

UNCLASSIFIED

PE NUMBER: 0901538F

PE TITLE: FIRST

Exhibit R-2, RDT&E Budget Item Justification								DATE February 2006		
BUDGET ACTIVITY 07 Operational System Development				PE NUMBER AND TITLE 0901538F FIRST						
	Cost (\$ in Millions)	FY 2005 Actual	FY 2006 Estimate	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	Cost to Complete	Total
	Total Program Element (PE) Cost	14.450	17.281	27.541	16.373	16.715	17.125	17.355	Continuing	TBD
5036	Financial Information Resource System (FIRST)	14.450	12.353	16.195	16.373	16.715	17.125	17.355	Continuing	TBD
5179	Defense Enterprise Accounting Management System - AF (DEAMS)	0.000	4.928	11.346	0.000	0.000	0.000	0.000	0.000	0.000

(U) **A. Mission Description and Budget Item Justification**

The Financial Information Resource System (FIRST) is a software development effort that will provide an integrated, modern, seamless financial management system that enables authorized users (from Air Staff to base level) to plan, program, and execute their budgets. FIRST is ultimately envisioned to be the foundation for the Air Force's Planning, Programming, Budgeting, and Execution (PPBE) system. DEAMS will provide the core management functions consistent with financial management laws, regulations and policy, general ledger, funds management, payments, receivables, cost and revenues, and fiduciary reporting. FIRST is being developed using the Spiral Development approach and maximizes Commercial Off The Shelf (COTS) products. The Budget Formulation capability provides for programming, budget formulation, budget justification processes and documentation. It encompasses the budget exercise process, which affects all organizational levels and all users, and is based on core financial and selected program information used to build the Air Force budget. FIRST will be compliant with the Clinger-Cohen Act, Business Management Modernization Program (BMMP), the Joint Technical Architecture (JTA), Global Combat Support System-Air Force (GCSS-AF) Integration Framework, Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance (C4ISR) guidelines, and incorporate Public Key Infrastructure initiatives (such as electronic signature capability). FIRST will be integrated onto the GCSS-AF architecture. Additionally, program will continue to incorporate legacy systems as required and establish a financial enterprise data warehouse capability for the Air Force. This capability is the Commanders Decision Support Services (CDSS).

Defense Enterprise Accounting Management System (DEAMS) is a COTS-based software configuration effort to provide a modern accounting and finance system. The system will replace existing accounting and finance legacy systems to provide core management functions consistent with financial management laws, regulations and policy, general ledger, funds management, payments, receivables, cost and revenues, and fiduciary reporting. DEAMS will provide the necessary accounting module for FIRST. The AF increment will build on a USTRANSCOM pilot and enhance that pilot to include AF investment funding and Air Force Working Capital Fund (AFWCF). DEAMS will be compliant with the Clinger-Cohen Act, Business Management Modernization Program (BMMP), and Global Combat Support System-Air Force (GCSS-AF). The COTS product is Joint Financial Management Improvement Program (JFMIP) compliant. DEAMS will support elimination of duplicative and unnecessary systems. DEAMS provides the capability to be utilized by other services within the DoD. Additionally, program will continue to incorporate legacy systems as required and establish a financial enterprise data warehouse capability for the Air Force. This capability is the Commanders Decision Support Services (CDSS).

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

R-1 Shopping List - Item No. 238-1 of 238-11

Exhibit R-2 (PE 0901538F)

Exhibit R-2, RDT&E Budget Item Justification

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0901538F FIRST(U) **B. Program Change Summary (\$ in Millions)**

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
(U) Previous President's Budget	15.594	17.531	27.528
(U) Current PBR/President's Budget	14.450	17.281	27.541
(U) Total Adjustments	-1.144	-0.250	
(U) Congressional Program Reductions			
Congressional Rescissions	-0.012	-0.250	
Congressional Increases			
Reprogrammings	-0.694		
SBIR/STTR Transfer	-0.438		

(U) **Significant Program Changes:**

FY 2006 and 2007 increases are for integration of the DEAMS COTS based accounting system into the FIRST.

