# COMMITTEE STAFF PROCUREMENT BACKUP BOOK

# FY2000/2001 BUDGET SUBMISSION

**February 1999**

**DEFENSE LOGISTICS AGENCY**

**DEFENSE LOGISTICS AGENCY**
**FY 2000-2001 BIENNIAL BUDGET ESTIMATES**

**PROCUREMENT, DEFENSE-WIDE**

# PROCUREMENT, DEFENSE-WIDE

## Defense Logistics Agency (DLA)

| Dollars In Millions | |
|---|---|
| FY 2001 Estimate | 29.597 |
| FY 2000 Estimate | 47.455 |
| FY 1999 Estimate | 100.343 |
| FY 1998 Actual | 42.982 |

## Purpose and Scope

The Defense Logistics Agency (DLA) is responsible to the Secretary of Defense for providing logistics support and contract administration at the lowest feasible cost to the taxpayer.  To assist in managing its diverse activities, DLA must procure various categories of mission essential equipment, to include automated data processing and telecommunications equipment, to afford a high degree of efficiency, effectiveness and productivity in the accomplishment of the Agency's logistics mission.

The Defense Microelectronics Activity (DMEA) has been established by the Deputy Secretary of Defense to leverage advanced technologies to extend the life of weapon systems by improving their reliability and maintainability while addressing the problem of diminishing manufacturing sources.   The DMEA is a DoD Activity under the authority and control of the Deputy Under Secretary of Defense for Logistics (DUSD-L). To accomplish its mission, the DMEA must procure various categories of mission essential equipment to perform Microelectronics Analysis, Design, Test and Integration, as well as Microelectronics Component Prototyping and Fabrication.

The goal of the Department of Defense is to provide all technical and acquisition related data in digital form by the Year 2000. Funds available under the Automated Document Conversion Systems (ADCS) program provide for the conversion of legacy technical documents.  The ADCS program is under the authority and control of the Deputy Under Secretary of Defense for Logistics (DUSD-L). To support Service needs, conversion software and required integration to existing document management systems must be acquired.

The Electronic Commerce Centers (ECRCs) help small and medium size vendors and government organizations implement and use electronic commerce (EC) and electronic data interchange (EDI) technologies.  In FY 1999 the ECRC program will be transferred from the R,D T&E Fund to the Procurement Defense-Wide Fund and will be transferred to the DoD JECPO for managerial oversight.

The Joint Electronic Commerce Program Office, DoD Executive Agent for electronic commerce (EC), will accelerate the application of EC business practices and associated information technologies to improve acquisition and life cycle sustainment processes. Demonstration and testing capabilities will be established at the EC laboratory in Slidell, LA, and Fort Huachuca, AZ.  For FY 2000 and out, purchases will include multiple lots for other designated service and agency sites.

The Department of Defense Human Resources Activity (DHRA), a consolidated activity of the Under Secretary of Defense (Personnel and Readiness), (USD (P&R)), is a central DoD activity for the collection and interaction of manpower and personnel data to support Department-wide tracking, analysis, research, studies, and a wide variety of reporting requirements.  DHRA provides civilian personnel policy support, functional information management, and civilian personnel administrative services to DoD Components and activities.

**Appropriation:** Procurement, Defense-Wide
**P-1 Line Item Number:**    21

| Activity | Item | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
|---|---|---|---|---|---|
| 01 | Passenger Carrying Vehicles | 0.330 | 0.040 | 0.057 | 0.095 |
| 02 | Automated Data Processing Equipment (ADP) | 0.000 | 0.504 | 3.086 | 3.381 |
| 03 | Telecommunications Equipment | 5.099 | 4.087 | 0.055 | 0.496 |
| 04 | Microelectronics Equipment | 9.639 | 10.135 | 8.492 | 7.441 |
| 05 | Automated Document Conversion System (ADCS) | 19.278 | 19.940 | 0.000 | 0.000 |
| 06 | Electronic Commerce/Electronic Data Interchange (EC/EDI) | 0.000 | 1.932 | 1.371 | 1.133 |
| 07 | Electronic Commerce Resource Centers (ECRC) | 0.000 | 44.544 | 24.491 | 9.799 |
| 08 | DoD Human Resources Activity (DHRA) | 5.958 | 19.161 | 9.903 | 7.252 |
| 09 | Expired Account Adjustment | 0.014 | | | |
| | Total | 40.318 | 100.343 | 47.455 | 29.597 |

**PROCUREMENT, DEFENSE-WIDE**

## Defense Logistics Agency (DLA)
## (Excluding DHRA)

| Dollars In Millions | |
|---|---|
| FY 2001 Estimate | 22.345 |
| FY 2000 Estimate | 37.552 |
| FY 1999 Estimate | 81.182 |
| FY 1998 Actual | 34.360 |

### Purpose and Scope

The Defense Logistics Agency (DLA) is responsible to the Secretary of Defense for providing logistics support and contract administration at the lowest feasible cost to the taxpayer. To assist in managing its diverse activities, DLA must procure various categories of mission essential equipment, to include automated data processing and telecommunications equipment, to afford a high degree of efficiency, effectiveness and productivity in the accomplishment of the Agency's logistic mission.

The Defense Microelectronics Activity (DMEA) has been established by the Deputy Secretary of Defense to leverage advanced technologies to extend the life of weapon systems by improving their reliability and maintainability while addressing the problem of diminishing manufacturing sources. The DMEA is a DoD Activity under the authority and control of the Deputy Under Secretary of Defense for Logistics (DUSD-L). To accomplish its mission, the DMEA must procure various categories of mission essential equipment to perform Microelectronics Analysis, Design, Test and Integration, as well as Microelectronics Component Prototyping and Fabrication.

The goal of the Department of Defense is to provide all technical and acquisition related data in digital form by the Year 2000. Funds available under the Automated Document Conversion Systems (ADCS) program provide for the conversion of legacy technical documents. The ADCS program is under the authority and control of the Deputy Under Secretary of Defense for Logistics (DUSD-L). To support Service needs, conversion software and required integration to existing document management systems must be acquired.

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The Joint Electronic Commerce Program Office, DoD Executive Agent for electronic commerce (EC), will accelerate the application of EC business practices and associated information technologies to improve acquisition and life cycle sustainment processes. Demonstration and testing capabilities will be established at the EC laboratory in Slidell, LA, and Fort Huachuca, AZ. For FY 2000 and out, purchases will include multiple lots for other designated service and agency sites.

### Justification of Funds

The Defense Contract Management Command (DCMC) has developed a technical architecture that defines the computing and communications environment needed to implement and sustain its critical business processes. The architecture is updated as new mission needs and business requirements are identified.

**Defense Logistics Agency (DLA)**
**(Excluding DHRA)**

**Justification of Funds (cont'd)**

DCMC's requirements to procure replacement servers in FY 2000 and FY 2001 are in support of DCMC's operations and will enable the Command to install client server equipment Command-wide. These servers are key to the Command being able to deploy the Standard Procurement System (SPS) as well as migrate from mainframe applications to mid-tier applications.

DCMC's requirement for telecommunications equipment supports installation of video teleconferencing equipment and switches with remote site routers. The VTC/switch requirement is critical for DCMC to perform its mission with reduced travel funding. The current switch architecture is obsolete and must be replaced.

