



# Selected Acquisition Report (SAR)

RCS: DD-A&T(Q&A)823-367



## High Mobility Artillery Rocket System (HIMARS)

As of FY 2011 President's Budget

Defense Acquisition Management  
Information Retrieval  
(DAMIR)

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## Common Acronyms and Abbreviations for MDAP Programs

Acq O&M - Acquisition-Related Operations and Maintenance  
ACAT - Acquisition Category  
ADM - Acquisition Decision Memorandum  
APB - Acquisition Program Baseline  
APPN - Appropriation  
APUC - Average Procurement Unit Cost  
\$B - Billions of Dollars  
BA - Budget Authority/Budget Activity  
Blk - Block  
BY - Base Year  
CAPE - Cost Assessment and Program Evaluation  
CARD - Cost Analysis Requirements Description  
CDD - Capability Development Document  
CLIN - Contract Line Item Number  
CPD - Capability Production Document  
CY - Calendar Year  
DAB - Defense Acquisition Board  
DAE - Defense Acquisition Executive  
DAMIR - Defense Acquisition Management Information Retrieval  
DoD - Department of Defense  
DSN - Defense Switched Network  
EMD - Engineering and Manufacturing Development  
EVM - Earned Value Management  
FOC - Full Operational Capability  
FMS - Foreign Military Sales  
FRP - Full Rate Production  
FY - Fiscal Year  
FYDP - Future Years Defense Program  
ICE - Independent Cost Estimate  
IOC - Initial Operational Capability  
Inc - Increment  
JROC - Joint Requirements Oversight Council  
\$K - Thousands of Dollars  
KPP - Key Performance Parameter  
LRIP - Low Rate Initial Production  
\$M - Millions of Dollars  
MDA - Milestone Decision Authority  
MDAP - Major Defense Acquisition Program  
MILCON - Military Construction  
N/A - Not Applicable  
O&M - Operations and Maintenance  
ORD - Operational Requirements Document  
OSD - Office of the Secretary of Defense  
O&S - Operating and Support  
PAUC - Program Acquisition Unit Cost

PB - President's Budget  
PE - Program Element  
PEO - Program Executive Officer  
PM - Program Manager  
POE - Program Office Estimate  
RDT&E - Research, Development, Test, and Evaluation  
SAR - Selected Acquisition Report  
SCP - Service Cost Position  
TBD - To Be Determined  
TY - Then Year  
UCR - Unit Cost Reporting  
U.S. - United States  
USD(AT&L) - Under Secretary of Defense (Acquisition, Technology and Logistics)

## Program Information

**Program Name**

High Mobility Artillery Rocket System (HIMARS) (HIMARS)

**DoD Component**

Army

## Responsible Office

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**Date**

**Assigned:** June 12, 2007

## References

**SAR Baseline (Production Estimate)**

Army Acquisition Executive (AAE) Approved Acquisition Program Baseline (APB) dated August 17, 2005

**Approved APB**

Army Acquisition Executive (AAE) Approved Acquisition Program Baseline (APB) dated August 17, 2005

## Mission and Description

The High Mobility Artillery Rocket System (HIMARS) fully supports the joint early-entry expeditionary forces, contingency forces, and Modular Fires Brigades. HIMARS is a C-130 transportable (combat loaded), wheeled, indirect fire launcher system that is capable of firing all rockets and missiles in the current and future Multiple Launch Rocket System (MLRS) Family of Munitions (MFOM) to include Guided Multiple Launch Rocket System (GMLRS) (Dual Purpose Improved Conventional Munition (DPICM) and Unitary) and Army Tactical Missile System (ATACMS) (Block I, II, and Unitary). The HIMARS launcher is mounted on a modified Family of Medium Tactical Vehicles (FMTV) 6X6 all-wheel drive 5-ton truck chassis. HIMARS provides rocket/missile capability to joint, current and future forces through a lighter weight, more deployable system in both early and forced entry scenarios. The HIMARS mission, as part of the MLRS fleet of launchers, is to provide field artillery medium and long-range rocket and long-range missile fires in support of Brigade Combat Teams. HIMARS, as part of the Modular Fires Brigade, provides fires that shape the battlefield, and shield the force. HIMARS will replace select MLRS M270 launcher units, as well as selected M198 Howitzer units. The United States Marine Corps will procure two battalions of HIMARS.

## Executive Summary

The Fifth Full Rate Production (FRP V) contract was awarded on December 22, 2009, for 46 units for the US Army. The objective armored cab design was cut into production in FY 2009. A second Life Cycle Contract Support (LCCS) contract was awarded on December 28, 2007, providing support for three years until 2011. With regard to schedule, 8 HIMARS battalions have been fielded to date and all future fieldings are on track. The HIMARS program is within cost. HIMARS launchers are greatly contributing to the war efforts in Iraq and Afghanistan. The HIMARS program won the William J. Perry Precision Strike Award for outstanding combat effectiveness in 2008 and the Secretary of Defense Performance-Based Logistics Award for the second time in 2009 for its LCCS program, the only program in the Defense Department to do so.

