

Headquarters U.S. Air Force

Integrity - Service - Excellence

Sequestration Implementation Plan

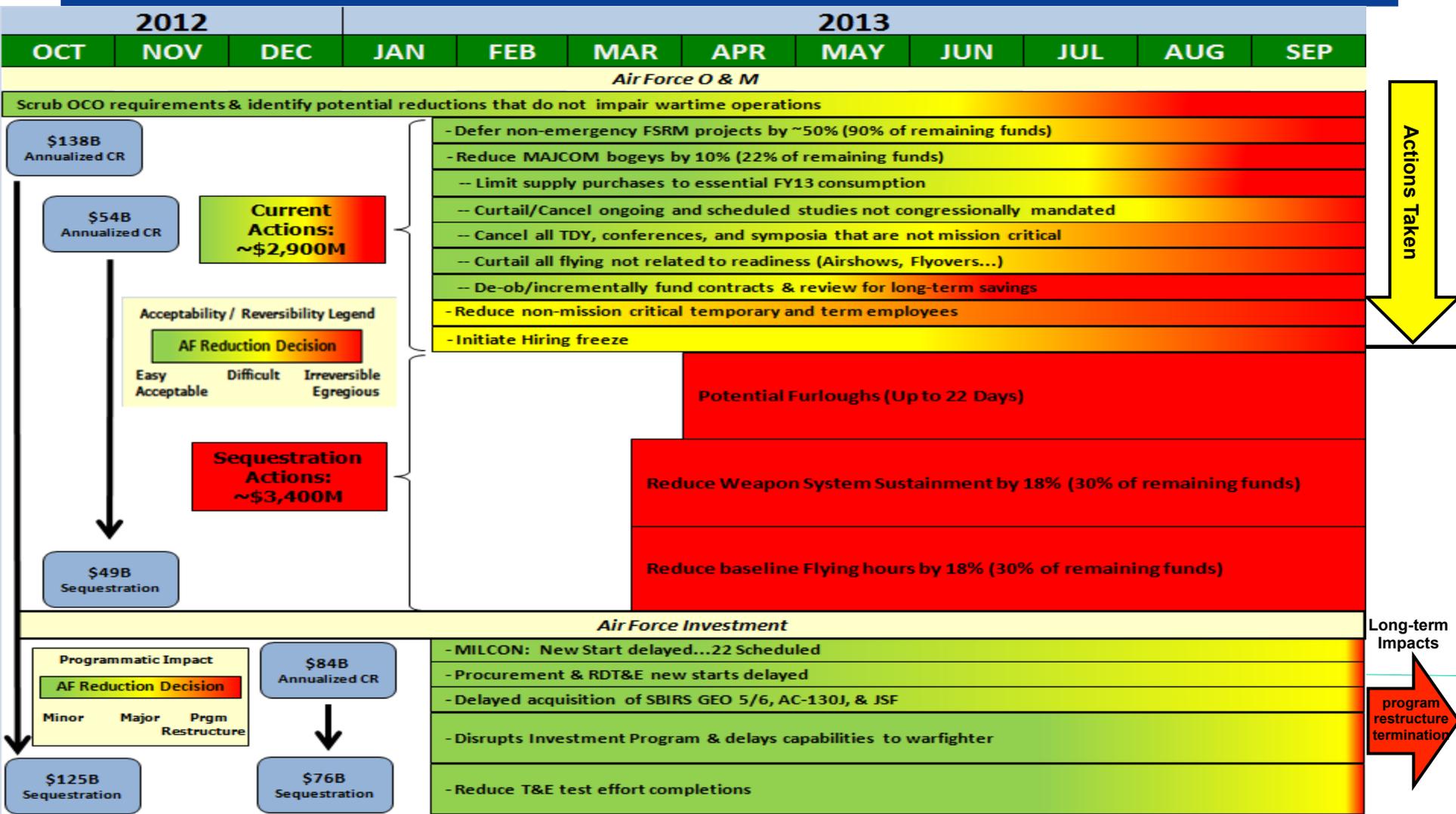


U.S. AIR FORCE



AF Total Force Mitigation Actions \$1.8B OCO shortfall and \$12.4B Redux

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Mitigating OCO shortfall & sequestration will have drastic/long lasting impacts
As of: 1 Feb 13



