Exhibit R-2, RDT&E Budget Item Justification: PB 2013 Operational Test and Evaluation, Defense	**DATE:** February 2012
APPROPRIATION/BUDGET ACTIVITY 0460: *Operational Test and Evaluation, Defense* BA 6: *RDT&E Management Support*	**R-1 ITEM NOMENCLATURE** PE 0605118OTE: *Operational Test and Evaluation*

COST ($ in Millions)	FY 2011	FY 2012	FY 2013 Base	FY 2013 OCO	FY 2013 Total	FY 2014	FY 2015	FY 2016	FY 2017	Cost To Complete	Total Cost
Total Program Element	59.125	60.444	72.501	-	72.501	73.546	75.620	78.232	80.688	Continuing	Continuing
0605118OTE: *Operational Test and Evaluation*	59.125	60.444	72.501	-	72.501	73.546	75.620	78.232	80.688	Continuing	Continuing

Note

As a result of the Department's recognition of the importance of enhanced cyber assessment capabilities, additional resources were added in fiscal year 2013.

A. Mission Description and Budget Item Justification

The Director of Operational Test and Evaluation (DOT&E) was created by Congress in 1983. The Director is responsible under Title 10 for policy and procedures for all aspects of Operational Test and Evaluation (OT&E) within the Department of Defense (DoD). Particular focus is given to OT&E that supports major weapon system production decisions for acquisition programs included on the Office of Secretary of Defense Test and Evaluation Oversight List that is prepared and approved annually. Generally, there are about 300 programs on the oversight list including all Major Defense Acquisition Programs (MDAP) and Major Automated Information Systems (MAIS). MDAPs may not proceed beyond low-rate initial production (BLRIP) until OT&E of the program is complete. DOT&E is involved early in the planning phase of each program to ensure adequate testing is planned and executed. Key elements of DOT&E's oversight authority include:

- The approval of component Test and Evaluation Master Plans (TEMPS).
- The approval of component OT&E Test Plans.
- Oversight of Military Department preparation and conduct of field operational tests; analysis and evaluation of the resultant test data; the assessment of the adequacy of the executed test and evaluation programs; and assessment of the operational effectiveness and suitability of the weapon systems.
- Reporting results of OT&E that support BLRIP decisions to the Secretary of Defense and Congress, as well as providing an annual report summarizing all OT&E activities and the adequacy of test resources within DoD during the previous fiscal year.

DOT&E also oversees and resources OT&E community efforts to plan and execute joint operational evaluations of information assurance and interoperability of fielded systems and networks during major Combatant Command (COCOM) and Service exercises, and reports the trends and findings in the annual report. As a result of the Department's recognition of the importance of enhanced cyber assessment capabilities, additional resources were added in fiscal year 2013. These enhancements will include expanded threat assessments of the advanced cyber adversary, more representative portrayal of the cyber adversary by Red Teams, and improvements to the Joint Information Operations Range that will support more operationally realistic and threat representative assessment and training events.

This Program Element includes funds to obtain Federally Funded Research and Development Center (FFRDC) support in performing the described tasks, travel funds to carry out oversight of the OT&E program, funds for Service teams performing information assurance and interoperability assessments during exercises, administrative and financial support services, and engineering and technical support services related to the conduct of operational test and evaluation.

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B. Program Change Summary ($ in Millions)	**FY 2011**	**FY 2012**	**FY 2013 Base**	**FY 2013 OCO**	**FY 2013 Total**
Previous President's Budget	59.430	60.444	62.695	-	62.695
Current President's Budget	59.125	60.444	72.501	-	72.501
Total Adjustments	-0.305	-	9.806	-	9.806
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• Congressional General Reductions	-0.305	-	-	-	-
• Progam Realignment/Adjustments	-	-	1.956	-	1.956
• Cyber Enhancement Capabilities	-	-	7.850	-	7.850

Change Summary Explanation

As a result of the Department's recognition of the importance of enhanced cyber assessment capabilities, additional resources ($7.850 million) were added in fiscal year 2013.

