Exhibit R-2, RDT&E Budget Item Justification						Date: February 2005		
Appropriation/Budget Activity RDT&E Defense-Wide, BA 7				R-1 Item Nomenclature: Defense Joint Counterintelligence Program PE 0305146D8Z				
Cost ($ in millions)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Total PE Cost	29.293	0	0	0	0	0	0	0
Horizontal Fusion	16.459	0	0	0	0	0	0	0
CI Data Conversion	12.834	0	0	0	0	0	0	0

A. Mission Description and Budget Item Justification:

DJCIP provides the ability to counter clandestine or covert threats to DoD personnel, operations, facilities, and to those DoD research/technology undertakings and critical infrastructures that the Department has determined to be among its highest priority concerns.

B. **Program Change Summary:** (Show total funding, schedule, and technical changes for the program element that have occurred since the previous President's Budget Submission)

	FY 2004	FY 2005	FY 2006	FY 2007
Previous President's Budget	30.312			
Current President's Budget	29.293			
Total Adjustments	-1.019			
Congressional program reductions				
Congressional rescissions				
Congressional increases				
Internal reprogramming	-1.019			
DERF Adds				

Change Summary Explanation:
FY 2005: Transferred to other program elements.

C. Other Program Funding Summary: Not Applicable

D. Acquisition Strategy: Not Applicable

E. Performance Metrics: Classified

Exhibit R-2a, RDT&E Project Justification							Date: February 2005	
Appropriation/Budget Activity RDT&E, Defense-Wide, BA 7				Project Name and Number: Horizontal Fusion/PE 0305146D8Z				
Cost ($ in millions)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Project Name: Horizontal Fusion	16.459	0	0	0	0	0	0	0

A. Mission Description and Budget Item Justification:

The Secretary of Defense approved the establishment of the Horizontal Fusion Portfolio as one of his top ten priorities to make net-centric operations and warfighting a near-term operational reality consistent with the vision of force transformation. The Horizontal Fusion program overcomes acknowledged limitations in Joint Force operations caused by the inability to rapidly adjust plans and tactics for situational awareness while taking advantage of the explosion in battlefield intelligence and information sources such as advanced sensor equipped UAVs, improved Special Reconnaissance capabilities and ongoing developments and deployment of digitized support systems. Horizontal Fusion provides Joint Force Commanders and their Battle Staffs with needed capabilities for increasing the speed of Command of widely dispersed Joint Forces to operate against a wide range of threats and to support new methods of war fighting – emphasizing more rapid and effective integration of operational intelligence planning by providing operators on the edge with the applications and data access to effectively achieve situational awareness without latency and ensure that the entire chain of command can simultaneously view events as they unfold. The participants that make up the Horizontal Fusion portfolio are primarily existing programs of record, which require strict procurement and requirements control under traditional acquisition policy. The Horizontal Fusion portfolio maximizes these ongoing efforts by integrating existing capabilities and, therefore, leveraging the DoD's resources while accelerating their inclusion in the net-centric environment. The selection for participation in the HF portfolio is based on 1) highest priority programs for net-centric joint warfighting (to include coalition and allied efforts) 2) time and cost to implement, and 3) the Joint Forces Command matrix of required capabilities to meet near-term joint warfighting conops. Today, the US Army in Iraq is using tools developed as part of the Horizontal Fusion portfolio, such as the unattended ground sensor arrays. These acoustic sensors successfully locate mortars used to fire on US troops. These capabilities were demonstrated as part of the Army Research Lab's (ARL) Warrior's Edge project within the Horizontal Fusion Portfolio prior to being used in Iraq. Other HF operational capabilities, such as the acoustic sensor, are under development within the HF portfolio. Further, Horizontal Fusion provides for the practical net-centric implementation of interoperability required to achieve the Secretary's vision of transformation. It is a critical element in the successful implementation of the GIG systems architecture, Net-Centric Enterprise Services (NCES), DoD Data Management Strategy (DDMS) and the services oriented architecture for Information Assurance (IA). These programs support the idea of accelerating, "Revolutionary technologies that 'change minds' and ways of doing things.

B. Accomplishments/Planned Program

	FY 2004	FY 2005	FY 2006	FY 2007
Accomplishment/ Effort/Subtotal Cost	16.459	0	0	0
RDT&E Articles Quantity *(as applicable)				

FY 2004 Accomplishments: ($16.459)

- Demonstrated capability of Horizontal Fusion to be a force multiplier with Quantum Leap-1
- Continued efforts on first round of pilots
- Basic Language Translation (BLTS) is a web-enabled application to access language databases, provide immediate gist of paper documents to tactical forces, and posts document and translation to the net for in-depth analysis
- Global Net-Centric Surveillance and Targeting (GNSCT) uses smart software agents to find "possibles" in all available data; analyst does analysis vice combing databases
- Demonstrated capability of Horizontal Fusion in OEF and OIF with Quantum Leap-2
- Added new initiatives in second round of pilots
  - Pilot cross-domain information sharing, secure wireless, and additional infrastructure solutions
  - Increase opportunities for data providers and consumers to post and access data
- Selected focus areas for next round of pilots
  - Add new high-value data sources (working with IC to identify)
  - Expand secure wireless
  - Create secure, collaborative coalition environments
  - Use of situational awareness tools via high resolution VTC
  - Pilot command and control visualization

