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

APPROPRIATION/BUDGET ACTIVITY				R-1 ITEM NOMENCLATURE							
0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)				PE 0605070S: DoD Enterprise Systems Development and Demonstration							
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	-	-	134.285	-	134.285	119.751	56.299	58.984	32.628	Continuing	Continuing
1: Business Enterprise Information System (BEIS)	-	-	3.927	-	3.927	1.086	1.024	1.094	1.034	Continuing	Continuing
2: Defense Business Systems Acquisition (DBASE) Staff	-	-	0.841	-	0.841	1.177	0.939	0.842	0.796	Continuing	Continuing
3: Defense Agencies Initiative (DAI)	-	-	65.329	-	65.329	62.819	31.432	47.621	22.494	Continuing	Continuing
4: Defense Information System for Security (DISS)	-	-	26.625	-	26.625	24.673	6.757	5.838	4.788	Continuing	Continuing
5: Defense Travel System (DTS)	-	-	1.122	-	1.122	0.815	0.256	0.252	0.239	Continuing	Continuing
6: Virtual Interactive Processing System (VIPS)	-	-	21.883	-	21.883	10.085	-	-	-	Continuing	Continuing
7: Wide Area Work Flow (WAWF)	-	-	2.057	-	2.057	1.992	1.878	1.852	1.830	Continuing	Continuing
8: Defense Retired and Annuitant Pay System (DRAS)	-	-	12.501	-	12.501	17.104	14.013	1.485	1.447	Continuing	Continuing

A. Mission Description and Budget Item Justification

The mission of the former Business Transformation Agency (BTA) was to lead and coordinate business transformation efforts across the Department of Defense (DoD). Starting in FY 2012 a large portion of the former BTA mission has been transferred to the Defense Logistics Agency (DLA).

The DLA recognizes that DoD's business enterprise must be closer to its warfighting customers than ever before. Joint military requirements drive the need for greater commonality and integration of business and financial operations.

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APPROPRIATION/BUDGET ACTIVITY		R-1 ITEM NOMENCLATURE			
0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)		PE 0605070S: DoD Enterprise Systems Development and Demonstration			
B. Program Change Summary (\$ in Millions)	FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Previous President's Budget	-	-	-	-	-
Current President's Budget	-	-	134.285	-	134.285
Total Adjustments	-	-	134.285	-	134.285
• Congressional General Reductions		-			
• Congressional Directed Reductions		-			
• Congressional Rescissions	-	-			
• Congressional Adds		-			
• Congressional Directed Transfers		-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• FY2012 Defense Efficiency - Civilian Pay Raise Reduction	-	-	-0.461	-	-0.461
• FY2012 Defense Efficiency - Non Pay, Non Fuel Purchase Inflation	-	-	-0.173	-	-0.173
• FY2012 Defense Efficiency - Service Support Contractors Task Force Initiative Reduction	-	-	-9.198	-	-9.198
• FY 2012 Enhancement Business Enterprise Information System (BEIS)	-	-	4.200	-	4.200
• FY 2012 Enhancement Defense Business Systems Acquisition (DBASE) Staff	-	-	0.900	-	0.900
• FY 2012 Enhancement Defense Agencies Initiative (DAI)	-	-	70.155	-	70.155
• FY 2012 Enhancement Defense Information System for Security (DISS)	-	-	28.592	-	28.592
• FY 2012 Enhancement Defense Travel System (DTS)	-	-	1.200	-	1.200
• FY 2012 Enhancement Virtual Interactive Processing System (VIPS)	-	-	23.500	-	23.500
• FY 2012 Enhancement Wide Area Work Flow (WAWF)	-	-	2.200	-	2.200
• FY 2012 Enhancement Defense Retired and Annuitant Pay System (DRAS)	-	-	13.370	-	13.370

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APPROPRIATION/BUDGET ACTIVITY 0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)	R-1 ITEM NOMENCLATURE PE 0605070S: DoD Enterprise Systems Development and Demonstration	
<u>Change Summary Explanation</u> FY2012 Defense Efficiency - Civilian Pay Raise Reduction: \$.461M FY2012 Defense Efficiency - Non Pay, Non Fuel Purchase Inflation Reduction: \$.173M FY2012 Defense Efficiency - Service Support Contractors Task Force Initiative Reduction: \$9.198M FY 2012 Enhancement Business Enterprise Information System (BEIS): \$3.927M FY 2012 Enhancement Defense Business Systems Acquisition (DBASE) Staff: \$.841M FY 2012 Enhancement Defense Agencies Initiative (DAI): \$65.329 FY 2012 Enhancement Defense Information System for Security (DISS): \$26.625M FY 2012 Enhancement Defense Travel System (DTS): \$1.122M FY 2012 Enhancement Virtual Interactive Processing System (VIPS) : \$21.833M FY 2012 Enhancement Wide Area Work Flow (WAWF): \$2.057M FY 2012 Enhancement Defense Retired and Annuitant Pay System (DRAS): \$12.501M		

