

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-1, RDT&E Programs
Defense Contract Management Agency

Appropriation: 0400

Date: February 2004

<u>R-1 Line</u> <u>Item No</u>	<u>Program</u> <u>Element</u> <u>Number</u> <u>Item</u>	<u>Budget</u> <u>Activity</u>	<u>FY 2003</u> <u>Estimate</u>	<u>FY 2004</u> <u>Estimate</u>	<u>FY 2005</u> <u>Estimate</u>
89	0605013 Information Technology Development-Other (DCMA Initiatives)	05	3,858	10,498	10,683
92	0605015 Information Technology Standard Procurement System (SPS)	05	10.482	5.140	6.690
	TOTAL DIRECT	05	14.340	15.638	17.373

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2, RDT&E Budget Item Justification					Date: February 2004			
APPROPRIATION/BUDGET ACTIVITY: 0400/05					R-1 ITEM 89 NOMENCLATURE DCMA Information Technology: 0605013			
COST (\$ in Millions)		FY03	FY04	FY05	FY06	FY07	FY08	FY09
Total PE Cost								
0001 Systems Modification and Development		3.858	10.498	10.683	9,726	10,785	8,108	9,336

A. Mission Description and Budget Item Justification

DCMA Information Technology covers those efforts associated with the development of DCMA-unique mission software applications. To better support the nation's warfighter transformation, DCMA must leverage information technology to improve the services it provides to its customers in the military services and other Defense agencies. With this in mind DCMA has developed a set of metrics that measures the ability of IT to support Acquisition Excellence and improve customer satisfaction through expanded E-Government/E-Business initiatives. The metrics address circuit availability, e-mail systems availability, circuit and systems utilization, timely development and deployments of security patches and other software, testing and training. The metrics are reviewed on a monthly basis. All metrics tied to the funds in this exhibit have achieved a "green" status for prior year and current FY to date.

FY 2003 Actual

(\$3.858 thousand) In FY 2003 DCMA developed and tested an additional 11 DCMA-unique automated information application modules to incorporate into the DCMA web-based tool set. DCMA also initiated portal development and implementation, and initiated Web Services software technologies (e.g., Simple Object Access Protocol, Universal Discovery and Description Integration, Web Services Description Language) pilot projects.

FY 2004 Plan

(\$10.498 thousand) In FY 2004 DCMA will initiate development and testing of 10 new DCMA-unique automated information application modules that will support: Defense Supply Chain "Reachback" via-the-Web capabilities; New Generation, Public Key Infrastructure-enable Web application modules; and development of FedEx-style wireless devices for Quality Assurance use in Defense material acceptance and remote data entry. Also, includes continuous development and testing of a DCMA portal for external and internal customers and continuing development and implementation of Web Services software technologies.

FY 2005 Plan

(\$10.683 thousand) In FY 2005 DCMA will continue development and testing of new DCMA-unique automated information application modules that will support: Defense Supply Chain "Reachback" via-the-Web capabilities; New Generation, Public Key Infrastructure-enable Web application modules; and development of FedEx-style wireless devices for Quality Assurance use in Defense material acceptance and remote data entry. Also, includes continuous development and testing of DCMA's portal for external and internal customers, and continuing development and implementation of Web Services software technologies (e.g., Simple Object Access Protocol, Universal Discovery and Description Integration, Web Services Description Language).

Defense Contract Management Agency
 Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2, RDT&E Budget Item Justification (Continued)	Date: February 2004		
B. Program Change Summary:			
	<u>FY 03</u>	<u>FY 04</u>	<u>FY 05</u>
Current BES/President's Budget	3.858	10.498	10.683
Previous President's Budget	3.858	10.539	10.710
Total Adjustments			
Congressional Program Reductions			
Inflation Adjustments			
Inflation Savings			
Internal Realignment			
Program Adjustment		- .41	

