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| Exhibit R-2, RDT&E Budget Item Justification: FY 2018 Office of the Secretary Of Defense | Date: May 2017 |
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| Appropriation/Budget Activity | | | | | R-1 Program Element (Number/Name) | | | | | | | |
|--|-------------|---------|---------|--------------|--|---------------|---------|---------|---------|---------|------------------|------------|
| 0400: Research, Development, Test & Evaluation, Defense-Wide I BA 6: RDT&E Management Support | | | | | PE 0606100D8Z I Budget and Program Assessments | | | | | | | |
| COST (\$ in Millions) | Prior Years | FY 2016 | FY 2017 | FY 2018 Base | FY 2018 OCO | FY 2018 Total | FY 2019 | FY 2020 | FY 2021 | FY 2022 | Cost To Complete | Total Cost |
| Total Program Element | 22.607 | 3.973 | 4.014 | 3.992 | - | 3.992 | 4.009 | 4.059 | 4.140 | 4.224 | Continuing | Continuing |
| 101: Budget and Program Assessments | 22.607 | 3.973 | 4.014 | 3.992 | - | 3.992 | 4.009 | 4.059 | 4.140 | 4.224 | Continuing | Continuing |

A. Mission Description and Budget Item Justification

This program supports the Office of the Director, Cost Assessment & Program Evaluation (CAPE). It funds assessments that help to resolve budget and programmatic issues across the full range of the Department's activities. Projects that support this effort help to inform the leadership on program alternatives, capability concept development, design and cost, as well as the appropriate balance of capabilities across the force, and also to identify how well the Department's expenditures are meeting its goals, and how well the force can implement the Defense strategy.

This program provides for analytical research across the entire spectrum of defense issues and concerns. The research agenda is focused on near to long-term problems identified by the Secretary of Defense, and addresses difficult and complex questions linked to program alternatives for current and future capabilities and forces in order to enhance the senior leadership's deliberations and decision-making.

This program provides the scientific and technical engineering services needed for research studies in the development of models and simulations and the evaluation of current analytical tools and scientific methods used to evaluate and assess weapons systems and warfighting capabilities for warfighting environments and scenarios, and related force structure. Deliverables from this program will include reports, briefings, and analyses designed to illuminate critical issues facing the Department. Outcomes include recommendations for new modeling techniques, programmatic alternatives, and scenario development.

| B. Program Change Summary (\$ in Millions) | FY 2016 | FY 2017 | FY 2018 Base | FY 2018 OCO | FY 2018 Total |
|---|----------------|----------------|---------------------|--------------------|----------------------|
| Previous President's Budget | 4.116 | 4.014 | 4.159 | - | 4.159 |
| Current President's Budget | 3.973 | 4.014 | 3.992 | - | 3.992 |
| Total Adjustments | -0.143 | 0.000 | -0.167 | - | -0.167 |
| • Congressional General Reductions | - | - | | | |
| • Congressional Directed Reductions | - | - | | | |
| • Congressional Rescissions | - | - | | | |
| • Congressional Adds | - | - | | | |
| • Congressional Directed Transfers | - | - | | | |
| • Reprogrammings | - | - | | | |
| • SBIR/STTR Transfer | -0.143 | - | | | |
| • Internal Realignment | - | - | -0.004 | - | -0.004 |
| • SRRB Savings | - | - | -0.163 | - | -0.163 |

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| Appropriation/Budget Activity 0400: Research, Development, Test & Evaluation, Defense-Wide / BA 6: RDT&E Management Support | | R-1 Program Element (Number/Name) PE 0606100D8Z / Budget and Program Assessments |
| <u>Change Summary Explanation</u> This program was internally realigned to achieve efficiencies and better align with Department priorities. Service Requirement Review Board (SRRB) - As part of the Department of Defense reform agenda, the incremental reduction accounts for consolidation and reduction of service contracts | | |

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| Exhibit R-2A, RDT&E Project Justification: FY 2018 Office of the Secretary Of Defense | | | | | | | | | | Date: May 2017 | | |
|---|-------------|---------|---------|--------------|---|---------------|---------|---------|---|----------------|------------------|------------|
| Appropriation/Budget Activity 0400 / 6 | | | | | R-1 Program Element (Number/Name) PE 0606100D8Z / Budget and Program Assessments | | | | Project (Number/Name) 101 / Budget and Program Assessments | | | |
| COST (\$ in Millions) | Prior Years | FY 2016 | FY 2017 | FY 2018 Base | FY 2018 OCO | FY 2018 Total | FY 2019 | FY 2020 | FY 2021 | FY 2022 | Cost To Complete | Total Cost |
| 101: Budget and Program Assessments | 22.607 | 3.973 | 4.014 | 3.992 | - | 3.992 | 4.009 | 4.059 | 4.140 | 4.224 | Continuing | Continuing |
| Quantity of RDT&E Articles | - | - | - | - | - | - | - | - | - | - | | |

A. Mission Description and Budget Item Justification

This program supports the Office of the Director, Cost Assessment & Program Evaluation (CAPE). It funds assessments that help to resolve budget and programmatic issues across the full range of the Department's activities. Projects that support this effort help to inform the leadership on program alternatives, capability concept development, design and cost, the appropriate balance of capabilities across the force, and also to identify how well the Department's expenditures are meeting its goals, and how well the force can implement the Defense strategy.

This program provides for analytical research across the entire spectrum of defense issues and concerns. The research agenda is focused on near to long-term problems identified by the Secretary of Defense, and addresses difficult and complex questions linked to program alternatives for current and future capabilities and forces in order to enhance DoD senior leadership's deliberations and decision-making.

This program provides the scientific and technical engineering services needed for research studies in the development of models and simulations and the evaluation of current analytical tools and scientific methods used to evaluate and assess weapons systems and warfighting capabilities for warfighting environments and scenarios, and related force structure. Deliverables from this program will include reports, briefings, and analyses designed to illuminate critical issues facing the Department. Outcomes include recommendations for new modeling techniques, programmatic alternatives, and scenario development.

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

| | FY 2016 | FY 2017 | FY 2018 |
|--|----------------|----------------|----------------|
| Title: OSD Support for Programming Budget | 3.973 | 4.014 | 3.992 |
| Description: This program provides for analytical research across the entire spectrum of defense issues and concerns. The research agenda is focused on near to long-term problems identified by the Secretary of Defense, and addresses difficult and complex questions linked to program alternatives for current and future capabilities and forces in order to enhance senior leadership deliberations and decision-making. | | | |
| FY 2016 Accomplishments: <ul style="list-style-type: none"> - Evaluated and upgraded the cost analysis tools used to inform program, budget, and Defense Acquisition Board reviews. - Analyzed war-fighting and joint operations to support major defense reviews, including transformation initiatives, force and weapons systems requirements, and AoAs to support major acquisition decisions; land forces, including the manning, equipping, training, sustaining, and fielding of these forces with special emphasis on the resources needed to accomplish these activities. | | | |

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| Appropriation/Budget Activity 0400 / 6 | | R-1 Program Element (Number/Name) PE 0606100D8Z / <i>Budget and Program Assessments</i> | | Project (Number/Name) 101 / <i>Budget and Program Assessments</i> | |
| B. Accomplishments/Planned Programs (\$ in Millions) | | | FY 2016 | FY 2017 | FY 2018 |
| <ul style="list-style-type: none"> - Analyzed mobility requirements and modernization decisions for airlift aircraft, sealift vessels, and tankers in support of the defense strategy; also, force structure and investment decisions for pre-positioning ashore and afloat and the impact of forward presence postures. - Evaluated scenarios for reducing logistics vulnerabilities, to include evaluation of threat databases, demographics, and technological trends; and developed strategies to reduce the impact of national security resources. - Analyzed scenarios of national security interest to support transformation initiatives. - Improved medical cost growth forecasting methodology to reliably forecast costs for budgeting using the tool developed to evaluate the impact of alternative benefit structures and policies on future costs. - Analyzed alternative cyber defense strategies to improve the cyber security and mission assurance of the Department of Defense by supporting training objectives and advocating for and assisting in the development of a data-driven analysis. - Modified and supported a wargaming repository. - Analyzed Overseas Contingency Operations (OCO) funding data to determine how funding was actually spent as distinguished from DoD base budget resources. Updated normalization information to be applied to existing Defense Resources Data Warehouse (DRDW) data. - Analyzed sexual assault investigations from Service Military Criminal Investigative Organizations to identify programs that can be developed or expanded to mitigate the problem. <p>FY 2017 Plans: Studies, analyses, and assessments will be focused on:</p> <ul style="list-style-type: none"> - Improving cost analysis tools to inform program, budget, and Defense Acquisition Board reviews. - In support of the Weapon System Acquisition Reform Act (WSARA), independently assessing, analyzing, and where appropriate, updating cost indices, inflation rates, and escalation rates used in preparing the President's Budget for major acquisition programs. - Developing, assessing, and enhancing databases that provide cost data for major weapon systems. - Improving estimates produced by the Defense Employment and Purchases Projection System (DEPPS) and Defense Translator, which are used to support decision briefs to the President, Congress, Secretary of Defense, and Deputy Secretary of Defense. - Modeling and analyzing aircraft survivability against various threat detection approaches and in various operational environments. Assessing the ability of aircraft and weapons to operation in anti-access/area denial regions. - Modeling logistical vulnerabilities against various threats and in various operational environments and assessing the cost and mission effectiveness of proposed improvements. - Modifying, and supporting a wargaming repository. - Analyzing OCO funding data to determine how funding was actually spent as distinguished from DoD base budget resources. <p>Providing normalization information that can be applied to existing Defense Resources Data Warehouse (DRDW) data for the current budget position.</p> | | | | | |

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| Appropriation/Budget Activity 0400 / 6 | R-1 Program Element (Number/Name) PE 0606100D8Z / <i>Budget and Program Assessments</i> | Project (Number/Name) 101 / <i>Budget and Program Assessments</i> | |
| B. Accomplishments/Planned Programs (\$ in Millions) | | FY 2016 | FY 2017 |
| <ul style="list-style-type: none"> - Developing scenarios and modeling for mobile intelligence targets. - In support of the Defense Strategic Guidance, analyzing programs to assess alternative platforms; examining the cost of all mission alternatives and acquisition strategies. <p>FY 2018 Plans: Studies, analyses, and assessments will be focused on:</p> <ul style="list-style-type: none"> - Improving cost analysis tools to inform program, budget, and Defense Acquisition Board reviews. - In support of the Weapon System Acquisition Reform Act (WSARA), independently assessing, analyzing, and where appropriate, updating cost indices, inflation rates, and escalation rates used in preparing the President's Budget for major acquisition programs. - Developing, assessing, and enhancing databases that provide cost data for major weapon systems. - Improving estimates produced by the Defense Employment and Purchases Projection System (DEPPS) and Defense Translator, which are used to support decision briefs to the President, Congress, Secretary of Defense, and Deputy Secretary of Defense. - Modeling and analyzing aircraft survivability against various threat detection approaches and in various operational environments. Assessing the ability of aircraft and weapons to operation in anti-access/area denial regions. - Modeling logistical vulnerabilities against various threats and in various operational environments. Assessing the cost and mission effectiveness of proposed improvements. - Modifying and supporting a wargaming repository. - Analyzing OCO funding data to determine how funding was actually spent as distinguished from DoD base budget resources. <p>Provide normalization information that can be applied to existing Defense Resources Data Warehouse (DRDW) data for the current budget position.</p> | | | |
| Accomplishments/Planned Programs Subtotals | | 3.973 | 4.014 |
| C. Other Program Funding Summary (\$ in Millions) N/A | | | |
| Remarks | | | |
| D. Acquisition Strategy A mix of competitive contracts with commercial firms and research provided by university-affiliated research centers (UARCs), and Federally Funded Research and Development Centers (FFRDCs). | | | |

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E. Performance Metrics

The products or expected outcomes of this program are studies and analyses to support resource allocation decisions, major defense acquisition decisions, and issues of high interest to the Secretary of Defense. Performance is measured by the quality of the analyses and is monitored through the review of the organizational assessment process. The primary goal is to ensure that study and analytical products are timely, clear, complete, accurate, responsive, balanced, and objective.