There are no significant software related issues with this program at this time.

## Threshold Breaches

### APB Breaches

<b>Schedule</b>		<input type="checkbox"/>
<b>Performance</b>		<input type="checkbox"/>
<b>Cost</b>	RDT&E	<input type="checkbox"/>
	Procurement	<input type="checkbox"/>
	MILCON	<input type="checkbox"/>
	Acq O&M	<input type="checkbox"/>
<b>O&amp;S Cost</b>		<input type="checkbox"/>
<b>Unit Cost</b>	PAUC	<input type="checkbox"/>
	APUC	<input type="checkbox"/>

### Nunn-McCurdy Breaches

#### Current UCR Baseline

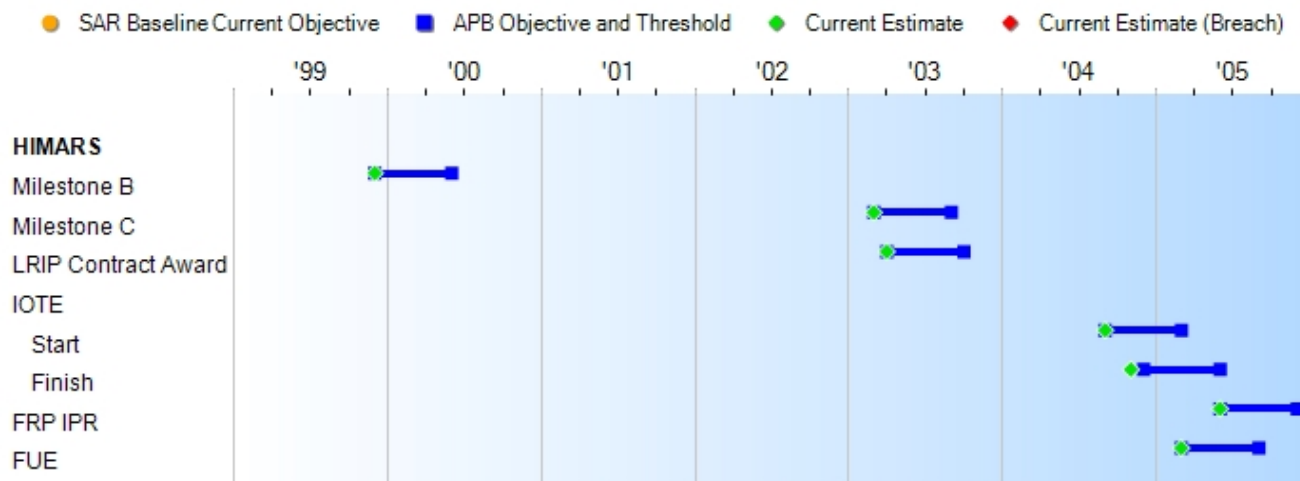
PAUC	None
APUC	None

#### Original UCR Baseline

PAUC	None
APUC	None



## Schedule



Schedule Events				
Events	SAR Baseline Production Estimate	Current APB Production Objective/Threshold	Current Estimate	
Milestone B	Dec 1999	Dec 1999	Jun 2000	Dec 1999
Milestone C	Mar 2003	Mar 2003	Sep 2003	Mar 2003
LRIP Contract Award	Apr 2003	Apr 2003	Oct 2003	Apr 2003
IOTE				
Start	Sep 2004	Sep 2004	Mar 2005	Sep 2004
Finish	Dec 2004	Dec 2004	Jun 2005	Nov 2004
FRP IPR	Jun 2005	Jun 2005	Dec 2005	Jun 2005
FUE	Mar 2005	Mar 2005	Sep 2005	Mar 2005

### Change Explanations

None

### Acronyms and Abbreviations

FRP - Full Rate Production  
 FUE - First Unit Equipped  
 IOTE - Initial Operational Test and Evaluation  
 IPR - Interim Program Review  
 LRIP - Low Rate Initial Production

