

ARMY RDT&E BUDGET ITEM JUSTIFICATION (R2 Exhibit)

May 2009

BUDGET ACTIVITY 5 - System Development and Demonstration		PE NUMBER AND TITLE 0604822A - General Fund Enterprise Business System (GFEBS)			
COST (In Thousands)	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	Cost to Complete	Total Cost
GF5 GENERAL FUND ENTERPRISE BUSINESS SYSTEM (GFEBS)	108358	50142	6002		164502

A. Mission Description and Budget Item Justification: The General Fund Business Enterprise System (GFEBS) is a Major Automated Information System (MAIS) program and is in the developmental phase. It will follow the DoD Business Enterprise Architecture which is aligned to the mandated Federal Enterprise Architecture. GFEBS was implemented to fulfill the needs and comply with the Federal Financial Management Improvement Act (FFMIA), The Chief Financial Officers Act of 1990, the Government Performance and Results Act of 1993, the Government Management Reform Act of 1994, and the Clinger-Cohen Act of 1996 and to fulfill the stated mission of the Assistant Secretary of the Army for Financial Management and Comptroller (ASA(FM&C)). GFEBS will replace financial systems operating in excess of 30 years like the Standard Finance Systems (STANFINS) and other costly feeder systems which do not allow the Department of Defense (DoD) or the U.S. government to achieve an unqualified opinion on its financial statements. GFEBS will become the Department of the Army's new core financial management system for administering its General Fund. GFEBS will be a commercial off-the-shelf (COTS) Enterprise Resource Planning (ERP) system that is certified by the Chief, Financial Officer Council (CFOC) and provides the six core financial functions. GFEBS will allow tactical commanders to make informed decisions on a virtually real time system.

On 1 October 2008, GFEBS Release 1.2 was successfully implemented to the Fort Jackson Garrison, Defense Finance Accounting Service (DFAS) Indianapolis, Indiana and several other organizations. It is a viable and operational system with positive feedback from the field. On 1 April 2009 GFEBS Release 1.3 was successfully implemented to Release 1.2 locations as well as Fort Benning, Fort Stewart, DFAS Rome and several other organizations. In addition, GFEBS has continued development work in FY09 with the completion of the Build and Test of Release 1.3 and the completion of the Build of Release 1.4. Testing for Release 1.4 is currently underway and scheduled to complete this FY. Release 1.4 is scheduled to begin deployment with a Mini-Wave to PEO EIS and Fort Benning on 1 October 2009.

In FY2010, \$6.1 Million was moved from OPA to RDTE. This was a zero sum adjustment (no program growth) of funds. The \$6.1 Million in RDTE is required to complete Release 1.4 (SOMARDS) Testing. At the advise of the Assistant Secretary of the Army, Financial Management (ASA FM&C), GFEBS revised its deployment strategy based on lessons learned from Release 1.2 and Release 1.3. This revision extended the final Release 1.4 Testing into the 1st quarter of FY2010.

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BUDGET ACTIVITY
5 - System Development and Demonstration

PE NUMBER AND TITLE
0604822A - General Fund Enterprise Business System (GFEBs)

<u>B. Program Change Summary</u>	FY 2008	FY 2009	FY 2010
Previous President's Budget (FY 2009)	111873	60308	
Current BES/President's Budget (FY 2010)	108358	50142	6002
Total Adjustments	-3515	-10166	6002
Congressional Program Reductions		-10166	
Congressional Rescissions			
Congressional Increases			
Reprogrammings	-392		
SBIR/STTR Transfer	-3123		
Adjustments to Budget Years			6002

Change Summary Explanation: Funding -FY 2010: Funds realigned from OPA to RDTE to support further GFEBs development.