Exhibit R-2A, RDT&E Project Justification: PB 2013 Operational Test and Evaluation, Defense											DATE: February 2012
APPROPRIATION/BUDGET ACTIVITY 0460: *Operational Test and Evaluation, Defense* BA 6: *RDT&E Management Support*				R-1 ITEM NOMENCLATURE PE 0605118OTE: *Operational Test and Evaluation*				PROJECT 0605118OTE: *Operational Test and Evaluation*			
COST ($ in Millions)	**FY 2011**	**FY 2012**	**FY 2013 Base**	**FY 2013 OCO**	**FY 2013 Total**	**FY 2014**	**FY 2015**	**FY 2016**	**FY 2017**	**Cost To Complete**	**Total Cost**
0605118OTE: *Operational Test and Evaluation*	59.125	60.444	72.501	-	72.501	73.546	75.620	78.232	80.688	Continuing	Continuing
Quantity of RDT&E Articles											

A. Mission Description and Budget Item Justification

The Director of Operational Test and Evaluation (DOT&E) was created by Congress in 1983. The Director is responsible under Title 10 for policy and procedures for all aspects of Operational Test and Evaluation (OT&E) within the Department of Defense (DoD). Particular focus is given to OT&E that supports major weapon system production decisions for acquisition programs included on the Office of Secretary of Defense Test and Evaluation Oversight List that is prepared and approved annually. Generally, there are about 300 programs on the oversight list including all Major Defense Acquisition Programs (MDAP) and Major Automated Information Systems (MAIS). MDAPs may not proceed beyond low-rate initial production (BLRIP) until OT&E of the program is complete. DOT&E is involved early in the planning phase of each program to ensure adequate testing is planned and executed. Key elements of DOT&E's oversight authority include:

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DOT&E also oversees and resources OT&E community efforts to plan and execute joint operational evaluations of information assurance and interoperability of fielded systems and networks during major Combatant Command (COCOM) and Service exercises, and reports the trends and findings in the annual report. As a result of the Department's recognition of the importance of enhanced cyber assessment capabilities, additional resources and emphasis were added in fiscal year 2013. These enhancements will include expanded threat assessments of the advanced cyber adversary, more representative portrayal of the cyber adversary by Red Teams, and improvements to the Joint Information Operations Range that will support more operationally realistic and threat representative assessment and training events.

B. Accomplishments/Planned Programs ($ in Millions)	**FY 2011**	**FY 2012**	**FY 2013**
Title: Operational Test and Evaluation	59.125	60.444	72.501
FY 2011 Accomplishments: Operational Test and Evaluation Oversight This effort is in direct support of the Director's Title 10 responsibilities to conduct independent, rigorous, and comprehensive evaluation of the operational effectiveness and suitability of the Department's weapons programs. Funding for FY 2011 provided			

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B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
Operational Test and Evaluation inputs for Test and Evaluation Master Plans, Test Plans, System Acquisition Reports, Defense Acquisition Executive Summary Reports for those programs designated for oversight by DOT&E and OUSD(AT&L). Key elements of DOT&E oversight authority were identified in Calendar Year 2011 Office of the Secretary of Defense Test and Evaluation Oversight List. Information Assurance and Interoperability Evaluations Information assurance and interoperability assessments were performed during 23 FY 2011 COCOM and Service exercises, or during real-world operations. Warfighter responses to computer network attack (ability to protect, detect, react, and restore) were captured in all information assurance events. Portrayal of advanced threats were included in several events. Interoperability assessments were guided by a more rigorous process that includes expanded research and linkage to warfighter mission threads. In partnership with Joint Staff J8 (previously the Joint Forces Command J8), two interoperability assessments were planned and executed with emphasis on the systems and capabilities contained in the Joint Forces Command C2 Optimum Capability Mix Study. Assessment support to units deploying to theaters of operation was completed for four assessments, resulting in enhancements to their network defense postures. Fiscal year 2011 information assurance and interoperability evaluations included trend analyses across prior year results, both within and across COCOMs. Critical findings were transmitted to Service and DoD leadership for their awareness and remediation actions, as appropriate. The Joint Information Operations Range supported two assessment events for added operational realism and required higher-level security during exercise assessments.			
FY 2012 Plans: Operational Test and Evaluation Oversight This is a continuing effort and is in direct support of the Director's Title 10 responsibilities. FY 2012 funds will provide Operational Test and Evaluation inputs for Test and Evaluation Master Plans, Test Plans, System Acquisition Reports, Defense Acquisition Executive Summary Reports for those programs designated for oversight by DOT&E and the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (OUSD(AT&L)). Key elements of DOT&E oversight authority are identified in Calendar Year 2012 Office of the Secretary of Defense Test and Evaluation Oversight List. Information Assurance and Interoperability Evaluations Approximately 25 information assurance and interoperability assessments will be planned and executed during FY 2012 COCOM and Service exercises. Full assessment of warfighter responses to computer network attack (ability to protect, detect, react, and restore) will be captured in all information assurance events. Portrayal of selected advanced-cyber threats will be included in most events, in accordance with the CJCS Red Team EXORD, and interoperability and mission accomplishment in representative			