## Performance

Performance Characteristics				
SAR Baseline Production Estimate	Current APB Production Objective/Threshold	Demonstrated Performance	Current Estimate	
<b>Reaction Time Total Mission Cycle (Rockets) (Min)</b>				
9	9	13	12:59	12:59
<b>Transportability (fully combat loaded)</b>				
<b>C130 Load (min)</b>				
25	N/A	N/A	15	15
<b>C130 Off-Load (min)</b>				
5	N/A	N/A	15	15
<b>Fire All Current and Future MFOM</b>				
No degradation in MFOM effectiveness	No degradation in MFOM effectiveness	No degradation in MFOM effectiveness	Effectiveness equivalent to M270/M270A1 demonstrated performance	No degradation in MFOM effectiveness
<b>Interoperability w/FA Voice and Digital Systems</b>				
Use AFATDS	N/A	N/A	AFATDS used	Use AFATDS
<b>Reload Cycle Time (min)</b>				
4	4	7	5:35	5:35
<b>Block II Enhanced C2</b>				
Perform technical and tactical fire control using JVMF operating on the T1	Perform technical and tactical fire control using JVMF operating on the T1	Receive and execute fire mission digitally from FA Sensor	Successfully used digital communications	Must be able to receive and execute fire missions digitally from field artillery sensors.
<b>Block II Increased Crew Protection</b>				
Cab survives direct hit by Artillery: 155 frag @ 60m; Ammo: 7.62 mm x51 AP, 7.65mm x 54R API	Cab survives direct hit by Artillery: 155 frag @ 60m; Ammo: 7.62mm x51 AP, 7.65mm x 54R API	Cab survives direct hit by Artillery: 155 frag @ 80m; Ammo: 7.62mm x39 API	Successfully qualified ICP cab to required protection level except for multiple glass hits. Working on new glass recipe.	Cab survives direct hit by Artillery: 155 frag @ 60m; Ammo: 7.62mm x 51 AP, 7.65mm x 54R API
<b>Block II Improved Initialization</b>				
Transition from power-onto an operational ready state in 5.5 mins given a stored heading, valid location and valid	Transition from power-onto an operational ready state in 5.5 mins given a stored heading, valid location and valid	Transition from power-onto an operational ready state in 4 mins given a stored heading, valid location and valid GPS keys	Successfully completed three hot panel exercises that demonstrated reduced power-on to operational readiness time.	Transition from power-onto an operational ready state in 5.5 mins given a stored heading, valid location and valid

GPS keys	GPS keys			GPS keys
<b>Block II Reliability</b>				
<b>Mean Time Between Essential Function Failures (MTBEFF) (hrs)</b>				
45	45	34	152	>41
<b>Mean Time Between System Aborts (MTBSA) (hrs)</b>				
81	81	58	259	>70

#### Requirements Reference

Operational Requirements Document (ORD) dated January 5, 2004

#### Change Explanations

None

#### Notes

Demonstrated performance values were collected during System Development and Demonstration (SDD) testing, Production Qualification Testing (PQT) II, and the joint HIMARS/GMLRS IOT&E (Guided Multiple Launch Rocket System Initial Operational Test and Evaluation). Demonstrated performance met Acquisition Program Baseline threshold requirements. Block II reliability requirements were demonstrated during continued reliability testing through November 14, 2006.

The Demonstrated Performance for Block II Increased Crew Protection Characteristics changed from "TBD" to "Successfully qualified Increased Crew Protection (ICP) cab to required protection level except for multiple glass hits. Working on new glass recipe" due to testing and demonstration results".

#### Acronyms and Abbreviations

AFATDS - Advanced Field Artillery Tactical Data System  
 API - Armor Piercing Incindeary  
 FA - Field Artillery  
 GPS - Global Positioning System  
 Hrs - Hours  
 ICP - Increased Crew Protection  
 JVMF - Joint Variable Message Format  
 m - Meters  
 MFOM - Multiple Launch Rocket System (MLRS) Family of Munitions  
 min - Minutes  
 mm - Milimeters  
 TBD - To Be Determined

### Track to Budget

**RDT&E**

Appn	BA	PE
------	----	----

Army 2040 07 0603778A

Project	Name
---------	------

090 MLRS HIMARS

**Procurement**

Appn	BA	PE
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Army 2032 02 0603778A

Line Item	Name
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C03000 HIMARS Launcher

C03001 HIMARS Training Devices

CA0250 Initial Spares, HIMARS

**Notes**

C02901 is the parent line.

## Cost and Funding

### Cost Summary

Total Acquisition Cost							
Appropriation	BY 2003 \$M			BY 2003 \$M	TY \$M		
	SAR Baseline Production Estimate	Current APB Production Objective/Threshold		Current Estimate	SAR Baseline Production Estimate	Current APB Production Objective	Current Estimate
RDT&E	206.3	235.7	259.3	257.5	206.4	239.6	268.2
Procurement	3421.1	1856.1	2041.7	1548.6	4074.9	2129.7	1775.6
Flyaway	--	--	--	1265.4	--	--	1448.6
Recurring	--	--	--	1246.2	--	--	1426.8
Non Recurring	--	--	--	19.2	--	--	21.8
Support	--	--	--	283.2	--	--	327.0
Other Support	--	--	--	216.9	--	--	249.8
Initial Spares	--	--	--	66.3	--	--	77.2
MILCON	84.2	0.0	--	0.0	107.1	0.0	0.0
Acq O&M	0.0	0.0	--	0.0	0.0	0.0	0.0
Total	3711.6	2091.8	N/A	1806.1	4388.4	2369.3	2043.8

