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Exhibit P-40, Budget Line Item Justification: PB 2015 Navy **Date:** March 2014

Appropriation / Budget Activity / Budget Sub Activity: 1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft	P-1 Line Item Number / Title: 0179 / MH-60S (MYP)
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ID Code (A=Service Ready, B=Not Service Ready) : A	Program Elements for Code B Items:	Other Related Program Elements:
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Line Item MDAP/MAIS Code: 282	Item MDAP/MAIS Code(s):
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Resource Summary	Prior Years	FY 2013	FY 2014	FY 2015 Base	FY 2015 OCO [#]	FY 2015 Total	FY 2016	FY 2017	FY 2018	FY 2019	To Complete	Total
Procurement Quantity (<i>Units in Each</i>)	231	18	18	8	-	8	-	-	-	-	-	275
Gross/Weapon System Cost (<i>\$ in Millions</i>)	5,665.811	436.188	432.946	246.095	-	246.095	28.273	-	-	-	-	6,809.313
Less PY Advance Procurement (<i>\$ in Millions</i>)	982.181	68.805	68.025	35.886	-	35.886	-	-	-	-	-	1,154.897
Net Procurement (P1) (<i>\$ in Millions</i>)	4,683.630	367.383	364.921	210.209	-	210.209	28.273	-	-	-	-	5,654.416
Plus CY Advance Procurement (<i>\$ in Millions</i>)	1,059.924	64.183	30.790	-	-	-	-	-	-	-	-	1,154.897
Total Obligation Authority (<i>\$ in Millions</i>)	5,743.554	431.566	395.711	210.209	-	210.209	28.273	-	-	-	-	6,809.313

(The following Resource Summary rows are for informational purposes only. The corresponding budget requests are documented elsewhere.)

Initial Spares (<i>\$ in Millions</i>)	-	2.970	0.454	-	-	-	-	-	-	-	-	3.424
Flyaway Unit Cost (<i>\$ in Thousands</i>)	20,441.368	21,958.056	20,670.778	24,837.500	-	24,837.500	-	-	-	-	-	20,683.545
Gross/Weapon System Unit Cost (<i>\$ in Thousands</i>)	24,527.320	24,232.667	24,052.556	30,761.875	-	30,761.875	-	-	-	-	-	24,761.138

[#] The FY 2015 OCO Request will be submitted at a later date.

Description:

The primary roles of the aircraft are to conduct vertical replenishment, day/night ship-to-ship, ship-to-shore, and shore-to-ship external transfer of cargo; internal transport of passengers, mail and cargo, vertical onboard delivery; airhead operations, and day/night search and rescue. Armed Helo and Airborne Mine Countermeasures (AMCM) have been added as primary mission areas for the MH-60S, being completed as block upgrades to the platform. Armed Helo provides the Navy with organic Surface Warfare, Force Protection and Combat Search and Rescue capabilities. Additional Armed Helo mission areas include Special Warfare Support, Maritime Interdiction Operations and Carrier Plane Guard. Airborne Mine Countermeasures provides an organic capability for the Littoral Combat Ship Mine Countermeasures Mission Package. Secondary roles include torpedo and drone recovery, noncombatant evacuation operations, Navy SEAL and Explosive Ordnance Disposal support.

Note:
1. Initial Spares Total is \$175.825 vice \$3.424 because Prior Year Spares should reflect \$172.547 vice \$0.

Exhibits Schedule		Prior Years			FY 2013			FY 2014			FY 2015 Base			FY 2015 OCO			FY 2015 Total			
Title*	Exhibits	ID CD	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)
Item - 1 / MH-60S (MYP)	P-5		24,527.320	231	5,665.811	24,232.667	18	436.188	24,052.556	18	432.946	30,761.875	8	246.095	-	-	-	30,761.875	8	246.095
Total Gross/Weapon System Cost			24,527.320	231	5,665.811	24,232.667	18	436.188	24,052.556	18	432.946	30,761.875	8	246.095	-	-	-	30,761.875	8	246.095

*For Items, Title represents the Item Number / Title [DODIC].

Note: Totals in this Exhibit P-40 set may not be exact or add due to rounding.

