BUDGET JUSTIFICATION

DEFENSE HUMAN RESOURCES ACTIVITY

PROCUREMENT, DEFENSE-WIDE

P-1 LINE ITEM NUMBER 24

FISCAL YEAR (FY) 2004 BUDGET ESTIMATES

FEBRUARY 2003

DEFENSE HUMAN RESOURCES ACTIVITY
Procurement, Defense-Wide
P-1 Line Item Number 24
Fiscal Year (FY) 2004 Budget Estimates

DEFENSE HUMAN RESOURCES ACTIVITY
Procurement, Defense-Wide
P-1 Line Item Number 24
Fiscal Year (FY) 2004 Budget Estimates

<u>Dollars in Millions</u>

FY 2005 Estimate	7.204
FY 2004 Estimate	7.312
FY 2003 Estimate	7.260
FY 2002 Actual	7.282

<u>Purpose and Scope</u>

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. RAPIDS is the Department's enterprise solution for issuing the Uniformed Services Identification and Privilege Cards to all service members, active and Reserve, civilian employees, retired members, eligible family members, and selected contractors. This system is fielded in over 1,200 locations around the world, including not only fixed-sites, but also mobilized Guard/Reserve activities and aboard Navy ships.

RAPIDS provides the means to collect family member information so that eligible family members are appropriately categorized and entered into the Defense Enrollment Eligibility Reporting System (DEERS) and are issued ID cards that correctly reflect their entitlements and privileges. In addition, RAPIDS is the application that issues the Common Access Card (CAC). This means that RAPIDS is not only the infrastructure which provides ID cards and collects family member information, but also, with the advent of the CAC, RAPIDS is the Local Registration Authority (LRA) for issuance of the digital credential necessary to implement the Public Key Infrastructure (PKI) for the Department.

Purpose and Scope (Cont'd)

The Defense Civilian Personnel Data System (DCPDS) – the single, civilian personnel information system – ensures a coherent, standardized, and cost-effective system for the entire Department. DCPDS is built using a commercial off-the-shelf product customized for the Federal and Defense requirements. The system uses a client server architecture that provides flexibility to respond to changes in the Department's civilian personnel operational requirements. The system was fully deployed in calendar year 2002 and replaces the legacy DCPDS.

To effect a high degree of capability in the administration of civilian and military 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 2004 investment of Automated Data Processing (ADP) equipment supports the RAPIDS program. This includes the acquisition, installation, and maintenance of the RAPIDS as well as replacing outdated and maintenance intensive equipment in order to continue to ensure full functionality and security of the system.

The FY 2004 request supports information systems, infrastructure and communications requirements for the Defense Civilian Personnel Data System (DCPDS) and the other DoD-wide systems operated and managed by DHRA's Civilian Personnel Management Service (CPMS). Equipment procured will support the DoD civilian personnel community by providing more timely access to information for personnel specialists and managers. Economic analyses have validated the original estimate of $200 million annual savings after the system is deployed and servicing ratio targets are attained. These reductions in costs have already been programmed into DoD Components' budgets along with corresponding personnel reductions. System purchases would include such equipment as database servers, network servers, computing infrastructure, and other associated peripherals.

DEFENSE HUMAN RESOURCES ACTIVITY
Procurement, Defense-Wide
Fiscal Year (FY) 2004 Budget Estimates
Summary
(Dollars in Millions)

Appropriation: Procurement, Defense-Wide   February 2003
P-1 Line Item Number: 24

Activity	Item	FY 2002	FY 2003	FY 2004	FY 2005
01	Civilian Personnel Management System (CPMS) Operations/DoD Civilian Personnel Data System (DCPDS) Central Operations/Management	5.731	5.709	5.749	5.665
02	Real-Time Automated Personnel Identification System (RAPIDS)/Defense Enrollment Eligibility Reporting System (DEERS)	1.551	1.551	1.563	1.539
	Total	7.282	7.260	7.312	7.204

DEFENSE HUMAN RESOURCES ACTIVITY
Procurement, Defense-Wide
Summary of Fiscal Year (FY) 2004 Budget Estimates

(Dollars in Thousands)

	Direct Budget Plan (TOA)				Budget Authority			
Appropriation Title	FY 2002 Estimate	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate	FY 2002 Estimate	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate
Procurement, Defense-Wide	7,282	7,260	7,312	7,204	7,282	7,260	7,312	7,204

Budget Item Justification						A. Date Febuary 2003				
B. Appropriation/Budget Activity Procurement Defense-Wide Defense Human Resources Activity						C. P-1 Item Nomenclature 01 CPMS Operations/DCPDS Central Operations 02 RAPIDS/DEERS				
	Prior Years	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	To Complete	Total
Quantity											
Cost		7.282	7.260	7.312	7.204	7.382	7.665	7.814	7.966		

01 Defense Civilian Personnel Data System (DCPDS) Central Operations and CPMS Operations:

  The Defense Human Resources Activity (DHRA) completed deployment of the Defense Civilian Personnel Data System (DCPDS) in September 2002, achieving full operational capability (FOC). DCPDS is designated the single standard DoD civilian personnel data system, replacing the legacy DCPDS. The regionalization of civilian personnel services, combined with systems modernization, has reduced resources dedicated to the civilian personnel services infrastructure. This has allowed DoD to achieve an improved Human Resources servicing ratio. Economic analyses have validated the original estimate of over $200M annual savings based on the combination of FOC and attainment of the target servicing ratio. These cost reductions are attributable to reduced personnel and facilities costs and the elimination of the legacy system. Benefits from regionalization and modernization (Reg/Mod) are reflected throughout the budgets of DHRA, the Military Departments, Defense Agencies and field activities.

