

UNCLASSIFIED

PE NUMBER: 0901538F

PE TITLE: Financial Management Information Systems (FMIS)

Exhibit R-2, RDT&E Budget Item Justification	DATE May 2009
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BUDGET ACTIVITY 07 Operational System Development	PE NUMBER AND TITLE 0901538F Financial Management Information Systems (FMIS)
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Cost (\$ in Millions)	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost to Complete	Total
Total Program Element (PE) Cost	28.635	16.737	55.991	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
5036 Financial Information Resource System (FIRST)	8.372	4.446	12.110	0.000	0.000	0.000	0.000	0.000	0.000	TBD
5179 Defense Enterprise Accounting Management System - AF (DEAMS)	20.263	12.291	43.881	0.000	0.000	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 development effort to build a single system for programming and budget formulation that will allow the sunset of the Program Data System (PDS), Automated Budget Interactive Data Environment System (ABIDES) and Resource Allocation Programming Information Decision System (RAPIDS) legacy systems not later than FY14. The Budget Formulation (BF) 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. In this budget, FIRST will provide the capability necessary to eventually replace the Program Data System (PDS). SAF/FMP will identify the capabilities in a strategic plan to complete budget formulation. 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.

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 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). Activities also include studies and analysis to support both current program planning and execution and future program planning.

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

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

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) Previous President's Budget	36.836	31.782	19.314
(U) Current PBR/President's Budget	28.635	16.737	55.991
(U) Total Adjustments	-8.201	-15.045	
(U) Congressional Program Reductions		-15.000	
Congressional Rescissions		-0.045	
Congressional Increases			
Reprogrammings	-7.373		
SBIR/STTR Transfer	-0.828		

(U) **Significant Program Changes:**

FY 2008 decrease to fund higher Air Force priorities. FY 2009 Congressional reduction of \$15M due to DEAMS program delay. FY 2010 increase required to fund functional design changes that will increase associated hardware and software costs.

Exhibit R-2a, RDT&E Project Justification

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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)		
Cost (\$ in Millions)	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost to Complete	Total
5036 Financial Information Resource System (FIRST)	8.372	4.446	12.110	0.000	0.000	0.000	0.000	0.000	0.000	TBD
Quantity of RDT&E Articles	0	0	0	0	0	0	0	0		

(U) A. Mission Description and Budget Item Justification

The Financial Information Resource System (FIRST) is a software development effort to build a single system for programming and budget formulation that will allow the sunset of the Program Data System (PDS), Automated Budget Interactive Data Environment System (ABIDES) and Resource Allocation Programming Information Decision System (RAPIDS) legacy systems not later than FY14. The Budget Formulation (BF) 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. FIRST will provide the capability necessary to eventually replace the Program Data System (PDS). SAF/FMP will identify the capabilities in a strategic plan to complete budget formulation. Activities also include studies and analysis to support both current program planning and execution and future program planning.

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.

The BF increment includes three spirals. Spiral One was deployed on the GCSS-AF Integration Framework 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, deployed in February 2008, provided partial 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. Remaining Spiral Two/Three efforts (renamed to Increment I PDS to provide clearer insight into the current development activity) will implement customer-identified enhancements to enable replacement of legacy PDS. Follow on plans will be based on the SAF/FMP budget formulation strategic plan. In accordance with DoDI 8500.2, Information Assurance activities are broken out for FY09-FY10.

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

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) Application Development & Test for Budget Formulation (BF) Spiral 2/Spiral 3 capability (delployed partial capability in Feb 08)	1.639		
(U) Application Development & Test for Increment I (PDS)	2.000	2.540	9.118
(U) Continuing Integration/Support/Analysis (Includes Program Management Spt, GCSS-AF Test & Integration, Government Independent Test & Assessment (JITC), Responsible Test Organization (RTO), and the Defense Information Services Agency (DISA))	4.317	1.478	2.564
(U) Information Assurance	0.416	0.428	0.428

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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)
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(U) <u>B. Accomplishments/Planned Program (\$ in Millions)</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) Total Cost	8.372	4.446	12.110

(U) <u>C. Other Program Funding Summary (\$ in Millions)</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>FY 2014</u>	<u>FY 2015</u>	<u>Cost to</u>	<u>Total Cost</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Complete</u>							
(U) Other Procurement, AF (PE 0901538F)	0.846	0.827	0.837	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
(U) O&M, AF (PE 0308610F)	1.617	2.625	5.710	0.000	0.000	0.000	0.000	0.000	Continuing	TBD

(U) **D. Acquisition Strategy**
 The FIRST program will execute a spiral 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 work, as defined in the SAF/FMP strategic plan, will be awarded through full and open competition.

