

**UNCLASSIFIED**

**Exhibit R-2, RDT&E Budget Item Justification:** PB 2012 Defense Contract Management Agency **DATE:** February 2011

<b>APPROPRIATION/BUDGET ACTIVITY</b> 0400: <i>Research, Development, Test &amp; Evaluation, Defense-Wide</i> BA 5: <i>Development &amp; Demonstration (SDD)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0605013BL: <i>Information Technology Development</i>
---	---

COST (\$ in Millions)	FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total	FY 2013	FY 2014	FY 2015	FY 2016	Cost To Complete	Total Cost
Total Program Element	11.626	11.937	12.228	-	12.228	12.542	12.794	13.049	13.310	Continuing	Continuing
01: <i>Systems Modifications and Development</i>	11.626	11.937	12.228	-	12.228	12.542	12.794	13.049	13.310	Continuing	Continuing

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

This budget submission sustains Web-basing all new DCMA-unique software applications, and continues supporting Web Services software technology (i.e., machine-to-machine information exchanges between DCMA, DCMA's customers in the Military Services and Defense agencies, and the Defense industry, based upon the open-standard Extensible Markup Language [XML], Simple Object Access Protocol [SOAP], and so on). There are three primary reasons why DCMA is pursuing this direction. First, Web-based applications dramatically reduce the costs associated with fielding new software mission capabilities. (Only a limited handful of central servers need to be updated rather than thousands of employees' desktop computers.) Second, Web-basing and Web Services make DCMA's software applications much more adaptable to the ongoing and future changes in the Department's procurement and financial management systems that are being implemented in accordance with the Department's Business Enterprise Architecture. Third, DCMA has found that Web-based application development is substantially less expensive than traditional client/server or mainframe-based application development. One of the reasons why Web-based development is less expensive is that Web-basing applications allows DCMA to productively adapt large amounts of open source software packages with minimal or even zero acquisition and support costs. Also, this allows Military Services to achieve their desired real-time supply chain information "Reachback" capabilities that will extend all the way onto the factory floors where parts, components, and systems are being produced. All metrics tied to the funds in this exhibit have achieved a "green" status.

FY 2010 Actual: In FY 2010 (\$11.626) DCMA tested new DCMA-unique automated information application modules that will support: Defense Supply Chain "Reachback" via-the-Web capabilities; Public Key Infrastructure-enabled Web application modules; and improved (more accurate and timely) reimbursable earnings reporting. Also funding included the continued testing and improving of DCMA's portals functionality for external and internal customers, and continued development and implementation of Web Services software technologies (e.g., Simple Object Access Protocol, Universal Discovery and Description Integration, Web Services Description Language).

FY 2011 - 2012 Plan: In FY 2011 (\$11.937) and FY 2012 (\$12.228) DCMA will continue to test new DCMA-unique automated information application modules that will support: Defense Supply Chain "Reachback" via-the-Web capabilities; Public Key Infrastructure-enabled Web application modules; and "anywhere, anytime" access for DCMA personnel worldwide. Also funding includes the continuation of testing and improving DCMA's accessibility and functionality for external customers, and the continuation of developing and implementing Web Services software technologies (e.g., Simple Object Access Protocol, Universal Discovery and Description Integration, Web Services Description Language), and supporting the agency's Performance Management Initiative.

**UNCLASSIFIED**

**UNCLASSIFIED**

**Exhibit R-2, RDT&E Budget Item Justification:** PB 2012 Defense Contract Management Agency **DATE:** February 2011

<b>APPROPRIATION/BUDGET ACTIVITY</b> 0400: <i>Research, Development, Test &amp; Evaluation, Defense-Wide</i> BA 5: <i>Development &amp; Demonstration (SDD)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0605013BL: <i>Information Technology Development</i>
---	---

