A. Mission Description and Budget Item Justification

As the Department of Defense strategic, operational, and tactical plans and objectives transform the war fighter with new capabilities and doctrine, the budgeting and accountability of funds used to pursue the Department objectives will become more complicated and detailed for senior leaders to make decisions with supporting rationale for the taxpayer. Incorporating information technology toward current and emerging business processes manifesting into a state-of-the-art system of systems will result in increasing efficiencies, timely diagnostics, and reducing lifecycle costs to maintain, sustain and repair.

This initiative exploits emerging technology, processes, trends, capabilities, and techniques to incorporate state-of-the-art information technology enabling the ability, agility, and level of fidelity to collect, process, administrate and report resource management data and to automate business processes within a more robust analytical environment within the Office of the Under Secretary of Defense (Comptroller) OUSD(C).

B. Program Change Summary ($ in Millions)

<table>
<thead>
<tr>
<th>Item</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017 Base</th>
<th>FY 2017 OCO</th>
<th>FY 2017 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous President's Budget</td>
<td>6.500</td>
<td>5.962</td>
<td>2.972</td>
<td>-</td>
<td>2.972</td>
</tr>
<tr>
<td>Current President's Budget</td>
<td>6.300</td>
<td>4.962</td>
<td>0.000</td>
<td>-</td>
<td>0.000</td>
</tr>
<tr>
<td>Total Adjustments</td>
<td>-0.200</td>
<td>-1.000</td>
<td>-2.972</td>
<td>-</td>
<td>-2.972</td>
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<tr>
<td>- Congressional General Reductions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Congressional Directed Reductions</td>
<td>-</td>
<td>-1.000</td>
<td>-2.972</td>
<td>-</td>
<td>-2.972</td>
</tr>
<tr>
<td>- Congressional Rescissions</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Congressional Adds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Congressional Directed Transfers</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- Reprogrammings</td>
<td>-0.003</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- SBIR/STTR Transfer</td>
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</tr>
<tr>
<td>- Congressional Directed Reduction</td>
<td>-</td>
<td>-</td>
<td>-2.972</td>
<td>-</td>
<td>-2.972</td>
</tr>
</tbody>
</table>

Change Summary Explanation

The program is moving to DLA beginning in FY2017 to align funding with the program office for more efficient execution.
**A. Mission Description and Budget Item Justification**

The Department’s budget focuses on institutionalizing and financing our capabilities to fight the wars we are in today and the scenarios we are most likely to face in the years ahead, while at the same time mitigating risk and providing for contingency operations. It also includes a fundamental overhaul of the DoD’s approach to procurement, acquisition, and contracting. As such, the complex details of budgeting and tracking of funds become increasingly critical to senior leader decision making and to provide accountability to the taxpayer. Incorporating information technology toward current and emerging business processes manifesting into a state-of-the-art system of systems will result in increasing efficiencies, timely diagnostics, and reducing lifecycle costs to maintain, sustain and repair.

Today, the Office of the Under Secretary of Defense Comptroller OUSD(C) and the Cost Analysis and Program Evaluation (CAPE) use various distinct automated systems (Comptroller Information System (CIS), Program Resource Collection Process (PRCP), Supplemental Resource Collection Process (SRCP), Budget Exhibits Generator and Standard Data Collection System (SDCS)) to formulate, justify, and execute DoD budgets. These six or more systems interact with at least several computer-based systems controlled by external organizations and agencies. These systems manage very similar financial information, yet each uses its own scheme for representing information. Much of the information managed by these systems is redundant. Cross-system data representations and redundancies make it difficult to exchange and to reconcile information. The capabilities provided by Comptroller systems, in some cases, fail to deliver services needed by its users, or fail to operate in ways that complement current and emerging business practices. They fail to give executives information in a comprehensible form, making it difficult to draw conclusions. Data disparities and functional redundancy make these systems more costly to maintain than they need to be.

There is a critical need for the development of a state-of-the-art information technology system to modernize and replace multiple, antiquated legacy systems and processes used to formulate, justify, present and defend the entire Department of Defense Budget in the Office of the Under Secretary of Defense (Comptroller) (OUSD(C)) to meet Title 10 and Title 31 mission and reporting requirements. The Comptroller’s plan for mitigating the deficiencies and capability gaps associated with current systems is development of the Next Generation Resource Management System.