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Exhibit R-3, RDT&E Project Cost Analysis

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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)
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(U) <u>Cost Categories</u> (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	<u>Contract Method & Type</u>	<u>Performing Activity & Location</u>	<u>Total Prior to FY 2008 Cost</u>	<u>FY 2008 Cost</u>	<u>FY 2008 Award Date</u>	<u>FY 2009 Cost</u>	<u>FY 2009 Award Date</u>	<u>FY 2010 Cost</u>	<u>FY 2010 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 & Test for Budget Formulation (BF) Spiral 2/Spiral 3 capability (begin GCSS-AF Integration in FY09 and out)	C/CPAF	Accenture, Fairborn, Ohio		1.639	Nov-07					Continuing	TBD	TBD
Application Development & Test for Increment I PDS	C/CPAF	Accenture, Fairborn, Ohio		2.000		2.540		9.118			13.658	
Subtotal Product Development			0.000	3.639		2.540		9.118		Continuing	TBD	TBD
Remarks:												
(U) <u>Test & Evaluation</u> GCSS-AF Integration	C/CPAF	LM. Fairborn, Ohio		0.488	Nov-07	0.000		0.000		Continuing	TBD	TBD
Joint Interoperability Test Center (JITC)	MIPR	JITC, Fort Huachuca, Arizona		0.027	Oct-07	0.038	Oct-08	0.009	Nov-09	Continuing	TBD	TBD
Responsible Test Organization (RTO)	PR	643 ELSS/EIRT, Gunter AFB, Al		0.000	Jan-08	0.045	Jan-09	0.161	Jan-10	Continuing	TBD	TBD
Capabilities Integration Environment (CIE)	PR	643 ELSS/EIRT, Gunter AFB, Al		0.000	Apr-08	0.050	Apr-09	0.200	Apr-10	Continuing	TBD	TBD
Defense Information Systems Agency (DISA)	MIPR	DISA, Montgomery, Al		1.008	Nov-07	1.000	Nov-08	1.000	Nov-09	Continuing	TBD	TBD
Tech Support	C/LOE	Quantech/Engility		0.698	Jan-08	0.340	Jan-09	0.812	Jan-10	Continuing	TBD	
Subtotal Test & Evaluation			0.000	2.221		1.473		2.182		Continuing	TBD	TBD
Remarks:												
(U) <u>Program Management Activities</u> PMA Support	C/LOE	Quantech/Engility		0.341	Jan-08	0.233	Jan-09	0.810	Jan-10	Continuing	TBD	TBD
Program Office Spt	Various	Various		0.171	Oct-07	0.200	Oct-08	0.000	Oct-09	Continuing	TBD	
CCARS	BA	554 ELSG, WRAFB, OH		2.000	Oct-07					Continuing	TBD	
Subtotal Program Management Activities			0.000	2.512		0.433		0.810		Continuing	TBD	TBD
Remarks:												
(U)												0.000

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Project 5036

Exhibit R-3 (PE 0901538F)

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Exhibit R-3, RDT&E Project Cost Analysis

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BUDGET ACTIVITY	PE NUMBER AND TITLE				PROJECT NUMBER AND TITLE		
07 Operational System Development	0901538F Financial Management Information Systems (FMIS)				5036 Financial Information Resource System (FIRST)		
Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Remarks:							
(U) Total Cost	0.000	8.372	4.446	12.110	Continuing	TBD	TBD

