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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Navy									DATE: February 2010		
APPROPRIATION/BUDGET ACTIVITY 1319: <i>Research, Development, Test &amp; Evaluation, Navy</i> BA 6: <i>RDT&amp;E Management Support</i>				R-1 ITEM NOMENCLATURE PE 0605861N: <i>RDT&amp;E Science &amp; Tech Mgmt</i>							
COST (\$ in Millions)	FY 2009 Actual	FY 2010 Estimate	FY 2011 Base Estimate	FY 2011 OCO Estimate	FY 2011 Total Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost To Complete	Total Cost
Total Program Element	70.089	70.648	72.094	0.000	72.094	75.406	72.260	73.444	74.692	Continuing	Continuing
0135: <i>ONR Science &amp; Technology Mgmt</i>	67.465	67.207	66.603	0.000	66.603	67.573	69.019	70.127	71.304	Continuing	Continuing
2353: <i>DFAS Billings</i>	2.624	3.441	3.159	0.000	3.159	3.170	3.241	3.317	3.388	Continuing	Continuing
3234: <i>Office of Naval Research - N-ERP</i>	0.000	0.000	2.332	0.000	2.332	4.663	0.000	0.000	0.000	0.000	6.995

**A. Mission Description and Budget Item Justification**

This program element (PE) covers Office of Naval Research (ONR) corporate expenses including salaries, utilities, printing, supplies, materials, Information Technology (IT), general support equipment and other day-to-day logistical costs. The vast majority of these items represent fixed costs associated with Scientists and Engineers supporting the Navy's Science and Technology (S&T) Programs.

The Defense Finance and Accounting Service (DFAS) Billings project (2353) funds accounting services provided to ONR and Navy Research and Development (R&D) activities.

The Office of Naval Research Navy ERP project 3234 provides funding to support site implementation costs for ONR transition to Navy's Enterprise Resource Planning (ERP).

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Exhibit R-2, RDT&E Budget Item Justification: PB 2011 Navy				DATE: February 2010	
APPROPRIATION/BUDGET ACTIVITY		R-1 ITEM NOMENCLATURE			
1319: Research, Development, Test & Evaluation, Navy		PE 0605861N: RDT&E Science & Tech Mgmt			
BA 6: RDT&E Management Support					
B. Program Change Summary (\$ in Millions)					
	FY 2009	FY 2010	FY 2011 Base	FY 2011 OCO	FY 2011 Total
Previous President's Budget	69.724	70.942	0.000	0.000	0.000
Current President's Budget	70.089	70.648	72.094	0.000	72.094
Total Adjustments	0.365	-0.294	72.094	0.000	72.094
• Congressional General Reductions		-0.294			
• Congressional Directed Reductions		0.000			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds		0.000			
• Congressional Directed Transfers		0.000			
• Reprogrammings	0.365	0.000			
• SBIR/STTR Transfer	0.000	0.000			
• Program Adjustments	0.000	0.000	72.094	0.000	72.094
Change Summary Explanation					
Technical: Not applicable.					
Schedule: Not applicable.					
FY11 from previous President's Budget is shown as zero because no FY11-15 data was presented in President's Budget 2010.					

