



Selected Acquisition Report (SAR)

RCS: DD-A&T(Q&A)823-555



Joint Air-to-Surface Standoff Missile (JASSM)

As of FY 2016 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

Joint Air-to-Surface Standoff Missile (JASSM)

DoD Component

Air Force

Joint Participants

Department of the Navy

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Date

Assigned: July 21, 2014

References

JASSM Baseline

SAR Baseline (Production Estimate)

Defense Acquisition Executive (DAE) Approved Acquisition Program Baseline (APB) dated April 4, 2011

Approved APB

Defense Acquisition Executive (DAE) Approved Acquisition Program Baseline (APB) dated April 4, 2011

JASSM-ER

SAR Baseline (Production Estimate)

Defense Acquisition Executive (DAE) Approved Acquisition Program Baseline (APB) dated April 4, 2011

Approved APB

Defense Acquisition Executive (DAE) Approved Acquisition Program Baseline (APB) dated April 4, 2011

Mission and Description

Introduction:

The Joint Air-to-Surface Standoff Missile (JASSM) is a next generation cruise missile enabling the U.S. Air Force to destroy the enemy's war-sustaining capabilities from outside its area air defenses. It is precise, lethal, survivable, flexible, and adverse-weather capable. JASSM's inherent accuracy (three meters (m) or less using the Imaging Infrared (IIR) seeker and less than 13 m with Global Positioning System (GPS)/Inertial Navigation System (INS) only) reduces the number of weapons and sorties required to destroy a target.

Mission:

JASSM provides both fighter and bomber aircraft the capability to strike critical, high value, heavily defended targets early in a campaign.

Vision:

To provide the warfighter with an autonomous, precision standoff strike weapon product line at an affordable cost and on schedule.

Description:

JASSM Baseline and JASSM-Extended Range (ER) are low observable, highly survivable, subsonic cruise missiles which carry a 1000-pound class, hardened, penetrating warhead with a robust blast fragmentation capability. The missiles employ an IIR seeker system to attack fixed, point targets requiring precision targeting. The missiles use GPS/INS for mid-course navigation and as a back up for terminal guidance. A launch can occur over a wide range of altitudes and at ranges greater than 200 nautical miles (nm) (Baseline) or greater than 500 nm (ER). JASSM Baseline and JASSM-ER (Lots 1-10) have a 15-year warranty. Lot 11 and out will be under Contractor Logistics Support.

CONOPS:

JASSM employment will occur primarily in the early stages of conflict before air superiority is established, and in the later stages of conflict against high value targets remaining heavily defended. JASSM can also be employed in those cases where, due to rules of engagement/political constraints, high value, point targets must be attacked from international airspace. JASSM may be employed independently or the missile may be used as part of a composite package.

Executive Summary

During 2014, the Defense Contract Management Agency accepted 60 of 60 combined JASSM-Extended Range (ER) LRIP Lot 1 and 2 missiles and 183 of 191 JASSM Baseline (BL) Lot 10 missiles. JASSM BL is in sustained production with over 1,358 missiles currently in inventory. Lot 13/14 (FY 2015 and FY 2016) Production Contract achieved Business Clearance and negotiations are ongoing.

JASSM remains an effective and affordable cruise missile for engaging the enemy's war-sustaining capabilities from outside its area air defenses and had a successful year for JASSM-ER: 30 ER LRIP Lot 1 missiles were delivered into inventory achieving the ER Required Asset Available/B-1 on March 21, 2014. In June 2014 and July 2014 the ER engine and system levels Production Readiness Reviews were successfully conducted, clearing the technical path for the ER FRP milestone decision. In September, USD (AT&L) redesignated both JASSM and JASSM-ER from ACAT ID to ACAT IC and on September 24, 2014, the JASSM-ER FRP milestone decision was briefed to the Air Force Review Board. In November 2014, the JASSM Program Office (JPO) received the signed ADM approving ER for FRP. On December 2, 2014, the Commander, Air Combat Command declared B-1B/JASSM-ER IOC.

In April 2014, Lockheed Martin (LM) discovered an issue of lens de-bonding with its newly qualified lens assembly supplier. LM's response bounded this issue to BL missiles, only of which 35 were in inventory and an additional 20 were completed Lot 10 BL missiles awaiting DD 250 at Troy, Alabama. A failure investigation board was completed and process changes were implemented. LM is reworking all 55 suspect missiles.

During the CY 2014, the second and third of five planned Product Verification Test launches achieved all major test objectives for the Guidance Navigation and Control/Aerodynamic (inverted) flight performance capability.

The last missile warranty was awarded on the BL Lot 10 and ER LRIP Lot 2 contract in FY 2012. The JPO conducted a business case analysis to include system maturity, demonstrated system reliability, and warranty price trends and concluded that a Contractor Logistics Support construct was better suited for future production lots.

Demonstrated reliability for both variants of JASSM meet or exceed specification; BL at 85% (requirement is 85%) and ER at 91% (requirement at LRIP Lot 4 is 85%).

BL Material Availability (Am) is 84.2% (below the 95% requirement) but continued to improve from 80.5% in January 2014. ER Am is 96.7% (above the 95% KPP requirement).

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

Threshold Breaches

JASSM Baseline

APB Breaches

- Schedule
- Performance
- Cost
 - RDT&E
 - Procurement
 - MILCON
 - Acq O&M
- O&S Cost
- Unit Cost
 - PAUC
 - APUC

Nunn-McCurdy Breaches

- Current UCR Baseline**
 - PAUC None
 - APUC None
- Original UCR Baseline**
 - PAUC None
 - APUC None

JASSM-ER

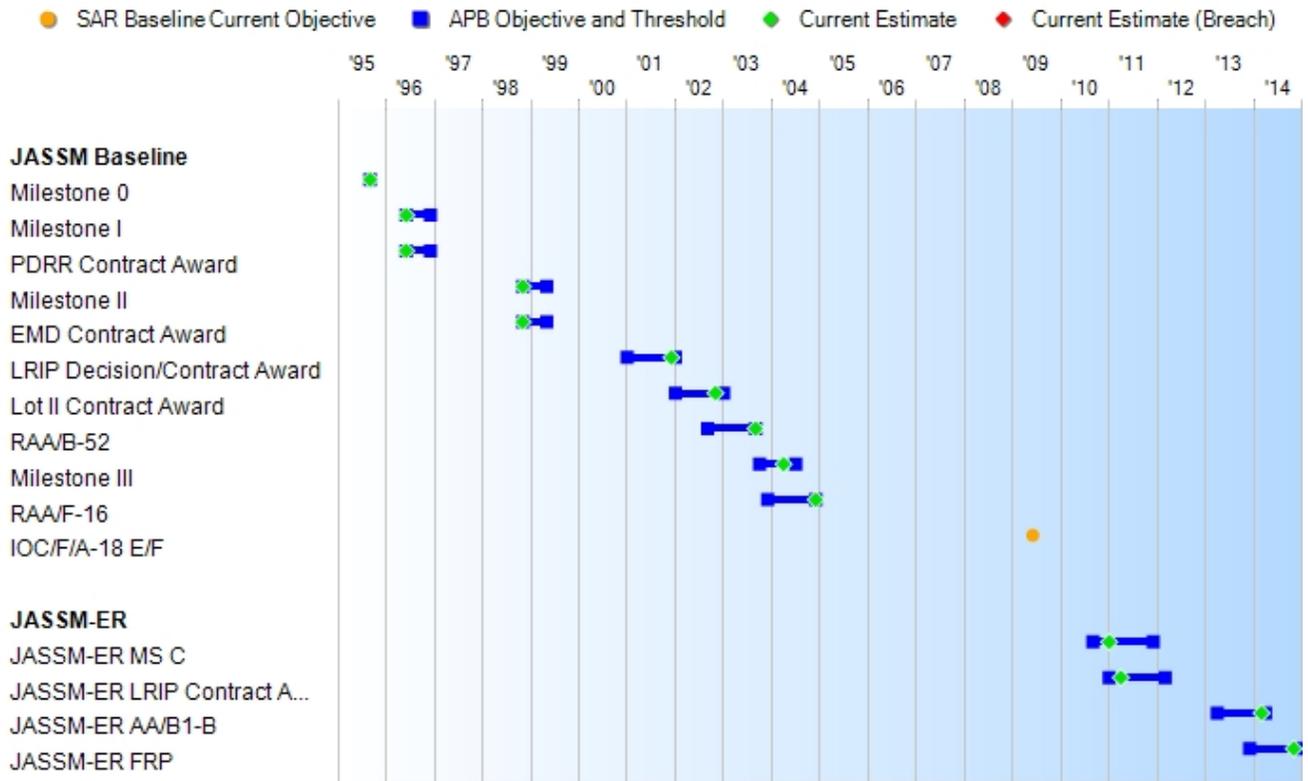
APB Breaches

- Schedule
- Performance
- Cost
 - RDT&E
 - Procurement
 - MILCON
 - Acq O&M
- O&S Cost
- Unit Cost
 - PAUC
 - APUC

