

**UNCLASSIFIED**

PE NUMBER: 0901538F

PE TITLE: Financial Management Information Systems (FMIS)

<b>Exhibit R-2, RDT&amp;E Budget Item Justification</b>	DATE <b>February 2008</b>
---	------------------------------

<b>BUDGET ACTIVITY</b> <b>07 Operational System Development</b>	<b>PE NUMBER AND TITLE</b> <b>0901538F Financial Management Information Systems (FMIS)</b>
--	---

Cost (\$ in Millions)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	Cost to Complete	Total
Total Program Element (PE) Cost	25.408	36.836	31.782	19.314	0.000	0.000	0.000	Continuing	TBD
5036 Financial Information Resource System (FIRST)	15.371	4.381	4.458	4.261	0.000	0.000	0.000	Continuing	TBD
5179 Defense Enterprise Accounting Management System - AF (DEAMS)	10.037	32.455	27.324	15.053	0.000	0.000	0.000	Continuing	TBD

**(U) A. Mission Description and Budget Item Justification**

The Financial Information Resource System (FIRST) is a software effort that will provide an integrated, modern, seamless financial management system capability that enables authorized users (from Air Staff to MAJCOM level) to plan, program, and formulate their budgets. FIRST is ultimately envisioned to be the foundation for the Air Force (AF) planning, programming, and budgeting system. FIRST is being developed using the spiral development approach and maximizes use of commercial-off-the-shelf (COTS) products. The Budget Formulation (BF) increment capability supports force programming, formulation of budget requirements and deliberation of budget options, budget justification processes, and documentation. FIRST BF encompasses the budget exercise process, which affects all organizational levels, and is based on core financial and selected program information used to build the AF budget. The intent of FIRST is to provide the capability necessary to eventually replace the Automated Budget Interactive Data Environment System (ABIDES), Resource Allocation Programming Information Decision System (RAPIDS), and the Program Data System (PDS). FIRST will comply with: the Clinger-Cohen Act; the Business Enterprise Architecture (BEA); Chief Financial Officer (CFO) Act; DoD Information Technology Standards Registry (DISR) guidelines, and; Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance (C4ISR) guidelines. FIRST will be integrated into the GCSS-AF architecture.

Defense Enterprise Accounting Management System (DEAMS) is a commercial-off-the-shelf (COTS) based software configuration effort that will provide a modern accounting and finance system. DEAMS will replace existing accounting and finance legacy systems to provide core funds execution management functions consistent with financial management laws, regulations and policy, general ledger, funds management, payments, receivables, cost and revenues, and fiduciary reporting. The AF increment will build on a USTRANSCOM technology demonstration to include AF investment funding, commitment accounting, cost accounting, Foreign Military Sales (FMS) accounting, AF Working Capital Fund (AFWCF) management and contingency operations management. DEAMS will be compliant with the Clinger-Cohen Act, Business Enterprise Architecture (BEA), and integrate into Global Combat Support System-Air Force (GCSS-AF).

This program is in Budget Activity 7, Operational System Development, because the program modernizes Automated Information Systems (AIS).

Exhibit R-2, RDT&E Budget Item Justification

DATE

February 2008

BUDGET ACTIVITY

07 Operational System Development

PE NUMBER AND TITLE

0901538F Financial Management Information Systems (FMIS)

(U) **B. Program Change Summary (\$ in Millions)**

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) Previous President's Budget	27.425	47.105	32.047
(U) Current PBR/President's Budget	25.408	36.836	31.782
(U) Total Adjustments	-2.017	-10.269	
(U) Congressional Program Reductions		-10.033	
Congressional Rescissions		-0.236	
Congressional Increases			
Reprogrammings	-1.400		
SBIR/STTR Transfer	-0.617		
(U) <u>Significant Program Changes:</u>			
FY 2008 funds were reduced by Congress due to DEAMS Contract Award delay.			