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2011 Navy								<b>DATE:</b> February 2010			
<b>APPROPRIATION/BUDGET ACTIVITY</b> 1319: <i>Research, Development, Test &amp; Evaluation, Navy</i> BA 6: <i>RDT&amp;E Management Support</i>				<b>R-1 ITEM NOMENCLATURE</b> PE 0605861N: <i>RDT&amp;E Science &amp; Tech Mgmt</i>				<b>PROJECT</b> 0135: <i>ONR Science &amp; Technology Mgmt</i>			
<b>COST (\$ in Millions)</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Estimate</b>	<b>FY 2011 Base Estimate</b>	<b>FY 2011 OCO Estimate</b>	<b>FY 2011 Total Estimate</b>	<b>FY 2012 Estimate</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
0135: <i>ONR Science &amp; Technology Mgmt</i>	67.465	67.207	66.603	0.000	66.603	67.573	69.019	70.127	71.304	Continuing	Continuing
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0	0		
<b>A. Mission Description and Budget Item Justification</b> <p>This project supports ONR leadership, management and direction for the Naval S&amp;T program. This project funds ONR Corporate salaries, utilities, supplies, and other fixed costs at ONR Headquarters and field offices. ONR sponsors scientific advances, which lead to Future Naval Capabilities (FNC's), supporting the Fleet's ability to operate from a position of technological superiority. Functions performed include (1) scientific and technical direction of the nationwide 6.1 basic research program with colleges, universities, non-profit organizations and Naval Laboratories and Warfare Centers; (2) scientific and technical direction of the 6.2 applied research program through the Naval R&amp;D laboratories and Warfare Centers and industry; (3) scientific and technical direction of the Naval 6.3 advanced technology development program through the Navy's R&amp;D laboratories, Warfare Centers and industry; (4) management, resource formulation, program assessment, and contract negotiation/administration of the Navy basic research, applied research and advanced technology development program; and (5) coordination of the Navy's Technology Base program within the context of total DoD/Government (e.g., National Science Foundation, National Academy of Sciences) R&amp;D initiatives in order to maximize scientific advances. This project also supports ONR management and direction for the following Navy-wide programs: Small Business Innovation Research, Naval Research Advisory Committee, Navy Patent Program, Historically Black Colleges and Universities/Minority Institutions Program, Navy Manufacturing Technology Program and the Ballistic Missile Submarine Nuclear (SSBN) Security Technology Program. In addition, this project supports ONR's Navy-wide responsibilities in the negotiation and establishment of indirect cost rates for DoD-assigned universities and performance of contract administration for all DoD contracts/grants at all colleges and universities.</p>											
<b>B. Accomplishments/Planned Program (\$ in Millions)</b>											
						<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011 Base</b>	<b>FY 2011 OCO</b>	<b>FY 2011 Total</b>	
S&T MANAGEMENT SUPPORT						67.465	67.207	66.603	0.000	66.603	
<p>This project provides for all basic costs and support of ONR Headquarters and its field activities in support of the entire Navy S&amp;T program. Almost all the funds in this project are fixed costs, such as salaries, and communications. Specifically, it pays the salaries of Scientific and Engineering</p>											

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<b>APPROPRIATION/BUDGET ACTIVITY</b> 1319: <i>Research, Development, Test &amp; Evaluation, Navy</i> BA 6: <i>RDT&amp;E Management Support</i>		<b>R-1 ITEM NOMENCLATURE</b> PE 0605861N: <i>RDT&amp;E Science &amp; Tech Mgmt</i>		<b>PROJECT</b> 0135: <i>ONR Science &amp; Technology Mgmt</i>	
<b>B. Accomplishments/Planned Program (\$ in Millions)</b>					
				<b>FY 2009</b>	<b>FY 2010</b>
				<b>FY 2011 Base</b>	<b>FY 2011 OCO</b>
				<b>FY 2011 Total</b>	
<p>and corporate business personnel who direct the execution of the Navy's basic research, applied research, and advanced technology development programs at the nation's universities/colleges, Navy laboratories, Warfare Centers, and private industry.</p> <p><i>FY 2009 Accomplishments:</i></p> <ul style="list-style-type: none"> <li>- Provided for all basic costs and support of ONR Headquarters and its field activities in support of the entire Navy S&amp;T program.</li> </ul> <p><i>FY 2010 Plans:</i></p> <ul style="list-style-type: none"> <li>- Continue all efforts of FY 2009.</li> </ul> <p><i>FY 2011 Base Plans:</i></p> <ul style="list-style-type: none"> <li>- Continue all efforts of FY 2010.</li> </ul>					
Accomplishments/Planned Programs Subtotals				67.465	67.207
				66.603	0.000
				66.603	
<b>C. Other Program Funding Summary (\$ in Millions)</b>					
N/A					
<b>D. Acquisition Strategy</b>					
N/A					
<b>E. Performance Metrics</b>					
This PE funds operating costs for ONR's mission. Program performance is measured by attaining financial benchmarks for planned obligations vs. actual obligations and planned expenditures vs. actual expenditures.					