This initiative exploits emerging technology, processes, trends, capabilities, and techniques to incorporate state-of-the-art information technology enabling the ability, agility, and level of fidelity to collect, process, administer and report resource management data and to automate business processes within a more robust analytical environment within the Office of the Under Secretary of Defense (Comptroller) OUSD(C). Funded efforts will improve the timeliness of resource management reviews and decisions for senior leaders and Congress.

**B. Accomplishments/Planned Programs ($ in Millions)**

<table>
<thead>
<tr>
<th>Title: Next Generation Resource Management System</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.300</td>
<td>4.962</td>
<td>0.000</td>
</tr>
</tbody>
</table>
### B. Accomplishments/Planned Programs ($ in Millions)

**Description:** Plan, develop, test and evaluate the system components (i.e. unified database, expert system, cross domain security, enterprise service bus, applications, services) and supportability requirements in modernizing the budget formulation, programming execution and reporting capabilities for the Department of Defense. Activities will include, but not be limited to, the preparation of all documentation required for Clinger-Cohen Compliance and acquisition regulations, developing requests for proposals, and oversight and management of contracts and deliverables.

**FY 2015 Accomplishments:**
- Continued Program Management Office 1Q FY 2015-4Q FY 2015
- Increment 1.0 Milestone B 2Q FY 2015
- Task Order award for Increment 2.0 4Q FY 2015

**FY 2016 Plans:**
- Continue Program Management Office 1Q FY 2016-4Q FY 2016
- Increment 1.0 Deployment 2Q 2016
- Increment 2.0 Milestone B 4Q FY 2016

**FY 2017 Plans:**
- The program is transferred to DLA in FY17.

<table>
<thead>
<tr>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.300</td>
<td>4.962</td>
<td>0.000</td>
</tr>
</tbody>
</table>

### C. Other Program Funding Summary ($ in Millions)

- N/A

### D. Acquisition Strategy

- IDIQ with Contractor Teaming Arrangement (CTA) partners, 40% small business participation
- Materiel Development Decision (MDD) 2Q FY2013
- Approval to Enter Acquisition LifeCycle at Milestone B by the MDA 4Q FY2013
- NGRMS Contract Award Date 4Q FY2014
- Increment B for Increment 1.0 2Q FY2015
- Full Deployment Decision for Increment 1.0 2Q FY2016
- Increment 2.0 Contract Award 4Q FY2015
- Milestone B for Increment 2.0 4Q FY2016
<table>
<thead>
<tr>
<th>Appropriation/Budget Activity</th>
<th>R-1 Program Element (Number/Name)</th>
<th>Project (Number/Name)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0400 / 5</td>
<td>PE 0605027D8Z / OUSD(C) IT Development Initiative</td>
<td>927 / Next Generation Resource Management System</td>
</tr>
</tbody>
</table>

**E. Performance Metrics**

N/A
## Exhibit R-3, RDT&E Project Cost Analysis: PB 2017 Office of the Secretary Of Defense

### Appropriation/Budget Activity
0400 / 5

### R-1 Program Element (Number/Name)
PE 0605027D8Z / OUSD(C) IT Development Initiative

### Project (Number/Name)
927 / Next Generation Resource Management System

### Product Development ($ in Millions)

<table>
<thead>
<tr>
<th>Cost Category Item</th>
<th>Contract Method &amp; Type</th>
<th>Performing Activity &amp; Location</th>
<th>Prior Years</th>
<th>FY 2015</th>
<th>Award Date</th>
<th>FY 2016</th>
<th>Award Date</th>
<th>FY 2017 Base</th>
<th>Award Date</th>
<th>FY 2017 Total</th>
<th>Award Date</th>
<th>FY 2017 OCO</th>
<th>Award Date</th>
<th>FY 2017 Total</th>
<th>Award Date</th>
<th>Total Cost</th>
<th>Target Value of Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Next Generation Resource Management System</td>
<td>MIPR</td>
<td>Defense Logistics Agency : Mark Center</td>
<td>22.744</td>
<td>5.370</td>
<td>Jul 2015</td>
<td>4.862</td>
<td>Aug 2016</td>
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<td>-</td>
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</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td><strong>22.744</strong></td>
<td><strong>5.370</strong></td>
<td><strong>4.862</strong></td>
<td><strong>0.000</strong></td>
<td>-</td>
<td>0.000</td>
<td>0.000</td>
<td>32.976</td>
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</tbody>
</table>