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Exhibit P-40, Budget Line Item Justification: PB 2015 Navy		Date: March 2014
Appropriation / Budget Activity / Budget Sub Activity: 1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft		P-1 Line Item Number / Title: 0179 / MH-60S (MYP)
ID Code (A=Service Ready, B=Not Service Ready) : A	Program Elements for Code B Items:	Other Related Program Elements:
Line Item MDAP/MAIS Code: 282	Item MDAP/MAIS Code(s):	

Justification:

Basis for the FY 2015 budget request: The FY 2015 request supports the final procurement of 8 MH-60S, associated support and Production Line shutdown efforts.

FY 2012 - 2015 reflects pricing of awarded multi-year contracts for Mission Avionics/Common Cockpit (MYP2) and Airframe (MYP-8, joint with the Army/Navy).

FY 2014 reflects Congressional reductions enacted in the FY 2014 Appropriations Act of \$18.9M in cost element 1.2.1

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Exhibit P-5, Cost Analysis: PB 2015 Navy					Date: March 2014					
Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1			P-1 Line Item Number / Title: 0179 / MH-60S (MYP)					Item Number / Title [DODIC]: 1 / MH-60S (MYP)		

Resource Summary	Prior Years	FY 2013	FY 2014	FY 2015 Base	FY 2015 OCO#	FY 2015 Total
Procurement Quantity (Units in Each)	231	18	18	8	-	8
Gross/Weapon System Cost (\$ in Millions)	5,665.811	436.188	432.946	246.095	-	246.095
Less PY Advance Procurement (\$ in Millions)	982.181	68.805	68.025	35.886	-	35.886
Net Procurement (P1) (\$ in Millions)	4,683.630	367.383	364.921	210.209	-	210.209
Plus CY Advance Procurement (\$ in Millions)	1,059.924	64.183	30.790	-	-	-
Total Obligation Authority (\$ in Millions)	5,743.554	431.566	395.711	210.209	-	210.209

(The following Resource Summary rows are for informational purposes only. The corresponding budget requests are documented elsewhere.)

Initial Spares (\$ in Millions)	-	2.970	0.454	-	-	-
Gross/Weapon System Unit Cost (\$ in Thousands)	24,527.320	24,232.667	24,052.556	30,761.875	-	30,761.875

The FY 2015 OCO Request will be submitted at a later date.

Cost Elements	ID CD	Prior Years			FY 2013			FY 2014			FY 2015 Base			FY 2015 OCO			FY 2015 Total		
		Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)
Flyaway Cost																			
Recurring Cost																			
1.1.1) Airframe/CFE		12,727.216	231	2,939.987	14,164.722	18	254.965	14,303.500	18	257.463	15,227.375	8	121.819	-	-	-	15,227.375	8	121.819
1.1.2) GFE Electronics ⁽¹⁾		2,350.944	231	543.068	2,433.889	18	43.810	2,509.111	18	45.164	2,957.875	8	23.663	-	-	-	2,957.875	8	23.663
1.1.3) Engines/Eng Acc ⁽²⁾		709.790	462	327.923	791.976	42	33.263	807.033	30	24.211	-	-	-	-	-	-	-	-	-
1.1.4) Engines/Engine Acc (refurb) ⁽³⁾		-	-	-	-	-	-	-	-	-	390.000	16	6.240	-	-	-	390.000	16	6.240
1.1.5) other GFE		83.725	331	27.713	185.222	18	3.334	188.667	18	3.396	192.250	8	1.538	-	-	-	192.250	8	1.538
1.1.6) Rec Flyaway ECO		-	-	-	-	-	-	142.722	18	2.569	152.000	8	1.216	-	-	-	152.000	8	1.216
<i>Subtotal: Recurring Cost</i>		-	-	3,838.691	-	-	335.372	-	-	332.803	-	-	154.476	-	-	-	-	-	154.476
Non Recurring Cost																			
1.2.1) Non-Recur Cost ⁽⁴⁾		-	-	223.442	-	-	15.275	-	-	7.628	-	-	35.615	-	-	-	-	-	35.615
1.2.2) Ancillary Equipment ⁽⁵⁾		-	-	659.823	-	-	44.598	-	-	31.643	-	-	8.609	-	-	-	-	-	8.609
<i>Subtotal: Non Recurring Cost</i>		-	-	883.265	-	-	59.873	-	-	39.271	-	-	44.224	-	-	-	-	-	44.224
<i>Subtotal: Flyaway Cost</i>		-	-	4,721.956	-	-	395.245	-	-	372.074	-	-	198.700	-	-	-	-	-	198.700
Support Cost																			
2.1) Airframe PGSE ⁽⁶⁾		-	-	69.502	-	-	2.850	-	-	2.854	-	-	3.626	-	-	-	-	-	3.626
2.2) Engine PGSE		-	-	4.644	-	-	-	-	-	0.196	-	-	0.200	-	-	-	-	-	0.200

