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Department of Defense
OFFICE OF PREPUBLICATION AND SECURITY REVIEW

Selected Acquisition Report (SAR)



Precision Strike Missile (PrSM)

FY 2024 President's Budget

Defense Acquisition Visibility Environment
(DAVE)

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Common Acronyms and Abbreviations

\$B - Billions of Dollars

\$K - Thousands of Dollars

\$M - Millions of Dollars

ACAT - Acquisition Category

Acq O&M - Acquisition-Related Operations and Maintenance

ADM - Acquisition Decision Memorandum

APB - Acquisition Program Baseline

APPN - Appropriation

APUC - Average Procurement Unit Cost

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

FMS - Foreign Military Sales

FOC - Full Operational Capability

FRP - Full Rate Production

FY - Fiscal Year

FYDP - Future Years Defense Program

ICE - Independent Cost Estimate

Inc - Increment

IOC - Initial Operational Capability

JROC - Joint Requirements Oversight Council

KPP - Key Performance Parameter

LRIP - Low Rate Initial Production

MDA - Milestone Decision Authority

MDAP - Major Defense Acquisition Program

MILCON - Military Construction

N/A - Not Applicable

O&M - Operations and Maintenance

O&S - Operating and Support

ORD - Operational Requirements Document

OSD - Office of the Secretary of Defense

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
- U.S. - United States
- UCR - Unit Cost Reporting
- USD(A&S) - Under Secretary of Defense (Acquisition and Sustainment)
- USD(AT&L) - Under Secretary of Defense (Acquisition, Technology and Logistics)

Program Information

Program Name

Precision Strike Missile

DoD Component

Army

Responsible Office

Program Manager

Name: COL Guy Yelverton, III

Phone: 256-876-1195

Email: guy.yelverton2.mil@army.mil

Mission and Description

The Precision Strike Missile (PrSM) is the Army's next generation surface to surface missile that replaces and improves upon Army Tactical Missile System(ATACMS) capabilities. PrSM requirements include: max range of greater than 400km, specified lethality against the designated target set, a Launch Pod Missile Container (LPMC) that holds two missiles, survivability in a threat environment, and compatibility with the existing launcher platforms (M270A2 Multiple Launch Rocket System (MLRS) and M142 High Mobility Artillery Rocket System (HIMARS). PrSM will meet cluster and insensitive munition requirements. PrSM is being designed with an open system architecture that provides the capability for future growth to counter new and emerging threats. Increment 2 will include the ability to attack moving maritime and ground targets, Increment 3 will provide increased lethality and Increment 4 will provide extended range. The mission of the PrSM System is to attack/neutralize/suppress/destroy targets using missile delivered indirect precision fires. PrSM will provide Joint Force Commanders with a 24/7, all weather capability to attack critical and time sensitive area and point targets including threat air defense, missile launchers, command and control centers, assembly/ staging areas and high payoff targets at all depths of the multi-domain battlefield. The PrSM will counter the enemy's ability to conduct combat maneuver and air defense operations.

Executive Summary

PrSM

Classified Executive Summary information is provided in the classified annex to this submission.

Program Highlights Since Last Report

The program continues concurrent execution of the Enhanced Technology Maturation and Risk Reduction (E-TMRR), Engineering and Manufacturing Development (EMD) and Early Operational Capability (EOC) 1&2 contracts. The PrSM Product Office awarded EOC-2 as an Undefined Change Order in September 2022 as an option on the EMD/EOC contract. The program released a request for proposal for EOC-3/4 as a stand-alone contract with a proposal expected in April 2023.

History of Significant Developments Since Program Initiation

History of Significant Developments Since Program Initiation	
Date	Significant Development Description
Nov - 2021	Conducted PrSM System Critical Design Review (CDR).
Nov - 2021	Six successful flight tests from December 2019 – November 2021.
Sep - 2021	PrSM Milestone B approval Acquisition Decision Memorandum (ADM) signed by the Army Acquisition Executive (AAE).
Aug - 2021	AAE approval ADM for Urgent Capability Acquisition (UCA) Pathway to procure EOC missiles
Jun - 2021	Joint Requirement Oversight Council Memorandum approves PrSM Increment 1 Capability Development Document.
Feb - 2021	Directed Requirement for initial quantities of Early Operational Capability (EOC) missiles, signed by Commander, Army Futures Command.
Jan - 2021	ADM with AAE approval for release of the PrSM Developmental Request for Proposal to support the Engineering and Manufacturing Development (EMD) contract and authority to execute contract line items for long lead EMD test hardware up to \$20M prior to Milestone B.
Apr - 2020	Army Acquisition Executive (AAE) ADM concurs with PrSM program acceleration and a single vendor approach.
Nov - 2017	Reversion of Milestone Decision Authority. This ADM reverts Milestone Decision Authority from the USD-ATL to the Secretary of the Army.
Mar - 2017	The Long-Range Precision Fires (LRPF) Milestone A ADM was signed by the USD-ATL
Nov - 2013	The Precision Strike Missile (PrSM), formerly the Long Range Precision Fires(LRPF), Materiel Development Decision (MDD) as approved through an Acquisition Decision Memorandum (ADM) was signed by the Under Secretary of Defense for Acquisition, Technology and Logistics (USD-ATL).

