

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON DEFENSE

UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: FISCAL YEAR 2010 AIR FORCE POSTURE STATEMENT

STATEMENT OF: THE HONORABLE MICHAEL B. DONLEY
SECRETARY OF THE AIR FORCE

GENERAL NORTON A. SCHWARTZ
CHIEF OF STAFF, UNITED STATES AIR FORCE

June 3, 2009

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BY THE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
UNITED STATES HOUSE OF REPRESENTATIVES



BIOGRAPHY

UNITED STATES AIR FORCE

MICHAEL B. DONLEY

Mr. Michael B. Donley is the Secretary of the Air Force, Washington, D.C. He is the 22nd Secretary and was confirmed Oct. 2, 2008. He is responsible for the affairs of the Department of the Air Force, including the organizing, training, equipping and providing for the welfare of its more than 300,000 men and women on active duty, 180,000 members of the Air National Guard and the Air Force Reserve, 160,000 civilians, and their families. He also oversees the Air Force's annual budget of approximately \$110 billion.

Mr. Donley has 30 years of experience in the national security community, including service in the Senate, White House and the Pentagon. Prior to assuming his current position, Mr. Donley served as the Director of Administration and Management in the Office of the Secretary of Defense. He oversaw organizational and management planning for the Department of Defense and all administration, facility, information technology and security matters for the Pentagon.

From 1996 to 2005, Mr. Donley was a Senior Vice President at Hicks and Associates, Inc., a subsidiary of Science Applications International Corporation, and a consultant to DOD and the State Department on national security matters. From 1993 to 1996, he was Senior Fellow at the Institute for Defense Analyses. During this period he was a Senior Consultant to the Commission on Roles and Missions of the Armed Forces and participated in two studies on the organization of the Joint Staff and the Office of the Chairman, JCS. Prior to this position, he served as the Acting Secretary of the Air Force for seven months, and from 1989 to 1993 he was the Assistant Secretary of the Air Force (Financial Management and Comptroller).

Mr. Donley supported two Presidents and five National Security Advisers during his service at the National Security Council from 1984 to 1989. As Deputy Executive Secretary he oversaw the White House Situation Room and chaired interagency committees on crisis management procedures and continuity of government. Earlier, as Director of Defense Programs, Mr. Donley was the NSC representative to the Defense Resources Board, and coordinated the President's quarterly meetings with the Joint Chiefs of Staff. He conceived and organized the President's Blue Ribbon Commission on Defense Management (the Packard Commission), coordinated White House policy on the Goldwater-Nichols DOD Reorganization Act of 1986, and wrote the National Security Strategy for President Reagan's second term. He was also a Professional Staff Member on the Senate Armed Services Committee from 1981 to 1984.

Mr. Donley served in the U.S. Army from 1972 to 1975 with the XVIIIth Airborne Corps and 5th Special Forces Group (Airborne), attending the Army's Intelligence and Airborne Schools and the Defense Language Institute. Mr. Donley earned both Bachelor of Arts and Master of Arts degrees in international relations from the University of Southern California. He also attended the Senior Executives in National Security program at Harvard University.

EDUCATION



1972 U.S. Army Intelligence School, Fort Huachuca, Ariz.
1973 Defense Language Institute, Monterey, Calif.
1974 U.S. Army Airborne School, Fort Benning, Ga.
1977 Bachelor of Arts degree in international relations, University of Southern California, Los Angeles
1978 Master of Arts degree in international relations, University of Southern California, Los Angeles
1986 Senior Executives in National Security program, John F. Kennedy School of Government, Harvard University, Cambridge, Mass.

CAREER CHRONOLOGY

1. 1972 - 1975, U.S. Army, XVIIIth Airborne Corps and 5th Special Forces Group (Airborne), Fort Bragg, N.C.
2. 1978 - 1979, Editor, National Security Record, Heritage Foundation, Washington, D.C.
3. 1979 - 1981, Legislative Assistant, U.S. Senate, Washington, D.C.
4. 1981 -1984, Professional Staff Member, Senate Armed Services Committee, Washington, D.C.
5. 1984 - 1987, Director of Defense Programs, National Security Council, the White House, Washington, D.C.
6. 1987 - 1989, Deputy Executive Secretary, National Security Council, the White House, Washington, D.C.
7. 1989 - 1993, Assistant Secretary of the Air Force (Financial Management and Comptroller), Washington, D.C.
8. 1993, Acting Secretary of the Air Force, Washington, D.C.
9. 1993 - 1996, Senior Fellow at the Institute for Defense Analyses, Alexandria, Va.
10. 1996 - 2005, Senior Vice President at Hicks and Associates, Inc., a subsidiary of Science Applications International Corporation, McLean, Va.
11. 2005 - 2008, Director of Administration and Management, Office of the Secretary of Defense, Washington, D.C.
12. 2008 - present, Secretary of the Air Force, Washington, D.C.

