



# Selected Acquisition Report (SAR)

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



## **HIMARS**

As of December 31, 2011

Defense Acquisition Management  
Information Retrieval  
(DAMIR)

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**UNCLASSIFIED**

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## Program Information

### Designation And Nomenclature (Popular Name)

High Mobility Artillery Rocket System (HIMARS)

### DoD Component

Army

## Responsible Office

### Responsible Office

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**Date Assigned** July 25, 2011

## References

### SAR Baseline (Production Estimate)

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

### Approved APB

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

## Mission and Description

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

## Executive Summary

The Sixth and Final Full Rate Production (FRP VI) contract was awarded on December 23, 2010, for 44 launchers for the US Army. The objective armored cab design, known as the Increased Crew Protection (ICP), was cut into production in FY 2009 (FRP III) and was applied via a modification program to the remainder of the fleet. 13 HIMARS battalions have been fielded to date and the four remaining future fieldings are on track to be complete by the end of FY13. On August 17, 2011, the U.S. Army accepted formal delivery of the 300th HIMARS launcher, from Lockheed Martin at their production facility in Camden, AR and this milestone denotes that the Army has attained 80% of its Army Procurement Objective of 375 platforms. The 375th HIMARS chassis was delivered to the US Army on December 14, 2011 and denotes that the Army will be able to attain 100% of its Army Acquisition Objective of 375 platforms. In FY 2011, the Army successfully demonstrated the new HIMARS "Hot Panel" capability. This enables the HIMARS launcher's fire control system to remain initialized during air transport. It also allows HIMARS to monitor its position via a C-130's/ C-17's aircraft's Global Positioning System (GPS) while in flight and execute a fire mission immediately after disembarkation, thus reducing mission time on the ground. This capability was demonstrated and verified during a joint tactical scenario conducted on April 27, 2011. The M142 HIMARS has been successfully and continuously employed in combat operations by both US Army and Marine Corps units in the Southwest Asia Theater since 2003. HIMARS launchers have greatly contributed to the war efforts in both Iraq and Afghanistan. The HIMARS program won the William J. Perry Precision Strike Award for outstanding combat effectiveness in 2008 and the Secretary of Defense Performance-Based Logistics Award for the second time in 2009 for its Life Cycle Contractor Support (LCCS) program, the only program in the Defense Department to do so.

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

**Threshold Breaches****APB Breaches**

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

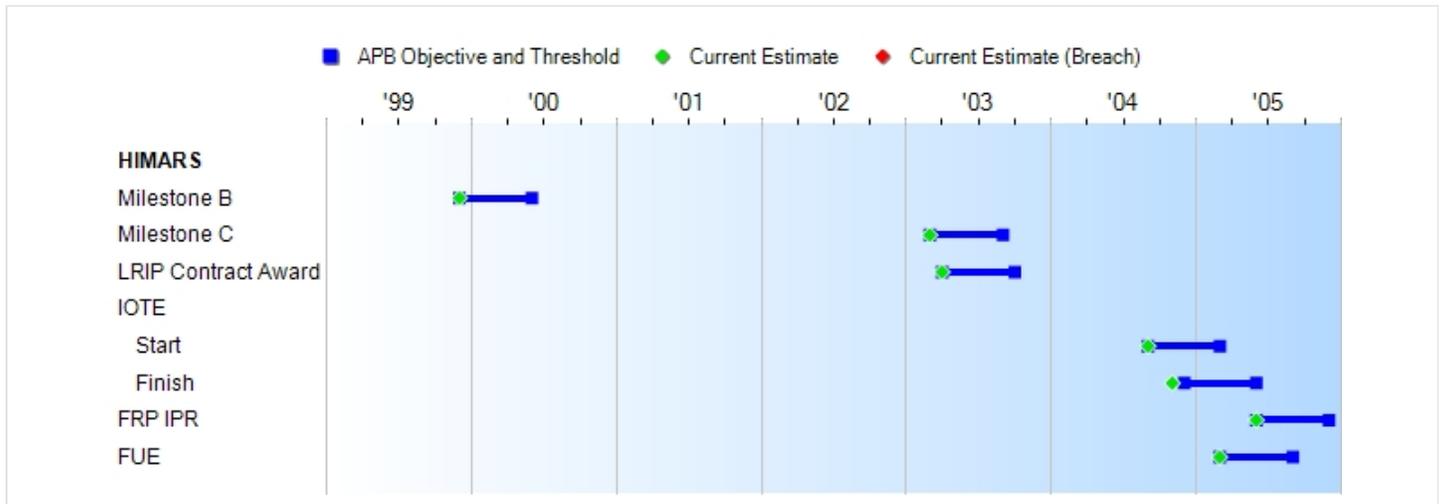
**Nunn-McCurdy Breaches****Current UCR Baseline**