FY 2005 Accomplishments: N/A

FY 2006 Plans: N/A

FY 2007 Plans: N/A

C. Other Program Funding Summary:

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	Total Cost
O&M, DW (PE0902198D8Z)	2.800								2.800
Proc, DW (PE 0902199D8Z)	16.212								16.212
RDT&E, DW (0305190D8Z)	129.581								129.581

D. Acquisition Strategy. N/A

E. Major Performers: DIA, DISA, NGA, NSA, NRO, ARMY Research Laboratory, Army HQ/G2, Navy CEC program, SPAWAR System Center – Charleston, SPAWAR System Center – San Diego, Pennsylvania State University Applied Research Laboratory, John Hopkins University Applied Physics Laboratory, Patrick AFB, Ft. Benning, GA, SOCOM, PACOM, CENTCOM, USFK, Ft. Bragg, Ft. Belvoir, USMC Quantico, JFCOM, STRATCOM, NATO, NGIC, Naval Research Laboratory, Hanscom AFB, CECOM, Department of State, Office of Naval Research, Wright Patterson AFB, INSCOM

F. Performance Metrics: Performance is based on portfolio and initiative adherence to identified DoD net-centric attributes, support to speed of COCOM decision-making process, and measured support to cross-domain and coalition information sharing. Measures include:

- Number of programs of record that incorporate (1) Core Enterprise Services, (2) meta-tagging to locate, access and control access to data, and (3) net-centric information assurance.

- Number of programs of record that utilize the operational net-centric infrastructure (the collateral space) and other DoD CIO strategic investments.

- Number of Regional Support Centers (RSC's) and DoD Enterprise Computer Centers (DECC's) that have installed the operational baseline of net-centric capabilities provided by Horizontal Fusion.

- Number of programs of record that are able to share information with coalition partners and move to higher protection levels as identified by the DoD IA organization.

- A measured and shortened decision support cycle for COCOMs.

- A measured and shortened cycle for Time Critical Targeting.

- A measured and shortened cycle for analysts to correlate information for pattern recognition (both text and graphical) resulting in decreased timelines for event prediction and event influence.

- A measured and shortened cycle for communicating information and common blue/red force pictures during joint operations which include coalition and allied partners.

Exhibit R-2a, RDT&E Project Justification								Date: February 2005
Appropriation/Budget Activity RDT&E, Defense-Wide, BA 7				Project Name and Number: CI Data Conversion				
Cost ($ in millions)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Project Name: CI Data Conversion	12.834	0	0	0	0	0	0	0

B. Mission Description and Budget Item Justification:

The Counterintelligence Field Activity (CIFA), as a component of the Office of the Under Secretary of Defense (Intelligence), has been tasked to support the protection of the Department of Defense (DoD) critical technologies from foreign intelligence service, terrorist, and other covert or clandestine threats. An important part of this task is the capture and conversion – including storing, analyzing, manipulating, and displaying – of massive amounts of current CI and technical data held by various DoD program offices and projects. Analysis conducted on the data, and comparison of effort across multiple programs, will help determine which case data or technologies are critical.

The desired effort is the capture and conversion of sensitive CI case, technical and design information combined with engineering and analytical support to the CIFA. A very large body of unclassified and classified CI case, technical, design, and engineering information resides in numerous DoD programs and projects. CIFA has an immediate need to capture and convert multiple terabytes of this unclassified and classified information and data. Additionally, much of this data is stored in disparate Databases.

B. Accomplishments/Planned Program

	FY 2004	FY 2005	FY 2006	FY 2007
Accomplishment/ Effort/Subtotal Cost	12.834	0	0	0
RDT&E Articles Quantity *(as applicable)				

FY 2004 Accomplishments: ($12.834)

- Expansion of CIFA Operating Capabilities
  - Developed plans to establish the Data Migration Center (DMC), to include manpower, roles and responsibilities, and analytical techniques

- Fielded the Rapid Deployment Conversion Suite (RDCS), to include IT and logistical information.

- Data Conversion, Transfer, and Storage
  - Provided the ability to transfer large amounts of data between the DMC and CIFA Facilities
  - Conversion of selected data holdings, to include Immigration and Naturalization Service data
  - Provided the RDCS for on-site scanning

FY 2005 Accomplishments: N/A

FY 2006 Plans: N/A

FY 2007 Plans: N/A

C. Other Program Funding Summary: N/A

D. Acquisition Strategy. N/A

E. Major Performers: Counterintelligence Field Activity (CIFA), Immigration and Natruralization Service (INS), AFOSI, NCIS, FCA, DSS, US Immigrations Law Enforcement Support Center

F. Performance Metrics: Performance is based on the increased data made available from this effort to the CI analyst and the ability to readily convert data.
Measures include:

- Percentage of data converted and transferred to CIFA from INS and other directed data sites
- Ability to deploy a capability to convert data on-site
- Effectiveness of on-site data conversion
- Quality of data converted both locally and on-site