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

APPROPRIATION/BUDGET ACTIVITY				R-1 ITEM NOMENCLATURE				PROJECT			
0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 5: <i>Development & Demonstration (SDD)</i>				PE 0605070S: <i>DoD Enterprise Systems Development and Demonstration</i>				1: <i>Business Enterprise Information System (BEIS)</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
1: <i>Business Enterprise Information System (BEIS)</i>	-	-	3.927	-	3.927	1.086	1.024	1.094	1.034	Continuing	Continuing
Quantity of RDT&E Articles											

A. Mission Description and Budget Item Justification

Program Mission: The BEIS builds upon the mature, existing infrastructure of DFAS Corporate Database/DFAS Corporate Warehouse (DCD/DCW), Defense Departmental Reporting System (DDRS), and Defense Cash Accountability System (DCAS) to provide timely, accurate, and reliable business information from across the DoD to support auditable financial statements as well as provide detailed information visibility for management in support of the Warfighter.

Concept/Scope: Ensure data compliance with SFIS standards; provide security-defined, enterprise-level access to information for ad hoc management queries; and produce external financial management reports/statements based on standardized data. BEIS provides solutions to these goals by:

- Establishing the authoritative source for Standard Financial Information Structure (SFIS) values and providing for standardization by implementing SFIS and United States Standard General Ledger (USSGL) compliant financial reporting capabilities for Audited Financial Statements and Budgetary Reports.
- Providing an enterprise-wide information environment that will serve as the single source for enterprise-wide financial information.
- Serving as the DoD-wide system for Treasury Reporting.
- Providing decision makers with significantly greater access to financial information through data visibility and business intelligence (e.g., Executive Dashboard).

The BEIS functional baseline encompasses a family of services organized into six distinct lines of business:

- Financial Reporting Services: BEIS will provide SFIS compliant financial statements and budgetary reports for DoD.
- Cash Accountability Reporting Services: BEIS will provide SFIS compliant reports of the Department's cash position to the Treasury.
- Enterprise Level Business Intelligence Services: BEIS will provide data aggregation services, collecting select transaction level data from DoD systems of record to support business intelligence. BEIS will also deliver corporate business intelligence capabilities such as contingency reporting, status of funds reporting and management dashboards.
- Integration Support Services: This support will be funded by the requesting activity on a fee-for-service basis.
- Reference Data Services: BEIS will establish a centralized repository for maintaining and exposing referential data to the DoD enterprise. This encompasses the SFIS Library data, Master Appropriation data, Corporate Electronic Funds Transfer (EFT) data, and the Transportation Global Edit Table data.
- General Ledger Services: BEIS will provide general ledger (i.e., financial management information) services for USSOCOM and select Defense Agencies.

Impact: BEIS will provide DoD enterprise-wide financial visibility to meet Enterprise Transition Plan milestones. It will serve as the centralized financial data source and the single source for enterprise Audited Financial Statements and Budgetary Reports. Through the BEIS enterprise business intelligence capability, DoD decision makers will gain improved visibility into the information they need to make strategic budget decisions. The BEIS financial management capabilities will be used by the Military Services, Defense Agencies, and the Under Secretary of Defense (Comptroller). Modernization efforts for the functionality identified for BEIS Family of Systems (FoS) Increment 1 continued to be completed in FY10 by the former BTA; however, there are further enhancements/product improvements required to accomplish deployment/implementation of BEIS Increment 1 capabilities in order to achieve Full Operating Capability (FOC), as well as additional modernization efforts associated with BEIS Increment II capability (i.e., Funds Balance w/Treasury and Reconciliation) which require out-year funding.