(Current as of October 2008)



BIOGRAPHY



UNITED STATES AIR FORCE

GENERAL NORTON A. SCHWARTZ

Gen. Norton A. Schwartz is Chief of Staff of the U.S. Air Force, Washington, D.C. As Chief, he serves as the senior uniformed Air Force officer responsible for the organization, training and equipping of nearly 700,000 active-duty, Guard, Reserve and civilian forces serving in the United States and overseas. As a member of the Joint Chiefs of Staff, the general and other service chiefs function as military advisers to the Secretary of Defense, National Security Council and the President.

General Schwartz graduated from the U.S. Air Force Academy in 1973. He is an alumnus of the National War College, a member of the Council on Foreign Relations, and a 1994 Fellow of Massachusetts Institute of Technology's Seminar XXI. He has served as Commander of the Special Operations Command-Pacific, as well as Alaskan Command, Alaskan North American Aerospace Defense Command Region, and the 11th Air Force. Prior to assuming his current position, General Schwartz was Commander, U.S. Transportation Command and served as the single manager for global air, land and sea transportation for the Department of Defense.



General Schwartz is a command pilot with more than 4,400 flying hours in a variety of aircraft. He participated as a crewmember in the 1975 airlift evacuation of Saigon, and in 1991 served as Chief of Staff of the Joint Special Operations Task Force for Northern Iraq in operations Desert Shield and Desert Storm. In 1997, he led the Joint Task Force that prepared for the noncombatant evacuation of U.S. citizens in Cambodia.

EDUCATION

1973 Bachelor's degree in political science and international affairs, U.S. Air Force Academy, Colorado Springs, Colo.

1977 Squadron Officer School, Maxwell AFB, Ala.

1983 Master's degree in business administration, Central Michigan University, Mount Pleasant

1984 Armed Forces Staff College, Norfolk, Va.

1989 National War College, Fort Lesley J. McNair, Washington, D.C.

1994 Fellow, Seminar XXI, Massachusetts Institute of Technology, Cambridge

ASSIGNMENTS

1. August 1973 - September 1974, student, undergraduate pilot training, Laughlin AFB, Texas
2. October 1974 - January 1975, student, C-130 initial qualification training, Little Rock AFB, Ark.
3. February 1975 - October 1977, C-130E aircraft commander, 776th and 21st tactical airlift squadrons, Clark Air Base, Philippines
4. October 1977 - December 1977, student, Squadron Officer School, Maxwell AFB, Ala.
5. December 1977 - October 1979, C-130E/H flight examiner, 61st Tactical Airlift Squadron, Little Rock AFB, Ark.

6. October 1979 - November 1980, intern, Air Staff Training Program, Office of the Deputy Chief of Staff for Plans, Operations and Readiness, Headquarters U.S. Air Force, Washington, D.C.
7. November 1980 - July 1983, MC-130E flight examiner, 8th Special Operations Squadron, Hurlburt Field, Fla.
8. July 1983 - January 1984, student, Armed Forces Staff College, Norfolk, Va.
9. January 1984 - April 1986, action officer, Directorate of Plans, Office of the Deputy Chief of Staff for Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.
10. May 1986 - June 1988, Commander, 36th Tactical Airlift Squadron, McChord AFB, Wash.
11. August 1988 - June 1989, student, National War College, Fort Lesley J. McNair, Washington, D.C.
12. July 1989 - July 1991, Director of Plans and Policy, Special Operations Command Europe, Patch Barracks, Stuttgart-Vaihingen, Germany
13. August 1991 - May 1993, Deputy Commander for Operations and Commander, 1st Special Operations Group, Hurlburt Field, Fla.
14. May 1993 - May 1995, Deputy Director of Operations, later, Deputy Director of Forces, Office of the Deputy Chief of Staff for Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.
15. June 1995 - May 1997, Commander, 16th Special Operations Wing, Hurlburt Field, Fla.
16. June 1997 - October 1998, Commander, Special Operations Command, Pacific, Camp H.M. Smith, Hawaii
17. October 1998 - January 2000, Director of Strategic Planning, Deputy Chief of Staff for Plans and Programs, Headquarters U.S. Air Force, Washington, D.C.
18. January 2000 - September 2000, Deputy Commander in Chief, U.S. Special Operations Command, MacDill AFB, Fla.
19. September 2000 - October 2002, Commander, Alaskan Command, Alaskan North American Aerospace Defense Command Region and 11th Air Force, Elmendorf AFB, Alaska
20. October 2002 - October 2004, Director for Operations, the Joint Staff, Washington, D.C.
21. October 2004 - August 2005, Director, the Joint Staff, Washington, D. C.
22. September 2005 - August 2008, Commander, U.S. Transportation Command, Scott AFB, Ill.
23. August 2008 - present, Chief of Staff, Headquarters U.S. Air Force, Washington, D.C.