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2a, RDT&E Budget Item Justification						Date: February 2004		
APPROPRIATION/BUDGET ACTIVITY: 0400/05					R-1 ITEM 89 NOMENCLATURE DCMA Information Technology: 0605013			
COST (In Millions)		FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Software Development		3.858	10.498	10.683	9,726	10,785	8,108	9,336
RDT&E Articles Quantity*	N/A							
<p>A. Mission Description and Budget Item Justification</p> <p>DCMA Information Technology covers those efforts associated with the development of DCMA-unique mission software applications development. To better support the nation's war fighter transformation, DCMA must leverage information technology to improve the services it provides to its customers in the military services and other Defense agencies. With this in mind DCMA has developed a set of metrics that measures the ability of IT to support Acquisition Excellence and improve customer satisfaction through expanded E-Government/E-Business initiatives. The metrics address circuit availability, e-mail systems availability, circuit and systems utilization, timely development and deployments of security patches and other software, testing and training. The metrics are reviewed on a monthly basis. All metrics tied to the funds in this exhibit have achieved a "green" status for prior year and current fiscal year (FY) to date.</p> <p><u>FY 2003 Actual</u> (\$3.858 thousand) In FY 2003 DCMA developed and tested an additional 11 DCMA-unique automated information application modules to incorporate into the DCMA web-based tool set. DCMA also initiated portal development and implementation.</p> <p><u>FY 2004 Plan</u> (\$10.498 thousand) For FY 2004, DCMA has realigned funding from other appropriations to meet mission requirements. DCMA will also initiate development and testing of 10 new DCMA-unique automated information systems that will support: Defense Supply Chain "Reachback" via-the-Web capabilities; New Generation, Public Key Infrastructure-enable Web application modules; and development of FedEx-style wireless devices for Quality Assurance use in Defense material acceptance and remote data entry. Also, includes continuous development and testing of a DCMA portal for external and internal customers and continuing development and implementation of Web Services software technologies.</p> <p><u>FY 2005 Plan</u> (\$10.683 thousand) In FY 2005 DCMA will continue the development and testing of DCMA-unique automated information systems that will support: Reachback Web Network & Records Management Infrastructure; New Generation Web Applications and; PKI Web Apps; Wireless Defense Supply Chain "Reachback" via-the-Web capabilities; New Generation, Public Key Infrastructure-enable Web application modules; and development of FedEx-style wireless devices for Quality Assurance use in Defense material acceptance and remote data entry. Also, includes continuous development and testing of a DCMA portal for external and internal customers and continuing development and implementation of Web Services software technologies.</p>								

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2a, RDT&E Budget Item Justification (Continued) Date: February 2004

B. Accomplishments/Planned Program: (in 000s)

<u>Accomplishment/Effort/Subtotal Cost</u>	<u>FY 03</u>	<u>FY 04</u>	<u>FY 05</u>
MOCAS to "To Be" Transition	0.912		
Integrated Database (IDB)	2.112	1.026	1.500
Reachback Web Services		1.909	.688
Reachback Web Network & Records Management Infrastructure	.309	7.395	8.325
Other	.525	.168	.170
Total	3.858	10.498	10.683

Accomplishments:

FY03: E-Tools Release II and III; IDB Phase III Development; Web services portal development and implementation; Electronic Records Management.

FY04: Development of wireless equipment and E-Tools applications modules; Development and testing of DCMA portal.

FY05: Continue development of wireless equipment and E-Tools; Development and testing of DCMA portal.

C. Other Program Funding Summary:

	<u>FY 03</u>	<u>FY 04</u>	<u>FY 05</u>	<u>FY06</u>	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>	<u>To</u>	<u>Total</u>
								<u>Complete</u>	<u>Cost</u>
P-1 Procurement Total PDW	9.793	6.053	5.300	3.264	3.149	3.272	1.479	Cont	Cont
Total O&M	88.459	83.469	96.919	99.704	107.133	115.349	113.268		

D. Acquisition Strategy: DCMA uses contractors to perform specialized functions such as software development and testing. Mini competitions are held with Federal Supply Schedule, Government Wide Acquisition Contracts, and DCMA Basic Purchasing Agreement Vendors.

E. Major Performers:

Software development and testing is contracted out to TLA of Springfield, VA; Bearing Point of Springfield, VA; and Synergy of Washington, DC. TLA and Synergy are both small businesses. Award dates for software development are October 1 of each fiscal year.