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APPROPRIATION/BUDGET ACTIVITY 0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)		R-1 ITEM NOMENCLATURE PE 0605070S: DoD Enterprise Systems Development and Demonstration		PROJECT 1: Business Enterprise Information System (BEIS)		
B. Accomplishments/Planned Programs (\$ in Millions)						
		FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Title: Defense Enterprise Information System (BEIS) Description: Formerly organized under the BTA. FY 2010 Accomplishments: N / A FY 2011 Plans: N / A FY 2012 Base Plans: First year of funding under DLA: Financial Reporting Services: - Support Deployment of SFIS Compliant Reporting for Security Assistance - Government Treasury Account Adjusted Trial Balance System (GTAS) (Test) - USACE - TI 96 and CEFMS Redeployment (TI 21) - Support Deployment SFIS Compliant Reporting for Classified Agencies - Continue Enterprise Resource Planning (ERP) Phased Deployment Cash Accountability Reporting Services: - FBWT Reconciliation Tool (Design, Development, & Test) - Implementation of Cash/Treasury Reporting for Air Force - Support of ERP Phased Deployment Enterprise Level Business Intelligence Services: - Continued enhancements of the Enterprise Business Intelligence Services to provide new and improved content of web-based Executive Dashboard, which includes the following items as prioritized by OUSD(C) and DFAS customers: - Budget Metrics: Expand DDRS Interface to Incorporate Daily Obligations and Disbursements for Dept 97, Add EFD interface for Defense Agencies - SMP/Financial Metrics: Continue automation of Source System Feeds for Financial Metrics and Financial Metrics Analysis in Support of Congressional Testimony - Transparency Reporting & Special Interest: Continued expansion of Transparency Reporting to support Open Government Business Integration Services:		-	-	3.927	-	3.927

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Exhibit R-2A, RDT&E Project Justification: PB 2012 Defense Logistics Agency				DATE: February 2011	
APPROPRIATION/BUDGET ACTIVITY 0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 5: <i>Development & Demonstration (SDD)</i>		R-1 ITEM NOMENCLATURE PE 0605070S: <i>DoD Enterprise Systems Development and Demonstration</i>		PROJECT 1: <i>Business Enterprise Information System (BEIS)</i>	
B. Accomplishments/Planned Programs (\$ in Millions)		FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO
- Continued support of Enterprise Business Intelligence and other key DoD enterprise initiatives requiring data integration services. <i>FY 2012 OCO Plans:</i> N / A					
Accomplishments/Planned Programs Subtotals		-	-	3.927	-
C. Other Program Funding Summary (\$ in Millions) N/A					
<u>D. Acquisition Strategy</u> BEIS leveraged existing infrastructure in DoD's investment in DCD/DCW, DDRS, and DCAS. BEIS formally implemented a portfolio management approach to program management that helped to ensure a management strategy was in place to better reallocate assets within the portfolio. BEIS has and will continue to deliver needed capabilities more rapidly and efficiently using a Family of Systems concept providing a functional baseline organized into six distinct lines of business: General Ledger Services, Business Integration Services, Reference Data Services, Enterprise Level Business Intelligence Services, Cash Accountability and Reporting Services, and Financial Reporting Services. Capabilities are being developed incrementally with multiple releases per year to meet the Enterprise Transition Plan milestones provided to Congress. Based on the list of requirements, an overall schedule is produced which includes integrated activities as well as identified products and milestones. Contracts are competitively awarded to keep costs down. Intra-governmental services are being used where possible for infrastructure support by the Defense Finance and Accounting Service (DFAS) Technical Services Organization and Defense Information Systems Agency (DISA) Information Processing Center.					
<u>E. Performance Metrics</u> N / A					

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APPROPRIATION/BUDGET ACTIVITY 0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 5: <i>Development & Demonstration (SDD)</i>				R-1 ITEM NOMENCLATURE PE 0605070S: <i>DoD Enterprise Systems Development and Demonstration</i>				PROJECT 2: <i>Defense Business Systems Acquisition (DBASE) Staff</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
2: <i>Defense Business Systems Acquisition (DBASE) Staff</i>	-	-	0.841	-	0.841	1.177	0.939	0.842	0.796	Continuing	Continuing
Quantity of RDT&E Articles											
A. Mission Description and Budget Item Justification <p>The Defense Business Systems Acquisition (DBASE) Staff is a team on highly qualified individuals that are charged with developing and maintaining a portfolio of programs designed to meet the needs of the Department of Defense (DoD). The Staff mission is to provide expert acquisition strategy, advise, oversight, and hands-on assistance to the DoD and to the architecture of DBASE portfolio programs. The DBASE staff primary focus will be to 1) enhance the consistency of processes, and 2) promote excellence in innovation with the following key focus areas:</p> <ul style="list-style-type: none"> -Program and acquisition strategy -Information assurance -Systems engineering and testing -Risk ISD & mitigation strategies -Program training packages -Sustainability, supportability and logistics -and on-boarding and off-boarding process support 											
B. Accomplishments/Planned Programs (\$ in Millions)							FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Title: DBASE Staff							-	-	0.841	-	0.841
Description: Formerly organized under the BTA.											
FY 2010 Accomplishments: N / A											
FY 2011 Plans: N / A											
FY 2012 Base Plans: Focus efforts to enhance the consistency of processes, and promote excellence in innovation with the following key focus areas:											
-Program and acquisition strategy											

