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<b>Exhibit R-2, RDT&amp;E Budget Item Justification</b>				Date: February 2008			
APPROPRIATION/BUDGET ACTIVITY RDT&E, Defense-Wide/07				R-1 ITEM NOMENCLATURE DISA Mission Support Operations/PE 0303148K			
Cost (\$ in millions)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
DISA Standard Finance and Accounting System/DE01	0.040	0.000	2.181	1.219	0.000	0.000	0.000

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

The Chief Financial Executive/Comptroller (CFE) Directorate's mission is to ensure that decision makers have accurate, timely, reliable, and useful financial information needed to make sound business decisions. This information must be provided in a cost-effective manner that supports the planning, engineering, acquisition, and implementation of Global Net-centric solutions as well as support the Global Information Grid. The directorate serves as the principal financial advisor to the Agency's Director; develops financial strategies; develops and controls the formulating budget submissions process; ensures financial controls are in place and operating effectively; conducts economic analysis, cost estimating, and program and organizational assessments; and provides financial services support to DISA's various lines of business. CFE also provides financial management guidance and oversight for the efficient and effective use of DISA resources as well as composes the annual Agency-wide financial statements.

The Defense Agencies Initiative (DAI) is an approved Defense Business Systems Management Council (DBSMC) initiative to transform Department of Defense Civilian Agency financial management systems in an effort to achieve auditable financial data. This effort seeks not to update existing legacy systems, but to provide an implementation of integrated financial management capabilities that will subsume many systems and standardize business processes. It will transform the budget, finance, and accounting operations of the Defense Agencies to achieve accurate and reliable financial information in support of financial accountability and effective and efficient decision making. The system, once implemented will provide a real time, web-based system of integrated business processes that can be used by Defense Agency financial managers, auditors, and the Defense Finance and Accounting Service (DFAS) to make sound business decisions to support the warfighter. The system will also address and correct various financial management material weaknesses and deficiencies noted within DISA. DAI will serve as a single financial management system that supports both the Defense Working Capital Fund (DWCF) and General Fund (GF) operations of DISA.

Accomplishments/Planned Program:

Accounting System	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Subtotal Cost	0.040	0.000	2.181

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RDT&E dollars are required to conduct testing, certification, interface development, and system upgrades of the DISA Standard Finance and Accounting System (DSFAS). DSFAS is a Commercial-Off-the-Shelf (COTS) software that will replace DISA's existing accounting systems: Washington Headquarters Services Allotment Accounting System (WAAS), Financial Accounting Management Information System - Computing Services (FAMIS-CS); Financial Accounting Management Information System - Telecommunication Services and Enterprise Acquisition Services (FAMIS-TSEAS). DSFAS will comply with the DoD Enterprise Architecture and will be Joint Financial Management Improvement Plan (JFMIP) certified.

**B. Program Change Summary:**

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
FY 2008 President's Budget	1.219	0.000	1.174
FY 2009 President's Budget	0.040	0.000	2.181
Total Adjustments	-1.179	0.000	1.007

Change Summary Explanation: FY 2007 change due to transfer of funds to the Business Transformation Agency for DAI financial management system. FY 2009 increase supports the interface development and testing requirements to meet the implementation and certification milestones.

**C. Other Program Funding Summary:**

	<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>	To <u>Complete</u>	Total <u>Cost</u>
Procurement, DW	0.812	0.000	0.000	0.000	0.000	0.000	0.000	.812	.812
O&M, DW	170.788	143.951	150.805	152.575	143.102	132.560	132.210	Cont'g	Cont'g

**D. Acquisition Strategy:** The overall strategy is based upon the fundamental premise that COTS products will continue their evolution through the constant refresh of commercial technology. To maintain an interoperable system, DSFAS will use a single contractor as an overall integrator. Additionally, DSFAS will utilize other contract vehicles within DISA

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to acquire additional equipment and services to support the implementation of DSFAS.

**E. Performance Metrics:** DSFAS will be measured by how successfully it reduces the number of financial audit findings with the end result of obtaining a clean audit opinion. DSFAS will also be measured by how well it supports the DISA Balanced Scorecard Strategy to provide greater transparency, quality and timeliness of financial information.

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<b>Exhibit R-3 RDT&amp;E Cost Analysis</b>		Date: February 2008
APPROPRIATION/BUDGET ACTIVITY RDT&E, Defense-Wide/07	PROGRAM ELEMENT PE 0303148K	PROJECT NAME AND NUMBER DISA Standard Finance and Accounting System/DE01

<u>Cost Category</u>	<u>Contract Method &amp; Type</u>	<u>Performing Activity &amp; Location</u>	<u>Total PY Cost (\$000)</u>	<u>FY07 Cost (\$000)</u>	<u>FY07 Award Date</u>	<u>FY08 Cost (\$000)</u>	<u>FY08 Award Date</u>	<u>FY09 Cost (\$000)</u>	<u>FY09 Award Date</u>	<u>Cost to Complete (\$000)</u>	<u>Total Cost (\$000)</u>	<u>Target Value of Contract</u>
Interface Development	TBD	TBD	0.000	0.040	TBD	0.000	N/A	2.181	TBD	Cont'g	Cont'g	2.221
Congressional Add			6.000	0.000	N/A	0.000	N/A	0.000	N/A	0.000	0.000	6.000
TOTAL			6.000	0.040		0.000		2.181				

DISA is currently collaborating with the DoD Business Transformation Agency as they have control of the schedule.

R-1 Line Item No. 186

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Exhibit R-4, RDT&E Program Schedule Profile																Date: February 2008																															
Appropriation/Budget Activity RDT&E, Defense-Wide, 07																Program Element Number and Name PE 0303148K, DISA Mission Support Operations																Project Number and Name DE01, DISA Standard Finance and Accounting System															
Fiscal Year	2007				2008				2009				2010				2011				2012				2013																						
	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																			
Interface Development									▲	▲	▲	▲	▲	▲	▲	▲																															

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<b>Exhibit R-4a, RDT&amp;E Program Schedule Detail</b>		Date: February 2008
APPROPRIATION/BUDGET ACTIVITY RDT&E, Defense-Wide/07	PROGRAM ELEMENT NUMBER AND NAME PE 0303148K/DISA Mission Support Operations	PROJECT NUMBER AND NAME DE01/DISA Standard Finance and Accounting System

<u>Schedule Profile</u>	<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>
Interface Development		4Q	1Q - 4Q	1Q - 4Q			