

# **Fiscal Year 2009 Budget Estimates Business Transformation Agency (BTA)**



February 2008

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**Business Transformation Agency  
Operation and Maintenance, Defense-Wide  
Fiscal Year (FY) 2009 Budget Estimates**

**Operation and Maintenance, Defense-Wide Summary (\$ in thousands)  
Budget Activity (BA) 4: Administration and Service-Wide Activities**

Agency	FY 2007 <u>Actuals</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2008 <u>Estimate</u>	Price <u>Change</u>	Program <u>Change</u>	FY 2009 <u>Estimate</u>
	198,079	4,541	-59,116	143,504	3,420	9,728	156,652

\* The FY 2007 Actuals include \$38,327K in Iraqi Freedom Fund transfers.

**I. Description of Operations Financed:** The Defense Business Transformation Agency (BTA) **leads and coordinates business transformation** efforts across the Department of Defense (DoD). Defense Business Transformation is about **changing business operations across the Department to be more agile, lean, rapid, and nimble.** The Department's four strategic objectives for business transformation are:

- Provide **support for the joint warfighting capability** of the DoD.
- Enable **rapid access to information for strategic decisions.**
- **Reduce the cost** of defense business operations.
- **Improve financial stewardship** to the American people.

The Defense Business Systems Management Committee, and its chair, the Deputy Secretary of Defense, lead transformation. The Defense Business Transformation Agency (BTA) supports the Department's Business Transformation goals. The BTA serves as a catalyst for transformation by coordinating, consolidating, and integrating the Department's activities at the DoD Enterprise Level.

The Department is streamlining Defense business operations to more effectively deliver warfighting capabilities, deal with growing pressures on resources, and benefit from economies of scale. Costly and outdated systems, procedures, and programs tax resources from warfighting and stifle innovation. Faster, more efficient processes reduce costs

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**I. Description of Operations Financed:** (continued)

while delivering better support. Better investment management is essential to achieve cost reductions. Better integration reduces costs by improving information quality, minimizing system customization, and allowing DoD to use commercial best practices in DoD business systems.

The DBSMC manages the "corporate" or DoD Enterprise-level requirements using a governance structure of tiered accountability. Each Component manages its own unique mission support requirements. As the single agency responsible for DoD Enterprise business transformation functions, the BTA enforces requirements, principles, standards, systems, procedures, and practices governing business transformation. For FY 2009, the BTA will work to expand warfighter capabilities in support of national security requirements across the full spectrum of joint, interagency, and intergovernmental business operations. These requirements are consistent with the goals and objectives of the 2006 Quadrennial Defense Review (QDR), which emphasizes the need for defense business agility, flexibility, and horizontal integration to sustain military operations in an era of uncertainty. The QDR mandate is clear: "the DoD must reshape the defense enterprise in ways that better support the warfighter and are appropriate for the threat environment." Investments in business operations must promote financial accountability, and responsible stewardship. The Department is making unprecedented progress in bringing about real institutional change. Progress includes: 1) alignment of defense business transformation to our ultimate customer - the warfighter - and to the agility the warfighter requires, and 2) tiered accountability for achieving transformation milestones and delivering improved business capabilities.

The President's Management Agenda calls for streamlining Defense operations. The BTA vision supports consolidation and streamlining of the various DoD business

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**I. Description of Operations Financed:** (continued)

transformation activities, increasing efficiency, and strengthening acquisition oversight of business transformation initiatives and systems.

The Business Enterprise Architecture (BEA) serves as the blueprint for the consolidation of business systems across the Department. The BEA provides the architectural framework and an information infrastructure for the Department, including business rules, requirements, data standards, system interface requirements, and the depiction of policies and procedures. The DoD Architecture Framework (DoDAF) products, including Operational, Technical, System, and All View products, provide this framework. The BEA, using the DoD Tiered Accountability concept, reflects key Business Enterprise Priorities within the Core Business Mission areas of the Department. Through this concept, a DoD Component is responsible for defining an enterprise architecture associated with their own tier of responsibility that complies with the policy and BEA at the DoD Enterprise-level.

The Department's business objectives include improved requirements management, a single face to industry (our suppliers and vendors), and expanded use of business intelligence to achieve improved performance and greater cost efficiencies. The Department will further define and implement policies, procedures, standards, and interface requirements that improve the preparation of a general ledger. This will ultimately lead to improved asset visibility and accountability across the Department and submission of an auditable financial statement. Specific objectives of the BTA are:

- Support for Joint War Fighting Capability. Joint military requirements drive the need for greater commonality and integration of business and financial operations.