PAUC	None
APUC	None

**Original UCR Baseline**

PAUC	None
APUC	None

**Schedule**



Milestones	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Current Estimate
Milestone B	DEC 1999	DEC 1999	JUN 2000	DEC 1999
Milestone C	MAR 2003	MAR 2003	SEP 2003	MAR 2003
LRIP Contract Award	APR 2003	APR 2003	OCT 2003	APR 2003
IOTE				
Start	SEP 2004	SEP 2004	MAR 2005	SEP 2004
Finish	DEC 2004	DEC 2004	JUN 2005	NOV 2004
FRP IPR	JUN 2005	JUN 2005	DEC 2005	JUN 2005
FUE	MAR 2005	MAR 2005	SEP 2005	MAR 2005

**Acronyms And Abbreviations**

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

**Change Explanations**

None

## Performance

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

	given a stored heading, valid location and valid GPS keys	given a stored heading, valid location and valid GPS keys	given a stored heading, valid location and valid GPS keys	demonstrated reduced power-on to operational readiness time	given a stored heading, valid location and valid GPS keys
Block II Reliability					
Mean Time Between Essential Function Failures (MTBEFF) (hrs)	45	45	34	152	>41
Mean Time Between System Aborts (MTBSA) (hrs)	81	81	58	259	>70

**Requirements Source:** Operational Requirements Document (ORD), dated January 5, 2004

#### Acronyms And Abbreviations

@ - At  
 AFATDS - Advanced Field Artillery Tactical Data System  
 APB - Acquisition Program Baseline  
 API - Armor Piercing Incindeary  
 FA - Field Artillery  
 frag - Fragments  
 GPS - Global Positioning System  
 Hrs - Hours  
 ICP - Increased Crew Protection  
 JVMF - Joint Variable Message Format  
 KPP - Key Performance Parameter  
 m - Meters  
 MFOM - Multiple Launch Rocket System (MLRS) Family of Munitions  
 min - Minutes  
 mm - Millimeters  
 MTBEFF - Mean Time Between Essential Function Failures  
 MTBSA - Mean Time Between System Aborts

#### Change Explanations

None

#### Memo

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

**Track To Budget****RDT&E**

APPN 2040	BA 07	PE 0603778A	(Army)
	Project 090	MLRS HIMARS	(Shared)

The HIMARS Program of Record will complete production in FY 2013. RDT&E funds FY 2013 and beyond apply to post production modifications and are not reflected in this report. The current program schedule shows HIMARS will be 90% delivered in the 3rd quarter of FY 2012.

**Procurement**

APPN 2032	BA 02	PE 0603778A	(Army)
	ICN C03000	HIMARS Launcher	
	ICN C03001	HIMARS Training Devices	(Sunk)
	ICN CA0250	Initial Spares, HIMARS	

C02901 is the parent line.

## Cost and Funding

### Cost Summary

#### Total Acquisition Cost and Quantity

Appropriation	BY2003 \$M			BY2003 \$M	TY \$M		
	SAR Baseline Prod Est	Current APB Production Objective/Threshold		Current Estimate	SAR Baseline Prod Est	Current APB Production Objective	Current Estimate
RDT&E	206.3	235.7	259.3	242.0	206.4	239.6	248.8
Procurement	3421.1	1856.1	2041.7	1516.9	4074.9	2129.7	1742.0
Flyaway	3047.1	--	--	1251.2	3626.3	--	1435.2
Recurring	3024.1	--	--	1232.1	3601.6	--	1413.4
Non Recurring	23.0	--	--	19.1	24.7	--	21.8
Support	374.0	--	--	265.7	448.6	--	306.8
Other Support	228.6	--	--	201.9	273.0	--	232.7
Initial Spares	145.4	--	--	63.8	175.6	--	74.1
MILCON	84.2	0.0	--	0.0	107.1	0.0	0.0
Acq O&M	0.0	0.0	--	0.0	0.0	0.0	0.0
Total	3711.6	2091.8	N/A	1758.9	4388.4	2369.3	1990.8