Nunn-McCurdy Breaches

- Current UCR Baseline**
 - PAUC None
 - APUC None
- Original UCR Baseline**
 - PAUC None
 - APUC None

Schedule



JASSM Baseline

Schedule Events				
Events	SAR Baseline Production Estimate	Current APB Production Objective/Threshold		Current Estimate
Milestone 0	Sep 1995	Sep 1995	Sep 1995	Sep 1995
Milestone I	Jun 1996	Jun 1996	Dec 1996	Jun 1996
PDRR Contract Award	Jun 1996	Jun 1996	Dec 1996	Jun 1996
Milestone II	Nov 1998	Nov 1998	May 1999	Nov 1998
EMD Contract Award	Nov 1998	Nov 1998	May 1999	Nov 1998
LRIP Decision/Contract Award	Jan 2001	Jan 2001	Jan 2002	Dec 2001
Lot II Contract Award	Jan 2002	Jan 2002	Jan 2003	Nov 2002
RAA/B-52	Sep 2002	Sep 2002	Sep 2003	Sep 2003
Milestone III	Oct 2003	Oct 2003	Jul 2004	Apr 2004
RAA/F-16	Dec 2003	Dec 2003	Dec 2004	Dec 2004
IOC/F/A-18 E/F	Jun 2009	N/A	N/A	N/A

Change Explanations

None

Acronyms and Abbreviations

PDRR - Program Definition and Risk Reduction

RAA - Required Assets Available

JASSM-ER

Schedule Events				
Events	SAR Baseline Production Estimate	Current APB Production Objective/Threshold		Current Estimate
JASSM-ER MS C	Jan 2007	Sep 2010	Dec 2011	Jan 2011
JASSM-ER LRIP Contract Award	Jan 2011	Jan 2011	Mar 2012	Apr 2011
JASSM-ER AA/B1-B	Dec 2008	Apr 2013	Apr 2014	Mar 2014
JASSM-ER FRP	Dec 2013	Dec 2013	Dec 2014	Nov 2014

(Ch-1)

Change Explanations

(Ch-1) JASSM-ER FRP changed from August 2014 to November 2014. The FRP milestone decision was originally estimated to be held in August 2014, but was formally conducted on September 24, 2014. The ADM approving FRP was signed on November 20, 2014.

Notes

Thirty JASSM LRIP (Lot 1) missiles were delivered on March 21, 2014, achieving JASSM-ER AA/B1-B.

Redesignation: Received USD (AT&L) redesignation approval from ACAT ID to IC, September 8, 2014.

Acronyms and Abbreviations

AA - Assets Available

MS - Milestone

Performance

JASSM Baseline

Performance Characteristics				
SAR Baseline Production Estimate	Current APB Production Objective/Threshold		Demonstrated Performance	Current Estimate
Carrier Operability (KPP)				
Compatible with carrier ops	Compatible with carrier ops	Compatible with carrier ops	N/A	None
Interoperability (KPP)				
100% of top-level IER	100% of top-level IER	100% of top-level IER designated critical	100% of top-level IER	100% of top-level IER

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

Requirements Reference

Operational Requirements Document (ORD) dated January 20, 2004

Change Explanations

None

Notes

The Carrier Operability KPP was eliminated when the Department of the Navy withdrew from the JASSM program.

Acronyms and Abbreviations

IER - Information Exchange Requirement
ops - operations

JASSM-ER

Performance Characteristics				
SAR Baseline Production Estimate	Current APB Production Objective/Threshold		Demonstrated Performance	Current Estimate
Materiel Availability (KPP) (CPD Para 6.1.5)				
.98	.98	.95	1.0	.97 (Ch-1)
Net-Ready (KPP) (CPD para 6.1.3)				
All Ops	All Ops	Joint Critical Ops	All Ops	All Ops
Missile Reliability (KSA) (CPD para 6.2.8)				
4th Lot .91	4th Lot. 91	IOT&E .80 4th Lot .85	IOT&E .95	4th Lot .91

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

Requirements Reference

Capability Production Document (CPD) dated April 16, 2010, JASSM-ER Annex to the JASSM Operational Requirements Document (ORD) and ORD III dated January 31, 2005, and the ORD 303-95-III dated January 20, 2004

Change Explanations

(Ch-1) Two missiles at Troy, Alabama changed from Condition Code N (Suspended - Suitable for emergency use only) to Condition Code F (Unserviceable) for engine heatshield repair.

Acronyms and Abbreviations

IOT&E - Initial Operational Test and Evaluation
 KSA - Key System Attributes
 Ops - Operations
 para - paragraph

Track to Budget

JASSM Baseline

RDT&E

Appn	BA	PE		
Navy	1319	07	0604312N	
	Project		Name	
	2242		Joint Air-to-Surface Standoff Missile	(Shared) (Sunk)
Air Force	3600	07	0207325F	
	Project		Name	
	674515		Joint Air-to-Surface Standoff Missile	
	675356		JASSM Extended Range (JASSM-ER)	(Shared) (Sunk)

Procurement

Appn	BA	PE		
Air Force	3020	02	0207325F	
	Line Item		Name	
	00099		Initial Spares	
	654515		Joint Air-to-Surface Standoff Missile	
	JASSM0		Joint Air-to-Surface Standoff Missile	

JASSM-ER

RDT&E

Appn	BA	PE		
Air Force	3600	07	0207325F	
	Project		Name	
	674515		Joint Air-to-Surface Standoff Missile	(Shared) (Sunk)
	675356		JASSM Extended Range (JASSM-ER)	

Procurement

Appn	BA	PE		
Air Force	3020	02	0207325F	
	Line Item		Name	
	00099		Initial Spares	
	654515		Joint Air-to-Surface Standoff Missile	
	JASSM0		Joint Air-to-Surface Standoff Missile	

Cost and Funding

Cost Summary - Total Program

Total Acquisition Cost - Total Program							
Appropriation	BY 2010 \$M			BY 2010 \$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	1405.8	1441.7	--	1460.0	1199.8	1252.6	1274.9
Procurement	3648.7	5869.3	--	5205.3	3756.2	6785.0	5960.1
Flyaway	--	--	--	4271.3	--	--	4864.7
Recurring	--	--	--	4271.3	--	--	4864.7
Non Recurring	--	--	--	0.0	--	--	0.0
Support	--	--	--	934.0	--	--	1095.4
Other Support	--	--	--	931.1	--	--	1091.7
Initial Spares	--	--	--	2.9	--	--	3.7
MILCON	31.0	0.0	--	0.0	25.1	0.0	0.0
Acq O&M	0.0	0.0	--	0.0	0.0	0.0	0.0
Total	5085.5	7311.0	N/A	6665.3	4981.1	8037.6	7235.0

Cost and Funding

Cost Summary - JASSM Baseline

Total Acquisition Cost - JASSM Baseline							
Appropriation	BY 2010 \$M			BY 2010 \$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	1246.7	1176.2	1293.8	1184.4	1053.2	985.6	994.9
Procurement	1612.8	2503.2	2753.5	1789.3	1601.4	2664.7	1810.5
Flyaway	--	--	--	1402.9	--	--	1421.7
Recurring	--	--	--	1402.9	--	--	1421.7
Non Recurring	--	--	--	0.0	--	--	0.0
Support	--	--	--	386.4	--	--	388.8
Other Support	--	--	--	386.0	--	--	388.3
Initial Spares	--	--	--	0.4	--	--	0.5
MILCON	31.0	0.0	--	0.0	25.1	0.0	0.0
Acq O&M	0.0	0.0	--	0.0	0.0	0.0	0.0
Total	2890.5	3679.4	N/A	2973.7	2679.7	3650.3	2805.4

Confidence Level

Confidence Level of cost estimate for current APB: 50%

The Independent Cost Estimate to support JASSM Baseline and JASSM-ER Milestone C decision, like all life-cycle cost estimates previously performed by the Cost Assessment and Program Evaluation (CAPE), is built upon a product-oriented work breakdown structure, based on historical actual cost information to the maximum extent possible, and, most importantly, based on conservative assumptions that are consistent with actual demonstrated contractor and government performance for a series of acquisition programs in which the Department has been successful.

It is difficult to calculate mathematically the precise confidence levels associated with life-cycle cost estimates prepared for Major Defense Acquisition Programs (MDAPs). Based on the rigor in methods used in building estimates, the strong adherence to the collection and use of historical cost information, and the review of applied assumptions, we project that it is about equally likely that the estimate will prove too low or too high for execution of the program described.