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**I. Description of Operations Financed:** (continued)

- Better Information for Strategic Resourcing Decisions. Access to reliable management information will allow DoD leadership to make sound decisions that affect the Department's human resource capabilities; the condition, status, and location of assets supporting warfighters; and the employment of resources to best enable the warfighting mission.
- Reduced Cost of Business Operations. Streamlining or eliminating costly, outdated, and redundant systems, procedures, and programs will allow the Department to deliver warfighting capabilities, deal with growing pressures on resources, and benefit from economies of scale more effectively.
- Improved Stewardship to the American People. Manage financial and human resources carefully as it supports joint war fighting requirements.

The BTA focus is on delivering meaningful and measurable progress toward defense business system modernization and transformation. The BTA has nine operating divisions:

- Defense Business Systems Acquisitions Executive (DBSAE)
- Chief of Staff
- Transformation Planning and Performance
- Transformation Priorities and Requirements - Finance
- Transformation Priorities and Requirements - Supply Chain
- Transformation Priorities and Requirements - Human Resources
- Investment Management
- Enterprise Integration
- Warfighter Support

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**I. Description of Operations Financed:** (continued)

**Defense Business Systems Acquisitions Executive (DBSAE)**

The DBSAE oversees designated enterprise-level business systems. The DBSAE drives the successful implementation of Department-wide systems and initiatives in support of the Department's business transformation goals. The mission of the DBSAE is to develop, coordinate, and integrate programs, systems, and initiatives providing Enterprise-wide business capabilities to the war fighter. The DBSAE has oversight for 26 programs and initiatives.

The DBSAE serves as the Milestone Decision Authority (MDA) for programs assigned by the Defense Business Systems Management Committee (DBSMC), manages DoD enterprise level business system acquisitions, and authorizes budget formulation and execution for all systems within its purview. The position centralizes the capabilities being delivered as well as the acquisition actions to enable a common business approach. The DBSAE's relationship to the DBSMC removes multiple decision-making layers and resolves enterprise-level issues at the executive level. The DBSAE also establishes the strategic vision for enterprise-wide programs and serves as a key advocate for assigned programs. Consistent with this philosophy, the Deputy Under Secretary of Defense for Business Transformation tasked the DBSAE to conduct an analysis of all DBSAE programs to analyze, select, control, and evaluate opportunities for rapidly fielding capabilities. This ongoing analysis will yield new capabilities more quickly and efficiently than in the past.

The DBSAE is moving from a strategic to a tactical focus, while keeping the emphasis on delivering capability. Senior level governance bodies, made up of key stakeholders from across the Department help the DBSAE guide and manage specific areas including DIMHRS, Defense Travel System, and the Common Supplier Engagement Area. The DBSAE

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collaborates and works with the DBSMC, the Department's Principal Staff Assistants, the Military Components, Defense Agencies, and the BTA to manage requirements, resources, and the full range of acquisition related issues.

In FY 2009, the DBSAE will ensure its efforts support the Department's vision, mission, and goals; to ensure efficient and effective delivery of capabilities to the war fighter; and to maximize return on investment to the Enterprise. Portfolio managers will use GIG architecture, plans, risk management techniques, capability goals and objectives, and performance measures to manage their portfolios. Portfolios will be nested and integrated at the Enterprise, Mission Area, and Component levels. The DBSAE will generate portfolio driven strategies within and between portfolios by using the Department's Business Enterprise Architecture. This will enable the best strategies for resource investment, business intelligence, hosting, and change management.

**Chief of Staff**

The Chief of Staff provides planning, programming, policy, financial management, administrative services, pay and personnel, travel, training, contracting, facility and space management, security, and property accountability support for the BTA. The division interfaces with the Government Accountability Office (GAO), assists with planning for the National Security Personnel System (NSPS), and establishes policies and procedures for the BTA.

**Transformation Planning & Performance**

The Transformation Planning & Performance (TPP) division provides matrix support to all BTA programs. Transformation Planning & Performance also includes Milestone



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**I. Description of Operations Financed:** (continued)

Assurance responsibilities for defining and managing business related data standards and strategies. These data requirements are coordinated with the business mission areas and support the data requirements for the Investment Review Boards (IRBs), BEA, and ETP.

**Transformation Priorities & Requirements**

The TPR has three divisions: Finance, Supply Chain, and Human Resource. Each Division is the primary link to the Principal Staff Assistants (functional business requirement owners) within the Office of the Secretary of Defense and Department-level organizations including US Transportation Command, the Defense Logistics Agency, and the Defense Finance and Accounting Service. The Divisions identify enterprise-level business capability gaps and specific needs for enterprise-level capabilities and business priorities. They develop enterprise-level priorities that support transformation planning activities. A primary focus of this directorate is the establishment of Enterprise Standards: processes, data (common vocabularies), integration, and implementation. The link ensures that the BEA, the ETP, and the guidance for investment management of business systems reflect the functional priorities and requirements of client organizations. Further, it ensures the stakeholder community that the BTA consistently addresses issues, changes, or problems related to enterprise-level priorities and requirements.