## Exhibit R-2a, RDT&amp;E Project Justification

DATE

February 2008

BUDGET ACTIVITY				PE NUMBER AND TITLE			PROJECT NUMBER AND TITLE		
<b>07 Operational System Development</b>				<b>0901538F Financial Management Information Systems (FMIS)</b>			<b>5036 Financial Information Resource System (FIRST)</b>		
Cost (\$ in Millions)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	Cost to Complete	Total
5036 Financial Information Resource System (FIRST)	15.371	4.381	4.458	4.261	0.000	0.000	0.000	Continuing	TBD
Quantity of RDT&E Articles	0	0	0	0	0	0	0		

**(U) A. Mission Description and Budget Item Justification**

The Financial Information Resource System (FIRST) is a software effort that will provide an integrated, modern, seamless financial management system capability that enables authorized users (from Air Staff to MAJCOM level) to plan, program, and formulate their budgets. FIRST is ultimately envisioned to be the foundation for the Air Force (AF) planning, programming, and budgeting system. FIRST is being developed using the spiral development approach and maximizes use of commercial-off-the-shelf (COTS) products. The Budget Formulation (BF) increment capability supports force programming, formulation of budget requirements and deliberation of budget options, budget justification processes, and documentation. FIRST BF encompasses the budget exercise process, which affects all organizational levels, and is based on core financial and selected program information used to build the AF budget. The intent of FIRST is to provide the capability necessary to eventually replace the Automated Budget Interactive Data Environment System (ABIDES), Resource Allocation Programming Information Decision System (RAPIDS), and the Program Data System (PDS).

FIRST will comply with: the Clinger-Cohen Act; the Business Enterprise Architecture (BEA); Chief Financial Officer (CFO) Act; DoD Information Technology Standards Registry (DISR) guidelines, and; Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance (C4ISR) guidelines. FIRST will be integrated into the GCSS-AF architecture.

The BF increment includes three spirals as well as planned follow on capabilities. Spiral One was deployed on the GCSS-AF and provided data query and reporting capability (to include trend and statistical analysis). Spiral Two and Three were combined and a Pilot was deployed to the GCSS-AF in June 2007 which enabled the user to conduct an operational assessment of key budget options and deliberation functions as well as selected force programming capabilities. Spiral Two/Three will provide budget programming, budget requirement formulation, budget option deliberation, force programming, flying hour cost modeling, civilian personnel cost modeling and exhibits, interfaces to related systems, and electronic submission of budget to OSD. Post-Spiral Two/Three efforts will implement customer-identified enhancements to enable replacement of legacy budget and force programming systems. Follow on plans expected to be baselined by the customer in FY 2008 consist of post-FOC changes to address the future evolution of the budget process such as Standard Financial Information Structure (SFIS) and replacement of legacy budget justification systems.

**(U) B. Accomplishments/Planned Program (\$ in Millions)**

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) Application Development & Test for Budget Formulation (BF) Increment capability	11.234	3.381	0.000
(U) Future Evolution	0.000	0.000	3.240
(U) Integration/Support/Analysis ( Includes Program Management Spt, GCSS-AF Test & Integration, Government Independent Test & Assessment (JITC), and Responsible Test Organization (RTO))	4.137	1.000	1.218
(U) Total Cost	15.371	4.381	4.458

R-1 Line Item No. 232

Page-3 of 11

Project 5036

Exhibit R-2a (PE 0901538F)

2071

**Exhibit R-2a, RDT&E Project Justification**

DATE

**February 2008**

BUDGET ACTIVITY <b>07 Operational System Development</b>	PE NUMBER AND TITLE <b>0901538F Financial Management Information Systems (FMIS)</b>	PROJECT NUMBER AND TITLE <b>5036 Financial Information Resource System (FIRST)</b>
---	--	---

**(U) C. Other Program Funding Summary (\$ in Millions)**

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Cost to</u>	<u>Total Cost</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Complete</u>	
(U) Other Procurement, AF (PE 0901538F)	0.782	0.808	0.829	0.849	0.864	0.880	0.898	Continuing	TBD
(U) O&M, AF (PE 0308610F)	1.076	3.695	3.765	3.269	2.888	3.974	4.062	Continuing	TBD

**(U) D. Acquisition Strategy**

The FIRST program will execute an incremental delivery of budget formulation and force programming capability that enables legacy system replacement. FIRST capability is being developed using the existing Cost Plus Award Fee (CPAF) contract. Follow on Future Evolution work will be awarded through full and open competition.

UNCLASSIFIED

**Exhibit R-3, RDT&E Project Cost Analysis**

DATE

**February 2008**

<b>BUDGET ACTIVITY</b> <b>07 Operational System Development</b>	<b>PE NUMBER AND TITLE</b> <b>0901538F Financial Management Information Systems (FMIS)</b>	<b>PROJECT NUMBER AND TITLE</b> <b>5036 Financial Information Resource System (FIRST)</b>
--	---	--

