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Exhibit R-2, RDT&E Budget Item Justification: PB 2016 Navy	Date: February 2015
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Appropriation/Budget Activity 1319: <i>Research, Development, Test & Evaluation, Navy / BA 6: RDT&E Management Support</i>					R-1 Program Element (Number/Name) PE 0605861N / <i>RDT&E Science & Tech Mgmt</i>							
COST (\$ in Millions)	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	Cost To Complete	Total Cost
Total Program Element	0.000	71.998	73.033	76.948	-	76.948	77.793	77.849	79.347	81.069	Continuing	Continuing
0135: <i>ONR Science & Technology Mgmt</i>	0.000	65.037	65.008	69.489	-	69.489	70.115	70.016	71.327	72.862	Continuing	Continuing
2353: <i>DFAS Billings</i>	0.000	1.409	2.332	1.695	-	1.695	1.820	1.887	1.953	2.007	Continuing	Continuing
3234: <i>Office of Naval Research - N-ERP</i>	0.000	1.102	1.160	1.168	-	1.168	1.201	1.230	1.261	1.287	Continuing	Continuing
3364: <i>ONR Global Management</i>	0.000	4.450	4.533	4.596	-	4.596	4.657	4.716	4.806	4.913	Continuing	Continuing

A. Mission Description and Budget Item Justification

This program element (PE) covers Office of Naval Research (ONR) corporate expenses including salaries, Information Technology (IT), Financial Improvement Plan (FIP) efforts and some of the day-to-day logistical costs. The vast majority of these items represent fixed costs associated with Scientists and Engineers supporting the Navy's Science and Technology (S&T) Programs.

The Defense Finance and Accounting Service (DFAS) Billings project 2353 funds accounting services provided to ONR and Navy Research and Development (R&D) activities.

B. Program Change Summary (\$ in Millions)	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
Previous President's Budget	72.725	73.033	74.033	-	74.033
Current President's Budget	71.998	73.033	76.948	-	76.948
Total Adjustments	-0.727	-	2.915	-	2.915
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-0.727	-			
• Program Adjustments	-	-	1.475	-	1.475
• Rate/Misc Adjustments	-	-	1.440	-	1.440

Change Summary Explanation

Technical: Not applicable.

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Schedule: Not applicable.		

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Exhibit R-2A, RDT&E Project Justification: PB 2016 Navy										Date: February 2015		
Appropriation/Budget Activity 1319 / 6					R-1 Program Element (Number/Name) PE 0605861N / RDT&E Science & Tech Mgmt				Project (Number/Name) 0135 / ONR Science & Technology Mgmt			
COST (\$ in Millions)	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	Cost To Complete	Total Cost
0135: ONR Science & Technology Mgmt	-	65.037	65.008	69.489	-	69.489	70.115	70.016	71.327	72.862	Continuing	Continuing
Quantity of RDT&E Articles		-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

This project supports ONR leadership, management and direction for the Naval S&T program. This project funds ONR HQ salaries, communications, and other fixed costs. In FY16 and out, the Mid-Range Financial Improvement Plan effort will be transferred into this project from PE 0605853N Project 3025 to support ONR's goal of attaining a clean and auditable financial statement. ONR sponsors scientific advances, which lead to Future Naval Capabilities (FNCs), supporting the Fleet's ability to operate from a position of technological superiority. Functions performed include (1) scientific and technical direction of the nationwide 6.1 basic research program with colleges, universities, non-profit organizations and Naval Laboratories and Warfare Centers; (2) scientific and technical direction of the 6.2 applied research program through the Naval R&D laboratories and Warfare Centers and industry; (3) scientific and technical direction of the Naval 6.3 advanced technology development program through the Navy's R&D laboratories, Warfare Centers and industry; (4) management, resource formulation, program assessment, and contract negotiation/administration of the Navy basic research, applied research and advanced technology development program; and (5) coordination of the Navy's Technology Base program within the context of total DoD/Government (e.g., National Science Foundation, National Academy of Sciences) R&D initiatives in order to maximize scientific advances. This project also supports ONR management and direction for the following Navy-wide programs: Small Business Innovation Research, Naval Research Advisory Committee, Navy Patent Program, Historically Black Colleges and Universities/Minority Institutions Program, Navy Manufacturing Technology Program and the Ballistic Missile Submarine Nuclear (SSBN) Security Technology Program.