**Investment Management**

The Investment Management (IM) division provides support for business systems, coordinates the efforts required by the DoD 5000 series as it pertains to business systems, and provides BTA input for the QDR. The IM division creates a business investment framework that enables decision-making based on integrated and aligned

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capabilities, reliable fiscal information, and risk-managed program execution. Additionally, the IM provides standard operating procedures and guidelines for DoD business system investments. The IRBs with representation from the relevant Services, Defense Agencies, and Combatant Commands, are evolving their process to assess the value of modernization investments relative to their impact on end-to-end business process improvements that support warfighters. The IM division reports to the DBSMC and the Congress on the progress of IRB reviews and assessments.

Investment Management is establishing concepts that improve and accelerate the acquisition process for Major Automated Information Systems within the Business Capability Lifecycle (BCL) business mission area. The goal is to establish an accepted approach for Business System Oversight, which includes updates to the DoD 5000 series. This process includes pilot activities, such as the Enterprise Risk Assessment Model (ERAM), that will help deliver business capabilities rapidly by identifying program risks and providing mitigation solutions to program managers. With the ERAM model, the goal is to respond better to emerging technology, make better decisions about how the Department manages investments, and deliver Business Capability improvements faster.

**Enterprise Integration**

The Enterprise Integration (EI) division supports the integration implementation requirements of enterprise-level business capabilities, such as Enterprise Resource Planning (ERP) systems. Specifically, this office ensures that DoD ERP implementation initiatives use best practices, ensures rapid adoption of DoD-wide information and process standards as defined in the Business Enterprise Architecture (BEA), and eliminates burdensome processes that hinder successful, rapid deployment of ERP capabilities within the Components. The EI promotes adopting best practices for ERP

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systems through collaborative engagement and participation in the acquisition process. Finally, EI creates operational awareness of the tactical impact of information, process, and data standards on service transformation efforts, and act as a conduit of communication and awareness of tactical deployment of DoD Business Enterprise Standards.

**Warfighter Support Office**

The Warfighter Support Office (WSO) addresses immediate business process and business system challenges that adversely affect current operations. WSO delivers near-term value by connecting the Department's business mission to the warfighter, identifying and addressing frontline opportunities. The WSO has an externally facing customer focus, carrying the Business Mission Area forward to the Warfighting Mission Area. The WSO is actively engaged in establishing a Contingency Contract Management Capability to support a common system and business process for contingency contract management. The WSO is spearheading a contingency contracting effort to man portable, stand-alone capability that allows Contingency Contracting Officers (CCO) or Ordering Officers to work independently in an austere environment, to publish both purchase orders and contracts. This will provide near-real-time visibility on items procured and delivered, and money obligated, throughout the CCO community, as well as the ability to transfer information easily to home offices.

**Enterprise-level Business Priority Areas**

The Department's integrated transformation plan, detailed in the Enterprise Transition Plan (ETP), addresses six DoD-wide Business Enterprise Priorities (BEP): personnel, logistics, real property, acquisition, purchasing, and financial requirements.

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The following paragraphs describe the DoD BEP for FY 2009 and highlight the benefits essential in meeting the agency's goals and objectives.

Personnel Visibility: Personnel Visibility (PV) is the fusion of accurate human resources (HR) information and secure, interoperable technology. PV is defined as having reliable information that provides visibility of military service members, civilian employees, military retirees, contractors (in theater), and other U.S. personnel, across the full spectrum - during peacetime and war, through mobilization and demobilization, for deployment and redeployment, while assigned in a theater of operation, at home base, and into retirement. This includes ensuring timely and accurate access to compensation and benefits for DoD personnel and their families and ensuring that key decision makers have access to the timely, accurate data on personnel and their skill sets. Personnel Visibility programs and Doctrine, Organization, Training, Materiel, Leadership, Personnel, and Facilities (DOTMLPF) activities currently include:

- Defense Integrated Military Human Resource System (DIMHRS): DIMHRS is enabling military human resources (HR) transformation by bringing an enterprise-wide solution to how the DoD manages HR information for Service members. The first phase of DIMHRS integrates military personnel and pay by subsuming or interfacing with over 290 information systems across the Army, Air Force, and DFAS. DIMHRS provides information defect reduction, IT savings, productivity improvements, and cost avoidances. DIMHRS supports all the Personnel Visibility Business Capabilities, including an interface with DTS that meets the Manage Travel capability
- Defense Travel System (DTS): DTS is a fully integrated, electronic, end-to-end financial management system that automates temporary duty travel for the Department of Defense. It allows travelers to create authorizations (travel orders), prepare all travel reservations, receive all approvals, generate a travel

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**I. Description of Operations Financed:** (continued)

voucher, and direct deposit payment to themselves and the government charge card vendor, all through a single web portal that is available 24 hours a day, seven days a week.