Total Quantity - JASSM Baseline			
Quantity	SAR Baseline Production Estimate	Current APB Production	Current Estimate
RDT&E	87	87	87
Procurement	2853	2400	2034
Total	2940	2487	2121

Cost Summary - JASSM-ER

Total Acquisition Cost - JASSM-ER							
Appropriation	BY 2010 \$M			BY 2010 \$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	159.1	265.5	292.1	275.6	146.6	267.0	280.0
Procurement	2035.9	3366.1	3702.7	3416.0	2154.8	4120.3	4149.6
Flyaway	--	--	--	2868.4	--	--	3443.0
Recurring	--	--	--	2868.4	--	--	3443.0
Non Recurring	--	--	--	0.0	--	--	0.0
Support	--	--	--	547.6	--	--	706.6
Other Support	--	--	--	545.1	--	--	703.4
Initial Spares	--	--	--	2.5	--	--	3.2
MILCON	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
Total	2195.0	3631.6	N/A	3691.6	2301.4	4387.3	4429.6

Confidence Level

Confidence Level of cost estimate for current APB: 50%

The Independent Cost Estimate to support JASSM Baseline and JASSM-ER Milestone C decision, like all life-cycle cost estimates previously performed by the Cost Assessment and Program Evaluation (CAPE), is built upon a product-oriented work breakdown structure, based on historical actual cost information to the maximum extent possible, and, most importantly, based on conservative assumptions that are consistent with actual demonstrated contractor and government performance for a series of acquisition programs in which the Department has been successful.

It is difficult to calculate mathematically the precise confidence levels associated with life-cycle cost estimates prepared for Major Defense Acquisition Programs (MDAPs). Based on the rigor in methods used in building estimates, the strong adherence to the collection and use of historical cost information, and the review of applied assumptions, we project that it is about equally likely that the estimate will prove too low or too high for execution of the program described.

Total Quantity - JASSM-ER			
Quantity	SAR Baseline Production Estimate	Current APB Production	Current Estimate
RDT&E	7	31	31
Procurement	2500	2500	2866
Total	2507	2531	2897

Cost and Funding

Funding Summary - Total Program

Appropriation Summary									
FY 2016 President's Budget / December 2014 SAR (TY\$ M)									
Appropriation	Prior	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	To Complete	Total
RDT&E	1192.8	12.9	12.8	6.0	5.1	4.5	4.5	36.3	1274.9
Procurement	1916.4	329.2	441.4	436.1	444.9	453.0	461.2	1477.9	5960.1
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 2016 Total	3109.2	342.1	454.2	442.1	450.0	457.5	465.7	1514.2	7235.0
PB 2015 Total	3110.6	353.3	459.3	444.8	453.1	461.5	459.5	1481.4	7223.5
Delta	-1.4	-11.2	-5.1	-2.7	-3.1	-4.0	6.2	32.8	11.5

Cost and Funding

Funding Summary - JASSM Baseline

Appropriation Summary									
FY 2016 President's Budget / December 2014 SAR (TY\$ M)									
Appropriation	Prior	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	To Complete	Total
RDT&E	987.5	7.4	0.0	0.0	0.0	0.0	0.0	0.0	994.9
Procurement	1606.4	130.0	74.1	0.0	0.0	0.0	0.0	0.0	1810.5
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 2016 Total	2593.9	137.4	74.1	0.0	0.0	0.0	0.0	0.0	2805.4
PB 2015 Total	2594.8	145.6	123.1	0.0	0.0	0.0	0.0	0.0	2863.5
Delta	-0.9	-8.2	-49.0	0.0	0.0	0.0	0.0	0.0	-58.1

Quantity Summary										
FY 2016 President's Budget / December 2014 SAR (TY\$ M)										
Quantity	Undistributed	Prior	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	To Complete	Total
Development	87	0	0	0	0	0	0	0	0	87
Production	0	1834	100	100	0	0	0	0	0	2034
PB 2016 Total	87	1834	100	100	0	0	0	0	0	2121
PB 2015 Total	87	1834	120	100	0	0	0	0	0	2141
Delta	0	0	-20	0	0	0	0	0	0	-20

Funding Summary - JASSM-ER

Appropriation Summary									
FY 2016 President's Budget / December 2014 SAR (TY\$ M)									
Appropriation	Prior	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	To Complete	Total
RDT&E	205.3	5.5	12.8	6.0	5.1	4.5	4.5	36.3	280.0
Procurement	310.0	199.2	367.3	436.1	444.9	453.0	461.2	1477.9	4149.6
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 2016 Total	515.3	204.7	380.1	442.1	450.0	457.5	465.7	1514.2	4429.6
PB 2015 Total	515.8	207.7	336.2	444.8	453.1	461.5	459.5	1481.4	4360.0
Delta	-0.5	-3.0	43.9	-2.7	-3.1	-4.0	6.2	32.8	69.6

Quantity Summary										
FY 2016 President's Budget / December 2014 SAR (TY\$ M)										
Quantity	Undistributed	Prior	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	To Complete	Total
Development	31	0	0	0	0	0	0	0	0	31
Production	0	160	115	260	360	360	360	360	891	2866
PB 2016 Total	31	160	115	260	360	360	360	360	891	2897
PB 2015 Total	31	160	104	260	360	360	360	360	882	2877
Delta	0	0	11	0	0	0	0	0	9	20

Cost and Funding

Annual Funding By Appropriation - JASSM Baseline

Annual Funding - JASSM Baseline							
1319 RDT&E Research, Development, Test, and Evaluation, Navy							
Fiscal Year	Quantity	TY \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1998	--	--	--	--	--	--	5.3
1999	--	--	--	--	--	--	1.8
2000	--	--	--	--	--	--	3.4
2001	--	--	--	--	--	--	2.0
2002	--	--	--	--	--	--	5.9
2003	--	--	--	--	--	--	16.1
2004	--	--	--	--	--	--	20.8
Subtotal	6	--	--	--	--	--	55.3

Annual Funding - JASSM Baseline							
1319 RDT&E Research, Development, Test, and Evaluation, Navy							
Fiscal Year	Quantity	BY 2010 \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1998	--	--	--	--	--	--	6.5
1999	--	--	--	--	--	--	2.2
2000	--	--	--	--	--	--	4.1
2001	--	--	--	--	--	--	2.4
2002	--	--	--	--	--	--	6.9
2003	--	--	--	--	--	--	18.5
2004	--	--	--	--	--	--	23.2
Subtotal	6	--	--	--	--	--	63.8

Annual Funding - JASSM Baseline							
3600 RDT&E Research, Development, Test, and Evaluation, Air Force							
Fiscal Year	Quantity	TY \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1996	--	--	--	--	--	--	27.6
1997	--	--	--	--	--	--	160.7
1998	--	--	--	--	--	--	163.8
1999	--	--	--	--	--	--	121.7
2000	--	--	--	--	--	--	154.4
2001	--	--	--	--	--	--	118.6
2002	--	--	--	--	--	--	82.8
2003	--	--	--	--	--	--	35.0
2004	--	--	--	--	--	--	9.8
2005	--	--	--	--	--	--	11.5
2006	--	--	--	--	--	--	22.4
2007	--	--	--	--	--	--	10.5
2008	--	--	--	--	--	--	3.5
2009	--	--	--	--	--	--	4.1
2010	--	--	--	--	--	--	--
2011	--	--	--	--	--	--	--
2012	--	--	--	--	--	--	--
2013	--	--	--	--	--	--	2.8
2014	--	--	--	--	--	--	3.0
2015	--	--	--	--	--	--	7.4
Subtotal	81	--	--	--	--	--	939.6

Annual Funding - JASSM Baseline							
3600 RDT&E Research, Development, Test, and Evaluation, Air Force							
Fiscal Year	Quantity	BY 2010 \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
1996	--	--	--	--	--	--	34.5
1997	--	--	--	--	--	--	198.3
1998	--	--	--	--	--	--	200.8
1999	--	--	--	--	--	--	147.7
2000	--	--	--	--	--	--	184.5
2001	--	--	--	--	--	--	139.8
2002	--	--	--	--	--	--	96.6
2003	--	--	--	--	--	--	40.3
2004	--	--	--	--	--	--	11.0
2005	--	--	--	--	--	--	12.6
2006	--	--	--	--	--	--	23.8
2007	--	--	--	--	--	--	10.9
2008	--	--	--	--	--	--	3.6
2009	--	--	--	--	--	--	4.1
2010	--	--	--	--	--	--	--
2011	--	--	--	--	--	--	--
2012	--	--	--	--	--	--	--
2013	--	--	--	--	--	--	2.6
2014	--	--	--	--	--	--	2.8
2015	--	--	--	--	--	--	6.7
Subtotal	81	--	--	--	--	--	1120.6