Additionally, this project funds ONR field salaries, communications, and other fixed costs. Functions performed support ONR's Navy-wide responsibilities in the negotiation and establishment of indirect cost rates for DoD-assigned universities and performance of contract administration for all DoD contracts/grants at all colleges and universities.

B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)

	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
Title: S&T MANAGEMENT SUPPORT	65.037	65.008	69.489	-	69.489
Articles:	-	-	-	-	-
Description: This project provides for basic costs of ONR Headquarters in support of the entire Navy S&T program. Most all the funds in this project are fixed costs, such as salaries and communications. Specifically, it pays the salaries of Scientific and Engineering and corporate business personnel who direct the execution of the Navy's basic research, applied research, and advanced technology development programs at the nation's universities/colleges, Navy laboratories, Warfare Centers, and private industry.					

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Appropriation/Budget Activity 1319 / 6		R-1 Program Element (Number/Name) PE 0605861N / RDT&E Science & Tech Mgmt		Project (Number/Name) 0135 / ONR Science & Technology Mgmt		
B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)						
		FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
This project also provides for basic costs of ONR's field activities to include fixed costs, such as salaries and communications. The increase from FY15 to FY16 reflects a transfer of the Mid-Range Financial Improvement Plan funding from PE 0605853N Management, Technical and International Support, an increase in the FERS Employer Contribution Rate, and management, communications, and other fixed costs required to support the Navy S&T program. FY 2014 Accomplishments: - This project provided for all basic costs of ONR Headquarters in support of the entire Navy S&T program. Most all of the funds in this project are fixed costs, such as salaries, and communications. Specifically, it pays the salaries of Scientific and Engineering and corporate business personnel who direct the execution of the Navy's basic research, applied research, and advanced technology development programs at the nation's universities/ colleges, Navy laboratories, Warfare Centers, and private industry. This project provided for all basic costs of ONR field activities in support of the entire Navy S&T program. FY 2015 Plans: - Continue all efforts of FY 2014 FY 2016 Base Plans: - Continue all efforts of FY 2015 FY 2016 OCO Plans: N/A						
Accomplishments/Planned Programs Subtotals		65.037	65.008	69.489	-	69.489
C. Other Program Funding Summary (\$ in Millions) N/A						
Remarks						
D. Acquisition Strategy Not applicable.						

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Exhibit R-2A, RDT&E Project Justification: PB 2016 Navy		Date: February 2015
Appropriation/Budget Activity 1319 / 6	R-1 Program Element (Number/Name) PE 0605861N / RDT&E Science & Tech Mgmt	Project (Number/Name) 0135 / ONR Science & Technology Mgmt

E. Performance Metrics

This PE funds operating costs for ONR's mission. Program performance is measured by attaining financial benchmarks for planned obligations vs. actual obligations and planned expenditures vs. actual expenditures.

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Appropriation/Budget Activity 1319 / 6					R-1 Program Element (Number/Name) PE 0605861N / RDT&E Science & Tech Mgmt				Project (Number/Name) 2353 / DFAS Billings			
COST (\$ in Millions)	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	Cost To Complete	Total Cost
2353: DFAS Billings	-	1.409	2.332	1.695	-	1.695	1.820	1.887	1.953	2.007	Continuing	Continuing
Quantity of RDT&E Articles		-	-	-	-	-	-	-	-	-		
A. Mission Description and Budget Item Justification This project provides funding for accounting services provided to the Office of Naval Research and other Navy research and development activities by the Defense Finance and Accounting Service (DFAS).												
B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)							FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	
Title: TRANSACTIONS PROCESSED IN SUPPORT OF DON R&D Articles:							1.409	2.332	1.695	-	1.695	
Description: This project funds the DFAS bill for transactions processed in support of Department of the Navy R&D activities. Specific services include payroll, transportation, commercial invoices, travel, maintenance of trial balances, associated accounting and reporting. The decrease from FY2015 to FY2016 is to align with actuals. FY 2014 Accomplishments: - This project funded the DFAS bill for transactions processed in support of the Department of Navy R&D activities. Specific services include payroll, transportation, commercial invoices, travel and maintenance of trial balances, associated accounting and reporting. FY 2015 Plans: - Continue all efforts of FY 2014. FY 2016 Base Plans: - Continue all efforts of FY 2015 FY 2016 OCO Plans: N/A							-	-	-	-	-	
Accomplishments/Planned Programs Subtotals							1.409	2.332	1.695	-	1.695	
C. Other Program Funding Summary (\$ in Millions) N/A												