The passenger carrying vehicle replacement requirements are in support of the overseas operations of the Agency. DLA's major subordinated commands, Defense Contract Management Command and Defense Logistics Support Command, have requirements for passenger carrying vehicles to be utilized at DLA Field Offices throughout Europe, Asia and the Middle East. DLA leases vehicles from the General Services Administration (GSA) Inter-Agency Fleet Management Service (IFMS) to support operations within the Continental United States (CONUS) and select OCONUS locations.

Microelectronics obsolescence and diminishing manufacturing sources issues are recognized throughout DoD as a critical problem that impacts virtually every Weapon System. Compounding the problem is the fact that Microelectronics is an extremely dynamic technology that now completely turns over every 18 months. The Defense Microelectronics Activity (DMEA) mission addresses these problems by leveraging the capabilities and payoffs of advanced Microelectronics technologies to solve obsolescence problems in fielded weapons systems. It covers all sustainment and modification issues relating to microelectronics technologies regardless of where those devices are used. The equipment used by DMEA must keep pace with these technologies. Therefore, a continuous infusion of equipment funds is necessary to sustain current capability levels in engineering analysis, prototype design, verification and integration, and wafer post processing.

Equipment upgrades, enhancements and new purchases are required to accomplish the following:
- Create innovative obsolescence solutions
- Perform Advanced Technology Insertions
- Improve weapon system reliability and maintainability
- Extend unit operational life
-   Support emerging technologies

The DoD Electronic Commerce Resource Center (ECRC) Program is a national network of 17 regional centers as well as a technology development activity that provides outreach and marketing, education and training and technical support services to industry and government. The program is designed to assist small and medium sized enterprises within the DoD supply chain understand and implement electronic commerce (EC) and electronic business (EB) technologies. The ECRC program, under the management direction of the Joint Electronic Commerce Program Office (JECPO), also serves as a business and industry outreach channel for the DoD and its trading partners. In addition, the ECRC program assists the military services and defense agencies implement their EC initiatives as well as providing support to department-wide initiatives such as the Emall and the Centralized Contractor Registration. In FY 99, the ECRC Program was transferred from the R,DT&E Fund to the Procurement, Defense-Wide Fund.

**Defense Logistics Agency (DLA)**
**(Excluding DHRA)**

**Justification of Funds (cont'd)**

DCMC's requirements to procure replacement servers in FY 2000 and FY 2001 are in support of DCMC's operations and will enable the Command to install client server equipment Command-wide.  These servers are key to the Command being able to deploy the Standard Procurement System (SPS) as well as migrate from mainframe applications to mid-tier applications.

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Microelectronics obsolescence and diminishing manufacturing sources issues are recognized throughout DoD as a critical problem that impacts virtually every Weapon System.  Compounding the problem is the fact that Microelectronics is an extremely dynamic technology that now completely turns over every 18 months.   The Defense Microelectronics Activity (DMEA) mission addresses these problems by leveraging the capabilities and payoffs of advanced Microelectronics technologies to solve obsolescence problems in fielded weapons systems.  It covers all sustainment and modification issues relating to microelectronics technologies regardless of where those devices are used.  The equipment used by DMEA must keep pace with these technologies.  Therefore, a continuous infusion of equipment funds is necessary to sustain current capability levels in engineering analysis, prototype design, verification and integration, and wafer post processing.

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**Appropriation:** Procurement, Defense-Wide
**P-1 Line Item Number:**   21

| Activity | Item | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
|----------|------|---------|---------|---------|---------|
| 01 | Passenger Carrying Vehicles | 0.330 | 0.040 | 0.057 | 0.095 |
| 02 | Automated Data Processing Equipment (ADP) | 0.000 | 0.504 | 3.086 | 3.381 |
| 03 | Telecommunications Equipment | 5.099 | 4.087 | 0.055 | 0.496 |
| 04 | Microelectronics Equipment | 9.639 | 10.135 | 8.492 | 7.441 |
| 05 | Automated Document Conversion System (ADCS) | 19.278 | 19.940 | 0.000 | 0.000 |
| 06 | Electronic Commerce/Electronic Data Interchange (EC/EDI) | 0.000 | 1.932 | 1.371 | 1.133 |
| 07 | Electronic Commerce Resource Centers (ECRC) | 0.000 | 44.544 | 24.491 | 9.799 |
| 09 | Expired Account Adjustment | 0.014 | | | |
| | Total | 34.360 | 81.182 | 37.552 | 22.345 |

| Budget Item Justification | | | | | | **A. Date** February-99 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| B.   Appropriation/Budget Activity Procurement Defense-Wide      Defense Logistics Agency | | | | | | **C.   P-1 Item Nomenclature** 01 Passenger Carrying Vehicles | | | | |
| | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
| **Quantity** | 38 | 16 | 2 | 3 | 5 | 10 | 10 | 10 | 10 | | |
| **Cost** | 0.790 | 0.330 | 0.040 | 0.057 | 0.095 | 0.190 | 0.188 | 0.190 | 0.188 | | |

The Defense Logistics Agency's (DLA) requirements to procure replacement passenger carrying
vehicles in FY 1999 and FY 2000 are in support of DLA's overseas contract management and logistics
operations conducted throughout Europe and the Middle East.  At present, DLA
maintains field offices in various overseas locations to include Japan, Turkey, Israel, Italy,
and Egypt.

Today, DLA is actively working to convert its overseas fleet of "owned" passenger carrying vehicles,
to long term commercial leases or leases with the General Service Administration (GSA) Inter-Agency
Fleet Management Service (IFMS). (GSA is presently providing DLA support in Korea.)  While this
initiative is progressing favorably in Germany, DLA continues to require procurement authority to
replace those vehicles that have met or exceeded the normal operational life expectancy.

| Project Cost Analysis | A. Appropriation/Budget Activity Title/Number | B. Program Model/Series/Popular Name | C. Manufacturer Name/Plant/City/State Location |
|---|---|---|---|
| | | | Various |
| | Procurement, Defense-Wide Defense Logistics Agency | 01 Passenger Carrying Vehicles | D. Date    February-99 |

| Program Cost Element | Ident Code | FY 1998 | | | FY 1999 | | | FY 2000 | | | FY 2001 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost |
| Passenger Carrying Vehicles | | 16 | 0.0206 | 0.330 | 2 | 0.0200 | 0.040 | 3 | 0.0190 | 0.057 | 5 | 0.0190 | 0.095 |
| Gross P-1 End Cost | | 16 | | 0.330 | 2 | | 0.040 | | | 0.057 | | | 0.095 |
| Less: Prior Year Advance Procurement | | | | | | | | | | | | | |
| Net P-1 Full Funding Cost | | 16 | | 0.330 | 2 | | 0.040 | | | 0.057 | | | 0.095 |
| Total 01 | | 16 | | 0.330 | 2 | | 0.040 | | | 0.057 | | | 0.095 |

| Exhibit P-5a Procurement History and Planning | | | | | | | | | | | A. Date |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | February-99 |

| B. Appropriation/Budget Activity | | Procurement, Defense-Wide | | | | | C. P-1 Item Nomenclature | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Defense Logistics Agency | | | | | 01 Passenger Carrying Vehicles | | | | |

| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available ? |
|---|---|---|---|---|---|---|---|---|---|---|
| FY 1998 Passenger Carrying Vehicles | Undecided | | DLA | Sep-98 | Mar-99 | 16 | 0.0206 | Yes | | |
| FY 1999 Passenger Carrying Vehicles | Undecided | | DLA | Sep-99 | Mar-00 | 2 | 0.0200 | Yes | | |
| FY 2000 Passenger Carrying Vehicles | Undecided | | DLA | Sep-00 | Mar-01 | 3 | 0.0190 | Yes | | |
| FY 2001 Passenger Carrying Vehicles | Undecided | | DLA | Sep-01 | Mar-02 | 5 | 0.0190 | Yes | | |