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B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
threat environments will be examined. In partnership with US CYBER Command, DoD Red Team capabilities will be enhanced to reflect DIA assessments, and application of these teams will be synchronized across Cyber Command and DOT&E assessment priorities. In partnership with the Joint Staff J8, focused interoperability assessments will be planned and executed in two events with emphasis on the systems and capabilities contained in the C2 Optimum Capability Mix Study. Assessment support to units deploying to theaters of operation will continue as needed. Fiscal year 2012 information assurance and interoperability evaluations will include trend analyses across prior year results, both within and across COCOMs. Critical findings will be transmitted to Service and DoD leadership for their awareness and remediation actions, as appropriate. The Joint Information Operations Range will support events across multiple COCOMS for added threat realism and required security during exercise assessments.			
FY 2013 Plans: Operational Test and Evaluation Oversight This is a continuing effort and is in direct support of the Director's Title 10 responsibilities. FY 2013 funds will provide Operational Test and Evaluation inputs for Test and Evaluation Master Plans, Test Plans, System Acquisition Reports, Defense Acquisition Executive Summary Reports for those programs designated for oversight by DOT&E and the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (OUSD(AT&L)). Key elements of DOT&E oversight authority are identified in Calendar Year 2013 Office of the Secretary of Defense Test and Evaluation Oversight List. Information Assurance and Interoperability Evaluations Approximately 25 information assurance and interoperability assessments will be planned and executed during FY 2013 COCOM and Service exercises. Full assessment of warfighter responses to computer network attack (ability to protect, detect, react, and restore) will be captured in all information assurance events. Portrayal of advanced-cyber threats will be included in all events, in accordance with the CJCS Red Team EXORD, and interoperability and mission accomplishment in representative threat environments will be examined. In partnership with US CYBER Command, DoD Red Team capabilities will be enhanced to reflect DIA assessments, and application of these teams will be synchronized across Cyber Command and DOT&E assessment priorities. In partnership with the Joint Staff J8, focused interoperability assessments will be planned and executed in four events with emphasis on the systems and capabilities contained in the C2 Optimum Capability Mix Study. Assessment support to units deploying to theaters of operation will continue as needed. Fiscal year 2013 information assurance and interoperability evaluations will include trend analyses across prior year results, both within and across COCOMs. Critical findings will be transmitted to Service and DoD leadership for their awareness and remediation actions, as appropriate. The Information Operations Range with Red Teams portraying advanced cyber adversaries will support the majority of COCOM exercises for added threat realism and required security.			

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B. Accomplishments/Planned Programs ($ in Millions)	FY 2011	FY 2012	FY 2013
As a result of the Department's recognition of the importance of enhanced cyber assessment capabilities, additional resources and emphasis were added in fiscal year 2013. These enhancements will include expanded threat assessments of the advanced cyber adversary, more representative portrayal of the cyber adversary by Red Teams, and improvements to the Joint Information Operations Range that will support more operationally realistic and threat representative assessment and training events.			
Accomplishments/Planned Programs Subtotals	59.125	60.444	72.501

C. Other Program Funding Summary ($ in Millions)

N/A

D. Acquisition Strategy

N/A

E. Performance Metrics

Performance Measure: Percentage of required operational test planning documents, assessments, and reports applicable to acquisition programs on the OSD Test and Evaluation Oversight List and other special interest programs/legacy systems that are completed and delivered to the appropriate decision makers on time.

Actual Performance and Goals:

Operational Test and Evaluation

On-Time Completion Rate
FY 2011 (Actual) 94%
FY 2012 (Goal) 95%
FY 2013 (Goal) 96%

The on-time completion rate was computed on the basis of the number of required products that were submitted within established time standards relative to the total number of such products that fell due during the fiscal year. Products included in the measure include beyond low-rate initial production reports, Test Plans, and Test and Evaluation Master Plans for operational test and evaluation oversight as well as assessment plans, “quick look” reports, and final reports for the information assurance and interoperability testing associated with scheduled test events. DOT&E plans to maintain its on-time completion rates for FY 2012 and FY 2013 through continued management emphasis on timely delivery of required products to customer activities.