Annual Funding - JASSM Baseline 3020 Procurement Missile Procurement, Air Force								
Fiscal Year	Quantity	TY \$M						
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program	
2001	--	--	0.2	--	0.2	--	0.2	
2002	76	33.6	--	--	33.6	9.1	42.7	
2003	100	36.5	--	--	36.5	15.5	52.0	
2004	240	90.2	--	--	90.2	10.7	100.9	
2005	288	112.2	--	--	112.2	27.0	139.2	
2006	75	69.9	--	--	69.9	28.8	98.7	
2007	163	124.8	--	--	124.8	35.9	160.7	
2008	111	103.5	--	--	103.5	56.5	160.0	
2009	134	129.0	--	--	129.0	51.7	180.7	
2010	3	2.6	--	--	2.6	17.2	19.8	
2011	167	146.5	--	--	146.5	19.9	166.4	
2012	174	153.6	--	--	153.6	24.8	178.4	
2013	176	142.3	--	--	142.3	19.9	162.2	
2014	127	107.1	--	--	107.1	37.4	144.5	
2015	100	104.9	--	--	104.9	25.1	130.0	
2016	100	64.8	--	--	64.8	9.3	74.1	
Subtotal	2034	1421.5	0.2	--	1421.7	388.8	1810.5	

Annual Funding - JASSM Baseline 3020 Procurement Missile Procurement, Air Force								
Fiscal Year	Quantity	BY 2010 \$M						
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program	
2001	--	--	0.2	--	0.2	--	0.2	
2002	76	38.7	--	--	38.7	10.4	49.1	
2003	100	41.5	--	--	41.5	17.6	59.1	
2004	240	100.4	--	--	100.4	11.9	112.3	
2005	288	121.4	--	--	121.4	29.2	150.6	
2006	75	73.5	--	--	73.5	30.3	103.8	
2007	163	128.1	--	--	128.1	36.8	164.9	
2008	111	104.3	--	--	104.3	56.9	161.2	
2009	134	128.2	--	--	128.2	51.3	179.5	
2010	3	2.5	--	--	2.5	16.9	19.4	
2011	167	140.6	--	--	140.6	19.1	159.7	
2012	174	144.9	--	--	144.9	23.4	168.3	
2013	176	130.9	--	--	130.9	18.3	149.2	
2014	127	97.0	--	--	97.0	33.8	130.8	
2015	100	93.8	--	--	93.8	22.4	116.2	
2016	100	56.9	--	--	56.9	8.1	65.0	
Subtotal	2034	1402.7	0.2	--	1402.9	386.4	1789.3	

Annual Funding By Appropriation - JASSM-ER

Annual Funding - JASSM-ER							
3600 RDT&E Research, Development, Test, and Evaluation, Air Force							
Fiscal Year	Quantity	TY \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2003	--	--	--	--	--	--	13.6
2004	--	--	--	--	--	--	15.7
2005	--	--	--	--	--	--	31.8
2006	--	--	--	--	--	--	35.2
2007	--	--	--	--	--	--	22.5
2008	--	--	--	--	--	--	8.3
2009	--	--	--	--	--	--	20.6
2010	--	--	--	--	--	--	26.5
2011	--	--	--	--	--	--	19.3
2012	--	--	--	--	--	--	5.7
2013	--	--	--	--	--	--	2.9
2014	--	--	--	--	--	--	3.2
2015	--	--	--	--	--	--	5.5
2016	--	--	--	--	--	--	12.8
2017	--	--	--	--	--	--	6.0
2018	--	--	--	--	--	--	5.1
2019	--	--	--	--	--	--	4.5
2020	--	--	--	--	--	--	4.5
2021	--	--	--	--	--	--	6.1
2022	--	--	--	--	--	--	6.1
2023	--	--	--	--	--	--	6.1
2024	--	--	--	--	--	--	6.0
2025	--	--	--	--	--	--	6.0
2026	--	--	--	--	--	--	6.0
Subtotal	31	--	--	--	--	--	280.0

Annual Funding - JASSM-ER							
3600 RDT&E Research, Development, Test, and Evaluation, Air Force							
Fiscal Year	Quantity	BY 2010 \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2003	--	--	--	--	--	--	15.6
2004	--	--	--	--	--	--	17.6
2005	--	--	--	--	--	--	34.8
2006	--	--	--	--	--	--	37.4
2007	--	--	--	--	--	--	23.3
2008	--	--	--	--	--	--	8.4
2009	--	--	--	--	--	--	20.6
2010	--	--	--	--	--	--	26.2
2011	--	--	--	--	--	--	18.7
2012	--	--	--	--	--	--	5.4
2013	--	--	--	--	--	--	2.7
2014	--	--	--	--	--	--	3.0
2015	--	--	--	--	--	--	5.0
2016	--	--	--	--	--	--	11.5
2017	--	--	--	--	--	--	5.3
2018	--	--	--	--	--	--	4.4
2019	--	--	--	--	--	--	3.8
2020	--	--	--	--	--	--	3.7
2021	--	--	--	--	--	--	5.0
2022	--	--	--	--	--	--	4.9
2023	--	--	--	--	--	--	4.8
2024	--	--	--	--	--	--	4.6
2025	--	--	--	--	--	--	4.5
2026	--	--	--	--	--	--	4.4
Subtotal	31	--	--	--	--	--	275.6

Annual Funding - JASSM-ER 3020 Procurement Missile Procurement, Air Force							
Fiscal Year	Quantity	TY \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2010	30	52.4	--	--	52.4	4.3	56.7
2011	--	--	--	--	--	1.8	1.8
2012	30	52.3	--	--	52.3	4.6	56.9
2013	40	62.1	--	--	62.1	5.9	68.0
2014	60	90.7	--	--	90.7	35.9	126.6
2015	115	153.6	--	--	153.6	45.6	199.2
2016	260	330.7	--	--	330.7	36.6	367.3
2017	360	395.5	--	--	395.5	40.6	436.1
2018	360	403.1	--	--	403.1	41.8	444.9
2019	360	410.0	--	--	410.0	43.0	453.0
2020	360	417.0	--	--	417.0	44.2	461.2
2021	360	413.9	--	--	413.9	44.9	458.8
2022	360	420.4	--	--	420.4	46.3	466.7
2023	171	241.3	--	--	241.3	47.5	288.8
2024	--	--	--	--	--	18.7	18.7
2025	--	--	--	--	--	19.3	19.3
2026	--	--	--	--	--	19.8	19.8
2027	--	--	--	--	--	20.4	20.4
2028	--	--	--	--	--	21.0	21.0
2029	--	--	--	--	--	21.6	21.6
2030	--	--	--	--	--	22.2	22.2
2031	--	--	--	--	--	22.8	22.8
2032	--	--	--	--	--	23.4	23.4
2033	--	--	--	--	--	24.1	24.1
2034	--	--	--	--	--	24.8	24.8
2035	--	--	--	--	--	25.5	25.5
Subtotal	2866	3443.0	--	--	3443.0	706.6	4149.6

Annual Funding - JASSM-ER 3020 Procurement Missile Procurement, Air Force							
Fiscal Year	Quantity	BY 2010 \$M					
		End Item Recurring Flyaway	Non End Item Recurring Flyaway	Non Recurring Flyaway	Total Flyaway	Total Support	Total Program
2010	30	51.3	--	--	51.3	4.2	55.5
2011	--	--	--	--	--	1.7	1.7
2012	30	49.3	--	--	49.3	4.4	53.7
2013	40	57.1	--	--	57.1	5.5	62.6
2014	60	82.1	--	--	82.1	32.5	114.6
2015	115	137.3	--	--	137.3	40.7	178.0
2016	260	290.3	--	--	290.3	32.1	322.4
2017	360	340.6	--	--	340.6	35.0	375.6
2018	360	340.4	--	--	340.4	35.3	375.7
2019	360	339.5	--	--	339.5	35.6	375.1
2020	360	338.5	--	--	338.5	35.9	374.4
2021	360	329.4	--	--	329.4	35.7	365.1
2022	360	328.0	--	--	328.0	36.1	364.1
2023	171	184.6	--	--	184.6	36.3	220.9
2024	--	--	--	--	--	14.0	14.0
2025	--	--	--	--	--	14.2	14.2
2026	--	--	--	--	--	14.3	14.3
2027	--	--	--	--	--	14.4	14.4
2028	--	--	--	--	--	14.5	14.5
2029	--	--	--	--	--	14.7	14.7
2030	--	--	--	--	--	14.8	14.8
2031	--	--	--	--	--	14.9	14.9
2032	--	--	--	--	--	15.0	15.0
2033	--	--	--	--	--	15.1	15.1
2034	--	--	--	--	--	15.3	15.3
2035	--	--	--	--	--	15.4	15.4
Subtotal	2866	2868.4	--	--	2868.4	547.6	3416.0

Low Rate Initial Production

JASSM Baseline

Item	Initial LRIP Decision	Current Total LRIP
Approval Date	12/21/2001	12/21/2003
Approved Quantity	176	416
Reference	Milestone III ADM	FY 2004 Congressional Add
Start Year	2001	2001
End Year	2003	2003

The Current Total LRIP Quantity is more than 10% of the total production quantity due to the MDA signing an ADM authorizing entry into LRIP on December 21, 2001. The December 2001 LRIP ADM approved the procurement of 76 missiles in Lot 1 and 100 missiles in Lot 2. In the summer of 2003, Congressional language for the FY 2004 budget dictated that the JASSM program remain in LRIP for Lot 3, which added an additional 240 missiles (increasing the total LRIP quantity from 176 to 416, which equates to 17 percent of expected total procurement).