P-1 Shopping List - Item No 21

**Exhibit P-5a Procurement History and Planning**

| Budget Item Justification | | | | | | A. Date February-99 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| B. Appropriation/Budget Activity   Procurement Defense-Wide     Defense Logistics Agency | | | | | | C.   P-1 Item Nomenclature 02 Automated Data Processing (ADP) Equipment | | | | |
| | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
| Quantity | | | 2** | 10 | 11 | 2** | 2** | 10 | 11 | | |
| Cost | | | 0.504 | 3.086 | 3.381 | 0.492 | 0.488 | 3.220 | 3.528 | | |

The Defense Contract Management Command (DCMC) has developed a technical architecture that defines the computing and communications environment needed to implement and sustain its critical business processes. The architecture is updated as new mission needs and business requirements are identified.  DCMC's requirements to procure replacement servers in FY 2000 and FY 2001 are in support of DCMC's operations and will enable the Command to install client server equipment Command-wide.  These servers are key to the Command being able to deploy the Standard Procurement System (SPS) as well as migrate from mainframe applications to mid-tier applications.

**Upgrade

| Project Cost Analysis | A. Appropriation/Budget Ac Title/Number<br><br>Procurement, Defense-Wide Defense Logistics Agency | B. Program Model/Series/Popular Name<br><br>02 ADP Equipment | C.Manufacturer Name/Plant/City/State Location<br>Various<br><br>D. Date      February-99 | | |

| | | FY 1998 | | | FY 1999 | | | FY 2000 | | | FY 2001 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Program Cost Element | Ident Code | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost |
| Mid-Tier Replacement | | 0 | 0 | 0.000 | 2 | 0.252 | 0.504 | 10 | 0.309 | 3.086 | 11 | 0.307 | 3.381 |
| Gross P-1 End Cost | | 0 | | 0.000 | 2 | | 0.504 | 10 | | 3.086 | 11 | | 3.381 |
| Less:  Prior Year Advance Procurement | | | | | | | | | | | | | |
| Net P-1 Full Funding Cost | | 0 | | 0.000 | 2 | | 0.504 | 10 | | 3.086 | 11 | | 3.381 |
| Total 02 | | 0 | | 0.000 | 2* | | 0.504 | 10 | | 3.086 | 11 | | 3.381 |

*Upgrade

**Exhibit P-5 Cost Analysis**

| Exhibit P-5a Procurement History and Planning | | | | | | | | A. Date February-99 |
|---|---|---|---|---|---|---|---|---|

**B.   Appropriation/Budget Activity**   Procurement, Defense-Wide   Defense Logistics Agency

**C.   P-1 Item Nomenclature**   02 Automated Data Processing (ADP) Equipment

| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available ? |
|---|---|---|---|---|---|---|---|---|---|---|
| FY 1998 Mid-Tier Replacement | PRC | C/IDIQ | Joint Service | | | 0 | 0.000 | N/A | N/A | N/A |
| FY 1999 Mid-Tier Replacement | PRC | C/IDIQ | Joint Service | | | 2* | 0.252 | Yes | N/A | N/A |
| FY 2000 Mid-Tier Replacement | PRC | C/IDIQ | Joint Service | | | 10 | 0.309 | Yes | N/A | N/A |
| FY 2001 Mid-Tier Replacement | PRC | C/IDIQ | Joint Service | | | 11 | 0.307 | Yes | N/A | N/A |
| *Upgrade | | | | | | | | | | |

**P-1 Shopping List - Item No 21**

**Exhibit P-5a Procurement History and Planning**

| Budget Item Justification | | | | | | A. Date February-99 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| B. Appropriation/Budget Activity  Procurement Defense-Wide     Defense Logistics Agency | | | | | | C.  P-1 Item Nomenclature 03 Telecommunications Equipment | | | | |
| | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
| **Quantity** | 0 | 15 | 13 | * | 1.5 | 1 | 13 | 1 | 1 | | |
| Cost | 0 | 5.099 | 4.087 | 0.055 | 0.496 | 0.398 | 4.208 | 0.458 | 0.318 | | |

The Defense Contract Management Command (DCMC) has developed a technical architecture that defines the computing and communications environment needed to implement and sustain its critical business processes. DCMC's requirement for telecommunications equipment supports installation of video teleconferencing equipment and switches with remote site routers.  The VTC and switch requirement is critical for DCMC to perform its mission with reduced travel funding.  The current switch architecture is obsolete and must be replaced.

*Upgrade

| Project Cost Analysis | A. Appropriation/Budget Activity Title/Number<br><br>Procurement, Defense-Wide Defense Logistics Agency | B. Program Model/Series/Popular Name<br><br>03 Telecommunications Equipment | C.Manufacturer Name/Plant/City/State Location<br>Various<br><br>D. Date    February-99 |
|---|---|---|---|

| | | FY 1998 | | | FY 1999 | | | FY 2000 | | | FY 2001 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Program Cost Element | Ident Code | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost |
| Video Teleconference | | 15 | 0.340 | 5.099 | 13 | 0.314 | 4.087 | * | | 0.055 | 1.5 | 0.331 | 0.496 |
| Gross P-1 End Cost | | 15 | | 5.099 | 13 | | 4.087 | * | | 0.055 | 1.5 | | 0.496 |
| Less: Prior Year Advance Procurement | | | | | | | | | | | | | |
| Net P-1 Full Funding Cost | | 15 | | 5.099 | 13 | | 4.087 | | | 0.055 | 1.5 | | 0.496 |
| Total 03 | | 15 | | 5.099 | 13 | | 4.087 | | | 0.055 | 1.5 | | 0.496 |
| *Upgrade | | | | | | | | | | | | | |

P-1 Shopping List - Item No. 21

**Exhibit P-5 Cost Analysis**

| Exhibit P-5a Procurement History and Planning | | | | | | | | A. Date February-99 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| B. Appropriation/Budget Activity Procurement, Defense-Wide Defense Logistics Agency | | | | | | | | C. P-1 Item Nomenclature 03 Telecommunications Equipment | | |
| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available? |
| FY 1998 Video Teleconference/data switch | PRC | C/IDIQ | Joint Service | Apr-98 | Sep-98 | 15 | 0.340 | Yes | No | N/A |
| FY 1999 Video Teleconference/data switch | PRC | C/IDIQ | Joint Service | TBD | TBD | 13 | 0.314 | Yes | No | N/A |
| FY 2000 Video Teleconference/data switch | PRC | C/IDIQ | Joint Service | TBD | TBD | * | | Yes | No | N/A |
| FY 2001 Video Teleconference/data switch | PRC | C/IDIQ | Joint Service | TBD | TBD | 1.5 | 0.331 | Yes | No | N/A |
| *Upgrade | | | | | | | | | | |

| Budget Item Justification | | A. Date February-99 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| B. Appropriation/Budget Activity  Procurement Defense-Wide<br>   Defense Logistics Agency | | C.   P-1 Item Nomenclature<br>04 Microelectronics Equipment | | | | | | | | |
| | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
| Quantity | | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | | |
| Cost | | 9.639 | 10.135 | 8.492 | 7.441 | 7.685 | 6.786 | 7.034 | 7.288 | | |

  Microelectronics technologies are extremely dynamic and, on the average, become obsolete every 18 months.  However, DOD weapon systems using such technologies have increased life cycles that commonly last for 40 or 50 years.  The disparity between the long life cycles for weapons systems and the short life of microelectronics technology sources is the main factor driving DoD system obsolescence and mission degradation.  Therefore, DoD is becoming increasingly dependent on a technology that obsoletes itself every 18 months.  All too quickly, DoD's orders become too low to be profitable to the industry.  This leads manufacturers to abruptly close "old" production lines that are no longer profitable in favor of the processes producing the latest technology.  When a device becomes obsolete, every system using that device in DoD has a problem.

