

Exhibit R-2, RDT&E Budget Item Justification	DATE: February 2004
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APPROPRIATION/BUDGET ACTIVITY RDT&E, Defense-Wide/07				R-1 ITEM NOMENCLATURE Net-Centric Enterprise Services(NCES)/PE 0303170K				
COST (in millions)		FY03	FY04	FY05	FY06	FY07	FY08	FY09
Total Program Element (PE)		0	30.364	52.059	65.396	49.994	47.259	45.622
Net-Centric Enterprise Services (NCES)/T57		0	30.364	52.059	65.396	49.994	47.259	45.622

A. Mission Description and Budget Item Justification:

This project will develop and implement the baseline infrastructure of a network centric approach supporting the Department of Defense Global Information Grid (GIG) operational requirements for information processing capabilities across warfighting and business operations domains. NCES will provide joint, net-centric, enterprise level services enabling all echelons of command to make better decisions, faster. NCES will support information sharing and processing operations anywhere, anytime, by any user with privileges on the DoD network. Products for this effort will change the way warfighters receive and process information today. The user will be able to rapidly leverage communities of interest data producers and their release of real-time data to a global data repository for general consumption and decision-making. This availability of information will enable a more effective speed of execution of command and control within a given theatre of operations as well as expanding the services for all users to access the net information whether it is the warfighter or the business management of data in the Department. Other products will include the enabling of technology to allow the access of information to a multitude of appliances such as PDAs, Cell phones, and other more personal computing devices. In addition, Net-Centric Enterprise Services (NCES) will focus on implementing an open community process, which may include open source, to allow capability developers the flexibility they need to configure the infrastructure to meet their needs.

NCES has been identified by the Assistant Secretary of Defense for Networks and Information Integration (ASD-NII) as a key Department of Defense Global Information Grid supporting infrastructure. NCES is a key component of the department's strategy for meeting its transformation goals. NCES provides a common set of interoperable information capabilities which will (1) support posting of data to shared spaces; (2) provide users with the capability to pull

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<p>whatever data they need, whenever they need it, from wherever they are; and (3) provide information assurance measures. NCES increases warfighter flexibility, improves the quality and timeliness of Department decision cycles, and enhances business operations. Stove-piped department and/or service-specific enterprise level legacy programs will be replaced by the consolidated infrastructure built upon NCES capabilities. The end result will be the enterprise level integration of IT systems, in both the warfighting and business domains, in an interoperable, net-centric operating environment.</p> <p>NCES supports the Department's transformation goals to achieve rapid decision superiority, streamline business processes, conduct effective and discriminate information operations, and provide a joint force operational picture. NCES transforms legacy planning and execution capabilities into protected, web-based, real-time collaborative business processes, including Joint and Coalition information exchanges across organizational boundaries. It supports real-time battle management and operations by providing a user-defined operational view of the battle space via a web browser. NCES meets the military requirement to provide dramatically improved situational awareness, robust alerting, shortened decision cycles, and shared understanding.</p> <p>NCES capabilities, deployed on Defense networks, will provide a consolidated, services-based IT infrastructure which reduces overall costs to deploy and maintain IT systems supporting day-to-day business and warfighter operations. The NCES services-based architecture eliminates costly legacy interfaces between disjointed, disparate, and stove-piped systems by providing a comprehensive set of core enterprise services.</p> <p>This program element is under Budget Activity 7 because it supports operational systems development.</p>								
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<p><u>Accomplishments/Planned Program:</u></p> <table style="margin-left: 100px; border: none;"> <tr> <td></td> <td style="text-align: center;"><u>FY 03</u></td> <td style="text-align: center;"><u>FY 04</u></td> <td style="text-align: center;"><u>FY 05</u></td> </tr> <tr> <td>Subtotal Cost</td> <td style="text-align: center;">0</td> <td style="text-align: center;">4.555</td> <td style="text-align: center;">7.809</td> </tr> </table> <p>Milestone Documentation - This task area supports the market and technology research efforts required to determine the most cost effective manner for implementation of NCES's core set of enterprise services. In FY 2004, this task funds the preparation of Milestone A/B documentation, for NCES Increment 1, for submission to the Milestone Decision Authority, ASD-NII. As part of the Milestone A/B decision, ASD-NII will select an alternative to be implemented. At that time, documentation products specific to the selected alternative will be prepared. These documents include market forecasts, requirements documents, analysis of alternatives, economic analysis, cost analysis, interoperability/supportability plans, testing master plans, and acquisition plans. In FY 2005, the requested funds support the updating of milestone documentation for Milestone C decision for NCES Increment 1 and the preparation of Milestone A/B documentation for NCES Increment 2.</p>										<u>FY 03</u>	<u>FY 04</u>	<u>FY 05</u>	Subtotal Cost	0	4.555	7.809
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Subtotal Cost		<u>FY 03</u> 0	<u>FY 04</u> 10.627	<u>FY 05</u> 18.220				
<p>Architecture Development/Technology Demonstrations - This task area supports the development of an NCES architecture, compliant with the Global Information Grid Enterprise Architecture and Business Management Modernization Program Enterprise Architecture. It also provides funds for technology demonstrations and feasibility analysis to determine which Commercial and Government provided/owned IT capabilities best meet the military requirements at the least cost. (The military requirements for NCES are defined in the Global Information Grid Enterprise Services Capabilities Description Document.)</p>								
Subtotal Cost		<u>FY 03</u> 0	<u>FY 04</u> 15.182	<u>FY 05</u> 26.030				
<p>Core Enterprise Services/Prototypes - This task area supports the implementation of Core Enterprise Services in spirals 1 and 2 of NCES Increment 1 during FY 04. In FY 05, these funds support the implementation of Core Enterprise Services in spiral 3 of NCES Increment 1, Increment 1 Release (fielding), and spirals 1 and 2 of Increment 2. Spiral implementation will allow NCES to rapidly incorporate the latest and most technologically advanced commercial product offerings, including outsourced services, along with government developed/provided services and capabilities. Ongoing cost and effectiveness analyses will ensure that the results of technology pilots and incremental fielding of spirals (warfighter demonstrations) are fed back into the acquisition process to make maximum use of industry capabilities and minimize development of unique or government-owned software and services.</p>								