FLIGHT INFORMATION

Rating: Command pilot

Flight hours: More than 4,400

Aircraft flown: C-130E/H, MC-130E/H/P, HC-130, AC-130H/U, YMC-130, MH-53 and MH-60

MAJOR AWARDS AND DECORATIONS

Defense Distinguished Service Medal with two oak leaf clusters

Distinguished Service Medal

Defense Superior Service Medal with oak leaf cluster

Legion of Merit with two oak leaf clusters

Defense Meritorious Service Medal

Meritorious Service Medal with two oak leaf clusters

Air Force Commendation Medal with oak leaf cluster

Army Commendation Medal

EFFECTIVE DATES OF PROMOTION

Second Lieutenant June 6, 1973

First Lieutenant June 6, 1975

Captain June 6, 1977

Major Nov. 1, 1982

Lieutenant Colonel March 1, 1985

Colonel Feb. 1, 1991

Brigadier General Jan. 1, 1996

Major General March 4, 1999

Lieutenant General Jan. 18, 2000

General Oct. 1, 2005

(Current as of August 2008)

The 2009 Air Force Posture Statement articulates our vision of an Air Force ready to fulfill the commitments of today and face the challenges of tomorrow through strong stewardship, continued precision and reliability, and dedication to persistent Global Vigilance, Reach and Power for the Nation.

INTRODUCTION

Today, the United States faces a spectrum of challenges to our national security and global interests. As an integral member of the Joint team, America's Air Force provides the critical capabilities of *Global Vigilance*, *Global Reach*, and *Global Power*. The United States Air Force is "*All In*" today's Joint fight. At the same time, our investments in new capabilities will ensure we are ready for tomorrow's challenges. The mission of the United States Air Force is to "*fly, fight, and win...in air, space and cyberspace*"—as an integral member of the Joint team that ensures our Nation's freedom and security.

A BALANCED APPROACH

Today's uncertain international security environment requires a balance-driven approach to prevail in today's operations, and prepare for tomorrow's challenges by identifying and investing in new capabilities and force structure. This balanced approach postures the Air Force to provide an array of capabilities to Combatant Commanders across the spectrum of conflict—from building partnership capacity to ensuring the readiness of strategic deterrence forces.

AIR FORCE CORE FUNCTIONS

Our Air Force's foremost responsibility is to organize, train, and equip Airmen to meet the needs of our National leadership and Combatant Commanders. Our Fiscal Year 2010 budget proposal reflects a commitment to the twelve Air Force Core Functions, which provide the framework for investment and training.

AIR FORCE CORE FUNCTIONS

- | | |
|---|----------------------------------|
| 1. <i>Nuclear Deterrence Operations</i> | 7. <i>Special Operations</i> |
| 2. <i>Air Superiority</i> | 8. <i>Global Integrated ISR</i> |
| 3. <i>Space Superiority</i> | 9. <i>Command and Control</i> |
| 4. <i>Cyberspace Superiority</i> | 10. <i>Personnel Recovery</i> |
| 5. <i>Global Precision Attack</i> | 11. <i>Building Partnerships</i> |
| 6. <i>Rapid Global Mobility</i> | 12. <i>Agile Combat Support</i> |

The Air Force FY10 budget proposal reflects a commitment to our Core Functions that will be informed by numerous reviews of the overall defense-planning construct. Through the Quadrennial Defense Review (QDR), the Nuclear Posture Review (NPR), the Space Posture Review (SPR) and internal mid-term reviews, we will continue to sharpen and institutionalize our Core Functions. These capabilities, combined with the extraordinary commitment and dedication of our Airmen, provide our Nation with truly exceptional air, space and cyber power.

NUCLEAR DETERRENCE OPERATIONS

For more than 60 years, the Air Force has proudly served as stewards of a large portion of our Nation's nuclear arsenal. We operate, maintain and secure these nuclear forces to deter potential adversaries and to prevail if deterrence fails. Recent incidents and assessments have

highlighted performance shortfalls, and we are diligently working to ensure the safety, security and reliability demanded for this vital capability.

Our FY10 budget proposal addresses many of the recommendations provided by the various assessments of the Air Force nuclear enterprise. Our overall investment in nuclear deterrence operations in FY10 is \$4.9B, which includes increasing nuclear related personnel by 2,500 and adding a fourth B-52 squadron. The FY10 budget proposal places additional emphasis on nuclear weapons security, committing \$72M to strengthen the physical integrity of our Weapon Storage Areas.

Through a back-to-basics approach, the Air Force is re-emphasizing accountability, compliance and precision in the nuclear enterprise. We are reorganizing our nuclear forces in a manner that reduces fragmentation of authority and establishes clear chains of supervision for nuclear sustainment, surety and operations. These changes include: 1) consolidating all nuclear sustainment matters under the Air Force Nuclear Weapons Center; 2) establishing a new Air Staff nuclear directorate responsible for policy oversight and integration of our nuclear enterprise activities; and 3) standing up Air Force Global Strike Command, which is already operating in a provisional status at an interim location. Global Strike Command will consolidate Air Force Intercontinental Ballistic Missiles and nuclear-capable bombers under a single command, and is on track to activate later this year.