  The DMEA mission is to provide solutions to microelectronics obsolescence by leveraging the capabilities and payoffs of the most advanced microelectronics technology to solve obsolescence problems in fielded weapon systems. This mission covers all sustainment and modification issues relating to microelectronics technology regardless of where those devices are used.  Additionally, DMEA has recently been assigned as the DoD Executive Agent for Microelectronics Diminishing Manufacturing Sources and Material Shortages (DMSMS).  DMEA uses a unique and innovative methodology to reverse engineer microelectronic devices, analyze solution sets, and then build and test the prototype solution.  DMEA's microelectronics engineering specialists, supported by analysis, design, test, and prototyping equipment, produce solutions which are technically correct, logistically supportable, schedule responsive, and fiscally affordable for the entire spectrum of microelectronics.  DMEA's lab is uniquely positioned as a government entity to store within the confines of the lab, the entire range of solution sets from all vendors.  This not only provides a technologically correct solution regardless of the type of microelectronics problem, but also allows the government specialists the ability to select the best business decision for DoD if more than one solution set is available.  DMEA's solutions are emulation's designed to provide a form, fit, and/or functional replacement by using the most current technology.

Exhibit P-40     Budget Item Justification

| Project Cost Analysis | | A. Appropriation/Budget Activity Title/Number | | | B. Program Model/Series/Popular Name | | | C.Manufacturer Name/Plant/City/State Location Various | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Procurement, Defense-Wide Defense Logistics Agency | | | 04 Microelectronics Equipment | | | D. Date    February-99 | | | | | |
| | | FY 1998 | | | FY 1999 | | | FY 2000 | | | FY 2001 | | |
| Program Cost Element | Ident Code | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost |
| Engineering Analysis Equipment | | 1 | 0.623 | 0.623 | 1 | 0.635 | 0.635 | 1 | 0.529 | 0.529 | 1 | 0.591 | 0.591 |
| Prototype Design Equipment | | 1 | 2.255 | 2.255 | 1 | 2.500 | 2.500 | 1 | 2.400 | 2.400 | 1 | 2.462 | 2.462 |
| Varification and Integration Equipment | | 1 | 1.261 | 1.261 | 1 | 1.300 | 1.300 | 1 | 1.260 | 1.260 | 1 | 1.280 | 1.280 |
| Wafer Post Processing Equipment | | 1 | 5.500 | 5.500 | 1 | 5.700 | 5.700 | 1 | 4.303 | 4.303 | 1 | 3.352 | 3.352 |
| Gross P-1 End Cost | | 4 | | 9.639 | 4 | | 10.135 | 4 | | 8.492 | 4 | | 7.685 |
| Less:  Prior Year Advance Procurement | | | | | | | | | | | | | |
| Net P-1 Full Funding Cost | | 4 | | 9.639 | 4 | | 10.135 | 4 | | 8.492 | 4 | | 7.685 |
| Total 04 | | 4 | | 9.639 | 4 | | 10.135 | 4 | | 8.492 | 4 | | 7.685 |

**P-1 Shopping List - Item No. 21**

**Exhibit P-5 Cost Analysis**

| Exhibit P-5a Procurement History and Planning | | | | | | | | A. Date February-99 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| B.   Appropriation/Budget Activity    Procurement, Defense-Wide     Defense Logistics Agency | | | | | | | | C.   P-1 Item Nomenclature 04 Microelectronics Equipment | | |
| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available? |
| FY 1998 | | | | | | | | | | |
| Microelectronics Equipment | | | | | | | | | | |
| Engineering Analysis | Undecided | TBD | DMEA | Jan-98 | FY 1998 | 1 | 0.623 | No | | |
| Prototype Design | Undecided | TBD | DMEA | Sep-98 | FY 1998 | 1 | 2.255 | No | | |
| Verification and Integration | Undecided | TBD | DMEA | Jan-98 | FY 1998 | 1 | 1.261 | No | | |
| Wafer Post Processing | Undecided | TBD | DMEA | Aug-98 | FY 1998 | 1 | 5.500 | No | | |
| | | | | | | | | | | |
| FY 1999 | | | | | | | | | | |
| Microelectronics Equipment | | | | | | | | | | |
| Engineering Analysis | Undecided | TBD | DMEA | Mar-99 | FY 1999 | 1 | 0.635 | No | | |
| Prototype Design | Undecided | TBD | DMEA | Mar-99 | FY 1999 | 1 | 2.500 | No | | |
| Verification and Integration | Undecided | TBD | DMEA | Jan-99 | FY 1999 | 1 | 1.300 | No | | |
| Wafer Post Processing | Undecided | TBD | DMEA | May-99 | FY 1999 | 1 | 5.700 | No | | |
| | | | | | | | | | | |
| FY 2000 | | | | | | | | | | |
| Microelectronics Equipment | | | | | | | | | | |
| Engineering Analysis | Undecided | TBD | DMEA | Mar-00 | FY 2000 | 1 | 0.529 | No | | |
| Prototype Design | Undecided | TBD | DMEA | Mar-00 | FY 2000 | 1 | 2.400 | No | | |
| Verification and Integration | Undecided | TBD | DMEA | Jan-00 | FY 2000 | 1 | 1.260 | No | | |
| Wafer Post Processing | Undecided | TBD | DMEA | May-00 | FY 2000 | 1 | 4.303 | No | | |
| | | | | | | | | | | |
| FY 2001 | | | | | | | | | | |
| Microelectronics Equipment | | | | | | | | | | |
| Engineering Analysis | Undecided | TBD | DMEA | Mar-98 | FY 2001 | 1 | 0.591 | No | | |
| Prototype Design | Undecided | TBD | DMEA | Mar-98 | FY 2001 | 1 | 2.462 | No | | |
| Verification and Integration | Undecided | TBD | DMEA | Jan-98 | FY 2001 | 1 | 1.280 | No | | |
| Wafer Post Processing | Undecided | TBD | DMEA | May-98 | FY 2001 | 1 | 3.352 | No | | |

P-1 Shopping List - Item No 21

Exhibit P-5a Procurement History and Planning

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Budget Item Justification** | | | | | | **A. Date**<br>February-99 | | | | | |
| B.   Appropriation/Budget Activity    Procurement Defense-Wide<br>    Defense Logistics Agency | | | | | | C.   P-1 Item Nomenclature<br>05   Automated Document Conversion System (ADCS) | | | | | |
| | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
| **Quantity** | | | | | | | | | | | |
| **Cost** | 10.000 | 19.278 | 19.940 | | | | | | | | |

The Automated Document Conversion System effort is a Congressionally sponsored effort.  Funds provided by the ADCS appropriation are used to support legacy document conversion activities and integrate electronic documents with existing systems.