Total Quantity			
Quantity	SAR Baseline Production Estimate	Current APB Production	Current Estimate
RDT&E		6	6
Procurement		888	450
Total		894	456

## Cost and Funding

### Funding Summary

Appropriation Summary									
FY 2011 President's Budget / December 2009 SAR (TY\$ M)									
Appropriation	Prior	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
RDT&E	237.6	1.9	3.4	6.4	6.2	6.3	6.4	0.0	268.2
Procurement	1266.1	217.3	221.2	32.6	21.6	8.3	8.5	0.0	1775.6
MILCON	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Acq O&M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
PB 2011 Total	1503.7	219.2	224.6	39.0	27.8	14.6	14.9	0.0	2043.8
PB 2009 Total	1513.5	230.2	245.7	31.0	28.6	0.0	0.0	0.0	2049.0
Delta	-9.8	-11.0	-21.1	8.0	-0.8	14.6	14.9	0.0	-5.2

Quantity Summary										
FY 2011 President's Budget / December 2009 SAR (TY\$ M)										
Quantity	Undistributed	Prior	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	To Complete	Total
Development	6	0	0	0	0	0	0	0	0	6
Production	0	285	46	44	0	0	0	0	0	375
PB 2011 Total	6	285	46	44	0	0	0	0	0	381
PB 2009 Total	6	285	46	44	0	0	0	0	0	381
Delta	0	0	0	0	0	0	0	0	0	0

## Cost and Funding

### Annual Funding By Appropriation

Annual Funding							
2040   RDT&E   Research, Development, Test, and Evaluation, Army							
Fiscal Year	Quantity	TY \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1999	--	--	--	--	--	--	5.0
2000	--	--	--	--	--	--	34.8
2001	--	--	--	--	--	--	47.4
2002	--	--	--	--	--	--	55.6
2003	--	--	--	--	--	--	28.8
2004	--	--	--	--	--	--	18.6
2005	--	--	--	--	--	--	9.2
2006	--	--	--	--	--	--	12.1
2007	--	--	--	--	--	--	18.1
2008	--	--	--	--	--	--	4.3
2009	--	--	--	--	--	--	3.7
2010	--	--	--	--	--	--	1.9
2011	--	--	--	--	--	--	3.4
2012	--	--	--	--	--	--	6.4
2013	--	--	--	--	--	--	6.2
2014	--	--	--	--	--	--	6.3
2015	--	--	--	--	--	--	6.4
Subtotal	6	--	--	--	--	--	268.2

Annual Funding 2040   RDT&E   Research, Development, Test, and Evaluation, Army							
Fiscal Year	Quantity	BY 2003 \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1999	--	--	--	--	--	--	5.2
2000	--	--	--	--	--	--	35.6
2001	--	--	--	--	--	--	47.9
2002	--	--	--	--	--	--	55.6
2003	--	--	--	--	--	--	28.2
2004	--	--	--	--	--	--	17.8
2005	--	--	--	--	--	--	8.6
2006	--	--	--	--	--	--	11.0
2007	--	--	--	--	--	--	16.0
2008	--	--	--	--	--	--	3.7
2009	--	--	--	--	--	--	3.2
2010	--	--	--	--	--	--	1.6
2011	--	--	--	--	--	--	2.8
2012	--	--	--	--	--	--	5.3
2013	--	--	--	--	--	--	5.0
2014	--	--	--	--	--	--	5.0
2015	--	--	--	--	--	--	5.0
Subtotal	6	--	--	--	--	--	257.5



Annual Funding 2032   Procurement   Missile Procurement, Army							
Fiscal Year	Quantity	TY \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2003	28	119.2	--	--	119.2	13.3	132.5
2004	24	95.6	--	--	95.6	28.4	124.0
2005	37	154.4	--	--	154.4	14.7	169.1
2006	38	135.2	--	7.7	142.9	18.3	161.2
2007	44	142.8	--	8.3	151.1	47.1	198.2
2008	57	190.5	--	5.8	196.3	44.4	240.7
2009	57	187.7	--	--	187.7	52.7	240.4
2010	46	168.7	--	--	168.7	48.6	217.3
2011	44	166.5	--	--	166.5	54.7	221.2
2012	--	--	31.7	--	31.7	0.9	32.6
2013	--	--	20.3	--	20.3	1.3	21.6
2014	--	--	7.0	--	7.0	1.3	8.3
2015	--	--	7.2	--	7.2	1.3	8.5
Subtotal	375	1360.6	66.2	21.8	1448.6	327.0	1775.6

