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Exhibit R-2, RDT&E Budget Item Justification: FY 2018 Army										Date: May 2017		
Appropriation/Budget Activity 2040: Research, Development, Test & Evaluation, Army / BA 5: System Development & Demonstration (SDD)					R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System							
COST (\$ in Millions)	Prior Years	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total	FY 2019	FY 2020	FY 2021	FY 2022	Cost To Complete	Total Cost
Total Program Element	-	0.000	20.663	20.322	-	20.322	28.227	22.698	15.322	7.531	0.000	114.763
FA7: Contract Writing System	-	0.000	20.663	20.322	-	20.322	28.227	22.698	15.322	7.531	0.000	114.763

A. Mission Description and Budget Item Justification

The Army Contract Writing System (ACWS) will be the Army's single, next-generation, enterprise-wide contract writing, management, execution, and close-out software system. ACWS will facilitate the standardization of Army Procurement business processes and streamline the integration with Army ERP systems. As a financial feeder system, ACWS will meet the compliance requirements of the Federal Financial Management Improvement Act of 1996 (FFMIA). The system will meet the full scope of Army Contracting requirements, including those in secure and non-secure locations, those supporting combat or non-combat contingencies, those within or outside the borders of the Continental United States, those supporting grants and assistance agreements, and those performing weapons systems, construction, installation, and other specialized contracting activities.

This is consistent with Undersecretary of Defense, Acquisition, Technology and Logistics Memorandum; Department of Defense (DoD) Functional Contract Writing and Administration, dated 21 October 2011, which directed each of the Services to develop a new contract writing system. Accordingly, Army received an OSD Deputy Chief Management Officer (DCMO) validated problem statement and the Army Acquisition Executive approved the ACWS Materiel Development Decision (MDD) on 29 October 2014. On 24 March 2016, the Undersecretary of Defense for Acquisition, Logistics and Technology re-designated the ACWS as an ACAT IAM (MAIS) program and authorized the release of the RFP to procure a Commercial-off-the-Shelf (COTS) system. ACWS just completed an aggressive Source Selection and conducted an Army Systems Acquisition Review Council (ASARC) meeting with the Army Acquisition Executive in March 2017, and received approval from the Defense Acquisition Executive to proceed to contract award in April 2017. Contract Award is anticipated in May 2017.

B. Program Change Summary (\$ in Millions)	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total
Previous President's Budget	0.000	20.663	31.607	-	31.607
Current President's Budget	0.000	20.663	20.322	-	20.322
Total Adjustments	0.000	0.000	-11.285	-	-11.285
• Congressional General Reductions	-	-			
• Congressional Directed Reductions	-	-			
• Congressional Rescissions	-	-			
• Congressional Adds	-	-			
• Congressional Directed Transfers	-	-			
• Reprogrammings	-	-			
• SBIR/STTR Transfer	-	-			
• Adjustments to Budget Years	0.000	0.000	-11.285	-	-11.285

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<u>Change Summary Explanation</u> FY18 funding rephrased to align with program schedule.		

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Appropriation/Budget Activity 2040 / 5					R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System				Project (Number/Name) FA7 / Contract Writing System			
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FA7: Contract Writing System	-	0.000	20.663	20.322	-	20.322	28.227	22.698	15.322	7.531	0.000	114.763
Quantity of RDT&E Articles	-	-	-	-	-	-	-	-	-	-		

A. Mission Description and Budget Item Justification

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

	FY 2016	FY 2017	FY 2018
Title: Risk Reduction Phase	-	20.663	-
Description: The purpose of the Risk Reduction (RR) phase, is to fully assess the COTS solution procured as the results of the Full and Open Competition. The assessment will allow the program to award the initial development contract (Build 1) with a high degree of confidence that the program will successfully execute the development and deployment phase. RR will include several key activities conducted in parallel. First, the program will conduct Global Analysis and Business Blueprinting to optimize the Army's "To-Be," End-to-End, Procure-to-Pay processes and business scenarios. The program will define applicable Business Process Designs, identify any gaps between the COTS product and the ACWS requirements and determine how to resolve those gaps. This will all be done with the goal to align Army processes, as much as possible, to the COTS product processes. This will save significant development dollars. This phase will also include design of the required interfaces that are not included as part of the original COTS solution. The ultimate goal of this phase is to maintain the COTS baseline and reduce requirement for customization with a plan that allocates capabilities and interfaces across all software builds. The allocated baseline will be reviewed/ approved during a Preliminary Design Review.			