AIR SUPERIORITY and GLOBAL PRECISION ATTACK

Air Superiority and Global Precision Attack remain the foundations of our ability to deliver *Global Power*. In FY10, we are investing \$21B into these Core Functions.

New and unprecedented challenges to our Nation's Air Superiority continue to emerge, and threaten to remove the technological advantage enjoyed by our Air Force. Our adversaries continue to invest in highly capable surface-to-air missile technology, which threatens even our most advanced combat aircraft. Likewise, emerging adversaries may now pose a significant air threat by leveraging inexpensive technology to modify existing airframes with improved radars, sensors, jammers and weapons.

To meet these challenges and assure freedom of movement for the Joint team, the Air Force continues to invest in weapons and platforms for Global Precision Attack. The Joint Air Surface Standoff Missile—Extended Range, will enable our aircrews to attack targets precisely while negating or avoiding surface threats. Similarly, the Laser Joint Direct Attack Munition will enhance our capability to strike moving or static targets efficiently and precisely.

The F-22 and F-35 are key components of the Air Force's future Air Superiority and Global Precision Attack Core Functions. Given their low-observable characteristics and ability to fuse information from multiple sensors – key components of their 5th Generation designs – these aircraft are far more survivable and lethal than our current 4th Generation force. While the F-35 is optimal for Global Precision Attack, it also serves as a complementary capability to the F-22, which is optimal for Air Superiority. Together, they form the backbone of a fighter force that will ensure the United States maintains a decisive edge in an increasingly lethal threat environment. We support the current investment strategy that ends F-22 production at 187 aircraft. The Air Force will invest \$4.1B in FY10 to procure 10 F-35s as part of the Department of Defense's strategy to ramp up production. By accelerating the procurement ramp, we can lower unit procurement costs while also making the platform more cost competitive for our Coalition partners.

Our FY10 budget proposal accelerates the integration of our Guard and Reserve components into new and emerging mission sets, including unmanned aerial systems, F-22 and F-35

missions. By considering Air National Guard and Air Force Reserve Command for inclusion in emerging mission areas and basing strategies, we capitalize on the experience and unique skill sets that our Air Reserve Components contribute to the Total Force.

We are also modernizing our existing bomber force to increase its effectiveness and survivability against emerging threats, while meeting the requirements of today's Joint Force Commanders. We have fielded a state-of-the-art infrared, electro-optical targeting pod on the B-1 to provide an additional, persistent sensor on the battlefield to self-target weapons, or provide real-time streaming video to ground forces. We are also modernizing our B-2 fleet by improving the radar, integrating the Link-16 data link and adding extremely high frequency satellite communication capabilities for nuclear command and control. In addition, investments in low observable maintenance improvements will decrease sustainment costs and reduce aircraft downtime. In accordance with the Secretary of Defense's budget guidance, we will not pursue the development of the Next Generation Bomber until we have a better understanding of the requirements, technologies, and concept of operations for this capability – all of which are expected to be addressed in the QDR.

Restructuring Our Combat Air Forces

This year, the Department of Defense provided guidance for the military to eliminate excessive overmatch in our tactical fighter force and consider alternatives in our capabilities. Acting on this guidance, the Air Force examined emerging, advanced threats and then analyzed our Combat Air Forces' capabilities against them. Our intent was to ensure the proper mix of platforms that meet requirements while minimizing excess inventory and deriving the most capability from our limited resources.

After a comprehensive review of alternatives, the Air Force saw an opportunity to reshape our aging fighter force via an accelerated retirement of our oldest legacy fighters. The review weighed the benefits of retiring aircraft nearing their expected service life, against near-term risk. The analysis also considered the "game-changing" capabilities of low observable platforms like the B-2, F-22 and F-35 that possess the ability to access areas defended by advanced surface-to-air missile systems.

Once the size and scope of the reduction was determined, the Air Force presented its implementation plan to the Combatant Commanders, Joint Staff and the Office of the Secretary of Defense. Accelerating the retirement of roughly 250 legacy F-15s, F-16s and A-10s enables us to redistribute over \$3.5B in the next six years to modernize our Combat Air Forces into a smaller, but more capable force – one that is balanced across our Active and Reserve Components and meets our commitments at home and abroad. This restructuring also facilitates the movement of approximately 4,000 manpower positions that will be realigned to support growth in priority missions such as manned and unmanned aerial surveillance systems, ISR support and the nuclear enterprise.

Our current fleet of legacy and 5th Generation aircraft represent our readiness to fulfill today's commitments, while our FY10 budget proposal invests in a future force mix to meet tomorrow's challenges.