Common Supplier Engagement (CSE): CSE aligns and integrates policies, processes, data, technology, and people to simplify and standardize interaction with commercial and government suppliers. The Department has a single enterprise system for electronic document storage that serves as a feeder to Wide Area Workflow (WAWF). The system has approximately 50,000 users. DoD improvements in this area include the automated contingency contracting capability, which improves accuracy, accountability, and visibility of procurement transactions. Additionally, the CSE business area supports the following:

- Standard Procurement System (SPS): a standard method for producing agreements with suppliers
- Central Contractor Registration (CCR): an authoritative source of commercial supplier information in support of the Federal sourcing and payment processes
- Electronic Data Access (EDA): a secure online electronic storage and retrieval capability for procurement information
- Contractor Performance Assessment Reporting System (CPARS): a web-based application that collects and manages an automated library of assessment reports of contractor performance
- Acquisition Spend Analysis Service (ASAS): a DoD-wide Strategic Sourcing system that provides an Enterprise-wide spend analysis capability that can access data across disparate databases, aggregate that data and electronically generate results

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**I. Description of Operations Financed:** (continued)

- Several Federal eGov Integrated Acquisition Environment (IAE) initiatives that include:
  - Federal Technical Data Solution (FedTeDS): a single solution to disseminate acquisition-related information to vendors
  - On-line Representations and Certifications Application (ORCA): -a single entry point for suppliers to assert their compliance with federal laws
  - Past Performance Information Retrieval System (PPIRS): the authoritative source for contract Performance Assessment Reports.

Materiel Visibility (MV): Materiel Visibility is the ability to locate and account for materiel assets throughout their lifecycle and provide transaction visibility across logistics systems in support of the joint warfighting mission. Materiel Visibility will provide users with timely, accurate information on the location, movement, status, and identity of unit equipment, materiel, and supplies. This significantly improves overall supply chain performance. The MV Business Enterprise Priority will improve the delivery of war fighting capability to the warfighter as measured in terms of responsiveness, reliability, and flexibility. This business enterprise consists of two parts:

- Item Unique Identification Registry (IUID): IUID enables accurate and timely recording of information on the location, condition, status and identity of appropriate tangible personal property to ensure efficient and effective acquisition, repair, and deployment of items. IUID supports full lifecycle visibility for tangible personal property items by using a Unique Item Identifier (UII) code to gather data on the marked item. With a fully implemented IUID-enabled information environment, support activities can conduct improved planning, materiel, and maintenance management. IUID will contribute to improvements in the responsiveness and reliability of the DoD supply chain.

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- Radio Frequency Identification (RFID) is a family of technologies, within the collective suite of Automatic Identification Technology (AIT) applications that enables hands-off processing of shipments. Increased and appropriate application of RFID technology will improve process efficiencies in shipping, receiving, and inventory management. Combined with use of modern transaction standards, RFID will contribute to reductions in cycle time and increase confidence in the reliability of the DoD supply chain through increased visibility of an item's or shipment's location.

Financial Visibility (FV)

Financial Visibility means having immediate access to accurate and reliable financial information (planning, programming, budgeting, accounting, and cost information) in support of financial accountability and efficient and effective decision making throughout the Department in support of the missions of the warfighter. At the highest level, the goal for Financial Visibility is more efficient and effective decision making throughout the Department and assistance in satisfying the DoD-wide effort to achieve financial audit ability. The following programs and other transformational activities support the strategy for the Financial Visibility:

- The Business Enterprise Information Service (BEIS): BEIS is an enterprise level suite of services that subsumes and modernizes several previously independent systems, Defense Departmental Reporting System (DDRS), Defense Cash Accountability System (DCAS), and Defense Corporate Database/Defense Corporate Warehouse (DCD/DCW), and Transportation Global Edit Table (TGET). BEIS will provide financial reporting services, cash reporting and reconciliation services, general ledger services, reference data services, and enterprise business intelligence. BEIS will yield timely, accurate, and reliable financial information and comparison of financial data. Across the Department, BEIS works with other

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**I. Description of Operations Financed:** (continued)

financial management initiatives such as SFIS to provide the information that DoD needs to make more informed financial decisions.