Quantity	SAR Baseline Prod Est	Current APB Production	Current Estimate
RDT&E		6	6
Procurement	888	450	375
Total	894	456	381

**Cost and Funding****Funding Summary**

**Appropriation and Quantity Summary**  
**FY2013 President's Budget / December 2011 SAR (TY\$ M)**

<b>Appropriation</b>	<b>Prior</b>	<b>FY2012</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>To Complete</b>	<b>Total</b>
RDT&E	242.7	6.1	0.0	0.0	0.0	0.0	0.0	0.0	248.8
Procurement	1697.3	32.6	12.1	0.0	0.0	0.0	0.0	0.0	1742.0
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 2013 Total	1940.0	38.7	12.1	0.0	0.0	0.0	0.0	0.0	1990.8
PB 2012 Total	1948.4	38.7	21.4	1.6	1.6	1.6	0.0	0.0	2013.3
Delta	-8.4	0.0	-9.3	-1.6	-1.6	-1.6	0.0	0.0	-22.5

<b>Quantity</b>	<b>Undistributed</b>	<b>Prior</b>	<b>FY2012</b>	<b>FY2013</b>	<b>FY2014</b>	<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>To Complete</b>	<b>Total</b>
Development	6	0	0	0	0	0	0	0	0	6
Production	0	375	0	0	0	0	0	0	0	375
PB 2013 Total	6	375	0	0	0	0	0	0	0	381
PB 2012 Total	6	375	0	0	0	0	0	0	0	381
Delta	0	0	0	0	0	0	0	0	0	0

## Cost and Funding

### Annual Funding By Appropriation

#### Annual Funding TY\$

#### 2040 | RDT&E | Research, Development, Test, and Evaluation, Army

Fiscal Year	Quantity	End Item Recurring Flyaway TY \$M	Non End Item Recurring Flyaway TY \$M	Non Recurring Flyaway TY \$M	Total Flyaway TY \$M	Total Support TY \$M	Total Program TY \$M
1999	--	--	--	--	--	--	5.0
2000	--	--	--	--	--	--	34.8
2001	--	--	--	--	--	--	47.4
2002	--	--	--	--	--	--	55.6
2003	--	--	--	--	--	--	28.8
2004	--	--	--	--	--	--	18.6
2005	--	--	--	--	--	--	9.2
2006	--	--	--	--	--	--	12.1
2007	--	--	--	--	--	--	18.1
2008	--	--	--	--	--	--	4.3
2009	--	--	--	--	--	--	3.7
2010	--	--	--	--	--	--	1.9
2011	--	--	--	--	--	--	3.2
2012	--	--	--	--	--	--	6.1
<b>Subtotal</b>	<b>6</b>	--	--	--	--	--	<b>248.8</b>

**Annual Funding BY\$****2040 | RDT&E | Research, Development, Test, and Evaluation, Army**

<b>Fiscal Year</b>	<b>Quantity</b>	<b>End Item Recurring Flyaway BY 2003 \$M</b>	<b>Non End Item Recurring Flyaway BY 2003 \$M</b>	<b>Non Recurring Flyaway BY 2003 \$M</b>	<b>Total Flyaway BY 2003 \$M</b>	<b>Total Support BY 2003 \$M</b>	<b>Total Program BY 2003 \$M</b>
1999	--	--	--	--	--	--	5.2
2000	--	--	--	--	--	--	35.6
2001	--	--	--	--	--	--	47.9
2002	--	--	--	--	--	--	55.6
2003	--	--	--	--	--	--	28.2
2004	--	--	--	--	--	--	17.8
2005	--	--	--	--	--	--	8.6
2006	--	--	--	--	--	--	11.0
2007	--	--	--	--	--	--	16.0
2008	--	--	--	--	--	--	3.7
2009	--	--	--	--	--	--	3.2
2010	--	--	--	--	--	--	1.6
2011	--	--	--	--	--	--	2.6
2012	--	--	--	--	--	--	5.0
<b>Subtotal</b>	<b>6</b>	--	--	--	--	--	<b>242.0</b>