RAPID GLOBAL MOBILITY

Global Reach ensures our Joint team can deploy, maneuver and sustain large forces on a global scale. In Iraq and Afghanistan, Air Force air mobility assets are central to sustaining the Joint and Coalition team. On any given day, Air Force C-5s deliver life-saving Mine Resistant Ambush Protected vehicles into theater; C-17s airdrop critical supplies to forward-based ground forces via the revolutionary GPS-aided Joint Precision Airdrop System; and C-130s provide tactical airlift to move theater-based personnel and equipment. Highly skilled aeromedical

transport teams swiftly evacuate combat casualties, ensuring our wounded warriors receive the best possible medical care. And Air Force air refueling aircraft continue to play a vital, daily role in extending the range and persistence of almost all other aircraft of the Joint force. The FY10 budget proposal reflects our commitment to sustaining and modernizing these critical national capabilities.

Replacing the aging KC-135 fleet remains the Air Force's top acquisition priority. The FY10 budget proposal supports the release of a request for proposal in summer 2009 with a contract award early in FY10.

The FY10 budget proposal continues efforts for modernization and includes funding to begin the shut down of the C-17 production with a fleet of 205 aircraft. Modernization of our C-5 fleet continues through the Avionics Modernization Program and Reliability Enhancement and Re-engining Programs, and during FY10 we will continue recapitalizing our intra-theater airlift capability by re-initiating the C-130J production line following one year procurement gap and procuring 3 C-130J aircraft for \$394M.

The Air Force will also begin procuring C-27J in FY10 to provide mission-critical/time-sensitive airlift in direct support of our Joint partners. The FY10 budget proposal procures eight C-27Js, as the first step toward a total procurement of 38 C-27Js. The Air Force continues to work closely with the United States Army to accept full management of the Joint Cargo Aircraft (JCA) program and the direct support airlift mission.

SPECIAL OPERATIONS

Air Force special operations capabilities are playing an increasingly vital role in supporting US Special Operations Command (USSOCOM) and geographical Combatant Commanders. We are also responding to significant growth in the requirements for Irregular Warfare (IW) capabilities with major investments in special operations airlift, close air support and Intelligence, Surveillance and Reconnaissance (ISR).

Our FY10 budget proposal reflects the Air Force's commitment to special operations capabilities, and includes \$862.6M for the procurement of 4 MC-130Js and 5 CV-22s. AFSOC will expand its special operations ISR force structure by activating a squadron of MQ-9 Reapers, in addition to the already operational MQ-1 Predator squadron. Additionally, we are recapitalizing our MC-130E/P fleet with newer, more capable MC-130Js for low-level air refueling, infiltration, exfiltration and resupply of special operations forces. At the same time, we will convert 8 MC-130Ws to AC-130 gunships, and procure additional CV-22s.

GLOBAL INTEGRATED ISR

Operations in Iraq and Afghanistan have highlighted the increasing need for timely, fused data from all available sources. To meet this need, we are greatly expanding our airborne ISR force structure of manned and unmanned ISR assets. In FY09, we will field the MC-12W to provide increased full-motion video and signals intelligence. Additionally, our FY10 budget proposal continues major investments in unmanned aircraft, transitioning from the MQ-1 Predator to the MQ-9 Reaper, with \$489M for 24 additional MQ-9s to increase our total UAS combat air patrols from 34 CAPs today to our goal of 50 CAPs by the end of FY11. We are also investing \$84M to integrate the Wide Area Airborne Surveillance (WAAS) onto existing and new MQ-9s, providing 12 times the number of streaming video spots per aircraft. Our FY10 budget proposal also contains funding for five RQ-4 Global Hawk UAVs, which provide persistent ISR from high-altitude orbits. We are also balancing our ISR personnel requirements by re-examining our training programs for intelligence professionals, creating new duty specialty codes, and establishing trial programs to develop ISR operators.

COMMAND AND CONTROL

The Air Force has established Air and Space Operations Centers (AOCs) aligned with each geographical Combatant Commander to integrate air, space, cyber and missile defense capabilities into Joint operations. We have also improved our Tactical Air Control System (TACS) to account for increasingly distributed air-ground operations in Iraq and Afghanistan. Our restructured Air Liaison Officer program offers these Airmen a viable career path. We are also training additional terminal air controllers and equipping them with increasingly capable, portable and flexible air strike control systems like Remote Operated Video Receiver (ROVER) version 5.

SPACE SUPERIORITY

America's ability to operate effectively across the spectrum of conflict rests heavily on our space capabilities. Recognizing this importance, our FY10 budget proposal includes \$4.4B for procurement of space and related support systems.

