

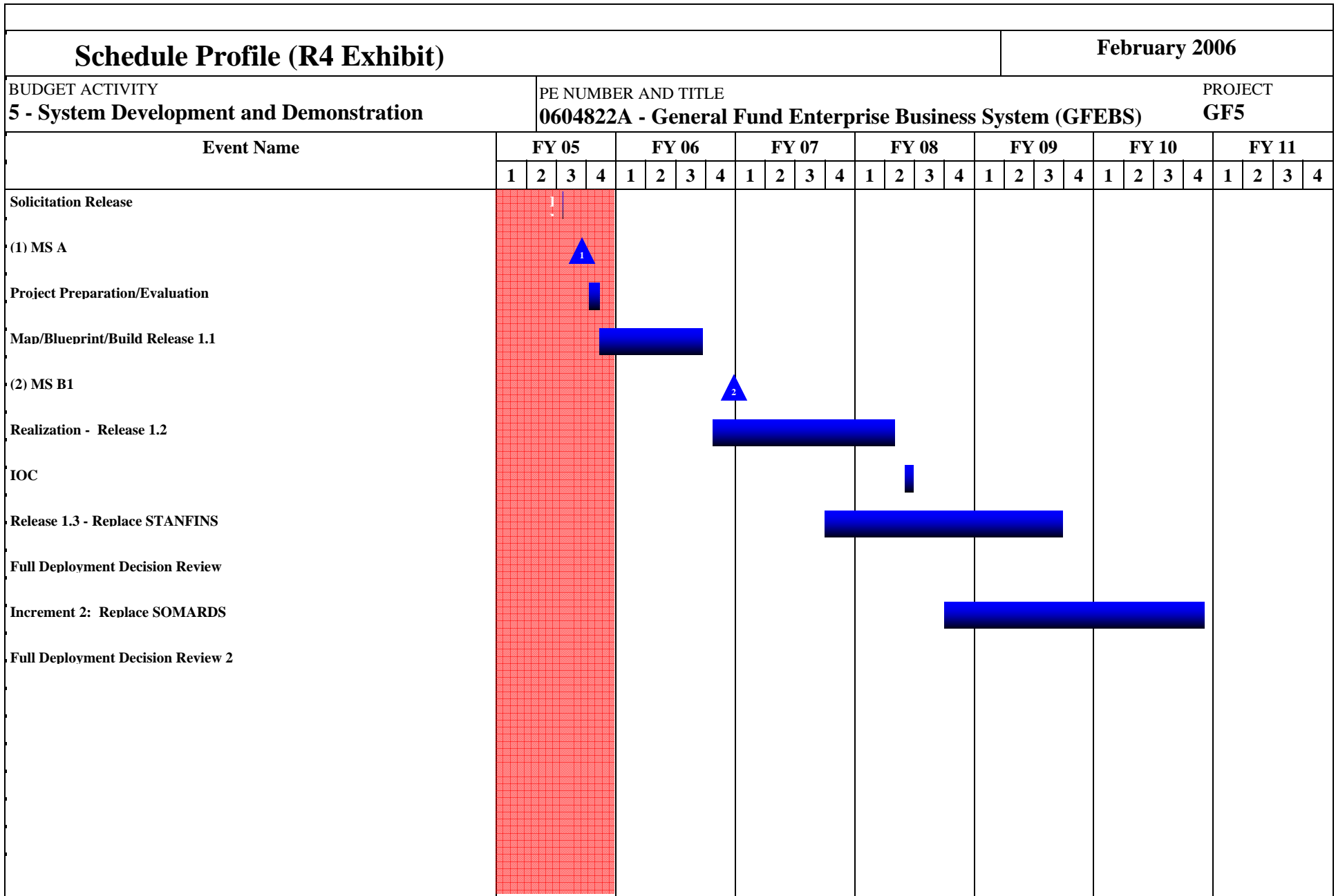
ARMY RDT&E BUDGET ITEM JUSTIFICATION (R2 Exhibit)							February 2006		
BUDGET ACTIVITY <b>5 - System Development and Demonstration</b>			PE NUMBER AND TITLE <b>0604822A - General Fund Enterprise Business System (GFEBS)</b>					PROJECT <b>GF5</b>	
COST (In Thousands)	FY 2005 Estimate	FY 2006 Estimate	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	Cost to Complete	Total Cost
GF5 GENERAL FUND ENTERPRISE BUSINESS SYSTEM (GFEBS)	58007	70105	61194	62162	31047	0	0	0	282515
<p><b><u>A. Mission Description and Budget Item Justification:</u></b> 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&amp;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.</p>									
<b><u>Accomplishments/Planned Program</u></b>						<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	
System Concept Exploration						19612	781	1196	
Development						0	9778	22172	
System Procurement						0	15389	0	
System maintenance/Item Management						0	7897	0	
Project Management						38395	22207	37826	
System Initiation, Implementation, and Fielding						0	4664	0	
Hardware maintenance						0	949	0	
Software maintenance						0	8440	0	
Total						58007	70105	61194	