## Annual Funding TY\$

## 2032 | Procurement | Missile Procurement, Army

Fiscal Year	Quantity	End Item Recurring Flyaway TY \$M	Non End Item Recurring Flyaway TY \$M	Non Recurring Flyaway TY \$M	Total Flyaway TY \$M	Total Support TY \$M	Total Program TY \$M
2003	28	119.2	--	--	119.2	13.3	132.5
2004	24	95.6	--	--	95.6	28.4	124.0
2005	37	154.4	--	--	154.4	14.7	169.1
2006	38	135.2	--	7.7	142.9	18.3	161.2
2007	44	142.8	--	8.3	151.1	47.1	198.2
2008	57	190.5	--	5.8	196.3	44.4	240.7
2009	57	187.7	--	--	187.7	52.7	240.4
2010	46	168.7	--	--	168.7	49.5	218.2
2011	44	175.5	--	--	175.5	37.5	213.0
2012	--	--	31.7	--	31.7	0.9	32.6
2013	--	--	12.1	--	12.1	--	12.1
<b>Subtotal</b>	<b>375</b>	<b>1369.6</b>	<b>43.8</b>	<b>21.8</b>	<b>1435.2</b>	<b>306.8</b>	<b>1742.0</b>

**Annual Funding BY\$****2032 | Procurement | Missile Procurement, Army**

<b>Fiscal Year</b>	<b>Quantity</b>	<b>End Item Recurring Flyaway BY 2003 \$M</b>	<b>Non End Item Recurring Flyaway BY 2003 \$M</b>	<b>Non Recurring Flyaway BY 2003 \$M</b>	<b>Total Flyaway BY 2003 \$M</b>	<b>Total Support BY 2003 \$M</b>	<b>Total Program BY 2003 \$M</b>
2003	28	114.5	--	--	114.5	12.8	127.3
2004	24	89.4	--	--	89.4	26.6	116.0
2005	37	140.5	--	--	140.5	13.4	153.9
2006	38	120.4	--	6.9	127.3	16.2	143.5
2007	44	124.7	--	7.2	131.9	41.2	173.1
2008	57	163.8	--	5.0	168.8	38.2	207.0
2009	57	159.4	--	--	159.4	44.7	204.1
2010	46	140.7	--	--	140.7	41.3	182.0
2011	44	143.7	--	--	143.7	30.6	174.3
2012	--	--	25.5	--	25.5	0.7	26.2
2013	--	--	9.5	--	9.5	--	9.5
<b>Subtotal</b>	<b>375</b>	<b>1197.1</b>	<b>35.0</b>	<b>19.1</b>	<b>1251.2</b>	<b>265.7</b>	<b>1516.9</b>

**Cost Quantity Information****2032 | Procurement | Missile Procurement, Army**

<b>Fiscal Year</b>	<b>Quantity</b>	<b>End Item Recurring Flyaway (Aligned with Quantity) BY 2003 \$M</b>
2003	28	114.5
2004	24	89.4
2005	37	140.5
2006	38	120.4
2007	44	124.8
2008	57	164.0
2009	57	160.0
2010	46	141.9
2011	44	141.6
2012	--	--
2013	--	--
<b>Subtotal</b>	<b>375</b>	<b>1197.1</b>

**Low Rate Initial Production**

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

The Current Total LRIP quantity is more than 10% of the total production quantity due to a reduction in the total quantities from the original baseline; at time of LRIP approval total production quantity was 10%. HIMARS had three Low Rate Initial Production (LRIP) contracts beginning in 2003, with the last deliveries from LRIP III taking place in February 2007.