ARMY RDT&E BUDGET ITEM JUSTIFICATION (R2a Exhibit)

May 2009

BUDGET ACTIVITY 5 - System Development and Demonstration		PE NUMBER AND TITLE 0604822A - General Fund Enterprise Business System (GFEBS)			PROJECT GF5
COST (In Thousands)	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	Cost to Complete	Total Cost
GF5 GENERAL FUND ENTERPRISE BUSINESS SYSTEM (GFEBS)	108358	50142	6002		164502

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<u>Accomplishments/Planned Program:</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Development	80389	34266	4465
Project Management	27969	14480	1537
Small business Innovative Research/Small Business Technology Transfer Programs		1396	
Total	108358	50142	6002

<u>B. Other Program Funding Summary</u>	FY 2008	FY 2009	FY 2010	To Compl	Total Cost

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BUDGET ACTIVITY	PE NUMBER AND TITLE				PROJECT
5 - System Development and Demonstration	0604822A - General Fund Enterprise Business System (GFEBS)				GF5
RDTE, 655013MO5				Continuing	Continuing
OPA, BE4168000	9751	30048	85801	Continuing	Continuing
OMA, 432612000		39546	35210	Continuing	Continuing

Comment: Position: PB10/11

C. Acquisition Strategy GFEBS is being procured as a performance-based acquisition to encourage innovative and creative solutions and to avoid hampering, dictating, or prescribing how the work must be performed. Therefore, the focus of the Statement of Objectives (SOO) was on "what" the Army is trying to achieve instead of "how" it must be achieved. The use of an SOO is an emerging method that transforms the acquisition process by requiring each of the competing contractors to develop their unique proposed technical approach, work breakdown schedule, project plan and schedule, schedule of deliverable items, performance metrics, performance measurement plan, and quality assurance plan. To achieve its GFEBS project objectives, the Army used an existing Blanket Purchase Agreement (BPA) to select a System Integrator (SI). The contract period of performance is 1 base year with 9 option years. DoD through the Department of the Navy has established enterprise agreements for ERP System Integration Services with five qualified SI(s) that are General Services Administration (GSA) Federal Supply Service (FSS) Schedule holders under the Enterprise Software Initiative (ESI). The Army has selected the SI; all contractor work will be performed under the selected SI's ESI-SI BPA through the award of one task order with several options. Multiple options are anticipated to support each project objective. The products and services described in task orders will be grouped and referenced as Contract Line Item Numbers (CLIN). All CLINs will be awarded on a Fixed Price basis with performance based incentives and disincentives. The task order and all options exercised will be performance based, containing financial incentive and disincentive provisions. Offerors were provided performance based metrics and were required to propose performance incentive and disincentive provisions by CLIN in their Quality Assurance Surveillance Plan (QASP) submitted in response to the Request for Quote (RFQ). The QASP elements were evaluated as part of the evaluation of the Offerors' proposals.

ARMY RDT&E COST ANALYSIS (R3)

May 2009

BUDGET ACTIVITY			PE NUMBER AND TITLE							PROJECT		
5 - System Development and Demonstration			0604822A - General Fund Enterprise Business System (GFEBS)							GF5		
I. Product Development	Contract Method & Type	Performing Activity & Location	Total PYs 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
Concept Exploration	FFP	Accenture Springfield, Va.	24113								23332	
Development	FFP	Accenture Springfield Va.	30670	80389	1-4Q	34100	1-4Q	6002		Cont.	Cont.	
Subtotal:			54783	80389		34100		6002		Cont.	Cont.	
II. Support Costs	Contract Method & Type	Performing Activity & Location	Total PYs 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
Program Management	FFP	Accenture Springfield Va.	123608	27969	1-4Q	16042	1-4Q			Cont.	Cont.	
Subtotal:			123608	27969		16042				Cont.	Cont.	
III. Test And Evaluation	Contract Method & Type	Performing Activity & Location	Total PYs 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
System Procurement	FFP	Accenture Springfield Va.	30778							Cont.		
System Maintenance/Item Management	FFP	Accenture Springfield Va.	15794							Cont.		
Hardware Maintenance	FFP	Accenture Springfield Va.	1898							Cont.		
Software Maintenance	FFP	Accenture Springfield Va.	16880							Cont.		
Subtotal:			65350							Cont.		

ARMY RDT&E COST ANALYSIS (R3)

May 2009

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IV. Management Services	Contract Method & Type	Performing Activity & Location	Total PYs 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
Subtotal:												
Project Total Cost:			243741	108358		50142		6002		Cont.	Cont.	