<b>B. Program Change Summary (\$ in Millions)</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012 Base</b>	<b>FY 2012 OCO</b>	<b>FY 2012 Total</b>
Previous President's Budget	14.444	11.937	12.247	-	12.247
Current President's Budget	11.626	11.937	12.228	-	12.228
Total Adjustments	-2.818	-	-0.019	-	-0.019
• Congressional General Reductions		-			
• Congressional Directed Reductions		-			
• Congressional Rescissions	-	-			
• Congressional Adds		-			
• Congressional Directed Transfers		-			
• Reprogrammings	-2.800	-			
• SBIR/STTR Transfer	-	-			
• Other Program Reductions	-0.018	-	-0.019	-	-0.019

**UNCLASSIFIED**

**Exhibit R-2A, RDT&E Project Justification:** PB 2012 Defense Contract Management Agency **DATE:** February 2011

<b>APPROPRIATION/BUDGET ACTIVITY</b> 0400: <i>Research, Development, Test &amp; Evaluation, Defense-Wide</i> BA 5: <i>Development &amp; Demonstration (SDD)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0605013BL: <i>Information Technology Development</i>	<b>PROJECT</b> 01: <i>Systems Modifications and Development</i>
---	---	--

COST (\$ in Millions)	FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total	FY 2013	FY 2014	FY 2015	FY 2016	Cost To Complete	Total Cost
01: <i>Systems Modifications and Development</i>	11.626	11.937	12.228	-	12.228	12.542	12.794	13.049	13.310	Continuing	Continuing
Quantity of RDT&E Articles											

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

This budget submission sustains Web-basing all new DCMA-unique software applications, and continues supporting Web Services software technology (i.e., machineto-machine information exchanges between DCMA, DCMA’s customers in the Military Services and Defense agencies, and the Defense industry, based upon the open-standard Extensible Markup Language [XML], Simple Object Access Protocol [SOAP], and so on). There are three primary reasons why DCMA is pursuing this direction. First, Web-based applications dramatically reduce the costs associated with fielding new software mission capabilities. (Only a limited handful of central servers need to be updated rather than thousands of employees’ desktop computers.) Second, Web-basing and Web Services make DCMA’s software applications much more adaptable to the ongoing and future changes in the Department’s procurement and financial management systems that are being implemented in accordance with the Department’s Business Enterprise Architecture. Third, DCMA has found that Web-based application development is substantially less expensive than traditional client/server or mainframe-based application development. One of the reasons why Web-based development is less expensive is that Web-basing applications allows DCMA to productively adapt large amounts of open source software packages with minimal or even zero acquisition and support costs. Also, this allows Military Services to achieve their desired real-time supply chain information “Reachback” capabilities that will extend all the way onto the factory floors where parts, components, and systems are being produced. All metrics tied to the funds in this exhibit have achieved a "green" status.

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

	FY 2010	FY 2011	FY 2012
<b>Title:</b> Software Development	11.626	11.937	12.228
<b>Description:</b> This budget submission sustains Web-basing all new DCMA-unique software applications, and continues supporting Web Services software technology (i.e., machine-to-machine information exchanges between DCMA, DCMA’s customers in the Military Services and Defense agencies, and the Defense industry, based upon the open-standard Extensible Markup Language [XML], Simple Object Access Protocol [SOAP], and so on). There are three primary reasons why DCMA is pursuing this direction. First, Web-based applications dramatically reduce the costs associated with fielding new software mission capabilities. (Only a limited handful of central servers need to be updated rather than thousands of employees’ desktop computers.) Second, Web-basing and Web Services make DCMA’s software applications much more adaptable to the ongoing and future changes in the Department’s procurement and financial management systems that are being implemented in accordance with the Department’s Business Enterprise Architecture. Third, DCMA has found that Web-based application development is substantially less expensive than traditional client/server or mainframe-based application development. One of the reasons why Web-based development is less expensive is that Web-basing applications allows DCMA to productively adapt large amounts of open source software packages with minimal or even zero acquisition and support costs. Also, this allows Military Services to achieve their desired			

**UNCLASSIFIED**

<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2012 Defense Contract Management Agency		<b>DATE:</b> February 2011
<b>APPROPRIATION/BUDGET ACTIVITY</b> 0400: <i>Research, Development, Test &amp; Evaluation, Defense-Wide</i> BA 5: <i>Development &amp; Demonstration (SDD)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0605013BL: <i>Information Technology Development</i>	<b>PROJECT</b> 01: <i>Systems Modifications and Development</i>