JASSM-ER

Item	Initial LRIP Decision	Current Total LRIP
Approval Date	1/10/2011	1/10/2011
Approved Quantity	100	160
Reference	Milestone C ADM	Milestone C ADM
Start Year	2011	2011
End Year	2013	2014

The January 10, 2011 ADM approved LRIP of 100 to 190 JASSM-ER missiles. JASSM-ER's current LRIP estimate has shifted to 160 missiles (December 31, 2014).

Foreign Military Sales

JASSM Baseline

Notes

JASSM currently has agreements with three countries: Australia, Finland, and Poland. Australia and Finland consider funding and quantity information, when combined, classified information. While funding information is provided, quantity information will be withheld from SAR reports. Poland does not consider this information classified and will report both funding and quantity information. Due to the inconsistencies when dealing with country information, all FMS information will be treated as classified.

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

JASSM-ER

None

Nuclear Costs

JASSM Baseline

None

JASSM-ER

None

Unit Cost

JASSM Baseline

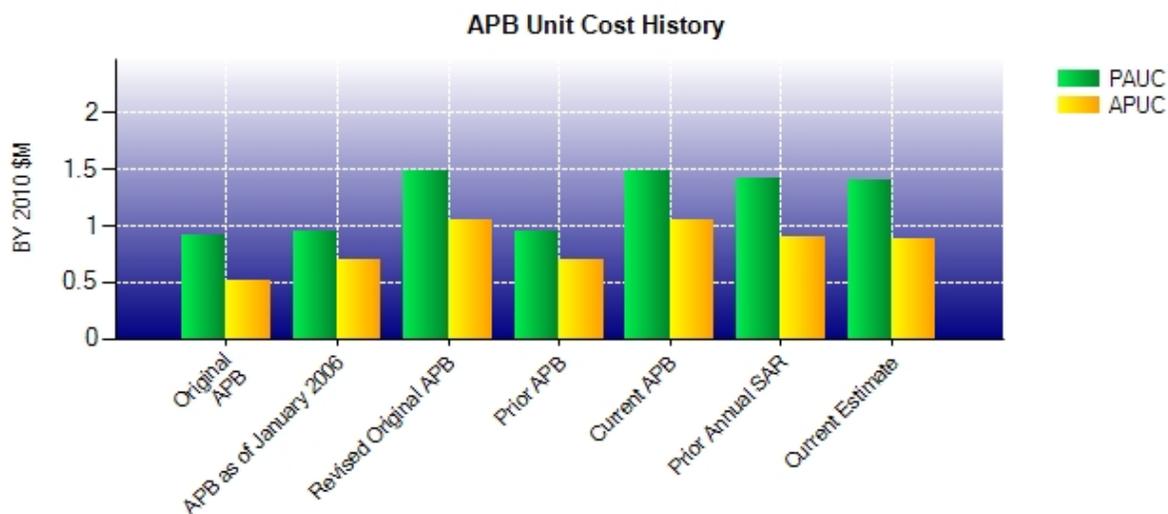
Unit Cost Report

Item	BY 2010 \$M	BY 2010 \$M	% Change
	Current UCR Baseline (Apr 2011 APB)	Current Estimate (Dec 2014 SAR)	
Program Acquisition Unit Cost			
Cost	3679.4	2973.7	
Quantity	2487	2121	
Item	1.479	1.402	-5.21
Average Procurement Unit Cost			
Cost	2503.2	1789.3	
Quantity	2400	2034	
Unit Cost	1.043	0.880	-15.63

Item	BY 2010 \$M	BY 2010 \$M	% Change
	Revised Original UCR Baseline (Apr 2011 APB)	Current Estimate (Dec 2014 SAR)	
Program Acquisition Unit Cost			
Cost	3679.4	2973.7	
Quantity	2487	2121	
Unit Cost	1.479	1.402	-5.21
Average Procurement Unit Cost			
Cost	2503.2	1789.3	
Quantity	2400	2034	
Unit Cost	1.043	0.880	-15.63

JASSM Baseline

Unit Cost History



Item	Date	BY 2010 \$M		TY \$M	
		PAUC	APUC	PAUC	APUC
Original APB	Nov 1998	0.914	0.516	0.840	0.504
APB as of January 2006	Jul 2004	0.951	0.700	0.914	0.702
Revised Original APB	Apr 2011	1.479	1.043	1.468	1.110
Prior APB	Jul 2004	0.951	0.700	0.914	0.702
Current APB	Apr 2011	1.479	1.043	1.468	1.110
Prior Annual SAR	Dec 2013	1.411	0.892	1.337	0.907
Current Estimate	Dec 2014	1.402	0.880	1.323	0.890

SAR Unit Cost History

Current SAR Baseline to Current Estimate (TY \$M)									
Initial PAUC Production Estimate	Changes								PAUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
0.911	0.033	0.067	0.179	0.065	-0.078	0.000	0.146	0.412	1.323

Current SAR Baseline to Current Estimate (TY \$M)									
Initial APUC Production Estimate	Changes								APUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
0.561	0.031	-0.072	0.186	0.068	-0.036	0.000	0.152	0.329	0.890

SAR Baseline History				
Item	SAR Planning Estimate	SAR Development Estimate	SAR Production Estimate	Current Estimate
Milestone I	Jun 1996	Jun 1996	Jun 1996	Jun 1996
Milestone II	Jun 1998	Nov 1998	Nov 1998	Nov 1998
Milestone III	Apr 2001	Jul 2002	Oct 2003	Apr 2004
IOC	Jun 2001	Sep 2002	Sep 2002	Sep 2003
Total Cost (TY \$M)	811.3	2073.3	2679.7	2805.4
Total Quantity	44	2469	2940	2121
PAUC	18.439	0.840	0.911	1.323

In the chart above, IOC represents Required Assets Available (RAA) for B-52 at Barksdale Air Force Base. RAA was achieved on September 24, 2003.

JASSM-ER

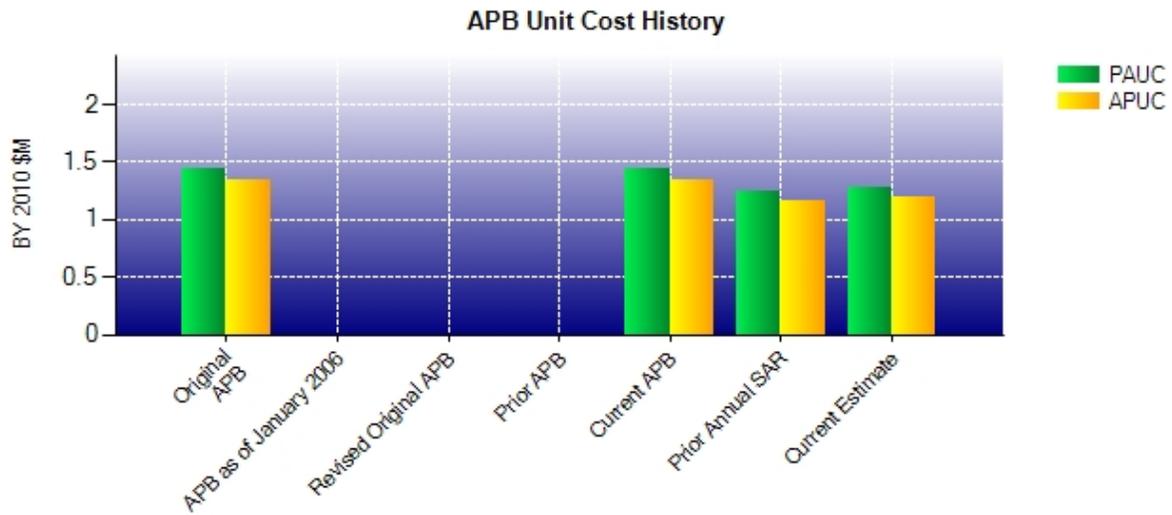
Unit Cost Report

Item	BY 2010 \$M	BY 2010 \$M	% Change
	Current UCR Baseline (Apr 2011 APB)	Current Estimate (Dec 2014 SAR)	
Program Acquisition Unit Cost			
Cost	3631.6	3691.6	
Quantity	2531	2897	
Item	1.435	1.274	-11.22
Average Procurement Unit Cost			
Cost	3366.1	3416.0	
Quantity	2500	2866	
Unit Cost	1.346	1.192	-11.44