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Exhibit R-2a, RDT&E Project Justification								DATE February 2006	
BUDGET ACTIVITY 07 Operational System Development				PE NUMBER AND TITLE 0901538F FIRST			PROJECT NUMBER AND TITLE 5036 Financial Information Resource System (FIRST)		
Cost (\$ in Millions)	FY 2005 Actual	FY 2006 Estimate	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	Cost to Complete	Total
5036 Financial Information Resource System (FIRST)	14.450	12.353	16.195	16.373	16.715	17.125	17.355	Continuing	TBD
Quantity of RDT&E Articles	0	0	0	0	0	0	0		
<p>(U) <u>A. Mission Description and Budget Item Justification</u></p> <p>FIRST is a Commercial Off The Shelf (COTS) based software development effort that will provide an integrated, modern, seamless financial management system that enables authorized users (from Air Staff to base level) to plan, program, and execute their budgets. FIRST supports the Air Force Core Competency for Agile Combat Support. FIRST is ultimately envisioned to be the foundation for the Air Force's Planning, Programming, Budgeting, and Execution (PPBE) system. DEAMS will provide the core management functions consistent with financial management laws, regulations and policy, general ledger, funds management, payments, receivables, cost and revenues, and fiduciary reporting. FIRST will be developed using the Spiral Development approach and maximize use of Commercial Off The Shelf (COTS) products.</p> <p>FIRST will be compliant with the Clinger-Cohen Act, Business Management Modernization Program (BMMP), the Joint Technical Architecture (JTA), Global Combat Support System-Air Force (GCSS-AF) Integration Framework, Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance (C4ISR) guidelines, and incorporate Public Key Infrastructure initiatives (such as electronic signature capability). FIRST will be integrated onto the GCSS-AF architecture.</p> <p>The Budget Formulation Increment includes four spirals. Spiral 1 is deployed and provides a data query and reporting capability (to include trend and statistical analysis). Spiral 2 is in development and will provide on-line deliberations and cost modeling capability (particularly for flying hours). Spiral 3 will support manpower cost modeling and exhibits as well as budget integration. Spiral 4 will provide for budget justification, financial plans, report generation, and exhibits.</p>									
(U) <u>B. Accomplishments/Planned Program (\$ in Millions)</u>						<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	
(U) Application Development & Test for Budget Formulation capability						12.549	10.477	13.656	
(U) Study and Analysis for ABSS (Completed FY05)						0.500	0.000	0.000	
(U) Integration/Support/Analysis (Includes Program Management Spt, GCSS-AF Test & Integration, Government Independent Test & Assessment (JITC), and Responsible Test Organization (RTO) Commanders Decision Support Services (CDSS))						1.401	1.876	2.539	
(U) Total Cost						14.450	12.353	16.195	

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Exhibit R-2a, RDT&E Project Justification

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5036 Financial Information Resource
System (FIRST)(U) **C. Other Program Funding Summary (\$ in Millions)**

	<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>	<u>Cost to</u>	<u>Total Cost</u>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Complete</u>	
(U) Other Procurement, AF (PE 0901538F)	0.722	0.749	0.786	0.804	0.824	0.845	0.860	Continuing	TBD
(U) O&M, AF (PE 0308610F)	8.830	11.200	5.240	4.230	4.180	4.260	4.350	Continuing	TBD

(U) **D. Acquisition Strategy**

The FIRST program will execute an incremental delivery of COTS-based budget/financial management capability that subsumes and/or replaces legacy systems. The FIRST program is being developed using a Cost Plus Award Fee (CPAF) contract.

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Exhibit R-3, RDT&E Project Cost Analysis

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5036 Financial Information Resource
System (FIRST)