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Exhibit P-5, Cost Analysis: PB 2015 Navy **Date:** March 2014

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1 **P-1 Line Item Number / Title:** 0179 / MH-60S (MYP) **Item Number / Title [DODIC]:** 1 / MH-60S (MYP)

Cost Elements	ID CD	Prior Years			FY 2013			FY 2014			FY 2015 Base			FY 2015 OCO			FY 2015 Total		
		Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)
2.3) Avionics PGSE ⁽⁷⁾		-	-	71.165	-	-	4.392	-	-	3.252	-	-	10.747	-	-	-	-	-	10.747
2.4) Pec Trng Eq ⁽⁸⁾		-	-	335.143	-	-	2.520	-	-	24.472	-	-	4.769	-	-	-	-	-	4.769
2.5) Pub/Tech Eq		-	-	43.201	-	-	1.494	-	-	2.436	-	-	2.495	-	-	-	-	-	2.495
2.6) Other ILS		-	-	61.064	-	-	6.916	-	-	6.334	-	-	6.330	-	-	-	-	-	6.330
2.7) Field Activities		-	-	337.059	-	-	22.253	-	-	20.828	-	-	18.728	-	-	-	-	-	18.728
2.8) Production Eng Support		-	-	22.077	-	-	0.518	-	-	0.500	-	-	0.500	-	-	-	-	-	0.500
<i>Subtotal: Support Cost</i>		-	-	943.855	-	-	40.943	-	-	60.872	-	-	47.395	-	-	-	-	-	47.395
Gross/Weapon System Cost		24,527.320	231	5,665.811	24,232.667	18	436.188	24,052.556	18	432.946	30,761.875	8	246.095	-	-	-	30,761.875	8	246.095

Footnotes:

- (1) Cost Elements 1.1.2 Government Furnished Equipment (GFE) Electronics FY 2014 and FY 2015 unit cost increases are due to costs associated with the compliance of the Pension Protection Act on the Lockheed Martin MYP contract.
- (2) Cost Element 1.1.3 Engines/Eng Acc reflects a decrease in FY 2014 due to the Budget Control Act impacts to the FY 2013 Advanced Procurement Line. Additional engines were procured with FY 2013 to maintain the MYP8 production delivery schedule and avoid MYP breaks/request for equitable adjustment from Sikorsky. The FY 2015 engines are being procured as refurbished in Cost Element 1.1.4.
- (3) Cost Element 1.1.4 Engines/Eng Acc (refurb) reflects the procurement of refurbished engines for FY 2015 aircraft due to delays in Army Contract Award and ability to meet production delivery schedule and reductions resulting from FY 2014 Appropriations Act.
- (4) Cost Element 1.2.1 Non Recurring costs for FY 2015 is budgeted to conduct Production Line Shutdown efforts.
- (5) Cost Element 1.2.2 Ancillary in FY 2015 is to procure remaining ancillary to support MH-60S missions.
- (6) Cost Element 2.1 Airframe Peculiar Ground Support Equipment (PGSE) increases in FY 2015 for required Engineering Change Proposal incorporation and fielding of Airborne Mine Counter Measures (AMCM) ancillary equipment and Armed Helo mission requirements.
- (7) Cost Element 2.3 Avionics PGSE increases in FY 2015 to support Title 10 United States code requirements to establish remaining program requirement capabilities for depot level maintenance and repair for AMCM mission equipment.
- (8) Cost Element 2.4 Pec Trng Eq is to incorporate the final production engineering change proposals and update curriculum.