Annual Funding 2032   Procurement   Missile Procurement, Army							
Fiscal Year	Quantity	BY 2003 \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2003	28	114.5	--	--	114.5	12.8	127.3
2004	24	89.4	--	--	89.4	26.6	116.0
2005	37	140.5	--	--	140.5	13.4	153.9
2006	38	120.4	--	6.9	127.3	16.2	143.5
2007	44	124.7	--	7.3	132.0	41.1	173.1
2008	57	164.0	--	5.0	169.0	38.2	207.2
2009	57	159.9	--	--	159.9	45.0	204.9
2010	46	141.9	--	--	141.9	40.9	182.8
2011	44	137.7	--	--	137.7	45.3	183.0
2012	--	--	25.8	--	25.8	0.7	26.5
2013	--	--	16.3	--	16.3	1.0	17.3
2014	--	--	5.5	--	5.5	1.0	6.5
2015	--	--	5.6	--	5.6	1.0	6.6
Subtotal	375	1193.0	53.2	19.2	1265.4	283.2	1548.6

## Low Rate Initial Production

Item	Initial LRIP Decision	Current Total LRIP
Approval Date	12/1/1999	12/1/1999
Approved Quantity	89	89
Reference	MS B	MS B
Start Year	2003	2003
End Year	2007	2007

HIMARS had three LRIP contracts beginning in 2003, with the last deliveries from LRIP III taking place in February 2007.

## Foreign Military Sales

Country	Date of Sale	Quantity	Total Cost \$M	Description
Jordan	1/27/2010	12	53.3	
Singapore	12/28/2007	18	52.8	
United Arab Emirates	12/28/2007	20	62.6	

### Notes

As part of the Third Full Rate Production (FRP) contract signed December 28, 2007, in addition to the 57 HIMARS launchers contracted for the US Army, there were 20 launchers for the United Arab Emirates and 18 for Singapore. The United Kingdom also procured 15 fire control systems for \$10.1M as part of the LRIP III contract signed December 23, 2004. As part of the Fifth FRP contract signed January 27, 2010, Jordan contracted for 12 launchers.

## Nuclear Costs

None

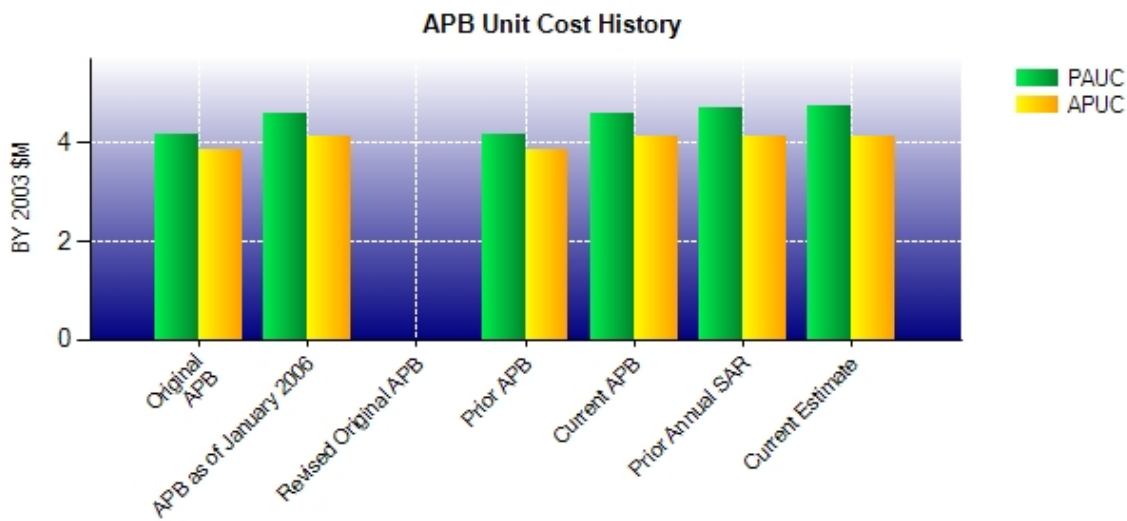
## Unit Cost

### Unit Cost Report

Item	BY 2003 \$M	BY 2003 \$M	% Change
	Current UCR Baseline (Aug 2005 APB)	Current Estimate (Dec 2009 SAR)	
<b>Program Acquisition Unit Cost</b>			
Cost	2091.8	1806.1	
Quantity	456	381	
Item	4.587	4.740	+3.34
<b>Average Procurement Unit Cost</b>			
Cost	1856.1	1548.6	
Quantity	450	375	
Unit Cost	4.125	4.130	+0.12

Item	BY 2003 \$M	BY 2003 \$M	% Change
	Original UCR Baseline (Mar 2003 APB)	Current Estimate (Dec 2009 SAR)	
<b>Program Acquisition Unit Cost</b>			
Cost	3711.6	1806.1	
Quantity	894	381	
Unit Cost	4.152	4.740	+14.16
<b>Average Procurement Unit Cost</b>			
Cost	3421.1	1548.6	
Quantity	888	375	
Unit Cost	3.853	4.130	+7.19