**Foreign Military Sales**

<b>Country</b>	<b>Date of Sale</b>	<b>Quantity</b>	<b>Total Cost \$M</b>	<b>Memo</b>
Jordan	1/27/2010	12	53.3	
Singapore	12/28/2007	18	52.8	
United Arab Emirates	12/28/2007	20	62.6	
United Kingdom	12/23/2004	15	10.1	

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

**Nuclear Cost**

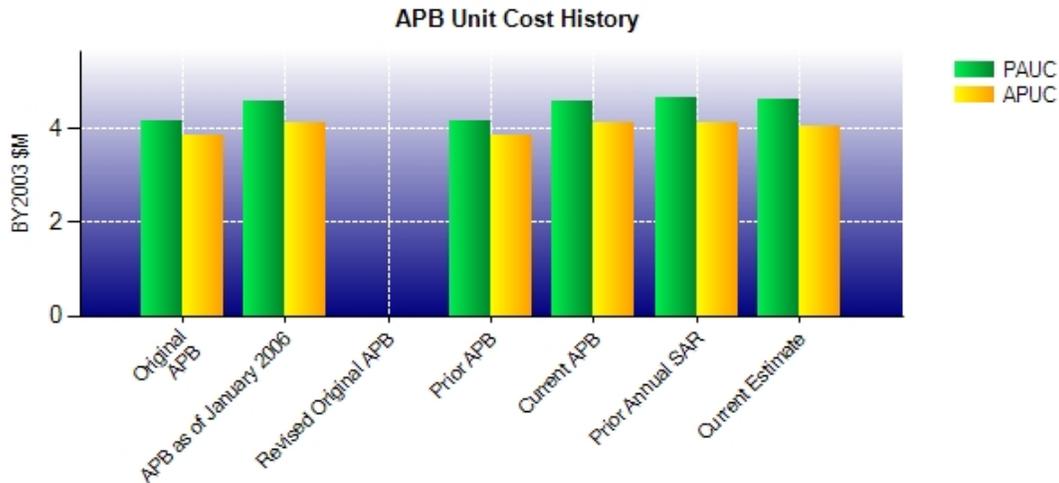
None

**Unit Cost****Unit Cost Report**

	BY2003 \$M	BY2003 \$M	
Unit Cost	Current UCR Baseline (AUG 2005 APB)	Current Estimate (DEC 2011 SAR)	BY % Change
Program Acquisition Unit Cost (PAUC)			
Cost	2091.8	1758.9	
Quantity	456	381	
Unit Cost	4.587	4.617	+0.65
Average Procurement Unit Cost (APUC)			
Cost	1856.1	1516.9	
Quantity	450	375	
Unit Cost	4.125	4.045	-1.94

	BY2003 \$M	BY2003 \$M	
Unit Cost	Original UCR Baseline (MAR 2003 APB)	Current Estimate (DEC 2011 SAR)	BY % Change
Program Acquisition Unit Cost (PAUC)			
Cost	3711.6	1758.9	
Quantity	894	381	
Unit Cost	4.152	4.617	+11.20
Average Procurement Unit Cost (APUC)			
Cost	3421.1	1516.9	
Quantity	888	375	
Unit Cost	3.853	4.045	+4.98

### Unit Cost History



	Date	BY2003 \$M		TY \$M	
		PAUC	APUC	PAUC	APUC
<b>Original APB</b>	MAR 2003	4.152	3.853	4.909	4.589
<b>APB as of January 2006</b>	AUG 2005	4.587	4.125	5.196	4.733
<b>Revised Original APB</b>	N/A	N/A	N/A	N/A	N/A
<b>Prior APB</b>	MAR 2003	4.152	3.853	4.909	4.589
<b>Current APB</b>	AUG 2005	4.587	4.125	5.196	4.733
<b>Prior Annual SAR</b>	DEC 2010	4.678	4.107	5.284	4.705
<b>Current Estimate</b>	DEC 2011	4.617	4.045	5.225	4.645

### SAR Unit Cost History

#### Initial SAR Baseline to Current SAR Baseline (TY \$M)

Initial PAUC Dev Est	Changes								PAUC Prod Est
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
4.824	0.000	0.000	0.000	0.000	-0.014	0.000	0.099	0.085	4.909