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B. Accomplishments/Planned Programs (\$ in Millions)	FY 2016	FY 2017	FY 2018
<i>FY 2017 Plans:</i> FY 2017 funds will be used to award Task Order (TO) 001, to procure a COTS contract writing system and to select a System Integrator (SI) to conduct a collaborative RR phase focusing on performing fit-gap analysis, blueprinting and business process reengineering activities, analysis of cyber security risks, and interfacing designs with 36 unique key system partners and stakeholders.			
<i>Title:</i> Development and Deployment Phase <i>Description:</i> During this phase the program will perform all development, integration, test, and deployment activities for a series of software builds to achieve full deployment of ACWS capabilities to 10,000 end users in approximately 300 locations worldwide.	-	-	20.322
<i>FY 2018 Plans:</i> FY18 funds will be used to award TO 002, Build 1 of the Development and Deployment Phase. After contract award, the program will conduct software configuration; will develop interfaces required as part of this build, but not included in the COTS product; will execute developmental and operational testing; and will deploy Build 1 capabilities in order to achieve Initial Operational Capability (IOC) - initiating the ultimate objective for ACWS to achieve full deployment of capabilities to 10,000 end users in approximately 300 locations worldwide.			
Accomplishments/Planned Programs Subtotals	-	20.663	20.322

C. Other Program Funding Summary (\$ in Millions)											
Line Item	FY 2016	FY 2017	FY 2018 Base	FY 2018 OCO	FY 2018 Total	FY 2019	FY 2020	FY 2021	FY 2022	Cost To Complete	Total Cost
• Contract Writing System: OPA: SSN B66001	-	0.986	1.001	-	1.001	15.527	16.902	8.573	6.040	0.000	49.029
Remarks											
D. Acquisition Strategy											
Through Full and Open Competition, the strategy for ACWS is to award the SI (at ATP-1) a Single Award ID/IQ Contract with a 10 year ordering period, and to perform all requisite RR activities concurrent with development of all regulatory and statutory ATP-2 (MS B) documentation required. These activities are conducted for the purpose of meeting the USD AT&L timeline goals to sunset SPS. The anticipated contract award date is 3Q FY 2017. The first task order (guaranteed minimum) will be the RR phase focusing on BPR, Global Analysis and Blueprinting. During the Risk Reduction phase, ACWS will continue to prepare for its ATP-2 (MS B) in FY 2018. The next 48 months will be development and deployment, followed by 60 months of sustainment activities.											

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E. Performance Metrics N/A		

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Exhibit R-3, RDT&E Project Cost Analysis: FY 2018 Army													Date: May 2017		
Appropriation/Budget Activity 2040 / 5						R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System					Project (Number/Name) FA7 / Contract Writing System				
Management Services (\$ in Millions)				FY 2016		FY 2017		FY 2018 Base		FY 2018 OCO		FY 2018 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Program Office	Various	PdM ACWS : Arlington, VA	0.000	-		-		7.260		-		7.260	0.000	7.260	0.000
Subtotal			0.000	-		-		7.260		-		7.260	0.000	7.260	0.000
Product Development (\$ in Millions)				FY 2016		FY 2017		FY 2018 Base		FY 2018 OCO		FY 2018 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Product Development	C/IDIQ	Alexandria VA : Alexandria VA	0.000	-		20.663	May 2017	5.263	Aug 2018	-		5.263	0.000	25.926	0.000
Subtotal			0.000	-		20.663		5.263		-		5.263	0.000	25.926	0.000
Remarks															
The latest guidance from the Under Secretary of Defense, Acquisition, Technology and Logistics, updated on 12 Jan 2017, directs that the Standard Procurement System (SPS) be sunset by FY23. In order for the Army to meet appropriate legislative mandates, the new capability will provide improved functionality in general contract writing and contract administration while seamlessly operating in the NIPR, SIPR, CONUS, OCONUS, and in low/no bandwidth environments. In addition, the replacement capability will produce data that is traceable and auditable by the Army designated finance account system(s) and will be in compliance with the Secretary of Defense's mandate for implementing internal controls to facilitate full financial audit readiness and accountability.															
Support (\$ in Millions)				FY 2016		FY 2017		FY 2018 Base		FY 2018 OCO		FY 2018 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Hosting/Security/ Knowledge Management	Various	TBD : TBD	0.000	-		-		7.599		-		7.599	0.000	7.599	0.000
Subtotal			0.000	-		-		7.599		-		7.599	0.000	7.599	0.000
Test and Evaluation (\$ in Millions)				FY 2016		FY 2017		FY 2018 Base		FY 2018 OCO		FY 2018 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Test and Evaluation	MIPR	ATEC : TBD	0.000	-		-		0.200		-		0.200	0.000	0.200	0.000