Item	BY 2010 \$M	BY 2010 \$M	% Change
	Original UCR Baseline (Apr 2011 APB)	Current Estimate (Dec 2014 SAR)	
Program Acquisition Unit Cost			
Cost	3631.6	3691.6	
Quantity	2531	2897	
Unit Cost	1.435	1.274	-11.22
Average Procurement Unit Cost			
Cost	3366.1	3416.0	
Quantity	2500	2866	
Unit Cost	1.346	1.192	-11.44

JASSM-ER

Unit Cost History



Item	Date	BY 2010 \$M		TY \$M	
		PAUC	APUC	PAUC	APUC
Original APB	Apr 2011	1.435	1.346	1.733	1.648
APB as of January 2006	N/A	N/A	N/A	N/A	N/A
Revised Original APB	N/A	N/A	N/A	N/A	N/A
Prior APB	N/A	N/A	N/A	N/A	N/A
Current APB	Apr 2011	1.435	1.346	1.733	1.648
Prior Annual SAR	Dec 2013	1.250	1.167	1.515	1.434
Current Estimate	Dec 2014	1.274	1.192	1.529	1.448

SAR Unit Cost History

Current SAR Baseline to Current Estimate (TY \$M)									
Initial PAUC Production Estimate	Changes								PAUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
0.918	0.041	0.022	-0.066	0.106	0.290	0.000	0.218	0.611	1.529

Current SAR Baseline to Current Estimate (TY \$M)									
Initial APUC Production Estimate	Changes								APUC Current Estimate
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
0.862	0.041	0.014	-0.057	0.102	0.266	0.000	0.220	0.586	1.448

SAR Baseline History				
Item	SAR Planning Estimate	SAR Development Estimate	SAR Production Estimate	Current Estimate
Milestone A		N/A	N/A	N/A
Milestone B		N/A	N/A	N/A
Milestone C		N/A	N/A	Jan 2011
IOC		N/A	N/A	Mar 2014
Total Cost (TY \$M)		N/A	N/A	4429.6
Total Quantity		N/A	N/A	2897
PAUC		N/A	N/A	1.529

In the chart above, IOC represents Required Assets Available (RAA) for B-1B Dyess Air Force Base. RAA achieved was on March 21, 2014.

Cost Variance

JASSM Baseline

Summary TY \$M				
Item	RDT&E	Procurement	MILCON	Total
SAR Baseline (Production Estimate)	1053.2	1601.4	25.1	2679.7
Previous Changes				
Economic	+7.8	+66.4	--	+74.2
Quantity	--	-592.7	--	-592.7
Schedule	--	+384.5	--	+384.5
Engineering	--	+139.9	--	+139.9
Estimating	-60.2	-57.4	-25.1	-142.7
Other	--	--	--	--
Support	--	+320.6	--	+320.6
Subtotal	-52.4	+261.3	-25.1	+183.8
Current Changes				
Economic	-0.1	-4.3	--	-4.4
Quantity	--	-12.9	--	-12.9
Schedule	--	-5.8	--	-5.8
Engineering	--	-2.1	--	-2.1
Estimating	-5.8	-16.2	--	-22.0
Other	--	--	--	--
Support	--	-10.9	--	-10.9
Subtotal	-5.9	-52.2	--	-58.1
Adjustments	--	--	--	--
Total Changes	-58.3	+209.1	-25.1	+125.7
CE - Cost Variance	994.9	1810.5	--	2805.4
CE - Cost & Funding	994.9	1810.5	--	2805.4

Summary BY 2010 \$M				
Item	RDT&E	Procurement	MILCON	Total
SAR Baseline (Production Estimate)	1246.7	1612.8	31.0	2890.5
Previous Changes				
Economic	--	--	--	--
Quantity	--	-444.6	--	-444.6
Schedule	--	-88.4	--	-88.4
Engineering	--	+90.5	--	+90.5
Estimating	-57.0	+340.4	-31.0	+252.4
Other	--	--	--	--
Support	--	+320.7	--	+320.7
Subtotal	-57.0	+218.6	-31.0	+130.6
Current Changes				
Economic	--	--	--	--
Quantity	--	-11.3	--	-11.3
Schedule	--	-4.9	--	-4.9
Engineering	--	-1.8	--	-1.8
Estimating	-5.3	-14.1	--	-19.4
Other	--	--	--	--
Support	--	-10.0	--	-10.0
Subtotal	-5.3	-42.1	--	-47.4
Adjustments	--	--	--	--
Total Changes	-62.3	+176.5	-31.0	+83.2
CE - Cost Variance	1184.4	1789.3	--	2973.7
CE - Cost & Funding	1184.4	1789.3	--	2973.7

Previous Estimate: December 2013

RDT&E	\$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-0.1
Reduction due to Air Force higher priorities. (Estimating)	-0.8	-0.8
Reduction for Small Business Innovation Research in FY 2014. (Estimating)	-0.1	-0.1
Funding transitioned to JASSM-ER for execution as JASSM Baseline is phased out in FY 2016. (Estimating)	-4.5	-5.0
Revised estimate to reflect the application of new outyear escalation indices. (Estimating)	+0.1	+0.1
RDT&E Subtotal	-5.3	-5.9

Procurement	\$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-4.3
Acceleration of procurement buy profile. Increased Quantity buy in FY 2012 (+17 missiles) and decreased FY 2013 (-17 missiles). (Schedule)	0.0	-0.2
Quantity variance resulting from a decrease of 20 missiles from 2,054 to 2,034. JASSM Baseline requirement of 20 missiles shifted to JASSM-ER. (Subtotal)	-17.2	-19.6
Quantity variance resulting from a decrease of 20 missiles from 2,054 to 2,034. JASSM Baseline requirement of 20 missiles shifted to JASSM-ER. (Quantity)	(-11.3)	(-12.9)
Allocation to Schedule resulting from Quantity change. (Schedule) (QR)	(-4.9)	(-5.6)
Allocation to Engineering resulting from Quantity change. (Engineering) (QR)	(-1.8)	(-2.1)
Allocation to Estimating resulting from Quantity change. (Estimating) (QR)	(+0.8)	(+1.0)
Missile quantity shift between FY 2012 and FY 2013. 17 missiles decreased from FY 2013 and 17 missiles increase in FY 2012. (Estimating)	-1.6	-1.7
Funding for JASSM-ER to support Software upgrades and JASSM-ER stepper motor testing. (Estimating)	-1.3	-1.6
Congressional reduction in FY 2015. (Estimating)	-7.4	-8.3
Funding transitioned to JASSM-ER to support additional missile buy FY 2016. (Estimating)	-38.7	-44.0
Revised estimate to reflect the additional schedule variance resulting from realignment of missile buy profile from FY 2012 to FY 2016. (Estimating)	+32.1	+36.2
Adjustment for current and prior escalation. (Estimating)	+2.0	+2.2
Adjustment for current and prior escalation. (Support)	+0.5	+0.6
Decrease in Other Support. Estimate revised to account for actuals and transition funds to support The JASSM-ER test program. (Support)	-10.9	-12.0
Increase in Initial Spares. The JASSM program has transitioned to a Contractor Logistics Support and initial spares are required to fill the inventory for JASSM Baseline in FY 2016. (Support)	+0.4	+0.5
Procurement Subtotal	-42.1	-52.2

(QR) Quantity Related

Cost Variance

JASSM-ER

Summary TY \$M				
Item	RDT&E	Procurement	MILCON	Total
SAR Baseline (Production Estimate)	146.6	2154.8	--	2301.4
Previous Changes				
Economic	+3.2	+165.0	--	+168.2
Quantity	+64.9	+337.5	--	+402.4
Schedule	-25.8	-161.9	--	-187.7
Engineering	+14.7	+291.2	--	+305.9
Estimating	+75.4	+743.2	--	+818.6
Other	--	--	--	--
Support	--	+551.2	--	+551.2
Subtotal	+132.4	+1926.2	--	+2058.6
Current Changes				
Economic	-0.7	-48.8	--	-49.5
Quantity	--	+19.3	--	+19.3
Schedule	--	-2.8	--	-2.8
Engineering	--	+1.3	--	+1.3
Estimating	+1.7	+19.6	--	+21.3
Other	--	--	--	--
Support	--	+80.0	--	+80.0
Subtotal	+1.0	+68.6	--	+69.6
Total Changes	+133.4	+1994.8	--	+2128.2
CE - Cost Variance	280.0	4149.6	--	4429.6
CE - Cost & Funding	280.0	4149.6	--	4429.6