(U) <u>Cost Categories</u> (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	<u>Contract</u> <u>Method &</u> <u>Type</u>	<u>Performing</u> <u>Activity &</u> <u>Location</u>	<u>Total</u> <u>Prior to FY</u> <u>2005</u> <u>Cost</u>	<u>FY 2005</u> <u>Cost</u>	<u>FY 2005</u> <u>Award</u> <u>Date</u>	<u>FY 2006</u> <u>Cost</u>	<u>FY 2006</u> <u>Award</u> <u>Date</u>	<u>FY 2007</u> <u>Cost</u>	<u>FY 2007</u> <u>Award</u> <u>Date</u>	<u>Cost to</u> <u>Complete</u>	<u>Total Cost</u>	<u>Target Value</u> <u>of Contract</u>
(U) <u>Product Development</u>												
Application Development	C/CPAF	Accenture, Fairborn, Ohio		12.549	Apr-05	10.477	Apr-06	13.656	Apr-07	Continuing	TBD	81.800
GCSS-AF Integration	C/CPAF	LM, Fairborn, Ohio		1.322	Dec-04	1.362	Dec-05	1.403	Dec-06	Continuing	TBD	TBD
Study and Analysis for ABSS	C/CPAF	Accenture, Fairborn, Ohio		0.500	Jul-05	0.000		0.000		0.000	0.500	
Subtotal Product Development			0.000	14.371		11.839		15.059		Continuing	TBD	TBD
Remarks:												
(U) <u>Test & Evaluation</u>												
Joint Interoperability Test Center (JITC)	MIPR	JITC, Fort Huachuca, Arizona		0.079	Oct-04	0.179	Oct-05	0.100	Oct-06	Continuing	TBD	TBD
Responsible Test Organization	MIPR	OSSG, Gunter AFB, AI		0.000		0.062	Sep-06	0.191	Jan-07	Continuing	TBD	
Subtotal Test & Evaluation			0.000	0.079		0.241		0.291		Continuing	TBD	TBD
Remarks:												
(U) <u>Program Managment Activities</u>												
A&AS Support	C/LOE	Titan Sencom	0.000	0.000		0.269	Aug-06	0.800	Aug-07	Continuing	TBD	
Program Office Spt	Various	Various	0.000	0.000		0.004	Aug-06	0.045	Aug-07	Continuing	TBD	
Subtotal Program Managment Activities			0.000	0.000		0.273		0.845		Continuing	TBD	0.000
Remarks:												
(U) Total Cost			0.000	14.450		12.353		16.195		Continuing	TBD	TBD

Exhibit R-4, RDT&E Schedule Profile

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PROJECT NUMBER AND TITLE

5036 Financial Information Resource
System (FIRST)

U.S. AIR FORCE

FIRST SCHEDULE

Fiscal Year	FY 05				FY 06				FY 07				FY08				FY09			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Budget Formulation (BF)																				
Complete BF COTS/GOTS Eval																				
Complete BF Functional Design																				
Complete BF Spiral 1	▲																			
Complete BF Spiral 2								△												
Complete BF Spiral 3									△											
Complete BF Spiral 4													△							
Future Evolution Increment																				
Budget Formulation Capability													☆							
Integration/Support/Analysis																				

- ☆ Major Event or Milestone
 — Planned Ongoing Activity
 — Ongoing Activity that is Complete
 ▲ Completed Event
 △ Planned Task(s)

AS OF 18 Jan 2006

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Exhibit R-4a, RDT&E Schedule Detail

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PE NUMBER AND TITLE

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PROJECT NUMBER AND TITLE

**5036 Financial Information Resource
System (FIRST)**(U) **Schedule Profile**FY 2005FY 2006FY 2007

(U) Completed Budget Formulation Spiral 1

2Q

(U) Complete Budget Formulation Spiral 2

4Q

(U) Complete Budget Formulation Spiral 3

2Q

(U) Integration/Support/Analysis

1-4Q

1-4Q

1-4Q

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Exhibit R-2a, RDT&E Project Justification

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BUDGET ACTIVITY

07 Operational System Development

PE NUMBER AND TITLE

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PROJECT NUMBER AND TITLE

5179 Defense Enterprise Accounting Management System - AF (DEAMS)

Cost (\$ in Millions)	FY 2005 Actual	FY 2006 Estimate	FY 2007 Estimate	FY 2008 Estimate	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate	Cost to Complete	Total
5179 Defense Enterprise Accounting Management System - AF (DEAMS)	0.000	4.928	11.346	0.000	0.000	0.000	0.000	0.000	0.000
Quantity of RDT&E Articles	0	0	0	0	0	0	0		

(U) **A. Mission Description and Budget Item Justification**

Defense Enterprise Accounting and Management (DEAMS) is a COTS-based software configuration effort to provide a modern accounting and finance system. The system will replace existing legacy systems to provide core 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 pilot and enhance that pilot to include AF investment funding and AFWCF. DEAMS will be compliant with the Clinger-Cohen Act, Business Management Modernization Program (BMMP), Global Combat Support System-Air Force (GCSS-AF). The COTS product is Joint Financial Management Improvement Program (JFMIP) compliant. DEAMS will support the elimination and duplication of unnecessary systems. DEAMS will also provide the capacity to expand to other services within the DoD.

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

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
(U) DEAMS Blueprinting of AF requirements			5.888
(U) Integration/Support/Analysis (Includes Program Management Spt, Independent Verification and Validation (IV&V), and Responsible Test Organization (RTO) Commanders Decision Support System (CDSS))	0.000	4.928	5.458
(U) Total Cost	0.000	4.928	11.346

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

	<u>FY 2005</u> <u>Actual</u>	<u>FY 2006</u> <u>Estimate</u>	<u>FY 2007</u> <u>Estimate</u>	<u>FY 2008</u> <u>Estimate</u>	<u>FY 2009</u> <u>Estimate</u>	<u>FY 2010</u> <u>Estimate</u>	<u>FY 2011</u> <u>Estimate</u>	<u>Cost to</u> <u>Complete</u>	<u>Total Cost</u>
(U) Transportation Working Capital Fund (TWCF)	19.200	13.900	9.900	6.200	6.200	6.200	6.200	15.400	132.000
(U) 3400 (PE 91212F)	11.700	20.200	2.700	20.100	25.600	25.600	25.600	149.100	283.900

(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. Contracts will be awarded using the fixed price provisions of the DoD Enterprise Software Initiative contracts for COTS applications and System Integration Services Blanket Purchase Agreement.

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Exhibit R-3, RDT&E Project Cost Analysis

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5179 Defense Enterprise Accounting
Management System - AF (DEAMS)

(U) <u>Cost Categories</u> (Tailor to WBS, or System/Item Requirements) (\$ in Millions)	<u>Contract</u> <u>Method &</u> <u>Type</u>	<u>Performing</u> <u>Activity &</u> <u>Location</u>	<u>Total</u> <u>Prior to FY</u> <u>2005</u> <u>Cost</u>	<u>FY 2005</u> <u>Cost</u>	<u>FY 2005</u> <u>Award</u> <u>Date</u>	<u>FY 2006</u> <u>Cost</u>	<u>FY 2006</u> <u>Award</u> <u>Date</u>	<u>FY 2007</u> <u>Cost</u>	<u>FY 2007</u> <u>Award</u> <u>Date</u>	<u>Cost to</u> <u>Complete</u>	<u>Total Cost</u>	<u>Target Value</u> <u>of Contract</u>
(U) <u>Product Development</u>												
Deams Blueprinting of AF Requirements	TBD	TBD		0.000		0.000		5.888	Aug-07	Continuing	TBD	TBD
Program Management Support	Various	Various	0.000	0.000		1.771	Jun-06	3.126	Jan-07	Continuing	TBD	TBD
Independent Verification and Validation (IV&V)	TBD	TBD	0.000	0.000		3.107	Jun-06	2.124	Jun-07	Continuing	TBD	TBD
Responsible Test Organization	MIPR	OSSG, Gunter AFB, AL	0.000	0.000		0.050	Aug-06	0.208	Nov-06	Continuing	TBD	
Subtotal Product Development			0.000	0.000		4.928		11.346		Continuing	TBD	TBD
Remarks:												
(U) Total Cost			0.000	0.000		4.928		11.346		Continuing	TBD	TBD

Exhibit R-4, RDT&E Schedule Profile

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PE NUMBER AND TITLE

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PROJECT NUMBER AND TITLE

5179 Defense Enterprise Accounting
Management System - AF (DEAMS)

U.S. AIR FORCE

DEAMS SCHEDULE

Fiscal Year	FY 04				FY 05				FY 06				FY 07				FY 08				FY 09				FY 10				FY 11			
	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	1	2	3	4
AF Increment Blue Printing																																
Integration/Support/Analysis																																

- ☆ Major Event or Milestone
 ■ Planned Ongoing Activity
 ■ Ongoing Activity that is Complete
 ▲ Completed Event
 △ Planned Task(s)

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Exhibit R-4a, RDT&E Schedule Detail

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PE NUMBER AND TITLE

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PROJECT NUMBER AND TITLE

5179 Defense Enterprise Accounting
Management System - AF (DEAMS)(U) Schedule ProfileFY 2005FY 2006FY 2007

(U) Blueprint Air Force Increment

4Q

(U) Integration/Support/Analysis

3Q

1-4Q