

Exhibit R-2, RDT&E Budget Item Justification								Date: February 1999		
APPROPRIATION/BUDGET ACTIVITY RDT&E, Defense Wide/Budget Activity 4					R-1 ITEM NOMENCLATURE CALs, The Strategy, PE 0603736D8Z					
COST (\$ in Millions)	1998	1999	2000	2001	2002	2003	2004	2005	Cost to Complete	Total Cost
Total PE Cost	6,172	7,765	1,652	1,623	1,650	1,685	1,720	1,756	Continuing	Continuin
Project A Name/No. & subtotal cost										
Project B Name/No. & subtotal cost										
Project C Name/No. & subtotal cost										
Quantity of RDT&E Articles										

A. Mission Description and Budget Item Justification

(U) **Brief description of element:** CALS is an international core strategy to share integrated digital product data through a set of standards to achieve efficiencies in business and operational mission areas. DoD’s overarching goal in CALS is to develop a seamless defense enterprise in which the knowledge products of the acquisition process are immediately and rapidly accessible to all authorized users while maintaining near immediate currency and quality of information. This desired state is referred to as the “Integrated Data Environment (IDE)”. The IDE (immediate access to quality information) drives many defense-wide and functional-specific reforms and business process improvements. The rapid sharing of information is an implied requisite of Integrated Product and Process Teams, a fundamental process for implementing concurrent engineering and streamlining project management. Digitized information frees logistics support and operator personnel from the burden of cumbersome document or file formats for information processing or presentation – enabling new methods for the performance of maintenance and training tasks based on interactive electronic technologies. This program element is to (1) assess and transition evolving automation technologies into the CALS strategy; (2) develop, maintain and apply to weapon system program office operations an executable business model for the application of CALS and related technologies; (3) integrate technical and functional requirements into a Shared Information Framework of the standards, protocols, procedures, and network management conventions required to achieve compatible implementation of the IDE throughout the international defense enterprise.

(U) **Program Accomplishments and Plans:**

(U) **FY 1998 Accomplishments:**

- Supported Joint Service initiatives for Business Process Improvements (BPI) using CALS technology. Areas of focus were on identifying opportunities for and implementing BPI concepts to establish the Integrated Data Environment (\$1.000 Million)
- Supported a Weapon System Program’s development of an IDE (\$1.147 Million)
- Continued development and update of analytic tools and methods to support the IDE implementations (\$.025 Million)
- Completed Integrated Weapon System Database (IWSDB) technology (\$4.000 Million)

(U) **FY 1999 Plans:**

- Complete Tri-Service IETM architecture (\$4.125 Million)
- Reengineer logistics processes based on CALS technologies (\$1.000 Million)
- Assess integration of CALS technologies with dynamic product models (\$.368 Million)
- Complete development of CALS-based Navy “Telogistics” prototype (\$.120 Million)
- Complete integration of maintenance prognostics and IETM architecture (\$2.152 Million)

(U) FY 2000 Plans:

- Continue to reengineer logistics processes based on CALS technologies (\$.895 Million)
- Employ CALS in developing architectures to govern the modernization of integrated supply chain information systems (\$.757 Million)

(U) FY 2001 Plans:

- Continue to reengineer logistics processes based on CALS technologies (\$.925 Million)
- Continue to employ CALS in developing architectures to govern the modernization of integrated supply chain information systems (\$.698 Million)

(U) B. Program Change Summary:	<u>FY1998</u>	<u>FY1999</u>	<u>FY2000</u>	<u>FY2001</u>	<u>Total Cost</u>
Previous President's Budget	1.916	1.899	1.652	1.623	Continuing
Appropriated Value	9.916	5.866			
Adjustments to Appropriated Value:					
Other (DoD Program Changes)	(3.744)	1.899			
Current Budget Submit/President's Budget	6.172	7.765	1.652	1.623	Continuing

(U) Change Summary Explanation:

(U) Funding: The changes in FYs 1998 and 1999 are due to below threshold program adjustments.

(U) Schedule: Not Applicable

(U) Technical: Not Applicable

(U) **C. Other Program Funding Summary:** Not Applicable

(U) **D. Acquisition Strategy:** Not Applicable

(U) **E. Schedule Profile:** Not Applicable

UNCLASSIFIED

Exhibit R-3 Cost Analysis (page 1)									Date: February 1999			
APPROPRIATION/BUDGET ACTIVITY 4			PROGRAM ELEMENT 0603736D8Z						CALs, The Strategy			
Cost Categories (Tailor to WBS, or System/Item Requirements)	Contract Method & Type	Performing Activity & Location	Total 1998 Cost	1999 Cost	1999 Award Date	2000 Cost	2000 Award Date	2001 Cost	2001 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Primary Hardware Development												
Ancillary Hardware Development												
Systems Engineering												
Licenses												
Tooling												
GFE												
Award Fees												
Subtotal Product Development												
Remarks:												
Development Support			4.725	6.645		1.652		1,623		Continuing		
Software Development												
Training Development			.515									
Integrated Logistics Support			.465									
Configuration Management			.467									
Technical Data				.120								
Business Process Improvements				1.000								
Subtotal Support			6.172	7.765		1.652		1,623		Continuing		
Remarks												

UNCLASSIFIED

Exhibit R-3 Cost Analysis (page 2)										Date: February 1999		
APPROPRIATION/BUDGET ACTIVITY 4				PROGRAM ELEMENT 0603736D8Z						CALs, The Strategy		
Cost Categories (Tailor to WBS, or System/Item Requirements)	Contract Method & Type	Performing Activity & Location	Total 1998 Cost	1999 Cost	1999 Award Date	2000 Cost	2000 Award Date	2001 Cost	2001 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Developmental Test & Evaluation												
Operational Test & Evaluation												
Tooling												
GFE												
Subtotal T&E												
Remarks												
Contractor Engineering Support												
Government Engineering Support												
Program Management Support												
Program Management Personnel												
Travel												
Labor (Research Personnel)												
Overhead												
Subtotal Management												
Remarks												
Total Cost			6.172	7.765		1.652		1.623		Continuing		
Remarks												