Exhibit R-4, RDT&E Schedule Profile

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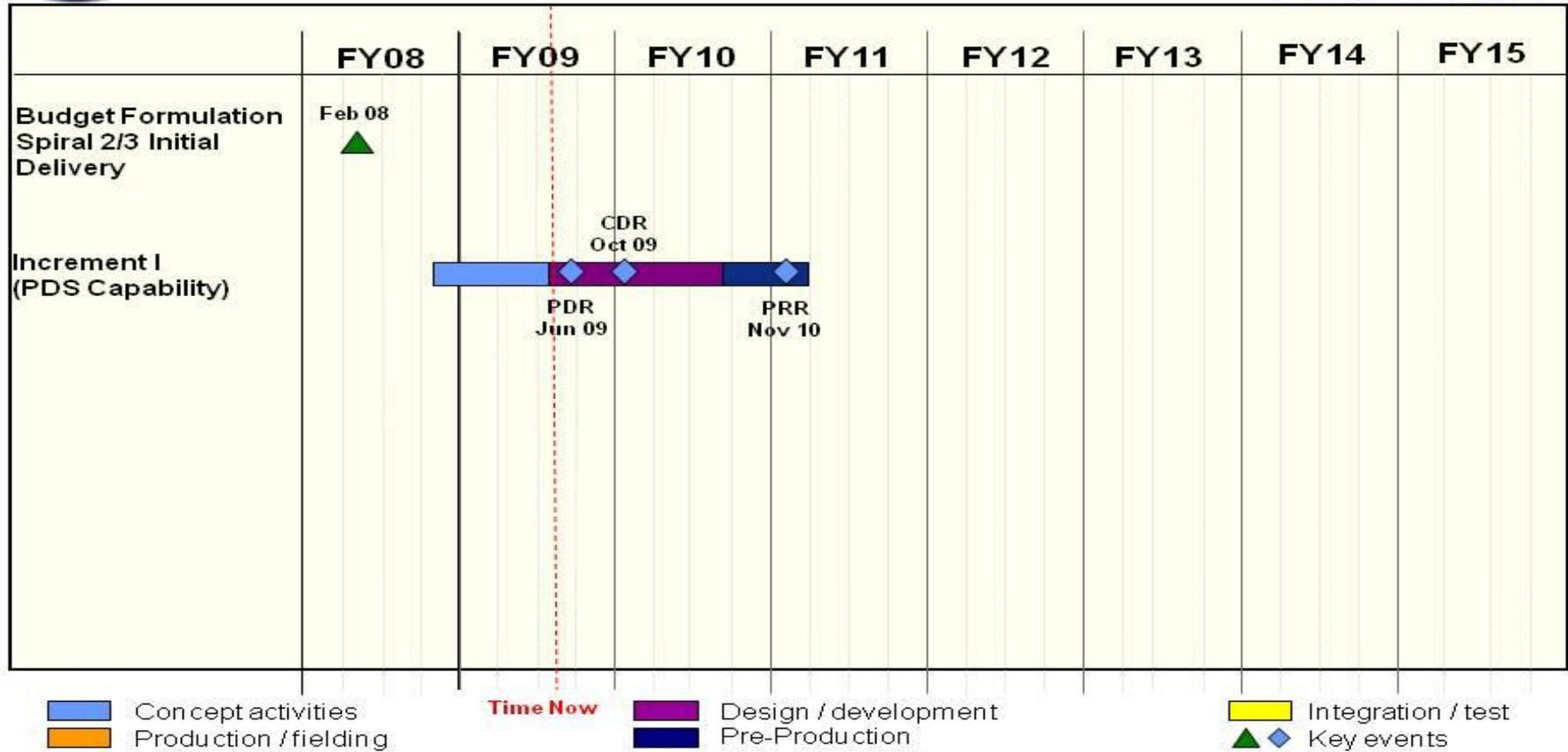
BUDGET ACTIVITY
07 Operational System Development

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

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



***FIRST
Schedule***



PB10 R-Docs

Depicted by in stallation/production flow

1

Exhibit R-4a, RDT&E Schedule Detail

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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) Schedule Profile

FY 2008

FY 2009

FY 2010

(U) Budget Formulation Spiral 2/3 Initial Release

2Q

(U) Increment I (PDS) Preliminary Design Review (PDR)

3Q

(U) Increment I (PDS) Critical Design Review (CDR)

1Q

Exhibit R-2a, RDT&E Project Justification

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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)		
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Cost (\$ in Millions)	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	Cost to Complete	Total
5179 Defense Enterprise Accounting Management System - AF (DEAMS)	20.263	12.291	43.881	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
Quantity of RDT&E Articles	0	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 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). Activities also include studies and analysis to support both current program planning and execution and future program planning.

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

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
(U) DEAMS Application Development and Test for AF Increment Capability (includes GCSS-AF/DISA hardware)	0.407	0.122	3.977
(U) Integration/Support/Analysis (Includes Independent Verification and Validation (IV&V), Responsible Test Organization (RTO), Capabilities Integration Environment (CIE), Functional Management Office Support, MITRE and ETASS).	14.952	10.569	36.904
(U) Program Management Office Support (includes SCS, PASS, Travel and GPC)	4.904	1.600	3.000
(U) Total Cost	20.263	12.291	43.881