#### Current SAR Baseline to Current Estimate (TY \$M)

PAUC Prod Est	Changes								PAUC Current Est
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
4.909	0.620	0.486	-0.045	0.104	-0.410	0.000	-0.439	0.316	5.225

**Initial SAR Baseline to Current SAR Baseline (TY \$M)**

Initial APUC Dev Est	Changes								APUC Prod Est
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
4.630	0.000	0.000	0.000	0.000	-0.141	0.000	0.100	-0.041	4.589

**Current SAR Baseline to Current Estimate (TY \$M)**

APUC Prod Est	Changes								APUC Current Est
	Econ	Qty	Sch	Eng	Est	Oth	Spt	Total	
4.589	0.641	0.057	-0.046	0.000	-0.150	0.000	-0.446	0.056	4.645

**SAR Baseline History**

Item/Event	SAR Planning Estimate (PE)	SAR Development Estimate (DE)	SAR Production Estimate (PdE)	Current Estimate
Milestone I	N/A	N/A	N/A	N/A
Milestone B	N/A	DEC 1999	DEC 1999	DEC 1999
Milestone C	N/A	MAR 2003	MAR 2003	MAR 2003
FUE	N/A	MAR 2005	MAR 2005	MAR 2005
Total Cost (TY \$M)	N/A	4312.9	4388.4	1990.8
Total Quantity	N/A	894	894	381
Prog. Acq. Unit Cost (PAUC)	N/A	4.824	4.909	5.225

**Cost Variance****Cost Variance Summary**

<b>Summary Then Year \$M</b>				
	<b>RDT&amp;E</b>	<b>Proc</b>	<b>MILCON</b>	<b>Total</b>
SAR Baseline (Prod Est)	206.4	4074.9	107.1	4388.4
Previous Changes				
Economic	+1.1	+233.6	-5.4	+229.3
Quantity	--	-2332.3	--	-2332.3
Schedule	--	-17.3	--	-17.3
Engineering	+39.6	--	--	+39.6
Estimating	+1.9	-50.8	-101.7	-150.6
Other	--	--	--	--
Support	--	-143.8	--	-143.8
Subtotal	+42.6	-2310.6	-107.1	-2375.1
Current Changes				
Economic	--	+6.8	--	+6.8
Quantity	--	--	--	--
Schedule	--	--	--	--
Engineering	--	--	--	--
Estimating	-0.2	-5.5	--	-5.7
Other	--	--	--	--
Support	--	-23.6	--	-23.6
Subtotal	-0.2	-22.3	--	-22.5
Total Changes	+42.4	-2332.9	-107.1	-2397.6
CE - Cost Variance	248.8	1742.0	--	1990.8
CE - Cost & Funding	248.8	1742.0	--	1990.8

<b>Summary Base Year 2003 \$M</b>				
	<b>RDT&amp;E</b>	<b>Proc</b>	<b>MILCON</b>	<b>Total</b>
SAR Baseline (Prod Est)	206.3	3421.1	84.2	3711.6
Previous Changes				
Economic	--	--	--	--
Quantity	--	-1689.8	--	-1689.8
Schedule	--	-16.6	--	-16.6
Engineering	+35.5	--	--	+35.5
Estimating	+0.4	-85.5	-84.2	-169.3
Other	--	--	--	--
Support	--	-89.0	--	-89.0
Subtotal	+35.9	-1880.9	-84.2	-1929.2
Current Changes				
Economic	--	--	--	--
Quantity	--	--	--	--
Schedule	--	--	--	--
Engineering	--	--	--	--
Estimating	-0.2	-4.0	--	-4.2
Other	--	--	--	--
Support	--	-19.3	--	-19.3
Subtotal	-0.2	-23.3	--	-23.5
Total Changes	+35.7	-1904.2	-84.2	-1952.7
CE - Cost Variance	242.0	1516.9	--	1758.9
CE - Cost & Funding	242.0	1516.9	--	1758.9