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-3 Cost Analysis										Date: February 2004			
APPROPRIATION/BUDGET ACTIVITY: 0400/05				DCMA Information Technology: 0605013			Systems Modification and Development						
Cost Categories	Contract Method & Type	Performing Activity & Location	Total PY Cost	FY 04 Cost	FY 04 Award Date	FY 05 Cost	FY 05 Award Date	Target Value of Contract					
Software Development	Various	Various	3.858	10.498	NLT 09/04	10.683	NLT 09/05	Cont.					
Remarks: DCMA Information Technology covers those efforts associated with the development of DCMA-unique mission software applications. DCMA will issue several contracts that will transform the current 21 DCMA-unique automated information systems into a more modern and more easily administered set of databases.													

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

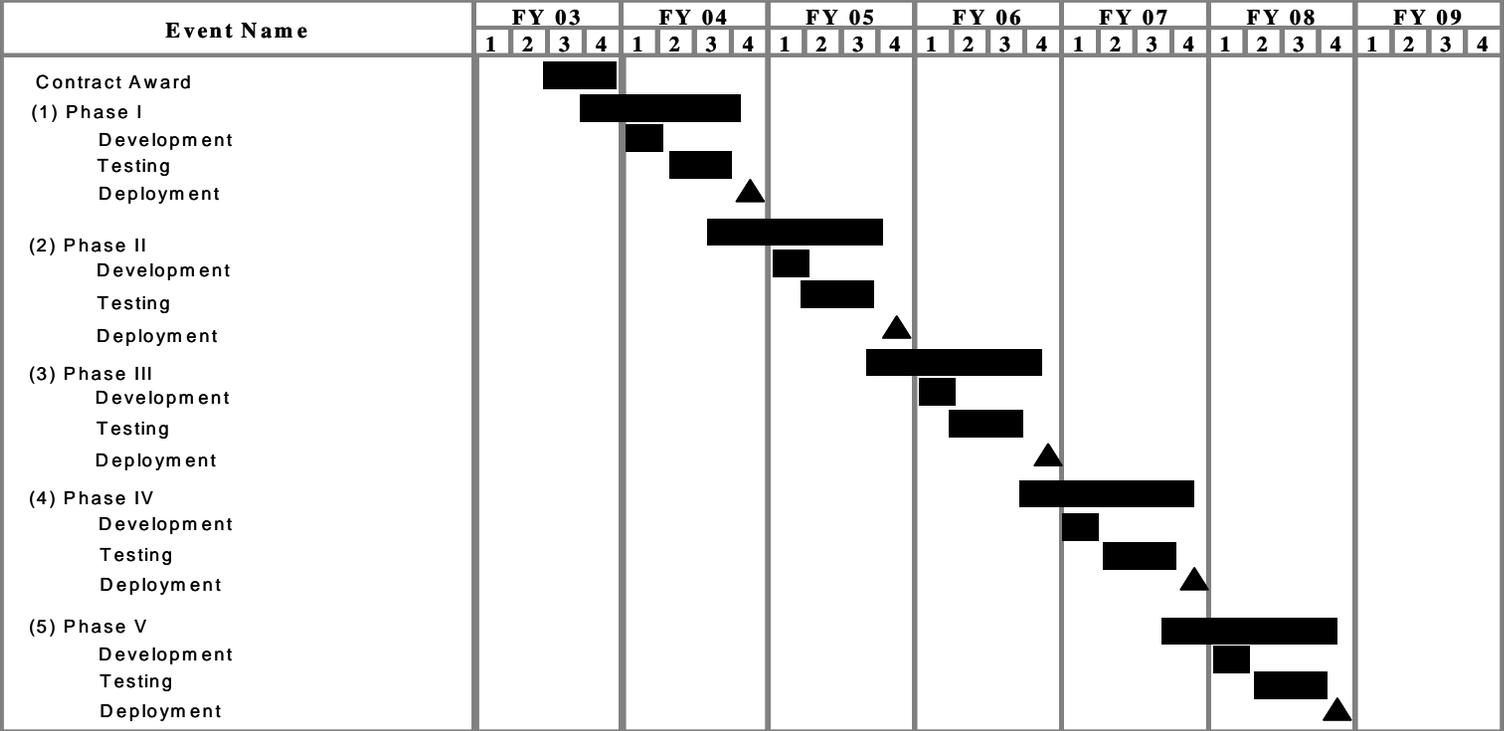
Exhibit R-4, Schedule Profile			Date: February 2004																									
APPROPRIATION/BUDGET ACTIVITY: 0400/05	DCMA Information Technology: 0605013	Integrated Database (IDB)																										
Event Name	FY 01				FY 02				FY 03				FY 04				FY 05				FY 06				FY 07			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Contract Award	▲																											
(1) Phase I	■																											
Development	■																											
Testing	■																											
Deployment	■																											
(2) Phase II					■																							
Development					■																							
Testing					■																							
Deployment					■																							
(3) Phase III									■																			
Development									■																			
Testing									■																			
Deployment									■																			
(4) Phase IV													■															
Development													■															
Testing													■															
Deployment													■															
(5) Phase V																	■											
Development																	■											
Testing																	■											
Deployment																	■											