<b>B. Accomplishments/Planned Programs (\$ in Millions)</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<p>real-time supply chain information "Reachback" capabilities that will extend all the way onto the factory floors where parts, components, and systems are being produced. All metrics tied to the funds in this exhibit have achieved a "green" status.</p> <p><b>FY 2010 Accomplishments:</b> Developed and tested IT solutions to improve DCMA management of its business, supported evolving requirements for security, business architecture and electronic business, and improved the effectiveness and efficiency of DCMA through the use of automation to increase value to our Service and Defense Agency customers.</p> <p><b>FY 2011 Plans:</b> DCMA will continue to test new DCMA-unique automated information application modules that will support: Defense Supply Chain "Reachback" via-the-Web capabilities; Public Key Infrastructure-enabled Web application modules; and "anywhere, anytime" access for DCMA personnel worldwide. Also funding includes the continuation of testing and improving DCMA's accessibility and functionality for external customers, and the continuation of developing and implementing Web Services software technologies (e.g., Simple Object Access Protocol, Universal Discovery and Description Integration, Web Services Description Language), and supporting the agency's Performance Management Initiative.</p> <p><b>FY 2012 Plans:</b> DCMA will continue to test new DCMA-unique automated information application modules that will support: Defense Supply Chain "Reachback" via-the-Web capabilities; Public Key Infrastructure-enabled Web application modules; and "anywhere, anytime" access for DCMA personnel worldwide. Also funding includes the continuation of testing and improving DCMA's accessibility and functionality for external customers, and the continuation of developing and implementing Web Services software technologies (e.g., Simple Object Access Protocol, Universal Discovery and Description Integration, Web Services Description Language), and supporting the agency's Performance Management Initiative.</p>			
<b>Accomplishments/Planned Programs Subtotals</b>	11.626	11.937	12.228

<b>C. Other Program Funding Summary (\$ in Millions)</b>											
<u>Line Item</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u> <u>Base</u>	<u>FY 2012</u> <u>OCO</u>	<u>FY 2012</u> <u>Total</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• 0701113BL: <i>PDW: Procurement Operations</i>	2.006	2.052	2.076		2.076	2.103	2.144	2.188	2.232	Continuing	Continuing
	97.548	104.303	103.905		103.905	106.152	108.323	110.606	112.793	Continuing	Continuing

**UNCLASSIFIED**

**UNCLASSIFIED**

<b>Exhibit R-2A, RDT&amp;E Project Justification:</b> PB 2012 Defense Contract Management Agency	<b>DATE:</b> February 2011
--	----------------------------

<b>APPROPRIATION/BUDGET ACTIVITY</b> 0400: <i>Research, Development, Test &amp; Evaluation, Defense-Wide</i> BA 5: <i>Development &amp; Demonstration (SDD)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0605013BL: <i>Information Technology Development</i>	<b>PROJECT</b> 01: <i>Systems Modifications and Development</i>
---	---	--

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

<u>Line Item</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u> <u>Base</u>	<u>FY 2012</u> <u>OCO</u>	<u>FY 2012</u> <u>Total</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>Cost To</u> <u>Complete</u>	<u>Total Cost</u>
• 0701113 BL: <i>O&amp;M: Procurement Operations</i>											

**D. Acquisition Strategy**

Contractors are utilized to perform specialized functions such as software development and testing. A number of mini-competitions are held with Federal Supply Schedule, Government Wide Acquisition Contracts, and DCMA Basic Purchasing Agreement Vendors.