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<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2011 Navy								<b>DATE:</b> February 2010			
<b>APPROPRIATION/BUDGET ACTIVITY</b> 1319: <i>Research, Development, Test &amp; Evaluation, Navy</i> BA 6: <i>RDT&amp;E Management Support</i>				<b>R-1 ITEM NOMENCLATURE</b> PE 0605861N: <i>RDT&amp;E Science &amp; Tech Mgmt</i>				<b>PROJECT</b> 2353: <i>DFAS Billings</i>			
<b>COST (\$ in Millions)</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Estimate</b>	<b>FY 2011 Base Estimate</b>	<b>FY 2011 OCO Estimate</b>	<b>FY 2011 Total Estimate</b>	<b>FY 2012 Estimate</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
2353: <i>DFAS Billings</i>	2.624	3.441	3.159	0.000	3.159	3.170	3.241	3.317	3.388	Continuing	Continuing
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0	0		
<b>A. Mission Description and Budget Item Justification</b> This project provides funding for accounting services provided to the Office of Naval Research and other Navy research and development activities by the Defense Finance and Accounting Service (DFAS).  <b>B. Accomplishments/Planned Program (\$ in Millions)</b>											
							<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011 Base</b>	<b>FY 2011 OCO</b>	<b>FY 2011 Total</b>
TRANSACTIONS PROCESSED IN SUPPORT OF DON R&D							2.624	3.441	3.159	0.000	3.159
This project funds the DFAS bill for transactions processed in support of Department of the Navy R&D activities. Specific services include payroll, transportation, commercial invoices, travel, maintenance of trial balances, associated accounting and reporting.  <i>FY 2009 Accomplishments:</i> - Funded the DFAS bill for transactions processed in support of Department of the Navy R&D activities.  <i>FY 2010 Plans:</i> - Continue all efforts of FY 2009.  <i>FY 2011 Base Plans:</i> - Continue all efforts of FY 2010.											
Accomplishments/Planned Programs Subtotals							2.624	3.441	3.159	0.000	3.159

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<p><b><u>C. Other Program Funding Summary (\$ in Millions)</u></b> N/A</p> <p><b><u>D. Acquisition Strategy</u></b> N/A</p> <p><b><u>E. Performance Metrics</u></b> This PE funds operating costs for ONR's mission. Program performance is measured by attaining financial benchmarks for planned obligations vs. actual obligations and planned expenditures vs. actual expenditures.</p>		

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<b>COST (\$ in Millions)</b>	<b>FY 2009 Actual</b>	<b>FY 2010 Estimate</b>	<b>FY 2011 Base Estimate</b>	<b>FY 2011 OCO Estimate</b>	<b>FY 2011 Total Estimate</b>	<b>FY 2012 Estimate</b>	<b>FY 2013 Estimate</b>	<b>FY 2014 Estimate</b>	<b>FY 2015 Estimate</b>	<b>Cost To Complete</b>	<b>Total Cost</b>
3234: <i>Office of Naval Research - N-ERP</i>	0.000	0.000	2.332	0.000	2.332	4.663	0.000	0.000	0.000	0.000	6.995
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0	0		
<b>A. Mission Description and Budget Item Justification</b> This project provides funding to support site implementation costs for the Office of Naval Research transition to Navy's Enterprise Resource Planning (ERP).											
<b>B. Accomplishments/Planned Program (\$ in Millions)</b>											
							<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011 Base</b>	<b>FY 2011 OCO</b>	<b>FY 2011 Total</b>
OFFICE OF NAVAL RESEARCH NAVY ERP							0.000	0.000	2.332	0.000	2.332
<i>FY 2011 Base Plans:</i> - This project is to fund expenses associated with ERP implementation at ONR.											
Accomplishments/Planned Programs Subtotals							0.000	0.000	2.332	0.000	2.332
<b>C. Other Program Funding Summary (\$ in Millions)</b> N/A											
<b>D. Acquisition Strategy</b> N/A											
<b>E. Performance Metrics</b> This PE funds operating costs for ONR's mission. Program performance is measured by attaining financial benchmarks for planned obligations vs. actual obligations and planned expenditures vs. actual expenditures.											

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