### Support ($ in Millions)

<table>
<thead>
<tr>
<th>Cost Category Item</th>
<th>Contract Method &amp; Type</th>
<th>Performing Activity &amp; Location</th>
<th>Prior Years</th>
<th>FY 2015</th>
<th>Award Date</th>
<th>FY 2016</th>
<th>Award Date</th>
<th>FY 2017 Base</th>
<th>Award Date</th>
<th>FY 2017 Total</th>
<th>Award Date</th>
<th>FY 2017 OCO</th>
<th>Award Date</th>
<th>FY 2017 Total</th>
<th>Award Date</th>
<th>Total Cost</th>
<th>Target Value of Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Next Generation Resource Management System</td>
<td>MIPR</td>
<td>Defense Logistics Agency : Mark Center</td>
<td>4.623</td>
<td>0.930</td>
<td>Jan 2015</td>
<td>0.100</td>
<td>Jan 2016</td>
<td>-</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td><strong>4.623</strong></td>
<td><strong>0.930</strong></td>
<td><strong>0.100</strong></td>
<td><strong>-</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.000</td>
<td>5.653</td>
<td>5.653</td>
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</tbody>
</table>

### Project Cost Totals

<table>
<thead>
<tr>
<th>Prior Years</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017 Base</th>
<th>FY 2017 OCO</th>
<th>FY 2017 Total</th>
<th>Cost To Complete</th>
<th>Total Cost</th>
<th>Target Value of Contract</th>
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</thead>
<tbody>
<tr>
<td><strong>Project Cost Totals</strong></td>
<td>27.367</td>
<td>6.300</td>
<td>4.962</td>
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<td>-</td>
<td>0.000</td>
<td>38.629</td>
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</tbody>
</table>

### Remarks
Exhibit R-4, RDT&E Schedule Profile: PB 2017 Office of the Secretary Of Defense

Appropriation/Budget Activity
0400 / 5

R-1 Program Element (Number/Name)
PE 0605027D8Z / OUSD(C) IT Development Initiative

Project (Number/Name)
927 / Next Generation Resource Management System

Date: February 2016

Program Transferred to DLA

Milestones
MDD – Materiel Development Decision
MS - Milestone (A, B, C)
IOC - Initial Operational Capability
FDD - Full Deployment Decision
FD - Full Deployment
IDIQ - High Risk IDIQ
TO – Task Order award

Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4

Increment 1.0
- Integrated data repository
- Predictive analytics
- Reporting

Increment 2.0
- Single submission
- Diagnostics
- Rules Builder

Increment 3.0
- OMB Submitter
- PY and CY Processes
- Constant Dollar Process

Increment 4.0
- Exhibit Modernization
- Decision Document
- Execution Data

Exhibit Modernization Study

TO

MDD

MS B1

IDIQ

IOC1

FDD1

MS C1

MS C2

FDD2

MS B2

TO

Exhibit Modernization Study

TO

MS B3

FDD3

MS C3

MS B4

IOC4

FD

Sustainment
## Schedule Details

<table>
<thead>
<tr>
<th>Events</th>
<th>Start Quarter</th>
<th>Start Year</th>
<th>End Quarter</th>
<th>End Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition Milestones B1, C1, FDD1 - Increment 1.0</td>
<td>4</td>
<td>2014</td>
<td>2</td>
<td>2016</td>
</tr>
<tr>
<td>Acquisition Milestones C2, B2, FDD2 - Increment 2.0</td>
<td>4</td>
<td>2015</td>
<td>3</td>
<td>2017</td>
</tr>
</tbody>
</table>
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