emergency Operations Centers, and capability to observe and record a user's interaction with and software including User Activity Monitoring (UAM) for potential malicious behavior.
	Base Operation Support	\$ 516	Provides funding in support of Soldier and Family readiness and facility operations across all Components to prevent contract disruption of baseline services necessary for facility accessibility (municipal and engineering services, grounds maintenance, pest control and pavement clearance/snow removal) and mitigate year of execution bills associated with utility rate increases.
	Facility Sustainment Restoration and Modernization	\$ 912	Provides funding for critical facilities in support of unit stationing actions, deteriorating strategic mobility infrastructure (rail, ports, and roads), aging energy/utility infrastructure, Training Barracks Upgrade Program (TBUP), and Reserve Component vehicle maintenance facilities.
	Network Operations and Support	\$ 340	Provides for technical support to operate, manage & defend the Army Enterprise Network including Defense Enterprise Email, Army Knowledge Online, Army Enterprise Help desk and Defense Enterprise Portal Service, Army cloud migration strategy to oversee on-boarding of applications to enduring datacenters, World Wide Technical Control Improvement Program (WWTCIP), and FY16 costs for migration to DISA DECC
	MILCON	\$ 251	Provides funding for 18 MILCON projects for the Active, Guard and Reserve Components for storage hangars, access control points, ECS facilities, Aviation Classification and Repair Activities, Vehicle Maintenance, HUMINT training facilities, CST/WMD storage facilities, UAV storage facilities, and Defense Access Roads.
	Arlington National Cemetery	\$ 30	Realign roadways and supporting infrastructure to make the land previously known as the Navy Annex site contiguous to Arlington National Cemetery to increase burial space.
Installation Readiness Total		\$ 2,129	
Modernization	Network Modernization and Cyber Security Upgrades	\$ 975	Accelerates the completion of Army Enterprise Network modernization of backbone infrastructure for Army Installations in Continental US, Europe and Korea improving business and tactical operations and Cyber security of the network.

FY 2016 Army Unfunded Requirements List

Key Area	Title	Amount \$M	Description
Modernization	PAC-3 Missile Segment Enhancement (MSE)	\$ 200	Procures the most capable, advanced PAC-3 MSE missiles to preserve air and missile defense overmatch.
	Ordnance Group Sets, Kits, Outfits and Tools (SKOT)	\$ 192	Accelerates the procurement of Ordnance repair tool kits that support and span the entire scope of maintenance operations and support a variety of missions.
	Aircraft Survivability Equipment - Common Infrared Countermeasures (CIRCM)	\$ 110	Develops and procures Common Infrared Countermeasures to protect and increase survivability of the AH-64E Apache Helicopter against the latest threat.
	Engineering Construction and Support Equipment	\$ 105	Accelerates procurement and completion of Engineer Construction Earthmoving, Construction Tools, Concrete Mixing, Bridge Support, and Construction Support Equipment programs to increase combat engineer support capability.
	Javelin	\$ 91	Procures additional Javelin missiles to increase dismounted soldier lethality, achieves greater efficiencies via economic order quantity attainment, and mitigates munitions quantity shortfalls.
	Ammunition, Multiple Types (Small Caliber, Mortar, 155MM)	\$ 88	Procures additional Small Arms, Mortar, and Field Artillery cartridges to meet training ammunition requirements, maintain lethality overmatch, and mitigate munitions quantity shortfalls.
	Improved Recovery Vehicle (M88A2 HERCULES)	\$ 72	Procures 16 M88A2 vehicles. The fielded M88A1 Medium Recovery Vehicle lacks the necessary power, weight, and braking ability to safely support therecovery of the Abrams fleet by itself. Improvements in the M88A2 HERCULESfix these operational shortcomings. The increased winching and lifting capability accommodates all 70 ton Abrams variants. Without this increased capability, units must use two M88A1 Medium Recovery Vehicles to perform the necessary spectrum of recovery operations. The M88A2 procurement continues to support the supplier/vendor industrial base to mitigate any M88A2 production break, and increases the pure-fleeting of the system to the Army.
	Unmanned Aerial System (UAS) Payloads	\$ 48	Develops and procures MQ-1C Gray Eagle Unmanned Aerial Sensor technology to improve and increase Intelligence, Surveillance, and Reconnaissance Capabilities.
	Kwajalein Atoll (KA) Facilities Restoration	\$ 34	Funds maintenance, rehabilitation, lease, and operation of facilities at Kwajalein Atoll and the Reagan Test Site at this strategic location.
	Conventional Ammunition Demilitarization	\$ 30	Accelerates the demilitarization, destruction, and disposal of a growing conventional ammunition demilitarization inventory to include Cluster Munitions and Self-Destruct landmines.
	Distributed Common Ground Station - Army (DCGS-A)	\$ 20	Procures improved GEOINT capability to training centers ensuring the effective use of these capabilities in units throughout the Army.
	Contamination Avoidance	\$ 20	Accelerates the modernization of Radiological Contamination Avoidance Detection to increase Homeland Defense mission capability, and maintains the industrial base for this system.
	Intelligence Systems	\$ 137	Provides continued QRC support for Reach Back of Intelligence analytics to Ft. Gordon; Provides Sensitive Compartmented Information Facility – Information Technology (SCIF-IT) for 300 SCIFs, and 58,000 users in 16 commands; provides access to the Intelligence Enterprise and Mission Command data layers to Conventional and SOF forces operating in collaboration with Coalition forces.
Modernization Total		\$ 2,123	
Grand Total		\$ 7,576	