(U) <u>Cost Categories</u> (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	<u>Contract Method &amp; Type</u>	<u>Performing Activity &amp; Location</u>	<u>Total Prior to FY 2007 Cost</u>	<u>FY 2007 Cost</u>	<u>FY 2007 Award Date</u>	<u>FY 2008 Cost</u>	<u>FY 2008 Award Date</u>	<u>FY 2009 Cost</u>	<u>FY 2009 Award Date</u>	<u>Cost to Complete</u>	<u>Total Cost</u>	<u>Target Value of Contract</u>
(U) <u>Product Development</u> Application Development and Test for BF & Future Evolution Subtotal Product Development Remarks:	C/CPAF	Accenture, Fairborn, Ohio	65.316	11.234	Jan-07	3.381	Nov-07	3.240	Nov-08	Continuing	TBD	83.171
(U) <u>Test &amp; Evaluation</u> GCSS-AF Integration	C/CPAF	LM. Fairborn, Ohio		1.550	Jan-07	0.300	Dec-07	0.300	Dec-08	Continuing	TBD	TBD
Joint Interoperability Test Center (JITC)	MIPR	JITC, Fort Huachuca, Arizona		0.110	Jan-07	0.050	Oct-07	0.050	Oct-08	Continuing	TBD	TBD
Responsible Test Organization (RTO)	MIPR	643 ELSS/EIRT, Gunter AFB, AI		0.176	Jan-07	0.045	Jan-08	0.045	Jan-09	Continuing	TBD	TBD
Capabilities Integration Environment (CIE)	MIPR	643 ELSS/EIRT, Gunter AFB, AI		0.100	Apr-07	0.050	Apr-08	0.050	Apr-09	Continuing	TBD	TBD
Subtotal Test & Evaluation Remarks:			0.000	1.936		0.445		0.445		Continuing	TBD	TBD
(U) <u>Program Management Activities</u> A&AS Support	C/LOE	Quantech/Engility		1.368	Jan-07	0.255	Jan-08	0.473	Jan-09	Continuing	TBD	TBD
Program Office Spt	Various	Various		0.833	Jan-07	0.300	Oct-07	0.300	Oct-08	Continuing	TBD	TBD
Subtotal Program Management Activities Remarks:			0.000	2.201		0.555		0.773		Continuing	TBD	TBD
(U) Total Cost			65.316	15.371		4.381		4.458		Continuing	TBD	TBD

Exhibit R-4, RDT&E Schedule Profile

DATE  
February 2008

BUDGET ACTIVITY  
07 Operational System Development

PE NUMBER AND TITLE  
0901538F Financial Management  
Information Systems (FMIS)

PROJECT NUMBER AND TITLE  
5036 Financial Information Resource  
System (FIRST)



U.S. AIR FORCE

# FIRST SCHEDULE

Fiscal Year	FY07				FY08				FY09				FY10				FY11				FY12				FY13			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
<b>Budget Formulation (BF)</b>																												
Complete BF Pilot (Operational Assessment - Force Planning, Budget Options)			▲																									
Complete BF Spiral 2/3 (Budget Formulation, Integration and Cost Modeling)						△	☆																					
BF Spiral 2/3 IOC								△																				
BF Spiral 2/3 FOC											△																	
<b>Future Evolution</b>																												
<b>Integration/Support/Analysis</b>																												

As of 07 Jan 2008

- ☆ Major Event or Milestone
- ▬ Planned Ongoing Activity
- ▬ Ongoing Activity that is Complete
- ▲ Completed Event
- △ Planned Task(s)

*Integrity - Service - Excellence*

UNCLASSIFIED

<b>Exhibit R-4a, RDT&amp;E Schedule Detail</b>	DATE <b>February 2008</b>
--	------------------------------

<b>BUDGET ACTIVITY</b> <b>07 Operational System Development</b>	<b>PE NUMBER AND TITLE</b> <b>0901538F Financial Management Information Systems (FMIS)</b>	<b>PROJECT NUMBER AND TITLE</b> <b>5036 Financial Information Resource System (FIRST)</b>
--	---	--

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) <b><u>Schedule Profile</u></b>			
(U) Complete Budget Formulation Pilot	3Q		
(U) Complete Budget Formulation Spiral 2/3 (Milestone C)		3Q	
(U) Budget Formulation Spiral 2/3 IOC		4Q	
(U) Budget Formulation Spiral 2/3 FOC			2Q
(U) Future Evolution			2Q
(U) Integration/Support/Analysis	1-4Q	1-4Q	1-4Q