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APPROPRIATION/BUDGET ACTIVITY 0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 5: <i>Development & Demonstration (SDD)</i>		R-1 ITEM NOMENCLATURE PE 0605070S: <i>DoD Enterprise Systems Development and Demonstration</i>		PROJECT 2: <i>Defense Business Systems Acquisition (DBASE) Staff</i>	
B. Accomplishments/Planned Programs (\$ in Millions)		FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO
-Information assurance -Systems engineering and testing -Risk ISD & mitigation strategies -Program training packages -Sustainability, supportability and logistics -and on-boarding and off-boarding process support FY 2012 OCO Plans: N / A					
Accomplishments/Planned Programs Subtotals		-	-	0.841	-
C. Other Program Funding Summary (\$ in Millions) N/A					
D. Acquisition Strategy N / A					
E. Performance Metrics N / A					

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Exhibit R-2A, RDT&E Project Justification: PB 2012 Defense Logistics Agency								DATE: February 2011			
APPROPRIATION/BUDGET ACTIVITY 0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)				R-1 ITEM NOMENCLATURE PE 0605070S: DoD Enterprise Systems Development and Demonstration				PROJECT 3: Defense Agencies Initiative (DAI)			
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
3: Defense Agencies Initiative (DAI)	-	-	65.329	-	65.329	62.819	31.432	47.621	22.494	Continuing	Continuing
Quantity of RDT&E Articles											
A. Mission Description and Budget Item Justification											
The mission of the Defense Agencies Initiative (DAI) program is to modernize the participating Defense Agencies' financial management processes by streamlining financial management capabilities, eliminating material weaknesses, and achieving financial statement auditability for the Agencies and field activities across the DoD. DAI will transform the budget, finance, and accounting operations of the participating Defense Agencies to achieve accurate and reliable financial information for financial accountability and efficient decision making. The DAI implementation approach is to deploy a standardized system solution that effectively addresses the requirements depicted in such tools as the Federal Financial Management Improvement Act (FFMIA) and the DoD Business Enterprise Architecture (BEA), while leveraging the out-of-the-box capabilities of the selected commercial off-the-shelf (COTS) product. The DAI business solution, once implemented, will provide a near real-time, web-based system from a .mil environment of integrated business processes that will enable in excess of 100,000 Defense Agency financial managers, program managers, auditors, and Defense Finance and Accounting Service (DFAS) representatives to make sound financial business decisions to support the warfighter.											
DAI will implement a compliant COTS business solution with common business processes and data standards for the following business functions within budget execution requirements: procure to pay; order to cash; acquire to retire; budget to report; cost accounting; grants accounting; budget formulation; time and attendance; and re-sales accounting. The Defense Agencies are committed to leveraging their resources and talents to build an integrated system that supports standardized processes and proves that the DoD is capable of using a single architecture and foundation to support multiple, diverse components.											
The benefits of DAI are:											
- Common business processes and data standards;											
- Access to real-time financial data transactions;											
- Significantly reduced data reconciliation requirements;											
- Enhanced analysis and decision support capabilities;											
- Standardized line of accounting with the use of Standard Financial Information Structure (SFIS); and											
- Use of USSGL Chart of Accounts to resolve DoD material weaknesses and deficiencies.											
The system integration services for the DAI will include the following:											
Project management; Blueprinting; Design, Build, and Unit Test; Reports, Interfaces, Conversion, Extensions (RICE); Testing (integration, functional, performance, conversion, security, user acceptance, operational); End-User Training/Change Management; System Deployment; Conversion; Information Assurance; Sustainment; Data Service; Help Desk Support; Studies and Analysis Support; and Site Surveys.											
B. Accomplishments/Planned Programs (\$ in Millions)							FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Title: Defense Agencies Initiative (DAI)							-	-	65.329	-	65.329

