

## UNCLASSIFIED

<b>Exhibit R-2, RDT&amp;E Budget Item Justification</b>					<b>DATE:</b> February 2005				
<b>APPROPRIATION/BUDGET ACTIVITY</b> RDT&E, Defense-Wide/05					<b>R-1 ITEM NOMENCLATURE</b> Electronic Commerce / PE 0305840K				
<b>COST (in millions)</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	
Electronic Commerce/EC01	5.909	3.379	6.698	3.626	3.637	3.658	3.794	3.933	

**A. Mission Description and Budget Item Justification:**

This program supports initiatives to increase the application of Electronic Business/Electronic Commerce (EB/EC) across the Department of Defense (DoD). Program funding is being reduced due to a transition from a development to a sustainment posture. This program element is under Budget Activity 5 because it involves the development of upgrades that increase the functional performance of the existing eBusiness systems.

	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>
Subtotal Cost	4.035	1.618	4.835	1.787

Wide Area Workflow (WAWF) -WAWF was designed to eliminate paper from the receipts and acceptance process of the DoD contracting lifecycle. The goal is to enable authorized Defense contractors and DoD personnel the ability to create invoices and receiving reports and access contract related documents. The contract is available through a seamless interface with Electronic Document Access (EDA). WAWF supports DoD's efforts to reduce unmatched disbursements in the DoD receipt, acceptance, entitlement, and payment process through data sharing and electronic processing. The benefits to DoD are global accessibility of documents, reduced need for re-keying, improved data accuracy, real-time processing, secure transactions with audit capability and faster processing resulting in fewer interest penalties. For vendors, benefits include the capability to electronically submit invoices, reduction of lost or misplaced documents, and online access to contract payment records.

**Accomplishments and Planned enhancements are as follows:**

FY 2004: Release 3.0.1 - 3.0.5 provided eInvoicing enhancements and system upgrades.

FY 2005: Release 3.0.6 - 3.0.8 to provide additional interfaces to logistics, DCAA, and continued sustainment.

FY 2006: Release 3.0.9 - 3.0.13 expands to other Federal customers as appropriate. Continued sustainment.

FY 2007: Release 4.0 - 4.x expands to other Federal customers as appropriate. Continued sustainment.

	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>
Subtotal Cost	1.874	1.761	1.863	1.839

System/Program Testing and Analysis - The DISA Electronic Commerce Infrastructure consists of multiple systems developed for multiple organizations by multiple vendors. These individual systems are integrated into the Electronic Commerce Infrastructure. The Joint Interoperability Test Command (JITC) performs testing ranging from developmental, system/integration, Operational Acceptance Testing (OAT), database conversion, migration, validation, stress, performance, load, Common Access Card (CAC), Section 508 compliance/accessibility testing and end-to-end in support of

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all releases and patches for eBusiness applications. The JITC supports DoD Electronic Business Exchange (DEBX), Electronic Document Access (EDA), Central Contractor Registration (CCR), WAWF, and the Federal Technical Data Solutions (FedTeDs). JITC also provides assistance in trouble-shooting issues that arise in deployed applications. Additionally, JITC provides service, that include configuration management support, help desk support, and business support.

Accomplishments and Planned Enhancements are as follows:

**FY 2004:** Continued application testing as required by the Program Managers (PM) and the EB/EC Program Office along with WAWF vendor testing.

**FY 2005, FY 2006, and FY 2007:** JITC will provide end-to-end integrated operational testing for all major eBusiness applications to include DEBX, EDA, WAWF, CCR and FedTeDS.

B. Program Change Summary:

	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>
Previous President's Budget	7.137	3.466	3.617	3.592
Current Submission	5.909	3.379	6.698	3.626
Total Adjustments	-1.228	-.087	+3.081	-0.034

Change Summary Explanation:

FY 2004 adjustment is due to below threshold reprogramming.

FY 2005, FY 2006 and FY 2007 changes are due to revised fiscal guidance.