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-4a, Schedule Profile			Date: February 2004				
APPROPRIATION/BUDGET ACTIVITY: 0400/05	DCMA Information Technology: 0605013	Integrated Database (IDB)					
	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07
Contract Award	2Q01						
Phase I - Development	3-4Q01						
Phase I - Testing		1Q02					
Phase I - Deployment		2Q02					
Phase II - Development		3-4Q02					
Phase II - Testing			1Q03				
Phase II - Deployment			2Q03				
Phase III - Development			3-4Q03				
Phase III - Testing				1Q04			
Phase III - Deployment				2Q04			
Phase IV - Development				3-4Q04			
Phase IV - Testing					1Q05		
Phase IV - Deployment					2Q05		
Phase V - Development					3-4Q05		
Phase V - Testing						1Q06	
Phase V - Deployment						2Q06	

Defense Contract Management Agency
 Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-4, Schedule Profile		Date: February 2004
APPROPRIATION/BUDGET ACTIVITY: 0400/05	DCMA Information Technology: 0605013	Reachback Web Services



Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-4a, Schedule Profile			Date: February 2004				
APPROPRIATION/BUDGET ACTIVITY: 0400/05	DCMA Information Technology: 0605013	Reachback Web Services					
	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Contract Award	3-4Q03						
Phase I - Development		1Q04					
Phase I - Testing		2-3Q04					
Phase I - Deployment		4Q04					
Phase II - Development			1Q05				
Phase II - Testing			2-3Q05				
Phase II - Deployment			4Q05				
Phase III - Development				1Q06			
Phase III - Testing				2-3Q06			
Phase III - Deployment				4Q06			
Phase IV - Development					1Q07		
Phase IV - Testing					2-3Q07		
Phase IV - Deployment					4Q07		
Phase V - Development						1Q08	
Phase V - Testing						2-3Q08	
Phase V - Deployment						4Q08	

Defense Contract Management Agency
 Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-4, Schedule Profile			Date: February 2004																													
APPROPRIATION/BUDGET ACTIVITY: 0400/05			DCMA Information Technology: 0605013				Reachback Web Network & Records Management Infrastructure																									
Event Name	FY 03				FY 04				FY 05				FY 06				FY 07				FY 08				FY 09							
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4				
Contract Award			■	■																												
(1) Phase I			■	■																												
Development			■	■																												
Testing				■			■	■																								
Deployment								▲																								
(2) Phase II							■	■																								
Development							■	■																								
Testing								■			■	■																				
Deployment												▲																				
(3) Phase III											■	■																				
Development											■	■																				
Testing												■			■	■																
Deployment																▲																
(4) Phase IV															■	■																
Development															■	■																
Testing																■			■	■												
Deployment																				▲												
(5) Phase V																			■	■												
Development																			■	■												
Testing																				■			■	■								
Deployment																								▲								
(6) Phase VI																							■	■								
Development																							■	■								
Testing																								■			■	■				
Deployment																												▲				