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Exhibit R-3 Cost Analysis	DATE: February 2004
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APPROPRIATION/BUDGET ACTIVITY RDT&E, Defense-Wide/07	PROGRAM ELEMENT Net-Centric Enterprise Services (NCES)/PE0303170K	PROJECT NAME AND NUMBER Net-Centric Enterprise Services (NCES)/T57
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Cost Category	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 04 Cost	FY 04 Award Date	FY 05 Cost	FY 05 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Sys Engr Svcs	OTF&O	MITRE McLean, VA	0.000	3.500	Oct-03	3.500	Oct-04	Contg	Contg	7.000
Engr/Tech Svcs	MOA	JPL San Diego, CA	0.000	0.400	Oct-03	0.400	Oct-04	Contg	Contg	0.800
Sys Test Svcs	MOA	SSC-SD GOVT San Diego, CA	0.000	0.500	Oct-03	1.000	Oct-04	Contg	Contg	1.500
Engineering Svcs (NextGen)	F&O	Various (TBD)	0.000	23.164	Various	44.359	Various	Contg	Contg	67.523
Program Support (GEMS)	F&O	TBD (TBD)	0.000	2.800	Oct-03	2.800	Oct-04	Contg	Contg	5.600
Total			0.000	30.364		52.059				

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Exhibit R-4 Schedule Profile													Date: February 2004																									
Appropriation/Budget Activity RDT&E, Defense -Wide/07													Net-Centric Enterprise Services (NCES)/PE0303170K													Net-Centric Enterprise Services (NCES) / T57												
Fiscal Year	2003				2004				2005				2006				2007				2008				2009													
	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										
NCES Spiral 1 Inc 1									△	△	△	△																										
NCES Spiral 2 Inc 1										△	△	△	△	△	△																							
NCES Spiral 3 Inc 1											△	△	△	△																								
NCES Inc 1 Release														△	△	△																						
NCES Spiral 1 Inc 2															△	△																						
NCES Spiral 2 Inc 2																	△	△	△	△																		
NCES Spiral 3 Inc 2																			△	△	△																	
NCES Inc 2 Release																											△											

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Exhibit R-4a Schedule Detail	DATE: February 2004
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APPROPRIATION/BUDGET ACTIVITY RDT&E, Defense-Wide/07	PROGRAM ELEMENT Net-Centric Enterprise Services (NCES)/PE0303170K	PROJECT NAME AND NUMBER Net-Centric Enterprise Services (NCES)/T57
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<u>Schedule Profile</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Network Centric Enterprise Services (NCES) Spiral 1 Inc 1 - Architecture Definition - Development - Testing - Release		2-3Q 3-4Q 4Q	1Q				
NCES Spiral 2 Inc 1 Architecture Definition Development Testing Release		3-4Q 4Q-	2Q 2Q 3Q				
NCES Spiral 3 Inc 1 Architecture Definition Development Testing Release			1-2Q 2-3Q 3-4Q 4Q				
NCES Inc 1 (Release) Operational Test & Evaluation (OT&E) Baseline Release				1-2Q 3Q			

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Exhibit R-4a Schedule Detail						DATE: February 2004	
APPROPRIATION/BUDGET ACTIVITY	PROGRAM ELEMENT			PROJECT NAME AND NUMBER			
RDT&E, Defense-Wide/07	Net-Centric Enterprise Services/PE0303170K			Net-Centric Enterprise Services (NCES)/T57			
<u>Schedule Profile</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
NCES Spiral 1 Inc 2							
Architecture Definition			4Q				
Development			4Q-	3Q			
Testing				3Q			
Release				4Q			
NCES Spiral 2 Inc 2							
Architecture Definition				4Q			
Development					1-3Q		
Testing					3Q		
Release					3Q		
NCES Spiral 3 Inc 2							
Architecture Definition					2Q		
Development					2-4Q		
Testing					4Q		
Release					4Q		
NCES Inc 2 (Release)							
Operational Test & Evaluation (OT&E)					4Q-	2Q	
Baseline Release						2Q	

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