**Unit Cost History**



Item	Date	BY 2003 \$M		TY \$M	
		PAUC	APUC	PAUC	APUC
Original APB	Mar 2003	4.152	3.853	4.909	4.589
APB as of January 2006	Aug 2005	4.587	4.125	5.196	4.733
Revised Original APB	N/A	N/A	N/A	N/A	N/A
Prior APB	Mar 2003	4.152	3.853	4.909	4.589
Current APB	Aug 2005	4.587	4.125	5.196	4.733
Prior Annual SAR	Dec 2007	4.717	4.141	5.378	4.791
Current Estimate	Dec 2009	4.740	4.130	5.364	4.735

**SAR Unit Cost History**

Initial SAR Baseline to Current SAR Baseline (TY \$M)									
Initial PAUC Development Estimate	Changes								PAUC Production Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
4.824	0.000	0.000	0.000	0.000	-0.014	0.000	0.099	0.085	4.909

Current SAR Baseline to Current Estimate (TY \$M)									
PAUC Production Estimate	Changes								PAUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
4.909	0.603	0.487	-0.045	0.104	-0.311	0.000	-0.383	0.455	5.364

Initial SAR Baseline to Current SAR Baseline (TY \$M)									
Initial APUC Development Estimate	Changes								APUC Production Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
4.630	0.000	0.000	0.000	0.000	-0.141	0.000	0.100	-0.041	4.589

Current SAR Baseline to Current Estimate (TY \$M)									
APUC Production Estimate	Changes								APUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
4.589	0.624	0.058	-0.046	0.000	-0.101	0.000	-0.389	0.146	4.735

SAR Baseline History				
Item	SAR Planning Estimate	SAR Development Estimate	SAR Production Estimate	Current Estimate
Milestone I	N/A	N/A	N/A	N/A
Milestone B	N/A	Dec 1999	Dec 1999	Dec 1999
Milestone C	N/A	Mar 2003	Mar 2003	Mar 2003
FUE	N/A	Mar 2005	Mar 2005	Mar 2005
Total Cost (TY \$M)	N/A	4312.9	4388.4	2043.8
Total Quantity	N/A	894	894	381
PAUC	N/A	4.824	4.909	5.364

This program did not go through an official MS A process.

## Cost Variance

Summary TY \$M				
Item	RDT&E	Procurement	MILCON	Total
SAR Baseline (Production Estimate)	206.4	4074.9	107.1	4388.4
Previous Changes				
Economic	+1.7	+251.0	-5.4	+247.3
Quantity	--	-2332.3	--	-2332.3
Schedule	--	-17.3	--	-17.3
Engineering	+39.6	--	--	+39.6
Estimating	+4.8	-39.4	-101.7	-136.3
Other	--	--	--	--
Support	--	-140.4	--	-140.4
Subtotal	+46.1	-2278.4	-107.1	-2339.4
Current Changes				
Economic	-0.5	-16.9	--	-17.4
Quantity	--	--	--	--
Schedule	--	--	--	--
Engineering	--	--	--	--
Estimating	+16.2	+1.6	--	+17.8
Other	--	--	--	--
Support	--	-5.6	--	-5.6
Subtotal	+15.7	-20.9	--	-5.2
Total Changes	+61.8	-2299.3	-107.1	-2344.6
Current Estimate	268.2	1775.6	--	2043.8



Summary BY 2003 \$M				
Item	RDT&E	Procurement	MILCON	Total
SAR Baseline (Production Estimate)	206.3	3421.1	84.2	3711.6
Previous Changes				
Economic	--	--	--	--
Quantity	--	-1689.8	--	-1689.8
Schedule	--	-16.6	--	-16.6
Engineering	+35.5	--	--	+35.5
Estimating	+2.5	-75.6	-84.2	-157.3
Other	--	--	--	--
Support	--	-86.2	--	-86.2
Subtotal	+38.0	-1868.2	-84.2	-1914.4
Current Changes				
Economic	--	--	--	--
Quantity	--	--	--	--
Schedule	--	--	--	--
Engineering	--	--	--	--
Estimating	+13.2	+0.3	--	+13.5
Other	--	--	--	--
Support	--	-4.6	--	-4.6
Subtotal	+13.2	-4.3	--	+8.9
Total Changes	+51.2	-1872.5	-84.2	-1905.5
Current Estimate	257.5	1548.6	--	1806.1