| Project Cost Analysis | | A. Appropriation/Budget Activity Title/Number | | | B. Program Model/Series/Popular Name | | | C.Manufacturer Name/Plant/City/State Location Various | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Procurement, Defense-Wide Defense Logistics Agency | | | 05 Automated Document Conversion System (ADCS) | | | D. Date February-99 | | | | | |
| | | FY 1998 | | | FY 1999 | | | FY 2000 | | | FY 2001 | | |
| Program Cost Element | Ident Code | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost |
| COTS | | 810 | 6.172 | 5.00 | 648 | 6.172 | 4.00 | | | | | | |
| Army Conversion Efforts | | | | 0.00 | | | 2.20 | | | | | | |
| Navy Conversion Efforts | | | 3.20 | 3.00 | | | 2.50 | | | | | | |
| Air Force Conversion | | | 3.00 | 3.00 | | | 4.50 | | | | | | |
| Marine Corps Conversion | | | 1.00 | 1.00 | | | 0.40 | | | | | | |
| Support System | | | 1.10 | 1.00 | | | 0.00 | | | | | | |
| Small Scale IDE Efforts | | | 1.70 | 2.00 | | | 0.00 | | | | | | |
| Integration Rqmts | | | 2.30 | 2.278 | | | 4.34 | | | | | | |
| Program Management | | | 2.00 | 2.00 | | | 2.00 | | | | | | |
| Gross P-1 End Cost | | 810 | | 19.278 | 648 | | 19.940 | | | | | | |
| Less: Prior Year Advance Procurement | | | | | | | | | | | | | |
| Net P-1 Full Funding Cost | | 810 | | 19.278 | 648 | | 19.940 | | | | | | |
| Total 05 | | 810 | | 19.278 | 648 | | 19.940 | | | | | | |

**Exhibit P-5 Cost Analysis**

| Exhibit P-5a Procurement History and Planning | | | | | | | | | | A. Date |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | February-99 |

| B.   Appropriation/Budget Activity | | | | Procurement, Defense-Wide | | | | C.   P-1 Item Nomenclature | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Defense Logistics Agency | | | | 05   Automated Document Conversion | | |
| | | | | | | | | System (ADCS) | | |

| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available? |
|---|---|---|---|---|---|---|---|---|---|---|
| **FY 1998** | | | | | | | | | | |
| Commercial Off-the Shelf Software | ADCS, Inc | FEDWORLD | NTIS | Mar-98 | Apr-98 | 810 | 6.172 | N/A | N/A | |
| Navy Conversion Support | Intergraph | NAVY CAD | NAVICP | Apr-98 | Apr-98 | N/A | 2.70 | Yes | No | |
| Navy Conversion Support | Tomahawk II | BOA | DAPS | May-98 | Jun-98 | N/A | 0.50 | Yes | No | |
| Air Force Conversion Support | FEDSIM | BOA | | | | | 3.00 | Yes | No | |
| Marine Corps Conversion Support | Intergraph | NAVY CAD | NAVICP | May-98 | May-98 | N/A | 1.00 | Yes | No | |
| Support System | MCSI | MARK ITS | VA | Aug-98 | Aug-98 | N/A | 1.10 | Yes | No | |
| Small Scale IDE Efforts | MCSI | MARK ITS | VA | 1-Aug-98 | Aug-98 | N/A | 1.70 | Yes | No | |
| Integration Requirements & Components | MCSI | MARK ITS | VA | Aug-98 | Aug-98 | N/A | 2.30 | Yes | No | |
| Program Management | FEDSIM | BOA | FEDSIM | 1-Feb-98 | May-98 | N/A | 2.00 | Yes | No | |
| | | | | | | | | | | |
| **FY 1999** | | | | | | | | | | |
| Commercial Off-the Shelf Software | Undecided | TBD | | | | | | | | |
| Army Conversion Support | Undecided | TBD | | | | | | | | |
| Navy Conversion Support | Undecided | TBD | | | | | | | | |
| Navy Conversion Support | Undecided | TBD | | | | | | | | |
| Air Force Conversion Support | Undecided | TBD | | | | | | | | |
| Marine Corps Conversion Support | Undecided | TBD | | | | | | | | |
| Support System | Undecided | TBD | | | | | | | | |
| Small Scale IDE Efforts | Undecided | TBD | | | | | | | | |
| Integration Requirements & Components | Undecided | TBD | | | | | | | | |
| Program Management | Undecided | TBD | | | | | | | | |

| Budget Item Justification | | | | | | | | | | A. Date February-99 | |
|---|---|---|---|---|---|---|---|---|---|---|---|

**B. Appropriation/Budget Activity**  Procurement Defense-Wide
   Defense Logistics Agency

**C.  P-1 Item Nomenclature**
06 Electronic Commerce/Electronic Data
   Interchange

| | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Quantity | | | | | | | | | | | |
| Cost | | 0.000 | 1.932 | 1.371 | 1.133 | 1.110 | 1.148 | 1.177 | 1.207 | | |

The Joint Electronic Commerce Program Office, DoD Executive Agent for electronic commerce (EC), will accelerate the application of EC business practices and associated information technologies to improve acquisition and life cycle sustainment processes.  Demonstration and testing capabilities will be established at the EC laboratory in Slidell, LA, and Fort Huachuca, AZ.  For FY 2000 and out, purchases will include multiple lots for other Designated service and agency sites.

**DEFENSE LOGISTICS AGENCY**

**FY 2000-2001 BIENNIAL BUDGET ESTIMATES**

**($ In Millions)**

<table>
<tr>
<td rowspan="4" colspan="2"><strong>Project Cost<br>Analysis</strong></td>
<td colspan="3">A. Appropriation/Budget Activity Title/Number</td>
<td colspan="3">B. Program Model/Series/Popular Name</td>
<td colspan="3">C.Manufacturer Name/Plant/City/State Location</td>
</tr>
<tr>
<td colspan="3" rowspan="2">Procurement, Defense-Wide<br>Defense Logistics Agency</td>
<td colspan="3" rowspan="2">06 Electronic Commerce/Electronic<br>Data Interchange (EC/EDI)</td>
<td colspan="3">D. Date    February-99</td>
</tr>
<tr><td colspan="3"></td></tr>
<tr>
<td colspan="3">FY 1998</td>
<td colspan="3">FY 1999</td>
<td colspan="2">FY 2000</td>
<td colspan="2">FY 2001</td>
</tr>
<tr>
<td>Program Cost Element</td>
<td>Ident Code</td>
<td>Quantity</td>
<td>Unit Cost</td>
<td>Total Cost</td>
<td>Quantity</td>
<td>Unit Cost</td>
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<td>Unit Cost</td>
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<td>Quantity</td>
<td>Unit Cost</td>
<td>Total Cost</td>
</tr>
<tr><td>EDI Afloat</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Translators (EDI Afloat)</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.590</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Navy Electronic Commerce On-line (NECO)</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Slidell Lab System Upgrades</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td> Server Hardware</td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.275</td><td></td><td></td><td>0.277</td><td></td><td></td><td></td></tr>
<tr><td> Software Licenses</td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.125</td><td></td><td></td><td>0.140</td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Business Opportunities Module</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td> Server Hardware</td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.744</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td> Search Engine Licenses</td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.275</td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Electronic Mall (EMALL)</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>New Commodities</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td> Server Hardware</td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.275</td><td></td><td></td><td></td><td></td><td></td><td>0.175</td></tr>
<tr><td> Catalog Search Engine</td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.238</td><td></td><td></td><td></td><td></td><td></td><td>0.106</td></tr>
<tr><td>  Licenses</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Tech. Data Pkg Mgt Info Sys (TDPMES) Connectivity</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.335</td><td></td><td></td><td></td></tr>
<tr><td> Server Hardware</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>0.169</td><td></td><td></td><td></td></tr>
<tr><td> Software Licenses</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
</table>