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AF Total Force Actions

\$1.8B OCO Shortfall & \$12.4B Sequestration Redux

Current Actions

Operation & Maintenance

- Prudent near-term actions necessary to mitigate catastrophic impact to people & readiness if sequestration occurs
- Reviewing overseas contingency requirements for redux, delaying reconstitution & incrementally funding contracts
- Implemented hiring freeze for all permanent, temporary, and term employees in all appropriations – 16 January 2013
 - Will slow AF ability to provide trained employees for managing the nuclear enterprise, impair intel community's data collection & analysis programs, and impede 2017 goal of auditing standards
- Releasing temp / term employees deemed not mission critical—impacts up to ~3.2K employees
 - Anticipate replacing civilian gate guards with military
- Canceling non-mission critical TDYs (such as SAVs, Inspections, Conferences, Training Seminars)
 - Considering reducing PME and mission readiness training TDYs; will drive loss of certification & promotion cycles
- Reduced MAJCOM/COCOM spending targets over 10% (22% of remaining funds)
 - Reviewing non-readiness flying for necessity (such as Paris Air Show and Fairford Royal International Air Tattoo)
 - Curtailing studies & limiting purchases (supplies, equipment, IT) to FY13; disruptive & creates FY14 bow wave
 - Reductions will contribute to serious decline in small business prime contract award—already seeing 3% decline
- Defer non-emergency facility requirements ~50% redux (90% of remaining funds)
 - Over 420 projects at over 140 installations across the AF
 - Runway/taxi repairs, demolition, energy, dormitory, and critical sustainment projects

Investment

- MILCON: New starts delayed...22 scheduled
- Procurement & RDT&E new starts delayed
- Delayed acquisition of SBIRS GEO 5/6, AC-130J, & JSF

Mitigating OCO Shortfall & Top-Line Reduction Will Have Drastic/Long Lasting Impacts



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AF Total Force Actions

\$1.8B OCO Shortfall & \$12.4B Sequestration Redux

Sequestration Actions

Operation & Maintenance

- Flying Hours reduced by 18% (30% of remaining funds/~203K hrs): Sub-optimal readiness levels...will take ~6 months to regain
 - Prioritize ongoing named operations (OEF, POTUS Support, Nuclear Deterrence, pipeline training, etc)
 - Impacts to remaining operations could be felt as early as 1 Mar (such as engagement with the public & partner nations)
 - Non-support of Multiple Non-OEF COCOM requirements (such as Theater Security Packages, Continuous Bomber Presence) and many AF, joint and COCOM exercises, and most outreach events to include the Thunderbirds
 - CAF home station training rqmts will continue until funds depletion; estimated: as early as 31 May 2013 in some units
 - MAF will experience degradation in air drop & refueling capabilities primarily in intra-theater airlift & Army rapid response
 - AETC - Adv training course stands down 1 Apr to protect initial flying training (IFT); IFT stands down in early Sep
- Reduce Weapon System Sustainment 18% (30% of remaining funds): A/C availability & mission capable rates below standards
 - Impacts over 30 weapon systems, 146 postponed depot inductions/grounded aircraft, & 85 engines pulled from service
 - Fleets impacted: C-17, A-10, C-130, KC-135, F-15, F-16, B-52, and E-8 JSTARS—1/3 reduction in depot workload
 - Various ground radar sites for missile warning/space surveillance reduced from 24 hrs to 8 hrs ops; Missile Defense impact
- AF Working Capital Funds: Immediate, severe impacts due to Flying and Depot Maintenance cutbacks, risking ADA violations
- Potential furlough of ~180K civ's for 22 days; unprecedented action...risk to msn; restricts access to institutional knowledge
 - Equates to a ~20% loss in bi-weekly pay to each furloughed civilian; breaks faith w/civilian Airmen critical to Total Force
- Reduced MAJCOM/COCOM budgets: Incrementally fund training ranges, base maintenance and dining facilities
 - Reduce sustainment of Defense Satellite Communications System by 75%; impacting military communications worldwide
 - Terminate support of 43 Global Combat Support System-hosted IT applications; violating many DOD directives
 - Reduce operational testing for RDT&E programs and systems; impacting many agencies and installations

Investment

- Without substantial reprogramming flexibility, a year-long CR and sequestration disrupts modernization programs & delays capability to warfighter (Ex: JSF quantity redux, KC-46 Contract Restructure, MQ-9 Block 5 delay) and increases cost
- T&E: Furlough will delay test events increasing program costs and extending schedules

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Where You Can Help Us

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- **If a full year CR is unavoidable, ensure CR baselines are representative of FY13 PB**
- **Provide a waiver to below threshold reprogramming limitations**
- **New start and quantity increase approvals**
- **Relief from 80/20 obligation rule (Oct-Jul/Aug-Sep)**
- **Relief from 50/50 depot contractor/organic mix rule**
- **Relief from Depot Purchase Equipment Maintenance Floor**
- **Undo sequestration**

Flexibility to operate under CR constraints



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