**Exhibit R-2a, RDT&E Project Justification**

DATE  
**February 2008**

<b>BUDGET ACTIVITY</b> <b>07 Operational System Development</b>				<b>PE NUMBER AND TITLE</b> <b>0901538F Financial Management Information Systems (FMIS)</b>			<b>PROJECT NUMBER AND TITLE</b> <b>5179 Defense Enterprise Accounting Management System - AF (DEAMS)</b>		
Cost (\$ in Millions)	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	Cost to Complete	Total
5179 Defense Enterprise Accounting Management System - AF (DEAMS)	10.037	32.455	27.324	15.053	0.000	0.000	0.000	Continuing	TBD
Quantity of RDT&E Articles	0	0	0	0	0	0	0		

**(U) A. Mission Description and Budget Item Justification**

Defense Enterprise Accounting Management System (DEAMS) is a commercial-off-the-shelf (COTS) based software configuration effort that will provide a modern accounting and finance system. DEAMS will replace existing accounting and finance legacy systems to provide core funds execution management functions consistent with financial management laws, regulations and policy, general ledger, funds management, payments, receivables, cost and revenues, and fiduciary reporting. The AF increment will build on a USTRANSCOM technology demonstration to include AF investment funding, commitment accounting, cost accounting, Foreign Military Sales (FMS) accounting, AF Working Capital Fund (AFWCF) management and contingency operations management. DEAMS will be compliant with the Clinger-Cohen Act, Business Enterprise Architecture (BEA), and integrate into Global Combat Support System-Air Force (GCSS-AF).

**(U) B. Accomplishments/Planned Program (\$ in Millions)**

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) DEAMS Application Development and Test for AF Increment Capability (includes GCSS-AF/DISA hardware)	2.496	12.498	6.077
(U) Integration/Support/Analysis (Includes Independent Verification and Validation (IV&V), Responsible Test Organization (RTO), Capabilities Integration Environment (CIE), Functional Management Office Support, MITRE).	6.998	19.040	20.298
(U) Program Management Office Support	0.543	0.917	0.949
(U) Total Cost	10.037	32.455	27.324

**(U) C. Other Program Funding Summary (\$ in Millions)**

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>Cost to</u>	<u>Total Cost</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Complete</u>	
(U) Transportation Working Capital Fund (TWCF)	10.200	13.019	11.746	20.654	3.532	1.621	1.644	Continuing	TBD
(U) 3400 (PE 38610F)	9.011	5.500	8.130	7.690	28.760	20.700	15.610	Continuing	TBD
(U) 3080 (PE 91538F)	0.000	0.038	1.511	15.549	17.433	17.774	18.125	Continuing	TBD

**(U) D. Acquisition Strategy**

The DEAMS program will execute an incremental delivery of COTS-based accounting and financial management capabilities and subsume non-CFO compliant legacy functionality as capability is delivered. Contracts will be awarded using the fixed price provisions of the DoD Enterprise Software Initiative contracts for COTS applications and System Integration Services Blanket Purchase Agreement.

UNCLASSIFIED

**Exhibit R-3, RDT&E Project Cost Analysis**

DATE

**February 2008**

<b>BUDGET ACTIVITY</b> <b>07 Operational System Development</b>	<b>PE NUMBER AND TITLE</b> <b>0901538F Financial Management Information Systems (FMIS)</b>	<b>PROJECT NUMBER AND TITLE</b> <b>5179 Defense Enterprise Accounting Management System - AF (DEAMS)</b>
--	---	---