P-1 Shopping List - Item No. 21

**Exhibit P-5 Cost Analysis**

Page 1 of 2

| Project Cost Analysis | | A. Appropriation/Budget Activity Title/Number<br><br>Procurement, Defense-Wide<br>Defense Logistics Agency | | | B. Program Model/Series/Popular Name<br><br>06 Electronic Commerce/Electronic<br>Data Interchange (EC/EDI) | | | C.Manufacturer Name/Plant/City/State Location | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | D. Date | February-99 | | | | |
| | | FY 1998 | | | FY 1999 | | | FY 2000 | | | FY 2001 | | |
| Program Cost Element | Ident Code | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost |
| Def Automated Addressing System Center (DAASC) Upgrades | | | | | | | | | | | | | |
| Server Hardware | | | | | | | | | | 0.300 | | | 0.187 |
| Software Translation | | | | | | | | | | 0.150 | | | 0.075 |
| Gross P-1 End Cost | | | | 0.000 | | | 1.932 | | | 1.371 | | | 1.133 |
| Less: Prior Year | | | | | | | | | | | | | |
| Advance Procurement | | | | | | | | | | | | | |
| Net P-1 Full | | | | 0.000 | | | 1.932 | | | 1.371 | | | 1.133 |
| Funding Cost | | | | | | | | | | | | | |
| Total 06 | | | | 0.000 | | | 1.932 | | | 1.371 | | | 1.133 |

P-1 Shopping List - Item No. 21

**Exhibit P-5 Cost Analysis**
Page 2 of 2

| Exhibit P-5a Procurement History and Planning | | | | | | | | | A. Date February-99 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| B. Appropriation/Budget Activity | | | Procurement, Defense-Wide Defense Logistics Agency | | | | | C. P-1 Item Nomenclature 06 Electronic Commerce/Electronic Data Interchange (EC/EDI) | | | |
| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available? |
| FY 1999 | | | | | | | | | | |
| Slidell Lab Systems Upgrades Business Opportunities Module | TBD | TBD | TBD | TBD | TBD | | | | | |
| EMALL New Commodities | TBD | TBD | TBD | TBD | TBD | | | | | |
| | | | | | | | | | | |
| FY 2000 | | | | | | | | | | |
| Slidell Lab Systems Upgrades | TBD | TBD | TBD | TBD | TBD | | | | | |
| TDPMIS Connectivity | TBD | TBD | TBD | TBD | TBD | | | | | |
| DAASC Upgrades | TBD | TBD | TBD | TBD | TBD | | | | | |
| | | | | | | | | | | |
| FY 2001 | | | | | | | | | | |
| EDI Afloat Program | TBD | TBD | TBD | TBD | TBD | | | | | |
| EMALL New Commodities | TBD | TBD | TBD | TBD | TBD | | | | | |
| DAASC Upgrades | TBD | TBD | TBD | TBD | TBD | | | | | |

P-1 Shopping List - Item No 21

Exhibit P-5a Procurement History and Planning

| Budget Item Justification | | | | | | A. Date February-99 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| B.    Appropriation/Budget Activity    Procurement Defense-Wide Defense Logistics Agency | | | | | | C.   P-1 Item Nomenclature 07 Electronic Commerce Resource Centers | | | | | |
| | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
| Quantity | | N/A | | | | | | | | | |
| Cost | | N/A | 44.544 | 24.491 | 9.799 | – | – | – | – | | |

The DoD Electronic Commerce Resource Center (ECRC) Program is a national network of 17 regional centers as well as a technology
development activity that provides outreach and marketing, education and training and technical support services to industry and
government.  The program is designed to assist small and medium sized enterprises within the DoD supply chain understand and
implement electronic commerce (EC) and electronic business (EB) technologies.  The ECRC program, under the management direction
of the Joint Electronic Commerce Program Office (JECPO), also serves as a business and industry outreach channel for the DoD
and its trading partners.  In addition, the ECRC program assists the military services and defense agencies implement their EC initiatives
as well as providing support to department-wide initiatives such as the Emall and the Centralized Contractor Registration.  In FY 99,
The ECRC Program was transferred from the R,DT&E Fund to the Procurement, Defense-Wide Fund.

| Project Cost Analysis | | | | A. Appropriation/Budget Activity Title/Number<br><br>Procurement, Defense-Wide<br>Defense Logistics Agency | | B. Program Model/Series/Popular Name<br><br>07 Electronic Commerce<br> Resource Centers (ECRC) | | C. Manufacturer Name/Plant/City/State Location<br><br>D. Date      February-99 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FY 1998 | | | FY 1999 | | | FY 2000 | | | FY 2001 | |
| Program Cost Element | Ident Code | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost |
| CORE,INTEGRATOR and TDA | | | | N/A | 1 | 29.936 | 29.936 | 1 | 15.711 | 15.711 | 1 | 5.739 | 5.739 |
| CORE and INTEGRATOR | | | | N/A | 1 | 13.408 | 13.408 | 1 | 7.778 | 7.778 | 1 | 3.058 | 3.058 |
| Program Support | | | | N/A | 1 | 1.200 | 1.200 | 1 | 1.002 | 1.002 | 1 | 1.002 | 1.002 |
| TOTAL | | | | | | | | | | | | | |
| Gross P-1 End Cost | | | | | 3 | | 44.544 | 3 | | 24.491 | 3 | | 9.799 |
| Less: Prior Year Advance Procurement | | | | | | | | | | | | | |
| Net P-1 Full Funding Cost | | | | | 3 | | 44.544 | 3 | | 24.491 | 3 | | 9.799 |
| Total 07 | | | | | 3 | | 44.544 | 3 | | 24.491 | 3 | | 9.799 |

**Exhibit P-5 Cost Analysis**

| Exhibit P-5a Procurement History and Planning | | | | | | | | | | | A. Date February-99 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| B.  Appropriation/Budget Activity | | | Procurement, Defense-Wide Defense Logistics Agency | | | | | C.  P-1 Item Nomenclature 07  Electronic Commerce Resource Centers (ECRC) | | | |
| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available? |
|---|---|---|---|---|---|---|---|---|---|---|
| FY 1998 | | | | | | | | | | |
| CORE,INTEGRATOR and TDA | CTC | SS/CPFF | FISC PHILA | 1-Oct-98 | 1-Oct-98 | 1 | N/A | Yes | Yes | 1-Oct-98 |
| CORE and INTEGRATOR | CAMP | SS/CPFF | FISC PHILA | 1-Oct-98 | 1-Oct-98 | 1 | N/A | Yes | Yes | 1-Oct-98 |
| Program Support | Various | Various | Various | Various | 1-Oct-98 | 1 | N/A | Yes | No | |
| | | | | | | | | | | |
| FY 1999 | | | | | | | | | | |
| CORE,INTEGRATOR and TDA | CTC | SS/CPFF | FISC PHILA | 1-Oct-99 | 1-Oct-99 | 1 | 29.936 | Yes | Yes | 1-Oct-99 |
| CORE and INTEGRATOR | CAMP | SS/CPFF | FISC PHILA | 1-Oct-99 | 1-Oct-99 | 1 | 13.408 | Yes | Yes | 1-Oct-99 |
| Program Support | Various | Various | Various | Various | 1-Oct-99 | 1 | 1.200 | Yes | No | |
| | | | | | | | | | | |
| FY 2000 | | | | | | | | | | |
| CORE,INTEGRATOR and TDA | CTC | SS/CPFF | FISC PHILA | 1-Oct-00 | 1-Oct-00 | 1 | 15.711 | Yes | Yes | 1-Oct-00 |
| CORE and INTEGRATOR | CAMP | SS/CPFF | FISC PHILA | 1-Oct-00 | 1-Oct-00 | 1 | 7.778 | Yes | Yes | 1-Oct-00 |
| Program Support | Various | Various | Various | Various | 1-Oct-00 | 1 | 1.002 | Yes | No | |
| | | | | | | | | | | |
| FY 2001 | | | | | | | | | | |
| CORE,INTEGRATOR and TDA | CTC | SS/CPFF | FISC PHILA | 1-Oct-01 | 1-Oct-01 | 1 | 5.739 | Yes | Yes | 1-Oct-01 |
| CORE and INTEGRATOR | CAMP | SS/CPFF | FISC PHILA | 1-Oct-01 | 1-Oct-01 | 1 | 3.058 | Yes | Yes | 1-Oct-01 |
| Program Support | Various | Various | Various | Various | 1-Oct-01 | 1 | 1.002 | Yes | No | |

