

**Exhibit P-40, Budget Item Justification Sheet**

Date:

February 2004

Appropriation / Budget Activity/Serial No:

Procurement, Marine Corps (1109) / Weapons and Tracked Combat Vehicles (2)

P-1 Item Nomenclature:

Modular Weapon System

Program Elements for Code B Items:

0266211M DIVISIONS (MARINE)

Code:

A

Other Related Program Elements:

	Prior Years			FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	To Complete	Total Prog
Proc Qty	4265			27377	15600	11000	9069	0				
Gross Cost	3.9			24.6	13.6	10.1	9.9	0.1	0.0	0.0	0.0	62.2
Less PY Adv Proc												
Plus CY Adv Proc												
Net Proc (P-1)	3.9			24.6	13.6	10.1	9.9	0.1	0.0	0.0	0.0	62.2
Initial Spares				0.0	0.2	0.0	0.2	0.2	0.0	0.0	0.0	0.6
Total Proc Cost	3.9			24.6	13.8	10.1	10.1	0.3	0.0	0.0	0.0	62.8
Flyaway U/C												
Wpn Sys Proc U/C												

**Modular Weapon System**

The Modular Weapon System (MWS) is a program consisting of two main variants of the M16 Family of Rifles. They are the M16A4 rifle and the M4/M4A carbine. The M16A4 variant consists of a rifle that has been modified by building into the design a military-standard rail in place of the integral carry handle/sight to permit quick mounting of various night/day/thermal sights. Additionally, handguards with rails are attached to the barrel assembly to mount various accessories such as a modified M203 grenade launching system, flashlights and infrared (IR) laser pointers and other such devices. The MWS reduces the number of components required to attach accessories and allows configuration management at the operator level vice the current second and third echelons of maintenance. Recent decisions by the Commandant of the Marine Corps (CMC) and the Ground Board have concluded that the USMC will procure only M16A4 versions of the Modular Weapon System family at this time. Regardless of type of weapon system procured, the costs for the weapon itself are virtually identical.

<b>Exhibit P-5, Weapon WPN SYST Cost Analysis</b>		Appropriation/ Budget Activity/Serial No: Procurement, Marine Corps (1109) / Weapons and Tracked Combat Vehicles (2)					P-1 Line Item Nomenclature: Modular Weapon System			Weapon System Type:		Date: February 2004	
<b>Weapon System Cost Elements</b>		<b>FY 02</b>			<b>FY 03</b>			<b>FY 04</b>			<b>FY 05</b>		
ID CD		TotalCost	Qty	UnitCost	TotalCost	Qty	UnitCost	TotalCost	Qty	UnitCost	TotalCost	Qty	UnitCost
		\$000	Each	\$	\$000	Each	\$	\$000	Each	\$	\$000	Each	\$
Modular Weapon System													
M16A4 Rifles with Rail Adapter System (RAS)					22969	27377	839	13198	15600	846	9603	11000	873
M4A1 Carbines					740	617	1199						
M203 Quadrant Sight Spacer					200	15385	13	34	2600	13	24	1834	13
Storage Containers					130	125	1040						
Government Program Management and Logistics					465			314			370		
Production and Engineering Fees					141			65			54		
<b>TOTAL ACTIVE RESERVE</b>					<b>24645 24645</b>			<b>13611 13611</b>			<b>10051 10051</b>		

### Exhibit P-5a, Budget Procurement History and Planning

Date: February 2004

Appropriation / Budget Activity/Serial No: Procurement, Marine Corps (1109) / Weapons and Tracked Combat Vehicles (2)		Weapon System Type:			P-1 Line Item Nomenclature: Modular Weapon System					
WBS Cost Elements: Fiscal Years	Contractor and Location	Contract Method and Type	Location of PCO	Award Date	Date of First Delivery	QTY Each	Unit Cost \$	Specs Avail?	Date Revsn Avail	RFP Issue Date
Modular Weapon System										
M16A4 Rifle w/ Rail Adapter System (RAS)										
FY 03	Fabrique National Manufacturing Co., Inc. (FNMI) Columbia, SC	SS/FFP	ACALA, Rock Island, IL	Nov-02	Jul-03	27377	839	Yes	N/A	N/A
FY04				Feb-04	Jul-04	15600	846	Yes	N/A	N/A
FY 05				Dec-04	May-05	11000	873	Yes	N/A	N/A
M4A1 Carbines	Colt Manufacturing Hartford, CT	SS/FFP	ACALA, Rock Island, IL	Nov-03	Feb-04	617	1199	Yes	N/A	N/A
REMARKS:										

<b>Exhibit P-20, Requirements Study</b>		Appropriation/Budget Activity/Serial No: Procurement, Marine Corps (1109) / Weapons and Tracked Combat Vehicles (2)				Date: February 2004			
P-1 Line Item Nomenclature (Include DODIC for Ammunition Items): M16A4 Rifle		Admin Leadtime (after Oct 1): 1 0 months				Prod Leadtime: 5 to 6 months			
<b>Line Descriptions:</b> (Enter name of Sub-BLI Item Here)		FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	
Buy Summary		27377	15600	11000	9069				
Unit Cost		0.8	0.8	0.9	0.9				
Total Cost		22969.0	13198.0	9603.0	8343.0				
Asset Dynamics									
Beginning Asset Position		133	15063	37880	50777	60173	65463	65463	
Deliveries from: Prior Years Funding									
Deliveries from: FY 2002 Funding		4265							
Deliveries from: FY 2003 Funding		10665	16712						
Deliveries from: FY 2004 Funding			6500	9100					
Deliveries from: FY 2005 Funding				4585	6415				
Deliveries from Subsequent Years Funds					3779	5290			
Other Gains									
Combat Losses									
Training Losses									
Test Losses									
Other Losses			395	788	798				
Disposals/Retirements/Attritions									
End of Year Asset Position		15063	37880	50777	60173	65463	65463	65463	
Inventory Objective or Current Authorized Allowance		65463	65463	65463	65463	65463	65463	65463	
Inventory Objective 65463		Actual Training Expenditures		Other than Training Usage		Disposals (Vehicles/Other)		Vehicles Eligible for Replacement	Aircraft: TOAI
Assets Rqd for Combat Loads:		03 thru FY XXXX		03 thru FY XXXX		03 thru FY XXXX		FY 2004	PAA: TAI
WRM Rqmt:		FY XXXX		FY XXXX		FY XXXX		FY 2005	Attrition Res
Pipeline:		FY XXXX		FY XXXX		FY XXXX		Augment	BAI
Other:		FY XXXX		FY XXXX		FY XXXX			Inactive Inv
Total:									Storage
<p><b>Remarks: 133 Reflects buy of M16A4's that were previously procured for testing.</b></p> <p><b>Losses are for rifles that wear out beyond rebuild capacity or are broken.</b></p> <p><b>** AO applies currently to the M16A4 system only. Future decision to buy the M4 version of the system will also require an increase in AO.</b></p>									