Previous Estimate: December 2010

<b>RDT&amp;E</b>	<b>\$M</b>	
<b>Current Change Explanations</b>	<b>Base Year</b>	<b>Then Year</b>
Program funding reduction to accommodate higher priorities. (Estimating)	-0.2	-0.2
<b>RDT&amp;E Subtotal</b>	<b>-0.2</b>	<b>-0.2</b>
<b>Procurement</b>	<b>\$M</b>	
<b>Current Change Explanations</b>	<b>Base Year</b>	<b>Then Year</b>
Revised escalation indices. (Economic)	N/A	+6.8
Adjustment for current and prior escalation. (Estimating)	-4.1	-4.5
Program funding reduction to accommodate higher priorities for MLRS updates. (Estimating)	-7.2	-10.0
Revised estimate to reflect advance procurement realized savings on vehicle chassis in FY 2010. (Estimating)	+7.3	+9.0
Adjustment for current and prior escalation. (Support)	-1.1	-1.7
Decrease in Other Support to accommodate higher priorities. (Support)	-14.1	-16.9
Decrease in Initial Spares to align with end of production line. (Support)	-4.1	-5.0
<b>Procurement Subtotal</b>	<b>-23.3</b>	<b>-22.3</b>

## Contracts

### Appropriation: Procurement

Contract Name	<b>LRIP III</b>
Contractor	Lockheed Martin
Contractor Location	Dallas, TX 75051
Contract Number, Type	DAAH01-03-C-0005/38, FFP/CPFF
Award Date	December 23, 2004
Definitization Date	December 23, 2004

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

### Cost And Schedule Variance Explanations

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

### Contract Comments

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

The difference between the initial contract price target and the current contract price target is due to a change order executed to perform system level qualification, a final configuration audit for the replacement of the gunner's display unit.

The current contract target price for this contract is \$126.4M for 38 units (37 for the US Army and one for the USMC). The Army portion is \$113.7M, the USMC portion is \$2.6M, and there is an additional \$10.1M for 15 fire control systems for the United Kingdom.

Cost and Schedule reporting is not required on the FFP portion of this contract. The value of the CPFF portion of the contract is below the \$20M threshold for Earned Value Management (EVM) reporting. In lieu of EVM, the Program Management Office is using a Performance Cost Report to monitor contract expenditures against the budget. The Cost Plus Fixed Fee (CPFF) portion of this contract had a total value of \$15,140,240.

This contract was completed on November 30, 2010.

**Appropriation: Procurement**

Contract Name	<b>FRP II</b>
Contractor	Lockheed Martin
Contractor Location	Dallas, TX 75051
Contract Number, Type	W31P4Q-06-C-0001/10, FFP/CPFF
Award Date	December 28, 2006
Definitization Date	December 28, 2006

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

**Cost And Schedule Variance Explanations**

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

**Contract Comments**

The difference between the initial contract price target and the current contract price target is due to a change order executed to procure Line Replaceable Units for the new universal fire control system.

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

Cost and Schedule reporting is not required on the FFP portion of this contract. The value of the CPFF portion of the contract is below the \$20M threshold for Earned Value Management (EVM) reporting. In lieu of EVM, the Program Management Office is using a Performance Cost Report to monitor contract expenditures against the budget. The Cost Plus Fixed Fee (CPFF) portion of this contract had a total value of \$4,740,439.

**Appropriation: Procurement**

Contract Name	<b>FRP III</b>
Contractor	Lockheed Martin
Contractor Location	Dallas, TX 75051
Contract Number, Type	W31P4Q-08-C-0001/1, FFP/CPFF
Award Date	December 28, 2007
Definitization Date	December 28, 2007

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

**Cost And Schedule Variance Explanations**

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

**Contract Comments**

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

The difference between the initial contract price target and the current contract price target is due to a change order executed for effort required to qualify the new universal positioning navigational units.

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

Cost and Schedule reporting is not required on the FFP portion of this contract. The value of the CPFF portion of the contract is below the \$20M threshold for Earned Value Management (EVM) reporting. In lieu of EVM, the Program Management Office is using a Performance Cost Report to monitor contract expenditures against the budget. The Cost Plus Fixed Fee (CPFF) portion of this contract had a total value of \$15,281,190.