<u>(U) Cost Categories</u> (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	<u>Contract Method &amp; Type</u>	<u>Performing Activity &amp; Location</u>	<u>Total</u> <u>Prior to FY</u> <u>2007</u> <u>Cost</u>	<u>FY 2007</u> <u>Cost</u>	<u>FY 2007</u> <u>Award</u> <u>Date</u>	<u>FY 2008</u> <u>Cost</u>	<u>FY 2008</u> <u>Award</u> <u>Date</u>	<u>FY 2009</u> <u>Cost</u>	<u>FY 2009</u> <u>Award</u> <u>Date</u>	<u>Cost to</u> <u>Complete</u>	<u>Total Cost</u>	<u>Target Value</u> <u>of Contract</u>
<u>(U) Product Development</u> DEAMS Application Development and Test for AF Increment Capability GCSS/DISA Hardware	Various	Various		1.495	Mar-07	11.098	Feb-08	4.877	Nov-08	Continuing	TBD	TBD
	MIPR	754 ELSG, Gunter AFB, AL		1.001	Apr-07	1.400	Oct-07	1.200	Oct-08	Continuing	TBD	TBD
Subtotal Product Development Remarks:			0.000	2.496		12.498		6.077		Continuing	TBD	TBD
<u>(U) Test &amp; Evaluation</u> Capabilities Integration Environment (CIE)	MIPR	754 ELSG, Gunter AFB, AL		0.403	Jan-07	0.373	Dec-07	0.386	Dec-08	Continuing	TBD	TBD
Responsible Test Organization (RTO)	MIPR	754 ELSG, Gunter AFB, AL	0.201	0.308	Dec-06	0.322	Dec-07	0.330	Dec-08	Continuing	TBD	TBD
Joint Interoperability Test Center (JITC)	MIPR	JITC, Fort Huachuca, AZ	0.051	0.112	Dec-06	0.419	Dec-07	0.434	Dec-08	Continuing	TBD	TBD
Air Force Operational Test & Evaluation Center (AFOTEC)	MIPR	AFOTEC, Kirtland AFB, NM	0.006	0.099	Oct-06	0.112	Oct-07	0.114	Oct-08	Continuing	TBD	TBD
Independent Verification and Validation (IV&V)	C/T&M	CACI, Fairborn OH	0.961	1.242	Feb-07	4.047	Nov-07	1.000	Nov-08	Continuing	TBD	TBD
Subtotal Test & Evaluation Remarks:			1.219	2.164		5.273		2.264		Continuing	TBD	TBD
<u>(U) Program Management Activities</u> A&AS Support	C/LOE	Various	1.819	3.792	Jan-07	4.055	Dec-07	4.197	Dec-08	Continuing	TBD	TBD
Program Office Support	Various	Various	0.082	0.543	Jan-07	0.917	Oct-07	0.949	Oct-08	Continuing	TBD	TBD
Functional Management Office Support (Change Management, Enterprise Resource Planning, Functional & Acquisition Support, Functional Test Center, Facilities, Strategic Communications)	Various	Various		0.000		8.277	Oct-07	12.352	Oct-08	Continuing	TBD	TBD
MITRE	MIPR	MITRE, FFRDC, Hanscom AFB, MA	0.471	1.042	Jan-07	1.435	Nov-07	1.485	Nov-08	Continuing	TBD	TBD
Subtotal Program Management Activities Remarks:			2.372	5.377		14.684		18.983		Continuing	TBD	TBD
<u>(U) Total Cost</u>			3.591	10.037		32.455		27.324		Continuing	TBD	TBD

R-1 Line Item No. 232

Page-9 of 11

Project 5179

Exhibit R-3 (PE 0901538F)

2077

UNCLASSIFIED

Exhibit R-4, RDT&E Schedule Profile

DATE

February 2008

BUDGET ACTIVITY  
07 Operational System Development

PE NUMBER AND TITLE  
0901538F Financial Management  
Information Systems (FMIS)

PROJECT NUMBER AND TITLE  
5179 Defense Enterprise Accounting  
Management System - AF (DEAMS)



U.S. AIR FORCE

# DEAMS AF Schedule

Fiscal Year	FY 07				FY 08				FY 09				FY 10				FY 11				FY12-FY13			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
AF Inc 2 MS A							*																	
AF Inc 2 SI Award									*															
AF Inc 2 Sys Dev Blueprinting																								
AF Inc 2 Sys Dev MS B											*													
AF Inc 2 Sys Dev Spiral 4 Commitment Accounting / General Funds (Cut-Over/Trans)																								
AF Inc 2 Sys Dev Spiral 5 FMS, Cost Accounting, Contingency Operations (Cut-Over/Trans)																								
AF Inc 2 FDDR																			*					
Integration/Support/Analysis																								

Legend:

-  Completed Event
-  Future Event
-  Key Event/Milestone
-  Capability Delivery

As of 07 Jan 08

Note: Schedule notional-subject to BCL/ERAM impacts and contract award

*Integrity - Service - Excellence*

Exhibit R-4a, RDT&E Schedule Detail

DATE

February 2008

BUDGET ACTIVITY <b>07 Operational System Development</b>	PE NUMBER AND TITLE <b>0901538F Financial Management Information Systems (FMIS)</b>	PROJECT NUMBER AND TITLE <b>5179 Defense Enterprise Accounting Management System - AF (DEAMS)</b>
---	--	--

(U) <u>Schedule Profile</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
(U) AF Inc 2 MS A		3Q	
(U) AF Inc 2 SI Award			1Q
(U) AF Inc 2 Sys Dev Blueprinting			2-4Q
(U) Integration/Support/Analysis	1-4Q	1-4Q	1-4Q
(U) AF Increment 2 System Development MS B			4Q