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-4a, Schedule Profile			Date: February 2004				
APPROPRIATION/BUDGET ACTIVITY: 0400/05	DCMA Information Technology: 0605013	Reachback Web Network & Records Management Infrastructure					
	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Contract Award	3-4Q03						
Phase I - Development		1Q04					
Phase I - Testing		2-3Q04					
Phase I - Deployment		4Q04					
Phase II - Development			1Q05				
Phase II - Testing			2-3Q05				
Phase II - Deployment			4Q05				
Phase III - Development				1Q06			
Phase III - Testing				2-3Q06			
Phase III - Deployment				4Q06			
Phase IV - Development					1Q07		
Phase IV - Testing					2-3Q07		
Phase IV - Deployment					4Q07		
Phase V - Development						1Q08	
Phase V - Testing						2-3Q08	
Phase V - Deployment						4Q08	
Phase VI - Development							1Q09
Phase VI - Testing							2-3Q09
Phase VI - Deployment							4Q09

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2, RDT&E Budget Item Justification					Date: February 2004		
APPROPRIATION/BUDGET ACTIVITY: 0400/05				R-1 ITEM 92 NOMENCLATURE Standard Procurement System (SPS): 0605015			
COST (\$ in Millions)	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
Total PE Cost	10.482	5.140	6.690	5.154	4.596	3.703	3.903
0001 Standard Procurement System	10.482	5.140	6.690	5.154	4.596	3.703	3.903

A. Mission Description and Budget Item Justification

DoD initiated the Standard Procurement System (SPS) in 1994 to enhance readiness and support to warfighters through standardization and optimization of procurement systems and activities. SPS is currently supporting over 22,800 users in the field and is the only standard business system in DoD. The program is designed to: enable compliance with Acquisition Reform, align with expanded DoD goals and missions, and replace legacy systems with a single standard procurement system. During fiscal year 2003, operational procurement professionals relied on SPS to complete more than 600 thousand contract actions totaling over 41 billion dollars.

The SPS is fully aligned with the following President's Management Agenda (PMA) initiatives:

- (1) Strategic Management of Human Capital - The SPS supports this initiative through its web-accessible Knowledge Base that shares information throughout the DoD's procurement community. In addition, the SPS contains an extensive on-line help feature that provides step-by-step guidance in using the software for both functional users and system administrators. It also contains an easily accessible Reference Library with links to a wide variety of procurement reference materials (regulations, manuals, policy documents) via web sites. Further, the system provides access to local procedures and policy guides which can be tailored for each location.
- (2) Competitive Sourcing - The SPS supports this agenda by utilizing a commercial software application as the basis for its automated system. When the concept of the standard procurement system began, it was envisioned that the target system would utilize the "best of the breed" from Government-owned and operated migration systems. A model of Procurement was constructed in 1992 and was used to aid in the selection of migration systems. Later, the Procurement Corporate Information Management Council determined that a commercial industry product should be acquired and then modified to meet the Department of Defense needs.

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2, RDT&E Budget Item Justification

Date: February 2004

A. Mission Description and Budget Item Justification (Continued)

- (3) Improved Financial Performance - The Standard Procurement System (SPS) is listed as a critical feeder system in the DoD Financial Management Improvement Plan. As such, the SPS automates the capture of contractual obligations and, through interfaces with DoD financial systems, provides improved visibility for funds tracking and enables more rapid release of excess funds. The single data entry and shared standard data reduces the opportunity for error in matching disbursements with obligations. The re-engineered reporting processes for the Federal Procurement Data System enables acceleration of end-of-year reporting and provides greater visibility into DoD obligations, enabling more informed operational decisions.
- (4) Expanded Electronic Government - The SPS supports this strategic goal by sharing information more quickly and conveniently between DoD contracting activities and financial systems. The benefits of this data sharing allow industry and citizens to process contracts and payments more rapidly and with reduced data entry errors. The SPS provides automated creation of contracts and grants and the electronic sharing of obligation data with DoD's financial systems. Invoices can be paid faster and excess funds are available to the Government more quickly. In addition, contract reconciliation requires fewer resources than prior manual processes. All of this helps cut Government operating costs and provides citizens and Congress with easier access to contracting information. Further, the next major software release being developed, version 4.2 Increment 3, will provide web-based access for all SPS users. SPS was awarded the 2003 Grace Hopper Government Technology Leadership Award for "Leadership in the innovative application of information technology that breaks down barriers between offices, agencies and departments, or between federal, state and local governments".