Previous Estimate: December 2007

RDT&E	\$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-0.5
Two additional funding years added (FY 14 & 15). Funds to be used for mitigating the obsolescence of the Fire Control System (FCS) (Estimating)	+9.9	+12.7
Revised estimate, reprogrammings in prior years. (Estimating)	+3.2	+3.4
Adjustment for current and prior escalation. (Estimating)	+0.1	+0.1
<b>RDT&amp;E Subtotal</b>	<b>+13.2</b>	<b>+15.7</b>

Procurement	\$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-16.9
Correction to align support and flyaway. (Subtotal)	0.0	0.0
(Estimating)	(+0.5)	(+0.5)
(Support)	(-0.5)	(-0.5)
Adjustment for current and prior escalation. (Estimating)	+6.3	+7.7
Decreased estimating change based on actual data from three Low Rate Initial Production and five Full Rate Production contracts. (Estimating)	-17.6	-20.8
Two additional years of procurement funding (FY 14 & 15). Funds to be used for obsolescence mitigation of the fire control system. (Estimating)	+11.1	+14.2
Adjustment for current and prior escalation. (Support)	+1.9	+2.0
Decrease in Other Support for peculiar support equipment. (Support)	-4.4	-5.4
Decrease in Initial Spares requirements. (Support)	-1.6	-1.7
<b>Procurement Subtotal</b>	<b>-4.3</b>	<b>-20.9</b>

## Contracts

### Contract Identification

**Appropriation:** Procurement  
**Contract Name:** LRIP III  
**Contractor:** Lockheed Martin  
**Contractor Location:** Dallas, TX 75051  
**Contract Number:** DAAH01-03-C-0005/38  
**Contract Type:** Firm Fixed Price (FFP), Cost Plus Fixed Fee (CPFF)  
**Award Date:** December 23, 2004  
**Definitization Date:** December 23, 2004

### Contract Price

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
109.2	N/A	37	113.7	N/A	37	113.7	113.7

### Cost and Schedule Variance Explanations

Cost and Schedule Variance reporting is not required on this (FFP/CPFF) contract.

### General Contract Variance Explanation

Cost and schedule variance reporting is not required on this FFP/CPFF contract.

### Notes

The total Estimated Price at Completion (EPAC) for this contract is \$126.4M for 38 units (37 for the US Army and one for the USMC). The Army portion is \$113.7M, the USMC portion is \$2.6M, and there is an additional \$10.1M for 15 fire control systems for the United Kingdom.

The delta between the initial contract price target (ICPT) and the EPAC was a change order executed to perform system level qualification, a final configuration audit for the replacement of the gunner's display unit.

**Contract Identification**

**Appropriation:** Procurement  
**Contract Name:** FRP I  
**Contractor:** Lockheed Martin  
**Contractor Location:** Dallas, TX 75051  
**Contract Number:** W31P4Q-06-C-0001  
**Contract Type:** Firm Fixed Price (FFP), Cost Plus Fixed Fee (CPFF)  
**Award Date:** December 28, 2005  
**Definitization Date:** December 28, 2005

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
111.2	N/A	38	109.7	N/A	38	109.7	109.7

**Cost and Schedule Variance Explanations**

Cost and Schedule Variance reporting is not required on this (FFP/CPFF) contract.

**General Contract Variance Explanation**

Cost and schedule variance reporting is not required on this FFP/CPFF contract.

**Notes**

The total EPAC for this contract is \$160.7M for 56 launchers (38 HIMARS for the US Army at \$109.7M, and 18 for the USMC at \$51.0M). The original contract was for 35 US Army launchers, but they were able to buy three more due to unit cost savings.

The ICPT for the US Army ended up lower than the EPAC because the USMC procured additional launchers which reduced the unit price for the US Army launchers.

**Contract Identification**

**Appropriation:** Procurement  
**Contract Name:** FRP II  
**Contractor:** Lockheed Martin  
**Contractor Location:** Dallas, TX 75051  
**Contract Number:** W31P4Q-06-C-0001/10  
**Contract Type:** Firm Fixed Price (FFP), Cost Plus Fixed Fee (CPFF)  
**Award Date:** December 28, 2006  
**Definitization Date:** December 28, 2006

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
123.9	N/A	44	130.3	N/A	44	130.3	130.3

**Cost and Schedule Variance Explanations**

Cost and Schedule Variance reporting is not required on this (FFP/CPFF) contract.

**General Contract Variance Explanation**

Cost and schedule variance reporting is not required on this FFP/CPFF contract.

**Notes**

The total quantity of 60 launchers on this contract includes 44 for the US Army at \$130.3M and 16 for United States Marine Corps at \$43.5M.

The increase from the ICPT and the EPAC was a change order executed to procure Line Replaceable Units for the new universal fire control system.