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APPROPRIATION/BUDGET ACTIVITY 0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 5: <i>Development & Demonstration (SDD)</i>		R-1 ITEM NOMENCLATURE PE 0605070S: <i>DoD Enterprise Systems Development and Demonstration</i>		PROJECT 3: <i>Defense Agencies Initiative (DAI)</i>		
B. Accomplishments/Planned Programs (\$ in Millions)						
		FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Description: Formerly organized under the BTA. FY 2010 Accomplishments: N / A FY 2011 Plans: N / A FY 2012 Base Plans: Deliver the next increment of DAI capability. Continue development of the DAI production baseline (core functionality and RICEW - Reports, Interfaces, Conversions, Extensions and Workflow) to achieve capabilities required for FY13 implementing agencies. Continue program activities to test developmental products and prepare FY13 implementing agencies for implementation of DAI (site surveys, training, infrastructure and sustainment preparations, development and testing). FY 2012 OCO Plans: N/A						
Accomplishments/Planned Programs Subtotals		-	-	65.329	-	65.329
C. Other Program Funding Summary (\$ in Millions) N/A						
D. Acquisition Strategy DAI will be developed and implemented using an incremental strategy including major annual software releases to accommodate upgrades and fixes as required by implemented and implementing agencies as governed by its Functional Sponsor and Milestone Decision Authority. The program management office (PMO) is responsible for all aspects of program control and execution within the Defense Acquisition System. It is supported by multiple contractors in integration of the overall effort, as well as execution of specific functions within the acquisition process. The DAI PMO will use a combination of Firm Fixed Price, Time & Material and Cost plus award fee contracts to support the delivery and sustainment of required capabilities.						
E. Performance Metrics N / A						

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APPROPRIATION/BUDGET ACTIVITY 0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)				R-1 ITEM NOMENCLATURE PE 0605070S: DoD Enterprise Systems Development and Demonstration				PROJECT 4: Defense Information System for Security (DISS)			
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
4: Defense Information System for Security (DISS)	-	-	26.625	-	26.625	24.673	6.757	5.838	4.788	Continuing	Continuing
Quantity of RDT&E Articles											

A. Mission Description and Budget Item Justification

Defense Information System for Security (DISS) will improve information sharing capabilities, accelerate clearance processing timelines, reduce security vulnerabilities, and increase DoD's security mission capability. The DISS mission is to consolidate the DoD security mission into an Enterprise System that will automate the implementation of improved national investigative and adjudicative standards to eliminate costly and inefficient work processes and increase information collaboration across the community. DISS is currently under development and will replace the Joint Personnel Adjudication System (JPAS) a legacy system. When fully deployed this will be a secure, authoritative source for the management, storage and timely dissemination of and access to personnel with the flexibility to provide additional support structure for future DoD security process growth. When deployed, it will accelerate the clearance process, reduce security clearance vulnerabilities, decrease back-end processing timelines, and support simultaneous information sharing within various DoD entities as well as among a number of authorized federal agencies. DISS will provide improved support to the Insider Threat and Personal Identity programs and will be comprised of capabilities that are currently part of the Joint Personnel Adjudication System (JPAS) and will create a robust and real-time capability for all DoD participants in the Military Departments, and DoD Agencies. It will also include automated records check (ARC) functionality and the creation of an adjudicative case management capability with e-Adjudication functionality. DISS will also provide the following operational capabilities, single point of entry for; personnel security, adjudicative case management, and decision support functionality to all DoD adjudicators. DISS will provide near continuous intra-Central Adjudication Facility (CAF) communications on a web-based enabled platform utilizing a unified architecture with security management.

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

	FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Title: Defense Information System for Security (DISS)	-	-	26.625	-	26.625
Description: Formerly organized under the BTA.					
FY 2010 Accomplishments: N / A					
FY 2011 Plans: N / A					
FY 2012 Base Plans: Complete CATS and ACES physical transfer of infrastructure, obtain hardware required to support JVS development efforts for the four environments: pre-production, production, development/test and disaster recovery, purchase of software components, install and configure configuration management tools, complete					

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B. Accomplishments/Planned Programs (\$ in Millions)						
		FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
test and development of Enterprise Services (Release 2- how component systems are integrated into one overarching system), Joint Verification System (Release 3 - security clearance management function) and integration of CATS/ACES/JVS (Release 4 - final integration), DISS C&A, complete Milestone C documentation, complete Production and Test Readiness Reviews, continue change management/communications outreach efforts, risk management, and schedule management.						
FY 2012 OCO Plans: N/ A						
Accomplishments/Planned Programs Subtotals		-	-	26.625	-	26.625
C. Other Program Funding Summary (\$ in Millions) N/A						
D. Acquisition Strategy The Defense Information System for Security (DISS) is being developed as a family of systems utilizing the Joint Reform Team new personnel security clearance and suitability determination process inside the Department of Defense (DoD). The new system will improve information sharing capabilities, accelerate clearanceprocessing timelines, reduce security vulnerabilities, and increase DoD's security mission capability. DISS is being implemented through an evolutionary acquisition approach based on increments. The deployment of each increment to DISS allows the fielding of capabilities and provides an approach which limits the Government's risk.						
E. Performance Metrics N / A						