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2, RDT&E Budget Item Justification (Continued)

Date: February 2004

B. Program Change Summary:

	<u>FY 03</u>	<u>FY 04</u>	<u>FY05</u>
Previous President's Budget	7.716	5.195	4.200
Current BES/President's Budget	10.482	5.140	6.690
Total Adjustments	+2.766	-.055	+2.490
Congressional Program Reductions		-.055	
Congressional Rescissions			
Congressional Increases			
Inflation Adjustment			-.010
Inflation Savings			
Below Threshold Reprogramming	+2.775		
Agency Realignment	-.009		
Programmatic Adjustment			+2.500

In FY 2003, a below threshold reprogramming of \$2.775 million was required for RDT&E to fund version 4.2 Increment 3 development. Version 4.2 Increment 3 will increase system performance, enhance functional capabilities, maximize modular solution sets, and expand integration among the logistics, procurement, and financial communities of the DoD using web-based technology. Version 4.2 Increment 3 successfully completed the Business Management Modernization Program (BMMP) approval process in October 2003 and was placed under contract.

Funding supports development and testing of service releases in support of archiving, ERPs, contingency contracting, security, data integrity, foreign currency, scalability, server consolidation, commitment identification number (CIN), funds validation and mandatory, statutory and regulatory direction - specifically Federal Procurement Data System (FPDS) mandated changes. The magnitude of these efforts resulting in future software changes is expected to be significant; therefore software changes are budgeted in RDT&E. Increment 3 presents significant architecture changes in support of the Services/Agencies server consolidation initiatives as well as BMMP objectives. As a result, extensive testing is required utilizing a three-tiered testing approach to ensure the software meets requirements. This testing approach is discussed below on the R-3.

C. Other Program Funding Summary: Displayed on R-2a

D. Acquisition Strategy: Displayed on R-2a

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2a, RDT&E Budget Item Justification					Date: February 2004		
APPROPRIATION/BUDGET ACTIVITY: 0400/05				R-1 ITEM 92 NOMENCLATURE Standard Procurement System (SPS): 0605015			
COST (In Millions)	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
0001 Standard Procurement System	10.482	5.140	6.690	5.154	4.596	3.703	3.903
RDT&E Articles Quantity*	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2a, RDT&E Budget Item Justification

Date: February 2004

A. Mission Description & Budget Item Justification: (Provide a project overview)

The Standard Procurement System (SPS) is based on modification of a commercial off-the-shelf software application. The software is modified to support DoD requirements not met by the initial commercial product (i.e. requirements prompted by the Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS)). The SPS follows a spiral development approach, increasing the performance envelope of the existing system incrementally until the objective system is achieved. The SPS is predicated upon 299 functional requirements identified by a DoD inter-service functional requirements team in 1995. RDT&E funds support efforts related to the development, testing, and integration of these functional requirements.

B. Accomplishments/Planned Program:

Accomplishment	FY 03	FY 04	FY05
Standard Procurement System	10.482	5.140	6.690
SPS Product (PD2)/ Integrity Tool/ Enterprise Adapter/Data Mapping/SPS-I	6.805	1.100	2.182
Testing (JITC, IV&V, SAT, LSVT)	1.356	1.110	1.205
Service Releases/FPDS Engine Updates/Technology Insertions	1.741	2.200	2.558
Technical Support	.580	.730	.745
RDT&E Articles Quantity*	N/A	N/A	N/A

The Government officially accepted SPS version 4.2 Increment 1 on 20 June 2002 and promptly began deployments on 24 June 2002. This version was delivered to the Government on schedule and within cost. As of December 2003, Version 4.2 Increment 1 was deployed to 10,047 users and will be deployed to an additional 4,820 Air Force users.