  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. DHRA supports the development, issuance and maintenance of uniform DoD-wide civilian personnel policy; provides program guidance and technical interpretation for both appropriated and nonappropriated funded civilian personnel programs (USC Titles 5, 10 and 32); manages DoD'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.

DEFENSE HUMAN RESOURCES ACTIVITY
Procurement, Defense-Wide
Fiscal Year (FY) 2004 Budget Estimates
(Dollars in Millions)

Budget Item Justification						A. Date February 2003				
B. Appropriation/Budget Activity Procurement Defense-Wide Defense Human Resources Activity						C. P-1 Item Nomenclature 01 CPMS Operations/DCPDS Central Operations 02 RAPIDS/DEERS				
	Prior Years	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	To Complete	Total
Quantity											
Cost		7.282	7.260	7.312	7.204	7.382	7.665	7.814	7.966		

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

   DHRA is the Executive Agent for all Identification Card (ID) Systems. The Real-Time Automated Personnel Identification System (RAPIDS) is a program established to develop and implement a secure ID card system for the Uniformed Services and is the primary update vehicle for the DEERS database. Additionally, RAPIDS is the Local Registration Authority (LRA) for issuance of the digital credential necessary to implement PKI in the Department. DHRA centrally manages all resources for the program.

P-1 Shopping List - Item No. 24

Project Cost Analysis	A. Appropriation/Budget Activity Title/Number Procurement, Defense-Wide Defense Human Resources Activity	B. Program Model/Series/Popular Name 01 CPMS Ops/DCPDS Cent Ops 02 RAPIDS/DEERS	C. Manufacturer Name/Plant/City/State Location Various D. Date February 2003

Program Cost Element	Ident Code	FY 2002			FY 2003			FY 2004			FY 2005		
		Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost	Quantity	Unit Cost	Total Cost
CPMS Operations			1.919	1.919		1.909	1.909		1.949	1.949		1.865	1.865
DCPDS Central Operations		1	3.812	3.812	1	3.800	3.800	1	3.800	3.800	1	3.800	3.800
Real-Time Automated Personnel Identification System (RAPIDS)/Defense Enrollment/Eligibility Reporting System (DEERS)		1	1.551	1.551	1	1.551	1.551	1	1.563	1.563	1	1.539	1.539
Gross P-1 End Cost													
Less: Prior Year Advance Procurement													
Net P-1 Full Funding Cost		2		7.282	2		7.260	2		7.312	2		7.204
Total		2		7.282	2		7.260	2		7.312	2		7.204

P-1 Shopping List - Item No. 24

Exhibit P-5 Cost Analysis

DEFENSE HUMAN RESOURCES ACTIVITY
Procurement, Defense-Wide
Fiscal Year (FY) 2004 Budget Estimates
(Dollars in Millions)

Exhibit P-5a Procurement History and Planning											
									A. Date February 2003		
B. Appropriation/Budget Activity Procurement, Defense-Wide Defense Human Resources Activity									C. P-1 Item Nomenclature 01 CPMS Operations/DCPDS Central Ops 02 RAPIDS/DEERS		
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 2002										
CPMS Operations	Various GSA Sched	C/FP	VA/DLA	Oct-01	FY 02		Varies	Yes	No	
DCPDS Central Opns/Mgmt	Various	C/FP	DLA/DOT	Dec-01	FY 02	1	Varies	Yes	No	
RAPIDS/DEERS Central Mgmt	TELOS	Task Order/ GSA Schedule	GSA	Apr-02	FY 02	1	Varies	Yes	No	
FY 2003										
CPMS Operations	Various GSA Sched	C/FP	VA/DLA	Oct-02	FY 03		Varies	Yes	No	
DCPDS Central Opns/Mgmt	Various	C/FP	DOT	Dec-02	FY 03	1	Varies	Yes	No	
RAPIDS/DEERS Central Mgmt	TELOS	Task Order GSA Sched	GSA	Apr-03	FY 03	1	Varies	Yes	No	
FY 2004										
CPMS Operations	Various GSA Sched	C/FP	VA/DLA	Oct-03	FY 04		Varies	Yes	No	
DCPDS Central Opns/Mgmt	Various	C/FP	DOT	Dec-03	FY 04	1	Varies	Yes	No	
RAPIDS/DEERS Central Mgmt	GSA Award	Task Order/ GSA Schedule	GSA	Apr-04	FY 04	1	Varies	Yes	No	
FY 2005										
CPMS Operations	Various GSA Sched	C/FP	VA/DLA	Oct-04	FY 05		Varies	Yes	No	
DCPDS Central Opns/Mgmt	Various	C/FP	DOT	Oct-04	FY 05	1	Varies	Yes	No	
RAPIDS/DEERS Central Mgmt	GSA Award	Task Order/ GSA Schedule	GSA	Apr-05	FY 05	1	Varies	Yes	No	

Exhibit P-5a Procurement History and Planning