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

	<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>FY 2014</u>	<u>FY 2015</u>	<u>Cost to Complete</u>	<u>Total Cost</u>
	<u>Actual</u>	<u>Estimate</u>								
(U) Transportation Working Capital Fund (TWCF)	14.140	10.070	17.290	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
(U) 3400 (PE 38610F)	1.920	0.459	0.400	0.000	0.000	0.000	0.000	0.000	Continuing	TBD
(U) 3080 (PE 91538F)	0.000	1.507	16.718	0.000	0.000	0.000	0.000	0.000	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. Due to solution complexity, the Program Office is investigating Cost Plus and Firm Fixed Price contract opportunities, subject

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**5179 Defense Enterprise Accounting
Management System - AF (DEAMS)**

to Milestone Decision Authority approval, which allow for equitable and sensible allocation of risk between the Government and the contractor.

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Exhibit R-3, RDT&E Project Cost Analysis

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BUDGET ACTIVITY				PE NUMBER AND TITLE					PROJECT NUMBER AND TITLE			
07 Operational System Development				0901538F Financial Management Information Systems (FMIS)					5179 Defense Enterprise Accounting Management System - AF (DEAMS)			
(U) Cost Categories (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	Contract Method & Type	Performing Activity & Location	Total Prior to FY 2008 Cost	FY 2008 Cost	FY 2008 Award Date	FY 2009 Cost	FY 2009 Award Date	FY 2010 Cost	FY 2010 Award Date	Cost to Complete	Total Cost	Target Value of Contract
(U) <u>Product Development</u> DEAMS Application Development and Test for AF Increment Capability GCSS/DISA Support	Various	Various	1.495	0.340	Feb-08	1.202	Nov-08	9.514	Nov-09	Continuing	TBD	TBD
	MIPR	754 ELSG, Gunter AFB, AL	1.001	0.746	Oct-07	1.178	Oct-08	9.700	Oct-09	Continuing	TBD	TBD
Subtotal Product Development			2.496	1.086		2.380		19.214		Continuing	TBD	TBD
Remarks:												
(U) <u>Test & Evaluation</u> Capabilities Integration Environment (CIE)	MIPR	754 ELSG, Gunter AFB, AL	0.403	0.803	Dec-07	0.418	Dec-08	0.629	Dec-09	Continuing	TBD	TBD
Responsible Test Organization (RTO)	MIPR	754 ELSG, Gunter AFB, AL	0.509	0.246	Dec-07	0.081	Dec-08	0.340	Dec-09	Continuing	TBD	TBD
Joint Interoperability Test Center (JITC)	MIPR	JITC, Fort Huachuca, AZ	0.163	0.650	Dec-07	0.000	Dec-08	0.155	Oct-09	Continuing	TBD	TBD
Air Force Operational Test & Evaluation Center (AFOTEC)	MIPR	AFOTEC, Kirtland AFB, NM	0.105	0.112	Oct-07	0.230	Oct-08	0.130	Oct-09	Continuing	TBD	TBD
Independent Verification and Validation (IV&V)	C/T&M	CACI, Fairborn OH	2.097	1.678	Nov-07	0.000	Nov-08	1.500	Nov-09	Continuing	TBD	TBD
Subtotal Test & Evaluation			3.277	3.489		0.729		2.754		Continuing	TBD	TBD
Remarks:												
(U) <u>Program Management Activities</u> A&AS Support (ETASS, Oracle)	C/LOE	Various	5.611	4.446	Dec-07	4.100	Dec-08	3.705	Dec-09	Continuing	TBD	TBD
Program Office Support (PASS, SCS, FTA)	Various	Various	0.625	0.320	Oct-07	0.217	Oct-08	2.694	Dec-09	Continuing	TBD	TBD
Functional Management Office Support (Change Management, Enterprise Resource Planning, Functional & Acquisition Support, Functional Test Center, Facilities, Strategic Communications)	Various	Various		8.638	Oct-07	4.390	Oct-08	14.298	Oct-09	Continuing	TBD	TBD
MITRE	MIPR	MITRE, FFRDC, Hanscom AFB, MA	1.513	2.284	Nov-07	0.475	Nov-08	1.216	Nov-09	Continuing	TBD	TBD
Subtotal Program Management Activities			7.749	15.688		9.182		21.913		Continuing	TBD	TBD
Remarks:												
(U) Total Cost			13.522	20.263		12.291		43.881		Continuing	TBD	TBD

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Exhibit R-4, RDT&E Schedule Profile