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<b><u>B. Program Change Summary</u></b>				FY 2005	FY 2006	FY 2007			
Previous President's Budget (FY 2006)				0	71119	61764			
Current BES/President's Budget (FY 2007)				58007	70105	61194			
Total Adjustments				58007	-1014	-570			
Congressional Program Reductions					-307				
Congressional Rescissions					-707				
Congressional Increases									
Reprogrammings									
SBIR/STTR Transfer									
Adjustments to Budget Years									
Change Summary Explanation: Funding: FY 05 Increase of \$57306 due to Congressional reprogramming action, approved April 2005, transferring funds from Army PE 655013316/OSDPE 0605013A(316)									
<b><u>C. Other Program Funding Summary</u></b>									
	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	To Compl	Total Cost
RDTE, 655013MO5	748	0	0	0	0	0	0	0	748
OPA, BE4168000	0	0	78403	117079	0	0	0	0	195482
OMA, 432612000	0	6900	29600	43000	88700	89300	97600	0	355100
<p>Comment:</p>  <p><b>D. Acquisition Strategy</b> GFEBS was 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 a 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,</p>									

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<p>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.</p>		

ARMY RDT&E COST ANALYSIS (R3)										February 2006		
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 2005 Cost	FY 2005 Award Date	FY 2006 Cost	FY 2006 Award Date	FY 2007 Cost	FY 2007 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Concept Exploration	FFP	Accenture Springfield, Va.	0	19612	4Q	781	1-4Q	1196	1-4Q	Continue	0	0
Development	FFP	Accenture Springfield Va.	0	0		9778	1-4Q	22172	1-4Q	Continue	Continue	0
Subtotal:			0	19612		10559		23368		Continue	Continue	0
II. Support Costs	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2005 Cost	FY 2005 Award Date	FY 2006 Cost	FY 2006 Award Date	FY 2007 Cost	FY 2007 Award Date	Cost To Complete	Total Cost	Target Value of Contract
Program Management	FFP	Accenture Springfield Va.	0	38395	4Q	22207	1-4Q	37826	1-4Q	Continue	0	0
Subtotal:			0	38395		22207		37826		Continue	0	0
III. Test And Evaluation	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2005 Cost	FY 2005 Award Date	FY 2006 Cost	FY 2006 Award Date	FY 2007 Cost	FY 2007 Award Date	Cost To Complete	Total Cost	Target Value of Contract
System Initiation and Implementation	FFP	Accenture Springfield Va.	0	0		4664	1-4Q	0		Continue	0	0
System Procurement	FFP	Accenture Springfield Va.	0	0		15389	1-4Q	0		Continue	0	0
System Maintenance/Item Management	FFP	Accenture Springfield Va.	0	0		7897	1-4Q	0		Continue	0	0
Hardware Maintenance	FFP	Accenture Sprinfield Va.	0	0		949	1-4Q	0		Continue	0	0
Software Maintenance	FFP	Accenture Sprinfield Va.	0	0		8440		0		Continue	0	0

<b>ARMY RDT&amp;E COST ANALYSIS (R3)</b>										<b>February 2006</b>			
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Subtotal:				0	0		37339		0		Continue	0	0
IV. Management Services	Contract Method & Type	Performing Activity & Location	Total PYs Cost	FY 2005 Cost	FY 2005 Award Date	FY 2006 Cost	FY 2006 Award Date	FY 2007 Cost	FY 2007 Award Date	Cost To Complete	Total Cost	Target Value of Contract	
Subtotal:				0									
<b>Project Total Cost:</b>				<b>0</b>	<b>58007</b>		<b>70105</b>		<b>61194</b>		<b>0</b>	<b>0</b>	<b>0</b>



Schedule Detail (R4a Exhibit)						February 2006	
BUDGET ACTIVITY <b>5 - System Development and Demonstration</b>			PE NUMBER AND TITLE <b>0604822A - General Fund Enterprise Business System (GFEBS)</b>				PROJECT <b>GF5</b>
<u>Schedule Detail</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
Contract Solicitation Release	2Q						
MS A - Milestone	3Q						
Contract Award	3Q						
Project Preparation/Evaluation	4Q						
Map/Blueprint/Build Release 1.1	4Q	1-3Q					
MS B1			1Q				
Realization Release 1.2		4Q	1-4Q	1-2Q			
IOC				2Q			
Release 1.3 - Replace STANFINS			4Q	1-4Q	1-3Q		
IOT&E				4Q			
Full Deployment Decision Review				3Q			
Increment 2 Replace SOMARDS				4Q	1-4Q	1-4Q	
OTA					2-3Q		
Full Deployment Decision Review 2						1Q	
Hardware Fielding				2-4Q	1-4Q	1-2Q	

<b>Termination Liability Funding For Major Defense Acquisition Programs, RDT&amp;E Funding (R5)</b>						<b>February 2006</b>			
BUDGET ACTIVITY <b>5 - System Development and Demonstration</b>			PE NUMBER AND TITLE <b>0604822A - General Fund Enterprise Business System (GFEBS)</b>				PROJECT <b>GF5</b>		
Funding in \$000									
<b>Program</b>			<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>
GFEBS									
<b>Total Termination Liability Funding:</b>									
<p><b>Remarks:</b>            The GFEBS contract period of performance for the System Integrator (Accenture) will have 1 base year with 9 option years. At this time, the government is only liable for the base year (Release 1.1) portion of the contract. The government if need be can opt not to execute the 9 option years without liability. Funding is available in case Release 1.1 is terminated prior to completion date.</p>									