The Joint force depends upon space capabilities provided by the Air Force, which fall into five key areas: *Early Warning; Space Situational Awareness; Military Satellite Communications; Positioning, Navigation and Timing; and Weather* capabilities. We will field several new satellites, including the Global Positioning System Block IIF, Advanced Extremely High Frequency (AEHF), Space Based Surveillance System (SBSS), and the Space Based Infrared System-Geostationary (SBIRS-Geo) – recapitalization programs that are important to both the United States and its Allies. The FY10 budget proposal discontinues the Transformational Satellite (TSAT) program and supports procurement of additional AEHF and Wideband Global SATCOM (WGS) satellites.

CYBERSPACE SUPERIORITY

Operating within the cyber domain has become an increasingly critical requirement for our networked force. In order to develop and institutionalize cyberspace capabilities, and to better integrate them into the Joint cyberspace structure, we are consolidating many Air Force cyberspace operations into a new 24th Air Force under Air Force Space Command. The Air Force is firmly committed to developing the necessary capabilities to defend the cyber domain, and our FY10 budget proposal includes \$2.3B to grow this important Core Function.

PERSONNEL RECOVERY

Personnel Recovery (PR) remains an imperative, fulfilling our promise to never leave an American behind. Air Force PR forces are fully engaged in Iraq and Afghanistan, accomplishing crucial missions that include command and control, intelligence, CSAR, convoy support, hostage recovery and reintegration.

The FY10 budget proposal terminates the current CSAR-X program to allow for additional discussion on platform requirements and quantities across the Joint force. We will continue to sustain our HH-60 helicopter fleet, while exploring Joint solutions to ensure sufficient PR capabilities in the coming years. We are continuing to extend our current capabilities by recapitalizing our HC-130P/N fleet with newer, more capable HC-130Js to provide low-level air refueling, infiltration, exfiltration and resupply of CSAR forces. In FY10, we will invest \$605M to procure an additional five HC-130Js.

BUILDING PARTNERSHIPS

The Air Force continues to seek opportunities to develop our partnerships around the world, and to enhance our long-term capabilities through security cooperation. For example, in the Central Command AOR, deployed Airmen are working with our Afghan and Iraqi partners to build a new Afghan National Army Air Corps and the Iraqi Air Force. We are also working to further partnerships with more established allies, with programs like the Joint Strike Fighter, where our allies have committed \$4.5B in research and development funding. Australia's commitment to

fund a communications satellite in the WGS constellation is another example of the value and synergy of lasting partnerships.

In the recently released *Global Partnership Strategy*, we outlined a path to cultivate these key partnerships, nurturing the global relations, fortifying our geographic access, safety and security around the world. The strategy seeks to develop partners who are able to defend their respective territories while ensuring the interoperability and integration necessary for Coalition operations.

AGILE COMBAT SUPPORT

Underpinning the work of all Air Force Core Functions are the capabilities included in Agile Combat Support. As part of our FY10 budget proposal initiatives, Agile Combat Support accounts for efforts affecting our entire Air Force, from the development and training of our Airmen to revitalizing our processes in the acquisition enterprise. Agile Combat Support reflects a large portion of the Air Force budget proposal, totaling approximately \$42B.

Developing and Caring for Airmen and Their Families

The Air Force remains committed to recruiting and retaining the world's highest quality force, while meeting the needs of their families. Our FY10 budget proposal enables us to recruit, train, educate and retain the right number and mix of personnel, and to provide Quality of Service worthy of our Airmen's commitment to serve in the Armed Forces of the United States and supports an end strength of 331,700 active duty personnel.

Sharpening Our Skills

Our FY10 budget proposal enables us to train Airmen to fulfill both our Core Functions and the Combatant Commander's requirements. These changes span the vast array of skill sets, from improving language and cultural instruction to accelerated training for network operators. In FY10, we will also enhance foundational training received by all enlisted personnel entering the Air Force by constructing a \$32M state-of-the-art training facility at Lackland Air Force Base.

Quality of Service

The Air Force leadership is committed not only to the quality of life of our Airmen and families, but also to their *Quality of Service*—ensuring each Airman is able to perform consistently meaningful work and make a daily impact on the Air Force mission.

We also understand the burdens placed on the families of our Airmen. To meet the needs of our Airmen and their families, our FY10 budget proposal funds a range of needed Quality of Life initiatives, including expanded legal assistance, advanced educational opportunities and new family housing. For example, our FY10 budget proposal invests \$20M to build two new Child Development Centers, as well as \$66M to improve and modernize military family housing overseas. The Air Force is also continuing to execute its Family Housing Master Plan, which synchronizes the military construction, operations and maintenance, and privatization efforts necessary to improve our family housing. By FY10, we will have all the funds necessary to award the privatization and MILCON projects needed to eliminate all of our inadequate homes, both in the U.S. and abroad – with all projects scheduled to be completed by FY15. To this end, we are on track to award contracts to privatize 100% of Military Family Housing in the CONUS, Hawaii, Alaska and Guam by the end of FY10. For Airmen concerned about foreclosure, we provide assistance at the Airmen and Family Readiness Center at each Air Force installation. Additionally, we are working with the Department of Defense as it expands the Homeowners Assistance Program to wounded warriors/civilians, surviving spouses and eligible military members affected by permanent changes of station.