The Version 4.2 Increment 2 Procurement Desktop Defense (PD2) software application will be integrated with an Enterprise Adapter and Integrity Tool. Testing for PD2 Version 4.2 Increment 2 Service Release 1 (SR01) was completed, and the software was conditionally accepted. Acceptance issues found in Version 4.2 Increment 2 will be delivered with Version 4.2 Increment 2 SR02. Government testing on Version 1.9.1 of the Adapter was completed, and the interim product was conditionally accepted. Acceptance issues for Version 1.9.1 of the Adapter will be corrected in Version 1.9.2. Version 4.2 Increment 2 was deployed to 1,741 users and will be deployed to an additional 27,446 users.

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-2a, RDT&E Budget Item Justification (Continued)								Date: February 2004	
B. Accomplishments/Planned Program: Continued									
Version 4.2 Increment 3 will increase system performance, enhance functional capabilities, maximize modular solution sets, and expand integration among the logistics, procurement, and financial communities of the DoD using web-based technology. Version 4.2 Increment 3 successfully completed the Business Management Modernization Program (BMMP) approval process in October 2003 and was placed under contract.									
C. Other Program Funding Summary:									
	<u>FY 03</u>	<u>FY 04</u>	<u>FY 05</u>	<u>FY 06</u>	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>	<u>Total Complete</u>	<u>Cost</u>
Total Procurement Funds:	3.621	3.781	13.645	8.594	9.455	3.284	3.430	N/A	N/A
Total O&M Funds:	9.927	9.387	12.790	14.306	14.479	13.748	14.334	N/A	N/A
D. Acquisition Strategy:									
The Standard Procurement System (SPS) has an Acquisition Strategy prepared 24 March 1997 by the Defense Procurement Corporate Information Management (CIM) Systems Center in accordance with DoD 5000.2-R. There is an Acquisition Plan for version 4.2 Increment 3, dated August 2003.									
E. Major Performers:									
American Management Systems (AMS) is the prime contractor for the SPS Program efforts. AMS is located in Fairfax, Virginia and is engaged in the development, testing, deployment, training, and integration efforts of the SPS Program. AMS was awarded a Firm Fixed Price contract in August 1996. Other contributors include Rainbow Systems and ETI for EDI Data Mapping.									

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-3 Cost Analysis										Date: February 2004		
APPROPRIATION/BUDGET ACTIVITY: 0400/05				Standard Procurement System (SPS): 0605015			Standard Procurement System					
Cost Categories	Contract Method & Type	Performing Activity & Location	FY 03 Cost	FY 04 Cost	FY 04 Award Date	FY 05 Cost	FY 05 Award Date	FY 06 Cost	FY 06 Award Date	Cost to Complete	Total Cost	Target Value of Contract
Product Development												
SPS Product (PD2)/ Integrity Tool/ Enterprise Adapter/Data Mapping	FFP & T&M	Various	6.805	1.100	QTR 1	2.182	QTR 1/2			N/A	N/A	N/A
Service Releases/FPDS Engine Updates/ Technology Insertions	FFP	AMS Fairfax, VA	1.741	2.200	QTR 1/2	2.558	QTR 1/2			N/A	N/A	N/A
<p>Remarks: The Program has negotiated substantial configuration management changes under its delivery orders for version 4.2 increments 1 and 2 and is continuing this protocol with Version 4.2 Increment 3. Each delivery order has set forth performance-based payments based upon achievement of specific events or accomplishments that are defined and valued in advance by the Government and the contractor. These changes have provided an enhanced technical and schedule focus. Version 4.2 Increment 3 will continue to use the proven process implemented with Version 4.2 Increment 1 and continued with Version 4.2 Increment 2. An incremental development strategy will be used during the development of Version 4.2 Increment 3. This incremental development will include interim build(s) and one final build. The result will be total package fielding approach once the final build has been accepted by the SPS JPMO. During the development process, the Government has inserted decision points (go/no go) at build review period prior to payment authorization. These decisions are based on demonstrated acceptable performance in accordance with the contract requirements.</p>												