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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
5: <i>Defense Travel System (DTS)</i>	-	-	1.122	-	1.122	0.815	0.256	0.252	0.239	Continuing	Continuing
Quantity of RDT&E Articles											

A. Mission Description and Budget Item Justification

The Defense Travel System (DTS) is a fully integrated, electronic, end-to-end financial management system that automates temporary duty travel for the Department of Defense (DoD). DTS meets unique DoD mission, security and financial system requirements within the guidelines of Federal and DoD travel policies and regulations. DTS automates travel authorizations, reservations and arrangements, voucher processing, payment, reconciliation, accountability and archiving. DTS employs Digital Signature and Login/Authentication which requires users to provide a signed response using a valid DoD Public Key Infrastructure (PKI) certificate to gain access to the DTS application. Travel documents created in DTS are digitally signed with the user's PKI certificate to provide a means of identifying the signer, verifying the document's integrity, and enforcing non-repudiation of the signature by the signer.

DTS is a Major Automated Information System (MAIS), Acquisition Category (ACAT) 1AC program. DTS delivers capability by evolutionary acquisition utilizing incremental development; recognizing up front the need for future capability improvements. The DTS has a flexible design so that each increment builds upon its core functionality, dependent on available, mature technology providing increasing capabilities to travelers, travel administrators, and process owners. Full Operational Capability (FOC) for Increment was achieved in March 2010. Future capability improvements will be implemented as P3I beginning FY11.

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

	FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Title: Defense Travel System (DTS)	-	-	1.122	-	1.122
Description: Formerly organized under the BTA.					
FY 2010 Accomplishments: N / A					
FY 2011 Plans: N / A					
FY 2012 Base Plans: First year of funding under the DLA:					
- Continue "work-off" of development related Software Problem Reports (SPRs)					
- Continue development, testing and integration of Financial Partner System (FPS) interfaces, test and integrate software releases, FPS system changes					
- Continue development of new functionality to allow phase out legacy travel systems					

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B. Accomplishments/Planned Programs (\$ in Millions)						
		FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
- Continue to update Interface Control Documents and Memorandums of Agreement (MOA) and Perform Limited User Testing (LUT) - Continue Program Management and Engineering support to include acquisition compliance reporting, acquisition subject matter expertise, business case analysis, metrics, system analysis, requirements support, contract execution, contract documentation and test management oversight. <i>FY 2012 OCO Plans:</i> N / A						
Accomplishments/Planned Programs Subtotals		-	-	1.122	-	1.122
C. Other Program Funding Summary (\$ in Millions) N/A						
<u>D. Acquisition Strategy</u> The Program Management Office (PMO)-DTS Acquisition Strategy (AS) has been updated to address the award of an 18 month sole source contract ultimately leading to a follow on competition for a new Prime Contract.						
<u>E. Performance Metrics</u> N / A						

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Exhibit R-2A, RDT&E Project Justification: PB 2012 Defense Logistics Agency								DATE: February 2011			
APPROPRIATION/BUDGET ACTIVITY 0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)				R-1 ITEM NOMENCLATURE PE 0605070S: DoD Enterprise Systems Development and Demonstration				PROJECT 6: Virtual Interactive Processing System (VIPS)			
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
6: Virtual Interactive Processing System (VIPS)	-	-	21.883	-	21.883	10.085	-	-	-	Continuing	Continuing
Quantity of RDT&E Articles											
A. Mission Description and Budget Item Justification											
The Virtual Interactive Processing System (VIPS) will modernize and automate the Information Technology (IT) capabilities for qualifying Applicants into the Military Service during wartime, peacetime, and mobilization. VIPS will enable a responsive, flexible and efficient means to qualify Applicants to meet manpower resource requirements for the uniformed Services, Coast Guard, and National Guard routine and contingency operations. VIPS will be the future accessioning system to be used by the US Military Entrance Processing Command (USMEPCOM) which serves as the single entry point for determining the physical, aptitude, and conduct qualifications of candidates for enlistment. VIPS will provide the capability to electronically acquire, process, store, secure, and seamlessly share personnel data across the Accessions Community of Interest (ACOI). When fully implemented, VIPS will reduce the cycle time required to induct enlistees to meet the needs of Homeland Defense, reduce the number of visits to the Military Entrance Processing Stations (MEPS), reduce manual data entry errors, and reduce attrition through better pre-screening practices. The implementation of a Modular Open System Architecture (MOSA), approach will enable data to be securely available to applicants and ACOI partners such as Recruiting and Training Commands, Defense Manpower Data Center (DMDC), Military Health System, Human Resource Management (HRM), and Defense Travel Management Office (DTMO). VIPS will support compliance with DoD direction for a net-centric environment and take advantage of automated data capture technology, e.g., medical equipment with the capability to capture and electronically transmit exam results. The accessioning system of the future will be location independent, virtually paper-free, and automated to assist with bringing the right people at the right time to operational commanders.											
B. Accomplishments/Planned Programs (\$ in Millions)							FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Title: Virtual Interactive Processing System (VIPS)							-	-	21.883	-	21.883
Description: Formerly organized under the BTA.											
FY 2010 Accomplishments: N / A											
FY 2011 Plans: N / A											
FY 2012 Base Plans: The VIPS PMO plans to accomplish the following in FY12: Program Management and Engineering support which includes acquisition compliance reporting, acquisition subject matter expertise, business case analysis, metrics, system analysis, requirements support, contract execution, contract documentation, investment activities, and test management oversight for Increment 1.0.											