C. Other Program Funding Summary:

	<u>FY 04</u>	<u>FY 05</u>	<u>FY 06</u>	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>	<u>FY 10</u>	<u>FY 11</u>	<u>To Complete</u>	<u>Total Cost</u>
O&M, DW	20.602	21.212	20.192	20.968	21.629	22.474	20.142	20.421	Contg	Contg

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<b>COST (in millions)</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	
Electronic Commerce/EC01	5.909	3.379	6.698	3.626	3.637	3.658	3.794	3.933	

D. Acquisition Strategy: Various types of contracting vehicles are utilized in accomplishing the overall mission objectives. Several vendors provide analysis and development of system interoperability to legacy systems, thus eliminating the duplication of effort and functions. Both large and small businesses have been put on contract to support eBusiness applications and eBusiness engineering. All of these efforts will allow DoD to improve business efficiency by drastically reducing processing time and the amount of paper received, processed, and stored.

E. Performance Metrics:

Initially, because the emphasis was on rapid transition from prototype to operating environment, early focus was on prototype, production, and functionality rather than program performance. However, the intent was to migrate to a more formal program management process once WAWF matured as a product while still maintaining the tenets of streamlined evolutionary acquisition. Currently, with each fiscal year, a prioritized list of requirements is developed and agreed to by the WAWF Joint Requirements Board (JRB). The JRB has representatives from the military Services and DoD agencies. Based on the list of requirements, a WAWF overall schedule is produced which includes integration activities with other EB applications, and it identifies products and milestones. A detailed work breakdown structure is then developed internal to each WAWF contractor. Fiscal year funds are allocated to contractors based on the amount of work scheduled per quarter or per year and appropriate Statements of Work are written. WAWF Program Management hosts monthly integration meetings to ensure that all integrating applications are meeting assigned target goals. This is our first step towards an integrated performance management approach. WAWF Program Office reviews monthly status reports that charts budgeted costs against actual costs. WAWF Program Office also provides monthly status updates to JRB members, where some requirements are then "fine tuned" or changed and hence, these changes are recorded and appropriate cost/schedule impact is reviewed.

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Exhibit R-3 Cost Analysis						DATE: February 2005						
APPROPRIATION/BUDGET ACTIVITY			PROGRAM ELEMENT				PROJECT NAME AND NUMBER					
RDT&E, Defense-Wide/05			Electronic Commerce / PE 0305840K				Electronic Commerce/EC01					
Cost Category	Contract Method & Type	Performing Activity & Location	Total Pys Cost	FY 05 Cost	FY 05 Award Date	FY 06 Cost	FY 06 Award Date	FY 07 Cost	FY 07 Award Date	Cost to Complete	Total Cost	Target Value of Contract
Wide Area Workflow-RA	PR	CACI Inc. Chantilly VA, Jacksonville, FL	3.533	2.125	10/04	4.835	10/05	1.787	10/06	Contg	12.280	12.280
Wide Area Workflow-INT	PR	Science Applications International Corporation (SAIC) Falls Church, VA	1.200	0.000	N/A	0.000	N/A	0.000	N/A	0	1.200	1.200
Wide Area Workflow Training	PR	Concurrent Technology Corp. (CTC) Seminole, FL	0.267	0.000	N/A	0.000	N/A	0.000	N/A	0	0.267	0.267
	PR	NGIT Reston, VA	0.582	0.000	N/A	0.000	N/A	0.000	N/A	0	0.582	0.582
	PR	Merlin	0.305	0.000	N/A	0.000	N/A	0.000	N/A	0	0.305	0.305
JITC	MIPR	JITC Ft Huachuca, AZ	0.022	1.254	10/04	1.863	10/05	1.839	10/06	Contg	4.978	4.978
TOTAL			5.909	3.379		6.698		3.626				



Exhibit R-4a Schedule Detail		DATE: February 2005							
APPROPRIATION/BUDGET ACTIVITY	PROGRAM ELEMENT	PROJECT NAME AND NUMBER							
RDT&E, Defense-Wide/05	Electronic Commerce / PE 0305840K	Electronic Commerce / EC01							
<u>Schedule Profile</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>	<u>FY 2010</u>	<u>FY 2011</u>	
<u>DEVELOPMENT TECHNICAL TESTING</u>									
SYS/PROG T&A - Application Test and Analysis	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	
SYS/ PROG T&A - Integration Test and Analysis	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	
<u>PRODUCT IMPROVEMENT</u>									
Wide Area Work Flow (WAWF)	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	1-4Q	