**P-1 Shopping List - Item No 21**

**Exhibit P-5a Procurement History and Planning**

# PROCUREMENT, DEFENSE-WIDE

## Department of Defense Human Resources Activity (DHRA)

## Purpose and Scope

The Department of Defense Human Resources Activity (DHRA), a consolidated activity of the Under Secretary of Defense (Personnel and Readiness), (USD (P&R)), is a central DoD activity for the collection and interaction of manpower and personnel data to support Department-wide tracking, analysis, research, studies, and a wide variety of reporting requirements.  DHRA provides civilian personnel policy support, functional information management, and civilian personnel administrative services to DoD Components and activities.

The scope of operations is necessarily broad and encompasses all aspects of data collection and utilization of Defense manpower and personnel data records to support DoD-wide analysis, studies, research, and reporting requirements.  DHRA is the responsible organization within DoD for interchange of automated manpower data with other government agencies as approved by the USD (P&R).  Additionally, it manages and operates a number of major DoD programs, such as the Real-Time Automated Personnel Identification System (RAPIDS) program, which was established to automatically produce a standardized, machine readable, tamper resistant vehicle for the Defense Enrollment/Eligibility Reporting system (DEERS) database.  RAPIDS/DEERS data are used to validate benefits eligibility for all active, reserve, and retired Uniformed Service members, and their eligible or pre-eligible family members and beneficiaries.  The RAPIDS program was established to develop and implement a new, more secure ID card system, including standardizing and streamlining the process of ID card issue, developing a machine readable ID card and improving the timeliness of updating information in the DEERS database.

To effect a high degree of capability in the administration of civilian personnel program operations throughout the Department, it is necessary to procure and maintain current mission essential items such as computers and telecommunications equipment. This includes organization infrastructure and sustainment of a modern information system.

## Justification of Funds

The proposed FY 2000 investment of Automated Data Processing (ADP) equipment is to support the RAPIDS program.  This includes the acquisition, installation, and maintenance of RAPIDS and the implementation of machine-readable, tamper resistant ID card production, as well as, replacing outdated and maintenance intensive equipment.

The FY 2000 request supports computer and communications requirements for the centralized modernization and sustainment of the Defense Civilian Personnel Data System (DCPDS) and acquisition of communications and computer equipment to support operations. The equipment procured will result in a modern environment for DCPDS modernization and sustainment and continue to provide the necessary technical infrastructure.  Economic analyses have validated the original estimate of $200M annual savings after the system is deployed and servicing ratio targets are attained.  These reductions in cost have already been programmed into DoD Components' budgets along with corresponding personnel reductions.  System purchases would include such equipment as database services, network services, computing infrastructure, and other associated peripherals.

## Department of Defense Human Resources Activity (DHRA)

The Military Personnel Information System program will provide modernization and migration system support, complete cable plant upgrades, complete the establishment of an Application Control Center, and provide initial outfitting, equipment, communications, and related infrastructure support requirements for the information systems facilities as directed by Congress.

**Appropriation:** Procurement, Defense-Wide
**P-1 Line Item Number:** 21

| Activity | Item | FY 1998 | FY 1999 | FY 2000 | FY 2001 |
|----------|------|---------|---------|---------|---------|
| 01 | Systems Modernization/Operations/DCPDS Central Opns/Mgmt | 4.548 | 5.361 | 8.379 | 5.630 |
| 02 | Automated Data Processing (ADP) Equipment | 1.410 | 1.857 | 1.524 | 1.622 |
| 03 | Military Personnel Information Systems | 0.000 | 11.943 | 0.000 | 0.000 |
| | Total | 5.958 | 19.161 | 9.903 | 7.252 |

| Budget Item Justification | A. Date |
|---|---|
| | February-99 |

| | C.  P-1 Item Nomenclature |
|---|---|
| B.   Appropriation/Budget Activity  Procurement Defense-Wide | 01 Systems Modernization/Operations |
|     Defense Logistics Agency | 02 RAPIDS/DEERs |
| | 03 Military Personnel Information System |

| | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Quantity | | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | | |
| Cost | | 5.958 | 19.161 | 9.903 | 7.252 | 7.292 | 7.336 | 7.336 | 7.336 | | |

**01 Systems Modernization and Operations**

    DHRA, CPMS will complete implementation of the last phase of DoD civilian personnel administration streamlining initiatives in FY 2000.  This will be accomplished with the deployment of the modernized Defense Civilian Personnel Data System (DCPDS).  This system has become the single DoD civilian personnel data system.  It is Y2K compliant and replaces duplicate Component systems.  When coupled with the recent regionalization of civilian personnel services, these initiatives have reduced resources dedicated to the personnel services infrastructure.  This has allowed the Department to achieve an improved HR servicing ratio goal, with a reduction of personnelists at twice the rate of the DoD civilian population.  Economic analyses have validated the original estimate of $200M annual savings after the system is deployed and servicing ration targets are attained.  These cost reductions are attributable to reduced personnel and facilities costs and the elimination of the legacy system.  Benefits from system modernization and regionalization are reflected throughout the budgets of DHRA, the Military Departments, and Defense Agencies and field activities.  The Reg/Mod program is under the direct oversight of the Information Technology Overarching Integrated Product Team, with its associated Acquisition Integrated Product Team (AIPT) and Cost integrated Product Team (CIPT).  Monthly AIPT status reviews are held and reports are submitted quarterly to the IT Team.

    Programs for the civilian workforce include minimizing involuntary separations, assisting laid-off workers, maintaining workforce balance, and reducing the costs of DoD's workers' and unemployment compensation bills.  This organization supports the development, issuance, and maintenance of uniform DoD-wide civilian personnel policy; provides program guidance and technical interpretation for both appropriated and nonappropriated fund civilian personnel programs (USD Titles 5, 10 and 32); manages the Department's Civilian Assistance and Re-Employment (CARE) program including the Priority Placement Program (PPP); investigates and mediates discrimination complaints; conducts grievance investigations; and oversees the regional restructuring of civilian personnel operations and development of the single modern information system.  These programs are supported by an aggressive data automation program, to include acquiring a communications capability, computing equipment, and an automation software link to standardize these divergent functions.  A portion of these funds continues that process.

| **Budget Item Justification** | **A. Date** February-99 |
|---|---|

| B.   Appropriation/Budget Activity    Procurement Defense-Wide        Defense Logistics Agency | C.   P-1 Item Nomenclature 01 Systems Modernization/Operations 02 RAPIDS/DEERs 03 Military Personnel Information System |
|---|---|

|  | Prior Years | FY 1998 | FY 1999 | FY 2000 | FY 2001 | FY 2002 | FY 2003 | FY 2004 | FY 2005 | To Complete | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Quantity |  | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |  |  |
| Cost |  | 5.958 | 19.161 | 9.903 | 7.252 | 7.292 | 7.336 | 7.336 | 7.336 |  |  |

**02 Real-Time Automated Personnel Identification System (RAPIDS)/Defense Enrollment Eligibility Reporting System (DEERS)**

The Under Secretary of Defense for Personnel and Readiness (USD (P&R)) has designated DHRA as the Executive Agency for all identification Card (ID) Systems.  The Real-Time Automated Personnel Identification System (RAPIDS) is a program established to develop and electronically readable, tamper resistant ID card for the Uniformed Services and is the primary update vehicle for the Defense Enrollment/Eligibility Reporting System (DEERS) database.  USD (P&R) recommended a functional transfer of resources for the RAPIDS projects from the Services.  DHRA, with RAPIDS program responsibilities assumed from the Navy, centrally manages all resources for the program.

**03 Military Personnel Information System**

The Military Personnel Information System program will provide modernization and migration system support, complete cable plant upgrades, complete the establishment of an Application Control Center, and provide initial outfitting, equipment, communications, and related infrastructure support requirements for the information systems facilities as directed by Congress.

| Project Cost Analysis | A. Appropriation/Budget Activity Title/Number<br><br>Procurement, Defense-Wide<br>DHRA | | | B. Program Model/Series/Popular Name<br>01 Systems Modernization<br>02 RAPIDS/DEERS<br>03 Military Personnel Info System | | | C.Manufacturer Name/Plant/City/State Location<br>Various<br><br>D. Date    February-99 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | FY 1998 | | | FY 1999 | | | FY 2000 | | | FY 2001 | |
| Program Cost Element | Ident Code | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost | Quantity | Unit Cost | Total Cost |
| DHRA | | | | | | | | | | | | | |
| Personnel Data Systems Modernization (DCPDS) | | 1 | 3.375 | 3.375 | 1 | 1.088 | 1.088 | 1 | 0.952 | 0.952 | 1 | 0.592 | 0.592 |
| DCPDS Opns/Mgmt | | 1 | 0.500 | 0.500 | 1 | 3.073 | 3.073 | 1 | 6.016 | 6.016 | 1 | 3.156 | 3.156 |
| Operations | | 1 | 0.673 | 0.673 | 1 | 1.200 | 1.200 | 1 | 1.411 | 1.411 | 1 | 1.882 | 1.882 |
| Real-Time Automated Personnel Identification System (RAPIDS)/Defense Enrollment/Eligibility Reporting System (DEERS) | | 1 | 1.410 | 1.410 | 1 | 1.857 | 1.857 | 1 | 1.524 | 1.524 | 1 | 1.622 | 1.622 |
| Military Personnel Information System | | 0 | 0 | 0 | 1 | 11.943 | 11.943 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gross P-1 End Cost Less: Prior Year Advance Procurement Net P-1 Full Funding Cost | | 4 | | 5.958 | 4 | | 19.161 | 4 | | 9.903 | 4 | | 7.252 |
| Total DHRA | | 4 | | 5.958 | 4 | | 19.161 | 4 | | 9.903 | 4 | | 7.252 |

P-1 Shopping List - Item No. 21

**Exhibit P-5 Cost Analysis**

| Exhibit P-5a Procurement History and Planning | | | | | | | | A. Date February-99 | | |
|---|---|---|---|---|---|---|---|---|---|---|

**B.  Appropriation/Budget Activity**  Procurement, Defense-Wide  DHRA

**C.  P-1 Item Nomenclature**
01 Modernization/Operations
02 RAPIDS/DEERS
03 Military Personnel Info System

| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available? |
|---|---|---|---|---|---|---|---|---|---|---|
| **FY 1998** | | | | | | | | | | |
| DCPDS Modernization and Central Opns/Mgmt | AFCAC Hansom AFB | C/FP | DoD Component | Jan-95 5 yr contract | | 1 | Varies by Size | Yes | No | N/A |
| Operations | Various Contracts | C/FP | DoD Component | GSA Sched 1-Oct-97 | FY 98 | 1 | Varies | Yes | Unknown | Unknown |
| RAPIDS/DEERS Modernization | EDS | EDS | DSSW | 1-Feb-94 | | 1 | 1.410 | Yes | | |
| **FY 1999** | | | | | | | | | | |
| DCPDS Modernization and Central Opns/Mgmt | AFCAC Hansom AFB | C/FP | DoD Component | Jan-95 5 yr contract | | 1 | Varies by Size | Yes | No | N/A |
| Operations | Various Contracts | C/FP | DoD Component | GSA Sched 1-Oct-99 | FY 99 | 1 | Varies | Yes | Unknown | Unknown |
| RAPIDS/DEERS Modernization | EDS | EDS | DSSW | 1-Feb-94 | | 1 | 1.857 | Yes | | |
| Military Personnel Information System | Various | Various | DoD Component | Various | FY 99 | 1 | 11.943 | Yes | No | |

**P-1 Shopping List - Item No 21**

| Exhibit P-5a Procurement History and Planning | | | | | | | | | | A. Date February-99 |
|---|---|---|---|---|---|---|---|---|---|---|
| B.  Appropriation/Budget Activity | | | Procurement, Defense-Wide DHRA | | | | | C.  P-1 Item Nomenclature 01 Modernization/Operations 02 RAPIDS/DEERS 03 Military Personnel Info System | | |

| Cost Element/Fiscal Year | Contractor and Location | Contract Method and Type | Contracted By | Award Date | Date of First Delivery | Quantity | Unit Cost | Spec Available Now | Spec Revision Required | If Yes When Available? |
|---|---|---|---|---|---|---|---|---|---|---|
| **FY 2000** | | | | | | | | | | |
| DCPDS Modernization and Central Opns/Mgmt | Various Contracts | C/FP | DoD Component | GSA Sched 1-Oct-99 | | 1 | Varies | Yes | No | N/A |
| Operations | Various Contracts | C/FP | DoD Component | GSA Sched 1-Oct-99 | FY 00 | 1 | Varies | Yes | Unknown | Unknown |
| | Oracle | C/FP | Air Force | 15-Nov-98 | FY 00 | 1 | 6.0 | Yes | No | N/A |
| RAPIDS/DEERS Modernization | EDS | EDS | DSSW | 1-Feb-94 | | 1 | 1.524 | Yes | | |
| | | | | | | | | | | |
| **FY 2001** | | | | | | | | | | |
| DCPDS Modernization and Central Opns/Mgmt | Various Contracts | C/FP | DoD Component | GSA Sched 1-Oct-99 | | 1 | Varies | Yes | Unknown | Unknown |
| Operations | Various Contracts | C/FP | DoD Component | GSA-Sched 1-Oct-99 | FY 00 | 1 | Varies | Yes | Unknown | Unknown |
| RAPIDS/DEERS Modernization | EDS | EDS | DSSW | 1-Feb-94 | | 1 | 1.622 | Yes | | |

**P-1 Shopping List - Item No 21**