**Appropriation: Procurement**

Contract Name	<b>FRP IV</b>
Contractor	Lockheed Martin
Contractor Location	Dallas, TX 75051
Contract Number, Type	W31P4Q-08-C-0001/2, FFP/CPFF
Award Date	December 28, 2008
Definitization Date	December 28, 2008

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

**Cost And Schedule Variance Explanations**

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

**Contract Comments**

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

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

Cost and Schedule reporting is not required on the FFP portion of this contract. The value of the CPFF portion of the contract is below the \$20M threshold for Earned Value Management (EVM) reporting. In lieu of EVM, the Program Management Office is using a Performance Cost Report to monitor contract expenditures against the budget. The Cost Plus Fixed Fee (CPFF) portion of this contract had a total value of \$2,100,000.

**Appropriation: Procurement**

Contract Name	<b>FRP V</b>
Contractor	Lockheed Martin
Contractor Location	Dallas, TX 75051
Contract Number, Type	W31P4Q-08-C-0001/3, FFP/CPFF
Award Date	December 22, 2009
Definitization Date	December 22, 2009

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

**Cost And Schedule Variance Explanations**

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

**Contract Comments**

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

Cost and Schedule reporting is not required on the FFP portion of this contract. The value of the CPFF portion of the contract is below the \$20M threshold for Earned Value Management (EVM) reporting. In lieu of EVM, the Program Management Office is using a Performance Cost Report to monitor contract expenditures against the budget. The CPFF portion of this contract had a total value of \$4,275,998.

**Appropriation: Procurement**

Contract Name	<b>FRP VI</b>
Contractor	Lockheed Martin Corporation
Contractor Location	Dallas, TX 75051
Contract Number, Type	W31P4Q-11-C-0101, FFP/CPFF
Award Date	December 23, 2010
Definitization Date	December 23, 2010

Initial Contract Price (\$M)			Current Contract Price (\$M)			Estimated Price At Completion (\$M)	
Target	Ceiling	Qty	Target	Ceiling	Qty	Contractor	Program Manager
139.6	N/A	44	139.6	N/A	44	139.6	139.6

**Cost And Schedule Variance Explanations**

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

**Contract Comments**

This contract is for 44 units for the US Army.

Cost and Schedule reporting is not required on the FFP portion of this contract. The value of the CPFF portion of the contract is below the \$20M threshold for Earned Value Management (EVM) reporting. In lieu of EVM, the Program Management Office is using a Performance Cost Report to monitor contract expenditures against the budget. The CPFF portion of this contract had a total value of \$3,300,225.

## Deliveries and Expenditures

Deliveries To Date	Plan To Date	Actual To Date	Total Quantity	Percent Delivered
Development	6	6	6	100.00%
Production	325	325	375	86.67%
Total Program Quantities Delivered	331	331	381	86.88%

Expenditures and Appropriations (TY \$M)			
Total Acquisition Cost	1990.8	Years Appropriated	14
Expenditures To Date	1768.9	Percent Years Appropriated	93.33%
Percent Expended	88.85%	Appropriated to Date	1978.7
Total Funding Years	15	Percent Appropriated	99.39%

The data above is through January 31, 2012. The HIMARS Program of Record will complete production in FY 2013. RDT&E funds for FY 2013 and beyond apply to post production modifications and are not reflected in this report. The current program schedule shows HIMARS will be 90% delivered in the 3rd quarter of FY 2012.

## Operating and Support Cost

### Assumptions And Ground Rules

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

Costs BY2003 \$M		
Cost Element	HIMARS Avg Annual Cost Per Battalion	MLRS M270 Avg Annual Cost Per Battalion
Unit-Level Manpower	1.3	17.7
Unit Operations	0.2	0.3
Maintenance	0.1	1.8
Sustaining Support	0.1	--
Continuing System Improvements	--	--
Indirect Support	0.1	1.2
Other	--	--
Total Unitized Cost (Base Year 2003 \$)	1.8	21.0

Total O&S Costs \$M	HIMARS	MLRS M270
Base Year	684.0	29201.0
Then Year	932.8	44339.8

The O&S Costs were overstated in the prior SAR; estimates have been revised to reflect a reduction in Unit Level Manpower.

Disposal costs were not included.