Shaping the Force

America's Air Force draws its strength from its outstanding Airmen, with over 660,000 members of our Regular, Reserve, Guard and Civilian personnel dedicated to the mission of the Air Force. In accordance with the Secretary of Defense's guidance, we will halt active duty manpower reductions at 331,700 for FY10. We will also make commensurate adjustments in the Reserve Components, with 69,500 Airmen in the Air Force Reserve and 106,700 Airmen in the Air National Guard. We will also grow our Civilian cadre to 179,152, which includes 4,200 contractor-to-civilian conversions.

Retaining quality Airmen with critical skill sets remains a top priority. For FY10, we have proposed \$641.4M for retention bonuses and recruiting, which includes a \$88.3M increase for recruiting and retaining health professionals. In addition, we will retrain Airmen to fill undermanned career fields to balance and shape our force in accordance with emerging requirements. Further efforts to shape our force will also include diversity initiatives designed to leverage the unique qualities of all Airmen to achieve mission excellence.

Warrior Care

As part of our commitment to Airmen, we, in collaboration with the rest of the Department of Defense, are strengthening our focus on wounded warrior care. The importance of ensuring that our wounded warriors receive the service and support they need throughout the recovery process cannot be overstated. Through specific budget proposal items, such as increased funding to bolster the size of our Recovery Care Coordinators cadre, our wounded care programs will continue to provide our Airmen the best medical and professional support possible.

Other advances in wounded warrior care are also underway including work with Interagency and local partners to create the necessary support networks to ensure success in continued military service or in the transition to civilian life. We are also reinforcing our commitment to our Air Force wounded warrior families through support programs specifically designed to help allay their burdens and honor their sacrifices.

Recapturing Acquisition Excellence

To most effectively meet the demands of our warfighters, the Air Force has made Recapturing Acquisition Excellence a top priority. We recognize the profound importance of this capability, which enables us to acquire and recapitalize platforms that provide Global Vigilance, Reach and Power. As stewards of the taxpayer's resources, the Air Force will solidify an Acquisition system that delivers the right capabilities to the warfighter in the field – on-time and within budget.

To accomplish this we have published an Acquisition Improvement Plan (AIP) that outlines the steps we will take to improve Air Force Acquisition, informed by a series of internal and external reviews. This plan focuses on five initiatives that: revitalize the Air Force acquisition workforce; improve the requirements generation process; instill budget and financial discipline; improve Air Force major systems source selection; and establish clear lines of authority and accountability within acquisition organizations.

Through this plan, the Air Force will focus on better developing our acquisition workforce to ensure that it is appropriately sized to perform essential, inherently governmental functions and flexible enough to meet continuously evolving demands. We will also work to develop requirements that meet the users' needs while, at the same time, ensuring that they can be incorporated into effective acquisition strategies that maximize competition and allow for a fair and open source selection process.

Our reviews also emphasized that establishing adequate and stable budgets continues to be critical for program success. Therefore, the AIP emphasizes realistic budgeting based on comprehensive program cost estimates. Once budget baselines are established, achieving program stability and cost control will be given the same priority as technical performance and schedule.

We also found some weaknesses in our procedures for large system acquisition source selections and shortages in the skill sets required to conduct major source selections. So we are going back to the basics; building processes to ensure that our personnel have the experience and training required to conduct source selections and, where necessary, revising our processes and policies and increasing our use of multi-functional independent review teams (MIRTs). We are also reassessing our Program Executive Officer (PEO) and wing/group/squadron organizations to determine if they are properly structured, and identifying specific actions that could be taken to improve them.

READINESS AND RESOURCING

In the past year, we have continued to see stresses on our Air Force, both in our people and in our platforms. The Air force has conducted nearly 61,000 sorties in Operation IRAQI FREEDOM and over 37,000 sorties supporting Operation ENDURING FREEDOM, delivering over 2 million passengers and 700,000 tons of cargo. In doing so, airmen averaged nearly 265 sorties per day. Tens of thousands of America's Airmen are deployed to locations across the globe, including 63 locations in the Middle East. To support the efforts of our Airmen and provide for the recruiting and retention of the highest quality Air Force, our FY10 budget proposal includes \$28.6B in Military Personnel funding. It provides for an across the board 2.9 percent pay increase, a Basic Allowance for Housing increase of 5.6 percent--resulting in zero out-of-pocket housing expenses for our Airmen--and a Basic Allowance for Subsistence increase of 5.0 percent. Additionally it halts the end strength drawdown which allows for rebalancing of the total force to cover new and emerging missions and stabilizes the active component end strength at 331,700; Reserve Component end strength at 69,500 Airmen and Air National Guard end strength at 106,700 Airmen. It also funds recruiting and retention bonuses targeted at critical wartime skills, including key specialties such as command and control, public affairs, contracting, pararescue, security forces, civil engineering, explosive ordnance disposal, and special investigations.