- Defense Agencies Initiative (DAI): DAI represents the Department's effort to extend its solution set for streamlining financial management capabilities, reduce material weaknesses, improve internal controls, and achieve financial statement audit ability for approximately 28 Agencies and Field Activities across the DoD. The objective of DAI is to achieve an auditable, CFO-compliant business environment for the Defense Agencies with accurate, timely, authoritative financial data. The primary goal is to deploy a standardized system solution to improve overall financial management and comply with the BEA, SFIS, and Office of Federal Financial Management (OFFM) requirements.
- Enterprise Funds Distribution (EFD): The objective of EFD is to increase visibility, auditability, and efficiency in the management of distributed funds and congressional actions. Specifically, EFD will establish:
  - o Full visibility of appropriated funds as they pass through and across different levels of the enterprise;
  - o Automated processing of funds authorization documents (FAD)
- Intragovernmental Transactions/Intragovernmental Value Added Network (IGT/IVAN): IGT initiative addresses one of the DoD's material weaknesses (financial eliminations) by way of standardized, consolidated, and integrated processes and system components, and provides significantly enhanced visibility into both the buying and selling elements of Intragovernmental transactions both within the DoD and across the Federal Government. IGT Proof of Concept objectives:
  - o Validate the concept for the reimbursable model through order creation.
  - o Provide detailed transaction data.
  - o Aid reconciliation.



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**I. Description of Operations Financed:** (continued)

- Standard Financial Information Structure (SFIS): SFIS is DoD's common business language that will facilitate the consistent compilation and reporting of financial information. All target business systems must incorporate SFIS. SFIS provides standard definitions, lengths, values, and business rules that enable transparency and interoperability across the DoD enterprise.

Real Property Accountability

Real Property Accountability (RPA) provides the warfighter and Core Business Missions (CBM) access to near real time secure, accurate, and reliable information on real property assets, and environment, safety, and occupational health sustainability. Accurate and timely data is fundamental to effective management of the assets, and ultimately to military success. The Real Property Installations Lifecycle Management CBM will provide the warfighter and other CBMs with continuous access to Installations and Environment (I&E) information. Several initiatives in this area include:

- Real Property Inventory Requirements (RPIR) initiative aims to achieve real property efficiencies by standardizing DoD's data, systems, and processes.
- Real Property Asset Database - central repository of DoD real property inventory
- Real Property Unique Identifier Registry (RPUIR) - supports the enterprise capability requirement for a real property inventory.

Acquisition Visibility

Acquisition Visibility (AV) is achieving timely access to accurate, authoritative, and reliable information supporting acquisition oversight, accountability, and decision-making for effective and efficient delivery of warfighter capabilities. Acquisition Visibility brings transparency to critical information supporting full lifecycle management of the Department's processes that deliver weapon systems and automated information systems. This goal fully supports the responsibilities, scope, objectives,

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**I. Description of Operations Financed:** (continued)

and business transformation requirements of the Weapon Systems Lifecycle Management (WSLM) CBM.

- The Defense Acquisition Management Information Retrieval (DAMIR) capability eliminates the need for 6,230 individual SAR reports to be printed, quality inspected, packaged, manually delivered, and routed to seventy Congressional recipients. The primary goal of DAMIR is to streamline acquisition management and oversight by leveraging the capabilities of a net-centric environment.
- Military Equipment Valuation and Accountability - Capital Asset Management System-Military Equipment (CAMS-ME): CAMS-ME is the information technology system being developed to maintain and update military equipment valuation data. CAMS-ME is a DoD enterprise system built upon an enterprise resource planning (ERP) software product. MEVA provides the capability to value military equipment assets and report values on DoD financial statements. It also provides reliable and accurate information to decision makers.

**II. Force Structure Summary:** N/A

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**III. Financial Summary (\$ in thousands):**

	FY 2008						
	<u>FY 2007</u>	<u>Budget</u>	<u>Congressional Action</u>		<u>Appropriated</u>	<u>Current</u>	<u>FY 2009</u>
			<u>Actuals</u>	<u>Request</u>			
<b>A. <u>BA Sub activities:</u></b>							
BTA Program Management	105,424	52,218	-3,213	-6.2%	49,005	41,885	38,280
<i>Program</i>	80,784	23,760	-2,825	-11.9%	20,935	11,276	12,967
<i>Labor</i>	24,640	28,458	-388	-1.4%	28,070	30,609	25,313
DBSAE Executive Office	2,150	2,630	-36	-1.4%	2,594	3,258	3,870
Acquisition Spend							
Analysis Service (ASAS)	576	956	-13	-1.4%	943	943	964
Business Enterprise							
Information Services							
(BEIS)	3,030	10,910	-149	-1.4%	10,761	10,761	14,950
Capital Asset Management							
System-Military							
Equipment (CAMS-ME)	3,800	3,200	-44	-1.4%	3,156	3,156	7,170
Central Contractor							
Registration							
(CCR)/FEDREG	2,940	3,520	-48	-1.4%	3,472	3,472	3,600
Contractor Performance							
Assessment Reporting							
System (CPARS)	1,682	2,090	-29	-1.4%	2,061	2,061	2,107
Defense Agency Initiative							
(DAI)	1,640	0	0	0.0%	0	2,500	2,555