**Contract Identification**

**Appropriation:** Procurement  
**Contract Name:** FRP III  
**Contractor:** Lockheed Martin  
**Contractor Location:** Dallas, TX 75051  
**Contract Number:** W31P4Q-08-C-0001/1  
**Contract Type:** Firm Fixed Price (FFP), Cost Plus Fixed Fee (CPFF)  
**Award Date:** December 28, 2007  
**Definitization Date:** December 28, 2007

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
150.7	N/A	57	157.6	N/A	57	157.6	157.6

**Cost and Schedule Variance Explanations**

Cost and Schedule Variance reporting is not required on this (FFP/CPFF) contract.

**Notes**

The total quantity of 95 launchers on this contract includes 57 for the US Army at \$157.6M, plus 20 for the United Arab Emirates, and 18 for Singapore at \$116.6M.

The difference between the ICPT and the EPAC was a change order executed for effort required to qualify the new universal positioning navigational units.

**Contract Identification**

**Appropriation:** Procurement  
**Contract Name:** FRP IV  
**Contractor:** Lockheed Martin  
**Contractor Location:** Dallas, TX 75051  
**Contract Number:** W31P4Q-08-C-0001/2  
**Contract Type:** Firm Fixed Price (FFP), Cost Plus Fixed Fee (CPFF)  
**Award Date:** December 28, 2008  
**Definitization Date:** December 28, 2008

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
161.0	N/A	57	161.0	N/A	57	161.0	161.0

**Cost and Schedule Variance Explanations**

Cost and Schedule Variance reporting is not required on this (FFP/CPFF) contract.

**Notes**

This contract is for 64 units comprised of 57 for the US Army (\$161.0M) and 7 for the USMC (\$19.0M).

**Contract Identification**

**Appropriation:** Procurement  
**Contract Name:** FRP V  
**Contractor:** Lockheed Martin  
**Contractor Location:** Dallas, TX 75051  
**Contract Number:** W31P4Q-08-C-0001/3  
**Contract Type:** Firm Fixed Price (FFP), Cost Plus Fixed Fee (CPFF)  
**Award Date:** December 22, 2009  
**Definitization Date:** December 22, 2009

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
143.5	N/A	46	143.5	N/A	46	143.5	143.5

**Cost and Schedule Variance Explanations**

Cost and Schedule Variance reporting is not required on this (FFP/CPFF) contract.

**Notes**

The current unit total is 58 launchers on the contract comprised of 46 for the US Army (\$143.5M) and 12 for Jordan (\$34.8M).

This is the first time we are reporting on this contract.



## Deliveries and Expenditures

Deliveries				
Delivered to Date	Planned to Date	Actual to Date	Total Quantity	Percent Delivered
Development	6	6	6	100.00%
Production	228	228	375	60.80%
Total Program Quantity Delivered	234	234	381	61.42%

Expended and Appropriated (TY \$M)			
Total Acquisition Cost	2043.8	Years Appropriated	12
Expended to Date	1242.0	Percent Years Appropriated	70.59%
Percent Expended	60.77%	Appropriated to Date	1722.9
Total Funding Years	17	Percent Appropriated	84.30%

## Operating and Support Cost

### Assumptions and Ground Rules

The unit for tracking O&S costs is a Battalion (BN). Each BN consists of three firing batteries of six launchers plus one float, for a total of 19 launchers. The estimated cost assumes 19 BNs and a HIMARS service life of 20 years. The reflected O&S costs were estimated in the March 2003 Army Cost Position (ACP). The ACP includes operating tempo, reliability/maintainability, maintenance concept, manning and logistics policies. The O&S costs are based on the Level of Repair Analysis and the Army Cost Position. Life Cycle Contractor Support is being executed for HIMARS. The M270 Basic Launcher was the antecedent system for the HIMARS.

#### Cost Estimate Reference:

None

#### Sustainment Strategy:

None

#### Antecedent Information:

None

Unitized O&S Costs BY2003 \$M			
Cost Element	HIMARS Avg Annual Cost Per Battalion	MLRS M270 (Antecedent) Avg Annual Cost Per Battalion	
Mission Pay & Allowance	2.100	17.700	
Unit Level Consumption	0.200	0.300	
Intermediate Maintenance	0.050	0.300	
Depot Maintenance	0.050	1.500	
Contractor Support	0.050	--	
Sustaining Support	0.050	--	
Indirect	0.100	1.200	
Other	--	--	
<b>Total</b>	<b>2.600</b>	<b>21.000</b>	

#### Unitized Cost Comments:

None

Item	Total O&S Cost \$M			
	HIMARS		MLRS M270 (Antecedent)	
	Current Production APB Objective/Threshold	Current Estimate		
<b>Base Year</b>	5383.6	5922.0	988.0	29201.0
<b>Then Year</b>	8554.3	N/A	1174.5	44339.8

#### Total O&S Cost Comment

None

### Disposal Estimate Details

**Date of Estimate:**

**Source of Estimate:**

**Disposal/Demilitarization Total Cost (BY 2003 \$M):**