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Exhibit P-40, Advance Procurement Budget Line Item Justification: PB 2015 Navy **Date:** March 2014

Appropriation / Budget Activity / Budget Sub Activity: 1506N: Aircraft Procurement, Navy / BA 01: Combat Aircraft / BSA 1: Combat Aircraft	P-1 Line Item Number / Title: 0179 / MH-60S (MYP)
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ID Code (A=Service Ready, B=Not Service Ready) : A	Program Elements for Code B Items:	Other Related Program Elements:
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Line Item MDAP/MAIS Code: 282	Item MDAP/MAIS Code(s):
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Resource Summary	Prior Years	FY 2013	FY 2014	FY 2015 Base	FY 2015 OCO [#]	FY 2015 Total	FY 2016	FY 2017	FY 2018	FY 2019	To Complete	Total
Gross/Weapon System Cost <i>(\$ in Millions)</i>	1,059.924	64.183	30.790	-	-	-	-	-	-	-	-	1,154.897
Net Procurement (P1) <i>(\$ in Millions)</i>	1,059.924	64.183	30.790	-	-	-	-	-	-	-	-	1,154.897
Total Obligation Authority <i>(\$ in Millions)</i>	1,059.924	64.183	30.790	-	-	-	-	-	-	-	-	1,154.897

Description:

The primary roles of the aircraft are to conduct vertical replenishment, day/night ship-to-ship, ship-to-shore, and shore-to-ship external transfer of cargo; internal transport of passengers, mail and cargo, vertical onboard delivery; airhead operations, and day/night search and rescue. Armed Helo and Airborne Mine Countermeasures (AMCM) have been added as primary mission areas for the MH-60S, being completed as block upgrades to the platform. Armed Helo provides the Navy will organic Surface Warfare, Force Protection and Combat Search and Rescue capabilities. Additional Armed Helo mission areas include Special Warfare Support, Maritime Interdiction Operations and Carrier Plane Guard. Airborne Mine Countermeasures provides an Organic AMCM capability for the Littoral Combat Ship Mine Countermeasures Mission Package. Secondary roles include torpedo and drone recovery, noncombatant evacuation operations, Navy SEAL and Explosive Ordnance Disposal support.

Exhibits Schedule		Prior Years			FY 2013			FY 2014			FY 2015 Base			FY 2015 OCO			FY 2015 Total			
Title*	Exhibits	ID CD	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)	Unit Cost (\$ K)	Qty (Each)	Total Cost (\$ M)
Item - 1 / MH-60S (MYP)	P-10				1,059.924			64.183			30.790			-			-			-
Total Gross/Weapon System Cost					1,059.924			64.183			30.790			-			-			-

*For Items, Title represents the Item Number / Title [DODIC].

Note: Totals in this Exhibit P-40 set may not be exact or add due to rounding.

Justification:

No FY 2015 advance procurement is required as FY 2015 is the final procurement year of the MH-60S.

The FY 2014 advance procurement funds were requested for procurement of FY 2015 long lead items for airframe, common cockpit Contractor Furnished Equipment (FE), engines, and miscellaneous other avionics. Airframe CFE is in support of the MH-60S portion of a joint Army-Navy 5-year Multiyear Procurement (MYP)8 contract for FY 2012- FY 2016. Common cockpit is in support of the Navy MH-60S and MH-60R MYP2 Mission Avionics/Common Cockpit contract for FY 2012 - FY 2016.

FY 2014 reflects congressional reductions enacted in the FY 2014 Appropriations Act.

FY 2013 decreases due to FY 2013 Budget Control Act.

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Exhibit P-10, Advance Procurement Requirements Analysis (page 1 - Budget Funding Justification): PB 2015 Navy **Date:** March 2014

Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1	P-1 Line Item Number / Title: 0179 / MH-60S (MYP)	P-5 Number / Title: 1 / MH-60S (MYP)
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ID Code (A=Service Ready, B=Not Service Ready) : A

First System (2015) Award Date: December 2012	First System (2015) Completion Date: July 2013	Interval Between Systems: 1 Months
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MH-60S (MYP)	Production Leadtime <i>(Months)</i>	Prior Years <i>(Each)</i>	FY 2013 <i>(Each)</i>	FY 2014 <i>(Each)</i>	FY 2015 <i>(Each)</i>
Quantity		231	18	18	8