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**III. Financial Summary (\$ in thousands):**

	FY 2008						
	<u>FY 2007</u> <u>Actuals</u>	<u>Budget</u> <u>Request</u>	<u>Congressional Action</u>			<u>Current</u> <u>Estimate</u>	<u>FY 2009</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
<b><u>A. BA Sub activities:</u></b>							
Defense Integrated Military Human Resources System (DIMHRS)	19,970	25,270	-346	-1.4%	24,924	24,924	25,970
Defense Travel Systems (DTS)	6,580	9,596	-131	-1.4%	9,465	9,465	9,673
Electronic Document Access (EDA)	7,160	3,918	-54	-1.4%	3,864	4,283	4,378
Enterprise Funds Distribution (EFD)	0	0	0	0.0%	0	300	307
Federal Integrated Acquisition Environment (FED IAE)	8,617	0	0	0.0%	0	8,111	11,354
Federal Technical Data Solution (FEDTEDS)	2,220	1,100	-15	-1.4%	1,085	0	0
Global Exchange (GEX)	3,960	3,370	-46	-1.4%	3,324	4,424	4,521
Intragovernmental Value- Added Network (IVAN)	710	0	0	0.0%	0	780	0
Item Unique Identification (IUID)	500	1,000	-14	-1.4%	986	1,410	1,441
Logistics Core Business Mission (LOG/CBM)		5,732	-78	-1.4%	5,654		

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	FY 2008						
	<u>FY 2007</u> <u>Actuals</u>	<u>Budget</u> <u>Request</u>	<u>Congressional Action</u>			<u>Current</u> <u>Estimate</u>	<u>FY 2009</u> <u>Estimate</u>
			<u>Amount</u>	<u>Percent</u>	<u>Appropriated</u>		
<b><u>A. BA Sub activities:</u></b>							
Online Representations and Certifications Application (ORCA)		1,100	-15	-1.4%	1,085	230	235
Past Performance Information Retrieval System (PPIRS)	1,490	2,010	-27	-1.4%	1,983	1,983	2,026
Standard Procurement System (SPS)	12,560	15,710	-215	-1.4%	15,495	15,495	18,087
Wide Area Workflow (WAWF)	13,070	3,698	-51	-1.4%	3,647	4,063	5,164
<b>BTA TOTAL</b>	<b>198,079</b>	<b>148,028</b>	<b>-4,524</b>	<b>-3.1%</b>	<b>143,504</b>	<b>143,504</b>	<b>156,652</b>

\* The FY 2007 Actuals include \$38,327K in Iraqi Freedom Fund transfers.

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**III. Financial Summary (\$ in thousands):**

**B. Reconciliation Summary**

	<u>Change</u> <u>FY 2008/FY 2008</u>	<u>Change</u> <u>FY 2008/FY 2009</u>
<b>Baseline Funding</b>	148,028	143,504
Congressional Adjustments (Distributed)	-2,500	
Congressional Adjustments (Undistributed)	-1,220	
Adjustments to Meet Congressional Intent	-66	
Congressional Adjustments (General Provisions)	-738	
<b>Subtotal Appropriated Amount</b>	143,504	
Fact-of-Life Changes (CY to CY Only)		
<b>Subtotal Baseline Funding</b>	143,504	
Anticipated Supplemental	0	
Reprogrammings	0	
Price Changes	0	3,420
Functional Transfers		
Program Changes	n/a	9,728
<b>Current Estimate</b>	143,504	156,652
Less: Wartime Supplemental	0	
<b>Normalized Current Estimate</b>	143,504	156,652

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<b><u>C. Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
<b>FY 2008 President's Budget Request</b>		<b>148,028</b>
1. Congressional Adjustments		-4,524
a. Distributed Adjustments	-2,500	
b. Undistributed Adjustments	-1,220	
c. Adjustments to meet Congressional Intent		
d. General Provisions		
1) Sec 8104 - Economic Assumptions	-499	
2) Sec 8097 - Contractor Efficiencies	-239	
e. Congressional Earmarks - Indian Lands Environmental Impact	-66	
<b>FY 2008 Appropriated Amount</b>		<b>143,504</b>
2. War-Related and Disaster Supplemental Appropriations		
3. Fact of Life Changes		-
a. Functional Transfers		
b. Technical Adjustments		
c. Emergent Requirements		
1) Program Increases		
a) One-Time Costs		
b) Program Growth	17,253	
i) Labor (FY 2008 Baseline: 28,069)Accommodates the realignment of funds to support 26 additional FTEs from DFAS to support D-Systems.	2,539	

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**III. Financial Summary (\$ in thousands):**