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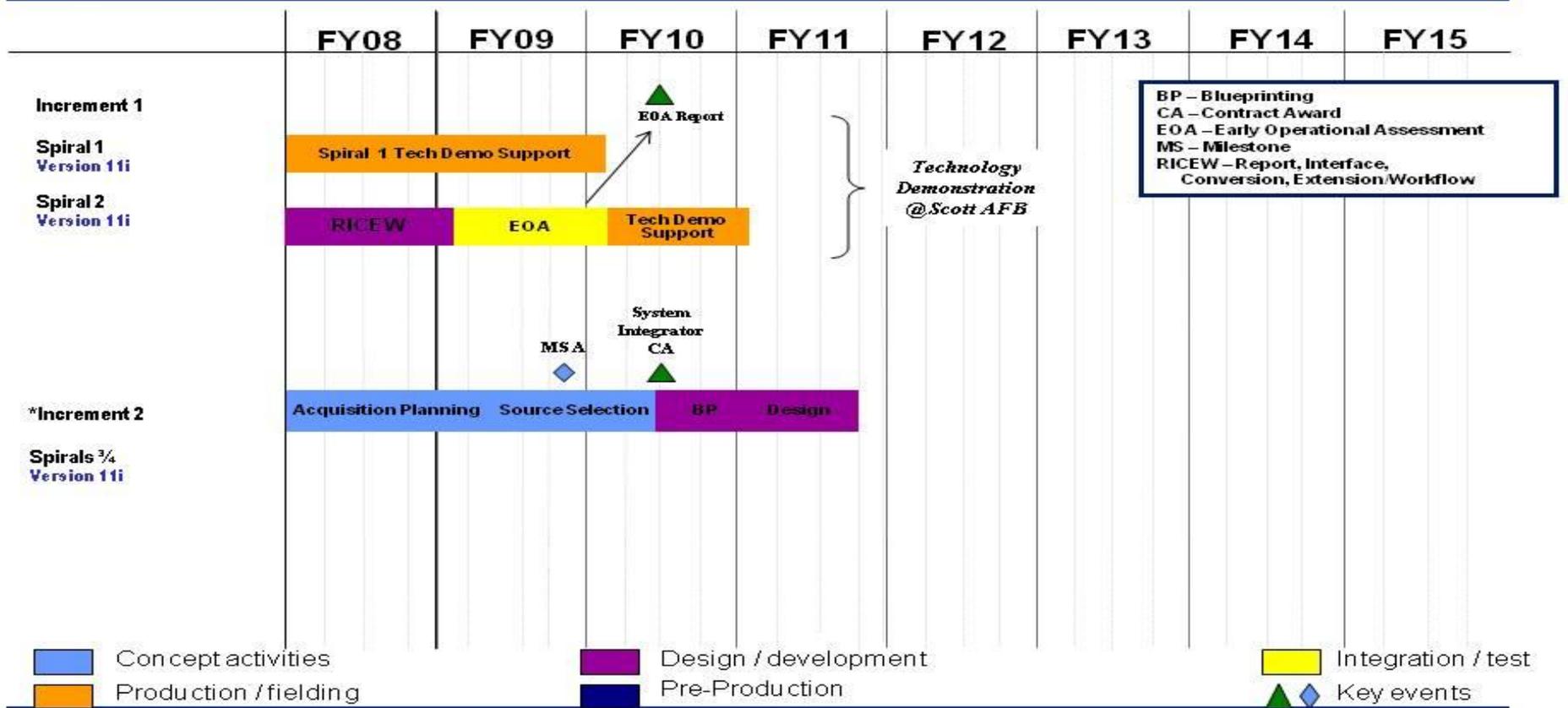
BUDGET ACTIVITY
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0901538F Financial Management Information Systems (FMIS)

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



DEAMS Schedule



BP - Blueprinting
 CA - Contract Award
 EOA - Early Operational Assessment
 MS - Milestone
 RICEW - Report, Interface, Conversion, Extension/Workflow

Technology Demonstration @ Scott AFB

PB10 R-Docs

*Fact of Life - Increment 2 includes Spiral 3

Depicted by installation/production flow

Exhibit R-4a, RDT&E Schedule Detail

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0901538F Financial Management Information Systems (FMIS)

PROJECT NUMBER AND TITLE

5179 Defense Enterprise Accounting Management System - AF (DEAMS)

(U) Schedule Profile

FY 2008

FY 2009

FY 2010

(U) AF Inc 2 MS A

4Q

(U) AF Inc 2 System Integrator Contract Award

3Q

(U) AF Inc 2 System Spiral 3/4 Blueprinting

3-4Q