Exhibit R-2, **RDT&E Budget Item Justification:** PB 2012 Office of Secretary Of Defense										**DATE:** February 2011	
APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 5: *Development & Demonstration (SDD)*					**R-1 ITEM NOMENCLATURE** PE 0605075D8Z: *DCMO Policy and Integration*						
COST ($ in Millions)	**FY 2010**	**FY 2011**	**FY 2012 Base**	**FY 2012 OCO**	**FY 2012 Total**	**FY 2013**	**FY 2014**	**FY 2015**	**FY 2016**	**Cost To Complete**	**Total Cost**
Total Program Element	-	-	41.808	-	41.808	43.235	40.987	43.673	40.879	Continuing	Continuing
0001: *DCMO Policy and Integration*	-	-	41.808	-	41.808	43.235	40.987	43.673	40.879	Continuing	Continuing
Quantity of RDT&E Articles											

A. Mission Description and Budget Item Justification

The Deputy Chief Management Officer (DCMO) is the Principal Staff Assistant (PSA) and advisor to the Secretary and Deputy Secretary of Defense for matters relating to management and improvement of integrated DoD business operations. The DCMO was created to integrate stove-piped business processes and over 2,400 disconnected business systems costing approximately $7B / year to acquire, modernize and operate. The National Defense Authorization Act for 2008 created the DCMO position.

With the disestablishment of the Department of Defense (DoD) Business Transformation Agency (BTA), the DCMO has been directed by the Secretary to transition appropriate oversight and integration functionality heretofore performed by the BTA, into the Office of the DCMO. Although a final organizational construct is nearing completion, the framework would include these functions: Strategic Planning, Performance Management and Reporting (provides for integration of strategic planning activities that drive improvement in DoD's business operations); Technical and Engineering (provides for integrated architecture and systems engineering support for business mission area and staying abreast of technological developments in industry); Business Integration (provides for management of core business mission processes); Information Technology Business Acquisition Oversight and Implementation (provides for ensuring that sound strategic planning, robust architecture and engineering efforts and quality business integration will yield effective IT solutions).

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B. Program Change Summary ($ in Millions)	FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Previous President's Budget	-	-	-	-	-
Current President's Budget	-	-	41.808	-	41.808
Total Adjustments	-	-	41.808	-	41.808
• Congressional General Reductions		-			
• Congressional Directed Reductions		-			
• Congressional Rescissions	-	-			
• Congressional Adds		-			
• Congressional Directed Transfers		-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• DCMO/BTA Realignment Program Transfer	-	-	46.000	-	46.000
• Defense Efficiencies - Service Support Contracts	-	-	-3.832	-	-3.832
• Economic Assumptions	-	-	-0.271	-	-0.271
• Civilian Manpower Freeze	-	-	-0.089	-	-0.089

Congressional Add Details ($ in Millions, and Includes General Reductions)	FY 2010	FY 2011
Project: 0001: *DCMO Policy and Integration*		
Congressional Add: *None*	-	-
Congressional Add Subtotals for Project: 0001	-	-
Congressional Add Totals for all Projects	-	-

Change Summary Explanation

In FY 2012, the Office of the Deputy Chief Management Officer (ODCMO) will have realized transformational reshaping due to disestablishment of the Business Transformation Agency (BTA) and subsequent realignment of select functionality. This growth in scope within Office of the Secretary of Defense (OSD) / ODCMO policy and oversight core mission areas will accommodate greater visibility in orchestrating and synchronizing effective and efficient business operations across all Departmental Components. Thus, as the ODCMO role continues to expand and mature, alignment of management decisions to strategic outcomes in support of the Warfighter is enhanced and ensured. Service Support Contract efficiencies will be realized by reducing the reliance on DoD Service Support Contractors by utilizing in-house government support in a constrained personnel and resource environment.

C. Accomplishments/Planned Programs ($ in Millions)	FY 2010	FY 2011	FY 2012
Title: Planned Efforts for FY2012	-	-	41.808

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C. Accomplishments/Planned Programs ($ in Millions)	**FY 2010**	**FY 2011**	**FY 2012**
FY 2010 Accomplishments: N/A *FY 2011 Plans:* N/A *FY 2012 Plans:* Ongoing Activities • Deliver Congressional Report on Defense Business Operations (March 2012) • Refine and improve processes for mapping business systems to end-to-end processes • Track, assess and report on Business Enterprise Architecture (BEA) development and systems deployment using Core Business Mission performance measures • Enter, track and report in the Enterprise Transition Plan (ETP) business systems' development and deployment milestones • Update milestone, measures guidance, related templates and workbooks to be included in the ETP and reports to Congress • Analyze progress against business system milestones and document analysis in the Congressional Report on Defense Business Operations • Continue support to the Business Enterprise Common Core Metadata (BECCM) in adjudicating conflicts in data standards across the Core Business Mission (CBM) Areas • Assess and respond to DoD Component Chief Information Officer (CIO) Evaluation Scorecard • Support Acquisition Oversight requirements of Major Automated Information System (MAIS) Major Defense Acquisition Programs (MDAPs) • Support Critical Change Evaluation and Reports Analysis and Review • Analyze BEA content change requests, recommend prioritizations • Continue support to the Defense Sourcing Portfolio FY 2012 Plan • Manage core business mission process and data teams and provide Subject Matter Expert (SME) knowledge and expertise within their domains and between related domains to the BEA build team in the construction of End to End processes. • Enterprise Resource Planning tool integration for Business Integration • Contingency Business Operations with Warfighter Requirements • Develop, coordinate and promulgate polices in support of DoD business operations which will uniformly insure efficiency and consistency in business operations.			

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Exhibit R-2, RDT&E Budget Item Justification: PB 2012 Office of Secretary Of Defense		DATE: February 2011
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C. Accomplishments/Planned Programs ($ in Millions)	FY 2010	FY 2011	FY 2012
• Manage Enterprise Data standards to include the standards of the Standard Financial Information Structure (SFIS), Common Human Resources Information System (CHRIS), etc. • Establishing Business Intelligence (BI) standards and services which will access authoritative data sources from anywhere in the Department and present business information to DoD and external customers consistent with performance data standards modeled in the BEA. • Support IT Business Acquisition Oversight by providing technical standards and real time support to PSA and Infrastructure IRBs • Maintain and update Business capability Lifecycle (BCL) and Enterprise Risk Assessment Methodology (ERAM) process, provide support to OSD and other organizations with these processes • Provide external liaison for IT Business Acquisition • Provide Acquisition Oversight for Business Systems and IT Acquisition Reform • Ensure adherence to the DoD Business Program Development and Implementation "Model-Data-Implement" strategy and oversee the development of the BEA, as well as the development and testing of tools and methods to build, analyze and execute the BEA throughout the Business Mission Area. • Using BEA to guide and constrain investment in IT business systems to maintain fidelity of existing systems to work and to develop new capabilities through Proof of Delivery pilots (PoDs) that translate these results to executable Enterprise Transition Plans (ETP).			
Accomplishments/Planned Programs Subtotals	-	-	41.808

	FY 2010	FY 2011
Congressional Add: None	-	-
FY 2010 Accomplishments: N/A		
FY 2011 Plans: N/A		
Congressional Adds Subtotals	-	-

D. Other Program Funding Summary ($ in Millions)
  N/A

E. Acquisition Strategy
  N/A

F. Performance Metrics
  N/A

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2012 Office of Secretary Of Defense			DATE: February 2011

APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 5: *Development & Demonstration (SDD)*	R-1 ITEM NOMENCLATURE PE 0605075D8Z: *DCMO Policy and Integration*	PROJECT 0001: *DCMO Policy and Integration*

Product Development ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Total Prior Years Cost	FY 2011 Cost	FY 2011 Award Date	FY 2012 Base Cost	FY 2012 Base Award Date	FY 2012 OCO Cost	FY 2012 OCO Award Date	FY 2012 Total Cost	Cost To Complete	Total Cost	Target Value of Contract
Provide basic or applied research in the field of Data Base Development. SAIC shall provide support to the Chief Technology Officer (CTO), reporting to the Deputy Chief Management Officer (DCMO)	C/CPFF	SAIC:Pentagon, DC	-	-		3.729	Jan 2012	-		3.729	Continuing	Continuing	
Business Enterprise Priorities Advisory Services and Support	C/T&M	Binary Group Inc.:Pentagon, DC	-	-		1.845	May 2012	-		1.845	Continuing	Continuing	
End to End Transformation Advisory Services	C/T&M	EDC Consulting LLC:Pentagon, DC	-	-		2.273	May 2012	-		2.273	Continuing	Continuing	
Basic or applied research in the field of Data Base Development	C/CPFF	SAIC:Pentagon, DC	-	-		3.663	Mar 2012	-		3.663	Continuing	Continuing	
Integrated Management Information Environment (IMIE)	C/CPFF	SAIC:Pentagon, DC	-	-		7.089	Mar 2012	-		7.089	Continuing	Continuing	
Technical support services for the BTA's Business Enterprise Architecture (BEA) and Enterprise Transition Plan (ETP)	C/Various	SAIC:Pentagon, DC	-	-		6.876	Sep 2012	-		6.876	Continuing	Continuing	
Support the analysis, integration and consistency of the BEA ensuring that it continues to mature in its ability to guide and constrain IT business investments in support of the Warfighter. End-to-End	C/Various	Corbin Company / Booz Allen Hamilton / Logistics Management Institue:Pentagon, DC	-	-		1.703	Mar 2012	-		1.703	Continuing	Continuing	
Subtotal			-	-		27.178		-		27.178			

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2012 Office of Secretary Of Defense		DATE: February 2011
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Management Services ($ in Millions)

Cost Category Item	Contract Method & Type	Performing Activity & Location	Total Prior Years Cost	FY 2011 Cost	FY 2011 Award Date	FY 2012 Base Cost	FY 2012 Base Award Date	FY 2012 OCO Cost	FY 2012 OCO Award Date	FY 2012 Total Cost	Cost To Complete	Total Cost	Target Value of Contract
DCMO Policy and Integration Civilian Labor and Travel Requirement	Allot	Deputy Cheif Management Officer Staff:Pentagon DC	-	-		14.630		-		14.630	Continuing	Continuing	
Subtotal			-	-		14.630		-		14.630			

	Total Prior Years Cost	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	-	-	41.808	-	41.808			

Remarks

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Exhibit R-4, RDT&E Schedule Profile: PB 2012 Office of Secretary Of Defense		DATE: February 2011
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	FY 2010				FY 2011				FY 2012				FY 2013				FY 2014				FY 2015				FY 2016			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Policy and Integration																												
Advancing Business Enterprise Priorities									███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	
Annual Review of Business System Investments									███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	███	
Enterprise Transition Plan Update 2012											█																	
Business Enterprise Architecture Update 2012						█																						
Congressional Report 2012						█																						
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Congressional Report 2015																			█									
Enterprise Transition Plan Update 2016																									█			
Business Enterprise Architecture Update2016																						█						
Congressional Report 2016																						█						

Exhibit R-4A, RDT&E Schedule Details: PB 2012 Office of Secretary Of Defense	DATE: February 2011

APPROPRIATION/BUDGET ACTIVITY 0400: *Research, Development, Test & Evaluation, Defense-Wide* BA 5: *Development & Demonstration (SDD)*	R-1 ITEM NOMENCLATURE PE 0605075D8Z: *DCMO Policy and Integration*	PROJECT 0001: *DCMO Policy and Integration*

Schedule Details

Events by Sub Project	Start Quarter	Start Year	End Quarter	End Year
Policy and Integration				
Advancing Business Enterprise Priorities	1	2012	4	2016
Annual Review of Business System Investments	1	2012	4	2016
Enterprise Transition Plan Update 2012	4	2012	4	2012
Business Enterprise Architecture Update 2012	2	2012	2	2012
Congressional Report 2012	2	2012	2	2012
Enterprise Transition Plan Update 2013	4	2013	4	2013
Business Enterprise Architecture Update 2013	2	2013	2	2013
Congressional Report 2013	2	2013	2	2013
Enterprise Transition Plan Update 2014	4	2014	4	2014
Business Enterprise Architecture Update 2014	2	2014	2	2014
Congressional Report 2014	2	2014	2	2014
Enterprise Transition Plan Update 2015	4	2015	4	2015
Business Enterprise Architecture Update 2015	2	2015	2	2015
Congressional Report 2015	2	2015	2	2015
Enterprise Transition Plan Update 2016	4	2016	4	2016
Business Enterprise Architecture Update2016	2	2016	2	2016
Congressional Report 2016	2	2016	2	2016