<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
ii) DBSAE Executive Office (FY 2008 Baseline: 2,594) Accommodates special studies and special projects including assessing functional gaps and supporting implementation of throughout the DBSAE portfolio. In FY08, the focus is SFIS compliance.		
iii) DAI (FY 2008 Baseline: 0) DAI is a Congressional new start at the end of FY 2007. These funds accommodate program support for FY 2008 as they develop, deploy, and support the first wave agencies in FY 2008.	2,500	
iv) EDA (FY 2008 Baseline: 3,864) Accommodates the implementation of SFIS as required by the Business Enterprise Architecture and the Investment Review Board	419	
v) EFD (FY 2008 Baseline: 0) Accommodates minimal programmatic support as the initiative completes proof of concept.	300	
vi) FED IAE (FY 2008 Baseline: 0) Accommodates payment of a portion of the Department's responsibility to the Federal Integrated Acquisition Environment Portfolio.	8,111	
vii) GEX (FY 2008 Baseline: 3,324) Accommodates unplanned cost growth associated with system hosting.	1,100	
viii) IVAN (FY 2008 Baseline: 0) Continues proof of concept through FY 2008.	780	



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**III. Financial Summary (\$ in thousands):**

<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
ix) IUID (FY 2008 Baseline: 986) Accommodates unplanned cost growth associated with the recomplete of the prime contract	424	
x) WAWF (FY 2008 Baseline: 3,647) Accommodates the implementation of SFIS as required by the Business Enterprise Architecture and the Investment Review Board	416	
2) Program Reductions		
a) One-Time Costs		
b) Program Decreases	-17,253	
i) FEDTEDS (FY 2008 Baseline:1,085) Functionality Program merged into the federal programs.	-1,085	
ii) LOG/CBM (FY 2008 Baseline:5,654) Requirements have been merged with Transformation Priorities & Requirements-Supply Chain Management	-5,654	
iii) ORCA (FY 2008 Baseline:1,085) Funding of program requirements transferred to FED IAE.	-855	
iv) BTA Program Management (FY 2008 Baseline:20,935) As directed, BTA transferred funds to address the Departments contribution to Federal IAE. Also redirected funds to the DBSAE to address SFIS compliance.	-9,659	
<b>FY 2008 Baseline Funding</b>		<b>143,504</b>
4. Reprogrammings (requiring 1415 Actions)		
<b>Revised FY 2008 Estimate</b>		<b>143,504</b>

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**III. Financial Summary (\$ in thousands):**

<b><u>C. Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
5. Less: Item 2, War-Related and Disaster Supplemental Appropriations		
<b>FY 2008 Normalized Current Estimate</b>		<b>143,504</b>
6. Price Change		3,420
7. Functional Transfers		
8. Program Increases		16,738
a. Annualization of New FY 2008 Program		
b. One-Time FY 2009 Increases		
c. Program Growth in FY 2009		
1) BTA Program Management (FY 2008 Baseline: 11,276) Accommodates proof of concept for various initiatives including realization of Material Visibility initiatives and Defense Logistics Management System Jump Start initiatives.	1,425	
2) DBSAE Executive Office (FY 2008 Baseline: 3,258) Accommodates special studies and special projects associated with DBSAE portfolio.	540	
3) BEIS (FY 2008 Baseline: 10,761) Accommodates supporting the increased functionality available to the customer base.	3,952	
4) CAMS-ME (FY 2008 Baseline: 3,156) Accommodates the transition Spiral 2 to sustainment and ensures funding is aligned with the underlying tasks being executed.	3,944	
5) CCR/FEDREG (FY 2008 Baseline: 3,472) Accommodates increased cost associated with Level 1 Help Desk due to increase in customer base.	52	

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**III. Financial Summary (\$ in thousands):**

<b>C. <u>Reconciliation of Increases and Decreases</u></b>	<b><u>Amount</u></b>	<b><u>Totals</u></b>
6) DIMHRS (FY 2008 Baseline: 24,924) Accommodates an increase in the license requirements as the program approaches fielding decision for the Army and the Air Force.	497	
7) FED IAE (FY 2008 Baseline: 8,111) Accommodates the Department's contribution to IAE bill resulting from direction to the BTA to pay the bill on behalf of the Department beginning in FY09.	3,065	
8) SPS (FY 2008 Baseline: 15,495) Accommodates the transition of the Increment 2 to sustainment and ensures funding is aligned with the underlying tasks being executed.	2,251	
9) WAWF (FY 2008 Baseline: 4,063) Accommodates increase cost associated with the help desk support as the customer base increases.	1,012	
9. Program Decreases		-7,010
a. Annualization of FY 2008 Program Decreases		
b. One-Time FY 2008 Increases		
c. Program Decreases in FY 2009		
1) Labor (FY 2008 Baseline: 30,608) The decrease in labor is due to realigning BTA labor costs associated with strictly RDT&E efforts to the RDT&E appropriation consistent with the DoD FMR.	-6,096	
2) Labor (FY 2008 Baseline: 30,608): One less paid day	-117	
3) IVAN (FY 2008 Baseline: 780) Decrease a result of moving IVAN to a full development program.	-797	
<b>FY 2009 Budget Request</b>		<b>156,652</b>

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**IV. Performance Criteria and Evaluation Summary:**

As a newly established agency, the BTA continues to develop metrics representative of its business transformation goals and objectives. The agency is currently working with other DoD representatives to develop performance metrics by BEP. Preliminary efforts for performance metrics include the following:

- (1) Personnel Visibility
  - a) measure to capture the number of Army/Air Force Active Duty, Reserve, Guard and Retirees employing DIMHRS access for regular pay and benefits information and
  - b) measure of military/civilian employees logging on DTS to input Temporary Duty (TDY) request data.
  
- (2) Common Supplier Engagement
  - a) measure to capture customer service support, including trouble tickets written up by the SPS Help Desk during a normal work day; and
  - b) length of time it takes an SPS Help Desk analyst to troubleshoot the Authorized Caller's Service Request.
  
- (3) Materiel Visibility
  - a) assertion reports 97% accurate regarding number of assets and allocation of assets to programs; and
  - b) Availability of Capital Asset Management System - Military Equipment (CAMS-ME).
  
- (4) Financial Visibility -
  - a) percentage of systems posted to the Corporate General Ledger; and
  - b) percentage of financial reports that are produced using Standard Financial Information Structure (SFIS) values.

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**IV. Performance Criteria and Evaluation Summary:**

- (5) Real Property Accountability
  - a) Environmental reports to Congress submitted on time; and
  - b) OSD information available on time, enabling OSD oversight of Component POM, budget, program execution, and environmental liability information.
  
- (6) Acquisition Visibility
  - a) Yearly percentage of unclassified Selected Acquisition Reporting (SAR) data provided to Congressional committees and other Departments through automated access to and electronic presentation; and
  - b) Quarterly percentage of each of the following acquisition information requirements: DAES Reporting to include: Unit Cost Reporting (UCR); Program Deviation Reporting; Earned Value Management; and other future delineated acquisition information available from the Army, Navy and Air Force.

<b><u>V. Personnel Summary</u></b>	<b><u>FY 2007</u></b>	<b><u>FY 2008</u></b>	<b><u>FY 2009</u></b>	<b><u>Change FY 2008/ FY 2009</u></b>
<u>Active Military End Strength (E/S) (Total)</u>	4	4	4	-
<u>Civilian End Strength (Total)</u>	203	233	179	-54
U.S. Direct Hire	203	233	179	-54
<u>Civilian FTEs (Total)</u>	164	217	172	-45
U.S. Direct Hire	164	217	172	-45
Average Annual Civilian Salary (\$ in thousands)	150.2	140.9	147.2	+6.3

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**VI. OP 32 Line Items as Applicable (Dollars in thousands):**

	<b>FY 07 Estimate</b>	<b>FY 07/FY 08 Price</b>	<b>FY 08 Program</b>	<b>FY 08 Estimate</b>	<b>FY 08/FY 09 Price</b>	<b>FY 08/FY 09 Program</b>	<b>FY 09 Estimate</b>
<b><u>CIVILIAN PERSONNEL COMPENSATION</u></b>							
Exec, Gen and Spec Schedules	24,640	542	5,426	30,608	918	-6,213	25,313
Travel of Persons	1,209	28		1,237	28		1,265
Rental Pymts to GSA (SLUC)	5,500	138		5,638	141		5,779
Purchased Utilities (Non-Fund)	249	6		255	6		261
Purchased Comm (Non-Fund)	356	8		365	8		373
Training	1,200	26	-726	500	11		511
Supplies & Materials (Non-Fund)	10	0		10			10
Equip Maintenance by Contract	342	8		350	8		358
Facility Sustainment, Restoration, and Modernization by Contract	400	9		409	9		418
Equipment Purchases (Non-Fund)	2,261	52	-1,813	500	11		511
Contract Consultants	151	3		154	3		157
Mgmt & Professional Spt Svcs	32,899	758		33,656	741		34,396
Studies, Analysis, & Eval	13,447	309	-4,341	9,415	207		9,622
Engineering & Technical Svcs	25,324	582	-10,880	15,026	331	15,941	31,298
Other Intra-govt Purchases	356	8		364	8		372
Other Contracts	51,408	1,182	-7,573	45,017	990		46,007
<b>ITF</b>	38,327	882	-39,209	0			0
<b>TOTAL</b>	198,079	4,541	-59,116	143,504	3,420	9,727	156,652