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Exhibit R-2A, RDT&E Project Justification: PB 2012 Defense Logistics Agency				DATE: February 2011	
APPROPRIATION/BUDGET ACTIVITY 0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 5: <i>Development & Demonstration (SDD)</i>		R-1 ITEM NOMENCLATURE PE 0605070S: <i>DoD Enterprise Systems Development and Demonstration</i>		PROJECT 6: <i>Virtual Interactive Processing System (VIPS)</i>	
B. Accomplishments/Planned Programs (\$ in Millions)					
		FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO
Increment 1.0 will achieve Full Operational Capability (FOC), complete deployment activities and transition to sustainment. VIPS PMO will complete the development of the requirements and related acquisition activities in support of Increment 2.0. FY 2012 OCO Plans: N / A					
Accomplishments/Planned Programs Subtotals		-	-	21.883	-
C. Other Program Funding Summary (\$ in Millions) N/A					
D. Acquisition Strategy In accordance with DoDI 5000.02, the VIPS Program plans to use an incremental approach to satisfy USMEPCOM's requirements for VIPS. Requirements have been articulated to support development of an initial increment that provides the core platform for VIPS as well as enough capabilities to fully assess a candidate into the military. Increment 1.0 content provides sufficient capability to retire the legacy system, USMEPCOM Integrated Resource System (USMIRS). Future increments will address the full VIPS capabilities necessary to realize the Return on Investment (ROI) potential identified in the VIPS Milestone B Business Case. VIPS Increment 1.0 was procured under a single contract, competitively awarded to provide both a core infrastructure and business functions to support the accessions process. The Program Management Office (PMO) awarded a single Increment 1.0 contract on September 30, 2010 that will initially provide for the design of VIPS Increment 1.0 through Preliminary Design Review (PDR). The prime and sub contractors will also provide design, development, and deployment of the ROC prototype. Once PDR is complete, the program will seek a Milestone B decision. Following a successful Milestone B decision, Option 2 will be exercised on the contract to complete design, testing, and deployment. The VIPS Increment 1.0 contract also covers fielding and training support. System integration (to include management of the technical configuration baseline) and sustainment across VIPS was included as part of the Increment 1.0 contract. VIPS PMO has adopted rigorous cost controls using earned value management and a comprehensive risk management program to manage program execution.					
E. Performance Metrics N / A					