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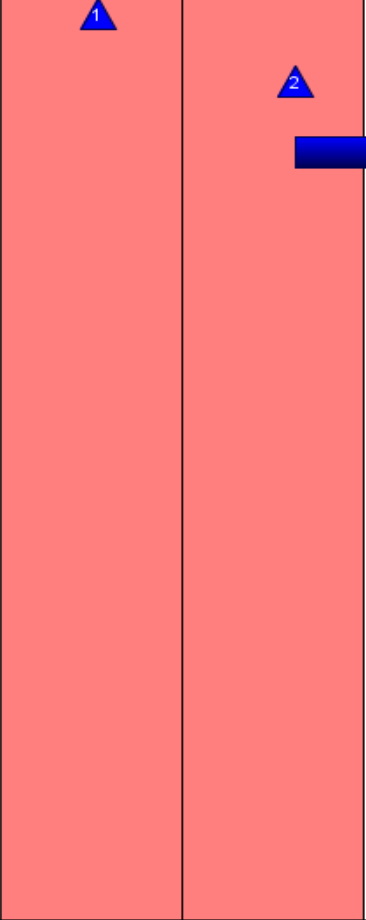
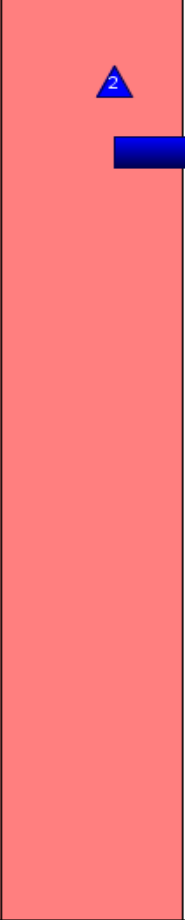






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Test and Evaluation (\$ in Millions)				FY 2016		FY 2017		FY 2018 Base		FY 2018 OCO		FY 2018 Total			
Cost Category Item	Contract Method & Type	Performing Activity & Location	Prior Years	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Award Date	Cost	Cost To Complete	Total Cost	Target Value of Contract
Subtotal			0.000	-		-		0.200		-		0.200	0.000	0.200	0.000

	Prior Years	FY 2016		FY 2017		FY 2018 Base		FY 2018 OCO		FY 2018 Total	Cost To Complete	Total Cost	Target Value of Contract
Project Cost Totals	0.000	-		20.663		20.322		-		20.322	0.000	40.985	-

Remarks

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Exhibit R-4, RDT&E Schedule Profile: FY 2018 Army																Date: May 2017																
Appropriation/Budget Activity 2040 / 5										R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System								Project (Number/Name) FA7 / Contract Writing System														
Event Name	FY 2016				FY 2017				FY 2018				FY 2019				FY 2020				FY 2021				FY 2022							
	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) RFP Release ADM (Material Solution Analysis Phase)																																
(2) ATP-1 (MS A)/Contract Award- Task Order 001																																
Risk Reduction Phase																																
Development and Deployment Phase																																
(3) ATP-2 (MS B)/Contract Award- Task Order 002 Build 1																																
(4) Contract Award- Task Order 003 Build 2																																
(5) IOC																																
(6) Contract Award- Task Order 004 Build 3																																

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Exhibit R-4A, RDT&E Schedule Details: FY 2018 Army			Date: May 2017
Appropriation/Budget Activity 2040 / 5	R-1 Program Element (Number/Name) PE 0605047A / Army Contract Writing System	Project (Number/Name) FA7 / Contract Writing System	

Schedule Details

Events	Start		End	
	Quarter	Year	Quarter	Year
RFP Release ADM (Material Solution Analysis Phase)	3	2016	3	2016
ATP-1 (MS A)/Contract Award- Task Order 001	3	2017	3	2017
Risk Reduction Phase	3	2017	4	2018
Development and Deployment Phase	4	2018	2	2024
ATP-2 (MS B)/Contract Award- Task Order 002 Build 1	4	2018	4	2018
Contract Award- Task Order 003 Build 2	2	2020	2	2020
IOC	4	2020	4	2020
Contract Award- Task Order 004 Build 3	2	2021	2	2021