Schedule

PrSM

Events	Milestone Baseline Objective	Current Baseline Objective/Threshold		Current Estimate/Actual	Deviation
Milestone A Determination (10 USC 2366a) Complete	Mar 2017	Mar 2017	Mar 2017	Mar 2017	

Milestone B Certification (10 USC 2366b) Complete	Sep 2021	Sep 2021	Sep 2021	Sep 2021	
Critical Design Review Complete	Sep 2021	Sep 2021	Mar 2022	Nov 2021	
Initial Operational Test and Evaluation Start Complete	Nov 2024	Nov 2024	May 2025	Nov 2024	
Initial Operational Test and Evaluation Finish Complete	Feb 2025	Feb 2025	Aug 2025	Feb 2025	
Combined Milestone C and Full Rate Production Decision Complete	Apr 2025	Apr 2025	Oct 2025	Apr 2025	
Initial Operational Capability Complete	Aug 2025	Aug 2025	Feb 2026	Aug 2025	

Notes

Deviation Explanation

No deviations for this program/subprogram

Performance

PrSM

Performance Characteristics				
Milestone Baseline	Current Baseline Objective/Threshold	Demonstrated Performance	Current Estimate/Actual	Deviation
(KPP) - Maximum Range				
	(U) Max range 650 km	(U) Max range 400 km	499.4km	>500km
(KPP)System Survivability - System Survivability: Chemical, Biological, Radiological, or Nuclear (CBRN) Survivability				
	(U) The PrSM shall remain fully mission capable without requiring a system restart after a HEMP or INWE event.	(U) Chemical, Biological, Radiological, or Nuclear (CBRN) Survivability. The PrSM is designated CBRN survivability mission critical IAW DoDI 3150.09. The Launch Pod Missile Container (LPMC) must meet the contamination and survivability requirements and be capable of withstanding the materiel damaging effects of contaminants, decontamination, and field procedures required to decontaminate down to negligible risk levels IAW MIL-STD 3056. Employment must be compatible with Soldiers in Mission Oriented Protective Posture IV. Mission essential functions shall be survivable in storage, while in transport, and on		(U) Chemical, Biological, Radiological, or Nuclear (CBRN) Survivability. The PrSM is designated CBRN survivability mission critical IAW DoDI 3150.09. The Launch Pod Missile Container (LPMC) must meet the contamination and survivability requirements and be capable of withstanding the materiel damaging effects of contaminants, decontamination, and field procedures required to decontaminate down to negligible risk levels IAW MIL-STD 3056. Employment must be compatible with Soldiers in Mission Oriented Protective Posture IV.

		<p>the launcher against the Initial Nuclear Weapons Effects (INWE) of blast, thermal and initial nuclear radiation to the same level as the launchers as defined in MIS-30225 Nuclear Environment Criteria for MLRS. Mission essential electronics shall be survivable against high altitude electromagnetic pulse(HEMP) environments described in MIL-STD 2169C or the current MIL STD as released while in storage, while in transport, and on the launcher. The PrSM shall be restored to fully mission capable within 10 minutes with no more than one system restart after a HEMP or INWE event.</p>		<p>Mission essential functions shall be survivable in storage, while in transport, and on the launcher against the Initial Nuclear Weapons Effects (INWE) of blast, thermal and initial nuclear radiation to the same level as the launchers as defined in MIS-30225 Nuclear Environment Criteria for MLRS. Mission essential electronics shall be survivable against high altitude electromagnetic pulse (HEMP) environments described in MIL-STD 2169C or the current MIL STD as released while in storage, while in transport, and on the launcher. The PrSM shall be restored to fully mission capable within 10 minutes with no more than one system restart after a HEMP or INWE event.</p>	
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(KPP)System Survivability - System Survivability: Cyber Survivability