This high operations tempo requires focused attention on readiness. We use aircraft availability as our enterprise-level metric for monitoring fleet health, and the FY10 budget proposal provides \$43.4B in Operations and Maintenance funding, a \$1.3B increase over our FY09 appropriation, to mitigate the stresses of continuous combat operations on our aircraft. The FY10 Operations and Maintenance appropriation funds pay and benefits for 179,000 civilian personnel, including 4,200 contractor to civilian conversions, an increase of 200 civilian acquisition professionals and a 2.0 percent pay raise. It fully funds 1.4 million flying hours, produces 1,200 pilots and sustains over 5,400 aircraft while accelerating the retirement of roughly 250 aged aircraft, producing a smaller, more capable fighting force.

Our aging air and space fleet requires focused attention. For example, we have grounded our F-15, F-16, A-10, C-130, and T-6 fleets for limited periods during the past two years. The skill and determination of our maintainers have ensured that we return aircraft to service as quickly as possible, but 2% of the fleet remains grounded and many aircraft fly restricted profiles. To ensure stable aircraft availability and mission capable rates, we continue to integrate Fleet Viability Boards into our normal life-cycle sustainment processes and strengthen centralized asset management.

Additionally, in FY10 O&M funds will be used to rebuild the nuclear infrastructure by fortifying operations, developing people and sustaining 76 B-52s for global strike capability. The AF is also increasing MQ-1 and MQ-9 ISR capability to 43 unmanned Command Air Patrols. The O&M budget request honors the AF commitment to our Airmen and their families by increasing child care availability and special programs for children of deployed parents, providing for both legal assistance and advanced educational opportunities. Dollars are also committed to dormitory initiatives, unaccompanied housing, active Warfighter/Family Support Centers and Fitness Centers while still providing for the operating expenses of 83 major installations including two space lift ranges.

Our \$19.4B FY10 Budget proposal for Research, Development, Test and Evaluation (RDT&E) is an increase of \$600M from FY 09. This request funds requirements for next generation weapons and platforms by maturing technologies essential to equipping our Nation to defeat near-term and forecasted threats. We continue to develop and invest in future systems such as the KC-X Tanker program, F-35 Joint Strike Fighter, and the next enhancement of the Global Positioning System. Science and technology efforts advance propulsion, space based airborne and ground sensors, directed energy and command and control for both air and space. Modernizing our current fleet initiatives will provide upgrades to legacy fighters, bombers, strategic radar and mobility requirements. Systems and technologies designed to improve space situational awareness are also critical elements of this Budget Request. Additionally we are rebalancing the portfolio towards procurement of proven and multi-role platforms.

We are committed to supporting today's warfighter while building tomorrow's weapon systems capability. The FY10 procurement budget request provides \$21.7B dollars to deliver immediate and future capabilities through investments made across four specific procurement appropriations: aircraft, missiles, ammunition and other. The FY10 Budget Request supports the Irregular Warfare Mission by increasing ISR platforms while modifying the existing fleet, provides joint warfighter support funding and balances investment in advanced aircraft platforms and legacy aircraft modifications. These funds will allow for the acquisition and modification of manned and unmanned aircraft, missiles, munitions, vehicles, electronic and telecommunications equipment, satellites and launch vehicles, and support equipment.

Funding critical infrastructure projects while meeting the needs of the Air Family are critical to our mission. The \$2.4B budget request for military construction, military family housing and base realignment and closure supports a \$300M increase in military construction from FY09. Projects will be focused on supporting the rebalance of AF and DoD priorities. Additionally the budget request continues our emphasis on providing quality housing for Airmen and their families. Finally, the AF is on target to deliver 17 BRAC 2005 projects on time while continuing the environmental clean-up of legacy BRAC locations.

To ensure proper stewardship of our resourcing, we have designated a Deputy, Chief Management Officer (DCMO) in line with the Department of Defense Strategic Management Plan. The DCMO is responsible for continuing our momentum in refining internal processes for reducing workloads or eliminating unnecessary work. Through a culture of continuous improvement, we are further improving warfighter effectiveness through integrated processes and systems, process improvement and technology investments aligned with our priorities.

SUMMARY

We believe the Air Force's total proposed FY10 budget of \$160.5B – which includes \$115.6B for Air Force managed programs, \$28.9B in other funded programs such as the National Foreign Intelligence, Special Operation Forces, and the Defense Health Programs, and \$16B in Overseas Contingency Operations provides the balance necessary to ensure support of today's commitments, while posturing the Air Force for success against tomorrow's challenges.