Summary BY 2010 \$M				
Item	RDT&E	Procurement	MILCON	Total
SAR Baseline (Production Estimate)	159.1	2035.9	--	2195.0
Previous Changes				
Economic	--	--	--	--
Quantity	+50.4	+257.2	--	+307.6
Schedule	-7.2	-6.1	--	-13.3
Engineering	+10.8	+199.3	--	+210.1
Estimating	+61.0	+413.9	--	+474.9
Other	--	--	--	--
Support	--	+420.9	--	+420.9
Subtotal	+115.0	+1285.2	--	+1400.2
Current Changes				
Economic	--	--	--	--
Quantity	--	+14.8	--	+14.8
Schedule	--	-0.6	--	-0.6
Engineering	--	+1.0	--	+1.0
Estimating	+1.5	+15.7	--	+17.2
Other	--	--	--	--
Support	--	+64.0	--	+64.0
Subtotal	+1.5	+94.9	--	+96.4
Total Changes	+116.5	+1380.1	--	+1496.6
CE - Cost Variance	275.6	3416.0	--	3691.6
CE - Cost & Funding	275.6	3416.0	--	3691.6

Previous Estimate: December 2013

RDT&E	\$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-0.7
Reduction due to Air Force higher priorities in FY 2013. (Estimating)	-0.6	-0.6
Congressional reduction in FY 2015. (Estimating)	-2.7	-3.0
Funding transitioned from JASSM Baseline as the JASSM Baseline is phased out in FY 2016. (Estimating)	+2.8	+3.1
Revised estimate for Common Telemetry Instrumentation Kit (C-TIK) and Electronic Safe and Arm Fuze (ESAF) due to schedule slips (FY 2016 to FY 2026). (Estimating)	+1.9	+2.1
Adjustment for current and prior escalation. (Estimating)	+0.1	+0.1
RDT&E Subtotal	+1.5	+1.0

Procurement	\$M	
Current Change Explanations	Base Year	Then Year
Revised escalation indices. (Economic)	N/A	-48.8
Acceleration of procurement buy profile within the Future Years Defense Program. Schedule variance resulting from realignment of missile buy profile in FY 2015 and FY 2023. (Schedule)	0.0	-2.0
Quantity variance resulting from an increase of 20 missiles from 2,846 to 2,866. 20 missiles were transferred from the JASSM Baseline program. (Subtotal)	+17.9	+23.4
Quantity variance resulting from an increase of 20 missiles from 2,846 to 2,866. 20 missiles were transferred from the JASSM Baseline program. (Quantity)	(+14.8)	(+19.3)
Allocation to Schedule resulting from Quantity change. (Schedule) (QR)	(-0.6)	(-0.8)
Allocation to Engineering resulting from Quantity change. (Engineering) (QR)	(+1.0)	(+1.3)
Allocation to Estimating resulting from Quantity change. (Estimating) (QR)	(+2.7)	(+3.6)
Funding reallocation. Supported JASSM Baseline quantity shift between FY 2012 and FY 2013. (Estimating)	+0.2	+0.3
Funding reallocated from JASSM Baseline to support additional JASSM-ER missile buys in FY 2016. (Estimating)	+38.6	+44.0
Revised estimate for new quantity profile and approved SCP for FRP. FY 2016 through FY 2023. (Estimating)	-27.7	-30.4
Adjustment for current and prior escalation. (Estimating)	+1.9	+2.1
Adjustment for current and prior escalation. (Support)	+0.6	+0.7
Increase in Other Support. Estimate revised to support additional Weapon System Evaluation Program (WSEP) test support between FY 2016-FY 2035. (Support)	+60.9	+76.1
Increase in Initial Spares. The JASSM program has transitioned to a Contractor Logistics Support and initial spares are required to fill the inventory for JASSM-ER between FY 2016 -FY 2023. (Support)	+2.5	+3.2
Procurement Subtotal	+94.9	+68.6

(QR) Quantity Related

Contracts

Contract Identification

Appropriation: Procurement
Contract Name: JASSM Production (Lot 10)
Contractor: Lockheed Martin--Missile & Fire Control
Contractor Location: 5600 West Sand Lake Road
 Orlando, FL 32819
Contract Number: FA8682-12-C-0006
Contract Type: Firm Fixed Price (FFP)
Award Date: June 15, 2012
Definitization Date: June 15, 2012

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
230.3	N/A	221	248.1	N/A	221	248.1	248.1

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to the following contract modifications. Integration Station Support Tooling, NiCad Cells, Extended-Range (ER) Mold Tooling, Initial Test Vehicle & Hazard Electrodes Radiation To Ordinance, Common Core Automated Test Systems and KPPI Fuze component last time buy, wing spar tooling, XILINX last time buy (900 Lot 10-13) Field Programmable Gate Array, JAGR-S v3, JASSM UPC 4.2, JASSM V3 Transit Case Assembly, Fuze Last Time Buy, Weapon System Evaluation Program (WSEP)-ER Non-Recurring Engineering (NRE) Support, and AWE 2015 Software Sustainment.

Cost and Schedule Variance Explanations

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

Notes

The funding identified here only represents production funding placed on contract to support 221 missiles; 191 JASSM Baseline and 30 JASSM ER missiles.

This contract is more than 90% complete; therefore, this is the final report for this contract.

Contract Identification

Appropriation: RDT&E
Contract Name: JASSM R&D (Lot 10) TIKS
Contractor: Lockheed Martin
Contractor Location: 5600 West Sand Lake Road
 Orlando, FL 32819
Contract Number: FA8682-12-C-0006/2
Contract Type: Firm Fixed Price (FFP)
Award Date: June 15, 2012
Definitization Date: June 15, 2012

Contract Price								
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)		
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager	
3.7	N/A	6	3.7	N/A	6	3.7	3.7	

Cost and Schedule Variance Explanations

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

Notes

The contract information represents the Research and Development CLIN for the Lot 10 contract-only. Funding buys six Test Instrumentation Kits provided as Government Furnished Equipment to test missiles.

This contract is more than 90% complete; therefore, this is the final report for this contract.

Contract Identification

Appropriation: Procurement
Contract Name: JASSM Production (Lot 11 Baseline/LRIP Lot 3 ER)
Contractor: Lockheed Martin--Missile & Fire Control
Contractor Location: 5600 West Sand Lake Road
 Orlando, FL 32819
Contract Number: FA8682-14-C-0069
Contract Type: Firm Fixed Price (FFP)
Award Date: December 19, 2013
Definitization Date: December 19, 2013

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
225.8	N/A	230	231.0	N/A	230	231.0	231.0

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to the following contract modifications: Fuze HASS Chamber Repair, F-15 Universal Armament Interface (UAI) Capability, RF Switch Last Time Buy, Value Engineering Change Proposal (VECP) Lube Pump, Telemetry Instrumentation Kit (TIK) Conversion JASSM Baseline to JASSM-ER, Service Life Extension Program, and JASSM-ER Weapon System Evaluation Program (WSEP) 2015.

Cost and Schedule Variance Explanations

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

Notes

Funding identified here only represents production funding placed on contract to support 230 missiles;190 JASSM Baseline and 40 JASSM-ER missiles.

Contract Identification

Appropriation: Procurement
Contract Name: JASSM Production (Lot 12 Baseline/LRIP Lot 4 ER)
Contractor: Lockheed Martin--Missile & Fire Control
Contractor Location: 5600 West Sand Lake Road
 Orlando, FL 32819
Contract Number: FA8682-14-C-0084
Contract Type: Firm Fixed Price (FFP)
Award Date: December 19, 2013
Definitization Date: December 19, 2013

Contract Price							
Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
214.8	N/A	210	226.0	N/A	210	226.0	226.0

Target Price Change Explanation

The difference between the Initial Contract Price Target and the Current Contract Price Target is due to the following contract modifications: Actuator Control Card, Lots 12 and 4 Systems Engineering Program Support/Program Tooling and Test Equipment, and JASSM-ER Standard Data Protocol (DS 101) Value Engineering Change Proposal (VECP).

Cost and Schedule Variance Explanations

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

Notes

The funding identified here only represents production funding placed on contract to support 210 missiles; 150 JASSM Baseline and 60 JASSM-ER missiles.