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Exhibit R-2A, RDT&E Project Justification: PB 2012 Defense Logistics Agency								DATE: February 2011			
APPROPRIATION/BUDGET ACTIVITY 0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)				R-1 ITEM NOMENCLATURE PE 0605070S: DoD Enterprise Systems Development and Demonstration				PROJECT 7: Wide Area Work Flow (WAWF)			
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
7: Wide Area Work Flow (WAWF)	-	-	2.057	-	2.057	1.992	1.878	1.852	1.830	Continuing	Continuing
Quantity of RDT&E Articles											
A. Mission Description and Budget Item Justification											
WAWF is the DoD enterprise system for secure electronic submission, acceptance and processing of invoices. It is mandated for use by all DoD Services and Agencies for electronic invoicing by DFAR 252.232-7003. WAWF processes over 86 million transactions worth \$301B per year and saves DoD millions of dollars annually in processing cost and avoided interest (over \$77.6 M in FY10). WAWF brings together the invoice, the receiving report, and the contract from EDA to provide the accounting and entitlement systems with the three-way match needed to authorize payment. WAWF is also the Enterprise data entry point for the Item Unique Identifier (IUID) and Government Furnished Property (GFP) programs, the source of receipt and acceptance data for Service Enterprise Resource Planning Systems (ERP), and is central for the Business Enterprise Architecture (BEA) enterprise solutions for Standard Financial Information Structure (SFIS) and Inter Governmental Transfer (IGT). The benefits to DoD are a single face to industry suppliers, global accessibility of documents, reduced need for re-keying, improved data accuracy, real-time processing, secure transactions with audit capability, and faster processing resulting in reduced interest penalties. For vendors, benefits include the capability to electronically submit invoices, reduction of lost or misplaced documents, and online access to contract payment records.											
B. Accomplishments/Planned Programs (\$ in Millions)							FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Title: Wide Area Work Flow (WAWF)							-	-	2.057	-	2.057
Description: Formerly organized under the BTA.											
FY 2010 Accomplishments: N / A											
FY 2011 Plans: N / A											
FY 2012 Base Plans: - Continue System/Program Testing and Analysis including integration of multiple systems developed for multiple organizations by multiple vendors into the Electronic Commerce Infrastructure. - Continue Joint Interoperability Test Command (JITC) developmental, system/integration, and Operational Acceptance Testing for each version release of WAWF systems.											
FY 2012 OCO Plans: N / A											
Accomplishments/Planned Programs Subtotals							-	-	2.057	-	2.057

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Exhibit R-2A, RDT&E Project Justification: PB 2012 Defense Logistics Agency		DATE: February 2011
APPROPRIATION/BUDGET ACTIVITY 0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 5: <i>Development & Demonstration (SDD)</i>	R-1 ITEM NOMENCLATURE PE 0605070S: <i>DoD Enterprise Systems Development and Demonstration</i>	PROJECT 7: <i>Wide Area Work Flow (WAWF)</i>
<u>C. Other Program Funding Summary (\$ in Millions)</u> N/A		
<u>D. Acquisition Strategy</u> N / A		
<u>E. Performance Metrics</u> N / A		

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Exhibit R-2A, RDT&E Project Justification: PB 2012 Defense Logistics Agency								DATE: February 2011			
APPROPRIATION/BUDGET ACTIVITY 0400: Research, Development, Test & Evaluation, Defense-Wide BA 5: Development & Demonstration (SDD)				R-1 ITEM NOMENCLATURE PE 0605070S: DoD Enterprise Systems Development and Demonstration				PROJECT 8: Defense Retired and Annuitant Pay System (DRAS)			
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
8: Defense Retired and Annuitant Pay System (DRAS)	-	-	12.501	-	12.501	17.104	14.013	1.485	1.447	Continuing	Continuing
Quantity of RDT&E Articles											
A. Mission Description and Budget Item Justification											
The primary objective of Defense Retired and Annuitant Pay System (DRAS) is to establish and maintain retired military pay accounts. The DRAS will provide unique and stellar payroll services to approximately 2.5 million military retirees, former spouses and their beneficiaries. The system is the cornerstone of retirement system and is the vehicle for fielding and resourcing a fully integrated retirement pay system, while concurrently supporting reengineered business processes, replacing failing systems, reducing data collection burdens and enhancing readiness.											
B. Accomplishments/Planned Programs (\$ in Millions)							FY 2010	FY 2011	FY 2012 Base	FY 2012 OCO	FY 2012 Total
Title: Defense Retired and Annuitant Pay System (DRAPS)							-	-	12.501	-	12.501
Description: New program to the DLA.											
FY 2010 Accomplishments: N / A											
FY 2011 Plans: N / A											
FY 2012 Base Plans: This is a new military retiree pay system which will focus on three primary objectives: -Establish ritired military pay system. -Replace antiquated legacy system. -Atomate many manually intensive processes. -											
FY 2012 OCO Plans: N / A											
Accomplishments/Planned Programs Subtotals							-	-	12.501	-	12.501

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Exhibit R-2A, RDT&E Project Justification: PB 2012 Defense Logistics Agency		DATE: February 2011
APPROPRIATION/BUDGET ACTIVITY 0400: <i>Research, Development, Test & Evaluation, Defense-Wide</i> BA 5: <i>Development & Demonstration (SDD)</i>	R-1 ITEM NOMENCLATURE PE 0605070S: <i>DoD Enterprise Systems Development and Demonstration</i>	PROJECT 8: <i>Defense Retired and Annuitant Pay System (DRAS)</i>
<u>C. Other Program Funding Summary (\$ in Millions)</u> N/A <u>D. Acquisition Strategy</u> N / A <u>E. Performance Metrics</u> N / A		