	<p>(U) The PrSM system shall be compliant to the approved Secure Technical Implementation Guide (STIG). Verification and</p>	<p>(U) The PrSM system shall be compliant to the approved Secure Technical Implementation Guide (STIG). Verification and</p>		<p>(U) The PrSM system shall be compliant to the approved Secure Technical Implementation Guide (STIG). Verification and</p>	
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<p>validation activities (e.g., software code scans, static analysis, code reviews, software qualification tests) shall confirm that the system is compliant. CAT 1 and CAT 2 vulnerability shall be mitigated. The system must maintain the approved Confidentiality, Integrity, and Availability when connecting to and from other systems. It must be capable of **authenticating** with FA Launchers (M142 HIMARS and M270A2 MLRS and designated variants thereof) within the capabilities of the current launcher fleet. It must be capable of maintaining mission effectiveness (resiliency) during cybersecurity testing (i.e. table top [National Defense Authorization Act {NDAA} 1647], Cooperative Vulnerability Identification (CVI), Adversary Cybersecurity DT&E, Cooperative Vulnerability and Penetration Assessment [CVPA], Adversarial Assessment, Command Post Exercises and Army</p>	<p>validation activities (e.g., software codescans, static analysis, code reviews,software qualification tests) shall confirmthat the system is compliant. CAT 1 and CAT 2 vulnerability shall be mitigated. The systemmust maintain the approved Confidentiality,Integrity, and Availability when connecting toand from other systems. It must be capableof **identification** with FA Launchers(M142 HIMARS and M270A2 MLRS and designated variants thereof) within the capabilities of the current launcher fleet. It must be capable of maintaining mission effectiveness (resiliency) during cybersecurity testing (i.e. table top [National Defense Authorization Act {NDAA} 1647],Cooperative Vulnerability Identification (CVI),Adversary Cybersecurity DT&E, Cooperative Vulnerability and Penetration Assessment[CVP A], Adversarial</p>		<p>validation activities (e.g., software code scans, static analysis, code reviews, software qualification tests) shall confirm that the system is compliant. CAT 1 and CAT 2 vulnerability shall be mitigated. The system must maintain the approved Confidentiality, Integrity, and Availability when connecting to and from other systems. It must be capable of **identification** with FA Launchers (M142 HIMARS and M270A2 MLRS and designated variants thereof) within the capabilities of the current launcher fleet. It must be capable of maintaining mission effectiveness (resiliency) during cybersecurity testing (i.e. table top [National Defense Authorization Act {NDAA} 1647], Cooperative Vulnerability Identification (CVI), Adversary Cybersecurity</p>
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	<p>Interoperability Certification [AIC] testing). It will be survivable to novice skill level cybersecurity threats from the insider, nearsider and outsider attack perspectives. In accordance with the Cyber Survivability Endorsement Guide, the overall Cyber Survivability Risk Category is CSRC 3.</p>	<p>Assessment, CommandPost Exercises and Army Interoperability Certification [AIC] testing). It will be survivable to novice skill level cybersecurity threats from the insider, nearsider and outsider attack perspectives. In accordance with the Cyber Survivability Endorsement Guide, the overall Cyber Survivability Risk Category is CSRC 3.</p>		<p>DT&E, Cooperative Vulnerability and Penetration Assessment [CVPA], Adversarial Assessment, Command Post Exercises and Army Interoperability Certification [AIC] testing). It will be survivable to novice skill level cybersecurity threats from the insider, nearsider and outsider attack perspectives. In accordance with the Cyber Survivability Endorsement Guide, the overall Cyber Survivability Risk Category is CSRC 3.</p>	
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(KPP)System Survivability - System Survivability: Electro-Magnetic Spectrum Survivability

	<p>(U) PrSM must be capable of functioning in an electromagnetic counter measure environment during flight as defined in the PrSM VOLT.</p>	<p>(U) Electromagnetic Spectrum Survivability. Must be capable of down loading targeting data from the launcher and acquiring access to a trusted positioning, navigation and timing (PNT) source (e.g., Military GPS signal).</p>		<p>(U) Electromagnetic Spectrum Survivability. Must be capable of down loading targeting data from the launcher and acquiring access to a trusted positioning, navigation and timing (PNT) source (e.g., Military GPS signal).</p>	
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Requirement Reference

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Validated:

Deviation Explanation

No deviations for this program/subprogram

Notes

None

Acquisition Budget Estimate

PrSM

Total Acquisition Cost

		Milestone APB	Current Baseline		Budget Estimate PB 2024		
Category	Base Year	Objective (BY\$M)	Objective (BY\$M)	Threshold (BY\$M)	BY\$M	TY\$M	Deviation
RDT&E	2021	1,048.2	1,048.2	1,153	1,066.1	1,090.2	
Procurement	2021	5,542.2	5,542.2	6,096.4	5,813.9	7,346.9	
MILCON	2021	53	53	58.3	53.1	63.8	
Acq. O&M	2021	41.9	41.9	46.1	39.3	48.6	
Total		6,685.3	6,685.3		6,972.4	8,549.5	
PAUC	2021	1.663	1.663	1.829	1.734	2.126	
APUC	2021	1.390	1.390	1.529	1.459	1.843	

Appropriation Category Deviation Explanations

PAUC Deviation Explanation

APUC Deviation Explanation

Budget Notes

Budget Position: PB24 AF 2.2 (13 FEB 23)

Army Acquisition Executive approved Current Acquisition Program Baseline (APB), September 24, 2021

Army Acquisition Executive approved Current APB, September 24, 2021.

Total End Item Quantity

Quantity Category	Current APB Quantity	Current Estimate Quantity
Development	35	35
Procurement	3986	3986
O&M-Acquired		

Quantity Notes

Unit Cost

PrSM

Current UCR Baseline and Current Estimate (Base-Year Dollars)			
Category (\$M) Base Year:2021	Current UCR Baseline	Current Estimate	% Change
Program Acquisition Unit Cost			
Cost	6,685.3	6,972.4	
Quantity	4,021	4021	
Unit Cost	1.663	1.734	4.29%
Average Procurement Unit Cost			
Cost	5,542.2	5,813.9	
Quantity	3,986	3,986	
Unit Cost	1.390	1.459	4.90%
Original UCR Baseline and Current Estimate (Base-Year Dollars)			
Category (\$M) Base Year:2021	Original UCR Baseline	Current Estimate	% Change
Program Acquisition Unit Cost			
Cost	6,685.3	6,972.4	
Quantity	4,021	4021	
Unit Cost	1.663	1.734	4.29%
Average Procurement Unit Cost			
Cost	5,542.2	5,813.9	
Quantity	3,986	3,986	
Unit Cost	1.390	1.459	4.90%
Cost Growth Details			
Current Baseline PAUC Breach Explanation			
Current Baseline APUC Breach Explanation			
Original Baseline PAUC Breach Explanation			
Original Baseline APUC Breach Explanation			
Impacts of Schedule Changes on Unit Cost			
Impacts of Performance Changes on Unit Cost			
Actions Taken or Proposed to Control Future Cost Growth			

Risk and Sensitivity Analysis

PrSM

Risk and Sensitivity Analysis
Current Procurement Cost(December - 2022)
Original Baseline Estimate (September - 2021)
Current Baseline Estimate (September - 2021)

Schedule Risk		
Current	2022-08-28	#1338 Inability of Advanced Field Artillery Tactical Data System (AFATDS) to support PrSM Limited User Test (LUT), 3rd Quarter FY 2023
Current	2021-12-31	#1129 Lockheed Martin Missiles and Fire Control (LM MFC) Deferral of Cybersecurity Requirements Allocation
Technical Risks		
Current	December 23, 2021	#1338 Inability of Advanced Field Artillery Tactical Data System (AFATDS) to support PrSM Limited User Test (LUT), 3rd Quarter FY 2023

Low Rate Initial Production

PrSM

Item	Initial LRIP Decision	Current Total LRIP
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Approval Date

Approved Quantity

Reference

Start Year

End Year

Rationale if quantity exceeds 10% of the total number of articles to be procured:

Notes

Contracts & Efforts

Contract Data	
Contract Number	W31P4Q-21-C-0042
Effort Number	
Modification Number	P00016
Award Date	04/21/2021
Definitization Date	03/31/2022
Order Number	
CAGE Code/CAGE Legal Name	64059/Lockheed Martin Missiles and Fire Control
Contract Title	PrSM Engineering and Manufacturing Development (EMD) & Early Operational Capability-1 (EOC-1)
Contract Address	Grand Praire, TX
Contracting Office	ACC-RSA
Supported Phase	Development
Contract Strategy	FAR 15 (Negotiated)
Contract Type	Multiple Types
Modification Date	July 29, 2022
Work Start Date	April 21, 2021
Technical Data Rights	Limited Rights to Technical Data--Non-Commercial Items Only
Work Completed	