Deliveries and Expenditures

JASSM Baseline

Deliveries				
Delivered to Date	Planned to Date	Actual to Date	Total Quantity	Percent Delivered
Development	87	87	87	100.00%
Production	1456	1486	2034	73.06%
Total Program Quantity Delivered	1543	1573	2121	74.16%

Expended and Appropriated (TY \$M)			
Total Acquisition Cost	2805.4	Years Appropriated	20
Expended to Date	2356.9	Percent Years Appropriated	95.24%
Percent Expended	84.01%	Appropriated to Date	2731.3
Total Funding Years	21	Percent Appropriated	97.36%

The above data is current as of February 18, 2015.

Production deliveries: Lots 1-9 total 1,303. Lot 10 total to-date is 183. Total 1,486.

JASSM-ER

Deliveries				
Delivered to Date	Planned to Date	Actual to Date	Total Quantity	Percent Delivered
Development	31	31	31	100.00%
Production	60	60	2866	2.09%
Total Program Quantity Delivered	91	91	2897	3.14%

Expended and Appropriated (TY \$M)			
Total Acquisition Cost	4429.6	Years Appropriated	13
Expended to Date	373.4	Percent Years Appropriated	39.39%
Percent Expended	8.43%	Appropriated to Date	720.0
Total Funding Years	33	Percent Appropriated	16.25%

The above data is current as of February 18, 2015.

Production deliveries (DD250): BL Lot 9/ER LRIP 1 (30 missiles). BL Lot 10/ER LRIP 2 (30 missiles). Total 60 ER missiles. Deliveries are in accordance with contractual requirements.

Operating and Support Cost

JASSM Baseline

Cost Estimate Details

Date of Estimate:	October 10, 2014
Source of Estimate:	SCP
Quantity to Sustain:	2054
Unit of Measure:	Total Quantity
Service Life per Unit:	15.00 Years
Fiscal Years in Service:	FY 2003 - FY 2032

The JASSM O&S estimate includes requirements for 2,054 JASSM Baseline missiles. The sustainment and readiness plan/estimate for JASSM has evolved to a combination of 15-year Warranty and Contractor Logistics Support (CLS). Lots 1-10 will continue to be supported under a Warranty construct that was paid under 3020 funding, while Lots 11-14 will be aligned under a CLS logistics strategy. Each JASSM missile is assumed to have 15-year shelf-life with subsequent demilitarization of the weapon. The latest O&S cost estimate was October 10, 2014 in support of the JASSM-ER FRP SCP decision.

JASSM Baseline quantities (2,054) for the O&S estimate were established for FRP and the approved SCP dated October 10, 2014. During FY 2016 PB reviews in December 2014 the JASSM Baseline quantity profile changed from 2,054 to 2,034. Additionally, Research and Development quantities are not counted towards JASSM sustainment efforts.

Sustainment Strategy

JASSM Baseline and JASSM-ER are wooden rounds, meaning there is no routine maintenance required. Also, because production quantities have varied from lot-to-lot and assets continue to be expended during testing, an average unit cost is not a good indicator of operating and sustainment. For those reasons, total O&S costs are reported.

Antecedent Information

No Antecedent

Annual O&S Costs BY2010 \$M			
Cost Element	JASSM Baseline		No Antecedent (Antecedent) No Antecedent
	Average Annual Cost Per Total Quantity		
Unit-Level Manpower	1.655		0.000
Unit Operations	0.000		0.000
Maintenance	0.556		0.000
Sustaining Support	5.479		0.000
Continuing System Improvements	3.319		0.000
Indirect Support	1.511		0.000
Other	0.000		0.000
Total	12.520		--

Item	Total O&S Cost \$M			
	JASSM Baseline			No Antecedent (Antecedent)
	Current Production APB Objective/Threshold	Current Estimate		
Base Year	541.0	595.1	375.6	N/A
Then Year	562.2	N/A	428.6	N/A

Disposal Cost is included in the Operating and Support Cost of the current APB objective and threshold for this program.

Equation to Translate Annual Cost to Total Cost

Total O&S Cost = service life * average annual cost = 30 * \$12.520M = \$375.600M

O&S Cost Variance		
Category	BY 2010 \$M	Change Explanations
Prior SAR Total O&S Estimates - Dec 2013 SAR	363.1	
Programmatic/Planning Factors	0.0	
Cost Estimating Methodology	0.0	
Cost Data Update	0.0	
Labor Rate	0.0	
Energy Rate	0.0	
Technical Input	12.5	Lots 11-14 will be aligned under a CLS vs. a warranty.
Other	0.0	
Total Changes	12.5	
Current Estimate	375.6	

Cost Variance information (BY 2010 \$M): A couple of primary factors drove the changes in the overall increase of

JASSM O&S costs this year: 1) The sustainment strategy for Lots 11-14 now reflects the cost of CLS, which drove an estimate update to reflect the most recent failure data provided by the prime contractor (Lockheed Martin); and 2) The amount of fixed operations support, spares cost, and facility modifications was revised to reflect the most recent data available to the program office.

Disposal Estimate Details

Date of Estimate:	October 10, 2014
Source of Estimate:	SCP
Disposal/Demilitarization Total Cost (BY 2010 \$M):	Total costs for disposal of all Total Quantity are 45.4

JASSM-ER

Cost Estimate Details

Date of Estimate:	October 10, 2014
Source of Estimate:	SCP
Quantity to Sustain:	2846
Unit of Measure:	Total Quantity
Service Life per Unit:	15.00 Years
Fiscal Years in Service:	FY 2013 - FY 2040

The JASSM O&S estimate includes requirements for 2,846 JASSM-Extended Range (ER) missiles. The sustainment and readiness plan/estimate for JASSM-ER has evolved to a combination of a 15-year Warranty and Contractor Logistics Support (CLS). Lots 1-10 will continue to be supported under a Warranty construct that was paid under 3020 funding, while Lots 11-21 will be aligned under a CLS logistics strategy. Each JASSM-ER missile is assumed to have 15-year shelf-life and the subsequent demilitarization of the weapon. The latest O&S cost estimate was October 10, 2014 in support of the JASSM-ER FRP SCP decision.

JASSM-ER quantities (2,846) for the O&S estimate were established for FRP and the approved SCP dated October 10, 2014. During FY 2016 PB reviews in December 2014 the JASSM-ER quantity profile changed from 2,846 to 2,866. Additionally, R&D quantities are not counted towards JASSM sustainment efforts.

Sustainment Strategy

JASSM Baseline and JASSM-ER are wooden rounds, meaning there is no routine maintenance required. Also, because production quantities have varied from lot to lot and assets continue to be expended during testing, an average unit cost is not a good indicator of operating and sustainment. For those reasons, total O&S costs are reported.

Antecedent Information

No Antecedent

Cost Element	Annual O&S Costs BY2010 \$M	
	JASSM-ER Average Annual Cost Per Total Quantity	No Antecedent (Antecedent) No Antecedent
Unit-Level Manpower	3.117	0.000
Unit Operations	0.000	0.000
Maintenance	2.328	0.000
Sustaining Support	9.472	0.000
Continuing System Improvements	5.403	0.000
Indirect Support	1.912	0.000
Other	0.000	0.000
Total	22.232	--

Item	Total O&S Cost \$M			
	JASSM-ER		Current Estimate	No Antecedent (Antecedent)
	Current Production APB Objective/Threshold			
Base Year	658.5	724.4	622.5	N/A
Then Year	862.9	N/A	908.6	N/A

Disposal Cost is included in the Operating and Support Cost of the current APB objective and threshold for this program.

Equation to Translate Annual Cost to Total Cost

Total O&S Cost = service life * average annual cost = 28 * \$22.232M = \$622.500M

O&S Cost Variance		
Category	BY 2010 \$M	Change Explanations
Prior SAR Total O&S Estimates - Dec 2013 SAR	504.7	
Programmatic/Planning Factors	0.0	
Cost Estimating Methodology	0.0	
Cost Data Update	0.0	
Labor Rate	0.0	
Energy Rate	0.0	
Technical Input	117.8	Lots 11-21 will be aligned under a CLS vs. a warranty.
Other	0.0	
Total Changes	117.8	
Current Estimate	622.5	

Cost Variance information (BY 2010 \$M): A couple of primary factors drove the changes in the overall increase of JASSM O&S costs this year: 1) The cost of Contractor Logistics Support (CLS), which drove an estimate update to reflect the most recent failure data provided by the prime contractor (Lockheed Martin); and 2) The amount of fixed operations support, spares cost, and facility modifications was revised to reflect the most recent data available to the program office. The JASSM-ER costs increased at a higher percentage than JASSM Baseline due to the number of missiles impacted by the CLS construct of Lots 11-21.

Disposal Estimate Details

Date of Estimate: October 10, 2014
Source of Estimate: SCP
Disposal/Demilitarization Total Cost (BY 2010 \$M): Total costs for disposal of all Total Quantity are 64.3