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-3 Cost Analysis (Continued)												
Cost Categories	Contract Method & Type	Performing Activity & Location	FY 03 Cost	FY 04 Cost	FY 04 Award Date	FY 05 Cost	FY 05 Award Date	FY 06 Cost	FY 06 Award Date	Cost to Complete	Total Cost	Target Value of Contract
Support Costs	Various	Various	.580	.730	Various	.745	Various			N/A	N/A	N/A
Remarks: Key to the program's well being is continued configuration management and compliance with DoD 5000 regulations.												
Cost Categories	Contract Method & Type	Performing Activity & Location	FY 03 Cost	FY 04 Cost	FY 04 Award Date	FY 05 Cost	FY 05 Award Date	FY 06 Cost	FY 06 Award Date	Cost to Complete	Total Cost	Target Value of Contract
Test & Evaluation	Various	Various	1.356	1.110	Various	1.205	Various			N/A	N/A	N/A
Remarks: The Government has instituted a three-tier testing approach that involves observation of the contractor's own testing processes in its first phase (Validation). Here the Government observes whether or not the developer has followed a repeatable process and whether the SPS Joint Requirements Board (JRB) and the developer jointly-approved test scripts are accurate and effective in determining whether requirements are met. In the second phase, System Acceptance Testing, the Government performs its own testing against the jointly-approved test scripts, vendor documentation, on-line help, SPS Technical Working Group designated hardware and software platforms, and installation software. Payments are tied to whether or not the software satisfactorily passed the test scripts and that no priority 1 or 2 system deficiency reports exist based upon the IEEE/EIA 12207(replaces MIL-STD-498) criteria. In the third phase, the Government performs its end-to-end testing to verify the software in an operational environment, against functional business processes, and to determine software effectiveness, and suitability. Results at each phase of testing are vetted through scoring conferences using the IEEE/EIA 12207 criteria to assess the severity of needed software fixes. Configuration management is maintained on all functional solutions, functional designs, test scripts, audit results and product deliverables.												

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-4, Schedule Profile						Date: February 2004																						
APPROPRIATION/BUDGET ACTIVITY: 0400/05				Standard Procurement System (SPS): 0605015				Standard Procurement System																				
Event Name	FY03				FY04				FY05				FY06				FY07				FY08				FY09			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
v4.2.1 Deployment																												
(1) v4.2.1 SR03 Deployment Complete					▲																							
(2) v4.2.2 Adapter Complete					▲																							
v4.2.2 SR02 Deployment																												
(3) v4.2.2 Deployment Complete									▲																			
(4) v4.2.3 Contract Award					▲																							
(5) v4.2.3 Builds 1, 2, & 3 Verification					▲																							
v4.2.3 Build 4 Development																												
v4.2.3 Build 5 Development																												
v4.2.3 Build 6 Development																												
(6) v4.2.3 Delivery													▲															
v4.2.3 System Acceptance Testing													■															
(7) v4.2.3 Accepted																	▲											
v4.2.3 Deployment																												
(8) v4.2.3 Total Operational Capability																	▲											

Defense Contract Management Agency
Fiscal Year (FY) 2005 Budget Estimates

Exhibit R-4a, Schedule Profile			Date: February 2004				
APPROPRIATION/BUDGET ACTIVITY: 0400/05	Standard Procurement System (SPS): 0605015		Standard Procurement System				
	FY 03	FY 04	FY 05	FY 06	FY 07	FY 08	FY 09
V4.2.1 Deployment	1Q-3Q04						
V4.2.1 SR03 Deployment Complete		3Q04					
V4.2.2 Adapter Complete		2Q04					
V4.2.2 SR02 Deployment		2Q-1Q05					
V4.2.2 Deployment Complete			1Q05				
V4.2.3 Contract Award		1Q04					
V4.2.3 Builds 1, 2, 3 Verification		3Q04					
V4.2.3 Build 4 Development		1Q-2Q05					
V4.2.3 Build 5 Development		3Q-4Q05					
V4.2.3 Build 6 Development			2Q-2Q06				
V4.2.3 Delivery				2Q06			
V4.2.3 System Acceptance Testing				2Q-3Q06			
V4.2.3 Accepted				3Q06			
V4.2.3 Deployment				3Q-4Q06			
V4.2.3 Total Operational Capability					1Q07		