Contracts/Effort Price, Quantity, and Performance (TY\$M)		
Initial Target Price	Current Target Price	
Initial Ceiling Price	Current Ceiling Price	
Contractor EAC	PM EAC	
Initial Quantity	Current Quantity	Delivered Quantity
BAC	BCWP	ACWP

BCWS	Cost Variance	Schedule Variance

Contract Notes:

January 2021 Developmental Request for Proposal Decision Review ADM provided authority for undefinitized award up to \$20M of long lead hardware to maintain EMD testing schedule prior to milestone B decision. As noted above this long lead CLIN was awarded on April 29, 2021. Upon Milestone B ADM approval, the undefinitized award was modified to award the remaining CLINs on September 30, 2021. The contract was definitized on July 29, 2002. The Government is pursuing Government Purpose Rights on the contract. Contract is a hybrid Fixed Price/Cost Plus Fixed Fee.

Factors Contributing to Cost Variance and Projected Effects on Program Costs**Factors Contributing to Schedule Variance and Projected Effects on Program Schedule**

External Government Activities

Activity Title		Government Entity	Supported Phase
CAGE		Work Start Date	
City		State/Province:	
Notes			

Deliveries and Expenditures

PrSM

Deliveries				
Delivered to Date	Planned to Date	Actual to Date	Total Quantity	Percent Delivered
Development	7	7	35	20.00%
Production			3,986	0.00%
Total Program Quantity Delivered	7	7	4021	0.17%

Expended and Appropriated (TY \$M)

Years Appropriated to date: 7

Total Years Appropriated Funding (Current Baseline): 32

Percent Years Appropriated: 21.88%

Then-Year Funding Appropriated as Percentage of Total Acquisition Estimate: 10.61%

Then-Year Funding Expended as Percentage of Total Acquisition Estimate: 4.43%

Total Acquisition Cost: 8,549.5

Deliveries & Expenditures Notes:

Deliveries & Expenditures Notes: Then Year Appropriated Amount equal sum of FY2016 - FY2022 Research, Development, Test & Evaluation (RDT&E) + FY 2023 Continuing Resolution Authority (CRA) funds released to date. Missile Procurement, Army (MIPA) is for FY2021 - FY2022 + FY2023 CRA only. Then Year Expended Amount equal sum of FY2016 - FY2021 RDTE + FY2022 to date. MIPA is FY2021 + FY2022 to date. Acq O&M based on FY2019 - FY2022.

Operating and Support Costs

PrSM

O&S Cost Breakdown:

Category (BY\$ Million)	PrSM
Unit-Level Manpower	2.5
Unit Operations	.0
Maintenance	41.8
Sustaining Support	103.8
Continued System Improvements	68.7
Other	1.2
Total	218.0

Cost Estimate Source: CCP dated September 17, 2021

O&S Cost Notes:

Total Program O&S Cost Compared with Baseline					
	Current Baseline				
	Objective (BY\$M)	Threshold (BY\$M)	Current Estimate (BY\$M)	Current Estimate (TY\$M)	Deviation
Total O&S	220.1	242.1	218.0	313.5	

Note:

None

O&S Cost Deviation Explanation

Operating and Support Costs - Disposal and Unitized Costs

PrSM

Annual Unitized O&S Cost Definition and Calculation Relative to Total O&S Cost:

Sustainment Factors	System Name: PrSM - Missiles	Antecedent System Name: ATACMS
Quantity to Sustain	3986	4412
Unit of Measure	Missiles	
Unit Expected Service Life	10	10

Base Year:

Annual Unitized O&S Cost by Category Base Year \$ Unit:(\$K)	System Name: PrSM - Missiles	Antecedent System Name: ATACMS
Unit-Level Manpower	0.1	0.0
Unit Operations	0.0	0.0
Maintenance	1.0	1.6
Sustaining Support	2.6	3.4
Continued System Improvements	1.7	0.5
Other	0.0	0.0
Total O&S	5.4	5.5

Disposal/Demilitarization Cost Estimate

(Base Year \$Millions)	System Name: PrSM - Missiles	Antecedent System Name: ATACMS
Total Disposal	34.2	

Cost Estimate Source - Disposal

Type:	Program Office Estimate
Approval Authority and Date:	BG Frank J. Lozano PEO Missiles and Space 12/31/2022
Note:	
Disposal Cost Notes:	
Additional O&S Estimate Assumptions:	
Sustainment Strategy:	

Antecedent Estimate Assumptions: