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Exhibit R-2, RDT&E Budget Item Justification: PB 2019 Air Force										Date: February 2018		
Appropriation/Budget Activity 3600: Research, Development, Test & Evaluation, Air Force I BA 7: Operational Systems Development					R-1 Program Element (Number/Name) PE 0304310F I Commercial Economic Analysis							
COST (\$ in Millions)	Prior Years	FY 2017	FY 2018	FY 2019 Base	FY 2019 OCO	FY 2019 Total	FY 2020	FY 2021	FY 2022	FY 2023	Cost To Complete	Total Cost
Total Program Element	-	0.000	3.544	3.472	0.000	3.472	3.750	4.049	4.384	4.464	Continuing	Continuing
675896: Commercial Economic Analysis	-	0.000	3.544	3.472	0.000	3.472	3.750	4.049	4.384	4.464	Continuing	Continuing
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

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

The Office of Commercial Economic Analysis (OCEA) will produce in-depth analytical assessments and advanced risk mitigation strategies based on commercially available industry, market, and economic information. These assessments and strategies will support the decision making efforts of Service, Department of Defense, and Whole of Government to protect Defense Industrial Base (DIB) equities and sustain the U.S. competitive advantage.

The funding request provides for an enterprise Information Technology (IT) platform providing a technical prototype which will aggregate risk data and produce mitigation strategies and impact analysis products. The funding also supports continuous assessment of the commercially available information to ensure it is accurate, current, and relevant.

Additional classified details can be found in OSD Comptroller's classified Justification Book Volume 6.

This program is in Budget Activity 7, Operational System Development because this budget activity includes development efforts to upgrade systems that have been fielded or have received approval for full rate production and anticipate production funding in the current or subsequent fiscal year.

<b><u>B. Program Change Summary (\$ in Millions)</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018</u></b>	<b><u>FY 2019 Base</u></b>	<b><u>FY 2019 OCO</u></b>	<b><u>FY 2019 Total</u></b>
Previous President's Budget	0.000	3.544	3.498	0.000	3.498
Current President's Budget	0.000	3.544	3.472	0.000	3.472
Total Adjustments	0.000	0.000	-0.026	0.000	-0.026
• Congressional General Reductions	0.000	0.000			
• Congressional Directed Reductions	0.000	0.000			
• Congressional Rescissions	0.000	0.000			
• Congressional Adds	0.000	0.000			
• Congressional Directed Transfers	0.000	0.000			
• Reprogrammings	0.000	0.000			
• SBIR/STTR Transfer	0.000	0.000			
• Other Adjustments	0.000	0.000	-0.026	0.000	-0.026

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<b>C. Accomplishments/Planned Programs (\$ in Millions)</b>							
			<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019 Base</b>	<b>FY 2019 OCO</b>	<b>FY 2019 Total</b>
<b>Title:</b> Commercial Economic Analysis  <b>Description:</b> Develop solutions to help protect the Defense Industrial Base from adversary information attacks and protect the U.S. technological advantage. Research, develop, test and evaluate Commercial Economic Analysis capabilities, systems, tools, products and services through a disciplined, yet agile, process that ensures commercial economic modeling pilots, risk management construct, decision support tools, and continuous monitoring capabilities are available for Air Force sectors and segments of the Defense Industrial Base.  <b>FY 2018 Plans:</b> Utilize existing contracts for four modular components that will expand classified commercial economic analyses and establish an initial operational capability in FY18. The four components include: CEA Enterprise Architecture and Design; Ontological Discovery/Vector Analysis of Classified Information for Risk Management Construct; Machine Learning for Continuous Assessment; and Assessment, Analysis, and Fusion Tool Integration.  <b>FY 2019 Base Plans:</b> Utilize existing contracts for continuation of modular components. Classified details can be found in OSD Comptroller's classified Defense-Wide Justification Book Volume 6.  <b>FY 2019 OCO Plans:</b> N/A  <b>FY 2018 to FY 2019 Increase/Decrease Statement:</b> Minor decreases.			0.000	3.544	3.472	0.000	3.472
<b>Accomplishments/Planned Programs Subtotals</b>			0.000	3.544	3.472	0.000	3.472
<b>D. Other Program Funding Summary (\$ in Millions)</b>							
N/A							
<b>Remarks</b>							
<b>E. Acquisition Strategy</b>							
Competitively awarded a contract in July 2017. This contract has options that can be exercised upon receipt of FY2018 and FY2019 appropriations to develop the prototype system upon which the data will run. Will also use a previously competed, existing contract for the other software modules.							

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<b>F. Performance Metrics</b> Please refer to the Performance Base Budget Overview Book for information on how Air Force resources are applied and how those resources are contributing to Air Force performance goals and most importantly, how they contribute to our mission.		

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Exhibit R-3, RDT&E Project Cost Analysis: PB 2019 Air Force												Date: February 2018			
Appropriation/Budget Activity 3600 / 7						R-1 Program Element (Number/Name) PE 0304310F / Commercial Economic Analysis				Project (Number/Name) 675896 / Commercial Economic Analysis					
Product Development (\$ in Millions)				FY 2017		FY 2018		FY 2019 Base		FY 2019 OCO		FY 2019 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Risk Management Contract	C/TBD	TBD : TBD	-	0.000		1.000	Jun 2018	1.000	Feb 2019	-		1.000	Continuing	Continuing	5.000
Subtotal			-	0.000		1.000		1.000		-		1.000	Continuing	Continuing	N/A
Support (\$ in Millions)				FY 2017		FY 2018		FY 2019 Base		FY 2019 OCO		FY 2019 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Advanced Model Pilot	SS/TBD	Not specified. : NV	-	-		1.000	Jul 2018	1.000	Feb 2019	-		1.000	Continuing	Continuing	-
Subtotal			-	-		1.000		1.000		-		1.000	Continuing	Continuing	N/A
Test and Evaluation (\$ in Millions)				FY 2017		FY 2018		FY 2019 Base		FY 2019 OCO		FY 2019 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Continuous Monitoring	C/TBD	Not specified. : NV	-	-		0.544	Aug 2018	0.472	Feb 2019	-		0.472	Continuing	Continuing	-
Subtotal			-	-		0.544		0.472		-		0.472	Continuing	Continuing	N/A
Management Services (\$ in Millions)				FY 2017		FY 2018		FY 2019 Base		FY 2019 OCO		FY 2019 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
SETA Contract	C/TBD	Not specified. : NV	-	-		1.000	Jul 2018	1.000	Feb 2019	-		1.000	Continuing	Continuing	-
Subtotal			-	-		1.000		1.000		-		1.000	Continuing	Continuing	N/A
			Prior Years	FY 2017		FY 2018		FY 2019 Base		FY 2019 OCO		FY 2019 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals			-	0.000		3.544		3.472		-		3.472	Continuing	Continuing	N/A
Remarks															

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Exhibit R-4, RDT&E Schedule Profile: PB 2019 Air Force																Date: February 2018			
Appropriation/Budget Activity 3600 / 7								R-1 Program Element (Number/Name) PE 0304310F / Commercial Economic Analysis								Project (Number/Name) 675896 / Commercial Economic Analysis			

	FY 2017				FY 2018				FY 2019				FY 2020				FY 2021				FY 2022				FY 2023			
	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
CEA																												
Advanced Model Pilot 10																												
Advanced Model Pilot 11																												
Follow-on CEA Tool																												
Risk Management Construct																												

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<b>Exhibit R-4A, RDT&amp;E Schedule Details:</b> PB 2019 Air Force		<b>Date:</b> February 2018
<b>Appropriation/Budget Activity</b> 3600 / 7	<b>R-1 Program Element (Number/Name)</b> PE 0304310F / <i>Commercial Economic Analysis</i>	<b>Project (Number/Name)</b> 675896 / <i>Commercial Economic Analysis</i>

Schedule Details

Events by Sub Project	Start		End	
	Quarter	Year	Quarter	Year
<b>CEA</b>				
Advanced Model Pilot 10	3	2018	4	2018
Advanced Model Pilot 11	3	2018	4	2018
Follow-on CEA Tool	3	2018	4	2022
Risk Management Construct	3	2018	2	2019