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Appropriation/Budget Activity 1319 / 6	R-1 Program Element (Number/Name) PE 0605861N / RDT&E Science & Tech Mgmt	Project (Number/Name) 2353 / DFAS Billings
C. Other Program Funding Summary (\$ in Millions)		
Remarks		
D. Acquisition Strategy Not applicable.		
E. Performance Metrics This PE funds operating costs for ONR's mission. Program performance is measured by attaining financial benchmarks for planned obligations vs. actual obligations and planned expenditures vs. actual expenditures.		

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Appropriation/Budget Activity 1319 / 6					R-1 Program Element (Number/Name) PE 0605861N / RDT&E Science & Tech Mgmt				Project (Number/Name) 3234 / Office of Naval Research - N-ERP			
COST (\$ in Millions)	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	Cost To Complete	Total Cost
3234: Office of Naval Research - N-ERP	-	1.102	1.160	1.168	-	1.168	1.201	1.230	1.261	1.287	Continuing	Continuing
Quantity of RDT&E Articles		-	-	-	-	-	-	-	-	-		
A. Mission Description and Budget Item Justification This project provides funding to support the site implementation costs for the Office of Naval Research transition to Navy's Enterprise Resource Planning (ERP) and to administratively track this continuing effort.												
B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)												
							FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	
Title: OFFICE OF NAVAL RESEARCH NAVY ERP							1.102	1.160	1.168	-		1.168
Articles:							-	-	-	-		-
Description: This project funds N-ERP implementation and sustainment.												
FY 2014 Accomplishments: - Continue N-ERP sustainment efforts.												
FY 2015 Plans: - Continue N-ERP sustainment efforts.												
FY 2016 Base Plans: - Continue N-ERP sustainment efforts.												
FY 2016 OCO Plans: N/A												
Accomplishments/Planned Programs Subtotals							1.102	1.160	1.168	-		1.168
C. Other Program Funding Summary (\$ in Millions) N/A												
Remarks												
D. Acquisition Strategy Not applicable.												

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E. Performance Metrics

This PE funds operating costs for ONR's mission. Program performance is measured by attaining financial benchmarks for planned obligations vs. actual obligations and planned expenditures vs. actual expenditures.

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Appropriation/Budget Activity 1319 / 6					R-1 Program Element (Number/Name) PE 0605861N / RDT&E Science & Tech Mgmt				Project (Number/Name) 3364 / ONR Global Management			
COST (\$ in Millions)	Prior Years	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total	FY 2017	FY 2018	FY 2019	FY 2020	Cost To Complete	Total Cost
3364: ONR Global Management	-	4.450	4.533	4.596	-	4.596	4.657	4.716	4.806	4.913	Continuing	Continuing
Quantity of RDT&E Articles		-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification
 This project funds ONR field salaries, communications, and other fixed costs. Functions performed support ONR Navy-wide responsibilities in the negotiation and establishment of indirect cost rates for DoD-assigned universities and performance of contract administration for all DoD contracts/grants at all colleges and universities.

B. Accomplishments/Planned Programs (\$ in Millions, Article Quantities in Each)	FY 2014	FY 2015	FY 2016 Base	FY 2016 OCO	FY 2016 Total
Title: ONR Global	4.450	4.533	4.596	-	4.596
Articles:	-	-	-	-	-
FY 2014 Accomplishments: - This project provides for all basic costs of ONR field activities in support of the entire Navy S&T program.					
FY 2015 Plans: - Continue all efforts of 2014.					
FY 2016 Base Plans: - Continue all efforts of FY 2015					
FY 2016 OCO Plans: N/A					
Accomplishments/Planned Programs Subtotals	4.450	4.533	4.596	-	4.596

C. Other Program Funding Summary (\$ in Millions)
 N/A

Remarks

D. Acquisition Strategy
 N/A

E. Performance Metrics
 N/A