Cost Element	When Rqd <i>(Months)</i>	Prior Years <i>(\$ M)</i>	FY 2013 <i>(\$ M)</i>	FY 2014 <i>(\$ M)</i>	FY 2015 <i>(\$ M)</i>
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CFE					
CFE - Airframe T.L.	0	341.028	-	-	-
Airframe for FY13 EOQ/Long Lead	0	24.053	-	-	-
Airframe for FY14 EOQ/Long Lead	0	2.207	24.505	-	-
Airframe for FY15 EOQ/Long Lead	0	0.981	0.865	11.157	-
Total: CFE		368.269	25.370	11.157	-

GFE					
GFE - Engines T.L.	0	253.561	11.778	-	-
GFE - Engines (Refurb)	0	-	-	6.240	-
GFE - Cockpit	0	288.113	-	-	-
Cockpit for FY13 EOQ/Long Lead	0	13.200	-	-	-
Cockpit for FY14 EOQ/Long Lead	0	3.500	11.925	-	-
Cockpit for FY15 EOQ/Long Lead	0	2.250	1.000	5.300	-
A/C Misc Avionics	0	131.031	14.110	8.093	-
Total: GFE		691.655	38.813	19.633	-
Total Advance Procurement/Obligation Authority		1,059.924	64.183	30.790	-

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Exhibit P-10, Advance Procurement Requirements Analysis (page 2 - Budget Funding Justification): PB 2015 Navy		Date: March 2014
Appropriation / Budget Activity / Budget Sub Activity: 1506N / 01 / 1	P-1 Line Item Number / Title: 0179 / MH-60S (MYP)	P-5 Number / Title: 1 / MH-60S (MYP)

ID Code (A=Service Ready, B=Not Service Ready) :

Cost Elements	QPA (Each)	FY 2015					Total Cost Request (\$ M)
		Production Leadtime (Months)	Unit Cost (\$ K)	Contract Forecast Date	2015 Qty (Each)	For FY	
CFE							
CFE - Airframe T.L.	1						-
Airframe for FY13 EOQ/Long Lead	1						-
Airframe for FY14 EOQ/Long Lead	1						-
Airframe for FY15 EOQ/Long Lead	1						-
<i>Total: CFE</i>							-
GFE							
GFE - Engines T.L.	2						-
GFE - Engines (Refurb)	2						-
GFE - Cockpit	1						-
Cockpit for FY13 EOQ/Long Lead	1						-
Cockpit for FY14 EOQ/Long Lead	1						-
Cockpit for FY15 EOQ/Long Lead	1						-
A/C Misc Avionics	-						-
<i>Total: GFE</i>							-
Total Advance Procurement/Obligation Authority							-

Description:

No Advance Procurement in FY 2015.

FY 2014 and Prior: Airframe (Army/Navy MYP8 Contract), Common cockpit (MH-60S/R MYP2 Contract), Engines, and misc. other avionics requirements reflect funding requirements for procurement of long lead parts and materials necessary to maintain the MH-60S delivery schedule. CFE - Airframe (TL) is directly related to the end item quantity. Multi-year funding reflects applicable EOQ requirements. GFE - Engines is directly related to the number of units delivered in the first 9 months of the aircraft delivery schedule (P-21). GFE - Cockpit for FY11 through FY14 reflects a follow-on multi-year procurement contract (FY12 through FY15) which includes applicable EOQ requirements. Totals may not add due to rounding.

GFE A/C Misc Avionics description includes ARC-210 Radio components, APX-123 Receivers, RT-1627/ARN-153(V)2 Receiver/Transmitter, CN-1493/A Blanker Interference Unit, APN-194(V) Receiver Transmitter, AN/ARS-6(V) Down Aircraft Locator System (DALs), AN/AVS-7 Heads Up Display (HUD) System, R-2382/ARN-149(V) Receiver, Global Acquisition System (GAS-1), Data Transfer Interface Unit (DTIU) J-6738/ARN, Integrated Mechanical Diagnostic System (IMDS), and other miscellaneous Avionics GFE long lead requirements (14-27 months PLT) which are necessary to maintain the MH-60S delivery schedule.