**E. Performance Metrics**

N/A

**UNCLASSIFIED**

**Exhibit R-3, RDT&E Project Cost Analysis:** PB 2012 Defense Contract Management Agency **DATE:** February 2011

<b>APPROPRIATION/BUDGET ACTIVITY</b> 0400: <i>Research, Development, Test &amp; Evaluation, Defense-Wide</i> BA 5: <i>Development &amp; Demonstration (SDD)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0605013BL: <i>Information Technology Development</i>	<b>PROJECT</b> 01: <i>Systems Modifications and Development</i>
---	---	--

<b>Product Development (\$ in Millions)</b>				FY 2011		FY 2012 Base		FY 2012 OCO		FY 2012 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Total Prior Years Cost	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Software Development	C/Variou	TBD:TBD	84.331	11.937		12.228		-		12.228	Continuing	Continuing	N/A
<b>Subtotal</b>			84.331	11.937		12.228		-		12.228			
<b>Project Cost Totals</b>			84.331	11.937		12.228		-		12.228			

**Remarks**  
DCMA Information Technology covers those efforts associated with the development of DCMA-unique mission software applications. DCMA will issue several contracts to continue DCMA's development and improvement of its unique mission applications to improve its contract management workforce's productivity, efficiency, and effectiveness.

**UNCLASSIFIED**

<b>Exhibit R-4, RDT&amp;E Schedule Profile:</b> PB 2012 Defense Contract Management Agency		<b>DATE:</b> February 2011
<b>APPROPRIATION/BUDGET ACTIVITY</b> 0400: <i>Research, Development, Test &amp; Evaluation, Defense-Wide</i> BA 5: <i>Development &amp; Demonstration (SDD)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0605013BL: <i>Information Technology Development</i>	<b>PROJECT</b> 01: <i>Systems Modifications and Development</i>

	FY 2010				FY 2011				FY 2012				FY 2013				FY 2014				FY 2015				FY 2016			
	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
Phase VI - Development	█	█	█	█																								
Phase VI - Testing		█	█	█																								
Phase VI - Deployment				█																								
Phase VII - Development					█	█	█	█																				
Phase VII - Testing						█	█	█	█																			
Phase VII - Deployment								█																				
Phase VIII - Development									█	█	█	█																
Phase VIII - Testing										█	█	█	█															
Phase VIII - Deployment												█																
Phase IX - Development													█	█	█	█												
Phase IX - Testing														█	█	█	█											
Phase IX - Deployment																█												
Phase X - Development																	█	█	█	█								
Phase X - Testing																		█	█	█	█							
Phase X - Deployment																				█								
Phase XI - Development																					█	█	█	█				
Phase XI - Testing																						█	█	█	█			
Phase XI - Deployment																							█					
Phase XII - Development																								█	█	█	█	
Phase XII - Testing																									█	█	█	█
Phase XII - Deployment																											█	

**UNCLASSIFIED**

<b>Exhibit R-4A, RDT&amp;E Schedule Details:</b> PB 2012 Defense Contract Management Agency		<b>DATE:</b> February 2011
<b>APPROPRIATION/BUDGET ACTIVITY</b> 0400: <i>Research, Development, Test &amp; Evaluation, Defense-Wide</i> BA 5: <i>Development &amp; Demonstration (SDD)</i>	<b>R-1 ITEM NOMENCLATURE</b> PE 0605013BL: <i>Information Technology Development</i>	<b>PROJECT</b> 01: <i>Systems Modifications and Development</i>

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
Phase VI - Development	1	2010	3	2010
Phase VI -Testing	2	2010	4	2010
Phase VI - Deployment	4	2010	4	2010
Phase VII - Development	1	2011	3	2011
Phase VII - Testing	2	2011	4	2011
Phase VII - Deployment	4	2011	4	2011
Phase VIII - Development	1	2012	3	2012
Phase VIII - Testing	2	2012	4	2012
Phase VIII - Deployment	4	2012	4	2012
Phase IX - Development	1	2013	3	2013
Phase IX - Testing	2	2013	4	2013
Phase IX - Deployment	4	2013	4	2013
Phase X - Development	1	2014	3	2014
Phase X - Testing	2	2014	4	2014
Phase X - Deployment	4	2014	4	2014
Phase XI - Development	1	2015	3	2015
Phase XI - Testing	2	2015	4	2015
Phase XI - Deployment	4	2015	4	2015
Phase XII - Development	1	2016	3	2016
Phase XII - Testing	2	2016	4	2016
Phase XII - Deployment	4	2016	4	2016